Table of Contents

_____
(Area Name)

CHAPTER 8 – CONCESSIONS REVIEW PROGRAM

Page

Chapter 8 – Concessions Review Program 8-1
- A. Concessions Review Program 8-1
  - 1. Overview 8-1
- B. Operation and Facilities Evaluation 8-2
  - 1. Overview 8-2
  - 2. Instructions for Conducting Operations and Facilities Evaluation 8-2
- C. Public Health Service Inspections (or Equivalent) 8-5
  - 1. Overview 8-5
  - 2. Instructions for Conducting Public Health Service Inspection 8-6
  - 3. Unofficial or Courtesy Inspections 8-7
- D. Safety and Environmental Evaluations 8-7
  - 1. Overview 8-7
  - 2. Instructions for Conducting the Safety Evaluation 8-8
  - 3. Instructions for Environmental Evaluation 8-10
  - 4. Final Safety and Environmental Evaluation Ratings 8-11
- E. Contract Compliance Evaluation 8-11
  - 1. Overview 8-11
  - 2. Instructions for Contract Compliance Evaluation 8-11
  - 3. Checklist for Contract Compliance Evaluation 8-12
- F. Summary of Reports 8-14
  - 1. Operation and Facilities 8-14
  - 2. PHS Inspection 8-15
  - 3. Safety and Environmental Evaluation 8-15

CHAPTER 8 – CONCESSIONS REVIEW PROGRAM

A. CONCESSIONS REVIEW PROGRAM

1. Overview

The primary goal of the Concessions Review Program is to ensure that concessionaires provide safe, sanitary, and high quality visitor services and facilities. The Concessions Review Program comprises four separate evaluations: (1) operation and facilities evaluation, (2) inspection by public health service or other qualified personnel, (3) safety and environmental evaluation, and (4) contract compliance evaluation.

Inspection responsibilities are allocated between local and non-local Bureau of Reclamation (Reclamation) staff and public health inspectors to capitalize on the respective skills and objectivity of each set of reviewers and, therefore, to conduct the most accurate and efficient evaluations possible. Local Reclamation reviewers, because of their familiarity with the concession operation, are well-suited to conduct the highly detailed operation and facilities evaluation. Non-local reviewers, because they, presumably, do not feel pressure to maintain positive relationships with concessionaires, can more effectively enforce the correction of deficiencies and provide objective overall evaluations. In addition, reviewers normally have specialized training in conducting the safety and environmental evaluation and the contract compliance evaluation. The public health service inspection, because it requires the technical expertise of a trained sanitarian, will be conducted by a public health service representative.

The operation and facilities evaluation will be conducted semiannually by staff from the local area office. External inspections will be conducted by non-local, or external, staff at least once, midterm, for contracts with a term of 5 years or less, and every 5 years for contracts longer than 5 years. The public health service inspections (or equivalent) will be conducted by a sanitarian. The safety and environmental evaluations will be conducted by Reclamation "reviewers," who are staff members who have been trained to conduct such evaluations. A reviewer may be called in by the local area staff to enforce deficiency corrections during the operation and facilities review. Private contractors may also be used for technical reviews.

The four evaluations are summarized in the following table.

Concessions Review Program

Evaluation/ inspection	Operation and facilities evaluation	Public health inspection	Safety and environmental evaluation	Contract compliance evaluation
Frequency	Semiannual	Semiannual	Annual	Annual

The evaluation rating year begins no later than October 1 and ends no later than September 30. This 12-month period will allow concessionaires' operation and facility evaluations to be coordinated Reclamation-wide. It also allows the area office 6 weeks to finalize and transmit reports to the regional office by November 15. The regions should then have 1 month to review the reports and submit necessary documents to the Director of Operations and the Office of Program and Policy Services by December 15 if issues warrant a higher level of notification. The Recreation Use Data Report should also be updated by December 15 of each year.

This presentation describes the concessionaire evaluations and outlines instructions for conducting each of the four evaluations. The final section of this discussion, section F. 1. Summary of Reports, lists the evaluations. Appendix A contains evaluation forms for each of the evaluations.

