

(02/07)
Use Code 141

**Prospectus for Two Lakes Campground and
Related Granger-Thye Concessions
Chequamegon-Nicolet National Forest**

**U.S. DEPARTMENT OF AGRICULTURE
Forest Service**



December 29, 2008

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I. Business Opportunity

Two Lakes Campground is nestled between two lakes- Lake Owen and Bass Lake. This campground is located in a scenic area outside of the communities of Grandview, Delta, Drummond, and Cable, Wisconsin. With 94 family camping units, two boat launches, two beaches, and an interpretive trail, this campground is one of the largest recreational opportunities within this area. Approximately 23 miles south of Drummond, Wisconsin, there is a KOA Campground located on the outskirts of Hayward, Wisconsin. Two Lakes Campground, which is located on two very beautiful clear water lakes, offers visitors a more scenic and rustic camping experience. Visitors are able to enjoy a number of recreational activities including, swimming, fishing, hiking, bike riding, and boating within and adjacent to the campground.

Many individuals have expressed an interest in utilizing the boat launches for Bass Lake and Lake Owen with Two Lakes Campground during the fall and winter months. Many visitors come to camp in the Drummond area for the fall colors, hiking, fishing, and to participate in the many festivals that take place at this time of the year. During the colder winter months, people come to the Drummond area to enjoy ice fishing on the many of the area lakes, snowmobile riding on the local trails, cross country skiing, and snowshoeing on the North Country National Scenic Trail (NCT).

Considering all of the other recreational uses in other Forest Service campgrounds and on National Forest System lands, there is potential for off-season recreational use within Two Lakes Campground. This presents another business opportunity within the campground that could require maintenance of a portion of the camp sites and a few toilet buildings for fall camping and winter access to the boat launches for access to Bass Lake and Lake Owen for hunters and anglers from October 15th through April 10th. Camping fees and daily parking fees may be charged during this time. Monitoring use and type of recreational uses that visitors are engaging in will be conducted from December 2008 through April 10, 2009. Camping statistics for Fall 2007 and Fall 2008 have been developed for some of the campgrounds on the Great Divide Ranger District, which is the neighboring district. The fall camping information and the 2008-2009 winter monitoring information will be provided to successful applicant. This information will be utilized in the discussion between the Forest Service and the permit holder during the summer season for the potential new business opportunities for the fall and winter months. The fall and winter business opportunities may be negotiated and incorporated into one Concessionaire Special Use Permit for year round management if the successful bidder so chooses.

Possible changes during the life of the new Concessionaire Special Use Permit could potentially be the development of up to 4 new group camping sites, a new overflow parking area, installation of new toilet buildings to replace older facilities, raised tent pads, installation of a holding tank on Host Site (Site 11a), paved parking spurs on each camping unit to further define the sites, installation of new boat ramps on both Lake Owen and Bass Lake, installation of new wells with solar pumps, and the construction of a shelter with some playground equipment. As financial opportunities present themselves to implement these proposed projects, the Forest Service will work with the permit holder regarding the potential use of the Granger-Thye Offset Program to assist with the costs.

A. Introduction

This prospectus is being issued to solicit applications for a concession campground special use permit. A permit or permits to provide high-quality public service in the operation and maintenance of Government-owned recreation facilities located on the Washburn Ranger District, Chequamegon-Nicolet National Forest, will be issued.

Applicants are responsible for producing their own business plans and for their own financial predictions in responding to this prospectus. Applicants should also consider that the Forest Service has Memoranda of Understanding (MOU) with certain Tribal Governments to waive certain campground fees and length of stay limits in National Forest Campgrounds in Michigan and Wisconsin for Tribal Members use while exercising reserved treaty rights. The campground advertised in this prospectus is included in the MOU. Potential permit holders need to be aware of this use and factor it into their bid accordingly. Detailed information regarding tribal use passes can be found on page 14, Section O of this prospectus.

The Chequamegon-Nicolet National Forest is currently conducting a Recreation Facility Analysis to determine future use of recreation facilities on the Forest. The results of this analysis may recommend changes to some of the facilities that are included in this prospectus. Prior to implementing any changes the Forest will coordinate with the concessionaire and make any adjustments to the terms of the special use permit as necessary.

The permit will include the following developed site:

- Two Lakes Campground

The authorized officer for this business opportunity is the Forest Supervisor for the Chequamegon-Nicolet National Forest, 1170 4th Avenue South, Park Falls, Wisconsin 54552.

This campground has been operated under a concessionaire permit since the mid 1990's. The current permit for this concession expires on December 31, 2008. Over the past three years, this concession has generated the following gross revenues:

Year	Gross Revenue
2007	\$72,780
2006	\$54,300
2005	\$105,386

There are some differences in the amount of gross revenue generated over the past 3 years. In 2005, increased fees for camping, day use parking, dump station, and extra vehicles were put into effect. On September 13, 2005, a wind event passed through the campground which left a massive amount of down trees and some damaged facilities. A majority of the down timber was salvaged in the front three loops of the campground. Due to the temporary closure of 24 sites, the 2006 gross revenue was down. By May 2007, all of the timber salvage and facility rehabilitation work was completed and the entire campground was re-opened which brought the gross revenue back up.

In the past, Two Lakes Campground has not collected fees for fall or winter uses, such as camping or daily parking. The Forest Service will be conducting monitoring to provide winter recreational use data to the new permit holder so that it may be determined whether or not

keeping the campground open during the off-season is feasible business opportunity that can be supported through fees collected at the site.

B. Area Description

The Washburn Ranger District is located on the northwest portion of Bayfield County in northern Wisconsin. The Two Lakes Campground is located just south of the community of Drummond, Wisconsin. The primary vegetation composition within the campground is made up of white birch, quaking aspen, oaks, white pine, and white spruce. The campground is open from May 1st through October 10th. There are 25 sites that can be reserved through the National Recreation Reservation System. Accessible sites for people with physical disabilities are available. The Bass Lake Interpretive Trail provides visitors with a 1 mile hike or bike ride around Bass Lake that is accessible adjacent to either Site 57 or Site 86. For a longer day hike or bike ride, the North Country National Scenic Trail is also readily accessible from within the campground. There are two boat ramps- one on Bass Lake and one on Lake Owen- that visitors can launch their boats from to enjoy either fishing or other water sport activities. There is a floating wooden dock on Bass Lake for those without a boat who would like to fish, take in the scenic lakeshore, or watch for wildlife. For those individuals who are craving solitude and a place to further explore nature, directly across the road from the campground entrance is the Porcupine Wilderness Area. This wilderness area has several small lakes, ponds, and wetland areas with a number of trails traversing through it.

