

**Statement of Pamela Koeberer Pitts, Secretary, The California Parks Company
Before the Subcommittee on Interior, Committee on Oversight and Government Reform,
U.S. House of Representatives
On Modernizing the National Park Service Concessions Program
July 23, 2015**

Chairman Lummis and Members, The California Parks Company is pleased to offer this testimony regarding ways to continue and improve the tradition of great visitor experiences and telling of park stories through a partnership between concessioners and the National Park Service. My name is Pamela Koeberer Pitts and I serve as Secretary of my organization. The California Parks Company provides hospitality management services in three State Parks (Angel Island and Big Basin in California and Silver Falls in Oregon), five Water Districts (Metropolitan Water District, East Bay Municipal Utility District, Contra Costa Water District, Lake Hemet Water District, and Vail Lake), two Regional Parks (Lake Chabot and Los Trampas), three County Parks (Lake Gregory - San Bernardino County, Fee Collection - Santa Clara County, and Lake Nacimiento/San Antonio - Monterey County), one Fee Collection Operation (Death Valley National Park), one City Retail unit (Happy Hollow Park & Zoo for the City of San Jose), one USDA contract for campgrounds and launch ramps at Shasta/Trinity Lakes, and the concession at Lassen Volcanic National Park since 1977. In the continual operation of our business for almost 40 years, we have offered outstanding customer service to millions of visitors.

Our comments reflect our years of experience in the hospitality business in diverse concession operations and our ideas for enhancing the park visitor experience and using park financial resources more effectively and efficiently:

- **Level of Oversight:** No other agency that we work with micro-manages us to the level of the National Park Service (NPS). Health inspections, fair pricing, property management, and public safety are the concern of all agencies but it is only the NPS that oversees our business practices on such a minute and frequent level. We expect and respect the oversight but, once it has been confirmed that we are meeting agency expectations, a yearly inspection should suffice.
- **Price-Approval Process:** The price-approval process within the NPS is cumbersome and slow. We often are behind the curve with our price structure on accommodations due to the NPS time constraints and process. We do not experience this situation with other agencies.
- **Rating System:** The NPS is the only agency we deal with that does not give a rating level above “satisfactory” no matter how outstanding performance may be. Above average evaluations (which we get at all other operations) for outstanding performance are not recognized; however, an unsatisfactory rating on an NPS evaluation can have major repercussions. In the California State Parks System, for example, a rating of 90 or above given three years prior to an award of an RFP is given bonus points in the bid submittal.
- **RFP Costs:** Small operators are forced to spend disproportionate dollars to respond to prospectuses that are better suited to bigger companies doing business in many national parks. The cost to our company to rebid Lassen (after being the incumbent there for 30 years) was \$50,000, a VERY substantial cost to a small concessioner. Congress with the passage of the 1998 Concessions Management Improvement Act has unintentionally left companies like ours very vulnerable. It is a real question whether our type of “family-

focused” business is likely to survive in this now very competitive market. We bid proposals on a continual basis; none are as difficult or costly to prepare.

- Capital Requests in RFPs: The NPS has lost sight in recent RFPs of the capital demands put upon the concessioner compared to the length of contracts. In addition, the NPS often listens to high-priced consultant’s suggestions instead of listening to the people that know the operations. Having operated Lassen concessions for 30 years before the Lassen RFP was issued in 2008, we were well aware of the request by visitors for more substantial lodging in the park. We were vocal in arguing that 21st Century campground users want more than a plain campsite and suggested the idea of camper cabins being installed in the park to be operated by the concessioner. We were pleased to see the inclusion in the RFP of 20 camper cabins but realized that it would be impossible to recoup the capital investment in a 10-year contract! The lack of consideration given by the NPS and their consultants to the concept of “the opportunity to make a profit” resulted in no one bidding on the contract. The RFP was revamped and reissued with the NPS paying for the cabins and the concessioner operating them. If thought had been given to issuance of a longer contract with competitive pricing, the concessioner would have been willing to pay for the camper cabins, which would have resulted in a more realistic cost for the project as well as a saving of taxpayers’ money.

Thank you for allowing us to share our thoughts on how we can work in better cooperation with the National Park Service to deliver great park experiences to a growing and changing America and to those who come to our nation to visit great places that tell America’s stories.

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