B. OPERATION AND FACILITIES EVALUATION

1. Overview

The operation and facilities evaluation provides a systematic method of determining the quality, safety, and sanitation of visitor services on a semiannual basis using established standards. This evaluation will be conducted twice yearly by the local area staff. The evaluation will be based on the operating standards for the concession operation, as defined in the concession contract for that operation. One of the evaluations must be conducted during the peak season.

The standards established for each type of facility or service (operation) are composed of distinct elements that are pertinent to satisfactory performance. These elements are classified first priority (A), second priority (B), and third priority (C), based on the degree of importance to the well-being and enjoyment of a visitor or employee.

2. Instructions for Conducting Operations and Facilities Evaluation

a. A local staff member is designated as the "local reviewer" by the area manager. This individual will be responsible for conducting the onsite evaluation of the concession and assigning the rating. The area manager may assign more than one person to conduct the evaluation.

b. The local reviewer should have a copy of the current concession contract for the concession operation under review. The Operating Plan (exhibit G, subchapter 2-8) contains the operating standards that govern the concession operation. The Operating Plan, chapter 7, contains the full text of all operating standards. Not all standards will be applicable to every concession operation. In preparing the concession contract for a concession, the preparer chooses appropriate operating standards to

include in the concession contract language. The concessionaire will be evaluated only in compliance with the standards that are included in the concession contract.

c. Before beginning the evaluation, the local reviewer should prepare blank copies of several forms. All forms can be found in appendix B of this chapter. The local reviewer will need standard 10-629, the comprehensive operation and facilities evaluation report. The local reviewer will record the scores for each individual element on this form. The final rating for the operation and facilities evaluation will also be recorded here. In addition to standard 10-629, the local reviewer should have a copy of the operation and facilities evaluation report for each operating standard (appendix A) that will be a part of the evaluation. The operation and facilities reports for individual standards are 10-603 through 10-625.

d. The local reviewer should compare the operation and facilities evaluation report form for each standard with the standard included in the concession contract. The standards may have been amended to be applicable to the concession operation and therefore may be missing certain elements that are listed on the standard operation and facilities evaluation report form. The local reviewer should circle the element numbers on the operation and facilities evaluation report form that are included in the concession contract and will compose the focus of the review. The local reviewer should perform a similar task for 10-629. Standard 10-629 lists all standards of operation; however, because the concessionaire will be evaluated on only those standards that are included in the concession contract, the local reviewer should note on 10-629 which standards will be used in the evaluation.

e. Formal evaluations are generally to be performed with only a short notification window (e.g., 24 hours). Limited prior notice, to ensure that the concessionaire or a representative will be available, is advisable. When making operational evaluations of facilities housing several activities (e.g., overnight accommodations, merchandising, and food service), the general standard elements (usually those under the heading of facility exterior and facility interior) that are applicable to all activities should be evaluated in only one of the evaluation reports. However, there should be appropriate cross-referencing notations made on the other reports. For example, a building that houses a restaurant and gift shop is inspected and found deficient in external maintenance. That deficiency should be recorded only on the evaluation for one of the activities—either the restaurant or the gift shop. The concessionaire should not be penalized twice for the same deficiency. The same reporting procedure is to be followed on all subsequent operational evaluations.

f. Informal "walk through" evaluations can and should be conducted at any time without notification. If the informal evaluation is in a public area, no concessionaire representative is necessary. If the informal evaluation is in

nonpublic areas, (e.g., kitchens, maintenance areas, or offices) there is a need to at least notify the concessionaire who may choose to have a representative present. Deficiencies found during an "informal evaluation" may become a part of a formal evaluation if the deficiencies are serious enough or if repetitions of earlier deficiencies are already noted. Generally, deficiencies noted on an "informal" inspection should be provided in writing to the concessionaire as a courtesy. These deficiencies need not become a part of the formal evaluation score.

g. At the start of the operation and facilities evaluation, the local reviewer should enter, in the spaces provided on the operation and facilities evaluation report, all identifying data such as the concessionaire's name and type of facility or service.

