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| Chapter 3 |
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| The Prospectus |
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If a G-T concession is the best management approach, issue a prospectus to select a concessionaire. Competitively advertising recreation concession permits will:

- Ensure equal opportunity.
- Enhance customer service.
- Ensure a fair-market-value return to the Government.

FSM 2712.2 directs the FS to solicit competitive interest for operation of recreation concessions by issuing a prospectus. FSM 2712.2 also provides general direction on development of a prospectus. FSM 2344 addresses issuing a prospectus for concessions involving Government-owned facilities.

This chapter covers:

- Considerations for issuing a prospectus.
- Development of a prospectus.
- Advance public notice.

Chapter 4 will address evaluation of applications and issuance of a permit.

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| Considerations for Issuing a Prospectus |
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Developing a List of Potential Applicants

Establish and maintain a mailing list of potential applicants. Retain it electronically, to facilitate

printing of form letters and mailing labels. Many Forests have developed applicant mailing lists for previously advertised opportunities. Check Regional Office contacts for lists of existing concessionaires. Include all people who respond to any announcements about the opportunity, or who have expressed interest in concession opportunities in the past. Other entries on the mailing list may include:

- Advertisers in camping magazines.
- American Camping Association.
- American Recreation Coalition.
- Campground managers (consult Woodall's *Campground Directory for North America*).
- Chambers of commerce.
- County extension service agents.
- National Association of Recreational Vehicle Parks and Campgrounds (ARVC).
- National Forest Recreation Association.
- National Park Hospitality Association.
- Rural economic development councils (state or regional).
- Small businesses.

(See Appendix 3A on page 3-23 for the addresses and telephone numbers for these entities.)

Customer Service

Tailor the prospectus to emphasize the customer services desired. Consideration should be given to the changing interests of recreation customers.

Application Evaluation Plan

Develop an application evaluation plan before issuing the prospectus. This plan consists of two parts:

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Considerations for Issuing a Prospectus: Application Evaluation Plan

1. A description of membership and responsibilities of the evaluation team.
2. A description of evaluation criteria, their relative importance, and procedures for evaluating applications.

With the exception of evaluation procedures, which are covered in Chapter 4, these two parts of the plan are discussed below.

The Evaluation Team

Members of the evaluation team should represent all pertinent disciplines, such as recreation special uses, accounting, economics, business, and contracting, and should be highly qualified. Team members must be free of bias and possess no real or apparent conflict of interest. To maintain objectivity, it may be helpful to include a member from an unrelated discipline, a different agency, or outside the Federal Government. This individual must also be objective and free from actual or apparent conflict of interest.

Team members should be educated in selection procedure and should not have contact with applicants during the evaluation process. Inquiries about the prospectus should not be referred to evaluation team members. Rather, these questions should be handled by a single person who is not connected with the evaluation process, such as the permit administrator.

The Evaluation Criteria

Develop and document evaluation criteria, their relative importance or weights, and scoring methods. Evaluation criteria must be documented in the prospectus. The criteria should allow the FS to assess the applicants' ability to meet the public's needs and provide a basis for determining the merits of competing applications. Once the prospectus is issued, the criteria may not be changed without amending and reissuing the prospectus. This effort may be justified if unanticipated information in the applications reveals a need for modifications to

the criteria to achieve the agency's goals for the concession.

Each evaluation criterion should be clearly described in narrative form. The criteria should not favor any potential applicant. Nor should the criteria on their face exclude an applicant from competition. The same criteria must apply to all applications.

Include verification of financial resources, rather than financial ability, as an evaluation criterion, as discussed below. Require applicants to submit documents necessary to make a financial ability determination (FAD), but use these documents solely to make a FAD per 36 CFR 251.54(e)(3), and not to select a permit holder.

Specify in the prospectus that a FAD will be made only on the selected applicant as a prerequisite to permit issuance, unless that applicant is deemed financially incapable. In that event, refer to Appendix 4D (pages 4–13-14) for appropriate procedures. Appendix 4D discusses the FAD in detail.

The following standard evaluation criteria must be included in every prospectus. They are listed in approximate order of importance.

1. Proposed Operating Plan Provisions.
2. Business Plan and Business Experience.
3. Financial Resources.
4. Fee to the Government.
5. Fees Charged to the Public.

Other criteria may be used. However, they should be used sparingly, as additional criteria increase the complexity of evaluation and the time for an applicant to respond. Additional criteria should help distinguish the applications. Other criteria that may be used include:

6. Willingness to Manage Multiple Sites.
7. Special Services, e.g., Interpretive Services, Security, Use of Specialized Professionals for G-T Fee Offset Work, and Accelerated Schedule for G-T Fee Offset Work.

These evaluation criteria are discussed below.

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Considerations for issuing a Prospectus: Application Evaluation Plan

1. Proposed Operating Plan Provisions

2. Business Plan and Business Experience

The quality and quantity of required and optional services are assessed under this criterion. Ask applicants to explain how required and optional public services will be delivered. Have applicants demonstrate quality customer service and timely compliance with permit and operating plan requirements. See Development of a Prospectus, Proposed Operating Plan Provisions, in this chapter for detailed information on this topic.

Business Plan

Require applicants to submit a business plan. For each part of the project, the project business plan must specify whether the applicant will perform the work or meet the requirement via a third party. The applicant must identify any third parties who will be responsible for any of the operational aspects of the concession, and describe their relevant experience.

The plan should estimate the costs of operating the facilities. It should identify all interim and permanent sources of funds.

The plan should include information concerning the business organization and organizational structure required by 36 CFR 251.54(e)(1) and 251.54(e)(2)(ii), such as applicant name and mailing address, designated agent, evidence of incorporation and good standing, and the name and address of each affiliate of the applicant. Applicants that are limited-liability companies should provide the names and interests of the companies' principals.

State that if the applicant is not incorporated in the state where the concession is located, the applicant must submit a license to do business in that state.

Business Experience

Instruct applicants to furnish a detailed description of experience relating to operation of recreation sites, such as campgrounds, beaches, boat ramps, and associated facilities. The description should include experience in private business, public services, or any nonprofit or other related enterprises. For each business venture, have applicants provide:

- The dates for the business experience.
- The location of the business.
- A description of services provided.
- A description of customers served.
- The number of employees supervised.
- The volume of business.

For experience in managing FS or other Government campgrounds and associated facilities, applicants should also provide copies of annual written performance evaluations, or state that an evaluation was not completed for the years referenced.

Require applicants to furnish three business references with names, addresses, and telephone numbers in support of applicable business experience.

3. Financial Resources

Under this criterion, evaluate applicants based on the amount of funding that is readily available to them. Funding can take the form of cash, letter of credit, stocks, or mutual funds. Use completed form FS-6500-25, "Request for Verification," or other verifiable information submitted to assist in making this assessment. Include the form as an appendix to the prospectus. Review of the completed FS-6500-25 forms or acceptable substitute will also be one of the components of the FAD made on the selected applicant. (Appendix 3B, pages 3 - 24-25, contains a copy of FS-6500-25.)

