

RECLAMATION

Managing Water in the West

Concession Contract for [TBD] Concession Area

United States Department of the Interior
Bureau of Reclamation
Lake Berryessa

Concession Contract No. _____

With [Business Name of Contractor]

Covering the period [Month/Day], [Year] through December 31, [Year]



Identification of the Parties

THIS Concession Contract is made and entered into by and between the United States of America, acting, through the Regional Director or designee, Mid Pacific Region, Bureau of Reclamation, hereinafter referred to as Contracting Officer” and (name of bidder, type of business and state of organization) authorized to do business in the State of California, hereinafter referred to as the “Concession Contractor.”

Witnesseth

Whereas, the Bureau of Reclamation (Reclamation) has determined that certain facilities and services are necessary and appropriate for the public use and enjoyment of the Concession Area(s), and the Concession Contractor is willing to provide such facilities and services; and

Whereas, Reclamation is willing to allow the Concession Contractor an opportunity to operate facilities and provide related services within the Concession Area(s) at the Reclamation approved rates that the Concession Contractor has determined are sufficient to create a reasonable opportunity to recover the necessary investment costs, operating costs and realize a profit over the term of the Concession Contract, commensurate with the capital invested and the obligations assumed; and

Whereas, the Concession Contractor's facilities and services will not be inconsistent with the requirements of Reclamation's Solano Project and will not interfere with the operation and responsibility of any and all entities associated with that Project; and

Whereas, Reclamation desires the Concession Contractor to provide the facilities and services referred to above at reasonable rates under the supervision and regulation of Reclamation; and

Whereas, Reclamation desires the Concession Contractor to provide the facilities and services referred to above in a manner that demonstrates sound environmental management, stewardship, and leadership;

Now, Therefore, pursuant to the Reclamation Act of 1902, as amended and supplemented including Title VI of the Act of October 27, 1974, Pub. L. No. 93-493, Reclamation's Concession Management Policy, Directives and Standards; applicable Reclamation Guidelines, and all authorities and policies specific to Lake Berryessa, Reclamation and the Concession Contractor agree as follows:

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Definitions

The following terms as used in this Concession Contract and the exhibits to this Concession Contract are defined as set forth below. Definitions apply to both the singular and the plural forms of the defined terms.

Applicable Laws – Federal, State and local laws governing the development, operation and maintenance of recreation facilities and services at Lake Berryessa, including, but not limited to, the rules, regulations, requirements, and policies and Directives and Standards promulgated under those laws, whether now in force, or amended, enacted or promulgated in the future.

Appraisal – A value established in accordance with Generally Accepted Appraisal Standards of the Uniform Standards of Professional Appraisal Practices (USPAP), the standards put forth by the Appraisal Standards Board as implemented in accordance with the Department of the Interior's Appraisal Services Directorate "Appraisal Policy Manual."

Assignment – Refers to Government land and facilities designated (assigned) by the Government for the use of the Concession Contractor in providing contractually Required Services during the term of this contract. Such designation (assignment) will continue until contract expiration, termination, or until otherwise withdrawn by the Government. This designation (assignment) does not transfer ownership of the subject property.

Authorized Services – Those services not specifically required under the Concession Contract, but identified and approved by Reclamation and requested by the Concession Contractor, which facilitate providing public services and conveniences consistent with this Concession Contract.

Best Management Practices – Policies and practices that apply the most current and advanced means and technologies available to the Concession Contractor to undertake and maintain a superior level of environmental performance reasonable in light of the circumstances of the operations conducted under this Concession Contract. Best Management Practices are expected to change from time to time as technology evolves.

Change Order – A written agreement between the construction supervisor and the contractor or consultant that changes the concession construction or improvement contract documents or scope of project work as agreed upon contractually.

Concession Area – The portion of lands and waterways in the federal estate being assigned for use by the Concession Contractor to execute the provisions of this contract. The Concession Area is defined in Exhibit B of this Concession Contract.

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Concession Area Infrastructure – Includes all road surfaces, landscape, utilities, and appurtenant structures affixed to the assigned lands in such a manner as to be a part of the realty including but not limited to parking stalls (for camping, lodging, and day use), parking lots and roadways, launch ramps, electrical transmission and connection services, street lighting, telephone and internet or other methods of information technology, potable water and waste water systems. All such items are Concession Area Infrastructure, regardless of whether they are Reclamation Improvements assigned to the Concession Contractor for use during the term of this Contract as identified in Exhibit E; or Improvements provided by the Concession Contractor during the term of this Contract. All Concession Area Infrastructure shall be the property of Reclamation upon expiration or termination of the Contract. No compensation shall be due the Concession Contractor for any Concession Area Infrastructure at Contract expiration or Termination.

Concession Contractor Improvement(s) – Fixed Assets provided by the Concession Contractor pursuant to the terms of this Concession Contract with the written approval of Reclamation for the purposes of this Concession Contract (including any improvements made to Reclamation Improvements and improvements made from funds in the RAFI account and Supplemental Surcharge account), during the term of the Concession Contract, including certain Concession Area Infrastructure, buildings, Structures, Fixtures, equipment, and other Improvements affixed to the assigned lands in such a manner as to be a part of the realty. Because of their special circumstances, docks and other floating structures currently in place or that may be constructed by the Concession Contractor pursuant to the terms of this Concession Contract are included in this category. Concession Contractor Improvements affixed to the lands assigned to the Concession Contractor do not include any interest in the land upon which the Improvements are located. Additionally, a Concession Contractor Improvement does not include any interest in Personal Property of any kind including, but not limited to, vehicles, boats, houseboats or other objects, regardless of size, unless an item of Personal Property becomes a Fixture as defined in this Concession Contract. Concession Contractor Improvements excludes Reclamation Improvements, Pre-Existing Facilities or any site preparation work such as grading, cutting and filling of soil or rock.

Construction Cost – The total of the incurred Eligible Direct Costs and Eligible Indirect Costs necessary for constructing or installing the capital improvements that are capitalized by the Concession Contractor in accordance with generally accepted accounting principles (GAAP).

Construction Supervisor – A Concession Contractor employee designated to administer and coordinate construction projects, ensuring the quality of work and compliance with project design specifications.

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Consumer Price Index (CPI) – The national “Consumer Price Index for All Urban Consumers” published by the U.S. Department of Labor, Bureau of Labor Statistics. If this index ceases to be published, Reclamation will designate another regularly published cost-of-living index approximating the national CPI.

Cost Approach – A set of procedures through which a value is derived for a Capital Improvement, in accordance with Generally Accepted Appraisal Standards of the Uniform Standards of Professional Appraisal Practices (USPAP), the standards put forth by the Appraisal Standards Board.

Day or Days – Shall mean calendar days, unless the Contract shall specifically refer to business days which shall exclude weekends and federally recognized holidays.

Depreciation – A systematic approach to match the cost of a fixed asset with the expected revenues related to that fixed asset over the expected period during which the asset will be used.

Exhibit or Exhibits – Shall mean the various exhibits that are attached to this Concession Contract, each of which is hereby made a part of this Concession Contract.

Extended Occupancy – The use of approved cabins, cottages, or park models by the public for more than 14 days in a thirty day period, which is the limit for short-term lodging or day use as per 43 CFR Part 429. The provisions of the 2006 Record of Decision identify restrictions on "annual occupancy," which has the same meaning as Extended Occupancy and can be used interchangeably. Extended Occupancy does not pertain to use of the facility or cabin as a primary residence for concession contractors or their employees

Fair Market Value/Market Value – The amount in cash or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of appraisal. All Government appraisals shall conform to USPAP and UASFLA as implemented in accordance with the Department of the Interior's Appraisal Services Directorate Appraisal Policy Manual, or any succeeding standards and manuals.

Federal Estate – The Federal land and water areas of the Solano Project that are under the primary jurisdiction of the Department of the Interior, Bureau of Reclamation.

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Fixed Assets – Are any Structures, Fixtures or Capital Improvements permanently attached to the Federal Estate.

Fixtures – Manufactured items of property of an independent form and utility, necessary for the basic functioning of a structure that are affixed to and considered to be part of the structure as real property once installed. Fixtures do not include building materials until incorporated into a structure (e.g., wallboards, flooring, concrete, cinder blocks, steel beams, studs, window frames, windows, rafters, roofing, framing, siding, lumber, insulation, wallpaper, and paint).

Franchise Fee – A payment to the Government that is considered a direct return to the Government upon consideration of the value to the Concession Contractor of the use, rights, and privileges granted by this Concession Contract. Such value shall be based upon a reasonable opportunity for net profit in relation to capital invested and the obligations of this Concession Contract.

Gross Revenues or Gross Receipts – The total amount received or realized by, or accruing to, the Concession Contractor from all sales for cash or credit, of services, accommodations, materials, and other merchandise made pursuant to the rights granted by this Concession Contract, commissions earned on contracts or agreements with other persons or companies operating in the area, and Gross Revenues earned from electronic media sales, but excluding.

- Intra-company earnings on account of charges to other departments of the operation (such as laundry).
- Charges for employee meals, lodging, and transportation.
- Cash discounts on purchases.
- Cash discounts on sales.
- Interest on money loaned or in bank accounts.
- Income from investments.
- Income from any subsidiary companies not arising from business conducted in conjunction with this Concession Contract.
- Sale of property that was acquired for the purpose of resale and not for use under this contract.
- Sales and excise taxes that are added as separate charges to sales prices, gasoline taxes, fishing license fees, and postage stamps,

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provided that the amount excluded shall not exceed the amount actually due or paid Government agencies.

All monies actually received by the Concession Contractor from coin operated devices whether provided by the Concession Contractor or by others shall be included in gross receipts. All revenues received by the Concession Contractor from charges for in-room telephone or computer access shall be included in gross receipts.

Improvements – An addition to real property that increases its value or utility or that enhances its appearance.

Improvement Management Plan – A written document as described in Exhibit H presenting a management plan for all real property improvements, including construction, repair, and maintenance project.

Intangible Assets – An asset without physical form, such as a contract right that may be owned that provides the owner with value.

Loss Payable Clause – A condition of an insurance policy whereby the company is directed by the insured to pay to some other person designated in the policy any loss that may be due.

Personal Property – All tangible assets not affixed to the land. Personal Property includes but is not limited to: vehicles, boats, barges, park models, or other objects, regardless of size, unless an item of Personal Property becomes a Fixed Asset as defined in this Concession Contract.

Pre-Existing Facilities – The remains of previous operations in the Concession area developed by or under the permission of previous concession contractors, including but not limited to retaining walls, roads, electrical transmission and connection services, and water and wastewater facilities. All Pre-Existing Facilities will be assigned to the Concession Contractor during the term of the Contract. A brief description of the scope of Pre-Existing Facilities is identified in Exhibit D of this Concession Contract.

Reclamation Improvements – Government owned real property improvement existing on the date hereof or hereafter constructed by or on behalf of Reclamation upon or affixed to the lands assigned to the Concession Contractor, including buildings, structures, fixtures, equipment, and other improvements affixed to or resting upon the assigned lands in such a manner as to be a part of the realty. A list of Reclamation Improvements assigned to the Concession Contractor is in Exhibit E of this Contract.

Regional Director – Shall mean the Regional Director of the Mid Pacific Region, Bureau of Reclamation.

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Required Services – The minimum services required that facilitate providing public services and conveniences consistent with this Concession Contract.

Structure – A building, a dock, or other improvement affixed to the land so as to be part of the real estate. A structure may include both constructed infrastructure (e.g., water, power, and sewer lines) and constructed site improvements (e.g., paved roads, retaining walls, sidewalks, paved driveways, and paved parking areas) that are permanently affixed to the land so as to be part of the real estate and that are in direct support of the use of a building, dock, or other improvement. Interior furnishings that are not fixtures are not part of a structure. Structure excludes site preparation work such as grading, cutting and filling of soil or rock.

Significant Hazard Deficiency – A condition or practice which could result in a hospitalized minor injury, reversible illness, or a period of disability 3 months or less, loss or restricted workday accident, compensable injury illness, including minor property or resource damage.

Substantial Completion – The condition of a capital improvement construction project when the project is ready for use and/or occupancy as set forth in Exhibit H of this concession contract.

Supplemental Surcharge – A fee which may be collected on all sales (excluding gasoline and diesel fuel) and on all services provided by the Concession Contractor. This fee is for the purpose of compensating the Concession Contractor for extraordinary expenses related to capital construction costs and major maintenance or replacement of Concession Area Infrastructure, as well as additional costs, such as imposed assessments, for ongoing and additional services required by Napa County and/or other state or local government entity or agency that are necessitated by the use, rights and privileges granted under this Concession Contract, which are not presently identifiable, and the Concession Contractor agrees to pay such costs deemed appropriate and approved by Reclamation.

Section 1 – Terms & Conditions of Concession Contract

A. Term of Concession Contract

1. Period of Performance

This Concession Contract No. _____, herein and hereafter referred to as the “Concession Contract,” shall be effective as of _____, and shall be for the term of 30 years and _____ months until its expiration on December 31, 20__.

2. Discontinuance of Services at Contract Expiration

This contract expires on _____ by limitation of time and on that date the Concession Contractor must be fully vacated from the assigned lands and have already removed any Personal Property and Concession Contractor Improvements not designated by Reclamation to remain into a succeeding contract term in accordance with Section 5.A of the Concession Contract.

B. Concession Contract Termination

1. Termination by Mutual Agreement

Upon mutual written agreement, the Concession Contractor and Reclamation may terminate this Concession Contract

2. Termination for Default

The Contracting Officer may terminate this Concession Contract if he determines that the Concession Contractor has materially breached any requirement of this Concession Contract, including any requirement set forth in any Exhibit to this Concession Contract. By way of example, the Concession Contract includes the following requirements, the material breach of any of which would likely result in termination:

- Provision of the contractually Required Services in compliance with the Concessions Facilities Improvement Program (CFIP) by the dates outlined in Sec. 4. H, Exhibit H, and Exhibit H-1.
- Maintain and operate visitor services to the satisfaction of Reclamation, in the standards set forth in the Reclamation

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Concession Management Guidelines and in the Operations and Maintenance Plans approved as part of this Concession Contract.

- Preparation and submission of required information and documentation in accordance with the dates and timelines set by Reclamation and to the satisfaction of Reclamation.
- Pay the established Franchise Fee and conduct any agreed non-revenue services that provide a direct benefit to the government in lieu of increased Franchise Fees over the 1.0% minimum. (This particular bullet cannot be finalized until a winning bidder is selected and specific information based upon their individual bid is incorporated.)
- Comply with Applicable Laws.
- Prepare and comply with the Maintenance Plan.
- Prepare and comply with the Operating Plan.
- Prepare and comply with an Environmental Management Program (EMP).
- Prepare and comply with a Risk Management Program (RMP).
- Correct deficiencies identified during the Concessions Review Program (CRP) in a timely manner and to Reclamation's satisfaction as defined in the CRP.
- Pay into the reserve account for facilities improvement (RAFI) as agreed.
- Expend funds from the RAFI in an appropriate and timely manner.
- Pay into the Supplemental Surcharge account as agreed.
- Expend funds from the Supplemental Surcharge in an appropriate and timely manner.
- Ensure that adequate insurance and other sureties/bonding are held in compliance with Section 7 of this Concession Contract.
- Charging only rates that have been approved by Reclamation.

If, after termination, it is determined that the Concession Contractor was not in default, or that the default was excusable, the rights and obligations

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of the Parties shall be the same as if the termination had been issued for the convenience of the United States.

3. Termination for Concession Contractor Insolvency

Reclamation may terminate this Concession Contract upon the filing by the Concession Contractor of any petition seeking relief under any provision of the Bankruptcy Act or successive legislation; an assignment by the Concession Contractor for the benefit of creditors; a petition or other proceeding against the Contractor for the appointment of a trustee, receiver, or liquidator.

4. Termination for Convenience

The Government may terminate performance of work under this contract if the Contracting Officer determines that a termination is in the Government's interest. Conditions that may result in such a determination include, but are not limited to, national security concerns and the safety of the Solano project. The Contracting Officer shall terminate by delivering to the Concession Contractor a Notice of Termination specifying the extent of termination and the effective date.

After receipt of a Notice of Termination, and except as directed by the Contracting Officer, the Contractor shall immediately stop work as specified in the notice, take any action that may be necessary, or that the Contracting Officer may direct, for the protection and preservation of the property related to this contract that is in the possession of the Contractor and in which the Government has or may acquire an interest.

Damages will be limited to restoration of costs associated with any Concession Contractor Improvement or Concession Area Infrastructure, less depreciation, including initial costs and preparatory expense allocable thereto, and the reasonable costs of settlement of the work terminated, and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory. Loss of future revenues shall not be included in any damages associated with a termination for convenience.

In addition, Reclamation will prepare and send the Concession Contractor a contract close-out letter. This contract close-out letter will identify any Concession Contractor Improvements and Personal Property whose continued presence in the Concession Area is necessitated by the circumstances giving rise to the termination for convenience, rather than for continued concessions operation. All other Concession Contractor Improvements and Personal Property must be removed by the Concession Contractor within a time period specified in the contract close-out letter.

Any such Concession Contractor Improvements or Personal Property not removed by the Concession Contractor within the time period specified in the contract close-out letter shall be deemed to have been abandoned by the Concession Contractor and will be subject to disposition or disposal by Reclamation. The Concession Contractor shall pay all expenses associated with such disposition or disposal by Reclamation unless the parties specifically agree otherwise in writing.

All Concession Area Infrastructure constructed by the Concession Contractor shall remain at the Concession Area and be the property of Reclamation upon termination of the Contract.

5. Termination Notification

Termination of this Concession Contract for any reason shall be by written notice of the Contracting Officer to the Concession Contractor.

C. Compensation and Interim Operations

In the event of termination or expiration of this Concession Contract, any compensation due the Concession Contractor for Concession Contractor Improvements specifically identified by Reclamation for retention upon termination or expiration shall be as described in Section 5. of this Concession Contract. Except in cases of Termination for Convenience, no other compensation of any nature shall be due the Concession Contractor in the event of a termination or expiration of this Concession Contract, including, but not limited to, compensation for losses based on lost income, profit, or the necessity to make expenditures as a result of the termination, bankruptcy, or expiration.

