



PROSPECTUS

A Concession
Business Opportunity
to Operate Guided
Raft Tours, Marina,
Boat Rentals,
Houseboat Lodging,
Food and Beverage,
Retail, Campground,
Land and Water-
based Fuel Sales, and
Other Services at
Willow Beach and
Black Canyon
within
Lake Mead National
Recreation Area

Solicitation #

CC-LAKE017-26

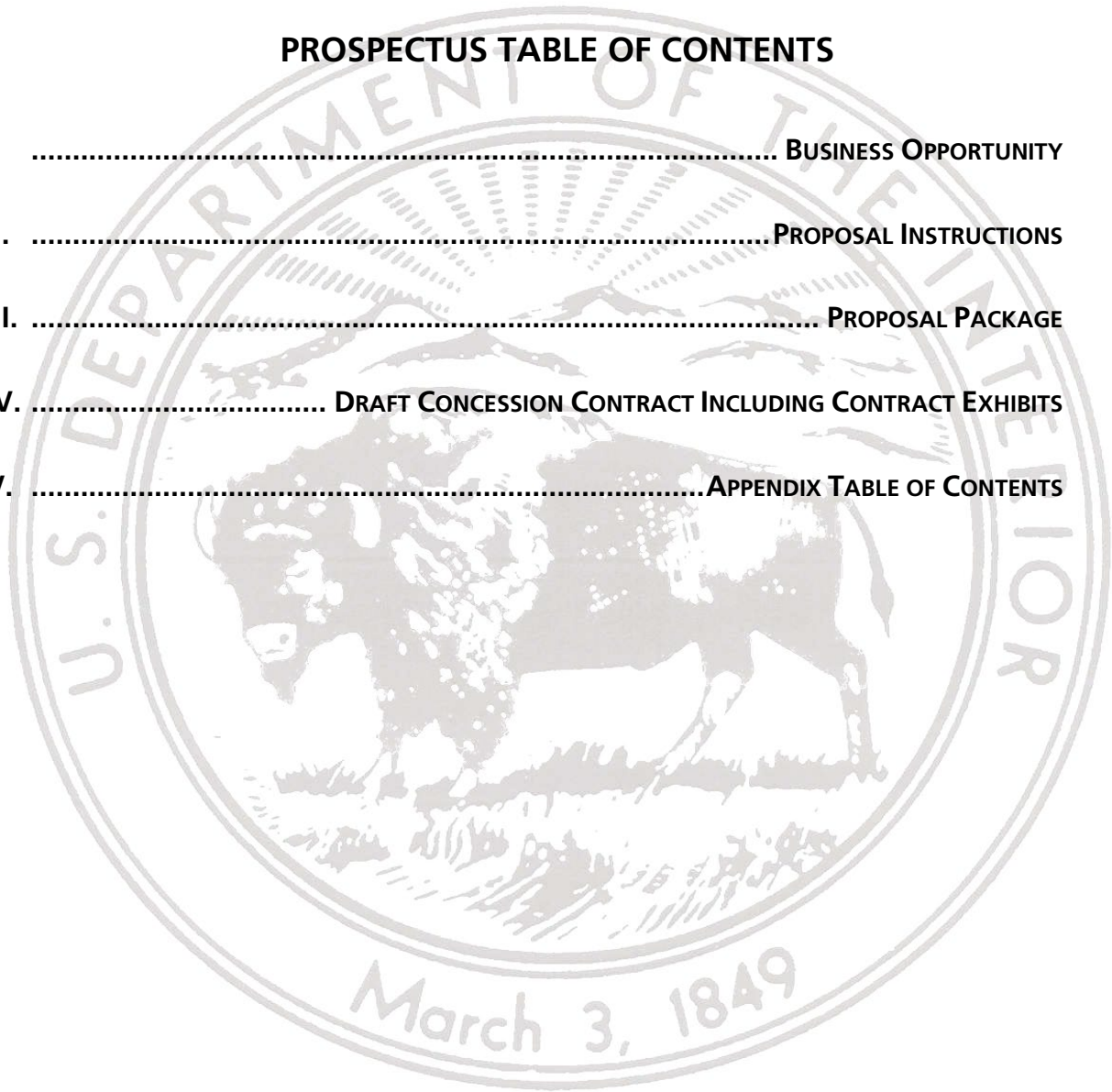


LAKE MEAD NATIONAL RECREATION AREA

CONCESSION CONTRACT NO. CC-LAKE017-26

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PART I

BUSINESS OPPORTUNITY

CC-LAKE017-26

Department of the Interior

National Park Service
Lake Mead National Recreation Area

**A Concession Business Opportunity to Operate Guided Raft Tours,
Marina, Boat Rentals, Houseboat Lodging, Food and Beverage, Retail,
Campground, Land and Water-based Fuel Sales, and Other Services
at Willow Beach and Black Canyon
within Lake Mead National Recreation Area**

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INTRODUCTION

The National Park Service (“Service”) seeks proposals for a concession contract authorizing the operation of guided raft tours in Black Canyon and marina, boat rentals, houseboat lodging, food and beverage, retail, campground, land and water-based fuel sales, and other services at Willow Beach and Black Canyon within Lake Mead National Recreation Area. This Prospectus describes, in general terms, the existing business operations and the future business opportunity for services required by the Service. Those submitting proposals (“Offerors”) must review all sections of this Prospectus and, specifically, the terms and conditions of the Draft Concession Contract No. CC-LAKE017-26 (“Draft Contract”), including its exhibits, to determine the full scope of a future concessioner’s responsibilities under the Draft Contract.

Exhibit 1. Summary of Draft Contract Terms and Conditions

Category	Draft Contract Terms and Conditions
Draft Contract Term	Ten (10) Years
Projected Effective Date	January 1, 2026
Required Services	Guided raft trips (Black Canyon), Hoover Dam secure reservation system and access, marina (includes marina fuel), boat rentals, lodging (stationary houseboat rental), food and beverage, retail, campground, and automobile fuel
Authorized Services <i>(some services defined generally in the Draft Contract)</i>	Guided raft trips (Eldorado Canyon), shuttle services for paddlecraft visitors, packaged alcohol sales, land-based shuttle services to area hotels, paddlecraft launching and shuttle service, chase boat and emergency fuel service (for a fee), and executive services (e.g., boat grocery shopping and stocking, vessel cleaning and detailing)
Project Gross Receipts (Year 1)	\$4,403,000 - \$4,867,000
Estimated Initial Investment (Year 0)	\$1,780,000
Minimum Franchise Fee	5.50% of annual gross receipts from \$0 to \$3,750,000; plus 6.75% of annual gross receipts from \$3,750,000 to \$6 million; plus 8.00% of annual gross receipts greater than \$6 million
Component Renewal Reserve	1.8%



Source: National Park Service

SITE VISIT

The Service will host a one-day site visit for organizations interested in bidding on this opportunity on the date listed on the inside cover of this Prospectus. The site visit provides interested persons, corporations, or other entities an overview of the concession operations along with a tour of the Concession Facilities, as that term is defined in the Draft Contract, assigned to the Concessioner under the Draft Contract.

