

Part I

BUSINESS OPPORTUNITY

Windsurfing Instruction and Equipment Rentals

within

Padre Island National Seashore

National Park Service

Department of the Interior

Concession Contract No. CC-PAIS002-26



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INTRODUCTION

The National Park Service (Service) has determined that certain visitor services are necessary and appropriate to enhance the visitors' comfort and enjoyment of the Park Unit while ensuring that the resources are protected.

The National Park Service (Service) intends to award one concession contract to provide windsurfing instruction and equipment rentals within Padre Island National Seashore (Park). This Prospectus describes in general terms the existing business and the future business opportunities for the facilities and services required by the Service. Offerors are responsible for reviewing all sections of this Prospectus and, specifically, the terms and conditions of the Draft Concession Contract CC-PAIS002-26 (Draft Contract), including its exhibits, to determine the full scope of a future Concessioner's responsibilities under the Draft Contract.

The Service is conducting this solicitation in accordance with the National Park Service Concessions Management Improvement Act of 1998 (Public Law 105-391) as implemented by the Service in 36 C.F.R. Part 51. The term "Concessioner" as used in this Prospectus refers to the entity that will be the Concessioner under the Draft Contract. The term "Existing Concessioner" refers to the entity that currently provides services under the Existing Concession Contract (Existing Contract). The Existing Contract is available upon request. See the Appendix Table of Contents (Part V of this Prospectus) for how to request a copy.

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 prevail. In the event of any inconsistency between the description of the terms contained in this Prospectus and the Draft Contract, the Draft Contract will prevail.

THE NATIONAL PARK SERVICE AND ITS MISSION

America's National Park Service was created by Congress 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. (16 U.S.C. § 1)

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. . . . (16 U.S.C. §1a-1)

The National Park Service preserves unimpaired the natural and cultural resources and values of the National Park System for the enjoyment, education, and inspiration of this and future generations. The Service cooperates with partners to extend the benefits of natural and cultural resource conservation and outdoor recreation throughout this country and the world. Visit the National Park Service website (www.nps.gov) to learn more about the National Park Service, including its mission, policies, and individual park units.



PADRE ISLAND NATIONAL SEASHORE AND ITS MISSION

Padre Island National Seashore (Park) was established by an act of Congress on September 28, 1962 (Public Law 87-712), "to save and preserve, for the purposes of public recreation, benefit, and inspiration a portion of diminishing seashore of the United States that remains undeveloped."

Padre Island National Seashore encompasses 130,434 acres of America's vanishing barrier islands. It is the longest remaining undeveloped stretch of barrier island in the world. White sand beaches, interior grasslands, freshwater ponds and wetlands, and the Laguna Madre provide habitat for sea turtles, migrating songbirds and shorebirds; deer, snakes, waterfowl, and coyotes. While providing food, water and shelter for the multitude of diverse wildlife, the island remains a destination for tourists. Visitors experience the wind in their face and the surf on their feet. From windsurfing to fishing, the Park provides many recreational opportunities.

The Padre Island National Seashore Foundation Document Foundation Document (2017) provides the following Purpose Statement: "Located on the Texas coast, Padre Island National Seashore preserves, protects, and interprets the outstanding natural, cultural, and recreational resources of the longest undeveloped barrier island in the United States and its surrounding water for public benefit, inspiration, and scientific understanding."

The Park website at www.nps.gov/pais has additional information.



MARKET AREA OVERVIEW

Texas is the nation's second largest state with an area of 268,601 square miles, as well as the second most populated state with 29,145,505¹ people. San Antonio, Houston and Austin are all within 250 miles of Corpus Christi, which is the nearest major metropolitan city to Padre Island National Seashore.

Padre Island National Seashore's northern boundary is located 8 miles from the southeastern city limits of Corpus Christi, Texas and the majority of Park visitors drive through Corpus Christi on their way to the Park. Corpus Christi is the eighth largest city in Texas with an estimated population of 317,863². The Gulf Coast Region offers visitors a wide variety of recreational and cultural activities as well as spectacular bird watching opportunities. Ample lodging and dining options are available in Corpus Christi and surrounding locations. The average year-round temperature is 71.2 degrees with 255 days of sunshine per year. The Corpus Christi International Airport serves several major airlines, including Southwest, United, America, and Aerus (US/Mexico).

Other local attractions include Padre Balli Park/Bob Hall Pier, a 375 acre beach park with camping facilities and a large fishing pier; Mustang Island State Park; the Texas State Aquarium; Aransas National Wildlife Refuge, and the town of Port Aransas.