To avoid interruption of service to the public upon the termination or expiration of this Concession Contract, Reclamation may select an interim operator if a new contract is not in place at the time this Contract expires or is terminated. In case of Contract expiration, Reclamation may select the Concession Contractor as the interim operator if the Concession Contractor is performing in a satisfactory manner.

If, upon such termination or expiration, to avoid interruption of service to the public, Reclamation selects a third party, and not the existing Concession Contractor, as the interim operator, or Reclamation chooses to directly operate, Reclamation may require and the Concession Contractor shall consent to the use by the interim operator or Reclamation, as the case may be, of: the Concession Contractor's designated Personal Property on the premises including related business data (including customer lists and reservations) as needed to provide specific uninterrupted services to the public. Such use shall be for a period of time as designated by Reclamation.

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Reclamation will make such requests as soon as possible in the event of a termination. In the event that Reclamation makes a determination that such property shall remain, the other operator or Reclamation shall pay, subject to the availability of appropriations as per 9.L of this Concession Contract, the Concession Contractor a fee (“Usage Fee”) for use of such designated Concession Contractor Improvements and/or Personal Property, prorated for the period of use, in the amount of 1% per month of the actual construction and installation costs. The interim operator will be required to maintain these improvements in the same condition in which it assumed operation of them, less reasonable wear and tear.

D. Concession Contractor Suspension

1. Suspension for Default

Reclamation reserves the right to immediately suspend the Concession Contractor’s operations in the event of a breach of any nature, including but not limited to, administrative deficiency, operational deficiency, health and safety, employee misconduct, or regulatory noncompliance.

2. Suspension for Resource Protection or Public Safety

Reclamation may temporarily suspend operations under this Concession Contract in whole or in part, as deemed necessary, in order to protect area visitors or to protect, conserve, and preserve natural, cultural, or physical area resources. This includes any suspension of operations resulting from Reclamation’s inability to reasonably staff the Concession Area due to a lapse in appropriations or Federal Government shutdown.

3. No Compensation for Suspension of Operations

No compensation of any nature shall be due the Concession Contractor by Reclamation in the event of a suspension of operations, including, but not limited to, compensation for losses based on lost income, profit, wages, or the necessity to make expenditures as a result of the suspension.

E. Noncompliance and the Opportunity to Cure

Reclamation will provide the Concession Contractor with written notice of any instance(s) of noncompliance with the Concession Contract by the Concession Contractor that may result in termination of the Concession Contract or a suspension of operations and provide the Concession Contractor a reasonable opportunity to cure the area(s) of noncompliance. In the event of a monetary breach, Reclamation will give the Concession Contractor a period of 15 days to cure the breach.

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In the event of a non-monetary breach, Reclamation will give the Concession Contractor 30 days to cure the breach to Reclamation's satisfaction or to submit a plan to cure the breach that is acceptable to Reclamation. If the Concession Contractor timely submits a plan to cure the breach, Reclamation will review the plan and determine if it addresses the areas of noncompliance to Reclamation's satisfaction. If Reclamation determines that the plan is not acceptable for any reason, Reclamation may elect to terminate the Concession Contract and/or suspend operations. If Reclamation approves the plan, it must be initiated within 30 days of written approval and completed on a schedule approved by Reclamation. Provided, if in Reclamation's view, exigent circumstances exist that require a more immediate cure, Reclamation may require immediate resolution of any breach, in which case Reclamation will give reasonable notice of the circumstances.

If a breach is not cured within the above stated period of time, the Contracting Officer may terminate this Concession Contract for default and/or suspend applicable operations.

F. Dispute Resolution

Reclamation and the Concession Contractor will endeavor to resolve any areas of noncompliance that may lead to Concession Contract termination and/or suspension of operations through informal negotiations and discussions. In the event that Reclamation sends the Concession Contractor a written notice of noncompliance and that the noncompliance is not cured to the satisfaction of Reclamation in accordance with section 1.E of this Contract, any party may request and the Parties may mutually agree to non-binding Arbitration to resolve disputes over a written notice of noncompliance.

If the Parties do not mutually agree to non-binding Arbitration, the Contracting Officer will decide whether to terminate the Concession Contract, suspend operations, or take other appropriate action based on the notice of noncompliance and any written response submitted by the Concession Contractor pursuant to Section 1.E within 30 days of receipt of a notice of noncompliance, and other relevant information.

If the Parties agree to non-binding Arbitration, each party will select one member for the arbitration panel and, together, these two members will select the third (neutral) panel member. The panel will treat each party equally and fairly. Recommendations must be made by a majority of the panel members. The Arbitration panel will issue recommendations, and the Contracting Officer shall make the final decision, based on the arbitration panel recommendations and other relevant information, on whether to terminate the Concession Contract, to suspend operation, or take other appropriate action. Arbitration must be completed within ninety (90) days.

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Any written decision of the Contracting Officer to terminate and/or suspend the Concession Contract will be final upon issuance and effective on the date determined by the Contracting Officer. The Concession Contract will not terminate unless and until the Contracting Officer issues a written notice of termination. From the time an Arbitration panel has been selected until the panel has made recommendations (or determined that no recommendations can be made that command the support of a majority of the panel members), there will be no contract termination or suspension of operations, except suspensions deemed necessary by Reclamation to avoid imminent harm to area visitors or resources. Costs associated with arbitration will be borne equally by Reclamation and the Concession Contractor.

G. Appeal Rights

A decision by the Contracting Officer to terminate the Concession Contract for default shall be final and may be appealed to the Office of Hearings and Appeals in accordance with 43 CFR 430.

H. Notice of Bankruptcy or Insolvency

The Concession Contractor or any affiliated organization must give Reclamation immediate notice after the filing of any petition in bankruptcy, filing any petition seeking relief of the same or different kind under any provision of the Bankruptcy Act or its successor, or making any assignment for the benefit of creditors. The Concession Contractor must also give Reclamation immediate notice of any petition or other proceeding against the Concession Contractor for the appointment of a trustee, receiver, or liquidator, or the taking by any person or entity of the rights granted by this Concession Contract or any part thereof upon execution, attachment, or other process of law or equity. For purposes of the bankruptcy statutes, Reclamation considers that this Concession Contract is not a lease but an executory Contract exempt from inclusion in assets of the Concession Contractor pursuant to 11 United States Code (U.S.C.) 365.

I. Contract Extension

The term of this Concession Contract may not be extended beyond that stated in Section 1.A. of this Concession Contract unless it fully complies with the Reclamation Concessions Directives and Standards in effect at the time of extension.

J. No Right of Renewal

This Concession Contract does not include a right of renewal.

K. Sale or Transfer of Interests

1. Sale of Contract Interests

Unless specifically authorized in writing by Reclamation, the Concession Contractor shall not transfer, assign, sell, or otherwise convey or pledge any interests in this Concession Contract. Reclamation shall not be obliged to recognize the right of any person or entity to an interest in this Concession Contract of any nature, including but not limited to operating rights, unless Reclamation has previously approved the interests of that person or entity in writing. The Concession Contractor must complete and submit all sale and transfer information, including any forms provided and required by Reclamation before approval of a sale or transfer of all or any interest of a concession operation.

A proposed transfer is subject to the same evaluation process that is performed for a new concession contract. The Reclamation-designated official may choose not to approve a proposed sale or transfer or may choose to place conditions on the approval.

The terms and conditions are subject to change by Reclamation before approval of a sale or transfer. The length of the term may be reduced but not extended.

2. Sale of Concession Contractor Improvements or Personal Property

Unless approved by Reclamation in writing, the Concession Contractor shall not sell Concession Contractor Improvements or Personal Property owned by the Concession Contractor with the intent to remove them from the Concession Area. The sale of such Concession Contractor Improvements or Personal Property owned by the Concession Contractor may not interrupt the provision of Required Services. The Concession Contractor shall not sell Concession Area Infrastructure, Reclamation Improvements, or Reclamation Personal Property.

- a. The sale of Personal Property owned by the Concession Contractor by anyone other than the Concession Contractor is prohibited on the Federal Estate. The sale of Personal Property not owned by the Concession Contractor is prohibited on the Federal Estate. This includes, but is not limited to, boats.

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- b. The Concession Contractor shall inform the person(s) purchasing the Concession Contractor Improvements and Personal Property owned by the Concession Contractor that unless such improvements and property will be used onsite for required or authorized purposes by a successor concession contractor, they must be removed from the Federal Estate within five working days and at no expense to Reclamation.
 - c. The removal of Concession Contractor Improvements and Personal Property shall be performed in such a manner as to not disrupt the concessions operations, adversely affect the safety or enjoyment of the visiting public, negatively impact natural or cultural resources, or damage any Reclamation owned assets.
 - d. The Concession Contractor shall assume responsibility and liability for any damage to persons, property, or assets that may occur during the removal or transportation of such Personal Property and improvements. Actions taken under this Subsection shall be subject to the Concession Contractor's duties described in this Concession Contract. The Concession Contractor shall hold Reclamation harmless for any damage to either property or assets caused by the Contractor, that may occur during the removal or transportation of such property and assets.
3. Compliance with Applicable Laws

Reclamation shall not be obliged to recognize any right of any person or entity to an interest in this Concession Contract of any nature, including, but not limited to, operating rights under this Concession Contract, if obtained in violation of Applicable Laws.

Section 2 – Services and Operations

Special Note to Bidders

This section of the Concession Contract will have some wording that will be the same or extremely similar among all five of the individual concession areas being outlined in this prospectus. So unless there is some indication in the following wording of this ‘Section 2 – Services and Operations’ bidders can assume that wording will be the same or similar for any of the areas upon which they are competing. In parts of this ‘Section 2’ there will be differing information or explanations that are specific to each of the individual areas that will be noted and labeled with the name of the specific area. If a bidder is preparing a response then for only Monticello Shores or one of the other four then they only need to focus on the portions of this section that deal with Monticello Shores or the specific one they are considering.

In the instance where a bidder is submitting a combined bid for more than one area then they will need to perceive that this section of the eventual contract would include any of the areas upon which they were a successful bidder. Bidders that submit multiple bids that each cover an individual area must also understand that although their individual bids need only focus on the single area, that if they are successful on more than one bid, Reclamation will combine those successful bids into a single contract.(See Cover Letter submitted by bidders from PART 5 of this prospectus). Any areas of confusion that may exist for bidders in regard to specific operations and facilities for the various areas can be clarified by reviewing the charts of Required and Authorized Services in Section 2.B below.

A. General

1. The Concession Contractor shall, at no cost to Reclamation, manage the Concession Area by providing, operating, and maintaining all Concession Contractor Improvements, assigned Reclamation Improvements, Reclamation Personal Property, and any Pre-Existing Facilities that Reclamation has authorized for provision of Required and/or Authorized Service as well as all landscaping, and visitor services within the Concession Area unless otherwise specified in this Concession Contract. Management of the Concession Area, including any construction, alteration, renovation, or repairs, shall be in accordance with all Applicable Laws, stipulations of this contract and be approved by Reclamation prior to implementation as specified in this Concession Contract.

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2. During the term of this Concession Contract, the Concession Contractor is required to provide new Concession Contractor Improvements including Concession Area Infrastructure in accordance with Exhibit H, and to provide the Required Services outlined in Section 2.B.
3. During the term of this Concession Contract, the Concession Contractor is not authorized to provide any service, facility, or activity not identified within this Concession Contract.
4. Private Exclusive Use involving recreational or residential uses to the exclusion of public use shall not be permitted. This contract shall comply with 43 CFR Part 429, excluding concession facilities, and is subject to the provisions of this code in the event of non-compliance.
5. The Concession Contractor shall ensure that adequate staffing and management is available to provide, operate, and maintain the Concession Area, including Concession Contractor Improvements, assigned Reclamation Improvements, and any Pre-Existing Facilities that Reclamation has authorized for provision of Required and/or Authorized Service, including all Concession Area Infrastructure, as well as all facilities, conveniences, utilities, landscaping, and visitor services in accordance with this Concession Contract to such an extent and in a manner considered satisfactory by Reclamation.
6. The Concession Contractor may select an operating name for components of their Concession Operations (campgrounds, day use facilities, marina, etc.), pending written approval by Reclamation, which they intend to officially title that concession service. However, the Concession Contractor does not have ownership of the name or the authority to retain that name at the termination or expiration of this contract. The name will remain and may be used at no cost by Reclamation and by a succeeding concessionaire even if a different operator than the Concession Contractor for this contract.

B. Services

During the term of this Concession Contract, the Concession Contractor shall provide, to the public, the Required Services outlined in the chart(s) and described below within the identified Concession Area(s). Authorized Services that are accepted by Reclamation as a part of the approved CFIP are optional and may be provided with Reclamation approval in accordance with the accepted Concession Facilities Improvement Program identified in Section 4.I of the Contract. Any service, facility, or activity not identified as either “required” or “authorized” is prohibited without contract amendment or written authorization from the Contracting Officer. Major expansions or modification of facilities or services are not allowed without advance approval by Reclamation.

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Special Note to Bidders - The following provides by each location the Required Services to be offered at each of the five areas covered by this prospectus. Bidders need only to review and be familiar with the one(s) for which they intend to submit a bid/response. The following charts present both the required and authorized services so be sure to note those that are required for your minimum proposal.

Required and Authorized Services at Putah Canyon

Table 6 - 1: Putah Canyon Required and Authorized Services

Facilities/Services	Required	Authorized	Total
Camping			
Tent sites	47	20	67
Standard campsites without utilities	14	0	14
Standard campsites with utilities	5	0	5
RV sites with utilities	18	0	18
Camp host site with utilities	1	0	1
RV dump station	1	0	1
Playground and group area (NR)	0	1	1
Iron Ranger	1	1	2
Lodging			
Park models	5	1	6
Boating			
Launch Lane Boat Ramp	4	2	6
Courtesy Dock	2	2	4
Launch Lane Boat Ramp (marina use only)	0	1	1
Courtesy Dock (marina use only)	0	1	1
Boat Slips	201	0	201
Houseboat Slips	15	0	15
Kiosk (Boat Ramp Sign)	1	0	1
On-Shore Fuel and/or Sanitary Storage Tank	1	0	1
Fuel Dispensing and/or Sanitary Connection	1	0	1
Fish Cleaning Station	0	2	2
Employee Housing (Park models)	0	6	6
Marina Service and Building	1	0	1
Concessionaire Building	0	1	1
Boat Repair, Yard Shop, or Tow Service	0	1	2
Dry Boat Storage (# boats)	30	0	30
Boat Rental Service	1	0	1
Day Use			
Individual Day Use Site	18	20	38
Group Day Use Area	0	1	1
Kiosk (Trail Connection)	0	1	1
Lake			
Boat Exclusion Zone	2	0	2

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Facilities/Services	Required	Authorized	Total
Amenities			
Restaurant	0	1	1
Retail Store	0	1	1
Facilities/Infrastructure			
Entry Station	1	1	2
Entry Station Vault Toilet	1	0	1
Vault Toilet	0	1	1
Comfort Station, Toilets Only	3	1	4
Comfort Station, Toilets & Family Room	1	0	1
Comfort Station, Toilets, Family Room, & Showers	1	0	1
Comfort Station, Toilets, Family Room, Showers, & Laundry	0	1	1
Access Road Close Gate	2	1	3
Entry Station	1	1	2
Parking			
Single Vehicle Parking at Marina	126	0	126
Vehicle with Boat Trailer Parking	55	0	55

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Required and Authorized Services at Monticello Shores

Note to Offerors: This table, and the categories of facilities shown, is intended only as a place-holder for the approved list of Required and Authorized Services to be provided by the successful bidder as a component of their bid.

