

AMENDMENT NO. 2
SOLICITATION No. CC-GRSM002-25

To: All Recipients of the Prospectus, CC-GRSM002-25, to Provide Lodging, Food and Beverage, and Retail Services at LeConte Lodge within Great Smoky Mountains National Park

This notice amends the Prospectus with the following updates and additions. Amendment 2 will be available at <https://www.nps.gov/subjects/concessions/prospectuses.htm>.

In the Prospectus issued June 21, 2024, the National Park Service (“Service”) stated it would respond to questions about the Prospectus if submitted in writing and received by July 18, 2024. Questions were received timely, and the National Park Service responds to those questions below.

In developing this Prospectus, the Service relied on the advice of consultants. The reports, studies, and documents provided to the Service by the consultants are protected by the deliberative process privilege under the Freedom of Information Act. 5 U.S.C. § 552(b)(5). To the extent, if any, that the answers below disclose any information contained in those reports, studies, and documents, such disclosure will not be considered a waiver of the deliberative process privilege by the Service with respect to those reports, studies, and documents as a whole or to any other information contained therein.

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Service Responses to Offeror's Questions on Solicitation No. CC-GRSM002-25

Question 1-1: The third paragraph under Utility System on page 14 of the Business Opportunity (beginning with "Treated Spring water...") describes the potable water system and the equipment associated with the system.

- a. Is the description of the equipment used to provide potable water still accurate or have there been changes to this equipment?
- b. If there have been changes, can the Service specify these changes?
- c. Is all the equipment, including the three collection basins, the 3,000 gallon fiberglass tank, the two 7,500 gallon fiberglass tanks, the solar voltaic panels and submersible pump, the hydraulic ram, and the gasoline water pump, still in use and in serviceable condition?

Answer:

- a. and b. The equipment description is accurate.
- c. All equipment is still in use and in serviceable condition.

Question 1-2: The numbers provided under Historical Revenue in Exhibit 12 on page 16 of the Business Opportunity do not appear to be correct. The numbers in the Totals line do not correspond to the actual total of the numbers above. This calls into question all the numbers provided.

- a. Can the Service provide a table with correct numbers, including correct numbers in the Totals line?
- b. Can the Service also include the numbers for 2023 in a revised table since these were not provided in the current version?

Answer:

The following table shows revenue by department for 2019 through 2023 and are taken directly from the Concessioner's Annual Financial Report:

Department	2019	2020	2021	2022	2023
Lodging	\$1,221,461	\$891,841	\$1,249,877	\$1,279,270	\$1,367,835
Food & Beverage	\$673,444	\$501,383	\$680,069	\$683,944	\$716,339
Alcoholic Beverages	\$42,649	\$29,127	\$43,171	\$46,383	\$50,411
Souvenirs	\$359,500	\$408,946	\$510,200	\$524,775	\$447,184
General Merchandise	\$1,956	\$3,015	\$4,127	\$0	\$0
Total	\$2,299,010	\$1,834,312	\$2,487,444	\$2,534,372	\$2,581,769

Question 1-3: The last line under Future Revenue Projections on page 16 of the Business Opportunity states that future revenue projections were based on a "review of historic revenue growth rates for this operation and other riding stable operations in the Park". LeConte Lodge is not a riding stables operation. Can the Service clarify what operations were used to develop Future Revenue Projections for the Draft Contract?

Answer:

The Service based this projection on a review of the LeConte Lodge's historic revenue growth rates. Riding stable operations were not reviewed for this projection, so this was a typographical error.

Question 1-4: The projected Lodging revenue for 2025, in Exhibit 14 under Future Revenue Projections on page 17 of the Business Opportunity, is \$29,907 less than 2022 Historic Revenue in Exhibit 12 on page 12 of the Business Opportunity. Can the Service explain why this projected number would be less than the 2022 Historic Revenue and verify that these numbers are correct?

Answer:

The Service calculated the figures based on an average of the last 5 years (excluding 2020) and trends through 2025. This was a more conservative approach and resulted in lower projected revenue figures. The Service included Shuttle Service to determine the franchise fee. Below is the updated projection including Shuttle Service.