PADRE ISLAND NATIONAL SEASHORE VISITATION TRENDS

Padre Island National Seashore recreational visitation has remained relatively steady over the last ten years. Slightly higher visitation occurred in 2016 and 2017, possibly due to widely publicized NPS Centennial in 2016, which brought attention to parks. Visitation has dropped slightly in recent years, likely due to locals travelling further from home following COVID-19 travel restrictions being lifted. 87% of the Park's visitation comes from Texas residents, with the majority coming from Corpus Christi and Port Aransas, followed by San Antonio.

Vehicles may only access the park via Park Road 22. Once within the Park, there are 8.5 miles of paved road and another 60 miles of beach terrain, of which only the first five miles is available for non-four-wheel drive vehicles; four-wheel drive vehicles are required for the last 55 miles. Park visitation is most concentrated along the gulf shoreline, with high use of Laguna Madre at the Bird Island boat ramp and windsurfing area.

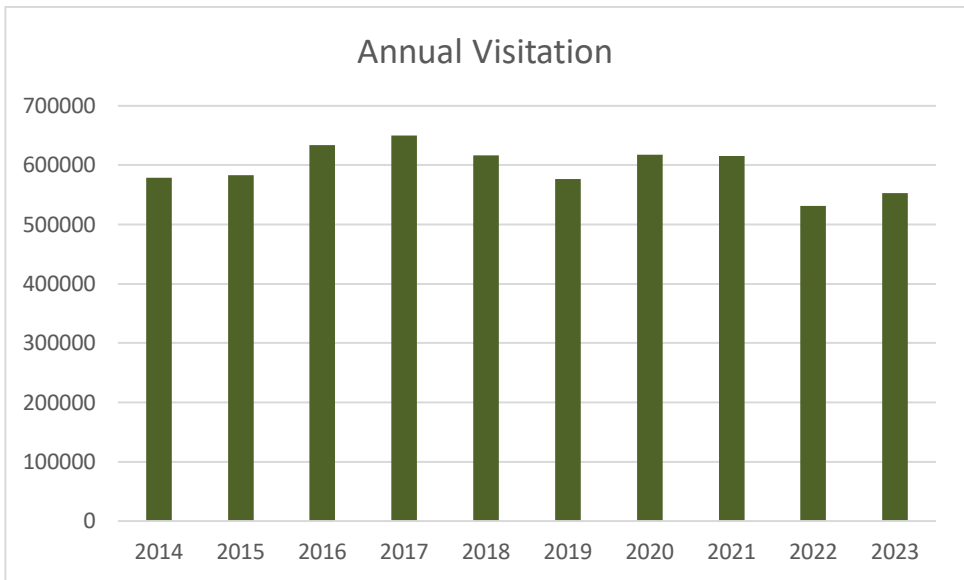
¹ [Texas - Census Bureau Profile](#)

² [Corpus Christi city, Texas - Census Bureau Search](#)



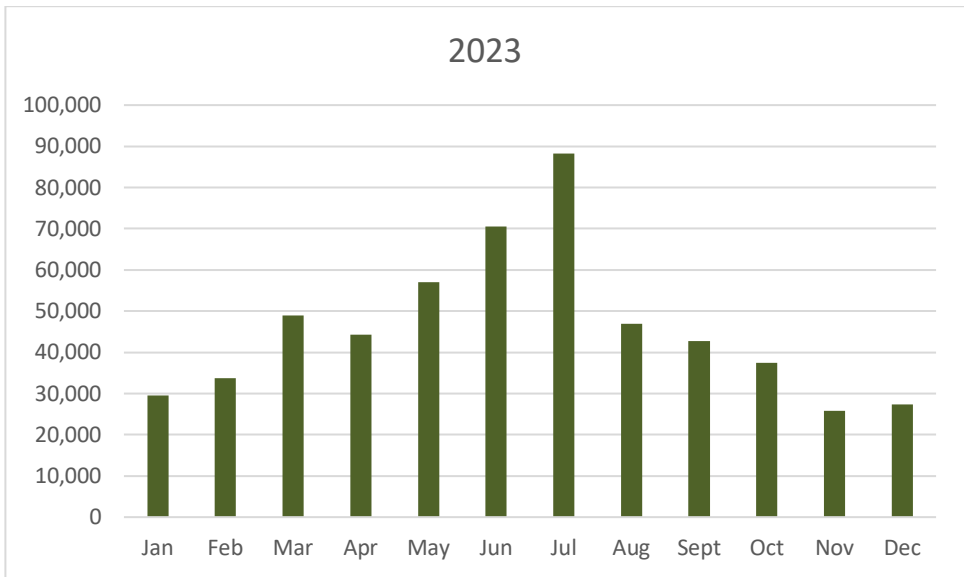
Malaquite Visitor Center and its nearby beach are the most popular destinations at the park. The Park’s only significant boat launch ramp is located at Bird Island Basin.