Table 6 - 2: Monticello Shores Required and Authorized Services

Facilities/Services	Required	Authorized	Total
Camping			
Tent sites	0	0	0
Standard Sites without Utilities	0	0	0
Standard Sites with Utilities	0	0	0
RV Sites with Utilities	0	0	0
Hike-In/Boat-In Tent Sites	0	0	0
Overnight Group Use Area (50 occupants)	0	0	0
Camp Host Site with Utilities	0	0	0
RV Dump Station	0	0	0
Lodging			
Park Models	0	0	0
Cabins	0	0	0
Yurts	0	0	0
Rustic Cabins	0	0	0
Tent Cabins	0	0	0
Floating Campsite	0	0	0
Boating			
Launch Lane Boat Ramp	0	0	0
Courtesy Dock	0	0	0
Boat Slips	0	0	0
Kiosk (Boat Ramp Sign)	0	0	0
On-Shore Fuel and/or Sanitary Storage Tank	0	0	0
Fuel Dispensing and/or Sanitary Connection	0	0	0
Fish Cleaning Station	0	0	0
Marina Service and Building	0	0	0
Boat Rental Service	0	0	0
Day Use			
Individual Day Use Site	0	0	0
Group Day Use Area	0	0	0
Boat Exclusion Zone	0	0	0
Kiosk (Trail Connection)	0	0	0
Lake			
Lake Access	0	0	0
Amentities			
Restaurant	0	0	0
Retail Store	0	0	0
Facilities/Infrastructure			
Entry Station	1	0	1

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Facilities/Services	Required	Authorized	Total
Entry Station Vault Toilet	0	0	0
Vault Toilet	0	0	0
Comfort Station, toilets only	0	0	0
Comfort Station, toilets and family room	0	0	0
Comfort Station, toilets, family room, and showers	0	0	0
Access Road Close Gate	1	0	1
Parking			
Single Vehicle Parking at Marina	0	0	0
Vehicle with Boat Trailer Parking	0	0	0
Other			
Other services proposed that conform to the provisions of the 2006 Record of Decision	TBD	TBD	TBD
Potable Water System	1	0	1

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Required and Authorized Services at Berryessa Point

Table 6 - 3: Berryessa Point Required and Authorized Services

Facilities/Services	Required	Authorized	Total
Camping			
Tent Site	49	0	49
RV Sites with Utilities	0	41	41
Camp Host Site with Utilities	0	1	1
RV Dump Station	0	1	1
Iron Ranger	1	0	1
Boating			
Launch Lane Boat Ramp	0	1	1
Courtesy Dock	0	1	1
Boat Slips	0	50	50
Kiosk (Boat Ramp Sign)	0	1	1
On-Shore Fuel and/or Sanitary Storage Tank	0	1	1
Fuel Dispensing and/or Sanitary Connection	0	1	1
Fish Cleaning Station	0	1	1
Marina Service and Building	0	1	1
Day Use			
Individual Day Use Site	8	9	17
Kiosk (Trail Connection)	0	1	1
Gazebo/Group Use Shelter	0	1	1
Amenities			
Restaurant	0	1	1
Retail Store	0	1	1

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Required and Authorized Services at Spanish Flat

Table 6 - 4: Spanish Flat Required and Authorized Services

Facilities/Services	Required	Authorized	Total
Camping			
Tent sites	17	39	56
Standard Sites without Utilities	0	10	10
RV Sites with Utilities	0	12	12
Camp Host Site with Utilities	1	0	1
RV Dump Station	1	0	1
Playground and Group Area	0	1	1
Lodging			
Yurts	0	3	3
Rustic Cabins	0	4	4
Tent Cabins	0	3	3
Boating			
Launch Lane Boat Ramp	2	2	4
Courtesy Dock	1	1	2
Boat Slips	75	0	75
Kiosk (Boat Ramp Sign)	1	0	1
On-Shore Fuel and/or Sanitary Storage Tank	1	0	1
Fuel Dispensing and/or Sanitary Connection	1	0	1
Fish Cleaning Station	0	1	1
Marina Service and Building	1	0	1
Concessionaire Building	0	1	1
Boat Rental Service	1	0	1
Day Use			
Individual Day Use Site	10	8	18
Boat Exclusion Zone	1	0	1
Kiosk (Trail Connection)	0	1	1
Lake			
Boat Exclusion Zone	1	0	1
Amenities			
Restaurant	0	1	1
Retail Store	0	1	1
Facilities/Infrastructure			
Entry Station	1	0	1
Vault Toilet	3	1	4
Comfort Station, toilets only	0	2	2
Comfort Station, toilets, family room	0	1	1
Access Road Close Gate	0	1	1
Parking			
Single Vehicle Parking at Marina	45	0	45
Vehicle with Boat Trailer Parking	33	0	33

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Required and Authorized Services at Steele Canyon

Table 6 - 5: Steele Canyon Required and Authorized Services

Facilities/Services	Required	Authorized	Total
Camping			
Tent sites	0	19	19
Standard Sites without Utilities	0	22	22
Standard Sites with Utilities	10	22	32
RV Sites with Utilities	4	7	11
Hike-In/Boat-In Tent Sites	0	5	5
Overnight Group Use Area (20 occupants)	0	1	1
Camp Host Site with Utilities	1	0	1
RV Dump Station	1	0	1
Playground and Group Area	0	1	1
Lodging			
Park Models	12	0	12
Cabins	15	0	15
Floating Campsite	0	3	3
Boating			
Launch Lane Boat Ramp	6	4	10
Courtesy Dock	4	2	6
Boat Slips	178	100	278
Houseboat Slips	32	0	32
Kiosk (Boat Ramp Sign)	1	0	1
On-Shore Fuel and/or Sanitary Storage Tank	1	0	1
Fuel Dispensing and/or Sanitary Connection	1	0	1
Fish Cleaning Station	0	2	2
Employee Housing (Park models)	0	10	10
Marina Service and Building	1	0	1
Concessionaire Building	0	1	1
Boat Repair, Yard Shop, or Tow Service	0	1	1
Dry Boat Storage (# boats)	0	96	96
Boat Rental Service	1	0	1
Day Use			
Individual Day Use Site	10	0	10
Group Day Use Areas	0	1	1
Kiosk (Trail Connection)	0	1	1
Multi-Use Special Events Center	0	1	1
Lake			
Boat Exclusion Zone	1	0	1
Amenities			
Restaurant	0	1	1
Retail Store	0	1	1
Facilities/Infrastructure			
Entry Station	1	0	1
Entry Station Vault Toilet	1	0	1

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Facilities/Services	Required	Authorized	Total
Comfort Station, toilets only	2	3	5
Comfort Station, toilets and family room	1	2	3
Comfort Station, toilets, family room, and showers	0	1	1
Comfort Station, toilets, family room, showers, and laundry	0	1	1
Parking			
Single Vehicle Parking at Marina & Restaurant	128	60	188
Vehicle with Boat Trailer Parking	75	0	75

Description Of Required And Authorized Services

Note to Bidders: Outlined below are basic descriptions of most of the above combined services for all of the five areas. In the final individual contracts the following information will only apply to the specific services that are 'Required or Authorized' for the specific area pertinent to that specific contract. So the following discussion may not apply to every one of the five areas but should be helpful to bidders in understanding the type of facilities and services.

1. **Marina Operations** – Manage, operate, and maintain a marina operation including water based marina store; and water-based houseboat and pleasure boat slip rentals, seasonal houseboat and pleasure boat moorages, courtesy docks, wastewater pump out services, fresh water supply, marine fuel, boat repair, restrooms and trash and recycling receptacles. The Concession Contractor shall also provide and maintain related land-based marina amenities including adequate single vehicle parking stalls, truck and trailer parking stalls, trash receptacles, restrooms and trash disposal services.
2. **Accessibility to Marina and Other Facilities and Services** – that members of the public with various conditions and physical disabilities have access to all Concession Services and marina facilities, including the 'On Water' portion of the Marina, and implement an approved accessibility plan that addresses fluctuating lake levels. Whatever procedures and facilities are utilized shall be in compliance with Applicable Laws relating to accessibility.
3. **Houseboat Rental (Putah Canyon and Steele Canyon)** – Manage, operate, and maintain a fleet of rental Houseboats and associated facilities to the public in the required quantities shown in Section 2.B of this contract.
4. **Watercraft Rental** – Manage, operate, and maintain rental facilities and provide pleasure boats, Personal Water Craft, and non-motorized vessels such as kayaks/canoes and stand-up paddleboards for rent to the public in the required quantities shown in Section 2.B of this contract.
5. **Transient Slip Rentals** – Provide, operate, and maintain temporary transient wet slip rentals for privately owned boats in the required quantity shown in Section 2.B of this contract.
6. **Day Use** – Manage, operate, and maintain a dedicated day use area which provides picnic tables, barbeque grills, and access to the lake in accordance with this Concession Contract and in the required quantities shown in Section 2.B of this contract. The day use area must be dedicated to single-day visitors and cannot be used for overnight visitation.

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7. **Lodging** – Manage, operate, and maintain cabins, rustic cabins, park models, yurts, and/or tent cabins in the required quantities shown in Section 2.B of this contract. Subject to Reclamation approval, Extended Occupancy may be permitted in those lodging units that abide by the annual occupancy restrictions set forth in the 2006 Record of Decision. Extended Occupancy shall only apply to cabins, cottages, or park models installed, operated, and maintained by Concession Contractors at specific geographic locations defined in the 2006 Record of Decision. Length of term of Extended Occupancy leases shall be no more than 1 year, with option to renew for not more than two consecutive 1-year terms, contingent upon compliance with terms and conditions of the permit and other applicable requirements. Facilities shall not be used as a primary residence. Actual use shall be limited to a maximum of 90 consecutive days and no more than 6 months total per year. All cabins or park models approved by Reclamation for Extended Occupancy must be located within an approved area with common water, sewage, and utility systems fully developed in compliance with specified health and safety codes including setback requirements. Extended Occupancy may not exclude or unnecessarily constrain or restrict construction, installation, operation, or enjoyment by the general public of short-term recreation use facilities on Federal lands at the lake.
8. **Associated Amenities** – The Concession Contractor shall also provide and maintain related camping and day use amenities including single vehicle parking stalls, truck and trailer parking stalls, trash receptacles, trash disposal services and information kiosks along with restrooms.
9. **Recreational Vehicle (RV) Camping** – Manage, operate, and maintain campsites for recreational vehicles in accordance with this Concession Contract and in the required quantities shown in Section 2.B of this contract. RV campsites shall include a picnic table, barbeque/fire ring and parking stall. Concession Contractor shall provide and maintain supporting amenities including trash and recycling receptacles, information kiosks, restrooms and shall service those amenities to provide a safe, clean, and healthy environment. Required RV sites shall include water, wastewater, and electricity connections.
10. **Retail Sales** – Manage, operate, and maintain public retail sales area(s) featuring at a minimum pre-packaged convenience food and beverages, bottled potable water and firewood. Reclamation shall retain the right to prohibit the sale of any items determined to be inappropriate or obscene for retail sales at such Concession Areas.
11. **Reservation Services** – The Concession Contractor shall manage and operate a Reservation Service for the purpose of receiving advance

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reservation of day use and RV sites at the Concession Areas. Reservations shall also be accepted for lodging and for use of rental boats.

12. **Site Security** – Unless otherwise specified in this Concession Contract, the Concession Contractor shall assume full responsibility for providing for the security and safety of the public, and for facility and resource protection within the Concession Area. The Concession Contractor shall provide security at a level necessary to ensure public safety, including facility and resource protection for the term of this Concession Contract. During peak periods additional safety and security personnel may be required to be provided by the Concession Contractor. Security personnel shall be certified by the State of California. Security Requirements are further specified in Exhibit G (Operating Plan).
13. **Dry Storage** – The Concession Contractor shall provide and operate secure Dry Storage facilities for boats and boat trailers. Dry storage may include launch and retrieval operations as a part of the dry storage services.

C. Operating Plan

The Operating Plan, Exhibit G, shall be the operating document for the term of this Concession Contract until amended with Reclamation's approval. Necessary revisions shall be submitted in writing for Reclamation's review by the Concession Contractor annually due on October 1. All revisions must be approved in advance by Reclamation. Reclamation reserves the right to make periodic revisions to this Operating Plan with advance written notice to the Concession Contractor.

1. General Operation Standards

The Operating Plan identifies the required management, seasonal and year-round hours of operation, and scope of services provided. The Operating Plan also addresses safety, sanitation, security, and fire protection for the concession facilities along with employee standards and employment conditions.

- a. Reclamation reserves the right to determine and control the nature, type, and quality of the services provided and merchandise sold within the area of operation as described in this Concession Contract.
- b. All such services and merchandise will be compatible with the intent of the Concession Contract and questions of applicability or requests for variance shall be forwarded to Reclamation for

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consideration. Any variance requested must be approved by Reclamation in writing.

2. Seasonal Adjustment to Operating Plan

The Concession Contractor may request a seasonal adjustment to the required levels of service and/or the means and methods of providing certain public services and consumables to match seasonal demand.

- a. A request to seasonally adjust any required levels of service or consumables must be submitted in writing by the Concession Contractor to Reclamation for written approval as a permanent or temporary change to the Operating Plan.
- b. Request(s) shall outline in detail the specific service(s) to be adjusted, documentation of historic public demand supporting a seasonal adjustment, and the proposed seasonal adjustment to the seasonal period and level of service and/or an adjustment to the means and methods of providing such services.

D. Legal, Regulatory, and Policy Compliance

This Concession Contract, and its administration by Reclamation, shall be in accordance with all Applicable Laws and applicable Federal policies governing the area of operation. The Concession Contractor shall operate and maintain its facilities and appurtenances in safe and effective working order, in compliance with all Applicable Laws and applicable Federal policies.

All terms of the Concession Agreement will be interpreted and implemented at a minimum in accordance with Reclamation Manual Policy LND P02, dated March 4, 2002; Reclamation Manual Directives and Standards LND 04-01, dated April 29, 2002; and Reclamation Concession Management Guidelines, dated April 2005, and their subsequent amendments and/or approved waivers effective the date of this Concession Contract (collectively, "Policies"). Exhibit L, attached hereto, includes these Policies (LND P02 and LND 04-01) and the Department of Interior Concession Policy dated June 4, 2007. For reference, Reclamation's Concessions Management Guidelines and other documents may be accessed through the following website:

<http://www.usbr.gov/recreation/publications/RCMG.pdf>.

The Concession Contractor shall give Reclamation immediate written notice of any violation of Applicable Laws by the Concession Contractor, including its agents, or contractors, and, at its sole cost and expense, must promptly rectify any such violation. Failure to notify Reclamation or a failure to rectify the violation(s) will be considered a breach of the contract and may be reason for Reclamation to

terminate the contract or suspend operations in accordance with Section 1.B or 1.C.

E. Rates for Goods and Services

Rates for all Required Services and goods shall be reasonable and appropriate for the type and quality of the goods and services provided and must be approved by Reclamation.

Rates charged by concessionaires for all facilities, services, and merchandise will be based on charges for comparable facilities, services, and merchandise provided by the private sector in similar situations. Rate approvals shall be requested in advance by the Concession Contractor in writing to Reclamation.

1. Initial rates for this Concession Contract will be established as per Reclamation's Rate Approval Program (Chapter 7 of Reclamations Concession Management Guidelines).

Note to Prospectus Bidders: The Rate Approval Program is available as a part of the Prospectus Package (PART 7.3) or by visiting the prospectus website at: <http://www.usbr.gov/mp/berryessa/prospectus.html>

2. Reclamation will make reasonable efforts to respond within 60 days of receipt of annual rate modification requests.
3. Reclamation shall approve or deny such rate or rate schedule modification requests based upon the findings of a comparability review of like goods and services from similar concession operations or businesses, as described in Reclamation's Concession Management Guidelines, Chapter 7. Any rates in excess of comparable rates must be thoroughly justified and supported in writing by the concessionaire and approved by Reclamation.
4. Should Reclamation not approve a rate request for any of the Concession Contractor's goods or services, the Concession Contractor is required to continue using the rates approved by Reclamation until future changes are provided in writing by Reclamation.
5. If the Concession Contractor disagrees with Reclamation's determination, it may request reconsideration and should submit additional supporting information to the Contracting Officer or designated representative within 30 calendar days of the date of a decision on rates.
6. If the Concession Contractor does not request reconsideration of the decision on rates within the 30 days prescribed, the existing decision becomes final and is not appealable.

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7. If the Concession Contractor timely requests reconsideration of rates, the Contracting Officer's decision made upon reconsideration is final and is not appealable.
8. Requests for rate approvals, the process of reviewing such requests, and any determination by Reclamation to deny requested rates shall not affect in any manner the Concession Contractor's obligation to provide Required Services or otherwise comply with the obligations of this Concession Contract.
9. The Concession Contractor shall prominently post all Reclamation approved rates and charges for goods and services provided to the visiting public.

F. Nondiscrimination of Service to Visitors

The Concession Contractor shall comply with all Applicable Laws, whether now in force or made effective after the execution of this Concession Contract, relating to nondiscrimination in the provision of services..

G. Concession Contractor Employees

The Concession Contractor shall employ all personnel necessary to provide the Required Services identified in this Concession Contract.

The Concession Contractor shall comply with all Applicable Laws relating to employment and employment conditions.

The Concession Contractor shall require and ensure that its employees are hospitable and exercise courtesy and consideration in their relations with the public and with Reclamation employees. The Concession Contractor will require its employees to wear some type of upper body exterior uniform by which they may be recognized as employees of the Concession Contractor. If head gear is worn, it should be consistent with the uniform. All uniforms must be similar in appearance.

The Concession Contractor shall review the conduct of any of its employees whose action or activities are considered by the Concession Contractor or Reclamation to be inconsistent with the proper administration of the area and protection of visitor safety and enjoyment and shall take such actions as are necessary to correct the situation.

H. Concession Contractor Employment Conditions

The Concession Contractor shall comply with Applicable Laws relating to employment of workers, nondiscrimination in employment, and providing accessible facilities and services.

The Concession Contractor shall maintain, to the greatest extent possible, a drug-free environment, both in the workplace and in any Concession Contractor employee housing, within the authorized area of operation.

These responsibilities of the Concession Contractor relating drugs or other factors may be exercised through an external agreement with individuals, companies, or agencies qualified to provide such assistance.

I. Concession Review Program

The Concession Contractor shall be evaluated by Reclamation under the Concession Review Program, required per Directive and Standard LND 04-01 (Exhibit L), and further described in Reclamation's Concession Management Guidelines, Chapter 8. The Concession Management Guidelines identify four separate areas of evaluation for the Concession Review Program: (1) Operation and Facilities Evaluation, (2) Public Health Service Inspection, (3) Safety and Environmental Evaluation, and (4) Contract Compliance Evaluation. Other inspections may be conducted as necessary, based upon Reclamation's inspection recommendations.

The Operation and Facilities Evaluation shall be conducted not less than two (2) times per year with at least one evaluation conducted during the high use operating season. All other evaluations shall be conducted annually or more frequently, if determined by Reclamation to be needed. At least every five years, Reclamation will conduct an external review by a team of technical specialists not employed by the office directly responsible for the oversight of the Concession Areas to determine if concession operations meet Reclamation policies, plans, and guidelines, as well as the four areas of evaluation identified for the Concession Review Program. At all times Reclamation reserves the right to inspect the site and all facilities. Reclamation shall be granted access to these locations as requested and Reclamation will seek to provide reasonable notice as appropriate.

If either the local or external review identifies operational or administrative deficiencies in the operation of a concession, unless otherwise stipulated in this Contract, the Concession Contractor shall develop a timetable subject to approval by Reclamation to correct the deficiencies. . Failure to correct deficiencies within the timetable identified may result in suspension of all or part of the concession operation or termination of the Concession Contract.

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Note to Prospectus Bidder: The Concessions Review Program is available as a part of the Prospectus Package (PART 7.4a and 7.4b) and at the prospectus website at: <http://www.usbr.gov/mp/cao/berryessa/prospectus.html>

J. Legal Vehicle Uses in the Concession Area

All vehicles, vessels and trailers owned and used by the Concession Contractor must have current vehicle insurance, license, and registration as required by the State of California and be operated in accordance with all motor vehicle statutes, rules, and regulations. Likewise, all vehicles, vessels and trailers owned by private individuals must have current license and registration. Those vehicles etc. not licensed and registered cannot remain in the Concession Area.

