

**U. S. DEPARTMENT OF AGRICULTURE**  
**FOREST SERVICE**  
**TONTO NATIONAL FOREST**  
**PROSPECTUS AND REQUEST FOR PROPOSALS**

**Invitation for Proposals**  
**for**  
**Outfitting and Guiding**

Issued by:  
Date:  
Location:

Tonto National Forest  
February 23<sup>rd</sup>, 2015  
Phoenix, Arizona

Sealed proposals will be accepted by:

**Neil Bosworth, Forest Supervisor**  
**Tonto National Forest Service**  
**Supervisor's Office**  
**2324 E. McDowell Rd.**  
**Phoenix, Arizona 85006**  
until 4:30 p.m., Mountain Standard Time,  
April 3, 2015.

For Information Contact:

Rebecca Hoffman  
(602) 225-5257 or  
rchoffman@fs.fed.us  
between 8:00 a.m. and 4:30 p.m.,  
Monday through Friday.

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## **I. INTRODUCTION**

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The Tonto National Forest covers nearly three million acres ranging from Saguaro cactus-studded desert to pine-forested mountains beneath the Mogollon Rim. This variety in vegetation and range in altitude (from 1,300 to 7,900 feet) offers outstanding recreational opportunities throughout the year. As the fifth largest forest in the United States, the Tonto National Forest is one of the most-visited “urban” forests in the U.S. (approximately 5.8 million visitors annually). Its boundaries are Phoenix to the south, the Mogollon Rim to the north and the San Carlos and Fort Apache Indian reservations to the east.

The Tonto National Forest Land and Resource Management Plan, 1984, limited the number of outfitters in designated areas. That capacity was reached and a moratorium on any further permitting of outfitters and guides has been either restricted or limited. An analysis was completed in 2013 which re-evaluated the capacity and opened the doors to new outfitting and guiding business opportunities. The results of this assessment are now being applied to the management of the outfitter/guide program; namely, a percentage of total recreation capacity shall be allocated to commercial outfitter/guide use. The Assessment also identifies which new outfitter/guide activities will be solicited via prospectus.

While several outfitter and guides are currently permitted, the Forest has determined that there is a public need for additional commercial outfitting and guiding services. Because it is known that competitive interest exists, the Forest Service must use the prospectus process for selecting applicants and awarding permits.

The objectives of this offering are to:

- Provide additional safe and enjoyable commercial recreational experiences in the Tonto National Forest for the visiting public;
- Provide additional economic opportunities in the surrounding communities of the Tonto National Forest.

The goal of this prospectus is to meet these objectives while maintaining quality experiences for all forest users and preserving natural resources.

### **AREA COVERED BY THIS PROSPECTUS**

Applicants may request any activity except for fishing and hunting, which is not being offered in this prospectus. Applicants may request any location on the Tonto National Forest, EXCEPT:

- Upper Salt River, for rafting services
- Fossil Creek (any commercial service)
- Very limited use on trails/roads immediately Northwest of the Needlerock Recreation Area on the Cave Creek Ranger District. Specifically National Forest System Roads 2123, 2121, 413, 388, 404, 2091, and 2090.
- Areas where no service days exist for that activity (Appendix A)

“Social” or non-system trails will not be considered.

The map in Appendix A shows the management areas where applications would be considered and available service days by activity.

## **II. GENERAL INFORMATION**

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### **A. Definitions**

The following terms and definitions will be helpful in reviewing the information presented in this prospectus.

