

# **Steele Park Resort**

**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
MID-PACIFIC REGION**

**AGREEMENT FOR EXTENSION OF THE TERM OF THE CONCESSION AGREEMENT**

**STEELE PARK RESORT, INC.**

This agreement made and entered into this 26<sup>th</sup> day of 1989, by and between the United States of America, Secretary of the Interior, through the official of the Bureau of Reclamation hereinafter referred to as the "Government", and Steele Park Resort, Inc., hereinafter referred to as the "Concessionaire".

Explanatory Recital

WHEREAS, the Government and the Concessionaire are parties to an Agreement dated March 22, 1989 (Concession Agreement) through which the Government has authorized the Concessionaire to develop, operate, and maintain Steele Park Resort, Napa County, California;

WHEREAS, per paragraph A.3., of the Concession Agreement, said agreement may be renewed at the written request of the Concessionaire, with the consent of the Government for an additional ten (10) years from and after May 26, 1989, provided the Concessionaire's written request is provided thirty (30) days prior to May 26, 1989; and further provided the Concessionaire is in compliance with the terms of the existing Concession Agreement;

WHEREAS, the Concessionaire has provided the Government a written request for a 10-year renewal and is in compliance with the terms of the Concession Agreement;

NOW THEREFORE, the Government and the Concessionaire agree that the Concession Agreement identified in the first explanatory recital set forth above shall remain in force and effect through May 26, 1999, provided the Concessionaire remains in compliance with the terms and conditions of said Agreement.

UNITED STATES OF AMERICA  
SECRETARY OF THE INTERIOR

\_\_\_\_\_  
By Regional Director  
Mid-Pacific Region  
Bureau of Reclamation

Date

STEELE PARK RESORT, INC.

\_\_\_\_\_  
Concessioner

Date

DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
MID-PACIFIC REGION  
CONCESSION AGREEMENT  
STEELE PARK RESORT  
LAKE BERRYESSA  
LOCATED IN NAPA COUNTY, CALIFORNIA

CONTENTS

PART A. REQUIREMENTS

A.1.	Grant And Description Of Premises .....	1
A.2.	Condition Of Premises .....	1
A.3.	Term Of Concession .....	2
A.4.	Modification Of This Agreement .....	2
A.5.	Franchise Fee - Facility And Operation Inspection .....	2
A.6.	Exclusive Use.....	2
A.7.	Limitation On New Developments.....	2
A.8.	Development Planning .....	3
A.9.	Development Work.....	4
A.10.	Maintenance And Rehabilitation.....	4
A.11.	Protection Of Land And Property .....	5
A.12.	Liquor Sales Permitted.....	5
A.13.	Required Notifications And Submittals.....	5

PART B. SPECIAL PROVISIONS

B.1.	Ownership Of Facilities .....	7
B.2.	Transfer Of Interest .....	7
B.3.	Transfer Of Interest Procedure.....	8
B.4.	Rate Approval.....	8
B.5.	Insurance.....	9
B.6.	Subconcessionaires And Mobile Home And Travel Trailer Tenants.....	9
B.7.	Solano Project Rights.....	10
B.8.	Water Supply.....	10
B.9.	Subject To Applicable Law And Other Directives.....	10
B.10.	Right To Administer This Concession Agreement.....	10
B.11.	Temporary Suspension Of Operation.....	11
B.12.	Continuity Of Service.....	11
B.13.	Advertisement .....	11
B.14.	List Of Exhibits And Attachments .....	11

PART C. GENERAL PROVISIONS

C.1. Accounting Procedures And Reports ..... 12  
C.2. Franchise Fee And Payment..... 12  
C.3. Taxes..... 13  
C.4. Foreclosure Of Interest..... 13  
C.5. Nondiscrimination..... 14  
C.6. Default..... 15  
C.7. Officials Not To Benefit..... 16  
C.8. Covenant Against Contingent Fees..... 16  
C.9. Contingent On Appropriation And Allocation Of Funds ..... 16  
C.10. Severability..... 16

EXHIBIT A

Rating Plan.....A-1





**DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
MID-PACIFIC REGION  
CONCESSION AGREEMENT**

STEELE PARK RESORT  
LAKE BERRYESSA  
LOCATED IN NAPA COUNTY, CALIFORNIA

THIS CONCESSION AGREEMENT MADE AND ENTERED INTO THIS 22<sup>ND</sup> DAY OF MARCH, 1989, BY AND BETWEEN THE UNITED STATES OF AMERICA, HEREINAFTER REFERRED TO AS THE "GOVERNMENT" PURSUANT TO SECTION 5 OF PUBLIC LAW 96-375, AND STEELE PARK RESORT, INC., HEREINAFTER REFERRED TO AS THE "CONCESSIONAIRE."

PART A. REQUIREMENTS

A.1. GRANT AND DESCRIPTION OF PREMISES

SUBJECT TO CONCESSIONAIRE'S COMPLIANCE WITH THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT, THE GOVERNMENT GRANTS TO THE CONCESSIONAIRE PERMISSION TO CONSTRUCT, EQUIP, OPERATE, AND MAINTAIN A CONCESSION ON THE GOVERNMENT LANDS IDENTIFIED BELOW, KNOWN AS STEELE PARK RESORT (HEREINAFTER REFERRED TO AS THE "PREMISES"), TO PROVIDE ACCOMMODATIONS, FACILITIES, AND SERVICES FOR THE RECREATIONAL USE OF SAID GOVERNMENT LANDS BY THE PUBLIC.

THIS AGREEMENT DOES NOT PRECLUDE THE GOVERNMENT'S RIGHT TO GRANT EASEMENTS OR RIGHTS-OF-WAY ON LANDS DESCRIBED IN THIS AGREEMENT, SO LONG AS IN THE OPINION OF THE GOVERNMENT THAT ACTION DOES NOT UNREASONABLY INTERFERE WITH THE CONCESSIONAIRE'S USE OF THE PREMISES, THE IMPROVEMENTS THEREON, OR THE PERFORMANCE OF THIS AGREEMENT.

DESCRIPTION OF PREMISES

BEGINNING AT A POINT IN THE CENTER OF FORMER STATE HIGHWAY NO 37, NOW A COUNTY ROAD; SAID POINT NORTH 07 DEGREES 21 MINUTES EAST 883.9 FEET FROM THE SOUTH QUARTER CORNER OF SECTION 33, TOWNSHIP EIGHT (8), NORTH, RANGE THREE (3) WEST OF THE MOUNT DIABLO MERIDIAN; RUNNING THENCE FROM SAID POINT OF BEGINNING SOUTH 07 DEGREES 21 MINUTES WEST TO THE SOUTHWESTERLY BOUNDARY OF SAID STATE HIGHWAY NO. 37; THENCE NORTHERLY ALONG SAID LAST MENTIONED BOUNDARY TO THE CENTER OF THE CHANNEL OF STEELE CREEK; THENCE DOWN THE CENTER OF THE CHANNEL OF STEELE CREEK TO THE FIRST CROSSING ELEVATION 350 NEAR THE JUNCTION OF CAPELL CREEK; THENCE NORTHERLY AND EASTERLY ALONG THE 350 FOOT CONTOUR 12,300 FEET, MORE OR LESS, TO THE CENTER OF A LARGE DRAW ENTERING MONTICELLO RESERVOIR FROM THE EAST AND SOUTH; THENCE EASTERLY ALONG THE CENTER OF SAID DRAW TO A POINT ON THE BOUNDARY OF A PARCEL OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA FOR MONTICELLO RESERVOIR; THENCE ALONG THE BOUNDARY OF SAID UNITED STATES OF AMERICA PARCEL AS FOLLOWS: NORTH 64 DEGREES 22 MINUTES WEST 1363.8 FEET, SOUTH 30 DEGREES 49 FEET WEST 388.2 FEET TO THE SOUTH QUARTER CORNER OF SECTION 21, TOWNSHIP EIGHT (8) NORTH, RANGE THREE (3) WEST, MOUNT DIABLO MERIDIAN; THENCE SOUTH 01 DEGREES 19 MINUTES EAST 2789.1 FEET, SOUTH 30 DEGREES 11 MINUTES EAST 726.8 FEET, SOUTH 07 DEGREES 14 MINUTES WEST 3452.5 FEET, SOUTH 37 DEGREES 32 MINUTES EAST 704.2 FEET, SOUTH 07 DEGREES 21 MINUTES EAST 1116.6 FEET SOUTH 36 DEGREES 26 MINUTES EAST 1639.6 FEET, SOUTH 26 DEGREES 46 MINUTES EAST 1259.3 FEET AND SOUTH 66 DEGREES 30 MINUTES WEST 465.7 FEET TO THE CENTERLINE OF FORMER STATE HIGHWAY NO. 37; THENCE NORTHWESTERLY ALONG SAID CENTERLINE TO THE POINT OF BEGINNING.

A.2. CONDITION OF PREMISES

THE CONCESSIONAIRE ACCEPTS THE PREMISES AND ALL FACILITIES CURRENTLY EXISTING THEREON IN THEIR PRESENT CONDITION (“AS IS”). THE GOVERNMENT IS NOT OBLIGATED TO MAKE ANY ALTERATION, ADDITIONS, OR BETTERMENTS THERETO. THE CONCESSIONAIRE SHALL ALTER, REPAIR, OR MODIFY THE PREMISES AND ALL FACILITIES CURRENTLY EXISTING THEREON AS NECESSARY TO ENSURE THEY ARE AND REMAIN IN A CONDITION ACCEPTABLE TO THE GOVERNMENT.

A.3. TERM OF CONCESSION

THIS AGREEMENT SUPERSEDES THE AGREEMENT BETWEEN THE COUNTY OF NAPA AND LAKE BERRYESSA DEVELOPMENT COMPANY DATED MARCH 23, 1959, AS AMENDED. THIS AGREEMENT SHALL BE EFFECTIVE ON THE DATE OF EXECUTION BY THE PARTIES AND SHALL CONTINUE IN FORCE UNTIL MAY 26, 1989, UNLESS SOONER TERMINATED FOR DEFAULT IN ACCORDANCE WITH PARAGRAPH C.6. OR BY MUTUAL AGREEMENT. AS PROVIDED FOR IN PUBLIC LAW 96-375, THIS AGREEMENT MAY BE RENEWED FOR NO MORE THAN TWO CONSECUTIVE TERMS OF TEN (10) YEARS EACH AT THE WRITTEN REQUEST OF THE CONCESSIONAIRE, SUBMITTED AND SUBJECT TO THE CONSENT AND APPROVAL OF THE GOVERNMENT. FOR THE FIRST TEN (10) YEAR RENEWAL, THE CONCESSIONAIRE SHALL MAKE ITS REQUEST NOT LESS THAN THIRTY (30) DAYS IN ADVANCE OF THE EXPIRATION OF THE EXISTING AGREEMENT. FOR THE SECOND TEN (10) YEAR RENEWAL THE CONCESSIONAIRE SHALL MAKE ITS REQUEST NOT LESS THAN NINETY (90) DAYS IN ADVANCE OF THE EXPIRATION OF THE THEN EXISTING AGREEMENT. IT IS THE INTENT OF THE GOVERNMENT TO RENEW THIS AGREEMENT FOR EACH OF SAID RENEWAL PERIODS, PROVIDED THE CONCESSIONAIRE IS IN COMPLIANCE WITH THE TERMS OF THE THEN EXISTING AGREEMENT.

A.4. MODIFICATION OF THIS AGREEMENT

ANY AND ALL OF THE TERMS AND CONDITIONS OF THIS AGREEMENT INCLUDING ANY EXHIBITS SHALL BE MODIFIED ONLY BY A WRITTEN AGREEMENT BETWEEN THE CONCESSIONAIRE AND THE GOVERNMENT.

A.5. FRANCHISE FEE - FACILITY AND OPERATION INSPECTION

A. IN CONSIDERATION FOR THE PRIVILEGE OF OPERATING STEELE PARK RESORT AT LAKE BERRYESSA, THE CONCESSIONAIRE

B. THE CONCESSIONER SHALL PAY TO THE GOVERNMENT QUARTERLY IN EACH YEAR DURING THE TERM OF THIS AGREEMENT AND PAYABLE WITHIN FORTY-FIVE (45) DAYS AFTER THE END OF EACH QUARTER. QUARTERS OF THE YEAR END ON MARCH 31, JUNE 30, SEPTEMBER 30, AND DECEMBER 31.

C. AT LEAST ONCE DURING EACH CALENDAR YEAR, FOLLOWING THE FIRST YEAR OF OPERATION, THE GOVERNMENT AND THE CONCESSIONAIRE SHALL DETERMINE THE DATES OF EACH SUCH INSPECTION. IN ADDITION, THE GOVERNMENT MAY PERFORM PERIODIC UNANNOUNCED INSPECTIONS. THE FACILITIES, OPERATIONAL PROCEDURES, AND SERVICES WILL BE RATED IN ACCORDANCE WITH THE RATING PLAN ATTACHED HERETO AS EXHIBIT A.

A.6. EXCLUSIVE USE

THE CONCESSIONAIRE SHALL NOT PERMIT THE EXCLUSIVE USE BY ANY INDIVIDUAL OR A MEMBER OF HIS OR HER IMMEDIATE FAMILY OF ANY FACILITIES OR THE PREMISES FOR PERIODS OF TIME IN EXCESS OF FOURTEEN (14) CONSECUTIVE DAYS, EXCEPT AS PROVIDED FOR IN APPLICABLE GOVERNMENT OPERATIONAL POLICIES AND DIRECTIVES, OR AS OTHERWISE APPROVED BY THE GOVERNMENT.