Department	2025	2026	2027
Lodging	\$1,334,919	\$1,374,967	\$1,416,216
Food and Beverage	\$743,925	\$754,179	\$764,595
Retail	\$478,508	\$499,434	\$521,445
Shuttle Services	\$73,000	\$75,190	\$77,446
Total	\$2,630,353	\$2,703,770	\$2,779,702

Note that the Service does not guarantee and is not bound by these estimates. All Offerors must conduct their own due diligence and calculate their own revenue and expense estimates.

Question 1-5: No projected revenue is provided for Shuttle Services under Future Revenue Projections in Exhibit 14 on page 17 of the Business Opportunity, even though this is a required service. We assume that the Service has projected revenue figures for this service that were used in determining the minimum franchise fee specified in Principal Selection Factor 5 in the Proposal Package. Can the Service provide projected revenues for Shuttle Services?

Answer:

See answers to Questions 1-4.

Question 1-6: The Personal Property Improvement Plan section on Page 18 of the Business Opportunity and the similar language on page 13 of the Draft Contract is not very clear or specific in describing the facility for office, check-in, issue keys, etc. (office) and open-air pavilion the Concessioner must install or the functions to be served by these facilities. It appears that the Service intends to allow the Concessioner considerable latitude in designing these facilities. However, it would be helpful to all Offerors if the Service could be clearer regarding what would meet the Draft Contract requirements. The following questions pertain to this subject:
a. Would one larger facility instead of two, with enclosed and covered open-air

spaces, meet the Draft Contract requirements if the facility provided the functions intended for the office and open-air pavilion respectively, and if the respective area footages for the office and pavilion portions met or exceeded the Draft Contract requirements?

b. Would an open-air pavilion or covered porch attached to an existing building meet the Draft Contract requirements for an open-air pavilion if the facility provided the functions intended for the open-air pavilion, and if the area footage for the pavilion portion met or exceeded the Draft Contract requirements?

Answer:

a. Yes, one larger facility instead of two, with enclosed and covered open-air spaces, meets the Draft Contract requirements; however, the Concessioner must submit all plans to the Service and the Service must approve before construction begins.

b. Yes, an open-air pavilion or covered porch attached to an existing building meets the Draft Contract requirements for an open-air pavilion; however, the Concessioner must submit all plans to the Service and the Service must approve before construction begins.

Question 1-7: The Personal Property Improvement Plan section on Page 18 of the Business Opportunity includes the following: “Both the facility and pavilion must be in place and usable within the first two years of the contract.” What facilities are available for the Concessioner and the public to use until the new facility and pavilion are completed and available for use?

Answer:

The Concessioner may use any facility listed on Exhibit D: Assigned Land and Real Property Improvements.

Question 1-8: The Personal Property Improvement Plan section on Page 18 of the Business Opportunity requires the Concessioner to provide an office facility and open-air Pavilion which, we assume, are intended to replace some or all the functions of the existing Office building (FMSS Asset Code 72203) which is no longer safe for use by the Concessioner and is not assigned for use under the Draft Contract. However, we have not found any information in the Business Opportunity or in another part of the prospectus regarding when the existing Office building will be demolished, who will do this, what will be done with the materials from demolition, and how and when these materials will be removed. In addition, the Service did not provide any of this information during the Site Visit. Without this information, it is difficult for Offerors to develop their proposal for complying with the PPIP requirements of the Draft Contract since this has an impact on siting, specifications, and the installation timetable for the office facility and open-air pavilion, as well as Concessioner operations. Can the Service answer the following questions?

a. When will the existing Office building will be demolished?

b. Who will demolish the Office building?

c. Where will the building materials removed during demolition be stored pending removal from the Concessioner’s Assigned Land?

d. Would the Service entertain an offer from the Concessioner to purchase at market price, considering the condition and location of the materials, any of the sound, removed materials for reuse on site?

e. How will the Service remove the materials from the Office demolition from the Concessioner's Assigned Land?

f. If the Service will be removing the materials using a helicopter operation, will this occur outside of the Concessioner's operating season so as not to disrupt visitor services and require a reduced operating season?

