

Evaluation Document For Cruise Ship Services Prospectus issued February 19, 1998

Notes: Evaluation document instructions: All evaluator comments/references must be inside the tables. "Track Changes" (control/shift-e) should be turned on so that individual evaluator comments can be tracked (to be removed in the final document).

Offeror:	Discovery Shipping
Evaluator(s):	David Nemeth, Chief of Concessions, Glacier Bay NP&P
	Jerry Case, Chief of Interpretation, Glacier Bay NP & P
	Stephen G. Crabtree, , Concessions Team Leader, Western Region
	Randy King, Chief Ranger, Glacier Bay NP & P
	Mary Beth Moss, Chief of Resource Management, Glacier Bay NP&P

- *Submittal of Offer*

Was the offer received no later than 4 p.m., June 22, 1998?	X	Yes			No
Applicant Statements (reference page number):					
Comments:					

Was the offer submitted to the proper location?	X	Yes			No
Applicant Statements (reference page number):					
Comments:					

Were two complete copies of the offer submitted?	X	Yes			No
Applicant Statements (reference page number):					
Comments:					

Offer Letter

Was an offeror's letter submitted as required?	X	Yes		No
Applicant Statements (reference page number):				
Comments:				

Summary		Superior	X	Successful		Not Successful
Summary Comments on this Factor: Offer meets submission requirements.						

Factors, Criteria and Questions

- ***PRINCIPAL FACTOR 1. THE EXPERIENCE AND RELATED BACKGROUND OF THE OFFEROR***

CRITERION 1A. (1) THE COMPETENCE OF THE OFFEROR, AS REFLECTED IN THE APPLICATION, TO MANAGE AND OPERATE A CRUISE SHIP BUSINESS SIMILAR TO THAT DEFINED IN THE PROSPECTUS. (2) THE ENTITY WITH WHICH NPS WILL CONTRACT AND ITS RELATIONSHIP TO SUPERIOR AND SUBORDINATE ENTITIES IS CLEARLY DEFINED.

1. Identify the "OFFEROR" (or "PROPOSED ENTITY[S]," that the offeror intends to establish for the purpose of operating this concession) making this application. Clearly identify both the formal structure of the primary business ENTITY with which the National Park Service will be dealing, and its owner(s).

1. Was the offeror adequately identified?		Yes	X	No
<p>Applicant Statements (reference page number): Page 7-8 of 26, & six attachments: Discovery Shipping, Inc. 2001 Western Avenue, Suite 300 Seattle, WA 98121 Contact: John Tillotson Phone: 206-728-9400 Fax: 206-728-2301 Email: societyexp@aol.com A Washington State corporation 100% owned by: CSSMN Inc. 2001 Western Ave., Suite 300 Seattle, WA 98121 [Reference to Society Expeditions, Inc. 100% owned by CSSMN, but no explanation of relationship to Discovery Shipping] Pg. 7 of 26 says that CSSMN is the parent of Discovery Shipping, Inc. and Society Expeditions, Inc.. CSSMN, Inc. has no activity itself.</p>				
<p>Comments: Information provided. Need explanation of how "Society Expeditions" fits in. Need information on who owns CSSMN, Inc. Clarification: Information provided (Heiko Klein, a German citizen) is sole shareholder of CSSMN.</p>				

2. Provide materials to explain the financial circumstances, legal form, and ownership of that ENTITY.

2. Was adequate information provided?		Yes		No
<p>Applicant Statements (reference page number): See #1, above. Page 7-8 of 26, & six attachments: Unaudited combined balance sheet for Society Expeditions and Discovery Shipping. Clarification: Offer asserts that audited financial information not available since companies are privately held</p>				
<p>Comments: See #1, above. Page 7-8 of 26, & six attachments: Unaudited combined balance sheet for Society Expeditions and Discovery Shipping lists "reorganization plan liabilities" but gives no information regarding any reorganization plan or presumed bankruptcy that lead to the plan.</p>				

3. Identify related, subordinate, and superior ENTITIES and any other organization, ENTITY, contractor, or subcontractor that will have a role in managing, directing, operating, or otherwise carrying out the service to be provided.

3. Were related, subordinate and superior entities adequately described?		Yes	X	No
Applicant Statements (reference page number): See #1, above.				
Comments: See #1, above.				

4. Where there are layers of Entities, subordinate or superior entities, significant contractors/subcontractors, or other organizations or individuals that will act in concert to provide the services required, describe each of them and the relationship between or among them.

4. Were layers of entities adequately described?		Yes	X	No
Applicant Statements (reference page number): See #1, above				
Comments: See #1, above				

5. Using the format and instructions on the next page (duplicate the form as needed) identify the Offeror, each ENTITY, the New Concessioner, and the Operator and all similarly involved parties or people. Add information as necessary to make the relationships clear.

