

BUSINESS OPPORTUNITY

CC-ACAD01X-24

Department of the Interior

National Park Service

Acadia National Park

**A Concession Business Opportunity for
Narrated Interpretive Bus Tours
within Acadia National Park
on Mount Desert Island, Maine**

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INTRODUCTION

SITE VISIT

The Service will host a one-day site visit on the date listed on the inside front cover of this Prospectus. The site visit provides interested parties an overview of the concession operation. If you plan to attend the site visit and would like more information and instructions, please email ACAD_Concessions@nps.gov, by the date and time listed on the inside front cover to this Prospectus. The Service will provide further information and additional directions by return email message to the organization's identified primary contact.

Depending on the responses, the Service may limit the number of participants from each interested Offeror. All participants must be age 18 or older.

INFORMATION REGARDING THIS SOLICITATION

In this document, the National Park Service ("Service") may refer to Acadia National Park as the "Park."

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.

Offerors must review all sections of this Prospectus especially the terms and conditions of the Draft Concession Contract No. CC-ACAD01X-24 ("Draft Contract"), including its exhibits, to determine the full scope of a future concessioner's responsibilities. The Draft Contract with all exhibits appears in Part IV of this Prospectus. In the event of any inconsistency between the description of the terms contained in this Prospectus and the Draft Contract, the Draft Contract will control.

Certain federal laws apply to this solicitation including the National Park Service Concessions Management Improvement Act of 1998 ("1998 Act"), Public Law 105-391 [codified at 54 U.S.C. § 101911 et seq.](#), as implemented by regulations in 36 C.F.R. Part 51. 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.

"Former Concessioners" refers to National Park Tours and Transport, Inc., the concessioner under Temporary Concession Contract TC-ACAD010-17, and Oli's Trolley, the concessioner under Temporary Concession Contract TC-ACAD011-17 ("Former Contracts"). The Former Contracts commenced on January 1, 2017 and expired on December 31, 2019.

PROPOSALS

Part II of this Prospectus contains the instructions about completing proposals. Offerors must carefully read and comply with those instructions.

Part III of this Prospectus contains the Proposal Package offerors must complete in its entirety. The Proposal Package contains a required transmittal letter, five principal selection factors, and two secondary selection factors. Each selection factor identifies the minimum and maximum points the Service may award depending on the quality of the response. Offerors must carefully read and respond accordingly. The following paraphrases the information sought under each selection factor. The wording of the actual selection factors controls.

Principal Selection Factor 1 requires offerors to describe how they will protect the Park's resources and values. Specifically, offerors must describe how they will minimize impacts on the Park's Fundamental Resource Values and Other Important Resources and Values as described in the *Foundation Document, Acadia National Park, Maine* (September 2016), which is available at [Foundation Document - Acadia National Park \(nps.gov\)](#).

Principal Selection Factor 2 requires offerors to describe how they will provide some aspects of the required services, specifically the ticketing system, staging areas, onboard amenities, and narrated interpretive bus tours.

In Principal Selection Factor 3, offerors must describe their organizational structure and provide documentation to help the Service understand the offeror and its relationship to other entities. The Service does not score that information specifically but may use it to understand responses elsewhere in a 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. We provide forms offerors must complete depending on their organizational structure. The rest of this principal selection factor requires offerors to describe their experience providing similar services, aspects of employee management to provide excellent customer service, and commercial operator incident reporting.

In Principal Selection Factor 4, offerors must provide documentation demonstrating the financial resources to commence and operate under the Draft Contract. The Service has provided a business history form and Excel workbook offerors must complete in providing responses to this selection factor.

In Principal Selection Factor 5, offerors must 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 (tier 1, 3.0%; tier 2, 15.0%; and tier 3, 25.0%) will result in the Service finding the proposal non-responsive and ineligible for award of the Draft Contract.

A tiered franchise fee applies three different rates for different levels of cumulative annual gross receipts. The initial level of \$500,000 in annual gross receipts is known as the first breakpoint, in which the tier 1 rate (3.0%) is applied to all annual revenues generated up to and including this revenue level. After this first breakpoint, the tier 2 rate (15.0%) is applied to all annual revenues generated between \$500,001 and \$1,000,000. This second level of \$1,000,000 in annual gross receipts is known as the second breakpoint. After this second breakpoint, the tier 3 rate (25.0%) is applied to all additional annual gross receipts.

Secondary Selection Factor 1 requires offerors to provide information about the bus fleet they intend to use, and to describe the environmental benefits of their proposed buses.

Secondary Selection Factor 2 requires offerors to describe how they will market and promote the narrated interpretive bus tour and encourage shoulder season ridership.