To attend the site visit, registration is required. To register, please email Kimberley Gagliolo, Commercial Services Specialist, Interior Regions 8, 9, 10, and 12 at kim_gagliolo@nps.gov with the name of your company, contact phone number and email, and the number of people attending from your organization, no later than the registration date listed on the inside cover of this Prospectus.

Site visit participants are responsible for obtaining their own lodging, meals, and transportation to the respective Concession Facilities. Participants must be 18 years of age or older. Please be prepared for varying weather and walking between buildings. Since the concession operation will be serving visitors at the time of the site visit, the Service limits the number of representatives that each company, including any supporting contractors, may bring to the site visit to five (5), and no more than two people per organization, including any supporting contractors, will be permitted within the kitchen areas. Attendance at the site visit is not required to submit a proposal for the Prospectus; however, attendance is encouraged.

NOTIFICATION OF INTENT TO PROPOSE

If you plan to submit a proposal in response to this solicitation, you must notify Kimberley Gagliolo via email at kim_gagliolo@nps.gov. Your email notification must include the name of the Offeror as it will be provided in the Offeror's Transmittal Letter or the name of the individual or entity who will sign the proposal on behalf of the Offeror.

The Service will not accept proposals from entities that do not provide their Notice of Intent to Propose on or before 12:00 p.m. (PST) on December 27, 2024.

INFORMATION REGARDING THIS PROSPECTUS

The Prospectus is comprised of five parts.

- I. Business Opportunity (this document, includes inside cover)
- II. Proposal Instructions
- III. Proposal Package
- IV. Draft Contract, including its exhibits
- V. Appendices Table of Contents and Recommended Websites

In this document, the National Park Service refers to Lake Mead National Recreation Area as the "Park" or "Area."

This Prospectus includes Service estimates of revenue and expenses to assist Offerors in developing financial projections. These estimates reflect Service assumptions based on planning decisions, historical concession operating data, industry standards, economic conditions, and comparable and competitive operations. 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 assumptions, due diligence, and industry knowledge.



As noted above, the Draft Contract with all exhibits is included in this Prospectus. In the event of any inconsistency between the description of the terms contained in this Prospectus and the Draft Contract itself, the terms of the Draft Contract will prevail.

Certain federal laws apply to this solicitation, including the National Park Service Concessions Management Improvement Act of 1998 (Public Law 105-391, as amended and recodified at 54 U.S.C. §§ 101911 *et seq.*, and hereafter referred to as “the 1998 Act”), as implemented by regulations in 36 C.F.R. Part 51. Links to these are available online at the [Commercial Services website](#). In the event of any inconsistency between the terms of this Prospectus and 36 C.F.R. Part 51, 36 C.F.R. Part 51 will control.

“Concessioner” refers to the entity that will be the concessioner under the Draft Contract.

“Existing Concessioner” refers to LMNRA Guest Services, LLC, the existing concessioner under Concession Contract No. CC-LAKE017-13 (“Existing Contract”). The Existing Contract is available upon request.

The Service intends to announce the selected Offeror around May 2025. The Service intends to award the Draft Contract around mid-July 2025, or approximately five (5) months prior to the anticipated effective date when the Concessioner will commence operations on January 1, 2026. Award of a concession contract does not occur until the competitive process has been completed and both the selected Offeror and the Service have signed the concession contract. While the Service will make effort to meet this schedule, it is subject to change.

PROPOSAL OVERVIEW

Part II of this Prospectus contains the instructions for submitting proposals. The Service will only accept digital versions of proposals for this solicitation submitted electronically per instructions. Offerors must carefully read and comply with the proposal and its instructions, provided in Parts II and III.

Part III of the Prospectus contains the Proposal Package that Offerors must complete in its entirety. The Proposal Package contains a required transmittal letter, five principal selection factors, and one secondary selection factor. Each selection factor identifies the minimum and maximum points the Service may award, depending on the quality of the response. A high-quality response includes clear, specific commitments. The following paraphrases the information sought under each selection factor. Where there are discrepancies, the wording of the actual selection factors in the Proposal Package controls.

Principal Selection Factor 1 requires Offerors to describe how it will educate visitors regarding protecting, conserving, maintaining, and preserving resources in the Park, both on water and land.

Principal Selection Factor 2 requires Offerors to describe how it will provide recreational opportunities including a focus on safety and improving visitor experience by managing demand at the Willow Beach area.

Principal Selection Factor 3 requires Offerors to describe its organizational structure and provide documentation to help the Service understand the Offeror and its relationship to other entities. The Service does not score this information specifically but may use it to understand responses elsewhere in the proposal. Incomplete submissions may lead to a lower score elsewhere if the information submitted does not support claims made in response to specific subfactors in this and other selection factors. The Service has provided forms Offerors must complete depending on their organizational structure.

This principal selection factor also has a scored section that requires Offerors to describe its experience with similar operations and the history of violations and infractions as well as the strategies the Offeror will implement to minimize them.

Principal Selection Factor 4 requires Offerors to demonstrate its financial capacity to commence and carry-on operations under the Draft Contract. A high-quality response incorporates commitments made elsewhere in



the proposal. The Proposal Package includes a business history form, and an Excel workbook Offerors must complete in providing responses to this selection factor.

Principal Selection Factor 5 requires Offerors to provide the franchise fee they will pay on gross receipts generated under the Draft Contract. Failure to agree to pay the minimum franchise fee set out in the selection factor will result in the Service finding the proposal non-responsive and ineligible for award of the Draft Contract.

Secondary Selection Factor 1 requires Offerors to describe programs it will implement to promote environmental sustainability within the operations.

DOING BUSINESS WITH THE SERVICE

The Service has worked with private parties to provide services to visitors dating back to the earliest times of national parks. Many of the iconic lodges and other structures found in America's national parks were constructed and operated by private parties, and that relationship continues today.

