

APPLICATION INFORMATION PACKAGE

FOR

OPERATION AND MAINTENANCE  
OF RECREATION SITES

AT

CHIEF TIMOTHY PARK  
LOWER GRANITE LOCK AND DAM

CENTRAL FERRY PARK  
LITTLE GOOSE LOCK AND DAM

LYONS FERRY PARK  
LOWER MONUMENTAL LOCK AND DAM

December 6, 2002

# COMMERCIAL CONCESSION LEASE(S) AVAILABLE

## 1. Introduction to the Opportunity

Commercial concession leases are now being offered on land and water areas located within Walla Walla District, U. S. Army Corps of Engineers (Corps), for the purpose of providing recreational services and facilities to meet public demand as authorized. These recreation areas were formerly operated as state parks and include Chief Timothy Park located on Lower Granite Lock and Dam lands, Central Ferry Park located on Little Goose Lock and Dam lands, and Lyons Ferry Park located on Lower Monumental Lock and Dam lands. Applications will be accepted for the operation and maintenance of the parks individually or in combination. At a minimum, lessee will be required to provide services and facilities in the parks from Memorial Day to Labor Day every year. The lessee may choose to operate the parks beyond these dates. Preference will be given to those proposals to lease and operate all three parks, assuming the proposals are viable and meet the selection criteria specified in the Notice of Availability and item 8 below. Central Ferry Park and Lyons Ferry Park are presently leased for park and recreation purposes to Washington State Parks and Recreation Commission until April 3, 2003, when the relinquishment notification period expires. Therefore, availability of Central Ferry Park and Lyons Ferry Park for leasing may be subject to the early release and termination of those active leases if an award is made and it is desirable to commence the new commercial concession lease before April 3, 2003.

## 2. Site Descriptions

Unit 1 – Chief Timothy Park, Asotin County, Washington, on Lower Granite Lock and Dam project lands. Chief Timothy Park is being offered with two options. Please identify the option you choose in your Application for Leasing.

Option A consists of approximately 185.27± acres of land and water located in the Snake River 10 miles West of Clarkston, Washington, on Highway 12. The park is uniquely situated on an island consisting of approximately 30 acres that is intensely developed with irrigated lawn and trees. The proposed lease area for Option A is identified on Appendix A-1. Features include:

- a. 66-site campground which includes 25 sites with full hookups, 8 electric and water-only sites, 17 pull through/no hookup sites, and 16 tent sites.
- b. Four-lane boat launch ramp with handling docks
- c. Marine pumpout
- d. Parking for boats and trailers; approximately 195 vehicles
- e. Developed swim beach with change-house and coin-operated shower facility

- f. Four flush-type restroom facilities
- g. Concession building at day-use area
- h. RV Sewage disposal station
- i. Sewage pond
- j. Hiking trail
- k. Interpretive exhibits
- l. Automated irrigation system in day-use and camp areas

Option B includes all features indicated in Option A plus staff housing and maintenance facilities located across the road. The proposed lease area for Option B is identified on Appendix A-2, and contains approximately 197.77± acres.

Unit 2 – Central Ferry Park, Whitman County, Washington, on Little Goose Lock and Dam project lands. Central Ferry Park is fully developed and consists of approximately 170.52± acres of land and water that provide an oasis of shade and lawn with scenic vistas of the Snake River canyon walls. The proposed lease area is identified on Appendix B and includes the following features:

- a. 68-site campground with 60 sites with full hookups and eight tent sites
- b. Four-lane boat launch ramp with handling docks
- c. Marine pumpout
- d. Paved parking for cars and trailers, approximately 267 vehicles
- e. Developed swim beach with coin-operated shower facility
- f. Three flush-type restroom facilities
- g. Concession building at day-use area
- h. RV sewage disposal station
- i. Sewage pond
- j. Interpretive exhibits
- k. Staff housing and maintenance facilities
- l. Sun shelters
- m. Automated irrigation system in day-use and camp areas

Unit 3 – Lyons Ferry Park, Franklin County, Washington, on Lower Monumental Lock and Dam project lands. Lyons Ferry Park is being offered with two options. Please identify the option you choose in your Application for Leasing.

Option A consists of approximately 128.36± of land and water just 8 miles Northwest of Starbuck, Washington, on Highway 261. Lyons Ferry Park is the most developed and highly used park on Lake West. Included in the proposed lease area is the historic Lyons Ferry ferryboat. The park is approximately 60 miles Northeast of Walla Walla, Washington, in the Snake River Canyon. Proposed lease area is shown on Appendix C-1. Features include:

- a. 52-unit campground, rustic with no hookups

- b. Two-lane boat launch ramp with handling docks
- c. Parking for cars and trailers, approximately 149 vehicles
- d. Developed swim beach
- e. Two coin-operated shower facilities
- f. Two flush-type restroom facilities
- g. Concession building at day-use area
- h. Sanitary dump station
- i. Interpretive exhibits
- j. Hiking trail
- k. Manual irrigation system in day-use and camp areas.
- l. Four picnic shelters

Option B includes all features in Option A plus staff housing and maintenance facilities as well as the Palus Burial Reinterment Site. Option B consists of approximately 165.13± acres as outlined on Appendix C-2.

### 3. Title to Improvements

a. Facilities Developed by the Government or Existing on Site. As identified in item 2., Site Descriptions, those facilities have been constructed or provided by the Government and shall be included in the lease. Further, those existing facilities may not be raised, removed, or altered without express written permission from the District Engineer. No additional facilities will be provided by Federal expenditure. The lessee will be responsible for protection and maintenance of the existing facilities. Title to all of these facilities shall remain with the Government.

b. Title to all structures, improvements, and equipment erected or installed upon the leased premises by the lessee shall remain with the lessee, except as otherwise provided in Condition 13 of the lease.

### 4. Average Annual Visitation

Annual visitation figures were derived by averaging four years' data from 1999 through 2002.

Unit 1 - Chief Timothy Park annual visitation estimated at 97,091 with approximately 25% as overnight visitors

Unit 2 - Central Ferry Park annual visitation estimated at 51,508 with approximately 25% as overnight visitors

Unit 3 - Lyons Ferry Park annual visitation estimated at 68,142 with approximately 7% as overnight visitors

## 5. Lease Information

The Corps conducts its commercial concession program using leasing authority under 16 United States Code (U.S.C.) 460d. A copy of a standard commercial concession lease is provided in Appendix D. The term of the lease will range from a minimum of five years, not to exceed 25 years. The term will be negotiated with the successful applicant and included in the concessionaire lease.

NOTICE: The Corps is currently seeking authority to amend the Commercial Concession Lease attached as Appendix D to require the successful applicant, at the option of the Corps, to provide work-in-kind as all or a portion of the consideration instead of the rent due under the Revised Graduated Rental System as now mandated by the attached lease. If approved, the Corps may request the applicant to perform improvements or other work or services beyond the scope of ordinary operation and maintenance that the applicant will be obligated to perform under the lease. The value of the work-in-kind would be offset against the revised graduated rental required under Condition 2 of the lease.

Condition 6 of the lease agreement requires submission of a surety bond, performance deposit or letter of credit. It is the responsibility of the applicant to make sure that all lease provisions are understood and the condition of the premises proposed for lease is known. By submittal of an application, the applicant agrees to provide non-discrimination and Civil Rights assurances, if applicable. Questions regarding the lease or the applicable regulations should be directed to:

Jana Brinlee, Realty Specialist  
Walla Walla District  
US Army Corps of Engineers  
201 North Third Avenue  
Walla Walla, Washington 99362-1876  
Phone: (509) 527-7328 or (509) 527-7320  
Fax: (509) 527-7816  
E-mail: [Jana.L.Brinlee@usace.army.mil](mailto:Jana.L.Brinlee@usace.army.mil) or [cenww-re@usace.army.mil](mailto:cenww-re@usace.army.mil)

## 6. Process and Schedule

This process has been designed to be as streamlined as possible within the framework of a public procurement process. The Applications for Leasing process has been developed to request the minimum amount of documentation necessary for the Corps' Walla Walla District team to make informed decisions. The Statement of Qualification of Applicant in Appendix E must be submitted with your proposal.

Prior to the due date of the proposals, site visits will be arranged for prospective applicants. The site visits are scheduled as follows:

December 16, 2002	8:00 a.m. PST	Chief Timothy Park
December 16, 2002	1:00 p.m. PST	Central Ferry Park
December 17, 2002	9:00 a.m. PST	Lyons Ferry Park
January 6, 2003	8:00 a.m. PST	Chief Timothy Park
January 6, 2003	1:00 p.m. PST	Central Ferry Park
January 7, 2003	9:00 a.m. PST	Lyons Ferry Park

Corps representatives will be available to discuss the site and provide a tour of the facility. An official sign-in register will be available at the day-use parking lot each day of the site inspection tour. Each applicant must visit the site(s), for which he will be submitting an application, during one of the two days established for an on-site visit. Failure to do so will mean that the applicant's submittal will not receive consideration. Site visitation is required only for those sites for which an application for leasing will be submitted. Provided below is the proposed timeline for the process.

Proposed Timeline for Process PST	
Event	Dates
Site Visit/Tour 8 a.m. and 1 :00 p.m.	December 16, 2002
Site Visit/Tour 9:00 a.m.	December 17, 2002
Site Visit/Tour 8 a.m. and 1:00 p.m.	January 6, 2003
Site Visit/Tour 9:00 a.m.	January 7, 2003
Questions from Site Visits Accepted	January 10, 2003
Responses to Site Visit Questions	January 17, 2003
Proposals Due	January 24, 2003
Review of Proposals Completed	February 7, 2003

#### 7. a. Submission Requirements

See requirements outlined in Appendix E. In preparing your responses to Appendix E and other supporting documentation, please consider the following in your response.

(1) Address technical operating requirements of the park properly and completely in the proposal.