Specify in the instructions for FS-6500-25 the FS address to which the completed forms should be sent. Require all applicants to complete blocks 1 through 5 of the form and to send a copy to each financial institution with which they do business. Each of these financial institutions should

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Considerations for Writing a Prospectus: *Application Evaluation Plan*

complete blocks 6 through 15 of the form, and return it to the address specified in the form.

4. Fee to the Government

This criterion addresses the fee the concessionaire will pay for the use of Government-owned improvements and their associated land, as well as work that will be required to offset that fee. Refer to Chapter 5, 'Permit Fees and G-T Fee Offset,' for further discussion of these topics.

State that the Government is obligated to obtain fair market value for the use of its land and improvements. Specify how the fee will be determined, and the minimum fee. The prospectus should state that applicants may propose any fee they wish, but that the fee proposed may not be below fair market value. State that applicants may propose a fee higher than the FS stated minimum fee. The prospectus should also inform applicants that they may propose a fee below the stated minimum if they believe this lower fee represents a fair market value. However, state that an application with a proposed fee that is below the minimum fee may be rejected if the FS determines that the proposed fee does not reflect fair market value.

Applicants should also be asked to describe how they will plan and complete any G-T fee offset items. See "Development of a Prospectus," "The Opportunity," "G-T Fee Offset Agreement". in this chapter for information on this topic.

5. Fees Charged to the Public

Under this criterion, the services that will be provided are compared to the prices that will be charged for them. For example, an applicant that provides a wide range of quality services at a moderate price would receive a higher rating under this criterion than an applicant that provides a limited range of services for a high price.

Generally, the FS does not regulate prices, but reserves the right to do so. Market

mechanisms should dictate what users are charged at concession sites. In some locations, lack of competition may create a monopoly. It is appropriate in these circumstances to state that prices and price increases are subject to FS approval. Prices may be compared to prevailing rates for comparable services and facilities in the area, to determine if the public will receive a good value for the service provided.

Ask applicants to provide a list of all proposed fees to be charged to the public, including pricing policies, use fees, other service fees/rentals, and sundries. See 'Development of a Prospectus Proposed Operating Plan Provisions,' 'Concessionaire Income and Expenses,' for a discussion of these types of fees. The proposed fees should be tied to the proposed operating plan provisions.

6. Willingness to Take Multiple Sites

Multiple sites may be included in the same prospectus. Separate permits may be issued for each site or administrative unit advertised in the prospectus. Alternatively, the FS may put multiple sites or all sites included in the prospectus under the same permit.

Putting several recreation sites or complexes under one permit may simplify administration or enhance the business viability of an opportunity. In determining whether to consolidate recreation sites, balance the advantages of simplified administration and enhanced viability against the disadvantage of reduced competition and impacts to small business.

The prospectus should specify whether a single permit or multiple permits will be issued, and if the latter, for which sites each permit will be issued. The prospectus must specify whether applicants may apply for any site or sites they wish, or whether applicants must apply for a minimum number of sites, a certain combination of sites, or all sites. If applicants may apply for any site or sites they wish, state whether or not applying for more sites or a certain combination of sites will result in a higher rating.

If the prospectus contains requirements concerning the number or combination of sites for which applicants may apply, applicants that do not meet those requirements may be deemed nonresponsive and disqualified from the competition. The prospectus must state that applicants that fail to meet these requirements will be deemed nonresponsive and disqualified from the competition.

7. Special Services

Special services that will be given significant weight in selecting an applicant should be enumerated as separate evaluation criteria and treated as required services. However, if special services are not going to be weighted significantly, they may be evaluated as a component of the proposed operating plan provisions without creating additional evaluation criteria. Such special services could include the following.

Interpretive Services

Include minimum specifications concerning interpretive services, such as the number and length of programs, days services will be offered, program content, target audience, and required experience for interpretive specialists. (Refer to Appendix 8C, pages 8–5-7.)

Security

Security could be used as a criterion if there is a need at a concession site for specialized safety skills and services, such as patrols, telephone communications, first aid, or security guards. Specify the types and levels of required skills and services.

Use of Specialized Professionals for G-T Fee Offset Work

If there are G-T fee offset projects that involve replacement of facilities, it may be desirable to have a qualified engineer or architect design or construct the projects.

Specify the minimum acceptable standard the design professional or firm must meet.

Accelerated G-T Fee Offset Work

This criterion may be useful if there is a major G-T fee offset project to complete. It may be important to evaluate applicants on the basis of how quickly the work will be done, especially if the work is essential. Accelerated G-T fee offset work requires a modified fee schedule, i.e., a large fee payment the first year and smaller fee payments in subsequent years. The large fee payment does not constitute an advance payment of fees and is not refundable should the permit terminate, or be revoked or relinquished. The cost of accelerated G-T fee offset work may not exceed the total estimated permit fees for the tenure of the permit. (See Chapter 5 for more information on G-T fee offset and long-term Government maintenance and reconditioning [M&R].)

Relative Importance of Evaluation Criteria

None of the evaluation criteria should be designated as "Pass/Fail," i.e., failure to satisfy one or more criteria may not result in disqualification of the applicant. The evaluation team should evaluate each application under all the evaluation criteria. Governmental entities and nonprofit organizations, such as interpretive associations, should compete under the same criteria as all other applicants.

In addition, failure to submit any of the information required in the prospectus should not result in disqualification of the applicant. A statement to the contrary should not be included in the prospectus. Each application may be evaluated based on what is submitted. Ratings may take into account the weakness or absence of required submissions. Consult with the local OGC and Procurement and Property staff before including a basis for disqualification in the prospectus, or disqualifying an application on any basis other than unwillingness to take multiple sites when taking multiple sites is required in the prospectus.

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Considerations for Issuing a Prospectus: Application Evaluation Plan / Time Frame for Preparing a Prospectus

State in the prospectus the relative importance of each criterion. A statement that the criteria are listed in descending order of importance is acceptable, as long as there is not much difference in the importance assigned to any two consecutive criteria. If there is a significant difference, narratively describe that difference.

Numerical weights need not be disclosed in the prospectus. However, the relative weight must be disclosed in narrative form, e.g., Criterion 1 is more important than Criterion 2, and both are more important than Criterion 3. Where the prospectus is silent as to the relative importance of the criteria, they must be considered and evaluated as equal in importance.

Time Frame for Preparing a Prospectus

The lead time required to assemble a prospectus varies by area. Generally, it is best to begin the season prior to anticipated operation by a concessionaire. Allow potential applicants to visit during the operating season the sites that will be advertised in the prospectus.

In accordance with FSM 2344.32, allow time for the Regional Forester to review the prospectus.