5. Were these forms provided?	X	Yes		No
Applicant Statements (reference page number): See #1, above				
Comments: See #1, above				

ANILCA Section 1307 Preferred Operator

Refer to the ANILCA Section 1307 regulations in the appendix to answer the following questions:

6. Is the entity a local resident, as defined in 36 CFR 13.81(f), for the services offered under this prospectus? *If yes, provide documentation to support this determination, as described in these regulations.*

6. Was this information provided as required?	X	Yes		No
Applicant Statements (reference page number): Page 9 of 26: Discovery Shipping is not applying as a local resident.				
Comments:				

7. Is the entity applying for "most directly affected Native corporation" status, as defined in 36 CFR 13.85? If yes, provide the documentation to support this determination, as described in these regulations.

7. Was this information provided as required?	X	Yes		No
Applicant Statements (reference page number): Page 9 of 26: Discovery Shipping is not applying as a most directly affected Native corporation .				
Comments:				

Preference for New and Small Operators

8. Does the entity provide cruise ship services within Glacier Bay National Park under a current limited permit with the National Park Service?

8. Was this information provided as required?	X	Yes		No
Applicant Statements (reference page number): Page 9 of 26: Discovery Shipping indicated they currently provide cruise ship services in Glacier Bay				
Comments:				

9. If yes, does the number of cruise ship entries from June 1 to August 31 exceed 19 entries (14 percent of 139 cruise ship entries allocated for Glacier Bay from June 1 - August 31)?

9. Was this information provided as required?	X	Yes		No
Applicant Statements (reference page number): Page 9 of 26: Discovery Shipping indicated they currently provide less than 14% of 139 June 1 – Aug. 31 cruise ship entries in Glacier Bay				
Comments: Information verified.				

10. Do any of the above have operations or interest in other operations in areas adjacent to this national park area or operations in other national parks? If Yes, please identify.

10. Was this information provided as required?	X	Yes		No
Applicant Statements (reference page number): Page 10 of 26, and attachments: Discovery Shipping has had permits in Glacier Bay. Society Expeditions (?) has had permits in Tongass NF, Alaska National Parks, Kodiak NWR & Alaska Maritime NWR.				
Comments: Note: connection with Society Expeditions not provided. If we were to assume a close association, the offeror has had a range of experiences working with other NPS areas and other areas adjacent to the park.				

11. The NPS is looking for an ENTITY that has demonstrated experience in managing this type of business activity. Give specific examples of business operations undertaken by ENTITY. Detail the OFFEROR's experience and skills in developing efficient, effective, defined, targeted goals for business programs according to pre-established management parameters.

11. Was this information provided as required?	X	Yes		No
Applicant Statements (reference page number): Discovery Shipping, in concert with Society Expeditions, has managed numerous worldwide voyages. Society Expeditions has 24 years of experience in cruise programs.				
Comments: Note: connection with Society Expeditions not provided. If we were to assume a close association, the offeror has had a 24 years of experience in providing cruise ship services.				

12. Describe the business management qualifications and experience of the ENTITY and the NEW CONCESSIONER proposed to manage and operate this business.

12. Was this information provided as required?	X	Yes		No
Applicant Statements (reference page number): See #11 above.				
Comments: See #11 above.				

13. Does the ENTITY have experience providing services under contract for an agency like NPS, United States Forest Service, Bureau of Land Management, city, state, large corporation, or other organization with significant philosophical and operational constraints? If Yes, please identify.

13. Was this experience identified?	X	Yes		No
Applicant Statements (reference page number): Discovery Shipping has provided cruise ship services under concession permit in Glacier Bay (1995-7 NPS evaluation reports submitted).				
Comments: Discovery Shipping is a satisfactory existing operator for cruise ship services in Glacier Bay NP&P.				

14. Use the format on the following page and add to it as necessary, or use your own format as long as it provides all of the requested information. Provide detailed resumes for all current and proposed partners, sole proprietors, and key management employees who will be actively involved in the management of this business and key ship-board personnel who will be operating in Glacier Bay. Identify the specific role the individual is to play and establish that person’s ability to play that role.

When discussing work experience, be specific with respect to size of operation, dates, area of operation, specific duties, number of people supervised, hours worked per week, and other factors that would be helpful to reviewers in establishing a clear understanding. Do not omit training and education and do not omit special qualifications, ratings, or licenses that are needed in some special occupations.

14. Was this information provided as required?	X	Yes		No
Applicant Statements (reference page number): Page 11 of 26 (three actual pages): Information provided for Director of Operations, VP of Finance, Vessel Master (employed by Society Expeditions).				
Comments: Experience of individuals provided appears sufficient for the duties indicated and the services to be provided. While these three individuals may be the key people, there is not enough information detailing how the company is organized to establish that these individuals would have adequate management control under a normal corporate structure.				

Cr. 1a Summary		Superior	X	Successful	X	Not Successful
Summary Comments on this Factor: Information appears to be inadequate. What relationship does Society Expeditions have to the offeror (other than being owned by the same parent company). Clarifications are needed. Clarification: Additional information provided which clarifies relationship and identifies owner of CSSMN (though no address provided). Marginally “successful”.						