<b>Allocation of Use</b>	An amount of use allocated to a holder that is measured in service days or quotas and that is enumerated in a programmatic or project decision that is consistent with the applicable land management plan.
<b>Commercial Use</b>	Any use or activity on National Forest System lands (a) where an entry or participation fee is charged or (b) where the primary purpose is the sale of a good or service and, in either case, regardless of whether the use or activity is intended to produce a profit (36 CFR 251.51).
<b>Guiding</b>	Providing services or assistance (such as supervision, protection, education, training, packing, touring, subsistence, transporting people, or interpretation) for pecuniary remuneration or other gain to individuals or groups on National Forest System lands. The term "guide" includes the holder's employees and agents.
<b>Holder</b>	An individual or entity that holds a special use permit authorizing outfitting or guiding activities on National Forest System lands.
<b>Outfitting</b>	Renting on or delivering to National Forest System lands for pecuniary remuneration or other gain any saddle or pack animal, vehicle, boat, camping gear, or similar supplies or equipment. The term "outfitter" includes the holder's employees and agents.
<b>Priority Use</b>	Authorization of use for up to 10 years, based on the holder's past use and performance and applicable programmatic or project decisions to allocate use. Except as provided in 36 CFR Part 251, Subpart E, authorizations providing for priority use are subject to renewal (FSH 2709.11, sec. 41.53l).
<b>Service Day</b>	An allocation of use constituting a day or any part of a day on National Forest System lands for which an outfitter or guide provides services to a client. For a day trip, the number of service days is the same as the total number of clients.
<b>Quota</b>	An allocation of use that is measured as the number of stock per trip,

people at one time, trips per hour or per day, the number of launches per day, or other unit of measure other than a service day; that is consistent with applicable land management plan guidance, and that is established in a programmatic or project decision.

## **B. Successful Applicants - Issuance of Permits**

After all proposals have been rated, the panel will recommend to the Authorizing Officer those proposals that the panel feels are qualified to be awarded a permit. The Authorized Officer has final selection authority to accept or reject the recommendations of the panel.

Selection of successful applicants is anticipated by May 1, 2015. All applicants will be notified of the successful applicants via certified U.S. mail.

Successful applicants will be issued priority permits for two years. After two consecutive years of successful performance, the permits will be reissued for a term of 8 years (for 10 years total). Permits will be eligible for reissuance for subsequent terms as long as the holder maintains acceptable performance.

The selection of the successful applicant(s) is appealable under 36 CFR 251.82. An appellant must file a notice of appeal within 45 days of the date on the notice of written decision of selection. If the decision is appealed, permits will not be issued until the appeal has been resolved.

## **C. Management Direction**

Agency policy and management direction will be followed in reviewing proposals, selecting successful applicants, and issuing permits as a result of this offering. These directives may be found in the Tonto Forest Plan and the Forest Service Manual/Handbook. These documents may be obtained at the following websites:

Forest Service Manual 2700:

[http://www.fs.fed.us/cgi-bin/Directives/get\\_dirs/fsm?2700](http://www.fs.fed.us/cgi-bin/Directives/get_dirs/fsm?2700)

Forest Service Handbook 2709.11:

[http://www.fs.fed.us/cgi-bin/Directives/get\\_dirs/fsh?2709.11](http://www.fs.fed.us/cgi-bin/Directives/get_dirs/fsh?2709.11)

Tonto Land and Resource Management Plan:

[http://www.fs.usda.gov/Internet/FSE\\_DOCUMENTS/stelprd3795286.pdf](http://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprd3795286.pdf)

## **D. Sample Permits**

All prospective applicants are advised to read this prospectus and the application instructions carefully. A general application sample is attached (Appendix C). If you have further questions regarding what the permit contains, contact Rebecca Hoffman at the address listed on the cover page of this prospectus.

### **III. OFFERINGS**

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This offering will meet the public need by providing successful applicants the opportunity to obtain special use permits for commercial services on the Tonto National Forest.

#### **A. Fees**

The annual fee for an outfitter/guide permit is 3% of adjusted gross revenue gained from services provided on National Forest System (NFS) lands.

#### **B. Available Use**

Outfitter-guide will be allocated in terms of service days. The Forest is making available the number of service days per management area and by activity as allowed in the Forest Plan, among all selected applicants. Some management areas do not have capacity to allow additional service days.

The specific amounts to be authorized will be based on the locations actually requested. Not all service days may be allocated, depending on amount of requests and qualifications of applicants.

#### **C. Allocation of Use**

Permits for commercial services will be competitively awarded in the following manner.