(2) Demonstrate a firm understanding of the complexity and public service demands of operations and maintenance of the park(s).

(3) Demonstrate that all facets (personnel, equipment, materials, etc.) of the park management are properly considered.

(4) Management and technical staff training and experience in operation of park and recreation areas and facilities including evidence of key personnel's relevant experience in work that is close to or exceeds the complexity of the proposal.

(5) Proposed concession products and services to be offered for sale to park visitors.

(6) Past performance in similar work.

b. Post-submission Information

(1) The right is reserved, as the interests of the Government may require, to reject at any time any and all applications, to waive any informality and minor irregularity in applications received, and to accept or reject any items of any applications unless such application is qualified by specific limitation.

(2) The Government may reject any or all applications if such action is in the public interest.

(3) The Government may conduct written or oral discussions with applicants.

(4) Negotiations conducted after receipt of an application do not constitute a rejection or counteroffer by the Government.

(5) A written notification will be mailed or otherwise furnished to the successful applicant within the time for acceptance specified in the application and shall result in a binding contract without further action by either party. Before the application's specified expiration time, the Government may accept an application whether or not there are negotiations after its receipt. Written notice of withdrawal by an applicant must be received by the Government prior to award notification.

8. Selection Criteria

The Corps' review team will evaluate the responses for conformance to submission requirements to determine whether proposals meet the minimum criteria established within this Request for Application package.

The following selection criteria will be considered in descending order of importance:

a. Quality of plan to operate and maintain the park(s). Provide sufficient information so we may determine how the park will be operated and maintained. Identify recreation activities and/or interpretive programs to be offered to public.

b. Experience and background. Provide details of similar business experience and training, comparable work experience, experience with federal, state, and local laws necessary to manage the parks, current or previous work with the Federal Government, as well as business and personal references. If using contractors or intending to sublease, provide details of the plan.

c. Quality of proposed development. Provide information giving design, quality, and nature of development. Also provide information supporting that proposed development is of a park and recreation nature and enhances services to the public. Although engineered drawings are not required at this time, please describe planned construction, sequencing, and phasing.

d. Financial capability. Provide bank references, financial statement, and financial plan.

e. Credit and criminal background check.

f. Preference will be given to those applications to lease and operate all three parks, assuming the proposals are viable and meet the selection criteria.

#### 9. Request for Qualification Due Date

Respondents will submit five (5) copies of their qualifications package containing all the requested information previously identified. The applications must be received by January 24, 2003, and should be addressed to:

Jana Brinlee, Realty Specialist  
Walla Walla District  
US Army Corps of Engineers  
201 North Third Avenue  
Walla Walla, Washington 99362-1876  
Phone: (509) 527-7328 or (509) 527-7320

The information below must appear in the lower left corner of the Lease Application envelope:

Sealed Application for Lease of Real Property

Time: 4:00 p.m. PST  
Date: January 24, 2003  
Notice No.: DACW68-9-03-04  
Place: US Army Corps of Engineers  
Walla Walla District  
Real Estate Division  
201 North Third Avenue  
Walla Walla, Washington 99362-1876

Applicants are responsible for submitting bids, and any modifications or withdrawals, so as to reach the Walla Walla District to meet the specified date and time. Late responses will not be accepted and will be returned unopened. Faxed responses are unacceptable. Additionally, information may be requested following the review of the initial submission.

## **APPENDICES**

- A-1 Map of Chief Timothy Park Option A Lease Boundary
- A-2 Map of Chief Timothy Park Option B Lease Boundary
- B Map of Central Ferry Park Lease Boundary
- C-1 Map of Lyons Ferry Park Option A Lease Boundary
- C-2 Map of Lyons Ferry Park Option B Lease Boundary
- D Sample Commercial Concession Lease Agreement
- E State of Qualification of Applicant
- F Sign Standards
- G-1 Pest Control Plan Actual Use Previous Year
- G-2 Pest Control Plan Anticipated Use Upcoming Year
- G-3 NPWOP Pesticide Application Record



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LEGEND

PUBLIC LAND BOUNDARY - - - - -

PROPOSED LEASE AREA —————

U . S . ARMY ENGINEER DISTRICT  
WALLA WALLA, WASHINGTON

LOWER GRANITE LOCK AND DAM  
SNAKE RIVER, WASHINGTON

CHIEF TIMOTHY STATE PARK  
OPTION A

DESIGNED BY \_\_\_\_\_

DRAWN BY (CAD) DRAWN \_\_\_\_\_

CHECKED BY \_\_\_\_\_

SUPERVISED: \_\_\_\_\_

CHIEF \_\_\_\_\_

SUBMITTED: \_\_\_\_\_

CHIEF \_\_\_\_\_

RECOMMENDED: \_\_\_\_\_

APPROVED: \_\_\_\_\_ DATE \_\_\_\_\_

SCALE AS SHOWN INV. NO. \_\_\_\_\_

PLATE NO.  
**APPENDIX A-1**



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LEGEND

PUBLIC LAND BOUNDARY -----

PROPOSED LEASE AREA —————

U . S . ARMY ENGINEER DISTRICT  
WALLA WALLA, WASHINGTON

LOWER GRANITE LOCK AND DAM  
SNAKE RIVER, WASHINGTON

CHIEF TIMOTHY STATE PARK  
OPTION B

DESIGNED BY \_\_\_\_\_

DRAWN BY ICADD DRAWING

CHECKED BY \_\_\_\_\_

SUPERVISED: \_\_\_\_\_

CHIEF  
SUBMITTED: \_\_\_\_\_

RECOMMENDED: \_\_\_\_\_

APPROVED: \_\_\_\_\_ DATE \_\_\_\_\_

SCALE AS SHOWN INV. NO. \_\_\_\_\_

PLATE NO.  
**APPENDIX A-2**



LEGEND

PROPOSED LEASE AREA ———

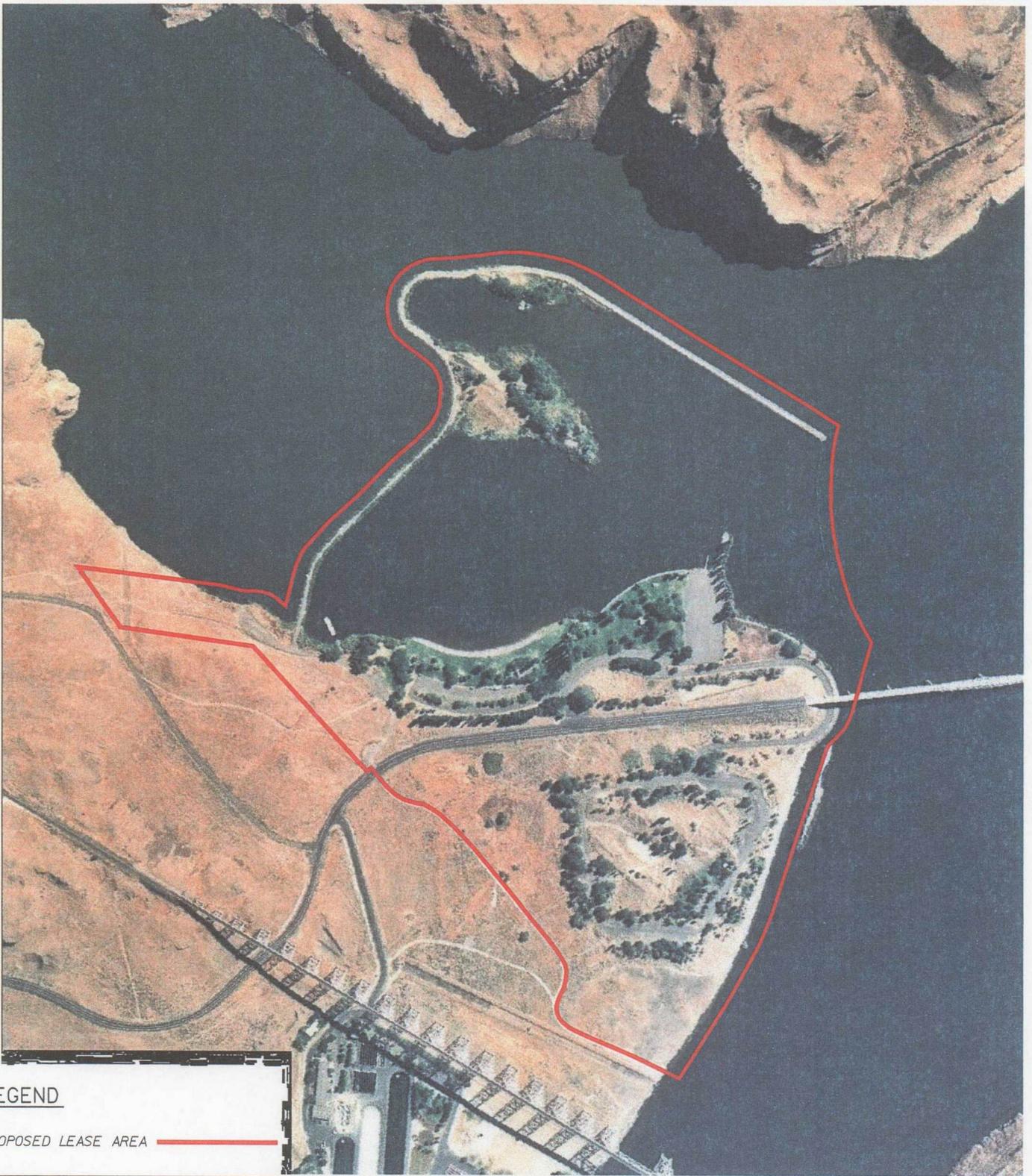
**U . S . ARMY ENGINEER DISTRICT  
WALLA WALLA, WASHINGTON**