K. Reservation Policy

Reservations shall be accepted for camping, day use, and other services in accordance with the approved reservation policy identified in Section D.5 of Exhibit G (Operating Plan). Proposed changes to the approved reservation policy shall be submitted in writing to Reclamation for written approval prior to implementation. The Concession Contractor may amend the policy, as necessary, with Reclamation's prior written approval. The Concession Contractor must develop a proposed Reservation Policy and procedures in compliance with the draft Exhibit G of this contract for review by Reclamation within 30 days of contract execution.

Section 3 – Protection and Interpretation of Area Resources

A. Environmental Management Objectives

The Concession Contractor shall comply with the environmental management objectives identified in the Reclamation’s Environmental Management System policy <http://www.usbr.gov/recman/> and Reclamation’s *Inspection and Cleaning Manual for Equipment and Vehicles to Prevent the Spread of Invasive Species* Technical Memorandum (86-68220-07-05), which Reclamation will provide at the execution of this contract. The manual may also be accessed at: <http://www.usbr.gov/mussels/prevention>.

Compliance with the Mid-Pacific Region Environmental Management System requires, but is not limited to, the incorporation of the following practices into Concession Area operations.

1. Compliance with Applicable Laws

The Concession Contractor, including its employees, agents, and contractors, shall comply with all Applicable Laws pertaining to the protection of the public, employees, and natural and cultural resources within the area of operation.

2. Best Management Practices

The Concession Contractor shall be responsible for incorporating the Best Management Practices into the operations, maintenance, and construction activities occurring in the Concession Area.

- a. The Concession Contractor shall provide training when applicable for all managers, supervisors, and employees regarding Best Management Practices.
- b. Recycling program and other similar environmental activities shall be implemented.
- c. The Concession Contractor’s operation, maintenance, acquisition, and purchasing activities will, to the extent practical, promote the use of environmentally preferable products, including materials and supplies with recycled content.

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3. Pollution Prevention

The operation of the facilities and the provision of services under this Concession Contract shall be performed in a manner that prevents, identifies, and reduces pollution at the source.

- a. The Concession Contractor shall immediately report to Reclamation any event that results in pollution or contamination adversely affecting lands, water, or facilities within the area of operation.
- b. A Concession Contractor may not knowingly allow contamination of lands, water, or facilities within the area of operation including refuse, garbage, sewage effluent, industrial/commercial waste, petroleum products, hazardous materials, containers, or any other pollutants, including, but not limited to, misuse of pesticides.
- c. Requirements and procedures for obtaining authorization for non-agricultural discharge must be in compliance with RM D&S, Non-Agricultural Discharges into Reclamation Facilities – Requirements and Procedures for Obtaining Authorization from Reclamation, ENV 06-01.
- d. No waste or by-product which contains any substance in concentrations which may result in harm to fish and wildlife, flora and fauna, water supplies, or human health shall be discharged onto the lands or into the waters of the Federal Estate.
- e. No goods or merchandise which are explosive, toxic, or in any way hazardous shall be kept, stored, or sold except those goods or materials that are customary and appropriate for carrying on routine business. Such goods or merchandise must be handled with care to avoid injury or harm to persons or property. Such goods or merchandise must be handled with care to avoid injury or harm to persons or property and minimize damage.

4. Machinery and Apparatus Operations

Machinery and apparatus shall not be used and operated in such a manner as to damage the lands or waters of the Federal Estate without prior approval in writing by Reclamation. Such goods or merchandise must be handled with care to avoid injury or harm to persons or property and minimize damage.

- a. The Concession Contractor shall be responsible for cleaning of all Concession Contractor earth moving equipment, trailers, vehicles,

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and other equipment moving from one land site to the Concession Area, prior to arrival, for the prevention of the spread of invasive species.

- b. The Concession Contractor shall be responsible for the inspection and cleaning of all Concession Contractor watercraft, vehicles, pumps, trailers, and other equipment moving from one water source to another for the prevention of the spread of invasive water species.
- c. Gasoline, oils, and other petroleum products shall be stored, handled, and dispensed in accordance with Federal, state and local laws, regulations, and statutes.

5. Soil Erosion

The Concession Contractor shall be responsible for control of soil erosion in the Concession Area and for provision of prevention measures when such actions are required in compliance with Applicable Laws and Environmental Protection Agency's Best Management Practices.

- a. The Concession Contractor shall be responsible for development of the Storm Water Prevention Plan (SWPP) addressing soil erosion and water run-off activities during concession construction activities.
- b. Reclamation shall be signatory for all SWPP documentation submitted to the Regional Water Quality Control Board. The Concession Contractor shall be responsible for implementing the SWPP during concession construction activities.
- c. The Concession Contractor shall be responsible for all annual fees charged by the Regional Water Quality Control Board for the SWPP.

6. Environmental Compliance

The Concession Contractor shall be economically and administratively responsible for preparing all environmental documentation in a timely manner. The Concession Contractor is responsible for accomplishing, either independently or through a third party, all required National Environmental Policy Act (NEPA), Endangered Species Act (ESA), and National Historic Preservation Act (NHPA) compliance efforts in advance of starting any new Concession Contractor Improvements or other projects or activities where such compliance is necessary. The Concession Contractor shall prepare all environmental documentation to

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Reclamation's satisfaction. Reclamation, as the responsible party for assuring proper NEPA, ESA and NHPA compliance, will provide prompt agency review of all compliance work in advance of providing written approval to begin any construction or other projects. Reclamation's determination of the adequacy of any such environmental documentation is not subject to Arbitration, reconsideration by the Contracting Officer, or appeal by the Concession Contractor.

- a. The Concession Contractor is required to pay for all costs related to NEPA, ESA and NHPA Section 106 compliance efforts, including those performed by Reclamation staff.
- b. Reclamation will provide cost and time estimates for its NEPA, ESA and NHPA Section 106 compliance efforts prior to commencing work.
- c. The Concession Contractor must provide payment of any costs in advance; upon receipt Reclamation will deposit payments into a reimbursable account to be drawn upon as charges accrue.

B. Environmental Management Program

1. The Concession Contractor shall implement and comply fully with, to the satisfaction of the Contracting Officer, the Environmental Management Plan (EMP) attached as Exhibit O of this Concession Contract
2. Any proposed revisions to the EMP shall be submitted to Reclamation annually for approval.

C. Environmental Evaluation

The Concession Contractor shall be evaluated by Reclamation on its environmental performance under this Concession Contract including, without limitation, compliance with the approved EMP and on the following criteria.

1. Hazardous wastes are properly identified and managed.
2. An Oil and Hazardous Substance Spill Contingency Plan is in place; all employees are trained in first response procedures; Reclamation and appropriate regulatory authorities are notified of any spill or release of a hazardous substance.
3. A hazardous waste minimization strategy is in place, reporting requirements are met, and progress is being made toward reduction goals.

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4. Areas of contamination caused by or attributable to the Concession Contractor are cleaned up to the satisfaction of Reclamation and regulatory authorities.
5. Hazardous material inventories and use records are maintained and provided to Reclamation. Hazardous materials are stored and handled in a manner that minimizes the potential for spill or release.
6. A solid waste minimization strategy is in place, waste generation information is provided to Reclamation, and progress is being made toward waste reduction goals.
7. An affirmative procurement program is in place to ensure that, where available, products containing recycled material or materials that are environmentally preferable are preferentially acquired (Green Procurement).
8. The Concession Contractor will conserve energy and improve energy efficiency of operations being implemented. Every effort will be made to ensure that environmentally safe and sustainable energy sources are used. A program to reduce overall energy consumption is documented and actively pursued.
9. The goals and objectives of the area's water conservation program are being met.
10. Prior written approval has been obtained from Reclamation for implementation of any pesticide, herbicide, or vector control action.
11. Sight, sound, and odor impacts to the environment and visitor experience are avoided when possible.
12. Care is exercised to avoid introduction of nonnative biota except as approved by the Contracting Officer.
13. The Concession Contractor conducts recurring training for staff concerning the critical importance of pollution prevention and spill report procedures, emergency incident and spill response, water and energy conservation, and the Concession Contractor's role in stewardship of Concession Area lands and waters. Training of employees in emergency and spill response includes field exercises done in coordination with Reclamation.
14. Employee incentive system is in place to reward employees for innovative or exemplary contributions toward prevention of pollution and to allocate

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some of the savings gained in energy and water conservation programs back to staff members who produce those gains.

15. Planning and design for facilities are coordinated with the Contracting Officer, including application of sustainable design principles and Reclamation reviews and approvals including, but not limited to, procedures imposed by Federal, State, county, or municipal regulations (e.g., National Environmental Policy Act, Historic Preservation Act (Section 106) and fire and safety and building codes).
16. Required environmental protection and pollution prevention facilities are in place or are in the process of being acquired, designed, or constructed with due diligence. Construction is conducted in a manner that prevents or minimizes pollutant emissions or discharges and protects public health and the environment.

D. Environmental Data, Reports, Notifications, and Approvals

1. **Inventory of Hazardous Substances and Inventory of Waste Streams** – The Concession Contractor shall submit to the Contracting Officer, at least annually, an inventory of Federal Occupational Safety and Health Administration (OSHA) designated hazardous chemicals used and stored in the Concession Area by the Concession Contractor. The Contracting Officer may prohibit the use of any OSHA hazardous chemical by the Concession Contractor in operations under this Concession Contract. The Concession Contractor shall obtain the Contracting Officer’s approval before using any extremely hazardous substance, as defined in the Emergency Planning and Community Right to Know Act of 1986, in operations under this Concession Contract. The Concession Contractor shall also submit to the Contracting Officer, at least annually, an inventory of all waste streams generated by the Concession Contractor under this Concession Contract. Such inventory shall include any documents, reports, monitoring data, manifests, or other documentation required by Applicable Laws regarding waste streams.
2. **Reports** – The Concession Contractor shall submit to the Contracting Officer copies of all documents, reports, monitoring data, manifests, and other documentation required under Applicable Laws to be submitted to regulatory agencies. The Concession Contractor shall also submit to the Contracting Officer any environmental plans for which coordination with area operations are necessary and appropriate, as determined by the Contracting Officer in accordance with Applicable Laws. The Concession Contractor shall submit a quarterly report on the amount of toxic chemicals entering the waste stream from concession facilities.

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3. **Notification of Releases** – The Concession Contractor shall give the Contracting Officer immediate written notice of any discharge, release, or threatened release (as these terms are defined by Applicable Laws) within or in the vicinity of the Concession Area, (whether solid, semisolid, liquid, or gaseous in nature) of any hazardous or toxic substance, material, or waste of any kind, including, without limitation, building materials such as asbestos, or any contaminant, pollutant, petroleum, petroleum product, or petroleum byproduct.
4. **Notice of Violation** – The Concession Contractor shall give the Contracting Officer, in writing, immediate notice of any written, threatened, or actual notice of violation from other regulatory agencies of any Applicable Law arising out of the activities of the Concession Contractor, its agents, or employees.
5. **Communication with Regulatory Agencies** – The Concession Contractor shall provide to the Contracting Officer timely written advance notice of communications, meetings, audits, inspections, hearings, and other proceedings, between regulatory agencies and the Concession Contractor related to compliance with Applicable Laws concerning operations under this Concession Contract. The Concession Contractor shall also provide to the Contracting Officer any written materials prepared or received by the Concession Contractor in advance of or subsequent to any such communications. The Concession Contractor shall allow the Contracting Officer to participate in any such communications. The Concession Contractor shall notify the Contracting Officer immediately following any unplanned communications between regulatory agencies and the Concession Contractor.

E. Corrective Action

1. The Concession Contractor, at its sole cost and expense, shall promptly control and contain any discharge, release, or threatened release, as set forth in this section or any threatened or actual violation, as set forth in this section arising in connection with the Concession Contractor's operations under this concession contract, including, but not limited to, payment of any fines or penalties imposed by appropriate agencies. Following the prompt control or containment of any release, discharge, or violation, the Concession Contractor shall take all response actions necessary to remediate the release, discharge, or violation and to protect human health and the environment.
2. Even if not specifically required by Applicable Laws, the Concession Contractor shall comply with directives of the Contracting Officer to clean up or remove any materials, products, or byproducts used, handled, stored, disposed of, or transported onto or into the Concession Area by the

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Concession Contractor to ensure that the Concession Area remain in good condition.

F. Indemnification and Cost Recovery for Environmental Activities

1. In accordance with Section 7 (Insurance and Indemnification) of this Concession Contract, the Concession Contractor shall indemnify the United States from all losses, claims, damages, environmental injuries, expenses, response costs, allegations or judgments (including, without limitation, fines, and penalties), and expenses (including, without limitation, attorney's fees and expert's fees) arising out of the activities of the Concession Contractor, its employees, agents, and contractors pursuant to this section. Such indemnification shall not apply to any environmental condition or violations of environmental laws which exists at the time possession of the Concession Area is delivered to Concession Contractor. Such indemnification shall survive termination or expiration of this Concession Contract.

Reclamation shall be responsible for performing, or causing prior Concession Contractors to promptly perform, a cleanup of the environmental condition or correction of environmental law violations.

2. If the Concession Contractor does not promptly contain and remediate an unauthorized discharge or release arising out of the activities of the Concession Contractor, its employees, agents, and contractors, as set forth in this section, or correct any environmental self-assessment finding of noncompliance, in full compliance with Applicable Laws, the Contracting Officer may, in its sole discretion and after notice to the Concession Contractor, take any such action consistent with Applicable Laws as the Contracting Officer deems necessary to abate, mitigate, remediate, or otherwise respond to such release or discharge or take corrective action on the environmental self-assessment finding. The Concession Contractor shall be liable for and shall pay to Reclamation any costs incurred by Reclamation associated with such action, upon demand. Nothing in this section shall preclude the Concession Contractor from seeking to recover costs from a responsible third party.
3. Any intentional violation of any of the provisions of this section shall constitute grounds for initiation of the procedure for immediate termination of the Concession Contract and shall make the Concession Contractor liable for the cost of full and complete remediation or restoration of any Federal resources or facilities that are adversely affected as a result of the violation.

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4. Reclamation shall not be responsible for any omissions or inadequacies of insurance coverage and amounts in the event the insurance purchased by the Concession Contractor proves to be inadequate or otherwise insufficient for any reason whatsoever.

G. Weed and Pest Management

1. The Concession Contractor shall be responsible for managing weeds, vermin, and other pests on all authorized land and in all facilities assigned for use in conducting operations under the Concession Contract. Plants and animals that are native to Lake Berryessa may not be removed or harmed except with the prior written approval of Reclamation.
2. The Concession Contractor shall submit to Reclamation, at least 30 days in advance of any planned pesticide application, a Pesticide Use Permit. The Concession Contractor must request a pesticide application authorization even for emergency applications from Reclamation. Every effort will be made by Reclamation to streamline 'immediate need' applications in recognition of the impact to the business and the public. The Concession Contractor is responsible for complying with all training requirements (Federal, State, and local), operational requirements, and licensing requirements as may be pertinent to and required for the application of pesticides within the state of operation.
3. The Concession Contractor shall not take **any** action on lands assigned under this contract, other than exclusion of entry, to control infestations without the prior written approval of Reclamation. This specifically applies to the application of herbicides, pesticides, or rodenticides to control unwanted plants, insects, or vermin. The Concession Contractor may prepare a list in advance in conjunction with a licensed/certified applicator to address potential or likely infestations that are known to occur in the area for pre-approval by Reclamation. In this manner if such an infestation occurs and is verified by the licensed applicator the Concession Contractor may proceed with the appropriate application and notify Reclamation after the fact. Such a list for pre-approval may also include preventative applications that are legally acceptable and traditional within the county and state.

H. Hazardous Materials

1. **Handling/Storing Hazardous Materials** – The Concession Contractor shall maintain health and safety standards and take necessary mitigation and corrective measures to ensure healthy working and living environments in all assigned buildings and improvements. The Concession Contractor shall store, handle, and use hazardous materials in

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a manner that protects workers from harmful exposure, minimizes the potential for spills and releases, and reduces the use of these materials to diminish the subsequent generation of hazardous waste.

Hazardous materials shall be handled in accordance with subpart Z of 29 CFR Parts 1910 and 1926. Examples of hazardous materials requiring special management controls include asbestos, radon, and lead-based paint. The Concession Contractor shall obtain Reclamation written approval before using chemicals, pesticides, and toxic materials. Applications and methods of use shall conform to Federal, state, and local laws and applicable codes, policies, and guidelines.

2. **Hazardous Materials-Related Training** – The Concession Contractor shall provide training to all employees in accordance with 29 CFR 1910.120 (First Responder for Hazardous Materials Incidents) and 29 CFR 1910.1200 (Hazard Communication). The Concession Contractor shall comply with all Federal, State, and local laws and regulations pertaining to hazardous materials.
3. **Hazardous Waste Minimization and the Use of Environmentally Preferable Products** – The Concession Contractor shall attempt to minimize the use of hazardous materials in its operations, thus diminishing the amount of hazardous waste generated over time. The Concession Contractor shall seek to use fewer toxic materials and, instead, will use products that are environmentally preferable as a general means to minimize hazardous waste. If the Concession Contractor generates more than 100 kilograms per month of hazardous waste, the Concession Contractor must provide Reclamation with a Hazardous Waste Minimization Plan. To track any trends for waste generated, the Concession Contractor must provide information on all hazardous waste management (recycling and disposal) to Reclamation quarterly.
4. Concession Contractor shall comply with Applicable Laws relating to current hazardous materials communication protocols. The Concession Contractor must comply with the United Nations Global Harmonization System (GHS) for the classification and labeling of chemicals. As part of the GHS, the Concession Contractor is required to train its employees on how to read and interpret GHS-formatted Safety Data Sheets and labels.