h. During the onsite evaluation, all deviations from the guidelines for each applicable element should be described in appropriate detail under the "Evaluation Observations" portion of the operation and facilities evaluation report using the supplemental operation and facilities evaluation report, if needed. A review should then be made of all such deviations to determine which are meaningful deviations. A meaningful deviation could be a relatively small departure from the established standard, but it is frequent enough to indicate a general pattern of occurrence and, when taken together with other deviations, represents a significant deviation. A meaningful deviation need only be a one-time occurrence if it is a significant deviation. For example, it would not be meaningful to find a bulb burnt out in a lamp in just one of eight motel rooms. Bulbs out in several rooms would be a meaningful deviation. If the deviation is considered meaningful, a check should be placed after the appropriate numbered element in the appropriate evaluation report, Appendix B. If it is not meaningful, the remarks should remain in the evaluation report as a future reminder for the concessionaire and the local reviewer, but should not be counted as a deficiency.

i. The total number of A, B, and C criteria found deficient in a single facility should then be calculated and entered in the space provided at the bottom. Regardless of the number of times an element is found deficient; it should be checked and counted only once. Ratings should be determined by the number of A, B, or C elements found deficient, not by the number of occurrences under an element.

j. If no deficiencies are found, the local reviewer should assign a final rating of satisfactory.

k. When necessary, another reviewer should perform a followup evaluation at the end of the correction period. The purpose of this evaluation is to determine whether the deficiencies have been corrected. The reviewer should note any deficiencies that have been corrected by marking the item as corrected on the concession operations report for the appropriate

standard of operation. Deficiencies that have been corrected and do not recur will not be counted when assigning the final rating.

l. The final rating for the operation and facilities evaluation should be assigned using the comprehensive operation and facilities evaluation standard 10-629. The final rating should be based on the number of A, B, and C deficiencies present during the followup evaluation. Deficiencies that were present during the initial evaluation, but had been corrected before the followup evaluation, will not count against the concessionaire's final rating. The following scale should be used to assign the final rating.

m. The reviewer should immediately notify the regional director in the case of an unsatisfactory rating.

Operation and facilities evaluation rating scale

Numerical Rating	
Satisfactory	
5	Always meets standards. No first priority (A) or second priority (B) deficiencies exist. Very few, if any, third priority (C) deficiencies exist. Consistently provides outstanding visitor facilities and services.
4	Almost always meets standards. No first priority (A) deficiencies exist. Second priority (B) and minor third priority (C) deficiencies may exist.
Marginal	
3	Usually meets standards. A few First priority (A) deficiencies exist. Second priority (B) and third priority (C) deficiencies may exist.
Unsatisfactory	
2	Many major (A and B) deficiencies exist. Generally does not meet standards.
1	Fails to meet most rating criteria. Overall performance is inadequate.

C. PUBLIC HEALTH SERVICE INSPECTIONS (OR EQUIVALENT)

1. Overview

The primary goal for the sanitation inspections is to ensure compliance with health standards by avoiding health hazards. An effective inspection system must not only identify hazards and rate the concessionaire's performance, but must also assign responsibility for correction and followup to ensure that some action is taken. Correcting concession operational and equipment deficiencies will be the concessionaire's responsibility. Correcting deficiencies in Government buildings, however, may be the responsibility of Reclamation, unless the concessionaire is assigned maintenance responsibility for the Government buildings.

Onsite inspections will be performed semiannually by a representative of the U.S. Public Health Service (PHS) and will cover all food service facilities. The most current Food and Drug Administration/PHS Food Code will be the standard for inspections.

2. Instructions for Conducting Public Health Service Inspection

a. The area manager or delegate should make arrangements for a PHS representative to conduct an onsite inspection of the concession operation. Inspections are generally to be unannounced. However, limited prior notice may be given when necessary to ensure that the concessionaire or a representative will be available to accompany the PHS reviewer or sanitarian. Discretion should be used regarding appropriate timeframes (e.g., food service evaluations should not be conducted during busy meal periods).

b. Upon completion of an inspection, the food sanitation inspection report (form 10-622) will be completed by the PHS representative or other sanitarian before leaving the area. All critical and noncritical code violations will be identified on the PHS inspection report. A specific explanation of the violations shall also be noted on the report.

