

ARKANSAS DEPARTMENT OF PARKS, HERITAGE, & TOURISM
DIVISION OF STATE PARKS

March 9, 2023

POLICY STATEMENT 1030

CONCESSION LEASES & AGREEMENTS

In order to standardize internal procedures for the negotiation and approval of concession leases and agreements entered into by the Division of State Parks under the provisions of Arkansas Code Annotated § 22-4-105, the following internal policy statement is established.

1. All concession lease agreements, both renewals or new, shall be approved by the Secretary of the Department of Parks, Heritage, and Tourism, or their designee, prior to execution. Within this framework, agreements will be subject to the following approval requirements:
 - a. Lease agreements initiated or renewed for a term of up to one (1) year shall be executed by the Director of the Division of State Parks.
 - b. Lease agreements initiated or renewed for a term greater than one (1) year and up to five (5) years shall be executed by the Director of the Division of State Parks and the Secretary of the Department of Parks, Heritage, and Tourism, following approval by the State Parks, Recreation, and Travel Commission.
 - c. Lease agreements initiated or renewed for a period greater than five (5) years, and up to the maximum authorized by law, shall be executed by the Director of the Division of State Parks and the Secretary of the Department of Parks, Heritage, and Tourism, following approval by the State Parks, Recreation, and Travel Commission and the Legislative Council.
2. The Secretary, or their designee, may require lease opportunities to be advertised and published to provide notice of the Division's intention to receive proposals. The Department may also establish a selection committee to evaluate submitted proposals and provide a formal recommendation regarding leasing opportunities. Leasing opportunities will be published and evaluated as follows:

- a. Generally, business opportunities anticipated to result in annual gross revenues by the lessee of less than or equal to twenty-thousand dollars (\$20,000) may be entered at will by the Secretary, or their designee, and shall not require advertisement or published notice.
- b. Generally, business opportunities anticipated to result in annual gross revenues by the lessee greater than twenty-thousand dollars (\$20,000) and less than or equal to seventy-five thousand dollars (\$75,000) shall require advertisement and published notice. The Secretary, or their designee, shall review responses and determine the most advantageous proposal. Final approval of such proposals shall be granted by the State Parks, Recreation, and Travel Commission.
- c. Generally, business opportunities anticipated to result in annual gross revenues by the lessee greater than seventy-five thousand dollars (\$75,000) shall require advertisement and published notice, along with evaluation of a written proposal by a selection committee. The selection committee shall make a formal recommendation to the Secretary, or their designee, of the proposal which it determines to be in the best interest of the state for the business opportunity. Final approval of such proposals shall be granted by the State Parks, Recreation, and Travel Commission.

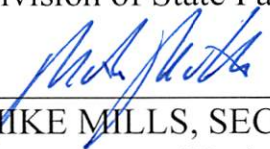
Supplemental instructions regarding advertised lease opportunities and committee reviewed proposals are attached to and a part of this Policy Statement (pg. 3-5).

Supersedes Policy Statement #1030 dated July 1, 1975.

Approved by the State Parks, Recreation, and Travel Commission on March 16, 2023.

Adopted March 27, 2023.

APPROVED BY: 
SHEA LEWIS, DIRECTOR
Division of State Parks

APPROVED BY: 
MIKE MILLS, SECRETARY
Department of Parks, Heritage, and Tourism

POLICY STATEMENT 1030
SUPPLEMENTAL INSTRUCTIONS FOR
ADVERTISED LEASE OPPORTUNITIES
&
ADVERTISED AND COMMITTEE REVIEWED PROPOSALS

- I. Advertised Lease Opportunities (Generally, for business opportunities with annual gross revenues by the lessee greater than \$20,000 and less than or equal to \$75,000)
- a. Opportunities for leased operations within the Division of State Parks will be advertised and published per the following:
 - i. A lease agreement, or other applicable related documents, shall be drafted per the templates developed by the Department's General Counsel.
 - ii. Advertised notice of the Division's intention to receive written proposals shall be published for at least three (3) consecutive days in a newspaper of statewide distribution. Notice may also be published on additional digital and print platforms, as appropriate.
 - 1. All notices shall contain:
 - a. A brief description of the kind or type of business opportunity contemplated.
 - b. The approximate location of the business opportunity.
 - c. The name, physical address, e-mail address, and telephone number for the primary Division point-of-contact for the business opportunity.
 - d. Instructions for submission of a written response to the business opportunity.
 - e. The date and time deadline for submission of a response to the business opportunity.
 - iii. Notices shall allow a minimum of five (5) working days for respondents to send proposals in response to the final newspaper advertisement.

- iv. The Secretary, or their designee, shall review responses and determine the most advantageous proposal.

II. Advertised and Committee Reviewed Proposals (Generally, for lease opportunities with annual gross revenues by the concessionaire greater than \$75,000)

- a. Proposals for leases, when advertised for committee review, shall include a well-developed prospectus, advertisement of the business opportunity, and committee review per the following:
 - i. A written prospectus providing information regarding the opportunity, the state park location, a description of the property and facilities, initial and renewal contract terms, authorized services, insurance requirements, and additional pertinent information shall be developed and made available for responses to the business opportunity. The Secretary, or their designee, shall approve the prospectus prior to advertisement of the business opportunity.
 - ii. Advertised notice of the Division's intention to receive written proposals for a least three (3) consecutive days in a newspaper of statewide distribution. Notice may also be published on additional digital and print platforms, as appropriate.
 - 1. All notices shall contain:
 - a. A brief description of the kind or type of business opportunity contemplated.
 - b. The approximate location of the business opportunity.
 - c. The name, physical address, e-mail address, and telephone number for the primary Division point-of-contact for the business opportunity and for delivery and receipt of prospectus information.
 - d. Instruction for submission of written responses to the prospectus materials.
 - e. The date and time deadline for submission of responses to the business or opportunity.
 - iii. Notices shall allow a minimum of five (5) working days for respondents to send proposals in response to the final newspaper advertisement.

- iv. A selection committee, which shall be composed of at least three (3) members from the Department, appointed by the Secretary, or their designee, shall review the submitted proposals. Committee substitutions may only be made upon approval of the Secretary, or their designee.
- v. The committee shall select a minimum of three (3) and a maximum of five (5) applicants to request for interviews. If fewer than three (3) proposals are received, all shall be invited for interviews.
- vi. The committee shall evaluate the established criteria put forth in the provided prospectus to form an objective opinion of the applicants based on the following:
 - 1. The experience of the professional or professionals in similar business operations.
 - 2. The record of performance of the professional or professionals in similar business operations.
 - 3. The level of service that is required for the business operation.
 - 4. The projected revenue that is expected to be garnered and shared from the business operation.
- vii. The committee shall make a formal recommendation to the Secretary, or their designee, of the professional or professionals which it determines to be in the best interest of the state for the business opportunity.