LITTLE GOOSE LOCK AND DAM  
SNAKE RIVER, WASHINGTON  
CENTRAL FERRY STATE PARK

DESIGNED BY

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**LEGEND**

PROPOSED LEASE AREA —

**U . S . ARMY ENGINEER DISTRICT  
WALLA WALLA, WASHINGTON**

LOWER MONUMENTAL LOCK & DAM  
SNAKE RIVER, WASHINGTON  
LYONS FERRY STATE PARK  
OPTION A

DESIGNED BY

DRAWN BY (CADD DRAWN)

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PROPOSED LEASE BOUNDARY ———

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<b>U . S . ARMY ENGINEER DISTRICT WALLA WALLA, WASHINGTON</b>	
<b>LOWER MONUMENTAL LOCK &amp; DAM SNAKE RIVER, WASHINGTON</b>	
<b>LYONS FERRY STATE PARK OPTION B</b>	
DESIGNED BY: _____	APPROVED: _____ DATE: _____
DRAWN BY (CADD DRAWN): _____	SCALE AS SHOWN   INV. NO. _____
CHECKED BY: _____	PLATE NO. _____
SUPERVISED: _____	<b>APPENDIX C-2</b>
CHIEF: _____	
SUBMITTED: _____	
RECOMMENDED: _____	

Appendix D  
STANDARD LEASE AGREEMENT

NO. \_\_\_\_\_

DEPARTMENT OF THE ARMY

LEASE

FOR COMMERCIAL CONCESSION PURPOSES

**Site**

Name of Project

County, State

**THIS LEASE** is made on behalf of the United States, between the **SECRETARY OF THE ARMY**, hereinafter referred to as the Secretary, and **NAME OF LESSEE** hereinafter referred to as the Lessee,

**WITNESSETH:**

That the Secretary, by authority of Title 16, United States Code, Section 460d, and for the consideration hereinafter set forth, hereby leases to the Lessee, the property identified in Exhibit(s) LETTERS, attached hereto and made a part hereof, hereinafter referred to as the premises, for commercial concession purposes.

**THIS LEASE** is granted subject to the following conditions:

**1. TERM**

Said premises are hereby leased for a term of Number years, beginning \_\_\_\_\_, \_\_\_\_ and ending \_\_\_\_\_, \_\_\_\_.

**2. CONSIDERATION**

**a.** The rent due to the United States in consideration of this lease shall be calculated using the Revised Graduated Rental System (RGRS). The total gross

receipts for each rental payment period will be multiplied by the applicable percentage rate and the resulting total due payable within twenty-five days to F&AO, Walla Walla District.

The percentage rate for the upcoming rental year will be selected from the following RGRS rental rate chart, using the line for the total gross receipts of the ending rental year.

<b>GROSS RECEIPTS (GR)</b>	<b>% RENT</b>
Under \$50,000	2.0%
\$50,000-\$200,000	2.1%
\$200,001-\$400,000	2.2%
\$400,001-\$600,000	2.3%
\$600,001-\$800,000	2.4%
\$800,001-\$1,000,000	2.5%
\$1,000,001-\$1,200,000	2.6%
\$1,200,001-\$1,400,000	2.7%
\$1,400,001-\$1,600,000	2.8%
\$1,600,001-\$1,800,000	2.9%
\$1,800,001-\$2,000,000	3.0%
\$2,000,001-\$2,200,000	3.1%
\$2,200,001-\$2,400,000	3.2%
\$2,400,001-\$2,600,000	3.3%
\$2,600,001-\$2,800,000	3.4%
\$2,800,001-\$3,000,000	3.5%
\$3,000,001-\$3,200,000	3.6%
\$3,200,001-\$3,400,000	3.7%
\$3,400,001-\$3,600,000	3.8%
\$3,600,001-\$3,800,000	3.9%
\$3,800,001-\$4,000,000	4.0%
\$4,000,001-\$4,200,000	4.1%
\$4,200,001-\$4,400,000	4.2%
\$4,400,001-\$4,600,000	4.3%
\$4,600,001-\$4,800,000	4.4%
\$4,800,001-\$5,000,000	4.5%
\$5,000,001 and above	4.6%

(1) Gross receipts are defined as the total of the concessionaire's receipts from business operations conducted on the premises, including receipts of sub-lessees and licensees. No reductions are permitted except the costs of hunting and fishing licenses, and license fees and taxes collected for direct remittance to a taxing authority, and the exact amount collected from customers for electrical

service which is metered to the customer and collected by the Lessee as the servicing agent and paid to the power company. (**OPTIONAL:** Sales receipts from boats and motors are excluded and assessed a straight one-percent rent.)

(2) The rental payment shall be (monthly) (quarterly) (semi-annually) (annually) with the first payment due \_\_\_\_\_. The rental year (will begin on the beginning date of this lease, and each anniversary date thereafter) (will be a partial year the first year, beginning on the date of this lease and ending on 31 December \_\_\_\_; for each rental year thereafter, the year will begin on 1 January and end on 31 December.)

(3) RENTAL PAYMENT CALCULATION FORM

Reporting Period \_\_\_\_\_

a)	Gross receipts for this period:	\$ _____
b)	Rental rate	x _____
c)	Amount due (a x b)	\$ _____

IF OPTIONAL BOAT RATE SELECTED:

d)	Boat and motor sales	\$ _____
e)	Rate	x 0.01
f)	Amount due (d x e)	\$ _____

TOTAL DUE	(c + f)	\$ _____
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**b.** All rent and other payments due under the terms of this lease must be paid on or before the date they are due in order to avoid the mandatory sanctions imposed by the Debt Collections Act of 1982, 31 U.S.C. § 3717. This statute requires the imposition of an interest charge for the late payment of debts owed to the United States; an administrative charge to cover the costs of processing and handling delinquent debts; and the assessment of an additional penalty charge on any portion of a debt that is more than 90 days past due. The provisions of the statute will be implemented as follows:

(1) The United States will impose an interest charge, the amount to be determined by law or regulation, on late payment of rent. Interest will accrue from the (the due date) (the later of the due date or the date notification of the amount due is mailed to the Lessee). An administrative charge to cover the cost of processing and handling each late payment will also be imposed.

(2) In addition to the charges set forth above, the United States will impose a penalty charge of six percent (6%) per annum on any payment, or portion thereof, more than ninety (90) days past due. The penalty shall accrue

from the date of the delinquency and will continue to accrue until the debt is paid in full.

(3) All payments received will be applied first to any accumulated interest, administrative and penalty charges and then to any unpaid rental or other payment balance. Interest will not accrue on any administrative or late payment penalty charges.

### **3. NOTICES**

All correspondence and notices to be given pursuant to this lease shall be addressed, if to the Lessee, to Lessee's Name and Address, and if to the United States, to the District Engineer, Attn: Chief, Real Estate Division, Walla Walla District, 201 North Third Avenue, Walla Walla, Washington 99362-1876, or as may from time-to-time otherwise be directed by the parties. Notice shall be deemed to have been given if and when enclosed in a properly sealed envelope or wrapper, addressed as aforesaid, and deposited, postage prepaid, in a post office regularly maintained by the United States Postal Service.

### **4. AUTHORIZED REPRESENTATIVES**

Except as otherwise specifically provided, any reference herein to "Secretary of the Army," "District Engineer," "said officer" or "Lessor" shall include their duly authorized representatives. Any reference to "Lessee" shall include sublessees, assignees, transferees, concessionaires, and its duly authorized representatives.

### **5. USE AND OPERATION/DEVELOPMENT OF THE PREMISES**

a. The premises may be occupied and used by the Lessee or duly authorized agents, sublessees, assignees, or transferees solely for the conduct of business in connection with the recreational development of the premises for the general use of the public. Lessee shall provide facilities and activities in accordance with the Use and Operation/Development Plan and its architectural theme and sign plan, as supplemented or amended, (Operation/Development Plan) and attached hereto as Exhibit LETTER. The sign plan will be in accordance with the Sign Standards Manual, EP 310-1-6A, Chapter 17.

b. No Structure may be erected or altered upon the premises unless and until said Operation/Development Plan has been approved in writing by the District Engineer. The District Engineer may require the Lessee, upon completion of each of the proposed developments, to furnish a complete "as built" site plan and "as built" construction plans of all facilities with certification by a Professional Engineer that the construction meets all codes and standards.

c. The District Engineer may agree in writing to an extension of time for providing the facilities and activities designed in said Operation/Development Plan or may waive the providing thereof for other than those specified in the first lease year as designated in said Operation/Development Plan, whenever, in the opinion of the District Engineer, the public demand does not reach the anticipated level at the time stated, or when a delay in providing the facilities and services is beyond the control of the Lessee, provided, however, that at the discretion of the District Engineer, such undeveloped areas may be withdrawn from the leased premises.

d. The use and occupation of the premises shall be subject to the general supervision and approval of the District Engineer. Modifications to said Operation/Development Plan must be approved in writing by the District Engineer prior to implementation of the change.

e. All structures and equipment furnished by the Lessee shall be and remain the property of the Lessee, except as otherwise provided in the Condition on **RESTORATION**.

## **6. PERFORMANCE OF CONTRACT**

The Lessee agrees to obtain and deliver to the District Engineer, within thirty (30) days, either a valid surety bond issued by a surety corporation licensed by a state regulatory entity, a performance deposit, or an irrevocable letter of credit issued by a Federally insured financial institution in a form satisfactory to the District Engineer. Said surety bond, performance deposit, or letter of credit shall be in the sum of **TO BE DETERMINED**, payable to the United States, and conditioned upon full and satisfactory performance of the obligations of the Lessee herein set forth in this lease. To insure favorable performance by the Lessee of all the covenants, terms and conditions of this lease, said deposit shall be retained or said bond or letter of credit shall be kept in full force and effect by the Lessee until released in writing by the District Engineer upon completion of the development set out in said Operation/Development Plan, attached as Exhibit Letter, as supplemented or amended, is completed.