The Service uses the term "commercial visitor services" when generally describing services, benefits, and goods provided to visitors within an area of the National Park System by a third party for a fee. The term "commercial visitor services" includes lodging, food and beverage, retail, marina operations, guided recreation, equipment rental, experiential transportation, and similar services the National Park Service itself does not provide. The Service implemented regulations for many aspects of the 1998 Act, primarily to set out the process for soliciting bids for new contracts and managing the concessioner's investment in structures owned by the United States.

Working with the Service providing commercial visitors services differs from operating outside a park in several respects. By law, the Service approves the rate approval method and, possible, the rates to ensure park visitors do not pay higher fees for goods and services merely because such transactions occur within parks. As with the private sector, concessioners must develop and follow environmental management programs, risk management programs, and similar programs to ensure operations comply with applicable laws. We also developed operating standards based on similar ones in the private sector to reflect best industry practices for the services provided under the concession contract. Our employees review the quality of concession operations and compliance with contract requirements including, when appropriate, the maintenance of facilities. Our contract oversight reflects the best management practices of the private sector industries.

Even with these regulatory requirements, concessioners in national parks enjoy significant benefits. Many parks function as unique visitor destinations. Concessioners frequently operate with few, if any, in-park competitors, even though we do not grant exclusive rights to provide any visitor services. Although we oversee concessioner rates charged to the public, our processes ensure rates are competitive with similar services near the operating locations.



THE NATIONAL PARK SERVICE AND ITS MISSION

In 1916, President Woodrow Wilson approved legislation creating the Service within the Department of the Interior. That legislation mandated that Congress created America's National Park Service to:

...conserve the scenery and the natural and historic objects and the wildlife therein and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations. 54 U.S.C. § 100101(a)

Additionally, Congress declared that the National Park System should be:

...preserved and managed for the benefit and inspiration of all the people of the United States... 54 U.S.C. § 100101(b)

The Service has as its overall mission the preservation and public enjoyment of significant aspects of the nation's natural and cultural heritage. To learn more about the National Park Service, visit www.nps.gov. This site includes information about the Service, its mission, policies, and individual parks.



Source: National Park Service



LAKE MEAD NATIONAL RECREATION AREA

The Park is located on the border of Nevada and Arizona and is the United States’ first and largest national recreation area. The Park offers extensive outdoor activities within its 1.5 million acres of land and water. Lake Mead and Lake Mohave are the main features of the Park, attracting millions of boaters, fishers, rafters, and kayakers each year. Black Canyon and Willow Beach, where the Draft Contract is located, are on Lake Mohave. To support this water-based demand, the Park has several marinas, launch ramps, and ancillary services. Since the two lakes are in the middle of the desert, the Park is a unique destination and can facilitate year-round visitation. Besides the water-based recreation, Lake Mead is also a popular destination for camping, biking, hiking, and horseback riding.

Over the last two decades, the water levels in Lake Mead, above Hoover Dam, have decreased due to ongoing drought as well as operational needs determined by the Bureau of Reclamation (BOR). Lake Mead National Recreation Area does not manage the lake’s water levels. Water levels have decreased at times to levels that prevented or limited full public access to boat launch ramps and have affected marinas on Lake Mead. Offerors should note that the operations required and authorized under the Draft Contract are on Lake Mohave, located below Hoover Dam and BOR has maintained the water levels on Lake Mohave consistently over time and, at this time, there is no expected change to Lake Mohave levels. The BOR website contains information about management of lake levels: Lower Colorado Basin | Bureau of Reclamation (usbr.gov).

The following two exhibits shows the Park and its position within the region and the location of Lake Mohave and Willow Beach in relation to Hoover Dam.