A.7. LIMITATION ON NEW DEVELOPMENTS

A. UNTIL THE ENVIRONMENTAL IMPACT STATEMENT (EIS) ON THE LAKE BERRYESSA RESERVOIR AREA MANAGEMENT PLAN

- SITUATIONS;
- 1) ARE NEEDED TO ALLEVIATE HEALTH AND SAFETY PROBLEMS OR CORRECT EMERGENCY
  - 2) INVOLVE THE GENERAL MAINTENANCE OR REPLACEMENT OF DETERIORATED FACILITIES;
  - 3) HAVE BEEN APPROVED PRIOR TO THE EXECUTION OF THIS AGREEMENT; OR
  - 4) ARE REQUIRED OR DIRECTED BY THE GOVERNMENT.

B. UPON APPROVAL OF THE EIS ON THE RAMP AND THE ROD, THE GOVERNMENT AND CONCESSIONAIRE SHALL NEGOTIATE THE FOLLOWING:

- 1) REORGANIZATION PLAN - INCLUDING PROVISIONS FOR MASTER PLANNING AND PREPARATION OF ENVIRONMENTAL DOCUMENT, AND BASE AND RESERVOIR FLOODPLAIN REQUIREMENTS PER RECLAMATION INSTRUCTIONS;
- 2) REORGANIZATION SCHEDULE;
- 3) OTHER CONCESSION MANAGEMENT ACTIONS WHICH ARE ULTIMATELY ADOPTED IN THE ROD, INCLUDING, BUT NOT LIMITED TO, FRANCHISE FEES, MAINTENANCE, AND RATE APPROVALS.

C. UPON COMPLETION OF NEGOTIATIONS DESCRIBED IN SUBPARAGRAPH A. 7. B., THIS AGREEMENT SHALL BE AMENDED IN ACCORDANCE WITH PARAGRAPH A. 4., TO INCORPORATE ANY AND ALL CHANGES RESULTING FROM SAID NEGOTIATIONS.

A.8. DEVELOPMENT PLANNING

A. DESIGN, PLANNING AND CONSTRUCTION

1) ABSENT AN EXEMPTION PURSUANT TO SUBPARAGRAPH A.8.A.5, BELOW, SITE PLANS, CONSTRUCTION PLANS, SPECIFICATIONS, AND DRAWINGS FOR EACH DEVELOPMENT PROPOSED BY THE CONCESSIONAIRE SHALL BE SUBMITTED TO THE GOVERNMENT FOR REVIEW AND APPROVAL IN SUCH DETAIL AS THE GOVERNMENT REQUIRES AT LEAST NINETY (90) DAYS IN ADVANCE OF THE DATE ON WHICH THE DEVELOPMENT IS TO COMMENCE. NO DEVELOPMENT SHALL BE COMMENCED UNTIL THE GOVERNMENT HAS PROVIDED THE CONCESSIONAIRE WITH WRITTEN APPROVAL OF THE APPLICABLE PLANS, SPECIFICATIONS, DRAWINGS, AND ALL NECESSARY PERMITS HAVE BEEN OBTAINED AND ALL APPROPRIATE ENVIRONMENTAL DOCUMENTATION HAS BEEN COMPLETED.

2) SITE PLANS MUST SHOW AS A MINIMUM THE LOCATION OF BUILDINGS, TREES, AND LANDFORMS, SERVICE AREAS, ROADS, STRUCTURES, UTILITY CORRIDORS AND AREAS, AND MARINA FACILITIES. SUCH PLANS SHALL BE ON A SCALE OF 1 INCH = 40 FEET WITH 2 FEET CONTOUR INTERVALS. THE CONCESSIONAIRE SHALL CONSULT WITH THE GOVERNMENT DURING THE PREPARATION OF THE SITE PLANS TO ENSURE THAT THEY ARE ADEQUATE AND CONFORM TO THE RESERVOIR AREA MANAGEMENT PLAN AS AMENDED AND THIS AGREEMENT.

3) CONSTRUCTION PLANS MUST CONTAIN:

- (A) THE PLAN OF EACH BUILDING (SCALE 1/4 INCH = 1 FOOT 0 INCH).
- (B) TWO (2) TRUE ELEVATIONS OF EACH BUILDING (SCALE 1/4 INCH = 1 FOOT 0 INCH).
- (C) OUTLINE SPECIFICATIONS OF MATERIALS AND EQUIPMENT PROPOSED.
- (D) WORKING DRAWINGS CONSISTING OF SITE PLANS, ELEVATIONS, DETAILS, SECTIONS, PROFILES, BUILDING PLANS, LANDSCAPE PLANS, ETC., SHOWING IN A COMPREHENSIVE MANNER ALL FEATURES OF THE DEVELOPMENT CONTEMPLATED.

4) ANY AND ALL ENVIRONMENTAL DOCUMENTS, PERMITS, ARCHAEOLOGICAL INVESTIGATIONS, BIOLOGICAL ASSESSMENTS AND OTHER ITEMS WHICH MAY BE REQUIRED BY GOVERNMENTAL ENTITIES PRIOR TO COMMENCEMENT OF CONSTRUCTION ACTIVITIES SHALL BE THE RESPONSIBILITY OF THE CONCESSIONAIRE WHO SHALL BEAR ALL COSTS INVOLVED IN THE OBTAINING OR PREPARATION OF THE REQUIRED ITEMS.

5) THE GOVERNMENT MAY BY ADVANCE WRITTEN APPROVAL EXEMPT THE CONCESSIONAIRE FROM PREPARING SITE PLANS, CONSTRUCTION PLANS, SPECIFICATIONS, AND/OR DRAWINGS FOR DEVELOPMENTS OF MINOR SIGNIFICANCE.

B. STANDARDS

THE CONCESSIONAIRE SHALL DEVELOP THE PREMISES IN FULL COMPLIANCE WITH ALL APPLICABLE FEDERAL, STATE, AND LOCAL LAWS, REGULATIONS, ORDINANCES, AND STANDARDS GOVERNING PROJECT PLANNING AND DESIGN INCLUDING BUT NOT LIMITED TO, SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED, THE UNIFORM BUILDING CODE, THE UNIFORM PLUMBING CODE, THE NATIONAL ELECTRIC CODE, TITLES 24 AND 25 OF THE CALIFORNIA ADMINISTRATIVE CODE, THE MANUAL OF UNIFORM TRAFFIC CONTROL DEVICES FOR ROADWAY SIGNING PURPOSES, AND NAPA COUNTY REQUIREMENTS FOR BUILDING AND BLOCKING PERMITS.

C. FLOOD CONTINGENCY PLAN

WITHIN SIXTY (60) DAYS FOLLOWING THE EXECUTION OF THIS AGREEMENT, THE CONCESSIONAIRE SHALL SUBMIT TO THE GOVERNMENT FOR APPROVAL A FLOOD CONTINGENCY PLAN THAT SHALL DESCRIBE SPECIFIC ACTIONS WHICH WILL BE TAKEN WHEN LAKE BERRYESSA REACHES AN ELEVATION OF 440 FEET OR ABOVE, INCLUDING THE PROTECTION OF DOMESTIC WATER SUPPLIES, PRECLUDING WATER POLLUTION FROM SEWAGE, AND SECURING OR REMOVING ALL TRAILERS, MOBILE HOMES, AND OTHER IMPROVEMENTS THAT MAY BE SUBJECT TO DAMAGE BY INUNDATION. THE FLOOD CONTINGENCY PLAN SHALL BE REVIEWED AND UPDATED BY THE CONCESSIONAIRE AND SUBMITTED TO THE GOVERNMENT FOR APPROVAL NOT LATER THAN JANUARY 1, EACH YEAR THEREAFTER.

A.9. DEVELOPMENT WORK

A. SITE DEVELOPMENT PLANS AND/OR DRAWINGS FOR CONSTRUCTION, RECONSTRUCTION, OR ALTERATION OF IMPROVEMENTS AND ALL REVISIONS OF SUCH PLANS AND DRAWINGS MUST BE APPROVED BY THE GOVERNMENT, IN WRITING, PRIOR TO COMMENCEMENT OF CONSTRUCTION. LIVE TREES IN THE RESORT AREA MAY BE REMOVED OR DESTROYED ONLY AFTER THE GOVERNMENT HAS APPROVED SUCH ACTION AND HAS MARKED OR OTHERWISE DESIGNATED THE SPECIFIC TREES WHICH MAY BE REMOVED OR DESTROYED. TREES, SHRUBS, AND OTHER PLANTS MAY BE PLANTED IN SUCH MANNER AND IN SUCH PLACES ABOUT THE PREMISES AS APPROVED BY THE GOVERNMENT.

B. NONPERMANENT STRUCTURES (SUCH AS TEMPORARY CONSTRUCTION BUILDINGS, ETC.) MAY BE PLACED AT SITES, AFTER THE CONCESSIONAIRE SUBMITS A REQUEST FOR AND RECEIVES GOVERNMENT APPROVAL, BUT SHALL REMAIN IN PLACE NO LONGER THAN TWO (2) YEARS UNLESS OTHERWISE APPROVED BY THE GOVERNMENT.

C. THE CONCESSIONAIRE SHALL EXERCISE DILIGENCE IN PROTECTING THE PREMISES AND SHALL COMPENSATE THE GOVERNMENT FOR ANY DAMAGE RESULTING OR ARISING FROM THE NEGLIGENT OR WILLFUL ACTS OF THE CONCESSIONAIRE, ITS AGENTS AND ASSIGNEES OR THE CONCESSIONAIRE'S VIOLATION OF ANY TERMS OF THIS AGREEMENT.

A.10. MAINTENANCE AND REHABILITATION

THE CONCESSIONAIRE SHALL MAINTAIN AND REPAIR THE PREMISES AND ALL FACILITIES THEREON IN ACCORDANCE WITH THE FOLLOWING GUIDELINES:

A. ALL IMPROVEMENTS, FACILITIES, HEAVY, EQUIPMENT AND STRUCTURES SHALL BE MAINTAINED AT LEAST TO THE CONDITION UPON WHICH EACH WAS ORIGINALLY APPROVED WITH ALLOWANCE FOR NORMAL WEAR AND TEAR RESULTING FROM USE.

B. EXISTING IMPROVEMENTS, FACILITIES, HEAVY EQUIPMENT AND STRUCTURES NEED NOT BE MODIFIED. TO COMPLY WITH EXISTING BUILDING, HEALTH AND SAFETY CODES OR STANDARDS SO LONG AS THEY ARE MAINTAINED IN THE CONDITION UPON WHICH THEY WERE APPROVED, EXCEPT WHERE THE GOVERNMENT, STATE OR COUNTY DETERMINES THAT THEY POSE A THREAT TO THE HEALTH AND SAFETY OF THE PUBLIC OR CONCESSION EMPLOYEES OR COULD POSE FUTURE HAZARDS.

C. ANY REHABILITATION OR RECONSTRUCTION MUST BE PERFORMED IN ACCORDANCE WITH CURRENT APPLICABLE LAWS, REGULATIONS, ORDINANCES AND STANDARDS REFERRED TO IN SUBPARAGRAPH A. 8. B., REGARDLESS OF ORIGINAL CONSTRUCTION SPECIFICATIONS.

D. ANY UNSAFE CONDITIONS IN VIOLATION OF THE TERMS OF THIS AGREEMENT SHALL BE CORRECTED BY THE CONCESSIONAIRE WITHIN THE TIME PERIOD SPECIFIED BY THE GOVERNMENT. IF THE CONCESSIONAIRE DOES NOT CORRECT SUCH CONDITIONS BY THE SPECIFIED TIME, THE GOVERNMENT MAY SUSPEND THE CONCESSIONAIRE'S RIGHT TO OPERATE THE RESORT OR ANY PART THEREOF UNTIL SUCH CONDITIONS ARE CORRECTED TO THE SATISFACTION OF THE GOVERNMENT. FAILURE TO CORRECT UNSAFE CONDITIONS SHALL BE A MATERIAL BREACH OF THIS AGREEMENT, AND MAY RESULT IN A DETERMINATION OF DEFAULT. IN ADDITION, THE GOVERNMENT MAY PERFORM THE NECESSARY CORRECTIVE ACTION(S) AND THE CONCESSIONAIRE SHALL REIMBURSE THE GOVERNMENT FOR ALL COSTS INCURRED WITHIN THIRTY (30) DAYS OF THE CONCESSIONAIRE'S RECEIPT OF AN ITEMIZED BILLING FROM THE GOVERNMENT.

#### A.11. PROTECTION OF LAND AND PROPERTY

A. THE CONCESSIONAIRE SHALL TAKE REASONABLE MEASURES TO PREVENT AND DISCOURAGE VANDALISM AND DISORDERLY CONDUCT ON THE PREMISES, AND, WHEN NECESSARY, REQUEST THE ASSISTANCE OF APPROPRIATE LAW ENFORCEMENT OFFICIALS.