Answer:

a. The Service plans to demolish the existing Office building between the end of season 2024 and the opening of season 2025.

b. The Service will demolish the Office building.

c. The Service has not decided where the building materials removed during demolition will be stored, pending removal from the Concessioner's Assigned Land.

d. The Service has not determined at this time if it will or can sell the materials based on policy and regulations. If the Service decides it is appropriate and allowed to sell the materials, the Service anticipates selling all the demolished material in bulk and not piece-meal.

e. The Service has not decided at this time how it will remove the materials from the Office demolition from the Concessioner's Assigned Land.

f. The Service will take every precautionary measure to not disrupt visitor services; however, that cannot be guaranteed.

Question 1-9: The Business Opportunity under Leasehold Surrender Interest on page 19 states that the Draft Contract is a Category II Contract. The Draft Contract included in the prospectus is a Category I Contract and includes exhibits that are not included in a Category II Contract.

a. Can the Service clarify whether the Draft Contract is a Category I Contract or a Category II Contract? If the Draft Contract should be a Category II Contract instead of a Category I Contract, will the Service amend the prospectus to substitute a Category II Contract including the appropriate exhibits for a Category II Contract?

b. If the Service will not amend the prospectus to change the Draft Contract type, can the Service explain why a Category I Contract was used for this prospectus?

c. Will the Service amend the prospectus as required to be consistent between sections of the prospectus?

Answer:

a. The Draft Contract is a Category I Contract. The Service has amended the prospectus to include the correct information.

b. The Draft Contract is a Category I Contract, because a Category I Contract provides flexibility to allow real property improvements to structures and fixture replacement. The Service amended the prospectus to include the correct information.

c. Yes.

Question 1-10: The Proposal Package does not include any questions that pertain to Shuttle Services or even mention Shuttle Services, even though this is a required service.

a. Did the Service omit Shuttle Services from the Proposal Package intentionally?

b. Will the Service amend the Proposal Package to include one or more questions that pertain to Shuttle Services?

Answer:

- a. The Service has added Proposal Package questions about the shuttle service.
- b. Yes.

Question 1-11: The Draft Contract includes the following on page 13 under 3) Personal Property Improvement Program (PPIP): "The Superintendent will review and approve all investments in the Personal Property Improvement Program, according to the procedures in Exhibit F1." We believe that Exhibit F1 is not included as a part of Category II Contracts. If the Service amends the prospectus so that the Draft Contract is a Category II Contract, how will the Superintendent review and approve all investments in the Personal Property Improvement Program?

Answer:

The Draft Contract is a Category I Contract and Exhibit F1 is included. The Service amended the prospectus to include the correct information.

Question 1-12: The Work Order Supplement on page H-19 of the Maintenance Plan includes FMSS Asset Number 64644 LeConte Water System, Collection Tank, as a component renewal project the Concessioner must complete during the contract term.

- a. Can the Service specify if this is one of the spring water collection basins, the 3,000- gallon fiberglass tank, or one of the two 7,500-gallon fiberglass tanks?
- b. If this is the 3,000-gallon tank or one of the 7,500-gallon tanks, would the Service approve replacing the existing tank with a larger tank to improve resilience to climate change and other factors that might decrease the supply of water?

Answer:

- a. Yes. The work order listed in the Maintenance Plan for FMSS Asset Number 64644 is for the two spring water collection basins and the 3,000 gallon fiberglass tank that need to be replaced in 2025. The two 7,500 gallon fiberglass tanks will need to be replaced after 2025, at a year yet to be determined by the park.
- b. No

Question 1-13: Exhibit J, Transition to a New Concessioner-Page J-2, is not clear on several important points or omits requirements important for a smooth transition, including the following:

- a. On page J-2, under (f) Other Information and Reports, the exhibit includes the following: "The Concessioner must also provide complete information on the following to the New Concessioner: utilities, including gas and electric; telephone service; water service; and specific opening and closing procedures." Would the Concessioner be required to provide copies of any plans or blueprints for the propane gas system and water systems as installed to the New Concessioner?
- b. On page J-2 under SEC. 3. COOPERATION UPON THE TERMINATION DATE, the exhibit does require the Concessioner to cooperate in the transfer of reservation information. However, we did not find any requirement for the Concessioner to transfer deposits and advance fees for lodging, food, and beverage for the 2025 operating year to the New Concessioner or a timetable for this transfer.
 - i. Can the Service explain what the requirements are for the Concessioner to remit these deposits and fees to the New Concessioner and where these requirements

are found in the Draft Contract and/or exhibits?

ii. What is the timetable for the remittance of these deposits and fees to the New Concessioner?