CRITERION 1B. NONE.

- ***PRINCIPAL FACTOR 2. CONFORMANCE TO THE TERMS AND CONDITIONS OF THE PROSPECTUS IN RELATION TO QUALITY OF SERVICE TO THE VISITOR***

CRITERION 2A. THE OFFEROR AGREES TO PROVIDE THE SERVICES AS REQUIRED BY THIS PROSPECTUS.

1. Indicate below whether you agree to provide the required services under the conditions specified in the Permit.

1. Does the offeror agree to provide the required services under the conditions specified in the Permit?	X	Yes		No
Applicant Statements (reference page number):				
Comments:				

2. Provide a basic description of the ship(s) which the offeror proposes to operate in the park, including, as a minimum, the following, and any other vessel design information the offeror feels is pertinent.

2. Was all information provided?	X	Yes		No
Applicant Statements (reference page number): World Discoverer (Liberia, 285 ft., 3724 gross ton 138 passengers). Table not filled out. Supplemental information sheets containing information required. Smaller ship designed for cruising in ice. Vessel carries inflatable launches for off-vessel activities.				
Comments: Ship has pioneered travel to many remote areas. Glacier Bay backcountry group size restriction may make off vessel activities inappropriate for a vessel of this size.				

3. Do you agree not to use a substitute ship without the approval of the park superintendent and that any substitute must meet or exceed the standards of the ship approved in the proposal?

3. Does the offeror agree not to substitute ships without approval?	X	Yes		No
Applicant Statements (reference page number):				
Comments:				

4. Specify the total number of cruise ship entries into Glacier Bay from June 1 - August 31 for which you are applying.

4. Did the offeror answer this question (enter number of entries under comments)?	X	Yes		No
Applicant Statements (reference page number): Discovery Shipping requests 2 entries				
Comments:				

5. Do you wish to apply and compete in all categories in order to maximize your opportunity?

5. Does the offeror wish to apply and compete in all categories in order to maximize your opportunity? If "NO", specify the category or categories under which they are applying and the number of entries in the following table:	X	Yes		No
Applicant Statements (reference page number):				
Comments:				

Category	Entries (enter number)
Category A (maximum 38 entries)	
Category B* (maximum 13 entries)	
Category C* (maximum 4 entries)	
Category D* (maximum of 7 entries)	
Category E* (maximum of 4 entries)	
Category F* (maximum of 2 entries)	

The best proposal will be selected in each of the above six categories.

* An incumbent concessioner has a right of preference in renewal for these entries (see "Application of Preference in Renewal", this section - above). [NOTE: Except Cunard]

6. Do you intend to utilize all entries authorized throughout the term of the permit? (Unforeseen events or circumstances that intermittently interfere with operations may, with the approval of the superintendent, be excused.)

6. Does the offeror intend to utilize all entries?	X	Yes		No
Applicant Statements (reference page number):				
Comments:				

7. Do you agree to notify the NPS of any unused entries that may become available in a timely manner and, if necessary, assist to facilitate the reallocation of the unused entry?

7. Does the offeror agree to notify the NPS of any unused entries ?	X	Yes		No
Applicant Statements (reference page number):				

Comments:

Cr. 2a. Summary		Superior	X	Successful		Not Successful
Summary Comments on this Factor: Discovery Shipping meets minimum criteria in this area.						

CRITERION 2B. DESCRIBE WHAT ADDITIONAL SERVICES AND/OR FACILITIES WILL BE PROVIDED AND/OR HOW THE COMPANY WILL IMPROVE UPON THE SERVICES OR SCHEDULES REQUIRED BY THIS PROSPECTUS, TO PROVIDE A SUPERIOR PARK EXPERIENCE FOR ITS PASSENGERS.

The National Park Service expects that concessioners will support the NPS in its mission to inform park visitors and concession employees about park resources and values. Some examples of services and facilities which might improve the visitor experience:

- a. Offer Native Alaskan art and handcrafts prominently in shipboard gift shops.
- b. Provide an expanded library of resource materials on Glacier Bay, Alaska, Native Culture including standard references, books, periodicals, videos, maps, etc.
- c. Feature local Alaskan artists and craftspersons in shipboard displays and in gift shops.
- d. Insure that ship board activities, gift shop items etc. contribute to visitor understanding of the area (e.g. gift shops offer only stuffed toy animals which are native to the area).
- e. Implement corporate and/or shipboard programs related to protection of the (marine) environment.
- f. Establish minimum standards of knowledge about Glacier Bay and the National Park Service for officers and crew members.