HIGHLIGHTS

The National Park Service offers this opportunity for narrated interpretive bus tours within Acadia National Park. **The Service intends to award up to three (3) concession contracts.**

The Service will award only one (1) concession contract to each successful Offeror, i.e., a single Offeror may not obtain more than one contract.

Projected gross receipts and initial investment estimates are for **each concessioner** assuming that three concessioners have a roughly equal share of the total projected bus tour market.

Projected Contract Term – January 1, 2024 through
December 31, 2033 (10 years)

Required Services – Narrated Interpretive Bus Tours
(scheduled and charter service)

Estimates Below Assume Three Concession Contracts Awarded

2026 Represents the first stabilized year of operations. No commercial vehicles longer than 38 feet will be permitted in the Park beginning in 2026.

2026 Projected Range of Gross Receipts (per contract) – \$1.5 million to \$2.4 million

Estimated Initial Investment (per contract) – \$2.67 million

Minimum Tiered Concession Franchise Fee (per contract) –

3.0% for gross receipts from \$0 to \$500,000; plus

15.0% for gross receipts from \$500,001 to \$1,000,000; plus

25.0% for gross receipts exceeding \$1,000,000

NATIONAL PARK SERVICE

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

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

Additionally, Congress has 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)

To learn more about the National Park Service, visit www.nps.gov.



Source: National Park Service ©

DOING BUSINESS WITH THE NATIONAL PARK SERVICE

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

We use 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. Simply put, the term "commercial visitor services" includes lodging, food and beverage, retail, marina operations, guided recreation, rental of equipment, experiential transportation, and similar services the National Park Service itself does not provide. Congress has passed several laws guiding the National Park Service in contracting with third parties to provide these services including the 1998 Act. The National Park Service implemented regulations for implementing many aspects of the law, 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 National Park Service in providing commercial visitors services differs from operating outside a park in several respects. By law, we approve rates to ensure park visitors do not pay higher fees for goods and services merely because such transactions occur within a park. As with the private sector, concessioners must develop and follow environmental management programs, risk management programs, and other similar programs to ensure operations comply with applicable laws. Our employees review the quality of concession operations and compliance with contract requirements including the maintenance of facilities.

Even with those regulatory actions, 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 approve rates, our processes ensure the rates are competitive with similar services near the operating locations. Our contract oversight reflects the best management practices of the private sector industries. We developed operating standards based on similar ones in the private sector to reflect best industry practices for the services required under the concession contracts.

ACADIA NATIONAL PARK

The purpose of Acadia National Park is to protect the ecological integrity, cultural history, scenic beauty, and scientific values within the Acadia archipelago and Schoodic Peninsula and offer visitors a broad range of transformative and inspiring experiences amid the Park's diverse habitats, glacially sculpted mountains, and bold, rocky coastline.

Acadia National Park preserves approximately 50,000 acres in Hancock and Knox Counties along the mid-section of the Maine coast. The Park consists of portions of Mount Desert Island plus a portion of Isle au Haut to the southwest of Mount Desert Island, the tip of the Schoodic Peninsula on the mainland to the east, and portions of 16 smaller outlying islands. The Park also preserves more than 13,000 acres in conservation easements across its legislated boundary, which runs from the Penobscot River ship channel to just east of the Schoodic Peninsula.

The Park was created to protect the natural beauty of the highest mountains and rocky headlands along the Atlantic shore of the United States. Significant resources include a glaciated coastal and island landscape, an abundance of habitats, a high level of biodiversity, clean air and water, and a rich cultural heritage. Acadia National Park was established in 1916 as Sieur de Monts National Monument and incorporated into Lafayette National Park in 1919 as the first national park east of the Mississippi River. Private citizens donated all the land now comprising Acadia National Park, demonstrating the fruitful efforts of philanthropy.

Acadia National Park is in a transition zone between temperate deciduous and northern coniferous forests along the Gulf of Maine and Atlantic flyway, overlying glacially sculpted granite mountains with interspersed glacially scoured lake beds and bounded by rocky headlands. Noteworthy natural resources include coastal spruce-fir forests, subalpine communities, heaths and marshes, exceptionally diverse flora, over 40 species of mammals, and documented sightings of over 300 bird species. The landforms of the Park illustrate the dynamics of many geologic processes including all three rock types, plate tectonics, volcanism, glaciations, and shoreline erosion. The power of glaciers is evident in U-shaped valleys and cliffs, while the ongoing assault by the sea constantly reworks the island's shoreline.

