



## United States Department of the Interior



NATIONAL PARK SERVICE  
INTERIOR REGIONS 6, 7, & 8  
12795 W. Alameda Parkway  
Lakewood, CO 80228

In Reply Refer To:  
Commercial Services  
CC-ZION003-25

### Memorandum

**To:** All Parties Interested in the Prospectus for *A Concession Business Opportunity to Provide Lodging, Food and Beverage, and Retail within Zion National Park* (Solicitation CC-ZION003-25)

**From:** Jennifer Parker, Regional Commercial Services Program Lead

**Subject:** Amendment 2 to the Prospectus and Responses to Questions to Solicitation CC-ZION003-25

This notice amends the Prospectus and provides responses to questions received regarding *A Concession Business Opportunity to Provide Lodging, Food and Beverage, and Retail within Zion National Park* (“Park”) that the National Park Service (“Service”) issued on September 27, 2023, for Concession Contract No. CC-ZION003-25.

### **AMENDMENT 2 TO THE PROSPECTUS:**

#### **Part I, Business Opportunity**

##### **Page 9, Concession Opportunity, Lodge Dining Room**

*Delete:* The restaurant is currently configured to seat 130 indoors and 60 on the outdoor patio, although the dining room capacity is authorized at 240 seats total.

*Replace with:* The restaurant is currently configured to seat 130 indoors and 60 on the outdoor patio, although the dining room capacity is authorized at approximately 240 individuals.

#### **Part III, Proposal Package**

Business Organization Information Forms (pgs. 13-16) and Business History Information Form (pgs. 23-24) have been updated to newest OMB-approved version. No change to content of forms.

#### **Part V, Prospectus Appendices**

##### **Appendices Table of Contents**

*Add to list of Appendices:* Appendix F, CC-ZION003-25 Site Visit Agenda and Attachments (Added through Amendment 1, posted October 19, 2023)

##### **Appendix A, Proposal Package Forms (Excel)**

Workbook has been updated to newest OMB-approved version. No change to content of forms.

**Appendix B, Proposal Package (Word)**

Business Organization Information Forms (pgs. 13-16) and Business History Information Form (pgs. 23-24) have been updated to newest OMB-approved version. No change to content of forms.

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## RESPONSES TO QUESTIONS FROM INTERESTED PARTIES

### Glossary of terms used throughout this document:

- **Concession Facilities:** refers to all Park lands assigned to the Concessioner under the Draft Contract and all real property improvements assigned to or constructed by the Concessioner under the Draft Contract. The United States retains title and ownership to all Concession Facilities.
- **Concessioner:** refers to the new concessioner to be awarded the Draft Contract through this solicitation process.
- **Draft Contract:** refers to the new concession contract to be awarded through this solicitation process (CC-ZION003-25).
- **Offeror(s):** refers to the entities that submit a proposal in response to the solicitation for the Draft Contract.
- In addition, throughout this document the Service uses terms defined in the Prospectus documents.

### Part I. Business Opportunity

#### Regarding the Draft Contract Term and Effective Date

1. The majority of recently released RFPs with lodging and/or revenues over \$10M have offered a 15-year contract term. Can the Service explain their reasoning for providing a 10-year term for this contract?

**NPS Response:** In accordance with 54 USC §101914, concession contracts shall generally be awarded for a term of 10 years or less. The Secretary may award a contract for a term of up to 20 years if the Secretary determines that the contract terms and conditions, including the required construction and capital improvements, warrant a longer term. The CC-ZION003-25 contract terms and conditions do not warrant a longer term.

2. The Service indicated that they may shorten the term of the Draft Contract if the required CFIPs are not completed “according to the terms of the draft contract” – please provide clarification regarding the aforementioned terms that must be adhered to, as well as the length of the proposed shortened term.

**NPS Response:** Please see Draft Contract, Section 1.

#### Regarding Required and Authorized

3. The Zion prospectus identified five authorized visitor services. Will proposed authorized service approaches and respective costs be evaluated by the National Park Service during the award selection process?