1. Describe the services and facilities related to the above that you propose to offer.

1. Were any services and facilities described?	X	Yes		No
Applicant Statements (reference page number): Page 14 of 26 and 4 pages of attachments. DS offers Alaska theme arts and books in their vessel gift shop. The ship's library contains "many" titles related to Alaska and "several" NPS publications related to Glacier Bay. Alaska arts and crafts are on display and occasionally sold. There are regular lectures and presentations by "recognized experts" in ("such areas as ...") areas related to park resources. There are on average 8 lecturers per sailing. Society Expedition has developed standards for crew and passengers in sensitive areas. These standards have been adopted by tour operators in the Antarctic. Lectures are provided on embarkation regarding the environment and Glacier Bay: "familiarize crew and passengers".				

Comments:
 Good program for Antarctica. Little indication how this will be transferred to operations in the park.
 No indication of proportion of gift items which are handcrafts or related to the park.
 No indication of what is in the library or how many titles.
 Good lecture program, though there were minimal specific regarding standards, topics, etc. for the lecture program or how it would contribute to visitor understanding of the park area.
 Just "familiarizing crew and passengers" to environmental concerns does not give us much of an idea exactly what will be done or if there will be any follow up to insure compliance/understanding.

Management Policies Manual, Chapter VIII. "Promoting the sale of United States made handcrafts including Native American handcrafts relating to the culture, historical, natural and geographic characteristics of park areas is encouraged and there shall be a continuing effort to enhance the scope and supply of local handcrafts where they exist and to establish them where they do not."

2. Describe what measures the company will take to implement this policy in your service.

2. Were such measures described?	X	Yes		No
Applicant Statements (reference page number): Page 14 of 26: Refers to "standard operating procedures" meeting NPS guidelines. Crew and passenger briefings, "variety" of arts and crafts, "variety" of books.				
Comments: Unable to find SOP's referenced above. Covers the element, but does not make specific commitments regarding type, amount, % etc. handcrafts to be offered.				

3. Describe other services, facilities, programs, itineraries, etc., your company will implement that will provide a superior park experience for the visitor.

3. Were other services, facilities, programs, itineraries, etc. described?	X	Yes		No
Applicant Statements (reference page number): Page 14 of 26: See 1 & 2 above. Suggested reading list sent to passengers. Arrangements with wholesaler to provide passengers information in advance. Compile log of voyage for passengers.				
Comments: Page 14 of 26: See 1 & 2 above. The log is an excellent idea (though no example log provided). Reading list and provision for passengers purchasing materials is a plus, but there is no information regarding what is on the list or what the wholesaler carries.				

Cr. 2b. Summary		Superior	X	Successful		Not Successful
Summary Comments on this Factor: Discovery Shipping offered some excellent ideas, unfortunately they did not provide examples of how these ideas would be addressed in Glacier Bay. For example, a reading list is a good idea, but without knowing what will be on it, there is no basis for determining how beneficial this will be.						

CRITERION 3A. THE OFFEROR AGREES TO A FEE OF NOT LESS THAN THE AMOUNT DESCRIBED BELOW.

The NPS has determined that the fees described below is the minimum required offer:

\$5.00 per passenger (including both revenue and non-revenue passengers)

Please see the sample permit for specific details of the fee program.

1. Do you agree to this initial level of fees as shown above and in the sample permit?

1. Does the offeror agree to pay the fees as shown?	X	Yes		No
Applicant Statements (reference page number):				
Comments:				

Cr. 3a. Summary		Superior	X	Successful		Not Successful
Summary Comments on this Factor:						

CRITERION 3B. NONE

CRITERION 4A. THE OFFEROR PROPOSES TO PROVIDE INTERPRETIVE SERVICES (EITHER THORUGH THE NPS INTERPRETIVE PROGRAM OR THORUGH AN APPROVED CONCESSIONER PROGRAM) WHICH MEETS THE REQUIREMENTS OF THE PROSPECTUS AND PERMIT.

1. Do you agree to provide an interpretive program meeting these minimum criteria?

1. Does the offeror agree to provide an interpretive program meeting these minimum criteria?	X	Yes		No
Applicant Statements (reference page number):Application, page 17				
Comments:				

2. Will you participate in the NPS Interpretive Program (including cost-recovery)?

2. Will the offeror participate in the NPS Interpretive Program (including cost-recovery)?	X	Yes		No
Applicant Statements (reference page number):Application, page 17				
Comments:				

If you do not participate in the NPS Interpretive Program, submit a full description of your proposed interpretive program, including employment standards (resumes for existing interpretive staff or position descriptions for currently unfilled interpretive positions), staffing levels, staff and supervisory training program, monitoring and mentoring program, native and local hire program, procedures for updating interpretive program with current research and park management directives, sources for information, description of resource and reference materials available for the interpretive staff, description of slide file (or other media) available for audio-visual and other presentations, and other materials that would assist in evaluating the program. Minimum criteria for the Interpretive program (as stated above) must be met in order for the offer to be considered responsive.

2a. If not, did the offeror submit an alternative Interpretive Program?		Yes		No
Applicant Statements (reference page number):				
Comments:				

Cr. 4a. Summary		Superior	X	Successful		Not Successful
Summary Comments on this Factor: Offeror agrees to meet minimum criteria by participating in NPS Interpretive Program.						