The cultural resources of Acadia National Park document human activities that span 5,000 years. Acadia's human history begins with centuries of use by native people known as the Wabanaki. Five centuries ago, Europeans contacted the Wabanaki as they explored and settled here. Decades of commercial use by stonecutters, lumbermen, shipbuilders, and fishermen, as well as an evolving and growing northeast interest in tourism, fostered an increased interest in conservation. Other historic resources protected within the boundary of Acadia include 33 miles of scenic motor roads, 120 miles of hiking trails, 45 miles of carriage roads, a hiking trail system noted for its community origins and high level of craftsmanship, four lighthouses, and the Islesford Historical Museum.

Acadia National Park receives an average of 2.5 million visits per year, with most occurring from June through October. The most popular destinations include Cadillac Mountain, Sand Beach, and Jordan Pond. Resource-based recreational activities include viewing the scenery, hiking, bicycling, camping, horseback and carriage riding, sea kayaking, and canoeing. The Park provides opportunities for educating visitors about its resources and values through a variety of interpretive activities including guided walks, amphitheater presentations, education programs, and outreach activities.

CONCESSION OPPORTUNITY

Each Concessioner will provide narrated interpretive bus tours in Acadia National Park on Mount Desert Island, departing from the local area. The minimum operating season is mid-May through mid-October, but Concessioners may operate outside of that season as well. Minimum daily bus tour frequencies for each Concessioner are one bus tour daily from mid-May through mid-June and two bus tours daily from mid-June through mid-October.

Primary tour routes will be conducted on the Park Loop Road, which includes the Cadillac Mountain Summit Road, but Concessioners may propose additional routes to other Park locations on Mount Desert Island and tours of varying duration.

Each Concessioner will provide scheduled tour service for passengers who book independently, as well as charter tour service for groups including, but not limited to, cruise ship-to-shore excursions and passengers transferred from tours conducted in vehicles that do not fit within a standard parking space (i.e., 8.5 feet by 11 feet, vehicle length no longer than 21 feet). Concessioners may also charter buses exclusively for transportation purposes through Acadia National Park on Mount Desert Island.

Each Concessioner must have a minimum bus fleet of three buses. Concessioner buses may be no longer than 38 feet with a passenger capacity no fewer than 20 seated passengers and no more than 36 seated passengers. The parameters described above, and others are outlined in Exhibit B: Operating Plan of the Draft Contract.

Demand for concession bus tours is highly seasonal, with peak demand occurring during the height of the cruise ship season in Bar Harbor, Maine, primarily September and October. Even taking into account recent restrictions on cruise ships arriving in Bar Harbor, there may be concession bus tour demand of 1,200 passengers or more on a single day. At an average of 30 passengers per tour, this translates to 40 concession bus tours in one day, or an average of 13 to 14 tours per Concessioner (assuming three contracts awarded). The Park also expects demand for concession bus tours to increase during summer months when the parking reservation system goes into effect and fewer visitors will tour the Park in private vehicles.

The Service may limit the number of buses and/or number of passengers delivered to a Park location based on Park management objectives, including providing a high-quality visitor experience, protecting Park resources, and ensuring equitable access to limited parking at prime destinations in the Park.

Buses will depart from and return to locations in the local area. The Proposal Package (Principal Selection Factor 2) asks Offerors to identify staging and departure locations

To prevent deep-discounting practices, the Service will not allow any Concessioner to charge a bus tour rate less than \$20 dollars per passenger during the first year of the Draft Contract. The Service may extend, modify, or rescind this floor rate based on Park management objectives.

In addition to paying the Service the required Franchise Fee on its gross receipts, each Concessioner will pay the Service an appropriate park entrance fee for each tour. The Concessioner may pass the

entrance fee through to its customers and the Concessioner will not include the entrance fee amount in its gross receipts.

The Park will continue to issue Commercial Use Authorizations (CUAs) for interpretive and activity-based tours conducted in vehicles that fit within a standard parking space.

CONTRACT TERM

The term of the Contract will be ten (10) years, with an effective date of January 1, 2024. The effective date may change prior to award, if necessary; however, in such event, the Service will change the expiration date of the Draft Contract to maintain a 10-year term.

REQUIRED AND AUTHORIZED SERVICES

The Contract includes the following required and authorized services (as defined by the Draft Contract).