B. THE CONCESSIONAIRE SHALL DISPOSE OF ALL TOXIC WASTE OR BYPRODUCTS WHICH MAY RESULT IN SUBSTANTIAL HARM TO FISH AND WILDLIFE, OR TO HUMAN WATER SUPPLIES AT APPROVED DISPOSAL SITES IN ACCORDANCE WITH CALIFORNIA CODE OF REGULATIONS AND COUNTY ORDINANCES FOR TOXIC SUBSTANCE CONTROL. STORAGE FACILITIES FOR MATERIALS WHICH, IF ACCIDENTALLY DISCHARGED, ARE CAPABLE OF CAUSING WATER POLLUTION SHALL BE LOCATED SO AS TO PREVENT ANY SPILLAGE INTO WATERS, OR CHANNELS LEADING INTO WATER, THAT WOULD RESULT IN SUBSTANTIAL HARM TO GROUND WATER, FISH AND WILDLIFE, OR TO HUMAN WATER SUPPLIES. NO GOODS, MERCHANDISE, OR MATERIAL SHALL BE KEPT, STORED OR SOLD IN OR ON THE PREMISES WHICH ARE IN ANY WAY EXPLOSIVE OR HAZARDOUS, EXCEPT THAT GASOLINE AND OILS MAY BE STORED, HANDLED, AND DISPENSED AS REQUIRED BY FEDERAL, STATE OR LOCAL LAWS, REGULATIONS, OR ORDINANCES. NO OFFENSIVE OR DANGEROUS TRADE, BUSINESS, OR OCCUPATION SHALL BE CONDUCTED ON THE PREMISES. NO MACHINERY OR APPARATUS SHALL BE USED OR OPERATED ON THE PREMISES WHICH WILL IN ANY WAY INJURE SAID PREMISES OR ADJACENT BUILDINGS, PROVIDED HOWEVER, THAT NOTHING CONTAINED IN THIS SUBPARAGRAPH SHALL PRECLUDE CONCESSIONAIRE FROM BRINGING, KEEPING, OR USING ON OR ABOUT SAID PREMISES SUCH MATERIALS, SUPPLIES, EQUIPMENT, AND MACHINERY AS ARE APPROPRIATE IN PERFORMING ITS PERMITTED ACTIVITIES IN A CUSTOMARY MANNER. WITHIN SIXTY (60) DAYS FOLLOWING., THE EXECUTION OF THIS AGREEMENT, THE CONCESSIONAIRE SHALL SUBMIT TO THE GOVERNMENT FOR APPROVAL A CONTINGENCY ACTION PLAN FOR THE CLEANUP AND CONTROL OF ALL TOXIC WASTE, EXPLOSIVES AND HAZARDOUS MATERIALS. THE CONTINGENCY ACTION PLAN SHALL BE REVIEWED AND UPDATED BY THE CONCESSIONAIRE AND SUBMITTED TO THE GOVERNMENT FOR APPROVAL NOT LATER THAN JANUARY 1, EACH YEAR THEREAFTER.

C. THE CONCESSIONAIRE SHALL PREVENT AND CONTROL SOIL EROSION AND GULLYING ON THE PREMISES AND ADJACENT LANDS TO THE SATISFACTION OF THE GOVERNMENT.

#### A.12. LIQUOR SALES PERMITTED

THE CONCESSIONAIRE MAY SELL ALCOHOLIC BEVERAGES ON THE PREMISES IN ACCORDANCE WITH APPLICABLE FEDERAL, STATE, & LOCAL LAWS AND REGULATIONS INCLUDING REGULATIONS ESTABLISHED BY THE CALIFORNIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL AND DEPARTMENT OF THE INTERIOR.

A.13. REQUIRED NOTIFICATIONS AND SUBMITTALS

AS SPECIFIED ELSEWHERE IN THIS AGREEMENT, THE CONCESSIONAIRE IS TO PRESENT THE FOLLOWING TO THE GOVERNMENT:

A. REQUEST FOR RENEWAL FOR THE FIRST TEN (10) YEAR RENEWAL, THE CONCESSIONAIRE SHALL MAKE ITS REQUEST NOT LESS THAN THIRTY (30) DAYS IN ADVANCE OF THE EXPIRATION OF THE EXISTING AGREEMENT. FOR THE SECOND TEN (10) YEAR RENEWAL, THE CONCESSIONAIRE SHALL MAKE ITS REQUEST NOT LESS THAN NINETY (90) DAYS IN ADVANCE OF THE EXPIRATION OF THE THEN EXISTING AGREEMENT. [A.3.]

B. DEVELOPMENT PLANNING - PLANS FOR EACH DEVELOPMENT SHALL BE SUBMITTED BY THE CONCESSIONAIRE TO THE GOVERNMENT FOR APPROVAL NOT LESS THAN NINETY (90) DAYS PRIOR TO THE DATE ON WHICH THE DEVELOPMENT IS TO COMMENCE. [A.8.A.]

C. FLOOD CONTINGENCY PLAN - DUE SIXTY (60) DAYS AFTER THE EXECUTION OF THIS AGREEMENT, REVIEWED AND UPDATED BY THE CONCESSIONAIRE AND SUBMITTED TO THE GOVERNMENT FOR APPROVAL NOT LATER THAN JANUARY 1, EACH YEAR THEREAFTER. [A. 8. c.)

D. DEVELOPMENT WORK – NONPERMANENT STRUCTURES (SUCH AS TEMPORARY CONSTRUCTION BUILDINGS, ETC.), MAY BE PLACE AT SITES, AFTER THE CONCESSIONAIRE HAS SUBMITTED A REQUEST AND RECEIVES GOVERNMENT APPROVAL, BUT THEY SHALL REMAIN 1N PLACE NO LONGER THAN TWO (2) YEARS UNLESS OTHERWISE APPROVED BY THE GOVERNMENT. [A.9.B.]

E. MAINTENANCE - IF THE GOVERNMENT CONDUCTS REPAIR OPERATIONS AS SET FORTH IN SUBPARAGRAPH A.L0.D., ALL COSTS SHALL BE REIMBURSED TO THE GOVERNMENT WITHIN THIRTY (30) DAYS. [A.L0.D.]

F. CONTINGENCY ACTION PLAN - DUE SIXTY (60) DAYS AFTER THE EXECUTION OF THIS AGREEMENT, REVIEWED AND UPDATED BY THE CONCESSIONAIRE AND SUBMITTED TO THE GOVERNMENT FOR APPROVAL NOT LATER THAN JANUARY 1, EACH YEAR THEREAFTER. [A. 11. B.)

G. TRANSFER OF INTEREST - WRITTEN APPROVAL FROM THE GOVERNMENT SHALL BE OBTAINED SIXTY (60) DAYS BEFORE THE CONCESSIONAIRE ENTERS INTO AN AGREEMENT (TEMPORARY AND IN EXCESS OF SIXTY (60) DAYS) WITH ANY PERSON(S) OR ENTITY (ENTITIES) TO EXERCISE SUBSTANTIAL MANAGEMENT RESPONSIBILITIES OF ANY CONCESSION OPERATION. [B.2.B.]

H. RATE APPROVAL - ALL REQUESTS FOR GOVERNMENT APPROVAL OF INCREASES IN RATES OR PRICES MUST BE ACCOMPANIED BY DOCUMENTS DESCRIBING THE REQUESTED INCREASE AND THE REASON(S) FOR SUCH. [B.4.A.]

I. INSURANCE - THE CONCESSIONAIRE SHALL PROVIDE THE GOVERNMENT CURRENT COPIES OF ALL INSURANCE POLICIES AND SURETY BOND(S) AS DESCRIBED IN PARAGRAPH B.5. [B.5.]

J. SUBCONCESSIONAIRES - WRITTEN AUTHORIZATION BY THE GOVERNMENT MUST BE OBTAINED PRIOR TO THE CONCESSIONAIRE ENTERING INTO ANY SUBCONCESSION AGREEMENTS. [B.6.A.]

K. MOBILE HOME AND TRAVEL TRAILER TENANTS - THE CONCESSIONAIRE SHALL SUBMIT TO THE GOVERNMENT FOR APPROVAL NOT LATER THAN JANUARY 1, EACH YEAR A COPY OF THE FORM OF THE RENTAL AGREEMENT TO BE EXECUTED DURING THAT YEAR BETWEEN THE CONCESSIONAIRE AND ANY INDIVIDUAL OR

ENTITY PERMITTING THAT INDIVIDUAL OR ENTITY TO PLACE OR MAINTAIN A MOBILE HOME OR TRAVEL TRAILER IN THE RESORT FOR A PERIOD OF TIME IN EXCESS OF FOURTEEN (14) CONSECUTIVE DAYS. [B.6.B.]

L. ADVERTISING - THE KIND OF ADVERTISING FOR EACH RECREATION SEASON WILL BE MUTUALLY AGREED UPON, IN WRITING, BETWEEN THE CONCESSIONAIRE AND THE GOVERNMENT NO LATER THAN MARCH 15, OF EACH YEAR. [B.14.]

M. ACCOUNTING REPORTS - ANNUAL FINANCIAL REPORTS ARE DUE NOT LATER THAN MAY 15, OF EACH YEAR DETAILING THE CONCESSIONAIRE'S FINANCIAL CONDITION AS OF DECEMBER 31, OF THE PRECEDING YEAR. WITHIN NINETY (90) DAYS AFTER THE EXECUTION OF THIS AGREEMENT, THE CONCESSIONAIRE SHALL SUBMIT TO THE GOVERNMENT A SIGNED BALANCE SHEET REFLECTING ITS FINANCIAL STATUS AS OF THIS AGREEMENT'S EFFECTIVE DATE. [C.L.A. & D.]

N. FRANCHISE FEES - PAYMENTS ARE DUE WITHIN FORTY-FIVE (45) DAYS AFTER THE END OF EACH QUARTER. QUARTERS END ON MARCH 31, JUNE 30, SEPTEMBER 30, AND DECEMBER 31. FAILURE TO PAY WITHIN NINETY (90) DAYS OF THE DUE DATE WILL CONSTITUTE A BREACH OF THIS AGREEMENT. [C.2.C.]

## PART B. SPECIAL PROVISIONS

### B.1. OWNERSHIP OF FACILITIES

A. ALL PERMANENT FACILITIES ON THE PREMISES ON THE EFFECTIVE DATE OF THIS AGREEMENT ARE THE PROPERTY OF THE CONCESSIONAIRE. ANY PERMANENT ADDITIONS OR MODIFICATIONS TO SUCH FACILITIES SHALL BE THE PROPERTY OF THE CONCESSIONAIRE. UPON EXPIRATION OR TERMINATION OF THIS AGREEMENT THE GOVERNMENT MAY REQUIRE THAT SOME OR ALL OF THE PERMANENT FACILITIES MENTIONED HEREIN NOT BE REMOVED FROM THE PREMISES IN WHICH CASE THE GOVERNMENT OR A NEW CONCESSIONAIRE SHALL PAY THE CONCESSIONAIRE THE FAIR MARKET VALUE FOR THOSE PERMANENT FACILITIES. THOSE FACILITIES THAT THE CONCESSIONAIRE IS REQUIRED TO REMOVE UPON EXPIRATION OR TERMINATION OF THIS AGREEMENT SHALL BE REMOVED BY THE CONCESSIONAIRE WITHOUT COMPENSATION BY THE GOVERNMENT AND AT NO EXPENSE TO THE GOVERNMENT. ANY SUCH FACILITIES NOT REMOVED WITHIN ONE HUNDRED EIGHTY (180) CALENDAR DAYS AFTER THE DATE OF TERMINATION OR EXPIRATION OF THIS AGREEMENT SHALL BE DEEMED TO HAVE BEEN ABANDONED BY THE CONCESSIONAIRE.

B. IF THE GOVERNMENT, OR THE NEW CONCESSIONAIRE AND THE CONCESSIONAIRE, CANNOT AGREE UPON THE FAIR MARKET VALUE OF PERMANENT IMPROVEMENTS WHICH THE GOVERNMENT DIRECTED THE CONCESSIONAIRE NOT TO REMOVE, EITHER PARTY MAY SERVE A REQUEST FOR ARBITRATION UPON THE OTHER PARTY, AND THE FAIR MARKET VALUE OF THE ITEM OR ITEMS IN QUESTION SHALL BE DETERMINED BY THE MAJORITY VOTE OF A BOARD OF THREE ARBITRATORS, SELECTED AS FOLLOWS: EACH PARTY SHALL APPOINT ONE MEMBER, SELECTED FROM THE AMERICAN ARBITRATION ASSOCIATION OR POSSESSING EQUIVALENT SKILLS AND EXPERIENCE, AND THE TWO MEMBERS SO APPOINTED SHALL SELECT THE THIRD MEMBER. IF EITHER PARTY FAILS TO APPOINT AN ARBITRATOR WITHIN FIFTEEN (15) DAYS AFTER THE OTHER HAS APPOINTED AN ARBITRATOR AND SERVED WRITTEN NOTICE, INCLUDING THE NAME AND ADDRESS OF THE ARBITRATOR APPOINTED, UPON THE OTHER PARTY, THEN THE AMERICAN ARBITRATION ASSOCIATION SHALL BE REQUESTED BY THE GOVERNMENT TO APPOINT AN ARBITRATOR TO REPRESENT THE PARTY FAILING TO MAKE THE APPOINTMENT. THE COSTS AND EXPENSES OF THE ARBITRATOR APPOINTED BY THE AMERICAN ARBITRATION ASSOCIATION TO REPRESENT THE PARTY FAILING TO MAKE THE APPOINTMENT SHALL BE PAID FOR BY THAT PARTY. IF THE THIRD MEMBER IS NOT SELECTED WITHIN FIFTEEN (15) DAYS AFTER THE APPOINTMENT OF THE LATTER OF THE OTHER TWO ARBITRATORS, THE AMERICAN ARBITRATION ASSOCIATION SHALL BE REQUESTED BY THE GOVERNMENT TO APPOINT THE THIRD ARBITRATOR. IN REQUESTING THAT THE AMERICAN ARBITRATION ASSOCIATION APPOINT AN ARBITRATOR IN THE SITUATIONS DISCUSSED ABOVE, THE GOVERNMENT SHALL REQUEST THAT THE PERSON OR PERSONS APPOINTED SHALL BE IMPARTIAL AND SPECIALLY QUALIFIED IN COMMERCIAL AND REAL ESTATE APPRAISAL. THE FAIR MARKET VALUE DETERMINED BY THE BOARD OF ARBITRATORS SHALL BE BINDING ON THE PARTIES. THE COMPENSATION AND EXPENSES OF THE THIRD MEMBER SHALL BE PAID BY THE CONCESSIONAIRE AND ONE-HALF OF THE AMOUNT SO PAID SHALL BE ADDED TO THE PURCHASE PRICE. BEFORE REACHING ITS DECISION, THE BOARD SHALL GIVE EACH OF THE PARTIES A FAIR AND FULL OPPORTUNITY TO BE HEARD ON THE MATTERS IN DISPUTE.

