

**Supporting Statement A for Paperwork Reduction Act Submission
Submission of Offers in Response to Concession Opportunities
36 CFR Part 51, Subpart C
OMB Control # 1024-0125**

Terms of Clearance: Upon the agency's next request for OMB approval, please identify the approximate number of small entities that respond to this collection.

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

Title IV, Section 403 of the National Parks Omnibus Management Act of 1998 (P.L. 105-391) provides that "all proposed concession contracts shall be awarded by the Secretary to the person, corporation or other entity submitting the best proposal, as determined by the Secretary through a competitive selection process. Such competitive process shall include simplified procedures for small, individually-owned, concessions contracts."

36 CFR Part 51, Subpart C, provides new legislative authority, policies and requirements for the solicitation, award and administration of National Park Service (NPS) concession contracts. Section 403(1) of the Act and implementing regulations at 36 CFR § 51.4 require that proposed concession contracts be awarded by the Secretary of the Interior to the person or entity submitting the best proposal as determined by the Secretary through a competitive selection process: "(a) The Director must award all concession contracts, except as otherwise expressly provided in this part, through a public solicitation process. The public solicitation process begins with the issuance of a prospectus. The prospectus will invite the general public to submit proposals for the contract. The prospectus will describe the terms and conditions of the concession contract to be awarded and the procedures to be followed in the selection of the best proposal."

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection. [Be specific. If this collection is a form or a questionnaire, every question needs to be justified.]

The information requested in each prospectus as identified in 36 CFR Sections 51.5, 51.17 and 51.32 will be used to evaluate all offers received and determine which among them is the best offer for purpose of contract award. Specific information identified in the implementing regulation includes:

- The minimum measures the concessioner will take to ensure protection, conservation and preservation of the resources of the park;
- The responsiveness of the proposal to the objectives of providing necessary and appropriate visitor services at reasonable rates, including, but not limited to:
- The minimum visitor services the concessioner will provide,
- The minimum capital investment, if any, the concessioner will make,
- Any other minimum requirements that the new contract may specify, including, as appropriate and without limitation, measurable performance standards.
- The experience and related background of the offeror;
- The financial capability of the offeror to carry out its proposal;
- The minimum franchise fee or other forms of consideration to the Government;
- The quality of the offeror's proposal to conduct its operations in a manner that furthers the protection, conservation and preservation of park area and other resources through environmental management programs and activities.

The amount of information or degree of detail requested varies widely, depending upon the size and scope of the business opportunity. For example, a much greater amount of detailed information would be required for a multi-unit lodging and food service operation such as that at Yellowstone, than would be required for a small firewood sales operation. Without such information, the National Park Service would be unable to objectively evaluate offers received for a particular business opportunity, and would be unable to assure that the park resources will be adequately protected, or to determine which offeror would provide the best service to visitors at reasonable rates, and the greatest overall return to the Government.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden [and specifically how this collection meets GPEA requirements].

Notice of the availability of the prospectus is advertised via the internet at fedbizopps.gov. At this time, respondents are not able to provide responses electronically, due to the wide disparity in both size and type of operations. The information requested in response to a proposal varies due to the different types and sizes of concession operations.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The requested information is unique to the applicant and no other source of information is available. As each business opportunity is also unique, offers submitted in response to each prospectus must be prepared individually, and cannot be reused in the case of renewals or other repeat applications. No similar information pertaining to business opportunities on park lands is collected by the National Park Service or other Federal agencies. Since circumstances vary with each business opportunity advertised, there is no available information that can be used in lieu of

that supplied in the interested party's offer.