## **7. CONDITION OF PREMISES**

a. The Lessee acknowledges that it has inspected the premises, knows its condition, and understands that the same is leased without any representations or warranties whatsoever and without obligation on the part of the United States to make any alterations, repairs, or additions thereto.

b. As of the date of this lease, an inventory and condition report of all personal property and improvements of the United States included in this lease shall be made by the District Engineer and of the Lessee to reflect the condition of said property and improvements. A copy of said report is attached hereto as Exhibit LETTER and made a part hereof. Upon the expiration, revocation, or termination of this lease, another inventory and condition report shall be similarly prepared. This report shall constitute the basis for settlement for property damaged or destroyed. Any such property must be either replaced or restored to the condition required by the Condition on **PROTECTION OF PROPERTY**.

## **8. RATES AND PRICES**

a. The rates and prices charged by the Lessee or its sublessees shall be reasonable and comparable to rates charged for similar goods and services by others in the area. The District Engineer shall have the right to review such rates and prices and require an increase or reduction when it is determined that the objective of this paragraph has been violated. The Lessee shall keep such rates and prices posted at all times in an appropriate and conspicuous place on the premises. The District Engineer may require submission of a schedule of the rates and prices at any time.

b. However, no user fees may be charged by the Lessee or its sublessees for use of the facilities developed in whole or part with federal funds if a user charge by the Corps of Engineers for the facility would be prohibited under law.

## **9. PROTECTION OF PROPERTY**

The Lessee shall be responsible for any damage that may be caused to property of the United States by the activities of the Lessee under this lease and shall exercise due diligence in the protection of all property located on the premises against fire or damage from any and all other causes. Any property of the United States damaged or destroyed by the Lessee incident to the exercise of the privileges herein granted shall be promptly repaired or replaced by the Lessee to the satisfaction of the District Engineer, or at the election of the District engineer, reimbursement may be made therefore by the grantee in an amount necessary to restore or replace the property to a condition satisfactory to the District Engineer.

## **10. RIGHT TO ENTER AND FLOOD**

The right is reserved to the United States, its officer, agents, and employees to enter upon the premises at any time and for any purpose necessary or convenient in connection with Government purposes; to make inspections; to remove timber or other material, except property of the Lessee; to

flood the premises; to manipulate the level of the lake or pool in any manner whatsoever; and/or to make any other use of the lands as may be necessary in connection with project purposes, and the Lessee shall have no claim for damages on account thereof against the United States or any officer, agent, or employee thereof.

## **11. INDEMNITY**

The United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the exercise of the privileges herein granted, or for damages to the property of the Lessee, or for damages to the property or injuries to the person of the Lessee's officers, agents or employees others who may be on the premises at their invitation or the invitation of any one of them, and the Lessee shall hold the United States harmless from any and all such claims not including damages due to the fault or negligence of the United States or its contractors.

## **12. INSURANCE**

a. At the commencement of this lease, the Lessee will obtain from a reputable insurance company, or companies, liability insurance. The insurance shall provide an amount not less than that which is prudent, reasonable and consistent with sound business practices or a minimum Combined Single Limit of **One Million Dollars (\$1,000,000.00)**, whichever is greater, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage, or both, suffered or alleged to have been suffered by any person or persons, resulting from the operations of the Lessee under the terms and conditions of this lease, and the Lessee shall require its insurance company to furnish to the District Engineer a copy of the policy or policies, or, if acceptable to the District Engineer, a certificate of insurance evidencing the purchase of such insurance. The District Engineer shall have the right to review and revise the amount of minimum liability insurance coverage required. The policy shall provide that the insurance company give the District Engineer thirty (30) days written notice of any cancellation, non-renewal or change in such insurance.

b. The Lessee's sublessees and licensees, at the commencement of operating under the terms of this lease, shall obtain from a reputable insurance company or companies liability insurance. The insurance shall provide an amount not less than that which is prudent, reasonable and consistent with sound business practices, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage, or both, suffered or alleged to have been suffered by any person or persons, resulting from the operations of the sublessees and licensees under the terms of this lease. The Lessee shall require any insurance carrier or carriers to

furnish to the District Engineer a copy of the policy or policies, or, if acceptable to the District Engineer, certificates of insurance evidencing the purchase of such insurance.

c. The insurance policy or policies shall be of comprehensive form of contract and shall specifically provide protection appropriate for the types of facilities, services and activities involved. The Lessee shall require that the insurance company give the District Engineer thirty (30) days written notice of any cancellation or change in such insurance. The District Engineer may require closure of any or all of the premises during any period for which the Lessee does not have the required insurance coverage.

d. As those structures and improvements on the premises constructed by or at the expense of the United States, for such periods the Lessee is in possession of the premises pursuant to the terms and conditions of this lease, the Lessee shall procure and maintain at the Lessee's cost a standard fire and extended coverage insurance policy or policies on the leased premises to the full insurable value thereof. The Lessee shall procure such insurance from a reputable company or companies. The insurance policy shall provide that in the event of loss thereunder, the proceeds of the policy or policies, at the election of the United States, shall be payable to the Lessee to be used solely for the repair, restoration, or replacement of the property damaged or destroyed, and any balance of the proceeds not required for such repair, restoration, or replacement shall be paid to the United States. If the United States does not elect by notice in writing to the insurer within sixty (60) days after the damage or destruction occurs to have the proceeds paid to the Lessee for the purposes hereinabove set forth, then such proceeds shall be paid to the United States, provided however, that the insurer, after payment of any proceeds to the Lessee in accordance with the provisions of the policy or policies, shall have no obligation or liability with respect to the use or disposition of the proceeds by the Lessee. Nothing herein contained shall be construed as an obligation upon the United States to repair, restore, or replace the leased premises or any part thereof.

### **13. RESTORATION**

On or before the expiration of this lease or its termination by the Lessee, the Lessee shall vacate the premises, remove the property of the Lessee therefrom, and restore the premises to a condition satisfactory to the District Engineer. If, however, this lease is revoked, the Lessee shall vacate the premises, remove said property, and restore the premises to the aforesaid condition within such time as the District Engineer may designate. In either event, if the Lessee shall fail or neglect to remove said property and restore the premises, then, at the option of the District Engineer, said property shall either become the property of the United States without compensation therefore, or the District Engineer may cause the property to be removed and no claim for

damages against the United States or its officers or agents shall be created by or made on account of such removal and restoration work. The Lessee shall also pay the United States on demand any sum which may be expended by the United States after the expiration, revocation, or termination of this lease in restoring the premises.

#### **14. NON-DISCRIMINATION**

The Lessee shall not discriminate against any person or persons because of race, color, age, sex, handicap, national origin, or religion in the conduct of operations on the premises. The Lessee will comply with the Americans with Disabilities Act and attendant Americans with Disabilities Act accessibility Guidelines (ADAAG) published by the Architectural and Transportation Barriers Compliance Board.

#### **15. APPLICABLE LAWS AND REGULATIONS**

a. The Lessee shall comply with all applicable Federal laws and regulations, ordinances, and regulations of the state, county, and municipality wherein the premises are located, including, but not limited to, those regarding construction, health, safety, food service, water supply, sanitation, use of pesticides, natural resources, and licenses or permits to do business.

b. The Lessee will provide an annual certification that all water and sanitary systems on the premises have been inspected and comply with Federal, state and local standards. Lessee will also provide a statement of compliance with the Americans with Disabilities Act, noting any deficiencies and providing a schedule for correction.

c. In addition to other applicable codes, the Lessee shall comply with the current editions of the National Fire Protection Association (NFPA) code 70, National Electric Code, ANSI/NFPA standard 303, Marinas and Boatyards, National Building Code, National Plumbing Code, International Building Code, other applicable codes and standards covering the type of facilities. Upon request by the District Engineer, the Lessee will provide a certification that all electrical installations on the premises have been inspected by a qualified individual and comply the applicable codes.

#### **16. TAXES**

Payment of any and all taxes imposed by the state or its political subdivisions upon the property or business of the Lessee on the premises is the responsibility of the Lessee.

## **17. SUBJECT TO EASEMENTS**

This lease is subject to all existing easements, easements subsequently granted, and established access routes for roadways and utilities located, or to be located, on the premises, provided that the proposed grant of any new easement or route will be coordinated with the Lessee, and easements will not be granted which will, in the opinion of the District Engineer, interfere with developments, present or proposed, by the Lessee. The Lessee will not close any established access routes without written permission of the District Engineer.

## **18. SUBJECT TO MINERAL INTERESTS**

This lease is subject to all outstanding mineral interests. As to Federally owned mineral interests, it is understood that they may be included in present or future mineral leases issued by the Bureau of Land Management (BLM), which has responsibility for mineral development on Federal Lands. Then Secretary will provide lease stipulations to BLM for inclusion in said mineral leases that are designed to protect the premises from activities that would interfere with the Lessee's operations or would be contrary to local laws.

## **19. TRANSFERS, ASSIGNMENTS, SUBLEASES**

a. Without prior written approval of the District Engineer, the Lessee shall neither transfer nor assign this lease or a controlling interest therein (including, without limitation, mergers, consolidations, reorganizations, or other business combinations), nor sublet the premises or any part thereof, nor grant any interest, privilege, or license whatsoever in connection with this lease, nor shall this lease be assignable or transferable by process or operation of law including, but not limited to insolvency proceedings, bankruptcy, or intestacy, or in any other manner whatsoever.

(1) Failure to comply with this condition or the procedures described herein shall constitute a material breach of this lease for which this lease may be revoked immediately by the District Engineer, and, the Secretary shall not be obligated to recognize any right of any person or entity to an interest in this lease or to own or operate the facilities authorized hereunder acquired in violation hereof.

(2) The Lessee shall advise the person(s) or entity proposing to enter into a transaction described in Subsection a. above that the District Engineer shall be notified and that the proposed transaction is subject to review and approval by the District Engineer. The Lessee shall request in writing the District Engineer's approval of the proposed transaction and shall promptly provide the District Engineer all relevant documents related to the transaction, and the name(s) and qualifications of the person(s) or entity involved in the proposed transaction.