Exhibit 2. Draft Contract ACAD01X-24 Required & Authorized Services

Required Service	Location
Narrated Interpretive Bus Tours (scheduled and charter service)	Park Loop Road, including the Cadillac Mountain Summit Road, and Cadillac Summit Departing from and returning to locations in the local area
Authorized Service	Location
Transportation Services	Cadillac Mountain Summit Road, Cadillac Mountain Summit, Park Loop Road, and other authorized locations within Acadia National Park on Mount Desert Island
Narrated Interpretive Bus Tours (scheduled and charter service)	Other authorized locations within Acadia National Park on Mount Desert Island
Step on Guide Services	Cadillac Mountain Summit Road, Cadillac Mountain Summit, Park Loop Road, and other locations in Acadia National Park on Mount Desert Island

OVERVIEW OF REQUIRED SERVICES

Narrated Interpretive Bus Tours

Narrated Interpretive Bus Tours of Acadia National Park typically feature highlights on and around the Park Loop Road, including Thunder Hole, Otter Cove, and Jordan Pond, as well as a visit to the Cadillac Mountain summit. Bus drivers (tour guides) provide interpretive narration about the historical, cultural, natural, and scenic resources of the Park and surrounding area. The former concessioners conducted tours lasting one to four hours. The most popular tours were 2.5 hours long.

The Concessioner must submit annually an Interpretive Script to the Park for approval prior to conducting the narrated interpretive tours to ensure appropriateness, accuracy, quality, and the relationship of interpretive presentations to Area themes. See Exhibit B, Operating Plan, Section 3.C.e (page B-4) for more information.

Exhibit 3 presents the number of concession bus tour passengers during the last five years of the Former Contracts.

Exhibit 3. Former Concession Bus Tour Passengers, 2015-2019

	2015	2016	2017	2018	2019
ACAD010	13,903	14,354	16,775	18,500	22,276
ACAD011	25,781	28,722	35,989	38,146	37,215
Total Passengers	39,684	43,076	52,764	56,646	59,491
% Change		8.5%	22.5%	7.4%	5.0%

Source: National Park Service

Rates (2019) charged by the Former Concessioners for bus tours are presented in Exhibit 4. These rates include the 2019 \$5.25 per person Park entrance fee rate for all passengers.

Exhibit 4. Former Contract (2019) Bus Tour Rates, Including Entrance Fees

National Park Tours (NPT) 2.5-Hour Park Tour	Rate
Adults	\$32.50
Children (11 and under)	\$20
Oli's Trolley 2.5-Hour Park Tour	Rate
Adults	\$40
Children (11 and under)	\$25
Oli's Trolley 4-Hour Park Tour	Rate
Adults	\$65
Children (11 and under)	\$40
Oli's Trolley 1-Hour Cadillac Mtn. Tour	Rate
Adults	\$25
Children (11 and under)	\$15

Source: National Park Service

The Service's revenue projections do not include park entrance fees. The Service projects average bus tour revenue per passenger (excluding park entrance fees) to be between \$35 and \$40 in 2024.

Requests to change tour prices during the Draft Contract term are subject to Competitive Market Declaration guidelines as described in the Operating Plan.

The Park may change entrance fees during the Draft Contract term.

Adjustments to Projected Concession Bus Tour Demand (ridership)

In typical past years, approximately 54,000 to 65,000 Bar Harbor cruise ship visitors took park tour shore excursions on large buses authorized under Commercial Use Authorizations (CUA). In addition to cruise ship shore excursion ridership, an additional 11,000 to 22,000 visitors also toured in buses authorized under CUAs.

In 2022, the town of Bar Harbor took steps to manage its cruise ship traffic levels: the town council adopted a cruise ship management plan, and residents approved a separate referendum with potential to further limit cruise ship traffic. The Service estimates that the cruise ship management plan may drop annual cruise ship shore excursion levels to approximately 38,000 to 46,000 passengers. The outcome of the referendum, though, is unclear as it is facing court challenges. If allowed to stand, the referendum may reduce annual shore excursion ridership beginning in 2025 to approximately 2,500 to 3,500 passengers.

In accordance with the Record of Decision for the [Acadia National Park Final Transportation Plan/Environmental Impact Statement](#) (March 2019), the Service will prohibit commercial vehicles greater than 38 feet in length from operating on the Park Loop Road, which includes the Cadillac Mountain Summit Road. This will require the 13,500 to 68,000 annual passengers who would have previously toured the Park by standard motor coach to transfer to vehicles that fit in a standard parking space or to concession buses no longer than 38 feet in length. Starting in 2026, all CUA Holders who operate vehicles that cannot fit into a standard parking space will be required to transfer to Concession operated tour buses or seek other alternatives.