Exhibit 2. Lake Mead National Recreation Area and Surrounding Region

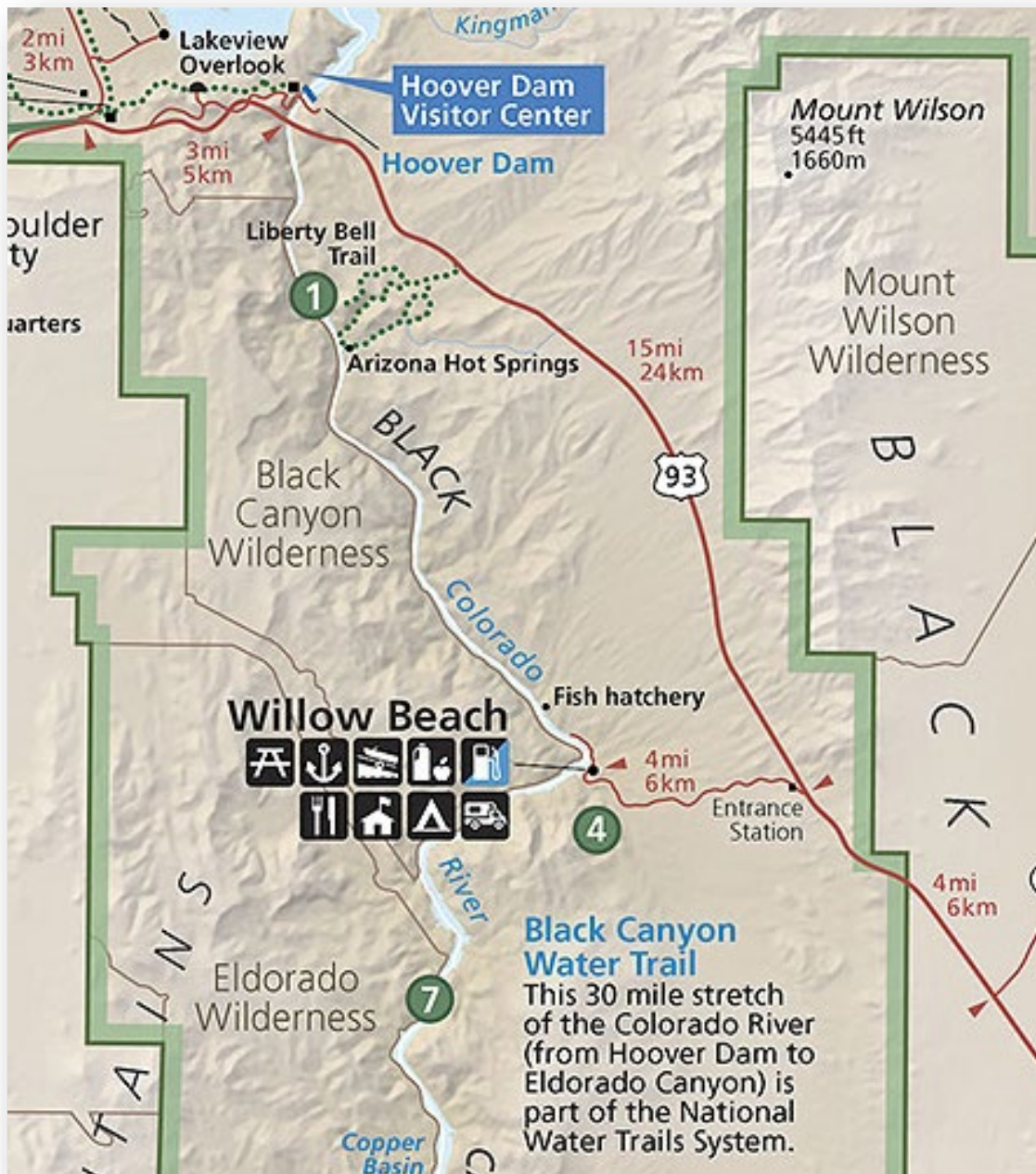


Source: National Park Service



The arrival of COVID-19 pandemic (“pandemic”) in the spring of 2020 impacted the U.S. tourism industry and resulted in partial closure of national parks across the country. It also led to timed ticketed entry at specific parks, including Lake Mead National Recreation Area, from 2020 through the fall of 2021. Currently there are no Park-wide timed entry requirements; however, Willow Beach has limited parking spaces and as such, the Park will limit entry when parking capacity is full, which is typical of many summer weekends.

Exhibit 3. Map of Hoover Dam, Black Canyon, and Willow Beach



Source: National Park Service



VISITATION INFORMATION

Annual and monthly visitation data for Lake Mead National Recreation Area appears in the following exhibits. There is a distinct seasonal pattern to the visitation figures. Peak visitation occurs June through September, which accounts for fifty five percent (55%) of annual visitation. The months of July and August combined account for approximately thirty percent (30%) of annual visitation. Over the last ten years, total visitation to the Park averaged approximately 7.1 million visitors.

Exhibit 4. Annual Recreation Visitation to Lake Mead National Recreation Area

Year	Visitation	Percent Change
2014	6,942,873	---
2015	7,298,465	5.1%
2016	7,175,891	-1.7%
2017	7,882,339	9.8%
2018	7,578,958	-3.8%
2019	7,499,049	-1.1%
2020	8,016,510	6.9%
2021	7,603,474	-5.2%
2022*	5,578,226	-26.6%
2023	5,798,541	3.9%

Source: National Park Service

*The Park changed traffic count methodology and estimates of visitors per vehicle in 2022. Prior to 2022, the Park assumed 3.3 persons per vehicle, and starting in 2022, assumed 2.5 persons per vehicle. Visitation counts are based on number of vehicles entering the Park multiplied by estimate of average vehicle occupant count.



The following exhibit provides the average visitation over the last ten years.

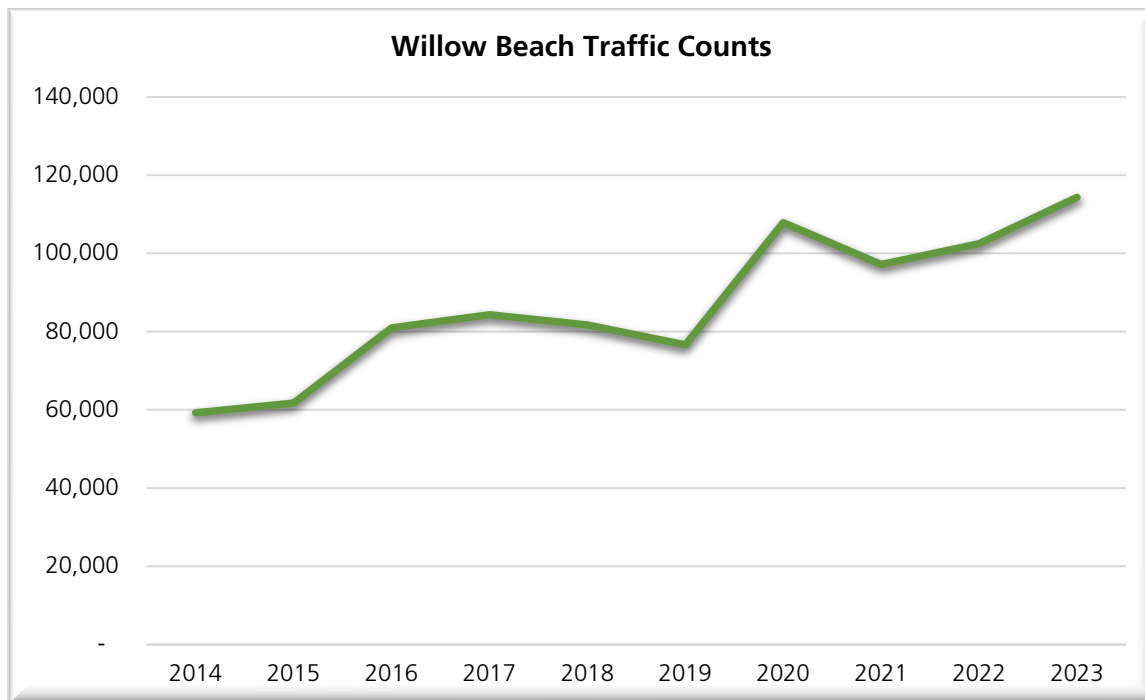
Exhibit 5. Lake Mead National Recreation Area Month Visitation Trends (2014-2023)

Month	Average Visitation	Share of Average Visitation
January	417,064	5.8%
February	468,338	6.6%
March	573,236	8.0%
April	612,715	8.6%
May	690,267	9.7%
June	776,707	10.9%
July	778,591	10.9%
August	682,873	9.6%
September	667,080	9.3%
October	585,737	8.2%
November	463,794	6.5%
December	421,032	5.9%
Total	7,137,433	100%

Source: National Park Service

The following chart illustrates Willow Beach traffic counts for 2015 – 2023. The Park acknowledges some periods of disruption in traffic counts due to occasional counting equipment malfunctions, but the overall volume of counts is a fair representation of the level of vehicle visitation to Willow Beach.