5. If the collection of information impacts small business or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

Information is collected from those small businesses that wish to submit an offer in response to the advertisement of a concession opportunity. As in the case of other applicants, information is limited to that required in order for the National Park Service to objectively evaluate all offers received and determine which among them is the best offer. For example, as indicated in 36 CFR § 51.12, solicitations for large, complex operations may be issued in two phases, a qualifications phase and a proposal phase; while solicitations for concession contracts that the Director considers are likely to be awarded to a sole proprietorship or are likely to have annual gross receipts of less than \$100,000 will incorporate simplified administrative requirements.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The National Park Service would be unable to objectively evaluate all offers received in response to the advertisement of a concession opportunity, as required by Public Law 105-391, and determine which among them is the best offer.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- ❖ **Requiring respondents to report information to the agency more often than quarterly;**
- ❖ **Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receiving it;**
- ❖ **Requiring respondents to submit more than an original and two copies of any document;**
- ❖ **Requiring respondents to retain records, other than health, medical, Government contract, grant in-aid, or tax records, for more than 3 years;**
- ❖ **In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of the study;**
- ❖ **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- ❖ **That includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- ❖ **Requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

There are no special circumstances.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice [and in response to the PRA statement associated with the collection over the past 3 years] and describe actions taken by the agency in response to these comments. Specifically address comments received on cost hour and burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. [Please list the names, titles address, and phone numbers of persons contacted.]

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

The request for comments and extension of the collection was published in the “Federal Register” for public comment on August 6, 2009, Volume 74, No. 150, Page 39335. No public comments were received.

Requests for comments on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported were sent to three concessioners (see below). Mr. Kirk Anderson of Xanterra Parks & Resorts, Inc., responded. Mr. Anderson had no comments or suggestions on this collection. No other responses were received.

Kirk Anderson, Vice President and General Counsel
Xanterra Parks & Resorts
6312 S. Fiddlers Green Circle
Suite 600 North
Greenwood Village, Colorado 80111 (303) 600-3400

Tim Krebs, General Manager
Golf Course Specialists, Inc.
East Potomac Golf Course
972 Ohio Drive, SW
Washington, DC 20024 (202) 554-7660

Parkway Inn (Pisgah Inn)
Blue Ridge Parkway Milepost 408.6
PO Box 749, Waynesville, NC 28786 (828) 235-8228

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payments or gifts are provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation or agency policy.

Information is collected and protected in accordance with the Freedom of Information Act (5 U.S.C. 552) (FOIA). In accordance with the Freedom of Information Act, if a respondent believes their application contains trade secrets or confidential commercial or financial information exempt from disclosure under the Freedom of Information Act, the cover page, as well as each page of the application containing such information is to be labeled. Information in an application identified as trade secret information or confidential commercial and financial information shall be used by the Government only for the purpose of determining whether the proposed transaction should be approved, except that if the same information is obtained from another source without restriction, it may be used without restriction.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

No sensitive questions are asked.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- ❖ **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- ❖ **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**
- ❖ **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate calories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item**

14.

Approximately 100 offers in response to a prospectus are received by the National Park Service each year. NPS estimates that approximately 480 hours (90 calendar days, 60 working days) would be required to prepare and submit an offer for a large operation. NPS estimates that approximately 240 hours (45 calendar days, 30 working days) would be required to prepare and submit an offer for a small operation. Approximately 100 solicitations are advertised each year (80 small and 20 large). NPS anticipates that it will receive approximately 4 offers for each large for a total of 80 from large entities and 2 offers for each small operation for a total of 160 offers from small entities. The annual burden estimate is summarized as follows:

Businesses or Nonprofit Entities

Position-Private	Hourly pay rate (\$/hr est.)	Hourly rate including benefits (1.4 x hourly rate)**	Percent of time spent on collection	Weighted average (\$/hr)
General Manager	\$44.02*	\$61.63	100%	\$61.63
Weighted Average (\$/hr)				\$61.63
Based on an estimated average General Manager rate				
* Occupational Employment and Wages, May 2008, Bureau of Labor Statistics http://www.bls.gov/oes/2008/may/oes111021.htm				
**A multiplier of 1.4 was added for benefits in accordance with BLS news release USDL 09-1501, December 9, 2009. http://www.bls.gov/news.release/pdf/ecec.pdf .				

Based on these assumptions, the estimate of burden hours for a General Manager is:

1. Total burden hours for a General Manager to prepare an offer for a **large** operation (20 solicitations x 4 offers x 480 hours): 38,400 hours
2. Total annual cost (38,400 hours x \$61.63): \$2,366,592
3. Total burden hours for a General Manager to prepare an offer for a **small** operation (80 solicitations x 2 offers x 240 hours): 38,400 hours
4. Total annual cost (38,400 hours x \$61.63): \$2,366,592

13. Provide an estimate of the total annual [non-hour] cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include any hour burden shown in Items 12 and 14).