c. The sanitarian will discuss the report with the area concession specialist (or another concessionaire staff member assigned for the purpose) and a Reclamation representative, who will, together, identify particular violations, if any, which are the responsibility of Reclamation to correct. Reclamation deficiencies will not affect the concessionaire's rating. The area or field office representative should, at that time, also make the necessary adjustments to the report on the line immediately below the PHS rating score labeled "Public Health Rating (adjusted for Reclamation deficiencies)."

d. The sanitarian shall designate specific target correction dates for each violation based on the severity of the code violation, using his or her professional knowledge. In the absence of such designation, and as a general rule, all violations should be assigned a correction period of 15 days following the initial sanitation inspection. The area and field office representatives should then give a copy of the adjusted report to the concessionaire and point out respective responsibilities. Where correction of an item or items requires a large monetary expenditure, all responsible parties should discuss the issues and mutually agree upon correction dates. This does not preclude modifying or discontinuing parts or all of the concessionaire's operation until the violation is corrected.

e. A followup inspection will be performed at the end of the correction period to determine whether the deficiencies have been corrected. Reinspections are to be made by the person making the original inspection

or, where that is not possible, by another qualified individual. The PHS representative conducting the followup inspection will note on the original inspection form which deficiencies have or have not been corrected.

f. A final rating will be assigned based on the following scale:

Public health service inspection rating scale

Rating	Criteria
Satisfactory	No imminent health hazards. General compliance with timeframes for correction approved and directed by PHS authority. No repeat critical violations remain uncorrected.
Marginal	May have imminent health hazards. Some noncritical code violations remain uncorrected beyond correction period.
Unsatisfactory	May have imminent health hazards. Critical and noncritical code violations remain uncorrected beyond correction period

g. The area manager should immediately notify the regional office and the Director of Operations in the case of an unsatisfactory rating for the PHS inspection.

3. Unofficial or Courtesy Inspections

The area manager or a designated, trained staff member may, from time to time, inspect for conformity with PHS standards, as a courtesy. Such inspections are to help the concessionaire maintain standards and to aid in identifying potential problems. Such inspections, while beneficial, have no official standing and may not be considered in assigning ratings. Courtesy inspections may be made using a locally designed form or the regular PHS standard, provided that, if the PHS standard is used, the word "UNOFFICIAL" is printed in large letters at the top, and the concessionaire is made aware of its courtesy purpose.

D. SAFETY AND ENVIRONMENTAL EVALUATIONS

1. Overview

The safety and environmental evaluation is aimed at ensuring that safety hazards are minimized through compliance with safety standards and that strong environmental protection is achieved by the concessionaire's operations. The safety performance standards are included in the concession contract in the "Risk Management" section. Environmental protection standards are included in the "Environmental Protection" section of the concession contract. To determine whether a concessionaire is meeting the requirements of these standards, an onsite annual evaluation of the concession operation will be conducted by a qualified Reclamation representative, coordinated through the area office. The concessionaire will provide Reclamation access to its records, including any

annual statistical information that may be required by the area manager. The safety and environmental evaluations can be conducted by reviewers during the same onsite visit, but require a separate evaluation report.

2. Instructions for Conducting the Safety Evaluation

The Safety Evaluation is not a safety/risk management inspection but an evaluation of the required components and processes identified in the concession contract to determine if the concessionaire has established a safety program. The following are the instructions for conducting the Safety Evaluation.

a. The reviewer should use a copy of the most current concession contract and a copy of 10-623, safety evaluation report.

b. The reviewer should compare the risk management performance standards in the concession contract with the performance standards listed on the safety evaluation report. Some performance standards may have been omitted from the concession contract and therefore will not be used in the evaluation. The reviewer should circle the elements on the safety evaluation report that are included in the concession contract. (The full list of performance standards is included in the "Risk Management" section.)

c. The evaluation contains six elements, each with specific standards. Each performance standard is designated either "A," "B," or "C," which signifies the weight of that standard.

   (1) First priority (A) deficiencies. – Conditions or practices that could significantly impair the health or safety of visitors or employees.