Answer:

a. Yes

b. With the transfer of reservations, a revenue transfer associated with those reservations must also occur. Exhibit J Sec. 2(b) requires a log of advance deposits received. This log is used to identify the amount of funds to be transferred to the new concessioner when the new contract begins.

Question 1-14: The Operating Assumptions Form in Appendix B, Proposal Package [Excel] includes several rows that do not apply to the Required and Authorized Services under the Draft Contract. The Proposal Package on page 17 under "...general notes regarding the provided forms" says that the Offeror should not add or delete rows in this form. Does this mean that we should just leave rows that do not apply blank?

Answer:

Yes, leave the rows blank that do not apply.

Question 1-15: Appendix E, Personal Property, includes 30 – 500-gallon LP Gas Storage Tanks as the personal property of the Existing Concessioner. However, the propane tanks were not included in the list of the Existing Concessioner's personal property in Appendix C to the CC-GRSM002-08 prospectus. Also, Amendment Number 2 executed in 1999 that amended the 1983 contract, which was included in the CC-GRSM002-08 prospectus, included installation of the existing propane gas system, including the propane gas tanks, as one of the Amendment Number 2 projects for which the Concessioner would be entitled to Book Value compensation at the expiration or termination of the contract. Can the Service verify whether the 30 – 500-gallon LP Gas Storage Tanks are the personal property of the Existing Concessioner or, instead, the personal property of the Government or the propane gas supply company?

Answer:

The 30 to 500-gallon LP Gas Storage tanks are the Concessioner's personal property. The Concessioner is responsible for all above ground storage tanks (ASTs) including propane tanks in its assigned area. The Concessioner will repair, maintain, or replace the liquid propane system, including lines, connections, manifolds, tanks, regulators, and appliances.

Question 1-16: I may have missed it but where does the P & L live?

Answer:

Profit and Loss document is tabulated and recorded on the annual financial reports that the Concessionaire submits to the Service. However, the Service may only provide to the public gross revenue by department, which the Business Opportunity provides.

Question 1-17: Looking at the upfront investments, I understand that the Office has been proposed as a Pavilion. I wanted to clarify and expected timeline (I believe it's a two-year timeline, so by the end of 2026?)

Answer:

The Service anticipates removing the existing Recreation Hall building between the end of the 2024 season and the start of the 2025 season. The new facilities must be erected at this location. The Service expects the pavilion and new office will be completed before the 2027 season.

Question 1-18: It looks like there may have been a math error on the Historical revenue page for 2021 and 2022. Am I reading that right?

Answer:

Refer to the answer to Question 1-2.

Question 1-19: Finally, it is our understanding that if we receive the contract, it will take effect January 1 at which time we will receive the monies collected for the 2025 season from the October reservations. Am I understanding that correctly?

Answer:

Refer to the answer to Question 1-13(b)

Question 2-1: Business Opportunity - Required Services (page 15).

When the Concessioner begins the required shuttle services under the new contract, does the Service expect that other additional operators also will be authorized by the Park to provide similar shuttle service to one or more of the 4 trailheads that provide access to the lodge?

Answer:

Yes, the Service expects Commercial Use Authorization holders will provide shuttle service to all four trailheads serving as access points to the lodge.

Question 2-2: Business Opportunity - Exhibit 12 Revenues, 2019-2022 (page 16). The "Totals" in the Exhibit 12 table appear to be incorrect. Can the Service please clarify?

Answer:

Refer to the answer to Questions 1-2.

Question 2-3: Business Opportunity - Personal Property (page 18).

Since the inventory in the Appendix D Personal Property list, a number of significant personal property items have been upgraded with different property, and additional personal property has been put into use, potentially adding to the Exhibit 15 personal property inventory value. As an example, a sixth solar voltaic power installation was made in 2021 to the "Shack" building. Will a revised personal property inventory be provided to an incoming Concessioner before the Contract Effective Date?

Answer:

An updated Appendix D Existing Concessioner Personal Property List has been added to the prospectus.