### B.2. TRANSFER OF INTEREST

A. EXCEPT AS PROVIDED IN PARAGRAPH C.4. THE CONCESSIONAIRE AND/OR ANY PERSON OR ENTITY WHICH OWNS OR CONTROLS AN INTEREST IN CONCESSIONAIRE'S FACILITIES OR ITS OPERATIONS PURSUANT TO THIS AGREEMENT (COLLECTIVELY DEFINED AS THE "CONCESSIONAIRE" FOR THE PURPOSES OF THIS PARAGRAPH AND PARAGRAPH B. 3.), SHALL NOT ASSIGN OR OTHERWISE TRANSFER SUCH INTEREST (INCLUDING, WITHOUT LIMITATION, MERGERS, CONSOLIDATIONS, REORGANIZATIONS, OR OTHER BUSINESS COMBINATION) WITHOUT THE PRIOR WRITTEN APPROVAL OF THE GOVERNMENT. THE GOVERNMENT SHALL REQUIRE, AS A CONDITION OF SUCH APPROVAL, THAT THE CONCESSIONAIRE COMPLY WITH THE PROCEDURES SPECIFIED IN PARAGRAPH B. 3., OR OTHER APPROPRIATE PROCEDURES PRESCRIBED BY THE GOVERNMENT TO ASSURE PUBLIC ABILITY TO ACQUIRE CONCESSION OPPORTUNITIES. FAILURE TO OBTAIN THE APPROVAL OF THE GOVERNMENT OR COMPLY WITH THE PROCEDURES SET FORTH BY THE GOVERNMENT AS CONDITIONS FOR ITS APPROVAL SHALL CONSTITUTE A MATERIAL BREACH OF THIS AGREEMENT AND THE GOVERNMENT SHALL NOT RECOGNIZE ANY RIGHT OF THE ASSIGNEE OR TRANSFEREE TO OWN THE FACILITIES OR CARRY OUT THE OPERATIONS DESCRIBED HEREIN.

B. THE CONCESSIONAIRE SHALL NOT ENTER INTO ANY AGREEMENT WITH ANY PERSON(S) OR ENTITY (ENTITIES) PERSON TO EXERCISE SUBSTANTIAL MANAGEMENT RESPONSIBILITIES OTHER THAN FOR A TEMPORARY PERIOD NOT IN EXCESS OF SIXTY (60) DAYS WITH RESPECT TO ANY OF THE OPERATIONS DESCRIBED HEREUNDER OR ANY PART THEREOF WITHOUT WRITTEN APPROVAL OF THE GOVERNMENT AT LEAST SIXTY (60) DAYS IN ADVANCE OF SUCH AN AGREEMENT.

### B.3. TRANSFER OF INTEREST PROCEDURE

A. IN THE EVENT THE CONCESSIONAIRE DESIRES TO SELL, ASSIGN, OR OTHERWISE TRANSFER ANY OF ITS OWNERSHIP IN ANY OF THE CONCESSION FACILITIES OR OPERATIONS, THE GOVERNMENT SHALL REQUIRE AS A CONDITION OF ITS APPROVAL OF SUCH SALE, ASSIGNMENT, OR TRANSFER THAT THE CONCESSIONAIRE DO SO IN ACCORDANCE WITH THE FOLLOWING PROCEDURES, UNLESS ANOTHER PROCEDURE IS PRESCRIBED BY THE GOVERNMENT:

1) THE CONCESSIONAIRE SHALL NOTIFY THE GOVERNMENT IN WRITING OF THE PROPOSED SALE, ASSIGNMENT OR TRANSFER (HEREINAFTER COLLECTIVELY REFERRED TO AS THE "PROPOSED TRANSACTION"), IN SUFFICIENT DETAIL TO PROVIDE THE GENERAL PUBLIC WITH REASONABLE NOTICE OF THE PARTICULARS OF THE PROPOSED TRANSACTION.

2) EXCEPT AS PROVIDED IN ITEM 6) BELOW, THE GOVERNMENT SHALL, BY PUBLIC NOTICE AND/OR ADVERTISING, MAKE THE GENERAL PUBLIC AWARE OF THE PROPOSED TRANSACTION.

3) THE CONCESSIONAIRE SHALL PROMPTLY RESPOND TO ALL INQUIRIES RECEIVED BY IT OR THE GOVERNMENT CONCERNING THE PROPOSED TRANSACTION AND SHALL NEGOTIATE IN GOOD FAITH WITH ALL INTERESTED PARTIES.

4) UPON COMPLETION OF SUCH NEGOTIATIONS, THE CONCESSIONAIRE SHALL PROVIDE THE GOVERNMENT WITH THE FINAL TERMS AND CONDITIONS OF THE PROPOSED TRANSACTION, INCLUDING ALL DOCUMENTS ENTERED INTO OR PROPOSED TO BE ENTERED INTO RELATING THERETO, THE NAMES AND QUALIFICATIONS OF THE PARTY WITH WHICH IT INTENDS TO ENTER INTO THE PROPOSED TRANSACTION, A WRITTEN RECORD OF ALL OTHER PARTIES WHICH INDICATED INTEREST IN THE PROPOSED TRANSACTION, AND A WRITTEN DESCRIPTION OF ITS NEGOTIATIONS WITH ALL INTERESTED PARTIES.

5) AFTER SUBMISSION OF THE INFORMATION DESCRIBED IN ITEM 4) ABOVE, THE GOVERNMENT SHALL EVALUATE THE PROPOSED TRANSACTION AND SHALL APPROVE OR DISAPPROVE IT. IF THE PROPOSED TRANSACTION IS DISAPPROVED, THE GOVERNMENT MAY REQUIRE THE CONCESSIONAIRE TO OFFER ONE OR MORE OF THE OTHER INTERESTED PARTIES THE OPPORTUNITY TO MEET EACH OF THE FINAL TERMS AND CONDITIONS OF THE PROPOSED TRANSACTION AND REQUIRE THE CONCESSIONAIRE TO ENTER INTO THE PROPOSED TRANSACTION WITH THE INTERESTED PARTY SELECTED BY THE GOVERNMENT IF SUCH PARTY AGREES TO MEET EACH OF THE TERMS AND CONDITIONS OF THE PROPOSED TRANSACTIONS. THE GOVERNMENT IN EXERCISING THE DISCRETIONARY AUTHORITY SET FORTH HEREIN, SHALL TAKE INTO CONSIDERATION THE PUBLIC BENEFIT IN APPROVING OR DISAPPROVING THE PROPOSED TRANSACTION, INCLUDING THE MANAGEMENT QUALIFICATIONS OF INDIVIDUAL(S) OR ENTITY (ENTITIES) WHICH WOULD THEREBY ASSUME THE INTEREST DESCRIBED HEREIN, THE EXPERIENCE OF SUCH INDIVIDUAL(S) OR ENTITY (ENTITIES) WITH SIMILAR OPERATIONS IN A RESORT ENVIRONMENT, AND THE ABILITY OF SUCH INDIVIDUAL(S) OR ENTITY (ENTITIES) TO OPERATE THE RESORT IN THE PUBLIC INTEREST.

6) THE GOVERNMENT NEED NOT NOTIFY THE PUBLIC OF A PROPOSED TRANSACTION WHEN IT DETERMINES, IN ITS DISCRETION, THAT THE PROPOSED TRANSACTION WILL NOT RESULT IN A SUBSTANTIAL CHANGE EITHER IN THE CONCESSIONAIRE'S ABILITY TO CONTROL THE OPERATION OF THE SUBJECT OF THE PROPOSED TRANSACTION.

B. THE CONCESSIONAIRE MAY NOT ASSIGN, SELL OR TRANSFER ANY -OF ITS INTEREST IN ANY OF ITS CONCESSION FACILITIES OR OPERATIONS FOR LONGER THAN THE UNEXPIRED TERM OF THE THEN EXISTING AGREEMENT INCLUDING ANY REMAINING OPTION PERIODS.

#### B.4. RATE APPROVAL

A. ALL RATES AND PRICES CHARGED TO THE PUBLIC BY THE CONCESSIONAIRE FOR ACCOMMODATIONS OR SERVICES FURNISHED OR SOLD HEREUNDER SHALL BE SUBJECT TO REGULATION AND APPROVAL OF THE GOVERNMENT. ALL REQUESTS FOR GOVERNMENT APPROVAL OF INCREASES IN RATES OR PRICES MUST BE IN WRITING AND ACCOMPANIED BY DOCUMENTS DESCRIBING THE REQUESTED INCREASE AND THE REASON(S) FOR SUCH INCREASES. THE REASONABLENESS OF RATES AND PRICES WILL BE DETERMINED BY THE GOVERNMENT PRIMARILY BY COMPARISON WITH THOSE RATES AND CHARGES THEN BEING CURRENTLY CHARGED FOR COMPARABLE ACCOMMODATIONS OR SERVICES FURNISHED OR SOLD UNDER SIMILAR CONDITIONS WITH DUE ALLOWANCE FOR, AMONG OTHER THINGS, LENGTH OF SEASON, PROVISION FOR PEAK LOADS (AVERAGE PERCENTAGE OF OCCUPANCY), ACCESSIBILITY, AVAILABILITY, COST OF LABOR AND MATERIALS, AND TYPE OF PATRONAGE.

B. APPROVED RATES AND PRICES, AND CONCESSIONAIRE INVESTMENTS REQUIRED BY THIS AGREEMENT SHALL NOT BE INCONSISTENT WITH AN OPPORTUNITY FOR THE CONCESSIONAIRE TO MAKE A FAIR PROFIT FROM ITS CONCESSION ACTIVITIES. IN DETERMINING FAIR PROFIT FOR THIS PURPOSE, CONSIDERATION SHALL BE GIVEN TO THE RATE OF RETURN REQUIRED TO ENCOURAGE THE INVESTMENT OF PRIVATE CAPITAL AND TO JUSTIFY THE RISK ASSUMED ON THE HAZARD ATTACHED TO THE ENTERPRISE. THE CONCESSIONAIRE, IN MAKING A REQUEST FOR THE GOVERNMENT TO REVIEW ITS OPPORTUNITY TO MAKE A FAIR PROFIT SHALL ALLOW FOR A COMPLETE REVIEW BY THE GOVERNMENT OF ALL ACCOUNTING AND COST INFORMATION IN ORDER TO PROVIDE A RECORD OF ACTUAL NET RETURNS.

C. THE CONCESSIONAIRE SHALL REQUIRE ITS EMPLOYEES TO OBSERVE A STRICT IMPARTIALITY AS TO RATES, PRICES AND SERVICES IN ALL CIRCUMSTANCES. THE CONCESSIONAIRE MAY, SUBJECT TO THE PRIOR APPROVAL OF THE GOVERNMENT, GRANT COMPLIMENTARY OR REDUCED RATES TO CERTAIN INDIVIDUALS OR ENTITIES UNDER SUCH CIRCUMSTANCES AS ARE CUSTOMARY IN BUSINESSES OF THE CHARACTER CONDUCTED HEREUNDER, BUT NOT TO EMPLOYEES OF THE FEDERAL GOVERNMENT UNLESS SUCH RATE, PRICE OR SERVICE DISCOUNTS ARE ALSO MADE AVAILABLE TO THE GENERAL PUBLIC.

#### B.5. INSURANCE

THE CONCESSIONAIRE SHALL PROCURE AND MAINTAIN INSURANCE (AS DESCRIBED IN SUBPARAGRAPH A AND B BELOW) OR A SURETY BOND(S) (AS DESCRIBED IN SUBPARAGRAPH A BELOW) IN SUCH AMOUNTS AS IS CUSTOMARY FOR THE FACILITIES AND SERVICES OFFERED, AS APPROVED BY THE GOVERNMENT, AGAINST LOSSES CONNECTED WITH THE ACTIVITIES AND OPERATIONS AUTHORIZED HEREUNDER. THE CONCESSIONAIRE SHALL PROVIDE THE GOVERNMENT CURRENT COPIES OF ALL INSURANCE POLICIES AND SURETY BOND(S).