The suggested application period is 30 to 45 days. Complex opportunities may require more time. If applications are due during an operating season, allow extra time to give current concessionaires an opportunity to respond.

Allow about 45 days for evaluation and selection.

A permit should not be issued until any administrative appeals involving the selection decision have been resolved through all levels. Therefore, allow time for resolution of administrative appeals. Allow at least 45 days from the date applicants are notified of the selection, since administrative appeals must be filed 45 days from that date. Review histories of administrative appeals for campground concessions, to determine how much time to allow for resolution of any appeals. It could take approximately another 90 days to resolve the appeal through the final level of review.

If the selection decision is not appealed, give the selected applicant sufficient preparation time by issuing the permit three months before the start of the operating season.

(Appendix 3C, pages 3–26-27, contains a sample time line for preparing a prospectus.)

Development of a Prospectus

To generate a sufficient number of applications that are acceptable to the FS and in the public interest, the concession opportunity must be clearly defined. The prospectus must specify the kind of special-use opportunity that is being advertised and what will and will not be permitted.

A prospectus should include relevant information regarding the concession. At a minimum, the prospectus should identify the scope and location of a proposed project, the minimum and maximum services that must be provided, performance standards, fees to the Government, and permit administration requirements. Information requirements should be presented clearly and clearly, so as to elicit responsive applications.

Prospectuses should be prepared using a clear and easily followed format, to ensure that all applicants compete on an equal basis. The entire package should be designed so that applicants compete under the same terms. To enhance consistency in program administration and to facilitate applying for concession opportunities in different Forests, a standard prospectus outline has been developed for concessions covered by this desk guide and is included as an appendix to this chapter (see pages 3–28-32). It includes generic headings, as well as subheadings tailored to a specific concession.

Keep the prospectus format simple to reduce printing costs. Refrain from including detailed maps or photographs that do not duplicate well. Keep all pages the same size, preferably 8 ½" x 11". Keep binding simple, as applicants may pull the prospectus apart when preparing applications. The prospectus should be provided upon request in alternative formats such as Braille or audio tape.

When necessary, modification of the prospectus must be made in writing, before applications are due. Send amendments to everyone who has been sent a prospectus. When only a short time remains before the due date, consider extending

the due date. Extensions must be mentioned in the amendment; information given to one applicant must be furnished promptly to all others. Do not issue a permit unless amendments have been provided in sufficient time to allow all applicants to consider them in submitting or modifying their applications.

The following discusses sequentially the items found in a typical prospectus. (See Appendix 3D, pages 3–28-32, for a prospectus outline.)

Cover Sheet

At a minimum, the cover sheet should include the title of the prospectus, the name of the Forest and District where the concession is located, and the date the prospectus is issued.

Table of Contents

The table of contents lists headings and their corresponding page numbers in the prospectus, as well as any appendices, including maps and illustrations.

Introduction

The introduction is an overview of the information contained in the prospectus, including the opportunity being advertised and the selection process. Include a statement of the minimum fee to the Government. Reference any NEPA decisions that were made to approve issuance of the concession permit. Summarize the rationale for advertising the concession.

The introduction should also contain instructions for submitting applications. These instructions should specify the address to which applications should be sent, any labeling or packaging instructions, the date and time applications are due, the conditions under which the prospectus may be modified, and any rights reserved or conditions imposed by the FS in connection with issuance of the prospectus.

At a minimum, such rights and conditions should include the following statements:

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Development of a Prospectus: Introduction / Site Descriptions and Income-and-Expense Data

- that all applicants have an equal opportunity to apply;
- that except for Members of Congress, Resident Commissioners, and current FS employees, any individual or entity may apply;
- that the FS does not guarantee a profitable operation; rather, applicants are responsible for reviewing the prospectus and making their own determination concerning business viability;
- that the FS is not obligated to accept the application with the highest return to the Government;
- that the FS reserves the right to issue the permit on the basis of a tradeoff between the fee to the Government and technical merit;
- that the FS reserves the right to issue a permit based solely on initial applications, without oral or written discussions;
- that the FS reserves the right to reject any or all applications; and
- that the FS reserves the right to rescind the prospectus at any time before a permit is issued.

The instructions should identify individuals to contact for more information. When more than one recreation site is advertised, include a contact person knowledgeable about each site. Provide the full name, title, address, telephone and telecopier numbers, and area of expertise for each contact.

Site Descriptions and Income-and-Expense Data

Describe the physical setting for the concession. At a minimum, describe the area, the sites advertised, the facilities on site, and supporting utilities (on and off site). In addition, provide data on income and expenses associated with management of the sites. The more complete and accurate the information, the more responsive the applica-

tions will be to the agency's and the public's needs.

Area Description

Describe the general location of the areas and sites included in the prospectus. Provide markers, such as the Forest, Ranger District, and county where the sites are located. Include a description of access to the area, major travel routes, proximity to urban areas, and where visitors come from. Consider adding information on climate, topography, vegetation, drainage, and other local attractions and recreation opportunities that affect use or operations. Also identify problems specific to the sites, such as plague, tree failures, and drought.

FS Site Descriptions

Describe each of the sites advertised in the prospectus. For each, specify whether use fees may be charged.

Government-Furnished Property

Provide an inventory of facilities at each advertised site, such as tables, fire rings, dumpsters, parking capacity, toilets, water systems and other utilities, docks, fish-cleaning stations, lagoons, trails, and campsites. Itemize and describe the facilities by type, condition, and accessibility.

Identify any special operating or maintenance requirements associated with the facilities in the inventory. This inventory should be placed in an appendix to the prospectus. Appendix 3E (pages 3-33-34) contains a sample inventory of Government-furnished property.

Government-Furnished Supplies

List supplies that will be provided by the FS to the concessionaire during the term of the permit, such as customer service comment cards, signs, and posters. The FS should not be furnishing any supplies for day-to-day operation of the concession. FS-furnished supplies should be limited to those necessary

for programmatic consistency or program administration.

Utilities

Identify available utilities, who owns them, who operates them, and the typical costs.

Generally, responsibility for operating utilities should be transferred to the concessionaire. However, in some cases the FS may retain responsibility for operating and maintaining utility systems. For example, the FS may continue to operate water and sewer systems where specialized knowledge, skill, or qualifications possessed only by the FS are required.

The FS may also continue to provide a utility such as electricity, if it supports FS administrative facilities or concession sites not included in the prospectus, such as electricity provided under a common power drop or through membership in a cooperative. State whether the concessionaire will be responsible for operating the water system year-round or just during the operating season.

Income-and-Expense Data

For existing concessions, provide either a three-year average of income or occupancy rates and price structure for the last three years for the sites included in the prospectus.

