

## Appendix 3: Inventory of Government-Furnished Property

Following is an approximate inventory of Government Property. A completed copy will be included in the permit.

<b>Black River Harbor Campground (Bid Item #1)</b>					
Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	1			
Fee Station Signs	Wooden	1			
Restrooms	Double unit/flush toilet Building	2			
Urinals	pressurized	2			
Mirrors		8			
Sinks	pressurized	8			
Flush Toilet	pressurized	10			
Garbage receptacles	Metal	4			
Fence	Wood	300 linear feet			
Manager Campsite	Single Site #25	1			
Trailer dump station	Concrete	1			
Water Hydrants	pressurized	7			
Security Lights	@ fee station	1			
Electrical Outlets	50 amp	1			
Privacy fence	wood	4			Manager site#25 @ restrooms
Water hookup	Manager site	1			
Phone lines	Manager site	2			Public phone capability @ restroom
Barrier Posts	Wood	1			
Footbridges	Wood	2			
Roads	Paved	65,000 ft			
Campsite Spurs	Gravel	40			One site #8 is designated for FS volunteer
Entrance Sign	Wood	1			
Regulatory Signs	ABS reflectorized	6			
Bulletin Boards	Wood	4			
Small Signs	Wood	6			
Parking Area	n/a				
Gates	Wood	1			
Fire Rings/grills	Metal	40			
Campsite Markers	Wood	40			
Tent Pads	Grass/gravel	40			no designated pads
Tables	Wood	41			Moveable
Benches	Wood	2			

**Black River Harbor Docking Facilities (Bid Item #1)**

Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Fee Tubes	Steel	2			Fee Sta & Pump out
Fee Station Signs	Wooden/Metal	1			Transient Docking
Buildings	Concessions Bldg	1			
Fueling Facilities	Credit Card Acceptor	1			Adjacent to Concessions Bldg
Mirrors					
Sinks		1			Concession Bldg
Flush Toilet					
Garbage receptacles	Metal	2			Near Building
Fence					
Manager Campsite					
Trailer dump station					
Water Hydrants		2			Boat Service
Security Lights	@ fee station	1			
Electrical Outlets	30 amp	8			Transient Docks
Privacy fence					
Water hookup					
Phone lines	Concessions Bldg	2 Lines			One for computer
Barrier Posts					
Footbridges					
Roads					
Campsite Spurs		8			Transient Boat Slips
Entrance Sign		1			
Regulatory Signs		1			
Bulletin Boards	Wood	1			Dock Building

**Lake Ottawa Campground (Bid Item #2)**

Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	1			
Fee Station Signs	Wooden	1			
Pit Toilet					
Vault Toilet					
Flush Toilets	Two Buildings	12			
Garbage receptacles	Wooden	11 & two corrals			
Host Campsite	Single Site	1			
Spring Box					
Water Wells					
Water Distrib. Line	Underground	1000 lf. Approx.			
Water Hydrants	Pressurized Faucet	10 plus 2			
Sec. Lights					
Water catch basin					
Electrical Outlets					
Stairways					
Retaining Wall					
Water Hookup					
Barrier Posts	Wood	27			
Wheel Stops					
Roads	Paved	100,000sf			
Campsite Spurs	Paved	35,000sf			32 sites
Entrance Sign	Wood	3			
Regulatory Signs					
Small Bulletin Boards	Wood	2			
Small Signs	Wood	10			
Parking Area					
Gates	Wood	1			
Cattle Guards					
Fire Rings	Metal	32			
Fire Grills					
Standing Grills					
Campsite Markers	Wood	32			
Lantern Holders	Wood	32			
Tent Pads		32			
Tables	Wooden	47 plus 3			Moveable
Benches		2			

**Golden Lake Campground (Bid Item #2)**

Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	1			
Fee Station Signs	Wooden	1			
Pit Toilet					
Vault Toilet	Single	2			
Flush Toilet					
Fence/Trash Corral		9 & one corral			
Host Campsite					
Spring Box					
Water Wells	Handpump	1			
Water Distrib. Line					
Water Hydrants					
Sec. Lights					
Water catch basin					
Electrical Outlets					
Stairways					
Retaining Wall					
Water Hookup					
Barrier Posts	Wood				
Wheel Stops					
Roads	Paved	75,000 sf			
Campsite Spurs	Paved	25,000 sf			22 sites
Entrance Sign	Wood	3			
Regulatory Signs	Metal				
Small Bulletin Boards	Wood	1			
Small Signs	Wood	6			
Parking Area	Paved	2,500 sf			
Gates	Wood	2			
Cattle Guards					
Fire Rings	Metal	23			
Fire Grills		23			
Standing Grills	Metal	0			
Campsite Markers	Wood	22			
Lantern Holders	Wood	23			
Tent Pads		22			
Tables	Wooden	20			Moveable
Benches	Wooden	2			

**Norway Lake Campground (Bid Item #3)**

Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	1			
Fee Station Signs	Wooden	1			
Pit Toilet					
Vault Toilet	Single	5			
Vault Toilet	Double				
Vault Toilet					
Fence/Trash Corral					
Host Campsite	Single Site				
Spring Box					
Water Wells	Handpump	3			
Water Distrib. Line					
Water Hydrants					
Sec. Lights					
Water catch basin					
Electrical Outlets					
Stairways	Wood	120sf			
Retaining Wall	Wood	92 sf			
Water Hookup					
Barrier Posts	Wood	823			Need replacement
Wheel Stops					
Roads	Gravel/Paved	85,536 sf			
Campsite Spurs	Gravel/Paved	21,708 sf			
Entrance Sign	Wood	2			
Regulatory Signs	Metal	6			
Small Bulletin Boards	Wood	4			
Small Signs	Wood	44			
Parking Area	Gravel	8,700 sf			
Gates	Wood				
Fire Rings	Metal	27			
Fire Grills		4			
Standing Grills	Metal	7			
Campsite Markers	Wood	27			
Lantern Holders	Wood	27			
Tent Pads		27			
Tables	Wooden	40			
Benches	Wooden	3			
<b>TOTAL</b>					

**Perch Lake Campground (Bid Item #3)**

Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	5			
Fee Station Signs	Wooden	5			
Pit Toilet					
Vault Toilet	Single	4			
Vault Toilet	Double				
Flush Toilet					
Fence/Trash Corral		105 lf			
Host Campsite	Single Site	1			
Water Wells	Handpump	8			
Water Distrib. Line					
Water Hydrants					
Water catch basin					
Electrical Outlets					
Stairways		540 sf			Lake Access
Retaining Wall					
Water Hookup					
Barrier Posts	Wood	50 lf			
Wheel Stops					
Roads	Gravel/Paved	239,980 sf			Imp Paved
Campsite Spurs	Gravel/Paved	42,480 sf			62 sites, 1 host
Entrance Sign	Wood	4			
Regulatory Signs	Metal	13			
Small Bulletin Boards	Wood	7			
Small Signs	Wood	54			
Parking Area	Gravel	27,130 sf			
Gates	Wood				
Fire Rings	Metal	66			
Fire Grills					
Standing Grills	Metal	3			
Campsite Markers	Wood	61			
Lantern Holders	Wood	40			To be put in
Tent Pads		61			
Tables	Wooden	78			Moveable
Benches	Wooden	2			At beach
<b>TOTAL</b>					

**Lake Ste Kathryn Campground (Bid Item #3)**

Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	1			
Fee Station Signs	Wooden	1			
Pit Toilet					
Vault Toilet	Single	3			
Vault Toilet	Double				
Vault Toilet					
Flush Toilet					
Fence/Trash Corral					
Host Campsite	Single Site				
Water Wells	Handpump				
Water Distrib. Line					
Water Hydrants					
Water catch basin					
Electrical Outlets					
Stairways	4	320 sf			Lake Access
Retaining Wall	2	55 cf			
Barrier Posts					
Wheel Stops					
Roads	Gravel/Paved	41,184 sf			
Campsite Spurs	Gravel/Paved	18,144 sf			
Entrance Sign	Wood	4			
Regulatory Signs	Metal	5			
Small Bulletin Boards	Wood	3			
Small Signs	Wood	35			
Parking Area	Gravel	2,970 sf			
Gates	Wood				
Fire Rings	Metal	24			
Fire Grills					
Standing Grills	Metal	4			
Campsite Markers	Wood	24			
Lantern Holders	Wood	17			
Tent Pads					
Tables	Wooden	26			
Benches	Wooden	1			

Following is an approximate inventory of Government Property.

**Courtney Lake Campground (Bid Item #4)**

Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	1			
Fee Station Signs	Wooden	2			One 4x4 bulletin board. Also one routed cg layout wooden sign.
Restrooms	Single vault	4			1 Accessible SST at Site #5
Urinals	pressurized	0			
Mirrors		0			
Sinks	pressurized	0			
Flush Toilet	pressurized	0			
Garbage receptacles					
Recycle receptacles					
Manager Campsite	Host Site to be determined (traditionally #5)	1			
Trailer dump station	Concrete	0			
Water Hydrants	pressurized	2			At site #1 and #5
Security Lights	@ fee station	0			
Electrical Outlets	50 amp	0			
fence	Wood/cedar post	1			Appx. 40' at Birch Point, campsite #16
Water hookup	Manager site	0			
Phone lines	Manager site	0			
Barrier Posts	Wood	12+			At various sites
Trailhead Marker Post	Carsonite	1			Next to Site #7 for Circle of Life Trail
Wooden trail steps	Wood	1 set			Located at Birch Point, campsite #16
Roads	Gravel	1,800 feet+			
Road and Site culverts	Corrugated Metal	4			
Campsite Spurs	Gravel	21			
Entrance Sign	Wood	1			
Regulatory Signs	Wood routed	6			Various sizes
Regulatory Signs	Refectorized metal	1			15 mph sign
Bulletin Boards	Wood	1			4x4
Small Signs	Wood	3			
Parking Area	Gravel	1			Overflow and for sites 15 and 16
Gates	Wood	1			
Fire Rings	Metal	21			
Campsite Markers	Wood	21			
Tent Pads	Grass/gravel	21			no designated pads
Tables	Wood	21			Moveable
Benches	Wood	1			At site #16

**Imp and Marion Lake Campgrounds (Bid Item #5)**

Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	5			
Fee Station Signs	Wooden	5			
Pit Toilet					
Vault Toilet	Single	12			
Vault Toilet	Double	3			
Vault Toilet		6			
Flush Toilet					In Change House
Fence/Trash Corral		105 lf			
Host Campsite	Single Site	1			
Water Wells	Handpump	8			
Water Distrib. Line					
Water Hydrants					
Water catch basin					
Electrical Outlets					
Stairways		540 sf			
Retaining Wall					Lake Access
Water Hookup					
Barrier Posts	Wood	50 lf			
Wheel Stops					
Roads	Gravel/Paved	239,980 sf			
Campsite Spurs	Gravel/Paved	42,480 sf			Imp Paved
Entrance Sign	Wood	4			62 sites, 1 host
Regulatory Signs	Metal	13			
Small Bulletin Boards	Wood	7			
Small Signs	Wood	54			
Parking Area	Gravel	27,130 sf			
Gates	Wood	5			
Fire Rings	Metal	66			
Standing Grills	Metal	3			
Campsite Markers	Wood	61			
Lantern Holders	Wood	40			
Tent Pads		61			To be put in
Tables	Wooden	78			Moveable
Benches	Wooden	2			At beach

**Bobcat Lake Campground (Bid Item #6)**

Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	1			
Fee Station Board	Wooden	1			
Pit Toilet					
Vault Toilet Bldg.	Single	1			
Vault Toilet Bldg.	Double	1			
Vault Toilet					
Garbage Cans	Metal	7			
Fence/Trash Corral					
Host Campsite	Single Site				
Water Wells	Handpump	1			
Water Distrib. Line					
Water Hydrants					
Water catch basin					
Electrical Outlets					
Stairways	0				
Retaining Wall	0				
Barrier Posts					
Wheel Stops					
Roads	Gravel/Paved	0.3 miles			
Campsite Spurs	Gravel/Paved	12			
Entrance Sign	Wood	2			
Regulatory Signs	Metal	4			
Small Bulletin Boards	Wood	1			
Small Signs	Wood	12			
Parking Area	Gravel	0			
Gates	Wood				
Fire Rings w/ grills	Metal	12			
Fire Grills					
Standing Grills	Metal	0			
Campsite Markers	Wood	12			
Lantern Holders	Wood	12			
Tent Pads		3			
Tables	Wooden	12			
Benches	Wooden	0			

### Henry Lake Campground (Bid Item #6)

Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	1			
Fee Station Board	Wooden	1			
Pit Toilet					
Vault Toilet Bldg.	Single	2			
Vault Toilet Bldg.	Double				
Vault Toilet					
Garbage Cans	Metal	5			
Fence/Trash Corral					
Host Campsite	Single Site				
Water Wells	Handpump	1			
Water Distrib. Line					
Water Hydrants					
Water catch basin					
Electrical Outlets					
Stairways	0				
Retaining Wall	0				
Barrier Posts					
Wheel Stops					
Roads	Gravel/Paved	0.2 miles			
Campsite Spurs	Gravel/Paved	11			
Entrance Sign	Wood	2			
Regulatory Signs	Metal	2			
Small Bulletin Boards	Wood	1			
Small Signs	Wood	10			
Parking Area	Gravel	0			
Gates	Wood				
Fire Rings w/ grills	Metal	11			
Fire Grills					
Standing Grills	Metal	0			
Campsite Markers	Wood	11			
Lantern Holders	Wood	0			
Tent Pads					
Tables	Wooden	11			
Benches	Wooden	0			

Moosehead Lake Campground (Bid Item #6)					
Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	1			
Fee Station Board	Wooden	1			
Pit Toilet					
Vault Toilet Bldg.	Single	2			
Vault Toilet Bldg.	Double				
Vault Toilet					
Garbage Cans	Metal	7			
Fence/Trash Corral					
Host Campsite	Single Site				
Water Wells	Handpump	1			
Water Distrib. Line					
Water Hydrants					
Water catch basin					
Electrical Outlets					
Stairways	0				
Retaining Wall	0				
Barrier Posts					
Wheel Stops					
Roads	Gravel/Paved	0.2 miles			
Campsite Spurs	Gravel/Paved	13			
Entrance Sign	Wood	1			
Regulatory Signs	Metal	2			
Small Bulletin Boards	Wood	1			
Small Signs	Wood	13			
Parking Area	Gravel	0			
Gates	Wood				
Fire Rings w/ grills	Metal	13			
Fire Grills					
Standing Grills	Metal	0			
Campsite Markers	Wood	13			
Lantern Holders	Wood	0			
Tent Pads					
Tables	Wooden	13			
Benches	Wooden	0			

**Pomeroy Lake Campground (Bid Item #6)**

Item	Type	Quantity	Fair Market Value		Remarks
			Each	Subtotal	
Entrance Fee Tubes	Steel	1			
Fee Station Board	Wooden	1			
Pit Toilet					
Vault Toilet Bldg.	Single	4			
Vault Toilet Bldg.	Double				
Vault Toilet					
Garbage Cans	Metal	7			
Fence/Trash Corral					
Host Campsite	Single Site				
Water Wells	Handpump	1			
Water Distrib. Line					
Water Hydrants					
Water catch basin					
Electrical Outlets					
Stairways	0				
Retaining Wall	0				L
Barrier Posts					
Wheel Stops					
Roads	Gravel/Paved	0.75 miles			
Campsite Spurs	Gravel/Paved	17			
Entrance Sign	Wood	1			
Regulatory Signs	Metal	2			
Small Bulletin Boards	Wood	1			
Small Signs	Wood	14			
Parking Area	Gravel	0			
Gates	Wood				
Fire Rings w/grills	Metal	12			
Fire Grills		5			
Standing Grills	Metal	0			
Campsite Markers	Wood	17			
Lantern Holders	Wood	0			
Tent Pads					
Tables	Wooden	17			
Benches	Wooden	0			





## OCCUPANCY AND USE

Under the authority of the Act of Congress of June 4, 1897, as amended (16 USC 551), and the Secretary of Agriculture's Regulations 36 CFR 261.50(a) and or (b), the following acts and omissions are prohibited on the Ottawa National Forest.

### A. Developed Recreation Sites

1. Camping within a developed recreation site for a period longer than 14 days, except as otherwise posted, after this period, you must move to another campground or dispersed site for at least 24 hours. 36 CFR 261.58(a)
2. Entering or using a developed recreation site or portion thereof when posted closed. 36 CFR 261.58(b)
3. Entering or remaining in a campground between 10 p.m. and 6 a.m. in violation of a posted sign, except for persons who are camping in the campground. 36 CFR 261.58(c)
4. Occupying a developed recreation site with unsightly or inappropriate structures or equipment, i.e.: plywood structure, cable spools, couches etc. 36 CFR 261.58(d)
5. Using a developed campsite by more than eight (8) people or three (3) tents. 36 CFR 261.58(f)
6. Possessing, parking or leaving more than two vehicles, except motorcycles or bicycles per camp unit. 36 CFR 261.58 (i)
7. Parking or leaving a vehicle in violation of posted instructions. This includes parking in handicap parking areas without a valid state handicap sticker or a sign being displayed. 36 CFR 261.58(g)
8. Parking or leaving a vehicle outside a parking space assigned to one's own camp unit or other designated parking area. 36 CFR 261.58(h)

**The above section of this order applies to all developed recreation sites.**





# SAMPLE Monthly or Annual Use/Fee Report

XXXX National Forest      XXXXX District      Reporting Period:

Campground	Total # of sites occupied	Total # of people	Percent occupancy	Camping fees collected on site	Fees for other goods & services	# Golden Age/ Access used	NRRS fees (monthly/annually)
<b>Lovely Lake CG</b>							
<b>Ugly Lake CG</b>							
<b>TOTAL</b>							

Annual fees collected under the NRRS \_\_\_\_\_

Taxes paid (end of year report only) \_\_\_\_\_

Total gross/total revenue (end of year report only) \_\_\_\_\_

Total net revenue (end of year report only) \_\_\_\_\_

# APPENDIX 6

## Information Collection and Sample Customer Service Comment Cards

### **Paperwork reduction Act**

Relevant information from WO letter dated February 13, 2007 OMB Guidance - Information Collection

"Public information collections are subject to the Paperwork reduction Act (PRA) and require Office of Management and Budget (OMB) approval."

"A public Information collection is the collection of information from the public by an agency using forms, oral questions, schedules, and questionnaires posed to ten or more persons with a twelve-month period. Included are all oral, written, or electronically transmitted expression of opinion or fact."

"In January 2006, the Office of Management and Budget (OMB) issued guidance regarding the design of surveys, "Questions and Answers When Designing Surveys for Information Collections"

### **Privacy Act**

Concession permit holders must follow federal Privacy Act regulations.

*Title 7: Agriculture, Part 1 Administrative Regulations, Subpart G—Privacy Act Regulations Authority: 5 U.S.C. 301 and 552a; 31 U.S.C. 9701. Source: 40 FR 39519, Aug. 28, 1975*

*Sec.4 Government contractors. When an agency within the Department provides by a contract for the operation by or on behalf of the agency of a system of records to accomplish an agency function, the agency shall, consistent with its authority, cause the requirements of this subpart to be applied to such system. For purposes of 5 U.S.C. 552a(i) any such contractor or any employee of such contractor shall be considered to be an employee of an agency and therefore subject to the criminal penalties set forth in 5 U.S.C. 552a(i).*

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Concessionaires must NOT collect personal information on comment cards.

The following is a list of what is considered personal information from the University of Washington.

Personally identifiable information is defined as data or other information which is tied to, or which otherwise identifies, an individual or provides information about an individual in a way that is reasonably likely to enable identification of a specific person and make personal information about them known.

Personal information includes, but is not limited to, information regarding a person's home or other personal address, social security number, driver's license, marital status, financial information, credit card numbers, bank accounts, parental status, sex, race, religion, political affiliation, personal assets, medical conditions, medical records or test results, home or other personal phone numbers, address, employee number, personnel records and so on.

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### **Sample Comment Card**

Do not handout comment card but have available in a place where visitors frequent.

<b>Comment Card</b>
Recreation Site Name: _____
Date: _____
Comment: _____
_____
_____
_____
_____
_____
We thank you for your comment.
This information will help us provide better services and facilities on your next visit.

# Appendix 7

## Performance Appraisal Form For

### Concession Developed Sites

Forest: \_\_\_\_\_

Ranger District \_\_\_\_\_

Developed Site: \_\_\_\_\_ Holder: \_\_\_\_\_

Administrator: \_\_\_\_\_ Date: \_\_\_\_\_

NOTE: **Bold-faced items** are nationally defined Critical Elements for performance inspection/appraisal ratings.