Annual Recreational Visitation to Padre Island National Seashore



Padre Island National Seashore is open to the public year-round. Peak season is Memorial Day through Labor Day; however, March and April are also popular months for spring break vacationers.

Monthly Recreational Visitation to Padre Island National Seashore in 2023



Additional visitation and visitor use statistics are available at <https://irma.nps.gov/Stats/>.



KEY ELEMENTS OF THE BUSINESS OPPORTUNITY

OVERVIEW OF THE BUSINESS OPPORTUNITY

The following document presents the key elements of the business opportunity for the CC-PAIS002-26 solicitation. If any inconsistency exists between the terms of the Draft Contract and this Business Opportunity, the Draft Contract will prevail. This section of this Prospectus describes the commercial visitor services required and authorized under the Draft Contract.

Bird Island Basin, located in the Laguna Madre, is internationally recognized as one of the best windsurfing areas in the world. To enhance the recreational opportunities available within the Park, the Concessioner is required to provide windsurfing instruction and equipment rentals for on-site use. Additionally, the Concessioner is authorized to provide kayak, paddleboard, and winging rentals, windsurfing equipment sales, as well as retail sales of windsurfing-related media and visitor convenience items.

The concession operation is located at Bird Island Basin on the Laguna Madre (shown in Exhibits 5 and 6). Laguna Madre is a shallow body of warm water with a nearly constant breeze. The Park's only significant boat launch ramp onto the Laguna Madre is located nearby, as well as primitive camping on the beach. The turnoff for Bird Island Basin is less than one mile south of the park entrance station. The road to Bird Island Basin is approximately one mile long.

As the only authorized Concessioner in the Park, the Concessioner is an important partner in providing visitors with information on Park resources and values, including recreational opportunities.



Exhibits 5 & 6 – Padre Island National Seashore Map



TERM AND EFFECTIVE DATE OF DRAFT CONCESSION CONTRACT(S)

The CC-PAIS002-26 Draft Contract has a term of ten (10) years beginning on January 1, 2026, and ending on December 31, 2035.

PREFERRED OFFEROR DETERMINATION

The Director, pursuant to the terms of 36 Code of Federal Regulations Part 51, has determined that CC-PAIS002-26 is a qualified Contract and, therefore, the Existing Concessioner, Worldwinds Windsurfing, Inc., is a Preferred Offeror for this Contract. The Existing Concessioner must submit a responsive proposal to this Prospectus to be considered for award of the respective Contract. If the Existing Concessioner submits a responsive proposal and that proposal is not selected as the best proposal for that specific Contract, the Preferred Offeror designation allows it to match the terms of the best offer and be awarded the contract for which it submitted the proposal.

REQUIRED SERVICES AND AUTHORIZED SERVICES

The following exhibit describes the Required Services (i.e., must be provided by the Concessioner), Authorized Services (i.e., may be provided at the option of the Concessioner), and service locations as described in the Draft Contract. The required and authorized services under this business opportunity are not materially changed between the Existing Contract and the Draft Contract. However, prospective offerors should familiarize themselves with the Draft Contract and Exhibits, as some operating requirements have been modified.

Required Visitor Services under the Draft Contract.

	Service	Location
i.	Windsurfing Instruction	Bird Island Basin
ii.	Equipment Rentals (Windsurfing)	Bird Island Basin

Authorized Visitor Services under the Draft Contract(s).

	Service	Location
i.	Equipment Rentals (Kayak, Paddleboard, Winging)	Bird Island Basin
ii.	Retail	Bird Island Basin
iii.	Watersports Instruction (winging, youth camps, etc)	Bird Island Basin

CHARACTERISTICS OF THE REQUIRED AND AUTHORIZED SERVICES

Windsurfing Instruction. The Concessioner must provide windsurfing instruction at a variety of skill levels including, at a minimum, beginner and intermediate, or higher. The Concessioner may provide private and/or group lessons. Windsurfing instruction must be offered daily, on a schedule established by the Concessioner. In addition to its standard windsurfing instruction offerings, the Concessioner may provide winging instruction, windsurfing clinics and/or youth watersport camps to promote the sport of windsurfing. As technologies evolve, the Concessioner may request to provide instruction of other, non-motorized watersports over the term of the Draft Contract.