1. Each applicant may apply for the maximum available allocation, but applicants are encouraged to apply for only the use they would realistically use.
2. Use will be allocated based upon the successful applicants' requests. In the event that all successful applicants request the same amount, activity, or area, use will be allocated as equitably as possible.
3. Any use not allocated through this prospectus may be available in the future though no additional plans are currently in place for future prospectuses.

The number of successful applicants will be based upon the overall qualifications of the applicants as ranked according to the evaluation criteria found in Section V.

## IV. SPECIAL CONDITIONS

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### A. Insurance Requirements

1. Insurance coverage for commercial activities shall be Comprehensive General Liability. The minimum coverage for such activities shall be \$300,000 combined single limit (CSL) per occurrence, or \$25,000/\$300,000/\$300,000 split limit coverage, for third-party property damage/personal injury or death to one person/personal injury or death to more than one person, respectively. Holders must name the U.S. Government as “additional insured.”

### B. Use Records and Financial Information

1. The permit holder will annually furnish the National Forest with the following information for each trip: date, location, group size, and adjusted gross income. The permit holder will be responsible for providing their estimated use and gross income at the beginning of the season and their actual/final use and adjusted gross income at the end of the season. The Forest Service will provide permit holders with copies of the use record forms that will be used for reporting the requested information.

### C. Inspections and Performance Evaluations

Permit holders will be subject to annual inspections and performance evaluations.

### D. General Requirements

1. The government reserves the right to extend the date for receiving proposals, to reject any or all proposals, and to waive any technical defects in the proposals.
2. Any oral statement by any representative of the Government, modifying or changing any conditions of this invitation, is an expression of opinion only and confers no right upon any applicant.
3. In the event a contradiction exists between conditions in the prospectus or sample permit and the conditions in the final special use permit, the conditions in the final special use permit will govern.
4. Each bidder warrants that no person or selling agency has been employed or retained to solicit or secure acceptance of his or her bid under this invitation upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except a bona fide employee or bona fide established commercial selling agency maintained by this applicant for the purpose of doing business. For breach of this warranty, the Government shall have the right to annul any award under this invitation without liability, or at its option to recover from the applicant the amount of such commission, percentage, brokerage or contingent fee in addition to the consideration herein set forth.
5. Prices established by the holder will be subject to Forest Service approval.
6. All costs incurred by the applicant for items submitted for this offering shall be the sole responsibility of the applicant.

## **V. EVALUATION CRITERIA - SELECTION OF SUCCESSFUL APPLICANTS**

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- A. Proposals received in response to this prospectus will be evaluated by a panel of Forest Service employees or its contractors, using the evaluation criteria listed herein.
- B. The objective of this invitation is to select the applicant(s) whose proposal(s) best serve the public need at reasonable rates.
- C. The following evaluation criteria are listed in descending order of importance. Be thorough in describing your personal and/or company history and background. Further details for each criterion are provided on the application response cover sheets. You may include any additional information you feel is pertinent for the evaluation criteria.

### **Criteria 1 - Services Offered to Customers**

Please provide a description of the services you will provide. The following information is not all-inclusive. Please add any information to your response that you feel is pertinent to the evaluation criteria. We will be looking for a range of services being offered to the public.

- Provide an outline of the interpretive aspect of your guided activity which furthers the understanding and enjoyment of the wildlife, cultural and natural resources of the Tonto National Forest, and how your guided tour will balance the needs of the visiting public with the resource values of the area. Please also describe any unique feature of your business, for example if you would conduct volunteer tourism, provide opportunities for non-traditional visitors to experience the Forest, etc.
- Describe how your activity will be structured. Include all aspects of the activity, including length of time on the trail, starting point, turning point, stopping points, group size, method of travel to the trail, etc. Include in your description any mitigation that you'll provide to alleviate public conflicts during your activity.
- What type of vehicle(s) will you utilize (if applicable)? What is the capacity and size of the vehicle? What are your maintenance standards? Applicants must demonstrate that the equipment and accessories proposed for use in the operations are safe and adequate for general public service relative to the specific activity.
- Give an estimate of your proposed fee structure for the next ten years (first term of the permit you may receive as a result of this offering).

### **Criteria 2 - Experience and Qualifications of Applicant**

Please provide a description of your experience as a guide.