For new concessions, provide data on FS income and expenses for the sites advertised in the prospectus. Use actual costs when available; identify whether costs are actual or estimated. The Cost/Benefit Analysis for Conversion to a Concession completed by the FS (see Chapter 2, Appendix 2C, pages 2–11-12) summarizes FS income and expenses and should be attached as an appendix to a prospectus for new concessions.

Include a statement that a concessionaire may have income and expenses that the FS does not have, and vice versa; that the FS makes no guarantees with respect to the information provided in the cost/benefit analysis; and that applicants are responsible for reviewing the

prospectus and making their own determination concerning economic viability. The following applies to FS data on income and expenses.

Income

Income data should be based on data compilations for the last three years, if available. Include data on total use and total revenue collected, and a use fee schedule for that period.

Expenses

Cost data should be based on expenses incurred by the FS for operating the site. Display expenses in tabular format. At a minimum, show costs for personnel, contracts, vehicles, and supplies.

The Opportunity

This section describes FS policy, programs, and permit documents that govern operation of the concession. These operational aspects of the concession are standardized and not subject to variation. These operational aspects include (1) FS program and policy considerations, (2) the special-use permit, (3) the G-T fee offset agreement, and (4) standard operating plan provisions.

FS Programs and Policy

National Recreation Reservation Service

The National Recreation Reservation Service (NRRS) is the only authorized reservation system for concessions. Each Forest may decide whether participation is optional or required; the prospectus must state whether participation is optional or required. If participation is required, identify the sites (and which units, if not all) must be in the system. In either case, describe the reservation service and inventory condition reporting requirements, and provide a list of all sites currently enrolled.

The prospectus should explain how use fees for campsites in the system will be disbursed to the concessionaire, and any requirements applicable to sites in the reservation system. Discuss the procedures for making and

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canceling a reservation.

Appendix 8B is reserved for additional information on the NRRS, which will be developed in conjunction with award of the new NRRS contract. A National Recreation Reservation Service Guidebook has been drafted that provides detailed information on the NRRS. Consult the chapter on permit administration for specific language to insert in prospectuses, operating plans, and reservation plans with respect to the NRRS in general and to ensure holder compliance with changes to the NRRS in particular.

Golden Age / Golden Access Passports

State that concessionaires must honor Golden Age and Golden Access Passports. These entitle the holder to a 50 percent discount on use fees that are charged per vehicle, per person, or per single-family unit.

Camp Stamps

Concessionaires must honor Camp Stamps, and may submit them to the FS for reimbursement.

Free Fishing/Camping Day Policy

Note Forest policy on free fishing/camping days. Until national policy is adopted, mandatory participation in these events by concessionaires is discouraged, but voluntary participation is encouraged.

Customer Service Comment Cards

State that the concessionaire will be required to make available to the public Form FS-1300-5, Customer Service Comment Cards (see Appendix 8F, pages 8 - 16-17). Some Forests and Regions have other forms besides the Customer Service Comment Card. Indicate whether there are other customer feedback forms that must be made available to the public.

Any required forms must have an Office of Management and Budget (OMB) control number for Paperwork Reduction Act compliance. Indicate whether applicants will receive additional evaluation credit for instituting a customer feedback program of their own, as

part of their business.

Compilation of Use and Revenue Data

This section describes requirements for compiling and submitting use and revenue data. A standard form is provided in Appendix 8A (page 8-3), which is being submitted for an OMB control number for Paperwork Reduction Act compliance. Supply copies of this form, and instruct applicants that they must use it or provide comparable data in an alternate format. Indicate that the FS may require participation in recreation use surveys that the agency conducts.

Performance Evaluations

Indicate that a mid-year and an annual performance evaluation will be performed, and that an unsatisfactory annual rating may be cause for suspension or revocation of the permit. Also state that a sustained satisfactory performance is necessary an extension. (See Chapter 7 for a complete discussion of performance evaluations.)

Accessibility

Offering accessible programs is required by law, makes good business sense, and provides better customer service.

The Forest Service is responsible for ensuring that any Government M&R performed at concession sites meets both Uniform Federal Accessibility Standards (UFAS) and Americans With Disabilities Act Accessibility Guidelines (ADAAG), where applicable, and that outdoor recreation opportunities (e.g., trails or fishing stations) meet the agency's accessible outdoor-recreation guidelines, *Universal Access to Outdoor Recreation; A Design Guide*, until the Architectural and Transportation Barriers Compliance Board (Access Board or ATBCB) finalizes ADAAG for outdoor recreation.

It is the responsibility of the FS to perform a self-evaluation of programs and facilities for accessibility, and to develop a transition plan. Use the transition plan as appropriate to develop requirements for program accessibility in the prospectus.

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Development at a Prospectus: *The Opportunity*

ADAAG, and the agency's accessibility guidelines. (See Chapter 5 for discussion of Government M&R and G-T fee offset.)

Additionally, state that it is the concessionaire's responsibility to ensure effective communication with interested persons, including individuals with impaired vision or hearing, so that all visitors may obtain information on accessible services, activities, and facilities. Concessionaires must ensure effective day-to-day communication with individuals with disabilities, in accordance with 7 CFR 15e, Section 504 of the Rehabilitation Act, as amended, and other related Federal and state laws. Information should be provided, upon reasonable request, in alternative formats such as braille, audio tape, and large print. Sign language interpreters require advance notice (usually 48 hours) for scheduling. Inform the concessionaire of available services in the area and the lead time required to obtain them.

Special-Use Permit to Be Issued

State that the selected applicant will be required to comply with a special-use permit, and that a standard permit for this type of concession is attached as an appendix to the prospectus. When completed, Appendix 3F will contain the standard special-use permit, FS-2700-4h, Special-Use Permit for Campground and Related Granger-Thye Concessions..

This section discusses permit provisions specific to concessions covered by this desk guide (permit term and renewal), and a fairly new provision (responsibility for day-to-day activities).

Permit Term

Refer to Clause I.C of FS-2700-4h. The agency reserves the right to set the term for the permit. The prospectus must specify the permit term. The initial term will typically be five years, with an option to extend the permit term for five years at the sole discretion of the authorized officer. The decision to extend the term must be based on sustained satisfactory performance. (Refer to Chapter 7 for a detailed discussion of performance

evaluations.) The agency may issue a permit for a shorter term, based on administrative need. For example, the opportunity may be for a three- or one-year permit with no extension, when a capital investment project is anticipated.

Until agency policy has been changed, issue permits with a one-year term, with an option at the agency's sole discretion to extend the permit term for four consecutive one-year periods, or with a three-year term, with an option at the agency's sole discretion to extend the permit term for two consecutive one-year periods. (Refer to Chapter 7 for a detailed discussion of performance evaluations.)

Renewal

Refer to Clause I.D of FS-2700-4h. FS-2700-4h does not provide for renewal. Once the permit expires, continuation of the type of use and occupancy authorized by the permit is at the sole discretion of the authorized officer, and must be subject to a competitive offering.