**NPS Response:** The Service is not seeking responses regarding the provision of authorized services. If an offeror proposes to provide authorized services, the Service will evaluate the offeror's financial projections provided in PSF4, including revenue and expense assumptions associated with the provision of such services.

#### Regarding Food and Beverage Operations

4. The Food and Beverage, Lodge Dining Room section states, “The restaurant is currently configured to seat 130 indoors and 60 on the outdoor patio, although the dining room capacity is authorized at

240 seats total.” Please confirm whether there is sufficient room for 240 dining room seats. If not, please identify is the capacity defined by other means (e.g., fire marshal limit including staff members)?

**NPS Response:** There is not room for 240 dining room seats. The overall capacity of the dining room is approximately 240 individuals, as defined by the authority having jurisdiction (AHJ). See amendment above.

5. With the auditorium in the Lodge, we assume there are catering and special events that are held, but there are no catering revenue totals currently found in any of the revenue projections that we have been provided. Can catering revenues for the past year be shared, or are they included in the projected revenues for food and beverage already? If they are included, which outlet are they captured in? If they are captured in the dining room or the quick service café, how much of the average check should be removed from what was provided on page 11 of the Prospectus so that we can tell what sales are equated to retail food sales and which sales are catering sales?

**NPS Response:** The dining room projections listed on page 11 of the Business Opportunity include revenues from catering and special events (package dining). The NPS cannot specifically break out revenues from catering and special events. The average check for package dining is not meaningfully higher than typical dining room revenues based on historical reporting.

6. There is a beer/wine kiosk located on the patio near the quick serve café, however this is not listed as an outlet with associated covers or average check on page 11 of the Prospectus. Can the service provide covers and average check or revenue forecasts for this outlet? Or is the data for this outlet already included in the quick service café numbers?

**NPS Response:** The outdoor beverage service is considered an extension of the quick service café outlet, with data incorporated in the quick service café numbers. Of the projected quick service café covers shown on page 11 of the Business Opportunity, the Service attributed 25,000 transactions specifically to the outdoor beverage service.

7. Thank you for providing the number of covers for the dining room and quick service café. Are you able to provide these numbers broken down by month for the anticipated 2025 season? This will allow for the most accurate forecasting to be provided in the required NPS spreadsheets which require this information by month.

**NPS Response:** The Service only provides projections on an annual basis. A summary of 2022 monthly visitation for the Park is provided on page 6 of the Business Opportunity. Additional historical visitation data may be found at <https://irma.nps.gov/stats/reports/park>.

8. Please provide F&B covers for the last five years. If not available, please provide covers for the last two years.

**NPS Response:** The Service has provided historical gross revenues by department from 2020 to 2022 on page 17 of the Business Opportunity. The Service provides this information (gross receipts of the current concession contract broken out by department for the three most recent years) in accordance with 36 C.F.R. § 51.5(f) to allow for the submission of competitive proposals. The Service does not provide further historical operating statistics by department as this could be considered confidential to the Existing Concessioner.

## Regarding Lodging Operations

9. Thank you for providing the overall occupancy rate for the Zion Lodge. As visitation fluctuates dramatically from peak to non-peak months, are you able to provide the lodging occupancy by month for the most recent 12-month period? This will allow for the most accurate forecasting to be provided in the required NPS spreadsheets which require this information by month.

*Similar Question:* Please provide occupancy for each lodging type for the last five years. If not available, please provide occupancy for the last two years.

**NPS Response:** The Service has provided historical gross revenues by department from 2020 to 2022 on page 17 of the Business Opportunity. The Service provides this information (gross receipts of the current concession contract broken out by department for the three most recent years) in accordance with 36 C.F.R. § 51.5(f) to allow for the submission of competitive proposals. The Service does not provide further historical operating statistics by department as this could be considered confidential to the Existing Concessioner. Additional historical visitation data may be found at <https://irma.nps.gov/stats/reports/park>.