**CRITERION 4B. THE OFFEROR PROPOSES TO PROVIDE INTERPRETIVE SERVICES
BEYOND THE MINIMUM LEVELS LISTED IN CRITERION 4A.**

1. Do you propose to operate in accordance with an *optimal itinerary* ...?

1. Does the offeror agree to operate in accordance with an <i>optimal itinerary</i>?	X	Yes		No
Applicant Statements (reference page number): Application, page 19				
Comments:				

2. If NO, provide the proposed itinerary or itineraries, including, at a minimum, all areas to be visited, activities in each area and the times for each activity (one format for this is the table below).

Was an alternative itinerary provided?		Yes		No
Applicant Statements (reference page number):				
Comments:				

The itinerary submitted should also include a list and timetable for all passenger activities, including meals, while in Glacier Bay, noting any activities that would restrict public address system interpretive commentary or impact the interpretive focus on the park.

3. If you answer yes to item 1, but would also like to propose possible alternative itineraries which you feel would provide a superior visitor experience, please do so here. Provide details of why you feel this would be a superior itinerary and whether or not this itinerary is an optional or integral element of your proposal (*optional* meaning implementation of the itinerary would be at the NPS’s discretion; *integral* meaning that, under your proposal, some entries would *need* to use the alternative itinerary).

3. Were itineraries in addition to the “optimal itinerary” proposed?		Yes		No
Applicant Statements (reference page number):				
Comments:				

Additional Elements of the NPS Interpretive Program

The following items are elements of the NPS Interpretive Program which exceed the minimum requirements listed in 4A. If you indicated in 4A #2. (above) that you would participate in the NPS Interpretive program, you will be credited with providing these additional items. Applicants who will not be participating in the NPS Interpretive Program would need to specifically address each item in order to receive consideration for exceeding minimum standards for that item.

- Provide interpreters with the opportunity to visit libraries, museums or institutions that have Alaska and Glacier Bay specific information or reference materials.
- Provide opportunity for interpreters to work with experts on interpretive program subjects such as communication and interpretive techniques.
- Offer mentoring program(s) for southeast Native individuals to introduce the field of interpretation and provide the passengers with cultural interpreters.
- Offer supplementary field trips both ashore and on the waters of Glacier Bay to provide interpreters with added personal experience to further enhance their programs.
- Provide the interpreters additional training and materials to develop more specialized and in-depth programs.
- Conduct focus groups and additional surveys to determine if passengers understand and appreciate the significance of Glacier Bay National Park and Preserve.

4. Do you propose to meet any or all of the elements shown above? [Applicable only if you will **not** be participating in the NPS Interpretive Program: the NPS Interpretive Program meets these elements.]

4. Does the offeror propose to meet any or all of the elements shown above? If the offeror is participating in the NPS program, they will meet all elements.		Yes		No
Applicant Statements (reference page number):				
Comments:				

Additional Elements Not Included in the NPS Interpretive Program

The following items are potential areas where applicants could exceed minimum interpretive program requirements whether they are participating in the NPS interpretive program or not. All applicants should provide details of how each item would be addressed or provided if the item is to be included in the applicant's operation.

- Schedule programs and provide materials specifically for children on board with a park related theme.
- Provide passengers and crew the opportunity to view video(s) about GLBA prior to arrival.
- Provide passengers and crew with supplemental materials about Glacier Bay prior to arrival in Glacier Bay.
- Provide programs for passengers by specialists on park related subjects, i.e. geology, ecology, natural history, Alaska history, native Alaskan culture and art, prior to arrival in Glacier Bay.

5. Do you propose to meet any or all of the elements shown above? If yes, provide details.

5. Does the offeror propose to meet any or all of the elements shown above?	X	Yes		No
Applicant Statements (reference page number):Application, page 21 and additional, unnumbered page prior to page 13, titled: ‘World Renowned Experts At Your Side’ – Offeror provides on-board lecturers and claims to have a high ratio of experts to passengers.				
Comments: No details on program of on-board lecturers. Lists a few past lecturers but offers nothing in details for proposed program. Does not mention children’s programming or other media available to passengers or crew prior to arrival in Glacier Bay.				

Opportunity for Applicants to Propose Innovative Interpretive Program Elements

Applicants are encouraged to provide details of any additional interpretive services or interpretive program details (not listed above) which they propose to provide and which would result in improved interpretive program.

6. Do you propose to any additional interpretive elements or services? If yes, provide details.

6. Are additional interpretive program elements proposed?		Yes	X	No
Applicant Statements (reference page number):Application, page 21 – Offeror responds: “These elements are currently adequately provided for.”				
Comments: No documentation available for the above claim.				

Cr. 4b. Summary		Superior	X	Successful		Not Successful
Summary Comments on this Factor: Not able to rate this criteria for lack of detail on additional elements that would exceed minimum interpretive programming.						