Visitors that stay at the campground come from surrounding and local communities, as well as southern Wisconsin, Minnesota, and Michigan, and numerous other states. This campground is especially popular with individuals from the local communities of Grandview, Delta, Drummond and Cable, Wisconsin.

C. Description of Developed Recreation Sites and Facilities

The following is a description of each developed recreation site included in this prospectus (*see* Appendix 1 and 2 for vicinity and site maps).

Description: Two Lakes Campground is nestled in between two beautiful lakes- Bass Lake and Lake Owen. Bass Lake is approximately a 59 acre lake that is well known for excellent walleye and pan fishing. On the north side of the campground, Lake Owen is a 1,323 acre lake that is also well known for its extraordinary fishery and historical sites along the lakeshore. The access road throughout the campground is paved. Each of the 94 family camping units is graveled and some of the sites have large rocks or wooden barrier posts to define the sites. The average length of the sites is approximately 45 feet. These sites were designed for 2 vehicles, 1 tent or RV. Five of the sites are pull-through sites that can accommodate larger RV's. Occupancy for each site is a maximum of 8 people. The campground manager and host site at the entrance has electrical and water hook-ups. At the campground host site (Site 11a) a propane storage tank is present.

The average operating season for Two Lake Campground is May 1st through October 15th. The average temperature from May through September is 61 degrees. At a minimum, the Forest Service will expect the permit holder to operate the campground for the peak season from May 1st through October 10th. At that time, the permit holder will need to purge and close the water systems for the winter.

If the successful bidder decides to maintain a portion of the campground and the boat launch facilities open, the Forest Service will expect that the camp sites in the front loop (Sites 1 through 11 and Sites 80 through 94. See site map, Appendix 2) are open for fall camping from October 15th through December 1st. During the winter, the Forest Service will expect that the access road to and from the boat launches are plowed from approximately December 15th through March 15th to provide access for winter users.

Directions by vehicle: Two Lakes Campground is accessible from US Highway 63. At Drummond, Wisconsin, travel south on Lake Owen Scenic Drive (also known as Forest Road 213 that turns into 214 near the campground), which is a paved road (see map, Appendix A). Visitors will need to drive approximately 5.5 miles to the entrance of Two Lakes Campground.

Facilities included under permit:

- 94 campsites
- 96 lantern posts (includes sites and campground manager & host sites)
- 96 campsite ID posts (includes sites and campground manager & host sites)
- 96 picnic tables (includes sites and campground manager & host sites)
- 96 fire rings (includes sites and campground manager & host sites)
- 2 boat concrete ramps
- 1 dock (on Bass Lake)
- 3 solar well pumps with solar panels and batteries
- 3 manual hand pumps
- 5 garbage dumpsters
- 2 swimming beaches
- 1 double sided entrance sign
- 1 CXT double vault concrete toilet
- 6 wooden double vault toilet buildings
- 6 single vault toilet buildings
- 1 dump station
- 1 underground sewage holding tank (campground manager site)
- 1 well (campground manager site)
- 2 self service fee stations. Each fee station includes a pull-off spur, 1 large bulletin board, 1 board with a site map, fee tube and fee envelope box. The main entrance fee station has 1 large routed wood site map.
- 6 wooden bulletin boards
- 1 wooden fence near Lake Owen Boat Launch
- 3 steel pipe gates
- 1 pay phone
- 1 security light
- 6 speed bumps
- 1 Bass Lake Hiking Trail (1 mile long)
- 4 wooden benches
- 2 self service life guard stations
- 2 sets of beach buoys'
- 4 water markers
- 2 large aluminum beach signs
- 2 storage sheds (on site)
- 1 storage building (off site available for storage of Forest Service signs and buoys)

- 2 propane storage tanks (on campground manager site and host site at Site 11a)

Characteristics of Developed Recreation Site for Offer

Site	Two Lakes Campground
Communications	Telephone hookup at campground manager's site and pay phone at fee station at the campground entrance.
Utilities	Water and electricity at the campground manager's site. A propane storage tank at the campground host site (11a).
Drinking Water	Three solar wells and three manual hand pumps throughout the campground. At the campground manager's site there is a water hook up to service both the manager's site and adjacent host site.
Toilet/Shower Type	<u>Currently:</u> Seven 2-riser vault toilet buildings. (1 CXT Concrete Toilet)
Toilet Vault Capacity	500-1,000 gallons
Forest Service Trash Bins	None
Trash Bin Type	12 dumpsters provided by garbage contractor (Waste Management)
Accessibility	<u>Currently:</u> none 2008: 7 or more sites improved planned <u>2009-19:</u> additional sites improved planned
Elevation	Lake Owen, Bayfield, WI is at 1,343 feet
Number of Camping Units	94
2007 & 2008 Fee Per Camping Unit	\$17.00
2006 Fee Per Camping Unit	\$15.00
Minimum Operating Season	Peak Season: May 1–October 10; Post Season: October 15–April 10 (April 10–May 1 close to prepare for opening for the camping season)
Three-Year Average Gross Revenue (2007-2005)	\$77,489

D. Government-Furnished Property

The Forest Service will provide certain property in conjunction with the concession campground special use permit (*see* Appendix 3 of the prospectus). Included in this inventory are a description, the quantity, and the estimated replacement cost of the applicable property.

E. Government-Furnished Supplies

The Forest Service will not furnish any supplies for day-to-day operation of the concession. Government-furnished supplies will be limited to those necessary for programmatic consistency, including:

- Forms to report use and revenue.
- A copy of the Forest Service publications, “Cleaning Recreation Sites,” “In-Depth Design and Maintenance Manual for Vault Toilets,” and “Vault Toilet Pumping Contract Specifications and Guidelines for Preparing Contracts.”
- A copy of “Recreation Opportunity Guides,” which the holder may reproduce at its expense.
- Title VI signs.

F. Utilities and Waste Management

Certain utilities and infrastructure exist for the developed recreation sites identified in this prospectus. The permit holder will be responsible for securing, managing, and paying for these utilities. Applicants should contact current service providers to obtain estimated costs for the utilities. These utilities include:

Electrical

Bayfield Electric Cooperative, P.O. Box 68, Iron River, Wisconsin, 54847, telephone number (715) 372-4287, is the electrical provider of the electrical service for Two Lakes Campground.

Telephone

The pay phone is currently serviced by Centurytel, 120 2nd Avenue E, Ashland, Wisconsin 54806, telephone number (715) 682-3431 or 1-800-201-4102. The permit holder will have a choice of telephone service with internet options. The two companies are Centurytel or Chequamegon Telephone Company (also known as Cheqnet Telephone), P.O. Box 67, Cable, Wisconsin 54821, telephone number 1-800-250-8927. Chequamegon Telephone is the current provider.