10. Will the NPS please provide rate increases at the campground and all lodging units as requested by the concessioner, and the resulting decision by the NPS, for the last five years? If this information is not available, please provide the two most recent rate increase requests and results.

**NPS Response:** The Service-approved lodging rates by room type for 2018-2022 are as follows:

	2018	2019	2020	2021	2022
Hotel Room	\$219	\$226	\$229	\$230	\$237
Suite	\$279	\$279	\$284	\$288	Non-Core
Cabin	\$216	\$216	\$220	\$223	Non-Core

The Service does not share details regarding the existing concessioner’s rate requests, and the Draft Contract does not include campgrounds. The three campgrounds within Zion National Park are operated by the Service, not the Existing Concessioner.

### Regarding Retail Operations

11. Thank you for providing the number of covers for the retail operations. Are you able to provide these numbers broken down by month for the anticipated 2025 season? This will allow for the most accurate forecasting to be provided in the required NPS spreadsheets which require this information by month.

**NPS Response:** The Service only provides projections on an annual basis. A summary of 2022 monthly visitation for the Park is provided on page 6 of the Business Opportunity. Additional historical visitation data may be found at <https://irma.nps.gov/stats/reports/park>.

12. Please provide retail transactions for the last five years. If not available, please provide transactions for the last two years.

**NPS Response:** The Service has provided historical gross revenues by department from 2020 to 2022 on page 17 of the Business Opportunity. The Service provides this information (gross receipts of the current concession contract broken out by department for the three most recent years) in accordance with 36 C.F.R. § 51.5(f) to allow for the submission of competitive proposals. The Service does not provide further historical operating statistics by department as this could be considered confidential to the Existing Concessioner.

13. It is our understanding that the non-profit Zion Forever gift shop is only permitted to sell “interpretive” merchandise. How does the Service define “interpretive” for such merchandise?  
*Similar Question:* The merchandise being sold in the Zion National Park visitor center is vast and includes similar items to those being sold in concessioner retail operations. Is this anticipated to continue over the life of this new contract?  
**NPS Response:** Per Director’s Order #32, Cooperating Associations, all materials offered for sale [by a Cooperating Association] must facilitate opportunities for emotional and intellectual connections between park resources and values. Items sold under the Association’s Agreement must adhere to a collaboratively developed Scope of Sales statement and are reviewed and approved in writing by the superintendent. The Service does not anticipate any changes to the Scope of Sales statement or general types of merchandise currently approved for sale by the Park’s Cooperating Association, Zion National Park Forever Project.

### **Regarding the Concession Facilities Improvement Program**

14. Given our experience that cost estimates presented in National Park Service (Service) prospectuses have been significantly lower than actual costs, please provide the information the Service relied upon to identify the range of estimated *costs* for the seven required CFIP Real Property Investments.  
**NPS Response:** The Service, working with professional consultants, prepared cost estimates and in some cases conceptual designs based on best information available at the time of the estimate. Service estimates include adjustments to attempt to account for fluctuations due to inflation and rising material costs. The Service does not guarantee these projections will materialize and assumes no liability for their accuracy. Offerors must compile and present their own financial projections based on independent assessment, due diligence, and industry knowledge. The Service’s CFIP project estimates are completed per the Denver Service Center Cost Engineering and Estimating Standards, which can be found here: <https://www.nps.gov/dscw/ds-cost-estimating.htm>.
15. How will the Service proceed should the actual costs to complete the required CFIP projects exceed the Not to Exceed figure of \$1,142,000?  
**NPS Response:** The Service will work with the Concessioner to review estimated costs and adjust specific projects on a case-by-case basis to avoid the Concessioner exceeding the overall CFIP cap of \$1,142,000, as described in Section 9(d)(1) of the Draft Contract.
16. The prospectus indicated the Service has developed conceptual designs for several of the CFIPs. Have any formal review or approval processes been undertaken using these conceptual designs, i.e. SHPO, etc? Must these designs be adhered to, or can the incoming Concessioner develop their own?  
**NPS Response:** The Service has reviewed and approved the overall concept of each project required within the CFIP. Where conceptual designs were included as part of the CFIP, the Service has reviewed these designs, but the formal compliance process will occur upon acceptance of the Concessioner’s final design. The Concessioner should use the Service-developed conceptual designs as supplied as the starting point for development of Concessioner designs as these conform to the parameters described by the CFIP and may expedite Park approval. It is possible the Service’s designs may need alteration due to site conditions or other consideration that are unknown until formal design begins.