A. THE CONCESSIONAIRE SHALL PROCURE AND MAINTAIN, AT ITS COST, STANDARD FIRE AND EXTENDED COVERAGE INSURANCE FROM RESPONSIBLE COMPANIES ON ALL CONCESSIONAIRE IMPROVEMENTS AND EQUIPMENT TO THEIR FULL INSURABLE VALUE, EXCEPTING THAT, THE CONCESSIONAIRE MAY SELF-INSURE FOR STANDARD FIRE AND EXTENDED COVERAGE PROVIDED THAT THE CONCESSIONAIRE SHALL PROCURE AND MAINTAIN A SURETY BOND(S) EQUIVALENT TO THE FULL VALUE OF ALL CONCESSIONAIRE IMPROVEMENTS AND EQUIPMENT, AND SO NAMING THE GOVERNMENT AND CONCESSIONAIRE AS JOINT BENEFICIARIES. IN THE EVENT OF LOSS, THE CONCESSIONAIRE SHALL USE THE PROCEEDS OF SUCH INSURANCE OR SURETY BOND(S) TO REPAIR, REBUILD, RESTORE, OR REPLACE SUCH IMPROVEMENTS AND EQUIPMENT TO THE SATISFACTION OF THE GOVERNMENT.

B. THE CONCESSIONAIRE SHALL PROCURE AND MAINTAIN PUBLIC AND EMPLOYEE LIABILITY, AND PROPERTY DAMAGE INSURANCE FROM RESPONSIBLE COMPANIES WITH COVERAGE MINIMUMS IN SUCH AMOUNTS AS IS CUSTOMARY FOR THE FACILITIES AND SERVICES OFFERED, AS APPROVED BY THE GOVERNMENT.

C. THE GOVERNMENT SHALL BE NAMED AS AN ADDITIONAL INSURED ON ALL SUCH INSURANCE POLICIES DESCRIBED IN SUBPARAGRAPH A AND B ABOVE, OR AS JOINT BENEFICIARIES ON SURETY BOND(S) AS DESCRIBED IN SUBPARAGRAPH A ABOVE. ALL SUCH INSURANCE POLICIES SHALL EXPRESSLY STATE THAT THE INSURER SHALL HAVE NO RIGHT OF SUBROGATION AGAINST THE GOVERNMENT FOR PAYMENTS OF ANY PREMIUMS OR DEDUCTIBLES THEREUNDER AND SUCH INSURANCE POLICIES SHALL BE AT THE CONCESSIONAIRE'S SOLE RISK. THE CONCESSIONAIRE SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND THE GOVERNMENT AGAINST ALL CLAIMS OF PERSONAL INJURY AND PROPERTY DAMAGES, ARISING OUT OF OR IN ANY MANNER CONNECTED WITH THE CONCESSIONAIRES PERFORMANCE OF THIS AGREEMENT. THE CONCESSIONAIRE SHALL PROVIDE THE GOVERNMENT THIRTY (30) DAYS NOTICE OF ANY CHANGE IN INSURANCE POLICIES OR SURETY BOND(S).

#### B.6. SUBCONCESSIONAIRES AND MOBILE HOME AND TRAVEL TRAILER TENANTS

A. THE CONCESSIONAIRE MAY ALLOW OTHERS, TO PROVIDE SERVICES, OPERATE FACILITIES ON THE PREMISES OR ADMINISTER THE PREMISES IN WHOLE OR IN PART PURSUANT TO A SUBCONCESSION AGREEMENT, PROVIDED, THE CONCESSIONAIRE OBTAINS THE PRIOR WRITTEN AUTHORIZATION OF THE GOVERNMENT AND PROVIDED FURTHER, THAT THE CONCESSIONAIRE SHALL CONTINUE TO BE RESPONSIBLE FOR THE SUBCONCESSIONAIRE'S COMPLIANCE WITH ALL TERMS AND CONDITIONS OF THIS AGREEMENT. ALL SUBCONCESSION AGREEMENTS SHALL BE PREPARED PURSUANT TO OPERATIONAL POLICIES OR AS OTHERWISE PRESCRIBED BY THE GOVERNMENT AND SHALL NOT BE FOR MORE THAN FIVE (5) YEARS OR EXCEED THE EXPIRATION DATE OF THIS AGREEMENT.

B. THE CONCESSIONAIRE SHALL SUBMIT TO THE GOVERNMENT FOR APPROVAL NOT LATER THAN JANUARY 1, EACH YEAR A COPY OF THE FORM OF THE RENTAL AGREEMENT TO BE EXECUTED DURING THAT YEAR BETWEEN THE CONCESSIONAIRE AND ANY INDIVIDUAL OR ENTITY PERMITTING THAT INDIVIDUAL OR ENTITY TO PLACE OR MAINTAIN A MOBILE HOME OR TRAVEL TRAILER IN THE RESORT FOR A PERIOD OF TIME IN EXCESS OF FOURTEEN (14) CONSECUTIVE DAYS. EACH SUCH AGREEMENT SHALL AT A MINIMUM PROVIDE THAT THE CONCESSIONAIRE IS RESPONSIBLE FOR COMPLIANCE WITH ALL TERMS AND CONDITIONS OF THIS AGREEMENT, AND SET FORTH THE PROCEDURES, METHODS OF OPERATION, AND MAINTENANCE RESPONSIBILITIES FOR SUCH MATTERS AS THE ENTRANCE GATE, CHARGING OF FAMILY AND GUESTS, COMMUNITY DOCKS AND PARKING. THE AGREEMENT SHALL ALSO CLEARLY IDENTIFY ALL RESPONSIBILITIES AND LIMITATIONS OF THE INDIVIDUAL OR ENTITY INCLUDING THAT THE AGREEMENT IS FOR AN INITIAL PERIOD NO GREATER THAN ONE YEAR AND THEREAFTER OCCUPANCY SHALL BE CONTINUED ON A MONTH TO MONTH BASIS, THAT USE OF THE SITE IS FOR ONLY RECREATIONAL PURPOSES IN ACCORDANCE WITH OPERATIONAL POLICIES, AND THAT PERMISSION TO OCCUPY A LONG-TERM SITE DOES NOT GRANT THE INDIVIDUAL OR ENTITY ANY INTEREST IN THE PREMISES OR ANY RIGHTS FOR RESALE OR INVESTMENT PURPOSES. EACH SUCH AGREEMENT SHALL BE REVIEWED WITH THE TENANTS ASSOCIATION OR EQUIVALENT AT LEAST ONCE EACH YEAR.

B.7. SOLANO PROJECT RIGHTS

THE CONCESSIONAIRE RECOGNIZES THAT LAKE BERRYESSA AND MONTICELLO DAM ARE FEATURES OF THE SOLANO PROJECT CONSTRUCTED FOR THE PRIMARY PURPOSES OF IRRIGATION, DOMESTIC, INDUSTRIAL AND MUNICIPAL WATER SUPPLY IN SOLANO AND NAPA COUNTIES. THE CONCESSIONAIRE FURTHER RECOGNIZES THAT THE FULFILLMENT OF THESE PURPOSES MAY REQUIRE THAT THE LEVEL OF THE RESERVOIR BE FLUCTUATED BY THE GOVERNMENT GENERALLY BETWEEN A MINIMUM ELEVATION OF ABOUT 253 FEET AND A MAXIMUM OF ABOUT 455 FEET TO MEET WATER USE DEMAND, AND THE GOVERNMENT RESERVES THE RIGHT TO VARY THE WATER LEVEL TO THE EXTENT DEEMED NECESSARY OR DESIRABLE FOR THE PURPOSES OF SOLANO PROJECT OPERATIONS.

B.8. WATER SUPPLY

THE CONCESSIONAIRE MAY DIVERT WATER FROM LAKE BERRYESSA FOR RECREATIONAL PURPOSES PERMITTED UNDER THIS AGREEMENT, IN A MANNER APPROVED BY THE GOVERNMENT. AT A MINIMUM, THE CONCESSIONAIRE SHALL KEEP ACCURATE RECORDS OF THE QUANTITY OF ALL DIVERSIONS MADE FROM LAKE BERRYESSA AND SHALL ADVISE THE GOVERNMENT IN WRITING, NO LATER THAN MARCH 1, OF EACH YEAR, OF THE NUMBER OF ACRE-FEET OF WATER DIVERTED DURING EACH MONTH OF THE PRECEDING CALENDAR YEAR.

B.9. SUBJECT TO APPLICABLE LAW AND OTHER DIRECTIVES

THE CONCESSIONAIRE SHALL PERFORM THIS AGREEMENT IN ACCORDANCE WITH ALL APPLICABLE FEDERAL, STATE, AND LOCAL LAWS, RULES, REGULATIONS, ORDINANCES, AND GOVERNMENT OPERATIONAL POLICIES, EXECUTIVE ORDERS, AND GOVERNMENT DIRECTIVES.

B.10. RIGHT TO ADMINISTER THIS CONCESSION AGREEMENT

A. THE GOVERNMENT RESERVES THE RIGHT TO ENTER UPON THE PREMISES AND IMPROVEMENTS DESCRIBED HEREIN AT ANY TIME FOR ANY PURPOSE IT MAY DEEM NECESSARY FOR THE ADMINISTRATION OF THIS AGREEMENT OR THE OPERATION OF THE SOLANO PROJECT, PROVIDED THAT THE GOVERNMENT SHALL USE ITS

BEST EFFORTS TO AVOID UNREASONABLE INTERFERENCE WITH THE CONCESSIONAIRE'S USE OF THE PREMISES,  
THE IMPROVEMENTS THEREON, OR THE PERFORMANCE OF THIS AGREEMENT.

- B. THIS AGREEMENT IS SUBJECT TO ANY PRIOR ESTABLISHED AGREEMENTS THE GOVERNMENT MAY  
HAVE ENTERED INTO WITH OTHER ENTITIES.

B.11. TEMPORARY SUSPENSION OF OPERATION

IN THE EVENT THE GOVERNMENT SUSPENDS THE CONCESSIONAIRE'S RIGHT TO OPERATE THE RESORT AS SPECIFIED IN SUBPARAGRAPH A.10.D., THE CONCESSIONAIRE SHALL NOT BE ENTITLED TO ANY COMPENSATION FROM THE GOVERNMENT FOR LOSSES OCCASIONED THEREBY, INCLUDING LOST INCOME, PROFIT, WAGES, OR BUSINESS OPPORTUNITIES.

B.12. CONTINUITY OF SERVICE

TO AVOID INTERRUPTION OF SERVICE TO THE PUBLIC UPON THE EXPIRATION OR TERMINATION OF THIS AGREEMENT FOR ANY REASON EXCEPT DEFAULT, THE CONCESSIONAIRE, UPON THE REQUEST OF THE GOVERNMENT, WILL CONTINUE TO CONDUCT THE OPERATIONS AUTHORIZED FOR A REASONABLE TIME TO ALLOW THE GOVERNMENT TO SELECT A SUCCESSOR OR ASSUME THE ADMINISTRATION OF THE PREMISES.

B.13. ADVERTISEMENT

EACH YEAR THE CONCESSIONAIRE SHALL ADVERTISE THE AVAILABILITY OF SHORT-TERM (14 DAYS OR LESS) FACILITIES TO THE PUBLIC - INCLUDING COTTAGES, CAMPING AND RECREATION VEHICLE SITES, AND PICNIC SITES. SUCH ADVERTISING MUST BE MADE AVAILABLE AT A MINIMUM TO THE BASIC MARKET AREA FOR LAKE BERRYESSA WHICH INCLUDES THE GREATER SACRAMENTO AND SAN FRANCISCO BAY AREA. THE KIND OF ADVERTISING FOR EACH UPCOMING RECREATION SEASON WILL BE MUTUALLY AGREED UPON, IN WRITING, BETWEEN THE CONCESSIONAIRE AND THE GOVERNMENT NO LATER THAN MARCH 15TH OF EACH YEAR.

B.14. LIST OF EXHIBITS AND ATTACHMENTS

THE FOLLOWING EXHIBIT IS ATTACHED HERETO AND MADE A PART HEREOF:

EXHIBIT A RATING PLAN

## PART C. GENERAL PROVISIONS

### C.1. ACCOUNTING PROCEDURES AND REPORTS

A. THE CONCESSIONAIRE SHALL DEVELOP AND MAINTAIN ITS ACCOUNTING SYSTEM AND RECORDS IN ACCORDANCE WITH APPLICABLE OPERATIONAL POLICIES. THE RECORDS MUST BE SUFFICIENTLY DETAILED TO PROPERLY DISCLOSE THE CONCESSIONAIRE'S ASSETS (INCLUDING ANY ADDITIONS AND DELETIONS) AND POSSESSORY INTERESTS THEREIN, AND THE RATES CHARGED BY THE CONCESSIONAIRE FOR SERVICES PROVIDED TO THE PUBLIC. IF THE CONCESSIONAIRE'S ACCOUNTING SYSTEM IS NOT ACCEPTABLE TO THE GOVERNMENT, THE GOVERNMENT HAS THE RIGHT TO PRESCRIBE THE ACCOUNTING SYSTEM AND RECORDS TO BE USED BY THE CONCESSIONAIRE.