Propane

The current propane provider is Como Oil & Propane, telephone number (715) 798-3566.

Water

Two Lakes Campground has one pressurized water systems, three manual hand pumps, and three pressurized solar wells with solar panels and batteries. The permit holder is required to operate and maintain the water system for both campgrounds in compliance with applicable federal, state and local laws and regulations for the operation and maintenance of a public drinking water system. Copies of all monthly water test results are required to be provided to the Forest Service. The current laboratory that conducts the water testing is the City of Ashland Water and Wastewater Utility, Ashland, Wisconsin, telephone number (715) 682-7056.

Garbage

The permit holder will be responsible for garbage removal. The previous provider was Waste Management, telephone number 1-800-782-7347.

Liquid and Solid Waste Disposal

The permit holder is responsible for pumping all vault toilets and septic systems at the developed recreation sites. The previous provider was Iron River Septic and Excavating, Iron River, Wisconsin, (715) 372-4006.

II. Forest Service Concession Programs and Policies

Government-owned concessions are authorized by special use permits issued under Section 7 of the Granger-Thye (GT) Act, 16 U.S.C. 580d, and implementing regulations at 36 CFR Part 251, Subpart B.

In addition, there are certain Forest Service programs and policies that apply to campground concession. All applications must be consistent with these requirements.

A. National Recreation Reservation Service (NRRS)

The Chequamegon-Nicolet National Forest participates in the NRRS, which provides nationwide, toll-free telephone reservations for single-family or group camping sites, rental cabins, and other recreational facilities. Visitors pay the camping fee at the time they make a reservation, and no fees are collected at the site (although the permit holder may allow occupancy of any site in the NRSS that is unreserved and charge on site for that use). The current NRRS contractor is ReserveAmerica, 40 South St., Ballston Spa, New York 12020. Contact information for the NRSS follows.

John Cameron
Forest Service Contracting Officer's Technical Representative
telephone: (850) 523-8589
email: jhcameron@fs.fed.us

ReserveAmerica Inc.
2480 Meadowvale Boulevard, Suite 120
Mississauga, Ontario
Canada L5N 8M6
Inventory Help Desk: (877) 345-6777
Customer Service: (888) 448-1474
email: nrrs-inventory@reserveamerica.com
facsimile: (888) 742-5520

The NRRS is the only authorized reservation system for Forest Service developed recreation sites, including campgrounds, cabins, and group use areas. The Forest Service contract for the NRRS prohibits campground concession permit holders from using any other reservation system, establishing their own reservation system, or reserving campsites other than through the NRRS.

Applicants may recommend adding sites to or deleting sites from the NRSS or changing the number of sites that may be reserved, the minimum number of days per reservation, or the location of sites that may be reserved. The permit holder also may make these recommendations during the term of the permit. The authorized officer will decide whether to accept or reject the recommendations.

Under the NRRS, the following guidelines must be followed, unless there are compelling operational reasons:

1. For each developed recreation site included in the NRRS, at least 60 percent of the units must be available for reservations. The rest of the units may be occupied on a first-come, first-served basis.

- Reservation windows vary by type of site and are as follows:

Individual campsites: from 240 to 4 days prior to arrival date.

2. When the NRRS is utilized, the permit holder is responsible for on-site administration and will be required to:

- Obtain daily arrival reports (DARs) from the NRRS contractor each morning by establishing at least one central facsimile location, email address, or other means of obtaining and distributing DARs.
- Develop a system for posting reservations at the sites so other visitors know which units are reserved.
- Post and hold reserved sites for 24 hours.
- Ensure that the party with the reservation is the party using the site.
- Resolve any disputes over the use of reserved sites by drop-in campers.
- Verify that visitors hold a Golden Age or Golden Access Passport or the National Parks and Federal Recreational Lands Pass (Federal Recreational Lands Pass) authorized under the Federal Recreation Enhancement Act (REA), 16 U.S.C. 6801-6814, before giving the discount on fees for those passes (*see* section II.B).
- Develop inventory data for sites being added to the NRRS, and update data for sites currently in the NRRS (including fees charged the public and temporary site closures). Submit data to the NRRS at least annually for data updates.
- Communicate to the NRRS any emergency closures or other relevant operational changes as they occur.
- Approve customer refunds as appropriate, and process them through the NRRS. NRRS refund policies can be found at <http://www.reserveusa.com/jsp/homepage.jsp?goto=/home/policies.html>.

Because reservations can be made up to a year in advance for group sites and up to 240 days in advance for family sites, the NRSS is currently accepting reservations for the 2008 operating season. Fees received by the NRSS for reservations after December 31, 2008, will be held by the Forest Service and distributed following issuance of a special use permit to the successful applicant. In the final year of the permit, fees will be held in the same manner until a new permit is issued. The permit holder will honor reservations made prior to issuance of the permit at the price in effect when the reservations were made.

B. Pass Discounts

The permit holder must provide a 50 percent discount on recreation fees charged under REA at the developed recreation sites covered by this prospectus to holders of Golden Age and Golden Access Passports, as well as holders of the Interagency Senior and Access Passes.

Specifically, holders of these passes are entitled to a 50 percent discount on the fee for a single campsite occupied by the pass holders. The pass holders are not entitled to a discount on the fee for a multiple-family campsite, cabin, or group use area or any additional campsites occupied by those accompanying the pass holders. The 50 percent campsite discount does not include utility, water, or any other hookup fees.

In addition, holders of these passes are entitled to a 50 percent discount on the pass holders' fee for use of highly developed boat launches and swimming sites. Those accompanying the pass holders are not entitled to the discount.

The permit holder will not be required to offer discounts or free use to holders of the Annual or Volunteer Pass.

The permit holder will not be required to offer discounts to other Interagency Pass holders and will not be required to offer free use at standard amenity recreation fee sites.

Discounts do not have to be provided for utility charges (hookups for electricity, cable, sewer, and water) or charges for multiple-family (*i.e.*, double or triple) units, cabins, or group use areas. Pass discounts apply only to the single-family unit occupied by the pass holder. The Interagency Annual Pass does not cover expanded amenity recreation fees (such as camping fees).

Any loss of fee revenue from honoring the passes should be factored into applicants' bids.

The following is a list of sites covered by this prospectus where the 50 percent discount for passes applies:

- **Two Lakes Campground**

Tribal free use passes: See Section O. Other Pertinent Information.

C. Camp Stamps

Camp stamps must be honored at their face value and submitted to the authorized officer for reimbursement.

D. Site Closures

The Forest Service reserves the right to close all or a portion of any area in this prospectus for repair; construction; floods; snow; extreme fire danger or other natural events; wildlife protection; or risks to public health and safety. The Forest Service shall not be liable to the permit holder for lost revenue, operating costs, or any other losses resulting from these closures. However, for fee calculation purposes, the permit shall be placed in non-use status as provided by FSH 2709.11, section 31.23.