A. PERMIT TERMS	Above Standard	Meets Standard	Below Standard
1. <b>Insurance requirements met</b>			
2. <b>Payments timely</b>			
3. Use reports accurate & timely			
4. <b>Title VI requirements met</b>			
5. Other permit terms met (specify below)			
Communications			
Interpretive Programs			
Miscellaneous Sales			
<b>B. OPERATION &amp; MAINTENANCE PLAN</b>			
1. <b>O&amp;M Plan complete &amp; properly submitted</b>			
2. <b>G/T off-set plan submitted in a timely manner</b>			
3. <b>G/T off-set projects completed to standard</b>			
4. Pre- and post-season ops & maintenance performed to standard and in a timely manner			
<b>C. CUSTOMER SERVICE - This evaluation criteria is related to MM standards</b>			
1. <b>Good PR maintained with Forest visitors</b>			
2. <b>Good comments received from visitors</b>			
3. <b>Fees &amp; services provided as represented</b>			
4. <b>Visitor compliance with FS regs obtained</b>			

<b>D. MEANINGFUL MEASURES</b>			
<b>Health and Cleanliness</b>			
1. Humans free from exposure to human waste			
2. Water and sewage treatment systems meet w/all state & FS standards			
3. Garbage does not exceed container capacities			
4. Garbage containers are animal resistant			
5. Sites are free of litter & animal refuse			
6. Graffiti is removed within 48 hours of discovery.			
7. Toilets & garbage locations are free of objectionable odors			
8. "Pack In/Out" message is posted where used, and accumulated trash is removed within 24 hours of discovery			
9. All other facilities are kept clean			

<b>Setting</b>			
1. Effects from recreation use that conflict with environmental laws are analyzed and mitigated			
2. Recreation opportunities and site management are consistent with ROS objectives			
3. Landscape character at all sites is consistent with Forest scenic integrity objective(s)			
4. Existing vegetation management plan(s) are adhered to & vegetation loss or erosion caused by recreation use is corrected or prevented			
5. Numbers of people & vehicles is kept below site capacity			
<b>Safety &amp; Security</b>			
1. Safety inspections completed annually. Documented high risk conditions are corrected prior to use			
2. High-risk conditions that develop during the season are mitigated, or the site is			

<b>closed</b>			
<b>3. Employees have dependable communications</b>			
<b>4. Activities prohibited under 36 CFR 261.14, sub-part A are dealt with appropriately</b>			
<b>5. Utility systems meet applicable state and local regulations.</b>			
<b>Responsiveness</b>			
<b>1. Facilities, when signed as accessible, meet guidelines in UAOR: A Design Guide</b>			
<b>2. All site entrances are well marked, easily found, and visitors feel welcome</b>			
<b>3. Info boards look fresh, professional, are uncluttered and contain appropriate info. Multi-lingual services are provided as needed</b>			
<b>4. All personnel demonstrate good customer services practices</b>			
<b>Condition of Facilities</b>			
<b>1. All restrooms are functional and in good repair</b>			
<b>2. All facilities, including parking and use sites, meet FS design standards and guidelines in UAOR:A Design Guide, per the transition plan</b>			
<b>3. All structures and facilities meet the INFRA-STRUCTURE definition for good condition</b>			
<b>4. Signs &amp; bulletin boards are well maintained and meet FS standards</b>			
<b>5. Roads are treated to control dust</b>			
<b>6. Vandalism is corrected or mitigated within 1 week of discovery</b>			

Comments and/or corrective actions pertaining to specific items listed above (for this inspection/appraisal(s):

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Have all "Below Standard" items from the previous performance inspection/appraisal(s) been corrected?

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Holder's comments:

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(Continue on a separate sheet of paper if desired)

## **Performance Inspection/Appraisal(s) Overall Rating System**

Nationally, only three performance inspection/appraisal ratings are possible for developed site concession administration. These are: 1) "Above Standard", 2) "Meets Standard" and 3) "Below Standard". These three ratings have been established to provide national consistency and definition for the concession inspection/appraisal rating system. As the Authorized Officer, you may develop additional site-specific rating criteria to assist you in further defining and reaching these three ratings but only these three specific ratings can be used to describe your written rating that is given to the holder, You must also have any additional site-specific rating information presented either as a part of the prospectus or as agreed to with the holder if that criteria is developed after the permit has been authorized.

1. If any Critical Element is rated as "Below Standard", the best possible overall rating is "Below Standard".

With receiving a rating of "Below Standard" for any Critical Element(s), the holder should be given written notice regarding which of the Critical Element(s) did not achieve the "Meets Standard". The performance concerning the Critical Element(s) has to be corrected immediately. Depending on the Critical Element, the permit may be either immediately suspended (i.e. no insurance policy) or the permit administrator may allow continued use but with that Critical Element not available for public use (i.e. a bad water sample).

2. If more than three non-critical elements are rated "Unacceptable," the best possible overall rating is "Below Standard".

With receiving a rating of "Below Standard" for any non-critical element(s), the holder should be given written notice regarding which of the non-critical element(s) did not achieve the "Meets Standard". The performance for these non-critical elements has to be improved prior to the next rating period, which will be defined by the permit

administrator. The holder must be issued a written notice for the Opportunity to Take Corrective Action as stipulated in Section VI (B) of the Special-Use Permit (FS-2700-4h (8-02)) by the Authorized Officer or designated permit administrator. This is the required first step towards any suspension and/or revocation of use for all or portions of the permitted use.

3. If any of the elements are found to exceed "Meets Standard", then you must set the rating at "Above Standard".

The holder's signature denotes that the Forest Service representative has discussed this evaluation/appraisal with the holder or his/her representative. A holder's signature does not necessarily constitute an agreement or acceptance of the rating

Signatures:

Holder or Representative: \_\_\_\_\_ Date: \_\_\_\_\_

Forest Representative: \_\_\_\_\_ Date: \_\_\_\_\_

# APPENDIX 8

## Law Enforcement at Concession Campgrounds

### ROLES AND RESPONSIBILITIES

1. Concessionaires. In responding to violations of Federal, State, and local laws, ordinances, and regulations, concessionaires have the same authority as a private citizen. Concessionaires generally cannot enforce Federal, State, or local laws or regulations, including 36 CFR part 261, Prohibitions on National Forest System lands. Concessionaires should be knowledgeable of applicable Federal, State, and local laws and regulations, including 36 CFR part 261, and should report violations of these laws and regulations to the appropriate law enforcement authorities.

Concessionaires may enhance public safety at concession campgrounds in a number of ways. For example, they may hire a private security firm, hire off-duty State or local law enforcement personnel, or enter into a cooperative agreement with the county for additional patrols.

Under the terms of the campground concession permit, the authorized officer may allow or require a concessionaire to establish certain restrictions on conduct or rules of use. For instance, the concessionaire may establish a rule of use that limits the number of vehicles per campground site, establishes a limit on the length of stay, or prohibits washing food at a water hydrant. The rules of use may be incorporated into the concessionaire's operating plan, and the concessionaire may be held accountable for ensuring compliance under the terms of the special use permit.

Conduct that violates rules of use may also violate Federal, State, or local laws. When such conduct occurs, the concessionaire should report those violations to the appropriate law enforcement authority. For example, violation of a rule of use may constitute a disturbance of the peace in violation of State law or disorderly conduct in violation of Forest Service regulations at 36 CFR 261.4

To minimize confusion between criminally enforceable Federal, State, and local laws and concessionaire-established rules of use, each should be separately posted within the campground.

2. State and Local Law Enforcement Agencies. Generally, State and local law enforcement agencies have authority to enforce applicable State and local laws, ordinances, and regulations on National Forest System lands. Under 16 U.S.C. 480, States retain their civil and criminal jurisdiction over persons on the National Forests. Thus, crimes involving persons and their property are generally the primary responsibility of State and local law enforcement authorities.

Where a concessionaire has established rules of use, there is no authority for a State or local law enforcement agency to take enforcement action, unless the conduct giving rise to the violation of a rule of use also constitutes a violation of State or local law.

## Appendix 8 --Continued

There is no authority for the Forest Service to allow State and local law enforcement personnel to enforce Federal laws and regulations, including 36 CFR part 261. Some conduct may be prosecuted under Federal or State law because the conduct violates both Federal and State law. However, State and local law enforcement officers may enforce only State and local law.

3. Forest Service. The Forest Service retains all its authorities and responsibilities for enforcing Federal laws and regulations relating to administration of National Forest System lands. The role and responsibilities of the Forest Service do not change simply because the Forest Service has issued a special use permit to a concessionaire. Forest Service personnel should continue to enforce all Federal laws and regulations relating to administration of National Forest System lands within concessionaire-operated campgrounds.

Forest Service personnel should not assume, however, that all laws and regulations applicable to facilities operated by the Forest Service are also applicable to sites operated by concessionaries. For example, as a matter of policy the Forest Service does not interpret failure to pay a camping fee charged by a concessionaire to be a violation of 36 CFR 261.15 because the camping fee charged by the concessionaire is not an admission or recreation use fee for a "site, facility, ... or service furnished by the United States." The agency construes "furnished by the United States" to mean "owned and operated" by the United States." Therefore, the Forest Service would not cite someone for failure to pay a camping fee at a concession campground because the site is operated by a concessionaire, rather than the Forest Service, and the concessionaire, rather than the Forest Service, retains the campground fees.

The regulations at 36 CFR part 261, subpart A, apply at both Forest Service and concessionaire-operated campgrounds. In contrast, orders issued under 36 CFR part 261, subpart B, may or may not apply at concession campgrounds. A subpart B order must clearly state the area to which it applies. 36 CFR 261.50(c)(1). If the order is forest-wide, it applies to all campgrounds, including concession campgrounds, within the forest. Operating plans for concession campground permits should be consistent with any orders that apply. A concessionaire may not allow an activity prohibited by an order. However, a concessionaire's rule of use may be stricter than an order.

The Regional Forester or Forest Supervisor may exempt concession campgrounds from an order and may want to exempt them to place more responsibility for the site on the concessionaire. Rules of use rather than the order would then govern. This approach is consistent with one of the purposes of the campground concession program, which is to reduce expenditure of limited Forest Service resources in administering developed recreation sites.

When issuing a subpart B order, the Regional Forester or Forest Supervisor should consider whether the order should apply at concession campgrounds.

## APPENDIX 8 –Continued

If concession campgrounds are exempted from a subpart B order, the rules of use established by concessionaires may differ from the restrictions contained in the order that applies elsewhere. For example, the restriction established by an order on the number of vehicles allowed per campsite at a Forest Service-operated campground may differ from the same type of restriction adopted as a rule of use at a concession campground. Forest Service personnel should ensure that they enforce only those subpart B orders that apply to concession campgrounds.

36 CFR part 261, subpart C, regulations should be handled the same way as subpart B orders. Subpart C regulations are issued by the Chief or Regional Forester to prohibit acts or omissions in all or any part of an area over which the Chief or Regional Forester has jurisdiction.

Forest Service law enforcement personnel should cooperate with State and local law enforcement agencies to the extent authorized by Forest Service policy (FSM 5360) and State and Federal law, such as 16 U.S.C. 559g(e), which authorizes acceptance of a law enforcement designation from States, and 16 U.S.C. 553, which authorizes the Forest Service to aid in the enforcement of State laws in certain respects.

Prospectuses and permits for concession campgrounds should clearly describe the respective responsibilities of Forest Service law enforcement personnel, State and local law enforcement authorities, and concessionaires.

### SUMMARY

Crimes involving persons and property are generally violations of State law. State and local law enforcement authorities have jurisdiction to enforce State laws at concession campgrounds. Forest Service personnel have the responsibility to enforce Federal laws and regulations relating to the administration of National Forest System lands.

Concessionaires may establish and enforce rules of use that are subordinate to Federal, State, and local laws and regulations. Rules of use are not enforceable by Federal, State, or local law enforcement authorities unless violations or rules of use constitute violations of Federal, State, or local laws.

Concessionaires should contact Federal, State, and local law enforcement authorities to address criminal violations under their respective jurisdictions. Concessionaires may also consider hiring a private security firm or contracting with off-duty State or local law enforcement personnel to address day-to-day public safety concerns at concession campgrounds.

Campground concession prospectuses and permits should clearly describe the respective responsibilities of Forest Service law enforcement personnel, local law enforcement authorities, and concessionaires. In order to minimize visitor confusion between criminally enforceable Federal, State, and local laws and concessionaire-established rules of use, each should be separately posted within a campground.



# **Appendix 9**

## **Annual Operating Plan And Annual Operating Plan Outline**

This appendix describes the minimum requirements of the holder's Annual Operating Plan and application regarding the operating season, staffing, operations and maintenance services provided, and minimum standards to be met. The Forest Service will use applicant provided information to rate the proposal against the "Proposed Operating Plan" evaluation criteria. The successful applicant's proposal will become a part of his/her Annual Operating Plan. Contact (Name),(Title), (Name) National Forest, (Phone number), for questions.

The holder must meet the additional standards and requirements specified in this section for the recreation sites listed in the prospectus. Applicants are required to propose how they will meet or exceed the minimum standards.

# Annual Operating Plan

## Table of Contents

1. Operating Season:
2. Staffing:
  - 2a. Supervision/Management
  - 2b. Personnel
  - 2c. Employee Training
  - 2d. Employee Conduct
  - 2e. Uniforms and Vehicle Identification
3. Customer Service
4. Operations
  - 4a. Water Systems
  - 4b. Interference with Normal Use of Recreation Sites
  - 4c. Standards for Site Facility Cleaning and Maintenance
    - 4c1. All Facilities
    - 4c 2. Toilets
    - 4c 3. Tables
    - 4c 4. Fire Rings and Grills
    - 4c 5. Grounds
    - 4c 6. Roads and Trails
    - 4c 7. Barriers (parking, road, etc.)
    - 4c 8. Water Hydrants
    - 4c 9. Trash Receptacles
    - 4c10. Signs, Bulletin Boards, and Fee Stations
5. Safety
  - 5a. Safety Inspection
  - 5b. High Risk Conditions
  - 5c. Removal of Hazardous Objects
  - 5d. Identification and Removal of Hazardous Trees
6. Signs and Posters
  - 8a. Entrance Sign
  - 8b. Title VI Compliance
7. Holder Advertising
8. Fire Prevention
9. Road and Trail Maintenance
10. Law Enforcement and Security
11. Communication Systems
12. Herbicides and Pesticides
13. Boating Safety
14. Interpretive Programs
15. Recycling
16. Additional Revenue-Producing Sales, Services, and/or Fees

## **1. Operating Season:**

The minimum season is: **Friday preceding Memorial Day through Labor Day weekend, with the exception of Black River Harbor which is May 15<sup>th</sup> through September 15<sup>th</sup>**, as described in the prospectus in Section IC Recreation Site Description.

*Additional times of operation, both full and partial, may be offered.*

## **2. Staffing:**

The holder will be responsible for furnishing all personnel, and for adequately training and supervising their activities while performing under the provisions of the permit.

State and Federal laws governing employment, wages, worker safety, etc. must be met. Applicable laws include, but are not limited to, laws governing equal opportunity, civil rights, fair labor standards, minimum wage, Davis-Bacon Wage Rates (for G/T fee off-set), workers' compensation, OSHA regulations, ADA, and immigration laws regarding employment of legal aliens.

### **2a. Supervision/Management:**

A representative(s) who will serve as the liaison(s) between the Holder and the Forest Service and have full authority to act on the terms of the special use permit must be designated. There may be more than one designee, each of whom has the authority to act on one or more permit terms (i.e., one person may deal with operations issues, one may deal with maintenance issues, and another may deal with financial issues). The designee(s) names, or the appropriate job title(s), must be included in the proposal.

*State in the proposal the position title and area(s) of responsibility.*

### **2b. Personnel**

*Provide an organization chart showing each position. Provide a narrative description of each position shown on the organization chart including the title of the position, duties, and indicating full or part time employment.*

### **2c. Employee Training**

*Describe training to be provided to each position listed on your organization chart.*

### **2d. Employee Conduct**

*Provide your company's employee conduct policy.*

### **2e. Uniforms and Vehicle Identification**

Employees must wear neat, clean, and professional attire that identifies them as concessionaire employee including a name tag with the concessionaire's identify. The official Forest Service uniform, Forest Service volunteer uniform, and components may not be used.

*Describe in detail attire for all employee positions.*

Vehicles must be clean, quiet, and well maintained with a professional quality sign containing the concessionaire's name displayed on each side of each vehicle used.

*Describe in detail vehicles used.*

### **3. Customer Service:**

Customers and the visiting public will be responded to in a professional manner to contribute towards a safe and enjoyable experience on the National Forest. A customer service comment card system must be provided. The customer service comment card contained in Appendix 7 may be proposed.

*Describe a customer service commitment and provide a comment card system.*

### **4. Operations:**

The Holder will be responsible for all tasks associated with the daily operation and maintenance of the (name) area.

#### **4a. Water Systems**

All of the developed sites included in this offering have potable water systems. It is the holder's responsibility to operate and maintain some of the water systems, and have the capability to turn off and reopen the system for maintenance purposes. The Forest Service will provide instruction on turning off and reopening of the water system as needed on a case-by-case basis.

The holder is responsible for compliance with all applicable Federal, state, and local drinking water laws and regulations for the operation and maintenance of a public water system. This includes the testing and maintenance of all potable water systems in accordance with the state of Michigan department of public health and Forest Service regulations. If current laws and regulations change and it becomes necessary to perform additional or different tests, the holder shall be responsible for compliance and associated costs. (See Forest Service 2700-4h, clause V. B. and FS 2700-4h Appendix F)

*Describe a process to operate, inspect, test, and maintain the water systems addressing the standards described above.*

#### **4b. Interference with Normal Use of Recreation Sites**

Operation, maintenance, and cleaning of grounds and facilities can interfere with the recreational use of the areas by the visiting public.

*Describe measures to limit inconvenience and disruption of use by the public.*

#### **4c. Standards for Site Facility Cleaning and Maintenance**

The holder shall be responsible for meeting the standards listed below when cleaning and maintaining facilities.

*Describe how the following ten items (4c1. – 4c10.) will be identified and accomplished.*

##### **4c1. All Facilities**

Facilities are maintained free of graffiti.

Facilities are clean and well maintained.

Numbers of visitors and vehicles do not exceed site capacity.

A site safety inspection is completed annually, and documented in a format acceptable to the Forest Service. Documented high risk conditions are corrected prior to use.

Utility systems meet applicable state and local regulations.

Facilities, when signed as accessible, meet guidelines in Universal Access to Outdoor Recreation: A Design Guide.

Grass and over hanging brush must be kept trimmed around tables, bulletin boards, water hydrants, barriers, signs, buildings, parking areas, paths, living spaces, tent sites, and other facilities.

##### **4c2. Toilets**

To keep humans from unhealthy exposures to human waste, the waste is removed immediately upon discovery or notification.

All other types of sewage treatment systems must meet state and federal standards.

Toilets are clean and free of objectionable odor.

Restrooms are functional and in good repair.

Walkways and trails shall be kept free of obstructions or excess vegetation.

##### **4c3. Tables**

Excessive grass or vegetation shall be trimmed from around the table area.

There should be adequate vegetation, gravel, or other approved material around tables to prevent mud and erosion.

#### **4c4. Fire Rings and Grills**

Fire rings shall be free of litter, ashes, and unburned material before used by a new user.

Ashes, charcoal, and unburned wood shall be removed from fire rings and grills when there is less than four (4) inches of free side clearance.

There should be adequate gravel, or other approved material around fire rings to prevent mud and erosion.

Eliminate any rock fire rings or modifications that were not installed or approved by the Forest Service. Remove ashes from unauthorized fire rings and pits. Scatter the rocks and spread soil over these areas, to make them less conspicuous.

#### **4c5. Grounds**

Developed sites shall be free of litter and domestic animal waste.

Effects from recreation use that conflict with environmental laws are analyzed and mitigated as needed.

Loss of vegetation and erosion caused by recreation use is prevented and/or corrected in accordance with approved vegetation management plans.

Nails, ropes, wire, etc. will be removed from trees whenever found.

Grass and other ground vegetation shall be trimmed on a regular basis to maintain a comfortable and inviting environment.

#### **4c6. Roads and Trails**

Roads within or adjacent to developed sites are treated and maintained to control dust.

Ditches and culverts shall be cleaned and maintained to allow proper drainage.

#### **4c7. Barriers (parking, road, etc.)**

Excess vegetation around barriers shall be trimmed to keep the barrier visible.

#### **4c8. Water Hydrants**

Water hydrants meet state and federal standards.

Maintain functional gravel sumps.

Each hydrant must be posted with a sign that says "No washing dishes, bathing, washing hair or hands, or cleaning fish", or a similar message.

#### **4c9. Trash Receptacles**

Garbage does not exceed the capacity of the garbage containers.

Garbage locations are clean and free of objectionable odors.

All trash shall be removed from National Forest lands and disposed of in accordance with all state and local laws and regulations.

#### **4c10. Signs, Bulletin Boards, and Fee Stations**

Information boards look fresh, professional, uncluttered, and contain appropriate current/seasonal information. Multi-lingual information is provided as needed. Signs, bulletin boards, site markers, and fee stations are well maintained, neatly arranged, and meet Forest Service signage standards.