Windsurfing Equipment Rentals. The Concessioner must provide windsurfing equipment rentals to accommodate a variety of windsurfing abilities. Rental equipment must be well-maintained, in safe and operable condition.



Equipment Rentals (Kayak, Paddleboard, and Winging). The Concessioner may provide kayak, paddleboard, and winging rentals from its facility. Additional types of non-motorized equipment rentals may be permitted, with Superintendent approval.

Retail. The Concessioner may provide retail sales of a limited selection of items related to windsurfing activities, including new and used equipment, media products, and logo merchandise. The Concessioner may also sell visitor convenience items including sunscreen, packaged snacks, and beverages, etc.

OPERATING SEASON AND CONDITIONS

The Draft Contract, Exhibit A Operating Plan, identifies the operating season as February 1 to the first Sunday in December. The Concessioner must be open for a minimum of seven hours per day, during the peak season of March through August. Hours of operations are generally 11am to 6pm daily during the peak season. The Concessioner may close operations during inclement weather.



INVESTMENT ANALYSIS

LEASEHOLD SURRENDER INTEREST

There is no Leasehold Surrender Interest (as that term is defined in 36 C.F.R. Part 51) under the Existing or Draft Contract.

ESTIMATED INITIAL INVESTMENT

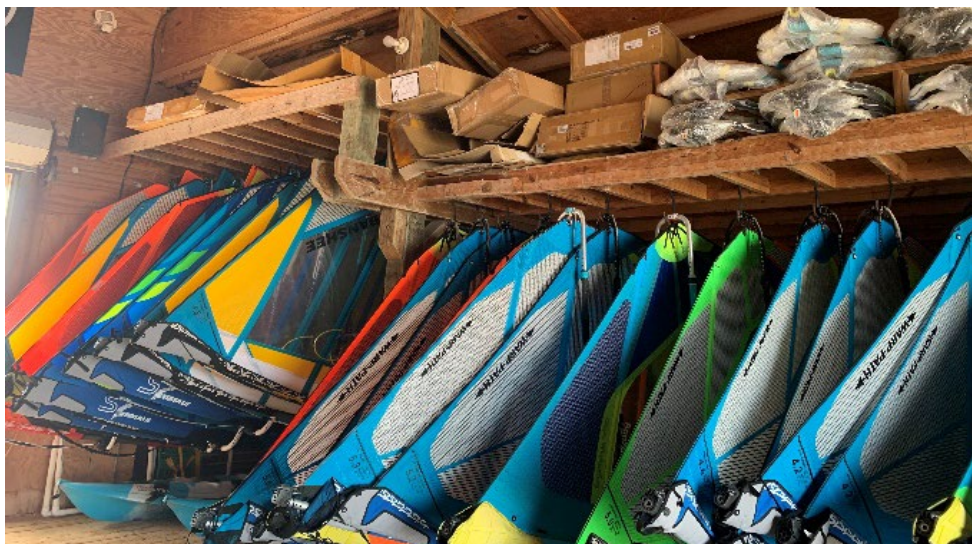
The Service expects the Concessioner will incur start-up costs prior to commencing operations, including working capital, personal property, supplies, and inventory. Offerors must make their own determinations of the investment required to support their operations. As described in the Proposal Package section of this Prospectus, Concessioners must demonstrate sufficient start-up funds in their proposals.

PERSONAL PROPERTY

The Concessioner under the Draft Contract will be required to provide such equipment, personal property, and inventory necessary for the proper and efficient operation of the services under the Draft Contract. The Existing Contracts do not require the Existing Concessioners to sell its personal property, merchandise, inventory, or supplies used in the operation to the Concessioner.

The Concessioner must provide, install, and maintain a personal property structure (modular building, barn, trailer, etc) to house its windsurfing equipment, retail, and other operations within its land assignment. The structure must be sufficiently stable to withstand normal coastal weather events, including tropical storms and hurricanes, or removable. The structure must be removed at the conclusion of the contract term, if it is not being transferred to the next concessioner. No utilities are available within the concession land assignment. The Concessioner must provide any power necessary through self-generating means.

The Service assumes the Concessioner replaces personal property at the end of its useful life, as required by the Draft Contract.



ESTIMATED REVENUE AND EXPENSE PROJECTIONS

Projected Revenues

The exhibit below provides a summary of projected revenue for the first year of the Draft Contract.