E. Administrative Use

If the Forest Service requires the permit holder to provide a service for the agency, the permit holder will be compensated for that use.

F. Applicable Forest Orders

Forest Orders may be issued to address a variety of management concerns on a particular forest. Sample orders related to the offering are identified in Appendix 4. Additional applicable forest orders may be issued in the future.

G. Fee Tickets and Compilation of Use and Revenue Data

The permit holder must provide fee tickets to visitors that include at least the following information:

- The site number and total amount paid.
- The date of issuance and number of days paid for.
- If a pass is used, the pass number.
- The number of people in the group.
- The number of vehicles and their license plate numbers.

The permit holder must provide use and revenue data to the Forest Service (*see* Appendix 5 of the prospectus for a sample use report). Use reports must be completed monthly and at the end of the operating season for each developed recreation site, provided that when the holder performs GT fee offset work in lieu of paying the land use fee in cash, use reports may be submitted quarterly, rather than monthly. At a minimum, monthly and year-end use reports must include:

- The total number of units occupied based on daily counts.
- The total number of people based on daily counts.
- The percentage of occupancy by month.
- Total recreation fee revenue.
- Total fee revenue for other goods and services.
- The total number of Camp Stamps collected.
- The total number of passes used.

In addition, year-end use reports must include:

- Total fee revenue collected under the NRRS.
- Total taxes paid.
- Total gross revenue.
- Total net revenue.

H. Customer Service Comment Cards

The permit holder must provide a customer service comment card to visitors at each developed recreation site (*see* Appendix 6 of the prospectus).

I. Performance Evaluations

At a minimum, the Forest Service will perform a year-end performance evaluation within four months of the close of the operating season (*see* Appendix 7 of the prospectus). An unsatisfactory rating may be cause for suspension or revocation of the special use permit. Sustained satisfactory performance is required for a permit extension.

J. Accessibility

The Architectural Barriers Act of 1968 (ABA) and Section 504 of the Rehabilitation Act of 1973 require new or altered facilities to be accessible, with few exceptions. In 2004, the Architectural and Transportation Barriers Compliance Board (Access Board) issued revised accessibility guidelines for buildings and facilities subject to the ABA and the Americans with Disabilities Act (ADA). These new guidelines are called the ADA/ABA Accessibility Guidelines. In 2006, the Forest Service issued the Forest Service Outdoor Recreation Accessibility Guidelines (FSORAG). The FSORAG addresses types of recreational facilities, including developed recreation sites that are not covered by ADA/ABA Accessibility Guidelines.

Any Government maintenance, reconditioning, renovation, or improvement (*see* section III.C) must meet ADA/ABA Accessibility Guidelines, where applicable, as well as the FSORAG.

The FSORAG and the ADA/ABA Accessibility Guidelines are posted on the Forest Service's website at <http://www.fs.fed.us/recreation/programs/accessibility>. Questions regarding ADA/ABA Accessibility Guidelines may be referred to the Access Board at www.access-board.gov. Questions regarding the FSORAG may be referred to the accessibility coordinator for the local National Forest.

The permit holder is responsible for ensuring effective communication with visitors with disabilities, including persons with impaired vision or hearing, so that all visitors may obtain information on accessible services, activities, and facilities.

K. Camping Unit Capacity

Number of Vehicles Per Camping Unit

A single-family camping unit may accommodate one vehicle. A "vehicle" is defined as any motorized conveyance, except that for purposes of vehicular capacity, two motorcycles are considered one vehicle. Additional vehicles may be allowed at a camping unit, if the camping unit can safely accommodate them. When extra vehicles are allowed, an extra fee of up to 50 percent of the camping unit fee may be charged for each extra vehicle. If an extra vehicle exceeds the camping unit capacity (i.e., the extra vehicle causes a safety hazard or resource damage), the customer may be required to pay for an additional camping unit or park in an overflow parking area, if available. One towed vehicle per single camping unit will be allowed for no extra charge if it can be parked completely on the surfaced area and does not create a safety hazard. Examples of towed vehicles include a boat trailer or a car towed by a motor home.

L. Stay Limit

Campers will be limited to a 14 consecutive days, unless otherwise posted at the site.

M. Fees Charged to the Public

The permit holder may charge the public fees only to the extent that the Forest Service can charge recreation fees under REA. All recreation fees must be specified per developed recreation site. The holder must honor the proposed pricing through the first full operating season. Thereafter, the holder may propose price adjustments with justification.

Permit holders may not charge for any of the following:

- Solely for parking, undesignated parking, or picnicking along roads or trailsides outside campground.
- General access, unless specifically authorized by REA.
- Dispersed areas with low or no investment, unless specifically authorized by REA.
- Persons who are driving through, walking through, boating through, horseback riding through, or hiking through NFS lands without using the recreational facilities and services for which a fee is charged.
- Camping at undeveloped sites that do not provide the minimum number of facilities and services prescribed by REA.
- Use of overlooks or scenic pullouts.
- Travel by private, noncommercial vehicle over any national parkway or any road or highway in the Federal-aid System that is commonly used by the public as a means of travel between two places, either or both of which are outside an area in which recreation fees are charged.
- Travel by private, noncommercial vehicle, boat, or aircraft over any road, highway, waterway, or airway to any land in which the person traveling has a property right, if the land is in an area in which recreation fees are charged.
- Any person who has a right of access for hunting or fishing privileges under a specific provision of law or treaty.
- Any person who is engaged in the conduct of official federal, state, tribal, or local government business.
- Special attention or extra services necessary to meet the needs of the disabled.

N. Law Enforcement

Forest Service Manual (FSM) 2342.1, Exhibit 01, addresses the law enforcement authorities and responsibilities of concessionaires, state and local law enforcement agencies, and the Forest Service at concession campgrounds. *See* Appendix 8 of the prospectus.

O. Other Pertinent Information

Tribal Free Use Passes

The FS has two MOUs with certain Tribal Governments regarding Tribal-U.S.D.A. Forest Service Relations on National Forest Lands within the territories ceded in the Treaties of 1836, 1837 and 1842. As part of these MOUs, fees have been waived at certain FS campgrounds for Tribal Member use while exercising reserved Treaty Rights.

Two Lakes Campground is included in the MOU. Potential permit holders need to be aware of this use and factor it into their bid accordingly.

