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Testimony on “Concession Contract Issues for Outfitters, Guides and
Smaller Concessions”

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I am Mike Mills and I am a canoe operator from Ponca, AR population 14.
I own and operate Buffalo Outdoor Center, a NPS concession since 1979.
I am one of 12 canoe rental concessions on the Buffalo National River.

We are among the 431 NPS concessions that gross less than \$500K per year.
The average on the Buffalo is \$169K with some as low as \$38K. None of us
have legal or accounting staff.

I wish to discuss the prospectus that we just finished, July 23rd, how stupid it
is and give some examples of the ridiculous requirements.

The prospectus and its appendixes total 397 pages long. Today to join the
USMC it takes 4 pages of paper work to enlist and possibly give your life to
this country vs. 397 pages to rent a canoe.

I would like to give 2 examples of what I mean by stupid. Appendix H to the
prospectus is an excel spreadsheet. We are to provide estimates of revenues
and expenses of the concession business in the form of annual prospective
income and cash flow statements for the ENTIRE term of the Concession
Contract. Ten years of the number of customers, number of canoes, kayaks
and rafts rented, the number of shuttles and the per person income. Then
break out the expenses to include office expense, insurance, labor, vehicle
maintenance, etc. These numbers mean NOTHING. This is a canoe rental
business subject to weather conditions that affect not only the river levels
but the travel patterns of people as well. This one item cost \$1900 to have an
accountant complete, who then scoffs at the unacceptable accounting
practice within.

The second is Subfactor 1 which asks us to “describe how you will reduce vehicle congestion when providing visitor services outlined in the prospectus.” Once again we rent canoes, no concession within the NPS system can predict or control the number of visitors that show up on a given day. This is aimed at overcrowded parking within the park. It happens on peak season Saturdays. The real fact is the NPS should provide overflow parking instead of blaming the concessions.

The existing concession contract is 39 pages and the new contract is 54 pages. That is 15 additional pages of requirements. What are we doing different than ten years ago? Nothing, we just rent canoes. The government must justify its existence by changing things.....even if there is no reason to change. It is extremely rare once additions are made to reduce them at a future point. The regulations get finer and the costs go up.

Here are some examples of the contract requirements. Rapids are rated I-VI, one being very easy and six being extremely dangerous. The Buffalo is a class II rated river. During “High water”, not flood conditions, when this river is open to canoeing and any private canoeist, no matter the skill level, can put on the river, the NPS contract requires concessions to:

1. Verify that, the client and all members of the client’s party, have canoeing experience on swift moving rivers.
2. They possess good river canoeing skills: and
3. They are familiar with rescue procedures.

Tell me how do we do that? It is simply not possible.

Within the required risk management program among the 7 items required, one is Hazards abatement documentation, which is new this year and a part of the 15-page addition. There is no explanation. What hazards are we to abate? What kind of documents do we provide? This is a free flowing river and we have a canoe rental concession located outside the park.

Finally, in 1983 the Arkansas Highway Department built a new bridge near one of the main accesses in Ponca. Because of the congestion on Saturday mornings they required the outfitters to move down river about 2 miles to a

field next to the river. The bridge was completed in about a year. The construction equipment was all removed, the new bridge was opened but the administration of the park had changed. The new administration did not know why the Saturday morning from 8am until noon restriction was there. 29 years later the restriction is still in place.

These are just a few examples of our government gone crazy. I can give you many more. The concession laws are good but the interpretation and implementation of those laws are out of control. We are just average small businesses. We have all the normal life challenges besides the business; we raise kids, buy cars, make mortgage payments, care for our parents, and love our life.

We can't do anything to alleviate the increasing pressure on our businesses. We either, fill out the prospectuses and sign the contracts or we are out of business. In many instances we are treated like the enemy by the NPS. The greatest threat to the small business concessions within the NPS is the NPS.

We have elected YOU. You are the only hope that we have to reverse this trend. If you don't then you can add 431 small businesses to the endangered species list.

Thank you for taking the time to listen and for all that you do.