### **5. Safety:**

The safety and health of all persons is of the up most importance.

*Provide a safety and health plan to address both an annual all encompassing safety and health inspection and a continuing safety and health monitoring program, that addresses the following five areas of concern:*

#### **5a. Safety inspections**

An annual all encompassing safety and health inspection will be preformed prior to the high use season. This inspection will document all safety and health problems discovered, note corrective action to be taken, and document completion of corrective actions or mitigating measures. Additionally, continuing attention to will be made to new situations presenting a safety or health concern during the operating season. These discoveries, corrective actions or mitigating measures taken will be documented in writing.

#### **5b. High risk conditions**

High risk conditions may develop, such as but not limited to the following: weather, environmental, and facility conditions; domestic unrest; etc. It is the holder's responsibility to plan for and react responsibly.

#### **5c. Removal of hazardous objects**

Safety hazards, such as but not limited to unsafe branches, tripping hazards, unstable walking surfaces, etc. shall be identified and corrected.

#### **5d. Identification and removal of hazardous trees**

The holder is responsible for identifying, monitoring, and removing all hazard trees throughout the year, subject to Forest Service review. In addition, hazard inspection will be conducted immediately after any major weather event (i.e., hurricanes, tornados, ice storms). After securing approval from the Forest Service, the permit holder is required to remove hazard trees and associated slash. The Annual Operating Plan will address the appropriate disposal methods. The Forest Service will advise the permit holder, as needed, in regards to hazard tree identification and removal.

Forest Service approval is required prior to cutting or pruning of any trees.

The holder would not typically be responsible for hazard tree removal necessitated by atypical situations, such as a major blow down or a large insect infestation. However, responsibility will be determined on a case by case basis.

All stumps from hazard tree removal shall be flush cut to ground level in order to reduce tripping hazards.

If slash and bucked logs resulting from hazard tree removal are not used by campers within a reasonable length of time, the holder must dispose of it by an approved method.

#### **5e. Safety training for employees**

The holder is responsible to provide on-going safety training to ensure a safe work environment and inform and educate their employees about working safely and recognizing unsafe conditions.

### **6. Signs and Posters**

All signs must be maintained in a good condition (neat, clean, not faded or torn). Replacement of standard Forest Service signs is the responsibility of the Forest Service. Homemade signs or posters are not allowed. Additional signs should be reviewed by the authorized officer as to location, design, size, color, and content. Commercial advertising is not allowed.

*Describe proposed signing as it relates to both Holder and Forest Service provided signs.*

#### **6a. Entrance sign**

A sign stating that the recreation area is under permit from the U.S. Forest Service and including the name of the permit holder must be posted on the entrance board of all sites. The sign must include contact information for both the permit holder and Forest Service.

#### **6b. Title VI compliance**

The holder is required to post and maintain the *And Justice for All* poster and "Welcome To Your National Forests..." poster (Unicor P23-43) as furnished by the Forest Service.

## **7. Holder advertising**

The holder shall accurately represent the accommodations and services provided to the public within the permit area, in all advertisements, signs, brochures, and any other materials. The fact that the permit area is located on the Sam Houston National Forest shall be made readily apparent in all advertising and signing.

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

*Describe proposed media for advertising.*

## **8. Fire Prevention**

*Provide a fire prevention plan that addresses, at a minimum:*

- 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
- Fire prevention/suppression tools and equipment that will be on-site

## **9. Road and Trail Maintenance**

The holder is responsible for maintaining vehicular and pedestrian access in a safe and passable condition and to Forest Service standards. This responsibility includes, but is not limited to, mowing road shoulders and around parking barriers for visibility; filling chuck holes with asphalt materials on paved surfaces; grading and/or controlling dust on unpaved surfaces; and erosion control through grading, ditching, or use of check dams, regardless of where needed. Grading of gravel surfaced roads averages \_\_\_ times per year. Culverts must be kept free of debris.

*Describe a road maintenance schedule to accomplish these needs.*

## **10. Law enforcement and security**

Forest Service, state, and local law enforcement and the holder each have enforcement roles at concession recreation sites. Appendix 8 clarifies the law enforcement authorities and responsibilities at concession operated recreation sites (FSM ID 2340-96-1).

*Describe how law enforcement, security and rules of use will be imposed at the recreation sites.*

## **11. Communication Systems**

The holder is required to provide a means of communication (e.g., two-way radios, cellular phones, etc.) between all employees, the Forest Service, the National Recreation Reservation System, and emergency response agencies. The use of radio frequencies and equipment owned by the Forest Service will not be authorized.

*Describe how communications will be complete, timely, and accurate between all affected interests.*

## **12. Herbicides and Pesticides**

Herbicides and pesticides may not be used without prior written approval from the Forest Service. A request for approval of planned uses of pesticides shall be submitted annually by the holder on the due date established by the authorized officer. Any request for use shall cover a 12-month period of planned use, beginning 3 months after the reporting date. Only those materials registered by the U.S. Environmental Protection Agency for the specific purpose planned shall be considered for use on National Forest System lands (refer to FS-2700-4h, V.D).

*Describe intentions to use specific products.*

## **13. Boating Safety**

All use of water craft shall comply with present and future laws, regulations, and other legal requirements.

*Describe how boating safety will be accomplished.*

## **14. Interpretive programs**

Interpretive presentations may address natural and cultural resources, fisheries and wildlife, fire management, water resources, or other topics relative to the National Forest and its management. Interpretive services can take the form of campfire programs, guided walks, brochures, children's activities, displays, or other similar items.

The holder may not charge for interpretive services. The holder may subcontract the provision of interpretive services with other organizations such as museums, historic societies, The FS retains the right to present programs at any campground or other recreation site on the National Forest, subject to coordination with the holder to avoid conflict with other scheduled activities.

*Describe a proposed interpretive services plan to include frequency, content, etc., as outlined in Section IC of the Prospectus*

## **15. Recycling**

Recycling of all materials is encouraged.

*Describe a recycling program to include types of materials, receptacles, handling, removal, etc.*

## **16. Additional revenue-producing sales, services, and/or fees**

***Describe and list all additional revenue-producing sales services or fees you propose to provide.***

The following is a list of approved sales:

- ❖ sale of firewood
- ❖ sale of camping supplies
- ❖ sale of fishing supplies
- ❖ sale of state fishing licenses
- ❖ sale of state hunting licenses
- ❖ sale of propane
- ❖ sale of miscellaneous food items (ice, soda, bottle water, etc.)
- ❖ sale of photographic supplies
- ❖ sale of informational and interpretive materials (i.e., books)
- ❖ sale of miscellaneous clothing sales
- ❖ sale of miscellaneous souvenirs
- ❖ fee for full service hook-ups
- ❖ fee for electricity
- ❖ fee for RV/camping trailer storage
- ❖ fee for boat storage
- ❖ fee for showers
- ❖ fee for canoe/boat rehaul
- ❖ fee for concession provided public fax services
- ❖ fee for concession provided public phone services
- ❖ rental of personal water crafts
- ❖ rental of fishing equipment
- ❖ rental of bikes
- ❖ rental of on-site, concession-owned camping trailers
- ❖ rental of canoe/boats
- ❖ providing local fishing clinics (not O/G services)
- ❖ providing SCUBA lessons
- ❖ guided interpretive tours
- ❖ vending machines

# APPENDIX 10

Authorization ID: #AUTH\_ID#  
Contact ID: #HOLDER\_ID#  
Use Code: #USE\_CODE#  
Expiration Date: #EXPIRATION\_DATE#

FS-2700-4h (03/06)  
OMB No. 0596-0082

**U.S. DEPARTMENT OF AGRICULTURE**  
**Forest Service**  
**SPECIAL USE PERMIT FOR**  
**CAMPGROUND AND RELATED GRANGER-THYE CONCESSIONS**  
Authority: Section 7 of the Granger-Thye Act, 16 U.S.C. 580d  
(Ref. FSM 2710)

#HOLDER\_NAME#, #HOLDER\_ADD\_LINE\_1#, #HOLDER\_ADD\_LINE\_2#, #HOLDER\_ADD\_LINE\_3#,  
#HOLDER\_CITY#, #HOLDER\_STATE# #HOLDER\_ZIP#

#HOLDER\_NAME# (the holder) is hereby authorized to use and occupy National Forest System lands, subject to the conditions below, on the \_\_\_\_\_ National Forest.

#PURPOSE#

<u>FACILITY</u>	<u>LEGAL DESCRIPTION</u>	<u>ACRES</u>	<u>DISTRICTS</u>
_____	_____		
_____	_____		
_____	_____		
_____	_____		

THIS permit covers #USE\_ACRES# acres or #USE\_MILES# miles, which are described above and are as shown on the location map attached to and made a part of this permit. The above described area shall be referred to herein as the permit area.

THIS permit is issued for the purpose of operating and maintaining a Forest Service developed recreation site(s) as provided herein and in the attached annual operating plan (Appendix A), annual Granger-Thye fee offset agreement (Appendix B), holder maintenance and reconditioning plan (Appendix C), recreation site maps (Appendix D), facility and improvement inventory (Appendix E), and "Operation of Federally Owned Drinking Water Systems" (Appendix F) <Add any other appendices as needed or delete highlighted text>, all of which are hereby made a part of this permit.

## I. AUTHORITY AND GENERAL TERMS OF THE PERMIT

**A. AUTHORITY.** This permit is issued under Section 7 of the Granger-Thye Act, 16 U.S.C. 580d, and 36 CFR Part 251, Subpart B, as amended, and is subject to their provisions.

**B. AUTHORIZED OFFICER.** The authorized officer is the Forest Supervisor who issued this permit or a delegated subordinate officer.

**C. TERM.** This permit shall expire at midnight on December 31, \_\_\_\_\_, \_\_\_\_\_ years from the date of issuance, provided that the permit term may be extended up to 5 years by amendment at the sole discretion of the authorized officer based on sustained satisfactory performance or administrative need. Expiration of this permit shall not require notice, a decision document, or any environmental analysis or other documentation.

**D. RENEWAL.** This permit is not renewable. After it expires, continuation of the type of use and occupancy authorized by this permit shall be at the sole discretion of the authorized officer. After expiration, issuance of a new permit for the type of use and occupancy authorized by this permit shall be subject to competition.

**E. AMENDMENT.** This permit may be amended in whole or in part by the Forest Service when at the discretion of the authorized officer such action is deemed necessary or desirable to incorporate new terms that may be required by law, regulation, forest land and resource management plans, or other management decisions.

**F. COMPLIANCE WITH LAWS, REGULATIONS, AND OTHER LEGAL REQUIREMENTS.** In exercising the rights and privileges granted by this permit, the holder shall 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.

**G. NON-EXCLUSIVE USE.** The use and occupancy authorized by this permit is not exclusive. The Forest Service reserves a continuing right of access to the permit area, including a continuing right of physical entry to the permit area for inspection, monitoring, or any other purpose consistent with any right or obligation of the United States under any law or regulation. The Forest Service reserves the right to allow others to use the permit area in any way that is not inconsistent with the holder's rights and privileges under this permit, after consultation with all parties involved. Except for any restrictions that the holder and the authorized officer agree are necessary to protect the installation and operation of authorized structures and developments, the lands and waters covered by this permit shall remain open to the public for all lawful purposes. To facilitate public use of this area, all existing roads shall remain open to the public, except for roads that may be closed by joint agreement of the holder and the authorized officer.

#### **H. CHANGE IN CONTROL**

**1. Notification.** The holder shall notify the authorized officer when a change in control of the business entity that holds this permit is contemplated. If the holder is a corporation, change in control means the sale or transfer of a controlling interest in the corporation. If the holder is a partnership or a limited liability company, change in control means the sale or transfer of a controlling interest in the partnership or limited liability company. If the holder is an individual, change in control means the sale or transfer of the business to another party.

**2. Termination.** This permit is not transferable. Any change in control of the business entity as defined in clause I.H.1 shall cause this permit to terminate upon issuance of a new permit to another party for the use and occupancy authorized by this permit. The party who acquires control of the business entity must submit an application for a permit for the type of use and occupancy authorized by this permit. Issuance of a new permit to the party acquiring control shall be at the sole discretion of the authorized officer. The authorized officer shall determine that the applicant meets requirements under federal regulations. If a new permit is issued to the party acquiring control, the term shall be for no more than the balance of the term of this permit. Once the permit issued to the party acquiring control expires, issuance of a new permit for the type of use and occupancy authorized by this permit shall be subject to competition.

**I. LIMITATIONS.** Nothing in this permit gives or implies permission to build or maintain any structure or facility or to conduct any activity, unless specifically provided for in this permit. Any use not specifically identified in this permit must be approved by the authorized officer through a new permit or a permit amendment.

#### **II. OPERATIONS, MAINTENANCE, AND RECONDITIONING**

##### **A. ANNUAL OPERATING PLAN**

1. The holder or his/her designated representative shall prepare and annually revise by \_\_\_\_\_ an annual operating plan. The annual operating plan shall be prepared in consultation with the authorized officer or his/her designated representative and shall cover all operations authorized by this permit, regardless of season. The annual operating plan shall be submitted by the holder and approved by the authorized officer or his/her designated representative prior to the operating season.

2. The annual operating plan shall specify the operational requirements governing the sites covered by this permit. At a minimum, the annual operating plan shall enumerate the minimum operating seasons; how the holder will provide services to the public; protect public health and safety and the environment; and repair, maintain, or enhance the function of the improvements covered by this permit. The annual operating plan shall contain standards and sufficient detail to enable the Forest Service to monitor operations for compliance.

3. The holder shall perform a condition survey of the water system each year before it is opened. The holder shall prepare a brief written report that notes all deficiencies that may render compliance with Appendix F of this permit (Operation of Federally Owned Drinking Water Systems) and other applicable regulatory requirements infeasible. The condition survey report shall also include a detailed description of all water system deficiencies and/or repair work which the holder has identified as requiring corrective action in order for the system to be in compliance with Appendix F of this permit and applicable Federal and State safe drinking water regulation. If repair work is necessary, a repair plan

shall be attached to the condition survey report. The repair plan shall identify all water system components requiring repair, estimated costs for repair and the approximate time schedule to complete the repair. The report shall be sent to the authorized officer at least two weeks prior to opening the system for the season. All deficiencies shall be corrected to the satisfaction of the Forest Service prior to opening the system. Corrections and the date they were made shall be recorded in the condition survey. If the system operates throughout the year, the condition survey shall be submitted to the Forest Service by January 15 each year.

**B. MINIMUM USE AND OCCUPANCY.** Use and occupancy of the permit area shall be exercised at least  
days each year, unless otherwise authorized in writing under additional terms of this permit.

**C. GRANGER-THYE FEE OFFSET AGREEMENT.** Government maintenance and reconditioning projects shall be performed in accordance with an annual Granger-Thye fee offset agreement as provided in clause IV.E.2 of this permit.

**D. HOLDER MAINTENANCE, RECONDITIONING OR RENOVATION PLAN.** The holder at its expense shall perform holder maintenance, reconditioning, or renovation as defined in clause IV.E.1(d) of this permit under a holder maintenance, reconditioning, or renovation plan approved by the Forest Service. The holder maintenance, reconditioning, or renovation plan shall describe required holder maintenance, reconditioning, or renovation responsibilities and their frequency. The work performed under this plan shall not be subject to fee offset under clause IV.E.

The holder shall maintain all equipment and other facilities on site in good repair and free of leakage of lubricants, fuel, coolants, and hydraulic fluid. The holder shall properly dispose of all hazardous waste- contaminated soil, vegetation, debris; vehicle oil filters (drained of free-flowing oil); oily rags; and waste oil in accordance with local, State, and Federal regulations off of Government property and shall transport such substances, or arrange to have such substances transported in accordance with State and Federal regulations.

**E. ALTERATION OF GOVERNMENT IMPROVEMENTS.** If during the term of this permit any government-owned improvements are altered in any way, the material, equipment, fixtures or other appurtenances that are affixed to or made a part of those improvements in connection with the alteration shall become the property of the United States, regardless of whether the work is performed by the holder or any other party. The holder shall not be entitled to any compensation for that property, other than to the extent it qualifies for fee offset under clause IV.E.

**F. RESPONSIBILITY FOR DAY-TO-DAY ACTIVITIES.** As a general rule, the holder shall conduct the day-to-day activities authorized by this permit. Some but not all of these activities may be conducted by a party other than the holder, but only with prior written approval of the authorized officer. The holder shall continue to be responsible for compliance with all the terms of this permit.

**G. REMOVAL AND PLANTING OF VEGETATION.** This permit does not authorize the cutting of timber or other vegetation. Trees or shrubbery may be removed or destroyed only after the authorized officer or his/her designated agent has approved and marked what may be removed or destroyed. Timber cut or destroyed shall be paid for at current stumpage rates for similar timber in the National Forest. The Forest Service reserves the right to dispose of the merchantable timber to those other than the holder at no stumpage cost to the holder. Unmerchantable material shall be disposed of as directed by the authorized officer. Trees, shrubs, and other plants may be planted in the permit area as approved by the authorized officer.

**H. SIGNS.** Signs or other advertising posted on National Forest System lands shall be subject to prior written approval of the authorized officer as to location, design, size, color, and content. Erected signs shall be maintained to standards determined by the Forest Service.

#### **I. NONDISCRIMINATION.**

1. The holder and its employees shall not discriminate against any person on the basis of race, color, sex (in educational activities), national origin, age, or disability or by curtailing or refusing to furnish accommodations, facilities, services, or use privileges offered to the public generally. In addition, the holder and its employees shall comply with the provisions of Title VI of the Civil Rights Act of 1964 as amended, Section 504 of the Rehabilitation Act of 1973, as amended, Title IX of the Education Amendments of 1972, as amended, and the Age Discrimination Act of 1975, as amended.

2. The holder shall include and require compliance with the above nondiscrimination provisions in any third- party agreement made with respect to the operations authorized under this permit.

3. Signs setting forth this policy of nondiscrimination to be furnished by the Forest Service shall be conspicuously displayed at the public entrance to the premises, and at other exterior or interior locations as directed by the Forest Service.

4. The Forest Service shall have the right to enforce the foregoing nondiscrimination provisions by suit for specific performance or by any other available remedy under the laws of the United States or the State in which the violation occurs.

**J. EQUAL ACCESS TO FEDERAL PROGRAMS.** In addition to the above nondiscrimination policy, the holder agrees to insure that its programs and activities are open to the general public on an equal basis and without regard to any non-merit factor.

**K. NATIONAL RECREATION RESERVATION SERVICE (NRRS).** The NRRS is the only authorized reservation service to be utilized by the holder. No other reservation service of any kind may be used by the holder. Operational procedures for the NRRS will be developed and placed in the annual operating plan.

### **III. RIGHTS AND LIABILITIES**

**A. LEGAL EFFECT OF THE PERMIT.** This permit is revocable and terminable. It is not real property, does not convey any interest in real property, and may not be used as collateral for a loan.

**B. THIRD-PARTY RIGHTS.** This permit is subject to all valid rights and claims of third parties. The United States is not liable to the holder for the exercise of any such right or claim.

**C. ABSENCE OF THIRD-PARTY BENEFICIARY RIGHTS.** The parties to this permit do not intend to confer any rights on any third party as a beneficiary under this permit, including any party who has responsibility for any day-to-day activities authorized by this permit, if approved by the authorized officer under clause II.F.

**D. WATER RIGHTS.** This permit does not confer any water rights on the holder. Water rights must be acquired under state law. Upon revocation or termination of this permit, the holder shall transfer any water rights associated with the use and occupancy authorized by this permit to the succeeding permit holder. If there is no succeeding permit holder, the holder shall relinquish those water rights to the Forest Service.

**E. RISKS.** The holder assumes all risk of the authorized improvements. Loss to the authorized improvements may result from but is not limited to theft, vandalism, fire and any fire-fighting activities (including prescribed burns), avalanches, rising waters, winds, falling limbs or trees, and acts of God. If the authorized improvements are destroyed or substantially damaged, the authorized officer shall conduct an analysis to determine whether the improvements can be safely occupied in the future and whether rebuilding should be allowed. If rebuilding is not allowed, this permit shall terminate.

**F. DAMAGE TO UNITED STATES PROPERTY.** The holder has an affirmative duty to protect from damage the land, property, and other interests of the United States. Damage includes but is not limited to fire suppression costs, damage to government-owned improvements covered by this permit, and all costs and damages associated with or resulting from the release or threatened release of a hazardous material occurring during or as a result of activities of the holder or the holder's heirs, assigns, agents, employees, contractors, or lessees on, or related to, the lands, property, and other interests covered by this permit. For purposes of clauses III.F, III.I, and V, "hazardous material" shall mean any hazardous substance, pollutant, contaminant, hazardous waste, oil, and/or petroleum product, as those terms are defined under any federal, state, or local law or regulation.