CRITERION 5A. THE OFFEROR AGREES TO SUBMIT A POLLUTION MINIMIZATION PLAN

1. Do you agree to submit the required *Pollution Minimization Plan* as part of your application and, after approval, implement the plan as approved? If yes, attach the plan (see Criteria 5B for additional elements which may be included).

1. Does the offeror agree to submit the required <i>Pollution Minimization Plan</i> as part of your application and, after approval, implement the plan as approved?	X	Yes		No
Applicant Statements (reference page number): Pollution Minimization Plan presented following page 23 in offeror’s application.				

Comments:

1a. Was an adequate pollution minimization plan provided?	X	Yes		No
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Applicant Statements (PMP presented on pages following page 22):

Air Quality

- Marine Gasoil used – almost smokeless, sulfur content of 0.4%
- Incinerator not used
- Adjustments made if visible emission appears
- Fuel burning efficiency enhanced by adjusting fuel temperature and volume of air
- No stack emission violations

Underwater Noise

- Diesel engines
- Bowthrusters not used in Glacier Bay
- Engines operated at constant rpm in sensitive areas
- Operating engines used with minimum rpm
- Resilient rubber mounted engines

Oil Spill

- SOPEP in place
- Oil spill clean up kit in place
- Captain, Chief Office, Safety Officer are master mariners
- Navigational equipment operational
- Weekly safety and oil spill drills carried out

Comments:

Air Quality

- Sulfur content of fuel is lower than typical (typical – 1.5-2%)
- No description of equipment, technology, physical factors which would reduce stack emissions
- No description of operational methods which would reduce stack emissions
- Monitoring program not well described and relies on visible emissions.

Underwater Noise

- Combination of rubber mounted engine and operational methods would likely minimize underwater noise.
- No monitoring described

Oil Spill

Offeror's oil spill readiness actions are all standard and requirements of the U.S. Coast Guard (SOPEP, clean up kit, operational navigational equipment). Oil spill training described is likely very valuable. Offeror describes little other than minimum Coast Guard requirements.

Cr. 5a. Summary		Superior	X	Successful		Not Successful
<p>Summary Comments on this Factor:</p> <p>Offeror provided the minimum amount of information required to meet the conditions of an adequate Pollution Minimization Plan. Equipment, technologies and operational methods described to minimize air, noise and water pollution are minimal, but adequate. The offeror did not describe any monitoring options or methods for NPS to verify that pollution minimization techniques were being implemented.</p>						

CRITERION 5B. THE OFFEROR PROPOSES TO MINIMIZE ENVIRONMENTAL IMPACT IN THE PARK.

Offerors should address in their proposal measures they would take which go beyond law and regulation to further minimize or eliminate these environmental impacts while operating in the park (Address each item as an element of the *Pollution Minimization Plan* required in 5A.). [These include Stack emissions, Discharge into park waters, Underwater noise, Wildlife (Harbor Seals, Sea Birds, Sea Bird Nesting Colonies), Litter, Shipboard noise, Helicopters.]

Did the Offeror address in their proposal measures they would take which go beyond law and regulation to further minimize or eliminate these environmental impacts while operating in the park ?	X	Yes		No
<p>Applicant Statements (reference page number): (following page 22)</p> <ul style="list-style-type: none"> • Biological sewage plant and food waste holding tank. • Passengers, crew “familiarized” with required care of Alaskan environment and GLBA specifically through ship’s command and lectures • Paper cups/plates not used • Staff will control deck area to “verify” that no litter of decks takes place <p>Comments: Offeror does not describe how passengers and crew are provided with environmental messages nor what those messages are. Offeror does not describe how windborne litter would be minimized. Besides those points made in 5A that exceed strict requirements and laws, the offeror provides few other pollution minimization strategies.</p>				

1. Do you offer to provide baseline data from your vessel(s), such as stack emission opacity or noise levels? If yes, describe in detail the nature and format of the data, procedures for data submission and constraints, if any, for data use or distribution.

1. Does the offeror offer to provide baseline data from their vessel(s)?		Yes	X	No
<p>Applicant Statements (reference page number):</p> <ul style="list-style-type: none"> • Interested in providing information helpful in defining safe parameters of operation within park. • Not able to provide an unqualified assent without knowledge of specific criteria or cost for providing data <p>Comments: The offeror does not offer to provide baseline data, but appears to be open to providing data if criteria and costs were defined by NPS.</p>				

1a. If yes, did the offeror describe the nature and format of the data, procedures for data submission and constraints, if any, for data use or distribution?		Yes		No
Applicant Statements (reference page number):NA				
Comments: N/A				

Cr. 5b. Summary		Superior	X	Successful		Not Successful
Summary Comments on this Factor:						
The offeror describes minimal actions which would be taken to reduce potential environmental impacts. Actions are not well described, but do indicate some willingness on the offeror's part to reduce impacts.						

CRITERION 6A. THE OFFEROR'S PAST RECORD RELATED TO MARINE CASUALTIES, VIOLATION NOTICES AND FOOD SERVICE SANITATION.