I. Solid Waste Minimization

The Concession Contractor shall provide Reclamation with a written solid waste minimization plan that is consistent with Napa County and Reclamation policies and practices. Special consideration should be given to the type of packaging and containers that are used in products offered for sale to visitors. If the Concession Contractor collects and hauls its solid waste, the Concession Contractor shall

provide Reclamation information quarterly regarding the amount of solid waste generated and the amount of material recycled.

J. Drainage and Storm Water Pollution Prevention

1. The Concession Contractor shall implement Best Management Practices to prevent the degradation of water quality in stormwater and other runoff from facilities within the Concession Area. Erosion controls must be implemented at construction sites with disturbed soils exposed. Water from vehicle and equipment washing must be contained and oil/water separation must occur before appropriate discharge. Any improvements to drainage systems must be made in accordance with Federal, State, and local regulations and with prior Reclamation written approval.
2. The Concession Contractor shall ensure proper drainage control to protect landscapes, native vegetation, structures, facilities, improvements, and equipment while maintaining natural drainage patterns to the greatest extent possible and with prior Reclamation written approval.

K. Recycling and Conservation

1. The Concession Contractor shall implement a source reduction program designed to minimize concession use of disposable products in its operations. Polystyrene and plastics shall be used as little as possible (and then only polystyrene not containing chlorofluorocarbon). Where disposable products are needed, products that have the least impact on the environment shall be used.
2. The Concession Contractor shall implement a recycling program that fully supports the efforts of Reclamation to conserve resources. Products to be recycled include, but are not limited to, paper, newsprint, cardboard, bimetals, plastics, aluminum, glass, waste oil, antifreeze, and batteries.

The Concession Contractor shall provide recycling bins in all public areas. The Concession Contractor is responsible for emptying these bins as needed and for ensuring that these recovered materials are delivered or picked up for recycling.

Any beverage container deposits collected in excess of related operating expenses shall be used for environmental projects as approved in writing by the Contracting Officer. An accounting of the beverage container deposits collected and distributed will be provided to Reclamation on an annual basis.

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3. The Concession Contractor will implement water and energy conservation measures for each of its operations. As new technologies are developed, the Concession Contractor will explore the possibility of integrating them into existing operations where there is potential for increased efficiency, reduced water or energy consumption, or reduced impacts on the environment.

L. Wastewater Treatment

1. The Concession Contractor shall ensure that all wastewater systems are operated in accordance with all Applicable Laws and environmental requirements, including Federal, State, and local laws and applicable codes, policies, and guidelines.

For wastewater that will be discharged into surface water, the wastewater treatment facility must comply with the effluent limitation requirements established in Public Law 92-500 (Clean Water Act) and be permitted in accordance with the National Pollutant Discharge Elimination System, as administered by the Environmental Protection Agency.

All new wastewater treatment facilities must be designed in accordance with the best practicable wastewater treatment technology and be based on sound engineering standards such as those established by the American Society of Civil Engineers or the Recommended Standards for Wastewater Facilities (10 States Standards) prepared by the Great Lakes-Upper Mississippi River Board of State and Provincial Public Health and Environmental Managers.

When wastewater system modifications or new construction are proposed, the Concession Contractor will submit plans and specifications to Reclamation for written approval.

2. All new vault toilets (if any) will incorporate the U.S. Forest Service Sweet Smelling Toilet design features or similar features from other sources. Vault toilets shall be pumped as necessary. All toilets will be cleaned and re-supplied as often as necessary to maintain a high degree of sanitation. Adequate sanitation facilities will be required for remote area activities such as hiking trails, remote camping and similar activities.
3. Septic tanks (if any) will be inspected at least annually by the Concession Contractor to determine the amount of accumulated scum and sludge. Records of septic tank measurements, inspections, and pumping will be available for review by Reclamation. Septic tank risers will be provided for inspection holes to facilitate inspection and pumping. Septic tanks will be pumped when the scum or sludge levels in the tank dictate (generally every 3-5 years). The bottom of the scum should never be closer than 3

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inches to the bottom of the outlet device, and the top of the sludge layer should never be less than 8 inches from the bottom of the outlet device. Records of septic tank measurements, inspections, and pumping should be maintained and be available for review by Reclamation.

Septic tank drain fields will be surveyed at least annually during a high-use period to identify system failures such as odors and surfacing wastewater. The drain field should be kept clear of trees and bushes, which may send roots into the drain field piping system causing clogging and premature failure. Additives to enhance bacterial growth in septic tank systems are generally not recommended.

4. Personnel who routinely come into contact with sewage or who work in or inspect wastewater treatment facilities, ponds, etc., must have a current immunization for tetanus and bloodborne pathogens. Wastewater treatment plant personnel shall not eat, drink, or smoke when performing maintenance or inspecting equipment that may be contaminated with sewage. Workers cleaning up wastewater spills will wear coveralls, rubber boots, and rubber gloves. On completion of cleanup, workers shall remove clothing and place in plastic bag for laundering, take a hot shower using sufficient soap and water, and rinse rubber boots, gloves, and other protective equipment with 100 parts per million disinfectant solution of hypochlorite.
5. In the event of a wastewater leak or spill deemed “major” by the regulating agency, Reclamation will be notified within one (1) business day. Facilities and equipment contaminated with sewage as a result of leaks, spills, and sewage system backflow will be thoroughly washed down with water and detergent which must be contained and disposed of in accordance with applicable rules, regulations and policies.
6. Sewage lagoons should be monitored at least every 2 weeks for liquid coloration, presence of septic odors, properly operating aerators, material floating on the surface, insect breeding, and vegetation growth. The dikes should be free of rodent burrows. Vegetation on the dikes and at the waterline should be controlled. All lagoons should be signed and fenced in such a manner as to exclude unauthorized entry. An all-weather road should be constructed for each lagoon.

M. Protection of Historic, Cultural, and Archeological Resources

The Concession Contractor shall ensure that any protected sites and archeological resources within the Concession Area are not disturbed or damaged by the Concession Contractor’s operations, including the Concession Contractor’s

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employees, agents, and contractors, except in accordance with Applicable Laws and only with the prior written approval of Reclamation. Discoveries of any archeological resources by the Concession Contractor shall be promptly reported to the Contracting Officer. The Concession Contractor shall cease work or other disturbance that may impact any protected site or archeological resource until the Contracting Officer grants approval, upon such terms and conditions as the Contracting Officer deems necessary, to continue such work or other disturbance.

N. Interpretation of Area Resources

The Concession Contractor shall provide all Required and Authorized Services in a manner that is consistent with and supportive of the interpretive themes, goals, and objectives of Reclamation at Lake Berryessa. The Concession Contractor must develop a Concession Area interpretive program in conjunction with Reclamation that interprets the overall themes approved by Reclamation to enhance visitor enjoyment of the area.

Reclamation reserves the right to enter into agreements with cooperating associations for supplemental services that are deemed by Reclamation to be part of an appropriate to the Concession Area's interpretive program. The proposed content of any interpretive programs, exhibits, or displays shall be submitted to Reclamation for review and written approval before being offered to the Concession Area visitors.

The Concession Contractor is required to develop interpretive materials and a means to educate visitors about environmental programs or initiatives implemented by the Concession Contractor and to support educational efforts through such actions as developing printed material (menus, marketing, correspondence, etc.), using outdoor signs, and, as appropriate, formal programs. Reclamation will provide assistance in regard to appropriate education and training for concession employees with this interpretive responsibility.

The proposed content in any interpretive programs, exhibits, displays, correspondence, marketing, or signs shall support the interpretive themes and objectives of the area as reflected in area planning documents, mission statements, or other interpretive documents and be submitted to Reclamation for review and written approval before being offered to Concession Area visitors. (See Exhibit N for some theme details)

Reclamation has Interpretation Guidelines that can be seen at:
<http://www.usbr.gov/recreation/publications.html>.

O. Risk Management Program

The Concession Contractor shall be committed to provide a safe and healthful environment for all employees and visitors to the Concession Area. Compliance with this clause involves, at a minimum, the incorporation of the following standards into Concession Area operations.

1. The Concession Contractor shall develop written procedures to identify and correct safety deficiencies and measures to ensure safety awareness and training in hazards recognition.
 - a. The Concession Contractor shall be responsible for procedures to ensure accountability and responsibility of managers, supervisors, and employees with goals and objectives to achieve a safe and healthful environment.
 - b. The Concession Contractor shall have a written safety and health policy that along with safety and health information is available to all permanent and seasonal employees.
 - c. OSHA “right to know” posters (OSHA 2203) shall be distributed to employees or posted in conspicuous locations.
 - d. Supervisors are assigned the responsibility to conduct routine safety inspections of the assigned work areas, job sites and public use areas. Inspections are conducted as required in Section 2.I of this Concession Contract (Concessions Review Program), Exhibit L and the Operating Plan approved by Reclamation; all inspection records shall be kept for the term of this Concession Contract.
2. Accident/incident reporting and investigation procedures shall be documented.
 - a. All accidents or incidents occurring within the Concession Area must be reported to Reclamation’s designated point of contact within 1 hour of occurrence.
 - b. A written report of all accidents or incidents occurring within the Concession Area must be submitted to Reclamation’s point of contact within five (5) business days.
 - c. A summary report listing the total number of accidents occurring and total lost-days from injury shall be reported to Reclamation annually by December 31.

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3. Safety hazards, including but not limited to resource and activity hazards (falling rocks, water hazards, rattlesnakes, rental watercraft, and houseboat operation, etc.), that exist within the Concession Area must be effectively communicated to Concession Area visitors and abated as follows:
 - a. Catastrophic and Critical Danger Deficiencies must be abated immediately. Action plans for a permanent cure shall be developed and implemented within time limits established by Reclamation. Abatement methods include correction of the deficiency or other action to reduce risk temporarily to staff and visitors.
 - b. Significant Hazard Deficiencies must be abated or action plans developed within time limits established by Reclamation. Any such deficiencies must be abated within 15 days or other reasonable time frame as established by the Concession Contractor and approved by Reclamation. Abatement methods include correction of the deficiency or other action to reduce risk temporarily to staff and visitors.
 - c. Minor Hazard Deficiencies must be abated or action plans developed within time limits established by Reclamation. Any such hazards must be abated within 45 days or a reasonable time frame as established by the Concession Contractor and approved by Reclamation. Abatement methods include correction of the deficiency or other action to reduce risk temporarily to staff and visitors.
4. If abatement of any deficiency cannot be achieved within the established timeframe required by Reclamation, the facility or service may be suspended until such time as the deficiency is corrected, or Reclamation may take appropriate action to abate the hazard and be reimbursed by the Concession Contractor. Either action by Reclamation to suspend a facility or service or to abate a hazard shall be with prior written notice to the Concession Contractor.

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5. Concessionaires' food services will comply with Federal, State, and local food handling and sanitation laws, rules, and regulations.
6. Within 60 days of execution of this Concession Contract, the Concession Contractor shall develop a written emergency action plan that identifies occurrences that will require specific procedures to be followed in the interest of life safety and property protection. The emergency action plan shall be provided to Reclamation for approval, and once approved, shall be executed as written.

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- a. Emergency action procedures shall be provided for probable occurrences relative to the Concession Area (e.g., earthquakes, floods, fires, bomb threats, and hazardous material spills or releases).
 - b. Implementation of emergency action plans shall be coordinated with Reclamation.
 - c. Emergency action plans shall be reviewed and updated annually by the Concession Contractor.
 - d. Concession Contractor employees must be familiar with all emergency action plan procedures and with their individual responsibilities for implementation and reporting.
7. The Concession Contractor shall be evaluated, for compliance with the standards, in accordance with the Concession Review Program referenced in Section 2.I. of this contract.

P. Fuel Storage

The Concession Contractor shall be responsible for compliance with all Applicable Laws and regulations pertaining to fuel storage. The Concession Contractor must provide the Contracting Officer with copies of all reports and correspondence to, or required by, any regulatory agency pertaining to fuel storage. If any leak detection testing indicates a possible release or leak from a fuel storage and delivery system within the Concession Area. Reclamation must be notified immediately by the Concession Contractor; the Concession Contractor will be responsible for fulfilling all reporting, monitoring, and remediation requirements associated with such leak or release.

Reclamation must approve all plans for any work involving fuel storage and delivery systems, tracer probes, and monitoring wells within the Concession Area the removal of contaminated soil and groundwater remediation work.

Section 4 – Land and Facilities Used in the Operation

A. Assignment of Land and Facilities

Reclamation hereby authorizes the use of the following land and concession facilities by the Concession Contractor for the purposes of this Concession Contract:

1. The parcels of land on which the Concession Contractor shall implement this Concession Contract are described in Exhibit B.
2. Reclamation assigns all Reclamation Improvements and Personal Property as described in Exhibit E. Exhibit E may be modified from time to time to include additional Reclamation Improvements completed in accordance with the terms and conditions of this Concession Contract.
3. Reclamation assigns all Pre-Existing Facilities for use, replacement, remediation, or removal by the Concession Contractor as approved by Reclamation as described in Subsection 4.E below. Subsection 4.E and Exhibit D provides further description of these Pre-Existing Facilities.

The Concession Contractor has inspected, is thoroughly acquainted with, and accepts “as is” all land (Exhibit B), any assigned Reclamation Improvements and Personal Property (Exhibit E), and all Pre-Existing Facilities and site conditions (Exhibit D) located in the Concession Area, excluding property rescinded in 4.B. A brief description of Pre-Existing Facilities and site conditions in the Concession Area is provided in Exhibit D. The Concession Contractor acknowledges that the United States is under no obligation to improve the present condition of the land or to improve or remove any Reclamation Improvements, Personal Property or Pre-Existing Facilities.

Reclamation shall have the right, at any time, to enter upon the lands used by the Concession Contractor for any purpose deemed reasonably necessary for the administration of Reclamation lands or Reclamation's implementation of this Concession Contract.

Reclamation may, from time to time, amend Exhibit B, Exhibit D, and/or Exhibit E to reflect changes in the description of the land and facilities assigned for the use of Concession Contractor until contract expiration, termination, or withdrawal of the assignment.

B. Rescissions of Concession Area or Facility Authorizations

Reclamation may withdraw all or portions of the concession land or facility assignments described in subpart A at any time during the term of this Concession Contract if Reclamation determines:

1. The withdrawal is necessary for the purpose of conserving, preserving, or protecting Lake Berryessa resources, visitor enjoyment or safety.
2. The Concession Contractor's permission to use the assigned concession facilities and/or lands have been terminated or suspended by Reclamation.
3. The assigned concession facilities and/or land is no longer necessary for the concession operation.
4. The assigned concession facilities and/or land is required for project purposes.

Any Reclamation determines, in consultation with the Concession Contractor, that any assigned lands or Reclamation Improvements so withdrawn are essential for the provision of visitor services required by this Concession Contract, Reclamation may elect to terminate this Contract. Any such termination by Reclamation will be considered a termination for convenience of the government unless the Concession Contractor's permission to use assigned lands or facilities for concession purposes was already suspended or terminated by Reclamation. No other compensation is due the Concession Contractor in these circumstances.

Temporary rescissions of portions of Concession Areas are further discussed in subsection 4.E and are identified in Exhibit D.

C. Concession Contractor Improvements

The Concession Contractor may construct or install upon lands assigned to the Concession Contractor under this Concession Contract only those Concession Contractor Improvements that are determined by Reclamation to be necessary and appropriate for the conduct by the Concession Contractor of the services required under this Concession Contract. Construction or installation of Concession Contractor Improvements and associated expenditures may occur only after the written approval by Reclamation of their location, plans, and specifications. Reclamation may prescribe the form and content of the application and the procedures for such approvals. The desirability of any project, as well as the location, plans, and specifications thereof, will be reviewed in accordance with Applicable Laws and authorized at the discretion of Reclamation. The

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Concession Contractor may not remove, dismantle, or demolish Concession Contractor Improvements without the prior written approval of Reclamation.

Any salvage resulting from the authorized removal, severance, or demolition of Concession Contractor Improvements provided by the Concession Contractor remains the property of the Concession Contractor.

In the event that a Concession Contractor Improvement is removed, abandoned, demolished, or substantially destroyed and no other improvement is constructed on the site, the Concession Contractor, at its expense, shall promptly, upon the request of Reclamation, restore the site as nearly as practicable to its original condition within a time frame specified by Reclamation.

Any monetary interest of the Concession Contractor in Concession Contractor Improvements shall not be construed to include or imply any authority, privilege, or right to operate or engage in any business or other activity not directly related to the purposes of this concession contract. The use or enjoyment of any such Concession Contractor Improvements shall be wholly subject to the Applicable Laws and provisions of this Concession Contract.

D. Concession Contractor Personal Property

The Concession Contractor shall provide all tangible Personal Property, including but not limited to removable equipment, vehicles, vessels, furniture, and goods necessary for its operations under this Concession Contract. Such Personal Property shall not be considered Concession Contractor Improvements, and the Concession Contractor shall not be entitled to any reimbursement or other means of compensation for such Personal Property.

The Concession Contractor shall be permitted to sell its Personal Property that is used in the concession operation, to the subsequent Concession Contractor. However, the Concession Contractor may not sell any other Personal Property, other than merchandise inventory, on the Federal estate or sell on the Federal estate any of its Personal Property used in the concession operation to any party other than a subsequent Concession Contractor unless permitted by Reclamation. The sale of Personal Property assets by any other party is prohibited on the Federal estate. "For Sale" or similar signs are strictly prohibited on the Federal estate and specifically from within the Concession Area.

E. Current Site Conditions

1. Pre-Existing Facilities.

To a varying degree, some Pre-Existing Facilities associated with previous concession operators are abandoned in place in the Concession Area(s).

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Pre-Existing Facilities may include roads, gates, fences, retaining walls, underground utilities, power poles/transformers and the like, significant portions of which are inoperable, in poor condition and/or not in compliance with current codes. Reclamation has not conducted any inventory of the Pre-Existing Facilities. A brief description of the “as-is” conditions and examples of Pre-Existing Facilities in the Concession Area(s) can be found in Exhibit D of this Concession Contract.