Exhibit 6. Willow Beach Traffic Counts (2014-2023)



Source: National Park Service



COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS AND PARK JURISDICTION

The Federal Government owns the lands within Lake Mead National Recreation Area which is an area of concurrent jurisdiction. The Service provides law enforcement and emergency medical services in cooperation with local agencies and provides structural and wildland fire protection.

The Concessioner is responsible for obtaining all permits necessary for its operations under the Draft Contract, paying necessary taxes, and abiding by applicable labor laws.

WEATHER AND NATURAL HAZARDS

Weather plays a key role in most recreation at Lake Mead National Recreation Area. Although the region enjoys mild winters that are ideal for recreation, summers are extremely hot, with interludes of heavy monsoon storms.

Normally during the period from June through September, temperatures in this region consistently soar beyond 100 degrees Fahrenheit. This extreme heat poses a significant risk, and heat exhaustion or heat stroke becomes a constant threat, particularly for visitors who arrive unprepared for such conditions. The danger is compounded by the region's weather patterns, as sudden rain showers, high winds, and flash floods are frequent during the monsoon storms that occur throughout the summer months.

PENDING CONSTRUCTION PROJECTS IMPACTING WILLOW BEACH

The Park currently is planning projects that may affect operation at Willow Beach during the term of the Draft Contract.

Willow Beach Road Realignment

Realignment of the road to Willow Beach (the only vehicular access to the Concession Facilities) is planned for 2028. The purpose of the project is to correct issues with the portion of the road that is prone to flooding and damage. A key objective of the project is a realignment (construction of a new segment of road) of the roadway and excavation of a wash diversion channel, with the intent to reduce hazards associated with flash flooding.

Possible Dock Improvement

The Service has tentative plans to install a cover to a portion of the docks located under FMSS Asset Number 113818 in fiscal year 2025 (October 2024 – September 2025). However, if this project is delayed, and were to take place under the Draft Contract, the Service will coordinate work with the Concessioner as to minimize any disruptions.

CONCESSION OPPORTUNITY

The following section describes the services required and authorized by the Draft Contract, as well as other key terms and information regarding the future business opportunity.

DRAFT CONTRACT TERM

The Draft Contract will have a ten (10) year term, with an estimated effective date of January 1, 2026. The Service may change the effective date of the Draft Contract prior to award if determined necessary. In such event, the Service will change the expiration date of the Draft Contract correspondingly to maintain a term length of ten years.

REQUIRED AND AUTHORIZED SERVICES: DRAFT CONTRACT

The following describes the Required Services (i.e., must be provided by the Concessioner) and Authorized Services (i.e., may be provided at the option of the Concessioner) specified in the Draft Contract.

Exhibit 7. Required Services

Services	Location	Additional Information
Guided Water Float	Black Canyon	guided raft trips
Hoover Dam Secure Zone and Reservation System	Black Canyon	managing access to the secure zone for
Marina	Willow Beach	includes slip rentals and marine fuel
Boat Rentals	Willow Beach	small boat and paddlecraft rentals
Houseboat Rental (Lodging)	Willow Beach	stationary lodging on houseboats ("Floatels")
Food and Beverage	Willow Beach	fast casual service
Retail	Willow Beach	includes the sale of packaged alcohol
Campground	Willow Beach	includes campground and RV sites
Automobile Services	Willow Beach	land based fuel services

Exhibit 8. Authorized Services

Services	Location	Additional Information
Guided Water Float	Eldorado Canyon	guided raft trips
Shuttle Services	Black Canyon, Willow Beach	for paddlecraft visitors that leave vehicles at Willow Beach; for visitors to Area hotels; transport of vessels, supplies, and/or visitors
Chase Boat and Emergency Fuel Service	Black Canyon, Willow Beach	authorized to provide additional chase boat and emergency fuel services, for a fee, to visitors other than those that use the Concessioner's rental fleet
Executive Services	Willow Beach	includes services such as: boat launch/retrieval, loading and unloading of equipment and supplies, grocery shopping and stocking, vessel cleaning and detailing, and trip preparation, including re-fueling and sewage pump-out services



OVERVIEW OF CONCESSION FACILITIES AND SERVICES

Willow Beach is where the marina, food and beverage, retail, and campground are located, below Hoover Dam on Lake Mohave (Colorado River). Willow Beach is located 12 miles downriver from Hoover Dam on the Arizona side of the Colorado River. Concession services include a store and fast casual food and beverage operation, a 90-slip marina, auto and boat fuel, fishing pier, sewage pump out, small boat and paddlecraft rentals, launch ramp and courtesy dock, picnic sites and a campground and RV park with showers and laundry facilities. Willow Beach is also the take-out point for the Black Canyon raft trips. Black Canyon, through which the concession-operated raft trips travel, is a 12-mile section of the Colorado River between Hoover Dam and Willow Beach.

Guided Raft Trips in Black Canyon

Black Canyon guided raft trips start within the secure zone of Hoover Dam, and all access to the secure zone is controlled by the Bureau of Reclamation ("BOR"). The Concessioner must have a separate operating agreement with BOR for the use of the Lower Portal Road (access road to the secure zone and raft launch site) and pay an estimated \$10.00 per person usage fee directly to BOR. Due to U.S. Department of Homeland Security requirements, employees of the Concessioner having access to the Hoover Dam secure zone must go through a background investigation through BOR. The Concessioner will also collect a \$15.00 per person Park entrance fee, which is remitted to the Park through a Federal Lands Recreation Enhancement Act ("FLREA") fee management agreement. A sample fee management agreement is included as an appendix to the Prospectus.

The guided raft trips include interpretation of Black Canyon history, geology, as well as the flora and fauna, and a boxed lunch. The Concessioner may take up to a maximum of 300 raft passengers per day through Black Canyon. While the Existing Concessioner, through a separate arrangement with BOR, provides a "Postcard" raft tour of the area immediately in the vicinity of Hoover Dam, this tour is not part of the Draft Contract.

Hoover Dam Secure Zone Access Management

In addition to operating raft trips through Black Canyon, the Concessioner is also required to operate a launch reservation and permit system to manage access to the Hoover Dam secure zone for commercial float trips (raft, kayak, etc.) operated by the Park's Commercial Use Authorization ("CUA") holders who have authorization from the Service to conduct business within the Park. The Existing Concessioner charges CUAs a \$15.00 per person launch reservation and permit fee (as approved by the Park and based on cost recovery), a \$15.00 per person Park entrance fee (remitted to the Park), and an additional 6% to cover administrative costs (as approved by the Park) for a total of \$31.80 per CUA guest. Under the Draft Contract, the Concessioner will also collect the estimated \$10.00 per person BOR usage fee from CUA guests. Unauthorized vehicles are not allowed on the Lower Portal Road and CUAs provide shuttle service for their paddlecraft to the launch site. As part of its management of the secure zone, the Concessioner will check identification, screen passengers' baggage and equipment, and escort all authorized vehicles down the Lower Portal Road to the launch site.