**b.** The District Engineer, in exercising discretion to approve or disapprove transfer, assignments, or subleases, shall among other matters take into consideration the management qualifications of the individuals or entities that would thereby obtain a controlling interest in the facilities or services authorized hereunder, the experience of such individuals or entities with similar operations, and the ability of such individuals or entities to operate the operations authorized hereunder in the public interest.

**c.** The term “controlling interest” in a Lessee’s ownership shall mean, in the instance of a corporate Lessee, an interest beneficial or otherwise, of sufficient outstanding voting securities or capital of the Lessee so as to permit exercise of substantial managerial influence over the operations of the Lessee, and, in the instance of a partnership, joint venture, or individual Lessee, any beneficial ownership of the capital assets of the Lessee sufficient to permit substantial managerial influence over the operations of the Lessee. The District Engineer will determine at the request of interested parties whether or not an interest in a lease constitutes a controlling interest within the meaning hereof.

**d.** The Lessee may not enter into any agreement with any entity or person, except employees of the Lessee, to exercise substantial management responsibilities for the operation authorized hereunder or any part thereof without the prior written approval of the District Engineer.

**e.** No mortgage shall be executed, and no bonds, shares of stock, or other evidence of interest in, or indebtedness upon the assets of the Lessee located on the premises, including this lease, shall be issued, except for the purposes of installing, enlarging, refinancing or improving concession plant, equipment and facilities, provided that, such assets, in addition, may be encumbered for the purposes of purchasing existing concession plant, equipment and facilities. In the event of a default on such a mortgage, encumbrance or other such indebtedness, or of other assignment, transfer, or encumbrance, the creditor or any assignee thereof shall succeed to the interest of the Lessee in such assets but shall not thereby acquire operating rights or privileges. Such rights or privileges shall be subject to disposition by the District Engineer.

**f.** The Lessee may allow independent private service companies to enter and conduct business on the premises for the benefit of the Lessee’s customers on an as-called basis without a formal sublease or license agreement, provided that the service is occasional and incidental to the Lessee’s operation and that any compensation paid to the Lessee is included in gross receipts.

**g.** The Lessee will not sponsor or participate in timeshare ownership of any structures, facilities, accommodations, or personal property on the premises.

The Lessee will not subdivide nor develop the premises into private residential development.

## **20. COMPLIANCE, CLOSURE, REVOCATION AND RELINQUISHMENT**

**a.** The Lessee and/or any sublessees or licensees are charged at all times with full knowledge of all the limitations and requirements of this lease, and with the necessity for correction of deficiencies, and with compliance with reasonable requests by the District Engineer. This lease may be revoked in the event that the Lessee violates any of its terms and conditions and continues and persists in such non-compliance, or fails to obtain correction of deficiencies by sublessees or licensees. The Lessee will be notified of any non-compliance, which notice shall be in writing or shall be confirmed in writing, giving a period of time in which to correct the non-compliance. Failure to satisfactorily correct any substantial or persistent non-compliance within the specified time is grounds for closure of all or part of the premises, temporary suspension of operation, or revocation of the lease, after notice in writing of such intent. Future requests by the Lessee to extend the lease, expand the premises, modify authorized activities, or assign the lease shall take into consideration the Lessee's past performance and compliance with the lease terms.

**b.** This lease may be relinquished by the Lessee by giving six months prior written notice to the District Engineer in the manner prescribed in the Condition on **NOTICES**.

**c.** In addition to the above right of revocation, if the rent or other payments provided to be paid by the Lessee or any part thereof shall be in arrears and unpaid for thirty (30) days after the same shall become due, then, and in such case, the District Engineer may elect to revoke this lease by notification in writing to the Lessee.

## **21. HEALTH AND SAFETY**

**a.** The Lessee shall keep the premises in good order and in a clean, sanitary, and safe condition and shall have the primary responsibility for ensuring that any sublessee and concessionaires operate and maintain the premises in such a manner. Lessee shall comply with the Washington Industrial Safety and Health Act (WISHA).

**b.** In addition to the rights of revocation for non-compliance, the District Engineer, upon discovery of any hazardous conditions on the premises that presents an immediate threat to the health and/or danger to life or property, will so notify the Lessee and will require that the affected part or all of the premises be closed to the public until such condition is corrected and the danger to the public eliminated. If the condition is not corrected within the time specified, the

District Engineer will have the option to: (1) correct the hazardous conditions and collect the cost of repairs from the Lessee; or, (2) revoke the lease. The Lessee will be obligated to pay rental, notwithstanding any interruption or suspension of activities. The Lessee and its assignees or sublessees shall have no claim for damages against the United States, or any officer, agent, or employee thereof on account of action taken pursuant to this condition.

## **22. PUBLIC USE**

No attempt shall be made by the Lessee, or any of its sublessees or concessionaires, to forbid the full use by the public of the premises and of the water areas of the project, subject, however, to the authority and responsibility of the Lessee to manage the premises and provide safety and security to the visiting public.

## **23. PROHIBITED USES**

**a.** The Lessee shall not permit gambling on the premises. Specifically prohibited are the use of gambling devices, such as slot machines, video gambling machines, or other casino type devices that would detract from the family atmosphere. District Engineers may allow the sale of state lottery tickets, in accordance with state and local laws and regulations, as long as the sale of tickets constitutes a collateral activity, rather than primary activity, of the Lessee. The Lessee shall not install or operate, or permit to be installed or operated thereon, any device which is illegal; or use the premises or permit them to be used for any illegal business or purpose. There shall not be conducted on or permitted upon the premises any activity which would constitute a nuisance.

**b.** As an exception, some games of chance, such as raffles, games and sporting events, may be conducted by nonprofit organizations under special permits issued in conjunction with special events, if permissible by state and local law. Any request to conduct such activities must be submitted in writing to the District Engineer.

**c.** In accordance with state and local laws and regulations, the Lessee may sell, store, or dispense or permit the sale, storage, or dispensing of beer, malt beverages, light wines or other intoxicating beverages on the premises in those facilities where such service is customarily found. Bar facilities will only be permitted if offered in connection with other approved activities. Advertising of such beverages outside of buildings is not permitted. Carry out package sales of hard liquor is prohibited.

## **24. NATURAL RESOURCES**

The Lessee shall cut no timber, conduct no mining operations, remove no sand, gravel, or kindred substances from the ground, commit no waste of any kind, nor in any manner substantially change the contour or condition of the premises, except as may be authorized under and pursuant to the Development Plan described in the Condition on **USE AND DEVELOPMENT OF THE PREMISES** herein (Condition 15). The Lessee may salvage fallen or dead timber; however, no commercial use shall be made of such timber.

## **25. ACCOUNTS AND RECORDS**

**a.** The Lessee shall maintain complete and accurate records and no later than 120 days following the end of the Lessee's fiscal year shall submit to the District Engineer reports and data for the preceding year to include a financial statement for the activity covered by the lease and compiled by an independent certified public accountant or by an independent licensed public accountant certified or licensed by a regulatory authority of a state.

**b.** The District shall have the right at any time (1) to verify all financial reports and copy the books, correspondence, memoranda, income tax returns and other records of the Lessee and sublessees, if any, and of the records of proprietary or affiliated companies, if any, related to this lease during the period of the lease (This right shall extend for such time thereafter as may be necessary to accomplish such verification, but in no event more than five (5) years after the close of the business year of the Lessee); (2) to require the Lessee to furnish an audited statement of gross receipts for the concession operation, including the gross income of any sublease operation, and certification of the accuracy of the reported income.

**c.** Statements will be prepared by an independent certified public accountant or by a licensed public accountant certified or licensed by a regulatory authority of a state. Audits will be in accordance with the auditing standards and procedures promulgated by the American Institute of Certified Public Accountants. Financial statements requiring audits and accompanied by remarks such as "prepared from client records without audit" are unacceptable. Audited and reviewed financial statements shall contain appropriate footnotes. The independent licensed or certified public accountant shall include a statement to the effect that the amounts included in the financial report are consistent with those included in the Federal tax returns. If the amounts are not consistent, then a statement showing the differences shall be included. An audit of Lessees tax returns is not required.

## **26. ENVIRONMENTAL PROTECTION**

**a.** Within the limits of their respective legal powers, the parties to this lease shall protect the project against pollution of its air, ground, and water, as well as degradation of all natural and cultural resources. The Lessee shall comply promptly with any laws, regulations, conditions or instructions affecting the activity hereby authorized, if and when issued by the Environmental Protection Agency, or any Federal, state, interstate or local governmental agency having jurisdiction to abate or prevent pollution. The disposal of any toxic or hazardous materials within the premises is specifically prohibited. Such regulations, conditions, or instructions in effect or prescribed by the Environmental Protection Agency, or any Federal, state, interstate or local governmental agency, are hereby made a condition of this lease. The Lessee shall require all sanitation facilities on boats moored at the Lessee's facilities, including rental boats, to be sealed against any discharge into the lake. Services for waste disposal, include sewage pump-out of watercraft, shall be provided by the Lessee as appropriate. The Lessee shall not discharge waste or effluent from the premises in such a manner that the discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

**b.** The Lessee will use all reasonable means available to protect the environment and natural resources, and where damage nonetheless occurs from the Lessee's activities, the Lessee shall be liable to restore and mitigate the damaged resources, as specified by the Walla Walla District Corps of Engineers.

**c.** The Lessee must obtain approval in writing from the District Engineer before any pesticides or herbicides are applied to the premises. An active and effective weed control program must be conducted on the entire leased area at the lessee's expense.

(1) The Lessee shall be responsible for the control of all noxious weeds within the lease area, in accordance with all applicable Federal, State, county, and local weed control laws, rules, and regulations. The lessee shall prevent the spread of the noxious weeds, work to eliminate them from the leasehold, and prevent their reinfestation. Chemical treatment of noxious weeds must be approved by the Resource Manager and accomplished as recommended by the local noxious weed specialist.