1. The holder shall avoid damaging or contaminating the environment, including but not limited to the soil, vegetation (such as trees, shrubs, and grass), surface water, and groundwater, during the holder's use and occupancy of the site. If the environment or any government property covered by this permit becomes damaged during the holder's use and occupancy of the site, the holder shall immediately repair the damage or replace the damaged items to the satisfaction of the authorized officer and at no expense to the United States.

2. The holder shall indemnify the United States for any damages arising out of the use and occupancy authorized by this permit, including damage to government-owned improvements covered by this permit. The holder shall be liable for all injury, loss, or damage, including fire suppression, or other costs in connection with rehabilitation or restoration of natural resources associated with the use and occupancy authorized by this permit. Compensation shall include but not be limited to the value of resources damaged or destroyed, the costs of restoration, cleanup, or other mitigation, fire suppression or other types of abatement costs, and all administrative, legal (including attorney's fees), and other costs in connection therewith.

3. With respect to roads, the holder shall be liable for damage to all roads and trails of the United States open to public use caused by use of the holder or the holder's heirs, assigns, agents, employees, contractors, or lessees to the same extent as provided under clause III.F.1, except that liability shall not include reasonable and ordinary wear and tear.

**G. HEALTH, SAFETY, AND ENVIRONMENTAL PROTECTION.** The holder shall take all measures necessary to protect the environment, natural resources, and the health and safety of all persons affected by the use and occupancy authorized by this permit. The holder shall promptly abate as completely as possible and in compliance with all applicable laws and regulations any physical or mechanical procedure, activity, event, or condition existing or occurring before, during the term of this permit or existing or occurring after the term of this permit and arising out of or relating to any activity, event, or condition existing or occurring during the term of this permit that causes or threatens to cause: a hazard to the safety of workers or to public health or safety; or, harm to the environment (including but not limited to areas of vegetation or timber, fish or other wildlife populations, their habitats, or any other natural resources). The holder shall immediately notify the authorized officer of all serious accidents that occur in connection with such activities. The responsibility to protect the health and safety of all persons affected by the use and occupancy authorized by this permit is solely that of the holder. The Forest Service has no duty under the terms of this permit to inspect the permit area or operations and activities of the holder for hazardous conditions or compliance with health and safety standards.

**H. INDEMNIFICATION OF THE UNITED STATES.** The holder shall indemnify, defend, and hold the United States harmless for any costs, damages, claims, liabilities, and judgments arising from past, present, and future acts or omissions of the holder in connection with the use and occupancy authorized by this permit. This indemnification and hold harmless provision includes but is not limited to acts and omissions of the holder or the holder's heirs, assigns, agents, employees, contractors, or lessees in connection with the use and occupancy authorized by this permit which result in: (1) violations of any laws and regulations which are now or which may in the future become applicable, and including but not limited to those environmental laws listed in clause V.A of this permit; (2) judgments, claims, demands, penalties, or fees assessed against the United States; (3) costs, expenses, and damages incurred by the United States; or (4) the release or threatened release of any solid waste, hazardous waste, hazardous substance, pollutant, contaminant, oil in any form, or petroleum product into the environment. The authorized officer may prescribe terms that allow the holder to replace, repair, restore, or otherwise undertake necessary curative actions to mitigate damages in addition to or as an alternative to monetary indemnification.

**USER NOTES FOR CLAUSE III.I**

Select the appropriate clause III.I below, in accordance with the type of insurance and holder.

**Selection Item 1: For policies with separate limits of coverage for personal injury or death and third party property damage, use the following clauses III.I, III.I.1, and III.I.2.**

**I. INSURANCE.** The holder shall furnish proof of insurance, such as a certificate of insurance, to the authorized officer prior to issuance of this permit and each year thereafter that this permit is in effect. The Forest Service reserves the right to review and approve the insurance policy prior to issuance. The holder shall send an authenticated copy of any insurance policy obtained pursuant to this clause to the Forest Service immediately upon issuance of the policy. Any insurance policies obtained by the holder pursuant to this clause shall name the United States as an additional insured, and the additional insured provision shall provide for insurance coverage for the United States as required under this clause. Such policies shall also specify that the insurance company shall give 30 days' prior written notice to the Forest Service of cancellation of or any modification to the policies. Minimum amounts of coverage and other insurance requirements are subject to change at the sole discretion of the authorized officer on the anniversary date of this permit.

**1. Liability.** The holder shall have in force liability insurance covering losses associated with the use and occupancy authorized by this permit arising from personal injury or death and third-party property damage in the minimum amount of:

- \$ \_\_\_\_\_ for injury or death to one person,
- \$ \_\_\_\_\_ for injury or death to more than one person, and
- \$ \_\_\_\_\_ for third-party property damage.

**2. Property.** The holder shall have in force property insurance for \_\_\_\_\_ in the minimum amount of \_\_\_\_\_ which represents \_\_\_\_\_ of the insured property. The types of loss to be covered by this clause shall include but not be limited to damage to Government-owned improvements identified herein. At the sole discretion of the authorized officer, the Forest Service may require the holder to use all proceeds from property damage insurance policies to repair, rebuild, restore, or replace damaged government property covered by the policy, or may obtain payment of those proceeds from the concessionaire or the insurance company.

Depending on the holder's operations, the Forest Service may require the holder to demonstrate the availability of funds to address any release or threatened release of hazardous materials that may occur in connection with the holder's use and occupancy. Any requirements imposed would be established on a case-by-case basis by the authorized officer based on the degree of environmental risk from the holder's operations. The use and storage of normal campground maintenance items in nominal amounts would generally not trigger financial assurance requirements.

**Selection Item 2: For policies with combined single limits of coverage for personal injury or death and third-party property damage, use the following clauses III.I, III.I.1, and III.I.2.**

**If the prospective holder is a state or one of its political subdivisions that has statutory or constitutional authorities limiting its liability or obligation to indemnify, the authorized officer shall prepare a risk assessment to determine the potential for loss to the United States from personal injury, death, or property damage caused by the prospective holder's use and occupancy. If the authorized officer determines based on the risk assessment that the potential for personal injury, death, or property damage caused by the prospective holder's use and occupancy exceeds the limitations on the liability or indemnification obligation of the state or its political subdivision, the prospective holder shall, as a precondition to issuance of this permit, procure insurance under the terms of clause III.I of this permit in the amount determined in the risk assessment that exceeds the liability or indemnification limitation of the state or its political subdivision.**

**I. INSURANCE.** The holder shall furnish proof of insurance, such as a certificate of insurance, to the authorized officer prior to issuance of this permit and each year thereafter that this permit is in effect. The Forest Service reserves the right to review and approve the insurance policy prior to issuance. The holder shall send an authenticated copy of any insurance policy obtained pursuant to this clause to the Forest Service immediately upon issuance of the policy. Any insurance policies obtained by the holder pursuant to this clause shall name the United States as an additional insured, and the additional insured provision shall provide for insurance coverage for the United States as required under this clause. Such policies shall also specify that the insurance company shall give 30 days' prior written notice to the Forest Service of cancellation of or any modification to the policies. Minimum amounts of coverage and other insurance requirements are subject to change at the sole discretion of the authorized officer on the anniversary date of this permit.

**1. Liability.** The holder shall have in force liability insurance covering losses associated with the use and occupancy authorized by this permit arising from personal injury or death and third-party property damage in the minimum amount of \$ #LIAB INS AMOUNT# as a combined single limit per occurrence.

**2. Property.** The holder shall have in force property insurance for \_\_\_\_\_ in the minimum amount of \_\_\_\_\_ which represents \_\_\_\_\_ of the insured property. The types of loss to be covered by this clause shall include but not be limited damage to Government-owned improvements identified herein. At the sole discretion of the authorized officer, the Forest Service may require the holder to use all proceeds from property damage insurance policies to repair, rebuild, restore, or replace damaged government property covered by the policy, or may obtain payment of those proceeds from the concessionaire or the insurance company.

Depending on the holder's operations, the Forest Service may require the holder to demonstrate the availability of funds to address any release or threatened release of hazardous materials that may occur in connection with the holder's use and occupancy. Any requirements imposed would be established on a case-by-case basis by the authorized officer based on the degree of environmental risk from the holder's operations. The use and storage of normal campground maintenance items in nominal amounts would generally not trigger financial assurance requirements.

**Selection Item 3. If the prospective holder is a federal agency, use the following clause III.I.**

**I. DAMAGE TO NATIONAL FOREST INTERESTS, PROPERTY, OR RESOURCES.** As an agency of the United States, the holder is limited by federal law as to the assumption of liability for its acts or omissions. The holder agrees, within its legal limitations and limitations of appropriations, to be responsible for all damages arising from injury to persons or property associated with the use and occupancy authorized by this permit. The holder further agrees, to the extent legally permissible, to use its appropriations and resources as required to pay any claims and to repair damage to the land within the permit area. This provision is intended to shield the appropriations of the Forest Service from any burdens, other than administrative costs, which may arise in connection with the use and occupancy authorized by this permit.

**J. PERFORMANCE BOND.** The authorized officer may at any time during the term of this permit require the holder to furnish a bond or other security to secure any or all of the obligations imposed by the terms of this permit or any applicable law, regulation, or order. The following terms shall apply if a bond is required.

**1. Amount and Form of Bonding.** As a further guarantee of compliance with the terms of this permit, the holder agrees to deliver and maintain a surety bond or other acceptable security in the amount of #PERF\_BOND\_AMOUNT#. In lieu of a bond, the holder may deposit and maintain in a federal depository cash in the foregoing amount or negotiable securities of the United States having a market value at the time of deposit of at least the foregoing dollar amount.

**2. Sufficiency of Bonding.** The authorized officer may periodically evaluate the adequacy of the bond and increase or decrease the amount as appropriate. Should the bond or other security delivered under this permit become unsatisfactory to the Forest Service, the holder shall within 30 days of demand furnish a new bond or other security issued by a surety that is solvent and satisfactory to the Forest Service.

**3. Remedies.** The bond shall provide that at the Forest Service's sole discretion the surety shall pay the United States for any loss covered by the bond or, in the event of complete default under the permit, shall pay a third party to operate the concession for the balance of the permit term. The bond shall also provide that selection of a third party to operate the site is subject to Forest Service approval. If the holder fails to meet any of the requirements secured under this clause, the Forest Service has the discretion to require the surety to pay the United States for any loss covered by the bond or, in the event of complete default under the permit, to pay a third party to operate the concession for the balance of the permit term, without prejudice to any other rights and remedies of the United States.

**K. SANITATION.** The operation and maintenance of all sanitation and food service systems and facilities shall comply with applicable standards set by state and local health departments.

**L. REFUSE DISPOSAL.** The holder shall comply with all applicable federal, state, and local requirements related to disposal of any refuse resulting from the use and occupancy authorized by this permit.

#### **IV. PERMIT FEES AND ACCOUNTING RECORDS**

**A. PERMIT FEES.** The holder shall pay to the USDA, Forest Service, an annual permit fee for the term of this permit based on the fair market value of the use and occupancy authorized by this permit of \_\_\_\_\_ percent of adjusted gross revenue as defined in clause IV.B. The minimum annual permit fee for the authorized use and occupancy shall be \_\_\_\_\_. If the percentage of gross revenue in a given year is less than the minimum annual permit fee, the holder shall pay the minimum annual permit fee. The holder shall pay the permit fee in advance of the authorized use and occupancy, as provided in clause IV.C. Payments due before commercial operations commence pursuant to clause IV.C.1 are not refundable, except to the extent they are subject to fee offset under clause IV.C.3 and IV.E. The Forest Service may adjust the minimum permit fee every five years from the due date of the first annual payment to make the annual permit fee commensurate with the fair market value of the authorized use and occupancy.

#### **B. DEFINITIONS**

**1. Adjusted Gross Revenue.** Gross revenue plus applicable revenue additions, minus applicable revenue exclusions.

**2. Gross Revenue.** The total amount of receipts from the sale of goods or services provided by the holder or third party under the permit.

**3. Revenue Additions.** The following are added to gross revenue:  
(a) The value of goods and services that are donated or bartered; and

(b) The value of gratuities, which are goods, services, or privileges that are not available to the general public.

**4. Revenue Exclusions.** The following are excluded from gross revenue:

- (a) Amounts paid or payable to a state licensing authority.
- (b) Revenue from the sale of operating equipment and from capitalized or other assets used in authorized operations.
- (c) Refunds of use fees provided to the public by the holder.

**C. PAYMENT SCHEDULE**

**1. Initial Payment.** An initial cash payment representing the portion of the estimated annual permit fee for one month of revenue during the operating season (but not less than \$1,500, unless the total permit fee is less than \$1,500) shall be paid in advance of use each year. This payment is not refundable except to the extent that all or part of the initial cash payment may be offset by the cost of work performed pursuant to a Granger-Thye fee offset agreement as provided in clauses IV.C.3 and IV.E.2.

**USER NOTES FOR CLAUSE IV.C.2**

Select one of the following two clauses based on the total estimated annual permit fee.

**Selection Item 1: Select the following clause where the estimated annual permit fee is less than \$10,000. Revise the payment due dates if the operating season is other than mid-May to mid-September. However, payments must be made at least quarterly. Each payment is due in advance of use.**

**2. Subsequent Payments.** The holder shall report sales, calculate fees due, and make payment in two installments, on \_\_\_\_\_, and on \_\_\_\_\_.

**Selection Item 2: Select the following clause where the estimated annual permit fee is more than \$10,000.**

**2. Subsequent Payments.** The holder shall report sales, calculate fees due, and make payment each month.

**3. Holder-Performed Fee Offset Work.**

**(a) Work in Lieu of Cash Payments.** Notwithstanding clause IV.C.2, the cost of work performed by the holder pursuant to a Granger-Thye fee offset agreement as provided in clause IV.E.2 may be credited in lieu of cash payments against the annual permit fee, provided that the work has been accomplished in accordance with the Granger-Thye fee offset agreement, and has been accepted as completed by the Forest Service before the end of the holder's fiscal year.

In the absence of a current, Granger-Thye fee offset agreement, payment must be made pursuant to clause IV.C.2.

**(b) Documentation of Expenses.** Prior to reimbursement or credit for Granger-Thye fee-offset work, the holder shall submit sufficient documentation to allow the authorized officer to determine that the costs claimed are allocable to the Granger-Thye fee offset agreement, actual, reasonable, and not unallowable.

**4. Final Payment.** The Forest Service shall reconcile annually the actual permit fee against permit fee payments made and credits for fee offset work. The holder shall pay any additional fees owed for the past year's operation within 30 days of billing.

**5. Overpayment.** Overpayment of the permit fee will be reimbursed by the Forest Service only if paid pursuant to clauses IV.C.1 and 2. Credit for offset work pursuant to clause IV.C.3 is limited to the amount of the annual permit fee; expenses will not be reimbursed if they are greater than the annual permit fee.

**D. DOCUMENTATION OF REVENUE.** The holder shall provide documentation of use and revenue for purposes of permit fee verification.

**1. Use and Revenue Data.** The holder shall submit to the authorized officer on a monthly basis use and revenue data covering each week of the operating season. At a minimum, such data shall consist of the number of sites occupied, all extra vehicle charges, the total number of Golden Age and Golden Access Passports honored, the total amount of use fees collected from the public, and the total amount of other types of revenue collected from the public.

**2. Income Statements.** No later than 90 days after the close of the holder's fiscal year, the holder shall submit to the authorized officer a statement of income reporting the results of the holder's annual operations. The statement shall include all adjustments, such as taxes deducted, and shall be broken down by categories of sales.

**E. GRANGER-THYE FEE OFFSET.** Pursuant to 16 U.S.C. 580d, the Forest Service may offset all or part of the permit fee by the amount paid by the holder for renovation, reconditioning, improvement, and maintenance deemed to be the government's responsibility, as defined below, of government-owned improvements and their associated land.

### 1. Definitions

**(a) Maintenance.** Actions taken to keep fixed assets in acceptable condition. Maintenance includes preventive maintenance, normal repairs, replacement of parts and structural components, and other activities needed to preserve a fixed asset so that it continues to provide acceptable service and achieves its expected life. Maintenance includes work needed to meet laws, regulations, codes, and other legal direction as long as the original intent or purpose of the fixed asset is not changed. Maintenance excludes activities aimed at expanding capacity of an asset or otherwise upgrading it to serve needs different from or significantly greater than those originally intended, such as construction of new facilities.

**(b) Improvement.** Advancing a fixed asset to a better quality or state. Improvement includes replacement. Replacement means substitution or exchange of an existing fixed asset or component with one having essentially the same capacity and purpose. Improvement is always the responsibility of the Government rather than the holder.

**(c) Reconditioning or Renovation.** A type of maintenance that rehabilitates an existing fixed asset or any of its components in order to restore the functionality or life of the asset. Reconditioning and renovation do not include construction of new facilities.

**(d) Holder Maintenance, Reconditioning, or Renovation.** 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. Examples include but are not limited to interior decorating, interior painting, vandalism repair, repair of broken windows, light bulb replacement, cleaning, unplugging drains, drive belt replacement, preventive maintenance, lubrication of motors, greasing, servicing, inspecting, oiling, adjusting, tightening, aligning, watering, weeding, sweeping, waxing, refinishing picnic tables, routine housekeeping, and general snow removal. In fulfilling these responsibilities, the holder shall 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.

**(e) Government Maintenance, Reconditioning, Renovation, or Improvement.** Maintenance reconditioning, renovation, or improvement that arrests deterioration, improves and upgrades facilities, and appreciably prolongs the life of the property. Examples include but are not limited to installing a new roof, new floor, or new siding; rebuilding boilers; replacing pipes, pumps, and motors; repairing or maintaining the paths, lands, walks, walls, or landscaping adjacent to other government-owned structures; replacing vault toilets with flush facilities, paving interior roads, upgrading facilities, and installing utilities; and performing exterior painting and refinishing. Exterior painting that repairs unsightly visual marks caused by everyday use does not meet the definition outlined above. 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.

**2. Granger-Thye Fee Offset Agreement.** Before issuance of this permit and before each operating season thereafter, the Forest Service and the holder shall enter into an annual written Granger-Thye fee offset agreement that specifies the government maintenance, reconditioning, renovation and improvement to be used to offset the permit fee. The agreement shall specify whether the concessionaire shall be required or has the option to enter into a collection agreement to have the Forest Service perform the work. The agreement shall enumerate the portion of the permit fee to be offset by the cost of work performed by the holder and the schedule for completion of offset work. Additionally, the agreement shall specify the portion of the permit fee to be offset by the cost of work performed by the Forest Service. The agreement shall specify which projects are to be used for offset that year and shall also include standards for completion of the projects and examples of allowable costs.

**3. Collection Agreements for Forest Service Oversight for Major Government Maintenance, Reconditioning, Renovation, and Improvements Performed by the Holder.** The Forest Service may require the holder to enter into a collection agreement with the Forest Service to pay the cost of a Forest Service employee administering and overseeing major government maintenance, reconditioning, and improvement projects and offset those costs against the holder's annual permit fee. For purposes of this clause only, a major government maintenance, reconditioning, and

improvement project is one costing \_\_\_\_\_ or more. Allowable costs include monitoring to ascertain that work is being done to Forest Service standards. Allowable costs do not include routine permit administration by the Forest Service. If the Forest Service exercises this option, a separate collection agreement shall be executed by the parties and made a part of this permit.

## F. FEE PAYMENT ISSUES

1. **Crediting of Payments.** Payments shall be credited on the date received by the deposit facility, except that if a payment is received on a non-workday, the payment shall not be credited until the next workday.
2. **Disputed Fees.** Fees are due and payable by the due date. No appeal of disputed fees will be considered by the Forest Service without full payment of the disputed amount. Adjustments will be made if dictated by settlement terms or an appeal decision.
3. **Late Payments**
  - (a) **Interest.** Pursuant to 31 U.S.C. 3717 *et seq.*, interest shall be charged on any fee amount not paid within 30 days from the date it became due. The rate of interest assessed shall be the higher of the Prompt Payment Act rate or the rate of the current value of funds to the Treasury (i.e., the Treasury tax and loan account rate), as prescribed and published annually or quarterly by the Secretary of the Treasury in the Federal Register and the Treasury Fiscal Requirements Manual Bulletins. Interest on the principal shall accrue from the date the fee amount is due.
  - (b) **Administrative Costs.** If the account becomes delinquent, administrative costs to cover processing and handling the delinquency shall be assessed.
  - (c) **Penalties.** A penalty of 6% per annum shall be assessed on the total amount that is more than 90 days delinquent and shall accrue from the same date on which interest charges begin to accrue.
  - (d) **Termination for Nonpayment.** This permit shall terminate without the necessity of prior notice and opportunity to comply when any permit fee payment is 90 calendar days from the due date in arrears. The holder shall be responsible for the delinquent fees, as well as any other costs of restoring the site to its original condition, including hazardous waste cleanup.
4. **Administrative Offset and Credit Reporting.** Delinquent fees and other charges associated with the permit shall be subject to all rights and remedies afforded the United States pursuant to 31 U.S.C. 3711 *et seq.* and common law. Delinquencies are subject to any or all of the following:

- (a) Administrative offset of payments due the holder from the Forest Service.
- (b) If in excess of 60 days, referral to the Department of the Treasury for appropriate collection action as provided by 31 U.S.C. 3711(g)(1).
- (c) Offset by the Secretary of the Treasury of any amount due the holder, as provided by 31 U.S.C. 3720 *et seq.*
- (d) Disclosure to consumer or commercial credit reporting agencies.