B. THE CONCESSIONAIRE SHALL SUBMIT TO THE GOVERNMENT, AS SOON AS POSSIBLE AFTER THE END OF EACH CALENDAR YEAR, BUT NOT LATER THAN MAY 15, AN ANNUAL FINANCIAL REPORT DETAILING THE CONCESSIONAIRE'S FINANCIAL CONDITION AS OF DECEMBER 31, OF THE PRECEDING YEAR AND THE RESULTS OF THE CONCESSIONAIRE'S OPERATIONS FOR THE YEAR THEN COMPLETED. AT A MINIMUM, THIS REPORT SHALL INCLUDE:

1) A STATEMENT FROM THE PREPARERS OF THE REPORT DETAILING THE EXTENT OF THEIR EXAMINATION OF THE FINANCIAL DATA INCLUDED THEREIN AND THEIR OPINION AS THE PROPRIETY OF THAT DATA;

2) A BALANCE SHEET AS OF DECEMBER 31;

3) AN INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31;

4) A STATEMENT OF CHANGES IN FINANCIAL CONDITION FOR THE YEAR ENDED DECEMBER 31.

C. IN THOSE CASES WHERE THE CONCESSIONAIRE'S AND, WHERE APPLICABLE, THE SUBCONCESSIONAIRE'S GROSS RECEIPTS FROM THE OPERATIONS AUTHORIZED UNDER THIS AGREEMENT EXCEED \$500,000 PER YEAR, THE FINANCIAL REPORTS SPECIFIED IN (B) ABOVE SHALL BE PREPARED BY A CERTIFIED PUBLIC ACCOUNTANT AND MAY BE SUBJECT TO A GOVERNMENT AUDIT.

D. WITHIN NINETY (90) DAYS OF THE EXECUTION OF THIS AGREEMENT, THE CONCESSIONAIRE SHALL SUBMIT TO THE GOVERNMENT A SIGNED BALANCE SHEET REFLECTING ITS FINANCIAL STATUS AS OF THE EFFECTIVE DATE OF THIS AGREEMENT. THE BALANCE SHEET MUST BE PREPARED IN ACCORDANCE WITH APPLICABLE OPERATIONAL POLICIES AND SHALL BE ACCOMPANIED BY A SCHEDULE IDENTIFYING ALL ASSETS IN DETAIL. IN THOSE CASES WHERE THE CONCESSIONAIRE'S AND APPLICABLE SUBCONCESSIONAIRE'S GROSS RECEIPTS FROM THE OPERATIONS AUTHORIZED UNDER THIS AGREEMENT EXCEED \$500,000 PER YEAR, THE REQUIRED BALANCE SHEET AND SCHEDULE SHALL BE AUDITED BY A CERTIFIED PUBLIC ACCOUNTANT AND A COPY OF HIS REPORT AND OPINION ON THE REQUIRED DATA SHALL BE SUBMITTED TO THE GOVERNMENT. IF EXCEPTION IS TAKEN BY THE GOVERNMENT OF SUCH AUDITS, THE CONCESSIONAIRE SHALL BE NOTIFIED AND THE BALANCE SHEET ADJUSTED ACCORDINGLY.

E. THE CONCESSIONAIRE SHALL AFFORD THE GOVERNMENT ACCESS TO BOOKS, CORRESPONDENCE, MEMORANDA, AND OTHER RECORDS OF THE CONCESSIONAIRE AND EACH SUBCONCESSIONAIRE, DURING THE PERIOD OF THIS AGREEMENT, AND FOR SUCH TIME THEREAFTER AS MAY BE NECESSARY TO VERIFY THE CONCESSIONAIRE'S FINANCIAL REPORTS.

### C.2. FRANCHISE FEE AND PAYMENT

THE FRANCHISE FEE DESCRIBED IN PARAGRAPH A.5. SHALL BE COMPUTED AS FOLLOWS:

A. THE TERM "GROSS RECEIPTS" AS USED HEREIN, SHALL MEAN THE TOTAL AMOUNT RECEIVED, REALIZED BY, OR ACCRUING TO, THE CONCESSIONAIRE FROM ALL SALES (INCLUDING THOSE THROUGH VENDING MACHINES AND OTHER COIN-OPERATED DEVICES) FOR CASH OR CREDIT, OF SERVICES, ACCOMMODATIONS, MATERIALS, AND OTHER MERCHANDISE MADE PURSUANT TO THE RIGHTS GRANTED IN THIS AGREEMENT, INCLUDING THE GROSS RECEIPTS OF SUBCONCESSIONAIRES (AS HEREINAFTER DEFINED IN C. 2. B.) AND COMMISSIONS EARNED ON CONTRACTS OR AGREEMENTS WITH OTHER PERSONS OR COMPANIES OPERATING IN THE RESORT. GROSS RECEIPTS WILL EXCLUDE INTRACOMPANY EARNINGS ON CHARGES TO OTHER DEPARTMENTS OF THE OPERATION (SUCH AS LAUNDRY AND CHARGES TO EMPLOYEES FOR MEALS, LODGINGS, AND TRANSPORTATION), CASH DISCOUNTS ON PURCHASES OR SALES, RETURNED SALES AND ALLOWANCES; INTEREST ON MONEY LOANED OR IN BANK ACCOUNTS AND INCOME FROM INVESTMENTS; INCOME FROM SUBSIDIARY COMPANIES OUTSIDE OF THE RESORT AREA; SALES OF PROPERTY OTHER THAN THAT PURCHASED IN THE REGULAR COURSE OF BUSINESS FOR THE PURPOSE OF RESALE; SALES AND EXCISE TAXES THAT ARE ADDED AS SEPARATE CHARGES TO APPROVED SALES PRICES; GASOLINE TAXES; FISHING LICENSE FEES; AND POSTAGE STAMPS, PROVIDED THAT, THE AMOUNT EXCLUDED SHALL NOT EXCEED THE AMOUNT ACTUALLY DUE OR PAID GOVERNMENTAL AGENCIES.

B. THE TERM "GROSS RECEIPTS OF SUBCONCESSIONAIRE'S" SHALL BE CONSTRUED TO MEAN THE TOTAL AMOUNT RECEIVED OR REALIZED BY, OR ACCRUING TO, SUBCONCESSIONAIRES FROM ALL SOURCES, INCLUDING THAT THROUGH VENDING MACHINES OR OTHER COIN-OPERATED DEVICES, AS A RESULT OF THE EXERCISE OF THE RIGHTS CONFERRED BY SUBCONCESSION AGREEMENTS HEREUNDER WITHOUT ALLOWANCES, EXCLUSION, OR DEDUCTIONS OF ANY KIND OR NATURE WHATSOEVER AND THE SUBCONCESSIONAIRE SHALL REPORT THE FULL AMOUNT OF ALL SUCH RECEIPTS TO THE CONCESSIONAIRE NOT, LATER THAN THE 15TH DAY OF FEBRUARY OF EACH YEAR. THE SUBCONCESSIONAIRES SHALL MAINTAIN AN ACCURATE AND COMPLETE RECORD OF ALL ITEMS LISTED IN SUBPARAGRAPH (A) OF THIS SECTION AS EXCLUSIONS FROM THE CONCESSIONAIRE'S GROSS RECEIPTS AND SHALL REPORT THE SAME TO THE CONCESSIONAIRE WITH THE GROSS RECEIPTS.

THE CONCESSIONAIRE SHALL BE ENTITLED TO EXCLUDE ITEMS LISTED PURSUANT TO THE PRECEDING SENTENCE IN COMPUTING THE FRANCHISE FEE PAYABLE TO THE GOVERNMENT AS PROVIDED FOR IN SUBPARAGRAPH (A) OF THIS SECTION.

C. THE GOVERNMENT SHALL PRESCRIBE THE FORMAT TO BE USED BY THE CONCESSIONAIRE IN PREPARING HIS QUARTERLY REPORTS OF GROSS RECEIPTS AND FRANCHISE FEES DUE. THESE REPORTS SHALL ACCOMPANY THE CONCESSIONAIRE'S PAYMENT AND ARE DUE WITHIN FORTY-FIVE (45) DAYS AFTER THE END OF EACH QUARTER. A SERVICE CHARGE IN ADDITION TO THE REGULAR FEES SHALL BE MADE FOR FAILURE TO MAKE THE FEE PAYMENT BY THE DUE DATE OR ANY OF THE DATES SPECIFIED FOR SUBMISSION OF STATEMENTS REQUIRED FOR FEE CALCULATION. THE SERVICE CHARGE SHALL BE ONE AND ONE HALF (1-1/2) PERCENT PER MONTH OF THE FEE FROM THE DATE THE STATEMENTS OR FEES WERE DUE OR \$25.00, WHICHEVER IS GREATER. IF A DUE DATE FALLS ON A NONWORKDAY, THE SERVICE CHARGE WILL NOT APPLY UNTIL THE END OF THE NEXT WORKDAY. FAILURE TO PAY WITHIN NINETY (90) DAYS OF THE DUE DATE WILL CONSTITUTE A BREACH OF THIS AGREEMENT.

D. FOR THE PURPOSE OF ADMINISTERING THIS AGREEMENT (INCLUDING ASCERTAINING THAT FEES PAID WERE CORRECT AND EVALUATING THE PROPRIETY OF THE FEE BASE), THE CONCESSIONAIRE AGREES TO MAKE ALL OF ITS AND ITS SUBCONCESSIONAIRE'S ACCOUNTING BOOKS AND SUPPORTING RECORDS TO THEIR RESPECTIVE ACTIVITIES ONE THE PREMISES, AVAILABLE FOR ANALYSIS BY QUALIFIED REPRESENTATIVES OF THE GOVERNMENT. REVIEW OF ACCOUNTING BOOKS AND SUPPORTING RECORDS SHALL BE MADE AT DATES CONVENIENT TO THE CONCESSIONAIRE AND REVIEWERS. FINANCIAL INFORMATION SO OBTAINED SHALL BE TREATED AS CONFIDENTIAL.

THE CONCESSIONAIRE SHALL RETAIN THE RECORDS DESCRIBED ABOVE AND KEEP THEM AVAILABLE FOR REVIEW BY THE GOVERNMENT FOR FIVE (5) YEARS AFTER THE END OF THE YEAR COVERED BY SUCH RECORDS UNLESS EARLIER DISPOSITION IS APPROVED BY THE GOVERNMENT.

### C.3. TAXES

CONCESSIONAIRE SHALL PAY ALL LAWFUL TAXES, ASSESSMENTS AND OTHER CHARGES WHICH AT ANY TIME MAY BE LEVIED BY THE STATE, COUNTY, OR ANY TAX OR ASSESSMENT LEVYING BODY UPON ITS INTEREST IN THIS AGREEMENT OR ANY POSSESSORY RIGHT THE CONCESSIONAIRE MAY HAVE IN OR TO THE PREMISES OR THE IMPROVEMENTS THEREON BY REASON OF ITS USE OR OCCUPANCY THEREOF, AS WELL AS ALL TAXES, ASSESSMENTS AND CHARGES ON ITS GOODS, MERCHANDISE, FIXTURES, APPLIANCES, EQUIPMENT, AND PROPERTY ON OR ABOUT THE PREMISES.

### C.4. FORECLOSURE OF INTEREST

IN THE EVENT A FORECLOSURE ON ANY MORTGAGE OR OTHER INDEBTEDNESS OF THE CONCESSIONAIRE SECURED BY CONCESSIONAIRE'S INTEREST ON THIS AGREEMENT OR ITS FACILITIES OR IMPROVEMENTS OF THE PREMISES, THE INDIVIDUAL OR ENTITY WHICH FORECLOSES OR THE PURCHASER UNDER A FORECLOSURE SALE SHALL SUCCEED TO THE INTEREST IN THE CONCESSIONAIRE'S FACILITIES OR IMPROVEMENTS, BUT, THE RIGHT OF SUCH INDIVIDUAL OR ENTITY TO SUCCEED TO THE CONCESSIONAIRE'S INTEREST IN THIS AGREEMENT SHALL BE SUBJECT TO THE APPROVAL OF GOVERNMENT.

### C.5. NONDISCRIMINATION

#### A. REQUIREMENTS RELATING TO EMPLOYMENT AND SERVICE TO THE PUBLIC

##### 1) EMPLOYMENT - DURING THE PERFORMANCE OF THIS AGREEMENT:

(A) THE CONCESSIONAIRE SHALL NOT DISCRIMINATE AGAINST ANY EMPLOYEE OR APPLICANT FOR EMPLOYMENT BECAUSE OF RACE, COLOR, RELIGION, SEX, OR NATIONAL ORIGIN. THE CONCESSIONAIRE SHALL TAKE AFFIRMATIVE ACTION TO ENSURE THAT APPLICANTS ARE EMPLOYED, AND THAT EMPLOYEES ARE TREATED DURING EMPLOYMENT, WITHOUT REGARD TO THEIR RACE, COLOR, RELIGION, SEX, OR NATIONAL ORIGIN. SUCH ACTION SHALL INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOWING: EMPLOYMENT UPGRADING, DEMOTION OR TRANSFER; RECRUITMENT OR RECRUITMENT ADVERTISING, LAY-OFF OR TERMINATION; RATES OF PAY OR OTHER FORMS OF COMPENSATION; AND SELECTION FOR TRAINING, INCLUDING APPRENTICESHIP. THE CONCESSIONAIRE SHALL POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, NOTICES TO BE PROVIDED BY THE GOVERNMENT SETTING FORTH THE PROVISIONS OF THIS NONDISCRIMINATION CLAUSE.