(2) The use of any pesticide (herbicides, insecticides, fungicides, rodenticides, etc.) on outgranted lands or waters shall be in accordance with all applicable Federal, State, and local laws, rules, and regulations. The Lessee shall report actual usage of pesticides in the previous year, Appendix F-1, and anticipated usage of pesticides in the upcoming year, Appendix F-2, to the Project Resources Manager, not later than February 1 of each year. Anticipated usage reports should include the product common name, manufacturer, EPA

registration number, acreage to be treated, registered use, and intended use (control of broadleaves, grasses, etc.) for each pesticide. Usage reports shall be reviewed by the District Pesticide Coordinator and shall be considered approved unless the Lessee is notified otherwise.

(3) Within seven (7) days of each application or treatment with an approved pesticide, the Lessee shall mail or deliver a completed pesticide application report (NPW Form 178, Appendix F-3, or State of Washington application report form) to the Project Resources Manager.

## **27. ENVIRONMENTAL BASELINE STUDY**

An Environmental Baseline Study (EBS) documenting the known history of the property with regard to the storage, release or disposal of hazardous substances thereon is attached hereto and made a part hereof as Exhibit LETTER. Upon expiration, revocation or termination of this lease, another EBS shall be prepared which will document the environmental condition of the property at that time. A comparison of the two assessments will assist the District Engineer in determining any environmental restoration requirements. Any such requirements will be completed by the Lessee in accordance with the condition on **RESTORATION**.

## **28. HISTORIC PRESERVATION**

a. The Lessee shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archaeological, architectural or other cultural artifacts, relics, remains, or objects of antiquity. In the event such items are discovered on the premises, the Lessee shall immediately notify the District Engineer and protect the site and the material from further disturbance until the District Engineer gives clearance to proceed.

b. The Lessee shall not engage in any construction, alteration, demolition, or ground disturbing activities on the premises, including activities engaged in pursuant to a Development Plan, unless such activities have been reviewed and approved by the District Engineer in accordance with the requirements of the National Historic Preservation Act of 1966 (16 USC 470, et seq.). The Lessee shall be responsible for conducting any and all actions required by the National Historic Preservation Act review process, as well as any costs associated therewith.

## **29. SOIL AND WATER CONSERVATION**

The Lessee shall maintain, in a manner satisfactory to the District Engineer, all soil and water conservation structures that may be in existence upon said premises at the beginning of, or that may be constructed by the Lessee during

the term of, this lease, and the Lessee shall take appropriate measures to prevent or control soil erosion within the premises. Any soil erosion occurring outside the premises resulting from the activities of the Lessee shall be corrected by the Lessee as directed by the District Engineer.

### **30. LIGHTS SIGNALS AND NAVIGATION**

There shall be no unreasonable interference with navigation by the exercise of the privileges granted by this lease. If the display of lights and signals on any work hereby authorized is not otherwise provided for by law, such lights and signals as may be prescribed by the Coast Guard or by the District Engineer shall be installed and maintained at the expense of the Lessee.

### **31. REGULATED HUNTING AND TRAPPING**

The Lessee shall not hunt or trap or allow hunting or trapping of regulated species on the premises unless approved by the regulating authority and the District Engineer.

### **32. TRANSIENT USE**

**a.** Camping, including transient trailers or recreational vehicles, at one or more campsites on any one Corps lake for any period longer than thirty (30) days during any sixty (60) consecutive day period is prohibited. The Lessee will maintain a ledger and reservation system for the use of any such campsites, said system to be acceptable to the District Engineer.

**b.** Occupying any lands, buildings, vessels or other facilities within the premises for the purpose of maintaining a full- or part-time residence is prohibited, except for employees, residing on the premises, for security purposes, if authorized by the District Engineer.

### **33. DISPUTES CLAUSE**

**a.** Except as provided in the Contract Disputes Act of 1978 (41 U.S.C. § 601-613) (the Act), all disputes arising under or relating to this lease shall be resolved under this clause and the provisions of the Act.

**b.** "Claim," as used in this clause, means a written demand or written assertion by the Lessee seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of lease terms, or other relief arising under or relating to this lease. A claim arising under this lease, unlike a claim relating to the lease, is a claim that can be resolved under a lease clause that provides for the relief sought by the Lessee. However, a written demand or written assertion by the Lessee seeking the payment of money exceeding

\$100,000.00 is not a claim under the Act until certified as required by subparagraph c.(2) below.

**c.** (1) A claim by the Lessee shall be made in writing and submitted to the District Engineer for a written decision. A claim by the Government against the Lessee shall be subject to written decision by the District Engineer.

(2) For Lessee claims exceeding \$100,000.00, the Lessee shall submit with the claim a certification that:

(i) The claim is made in good faith;

(ii) Supporting data are accurate and complete to the best of the Lessee's knowledge and belief; and

(iii) The amount requested accurately reflects the lease adjustment for which the Lessee believes the Government is liable.

(3) (i) If the Lessee is an individual, the certificate shall be executed by that individual.

(ii) If the Lessee is not an individual, the certification shall be executed by:

(A) A senior company official in charge at the Lessee's location involved;

or

(B) An officer or general partner of the Lessee having overall responsibility of the conduct of the lessee's affairs.

**d.** For Lessee claims of \$100,000.00 or less, the District Engineer must, if requested in writing by the Lessee, render a decision within 60 days of the request. For Lessee-certified claims over \$100,000.00, the District Engineer must, within 60 days, decide the claim or notify the Lessee of the date by which the decision will be made.

**e.** The District Engineer's decision shall be final unless the Lessee appeals or files as suit as provided in the Act.

**f.** At the time a claim by the lessee is submitted to the District Engineer or a claim by the Government is presented to the Lessee, the parties, by mutual consent, may agree to use alternative means of dispute resolution. When using alternate dispute resolution procedures, any claim, regardless of amount, shall

be accompanied by the certificate described in paragraph c.(2) of this clause, and executed in accordance with paragraph c.(3) of this clause.

**g.** The Government shall pay interest on the amount found due and unpaid by the Government from (1) the date the District Engineer received the claim (properly certified if required), or (2) the date payment otherwise would be due, if that date is later, until the date of payment. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury, as provided in the Act, which is applicable to the period during which the District Engineer receives the claim, and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

**h.** The Lessee shall proceed diligently with the performance of the lease, pending final resolution of any request for relief, claim, appeal or action arising under the lease, and comply with any decision of the District Engineer.

#### **34. COVENANT AGAINST CONTINGENT FEES**

The Lessee warrants that no person or selling agency has been employed or retained to solicit or secure this lease upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or established commercial or selling agencies maintained by the Lessee for the purpose of securing business. For breach or violation of this warranty, the United States shall have the right to annul this lease without liability or, in its discretion, to require the Lessee to pay, in addition to the lease rental or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

#### **35. OFFICIALS NOT TO BENEFIT**

No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this lease or to any benefits to arise therefrom. However, nothing herein contained shall be construed to extend to any incorporated company if this lease is for the general benefit of such corporation or company.

#### **36. SEVERAL LESSEES**

If more than one Lessee is named in this lease the obligations of said Lessees herein contained shall be joint and several obligations.

#### **37. MODIFICATIONS**

This lease contains the entire agreement between the parties hereto, and no modification of this agreement, or waiver, or consent hereunder shall be valid

unless the same be in writing, signed by the parties to be bound or by a duly authorized representative and this provision shall apply to this condition as well as all other conditions of this lease.

**38. DISCLAIMER**

This lease is effective only insofar as the rights of the United States in the premises are concerned; and the Lessee shall obtain any permit or license which may be required by Federal, state, or local statute in connection with the use of the premises. It is understood that the granting of this lease does not preclude the necessity of obtaining a Department of the Army permit for activities which involve the discharge of dredge or fill material or the placement of fixed structures in the waters of the United States, pursuant to the provisions of Section 10 of the Rivers and Harbors Act of 3 March 1899 (33 U. S. C. § 403), and Section 404 of the Clean Water Act (33 U. S. C. § 1344).

**IN WITNESS WHEREOF**, I have hereunto set my hand by authority of the Secretary of the \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
**NAME OF CHIEF OF REAL ESTATE**  
Chief, Real Estate Division  
U.S. Army Corps of Engineers  
Walla Walla District

**THIS LEASE** is also executed by the Lessee this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
**NAME OF EXECUTING OFFICIAL**  
Title Line 1  
Title Line 2



**ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_)

: **ss**

COUNTY OF \_\_\_\_\_)

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me the undersigned Notary Public, personally appeared **NAME**, Chief, Real Estate Division, U.S. Army Engineer District, Walla Walla, Washington, known to me to be the person described in the foregoing instrument, who acknowledged that he executed the same in the capacity therein stated and for the purposes therein contained.

**IN WITNESS WHEREOF**, I have hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

THIS INSTRUMENT PREPARED BY:

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**NAME**, Realty Specialist  
U.S. Army Corps of Engineers  
201 North Third Avenue  
Walla Walla, Washington 99362-1876  
509-527-7328

REVIEWED FOR LEGAL SUFFICIENCY BY:

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**NAME**, Attorney  
Telephone Number

APPENDIX E

STATEMENT OF QUALIFICATION OF APPLICANT

Applicants are required to reply to all questions. The following information must be provided to assist the Government in selecting the successful lease applicant. Use additional sheets, if necessary.

The following information is submitted for attachment to and for consideration with application for lease of a concession site.

A. General Information

1. Name, address and telephone of applicant and if applicable, the name, address, and telephone number of a representative authorized to act on behalf of the applicant during the course of the project.

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2. If a partnership, give names and addresses of all partners; if a corporation, give names and addresses of all officers and the state of incorporation.

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3. Have you examined the site of the facility(s)?

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4. Have you examined the lease form which you will be required to sign?