The parties to the MOUs include: Bad River Band of Lake Superior Tribe of Chippewa Indians; Lac Du Flambeau Band of Lake Superior Chippewa Indians; Lac Courte Oreilles Band of Lake Superior Chippewa Indians; St. Croix Chippewa Indians of Wisconsin; Sokagon Chippewa Community of the Mole Lake Band; Red Cliff Band of Lake Superior Chippewa Indians; Mille Lacs Band of Chippewa Indians; Bay Mills Indian Community; Keweenaw Bay Indian Community; and Lac Vieux Desert Band of Lake Superior Chippewa Indians, Grand Traverse Band of Chippewa/Ottawa Indians, Little River Band of Ottawa Indians, Little Traverse Bay Band of Odawa Indians and Sault Ste. Marie Band of Chippewa Indians.

Free tribal use passes are issued by the Tribes per agreement with the Forest Service only for Tribal members pursuing MOU recognized existing reserved treaty rights such as hunting, fishing and gathering. Free tribal use passes will not be issued for general recreation activities. Length of stay is limited to 14 days as governed by the MOUs.

While there are numerous Tribes that are signatories to the MOUs, past history has shown that tribal fee waivers are exercised primarily by the Tribes that reside in the local vicinity of any given campground. The tribes in closest proximity to this campground prospectus are Bad River Lake Superior Band of Chippewa Indians with tribal offices in Odanah, Wisconsin; Lac Courte Orielles Band of Chippewa Indians with tribal offices in Hayward, Wisconsin, and Red Cliff Band of Lake Superior Chippewa Indians with tribal offices in Red Cliff, Wisconsin.

Members of the Bad River, Lac Courte Orielles, and Red Cliff tribes (signatories of the 1999 MOU) have been eligible for fee waivers since 2000.

The concessionaire is required to honor free tribal use passes at all campgrounds. The following table displays the total number of nights that sites were occupied using free tribal use passes.

**Tribal Fee Waiver Nights for Two Lakes Campground
(May to October)**

<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>
75	96	79	38

The Forest Service recognizes that there is uncertainty regarding the number of free tribal use passes that may be used and lost revenue to the concessionaire. In response to that concern the Special Use Permit will include the following clauses:

- 1. Removal of Recreation Sites Based on Annual Gross Revenue.** The authorized officer shall grant the holder's request to remove a recreation site from the concession when the total value of free tribal use at that site pursuant to the memoranda of understanding between the Forest Service and certain Tribes dated June 1999 and May 2006, exceeds 5 percent of the total gross revenue for that site in the prior year, provided that the request is submitted in writing within 30 days of the end of the holder's operating season and is accompanied by documentation of the total value of free tribal use at the site.
- 2. Removal of Recreation Sites Based on Monthly Gross Revenue.** For the first operating season only, the authorized officer shall grant the holder's request to remove a recreation site from the concession when the total value of free tribal use at that site pursuant to the memoranda of understanding between the Forest Service and certain Tribes dated June 1999 and May 2006, exceeds 10 percent of the total gross revenue for that site in a given month,

provided that the request is submitted in writing and is accompanied by documentation of the total value of free tribal use at the site.

Additionally, concessionaires will be required to document the number of free tribal use passes and the number of days each permit is used by Tribal Members, and report this use monthly and at the close of the season to the Forest Service.

There is no provision for Tribal members to use free tribal use passes when reserving sites through the National Reservation System. These sites would be available on a first come first served basis for tribal members desiring free use, only if they have not been reserved through the National Reservation System.

Hazard Tree Removal

The permit holder will have to conduct pre-season inspection of the campgrounds to identify existing and potential hazards, including hazard trees. The permit holder also will be responsible for monitoring and identifying hazard trees during the operating season. After securing written approval from the authorized officer, the permit holder's financial responsibility for removing hazard trees and associated slash will not exceed \$1,200 per year. The annual operating plan will address appropriate disposal of hazard trees and slash.

Butane and Propane Installations

For safety and regulatory reasons, the permit holder is allowed to install or store bulk butane or propane at the campground manager and host site (11a) within Two Lakes Campground.

The annual operating plan will describe the specific terms of how these materials will be stored (including volume, type of storage, and a spill containment plan). In addition, all hazardous materials stored by the holder shall be used, labeled, stored, transported, and disposed of in accordance with all applicable Federal, State, and local laws and regulations.

III. Special Use Permit

In exercising the rights and privileges granted by the special use permit, the permit holder must comply with all present and future federal laws and regulations and all present and future state, county, and municipal laws, regulations, and other legal requirements that apply to the permit area, to the extent they do not conflict with federal law, regulation, or policy. The Forest Service assumes no responsibility for enforcing laws, regulations, and other legal requirements that fall under the jurisdiction of other governmental entities.

A. Permit Term

The permit term will be for up to 5 years, with an option to extend the term for up to an additional 5 years at the sole discretion of the authorized officer. The decision to extend the term will depend, in part, on sustained satisfactory performance of the permit holder. Upon expiration of the permit, continuation of the permitted activity will be at the sole discretion of the authorized officer and will be subject to a competitive offering. A new prospectus will be issued during the final year of the permit term.

If the decision to select a permit holder is appealed, a permit will not be issued until the appeal has been resolved, unless operation is needed during the appeal, in which case a permit with a term of one year or less may be issued.

B. Permit Holder Responsibilities

This section highlights the requirements of the special use permit, which is contained in Appendix 10 of the prospectus. Applicants are responsible for familiarizing themselves with all permit requirements that govern the operation covered by this prospectus.

Responsibility for Day-to-Day Activities

As a general rule, the holder will be required to conduct the day-to-day activities authorized by the permit. Some, but not all, of these activities may be conducted by someone other than the permit holder, but only with the prior written approval of the authorized officer. The permit holder will continue to be responsible for compliance with all the terms of the permit.

Permit Holder-Furnished Supplies and Equipment

The permit holder will be required to provide all vehicles, equipment, and supplies necessary to operate the authorized developed recreation sites in accordance with the special use permit.

Holder-Furnished Vehicles

The permit holder may not use all-terrain vehicles, motorcycles, or motor bicycles in the campgrounds. The holder may propose use of golf carts or other similar vehicles to facilitate daily maintenance of the facilities. If authorized, carts must stay on designated roads or trails while driving between sites or loops.

Holder Maintenance, Reconditioning, or Renovation (MRR)

Maintenance, reconditioning, and renovation are defined in the permit (FS-2700-4h, clause IV.E.1(a), (c)). Holder MRR is defined as maintenance, reconditioning, or renovation that neither materially adds to the value of the property nor appreciably prolongs its life. The work serves only to keep the facility in an ordinary, efficient operating condition. From an accounting or tax perspective, it is work that may be expensed, but not capitalized. In fulfilling these responsibilities, the holder must obtain any licenses and certified inspections required by regulatory agencies and follow state and local laws, regulations, and ordinances and industry standards or codes applicable to the permitted operation (FS-2700-4h, clause IV.E.1(d)). The permit holder, at its expense, will be required to perform holder MRR under a holder MRR plan (FS-2700-4h, clause II.D). The holder MRR plan will describe required holder MRR and its frequency. The holder MRR plan will become part of the permit holder's annual operating plan.