   (2) Second priority (B) deficiencies. – Conditions or practices that could moderately impair the services essential to the health or safety of visitors or employees.

   (3) Third priority (C) deficiencies. – Conditions or practices that could impair service essential to the health or safety of visitors or employees.

d. The reviewer should obtain a copy of the concessionaire's concession contract and circle the item number of each performance standard that has been identified as part of the concessionaire's Risk Management Program. These are the items that will be evaluated.

e. If a meaningful deficiency is found during the evaluation, the reviewer will place a check mark after the performance standard in which the deficiency is found to exist. A "meaningful" deficiency is one that impairs a concessionaire's ability to provide a safe and healthful environment or safe and healthful services or facilities for visitors and

employees. All deficiencies require an explanation in appropriate detail in the narrative section of the evaluation report. A continuation sheet should be used if necessary.

f. The total number of "A," "B," and "C" criteria found deficient should be calculated by the reviewer and then entered in the space provided at the bottom of the form. Regardless of the number of times a given performance standard is found deficient, it should be checked and counted only once. Ratings are determined by the number of "A," "B," or "C" standards found deficient, not by the number of occurrences under a specific performance standard.

g. If no deficiencies are found, the reviewer should assign the final rating as satisfactory. If the reviewer finds deficiencies present in the concessionaire's operation, the reviewer should notify the concessionaire of all deficiencies to be corrected and the time period for correction.

h. The reviewer should perform a followup evaluation at the end of the correction period. The purpose of this evaluation is to determine whether the administrative deficiencies have been corrected. The reviewer should note any deficiencies that have been corrected by marking the item as corrected on the safety evaluation report. Deficiencies that have been corrected will not be counted when assigning the final rating if compliance has continued.

i. The reviewer should assign the final rating upon completion of the followup evaluation. The reviewer should analyze the data and assign a numerical rating based on the rating criteria set forth below.

Safety evaluation rating scale

Numerical Rating	Criteria
Satisfactory	
5	Always meets or exceeds standards. No first priority (A), second priority (B), or third priority (C) deficiencies exist. Consistently provides a safe and healthful environment for all employees and visitors.
4	Almost always meets standards. No first priority (A) deficiencies exist. No more than two second priority (B) and two third priority (C) deficiencies exist. Provides a safe and healthful environment for all employees and visitors.
Marginal	
3	Usually meets standards. No more than one first priority (A) deficiency exists. No more than three second priority (B) and three third priority (C) deficiencies exist. Meets the minimum requirements of the Risk Management Program.
Unsatisfactory	
2	Multiple major deficiencies exist. More than one first priority (A) deficiency and more than three second priority (B) deficiencies exist. Generally does not meet standards.
1	Fails to meet the minimum criteria. Overall performance is totally inadequate.

j. To provide flexibility in documenting deficiencies in an appropriate manner, the reviewer has discretion to adjust the rating by one point. This will allow the reviewer to assess the seriousness of the situation at hand and either raise or lower the numeric rating by one point. The justification for adjusting the rating must be fully documented on the evaluation form.

3. Instructions for Environmental Evaluation

a. The reviewer should obtain a copy of the most current concession contract and the environmental evaluation report, form 10-624.

b. The reviewer should compare the required environmental protection standards included in the concession contract with the environmental protection standards listed on the environmental evaluation report. (The full list of environmental protection standards is included in appendix B, Standard 10-624, of the guidelines on environmental protection and pollution prevention.) The reviewer should compare the environmental evaluation report form to the standards included in the concession contract. The environmental standards in the concession contract may have been amended to be applicable to the concession operation. The reviewer should circle the item numbers on the environmental evaluation report that are also in the concession contract.

c. The reviewer should inspect the concession operation to determine compliance with the environmental standards.

d. Check the line next to any standard that is found deficient.

e. The reviewer should calculate the number of "A" and "B" standards found deficient and then assign a rating based on the scale following (h), below.

f. If no deficiencies are found, the reviewer should assign a final rating of satisfactory. If the reviewer finds deficiencies present in the concessionaire's operation, the reviewer should notify the concessionaire of all deficiencies to be corrected and the time period for correction.

g. The reviewer should perform a followup evaluation at the end of the correction period. The purpose of this evaluation is to determine whether the deficiencies have been corrected. The reviewer should note any deficiencies that have been corrected by marking the item as corrected on the environmental evaluation report. Deficiencies that have been corrected will not be counted when assigning the final rating.

h. The reviewer should assign the final rating upon completion of the followup evaluation. The reviewer should analyze the data and assign a numerical rating based on the rating criteria set forth below.