Responsibility for Day-to-Day Activities

Refer to Clause II.F of FS-2700-4h. As a general rule, the holder must conduct the day-to-day activities authorized by the permit. Some, but not all, of these activities (such as boat rentals or garbage disposal) may be conducted by a party other than the holder, but only with prior written approval of the authorized officer. The holder will continue to be responsible for compliance with all the terms of the permit.

G-T Fee Offset Agreement

As owner of the improvements, the Government bears responsibility for M&R that extend the life of the improvements. All or part of the permit fee may be offset by the cost of Government M&R. (See Chapter 5 for a detailed discussion of these topics.) G-T fee offset projects must be documented in an annual G-T fee offset agreement that will become part of the permit. The agreement may be amended at the agency's discretion.

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Development of a Prospectus: The Opportunity

The following should be specified in this section:

- A description of Government M&R.
- The portion of the permit fee that will be offset by Government M&R.
- A prioritized list of G-T fee offset projects that may be required. Describe the work and its location, estimated cost, specifications, and deadlines. This list should be included in an appendix to the prospectus. (Appendix 5A contains a sample list of G-T fee offset projects, and Appendix 5B contains a sample G-T fee offset agreement.)
- Specification of requirements for G-T fee offset projects, including use of a particular brand or color of paint to match existing facilities, a particular brand or model for a replacement item, or a certain technique for a particular job. Note that placing too many limitations on the concessionaire may unnecessarily increase the cost of projects. Provide available design standards.
- Indicate whether the concessionaire will be required, or has the option, to enter into a collection agreement with the FS to perform Government M&R. (See Chapter 6 for a discussion of collection agreements.)
- A description of G-T fee offset accounting procedures. (See Chapter 5 for more information on this subject.)

Standard Operating Plan Provisions

An annual operating plan (AOP) must be prepared by the concessionaire and approved by the authorized officer. The AOP will become part of the permit. This section of the prospectus addresses FS requirements for the AOP that have no bearing on the selection process.

The AOP will elaborate on agency policy and permit clauses by establishing schedules, due dates, and details concerning implementation. These items do not need to be addressed in applications. Rather, they may be coordinated with the selected applicant. However, providing an outline of standard AOP provisions will give

prospective applicants a complete understanding of the operational requirements governing the concession sites.

Not every AOP will have the same combination of standard provisions. The selection of standard AOP provisions may vary, depending on the nature of the concession. The following is a list of some standard AOP provisions that are of general interest, and instructions on how to draft them. Where appropriate, they are keyed to corresponding clauses in FS-2700-4h.

Site Capacities

Identify any unit capacities for sites, including single and multiple units, group areas, and parking areas. This information may be provided in an appendix to the prospectus. Describe any use restrictions, such as boating or floating restrictions, and how the concessionaire should enforce them.

Reserved Administrative Use

if the FS anticipates using campsites or other facilities for administrative purposes, specify the number of sites and days that will be reserved by the FS. For example, "Campsite #10 is reserved from June 15 to July 15 for a Forest Service field biologist at no cost to the agency, or "The Forest Service reserves the right to use Group Shelter #3 for three days during the season."

Capital Investment Projects

Where G-T fee offset cannot generate enough funds to cover the cost of needed Government M&R at a concession site, capital investment projects may be required. Anticipate these projects before issuing a prospectus, and describe them in the prospectus. Stagger the work so that most of the concession is operational during construction. Notify applicants of the sequence in which the work will be done, and state that once a portion is finished, it will become available for operation.

If income-producing sites will be affected, inform applicants of how many sites will be closed each season. For example, "Loop C

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(25 units) will be under construction in 1999. Once completed and operational, Loop C will be opened, and Loop B (30 units) will be closed for renovations. State that the Forest Service shall not be liable for any claim for damages associated with closure of sites under construction. Include the same statement in the AOP.

Holder-Furnished Property

State that the concessionaire will be expected to provide all supplies, equipment, and vehicles necessary to operate the concession sites in accordance with permit and AOP requirements. All-terrain vehicles, motorcycles, motorbikes, and similar vehicles may not be used at concession sites without prior written approval from the FS. Vehicles must be attractive, clean, quiet, and well maintained. A professional-caliber sign containing the concessionaire's name must be displayed on the door of each vehicle used at concession sites.

A sample list of holder-furnished property may be included as an appendix to the prospectus. (Appendix 3G, on page 3-54, contains a sample list of holder-furnished property.)

Holder M&R

Refer to Clauses II.C and IV.E.1(c) of FS-2700-4h. The concessionaire, at its expense, will be required to perform holder M&R under a holder M&R plan developed by the FS that will become part of the AOP. This section defines holder M&R and describes required holder M&R responsibilities and their frequency. A holder M&R plan should be included as an appendix to the prospectus. (Appendix 3H, pages 3 - 55-56, contains a sample holder M&R plan.)

Preseason Preparation and Post-Season Cleanup

List the work to be done to open each site. List the work to be done at the end of the

season for each site. Describe activities and minimum standards.

Other Special Uses

Refer to Clause I.G of FS-2700-4h. Describe any other scheduled or existing special uses in the permit area, such as grazing, outfitting and guiding, and recurring recreation events.

Site Protection

Clauses II.G, III.F, III.G, and V of FS-2700-4h address the concessionaire's site protection responsibilities. Note whether a vegetation management plan exists, and whether it contains conditions the concessionaire must meet. Acknowledge threatened-and-endangered-species protocols that may exist.

Erosion Control

Refer to Clause III.G of FS-2700-4h. The AOP should address appropriate erosion control practices during and after site construction and other ground-disturbing projects.

Site Hazards

Refer to Clause II.G and III.E of FS-2700-4h. The concessionaire should conduct a preseason inspection of the sites to identify existing and potential hazards, including hazard trees. The concessionaire is responsible for monitoring and identifying hazard trees. The concessionaire will also remove hazard trees, subject to prior FS approval. The AOP should address appropriate disposal, e.g., the AOP may state that the FS will sell commercial-grade timber. The FS may conduct timber sales following significant blowdown. Monitoring, identification and removal of hazard trees are holder M&R. Discuss frequency and cost of hazard tree removal at each site, if atypical. Describe any conditions, such as stand age, density, and weather patterns, that would tend to increase the number of hazard trees.

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Wind Damage

Refer to Clauses III.E and III.F of FS-2700-4h. Describe whether and how the concession sites are susceptible to wind damage.

Fire Prevention

Refer to Clauses III.E and III.F of FS-2700-4h regarding fire prevention requirements. The AOP should address how the concessionaire should report fires, and the concessionaire's responsibility for fire tools and equipment and fire suppression.

Butane and Propane Installations

Refer to Clause V.G of FS-2700-4h, which applies if the concessionaire is allowed to install butane or propane tanks. Specify any approved sites for these installations.

Refer to Clause III.G of FS-2700-4h for the following three items.