Advertising

The holder shall accurately represent the accommodations and services provided to the public within the permit area in all advertisements, brochures, and other materials. The fact that the permit area is located within the Chequamegon-Nicolet National Forest shall be made readily apparent in all advertising and signing. Refer to Appendix 10, Section II, Clause I 1 through 4, and Section VII, Clause B.

All forms of advertising must contain the following words: "X Company is an equal opportunity provider."

Signs and Posters

The holder is required to have a sign posted on all appropriate bulletin boards in the campground stating that the site is under a special use permit from the US Forest Service, including the name of the concessionaire and how to contact them.

The holder is required to post signage with approved wording which indicates compliance with Title VI regulations. The "*And Justice for All*" poster would meet this requirement. The Forest Service will provide the permit holder with this poster.

Additional posters or other advertising posted on National Forest System lands should be reviewed by the authorized officer as to location, design, size, color, and content.

C. Granger-Thye Fee Offset Agreement

The federal government owns all the improvements at the developed recreation sites covered by this prospectus. Under Section 7 of the Granger-Thye (GT) Act and the terms of the permit, the permit fee may be offset in whole or in part by the value of Government maintenance, reconditioning, renovation, and improvement (MRRI) performed at the permit holder's expense. Government MRRI is defined as maintenance, reconditioning, renovation, or improvement that arrests deterioration, improves and upgrades facilities, and appreciably prolongs the life of the property. Government maintenance, reconditioning, renovation or improvement, whether performed by the holder or the Forest Service, shall be performed at the sole discretion of the authorized officer. See Appendix 4 of the prospectus and FS-2700-4h, clause IV.E.

All Government MRRI shall be enumerated in an annual GT fee offset agreement signed by the holder and the Forest Service in advance of the operating season (*see* Appendix 11 of the prospectus and FS-2700-4h, Appendix B). Alternatively, a multi-year fee GT fee offset agreement can be prepared for consolidated fee payments. A list of sample Government MRRI projects is included in Appendix 12 of the prospectus.

Either the holder or the Forest Service may perform GT fee offset work. This determination will be made annually. When the holder performs GT fee offset work, if it includes construction that costs more than \$2,000, it is subject to the Davis-Bacon Act and the fee offset agreement must contain Davis-Bacon Act wage provisions. Additionally, indirect costs may be offset provided the holder submits either a currently approved indirect cost rate or accounting procedures and supporting documentation to determine an indirect cost rate (*see* Appendix 13 of the prospectus).

The holder's claims for GT fee offset must be documented using the FS-2700-4h, Appendix G, Granger-Thye Fee Offset Certification Form (*see* Appendix 14 of the prospectus). This form requires the holder to itemize allowable costs incurred for an approved GT fee offset project and to certify the accuracy and completeness of claims.

When the Forest Service performs GT fee offset work, the holder will deposit fee payments into a CWFS account. The Forest Service will perform GT fee offset work under a collection agreement and offset those costs against the permit holder's annual permit fee (*see* FS-2700-4h, clause IV.E.3, and Appendix 15 of the prospectus). The Forest Service's indirect costs may be offset at the agency's approved rate. The Forest Service and the holder will agree on the work to be performed in advance of each operating season.

D. Insurance

Liability Insurance

The successful applicant must have liability insurance covering losses associated with the use and occupancy authorized by the permit arising from personal injury or death and third-party property damage in the minimum amount of \$100,000 for injury or death to one person per occurrence; \$300,000 for injury or death to more than one person per occurrence; and \$100,000 for third-party property damage per occurrence, or in the minimum amount of \$300,000 as a combined single limit per occurrence. Insurance policies must name the United States as an additional insured (*see* Appendix 10 of the prospectus and FS-2400-4h, clause III.I).

E. Bonding

The permit holder will provide a performance bond in the amount of \$10,000. The bond may take the form of corporate surety, Treasury bills, notes or other negotiable securities, cash deposits, irrevocable letters of credit, assignment of savings accounts, or assignment of certificates of deposit. The authorized officer may reevaluate the need for or the amount of the bond after the first operating season.

IV. Application

A. Instructions for Submitting Applications

Applicants must submit a written application for the entire developed recreation site offered in this prospectus.

Applicants are strongly encouraged to visit the site at least once before submitting an application (*see* Appendices 1 and 2, vicinity and area maps and maps of developed recreation sites).

The information in this prospectus is from generally reliable sources, but no warranty is made as to its accuracy. Each applicant is expected to make an independent assessment of the business opportunity offered in this prospectus.

All applications must be submitted to Jeanne Higgins, Forest Supervisor, Attention: Joan Cervenka, Realty Specialist, 1170 4th Avenue South, Park Falls, Wisconsin 54552. Applications must be received by close of business (4:30 p.m.) on January 30, 2009.

Applicants must submit 4 copies of their application package and supporting documents.

Please ensure that all requested information is submitted. Missing or incomplete information will result in a lower rating for the corresponding evaluation criteria.

Applications must be signed. The person signing for an entity must have authority to sign for that entity. Applicants must include their address, telephone number, facsimile number, and email address.

Corporations also must include:

- Evidence of incorporation and good standing.
- If reasonably obtainable, the name and address of each shareholder owning 3 percent or more of the corporation's shares and the number and percentage of any class of voting shares that each shareholder is authorized to vote.
- The name and address of each affiliate of the corporation.
- If an affiliate is controlled by the corporation, the number of shares and the percentage of any class of voting stock of the affiliate owned, directly or indirectly, by the corporation.
- If an affiliate controls the corporation, the number of shares and the percentage of any class of voting stock of the corporation owned, directly or indirectly, by the affiliate.

Partnerships, limited liability companies (LLCs), associations, or other unincorporated entities must submit a certified copy of the partnership agreement or other documentation establishing the entity or a certificate of good standing under the laws of the state where the entity is located.

Applicants should contact Teresa Maday, Assistant Ranger for Recreation and Lands at (715) 373-2667 extension 247 regarding any questions related to this prospectus.

B. General Terms, Qualifications, and Reservations

All applicants have an equal opportunity to apply. Except for members of Congress, Resident Commissioners, and current Forest Service employees, any individual or entity may apply.

The Forest Service does not guarantee a profitable operation. Rather, applicants are responsible for reviewing the prospectus and making their own determination concerning business viability.

The Forest Service will select the application that offers the best value to the Government. The Forest Service reserves the right to select the successful applicant based on a trade-off between the fee to the Government and technical merit.