Question 2-4: Business Opportunity - Personal Property Improvement Plan (page 18).

Do the minimums stated for the Personal Property Improvement Plan investments (\$140,000 and \$60,000) include only the costs of the structures, materials, and components themselves, or do these minimums also include the costs for removable pieces of personal property, airlift, and labor costs?

Answer:

The minimums stated for Personal Property Improvement Plan investments of \$140,000 and \$60,000 are for the cost of the structures, materials, components, and labor. The minimums do not include the costs for removable pieces of personal property and airlift.

Question 2-5: Business Opportunity - Personal Property Improvement Plan - Materials (page 18).

For the "office facility," the prospectus requirement in the Business Opportunity and the Draft Contract says, "the facility style must complement existing structures in appearance that consist of a log cabin exterior and a metal roof". For the "pavilion," the prospectus requirement says, "The pavilion style must complement existing structures in appearance that consists of a metal roof."

However, almost all existing structures at the lodge have exterior walls that are board and batten (only 3 buildings and 2 toilets have any exterior log materials.) Also, ALL existing structures at the lodge have wooden roofs of western cedar shakes. (The sludge drying bed, which is not a building, has a brown metal roof over it to keep rainwater out.) Are we to design something using the specified "log cabin exterior" and "metal roof" components that is different from all the existing structures, and does not complement the existing structures in appearance? Or does the Service allow that we may use components other than "log cabin exterior" and "metal roof," as in the existing structures?

Answer:

The facility style must complement existing structures in appearance that consist of either a log cabin or board and batten exterior with a metal or western cedar shake roof.

Question 2-6: Business Opportunity - Personal Property Improvement Plan - Siting (page 18).

Are there any siting locations for the PPIP structures that the Service will not approve? If not, can the Service tell us what criteria or types of criteria the Service may use in determining the acceptability of a site?

Answer:

The structure(s) must be placed in the current Recreation Hall location.

Question 2-7: Business Opportunity - Personal Property Improvement Plan (page 18).

In planning the two PPIP structures, does the Service have a minimum useful life expected for them?

Answer:

The two PPIP structures must have a minimal life expectancy to last through the contract period and up to two 1-year contract extensions.

Question 2-8: Business Opportunity - Start-up Costs, Inventory, and Working Capital (page 18).

This section says, "The Service assumes the Concessioner will invest another 30 percent of the projected first-year gross revenue, or \$205,000, in inventory and working capital."

Since the prospectus projected first-year gross revenue in Exhibit 14 is \$2,434,649, the stated percent ("30 percent of the projected first-year gross revenue") apparently is incorrect. However, can the Service please confirm that \$205,000 is the Service's estimate of inventory and working capital investment?

Answer:

The Service has updated the Investment and Operation Analysis in the Business Opportunity. The startup costs will be approximately \$460,000 or roughly 17 percent of the projected first-year expenses for payroll and other categories. The inventory and working capital will be \$116,000 or roughly 4 percent of the projected first-year gross revenue. The updated initial investment is insignificant enough to not change the concessions franchise fee. Note that the Service does not guarantee and is not bound by these estimates. All Offerors must conduct their own due diligence and calculate their own start-up costs and inventory and working capital estimates.

Question 2-9: Business Opportunity - Leasehold Surrender Interest & Exhibit A (page 19) and Draft Contract Title Page & Sec. 9.

The Business Opportunity says on page 19, "The Draft Contract is a Category II Contract, so there is no requirement for a Concession Facility Improvement Program, and the Concessioner may earn no LSI."

(a) However, the prospectus Draft Contract says on its title and in its sections that it is a Category I Contract. Please confirm whether the Draft Contract is a Category I or Category II Contract.

(b) If the Draft Contract is indeed a Category I Contract as the Draft Contract says, does the Service intend for this sentence in the Business Opportunity to establish that the concessioner (more narrowly) may earn no LSI on the two "PPIP" "installations", or does the Service intend that the Draft Contract will allow no LSI on any project during the life of the contract?

Answer:

The Draft Contract is a Category I contract. However, the Concessioner will earn no LSI for the two PPIP installations since LSI is not earned on personal property improvements.