17. Can the Service provide the café floor plan including the layout of the existing kitchen equipment?  
**NPS Response:** See Appendix F of the prospectus for the October 18, 2023 Site Visit Agenda and Main Lodge floor plans, including the café kitchen area. The Service does not have additional plans available.
18. When the Service contemplated CFIP #3 “Convert Cabin for Accessibility,” please confirm that the Service included in the scope and estimate the cost to construct an accessible path of travel from the cabin to the parking area near the EV charging stations. If so, please identify the amount the Service attributed to this part of the project.  
**NPS Response:** Yes, the Service included \$21,000 for altering the portion of the existing walkway we believe needs modification to meet Architectural Barriers Act Accessibility Standards (ABAAS) in the government estimate.
19. CFIP Project #6 requires the installation of an electric vehicle charging station. Unlike several of the other projects, a drawing for CFIP Project #6 is not included in Appendix E, Conceptual Designs for CFIP. As there does not appear to be a sufficient source of power nearby, please identify the source of power the Service intends to rely upon for the "underground power service?"  
**NPS Response:** There is an underground electrical service, or run, serving the Western Cabins which the Service anticipates can be tapped into to provide power to the EV charging stations.
20. CFIP Project #6 does not specify what type or amperage of electric vehicle charger should be installed. Is a level II charger sufficient?  
**NPS Response:** Yes, Service estimates for this project were based on a level II charger, similar to the charger already in place at this location (ClipperCreek, Inc. Model DS-100).

### Regarding Utilities

21. How many electric meters are on site and monitored by the concessioner and what is the service voltage of those meters?  
**NPS Response:** There are five main meters on site and monitored by the Concessioner, located at the lodge dock, cabin area, maintenance area, the Box Elder Dormitory and the employee RV sites, and nine submeters across the Concession Facilities. The service voltage of these meters is 10,000 volts and is stepped down to a range of 120 to 480 volts at the meters.
22. The Utilities section states, “The Service plans to perform major infrastructure improvements to the Park’s wastewater system during the later years of the Draft Contract, which will increase utility rates.” What does the Service estimate utility rates to increase to, by year, due to these improvements? Please identify the Service’s current start date for the infrastructure improvement project and the Service’s estimate on the impact on the Concessioner’s operations.  
*Similar Question:* Page 15 of the Business Opportunity states “The Service plans to perform major infrastructure improvements to the Park’s wastewater system during the later years of the Draft Contract, which will increase utility rates”. Given operations are year-round, does the Park Service anticipate any operational impacts due to these infrastructure improvements? And can the Service provide a closer estimate as to the calendar year these improvements may take place?  
**NPS Response:** Refer to the table on page 16 of the Business Opportunity for the Service-projected 2025 utility rates. Not considering the major wastewater system improvements, the Service anticipates that utility rates may increase by 4% per year on average. With the completion of the wastewater system project, the Service understands utility rates may increase more than 4% per