The past record of marine casualties, violation notices and food service sanitation reports for *each cruise ship* must be included in the offeror's proposal. If there is less than a complete record for the time period described for any ship included in the proposal, establish a record for the company as a whole by providing the information requested for the company, including all cruise ships operated by the company.

1. Has the offeror had any reportable marine casualties (as defined by USCG regulations), including but not limited to grounding, loss of primary propulsion, collision, flooding, capsizing, fire, explosion, loss of life or reportable injury for the period beginning three years prior to the date this prospectus was issued through the present¹? If yes, submit a copy of the official report (U.S. Coast Guard or other), except for injuries (submit a brief summary, including reason for each injury).

1. Has the offeror had any reportable marine casualties?		Yes	X	No
Applicant Statements (reference page number): The applicant indicated no reportable marine casualties in responding to Question 6.A.1 on page 23 of the application. The applicant operates one cruise ship named the World Discoverer.				
Comments:				

¹ Information which comes to the attention of the National Park Service for the period of time after a prospectus is issued but prior to the actual award of a permit will be considered in the selection process.

1a. Were copies of the reports submitted?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Applicant Statements (reference page number): N/A				
Comments:				
Analysis:				

1b. Did a background check identify any additional casualties?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
Applicant Statements (reference page number):				
Comments: USCG records of reportable marine casualties for the World Discoverer verified the information provided by the applicant.				

2. Has the offeror received citations or notices of violation received from, or criminal information or indictments filed by local, state, or federal authorities in the United States, regardless of the outcome, for the period beginning three years prior to the date this prospectus was issued through the present? If yes, submit a copy of the citation, indictment, etc., and an explanation of the violation, settlement, penalty (if any), and any corrective actions taken by the offeror.

2. Did the offeror report any such citations, notices of violation, etc.?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
Applicant Statements (reference page number): The applicant indicated no violations or citations in responding to Question 6.A.2 on page 23 of the application.				
Comments:				

2a. Were copies of the reports submitted?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Applicant Statements (reference page number): N/A				
Comments:				

2b. Did a background check identify any additional violations?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
Applicant Statements (reference page number):				

Comments: USCG violation records for the applicant, Discovery Shipping, Inc., verified the provided information.

3. Has the offeror received any unsatisfactory food service sanitation inspection reports from the U.S. Public Health Service for the period beginning two years prior to the date this prospectus was issued through the present? If yes, submit the reports for these inspections and a summary of any corrective actions taken by the offeror.

3. Did the offeror any unsatisfactory food service sanitation inspection reports?	X	Yes		No
Applicant Statements (reference page number): The applicant indicated unsatisfactory food service rating(s) in responding to Question 6.A.3 on page 24 of the application. The reader was directed to "See Attached" information.				
Comments:				

3a. Were copies of the reports submitted?	X	Yes		No
Applicant Statements (reference page number): Applicant provided 7 pages of attached reports describing 1 unsatisfactory food service rating on 7/5/97 for the World Discoverer. Information provided by the applicant indicates that corrective actions were completed within 5 days of the unsatisfactory rating.				
Comments:				

3b. Did a background check identify any additional unsatisfactory reports?		Yes	X	No
Applicant Statements (reference page number):				
Comments: Verification checks with the U. S. Public Health Service confirmed the applicant's information.				

Cr. 6a. Summary		Superior	X	Successful		Not Successful
Summary Comments on this Factor:						
The applicant operates 1 vessel, <i>World Discoverer</i> . USCG records verified the applicant's report of no reportable marine casualties or violations for the company/vessel. U. S. Public Health records duplicate the applicant's report of a sole unsatisfactory food service rating. Accordingly, the applicant is considered successful in meeting this criterion.						

CRITERION 6B. NONE

• **PRINCIPAL FACTOR 3. THE OFFEROR’S FINANCIAL CAPABILITY**

CRITERION 7A. THE OFFEROR DEMONSTRATES THAT NEEDED FUNDING (EQUITY AND/OR BORROWED) IS AVAILABLE AND IS DEMONSTRATED TO BE SUPPORTABLE WITHIN THE INCOME STATEMENT AND BALANCE SHEETS REQUIRED.

1. Provide the following information:

- a. For OFFERORS and CONCESSIONERS provide the latest financial statement for themselves and their parent company (if any) including the notes to the statements or similar explanatory material and the related audit report.
- b. For corporations, partnerships, or others that are OFFERORS, or that propose to provide the services or part of the services required: Provide the latest financial statement available including the notes to the statement or similar explanatory material and the related audit report.
- c. Sole proprietors and unconventional lenders and proposed individual investors: Provide personal financial statements.