In addition, the Service anticipates that the private vehicle timed-entry reservation system for the Ocean Drive, Jordan Pond, and Cadillac Mountain corridor. The vehicle timed-entry reservation system was implemented in 2021 for the Cadillac Mountain corridor. This reservation system is expected to generate additional demand for concession bus tours. Some visitors who would previously have been able to tour the Park in their cars will, without a timed-entry reservation, consider alternative means of accessing these corridors that require reservations.

The Service projects that the time-entry reservation system will create bus tour demand of approximately 30,000 passengers (2024 estimate), increasing annually by 2%.

To summarize, the Service estimates the future market (ridership and revenue potential) for concession bus tours of the Park based on the following demand drivers:

- Existing demand (concession bus tour ridership) and growth based on tourism, cruise ship, and population trends
- Additional demand due to the prohibition of CUA holders using vehicles that do not fit within a standard parking space on the Park Loop Road
- Additional demand due to the implementation of a timed-entry reservation system

The Exhibit 5 summarizes estimated annual demand from each of these components.

Exhibit 5. Estimates of Demand (Ridership) for Concession Bus Tours

Item	Estimate (passengers)
Existing Concession Bus Tour Demand (Ridership)	55,000
Additional Demand from Passengers Displaced from Larger CUA Vehicles Prohibited on the Park Loop Road	13,000 - 70,000
Additional Demand due to Parking Reservation System	30,000
Total Estimated Annual Demand (Ridership)	98,000 – 155,000

Source: National Park Service

The Service estimates the total annual market for concession bus tours to be approximately 98,000 – 155,000 passengers, growing to an estimated range of 130,000 – 190,000 passengers by 2033. This is approximately three to four times the bus tour ridership accommodated by the two Former Concessioners (55,000 annually).

Projections of demand for bus tours assume that private vehicle timed-entry reservations for the Ocean Drive and Cadillac Mountain corridors will continue to be in effect for the first year of the term of the draft concession contracts.

Concession bus tour operators may work with cruise lines or destination managers to provide shore excursions beginning in 2024, if possible. Concessioners will provide all shore excursions within the Park (excluding excursions permitted under CUAs that use vehicles with a capacity of 15 or fewer passengers and that fit in a standard parking space) beginning with the 2026 operating season. The Service will prohibit all commercial vehicles greater than 38 feet in length from operating on the Park Loop Road in 2026.

OVERVIEW OF AUTHORIZED SERVICES

The Draft Contract authorizes, but not does not require, the Concessioner to provide the following services. Implementation of any of these services is subject to Service approval.

Transportation to the Cadillac Mountain Summit, Park Loop Road, and other locations in Acadia National Park on Mount Desert Island

Concessioners may provide transportation (without a narrated interpretive tour) for passengers to and from the Cadillac Mountain summit, the Park Loop Road, and other locations in Acadia National Park on Mount Desert Island.

Narrated Interpretive Bus Tours – Scheduled and Charter Service to Other Locations within Acadia National Park on Mount Desert Island

Concessioners may provide narrative interpretive bus tours to other locations within Acadia National Park on Mount Desert Island.

Step on Guide Service to Cadillac Summit Road and Cadillac Mountain summit, the Park Loop Road, and other locations in Acadia National Park on Mount Desert Island

Concessioners may provide Step on Guide Services to include Cadillac Summit Road, Cadillac Mountain Summit; the Park Loop Road and other locations in Acadia National Park on Mount Desert Island.

OTHER OPERATING REQUIREMENTS

Ticket Sales. The Concessioner must use a computerized system for booking and managing ticket sales. The system must provide internet and telephone-based ticket sales and information relating to the services provided by the Concessioner. The Concessioner must also provide staffed ticketing operations at or near its departure location serving walk-up sales and will call.

Staging and Office Space. The Concessioner must secure for its buses a staging, ticketing, and departure location outside of the Park. The Concessioner must perform all non-emergency maintenance outside the Park.

The Service assumes that the Concessioner will secure all other necessary spaces for operations and has included assumed expenses in its financial projections.

DEMAND, REVENUE, AND EXPENSE PROJECTIONS

The Service projects the following ridership and revenue for each Concessioner, assuming that three Concessioners have approximately equal shares of the total concession bus tour market.

In the event Concessioners are unable to contract with cruise ships for the 2024 season, projected 2024 ridership does not include shore excursion passengers.

Exhibit 6. Projected Demand and Revenue, Each Concessioner, Years 1 and 3 (2024 and 2026)

	2024 Range	2026 Range
Annual Bus Tour Ridership	30,000 - 35,000	40,000 - 56,000
Average Transportation Revenue per Passenger	\$35.00 - \$40.00	\$37.50 - \$42.50
Total Projected Revenue	\$1,050,000 - \$1,200,000	\$1,500,000 - \$2,380,000

Source: National Park Service

This revenue projection does not include park entrance fees collected by the Concessioner and remitted to the Service. These entrance fees are not included in the Concessioner's gross receipts for the purposes of calculating the franchise fee.