Question 2-10: Proposal Instructions - 6) Evaluation of Proposals – Secondary Selection Factors (page 3)

Part (6)(c) says, "Secondary Selection Factor 1 will be scored from zero to three. Secondary Selection Factor 2 will be scored from zero to one. Secondary Selection Factor 3 will be scored from zero to two."

This description appears to disagree with the Proposal Package, which says that SSF2 is weighted 2 points and SSF3 is weighted 1 point. Can the Service please clarify?

Answer:

The Proposal Package has the correct information. The Service amended Proposal Instructions with the correct information.

Question 2-11: Proposal Instructions - 8) Availability of a Debriefing (page 4)

This paragraph ends with, "This prospectus only provides for Click here. Use the drop-down menu to insert the appropriate word concerning type of debriefing debriefings." This description appears to be incomplete. Can the Service please clarify?

Answer:

This Prospectus will allow a Concessioner to receive an oral debrief. The Service amended the Prospectus with the correct information.

Question 2-12: Proposal Instructions - 11) Cautions to Offerors about Submission and Evaluation of Proposals (page 6)

Part (11)(i) says, "A proposal to expand the scope of investment, facilities, services, and/or Leasehold Surrender Interest, beyond those called for in this Prospectus will not be considered in the evaluation of proposals."

(a) For the Personal Property Improvement Program (PIIP) described in the Draft Contract (Sec. 8(e)3) page 13), does this statement mean that if we propose to spend more than \$200K on the PIIP, that fact won't be evaluated or considered?

(b) If we propose to spend more than \$200,000 on the PIIP, can or will that fact be scored, and possibly scored better than if we propose to spend \$200,000?

Answer:

a. and b. The Prospectus' Business Opportunity states that there is a \$200,000 minimum personal property investment and gives the minimum square footage. The Business Opportunity does not specify a maximum dollar amount or square footage. The Concessioner may install larger facilities with the Service's approval because larger more expensive facilities are not "beyond those called for in this Prospectus". Thus, Offerors may propose larger and more expensive facilities, but keep in mind that PIPPs are not eligible for LSI. The panel will consider the facilities' type, size, cost, and quality in deciding an appropriate score. A larger size at a higher cost will not necessarily result in a better score. Additionally, the Service has modified the Draft Contract to state "at least" the PIPP dollar amounts.

Question 2-13: Proposal Package - Principal Selection Factor 3(a) Operational Experience (page 10)

In responding to PSF3(a) "Operational Experience," is the subfactor requesting two examples in which each example includes all of the operating departments that are listed (Lodging, F&B, and Retail), or is the subfactor requesting two examples that combined include all of those operating departments?

Answer: The subfactor is requesting two examples that combine all the operating departments. The Service has edited this section for clarity.

Question 2-14: Proposal Package - Principal Selection Factor 4, Ability to Obtain Required Funds (page 17)

In part 1) "Funds obtained from cash on hand or operating cash flow," if the appropriate financial statements that show cash on hand or current operating cash flows already were provided in the "credible, proven track record" subsection, should they be repeated here in this subsection?

Answer: Yes, Offerors can repeat previously stated information.

Question 2-15: Proposal Package - Principal Selection Factor 5 Franchise Fee (page 21)

Can the Service please confirm the expected calculation of the tiered franchise fee with an example, such as: For a year in which gross receipts are \$3,250,000, would the franchise fee using the prospectus minimum fee rates equal: 13% of \$2,250,000 plus 22% of \$1,000,000?

Answer: Yes, the example you provided is accurate.

Question 2-16: Draft Contract - Sec. 2. Definitions, (i) "Gross receipts" - American Indian handicrafts (page 3)

Part (11) says that American Indian handicrafts are excluded from Gross Receipts (and thus exempt from franchise fee). Other than "handicrafts," will the Contract also exclude from Gross Receipts any other types of products directly made and directly sold by American Indian natives?

Answer: No, only items designated as handicrafts are excluded from Gross Receipts, and this only applies to handicrafts approved for sale by the Director as constituting American Indian, Alaskan Indian, Alaskan Native, Native Samoan, or Native Hawaiian handicrafts.

Question 2-17: Draft Contract - Sec. 8. Concession Facilities Used In Operation By The Concessioner, (e) Personal Property part (3) (page 13)

As "personal property," does the Service specifically require that either or both of the PPIP structures be removed at the end of the contract, or transferred to the Service at the end of the contract, or transferred to an incoming concessioner at the end of the contract?