Environmental evaluation rating scale

Numerical rating	Criteria
Satisfactory	
5	Always meets or exceeds standards. No first priority (A) or second priority (B) deficiencies exist. Consistently provides a safe and healthful environment for all employees and visitors.
4	Almost always meets standards. No first priority (A) deficiencies exist. No more than two second priority (B) deficiencies exist. Provides a safe and healthful environment for all employees and visitors.
Marginal	
3	Usually meets standards. No more than one first priority (A) deficiency exists. No more than three second priority (B) deficiencies exist. Meets the minimum requirements of the Risk Management Program.
Unsatisfactory	
2	Many major deficiencies exist. More than one first priority (A) deficiency and more than three second priority (B) deficiencies exist. Generally does not meet standards.
1	Fails to meet the minimum standards. Overall performance is inadequate.

4. Final Safety and Environmental Evaluation Ratings

If either the safety or environmental portion of the safety and environmental evaluation is unsatisfactory, the reviewer should notify the regional director.

E. CONTRACT COMPLIANCE EVALUATION

1. Overview

The purpose of the contract compliance evaluation is to determine whether the concessionaire is adhering to the terms and conditions of the concession contract. The contract compliance evaluation will be conducted annually by Reclamation.

2. Instructions for Contract Compliance Evaluation

a. The reviewer should obtain the most current concession contract for the concession under evaluation.

b. A copy of the contract compliance report and the contract compliance checklist (standard 10-625) (see Appendix B of this chapter) must be used.

c. The reviewer should inspect the concession facilities, operations, reporting, and investment and fee payment records to determine whether the concessionaire is in compliance with each of the items on the checklist. Once the reviewer has completed the evaluation, he or she

should assign the contract compliance rating. If the concessionaire has been in compliance with all the elements on the checklist for the entire period since the last evaluation, the concessionaire should receive a "satisfactory" rating. However, if the concessionaire has failed to comply with any item, especially for an extended period of time, that may be grounds for assigning an "unsatisfactory" rating. Each item for which the concessionaire is found not to be in compliance should be clearly documented and reported immediately to the area manager.

3. Checklist for Contract Compliance Evaluation

a. **The IMP, CFIP, and RAFI Programs (item 1 of checklist, Appendix B)**.—If the contract requires a CFIP, IMP, or RAFI program, the reviewer should review the contract and determine from the records if the concessionaire is in compliance with the terms of that section, including timing requirements and the dollar amount of expenditures as defined in the contract. (See e., Utilities, below.) For all improvements, the plans, drawings, and specifications must have been approved by Reclamation before initiation of the project, and the documented starting and completion dates should have been within the stipulated timeframes. Any deviations from the building program requires formal amendment of the contract and must be supported by a written request from the concessionaire stating circumstances beyond its control that warrant relief from any of the contract requirements.

Such items as the approval dates, program initiation and completion dates, elapsed time, followup correspondence, and the concessionaire's responsiveness should be recorded.

If no building and improvement program is required, mark item 1 of 10-625 "N/A." If the program has been completed, mark the form "YES."

b. **Operations and Services (item 2 of checklist)**.—The reviewer should ascertain that all required services are being provided and that no unauthorized services are being offered. Determine if additional accommodations, facilities, and services are required and if they are being provided.

c. **Personnel and Rates (item 3 of checklist)**.—The concessionaire's employees should be observed to determine (a) if there is an adequate number of employees to provide satisfactory service, (b) if they have received or need training (or both), and (c) if there is a need for visual identification as concessionaire employees.