Marina and Boat Rental Services

Willow Beach marina includes covered and uncovered slip rentals, boat rentals including small, motorized boats and non-motorized paddlecraft such as canoes and kayaks, as well as hot water boat wash, and boat towing.



Stationary Houseboat Rentals (Lodging) “Floatels”

Within two years of the Draft Contract effective date, the Concessioner is required to operate three houseboats as stationary lodging at the Willow Beach marina. Overnight lodging in “floatels” is a new required service under the Draft Contract. Additional information regarding the investment in these houseboats is included in the Initial Investment section of this prospectus.

Food and Beverage

The Willow Beach fast casual food and beverage operation is located within a 2,200 square foot facility, with approximately 526 square feet of dining space. There is indoor seating for 24 and an additional 60 seats on a covered patio deck. The covered patio deck is available for all visitors and not for the exclusive use of the Concessioner’s customers.

Retail

The Willow Beach retail store includes approximately 492 square feet of retail space, with approximately 2,020 square feet of additional storage and office space. The Concessioner is required to sell convenience items and general merchandise that have a direct relationship to the Area, its environs, history, or other related natural or cultural topics. Boat accessories and parts, and water safety products must be offered, and there is space at the entry to the store for Service interpretive and educational exhibits. The Concessioner is authorized to sell packaged alcohol in the retail store.



Interior of the retail space

Campground

The Willow Beach campground includes 29 RV spaces with full hook-ups, 9 tent spaces, and shower and laundry facilities. Several of the sites offer an outstanding view of the river.

Automobile and Water-based Fuel Services

The Concessioner must provide fuel services land side as well as on the marina.

Authorized Services

The Concessioner is also authorized, but not required, to provide the following visitor services under the Draft Contract.

- Guided raft trips to the Eldorado Canyon
- Shuttle services for the following: guided raft trip passengers who leave their vehicles at Willow Beach prior to launching at Hoover Dam; paddlecraft visitors and their supplies; and for visitors to area hotels.
- Chase boat and emergency fuel services, for a fee, for visitors that are not using any of the Concessioner's rental fleet.
- Executive services that may include the following: boat launch and retrieval, loading and unloading of equipment and supplies, grocery shopping and stocking, vessel cleaning and detailing, and trip preparation, including re-fueling and sewage pump-out services.

Employees and Employee Housing

In addition to the required visitor services, the Concessioner must provide housing for some staff at Willow Beach. Included in the Concession Facilities are two housing units in one building (1 duplex) and four RV/trailer sites with full hookups. Generally, other staff commute from the Henderson, Boulder City, Nevada or Kingman, Arizona areas.

The Concessioner may charge a reasonable rate to employees for housing. The Existing Concessioner employed approximately 6-8 permanent staff and 10-15 seasonal employees.

Rates

Under the Draft Contract, the Service will approve rates for all services in accordance with the Competitive Market Declaration methodology. The Hoover Dam secure zone launch reservation and permit fees are the only fees that will be based on Concessioner cost recovery.

For specific guidance on rate setting for all services, see the Draft Contract, Exhibit B (Operating Plan) and the National Park Service Rate Administration Guide ("Rate Administration Guide"). A [copy of the Rate Administration Guide](#) including the Rate Administration Guide Addendum is available on the NPS Commercial Services site.

FINANCIAL DATA

This section presents revenue projections developed by the Service to assist Offerors in developing projections for future operations associated with the Draft Contract. These estimates reflect Service assumptions based on historical concession operating data, industry standards, economic conditions, and comparable and competitive operations. The Service does not guarantee these projections will materialize and assumes no liability for the accuracy of the projections presented. Offerors must compile and present their own financial projections based on their independent assumptions, due diligence, and industry knowledge. Additionally, the Service does not provide projections for authorized services, as these services may or may not be provided by the Concessioner.

Revenue Assumptions

In developing prospective revenue estimates, the Service assumed the floatel lodging service would not commence until year three of the Draft Contract, therefore they are not included in the projected revenues for the first year of the Draft Contract presented in Exhibit 9 below.



Exhibit 9. Draft Contract Projected Revenues (Year 1)

Category	Projected Revenues (2026)
Guided Raft Trips (includes CUA Launch Reservation System fees)	\$796,000 - \$880,000
Marina (Boat Rental)	\$1,273,000 - \$1,407,000
Marina (Moorage/Boat Slip Rental)	\$312,000 - \$345,000
Food and Beverage	\$162,000 - \$179,000
Retail (General Merchandise)	\$739,000 - \$817,000
Retail (Souvenirs and Gifts)	\$282,000 - \$312,000
Fuel (Land Based)	\$96,000 - \$106,000
Fuel (Water-Based on Marina)	\$324,000 - \$358,000
Campground	\$395,000 - \$437,000
Miscellaneous Revenue (Camping Cancellation Fees and Vending)	\$24,000 - \$26,000
Total Estimated Revenue	\$4,403,000 - \$4,867,000

Source: National Park Service

Utilization Assumptions

The following exhibits provide a breakdown of projections of operating statistics for some departments.

Exhibit 10. Projected Guided Raft Trips and CUA Launch Reservation System Fees Statistics

	2026
Number of Raft Tour Riders	4,500 – 5,000
Revenue per Rider	\$128 - \$141
Launch Permits Issued	7,400 – 8,200
Revenue per Permit	\$25 – 28

Exhibit 11. Projected Food and Beverage Operating Statistics

	2026
Number of Covers	9,800 – 10,800
Average Check per Cover	\$15.70 - \$17.40

Exhibit 12. Projected Camping Operating Statistics

	2026
Number of Available Sites	28 – 36
Number of Occupied Sites	22 – 24
Occupancy Rate	79% - 86%
Average Revenue per Occupied Site	\$47.70 - \$52.80



INVESTMENT ANALYSIS

The Service estimates the total required initial investment by the Concessioner necessary to begin operations required by the Draft Contract, provided below. Offerors must complete their own due diligence and not rely on the Service's estimates in preparing and submitting its proposal in response to this Prospectus. The Offeror's proposal in response to Part III of this Prospectus should address how it intends to fund these items. The Existing Contract does not require the Existing Concessioner sell or transfer any personal property to the successor Concessioner.