1. Was the appropriate information provided?		Yes	X	No
<p>Applicant Statements (reference page number): Page 25 of 26 & four attached pages (unaudited balance sheet and income statement).</p> <p>Clarification: Unaudited “income statement” for <i>Society Expeditions International</i> provided.</p>				
<p>Comments: Information provided suggested offeror is on-going cruise ship operator (though see below). No notes to the statements included. Statements not audited. Parent company financial statement not included. Note: \$16M in “reorganization plan liabilities” shown on balance sheet not explained. With total assets of \$2.8M, this raises questions (unanswered in the offer) regarding financial position of the company. The offeror is in bankruptcy and surely must have audited statements and notes that would have allowed us to estimate their financial viability.</p> <p>Clarification: Minimal information on parent company provided.</p>				

2. Identify the source(s) of all needed funds. Document the source and availability of all funds with current audited financial statements, financing agreements, letters of commitment, and similar supporting documents from all sources. Present compelling evidence of offeror’s ability to obtain the necessary funds. Be specific. Identify all sources and provide complete documentation. Explain fully the financial arrangements you propose to use.

- a. If funds are to be obtained from individuals, provide a current personal financial statement, documentation of assets to be sold, commitments from lenders, or other assurances that meet the need to make a compelling demonstration that the funds are available and committed.
- b. Funds from other sources must be supported by a current, audited balance sheet and income statement and whatever supporting documents are needed to provide compelling evidence that funds are available and committed.

- c. Funds obtained by the sale of assets must be supported by a description and condition of the assets and any encumbrances on those assets and/or the proceeds of their sale. Also, the condition of the market for such items should be indicated in a way that identifies both the ability to sell the asset at the necessary time and the ability to sell at a price sufficient to meet funding expectations. Qualified appraisals and other professional estimates of value must be provided. You must prove in a compelling way that the asset will yield the necessary funds at the necessary time.

2. Were funding sources identified?		Yes	X	No
Applicant Statements (reference page number): Page 25 of 25: From passenger payments.				
Clarification: unaudited “income statement” for <i>Society Expeditions International</i> shows a reasonable net return.				
Comments: The financials they provided show that they have a negative equity of \$20 million. It is necessary to explain such a situation and provide documentation that this is a viable on-going business.				
Clarification: Some information provided.				

- 3. Describe how your financing arrangements, taken as a whole, are advantageous terms for financing that both balance the financial interests of the NPS in this PERMIT and the need for a soundly financed concessioner with the least number of financing issues to be negotiated in the future.**

3. Were financing arrangements adequately described?		Yes	X	No
Applicant Statements (reference page number): Page 25 of 25: Discovery Shipping proposed to make fee payments in advance of ship’s arrival.				
Comments: This is not the payment program provided in the sample permit, but early payments are generally accepted. This is not considered a superior offer for this element.				

Cr. 7a. Summary		Superior	X	Successful	X	Not Successful
Summary Comments on this Factor: Minimal required information provided . Question regarding the financial situation of Discovery Shipping remain: “reorganization plan”, parent company information, audited statements not provided.						
Clarification: The information provided, while not completely answering all questions, suggests that the offeror is capable of continuing to provide satisfactory cruise ship services and that the offer is responsive to the prospectus.						

CRITERION 7B. NONE.

SECONDARY FACTOR(S). FRANCHISE FEE OFFERED ABOVE THE MINIMUM

CRITERION 8A. NONE

CRITERION 8B. A FRANCHISE FEE ABOVE THE LEVEL REQUIRED AT CRITERION 3A IS OFFERED.

A franchise fee offer above the required level will be a secondary factor as explained by the terms of PL 89-249 (and Public Law 104-333, Section 704, below²). Secondary factors will be used in the evaluation of offers when a selection of the best offer cannot otherwise be made from the results of evaluating the three primary factors. Public Law 89-249, Section 3(d) and 36 CFR Part 51.4b(3), (Both are included in the Appendix) provides guidance as to franchise fees.

1. Do you propose to offer a franchise fee above the level required at Criterion 3A?

1. Was a higher franchise fee offered? If yes, enter fee offered under "Applicant Statements".	X	Yes		No
Applicant Statements (reference page number): Page 26 of 26: Discovery Shipping offers \$10.00 per passenger each year.				
Comments: Based on the information provided, the higher fee may be reasonable, however, due to minimal information provided, it is difficult to determine if the higher fee would have significant on the services.				

Cr. 8b. Summary	X	Superior		Successful		Not Successful
Summary Comments on this Factor: A higher franchise fee proposed.						

This document accurately reflects the panel members evaluation of this offer.

Dave Nemeth /s/ Dave Nemeth	Stephen Crabtree /s/ Stephen Crabtree
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²Public Law 104-333, Section 704, states: "Fees paid by certain permittees for the privilege of entering into Glacier Bay shall not exceed \$5 per passenger. For the purposes of this subsection, 'certain permittee' shall mean a permittee which provides overnight accommodations for at least 500 passengers for an itinerary of at least 3 nights". Therefore, the NPS may not be able to accept a higher franchise fee from applicants who fit the definition of 'certain permittee', but may accept such an offer from other applicants.

Jerry Case /s/ Jerry Case	Randy King /s/ Randy King
Mary Beth Moss /s/ Mary Beth Moss	

End