Rates should be reviewed during the Concessions Review Program only if Reclamation has previously stipulated rates for a particular good or service, if Reclamation has received complaints, or if Reclamation has

reason to believe the concessionaire is charging unreasonable rates. Reclamation should review only rates for those goods and services for which Reclamation has reason to believe unreasonable rates are being charged.

d. **Maintenance and Operations (item 4 of 10-625)**.—All maintenance plans and the maintenance performance should be reviewed to determine if the concessionaire is providing required maintenance according to its plan and to the satisfaction of Reclamation.

The concession operations should be reviewed to ensure that they are in compliance with the Operating Plan as specified in the concession contract. This evaluation should not focus on compliance with the operating standards listed in the concession contract. Compliance with those standards is to be evaluated under the operation and facilities evaluation. This portion of the contract compliance evaluation should focus on all other aspects of the Operating Plan.

e. **Utilities (item 5 of 10-625)**.—The concessionaire's contractual payment obligation for utility services should be checked against actual payments. If the concessionaire is overdue in paying for utilities provided by Reclamation, or if the concessionaire has not paid previous bills in a timely manner during the rating period, the concessionaire should not be considered in compliance with this section of the contract. However, such factors as (a) the amount of time that payments have been late; (b) correspondence or the lack thereof from Reclamation to the concessionaire, reminding the concessionaire of payments due; and (c) the concessionaire's responsiveness to such reminders and collection efforts or other possible mitigating circumstances should be considered. For example, if Reclamation did not bill the concessionaire in a timely manner, but the concessionaire paid within a reasonable amount of time of receiving the bill, the concessionaire should not be rated as being in noncompliance with this element.

Utility rates should be determined as defined in the contract or as established in any rate policy written since the contract was awarded.

f. **Accounting Records and Reports (item 6 of 10-625)**.—If Reclamation does not receive a concessionaire's Annual Financial Report (AFR) by the required deadline, or the AFR does not fully comply with the format, scope, and level of detail stipulated by contract, the concessionaire cannot be considered in compliance with the terms of the contract. If a satisfactory AFR is submitted late, the area manager may use his or her best judgment regarding the concessionaire contract. The area manger's determination should reflect a range of factors, including how long past the deadline the AFR was received, the extent of Reclamation's written

and verbal requests for the AFR, the concessionaire's responsiveness to those Reclamation overtures, and any mitigating circumstances that may explain or justify the delay.

g. **Franchise Fees (item 7 of 10-625)**.—If fees due Reclamation, including building use fees, have not been paid in a timely fashion by the concessionaire, the concessionaire cannot be considered to be in compliance with the terms of the contract. The review should identify each fee the concessionaire is required to pay and determine the schedule by which the concessionaire is required to submit such fees. Also, the contract should be checked to determine if interest charges are due on late fee submittals and if such interest has been paid.

If payments have been received late, the reviewer must use his judgment to determine the concessionaire's compliance with the terms of the contract. Such factors as (a) how late the payments have been; (b) correspondence from Reclamation to the concessionaire, reminding the concessionaire of payments due; (c) the concessionaire's responsiveness to such reminders and collection efforts, or (d) other possible mitigating circumstances, should be considered.

h. **Bond and Lien (item 8 of 10-625)**.—If a bond was required to guarantee performance of the contract, the amount and the date posted should be noted. If no bond was required, "N/A" should be checked on 10-625.

i. **Insurance (item 9 of 10-625)**.—Concession contracts require concessionaires to carry appropriate insurance. A review of the insurance carried should be made to determine its adequacy, and the findings should be documented. The reviewer should complete the insurance review checklist (see appendix B) and then use the insurance review checklist to complete section 9 of the contract compliance. A copy of the insurance review form should be attached to the area office copies of the contract compliance form.

F. SUMMARY OF REPORTS

1. Operation and Facilities.—

Standard 10-629 - Operation and Facilities Evaluation Report
Standard 10-603 through 10-620 - Review of Standards of Operation
Standard 10-621 - Supplemental Worksheet

2. PHS Inspection.—

Standard 10-622 - PHS Food Sanitation Report

3. Safety and Environmental Evaluation.—

Standard 10-623 - Safety Evaluation Report
Standard 10-624 - Environmental Evaluation Report