(B) THE CONCESSIONAIRE SHALL IN ALL SOLICITATIONS OR ADVERTISEMENTS FOR EMPLOYEES PLACED BY OR ON BEHALF OF THE CONCESSIONAIRE STATE THAT ALL QUALIFIED APPLICANTS WILL RECEIVE CONSIDERATION FOR EMPLOYMENT WITHOUT REGARD TO RACE, COLOR, RELIGION, SEX, OR NATIONAL ORIGIN. IN NEWSPAPER AND LIKE ADVERTISEMENTS, THE CONCESSIONAIRE SHALL SATISFY THE ABOVE REQUIREMENT BY STATING THAT HE IS AN "EQUAL OPPORTUNITY EMPLOYER."

(C) THE CONCESSIONAIRE SHALL SEND TO EACH LABOR UNION OR REPRESENTATIVE OF WORKERS WITH WHICH THE CONCESSIONAIRE HAS A COLLECTIVE BARGAINING AGREEMENT OR OTHER CONTRACT OR UNDERSTANDING, A NOTICE, TO BE PROVIDED BY THE GOVERNMENT, ADVISING THE LABOR UNION OR WORKERS REPRESENTATIVE OF THE CONCESSIONAIRE'S COMMITMENTS UNDER SECTION 202 OF EXECUTIVE ORDER No. 11246 OF SEPTEMBER 24, 1965, AS AMENDED BY EXECUTIVE ORDER No. 11375 OF OCTOBER 13, 1967, AND SHALL POST COPIES OF THE NOTICE IN CONSPICUOUS PLACES AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT.

(D) THE CONCESSIONAIRE SHALL COMPLY WITH ALL PROVISIONS OF EXECUTIVE ORDER NO. 11246 OF SEPTEMBER 24, 1965, AS AMENDED BY EXECUTIVE ORDER NO. 11375 OF OCTOBER 13, 1967, AND OF THE RULES, REGULATIONS, AND RELEVANT ORDERS OF THE SECRETARY OF LABOR.

(E) THE CONCESSIONAIRE SHALL FURNISH ALL INFORMATION AND REPORTS REQUIRED BY EXECUTIVE ORDER NO. 11246 OF SEPTEMBER 24, 1965, AS AMENDED BY EXECUTIVE ORDER NO. 11375 OF OCTOBER 13, 1967, AND BY THE RULES, REGULATIONS, AND ORDERS OF THE SECRETARY OF LABOR, OR PURSUANT THERETO, AND SHALL PERMIT ACCESS TO THE CONCESSIONAIRE'S BOOKS, RECORDS, AND ACCOUNTS BY THE GOVERNMENT AND THE SECRETARY OF LABOR FOR PURPOSES OF INVESTIGATION TO ASCERTAIN COMPLIANCE WITH SUCH RULES, REGULATIONS, AND ORDERS.

(F) IN THE EVENT OF THE CONCESSIONAIRE'S NONCOMPLIANCE WITH THE NONDISCRIMINATION CLAUSES OF THIS AGREEMENT OR WITH ANY OF SUCH RULES, REGULATIONS, OR ORDERS, THIS AGREEMENT MAY BE CANCELLED, TERMINATED, OR SUSPENDED IN WHOLE OR IN PART AND THE CONCESSIONAIRE MAY BE DECLARED INELIGIBLE FOR FURTHER GOVERNMENT AGREEMENTS IN ACCORDANCE WITH PROCEDURES AUTHORIZED IN EXECUTIVE ORDER NO. 11246 OF SEPTEMBER 24, 1965, AS AMENDED BY EXECUTIVE ORDER NO. 11375 OF OCTOBER 13, 1967, AND SUCH OTHER SANCTIONS MAY BE IMPOSED AND REMEDIES INVOKED AS PROVIDED IN EXECUTIVE ORDER NO. 11246 OF SEPTEMBER 24, 1965, AS AMENDED BY EXECUTIVE ORDER NO. 11375 OF OCTOBER 13, 1967, OR BY RULE, REGULATION, OR ORDER OF THE SECRETARY OF LABOR, OR AS OTHERWISE PROVIDED BY LAW.

(G) THE CONCESSIONAIRE SHALL INCLUDE THE PROVISIONS OF PARAGRAPHS (A) THROUGH (G) IN EVERY SUBCONTRACT OR PURCHASE ORDER UNLESS EXEMPTED BY RULES, REGULATIONS, OR ORDERS OF THE SECRETARY OF LABOR ISSUED PURSUANT TO SECTION 204 OF EXECUTIVE ORDER NO. 11246 OF SEPTEMBER 24, 1965, AS AMENDED BY EXECUTIVE ORDER NO. 11375 OF OCTOBER 13, 1967, SO THAT SUCH PROVISIONS WILL BE BINDING UPON EACH SUBCONTRACTOR OR VENDOR. THE CONCESSIONAIRE SHALL TAKE SUCH ACTION WITH RESPECT TO ANY SUBCONTRACT OR PURCHASE ORDER AS THE SECRETARY MAY DIRECT AS A MEANS OF ENFORCING SUCH PROVISIONS, INCLUDING SANCTIONS FOR NONCOMPLIANCE: PROVIDED HOWEVER, THAT IN THE EVENT THE CONCESSIONAIRE BECOMES INVOLVED IN, OR IS THREATENED WITH LITIGATION WITH A SUBCONTRACTOR OR VENDOR AS A RESULT OF SUCH DIRECTION BY THE SECRETARY, THE CONCESSIONAIRE MAY REQUEST THE GOVERNMENT TO ENTER INTO SUCH LITIGATION TO PROTECT THE INTERESTS OF THE GOVERNMENT.

## 2) CONSTRUCTION, REPAIR, AND SIMILAR CONTRACTS.

THE PRECEDING PROVISIONS (1) (A) THROUGH (G) GOVERNING PERFORMANCE OF WORK UNDER THIS AGREEMENT, AS SET OUT IN SECTION 202 OF EXECUTIVE ORDER NO. 11246, DATED SEPTEMBER 24, 1965, AS AMENDED BY EXECUTIVE ORDER NO. 11375 OF OCTOBER 13, 1967, SHALL BE APPLICABLE TO THIS AGREEMENT, AND SHALL BE INCLUDED IN ALL CONTRACTS EXECUTED BY THE CONCESSIONAIRE FOR THE PERFORMANCE OF CONSTRUCTION, REPAIR, AND SIMILAR WORK CONTEMPLATED BY THIS AGREEMENT, AND FOR THAT PURPOSE THE TERM "AGREEMENT" SHALL BE DEEMED TO REFER TO THIS INSTRUMENT AND TO CONTRACTS AWARDED BY THE CONCESSIONAIRE AND THE TERM "CONCESSIONAIRE" SHALL BE DEEMED TO REFER TO THE CONCESSIONAIRE AND TO CONTRACTORS AWARDED CONTRACTS BY THE CONCESSIONAIRE.

## 3) FACILITIES

(A) DEFINITIONS. AS USED HEREIN: CONCESSIONAIRE SHALL MEAN THE CONCESSIONAIRE AND ITS EMPLOYEES, AGENTS, LESSEES, SUBLESSEES, AND CONTRACTORS, AND THE SUCCESSORS IN INTEREST OF THE CONCESSIONAIRE; FACILITY SHALL MEAN ANY AND ALL SERVICES, FACILITIES, PRIVILEGES, AND ACCOMMODATIONS, OR ACTIVITIES AVAILABLE TO THE GENERAL PUBLIC AND PERMITTED BY THIS AGREEMENT.

(B) THE CONCESSIONAIRE IS PROHIBITED FROM:

PUBLICIZING FACILITIES OPERATED HEREUNDER IN ANY MANNER THAT WOULD DIRECTLY OR INFERENTIALLY REFLECT UPON OR QUESTION THE ACCEPTABILITY OF ANY PERSON BECAUSE OF RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, OR HANDICAP (SECTION 504, REHABILITATION ACT OF 1973, P.L. # 90-480); DISCRIMINATING BY SEGREGATION OR OTHER MEANS AGAINST ANY PERSON BECAUSE OF RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, OR HANDICAP IN FURNISHING OR REFUSING TO FURNISH SUCH PERSON THE USE OF ANY SUCH FACILITY.

(C) THE CONCESSIONAIRE SHALL POST A NOTICE IN ACCORDANCE WITH FEDERAL REGULATIONS TO INFORM THE PUBLIC OF THE PROVISIONS OF THIS SUBSECTION, AT SUCH LOCATIONS AS WILL BE CONSPICUOUS TO ANY PERSON SEEKING ACCOMMODATIONS, FACILITIES, SERVICES, OR PRIVILEGES. SUCH NOTICE WILL BE FURNISHED THE CONCESSIONAIRE BY THE GOVERNMENT.

(D) THE CONCESSIONAIRE SHALL REQUIRE PROVISIONS IDENTICAL TO THOSE STATED IN SUBSECTION (3) HEREIN TO BE INCORPORATED IN ALL OF THE CONCESSIONAIRE'S CONTRACTS OR OTHER FORMS OF AGREEMENT FOR USE OF AND MADE IN PURSUANCE OF THIS AGREEMENT.

#### C.6. DEFAULT

A. THE GOVERNMENT SHALL GIVE THE CONCESSIONAIRE WRITTEN NOTICE OF DEFAULT OR UNSATISFACTORY PERFORMANCE OF ANY OF THE TERMS OF THIS AGREEMENT SUBJECT TO SUBPARAGRAPH C.6.C., BELOW. SAID NOTICE SHALL SPECIFY THE PARTICULARS OF THE ALLEGED DEFAULT(S) OR UNSATISFACTORY PERFORMANCE(S) AND THE MANNER AND/OR TIME PERIOD IN WHICH EACH IS TO BE REMEDIED. IF THE CONCESSIONAIRE FAILS OR REFUSES TO REMEDY EACH DEFAULT(S) OR UNSATISFACTORY PERFORMANCE(S) WITHIN THE SPECIFIED MANNER AND/OR TIME PERIOD, THE GOVERNMENT MAY TERMINATE THIS AGREEMENT OR ANY PART THEREOF. A TERMINATION DECISION CAN BE APPEALED PURSUANT TO 43 CFR PART 430.

B. IN THE EVENT THE GOVERNMENT TERMINATES THIS AGREEMENT IN PART AS PROVIDED IN SUBPARAGRAPH C. 6.A., ABOVE, THE CONCESSIONAIRE SHALL CONTINUE THE PERFORMANCE OF THIS AGREEMENT TO THE EXTENT NOT TERMINATED UNDER THE PROVISIONS OF THIS ARTICLE.

C. THE CONCESSIONAIRE SHALL NOT BE DEEMED TO BE IN DEFAULT OF ANY TERM OF THIS AGREEMENT IF THE FAILURE TO PERFORM THIS AGREEMENT ARISES OUT OF CAUSES BEYOND THE CONTROL AND WITHOUT THE FAULT OR NEGLIGENCE OF THE CONCESSIONAIRE OR ITS SUBCONCESSIONAIRE. SUCH CAUSES MAY INCLUDE, BUT ARE NOT RESTRICTED TO, ACTS OF GOD OR OF THE PUBLIC ENEMY, ACTS OF THE GOVERNMENT IN EITHER ITS SOVEREIGN OR CONTRACTUAL CAPACITY, FIRES, FLOODS (EXCEPTING DEFAULT MAY BE CONSIDERED IN CASES WHERE PROPER FLOODPROOFING PRECAUTIONS HAVE FAILED TO BE TAKEN AS DIRECTED BY THE GOVERNMENT), EPIDEMICS, QUARANTINE RESTRICTIONS, STRIKES, FREIGHT EMBARGOES, AND UNUSUALLY SEVERE WEATHER; BUT IN EVERY CASE THE FAILURE TO PERFORM MUST BE BEYOND THE CONTROL AND WITHOUT THE FAULT OR NEGLIGENCE OF THE CONCESSIONAIRE OR ITS SUBCONCESSIONAIRES.

D. IF THIS AGREEMENT IS TERMINATED IN WHOLE AS PROVIDED IN SUBPARAGRAPH C.6.A., ABOVE, THE GOVERNMENT MAY REQUIRE THE CONCESSIONAIRE TO TRANSFER TITLE AND DELIVER TO EITHER THE GOVERNMENT OR A SUCCESSOR CONCESSIONAIRE ALL FACILITIES, SUPPLIES, EQUIPMENT, AND IMPROVEMENTS WHICH THE GOVERNMENT DEEMS NECESSARY FOR THE CONTINUED OPERATION OF THE RESORT. THE GOVERNMENT SHALL CONCLUSIVELY DETERMINE THE APPROPRIATE PAYMENT FOR THESE ITEMS AS FOLLOWS:

1) PAYMENTS FOR FACILITIES, EQUIPMENT, AND IMPROVEMENTS SHALL BE NOT MORE THAN FAIR MARKET VALUE;

2) PAYMENTS FOR SUPPLIES SHALL BE NOT MORE THAN ITS COSTS TO THE CONCESSIONAIRE, AS VERIFIED BY INVOICES.