As Exhibit 6 shows, projected annual ridership for each Concessioner is estimated to be 40,000 to 56,000 in 2026. At an average of 30 passengers per tour, this translates to between 1,300 and 1,900 tours per year per Concessioner. Over an estimated 160-day operating season, this averages to 8 to 12 tours per day per Concessioner. However, because of the pronounced seasonality related to the Bar Harbor cruise ship schedule, demand for each Concessioner's bus tours on a given day could range from just 1 to 14 or more tours.

The Park expects Concessioners to develop flexible tour schedules and to work with the Park to fine-tune schedules to limit overcrowding, prevent resource disturbance, and ensure a high-quality experience for all Park visitors. The Service projects most expenses to be in line with national industry norms and averages.

Federal Minimum Wage

The Draft Contract is subject to the minimum wage for federal contractors established by Executive Order 14026 signed by President Biden on April 27, 2021, and its implementing regulations, including the applicable contract clause, codified at 29 C.F.R. Part 23, as well as the minimum wage requirements of Maine.

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 their financial projections. The Concessioner will be responsible for paying whichever minimum wage schedule is higher, the state or federal. Offerors should take note of the staffing and certifications needed to deliver the services required by the Draft Contract. The Operating Plan, Exhibit B to the Draft Contract, includes specific operational requirements for the concession operation.

INVESTMENT ANALYSIS

The Service estimates each Concessioner's total initial investment at approximately \$2.67 million in 2024 dollars. This figure includes initial investments for the bus fleet, other personal property and inventory, start-up costs and working capital. Exhibit 7 summarizes the estimated initial investment at the start of the Draft Contract.

Exhibit 7. Estimated Initial Investment

Item	Estimated Amount (2024)
Bus Fleet, including lease costs for temporary buses	\$2,430,000
Other Personal Property	\$120,000
Start-Up Costs & Working Capital	\$120,000
TOTAL	\$2,670,000

Source: National Park Service

BUS FLEET

Each Concessioner must provide and operate no fewer than three (3) buses, each with a capacity of between 20 and 36 seated passengers. Each Concessioner may operate additional vehicles with smaller passenger capacities as well. All buses must conform to the minimum requirements described in detail in the Operating Plan Section 5(B) of the Draft Contract.

The minimum standards require, among other things, the Concessioner to use buses with environmental benefits such as reduced emissions from alternative fuels or hybrid technologies. The buses must be no longer than 38 feet, no taller than 11 feet 8 inches, and no wider than 8 feet. Buses must also be capable of ascending the elevation gain on the Cadillac Mountain Summit Road. The buses must feature high-quality passenger spaces and audio systems, and windows that provide passengers with exceptional visibility. Bus fleets must have accessibility features and be able to accommodate passengers in wheelchairs.

Not all buses in the Concessioner's fleet must be the same model. Some buses may feature more advanced environmental performance or amenities than others.

The Service will permit temporary buses that may not meet all operating requirements during the first two seasons of the Draft Contract term (2024 – 2025). The proposed primary bus fleet must be placed into service by the beginning of the third season of the Draft Contract term (expected to be May 1, 2026). ***If the Service is delayed in awarding these contracts, the Service may approve a more lenient schedule for the transition to the primary bus fleet.***

OTHER PERSONAL PROPERTY

The Concessioner must provide all other personal property necessary to conduct operations, such as furniture, computers, other equipment, and supplies used for administration and support

services. The Service has estimated the total value of such personal property and inventory to be \$120,000 in 2024 dollars.

START-UP COSTS AND WORKING CAPITAL

At the start of the Draft Contract, the Concessioner will need to make a one-time investment in a range of activities to ramp up operations including hiring and training staff, systems implementation, legal support services, and marketing and advertising. In addition to any necessary investment in start-up activities, the Concessioner will need to invest a certain amount of cash in the operation as working capital to cover that portion of the operation's expenses the Concessioner will likely incur in advance of receiving offsetting revenues and cash flow.

ASSIGNED GOVERNMENT PERSONAL PROPERTY

The Service will not transfer any Government Personal Property to the Concessioner, as shown in Exhibit C (Assigned Government Personal Property) to the Draft Contract.