year; however, utility rates will only increase in accordance with current Director’s Order #35B (DO35B), Cost Recovery for National Park Service Provided Utilities (available here: [https://www.nps.gov/subjects/policy/upload/DO\\_35B\\_12-31-2011.pdf](https://www.nps.gov/subjects/policy/upload/DO_35B_12-31-2011.pdf)) and Reference Manual 35B, (available here: [https://www.nps.gov/subjects/policy/upload/RM-35B\\_3-9-2021.pdf](https://www.nps.gov/subjects/policy/upload/RM-35B_3-9-2021.pdf)). Regarding the anticipated Service-funded wastewater system improvements, the Service does not have a project timeline or cost estimate available to share at this time. There is expected to be little to no impact to Concessioner operations. The Concessioner is not allowed to charge a utility add-on to off-set the cost of Service-provided utilities.

23. The Utilities section states, “The Service-projected 2025 wastewater rate includes a recent increase in rates assessed by the Town of Springdale for processing the Park’s wastewater.” Does the Service-projected 2025 wastewater rate fully contemplate the increase in rates assessed by the Town of Springdale for processing the Park’s wastewater, or does the Service expect additional increases to the Service-projected wastewater rate after 2025 due to rates assessed by the Town of Springdale for processing the Park’s wastewater? If the Service expects additional increases, what does the Service estimate the rates to increase to after 2025, by year?

*Similar Question:* The Service indicated that wastewater utility cost will increase significantly in 2025 based on a reassessment from the town of Springdale – is this part of a multi-year, staged rate increase? If so, please provide detail on any future determined increases. Will there be continued reassessments during the Draft Contract term that may cause further increases in this cost? If so, can the Service provide the frequency (if known)?

**NPS Response:** The Park does not have knowledge of how the Town of Springdale plans to assess wastewater rates in the future. The recent increase was significant, as rates had not been increased in several years, and is fully accounted for in the 2025 projected utility rates shown on page 16 of the Business Opportunity. The Service anticipates utility rates may increase by 4% per year on average. Any additional increases in wastewater rates assessed by the Town of Springdale will be incorporated into the utility rates charged by the Service to concessioners, in accordance with DO35B.

### Regarding Franchise Fees

24. The Franchise Fee section on page 16 states, “The Concessioner must pay the franchise fee based on its gross receipts for the preceding year or portion of a year.” How does the “preceding year” factor into the calculation?

**NPS Response:** Offerors should refer to the Draft Contract, Section 11 language regarding payment of franchise fees.

### General

25. Construction work on the bridge that connects Zion Lodge to the Emerald Pools trail has resulted in a significant reduction in foot traffic to the Zion gift shop and the Lodge Dining Room. Please identify when the Service estimates it will complete the bridge work. What impacts does the Service expect on business operations identified in the Draft Contract while the bridge work is performed?

**NPS Response:** The Service is targeting completion of the foot bridge before the summer of 2024, prior to the effective date of the Draft Contract, but makes no guarantees as the project is ongoing and dynamic.

### Part III. Proposal Package

26. For PSF1, can the Service provide a map of the historic district clearly identifying buildings that are considered contributing from those that are not?

**NPS Response:** Please see Exhibit D, Assigned Land and Real Property, pgs. 11-12 for a list of buildings that are considered historic.

27. Have historic building condition assessments been completed on individual buildings? If so, can they please be provided? If not, what are the historic elements being preserved?

**NPS Response:** All Concession Facilities were assessed during a condition assessment completed as part of this prospectus development process. The Deferred Maintenance and Legislatively Mandated Work Orders identified by the condition assessment were included as Appendix D to this prospectus. Historic Structures Reports or associated documents may be available to the successful Concessioner. The Service will not publish these reports during the solicitation period.

28. For PSF2, the Food Service Adjustments section states, “describe how you will provide food service in your operations to more visitors than were historically served.” Given the anticipated reduction in foot traffic that will result from the timed Park entry system, please describe why the Service believes food service visitation will increase.