Grizzly Bear, Black Bear, Cougar, and Other Predators

The AOP should address any restrictions on use due to grizzly bears, black bears, cougars, or other predators; and safety requirements for the concessionaire, such as firearms.

Diseases (Hantavirus and Plague)

The AOP should address the history of and procedures for infestation areas that would affect a concession.

Rodent Control

The AOP should address procedures for rodent control, including type, use, and timing of treatments and disposal of carcasses. It should also address proposed rodent control treatments. Include appropriate provisions for protection of National Forest System resources.

Herbicide/Insecticide Use

Refer to Clause V.D of FS-2700-4h. The prospectus should cite any restrictions on herbicide and insecticide use, such as type, use, and timing of treatments; disposal of waste products; and any certifications that are required. The AOP should address proposed herbicide or insecticide treatments. Include appropriate provisions for protection of National Forest System resources.

Construction Safety

Refer to Clause III.G of FS-2700-4h. The AOP should describe appropriate construction safety standards.

Boating Safety

The AOP should address restrictions and requirements that apply to boating safety, including certifications required for providing services.

Advertising

The concessionaire must address proposed advertising in the AOP, in conformance with Clauses II.H and VII.B of FS-2700-4h.

Signs and Posters

Refer to Clause II.H of FS-2700-4h. The AOP should address who is responsible for furnishing signs and posters. The FS is responsible for providing all Title VI signs and posters. Describe required signs and sign standards. Content, location, and quantity of signs and posters must be approved by the FS.

Proposed Operating Plan Provisions

This section identifies operational aspects of the concession that are not standardized and that therefore may vary by applicant. Require applicants to submit proposed operating plan provisions that respond to each of the items covered in this section of the prospectus. For some items, the prospectus will specify minimum requirements and allow

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applicants to propose services that exceed the minimum. For other items, the prospectus will ask applicants to address a given topic.

Operating Season

Describe the minimum acceptable operating season. Specify the beginning and ending dates for a typical season; any foreseeable conditions, like snow depth, that may affect the season of use; and use patterns, such as peaks and valleys. List restrictions on use outside the typical operating season and any capacity limits during the shoulder season. Indicate whether an extended season may be proposed.

Staffing

This section describes minimum staffing levels for the concession, and FS expectations for concessionaire employee conduct.

Supervision/Management

Specify whether a site or area manager will be required to supervise concessionaire employees and to serve as the principal contact with the FS. Specify FS requirements for the site or area manager, including experience and qualifications. Ask applicants to describe how managers and employees will communicate.

Personnel

Specify the minimum number of employees required to manage the concession sites. Specify FS requirements for concessionaire employees, including experience and qualifications. State that the concessionaire must comply with all applicable Federal and state labor laws. (See Appendix 8D, pages 8–8-10, for more information on concessionaire compliance with labor law.)

Employee Training

Ask applicants to describe the training employees will receive, to meet the minimum requirements of the prospectus.

Employee Housing and Services

State whether campsites and other Government facilities and services (such as toilets, electricity, and refuse disposal) are available for concessionaire employees and, if so, at what cost. If the concessionaire must provide employee housing and services, describe limitations on usage (such as seasonal restrictions), and other requirements.

Employee Conduct

Specify FS expectations for concessionaire employee conduct, both on the job and off duty on the premises. State that concessionaires, not the FS, are responsible for the conduct of their employees.

Uniforms

Do not require or allow concessionaire employees to wear FS uniforms or FS uniform components. Any work apparel worn by concessionaire employees must be distinctly different from the FS uniform in design, color, and insignia; must include identification of the concessionaire by patch or name tag, and identification of the employee by name tag; and must be approved by the authorized officer.

Required Services

This section specifies operating requirements for the concession sites, including all minimum service levels. The FS must clearly articulate minimum acceptable standards for required services and, as appropriate, for optional services. Ask applicants to propose services above the minimum standards. Minimum standards set in the prospectus should track with minimum standards in the AOP and standards in the performance evaluation.

Operation of the Concession

In this section, describe work relating to operation of the concession.

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Hours of Operation

Specify the minimum hours that the sites must be open, including daily hours of operation for all sites, fee booths, and visitors' centers. Indicate whether extended hours may be proposed.

Cleaning and Maintenance

Specify minimum standards for cleaning and maintenance. In developing these, refer to the standard performance evaluation form contained in Appendix 7A (pages 7 - 4-7). Have applicants describe how the facilities and surrounding areas will be cleaned and maintained to these standards. Have applicants address refuse disposal, toilet pumping, and other periodic cleaning.

Emergency Response

All emergencies at concession sites should be reported to local authorities. In this section, ask applicants to describe how they will respond to emergency situations, how they will provide information and assistance to the public, and how they will handle public criticism of emergency response. Applicants should show how hours of operation, communications, and employee training and supervision will be integrated in these situations.

Law Enforcement

The FS, state and local law enforcement officials, and the concessionaire each have specific enforcement roles at concessions. (Refer to Appendix 8E for a detailed discussion of this topic.) Specify the respective enforcement responsibilities of the FS, state and local officials, and the concessionaire. Discuss any issues or requirements that may affect the cost of concessionaire enforcement responsibilities, including enforcement of site capacities. Ask applicants to address how they will fulfill the concessionaire's role and responsibility for law enforcement, including rules of use they will impose at the sites.

Customer Feedback

Ask applicants to specify how they will handle customer complaints.

Other Required Services

Describe any additional services that are required.

Optional Services

If any of the items in this section are considered essential, move them into the section on required services. List requirements for optional services and the minimum standards that apply. These may include interpretive services, law enforcement patrols, and rental of equipment such as boats and bicycles. Specify that if the FS selects an application that includes optional services, they will be included as required services in the APO.

Interpretive Services

Describe any requirements for interpretive or environmental-education programs or materials within the permit area. Ask applicants to describe how they will enhance the visitor's enjoyment of the National Forests, and what kinds of information they will provide. (See Appendix 8C, pages 8 - 5-7, for further details.)

Communication Systems

The concessionaire is responsible for communication systems needed for concession operations. Describe communication equipment or services that applicants may propose. FS radios and frequencies may not be used by concessionaires under any circumstances.

Managing Non-Fee Sites

Management of non-fee sites may be required for a concession with multiple sites. If so, include this item in the section on required services, and describe any applicable requirements. Management of non-fee sites may also be proposed as an optional service. If so, describe which sites may be included. In either case, identify any conditions the conces-

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sionaire must meet to charge a fee at these sites in the future. List any sites where fees may not be charged under any circumstances. (See "Development of a Prospectus," "Proposed Operating Plan Provisions," "Concessionaire Income and Expenses," for more information on this topic)

Recycling

State requirements for continuing existing recycling programs, and for establishing new ones.