CONCESSION FRANCHISE FEE

Offerors must agree to pay the minimum franchise fee specified in Principal Selection Factor 5 of the Proposal Package (Part III of this Prospectus). The minimum franchise fee is tiered: **Tier 1, three percent (3.0%); tier 2, fifteen percent (15.0%); and tier 3, twenty five percent (25.0%)** of the Concessioner's annual gross receipts (the franchise fee is described in Section 5 of the Draft Contract). Offerors may propose a higher minimum franchise fee for the possibility of additional points as described more fully in the Proposal Package.

INSURANCE REQUIREMENTS

The Service has included minimum insurance requirements for bus tour operations in Exhibit D of the Draft Contract and has considered the cost of that insurance in its financial analysis.

PREFERRED OFFEROR DETERMINATION

The 1998 Act includes the limited right of preference in renewal for statutorily defined outfitter and guide services and small contracts. This limited right does not apply here, however. The Service has determined, pursuant to 36 C.F.R. Part 51, there is no "preferred offeror" who is eligible to exercise a right of preference for the award of the Draft Contract.

INFORMATION ABOUT HISTORICAL VISITATION AND EXISTING CONCESSION CONTRACTS FOR NARRATED INTERPRETIVE BUS TOUR OPERATIONS

PARK VISITATION

The following table presents historical recreation visitation to Acadia National Park over the past decade.

Exhibit 8. Acadia National Park Recreation Visitation, 2012-2022

Year	Recreation Visitation	Percentage Change
2011	2,374,645	-5.2%
2012	2,431,736	2.4%
2013	2,254,924	-7.3%
2014	2,563,129	13.7%
2015	2,811,184	9.7%
2016	3,303,393	17.5%
2017	3,509,271	6.2%
2018	3,537,575	0.8%
2019	3,484,836	-1.5%
2020	2,669,034	-23.4%
2021	4,069,098	52.5%
2022	3,970,260*	

*Preliminary data

Source: National Park Service

As shown in the table above, Park visitation increased by approximately one million visits per year over the past decade. There were notable increases of 13.7%, 17.5% and 52.5% in 2014, 2016 and 2021 respectively. The increase from 2013 to 2014 is partially due to a two-week government shutdown in 2013 which caused the Park to close during the part of the October peak season and resulted in a drop in annual visitation in that year. 2016 was the NPS Centennial, which contributed to the increase in visits in that year. 2021 saw the removal of a variety of restrictions related to the COVID-19 pandemic and traveler preference for outdoor recreational opportunities, which resulted in the large increase in annual visitation. Cruise ships did not operate in Bar Harbor, ME, during the 2021 season and did not contribute to the increase in annual visitation. Preliminary 2022 data show Park visitation still higher, but moving toward pre-pandemic levels.

Certain components of visitation, including cruise ship passenger visitation, have increased dramatically over time. Other factors, such as declines in gas prices between 2014 and 2016, post-pandemic inflation (making international travel a less attractive alternative), and state tourism marketing initiatives, have contributed to recent visitation increases. Recent growth in vacation rentals (through Airbnb, VRBO, etc.) in and around Mount Desert Island has increased the supply of tourist accommodations and contributed to visitation growth.

The following table presents average monthly recreation visitation to the Park and the share of total annual visits in each month.

Exhibit 9. Average Monthly Recreation Visitation to Acadia NP, 2021

Month	Recreation Visitation	% of Annual Total
January	20,268	0.5%
February	16,123	0.4%
March	38,060	0.9%
April	110,096	2.7%
May	324,654	8.0%
June	661,919	16.3%
July	782,146	19.2%
August	795,437	19.5%
September	667,301	16.4%
October	557,624	13.7%
November	81,089	2.0%
December	14,381	0.4%
Total	4,069,898	100.0%

Source: National Park Service

The Park's peak season occurs between June and October, with over 85% of visits each year occurring within this five-month period. The Park sees the greatest number of visits in July and August, and these two months experience the most difficult traffic conditions, as most visitors arrive in private vehicles. A larger share of total visitors in September and October arrive by large bus tours or cruise ships.

MAINE AND BAR HARBOR TOURISM TRENDS

The Maine Office of Tourism produces annual reports on the travel and tourism industry in the state. This section presents the most recent information available from these reports.

The following table presents the annual number of tourist visits to Maine in each year since 2014.

Exhibit 10. Overnight Visitors to Maine, 2015-2021

Year	Tourist Visits (millions)	Annual Growth Rate
2015	17.97	
2016	18.86	5.0%
2017	20.25	7.4%
2018	20.52	1.33%
2019	21.83	6.38%
2020	12.08	-44.66%

Year	Tourist Visits (millions)	Annual Growth Rate
2021	15.60	29.14%

Source: Maine Office of Tourism

The number of visitors increased from just under 33 million in 2014 to over 37 million in 2018, and the average annual growth rate was 3.0% over that period. The following table presents annual tourism expenditures in Maine since 2014.