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5. Are you familiar with Federal, state, and local laws covering this type of operation?

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6. Are you familiar with the business of operating such facilities?

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**B. Experience and Background: (use additional sheets as necessary)**

1. List any/all previous business endeavors with a description of the business operations and status.

2. Provide a description of any management qualifications and experience.

3. Provide third party personal and business references.

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- 4. If applicant is a corporation it must provide:
  - a. Articles of Incorporation and By-Laws
  - b. Names, addresses, dates of birth, and Social Security numbers of officers and participating principles and all addresses you have used for the last ten (10) years.

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- c. Corporate resolution authorizing the proposed transaction.
  - d. Summary of Corporate Activity.

- 5. If applicant is a partnership agreement, it must provide:
  - a. The partnership agreement.
  - b. Names, addresses, dates of birth, and Social Security numbers of the partners and all addresses they have used for the last ten (10) years.

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- 6. If applicant is a sole proprietor he/she must provide Social Security number, date of birth, current address, and all addresses used for the last ten (10) years.

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C. Financial Capability: (note: all financial data will be held in confidence) (Use additional sheets as necessary)

1. If applicant is a corporation or limited partnership it must provide a current financial statement prepared by an independent Certified Public Account or by an independent licensed public accountant. It must also include a personal financial statement of the key owners/principals.
2. If applicant is an individual or partnership he/she/they must provide a complete and current personal financial statement.
3. Except for government agencies, provide the names, addresses, and telephones of at least two commercial or institutional credit references from which the applicant has previously obtained financing. Attach a letter authorizing each credit reference to respond to inquiries from the government.

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4. Provide a preliminary budget, projected cash flow, estimated operating costs, and detailed plans of financing including identification of proposed lenders. Identify all interim and permanent sources of funds and include copies of loan documents used to implement the assignments.

D. Plan of Operation and Development: (use additional sheets as necessary)

1. Provide a five-year plan for operation, maintenance, and development of the leased premises. The plan must show goals and objectives for each year showing the estimated cost of any improvements and/or developments. Plan should include: project description, preliminary schematic drawing, development costs, and construction schedule. (NOTE: plan of development for the remaining lease term will be negotiated after award. Reference Lease Condition No. 5.)
2. Identify key positions and their duties and responsibilities as they relate to the business.

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3. Give any additional information not covered above which you consider pertinent to the award of a lease.

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4. Other information may be requested as required by the District Engineer or his authorized representative.

I (we) certify that the above information is true to the best of my (our) knowledge and belief.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

This section is provided as a reference for project managers and others who are responsible for reviewing leases. These include other non-federal government agencies, nonprofit groups and commercial vendors who are operating facilities on Corps projects.

Because Corps projects are public lands, the Corps should monitor maintenance, visual and aesthetic content to assure that the intended design is kept at a high standard of quality.

When signs are placed on Corps projects by lessees, they should be placed in a way that conforms to the visual uniformity and communicative intent of the Corps Sign Standards program.

These guidelines are intended for both commercial, for-profit leases as well as public, nonprofit leases. Regardless of the type of agreement (cost share, leased concession or for other outgranted lands), the goal is to foster placement of signs on leased property that communicate effectively, are appropriate to the natural setting and are well-made and maintained.

These guidelines are not intended to place undue hardship on lessees, either commercial, nonprofit or other non-federal government agency.

At the same time, it is recognized that the Corps does not have the resources to insure that signs on leased premises will conform in all respects to the sign standards for Corps controlled land.

Accordingly, the following sections are intended as guidelines for plan review purposes rather than as absolute standards.

#### Types of Facilities

The various types of facilities where signs may appear include, but are not limited to:

##### Public/Nonprofit Facilities

- State parks
- County parks
- Municipal parks
- Federal lands and parks
- Wildlife management areas
- Conservation areas
- Historical sites

##### Semi-private/Nonprofit Facilities

- Private campgrounds (church, YMCA, scouts, etc.)
- Organized sports (little league, soccer clubs, etc.)

##### Commercial Areas and Concessions

- Restaurant
- Grocery store
- Gas station
- Tackle shop
- Sporting goods
- Marina
- Boat docks
- Marine services
- Guide services

##### Commercial Recreation Facilities

- Trailer parks
- Commercial campgrounds
- Amusement parks
- Winter sports facilities
- Rental cabins
- Lodges

##### Other

- Utility company facilities

All identification and directional signs placed at a leased site should be of a common design; each sign should have a single purpose, with legend easily legible, colors consistent and placed within the viewers' cone-of-vision. They should be well-constructed and properly maintained.

The general intent is to maintain visual uniformity, prohibit commercial clutter, encourage a high level of safety awareness and quality signage that respects the surrounding environment and project setting. This is primarily accomplished by: curtailing the use of commercialized advance directional signs, identifying commercial facilities in a generic manner, using natural materials and colors that are complementary to the setting and discouraging brilliant illumination of signs at night.

We also recognize the existence of words, names, symbols or designs that are used by the lessees and are recognized as logos or as marks: trademarks, service marks, certification marks or collective marks. Lessees may also participate in franchises or chains which require certain "trade dress" or business images. The display of these marks is limited to identification or directional signs which identify the facility with accepted trademarks. Additional display of logos, posters or panels that advertise specific food, drink, recreation and vehicle products that are available at the aforementioned facility shall not be displayed on signs. It is important to note that this section deals with signs only. Any other use of these marks is covered by the outgrant document.

In this section, general applications and guidelines are described by type of facility.

#### Roadway Signs

All roadway signs will conform to applicable federal standards

#### Outgrant or Concession Sign Plan

Prior to placement of any signs on leased property, the lessee must submit a complete sign plan for the proposed site as part of the overall development plan. This will be an attachment to the lease instrument. The sign plan for leased areas is not intended to place an undue hardship on lessees and does not have to have the same level of detail as that prepared by the Corps for its own areas.

The sign plan should follow the guidance provided in Section 3 and show the placement locations on site plans with attached documentation that describes: legend content, graphic formats, size, material fabrication and construction details and a schedule showing how and when the signs will be maintained.

Although the look of the signs may differ from the prescribed Corps format, the general sign type classifications and viewing standards should be similar to the basic principles and guidelines described in Section 2. All signs should have a single purpose: to identify, to direct, to inform, or to warn. They should not be overly wordy, should be sized appropriately for the surrounding landscape and should be placed for easy viewing.

The primary function of developing and maintaining a sign plan is to encourage the lessee to design, plan and implement an entire sign program, instead of placing an amalgam of different signs on a one-at-a-time basis. The sign plan, like all pre-construction submittals, should be thorough enough to provide the Corps reviewer with the information needed to evaluate the plan effectively.

#### Lease Agreement

All new leases or renewals to existing leases must include a sign plan as part of the initial development plan and a schedule for implementation.

**New Lease:** The guidelines included in this section will be furnished to prospective lessees together with other lease requirements so they will have thorough knowledge of the requirements.

**Existing Lease:** Signs at existing leased sites, facilities or projects must be in compliance with these guidelines, upon renewal of the lease agreement.

#### General Guidelines for Review and Approval of Sign Plans

Because there are many different types of lease and cost share agreements possible, it is difficult to prescribe specific guidelines for all locations or applications. There are, however, some common sense principles that apply; most notably, "less is more". Signage that is generic in character and appropriately sized will generally be just as effective in attracting the viewer as are signs that are large and highly commercial. Tastefully designed and well-executed signage at a concession that appears to be professionally managed will help maintain the quality of the area and attract customers.

Whether signs are to be located inside a self-contained commercial facility or on an established roadway, consideration for the aesthetic and safety features should be given to each sign proposal. Regardless of conditions of the project, signs on Corps projects should set high standards for design quality and respect for the visual environment.

#### Corps Management with Charge-back

Some projects have developed charge-back mechanisms whereby the Corps installs and maintains all signs at a lessee's installation, either public or commercial; the lessee is then charged back for the cost of the signs, including administration fees and on-going maintenance service as required.

This method helps to maintain the integrity of the Corps Sign Standards throughout the project. If these signs are purchased from established Corps suppliers, the cost to the lessee will be competitive with signs of equal quality purchased from local suppliers. The main advantage is that should the lease agreement be terminated, the Corps or new lessee will not be required to completely resign the facility prior to taking over responsibility for management.

#### Conclusion

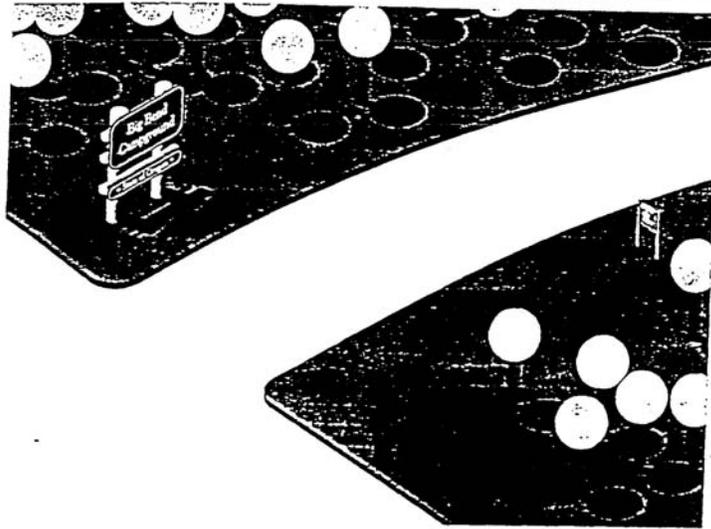
Signage to be placed on leased areas should be reviewed on a case-by-case basis and installations monitored to determine that design intent is met.

Questions or problems that arise in the process of implementing this guideline should be directed to the District/Division Sign Program Manager.

#### Suggested Sign Criteria and Design Guidelines

Suggested guidelines for signing the three basic types of facilities or areas under outgrant or commercial lease agreements are described in the following section.