**G. ACCOUNTING RECORDS AND ACCESS.** The holder shall follow generally accepted accounting principles or other cash basis of accounting in recording financial transactions. When requested by the Forest Service, the holder at its own expense shall have its annual accounting records audited by an independent public accountant acceptable to the Forest Service. The holder shall require any party who has responsibility for any day-to-day activities under clause II.F of this permit to comply with these same requirements. The holder shall make all of the accounting books and supporting records for the business activities authorized by this permit, as well as those of any parties authorized to operate under clause II.F of this permit, available for audit by the Forest Service or other federal agencies authorized to review Forest Service activities. The holder shall retain these records and make them available for review for five years after the end of the year they were generated, unless disposition is otherwise authorized by the Forest Service in writing.

## V. RESOURCE AND IMPROVEMENT PROTECTION

**A. COMPLIANCE WITH ENVIRONMENTAL LAWS.** The holder shall in connection with the use and occupancy authorized by this permit comply with all applicable federal, state, and local environmental laws and regulations,

including but not limited to those established pursuant to the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6901 *et seq.*, the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 *et seq.*, the Oil Pollution Act, as amended, 33 U.S.C. 2701 *et seq.*, the Clean Air Act, as amended, 42 U.S.C. 7401 *et seq.*, the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, 42 U.S.C. 9601 *et seq.*, the Toxic Substances Control Act, as amended, 15 U.S.C. 2601 *et seq.*, the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, 7 U.S.C. 136 *et seq.*, and the Safe Drinking Water Act, as amended, 42 U.S.C. 300f *et seq.*

## **B. WATER SYSTEMS**

1. The holder, as the water supplier and operator of the drinking water system, shall operate the system in compliance with Forest Service Manual (FSM) Chapter 7420, applicable federal, state, and local drinking water laws and all regulations applicable to public and nonpublic drinking water systems. This includes, but is not limited to, renovation, operating and maintaining the system and conducting drinking water testing, maintaining records to demonstrate compliance, and taking the appropriate corrective and follow-up actions in accordance with Appendix F of this permit (Operation of Federally Owned Drinking Water Systems) and federal, state, and any other applicable requirements. The holder shall be able to demonstrate compliance with Appendix F of this permit (Operation of Federally Owned Drinking Water Systems) and all other applicable requirements by maintaining all necessary records. For the purposes of this authorization, public water systems are as defined in the Safe Drinking Water Act, 42 U.S.C. 300f *et seq.*, as amended, and in the National Primary Drinking Water Regulations, 40 CFR Part 141, or by state regulations if more stringent. Requirements under FSM 7420 applicable to the holder are set forth in this section and Appendix F to the permit entitled "Operation of Federally Owned Drinking Water Systems."

2. For federally owned systems, the holder shall notify and consult with the Forest Service within 24 hours or on the next business day after notification by the laboratory of a sample that tests positive for microbiological contamination. The holder shall provide a copy of positive lab test to the Forest Service within one week of receiving the lab result. The holder shall notify the State drinking water program and Forest Service within 48 hours of any failure to comply with a federal or state drinking water requirement and make a written record that the notification occurred and place it in the system's record file. The holder shall notify and consult with the Forest Service within 48 hours of notification of a maximum contaminant level violation or an acute violation. The holder shall respond to the microbial contamination event as specified in Appendix F of this permit (Operation of Federally Owned Drinking Water Systems) and applicable regulations.

3. The holder shall retain all records as required by applicable laws and regulations. The holder agrees to make the records available upon request to the Forest Service and to any other regulatory agency authorized to review Forest Service activities. Copies of microbiological test results for federally owned water systems shall be forwarded monthly to the Forest Service by the 15th of the month following the sampling date. Copies of all other drinking water sample results shall be forwarded to the Forest Service at the end of the operating season. If the operating season is longer than six months in length, copies of sample results must be provided to the Forest Service every six months. The holder shall clearly identify all sample results that violate FSM requirements or state, federal, and local requirements when the copies are submitted. Sample results that violate any of these requirements must have the results of required follow up samples attached. Copies of sample results that violate state requirements must have documentation attached to demonstrate that the state was informed of the violation within 48 hours of the lab notifying the holder of the results. The holder shall surrender all records for a federally owned system to the Forest Service upon permit termination or revocation.

4. For federally owned systems, the holder shall provide the name of the water system operator in writing to the Forest Service and notify the authorized officer within 72 hours of a change in personnel. Operators shall be certified to operate drinking water systems for all water systems classified as community or non-transient noncommunity system or when otherwise required by the state in which the system is located. Records to demonstrate operator certification shall be kept by the holder and made available to Forest Service upon request.

**C. VANDALISM.** The holder shall take reasonable measures to prevent and discourage vandalism and disorderly conduct and when necessary shall contact the appropriate law enforcement officer.

**D. PESTICIDE USE.** Pesticides may not be used to control undesirable woody and herbaceous vegetation, aquatic plants, insects, rodents, trash fish, and other pests and weeds without prior written approval from the authorized officer. A request for approval of planned uses of pesticides shall be submitted annually by the holder on the due date established by the authorized officer. The report shall cover a 12-month period of planned use beginning 3 months after the reporting date. Information essential for review shall be provided in the form specified. Exceptions to this schedule may be allowed, subject to emergency request and approval, only when unexpected outbreaks of pests or weeds require control measures that were not anticipated at the time an annual report was submitted. Only those materials registered by the U.S. Environmental Protection Agency for the specific purpose planned shall be considered for use on

National Forest System lands. Label instructions and all applicable laws and regulations shall be strictly followed in the application of pesticides and disposal of excess materials and containers.

**E. ARCHAEOLOGICAL-PALEONTOLOGICAL DISCOVERIES.** The holder shall immediately notify the authorized officer of any antiquities or other objects of historic or scientific interest, including but not limited to historic or prehistoric ruins, fossils, or artifacts discovered as the result of operations under this permit. The holder shall leave such discoveries intact until authorized to proceed by the authorized officer. Protective and mitigative measures specified by the authorized officer shall be the responsibility of the holder.

**F. PROTECTION OF HABITAT OF ENDANGERED, THREATENED, AND SENSITIVE SPECIES.** Location of areas needing special measures for protection of plants or animals listed as threatened or endangered under the Endangered Species Act (ESA), 16 U.S.C. 531 *et seq.*, as amended, or as sensitive by the Regional Forester under the authority of Forest Service Manual Chapter 2670, derived from ESA Section 7 consultation, may be shown on a separate map, hereby made a part of this permit, or identified on the ground. Protective and mitigative measures specified by the authorized officer shall be the sole responsibility of the holder. If protective measures prove inadequate, if other such areas are discovered, or if new species are listed as federally threatened or endangered or as sensitive by the Regional Forester, the authorized officer may specify additional protection, regardless of when such facts become known. Discovery of such areas by either party shall be promptly reported to the other party.

**G. CONSENT TO STORE HAZARDOUS MATERIALS.** The holder shall not store any hazardous materials at the site without prior written approval from the authorized officer. This approval shall not be unreasonably withheld. If the authorized officer provides approval, this permit shall include, or in the case of approval provided after this permit is issued, shall be amended to include specific terms addressing the storage of hazardous materials, including the specific type of materials to be stored, the volume, the type of storage, and a spill plan. Such terms shall be proposed by the holder and are subject to approval by the authorized officer.

**USER NOTE FOR CLAUSE V.G.**

**<Delete instructions and non-applicable clauses prior to printing>  
Add the clauses below when consenting to store hazardous materials.**

1. If the holder receives consent to store hazardous material, the holder shall identify to the Forest Service any hazardous material to be stored at the site. Such identification information shall be consistent with column (1) of the table of hazardous materials and special provisions given at 49 CFR 172.101 whenever the hazardous material appears in that table. For hazard communication purposes, the holder shall maintain Material Safety Data Sheets for any stored hazardous chemicals, consistent with 29 CFR 1910.1200(c) and (g). 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.

2. The holder shall not release any hazardous material as defined in clause III.F. onto land or into rivers, streams, impoundments, or into natural or man-made channels leading thereto. All prudent and safe attempts must be made to contain any release of these materials. The authorized officer in charge may specify specific conditions that must be met, including conditions more stringent than Federal, State, and local regulations, to prevent releases and protect natural resources.

3. The holder shall immediately notify all appropriate response authorities, including the national Response Center and the Forest Service authorized officer or designated representative, of any oil discharge or of the release of a hazardous substance at the site in an amount greater than or equal to its reportable quantity, in accordance with 33 CFR part 153, subpart B, and 40 CFR 302. For the purposes of this requirement, "oil" is as defined by section 311(a)(1) of the Clean Water Act, 33 U.S.C. 1321(a)(1). The holder shall immediately notify the Forest Service designated representative upon knowledge of any release [or threatened release] of any hazardous material at or in the vicinity of the permit area which may be harmful to public health or welfare or which may adversely affect natural resources under the management authority of the United States.

**H. CLEANUP AND REMEDIATION.** Except with respect to any federally permitted release as that term is defined under Section 101(10) of CERCLA, 42 U.S.C. 9601(10), the holder shall clean up or otherwise remediate any release, threat of release, or discharge of hazardous materials that occurs either on site or in connection with the holder's activities, whether or not those activities are authorized under this permit. The holder shall perform cleanup or remediation immediately upon discovery of the release, threat of release, or discharge of hazardous materials. The holder shall perform the cleanup or remediation to the satisfaction of the authorized officer and at no expense to the United States. Upon revocation or termination of this permit, the holder shall deliver the site to the Forest Service free and clear of contamination.

**I. CERTIFICATION UPON REVOCATION OR TERMINATION.** If the holder uses or stores hazardous materials at the site, upon revocation or termination of this permit the holder shall provide the Forest Service with a report certified by a professional or professionals acceptable to the Forest Service that the site covered by this permit is uncontaminated by the presence of hazardous materials and that there has not been a release or discharge of hazardous materials upon the site, into surface water at or near the site, or into groundwater below the site during the term of the permit. If a release or discharge has occurred, the professional or professionals shall document and certify that the release or discharge has been fully remediated and that the site is in compliance with all federal, state, and local laws and regulations.

## **VI. REVOCATION, SUSPENSION, AND TERMINATION**

**A. REVOCATION AND SUSPENSION.** The Forest Service may suspend or revoke this permit in whole or in part:

1. For noncompliance with federal, state, or local laws and regulations.
2. For noncompliance with the terms of this permit.
3. For failure of the holder to exercise the privileges granted by this permit;
4. With the consent of the holder; or
5. At the discretion of the authorized officer, for specific and compelling reasons in the public interest.

**B. OPPORTUNITY TO TAKE CORRECTIVE ACTION.** Prior to revocation or suspension under clause VI.A, the authorized officer shall give the holder written notice of the grounds for the action to be taken and a reasonable time, not to exceed 30 days, to complete corrective action prescribed by the authorized officer.

**C. IMMEDIATE SUSPENSION.** The authorized officer may immediately suspend this permit in whole or in part when necessary to protect public health or safety or the environment. The suspension decision must be in writing. Within 48 hours of the request of the holder, the superior of the authorized officer shall arrange for an on-the-ground review of the adverse conditions with the holder. Following this review the superior shall take prompt action to affirm, modify, or cancel the suspension.

**D. APPEALS AND REMEDIES.** Any written decisions by the authorized officer relating to administration of this permit are subject to the administrative appeal regulations at 36 CFR Part 251, Subpart C, or revisions thereto. Revocation or suspension of this permit shall not give rise to any claim for damages by the holder against the Forest Service.

**E. TERMINATION.** This permit shall terminate when by its terms a fixed or agreed upon condition, event, or time occurs without any action by the authorized officer. Examples include but are not limited to expiration of the permit by its terms on a specified date and termination upon change of control of the business entity. Termination of this permit is not subject to administrative appeal.

## **VII. MISCELLANEOUS PROVISIONS**

**A. REGULATING SERVICES AND RATES.** The Forest Service reserves the right to regulate the adequacy, type, and price of services provided to the public and to require that these services conform to satisfactory standards. The holder may be required to furnish a schedule of prices for sales and services authorized by this permit. Such prices and services may be regulated by the Forest Service, provided that the holder shall not be required to charge prices significantly different from those charged by comparable or competing businesses.

**B. ADVERTISING.** The holder orally and in advertisements, signs, circulars, brochures, letterheads, and other materials shall not misrepresent in any way the accommodations or services provided or the status of the permit or permit area. The fact that the permit area is located on the \_\_\_\_\_ National Forest shall be made readily apparent in all the holder's brochures and print advertising regarding use of the permit area.

**C. CURRENT ADDRESSES.** The holder and the Forest Service shall keep each other informed of current mailing addresses, including those necessary for payment of fees.

**D. HOLDER REPRESENTATIVE.** The holder or a designated representative shall be present on the premises at all times when the facilities are open to the public. The holder shall notify the authorized officer in writing as to who the representative will be.

**E. LIQUOR SALES PROHIBITED.** The sale of liquors or other intoxicating beverages is prohibited in the permit area.

**F. GAMBLING.** Gambling or gambling devices shall not be permitted on National Forest System lands, regardless of whether gambling or gambling devices are lawful under state or local law.

**G. FIREWORKS.** The sale of fireworks is prohibited on land covered by this permit. Possession or use of fireworks on land covered by this permit is also prohibited without prior written approval from the authorized officer.

**H. DISORDERLY CONDUCT.** Disorderly or otherwise objectionable conduct by the holder or those occupying the premises with the holder's permission shall upon proof thereof be cause for revocation of this permit.

**I. SERVICES NOT PROVIDED.** This permit does not provide for the furnishing of road maintenance, water, fire protection, or any other such service by a government agency, utility, association, or individual.

**J. MEMBERS OF CONGRESS.** No member of or delegate to Congress or resident commissioner shall benefit from this permit either directly or indirectly, except to the extent the authorized use provides a general benefit to a corporation.

**K. SUPERIOR CLAUSES.** In the event of any conflict between any of the preceding printed clauses and any subsequent clauses or provisions in the appendices attached to this permit, the preceding printed clauses shall control.

#INSERT TERM HERE#

<<Use this signature page for individual(s) and all non-corporate entities. Ensure all user notes are deleted prior to printing>>

This permit is accepted subject to all its terms and conditions.

HOLDER: \_\_\_\_\_

U.S. DEPARTMENT OF AGRICULTURE  
Forest Service

By: \_\_\_\_\_  
\_\_\_\_\_  
(Title)

By: \_\_\_\_\_  
(Authorized Officer)

Date: \_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

**[Attach annual operating plan, annual Granger-Thye fee offset agreement, holder maintenance and reconditioning plan, recreation site maps, facility and improvement inventory, "Operation of Federally Owned Drinking Water Systems," and any other appendices.]**

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 975-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.

<<Use this signature block for corporations.>>  
This permit is accepted subject to all its terms and conditions.

Date: \_\_\_\_\_

CORPORATE NAME:

(CORPORATE SEAL)

By: \_\_\_\_\_

(Vice) President

ATTEST: \_\_\_\_\_

(Assistant) Secretary

The following certificate shall be executed by the Secretary or Assistant Secretary of the corporation:

I, \_\_\_\_\_, certify that I am the \_\_\_\_\_ Secretary of the corporation that executed this permit; that \_\_\_\_\_, who signed this permit on behalf of \_\_\_\_\_ was then \_\_\_\_\_ of that corporation; that I know his/her signature; that his/her signature on this permit is genuine; and that this permit was signed, sealed, and attested to on behalf of \_\_\_\_\_ by authority of its board of directors.

(CORPORATE SEAL)

\_\_\_\_\_  
(Assistant) Secretary

U.S. DEPARTMENT OF AGRICULTURE  
Forest Service

By: \_\_\_\_\_  
(Authorized Officer)

Date: \_\_\_\_\_

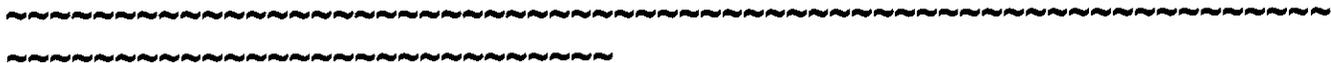
**[Attach annual operating plan, annual Granger-Thye fee offset agreement, holder maintenance and reconditioning plan, recreation site maps, facility and improvement inventory, "Operation of Federally Owned Drinking Water Systems," and any other appendices.]**

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# APPENDIX F :

## OPERATION OF FEDERALLY OWNED DRINKING WATER SYSTEMS

### I. INTRODUCTION

The requirements set forth in this Appendix pertain to holders of Forest Service special use permits that authorize the holder to operate federally owned drinking water systems. This includes special use permits authorized under the Granger-Thye Act, 16 U.S.C. § 580d.

The requirements set forth below are derived from Chapter 7420 of the Forest Service Manual (FSM), which describes the Forest Service Drinking Water Program. The objective of the Forest Service Drinking Water Program is to protect the health of the public and Forest Service personnel by ensuring that water provided by the Forest Service for human consumption is safe and protected. Where this objective cannot be met, the Forest Service policy is to make such waters unavailable for human consumption. "Human consumption" includes the use of water for drinking, food preparation, dishwashing, oral hygiene, or bathing/showering.

When a permit holder operates federally owned water systems, both the Forest Service and the permit holder are considered suppliers of the water. Therefore, permit holders authorized to operate federally owned water systems must operate and maintain the systems to meet the objective and policy of the Forest Service Drinking Water Program. Failure to operate these drinking water systems accordingly may result in revocation of the permit.

In addition to fulfilling the requirements set forth below, permit holders operating federally owned water systems must comply with all applicable federal, State, interstate, and local requirements applicable to drinking water systems, and must follow the Operation and Maintenance Plan developed in conjunction with the Forest Service to address the specific system(s).

Nothing in this Appendix should be interpreted as diminishing any obligation imposed by federal, State, interstate, or local authority.

### II. APPLICABLE DEFINITIONS

**A. Average Daily Population (ADP).** For classification purposes, the sum of the daily transient and daily resident population served or having access to the drinking water system, per month, divided by the days of the month. Where actual or sample counts are not available at recreation sites, determine ADP by multiplying Persons-At-One-Time (PAOT) by the percentage of site use where PAOT equals four people per site.

**B. Condition Survey.** An onsite review of the facilities, equipment, and operation and maintenance of the a drinking water system to evaluate the adequacy of those elements for producing and distributing safe drinking water and meeting FSM and regulatory requirements. Condition surveys are an integral part of the sanitary surveys and serve as a supplement to the last current sanitary survey.

**C. Confluent Growth.** A continuous bacterial growth covering the entire filtration area of a membrane filter, or a portion thereof, in which bacterial colonies are not discrete. This does not necessarily include coliform growth. Non-coliform growth is often called heterotrophic growth.

**D. Drinking Water System.** A system for providing water suitable for human consumption via service connections (including handpump wells).

**E. Human Consumption.** Use of water for drinking, food preparation, dishwashing, oral hygiene, or bathing/showering.

**F. Maximum Contaminant Level (MCL).** As defined by federal, State, or local law, but generally: The maximum permissible level of a contaminant in water which is delivered to any user of a public water system.

**G. Non-Public Water System.** A system not meeting the public water system definition. A non-public water system is subdivided into the following categories:

**Non-Public, Non-Transient (NPNT).** A system serving less than 25 year-round residents or serving less than

25 of the same persons ADP more than 180 days per year (for example, some housing sites).

**Non-Public, Transient (NPT).** A system serving less than 25 individuals ADP and not meeting the requirements of NPNT water system (for example, some smaller recreation sites).

**H Population Served.** The holder shall use the drinking water system classification provided by the authorized officer to determine the system class and applicable FSM Chapter 7420 and state, federal, and local regulatory requirements.

**I. Public Water System.** As defined in the Safe Drinking Water Act, 42 U.S.C. § 300f *et seq.*, as amended, and in the National Primary Drinking Water Regulations, 40 CFR Part 141, or by State or local regulation if more stringent.

**J. Repeat Samples.** A set of samples taken when a routine sample is total coliform-positive or when a repeat sample is total coliform-positive. Repeat samples shall be collected within 24 hours of notification of a positive result.

**K. Routine Sample.** A sample that is representative of the water throughout the distribution system, taken by properly trained personnel on a routine basis when the system is operational, used to determine the microbial quality of the water.

**L. Sanitary Survey.** As defined by applicable Federal, State, or local regulations, but generally: An onsite review performed by the State or qualified Forest Service engineer of the water source, facilities, equipment, operation, and maintenance of a public water system for the purpose of evaluating the adequacy of the source, facilities, equipment, operation, and maintenance for the purpose of ensuring the distribution of safe drinking water.