Contract	2026
CC-PAIS002-16	\$148,526

Rates

The rate approval method for the Draft Contract is Competitive Market Declaration (CMD). The Concessioner can adjust rates without the specific administration of the Superintendent, but rates are subject to review to ensure they remain comparable to similar services offered outside Padre Island National Seashore. For more information see the Draft Contract Exhibit A Operating Plan Section 2)C) Rate Determination and Approval Process and the Rate Administration Guide.

The Rate Administration Guide is available on the Commercial Services website at <https://www.nps.gov/subjects/concessions/rate-administration.htm>.

Projected Departmental and Operating Expenses

The Service projects that most departmental and indirect expenses will be within industry average range.

Insurance Requirements

The Service has included minimum insurance requirements in the Draft Contract. Interested parties should consider these requirements in preparing their proposals. Insurance requirements are found in Draft Contract Exhibit D, Insurance Requirements.

Minimum Franchise Fee

The minimum franchise fee is three percent (3.0%) of the Concessioner's annual gross receipts or an annual flat fee of \$1,000, whichever is greater, for the term of the Draft Contract. Offerors must agree to pay the minimum franchise fee, as set out in Principal Selection Factor 5 of the Proposal Package (Part III of this Prospectus), although Offerors may propose higher franchise fees in accordance with terms of the Prospectus.

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 contract including anticipated revenues and expenses.



HISTORICAL CONCESSION OPERATION

EXISTING CONCESSIONS OPERATION

Windsurfing instruction, equipment rentals, and other associated services are currently being provided by the Existing Concessioner, Worldwinds Windsurfing, Inc. The original term of the Existing Contract will expire on December 31, 2025.



Historic Rates

The Existing Concessioner set rates for windsurfing instruction and equipment rental in accordance with the Comparability rate method, which required review and approval by the Service. Rates for retail products, including windsurfing equipment and convenience items, were set in accordance with the Competitive Market Declaration rate method.

Historical Financial and Use Data

The Proposal Package requires Offerors to develop financial projections based on the Required Services under the Draft Contract. To assist Offerors in the development of these projections, the Service has provided information regarding historical gross revenue, franchise fees, and visitor use. Offerors should be appropriately cautious in the use of historical information. Offerors are responsible for producing their own pro forma financial projections and relying upon their own financial predictions.

Historical Revenue

The following chart presents the 2021 – 2023 historical revenues for each Contract. The services under the Existing Contracts are similar to those required under the Draft Contract(s).

CC-PAIS002-16	2021	2022	2023
Windsurfing Lessons	\$53,265	\$54,760	\$54,520
Equipment Rental	\$64,562	\$78,209	\$80,638
Authorized Services	\$57,634	\$85,727	\$74,228
Total Revenue	\$175,461	\$218,696	\$209,386

Franchise Fees Paid

The following chart presents the 2021 – 2023 franchise fees paid by the Existing Concessioner.

CC-PAIS002-16	2021	2022	2023
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Franchise Fees	\$4,889	\$6,563	\$6,281
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Historic Use

The table below presents historical use from 2021 – 2023. Additional visitor use statistics for the Park are available at <https://irma.nps.gov/Stats/Reports/Park/PAIS>.

CC-PAIS002-16	2021	2022	2023
Windsurfing Lessons	783	779	649
Windsurfing Rentals	973	1287	1170
Kayak/Paddleboard Rentals	371	337	241

QUESTIONS

If you plan to submit questions in response to this solicitation, you must notify Jennifer Parker, Commercial Services Program Lead, NPS Regional Office Serving Interior Regions 6, 7, & 8, via email at Jennifer_Parker@nps.gov no later than 4:00 p.m. Mountain Time on the due date for questions listed in the Inside Cover of this Prospectus. The Service will respond to questions by the Notice of Intent to Propose due date.

NOTIFICATION OF INTENT TO PROPOSE

If you plan to submit a proposal in response to this solicitation, you must notify Jennifer Parker, Commercial Services Program Lead, NPS Regional Office Serving Interior Regions 6, 7, & 8, via email at Jennifer_Parker@nps.gov no later than 4:00 p.m. Mountain Time on the Notice of Intent to Propose date listed in the Inside Cover of this Prospectus. The Service will not accept proposals from entities that do not provide notice on or before this deadline. **See Proposal Instructions for additional guidance on how to submit the Notification of Intent to Propose.**





-- END Part I: Business Opportunity --