This example shows the identification of a state operated campground with the Corps Participation Credit sign placed along the entry road into the facility.



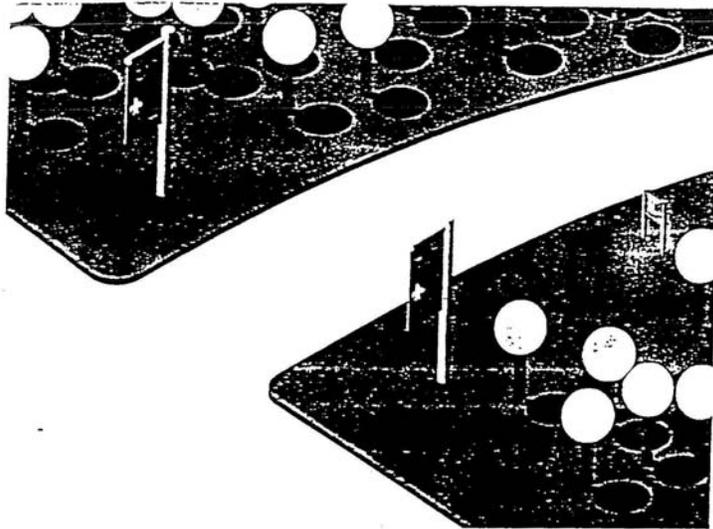
This section includes state, county, municipal parks, wildlife management and conservation areas and historical sites that are on Corps land and open to the public, but leased out to and managed by a non-federal public government body.

**Project Identification and the use of Standard Agency Signs**  
Agencies without their own sign standards may use the Corps Sign Standards or another system. The proposed signs should meet the general visual requirements for sign format, legend consistency, visual acuity, and color as described in *Principles and Guidelines*, Section 2 of this manual. The signs should be visually

appropriate to the site, well-crafted, and made of durable materials. Signage should be visually consistent throughout the leased areas.

**Approach Roadway Directionals**  
All directional signs on project lands outside leased areas will be made part of the overall Corps project sign plan; cost sharing and implementation of directional signs with lessees will be made part of the lease agreement on a site-by-site basis and are the Corps' responsibility to install.

This illustration shows a formal entry portal identifying a large Boy Scout Camp with the Corps Participation Credit sign placed along the entry road for viewing once drivers enter the facility.



This includes campgrounds and recreation facilities leased to churches, YMCA's, Boy Scouts, Little Leagues and other nonprofit groups for their program activities.

These types of facilities will generally require minimal signage because of limited access by the general public. Where appropriate, the Corps Sign Standards may be adopted.

**Project Identification Signs:** If a lessee or cooperating sponsor elects to use a facility identification sign of their own design, the overall size, material and mounting methods should be similar in character to Corps Sign Standards. A Corps Participating Credit sign as shown on pages 5.18-5.19 shall be placed on the adjacent entry road.

If the Corps Standard Identification sign is used to identify this location, the format should follow the guidelines described in Section 5, page 5.2, example (c). This specifies that the facility shall be identified on the primary legend. The

cooperative sponsor and its relationship to the project will be identified on the secondary legend. The Corps castle should be placed on the left. No other logos or graphics shall be placed on the sign.

**Approach Roadway Directionals**  
All directional signs on project lands outside leased areas will be made part of the overall Corps project sign plan; cost sharing and implementation of directional signs with lessees will be made part of the lease agreement on a site-by-site basis and are the Corps responsibility to install.

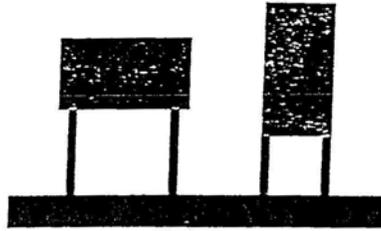
This Section summarizes the signage principles for leased commercial areas such as marinas and commercial campgrounds, as well as for concessions within a Corps recreation area including: tackle shops, snack bars, and marine services. Commercial concessionaires will be responsible for their own sign installation. The basic principals as described in Section 2 of this manual should be followed, but the signs should be of their own design.

Individual concessions within a Corps managed location such as a tackle shop or snack bar that adjoins a multi-purpose recreation site should be identified generically and may use Corps Sign Standards for all applicable ancillary signs. These include parking and no parking, traffic, safety and symbol signs and incorporate all mounting and material specifications as shown in the manual. All directional signs on project lands outside the leased areas will be part of the overall Corps project sign plan and are the Corps' responsibility.

**Commercial Identification Sign Standards**

Identification of any commercial installation within a Corps project should be made in direct proximity to the facility as a ground-mounted sign adjacent to the entranceway or structure. Ideally, these signs are placed on double-face sign panels mounted perpendicular to the sight-lines of approaching viewers.

Main identification signs should be designed and sized to meet the objective of providing adequate information to the public with the least possible disturbance of the environment along the road and with no interference with highway safety and operation. The sign should be of a simple design that is appropriate to the environment. Basic guidelines for size and placement of signs at a commercial facility on a Corps project are described below (for service stations see the special guidelines provided in this section).



**Interior Project roads:** maximum 24 square feet per side and not exceeding 8 feet in one dimension; each face should be the same size and shape.

**Two Lane Roads with posted speed limit: 35 mph or greater:** maximum 32 square feet per side and not exceeding 8 feet in one dimension; each face shall be the same size and shape.

**Four Lane Roads and Highways:** maximum 48 square feet per side and not exceeding 10 feet in one dimension; each face shall be the same size and shape.

**Location:** Main entrance signs are generally placed perpendicular to the approaching viewer and immediately adjacent to the entry to the facility. If the sign is located within a roadside zone, it must not create a visual hazard which will interfere with safety, visibility or operation of highway or entrance road. Any sign located within the public right-of-way will require approval from the government jurisdiction responsible.

Within a leased area, signs may be attached to buildings but ground-mounted signs in the front of the facility are preferred.

All main entrance signs are to be permanently affixed. No trailer-mounted or removable signs are allowed.

**Top of Signs:** Signs should generally be mounted low to the ground, with a recommended height to base above grade level to be between 36"-54". Top of signs should not exceed 14 feet unless prevailing snow conditions require that the sign be mounted higher.

**Wording:** Information is confined to the name and type of business, special service and facility. Lessees are not to post any signs that include logotypes or advertising of commercial products such as soft drinks, cigarettes, alcoholic beverages, sports equipment, etc.

**Lettering:** Size is to be determined by panel dimensions, appearance and viewing requirements (see recommended legend size chart on page 2.6).

**Color:** Panels should be appropriate to the environment; providing adequate visibility without garishness. Suggested options include weathered redwood or cedar sign panels or enamels in muted colors or natural earth tones with lettering of sufficient contrast for good legibility.

**Lighting:** Internally illuminated signs are discouraged. Retro-reflective letters are permitted. Externally illuminated or indirect lighting is permitted when adequate visibility cannot be obtained by use of retro-reflective letters or background. If possible, the light source should be concealed.



Lamps mounted on mast-arms create a cluttered looking sign assembly. It is also difficult to control overglow and glare from this type of lighting assembly.



The preferred method for lighting a sign panel is using concealed ground mounted fixtures. This provides enough light without glare or overglow.

**PEST CONTROL PLAN**

GRANTEE: \_\_\_\_\_ DATE: \_\_\_\_\_ OUTGRANT NO.: DACW68- \_\_\_\_\_

**ACTUAL USE - PREVIOUS YEAR**

Name of Pesticide	EPA Registration No.	Classification (General or Restricted)	Quantity of Pesticide	Area Treated (ft <sup>2</sup> , acres, spot)	Target Pests	Location of Use (lawn, building, etc)

**NO ACTUAL USE**

**PEST CONTROL PLAN**

GRANTEE: \_\_\_\_\_ DATE: \_\_\_\_\_ OUTGRANT NO.: DACW68- \_\_\_\_\_

**ANTICIPATED USE - UPCOMING YEAR**

Name of Pesticide	EPA Registration No.	Classification (General or Restricted)	Quantity of Pesticide	Area Treated (ft <sup>2</sup> , acres, spot)	Target Pests	Location of Use (lawn, building, etc)

**NO ANTICIPATED USE**

Appendix G-2

## NPWOP PESTICIDE APPLICATION RECORD

Project: \_\_\_\_\_ Operator: \_\_\_\_\_  
 Certification: \_\_\_\_\_ Date: \_\_\_\_\_  
 Pest Treated: \_\_\_\_\_  
 Site Treated: \_\_\_\_\_  
 Purpose: \_\_\_\_\_

**Conditions During Treatment:**

Air Temp: \_\_\_\_\_ Water Temp: \_\_\_\_\_  
 Overcast: \_\_\_\_\_ Wind Dir.: \_\_\_\_\_ Vel.: \_\_\_\_\_

**Pesticide Record:**

Common Name: \_\_\_\_\_ % Active Ingredient: \_\_\_\_\_  
 Manufacturer: \_\_\_\_\_ E.P.A. Reg.: \_\_\_\_\_  
 Registered Use: \_\_\_\_\_  
 Mixture or Form Applied: \_\_\_\_\_  
 Application Rate Gal/Ac: \_\_\_\_\_ Lbs/Ac: \_\_\_\_\_  
 Method: \_\_\_\_\_  
 Special Precautions: \_\_\_\_\_

**Accumulative Treatment: (Quantity of pesticide applied to a given area)**

	TREATMENT TALLY		WORK TALLY		
	Units Treated	Quantity Used	Survey	Labor	Supervision
Previous	_____	_____	_____	_____	_____
Present	_____	_____	_____	_____	_____
Total	_____	_____	_____	_____	_____

COOPERATING AGENCIES:

MONITORING:

REMARKS:

I hereby certify that this information is a true and correct record of pesticide application as required by the state in which this application was made.

\_\_\_\_\_  
 (Signature of Operator)