Accelerated G-T Fee Offset Work

Unless it is already covered as a separate evaluation criterion, specify the accelerated schedule for G-T fee offset work that may be proposed. The cost of G-T fee offset work under the schedule may not exceed the total estimated permit fees for the initial term of the permit, which will typically be five years once current policy has been revised. (See Chapter 5 for more information on G-T fee offset and long-term Government M&R.)

Other Optional Services

Describe other optional services that may be provided, such as boat or bike rentals or firewood sales.

Concessionaire Income and Expenses

In this section, require applicants to forecast income and expenses for the concession and other business obligations. State that the income-and-expense forecast will be used in assessing the proposed fee to the Government and in making a FAD on the selected applicant.

The forecast should display expected monthly volume of business, revenue, and cash needs, including a detailed breakdown of expenditures by category or expense, for at least the first year of the concession and for all other business obligations. The forecast should enumerate the use fee structure and estimated annual visitation by fee class. If the requisite cash is not readily available, the cash flow forecast should identify

how equipment and working capital will be funded.

The following are typical income-and-expense categories and a description of requirements in those categories, which applicants should address in their forecast.

Income Estimates

Pricing Policies

Request applicants to describe their pricing policies, including senior or family discounts, season passes, and variable pricing (such as for proximity to water, weekday versus weekend use, location, or availability of utility hookups or other amenities). State that pricing must be non-discriminatory (senior discounts must be made available to all who qualify, for example).

Use Fees

State that concessionaires may charge use fees only to the extent that the FS could charge them under the Land and Water Conservation Fund Act. Specifically, proposed fees must be specified per vehicle, per person, or per recreation unit.

Campgrounds designated for charging fees must have a majority of the following:

- Tent or trailer spaces.
- Picnic tables.
- Drinking water.
- An access road.
- Refuse containers.
- Toilet facilities.
- Personal fee collection by an employee.
- Reasonable visitor protection.
- Simple devices for containing a campfire, where campfires are permitted.

Concessionaires may not charge for any of the following, whether used singly or in any combination:

- Drinking water.
- Wayside exhibits.
- Roads.
- Overlook sites.

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- Visitor centers.
- Scenic drives.
- Toilet facilities.

Concessionaires may not charge at sites that have no other facilities besides picnic tables.

The payment of a campground use fee should cover the use of adjacent day use sites, such as a beach. Concessionaires may charge for managed parking lots. However, they may not charge for a managed parking lot that serves an area for which a use fee is already charged.

In addition, state any applicable Forest or Regional policies on use fees (e.g., no more than two vehicles per campsite, and first- and second-vehicle charges). Specify the range of allowable options, including fees for multiple family units and group sites.

Other Service Fees/Rentals

These fees are for special services or rentals, such as trailer, boat, or bike rentals, dump stations, managed parking, and boat launch fees. Have applicants describe the services they will provide, and the fees they will charge for those services. Include any limitations on service fees and rentals.

Sundries

Request applicants to describe any goods that would be provided for a fee, such as firewood, ice, soda, propane, fishing tackle, and groceries. If there are concession stands, request a menu and price list. Include any limitations on sale of sundries.

Fee Collection and Refunds

Ask applicants to describe fee collection and enforcement procedures, how visitors will be notified of fee collection procedures, and financial and security controls for fee collection. Ask applicants to enumerate refund procedures, and specify any FS requirements for refunds.

Expense Estimates

Fee to the Government

Ask applicants to include their proposed fee to the Government in their expense estimates.

Deposits and Advance Payments

Specify any required deposits and advance payments, such as special assessments for FS-provided utilities. If any advance payments are required, describe how they will be estimated and the schedule of payments. (See Chapter 5 for a detailed discussion of advance permit fee payments.) Ask applicants to estimate these costs.

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

Describe any Federal, state, and local taxes, fees, and licenses for which the concessionaire will be responsible, such as a certificate for operating a water system. Consult the local county assessor for a list of applicable local taxes and fees. Some counties have initiated transient room taxes that apply to campgrounds. Sales tax and personal-property taxes will also apply. Have applicants estimate these costs.

Holder M&R

Ask applicants to estimate holder M&R costs identified under "Required Services" above.

Insurance

Specify any insurance requirements, including the types of insurance and coverage amounts, inclusion of the FS as an additional insured in any policies, and proof that insurance requirements are met. Have applicants estimate insurance costs. (See Chapter 6 for a detailed discussion of insurance.)

Bonding

Specify any bonding requirements, including the types of losses to be covered and the coverage amounts. Ask applicants to estimate

bonding costs. (See Chapter 6 for a detailed discussion of bonding.)

Pre- and Post-Season Operations

Ask applicants to include in their estimates any special costs relating to opening or closing the concession sites, such as treatment of water or sewer systems.

Storage

Have applicants estimate any costs associated with on- or off-site storage of concessionaire equipment and supplies at the concession sites.

Utilities

Provide a list of any utility systems that will be the concessionaire's responsibility. Describe any cost components or technical requirements that will affect operation of these systems. Reference applicable operating standards in an appendix to the prospectus. State whether the concessionaire may have third parties perform certain functions, such as water testing or garbage collection, and if so, what standards must be met. Identify any shared utilities and other users. Identify if there is separate metering for utilities, or if a cost-share agreement will be necessary. Ask applicants to estimate costs associated with utilities that are the concessionaire's responsibility.

The following is additional guidance by type of utility.

Garbage Collection/Disposal

If dumpsters or garbage cans are available from the FS, describe their location, quantity, size, and condition. Describe any special garbage collection and disposal fees. If the concessionaire must offer garbage disposal service, identify the nearest landfill. Provide an estimate of unit cost.

Water System Operation and Testing

Describe any costs associated with water system operation, testing, monitoring, pre-season opening, and post-season closure. Costs should reflect operating the system to state standards.

Electricity

Specify whether electrical service is provided, and if so, who provides it and the typical cost per kilowatt. State whether the concessionaire will be charged for year-long use or just during the operating season. Specify the number and location of any sites with electrical service.

Natural Gas/Propane

Specify whether natural gas or propane service is provided and, if so, who provides it and the typical unit cost. Specify the number and location of any sites with natural gas or propane service. State whether the concessionaire will be charged for year-long use, or just during the operating season.

Sewage

Specify whether sewer service is provided and, if so, who provides it and its monthly cost. State whether the concessionaire will be charged for year-long use, or just during the operating season. Specify the number and location of any sites with sewer service.

State whether there is a recreation vehicle dump station at any of the concession sites or in the area, and specify the operating costs for the station.

Toilet Pumping

If toilet pumping is required, identify who will supply the service, the typical cost per vault, and how often the concessionaire will have to pump the vaults. List the number and location of vault toilets.

Personnel

Ask applicants to estimate personnel costs associated with any requirements identified under "Development of a Prospectus," "Proposed Operating Plan Provisions," and "Staffing."

Employee Housing

Ask applicants to estimate any costs associated with employee housing.