**NPS Response:** The Service does not project that food service visitation will increase above current levels. However, at current visitation levels, the food service outlets are overwhelmed, with visitors unable to be served due to long waits, lack of seating, etc. The Service’s objective is for the Concessioner to develop strategies which will result in more efficient service to visitors, and therefore, more visitors than have been historically served.

29. For PSF2, because construction work on the bridge that connects Zion Lodge to the Emerald Pools trail has resulted in a significant reduction in foot traffic coming to the Lodge Dining Room, please describe why the Service believes food service visitation will increase.

**NPS Response:** As noted in the response to question 26, the Service anticipates repairs to this footbridge to be completed in 2024, prior to the effective date of the Draft Contract but makes no guarantees as the project is ongoing and dynamic.

30. For PSF2, the Notes to Offerors section states, “Your response to this subfactor should consider operations after CFIP #1 Reconfigure Quick Service Café and CFIP #7 Create Beverage Bar and Reconfigure Auditorium are complete.” Does this statement prevent Offerors from providing a description of how these CFIPs will be implemented?

**NPS Response:** No, this does not prevent offerors from providing descriptions of how these CFIPs will be implemented. However, the Service will not be evaluating such descriptions as part of the response to PSF2. The Service is seeking responses which include strategies to serve visitors more efficiently in all food service outlets, *including* those outlets created and/or updated through completion of CFIPs 1 and 7.

31. For SSF1, the concessioner used to compost food waste inside the Park. Is composting in the Park looked on favorably or unfavorably by the Service?

**NPS Response:** Composting within the Park is allowed in accordance with Exhibit H, Maintenance Plan, Section 4)F)(5). The Service is interested in proposals that meet the objectives of SSF1 while not compromising the resources of the Park.

## **Part IV. Draft Contract including Contract Exhibits**

### **Exhibit B Operating Plan**

32. Are there restrictions on the on-site marketing collateral a concessioner can deploy?

*Related Question:* What is the approval process for marketing collateral by NPS?

**NPS Response:** The Concessioner may provide on-site marketing materials in accordance with Draft Contract Exhibit B Operating Plan, Section 3)H) Public Relations and Providing Area Information. All materials are subject to Service review and approval and their appearance must not detract from the character of the Zion Lodge Historic District.

33. Are special events allowed at this location?

**NPS Response:** Please see Draft Contract, Exhibit B Operating Plan, Section 4)B)(3). Special events, receptions, banquets, and groups may be hosted in the restaurant as long as the general public is not displaced. The Service authorizes wedding ceremonies on the Lodge lawn via Special Use Permit, in coordination with the Concessioner.

### **Exhibit D Real Property**

34. Can exhibit D be shared, reflecting the statement of values for real property that will be required to be insured by the concessionaire?

**NPS Response:** Please see Draft Contract, Exhibit D, pgs. D-11 through D-12 for the minimum insurance replacement values of the assigned real property improvements. Please also see Section 12(d) of the Draft Contract, and Draft Contract, Exhibit I for additional information regarding the Concessioner's obligations with respect to property insurance.

35. Can a map be shared of the assigned premises showing where employee housing is location in relation to the lodge?

**NPS Response:** Please see Draft Contract, Exhibit D, p. D-3.

### **Exhibits F1/F2 Project Procedures**

36. Please describe the review process for planned renovations and does it include Historic Preservation?

**NPS Response:** Please see Draft Contract, Exhibit F1 Concessioner New Construction and Major Rehabilitation Project Procedures. Projects involving historic properties must undergo historic compliance review and be performed in accordance with The Secretary of the Interior's Standards for Rehabilitation & Illustrated Guidelines for Rehabilitating Historic Buildings.

### **Exhibit H Maintenance Plan**

37. Can the storage space near the corrals be used for something else other than storage?

**NPS Response:** The building at Birch Creek is assigned to the concessioner for use at their discretion but may not be used for public-facing activities. Please see Draft Contract, Exhibit H: Maintenance Plan for details regarding the Concessioner's responsibilities in the Birch Creek area (building HS-86).