Answer: The Service will require that both structures be either removed, transferred to the Service, or transferred to the incoming concessioner when the contract ends.

Question 2-18: Operating Plan - 9)A) Trademark Maintenance and Renewal (page B-23)

Several parts of this section 9 [e.g., part A)(1)(a); A)(1)(a)(b); A)(2)(a); and B)(2)(b)] refer to an anomalous "contract Amendment 1" that is not part of this prospectus. Several parts [e.g., A)(2)] appear to require the Concessioner to perform activities to help the Service apply for trademarks – which the Concessioner would be incapable of performing without detailed Government internal information. Two parts [e.g., A)(1)(d) and A)(2)(c)] appear to require the Concessioner to pay the Service for maintaining the Government's trademarks without limitation – a payment which was never previously required. Can the Service please clarify if this section as

written is intended to apply to this contract?

Answer: The Service will remove this part of the operating plan. Contract Section 20 outlines intellectual property license, and Exhibit K lists current licensed marks.

Question 2-19: Exhibit D Assigned Land And Real Property Improvements - Recreation/Office Building (page D-2)

Since the existing closed Recreation/Office Building is not a Real Property Improvement assigned to the concession, but the building's occupied land is assigned to the concession, can the Service provide at this time any earliest or latest timeframe for when the Service may deconstruct the existing Recreation/Office Building structure?

Answer: Refer to the responses to Questions 1-8(a).

Question 2-20: Exhibit E Assigned Government Personal Property - Handheld Park radios (page E1)

Exhibit E lists four handheld Park radios are assigned to the Concessioner, but the Business Opportunity, Utility System (page 14) says only two handheld Park radios are assigned to the Concessioner. Can the Service please clarify how many radios will be assigned in the future?

Answer: Two handheld Park radios will be assigned and if more are needed it will be evaluated during the season.

Question 2-21: Exhibit H Maintenance Plan - Concessioner Responsibilities - "Emergent" projects (page H-3)

The prospectus Maintenance Plan and prospectus Exhibit F2 Component Renewal Reserve (CRR) Project Procedures include a "standard" requirement that a Concessioner Project Plan and Report (CPPR) must be submitted at least "one complete year" prior to performing a project. However, since CRR procedures were first incorporated into this concession contract in 2022, this one-year requirement was partially qualified for the LeConte Lodge concession for a critical and unique reason. In administering CPPRs under the existing LeConte concession contract, Region concessions management understood and formally agreed to allow CPPRs to be submitted for approval less than one year prior to performing an "emergent" project: one which is critical but whose need became apparent less than approximately one year before the next annual airlift. That accommodation was incorporated in a unique clause [paragraph 2C)(g)] in the current TC-GRSM002-22 contract Exhibit H Maintenance Plan.

Without this clause, LeConte's unique circumstances – only one annual spring airlift at which project materials and equipment can be brought to the Lodge – would force work on some critical projects to be delayed for 13 to 23 months while waiting for both the next airlift and a one-year CPPR submission cycle. The delay could be even longer for a complex CPPR if purchasing couldn't prudently proceed for the project until after approval is received.

Given that this modification, previously approved by Region concessions management, is critical to protecting the LeConte structures, will the Service incorporate this current clause into the prospectus Maintenance Plan?

Answer: The Concessioner Project Plan and Report (CPR) may be submitted for Service approval less than one year before performing the project when the project is emergent (critical and known less than one year before the next annual airlift). This clause has been added to Exhibit H, Maintenance Plan.

Question 2-22: Proposal Package Excel Forms - Income Statement Form and Operating Assumptions Form proformas – Column headings
In row 11, may we simply change the years in the row (column headings) to be the Draft Contract actual years?

Answer: Yes, you can change the years in the row (column headings) to the Draft Contract actual years.

Question 2-23: Proposal Package Excel Forms - Cash Flow Statement Assumptions Form
In order to provide the explanation requested on the Cash Flow Statement yellow row 24 "Financing Activities / Other (describe)," may we add an explanation on row 8 or a different row of the Cash Flow Statement Assumptions Form?