Exhibit 13. Estimated Initial Investments

Required Investments	Estimated Amount (2026 Dollars)
Personal Property	\$1,442,000
Inventory and Working Capital	\$164,000
Start-up Expenses	\$174,000
Total Estimated Initial Investment	\$1,780,000

Source: National Park Service

PERSONAL PROPERTY

The Concessioner must provide its own personal property to commence operations, such as personal property used for general concession administration and support, furniture, and equipment. To assist potential Offerors to better understand the type and quantity of personal property necessary for the operation of the Draft Contract, the Service has provided a list of the Existing Concessioner's personal property as an appendix to this Prospectus.

The Service estimates the initial personal property investment associated with the Draft Contract totals approximately \$1,442,000 in 2026 dollars. This total does not include investment in houseboats for required lodging (floatels), which the Service expects the Concessioner will make in year two of the Draft Contract. The Service estimates the cost of three (3) used houseboats for the floatels is \$510,000 in 2027 dollars.

INVENTORY AND WORKING CAPITAL

The Concessioner will need beginning inventory to commence operations and other working capital for will be necessary for accounts receivable and accounts payable.

START-UP COSTS

At the start of the Draft Contract, the Concessioner will need to make a one-time investment in a range of activities to commence operations including, but not limited to, hiring staff, training that may involve costs in addition to normal wages, implementation of appropriate information technology, quality control, and other systems, legal services, and marketing and advertising beyond normal annual expenditures as well as other necessary start-up costs, such as operating supplies.

ASSIGNED GOVERNMENT PERSONAL PROPERTY

While the Concessioner does not make an initial investment in government personal property, the Service will assign certain government-owned property, such as appliances, picnic tables, shelving, and a boat wash. A



list is presented in Exhibit E to the Draft Contract. The Concessioner must maintain this government-owned personal property and replace it at the Concessioner's expense when it reaches the end of its useful lives.

LEASEHOLD SURRENDER INTEREST

The Existing Concessioner does not have a leasehold surrender interest (as that term is defined in 36 C.F.R. § 51.51) ("LSI").

The Concessioner will be eligible to obtain LSI as outlined in the Draft Contract and Exhibits A ("Leasehold Surrender Interest") and F1 ("Concessioner New Construction and Major Rehabilitation Project Procedures") to the Draft Contract, subject to all requirements set forth therein.

Sections 15 and 16(a) of Exhibit A to the Draft Contract set forth the standard contract language for obtaining LSI for fixture installation and replacement and alternative language for waiving LSI in such fixture installations and replacements. Specifically, Section 15 covers obtaining LSI in fixtures in which the Concessioner has existing LSI and Section 16(a) covers obtaining LSI in fixtures in which no LSI exists. The Offeror's Transmittal Letter, which is part of the Proposal Package (Part III), allows the Offeror to elect the use of the standard contract language or alternative language, also known as the LSI Waiver Provision for Fixture Installation and Replacement.

The Service believes the Concessioner's election to include the LSI Waiver Provision for Fixture Installation and Replacement in the Draft Contract will reduce the administrative burden on the Service and the Concessioner with respect to approval of fixture replacements, and approval and tracking of related costs and depreciation. Waiving of LSI in fixture installations and replacements includes waiving LSI in fixtures included in any concessioner project, including projects in an Offeror's proposal.

The evaluation of proposals will be neutral with respect to the Offeror's election to include or exclude the LSI Waiver Provision for Fixture Installation and Replacement in the Draft Contract. That is, inclusion or exclusion by an Offeror of the LSI Waiver Provision for Fixture Installation and Replacement will have no effect on the Offeror's evaluation score. See election in the Offeror's Transmittal Letter.

DEFERRED MAINTENANCE

No deferred maintenance exists in the Concession Facilities.



OTHER FINANCIAL & OPERATIONAL REQUIREMENTS

In addition to the investments listed above, the Draft Contract includes the following requirements that are ongoing throughout the term of the Draft Contract. The Offeror's proposal in response to Part III of this Prospectus should address how the Offeror intends to fund these items or account for them.

FRANCHISE FEE

Offerors must agree to pay the minimum franchise fee set out in Principal Selection Factor 5 of the Proposal Package. In determining the minimum franchise fee, the Service, using available industry data, considered the probable value to the Concessioner of the privileges granted by the Draft Contract. This probable value is based upon a reasonable opportunity for net profit in relation to capital invested and the obligations of the Draft Contract including anticipated revenues and expenses.

The following chart presents the minimum franchise fee tiers. Offerors, however, may propose a higher minimum franchise fee, as described in the Proposal Package.

Exhibit 15. Minimum Franchise Fee Tiers

Minimum % Required	Tiered Gross Receipts
5.50%	of annual gross receipts from \$0 to \$3,750,000; plus
6.75%	of annual gross receipts from \$3,750,001 and \$6,000,000; plus
8.00%	of annual gross receipts greater than \$6,000,000

The following is an **example** of the total franchise fees owed based on the above tiers. A Concessioner with annual gross receipts of \$6,500,000 would pay a total of \$398,125 in franchise fees as calculated below.

Franchise Fee %	Revenue Range	Calculated Franchise Fee
5.50%	of gross receipts up to and including \$3,750,000	\$206,250
6.75%	of gross receipts between \$3,750,000 up to and including \$6 million (6.75% x \$2,250,000)	\$151,875
8.00%	of gross receipts over \$6 million (8.0% x \$500,000)	\$40,000
	TOTAL Franchise Fees	\$398,125

COMPONENT RENEWAL RESERVE

Component renewal is the planned replacement of a component, a portion of an asset, at the end of its useful life (examples include roof replacement, electrical distribution systems, parking lots and walkways). The Concessioner must reserve funds for the Component Renewal Reserve based on a required percentage of gross receipts the Service estimates will support projected component renewal throughout the term of the Draft Contract.



The Draft Contract requires the Concessioner to fund the Component Renewal Reserve by allocating **one and eight-tenths percent (1.8%)** of the Concessioner's annual gross receipts throughout the term of the Draft Contract.

The purpose of the timing and estimated costs, presented below, is to provide potential Offerors with information that can assist in the development of financial projections. However, it does not replace Offeror's due diligence, nor does it impact the Concessioner's contractual responsibilities as outlined in the Draft Contract and its exhibits, including component renewal project processes.