The Forest Service is not obligated to accept the application with the highest return to the Government.

The Forest Service reserves the right to select the successful applicant based solely on the initial application, without oral or written discussions.

The Forest Service reserves the right to reject any or all applications and to rescind the prospectus at any time before a special use permit is issued.

Any oral statement made by a representative of the Forest Service shall not modify the requirements of this prospectus. If it is determined that an error or omission has been made or additional information is required, a written amendment will be sent to each person or entity receiving a copy of this prospectus.

If there is a conflict between the terms of the prospectus and the special use permit, the terms of the permit will control.

The information contained in applications will be kept confidential to the extent permitted under the Freedom of Information Act (5 U.S.C. 552) and the Privacy Act (5 U.S.C. 552a).

C. Application Package Requirements

Applications must be in writing and must include or address the following:

- A proposed annual operating plan (including required and optional services).
- A business plan, business experience, references, and Small Business Development Center (SBDC) review fee, if applicable (*see* section IV.C.2).
- Financial resources.
- Fees charged to the public.
- Fee to the government.
- Initial processing fee.

1. Proposed Annual Operating Plan (Including Required and Optional Services)

Applicants must submit a proposed annual operating plan that addresses all required and optional services. Applicants must utilize the sample annual operating plan (*see* Appendix 9 of the prospectus) to organize their response to this section. The successful applicant's proposed operating plan will be attached to and become a part of the special use permit.

Applicants must specify whether another party will assist with any of the operational aspects of the concession, and if so, must include the other party's name, address, telephone number, email address, and relevant experience.

Below are highlights of what needs to be addressed in the proposed annual operating plan. For more detail, see the sample annual operating plan in Appendix 9 of the prospectus.

Operating Season

Applicants need to propose the period in which they will operate the sites listed in the prospectus. All sites must be open and operational seven days per week during the minimum peak operating season, unless a Forest Service closure order is in effect. The sites must be open and operational seven days per week during the minimum peak operating season which is from May 1 through October 10. Reduced services may begin after September 20.

Staffing

Applicants must address appropriate staffing to meet customer service and cleanliness standards. The holder will be responsible for furnishing all personnel for the developed recreation sites and for adequately training and supervising their activities under the terms of the permit. The holder must meet requirements of federal and state laws governing employment, wages, and worker safety. Based on past experience, recommended staffing is outlined in Appendix 9 of the prospectus. Applicants should address worker hours and schedules. Applicants also should address staff training for effective customer service, conflict resolution, area-specific emergency procedures, and dissemination of recreation and tourism information.

Supervision and Management

Applicants must designate an individual to serve as the agent of the holder for purposes of administration of the permit by the Forest Service. The designated agent must periodically review attendant performance on site and must be available to resolve repair needs within 24 hours of discovery or notification. The holder will be responsible for the conduct of its employees, including preventing conduct prohibited by 36 CFR part 261, Subpart A, and ensuring that employees are not under the influence of intoxicating beverages or narcotic drugs while on duty or representing the holder. Applicants also must include a policy for removing employees who engage in inappropriate conduct.

Uniforms and Vehicle Identification

Applicants should describe employee uniforms, insignia, name tags, and the applicants' policy for ensuring a clean, professional appearance by staff while on duty. The holder's employees may not wear any component of the Forest Service uniform. Additionally, applicants should address their policy for vehicle maintenance and appearance; types of vehicles to be used for operations (vehicles may not be driven off designated roads or trails); and signage to identify the concessionaire to the public.

Fire Prevention

In order to meet Safety and Security standards, the holder must include a fire prevention plan in the annual operating plan that addresses the following minimum requirements:

- How the applicant will prevent wildfires and structural fires
- Reporting procedures and emergency response should a fire occur

- Training and experience of employees relative to fire
- Prevention/suppression
- Fire prevention/suppression tools and equipment that will be on site

Applicants should include this plan in their application package.

2. Business Plan, Business Experience, and References

Applicants must submit a business plan utilizing the format in Appendix 16 of the prospectus. This part of the application package must be a separate document. The business plan provides a thorough analysis of an applicant's vision of the proposed business; running a campground and providing a quality recreational experience. A good business plan is essential for running a successful business, maintaining and improving the business, and raising needed capital.

Applicants must furnish a detailed description of their experience relating to operating and maintaining developed recreation sites (*e.g.*, campgrounds, beaches, and marinas). The description must include experience in private business, public service, or any nonprofit or other related enterprises. Include such information as numbers of years and depth of experience of recreation management and private or public recreation facilities. Applicants are encouraged to contact their local SBDC if they need assistance in completing their business plans.

Alternatively, applicants who have already received a review of their business plan from an SBDC or the Forest Service for the current fiscal year may submit a copy of the review report.

Performance Evaluations

Applicants who have experience in managing Forest Service or other Government concessions must provide copies of the most recent annual written performance evaluations for each Forest Service or other concession the applicants have operated or are operating.

References

Applicants also must furnish three business references with names, addresses, telephone numbers, and email addresses in support of relevant business experience. These references will be contacted for information regarding applicants' past performance. In addition, the Forest Service may consider past performance information from other sources.

3. Financial Resources

Applicants must submit a complete set of all financial statements for the last three fiscal years that have been audited, reviewed, or compiled by a certified public accountant (CPA). For any financial statements that were only compiled by a CPA, applicants must complete FS-6500-24, Financial Statement (*see* Appendix 17 of the prospectus) for certification of the accuracy of the financial statements.

Applicants must complete FS-6500-24 for any of the last three fiscal years they were in business for which a financial statement was not audited, reviewed, or compiled by a CPA. An applicant who has had a financial ability determination (FAD) conducted within the past year should include a statement to that effect, along with the forest name, contact name and telephone number. Additionally, applicants must identify any pending applications or new permits obtained from the Forest Service since the FAD was completed.

In completing FS-6500-24, LLCs must list the name of the company in block 1, the names and interests of the principals in block 5, and their members should be listed in block 6. In addition, LLCs must complete the certification in Part (D)(1) of FS-6500-24.

An applicant who has not been in business for the last three fiscal years, and therefore cannot submit audited, reviewed, or compiled financial statements or an FS-6500-24, must submit three fiscal years of projected financial statements compiled by a CPA using the forecast method.

Any financial information submitted by applicants must conform to generally accepted accounting principles (GAAP) or other comprehensive bases of accounting. Any previously prepared financial documents that are submitted must be unredacted and in their original form, including footnotes.

Applicants must show at least 25 percent of the first year's operating costs in liquid assets. Liquid assets are assets that are readily converted into cash.