Other Required Submissions

The prospectus must identify any additional required submissions. These requirements may vary with the scope and nature of the project. The following discusses additional submissions that should be required in every prospectus.

Financial Documents

In addition to a completed FS-6500-25, certain financial information should be submitted by applicants to make the FAD. Any financial information submitted by applicants should conform to generally accepted accounting principles or other comprehensive bases of accounting. Any previously prepared financial documents that are submitted should be unredacted and in their original form; any footnotes in the original should be included.

Financial statements may be audited, reviewed, or compiled by certified public accountants (CPAs). Auditing entails the greatest amount of CPA involvement, and compilation the least. Whether and how much a CPA is involved in the preparation of financial statements, and whether financial statements are required, depend on the size of the concession and the degree of expected risk associated with it. See FSH 6509.18 and consult with a local FS accountant to determine whether CPA involvement is preferred (and, if so, to what degree), and what type of documentation is required. The following outlines documentation that should be requested when CPA involvement is preferred, and when it is not.

When CPA Involvement Is Preferred

Request a complete set of all financial statements for the last three fiscal years that have been audited, reviewed, or compiled by a CPA. For financial statements that have merely been compiled by a CPA, request applicants to complete Parts (D)(1) or (D)(2) of Form FS-6500-24, "Financial Statement," to obtain certification from applicants as to the accuracy of the financial statements. (Appendix 3I contains a copy of FS-6500-24.)

If financial statements have not been audited, reviewed, or compiled by a CPA for the last three fiscal years, request a completed FS-6500-24 for any fiscal year applicants were in business during the last three fiscal years for which an audited, reviewed, or compiled financial statement was not prepared. Limited-liability companies should list the name of the company in Block 1 and the names and interests of the principals in Block 5, and complete the certification in Part (D)(1) of FS-6500-24.

In addition to any documentation provided under the above two paragraphs, for applicants that have not been in business for the last three fiscal years and therefore cannot submit audited, reviewed, or compiled financial statements and/or an FS-6500-24 for that period, request two fiscal years of projected financial statements, compiled by a CPA using the forecast method.

When CPA Involvement Is Not Preferred

If financial statements are required, request a completed Form FS-6500-24 for any fiscal year applicants were in business during the last three fiscal years. Limited-liability companies should list the name of the company in Block 1 and the names and interests of the principals in Block 5, and complete the certification in Part (D)(1) of FS-6500-24.

In addition to any documentation provided under the paragraph above, for applicants that have not been in business for the last three fiscal years and therefore cannot submit

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an FS-6500-24 for that period, request two fiscal years of projected financial statements, compiled by a CPA using the forecast method.

Miscellaneous Submissions

There may be additional required submissions, depending on the concession.

Evaluation Criteria

Enumerate the criteria and their relative importance, and discuss the rating method to be used, as developed in the application evaluation plan. State the minimum fee in the criterion on Fee to the Government.

Prerequisites to Issuance of a Permit

Enumerate prerequisites to issuance of a permit. State that if these prerequisites are not met within 30 days of the date of the selection letter, a permit will not be issued to the selected applicant, and that the applicant that receives the next highest rating will be selected for a permit, subject to a FAD and other prerequisites to permit issuance specified in the prospectus.

Prerequisites to permit issuance should include:

- A determination of financial ability.
- A special-use permit, executed first by the selected applicant and then by the FS.
- An annual operating plan, completed and signed by the selected applicant and submitted to the FS for approval.
- An annual agreement for any G-T fee offset work required by the FS, executed first by the selected applicant and then by the FS.
- Meeting all insurance requirements.
- Meeting all bonding requirements.
- Making any required deposits and advance payments.
- Obtaining any required certifications, and meeting any other prerequisites.

Appendices and Other Documents

Following are a list of mandatory and optional appendices to the prospectus, a list of documents that are available to applicants upon request, and a list of documents that should be sent to the selected applicant. Other mandatory and optional appendices may be attached to the prospectus.

Mandatory Appendices

- Form FS-2700-4h, Special-Use Permit for Campground and Related Granger-Thye Concessions.
- Annual Operating Plan Outline
- Annual G-T Fee Offset Agreement
- Sample Holder M&R Plan
- Facility and Improvement Inventories "Operation of Federally Owned Drinking Water Systems"
- Vicinity Map
- Recreation Site Maps
- Form FS-6500-25, Request for Verification.
- Form FS-6500-24, Financial Statement'
- Standard Performance Evaluation Form for Campground and Related G-T Concessions.
- Cost/Benefit Analysis for Conversion to a Concession Completed by FS (for New Concessions).

Optional Appendices

- A Sample Business Plan
- Sample List of Holder-Furnished Property
- Sample Collection Agreement
- Forest Orders that Apply to the Concession
- Vegetation Management Plan

Documents Available upon Request

- EA and NEPA Decision Notice for the Concession Opportunity
- National Recreation Reservation Service Plan (reserved)
- Accessibility Self-Evaluation and Transition Plan
- Recreation Site Use Reporting Form
- Cleaning Recreation Sites: An Update, August 1995.*

Advance Public Notice

Notice of the Opportunity

Advance public notice generates interest from potential applicants in the business opportunity that will be advertised in the prospectus. At a minimum, advance public notice requires publication in a local or regional newspaper of general circulation in the vicinity of the opportunity. Give further notice by advertising in the *Commerce Business Daily* and *The Wall Street Journal*, or by posting in public places. Submit the notice for publication 15 to 30 days before issuance of the prospectus.

Include the following:

- Location and type of special-use opportunity.
- Extent and duration of the opportunity.
- How potential applicants can obtain information.

Target Audience

To reach an interested audience, a targeted mailing may also be appropriate. Include parties who have expressed interest, trade organizations, and past and current concessionaires. Some techniques to generate interest include:

- Advertising in a trade journal or association newsletter. Contact the National Forest Recreation Association and advertise in its newsletter.

- Developing an information handout.
- Sending a solicitation-of-interest letter to all parties who might be interested (see Appendix 3J). Describe the proposed concession, and invite them to write for more information. All sites that are being considered for inclusion in the prospectus should be listed, to give potential applicants a chance to inspect them before the prospectus is issued. The FS is not obligated to include all those sites in the prospectus.
- Holding an on-site event or providing a map so that interested parties may tour the site on their own. Field visits give potential applicants an opportunity to observe administration and operation of the campground firsthand during the operating season. Have the following information available for interested parties:
 - ‡ Location and maps of campgrounds being considered for the prospectus.
 - ‡ Number and type of units and facilities.
 - ‡ Operating season and amount of use.
 - ‡ Average receipts collected per campground.
- Sending a prospectus to those at the event who asked for one, and to those who have expressed interest.

This process ensures that the largest group of potential applicants will be reached, and that the group will be narrowed to those who are genuinely interested in participating.