The Concession Contractor shall conduct a site evaluation in order to identify Pre-Existing Facilities and determine which are desired to be retained for provision of Required and/or Authorized Services or are to be remediated or removed. This evaluation shall be a component of a Pre-Existing Facilities management and mitigation plan that Concession Contractor must present in writing for Reclamation’s approval by the end of year two of this Contract.

In the Pre-Existing Facilities management and mitigation plan the Concession Contractor will identify the Pre-Existing Facilities which the Concession Contractor intends to retain for provision of Required and/or Authorized Services and state the steps and time necessary to bring those Pre-Existing Facilities into compliance with current safety and construction codes and standards. In addition, the Concession Contractor will identify the Pre-Existing Facilities which it believes are hazards, nuisances or are otherwise undesirable to remain in place and a plan for removal or remediation of those Pre-Existing Facilities by the Concession Contractor. The Concession Contractor’s plan to remediate Pre-Existing Facilities will comply with Section 3.O of this contract, addressing remediation of hazards. The Concession Contractor will also identify the Pre-Existing Facilities it intends to leave in place. The Pre-Existing Facilities management and mitigation plan, including the Concession Contractor’s proposal for each individual Pre-Existing Facility contained therein, are subject to the written approval of Reclamation. After approval of the Pre-Existing Facilities management and mitigation plan, the Concession Contractor will implement the plan according to its terms.

For any Pre-Existing Facility exposed or encountered after the Concession Contractor has submitted the Pre-Existing Facilities management and mitigation plan, the Concession Contractor must propose in writing to Reclamation what it intends to do with the Pre-Existing Facility. If the Concession Contractor proposes to retain for provision of Required and/or Authorized Services, the Concession Contractor will identify the steps and time necessary to bring the Pre-Existing Facility into compliance with current safety and construction codes and standards. If the Concession Contractor believes the Pre-Existing Facility is a hazard, nuisance, or otherwise undesirable to remain in place, the Concession Contractor will identify a plan for removal or remediation, which will comply with

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Section 3.O of this contract, addressing remediation of hazards. Otherwise, the Concession Contractor will propose to leave the Pre-Existing Facility in place. This proposal is subject to the written approval of Reclamation. After approval of the proposal, the Concession Contractor will implement the proposal according to its terms.

Any Pre-Existing Facilities approved for use in the provision of Required or Authorized Services shall be Concession Area Infrastructure upon completion of the steps necessary to bring the Pre-Existing Facility into compliance with current safety and construction codes and standards.

For any Pre-Existing Facility approved by Reclamation for interim use, the Concession Contractor will include in the Concession Facilities Improvement Program (CFIP) plan for the eventual upgrade, replacement and/or repair of that Pre-Existing Facility.

Any Pre-Existing Facilities approved to be left in place shall be the responsibility of the Concession Contractor to maintain in such a way that they do not become hazards or nuisances, and if any of these Pre-Existing Facilities do become hazards or nuisances, Reclamation will require the Concession Contractor to remove or remediate the hazard or nuisance in accordance with Section 3.O of this contract, addressing remediation of hazards.

In the event that a Pre-Existing Facility is removed, abandoned, demolished, or substantially destroyed and no other improvement is constructed on the site, the Concession Contractor, at its expense, shall promptly, upon the request of Reclamation, restore the site as nearly as practicable to its original condition within a time frame specified by Reclamation.

The assignment of Pre-Existing Facilities to the Concession Contractor shall not be construed to include or imply any authority, privilege, or right to operate or engage in any business or other activity. The use or enjoyment of any such Pre-Existing Facilities shall be wholly subject to the Applicable Laws and provisions of this Concession Contract.

The Concession Contractor may not remove, dismantle, or demolish Pre-Existing Facilities without the prior approval of Reclamation. If Reclamation determines that the Pre-Existing Facilities are not needed or not suitable for provision of Required and/or Authorized Services, are inoperable, require extensive rehabilitation or otherwise have minimal value, Reclamation may, subject to meeting government property regulations, authorize or require the Concession Contractor to demolish and remove or rehabilitate the Pre-Existing Facilities, as described above in this section. All debris and any salvage resulting from the authorized

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removal, severance, or demolition of Pre-Existing Facilities shall be the property of the Concession Contractor unless otherwise noted by Reclamation in the approved plan.

2. Remediation Sites. (applicable language will be included in appropriate contracts)

Environmental compliance orders concerning former underground fuel storage tanks (UST) at Putah Canyon and Monticello Shores have been or are currently being monitored and/or mitigated by Reclamation. The UST site at Putah Canyon remains under active remediation and is rescinded from use by the successful Concession Contractor until further notice. The area immediately surrounding the Putah Canyon UST site will have some restrictions placed on use of the area by the public and by the Concession Contractor. At Monticello Shores, the UST site has been remediated but a small area has some restrictions on use. Reclamation does not have any knowledge of any remaining underground fuel storage tank issues. The Concession Contractor is not required to address any remediation of these sites.

Berryessa Point has a large retaining wall along the primary peninsula that is in need of major repair or removal and restoration. Until such remediation can be completed, the primary peninsula area is rescinded from development and use. Depending upon the availability of Federal appropriations, Reclamation may conduct the remediation to the large retaining wall. The successful bidder may conduct the remediation in order to accelerate the availability of that area for public use.

Further information on rescinded areas can be found in Exhibit D.

New development in the immediate vicinity of any of the above rescinded areas may be constrained to some degree until complete remediation has been accomplished.

F. Reclamation Improvements

(Paragraph will be changed to reflect concession area(s) included in contract)
At Putah Canyon, Spanish Flat, and Steele Canyon, Reclamation has undertaken improvements in order to provide visitor services on an interim basis. These improvements will be assigned to the selected bidder(s) upon execution of the Concession Contract. A list of all Assigned Reclamation Improvements is in Exhibit E of this Contract. It is possible that future assignments of Reclamation Improvements could occur and in that instance Exhibit E to this contract will be amended to note such assignment. The Concession Contractor shall be accountable to Reclamation for Reclamation Improvements assigned to it and shall be responsible for maintaining the Improvements as is necessary to keep it in

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good and operable condition, reasonable wear and tear excepted. Any replacement of Reclamation Improvements shall be approved by Reclamation and shall become the property of Reclamation.

The assignment of Reclamation Improvements to the Concession Contractor shall not be construed to include or imply any authority, privilege, or right to operate or engage in any business or other activity. The use or enjoyment of any such Reclamation Improvements shall be wholly subject to the Applicable Laws and provisions of this Concession Contract.

During the course of the contract, The Concession Contractor may not remove, dismantle, or demolish Reclamation Improvements without the prior written approval of Reclamation. All debris and any salvage resulting from the authorized removal, severance, or demolition of Reclamation Improvements shall be the property of the Concession Contractor.

G. Reclamation Personal Property

Reclamation may provide certain items of Reclamation Personal Property to the Concession Contractor, including but not limited to, removable equipment, furniture, and goods for the Concession Contractor's use in the performance of this Concession Contract. Such property, if any, will be listed in Exhibit E and the Concession Contractor shall be responsible for maintaining the property as is necessary to keep it in good and operable condition, reasonable wear and tear excepted. Any replacement of such Reclamation Personal Property provided by the Concession Contractor shall be approved by Reclamation and shall become the property of Reclamation. If the property ceases to be serviceable, it shall be returned to Reclamation for disposition.

H. Utilities and Concession Area Infrastructure

A limited number of newly installed Concession Area Infrastructure facilities will be provided by Reclamation, and assigned to the Concession Contractor for the provision of Required and Authorized Services during the term of the Contract. (Paragraph will be modified to address concession areas included in the contract) These facilities include: [a source for potable water supply and limited potable water distribution system at Putah Canyon; one RV dump stations and 2 vault toilets each at Putah Canyon, Spanish Flat, and Steele Canyon. Reclamation has installed limited potable water distribution systems at Steele Canyon and Spanish Flat, and initiated potable water hookups to NBRID for Steele Canyon and Spanish Flat Water District for Spanish Flat.] All other utilities and Concession Area Infrastructure is the responsibility of the Concession Contractor to develop and install. The Concession Contractor shall, with the written approval of Reclamation and under any requirements that Reclamation shall determine, secure necessary utilities at its own expense from sources outside the Lake Berryessa

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area or shall install the utilities within the Concession Area and shall develop Concession Area Infrastructure with the written permission of Reclamation, subject to the following conditions:

Note to Bidders: This section of the Concession Contract will have portion of the following texts (e though i below) tailored to the specific Concession Contract and Concession Area as awarded.

1. Any water must be obtained from local water districts or from other surface or groundwater sources in cooperation with Reclamation. Water rights available for use on Reclamation lands of the Solano Project are deemed sufficient for normal concession operations. Any additional water or water rights deemed necessary for the operation of the concession areas on Federal lands must be acquired in cooperation with Reclamation at the Concession Contractor's expense in accordance with Applicable Law.
2. Upon expiration, bankruptcy, or termination of this Concession Contract for any reason, the Concession Contractor must assign all water sources, as applicable, including any additional water rights obtained to Reclamation without compensation, and these water sources and water rights will become the property of Reclamation.
3. Upon expiration, bankruptcy, or termination of this Concession Contract for any reason, the Concession Area Infrastructure shall be the property of the United States at no expense. No compensation shall be paid to the Concession Contractor for any Concession Area Infrastructure.
4. If requested by Reclamation, the Concession Contractor must provide to Reclamation any utility service provided by the Concession Contractor for its operations to such extent as will not unreasonably restrict anticipated use by the Concession Contractor. The rate per unit charged Reclamation for such service shall be the cost per unit of the Concession Contractor providing such service for its own operations. At no time shall the cost paid to Concessions Contractor exceed the cost for service from a local utility.
5. The Concession Contractor is obligated to pay any special assessments required by any special district or other agencies or legal entities providing Required Services to the Concession Area.
6. The Concession Contractor for Steele Canyon is required to utilize existing potable water and sewer services provided by the Napa Berryessa Resort Improvement District (NBRID). This will require the Concession Contractor to make an initial outlay for the connections to water and wastewater, as well as monthly charges based on use. All fees associated with connections and use of water and wastewater systems through

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NBRID are based on Napa County Ordinances specific to the operation of the District.

Note to Bidders: Reclamation has received approximate fee estimates of \$100,695 for water connection and a wastewater connection fee of \$278,812 dollars as hookup fees into the NBRID system at Steele Canyon, based on the estimated quantity of Equivalent Dwelling Units indicated for provision of both Required and Authorized Services. Additionally, estimated monthly charges for water and wastewater at Steele Canyon will be charged, based on the usage associated with the Required and Authorized Services identified in the Contract Section 2.B.

7. The Concession Contractor for Spanish Flat is required to hook into and use the services of the Spanish Flat Water District, and to pay for water use according to the fee schedule established by Spanish Flat Water District.
8. The Concession Contractor for Steele Canyon is responsible for arranging electrical and garbage service. Spanish Flat is responsible for arranging its own sewage treatment and arranging for electrical and garbage service.
9. The Concession Contractor for Monticello Shores, Putah Canyon and Berryessa Point are all individually responsible for developing water and sewer systems and arranging for electrical and garbage service.

I. Concession Facilities Improvement Program

The Concession Contractor shall undertake and complete an improvement program, hereinafter “Concession Facilities Improvement Program,” or “CFIP,” that benefits the public. The CFIP shall consist of the following components: 1) a written description of all Concession Contractor Improvements for Required Services as outlined in the accepted bid proposal and this draft Concession Contract, 2) conceptual and development site plans showing the location and layout of such Improvements, 3) written description of a plan to upgrade, repair, or replace Pre-Existing facilities, and 4) a schedule for development, called a “Development Plan Timeline” showing, by year of installation, the full complement of Required Services.

Reclamation has made a commitment to providing safe, high quality recreation and concession services that are both welcoming to the visiting public and will also support the Lake Berryessa community.

Concession Contractors are expected to develop the necessary services, facilities and Concession Area Infrastructure to provide recreation as identified in Section 2 of this Contract. In an effort to assist with the development and permitting of needed facilities Reclamation has completed several planning documents and will

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provide them to the Concession Contractor. These planning documents have been accomplished to bring up to date the 2005 Environmental Impact Statement/Visitor Services Plan and the 2006 Record of Decision (ROD). Reclamation will provide a copy of these plans to the Concession Contractor.

Additionally, National Environmental Protection Act (NEPA) documentation has been initiated for the overall recreation conceptual plans, and for development of the infrastructure at each concession site based upon the 60% design level infrastructure plans and specifications. The NEPA documentation for overall recreation conceptual plans and at least 60% infrastructure design will be completed by Reclamation to coincide with the award of a concession services contract for each of the five Concession Areas. Prior to construction, the Concession Contractor will be responsible for bringing both the conceptual level recreation site designs and the 60% infrastructure designs to 100% completion, completing site-specific NEPA documentation for recreation site planning, and for acquiring all relevant and appropriate permits and approvals.

However, should the Concession Contractor propose to develop Required and Authorized Services and infrastructure that meet the requirements of Part 2 of this Concession Contract, but in a manner which differs from those developed by Reclamation, the Concession Contractor must then develop at its own expense both recreation site plans and infrastructure designs, as well as site-specific environmental documentation, and develop a first-year development plan that addresses those construction objectives that Reclamation has determined in Exhibit H-1 of this Concession Contract. Reclamation will determine whether or not such a proposal meets these requirements.

To initiate progress under these planning documents, Reclamation has provided the Development Plan and Timeline for the first year of development towards the Required Services which will become part of the CFIP upon contract execution. Any additional Authorized Services which the Concession Contractor included in its accepted bid proposal shall be included in a supplementary Development Plan and Timeline after contract award. Supporting infrastructure, utilities and amenities associated with the provision of Required Services shall also be included in the CFIP. Beginning in Year One and every 5 years thereafter, the Concession Contractor shall provide Reclamation a 5-year CFIP schedule to identify and or adjust the Reclamation-authorized Concession Contractor Improvements beyond the initial year identified in Exhibit H-1. The CFIP accepted by Reclamation shall be incorporated into this Concession Contract as Exhibit H-1.

The Concession Contractor shall prepare an annual Improvement Management Plan (IMP) to indicate which elements of the CFIP will be implemented in a given year. An IMP for the following year's activities must be prepared to Reclamation's satisfaction by the anniversary date of the contract execution for each year of the CFIP. Any proposed Authorized Services must also be included

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in the annual IMP and approved by Reclamation. The failure of the Concession Contractor to submit an IMP in a timely manner or to the satisfaction of Reclamation shall be grounds for termination of the Concession Contract or suspension of operations.

The Concession Contractor shall begin implementing the approved CFIP and annual IMPs in accordance with the Development Plan Timeline in coordination with Reclamation.

The Concession Contractor shall expeditiously commence construction under the approved CFIP and annual IMPs in a manner that demonstrates to the satisfaction of Reclamation that the Concession Contractor is reasonably carrying forward the CFIP in good faith. No construction may begin until the Concession Contractor receives written approval from Reclamation of plans and specifications in accordance with Exhibit H. Only the Concession Contractor and its construction contractors may commence construction of improvements and may not authorize anyone else, including visitors, to construct anything. During the pre-construction planning and during the period of construction, the Concession Contractor shall provide Reclamation with such evidence or documentation as may be satisfactory to Reclamation to demonstrate that the CFIP is being duly carried forward and in accordance with the development schedule.

The Concession Contractor shall complete all Concession Contractor Improvements listed as Required Services, and shall make them available for public use on or before the dates specified in the approved CFIP Development Plan Timeline. Reclamation may extend these dates in circumstances where Reclamation determines that the delay resulted from events beyond the control of the Concession Contractor, including but not limited to, acts of nature or shortages of materials.

Failure of the Concession Contractor to file a complete application for an applicable permit or to submit all required documents and relative information in a timely manner to Reclamation or the permitting agency shall not be considered matters that are beyond the control of the Concession Contractor. Failure of the Concession Contractor to complete the necessary environmental compliance to the satisfaction of Reclamation or the permitting agency shall not be considered matters that are beyond the control of the Concession Contractor.

At the discretion of Reclamation, Reclamation may relieve the Concession Contractor in whole or in part of any or all of the obligations specified in the CFIP for designated periods if Reclamation determines that documented circumstances beyond the Concession Contractor's control warrant such relief.

Note to Bidders: Bidders will be expected to follow through on providing any 'Required Services' or facilities outlined in the prospectus. If they retract or otherwise indicate an unwillingness to perform as proposed it will be adequate

reason to select another bidder and to declare a default even if a contract is already negotiated or executed.

The Concession Contractor is authorized to build only those Concession Contractor Improvements that are identified in the CFIP by type and schedule. In the event the Concession Contractor desires to construct additional Concession Contractor Improvements beyond those identified in the CFIP, the Concession Contractor shall develop a proposal for Reclamation’s review and consideration.

J. Maintenance Plan and Maintenance Obligation

The Concession Contractor shall be solely responsible for the physical maintenance, repairs, housekeeping, grounds keeping, and landscaping of all concession facilities used in operations under this Concession Contract, to the satisfaction of Reclamation.

For these purposes, the Concession Contractor shall undertake appropriate inspections and shall establish and revise, as necessary, a Maintenance Plan consisting of specific maintenance requirements that shall be adhered to by the Concession Contractor. The initial Maintenance Plan is set forth in Exhibit F. The Maintenance Plan shall be submitted to Reclamation for annual approval. Reclamation may make reasonable modifications to the Maintenance Plan from time to time after consultation with the Concession Contractor. Such modifications shall be in furtherance of the purposes of this Concession Contract and shall not be inconsistent with the terms and conditions of the main body of this Concession Contract.

Necessary revisions shall be submitted in writing for Reclamation’s review by the Concession Contractor annually due on October 1. All revisions must be approved in advance by Reclamation. Reclamation reserves the right to make periodic revisions to this Maintenance Plan with advance written notice to the Concession Contractor.

Note to Bidders: As identified previously the Draft Maintenance Plan (Exhibit F) is binding on the successful bidder until such time that they present a revised plan of their own that meets the requirements of Reclamation and is approved in writing by Reclamation.