**M. Service Connection.** The structure by which drinking water is conveyed from the distribution system to the user. Examples of service connections include: an individual building (residence, crew quarters, office, or mobile home -- not including utility hose bibs stubbed from building plumbing); a building exterior drinking fountain provided for public use; an individual yard or campground hydrant; a handpump on a well.

**N. Special Sample.** A sample collected to determine the success of corrective actions. Special samples may also be taken to determine whether seasonal systems are ready to be opened, or whether disinfection practices are sufficient following pipe or tank repair or replacement. Special samples must be marked as such when sent in to the laboratory for analysis.

### **III. Requirements for Operating Federally Owned Drinking Water Systems**

**A. Compliance With Applicable Standards.** All federally owned public water systems shall comply with the requirements of Appendix F of this permit (Operation of Federally Owned Drinking Water Systems), the Safe Drinking Water Act, 42 U.S.C. § 300f *et seq.*; the National Primary Drinking Water Regulations (NPDWR), 40 CFR 141; the National Secondary Drinking Water Regulations (NSDWR), 40 CFR 143; any other applicable federal law; and applicable State, interstate, and local requirements, in addition to the standards stated in this document.

Federally owned non-public water systems shall conform to Appendix F of this permit (Operation of Federally Owned Drinking Water Systems) which requires monthly total coliform sampling for non-public systems, among other requirements and to any federal, State, interstate, and local requirements that may apply.

**B. Classification.** All drinking water systems are classified by the Forest Service as either public water systems or non-public water systems. Public water systems shall be further classified in accordance with federal, state, or local requirements (e.g., "community" or "non-community," and so on). Non-public water systems shall be further classified as NPNT or NPT. The regulatory authorities and the Forest Service are responsible for making the final determination of how a water system is classified.

**C. Certified Water System Operators.** All personnel operating and testing water systems shall be certified as required by federal, State, and local regulations. The permit holder shall provide the name of the water system operator in writing to the Forest Service and notify the authorized officer within 72 hours of a change in personnel.

**D. Initial Survey.** Sanitary surveys shall be performed and documented for a new drinking water supply source and system before it becomes available for public use. If deficiencies are found, the Forest Supervisor shall approve a corrective action plan prepared to address the deficiencies, and the system may not be used until corrective action is completed and is demonstrated to have corrected any deficiencies.

**Subsequent Sanitary Surveys.** Sanitary surveys shall be conducted on all systems in accordance with applicable

State regulations, or more frequently if there are recurring deficiencies. The Forest Service shall conduct regularly scheduled sanitary surveys and the holder shall assist the Forest Service by providing laboratory test results, locating components at the site, operating valves and equipment. However, the permit holder is responsible for coordinating with the Forest Service to ensure that additional sanitary surveys are performed as required in the event of system violations, in accordance with the required follow-up actions set forth below.

**E. Condition Surveys.** The permit holder shall coordinate with the Forest Service to ensure performance of condition surveys. Condition surveys must be performed whenever:

1. Routine bacteriological analysis indicates, and a bacteriological repeat sample confirms, that coliform bacteria exist.
2. A seasonal system is opened for the season.
3. There is a significant event or change in conditions that may affect the supply or system (e.g., a significant earthquake).

**F. Treatment and Disinfection.** Drinking water systems having surface water sources or groundwater sources under the direct influence of surface water shall be disinfected and filtered in accordance with federal, State, and local regulations. Direct influence of surface water for individual sources shall be determined by the State and/or qualified Forest Service Engineer. The determination is typically based on State criteria which may include site-specific measurements of water quality and/or documentation of source construction, characteristics and geology.

Water systems utilizing ground water sources not under the direct influence of surface water shall be disinfected if there is a history of microbiological contamination or when a condition or sanitary survey determines that microbiological contamination could occur, or as required by other applicable law.

The permit holder is responsible for ensuring that water systems are disinfected and treated as required. The permit holder is responsible for operating and monitoring any treatment and disinfection system installed by the Forest Service, and for notifying the Forest Service in the event of any treatment system malfunction.

**G. Sampling, Monitoring, and Follow-up Actions.** As indicated above. The permit holder shall institute a drinking water monitoring program according to Appendix F (Operation of Federally Owned Drinking Water Systems) NPDWR, NSDWR, and State and local regulations to monitor the level of primary and secondary contaminants in the water system and take appropriate follow-up actions.

The permit holder shall consult with the Forest Service to develop a written sample siting plan for each public and non-public water system. The siting plan should be designed to ensure that the system is routinely sampled at varied representative locations and that contamination in any portion of the distribution system is eventually detected.

Testing laboratories must be EPA and/or State approved. Samples shall be collected and handled in compliance with laboratory requirements. The Forest Service authorized officer shall approve of the manner in which the laboratory notifies the permit holder of violations. The Forest Service requires that the laboratory notify the authorized officer of violations directly. The holder is responsible for providing the name and address of the authorized officer to ensure the laboratory sends copies of samples results that indicate violation to the Forest Service. The laboratory should be able to report results immediately if a test result is total or fecal coliform positive.

The Forest Service imposes additional sampling, monitoring, and follow-up actions, set forth below, per the requirements of FSM Chapter 7420 and Appendix F (Operation of Federally Owned Drinking Water Systems).

1. **(a) Routine Sampling for All Systems.** The permit holder shall perform microbiological testing for total coliform bacteria at a minimum of one routine sample per month for every full or partial calendar month of operation, for all systems. Each handpump should be considered a separate water system.

Microbiological sampling shall be conducted every month. Samples should be taken at approximately 30-day intervals. Samples shall be taken early in the month to allow sufficient time for follow-up samples to be taken. A higher frequency of routine sampling may be required for public water systems by NPDWR and State regulation.

The permit holder shall notify and consult with the Forest Service within 24 hours or on the next business day after notification by the laboratory of a sample that tests positive for microbiological contamination. The permit holder shall notify and consult with the Forest Service within 48 hours of notification of a MCL violation or an acute violation.

(b) **Special Samples for All Systems.** At least one special sample shall be taken and shall test total coliform negative before that system may be opened. Special samples do not count in determining MCL violations or in meeting the monthly sampling requirements.

(c) **Microbiological Contaminant Monitoring for Non-Public Water Systems.** The permit holder shall monitor non-public water systems for microbial contamination in the same manner as is required in the Forest Service Manual Chapter 7420 for non-community public systems and any federal, State, and local regulations (except for reporting to the regulatory agency). In addition to federal and State requirements, the permit holder shall take the appropriate follow-up actions as described in **Exhibit 1** of this document whenever a routine sample tests total coliform positive.

2. **Disinfectant Residuals Monitoring for All Systems.** The permit holder shall perform residual disinfectant monitoring in accordance with federal, State, and local regulations for all public systems requiring disinfection, and shall monitor and take follow-up action for non-public systems requiring disinfection in the same manner (except for reporting to regulatory agencies).

3. **Turbidity Monitoring.** The permit holder shall perform turbidity monitoring and follow-up in compliance with federal, State, and local regulations for all public systems, and also for non-public systems using surface water sources ground water sources determined to be under the direct influence of surface water, and for any systems designated by the State.

4. **Additional Monitoring of Primary and Secondary Contaminants, Regulated and Unregulated Organic and Inorganic Chemicals, and Other Contaminants.** All public water systems are required to be monitored for primary and secondary contaminants in accordance with the NPDWR, NSDWR, and applicable State and local regulations. Comply with federal, State, and local monitoring schedules for all contaminants in public systems.

Additionally, the permit holder shall perform one baseline sampling, as a minimum, for the primary and secondary contaminants shown in **Exhibit 2** of this document on all non-public systems and public transient non-community systems. For new systems, conduct the sampling and analyses before opening the system. If the one-time test results exceed the MCL established for public systems, perform follow-up monitoring and take action in accordance with the regulations applicable to public water systems (except for reporting to the regulatory agency).

5. **Radioactivity.** At a minimum, perform radionuclide monitoring on public community and public non-transient, non-community water systems in accordance with the federal, State, and local standards.

H. **Record-Keeping.** The permit holder shall establish a permanent file for each drinking water system including all test results, corrective actions taken, documentation that the state and Forest service were notified within 48 hours of a known violation, and annual condition surveys. The permit holder shall maintain original documents of records as required by 40 CFR 141.33 and applicable State and local regulations. The permit holder shall maintain original documents of records pertaining to additional requirements imposed by the Forest Service for public and non-public water systems in a comparable fashion.

The permit holder shall forward copies of microbiological test results for federally owned water systems to the Forest Service by the 15<sup>th</sup> of the month following the sampling date. Copies of other required records for federally owned systems shall be forwarded annually to the Forest Service within 15 days of the end of the operating season for seasonal sites or within 15 days of the end of the calendar year for year-round operations. The holder shall surrender all records for a federally owned system to the Forest Service upon permit termination or revocation.

I. **Infeasibility.** Where compliance with any applicable standard is physically infeasible, such as in certain wilderness areas, cross-country trails, or roadside springs, in addition to coordinating with the Forest Service to secure any necessary variances or exemptions to ensure compliance with the law, the holder shall keep such water sources in an undeveloped condition indicating the water source is unprotected. When providing the public with information about these water sources through trail guides, brochures, maps, etc., the permit holder shall include a warning statement as to potability of undeveloped water sources. Undeveloped water sources shall not be identified on such information in a way that may mislead users into believing the water is protected and safe. The permit holder shall take any additional measures to protect the public as are required by Federal, State, or local law with regard to such water sources.

**J. Range and Wildlife Water Systems.** The requirements stated herein should not be applied to range or wildlife water systems if their design and construction features clearly indicate that they are not for human use. However, if range or wildlife water systems are an integral part of a drinking water system, such integral parts shall meet the requirements for drinking water. The Forest Service and/or State shall make the final determination of which water systems must be treated as water systems that supply water for human consumption.

**K. Hoses and Similar Equipment.** Hoses that convey drinking water shall have a smooth interior surface made of food-grade standard materials. The permit holder shall keep pumps, hoses, fittings, valves, and similar equipment in a manner which prevents contamination, and shall keep them closed or capped when not in use.

### **Exhibit 1**

#### **Follow-up Actions for Microbiological Sampling**

**A. Public Systems.** Whenever a routine sample result is total coliform-positive, take follow-up action as required by federal, State, and local regulation, but at a minimum take a set of four repeat samples within 24 hours of notification by the lab. Take the samples at locations as directed by law, in accordance with the sample siting plan, and as follows:

1. One at the same tap where the contamination occurred.
2. One at a downstream tap.
3. One at an upstream tap.
4. One within five service connections of the original sample.

If a system has only one service connection (such as a handpump), sample according to applicable law, but at a minimum collect a single 400 milliliter sample.

In addition, take follow-up action as indicated in the chart and instructions below within 24 hours, based on the results of repeat sampling.

For any routine sample that is total coliform-positive, perform a minimum of five routine samples during the next month the system is open.

**B. Non-Public Systems.** Whenever a routine sample result is total coliform positive, take one repeat sample within 24 hours of notification of the result.

In addition, take follow-up action as indicated in the chart and instructions below within 24 hours, based on the results of repeat sampling.

**C. All Systems.** Temporary closure of a water system for the purpose of performing corrective action or seasonal closure does not relieve the responsibility for compliance with repeat sampling, additional routine sampling, reporting to EPA or the State, and public notification as set forth in the federal, State, and local regulations.

At sites with water-carried sewage systems, if follow-up action is to close the system, the toilet supply may be left open if all points of drinking, including sinks and showers, can be isolated and shut off. Otherwise, shut off the entire system.

In the case of a waterborne disease outbreak at a federally owned water system, close the system, contact the Forest Service and the State for special provisions for public notification and monitoring, and take whatever additional measures the law requires.

#### **Follow-up Actions for Microbiological Sampling**

Based on the results of the repeat sampling, initiate the appropriate follow-up actions within 24 hours:

**SAMPLE RESULT**

ROUTINE SAMPLE	REPEAT SAMPLE	MCL VIOLATION	ACUTE VIOLATION	FOLLOW-UP ACTION
TC-	None	No	No	None. Quality Satisfactory.
TC+ FC-/EC-	TC-	No	No	Public systems must have five routine samples taken the next month the system is open.
TC+ FC-/EC-	TC+ FC-/EC-	Yes	No	See Action 1 (below).
TC+ FC-/EC-	TC+ FC+/EC+	Yes	Yes	See Action 2.
TC+ FC+/EC-	TC-	No	No	Public systems must have five routine samples taken the next month the system is open.
TC+ FC+/EC+	TC+ FC-/EC-	Yes	Yes	See Action 2.
TC+ FC+/EC+	TC+ FC+/EC+	Yes	Yes	See Action 2.
Confluent Growth	See Action 3	No	No	See Action 3.

TC = Total Coliform

EC = E. Coli

FC = Fecal Coliform

**ACTION 1: MCL VIOLATION**

**A. All Systems.** Search for the source of the contamination by having a condition survey done. Take corrective action when the source of contamination is found. Take daily special samples until two consecutive special samples are TC negative. If three samples are TC positive, close the system. Open the system only after the problem has been corrected and two consecutive daily special samples are TC negative.

Notify users according to appropriate State or NPDWR notification procedures including: posting, hand delivery, or media (newspaper, radio, or television), depending on the classification of the system and corresponding State direction. For non-public systems where State or EPA regulations have not established public notification procedures, notify users as soon as possible but always within 14 days by posting signs at the facility, visitor information site, etc. For systems serving residential populations, make notification by letter, in addition to posting signs.

**B. Public Systems.** Notify, consult, and coordinate with the State within the time period required by law after notification of the positive result. Take five routine samples the next month the system is open.

**ACTION 2: ACUTE VIOLATION**

**A. All systems.** Close the water system. At sites with water-carried sewage systems, the toilet supply may be left open if all points of drinking, including showers and sinks, can be isolated and shut off. Otherwise, shut off the entire system. Search for the source of contamination by having a condition survey done. Take corrective action when the source is found. Open the system only after the problem has been corrected and two consecutive daily special samples are TC negative.

Notify users according to appropriate State or NPDWR notification procedures including: posting, hand delivery, or media (newspaper, radio or television), depending on the classification of the system and corresponding State direction. For non-public systems where State or EPA regulations have not established public notification procedures, notify users as soon as possible but always within 72 hours by posting signs at the facility, visitor information site, etc. For systems serving residential populations, make notification by letter, in addition to posting signs.

**B. Public Systems.** Notify, consult, and coordinate with the State within the time period required by law after notification of the positive result. Take five routine samples the next month the system is open.

**ACTION 3: CONFLUENT GROWTH.** Take another routine sample at the same location within 24 hours of being notified of the result. If the second sample has confluent growth, search for the cause and correct it. Continue sampling until a valid sample is obtained. If the valid sample is TC positive, take follow-up actions as required by law and as outlined above.

**Exhibit 2**

Primary and Secondary Contaminants

**PRIMARY CONTAMINANTS**

Arsenic  
Barium  
Cadmium  
Chromium  
Fluoride  
Lead  
Mercury  
Nitrate  
Nitrite  
Selenium  
Sodium

**SECONDARY CONTAMINANTS**

Aluminum  
Chloride  
Color  
Copper  
Foaming Agents (Surfactants)  
Iron  
Manganese  
Odor  
pH  
Silver  
Sulfate  
Total Dissolved Solids  
Zinc

Whenever the maximum contaminant is exceeded, analyze a repeat sample for confirmation of the test results. Judge the acceptability of the water quality using the MCLs established in the NPDWR and NSDWR. These MCLs shall apply to both public and non-public systems.

For both public and non-public systems serving residential populations, correct any deficiency in water quality that would result in noncompliance with federal, State, and local regulations for public water systems. Report any system with a contaminant in excess of established MCLs to the Forest Service for review on a case-by-case basis.

For public systems, send sampling results to the State and follow the applicable public notification requirements if there is an MCL violation. For non-public water systems, follow the public notification requirements applicable to public non-community systems if contaminants exceed the MCL levels.

Authorization ID [redacted]  
Contact ID [redacted]  
Expiration [redacted]

**APPENDIX B  
ANNUAL GRANGER THYE FEE OFFSET AGREEMENT  
SPECIAL USE PERMIT  
For Campground and Related Granger-Thye Concessions  
AUTHORITY: Section 7 of the Granger-Thye Act, 16 U.S.C. 580d  
<Reference FSH 2709.11 chapter 50>**

This Annual Granger-Thye (GT) Fee Offset Agreement is made by [redacted] (the Holder) and the U.S. Department of Agriculture, Forest Service, [redacted] National Forest (the Forest Service), under section 7 of the G-T Act, 16 U.S.C. 580d, and clause IV.E of the special-use permit issued to the holder on [redacted] (the permit).

The total estimated annual permit fee is [redacted]. [redacted] percent of that permit fee may be offset by the cost incurred by the Holder for the Government maintenance, reconditioning, renovation, or improvement (MRR) projects listed below in accordance with this agreement. Additionally, [redacted] percent of that fee may be offset by the cost incurred by the Forest Service for the Government MRR projects under a separate collection agreement. Projects to be performed by the Holder shall be completed by the date specified and within the Holder's fiscal year for the year the fee is due. The Forest Service may modify the projects and dates as necessary, after consultation with the Holder.

The actual cost of each project that is satisfactorily completed as determined by the Forest Service may be offset against the holder's permit fee. Due dates and cost estimates for completion of each project are enumerated below. Examples of allowable costs include salaries and wages, materials and supplies, and subcontracts that are direct costs of a G-T fee offset project and indirect costs based on an approved indirect cost rate. The total cost for Government MRR projects to be performed under this agreement shall not exceed the annual fee.

Upon a determination by the Forest Service that a project has been satisfactorily completed by the holder, the holder shall submit documentation of its actual cost to the Forest Service and shall certify that the representations in that documentation are accurate and complete. The certification shall be signed and dated, and shall state that failure to sign the certification shall vitiate the fee offset claim. The Forest Service shall verify that documentation before giving any credit against the holder's permit fee, and reserves the right not to grant any fee offset if any of the representations in the documentation is inaccurate or incomplete.

The Holder shall perform the work itemized below under this agreement.

Description of Project	Due Date	Estimated cost	Completion Date	Actual Cost
[itemize projects]				

Signed: \_\_\_\_\_  
Holder or Holder's Agent

\_\_\_\_\_ Date

Signed: \_\_\_\_\_  
Authorized Officer

\_\_\_\_\_ Date

### **Burden Statement**

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082. The time required to complete this information collection is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 975-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.

# APPENDIX 12

	<b>Sample Government M&amp;R Projects</b>

<b>Project</b>	<b>Estimated Cost</b>
Replace deteriorated entrance/fee station bulletin boards and supporting structures per FS specifications (5 panels).	\$1,125
Replace campground information orientation sign at entrance/fee station with fiberglass-embedded signs per FS design and specifications. FS will provide camera-ready design.	2,500
Rehabilitate trails accessing Campsites 8, 9, and 10.	825
Install Class 6 rock rip-rap for erosion control at end of and along parking spur at Campsite 21.	1,320
Convert Campsites 20 and 21 into a two-family, accessible campsite per FS specifications. Relocate one table and one pedestal grill. Level pad at Campsite 21. Construct accessible route to site, and sign as accessible.	1,335
Relocate Campsite 32 to shady area. Replace table, fire ring, and pedestal grill with accessible furnishings. Level campsite, and construct accessible route.	1,135
Replace double gate on main road to upper loops.	1,500
Remove post-and-rail barrier in parking spur for Campsite 59 and rock spur.	250
Replace existing grills with accessible pedestal grills at Campsites 26, 29, 44, 47-53, and 58.	1,800
Replace rip-rap and culvert at washed-out road near Campsite 6.	1,000
Level ground around fire rings, pedestal grills, and table pads at 22 campsites.	2,400
Replace worn-out group cooking stoves and grills with group pedestal grills at Group Campsites 1, 2, and 3.	2,700
Repair and/or replace three wash racks (one per group campsite) with drainage sumps for improved sanitation.	3,300
Remove existing pit toilet and replace with single-unit, accessible SST.	13,000



File Code: 2720/6500

Date: July 11, 2002

Route To:

Subject: Indirect Cost Reimbursement in Granger-Thye Permits

To: Regional Foresters

**Issue.** At the request of the National Forest Recreation Association (NFRA) we have evaluated how the Forest Service reimburses the indirect costs of permit holders who perform Granger-Thye (GT) fee offset work. Holders are concerned that forests are inconsistent on whether and how indirect costs are allowed and what documentation is necessary to support a claim for indirect costs.

**Background.** Under Section 7 of the GT Act, and when authorized by a permit and GT fee offset agreement (GT agreement), the Forest Service offsets all or part of the permit fee paid by campground concessionaires with the cost of Government renovation, reconditioning, improvement, and maintenance performed at the concessionaire's expense on facilities covered by the permit. When the holder performs the work, it is authorized by an attachment to the permit called a GT fee offset agreement. Alternatively, the Forest Service may enter into a collection agreement as authorized by Section 5 of the GT Act to perform work eligible for fee offset under Section 7.