Applicants also must complete blocks 1 through 5 of form FS-6500-25, Request for Verification (*see* Appendix 18 of the prospectus) and submit the signed and dated form with the application. The Forest Service will forward the FS-6500-25 for the most qualified applicant to the Albuquerque Service Center for processing. The auditor assigned to conduct the FAD will send a copy to each financial institution with which the applicant does business. The financial institutions must complete blocks 6 through 15 of the form and mail the completed form to the assigned auditor at the Albuquerque Service Center.

4. Fees Charged to the Public

Applicants must provide a list of all fees they propose to charge to the public for the first three years of operations, including fees for required and optional services (*see* Appendix 9, Sample Annual Operating Plan, for a list of required and optional services). Discuss any variable pricing, discounts, and passes. All proposed fees to be charged to the public also must be included in the business plan as an income item.

The Forest Service reserves the right to regulate the rates charged to the public.

5. Sundries

Applicants should describe any goods proposed for a fee and the cost per unit for such goods. These goods may include, but are not limited to, items such as firewood, ice, soda, fishing tackle, and groceries.

6. Other Service Fees and Rentals

Applicants should describe any special services or rental proposed and the fees charged for those services. Such services may include, but are not limited to, watercraft, bike, or trailer rentals associated with overnight use in the campground. Rentals to non-campers will not be permitted.

7. Fee to the Government

The Government is obligated to obtain fair market value for the use of its land and improvements. The minimum fee is **\$3,390** per year. The minimum fee is the concession's

average gross revenue for the past three years multiplied by the current 30-year Treasury bond rate, discounted by 2.5 percent to reflect the added business risk of potential revenue lost in providing free tribal use. The minimum fee will be adjusted at the end of the first five years of the permit term if the permit is extended for five years.

Minimum Fee Calculation

<u>Year</u>	<u>Gross Revenue</u>
2005.....	\$105,386
2006.....	\$54,300
2007.....	\$72,780
Total	\$232,466

Total gross revenue ÷ 3 = average gross revenue

\$232,466 ÷ 3 = \$77,489

Average gross revenue multiplied by the current 30-year Treasury bond rate = the minimum annual fee. In the following example, the 30-year Treasury bond rate is **4.375** percent. In the following example, the 30-year Treasury bond rate of **1.875** percent has been discounted by 2.5 percent.

\$77,489 x 0.01875= \$1,453 minimum annual fee

Applicants may propose a fee below the minimum, provided they can document why this amount represents fair market value. However, the Forest Service may reject the proposed fee if the agency determines that it does not reflect fair market value.

Applicants must propose the fee to the Government as a percentage of the concession’s adjusted gross revenue. One percentage may be proposed for the entire permit term, or the percentage may vary each year. However, if a consolidated fee payment will be proposed, one percentage rate must be proposed for the entire period of consolidated payments.

The proposed fee to the Government also must be included in the business plan as an expense item in the cash flow projections.

The fee to the Government may be offset in whole or in part by the value of Government MRRI, performed at the permit holder’s expense in accordance with a GT fee offset agreement (*see* section III of the prospectus).

8. Federal, State, and Local Taxes, Fees, and Licenses

Applicants should estimate costs for federal, state, and local taxes, fees, and licenses that may be required.

9. Application Fee

Applications submitted in response to this prospectus are subject to cost recovery pursuant to 36 CFR 251.58(c)(1)(ii) and (c)(3)(iii). Applicants must submit a processing fee of **\$100.00** to cover the cost of the prospectus and review of the application. Payments due the United States for this application must be paid in the form of a bank draft, money order, or cashier's check payable to the USDA-Forest Service. Payments will be credited on the date received by the designated Forest Service collection officer or deposit location. Additionally, the selected applicant will be responsible for the costs of preparing and issuing the permit and conducting a FAD, unless the Forest Service has conducted a FAD for the applicant within the past year. If a FAD has been completed for the applicant within the last 12 months, the applicant will be responsible for the cost of adjusting it to reflect any change this selection will have on the applicant's financial ability.

D. Evaluation of Applications

Information in the preceding sections, and specifically section IV Applications A to C, generally describes what is needed to be included for a complete application package. Applicants are responsible to address the items in these sections and provide the Forest Service with detailed information to be evaluated. This concessionaire requirement facilitates the Forest Service's ability to provide recreational opportunities/services to the public. Prospective concessionaires should provide evidence of relevant recreation business experience. Applicants with relevant recreation business experience will be rated higher in the business experience criterion than those without recreation business experience. The fall and winter use will not be considered a determining factor in selecting a new permit holder. The successful bidder will have the option to negotiate the fall and winter opportunity with the Forest Service after considering the recreation data gathered from the 2008-2009 winter season at Two Lakes Campground boat launches and the 2008 fall camping statistics from the Great Divide Ranger District.

A Forest Service evaluation panel will evaluate each application utilizing the fixed weight method.

The following evaluation criteria are listed in descending order of importance:

- Proposed annual operating plan (including required and optional services).
- Business plan, business experience, and references.
- Financial resources.
- Fees charged to the public.
- Fee to the Government.

The Forest Service will consider only the applicant's written application package and any past performance information obtained by the Forest Service. During the evaluation process, the evaluation panel may contact any references, including all federal, state, and local entities that have had a business relationship with the applicant. The evaluation panel also may consider past performance information from other sources.

The evaluation panel will make a recommendation to the authorized officer as to which applicant offers the best value to the Government. The authorized officer will make the selection decision. All applicants will be notified of the successful applicant via certified mail.

The Forest Service will conduct a FAD on the selected applicant as a prerequisite to issuing a special use permit, unless the agency has a current fiscal year FAD conducted by the Albuquerque Service Center or SBDC for another Forest Service unit.

The Forest Service reserves the right to reject any and all applications.

The Forest Service reserves the right to rescind the prospectus at any time before a special use permit is issued. If the Forest Service rescinds the prospectus, application fees will be returned.

V. Post-Selection Requirements

Once an applicant has been selected, the following information must be submitted and approved by the Forest Service prior to issuance of a special use permit:

- A final annual operating plan containing all the items included in the annual operating plan submitted in response to the prospectus.
- An annual GT fee offset agreement.
- Documentation of required liability insurance and, if applicable, property insurance.
- Documentation of bonding, if applicable.
- Required deposits and advance payments (*see* Appendix 10 of the prospectus and FS-2700-4h, clause IV.C.1).
- Documentation that utility services have been obtained in the name of the selected applicant.
- A state business license and any other required federal, state, or local certifications or licenses.

The successful applicant will be required to submit all these items within 30 days of the date of the selection letter. If these requirements are not met within the 30-day period, a special use permit will not be issued. The applicant who receives the next-highest rating may then be selected for the special use permit, subject to the same requirements.