K. Reserve Account for Facilities Improvement

The Concession Contractor shall establish and manage a “Reserve Account for Facilities Improvement” (RAFI). This account is to contain funds that shall be used to carry out, on a project basis, in accordance with Exhibits F, H, and K, improvements, construction, and repair and maintenance of concession facilities

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that are nonrecurring within a 7-year timeframe. Such projects shall include those specified in the CFIP and may also include repair or replacement of foundations, building frames, window frames, roof sheathing, sub-floors, and drainage and the rehabilitation of building systems such as electrical, plumbing, built-in heating, air conditioning, and similar projects including projects directed by Reclamation. No such projects may commence and no associated expenditures may be made until the Concession Contractor receives written approval from Reclamation. Projects paid for with RAFI funds will not include routine, operational maintenance of facilities or housekeeping, landscaping, and grounds-keeping activities. (In most industries this type of account is known as a Maintenance Reserve Account)

Nothing in this section shall lessen the responsibility of the Concession Contractor to carry out the maintenance and repair of concession facilities or housekeeping and grounds-keeping activities as required by this Concession Contract from Concession Contractor funds exclusive of the funds contained in the RAFI. Each quarter, the Concession Contractor shall submit quarterly RAFI activity reports to Reclamation (Exhibit K). Each year, the Concession Contractor shall include in its annual financial report submitted to Reclamation a reserve account annual reconciliation as detailed in Exhibit J of this Concession Contract.

The Concession Contractor shall establish an interest bearing banking account to receive deposits for the RAFI. RAFI deposits shall be made quarterly by the Concession Contractor (March 31st, June 30th, September 30th, and December 31st of each calendar year. The annual deposit required is three percent (3%) of Gross Revenues. The Concession Contractor shall establish and deposit into a RAFI, within 30 days after the effective date of this Concession Contract, a sum equal to \$10,000 (Ten Thousand Dollars). This amount will serve as an initial working balance and will offset amounts due in the initial quarterly payments until an amount equal to this initial amount has been covered.

The balance in the RAFI shall be available exclusively for funding projects in accordance with the RAFI's purpose. For all expenditures made for each project from the RAFI, the Concession Contractor shall maintain auditable records including invoices, billings, canceled checks, and other documentation satisfactory to Reclamation. Failure to expend RAFI funds when directed and as scheduled by Reclamation shall be considered as a material breach of this Concession Contract which may result in contract termination.

RAFI funds are intended to provide a dependable source of funds to augment normal maintenance activities and help assure that the Concession Contractor Improvements, any applicable Reclamation Improvements, or Pre-Existing Facilities that have been authorized by Reclamation to continue to be used are maintained at a satisfactory level. Since the RAFI fund itself and improvements made with the fund protect the Concession Contractor Improvements' value, the

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Concession Contractor will, to the extent that RAFI funds are not adequate for all the necessary RAFI projects, utilize its own funds for such necessary projects as determined by Reclamation.

Any RAFI funds not duly expended by the Concession Contractor at the end of this Concession Contract, whether by termination for any reason or expiration, shall be the property of the Concession Contractor unless there are approved or Reclamation required RAFI projects previously identified for completion in advance of contract expiration that have not been accomplished. In this case, those projects' estimated costs will be transferred from the remaining RAFI account to the next Concession Contractor for application to those projects. If the Concession Contractor is also the succeeding Concession Contractor, then the RAFI funds that are unexpended during the term of this Concession Contract will apply to the initial RAFI funding established in the next contract less the estimated costs of uncompleted but required projects.

L. Supplemental Surcharge

Reclamation anticipates that during the term of this Concession Contract, the Concession Contractor will be required to construct and improve the full complement of Concession Area Infrastructure and utilities. In addition, the Concession Contractor may find it necessary to pay additional costs for ongoing and additional services to be provided or required by the Napa Berryessa Resort Improvement District (Steele Canyon Only), (other) special districts, Napa County and/or other state or local government entity or agency that are necessitated by the use, rights and privileges granted under this Concession Contract, which are not presently identifiable, and the Concession Contractor agrees to pay such costs deemed appropriate and approved by Reclamation. Such costs may include direct construction costs as well as fees, charges, and assessments, ("charges") and required actions may include, but are not limited to, charges for the installation, modification, and or expansion of Concession Area Infrastructure, emergency and fire services, law enforcement services, road improvements, environmental and water quality compliance actions, and other activities. Such required actions are in addition to the RAFI category of expenditures that are nonrecurring within a 7 year period.

Reclamation has determined that such costs are a necessary expense of this Concession Contract and as such, the Concession Contractor may collect additional revenues during all or a portion of the term of this Concession Contract to offset such costs, via a rate surcharge or add-on. The Concession Contractor may elect, by written notice to Reclamation, to collect up to a 5% supplemental surcharge within 90 days of the effective date of this Concession Contract, on all goods it sells (excluding gasoline and diesel fuel) and on all services it provides. The above mentioned written notice shall include a justification for the surcharge including financial spreadsheets demonstrating the economic necessity and proposed duration for the rate-add on.

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The Concession Contractor shall deposit all Supplemental Surcharge funds it collects in a separate, interest bearing, federally insured, Supplemental Surcharge Account (Account) as part of its gross revenue to be maintained by the Concession Contractor. Surcharge funds will not be commingled with other accounts established under this Concession Contract or with any other Concession Contractor funds. The Concession Contractor will directly pay the applicable government entity or agency for any services provided to or charges or required actions levied on the Concession Contractor deemed appropriate and approved by Reclamation in consultation with the authorized government or agency representative.

The amount of the Supplemental Surcharge shall be reviewed every 3 years to determine whether it should be increased or decreased to enable the Concession Contractor to collect the appropriate amount of funds needed to pay for the services or charges or required actions as defined above. At each 3-year review, the Concession Contractor shall provide a 3-year projection for all sales for which the surcharge applies, and any known or proposed required payments for charges and ongoing and additional services or required actions. The Concession Contractor will propose to Reclamation for approval the appropriate rate for the surcharge necessary to cover such expenses. After the 3-year review, any funds over \$10,000 left in the account in excess of known or expected services or charges or required actions shall be deposited in the RAFI account established in Section 4.K and treated as RAFI funds until expended unless such funds are otherwise needed for outstanding or anticipated payments for charges and other required services or actions.

If Reclamation and the Concession Contractor have determined that there is no further need for Supplemental Surcharge funds, the Concession Contractor, with 30 days prior written notification to Reclamation, may cease charging the Supplemental Surcharge and deposit any remaining Supplemental Surcharge funds in the RAFI account established in section 4.K and treat these funds as RAFI. The Supplemental Surcharge account may then be closed.

Any Supplemental Surcharge funds not duly expended by the Concession Contractor upon termination or expiration of this Concession Contract shall be the property of the Concession Contractor unless there are approved or otherwise required charges, services, or actions previously identified for payment in advance of contract expiration or termination that have not been paid. If the Concession Contractor is also the succeeding Concession Contractor then the surcharge funds that are unexpended during the term of this Concession Contract will apply to the initial surcharge funding established in the next contract less the estimated costs of any required payments.

In the event of termination or expiration of this Concession Contract, any unexpended surcharge funds shall be deposited into the RAFI account.

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The financial reporting for the Account will be performed in accordance with Section 8 and Exhibit J of this Concession Contract.

M. Animals

The Concession Contractor is authorized to accommodate clients and visitors with domestic pets in accordance with Applicable Laws. To protect the health and safety of the animals, employees, and the public, regardless of ownership, domestic pets will not be allowed to freely roam the Concession Area or elsewhere within the Federal Estate. This includes those animals owned by the Concession Contractor or their employees. The Concession Contractor shall be responsible to inform clients and visitors of Applicable Laws regarding domestic pets and shall ensure that pet waste is promptly and properly disposed.

Section 5 – Ownership and Disposition of Facilities

A. Disposition of Concession Contractor Improvements and Personal Property upon Expiration of the Contract

1. All Concession Contractor Improvements and Personal Property, except for any Concession Area Infrastructure within the Lake Berryessa Concession Area, shall be considered the property of the Concession Contractor with any such Concession Contractor Improvements or Personal Property subject to disposition under the terms of this Contract. Any permanent additions or modifications to the Concession Contractor Improvements approved by Reclamation, except for Concession Area Infrastructure, shall likewise be considered the property of the Concession Contractor.
2. All Concession Area Infrastructure shall be the property of Reclamation upon expiration of the Contract. No Compensation shall be paid to the Concession Contractor for any Concession Area Infrastructure.
3. No less than 36-months prior to expiration of this Contract, Reclamation shall initiate a process to determine whether it will require, in whole or in part, visitor services to continue at the Concession Area following expiration of this Concession Contract. Reclamation shall notify the Concession Contractor in writing concerning this decision 24 months prior to Concession Contract expiration. Additionally, assuming a continuation of visitor services in the Concession Area, this notification will also state whether Reclamation's intent is to operate the area through a Concession Contract, by direct Government management, or through some other means.

No later than 24 months prior to the expiration date of the current Concession Contract Reclamation shall develop an Exit Plan. In the Exit Plan Reclamation will state whether it intends to continue visitor services at the Concession Area or not. If Reclamation determines that visitor services will continue at the Concession Area, Reclamation will identify any Concession Contractor Improvements, Personal Property, and Pre-Existing Facilities that shall remain at the Concession Area for continuing visitor services and describe the conditions that must exist at the Concession Area at Contract expiration. If Reclamation determines that visitor services will not continue at the Concession Area, then the Exit Plan will require the removal of all Personal Property and Concession Contractor Improvements, except for Concession Area Infrastructure. The

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Exit Plan will describe the conditions that must exist at the Concession Area at Contract expiration.

4. Should Reclamation notify the Concession Contractor of the intent to discontinue all operations at the Concession Area, the Concession Contractor shall begin planning for the removal of all Personal Property, and all Concession Contractor Improvements, except for Concession Area Infrastructure, in accordance with Section 1.A.2 of this contract.
 - a. A proposed procedure must be submitted by the Concession Contractor to Reclamation no later than 18 months prior to the expiration of this contract that addresses exactly how and when the Concession Contractor intends to remove all Concession Contractor Improvements and Personal Property no later than the final day of this contract. Reclamation will review this plan and either approve in writing or identify necessary alterations within one (1) calendar month of receipt.
 - b. After September 30 of the calendar year prior to the Contract's year of expiration (e.g. September 30, 2038 if the contract is expiring December 31, 2039), Reclamation may require changes to the services offered at the area in order to facilitate orderly removal. (By way of example, a marina fueling station or restaurant may need to be closed during or after the summer season to facilitate the completion of the removal process by the final contract expiration date.) The Concession Contractor will not be able to operate during the last several months in a normal business manner and will be expected to discontinue business at all venues early enough to allow an necessary removal of facilities and other property in advance of the last contract day.
5. For Concession Contractor Improvements, and Personal Property not identified for retention, the Concession Contractor shall remove them in accordance with the Exit Plan issued by Reclamation and the provisions of (3) and (5)(a) shall apply.
 - a. No Federal compensation will be provided for any such Concession Contractor Improvements or Personal Property, but, assuming timely removal, the Concession Contractor retains all rights to utilize these improvements at another location and/or to collect all proceeds associated with their sale or salvage.
 - b. Concession Contractor Improvements or Personal Property not identified for retention and not timely removed by the Concession Contractor shall be deemed abandoned by the Concession

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Contractor on this contract's date of expiration and will be subject to disposition or disposal by Reclamation.

- c. The Concession Contractor shall pay all expenses associated with such disposition or disposal by Reclamation unless the parties specifically agree otherwise in writing.
 - d. The removal of Concession Contractor Improvements and Personal Property shall be performed in such a manner as to not disrupt the concessions operations, adversely affect the safety or enjoyment of the visiting public, negatively impact natural or cultural resources, or damage any Reclamation owned assets.
 - e. Should another Concession Contractor be selected, the current Concession Contractor shall work with the incoming Concession Contractor to ensure that a smooth transition of concession operations occurs.
6. Concession Contractor Improvements designated for retention, with the exception of Concession Area Infrastructure, will be appraised by Federal Government appraisers. All Government appraisals shall conform to USPAP and UASFLA as implemented in accordance with the Department of the Interior's Appraisal Services Directorate Appraisal Policy Manual, or any succeeding standards and manuals. The appraisal shall be completed no later than 9-months prior to the expiration of this contract and no earlier than 15-months prior.
 7. If Reclamation determines that the area is to continue under a Concession Contract, the appraised Fair Market Value for Concession Contractor Improvements designated for retention, with the exception of Concession Area Infrastructure, will be incorporated into the bidding process and the successor contractor will be required to reimburse the outgoing Concession Contractor the appraised Fair Market Value of those Concession Contractor Improvements to remain. All potential bidders shall be informed in the prospectus (or similar pre-bidding documents) that payment of the appraised Fair Market Value to the outgoing Concession Contractor is a required element of an acceptable bid. Reclamation will endeavor to complete the contract award process no later than the expiration date of this contract.

B. Disposition of Concession Contractor Improvements and Personal Property Upon Termination of the Concession Contract

1. If it is determined by Reclamation that this contract should be terminated due to default by the Concession Contractor, Reclamation will prepare and send the Concession Contractor a contract close-out letter. In that letter, Reclamation will identify any Concession Contractor Improvements, Pre-Existing Facilities, and Personal Property that Reclamation intends to use, in accordance with Section 1.C preceding. The Concession Contractor would be required to leave behind any Concession Contractor Improvements and Personal Property identified by Reclamation. The Concession Contractor will be compensated in accordance with Sections 1.C and 5.A.7 preceding.
2. All Concession Area Infrastructure constructed by the Concession Contractor shall remain at the Concession Area and be the property of Reclamation upon termination of the Contract. No compensation shall be paid to the Concession Contractor for any Concession Area Infrastructure.
3. Any Concession Contractor Improvements, excluding Concession Area Infrastructure, and Personal Property not identified for use by Reclamation in the contract close-out letter must be removed by the Concession Contractor at its own expense. The Concession Contractor shall also restore the Concession Area to a condition satisfactory to Reclamation. Any such Concession Contractor Improvements or Personal Property not removed by the Concession Contractor within one hundred twenty (120) calendar days after a decision terminating the Concession Contract is issued by Reclamation shall be deemed to have been abandoned by the Concession Contractor and will be subject to disposition or disposal by Reclamation.
4. The Concession Contractor shall pay all expenses associated with such disposition or disposal by Reclamation unless the parties specifically agree otherwise in writing.

C. Disposal Costs

Property shall be subject to disposition or disposal by Reclamation, and the Concession Contractor agrees to pay the costs of this disposition or disposal. A failure by the Concession Contractor to pay such costs will result in the full amount being offset, to the full extent allowable under Applicable Law, against any other payments owed by the United States to the Concession Contractor or its parent company or other related entities.

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The Concession Contractor agrees to pay all expenses associated with any disposition or disposal by Reclamation unless the parties specifically agree otherwise in writing.

D. Manner of Disposition

The removal of Concession Contractor Personal Property and Concession Contractor Improvements by the Concession Contractor shall be performed in such a manner as to not disrupt the concessions operations, adversely affect the safety or enjoyment of the visiting public, negatively impact natural or cultural resources, or damage any Reclamation owned assets.

Section 6 – Fees

A. Franchise Fee

The Franchise Fees due will be XX percent (X%) of Gross Revenues for the term of this Concession Contract. The Franchise Fee shall be remitted in a timely fashion as designated in Section B.1., following.

B. Payments Due

1. The Franchise Fee and associated financial documentation shall be due on a quarterly basis, 30 days after the end of each quarter (Quarter 1: January – March; Quarter 2: April – June; Quarter 3: July – September; Quarter 4: October – December). Payments received from the Concession Contractor more than 30 days after the last day of each quarter will be overdue and subject to interest and penalties per Section 5.C below.
2. The Concession Contractor shall pay any additional Franchise Fee amounts due within 30 days after the end of the Concession Contractor's fiscal year as a result of adjustments to Gross Revenues determined at the time of submission of the Concession Contractor's annual financial report. Overpayments shall be offset against the following year's fees.
3. In the event of termination, bankruptcy, or expiration of this Concession Contract, overpayments will first be credited against any money due and owing the Government, and the remainder, if any, will be returned to the Concession Contractor.
4. The Concession Contractor may use either the Treasury Financial Communications System and shall electronically deposit all payments, or shall mail all payments and reports directly to the following address:

Bureau of Reclamation
Mid-Pacific Region
POB 894242
Los Angeles, CA 90189-4242

Additionally, the Concession Contractor shall send a copy of all reports to the Lake Berryessa Concession Office, Attn: Concession Manager, either by fax or mail. All copied correspondence shall be sent to the Bureau of Reclamation, Lake Berryessa Field Office, 5520 Knoxville Road, Napa, California 94558; facsimile telephone number 707-966-0409.

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C. Interest and Penalty

An interest charge will be assessed on overdue payments. The percent of interest charged will be equal to the current value of funds rate to the United States Treasury as published annually in the Federal Register by the United States Treasury. In addition, an administrative charge of \$53.00 and a penalty charge of 6 percent per annum will be assessed after any payment delayed 90 days beyond the end date of each quarter.

D. Financial Reporting

1. The Concession Contractor shall maintain a financial accounting system under which its accounts can be readily identified with its system of accounts classification. Such an accounting system shall provide the Annual Financial Reporting information required by this Concession Contract and any additional information as requested by Reclamation.
2. The Concession Contractor's system of accounts classification shall use the Annual Financial Reports provided in Exhibit J to this Concession Contract, without exception or modification unless approved by Reclamation.
3. If the Concession Contractor fails to submit quarterly Franchise Fee payments and financial reports within 30 days of quarter end, an estimate of revenue due to the United States Government will be developed and a bill for collection will be sent to the Concession Contractor. Should the Concession Contractor fail to make full payment within 90 days from the due date specified in this Concession Contract, Concession Contractor will be considered late and in material breach of this Concession Contract. Failure to cure this breach within the time specified in Section 1.E may be cause for termination of this Concession Contract.