**Historical Practice.** Typically the field has offset the holder's direct costs for approved offset work, but reimbursement for the holder's indirect costs has varied. Approaches have included limiting indirect costs to a maximum of 5 percent or 10 percent of the fee to be offset, limiting the type of indirect costs to be reimbursed, or reimbursement of a flat overhead rate without documentation. Review of this issue has shown that these methods are not appropriate, because holders should be reimbursed actual costs. There is a misconception among employees and holders that the Forest Service can reimburse a flat indirect cost rate without documentation. There is often disagreement between forests and holders about what costs may be reimbursed.

**Comparison.** The Office of Management and Budget (OMB) has issued circulars to guide cost reimbursement for several types of business entities, including Circular A-87 for State and Local Governments and Circular A-122 for Non-Profit Organizations. The Federal Acquisition Regulation (FAR) Part 31 guides cost reimbursement for Commercial (For-Profit) Entities. We evaluated how cost reimbursement is conducted in other agency programs. Regulations at 7 CFR 3019.27 were updated in August 2000 to address the determination of allowable costs for grants and agreements in conformance with applicable OMB circulars. FSH 1509.11, Chapter 70, provides that administration of costs in grants and agreements for commercial entities is subject to FAR Part 31, Contract Cost Principles and Procedures. Adopting these cost standards for GT offset will create consistency among the program areas of special uses, contracting, and grants and agreements and conform to OMB guidance.



**Conclusion.** Offset of indirect costs is appropriate. Indirect costs are a customary charge in contracting and grants and agreements and should be eligible for offset under GT agreements. The following guidance applies to reimbursement of actual costs to commercial entities holding GT permits. The guidance (enclosed) is excerpted from FAR Part 31 and 48 CFR Part 9904 but has been tailored to address GT agreements. A simplified process for small concessions is included at the end of the document. Cost principles for non-profit entities and state or local governmental entities are not addressed. The guidance does not address the reimbursement of agency indirect costs. When the Forest Service performs the work, agency indirect costs will be assessed in accordance with FSH 1509.11, Chapter 33 and indirect cost rates established nationally (e.g., the FY2002 rate is 18 percent).

**Implementation.**

Before the holder's indirect costs may be offset under a GT agreement, the holder must submit its indirect cost rate and supporting documentation for approval. Determination of an indirect cost rate should comply with the Cost Accounting Standards (CAS) and this guidance. When claiming cost reimbursement, the holder must certify that costs claimed comply with this guidance. Indirect costs based on approved Indirect Cost Allocation Rates (ICAR) should be reimbursed starting with 2002 permit fees. This advice for reimbursement of indirect costs is not retroactive to prior year permit fees.

For New Permits: Applicants must disclose accounting procedures and historic indirect cost allocation rates in response to a prospectus.

For Existing Permits: Holders must submit their ICAR to the authorized officer. Because the ICAR will be the same for all permits held by a specific company, it is recommended that the regional external auditor review and approve the rate. Regional auditors should coordinate the review for companies operating in more than one region.

/S/ TAMARA L. HANAN

/S/ DAVID G. HOLLAND

DAVID G. HOLLAND  
Director, Recreation, Heritage,  
and Wilderness Resources  
cc: Carolyn Holbrook

TAMARA HANAN  
Director, Financial Policy  
and Analysis

Authorization ID [REDACTED]

Contact ID [REDACTED]

Expiration Date [REDACTED]

**APPENDIX G  
Granger-Thye Fee Offset Claim Certification  
for  
SPECIAL USE PERMIT**

**AUTHORITY: Section 7 of the Granger-Thye Act, 16 U.S.C. 580d  
<Reference FSH 2709.11, chapter 50>**

**[REDACTED] NATIONAL FOREST  
[REDACTED] RANGER DISTRICT  
PERMIT NUMBER [REDACTED]**

**Project Name** \_\_\_\_\_

**Holder's Fiscal Year (FY)** \_\_\_\_\_

Total allowable costs may be offset under a Granger-Thye (GT) fee offset agreement to the extent they do not exceed the total annual fee for this permit. Total allowable costs of a GT project included in this GT claim are the sum of the direct GT project costs and indirect costs allocable to this GT project. Costs submitted under this GT claim will be accepted to the extent they are reasonable, allocable, and determined to be allowable, in accordance with the terms of the permit, GT agreement, and agency policy.

**Direct GT Costs:** Provide claimed GT costs by cost element and attach schedules to show the cost breakdown by cost element. Provide supporting documentation for the cost claim.

**Indirect costs:** Indirect costs must be computed based on Forest Service-approved indirect cost rate and may be added to the total direct GT costs. Attach the approved indirect cost rate for FY [REDACTED].

Approval of the fee offset claim is subject to all provisions in the Annual Granger-Thye Fee Offset Agreement (FS-2700-4h, Appendix B) executed by the U.S. Department of Agriculture, Forest Service, [REDACTED] National Forest, and [REDACTED] on [REDACTED].

**DIRECT GT COSTS**

Salaries and Wages	\$ [REDACTED]
Materials and Supplies	\$ [REDACTED]
Subcontracts	\$ [REDACTED]
Other (specify)	\$ [REDACTED]
Sum of Direct GT Costs	\$ [REDACTED]
INDIRECT COSTS ([REDACTED] % x Direct GT costs)	\$ [REDACTED]
<b>TOTAL GT COST CLAIM FOR PROJECT</b>	<b>\$ [REDACTED]</b>

Subject to the penalties prescribed in the False Statements Act, 18 U.S.C. 1001, the holder certifies to the best of its knowledge that the representations in the documents supporting its claim for fee offset are accurate and complete. The Forest Service reserves the right not to grant the fee offset claim if any of these representations is inaccurate or incomplete. Failure to sign the certification shall vitiate the fee offset claim.

Signed: \_\_\_\_\_  
Name of Certifying Official

Date: \_\_\_\_\_

\_\_\_\_\_  
Title of Certifying Official

### **Burden Statement**

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

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The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.

Appendix 6B
<b>Sample Collection Agreement for G-T Fee Offset Work</b>

Collection Agreement

between

**[HOLDER]**

and

\_\_\_\_\_ National Forest

THIS COLLECTION AGREEMENT is made by \_\_\_\_\_ (the holder) and the U.S. Department of Agriculture, Forest Service, \_\_\_\_\_ National Forest (the Forest Service), under Section 5 of the Granger-Thye Act, 16 U.S.C. 572.

WHEREAS, the holder operates a Forest Service campground under a special-use permit dated \_\_\_\_\_ (the permit);

WHEREAS, the holder is required to perform certain Government maintenance and reconditioning projects listed in the attached Annual Granger-Thye Fee Offset Agreement (the fee offset agreement);

WHEREAS, [SELECT EITHER: (1) THE HOLDER HAS REQUESTED THE FOREST SERVICE TO PERFORM AND THE FOREST SERVICE IS WILLING TO PERFORM UNDER A COLLECTION AGREEMENT OR (2) THE FOREST SERVICE IS REQUIRING THAT IT PERFORM UNDER A COLLECTION AGREEMENT] the following projects listed in the fee offset agreement: \_\_\_\_\_;

WHEREAS, those projects will be performed from funds deposited or to be deposited by the holder;

WHEREAS, the cost of those projects may be used to offset the permit fee in accordance with the fee offset agreement;

THEREFORE, in consideration of the above, the parties agree as follows:

The holder shall:

1. Make advance payments, in accordance with the permit, in amounts sufficient to cover the total cost of performing the Government maintenance and reconditioning work listed in this agreement, including overhead as determined by the Forest Service up to \_\_\_ percent of project costs.

## Appendix 6B: Sample Collection Agreement

### The Forest Service shall:

1. Deposit payments received from the holder under this agreement into the Forest Service cooperative work fund.
2. Upon receipt of payment from the holder, perform the Government maintenance and reconditioning projects listed in this agreement.
3. Upon completion of a project listed in this agreement, reimburse the holder for any amount paid under this agreement that exceeds the cost of the project, provided that in the alternative the holder may ask the Forest Service to hold the funds and apply them to the next permit fee payment.

### It is mutually agreed that:

1. No member of or delegate to Congress or resident commissioner shall receive any benefit that may arise from this agreement; provided, that this provision shall not apply to this agreement if it is made with a corporation for its general benefit.
2. This agreement in no way restricts the Forest Service or the holder from participating in similar activities with other public or private agencies, organizations, or individuals.
3. Any holder contributions made under this agreement do not directly or indirectly convey Forest Service endorsement of the holder's products or activities.
4. Modifications to this agreement shall be made by mutual consent of the parties and shall be signed and dated by both parties. The Forest Service is not obligated to fund any modifications that are not made in accordance with this clause.
5. Either party may terminate the agreement, in whole or in part, by providing 60 days' written notice. If the agreement is terminated in part, the Forest Service shall not incur any new obligations for the terminated portion of the agreement after the effective date of termination. If the agreement is terminated in whole or in part, the Forest Service shall cancel as many of its obligations as possible. Full credit shall be allowed for all Forest Service expenses and non-cancelable obligations properly incurred up to the effective date of termination. Any funds on deposit may be held by the Forest Service beyond the termination date to meet obligations incurred prior to termination, and to pay any other obligations the holder may owe the United States.
6. Unless terminated by written notice, this agreement shall remain in effect until the end of the initial permit term is extended, this agreement may be extended for the same period as the permit term.
7. Per 16 U.S.C. 572, the United States shall not be liable to the holder or the holder's heirs, assigns, agents, employees, contractors, or lessees for any loss, personal injury, or death occurring in connection with performance of work under this agreement, and the holder on behalf of itself and its heirs, assigns, agents, employees, contractors, and lessees hereby waives any and all claims against the United States for compensation for any loss, personal injury, or death occurring in connection with performance of work under this agreement.
8. The principal contacts for this agreement are:

IN WITNESS WHEREOF, the parties have executed this agreement as of the last date written below.

\_\_\_\_\_  
Date

\_\_\_\_\_  
[Title] for [HOLDER NAME]

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Officer

\_\_\_\_\_  
National Forest

# **APPENDIX 16**

## **A Sample Business Plan**

**Rocky Mountain Region  
of the  
USDA Forest Service**



**Presented by the  
Colorado Small Business Development Center**

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## **Part I: The Business**

### **Purpose and Goals**

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As we proceed through our business careers, it is vital that we set goals for the future. Although this is difficult and time consuming, the final reward is worth the effort. As you fill in the following, be as realistic as you can. Answers you develop now will be the basis of your business plan.

*What is your purpose in pursuing this business?*

*Define your business goals for the next year and what you foresee five years from now.*

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## **Description of the Business**

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This section should describe the nature and purpose of the company, background on its industry, and what opportunities you see for its products or services. It provides you with insights that allow you to better correlate the projections and estimates presented in subsequent sections.

*Brief description of the business.*

*Briefly describe your knowledge of this industry.*

*List the products and services you will provide.*

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## **Legal Structure**

---

There are several ways in which your business can be legally organized. To determine the best one for you and your organization, you need to seek competent legal and tax advice. To give you a general frame of reference, the more popular forms and their reasons for use are outlined in Part V, Appendices.

*How is your company legally organized?*

*Why is this legal organization most appropriate for your business?*

*Does your operation require a state registration number? YES \_\_\_\_ NO \_\_\_\_ If "Yes," please include a copy of the registration in the Supporting Documents.*

*Include any appropriate information, including shareholder or partnership agreements, in the Supporting Documents, and complete the following list of owners:*

<b>Name</b>	<b>Address</b>	<b>SSN</b>	<b>% Ownership</b>
-------------	----------------	------------	--------------------

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## **Location of Your Business**

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Describe the planned geographical location of the business and discuss any advantages or disadvantages of the site location in terms of wage rates, labor availability, closeness to customers or suppliers, access to transportation, state and local taxes, laws, and utilities. Describe your approach to overcoming any problems associated with the location.

*Planned geographical location.*

*Discuss advantages or disadvantages of the site location.*

*Describe your approach to overcoming any problems.*

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## **Market And Customers**

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The purpose of this section is to present sufficient facts to convince the evaluator that the product or service has a substantial market and can achieve sales in the face of competition. Discuss who the customers are for the anticipated product or service. Where are the major purchasers for the product or service?

*Describe your anticipated target market (e.g., age, income, hobbies, regional, national, international).*

*Describe the size of the current total market and potential annual growth.*

*Discuss your advertising campaign in terms of how, when, and where you will advertise, and estimated annual cost.*

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## Competitive Analysis

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Each business has (or should have) a uniqueness that separates it from its competitors. Make a realistic assessment of the strengths and weaknesses of competitive products and services, and name the companies that supply them. Compare competing products or services on the basis of image, location, price, advertising, and other pertinent features. Discuss your three or four key competitors and explain why you think that you can capture a share of their business. Discuss what makes you think it will be easy or difficult to compete with them.

*Identify three or four of your key competitors.*

*Discuss their strengths and weaknesses.*

Compare your product or service on key areas. For each area of comparison rank yourself and your selected competitors on a scale of 1 (high) to 5 (low). Remember: no ties.

Area of Comparison	You	Competitors			
		A	B	C	D
Image					
Location					
Price					
Advertising					
Service					
Uniqueness					
Other					

Why do you think you can compete with your competitors and capture a share of the market?

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## **Management**

---

Your management team is the key to turning a good idea into a successful business. The evaluator looks for a committed management team with a proper balance of technical, managerial, and business skills and experience in doing what is proposed. Be sure to include complete résumés for each key management member in the Supporting Documents section.

*List owners and key management personnel and their primary duties. If any key individuals will not be onboard at the start of the venture, indicate when they will join the staff.*

*Discuss any experience when the above people have worked together that indicates how their skills complement each other and result in an effective management team.*

*List the advisors and consultants that you have selected for your venture. Capable, reputable, and well-known supporting organizations can not only provide significant direct and professional assistance, but also can add to the credibility of your venture.*

Accountant \_\_\_\_\_

Attorney \_\_\_\_\_

Banker \_\_\_\_\_

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Insurance Broker \_\_\_\_\_

Advertising \_\_\_\_\_

Others \_\_\_\_\_

**Personnel**

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One of the key elements in any business is PEOPLE. Explain how you plan to recruit, develop, and maintain your workers. List the number of employees you will have, as well as their job titles and required skills.

*Identify essential employees, their job titles, and required skills.*

*Identify the source and your plan to recruit essential employees.*

*Discuss any training or retraining that you plan for your employees. Also, discuss any necessary first-aid certification or recertification, etc.*



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## Start-Up Expenses

Start-up expenses are the various costs it takes to open your doors for business. Some of these will be one-time expenditures, whereas others will occur every year.

Item	Cost
Total cost of capital equipment (from page 84)	\$ _____
Beginning inventory of operating supplies	_____
Legal fees	_____
Accounting fees	_____
Other professional fees	_____
Licenses and permits	_____
Remodeling and repair work	_____
Deposits (public utilities, etc.)	_____
Advertising	_____
Insurance	_____
Bonds	_____
Advance permit fees	_____
Other expenses:	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

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**Total Start-Up Expenses**

\$ \_\_\_\_\_

### **Sources and Uses of Financing**

---

This section is another critical financial forecast. What will be the sources of your initial financing? The following step of how you will use this financing to buy the assets needed to open your doors for business is equally important, and will be of major interest.

Note: This section will not be used if you own an existing business, unless you're planning a major refinancing and restructuring of your business.

On the next page:

- ② Fill in the cash amounts to be invested by the various owners or shareholders.
- ② Fill in the market value of noncash assets to be invested by the various owners or shareholders. Examples include equipment, vehicles, and buildings.
- ② Fill in the bank loans to your business, both short-term (one year or less) and long-term.
- ② Fill in the amounts of loans secured by your personal assets (for example, your home).
- ② Fill in any Small Business Administration loans from any other sources.
- ② Fill in the amounts of cash used to buy various assets in the Uses of Financing section.
- ② Fill in the noncash assets contributed by the owner (use the same amounts listed in Sources of Financing).
- ② Estimate your "working capital" needs. This is an often misused term, since it strictly means "current assets minus current liabilities." However, we use "working capital" here to describe that money which you'll need to pay operating expenses for the first few months of business operation until profits are realized. The number of months working capital depends on the business, but as an absolute minimum you should have three months of expense money in the bank. You should discuss this with your banker, and you may want to consider a pre-approved loan called a "line of credit," from which you draw funds only when you need to have them. **DON'T SKIP THIS STEP!**
- ② Total both sections (Sources and Uses); they should be equal.

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---

**Sources of Financing**

Investment of cash by owners

\$

\_\_\_\_\_

Investment of cash by shareholders

\_\_\_\_\_

Investment of noncash assets by owners

\_\_\_\_\_

Investment of noncash assets by shareholders

\_\_\_\_\_

Bank loans to business: short term (one year or less)

\_\_\_\_\_

Bank loans to business: long term (more than one year)

\_\_\_\_\_

Bank loans secured by personal assets

\_\_\_\_\_

Small Business Administration loans

\_\_\_\_\_

Other sources of financing (specify)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Total Sources of Financing**

\$

\_\_\_\_\_

-

### Uses of Financing

Buildings \$ \_\_\_\_\_

Equipment \_\_\_\_\_

Initial inventory \_\_\_\_\_

Working capital to pay operation expenses \_\_\_\_\_

Noncash assets contributed by owners  
(use same amount as in Sources, above) \_\_\_\_\_

Other assets (specify)  
\_\_\_\_\_  
\_\_\_\_\_

**Total Uses of Financing** \$ \_\_\_\_\_  
-

### Monthly Cash Flow Projection

The cash flow projection is the most important financial planning tool available to you. If you were limited to one financial statement, the Cash Flow Projection would be the one to choose.

For a new or growing business, the cash flow projection can make the difference between success and failure. For an ongoing business, it can make the difference between growth and stagnation.

Your Cash Flow Projection will show you:

- ① how much cash your business will need;
- ② when it will be needed;
- ③ whether you should look for equity, debt, operating profits, or sale of fixed assets; and
- ④ where the cash will come from.

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The cash flow projection attempts to budget the cash needs of a business and shows how cash will flow in and out of the business over a stated period of time. Cash flows into the business from sales, collection of receivables, capital injections, etc., and flows out through cash payments for expenses of all kinds.

A cash flow deals only with actual cash transactions. Depreciation, a noncash expense, does not appear on a cash flow. Loan repayments (including interest), on the other hand, do, since they represent a cash disbursement.

After it has been developed, use your cash flow projection as a budget. If the cash outlays for a given item increase over the amount allotted for a given month, you should find out why and take corrective action as soon as possible. If the figure is lower, you should also find out why. If the cash outlay is lower than expected, it is not necessarily a good sign. Maybe a bill wasn't paid. By reviewing the movement of your cash position you can better control your business.

Use the Cash Flow Projection chart on the next page to make sure you don't omit any ordinary cash flow item. But be sure to add any items that are peculiar to your business.

The level of detail you wish to provide is another judgement call. You may want to provide much more detail than is shown in these examples. You might benefit from breaking down your total cash flow into a series of cash flows, each representing one profit center or other business unit. This can be particularly helpful if you have more than one source of revenue. The accumulated information gained by several projections can be very valuable.

National Forest

Cash Flow Projection (or Cash Flow Budget) by Month: Year One

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	TOTAL
1														
2	Cash Receipts													
3	Sales Receivables													
4	Wholesale													
5	Retail													
6	Other Services													
7	<b>Total Cash Receipts</b>													
8	Cash Disbursements													
9	Cost of Goods													
10	Variable Labor													
11	Advertising													
12	Insurance													
13	Legal and Accounting													
14	Delivery Expenses													
15	Fixed Cash Disbursements*													
16	Mortgages (Rent)													
17	Term Loan													
18	Line of Credit													
19	Other													
20	<b>Total Cash Disbursements</b>													
21														
22	<b>Net Cash Flow</b>													
23														
24	<b>Cumulative Cash Flow</b>													
25														
26	*Fixed Cash Disbursements													
27	Utilities													
28	Salaries													
29	Payroll Taxes and Benefits													
30	Office Supplies													
31	Maintenance and Cleaning													
32	Licenses													
33	Boxes, Paper, etc.													



### Start-Up Balance Sheet

Balance sheets are designed to show how the assets, liabilities, and net worth of a company are distributed at a given point in time. The format is standardized to facilitate analysis and comparison; do not deviate from it.

Balance sheets for all companies, great and small, contain the same categories, arranged in the same order. The difference is one of detail. Your balance sheet should be designed with your business information needs in mind. These will differ according to the kind of business you are in, the size of your business, and the amount of information your bookkeeping and accounting systems make available.

A sample balance sheet follows.