Exhibit 14. Component Renewal Reserve Estimated Costs and Timing

Estimated Year of Project	Estimated Component Renewal Costs (\$2024)
2026	\$74,236
2027	\$235,040
2028	\$4,664
2029	\$58,795
2030	\$666,587
2031	\$24,645
2032	\$128,718
2033	\$0
2034	\$31,183
2035	\$305,663

Source: National Park Service

INSURANCE REQUIREMENTS

In the Draft Contract, Exhibit D (Assigned Land and Real Property Improvements) and Exhibit I (Insurance), the Service included the minimum building insurance requirements for the assigned Concession Facilities and minimum liability insurance requirements required by the Draft Contract.

UTILITIES

The Service will provide water and wastewater service to the Concessioner. The Concessioner must obtain all other utilities (electricity, removal of solid waste and recyclables, telephone, and internet, etc.) from out-of-Park suppliers.

The Service charges utility users (including concessioners) the utility systems' operating and maintenance costs and amortized cost of capital improvements to utility systems, in accordance with [Director's Order 35B \(DO-35B\)](#). The Service has reviewed projected operating and maintenance costs and amortized costs of capital improvements for these utility systems and services and the combined 2026 water and wastewater rate is estimated to be \$19.23 per 1,000 gallons. The Service anticipates that, on average, the utility rates will increase at least 3 percent per year over the term of the Draft Contract. Should the Service complete capital improvement projects, not included in this calculation, the Service expects the utility rates may increase more than anticipated. However, if an unanticipated capital improvement project is completed, the utility rate to the Concessioner will not exceed 10% per year. The Service has incorporated these rates into its franchise fee calculation and will not approve a utility add-on. The following table provides the usage, total gallons, and total charges to the Existing Concessioner for water and wastewater for 2019-2023. Additionally, the 2024 rate is \$11.41 per 1,000 gallons.



Exhibit 16. Prior Water and Wastewater Usage and Charges

	2019	2020	2021	2022	2023
Water, Wastewater (gallons)	3,646,684	3,135,163	975,844	1,329,487	1,041,631
Water, Wastewater (per 1,000 gallons)	\$6.82	\$7.56	\$8.39	\$9.43	\$10.37
Total Charges to Existing Concessioner	\$24,879	\$23,710	\$8,191	\$12,537	\$10,801

Source: National Park Service

FEDERAL CONTRACTOR MINIMUM WAGE

The minimum wage for federal contractors established by Executive Order 14026 and 29 C.F.R. Part 10 will apply to the Draft Contract. However, nothing in 29 C.F.R. Part 23 excuses noncompliance with any applicable Federal or state prevailing wage law or any applicable law or municipal ordinance, or any applicable contract, establishing a minimum wage higher than the minimum wage established under E.O. 14026 or 29 C.F.R. Part 23. Therefore, the minimum wage requirements of the State of Arizona will also apply to the Draft Contract to the extent they provide for a minimum wage higher than that required by 29 C.F.R. Part 23. The paid sick leave requirements for federal contractors under Executive Order 13706 will also apply.

The Service has considered the implications of the state and Federal minimum wage requirements in the analysis of the minimum franchise fee, and Offerors must consider the impacts of these Federal and state minimum wage requirements when developing its financial projections.

The Federal Contractor Minimum Wage for 2024 is \$17.20. There are no exemptions for tipped workers.

As stated in 29 C.F.R. Part 23, the United States Department of Labor will increase the actual minimum wage for federal contractors each year based on the annual change in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

PREFERRED OFFEROR DETERMINATION

Pursuant to 36 C.F.R. Part 51, the Director has determined there is no Preferred Offeror for the Draft Contract.

COMPETITIVE ENVIRONMENT IN AND AROUND THE PARK

The surrounding communities of Boulder City and Las Vegas, Nevada and Kingman, Arizona provide a variety of lodging, food and beverage, and other recreational opportunities for visitors to the area.

Marina Services

There are competing concession contracts in the Area for small boat rentals, slip rentals, and marina facilities. Cottonwood Cove Marina is located 26 river miles down the Colorado River on Lake Mohave and has 238 slips and includes small boat rentals and houseboat rentals. Temple Bar Marina is located 35 miles driving distance to Willow Beach and has 154 uncovered slips and includes small boat rentals. Las Vegas Boat Harbor is located 24 miles driving distance north of Willow Beach, on Lake Mead and has 1,390 slips and includes small boat rentals.



Within the Area there are commercial operators permitted to provide services on the lake under Commercial Use Authorizations ("CUA"). These commercial entities provide a variety of other opportunities for visitors to enjoy the Area, including paddlecraft rental services, guided paddlecraft trips, and guided backcountry hiking trips.



EXISTING CONCESSION CONTRACT

The Existing Contract for the operations commenced on January 1, 2013, and as lengthened and extended, is set to expire December 31, 2025. The Service will provide a copy of the Existing Contract upon request.

CONCESSION OPERATIONAL PERFORMANCE OVERVIEW

The following exhibit presents historical annual gross receipts by department and franchise fees paid to the Service from 2021-2023. The Existing Concessioner pays a franchise fee of eight and seven tenths' percent (8.7%) of gross receipts. Historical revenue data includes ongoing pandemic effects in 2021.

Exhibit 17. Historical Department and Total Revenues*

Department	2021	2022	2023
Guided Raft Trips & CUA Launch Reservation System	\$167,000	\$637,000	\$603,000
Retail (General Merchandise)**	\$563,000	\$680,000	\$688,000
Retail (Souvenirs and Gifts)	\$157,000	\$260,000	\$320,000
Food and Beverage	\$55,000	\$149,000	\$131,000
Fuel (Land Based)***	\$70,000	\$85,000	\$83,000
Fuel (Water-Based)***	\$214,000	\$291,000	\$240,000
Campground	\$349,000	\$367,000	\$390,000
Marina (Boat Rental)	\$1,106,000	\$1,167,000	\$1,296,000
Moorage (Boat Slip Rental)	\$109,000	\$217,000	\$243,000
Miscellaneous Revenue (Camping Cancellation Fees, Vending)	\$29,000	\$22,000	\$25,000
Total Revenue	\$2,820,000	\$3,876,000	\$4,019,000
Franchise Fees Paid	\$244,000	\$331,000	\$341,000

Source: National Park Service

*Totals may not add due to rounding.

**Retail Sales include authorized packaged alcohol sales revenue.

***Gasoline taxes are exempt from franchise fees.





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