Exhibit 11. Annual Tourism Expenditures in Maine, 2017-2021

Year	Tourism Expenditures in Maine (\$ billions)	Annual Growth Rate
2017	\$6.01	
2018	\$6.20	3.16%
2019	\$6.49	4.68%
2020	\$4.80	-26.04%
2021	\$7.85	63.54%

Source: Maine Office of Tourism

This data tracks closely with visitation growth, with average spending increases of 3.1% annually over the period shown.

The following table presents a breakdown of visitors to Maine by mode of transportation.

Exhibit 12. Mode of Transportation Taken by Visitors to Maine, 2017

Mode of Transportation	Share of Visitors
Personal Car	73%
Airplane	10%
Rental Car	8%
Train	2%
Shared	2%
Other	5%

Source: Maine Office of Tourism

Many visitors to Maine drive in their personal cars, which correlates with Park survey data that suggests that most visitors (78%) are from New England and Mid-Atlantic states. Only 10% of visitors arrive via airplane. The largest component of the "Other" segment has been cruise ship passengers.

The number of passenger arrivals at Bangor International Airport, the closest airport to the Park served by major airlines, increased from 460,000 in 2012 to over 600,000 in 2022. At Portland International Jetport, the state's largest airport, the number of passengers increased from 1.67 million in 2012 to 1.97 million in 2022.

Prior to the COVID-19 pandemic, cruise ship arrivals to Bar Harbor represented a rapidly growing segment of visitation to the Park. The outcome of efforts to reduce cruise ship traffic in Bar Harbor remains uncertain. The following table presents the number of cruise ship passengers arriving at Bar Harbor since 2015.

Year	Number of Cruise Ship Passengers	Annual Growth Rate
2015	146,436	
2016	158,093	8.0%
2017	207,360	31.2%
2018	222,728	7.4%
2019	254,546 (est.)	14.3%
Average Annual Growth		14.8%

Source: Bar Harbor Harbormaster

As the table shows, prior to Bar Harbor passing regulation in 2022, there had been 14.8% average annual growth in the number of cruise ship passengers to Bar Harbor since 2015.

HISTORICAL REVENUES

Exhibit 14 presents historical revenues reported by the Former Concessioners, 2017 through 2019.

Concession Contract ID	2017	2018	2019
ACAD011	\$1,152,987	\$1,435,957	\$1,451,562
ACAD010	\$452,204	\$582,747	\$684,277

Source: National Park Service

These historical figures include park entrance fees collected by the Concessioner and remitted to the Service. Park entrance fees collected by the ACAD011 concessioner and remitted to the Service totaled \$197,148 in 2019, and park entrance fees collected by the ACAD010 concessioner totaled \$116,949 in 2019.

Park entrance fees are not included in the projections of each Concessioner's gross receipts presented previously in this Business Opportunity. Park entrance fees are not subject to franchise fee.

LINKS TO ADDITIONAL INFORMATION

Foundation Document, Acadia National Park

[Foundation Document - Acadia National Park \(nps.gov\)](#)

Acadia National Park Transportation Plan

[Transportation Plan - Acadia National Park \(U.S. National Park Service\) \(nps.gov\)](#)

Acadia National Park Superintendent's Compendium: [Superintendent's Compendium - Acadia National Park \(U.S. National Park Service\) \(nps.gov\)](#)

National Park Service Management Policies 2006: [\[Inside Front Cover\] \(nps.gov\)](#)

Concessions Management Improvement Act of 1998 (54 USC 101911 through 101926) (1998 Act): <http://www.gpo.gov/fdsys/pkg/PLAW-105publ391/pdf/PLAW-105publ391.pdf>

36 CFR Part 51 – Concession Contracts: <http://www.ecfr.gov/cgi-bin/text-idx?SID=d03628d94ca3851e02f00f86e5142962&mc=true&node=pt36.1.51&rgn=div5>

Concession Management Rate Administration Guide: [Rate Administration - Concessions \(U.S. National Park Service\) \(nps.gov\)](#)

Commercial Services Guide: [Commercial Services Guide \(nps.gov\)](#)

Commercial Services Standards and Evaluations:

<https://www.nps.gov/subjects/concessions/standards-and-evaluations.htm>

Authorized Concessioner Mark Information and Guidelines for Concessioners:

[Authorized Concessioner Mark Program - Concessions \(U.S. National Park Service\) \(nps.gov\)](#)