Answer: The Service has published a new Proposal Package Excel Form that provides space for this additional information.

**Service Amendments to Prospectus Documents for Solicitation
No. CC-GRSM002-25**

Inside Cover

The “Proposals Due” date was updated from September 5, 2024, to September 23, 2024.

Business Opportunity

The following updates have been made to Utilization and Operating Data:

Updated Exhibit 12. Revenues, 2019-2023 with data from Annual Financial Reports, including data from 2023.

Updated Exhibit 13. Franchise Fees Paid, 2019-2023 to include data from 2023.

Updated Exhibit 14. Projected Revenue by Department to include a row of future projected Shuttle service revenue.

The following updates have been made to Investment and Operations Analysis:

Updated Exhibit 15. Estimated Initial Investment (2025) to include revised startup costs, inventory and working capital. The startup costs will be approximately \$460,000 or roughly 17 percent of the projected first-year expenses for payroll and other categories. The inventory and working capital will be \$116,000 or roughly 4 percent of the projected first-year gross revenue.

Under the heading Leasehold Surrender Interest revised reference to Category II to Category I and removed language on Leasehold Surrender Interest limitations. Also, removed reference to riding stables. Riding stable operations were not reviewed for future revenue projections, this was a typographical error.

Proposal Instructions

The following updates have been made to Part 6(c):

Revised “Secondary Selection Factor 2 will be scored from zero to one. Secondary Selection Factor 3 will be scored from zero to two.” to “Secondary Selection Factor 2 will be scored from zero to two. Secondary Selection Factor 3 will be scored from zero to one

The following updates have been made to Part 8:

Added “This prospectus only provides for oral debriefings.”

Proposal Package

The following updates have been made to PSF2:

Added PSF2(d) Shuttle, which states: "The Draft Contract requires the implementation of a shuttle service. Using no more than two pages, describe how you will implement the shuttle service operation. Please include in your explanation where visitors will park their personal vehicles outside the park, what the expected shuttle times will be, and what the maximum wait times for pick-up will be."

The following updates have been made to PSF3(a) Operational Experience:

Shuttle has been added to the list of required departments to demonstrate operational experience, specifying the following information:

1. Type and number of shuttle vehicles
2. Annual number of passengers
3. Annual number of shuttle trips

Contract

The following updates have been made to Section 8(e)(3):

Added "at least" in front of the Personal Property Improvement Program (PPIP) minimums investments.

Operating Plan

Removed Section 9(a) Maintenance and Renewal regarding intellectual property. Contract Section 20 outlines intellectual property license, and Exhibit K lists current licensed marks.

The following updates have been made to Section 10(d) Shuttle Service:

Removed: "The plan will specify a transportation schedule with the types of vehicles used to perform the service. The plan will assure that the visitor experience reflects the purpose and significance of the Area, including, but not limited to, the conservation of the Area's resources or the Area's geology, wildlife, plant life, archeology, local Native American culture, local ethnic culture, and historic significance. The plan should also integrate pollution prevention and waste-reduction objectives and strategies for visitor experience and vehicle maintenance."

It has been replaced with: "The plan will include a preventative search and rescue message relating to hiker safety, including but not limited to, hiking essentials, what to do in the event of storms and bear encounters, how to dispose of human waste properly, food storage, and pollution prevention. The plan may also include a message pertaining to the area's geology, wildlife, plant life, archeology, local native American culture, local ethnic culture, and historic significance."

Maintenance Plan

The following updates have been made to Section 2(C) Concessioner Responsibilities:

Added paragraph (g), which states: "Emergent usage of the component renewal reserve can occur prior to the one (1) complete year after submission of a Concessioner Project Plan and Report, but the Concessioner must comply with the remaining Component Renewal Reserve procedures and requirements set forth in Exhibit F2 to the Contract prior to, during, and after expending Component Renewal Reserve funds."

The following updates have been made to Part I. Work Order Supplement:

Removed projects for Assets 72082 and 72228. Replaced with project for Asset 72301.

Proposal Package Excel Forms

The following updates have been made to the Cash Flow Statement Assumptions worksheet:

Rows were added to allow offerors to enter Financing Activities assumptions.

Appendix D

An updated Appendix D Existing Concessioner Personal Property List has been added to the prospectus.