**Name of the Business**  
**Date (month, day, year)**  
**Balance Sheet**

**Assets**

Current Assets

Fixed Assets

Less Accumulated Depreciation

Net Fixed Assets

Other Assets

**Total Assets**

\$ \_\_\_\_\_  
 \$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

Footnotes:

**Liabilities**

Current Liabilities

Long-Term Liabilities

**Total Liabilities**

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

**Net Worth or Owner's Equity**

(Total assets minus total liabilities)

**Total Liabilities and Net Worth**

\$ \_\_\_\_\_

\$ \_\_\_\_\_

Footnotes:

## **Start-Up Income Statement Projection**

---

Income Statements, also called Profit and Loss Statements, complement balance sheets. The balance sheet gives a static picture of the company at a given point in time. The income statement provides a moving picture of the company during a particular period of time.

Income projections are forecasting and budgeting tools, estimating income and anticipating expenses in the near to middle-range future. For most businesses (and for most bankers), income projections covering one to three years are more than adequate. In some cases, a longer-range projection may be called for, but in general, the longer the projection, the less accurate it will be as a guide to action.

While no set of projections will be 100% accurate, experience and practice tend to make the projections more precise. Even if your income projections are not accurate, they will give you a rough set of benchmarks to test your progress toward short-term goals. They become the base of your budgets.

The reasoning behind income projection is: Since most expenses are predictable and income doesn't fluctuate too drastically, the future will be much like the past. For example, if your gross margin has historically been 30% of net sales, it will (barring strong evidence to the contrary) continue to be 30% of net sales. If you are in a start-up situation, look for financial-statement information and income ratios for businesses similar to yours. The Robert Morris Associates' *Annual Statement Studies* and trade association publications are two possible sources.

Try to understate your expected sales and overstate expenses. It is better to exceed a conservative budget than to fall below optimistic projections. However, being too far under can also create problems, such as not having enough capital to finance growth. Basing income projections on hopes or unjustified fears is hazardous to your business's health. Be realistic; your budget is an extension of your forecasts.

A suggested format for an income projection follows on the next page. The content as shown in the sample may have to be modified to fit your particular operation, but do not change the basic form.

**Income Projection by Month: Year One**

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	TOTAL
1														
2														
3	Sales													
4	Wholesale													
5	Retail													
6	Total Sales:													
7														
8	Cost of Materials													
9	Variable Labor													
10	Cost of Goods Sold													
11														
12	Gross Margin													
13														
14	Operating Expenses													
15	Utilities													
16	Salaries													
17	Payroll Taxes and Benefits													
18	Advertising													
19	Office Supplies													
20	Insurance													
21	Maintenance and Cleaning													
22	Legal and Accounting													
23	Delivery Expenses													
24	Licenses													
25	Boxes, Paper, etc.													
26	Telephone													
27	Depreciation													
28	Miscellaneous													
29	Rent													
30	Total Operating Expenses:													
31														



**Part III: Historical Financial Reports for Existing Business**

*Each applicant is required to submit all four items listed below. Failure to receive these items may eliminate the response from further consideration.*

- \_\_\_ Balance sheet (past three years)
- \_\_\_ Income statement (past three years)
- \_\_\_ Tax returns (past three years)
- \_\_\_ Current credit report from major credit bureau

## **Part IV: Supporting Documents**

*Each applicant is required to submit all five items listed below. Failure to receive these items may eliminate the response from further consideration.*

- \_\_\_ Personal résumés of business owners, officers, and partners
- \_\_\_ Personal financial statements of business owners, officers, and partners
- \_\_\_ Bank or investor letters of intent to finance project
- \_\_\_ Copies of business leases pertinent to this business
- \_\_\_ Copies of all pertinent existing permits or licenses applicable to this business

## **Part V: Appendices**

### **Legal Organization**

---

There are several ways in which your business can be legally organized. To determine the best one for you and your organization, you need to seek competent legal and tax advice. To give you a general frame of reference, the more popular forms and their reasons are outlined below. Business Start-Up Kits and information on registration, licensing, and permit requirements can be obtained in Colorado by calling the Business Assistance Center Hotline: 592-5920 in Denver, or (800) 333-7798 outside the Denver area.

### **Sole Proprietorship**

---

A sole proprietorship is a business owned by one person. This form of business is regulated by the state only in that some states (including Colorado) require you to register your trade name to do business as a sole proprietor. You do not have to register with the state if you are operating your business under your own full legal name. (Note: You must be licensed where required, and pay all appropriate taxes. You should also plan to maintain a separate checking account for your business, even if using your own Social Security number).

#### **Advantages**

- ① Simple to start.
- ② Easy to dissolve.
- ③ Owner makes all management decisions.
- ④ Pay only personal income tax; business entity not taxed separately.

#### **Disadvantages**

- ① Unlimited liability (owner legally liable for all debts, claims and judgments).
- ② Difficulty in raising additional funds.
- ③ No one to share the management burden.
- ④ Impermanence (company can't be sold or passed on; however, you may sell or pass on assets of the company).

### **General Partnership**

---

A partnership is an association of two or more persons to carry on as co-owners of a business for profit. Some states require that you register your name if it is a trade name (not your full legal name). You must file state and Federal "information returns," but business income and losses flow through to the partners' personal taxes. The business pays no separate income taxes. Partners may share the profits of the business (and the losses) on an equal basis, or may pro rate the proceeds as set forth in a Partnership Agreement. Whichever way you determine to share in the business, you need to have a written Partnership Agreement outlining the ownership, responsibilities, and eventualities of dissolution or liquidation for the business.

#### **Advantages**

- ② Simple to start.
- ② Fairly easy to dissolve.
- ② Additional sources of capital from partners.
- ② Broader management base.
- ② More opportunity for each partner to specialize.
- ② Tax advantages: no separate income tax.
- ② Limited outside regulation, compared to a corporation.

### **Disadvantages**

- ② Unlimited financial liability for all general partners (some partners' personal debts can even be charged to the business).
- ② Difficulty if raising outside capital.
- ② Divided authority.
- ② Continuity problems (business dies when any partner leaves or dies, unless succession has previously been spelled out in a Partnership Agreement. Partnership terminates in the event of a personal bankruptcy on the part of any partner).
- ② Difficult to find suitable (compatible) partners.
- ② One partner may be responsible for the actions of another partner, regardless of whether that partner had prior approval.

### **Corporation**

---

There are two types of corporations generally recognized today: a regular "C" corporation, organized under the laws of the state in which you do business; and an "S" Corporation, so designated by the IRS and not necessarily recognized by your state.

A corporation is a business entity separate and distinct from its owner(s) or shareholder(s). You must file incorporation papers with the state of your choice. The corporation must file annual reports with the Secretary of State, and may have to file separate quarterly income tax returns. The corporation exists forever, can be bought and sold, and is regulated by the state. In Colorado, information about forming a corporation can be obtained from the Secretary of State's Office, 1560 Broadway, Denver; (303) 894-2251, or from the Business Assistance Center.

### **"C" Corporation Advantages**

- ② Limited liability (as long as you *act* like a corporation-which means having a separate checking account and phone number, paying interest on any borrowed money, keeping up a corporate record book, filing annual reports, meeting with your Board of Directors at least annually, etc.).
- ② Easier to bring in additional capital.
- ② Ownership is transferable.
- ② Company has continuous, perpetual existence.
- ② Possible tax advantages (seek adequate advice from a tax professional).
- ② Gives you more sense of permanence, thus more "weight," in the business world.

#### **"C" Corporation Disadvantages**

- ② More expensive to organize.
- ② Highly regulated.
- ② Extensive record-keeping requirements.
- ② Double taxation (corporation pays its own income taxes; if you pay yourself a salary or a dividend, you also pay personal income taxes).
- ② Shareholders/Board of Directors may counter your management decisions.

#### **"S" Corporation Advantages**

- ② Filing a Subchapter Selection with the Internal Revenue Service allows you to be taxed on your corporate profits through your personal tax return.
- ② You still maintain the limited liability of a corporation.
- ② If you have additional personal income against which to deduct company losses, or if your personal tax rate is lower than the corporate tax rate, this form may be advantageous for you. Again, please seek professional tax advice to make this determination.

#### **"S" Corporation Disadvantages**

- ② There are some restrictions on S Corporations, mainly in how you can sell your shares. You can have a maximum of 35 shareholders, all of whom must be U.S. citizens, and be individuals (not corporations).
- ② You must request permission from the IRS to be an S Corporation, and generally, must maintain the calendar year as your fiscal year.

We suggest that, if you intend to be an "S" Corporation, you do so at the inception of your incorporation to meet IRS deadlines, and to be able to pass all losses on to the shareholders.

#### **Limited Partnership**

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In a Limited Partnership, there are two kinds of partners: general partners, who carry full liability; and limited partners, who carry limited liability. Limited partners must make known, through filing with the Secretary of state, that they indeed are limited partners, and they may not participate in the day-to-day management of the business. Again, as in the "S" Corporation, profits from Limited Partnerships are taxed through each partner's personal tax return. Limited partnerships are popular in industries where a great deal of "up-front" money is needed for projects that are expected to produce a high return, such as in real estate, energy, movie production, and sports teams.

### **Limited Liability Company (LLC)**

---

While wearing the corporate form, essentially, an LLC is similar to a Limited Partnership, except the general partner also carries limited liability. Profits are taxed through individual owners' personal tax returns. The advantage of this form over an "S" Corporation is that other corporations may be owners, and the Limited Liability Company may also hold 100% ownership in subsidiary companies. If you are a small corporation, but have interest from institutional or corporate investors, this form of organization may hold distinct advantages for you.

Be aware, however, that the LLC is a relatively new business form. Legal precedents have not yet been set to outline clearly all the legal and tax ramifications of this form of organization. If interested in becoming an LLC, you are strongly urged to seek competent, professional legal and tax advice.

### **Break-Even Analysis**

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You certainly don't want to sell your product or service below cost, expecting to make it up in volume! To avoid this difficulty, you need to know how much to sell each month in order to stay afloat, or to make a certain amount of profit.

Separating your costs into two categories, fixed costs and variable costs, will help with this. Some costs won't readily fall into one or the other category. These are termed "semi-variable." If you wish to get very specific, there are some more sophisticated techniques to help you sort these costs out. Generally, however, place the cost into the category to which it *most* conforms.

#### **Variable Costs**

These costs vary directly with the sale of your product or service: costs you won't have if you don't make the sale. (If I rent motor boats, I won't have gas costs if I don't rent any boats. The gas costs are variable costs.) Generally, materials and labor to make the product or produce the service are considered variable costs. Note: Just because a cost changes from month to month does not make it a "variable cost." Ask yourself, "If I didn't have the sale, would I have the cost?"

#### **Fixed Costs**

If you answered "Yes" to the above question, you have a fixed cost. These are costs you will have to pay regardless of whether you sell your product. In the example above, gas costs are variable, but the monthly interest payment for the motor boat is fixed. Telephone costs are usually considered fixed costs, as well. Other examples of fixed costs might include automobile expenses, administrative salaries, rent, bank charges, insurance, and utilities.

#### **Breaking Even**

Since variable costs vary with sales, and we need to cover fixed costs as well, a formula has been developed that helps us determine if we are selling below cost.

Sales Price Per Unit Sold minus Variable Costs Per Unit Sold will give us the Contribution Margin (per unit sold). This tells us how much we have left over on each sale to contribute to our fixed costs. If we

know what those fixed costs are for each month, we can divide them by the Contribution Margin to see how many units we have to sell.

$$\text{(Sales Price) - (Variable Costs) = Contribution Margin}$$

$$\text{(Fixed Costs) } \div \text{ (Contribution Margin) = Break-Even Point in \# of Units that Must Be Sold}$$

Another method is to look at the total dollar volume you must sell instead of the number of units. This is done by expressing the Contribution Margin as a percentage of the Sales Price and then dividing the Total Fixed Costs by that percentage.

$$\text{(Contribution Margin) } \div \text{ (Sales Price) = \% of Sales Price}$$

$$\text{(Total Fixed Costs) } \div \text{ (\% of Sales Price) = Break-Even Point in Dollar Volume that Must Be Sold}$$

**Example of Break-Even Point**

The Bar-O Guiding Company wants to sell three-day fly-fishing trips for \$1,250 per person. The variable costs of the trip amount to \$475 per person. The fixed costs of licensing, insurance, Forest permit, etc., is \$10,000. How many trips will the Bar-O Guiding Company need to sell to break even? How much total dollar volume must it sell?

**Determining # of Units to Break Even**

	<b>Example</b>	<b>Your Figures</b>
<b>Step 1:</b>		
Sales Price	\$ _____	\$ _____
- Variable Costs	\$ _____	\$ _____
= Contribution Margin	\$ _____	\$ _____
<b>Step 2:</b>		
Fixed Costs	\$ _____	\$ _____
+ Contribution Margin	\$ _____	\$ _____
<b>= Break-Even-Point # of Units</b>	<b>#</b> _____	<b>#</b> _____

**Determining Dollar Volume to Break Even**

<b>Step 3:</b>		
Contribution Margin	\$ _____	\$ _____
÷ Sales Price	\$ _____	\$ _____
<b>= % of Sales Price</b>	<b>%</b> _____	<b>%</b> _____
<b>Step 4:</b>		
Fixed Costs	\$ _____	\$ _____
÷ % of Sales Price	% _____	% _____
<b>= Break-Even-Point Dollar Volume</b>	<b>\$</b> _____	<b>\$</b> _____



PART A. BALANCE SHEET	CURRENT YEAR (MM/DD/YYYY)	PAST YEAR (MM/DD/YYYY)	THIRD YEAR (MM/DD/YYYY)
YEAR ENDED			
<b>ASSETS</b>			
CURRENT ASSETS:			
CASH			
RECEIVABLES-TRADE			
LESS ALLOWANCES FOR DOUBTFUL ACCOUNTS	< >	< >	< >
INVENTORIES (LIST MAJOR CATEGORIES):			
SUPPLIES AND MISCELLANEOUS			
MARKETABLE SECURITIES			
PREPAID EXPENSES			
SUPPLIES INVENTORY			
OTHER CURRENT ASSETS:			
TOTAL CURRENT ASSETS			
FIXED ASSETS:			
LAND			
BUILDINGS			
MACHINERY AND EQUIPMENT			
PLANT			
LEASEHOLD IMPROVEMENTS			
OTHER			
LESS ALLOWANCE FOR DEPRECIATION	< >	< >	< >
BOOK VALUE-FIXED ASSETS			

<b>OTHER ASSETS:</b>			
DEPOSITS-CASH			
DEPOSITS-SECURITIES			
TOTAL-OTHER ASSETS			
<b>TOTAL ASSETS</b>			

<b>LIABILITIES AND OWNER EQUITY</b>	<b>CURRENT YEAR</b>	<b>PAST YEAR</b>	<b>THIRD YEAR</b>
<b>CURRENT LIABILITIES:</b>			
ACCOUNTS PAYABLE-TRADE			
ACCRUED PAYROLL			
ACCRUED PAYROLL TAXES AND INSURANCE			
NOTES PAYABLE			
INCOME TAXES-CURRENT			
OTHER TAXES			
CURRENT PORTION OF LONG-TERM DEBT			
OTHER CURRENT LIABILITIES (SPECIFY):			
<b>TOTAL CURRENT LIABILITIES</b>			
<b>OTHER LIABILITIES:</b>			
DEFERRED INCOME TAXES			
LOANS FROM OFFICERS/PARTNERS			
LONG-TERM OBLIGATIONS-LESS CURRENT AMOUNT			
<b>TOTAL OTHER LIABILITIES</b>			
<b>TOTAL LIABILITIES</b>			
<b>OWNER EQUITY:</b>			
CAPITAL STOCK OUTSTANDING			
RETAINED EARNINGS (DEFICIT)			
PARTNERS' INVESTMENT (DEFICIT)			
<b>TOTAL OWNER EQUITY</b>			
<b>TOTAL LIABILITIES AND OWNER EQUITY</b>			

**PART B. SUPPLEMENTAL DATA**

THIS STATEMENT IS ON THE-CASH BASIS \_\_\_\_\_ ACCRUAL BASIS \_\_\_\_\_

INVENTORIES ARE-LIFO \_\_\_\_\_ FIFO \_\_\_\_\_ COST OR MARKET WHICHEVER IS LOWER \_\_\_\_\_

NAMES OF CONTRACTORS OR SUB-CONTRACTORS USED (IF ANY):

**PART C. INCOME STATEMENT**

**CURRENT YEAR      PAST YEAR      THIRD YEAR**

	CURRENT YEAR	PAST YEAR	THIRD YEAR
GROSS SALES			
LESS-RETURNS AND ALLOWANCES	<      >	<      >	<      >
NET SALES			
LESS-COST OF GOODS SOLD	<      >	<      >	<      >
GROSS PROFIT ON SALES			
LESS-SELLING EXPENSE	<      >	<      >	<      >
NET PROFIT (LOSS) ON SALES			
GENERAL EXPENSE:			
OFFICERS SALERIES			
LEGAL AND OTHER PROFESSIONAL EXPENSE			
OFFICE EXPENSE			
TOTAL GENERAL EXPENSE			
NET OPERATING PROFIT (LOSS)			
ADD-OTHER INCOME			
LESS-INTEREST EXPENSE			
INCOME TAXES	<      >	<      >	<      >
OTHER EXPENSE	<      >	<      >	<      >

				>
NET AMOUNT OF OTHER INCOME AND EXPENSE	<	>	<	>
NET PROFIT (LOSS) FOR YEAR				
NOTE: Offers must set forth full, accurate, and complete information as required in this Financial Statement (including any attachments). The penalty for making false statements in this Financial Statement is prescribed in 18 U.S.C. 1001.				

**PART D (1): CERTIFICATION FOR CORPORATIONS OR PARTNERSHIPS**

We, the undersigned, general officers (or members) of  
*(insert name of corporation or partnership)* being severally sworn, each declares that the above or attached financial statements are true and correct, and that it covers all of the financial affairs of said company (or) firm up to and including the date of *(Month day, year)*

CERTIFYING OFFICIAL'S NAME AND TITLE	SIGNATURE (Sign in ink)	DATE
CERTIFYING OFFICIAL'S NAME AND TITLE	SIGNATURE (Sign in ink)	DATE
SWORN TO AND SUBSCRIBED before me this _____ day of <i>(Month/Year)</i>		<i>(Affix Notary Seal)</i>
SIGNATURE	TITLE	

**PART D (2). CERTIFICATION FOR INDIVIDUALS**

I swear (or affirm) that the above or attached financial statements are true and correct to the best of my knowledge.

INDIVIDUAL'S NAME AND TITLE	SIGNATURE (Sign in ink)	DATE
SWORN TO AND SUBSCRIBED before me this _____ day of <i>(Month/Year)</i>		<i>(Affix Notary Seal)</i>
SIGNATURE	TITLE	

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082. The time required to complete this information collection is estimated to average 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 975-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.

# APPENDIX 18

## US DEPARTMENT OF AGRICULTURE, FOREST SERVICE REQUEST FOR VERIFICATION (Reference FSH 6509.18)

FS-6500-25 (03/06)  
OMB No. 0596-0082

Instructions:    Applicant - Complete items 1 thru 5. Forward directly to bank or lending institution.  
                          Lender - Please complete Items 6 thru 15. Return directly to National Forest, ATTN:  
    National Forest, ATTN:

### PART I - REQUEST

1. TO: Name and Address of Bank or other Lending institutions	2. FROM: (Name and Address of Applicant)
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### 3. STATEMENT OF APPLICANT

TYPE OF ACCOUNT	ACCOUNT NUMBER	CURRENT BALANCE
CHECKING ACCOUNT		
SAVINGS ACCOUNT		
OTHER		

I have applied for a timber sale contract or concessionaire permit (please cross one out) with the National Forest and state that my balance with the bank or lending institution named in Item 1 are as shown in Item 3. My signature below authorizes verification of the information. Your response is solely a matter of courtesy for which no responsibility is attached to your institution or any of your officers.

4. Signature of Applicant	5. Date /      /
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### PART II - VERIFICATION

6. Does applicant have any outstanding loans? <input type="checkbox"/> Yes <input type="checkbox"/> No    If yes, fill Item 7.			10. Is the account less than 2 months old? <input type="checkbox"/> Yes <input type="checkbox"/> No    If Yes, fill in Item 11.		
TYPES OF LOANS	MONTHLY PYMT.	PRESENT BALANCE	11. Date account was opened:		
Secured			12. Payment Experience: <input type="checkbox"/> Favorable <input type="checkbox"/> Unfavorable If unfavorable, please explain in remarks.		
Unsecured					
8. Is applicant's statement in Item 3 correct? <input type="checkbox"/> Yes <input type="checkbox"/> No    If no, fill Item 9.			13. REMARKS:		
9. CURRENT BALANCES					
CHECKING	SAVINGS				

**THE INFORMATION ON THIS FORM IS CONFIDENTIAL. IT IS TO BE TRANSMITTED DIRECTLY, WITHOUT PASSING THOROUGH THE HANDS OF THE APPLICANT OR ANY OTHER PARTY.**

14. Signature of bank or lending official.	15. Date /      /
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According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082. The time required to complete this information collection is estimated to average 5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

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