E. IF THE GOVERNMENT PURCHASES ANY OF THE FACILITIES, SUPPLIES, EQUIPMENT OR IMPROVEMENTS DESCRIBED IN SUBPARAGRAPH C.6.D., ABOVE, THE GOVERNMENT MAY WITHHOLD FROM AMOUNTS OTHERWISE DUE THE CONCESSIONAIRE FOR SUCH FACILITIES, SUPPLIES, EQUIPMENT OR IMPROVEMENTS SUCH SUM AS THE GOVERNMENT DETERMINES TO BE NECESSARY TO PROTECT THE GOVERNMENT AGAINST LOSS BECAUSE OF OUTSTANDING LIENS OR CLAIMS OF FORMER LIEN HOLDERS. THE CONCESSIONAIRE SHALL HAVE THE RIGHT TO REMOVE ANY FACILITIES, SUPPLIES, EQUIPMENT, OR IMPROVEMENTS NOT ACQUIRED PURSUANT TO SUBPARAGRAPH C.6.D., ABOVE. ANY SUCH FACILITIES, SUPPLIES, EQUIPMENT, OR IMPROVEMENTS NOT REMOVED WITHIN ONE HUNDRED EIGHTY (180) CALENDAR DAYS OF THE EFFECTIVE DATE OF THE TERMINATION FOR DEFAULT SHALL BE DEEMED TO HAVE BEEN ABANDONED BY THE CONCESSIONAIRE.

F. THE RIGHTS AND REMEDIES OF THE GOVERNMENT PROVIDED IN THIS CLAUSE SHALL NOT BE EXCLUSIVE AND ARE IN ADDITION TO ANY OTHER RIGHTS AND REMEDIES PROVIDED BY LAW OR UNDER THIS AGREEMENT.

#### C.7. OFFICIALS NOT TO BENEFIT

NO MEMBER OF OR DELEGATE TO CONGRESS, OR RESIDENT COMMISSIONER, SHALL BE ADMITTED TO ANY SHARE OR PART OF THIS AGREEMENT, OR TO ANY BENEFIT THAT MAY ARISE THEREFROM; BUT THIS PROVISION SHALL NOT BE CONSTRUED TO EXTEND TO THIS AGREEMENT IF MADE WITH A CORPORATION FOR ITS GENERAL BENEFIT.

#### C.8. COVENANT AGAINST CONTINGENT FEES

THE CONCESSIONAIRE WARRANTS THAT NO PERSON OR SELLING AGENCY HAS BEEN EMPLOYED OR RETAINED TO SOLICIT OR SECURE THIS AGREEMENT UPON AN AGREEMENT OR UNDERSTANDING FOR A COMMISSION, PERCENTAGE, BROKERAGE, OR CONTINGENT FEE, EXCEPTING BONA FIDE EMPLOYEES OR BONA FIDE ESTABLISHED COMMERCIAL OR SELLING AGENCIES MAINTAINED BY THE CONCESSIONAIRE FOR THE PURPOSE OF SECURING BUSINESS. FOR BREACH OR VIOLATION OF THIS WARRANTY THE GOVERNMENT SHALL HAVE THE RIGHT TO ANNUL THIS AGREEMENT WITHOUT LIABILITY OR IN ITS DISCRETION TO DEDUCT FROM THE PRICE OR CONSIDERATION, OR OTHERWISE RECOVER, THE FULL AMOUNT OF SUCH COMMISSION, PERCENTAGE, BROKERAGE, OR CONTINGENT FEE.

#### C.9. CONTINGENT ON APPROPRIATION AND ALLOCATION OF FUNDS

THE EXPENDITURE OR ADVANCE OF ANY MONEY OR THE PERFORMANCE OF ANY OBLIGATION OF THE GOVERNMENT UNDER THIS AGREEMENT SHALL BE CONTINGENT UPON APPROPRIATION OR ALLOTMENT OF FUNDS. ABSENCE OF APPROPRIATION OR ALLOTMENT OF FUNDS SHALL NOT RELIEVE THE CONCESSIONAIRE FROM ANY OBLIGATIONS UNDER THIS AGREEMENT. NO LIABILITY SHALL ACCRUE TO THE GOVERNMENT IN CASE FUNDS ARE NOT APPROPRIATED OR ALLOTTED.

#### C.10. SEVERABILITY

IF ANY PROVISION OF THIS AGREEMENT IS DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE ILLEGAL OR UNENFORCEABLE, THE REMAINING PROVISIONS OF THIS AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT.

IN WITNESS WHEREOF, EACH OF THE PARTIES HERETO HAS EXECUTED THIS AGREEMENT AS OF THE DAY AND YEAR FIRST WRITTEN HEREIN.

U.S. DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION

BY: \_\_\_\_\_  
REGIONAL DIRECTOR  
MID-PACIFIC REGION

BY: \_\_\_\_\_  
CONCESSIONAIRE  
STEELE PARK RESORT, INC.

EXHIBIT A  
RATING PLAN

1. CONDITION OF SANITARY FACILITIES

LEVEL I (1-3)	LEVEL II (4-6)	LEVEL III (7-10)
<u>ROUTINE CARE:</u>		
MUDDY - LITTERED. FOULED TOILETS, ETC. OVERHEAD AND WALLS WITH LARGE CONCENTRATIONS OF SPIDER WEBS, ETC. SHOWERS NOT CLEANED. NO PAPER AVAILABLE.	FLOORS REASONABLY CLEAN. TOILETS REASONABLY CLEAN. SMALL CONCENTRATIONS OF SPIDER WEBS, ETC. SHOWERS USABLE. SOME PAPER AVAILABLE.	FLOOR SPOTLESS. TOILETS IN EXCELLENT CONDITION. WALLS AND OVERHEAD WIPED DOWN. SHOWERS IN GOOD CONDITION. SUFFICIENT PAPER AVAILABLE.
VANDALISM NOT REPAIRED. MISSING WATER FAUCETS AND SHOWER HANDLES. LEAKY FAUCETS AND SHOWER HEADS. MISSING LIGHT FIXTURES. HAZARDOUS ELECTRICAL WIRING CONDITIONS EXIST. EXPOSED WIRING, SPLICES ETC. BUILDING NEEDS PAINT. WRITING ON	ATTEMPT MADE TO REPAIR VANDALISM. SUFFICIENT HANDLES AVAILABLE. OCCASIONAL LEAKY FAUCET OR SHOWER HEAD. OCCASIONAL MISSING LIGHT FIXTURES. WIRING APPEARS TO MEET STANDARDS. PAINT ADEQUATE. MINIMUM WRITING. OLDER FLUSH	IMMEDIATE REPAIR OF VANDALISM. CAPACITY AVAILABLE FOR USE. NO LEAKY FAUCETS OR SHOWER HEADS. ALL LIGHT FIXTURES FUNCTIONAL. MORE THAN MEETS STANDARDS-CONDUIT, FACE PLATES, ETC. PAINT IDEAL. NO WRITING. NEW FLUSH.
LEVEL I (1-3)	LEVEL II (4-6)	LEVEL (7-10)
POORLY MAINTAINED. HOLES, ROUGH DRIVING OVER ALL OR	MINIMUM MAINTENANCE. ACCEPTABLE GRADE AND WIDTH	GOOD MAINTENANCE. EXCELLENT GRADE AND WIDTH
3. <u>GROUNDS</u>		
LEVEL I (1-3)	LEVEL II (4-6)	LEVEL III (7-10)
MODERATE TO GROSSLY LITTERED IN HIGH VIEW AREAS.	LITTLE TO MODERATELY LITTERED IN HIGH VIEW AREAS. GARBAGE	NO LITTER IN HIGH VIEW AREAS. GARBAGE RECEPTACLES EMPTIED

4. FACILITIES, STRUCTURES, BUILDINGS

LEVEL I (1-3)	LEVEL II (4-6)	LEVEL III (7-10)
GENERAL APPEARANCE POOR. NEED REPAIR WORK - PAINT	APPEARS IN GOOD CONDITION. SOME PAINT NEEDED, REPAIRS	HIGH QUALITY APPEARANCE. IN GOOD REPAIR, PAINT.

5. QUALITY OF SHORT TERM CAMPSITES

LEVEL I (1-3)	LEVEL II (4-6)	LEVEL III (7-10)
UNIT SPACE 25 FEET OR LESS ACROSS THE FRONT. NO	UNIT SPACE 25 TO 40 FEET ACROSS THE FRONT. VEGETATION	UNIT SPACE 40 FEET + ACROSS THE FRONT. BUFFER STRIP

6. LOCATION IN RESORT IN RELATION TO OTHER FACILITIES:

POOR	FAIR	EXCELLENT
LITTLE OR NO SHADE. NO LANDSCAPING.	MINIMUM SHADE. LITTLE TO SOME LANDSCAPING (LAWNS).	EXCELLENT SHADE. SOME LANDSCAPING (LAWNS).

7. QUALITY OF LONG TERM TRAILER SITES

LEVEL I (1-3)	LEVEL II(4-6)	LEVEL III (7-10)

GENERAL APPEARANCE LITTERED.  
LITTLE OR NO LANDSCAPING.  
ACCESS POOR TO SOME SITES,

SLIGHTLY LITTERED - SOME  
LANDSCAPING. ACCESS GOOD TO  
MOST SITES, WIDTH FAIR.

NO LITTER. LANDSCAPING.  
EXCELLENT ACCESS TO ALL SITES.  
MORE THAN ADEQUATE WIDTH.

7. QUALITY OF MARINA FACILITIES

<p>LEVEL I (1-3) GENERAL APPEARANCE POOR. RUNDOWN. FLOTATION POOR.</p>	<p>LEVEL II (4-6) FAIR. 8 TO 12 INCHES ABOVE. GENERALLY TIGHT. SOME LOOSE</p>	<p>LEVEL III (7-10) GOOD - IN GOOD REPAIR. GOOD - 12 INCHES + ABOVE WATER.</p>
<p>LEVEL I (1-3) NO ENTRANCE STATION OR GATE. POOR LAYOUT FOR SECURITY.</p>	<p>LEVEL II (4-6) ENTRANCE STATION MANNED DURING SEASON. FAIR LAYOUT.</p>	<p>LEVEL III (7-10) ENTRANCE STATION MANNED ALL YEAR. EXCELLENT LAYOUT.</p>
<p>LEVEL I (1-3) FEW OF THE LISTED ITEMS ARE AVAILABLE.</p>	<p>LEVEL II (4-6) BASIC. GROCERY STORE. BAIT. MARINA FUEL SERVICE. FOOD SERVICE. LAUNCH RAMP.</p>	<p>LEVEL III (7-10) LODGING (MOTEL, CABINS). CAMPSITES -SHORT TERM. TRAILER SITES - LONG TERM. RESTAURANT AND SNACK BAR. MARINA FACILITIES. FUEL SERVICE. MOORAGE BOAT RENTALS AND REPAIR. SERVICE. LAUNCH RAMP. BAITING SITES</p>
<p>LEVEL I (1-3) CONSTANT COMPLAINTS RECEIVED FROM PUBLIC, BOTH VERBAL AND WRITTEN</p>	<p>LEVEL II (4-6) OCCASIONAL COMPLAINTS RECEIVED. EFFORT MADE TO CORRECT BUT NOT ALWAYS ABLE</p>	<p>LEVEL III (7-10) FEW IF ANY COMPLAINTS RECEIVED. PROMPT REACTION TO CORRECT PROBLEM.</p>

11. COMPLETION OF REORGANIZATION AND DEVELOPMENT PLANS, OR OTHER REQUIRED WORK WITHIN AGREED UPON TIME PERIODS

LEVEL I (1-3)	LEVEL II (4-6)	LEVEL III (7-10)
POOR OR NO SCHEDULING OF WORK OCCURRED. KEY PERSONS WERE INFORMED OF ACTIONS AFFECTING THEM. WORK EITHER NOT COMPLETED OR NOT COMPLETED WITHIN A REASONABLE TIME OF THAT AGREED UPON. SUBMITS TENANT PROJECT APPLICATIONS, PLANS FOR ONLY A FEW OF PROJECTS ACTUALLY UNDERTAKING, OR AFTER THE FACT.	MODERATELY ACCURATE SCHEDULING OF WORK AND KEY PERSONS INFORMED OF ACTIONS WHICH MAY AFFECT THEM. ALL WORK ACCOMPLISHED TO STANDARDS EITHER WITHIN AGREED UPON PERIODS OR WITHIN A REASONABLE TIME THEREAFTER. SUBMIT MOST TENANT PROJECT APPLICATIONS, PLANS IN A TIMELY MANNER BEFORE UNDERTAKING THE PROJECT(S).	ALL PHASES WELL SCHEDULED, EVERYONE AFFECTED IS INFORMED IN ADVANCE AND ALL WORK COMPLETED TO STANDARD BY THE DUE DATES OR BEFORE. SUBMITS ALL TENANT APPLICATIONS PLANS PRIOR TO UNDERTAKING PROJECT(S).
CONSISTENTLY LATE WITH ANY ONE OR ALL OF THE ABOVE.	REASONABLY MEETS MOST DUE DATES FOR THE ABOVE.	MEETS ALL DUE DATES WITH EXCEPTIONAL CASES OF BEING LATE NO FAULT OF THE