Section 7 - Indemnification And Insurance

The insurance section of this Draft Contract and Exhibit I to this contract are presented in a manner that outlines types and levels of insurance that Reclamation will consider as acceptable coverage. Bidders are not required to obtain insurance at these exact levels and may tailor their packages to meet the reasonable needs of their unique proposal but should be aware that Reclamation intends to review the proposed insurance package and retains the right to direct changes or upgrades if it is felt the planned coverage is inadequate based upon industry norms of satisfactory insurance levels. All direction in regard to indemnification for the U.S./Reclamation and the need to provide certificates of insurance and appropriate endorsements are not flexible and must be followed. Bidders need to outline their anticipated packages especially as it applies to Exhibit I.

A. Indemnification

The Concession Contractor agrees to assume liability for and does hereby agree to save, hold harmless, protect, defend, and indemnify the United States of America, its agents, and employees from and against any and all liabilities, obligations, losses, damages or judgments, including but not limited to, penalties and fines, claims, actions, suits, costs and expenses, (including but not limited to, attorneys' fees and experts' fees) of any kind and nature whatsoever on account of fire or other peril, bodily injury, death or property damage, or claims for bodily injury, death or property damage of any nature whatsoever, and by whomsoever made, in any way connected with or arising out of the activities of the Concession Contractor, its employees, agents, subcontractors, or contractors under this Concession Contract. This indemnification shall survive the termination, bankruptcy, or expiration of this Concession Contract.

B. Insurance in General

1. Upon execution of this Concession Contract the Concession Contractor shall provide Reclamation with proof of insurance in accordance with Subsections 7.C, 7.D, and 7.E, and shall thereafter maintain all insurance policies in effect on the date of execution of the Concession Contract for the duration of the Contract term. Any policy changes, except for an increase in coverage amounts, shall be made only with advance written approval by Reclamation.

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2. Reclamation will not be responsible for any omissions or inadequacies of insurance coverage and amounts in the event the insurance purchased by the Concession Contractor proves to be inadequate or otherwise insufficient for any reason whatsoever.

C. Certificate of Insurance and Certificate of Endorsement

The Concession Contractor shall, at the time insurance is first purchased and annually thereafter, provide Reclamation with a Certificate of Insurance that accurately details the conditions of the policy as evidence of compliance with this section. The Concession Contractor shall provide Reclamation immediate written notice of any material change in the Concession Contractor's insurance program hereunder, including without limitation, cancellation of any required insurance coverage. Furthermore, the Concession Contractor will provide Reclamation with a Certificate of Insurance and Certificate of Endorsement (COE) through the insurance company. The insurance company's COE will provide Reclamation with notice of policy change or cancellation. Reclamation will be an "additional Named Insured" on all insurance policies.

D. Commercial Public Liability

The Concession Contractor shall acquire commercial general liability insurance against claims arising out of or resulting from the acts or omissions of the Concession Contractor or its employees, agents, or contractors in carrying out the activities and operations required or authorized under this Concession Contract. This insurance shall be in the amount commensurate with the degree of risk and the scope and size of the activities required under this Concession Contract, as more specifically set forth in Exhibit I. Furthermore, the commercial general liability package shall provide no less than the coverage and limits described in Exhibit I. All liability policies shall specify that the insurance company shall have no right of subrogation against the United States of America and shall provide that the United States of America is named an additional insured.

From time to time, Reclamation may, at Reclamation's discretion, modify Exhibit I to revise the minimum required limits or to require additional types of insurance, provided that any additional requirements must be reasonable and consistent with the types of insurance a prudent businessperson would purchase in similar circumstances.

E. Property Insurance

1. In the event of loss, damage, or destruction, the Concession Contractor shall be required to repair or replace those Concession Contractor

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Improvements, Concession Area Infrastructure, and Personal Property owned or utilized by the Concession Contractor in the performance of the Concession Contractor's obligations under this Concession Contract, and any authorized Reclamation Improvements, as directed by Reclamation. If required by Reclamation, such repair or replacement shall be required whether covered in whole, in part, or not covered by insurance. If replacement is required, and not completed, the Concession Contractor will be in breach of this Concession Contract. Absent written approval from Reclamation prior to the expenditure of insurance proceeds, insurance proceeds must be utilized to restore the Concession Area.

2. For this purpose, the Concession Contractor shall obtain fire and extended insurance coverage on concession facilities for all or part of their replacement cost, as specified in Exhibit I. The minimum amounts of such insurance are set forth in Exhibit I. This exhibit will be revised at least every 3 years or sooner if there is to be a substantial increase in the minimum amount of coverage to be obtained.
3. Commercial property insurance shall provide for the Concession Contractor and Reclamation to be named insured as their interests may appear.
4. The Concession Contractor shall not be relieved of its obligations to provide Required Services due to loss, damage, or destruction of Concession Contractor Improvements and Personal Property owned by the Concession Contractor, and authorized Reclamation Improvements because insurance proceeds are not sufficient to compensate for the loss.

F. Bonds

A Subdivision or Site Improvement Bond shall be required for the development of any Concession Area Infrastructure including but not limited to; roadways, curbs and gutters, water and wastewater services, utilities, drainage, retaining walls, lighting and any other infrastructure required for supporting Concession Contractor Improvements, Concession Area Infrastructure, and visitor services. The Subdivision/Site Improvement Bond shall be in effect for the period of time required to complete installation of such Concession Area Infrastructure facilities supporting concession services, as identified in Section 2.B.

Additionally, during the term of this Concession Contract, Reclamation may require the Concession Contractor to furnish appropriate forms of bonding or securities in amounts reasonable in the circumstance and acceptable to Reclamation to ensure faithful performance of the Concession Contractor's obligations under this Concession Contract. Examples of when a bond may be reasonably required include but are not limited to the following: a number of inter-related projects that individually would not require a bond but are significant

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in total, projects required to protect public health and safety, and projects critical to the continuity of recreation services to the public. Prior to exercising this provision, Reclamation will provide the Concession Contractor an opportunity to provide input on both the scope and subject matter of such reasonable bonds.

Alternative forms of security are acceptable and will include:

1. Cash Deposit
2. Corporate Security
3. Irrevocable letters of credit
4. U.S. Treasury Bills
5. Notes, Bonds, or other negotiable securities
6. Certificates of Deposits

Note to Bidders: Bidders should consider the cost of the appropriate bond(s) when completing their financial pro formas and base that cost on their own projected expenses. The government estimate for development (Section V of PART 4-Business Opportunity) may also be used as a guide. Bidders should also remember that any of the indicated authorized services that they elect to offer as a part of their bid will also come under this bond requirement for an eventual successful bidder. Since Reclamation has decided not to just require a bond in the amount(s) of the indicated government estimate and since each bidder could have slightly different packages based upon their personal selection or non-selection of authorized services it has been determined not to provide a specific bond level in this Draft Contract.

Further it may be that an eventual Concession Contractor may be able to demonstrate full or partial bonding for projects through requirements they compel on their contractors for performance surety bonds that could positively impact their own needs to buy a bond(s). The type of process proposed by a bidder must result in assuring Reclamation that funding for completion of projects exists in a manner that will fulfill the intent of the obligations under the Concession Contract and is in line with 'Best Management Practices' within the hospitality industry regarding Performance or Surety Bonds.

Final wording for this section of the contract will be developed following selection of the eventual Concession Contractor in response to this prospectus and in fulfillment of the bonding parameters outlined here.

Section 8 – Accounting Records and Reports

A. Annual Financial Reports and Accounting System

The Concession Contractor shall maintain a financial accounting system under which its accounts can be readily identified with its system of accounts classification. Such an accounting system shall be capable of providing the information required by this Concession Contract, including, but not limited to, the Concession Contractor's RAFI and the Supplemental Surcharge obligations. The Concession Contractor's system of accounts classification shall use, without exception and without modification unless approved by Reclamation, the Concession Contractor annual financial reports provided in Exhibit J to this Concession Contract. The Concession Contractor will also provide any other financial information that may be requested from Reclamation.

The Concession Contractor shall follow Generally Accepted Accounting Principles in recording financial transactions and in reporting results to the authorized officer. Additionally, the accounting system shall include the following:

1. Systematic internal controls and recording by kind of business the gross receipts derived from all sources of business conducted under this authorization. Receipts should be recorded daily, and if possible, deposited into a bank account without reduction by disbursements. Receipt entries shall be supported by source documents such as cash register tapes, sale invoices, rental records, and cash accounts from other sources.
2. A permanent record of investments in facilities (depreciation schedule) current source documents for acquisition costs of capital items.
3. Bank accounts will be maintained separately for the businesses conducted under this permit and not commingled with those for other businesses of the Concession Contractor.
4. The holder shall retain the above records and keep them available for audit for 5 years after the end of the year involved.

The Concession Contractor must use the accrual accounting method. If annual gross revenues do not exceed \$250,000, the Concession Contractor's financial statements and Annual Financial Reports may be prepared and submitted without a review or audit opinion of an independent certified public accountant (CPA), unless otherwise directed by Reclamation.

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If the annual Gross Revenues of the Concession Contractor exceed \$1,000,000, the required AFR Schedules and financial statements must be reviewed by an independent CPA in accordance with the standards and procedures as are applicable for the year of the audit promulgated by the AICPA.

If annual gross revenues exceed \$250,000 but not \$1,000,000, the required AFR Schedules and any financial statements must be reviewed by an independent CPA in accordance with the standards and procedures as are applicable for the year of the review promulgated by the AICPA.

In computing net profits for any purposes of this Concession Contract, the Concession Contractor shall keep its accounts in such manner that there can be no diversion or concealment of profits or expenses in the operations authorized under this Concession Contract by means of arrangements for the procurement of equipment, merchandise, supplies, or services from sources controlled by or under common ownership with the Concession Contractor or by any other device including, but not limited to, management fees.

The Concession Contractor shall submit annually, as soon as possible but not later than 120 days after the last day of its fiscal year, a financial statement for the preceding fiscal year or portion of a year, as prescribed by Reclamation in the Financial Reporting Form in Exhibit J. The Concession Contractor shall use the forms and format prescribed in Exhibit J.

B. Balance Sheet

Within 90 days after the effective date of this Concession Contract, the Concession Contractor shall submit to Reclamation a balance sheet (Schedule B of Exhibit J) as of the beginning date of the term of this Concession Contract. The balance sheet shall be audited or reviewed annually, as determined by the annual gross receipts, by a licensed CPA. The balance sheet shall be accompanied by a schedule as shown that identifies and provides details for all capital improvements. The schedule must describe these capital improvements in detail and show, for each such capital improvement, the date acquired, constructed, or installed and a separate itemization of labor costs and equipment costs, without alteration and without modification, as provided in Exhibit H except as authorized by Reclamation.

C. Other Reporting Requirements

The following describes certain other reports required under this Concession Contract:

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1. Reserve Account Reconciliation

The RAFI reconciliation shall be received by Reclamation within 30 days after the last day of each month that the Concession Contractor operates. The Concession Contractor is required to utilize the monthly RAFI activity report form in Exhibit K without alteration and without modification. The Concession Contractor shall submit annually, not later than 120 days after the end of the Concession Contractor's fiscal year, a statement reflecting total activity in the RAFI for the preceding fiscal year. The Concession Contractor is required to utilize the Reserve Account Annual Reconciliation Schedule provided in Schedule N in Exhibit J, without alteration and without modification.

2. Supplemental Surcharge Reconciliation

The Supplemental Surcharge reconciliation shall be received by Reclamation within 30 days after the last day of each month that the Concession Contractor operates. The Concession Contractor is required to utilize the Supplemental Surcharge report form (Schedule Q) in Exhibit J without alteration and without modification. The Concession Contractor shall submit annually, not later than 120 days after the end of the Concession Contractor's fiscal year, a statement reflecting total activity in the Supplemental Surcharge account for the preceding fiscal year utilizing the appropriate forms in Exhibit J. (Schedules R and S)

3. Insurance Certification

The Concession Contractor shall submit insurance certification as specified in Section 7 of this Concession Contract and including, but not limited to, Exhibit I, and as otherwise required by Reclamation under the terms of this Concession Contract.

4. Environmental and Risk Management Reporting

The Concession Contractor shall submit environmental and risk management reports as specified in Section 3 of this Concession Contract and including, but not limited to, Exhibit M, and as otherwise required by Reclamation under the terms of this Concession Contract.

5. Miscellaneous Reports and Data

Reclamation requires the Concession Contractor to submit other reports and information regarding its performance under the Concession Contract or otherwise, including, but not limited to, data Reclamation requires to complete its Recreational Use Data Report and the Concession Use Data Report.

Section 9 – General Provisions

A. Access To Records

For the purpose of administering this Concession Contract (including ascertaining that fees paid were correct and evaluating the propriety of the fee base), the Concession Contractor agrees to make all concession-related business records and supporting documents available for analysis by qualified representatives of Reclamation. Records so obtained shall be treated as confidential to the extent allowable by Applicable Laws.

B. Public Release Of Information

Information submitted to Reclamation by the Concession Contractor pursuant to this Concession Contract is subject to public release by Reclamation to the extent provided by Applicable Laws.

C. No Sub-Concessions

No Concessions **subcontracting** shall be permitted.

D. Payment Of Taxes

All taxes or assessments of any nature that may be lawfully imposed by the United States Government or by any State or its political subdivisions upon the property or business of the Concession Contractor shall be paid promptly by the Concession Contractor.

E. Political Influence And Conflict Of Interest

No member or employee of the judicial, legislative, or executive branches of the United States Government shall be admitted to any share or part of this Concession Contract or to any benefit that may arise from this Concession Contract, but this restriction shall not be construed to extend to this Concession Contract if it is made with a corporation or company for its general benefit.

F. Debarment And Suspension

This Concession Contract is subject to the **provisions** of 43 C.F.R. Subtitles A and B including 43 C.F.R. 12.913, concerning non-procurement debarment and suspension. Reclamation may recommend that the Concession Contractor be

debarred or suspended in accordance with the requirements and procedures described in those regulations as they are in effect now or may be revised in the future.

G. Amendments

This Concession Contract contains the sole and entire agreement of the parties. No oral representations of any nature form the basis of or may amend this Concession Contract. This Concession Contract may be amended only as specified in Reclamation's Directives and Standards and when agreed to in writing by Reclamation and the Concession Contractor.

H. Third Parties

This Concession Contract does not grant rights or benefits of any nature to any third party.

I. Waivers

A waiver of any term of this Concession Contract or the waiver of any breach of any of the terms of this Concession Contract shall not be deemed a waiver or elimination of such terms or of any subsequent breach of the same type or of any other term of the Concession Contract. The subsequent acceptance of any payment of money or other performance required by this Concession Contract shall not be deemed to be a waiver of any preceding breach of any term of the Concession Contract.

J. Corruption And Fraud

Claims against Reclamation (to the extent subject to 28 U.S.C. 2514) arising from this Concession Contract shall be forfeited to Reclamation by any person who corruptly practices or attempts to practice any fraud against the United States in the proof, statement, establishment, or allowance thereof within the meaning of 28 U.S.C. 2514.

K. Signs

The installation of any new signs must meet Reclamation sign requirements and be approved in advance by Reclamation in writing. Reclamation may require the removal or replacement of any existing signs. Posting of any signage that indicates or advertises the Personal Property of others "For Sale" is strictly

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prohibited on the Federal Estate. The Concession Contractor must adhere to Reclamation's Sign Manual in the development of all outdoor signs.

Use of the Reclamation seal, logo, or name must be approved by Reclamation before it is displayed in advertisements or on signs. Outdoor signs or other forms of advertising must not be displayed on the Federal estate without the approval of Reclamation. The reclamation logo will be obvious at all entrances to all concessions.

Concessionaires are required to notify the public they they are authroized by Reclamation to conduct business on the Federal Estate. All promotional material, regardless of media format (i.e., printed, electronic, broadcast), proivded to the public by the concessionaire in connection with the services provided under the concession contract must be approved by Reclamation. At minimum, all such information will identify the concessionaire as an authorized concessionaire of the Bureau of Reclamation, Department of the Interior.

L. The Anti-Deficiency Act

The expenditure or advance of any money or the performance of any obligation of the United States under this contract shall be contingent upon appropriation or allotment of funds. Absence of appropriation or allotment of funds shall not relieve the Concession Contractor from any obligations under this contract. No liability shall accrue to the United States in case funds are not appropriated or allotted.

M. Laws Subject To Change

Applicable Laws, including Reclamation Directives and Standards, are subject to change over the term of this Concession Contract. Reclamation and the Concession Contractor shall conduct their business to conform to the law.

N. Required Reports, Documents, And Data

The Concession Contractor shall supply to Reclamation all reports, documents, and data required by this Concession Contract.

O. Correspondence Procedures

All correspondence and notices required by this Concession Contract shall be in writing and shall be served on the parties at the following addresses. The mailing of a notice by registered or certified mail, return receipt requested, shall be

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sufficient service. Notices sent to Reclamation and the Concession Contractor shall be sent to the following addresses:

Reclamation:	Central California Area Office
Site name:	Lake Berryessa
Address:	7794 Folsom Dam Road Folsom, CA 95630
Attention:	Area Manager
Concession Contractor:	XXX
Address:	XXX
Attention:	XXX

A party may modify the address or addressee by providing the other party with notice via registered or certified mail, return receipt requested, at least 14 days prior to the effective date of the proposed change.

P. Severability

Each provision of this Contract shall be interpreted in such a manner as to be valid under Applicable Laws, but if any provision of this Contract shall be deemed or determined by competent authority to be invalid or prohibited hereunder, such provision shall be ineffective and void only to the extent of such invalidity or prohibition, but shall not be deemed ineffective or invalid as to the remainder of such provision or any other remaining provisions, or of the use authorization as a whole.

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In Witness Whereof, the duly authorized representatives of the parties have executed this Concession Contract.

Executed at _____ this _____ day

of _____ 2015.

Concession Contractor

Signature

Printed Name

Title: _____ Date: _____

Bureau of Reclamation

Signature

Printed Name

Title: Regional Director, Mid-Pacific Region Date: _____