- ❖ **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information [including filing fees paid]. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as**

purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

- ❖ **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- ❖ **Generally, estimates should not include purchases or equipment or services, or portions thereof; made (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the Government or (4) as part of customary and usual business or private practices.**

The total non-hour cost burden to applicants is estimated at \$3,000 for small operations (\$3,000 x 160 hours = \$480,000) and \$8,000 (\$8,000 x 80 hours = \$640,000) for large operation for a total burden of \$1,120,000 for all respondents. These costs include but are not limited to expenses for printing, travel for on-site visits and professional fees and these costs will vary due to proximity to the proposed concession operation and the desired involvement of consultants and other professionals outside the company. There are no other costs associated with preparing and submitting an application. Respondents do not have any recurring costs associated with the prospectus process.

14. Provide estimates of annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

The annual hourly cost to the Federal Government to evaluate offers submitted by prospective concessioners is estimated at \$954,360. This is based on staff time to process and review applications. This includes the costs of printing and consultation fees as needed. A weighted average cost per hour is calculated based on the following assumptions:

Large Operation

1. Total burden hours (large operation): 4 persons at 40 hours each = 160 hours x 20 offers: 3,200 hours; 3,200 hours x \$190: \$608,000

Position	Grade	Total Annual Hours	Hourly pay rate (\$/hr est.)*	Hourly rate including benefits (1.5 x hourly rate)**	Percent of time spent on processing (160 hours)	Weighted average (\$ hr)
Supervisory	GS-13,	40	\$34.52***	\$51.78	100%	\$52

Concessions Specialist	step 1					
Concessions Specialist	GS-11, step 5	40	\$28.24***	\$42.36	100%	\$42
Concessions Specialist	GS-11, step 5	40	\$28.24***	\$42.36	100%	\$42
Lawyer (to review offer)	GS-15, step 5	40	\$54.37***	\$81.55	100%	\$54
Weighted Average (\$/hr)						\$190
<p>*Salary Table 2009-DCB. http://www.opm.gov/oca/09tables/pdf/salhr.pdf ***A multiplier of 1.4 was added for benefits in accordance with BLS news release USDL 09-1501, December 9,2009. http://www.bls.gov/news.release/pdf/ecec.pdf. ***2 percent added for 2010 raise</p>						

Small Operation

2. Total burden hours (small operation): 2 persons at 16 hours each = 32 hours x 80 offers: 2,560 hours; 2,560 hours x \$106: \$271,360

Position	Grade	Total Annual Hours	Hourly pay rate (\$/hr est.)*	Hourly rate including benefits (1.5 x hourly rate)**	Percent of time spent on processing (160 hours)	Weighted average (\$ hr)
Supervisory Concessions Specialist	GS-13, step 1	16	\$34.52***	\$51.78	100%	\$52
Lawyer (to review offer)	GS-15, step 5	16	\$54.37***	\$81.55	100%	\$54
Weighted Average (\$/hr)						\$106
<p>*Salary Table 2009-DCB. http://www.opm.gov/oca/09tables/pdf/salhr.pdf **A multiplier of 1.5 was added for benefits in accordance with BLS news release USDL 09-1501, December 9,2009. http://www.bls.gov/news.release/pdf/ecec.pdf. ***2 percent added for 2010 raise</p>						

1. Printing costs: \$75,000 annually
2. Total annual recurring cost: \$608,000 (large operation) + \$271,360 (small operation): \$879,360; \$879,360 + \$75,000 (printing costs): \$954,360

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

There are no program changes or adjustments.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, include beginning and ending dates of the

collection of information, completion of report, publication dated, and other action.

Not applicable.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

We will display the expiration date on appropriate materials.

18. Explain each exception to the certification statement, “Certification for Paperwork Reduction Act Submissions.”

There are no exceptions to the certification statement.