- Emphasis should be on experience on the National Forest or similar areas. Discuss your knowledge of local natural history and the standards for operating on National Forest System lands.
- Describe your resource stewardship ethics and how those affect your behavior as a provider of outfitter/guide services.
- Provide information on past experience complying with any local, state, or federal permits. Please state specifically: if you have operated under a Forest Service Special Use Permit, or



other local agency permit; which Forest Service office or local agency administered your permit; and the terms of your permit(s).

- Consideration will be taken regarding an applicant's previous performance while operating under these permits (i.e., compliance with terms of permit, prompt fee payment, reasonable record keeping and reporting, etc.), including applicable performance evaluations and other pertinent documentation.
- Personal and business references will be contacted to verify qualifications and experience levels relative to the proposed use. Please submit two personal and two business references. Note: Additional contacts may be made, other than those submitted. All information derived from such review is confidential and is for official use only.

### **Criteria 3 - Ability to Provide a Safe Experience to Visitors**

Please provide a description of your background, training, and experience in providing safe guided tours.

- Describe the safety procedures you follow when guiding clients.
- Describe safety instructions you provide clients.
- Equipment inspection/maintenance procedures and schedule.
- Emergency medical training and/or first aid training requirements for all employees.
- Emergency rescue training and procedures.
- List first aid equipment/supplies that will be available during the activity: e.g., radios, blankets, first aid kits, etc.
- List any training or certification requirements employees must have for operating vehicles/equipment used in your operations. This should include training requirements instituted by your company and any local, state or federal requirements.

### **Criteria 4 – Sustainable Economics/Local Economy**

Describe how your business supports the local economy of the area. Are you a resident? How do the revenue you receive and taxes you generate help sustain the local economy? What percentage of your revenue stays in the local-area economy? How does your business support other local businesses?

### **Criteria 5 - Financial Capability**

Applicants must complete the attached Financial Statement, Form FS 6500-24, (Appendix B) providing the past three (or most recent) years of financial history. The form must be notarized. If your financial statements are already prepared by an independent firm or certified by a CPA, they can be used in lieu of filling out the FS 6500-24. If you have not been in business for at least three years, provide the financial information for the years you have been. Financial statements are secured in confidence and are not public information. Applicants must state if they want their financial information returned to them.

## **How Proposals will be Evaluated**

Applications will be evaluated using a non-weighted method. The following are the qualitative factors for each criterion:

**BLUE (Exceeds)** - The proposal is very comprehensive, in-depth, clear and uniformly outstanding in quality. Consistently high quality performance can be expected. The proposal, as written, exceeds requirements and demonstrates an exceptional understanding of goals and objectives of the acquisition. One or more major strengths exist. No significant weaknesses exist.

**GREEN (Acceptable)** - The proposal meets all minimum requirements and generally is of high quality. Proposal demonstrates an acceptable understanding of goals and objectives of the acquisition. There may be both strengths and weaknesses, but the strengths outweigh the weaknesses. Deficiencies are minor and easily corrected. Proposal is acceptable as written. Satisfactory performance can be expected.

**YELLOW (Marginal)** - The proposal fails to meet minimum requirements. Proposal demonstrates a fair understanding of the goals and objectives of the acquisition. Weaknesses outbalance any strengths that exist. Weaknesses will be difficult to correct and would require negotiations.

**RED (Unacceptable)** - The proposal fails to meet minimum requirements. Proposal fails to meet an understanding of the goals and objectives of the acquisition. The proposal has one or more significant weaknesses that will be very difficult or impossible to correct. Major proposal revision(s) are required for minimum acceptability.

The Forest Service will consider only the applicant's written application package and any past performance information obtained by the Forest Service. During the evaluation process, the evaluation panel may contact any references, including all federal, state, and local entities that have had a business relationship with the applicant. The evaluation panel also may consider past performance information from other sources.

The evaluation panel will make a recommendation to the authorized officer as to which applicant offers the best value to the Government. The authorized officer will make the selection decision. All applicants will be notified of the successful applicant via certified mail.

## **VI. INSTRUCTIONS - HOW TO SUBMIT PROPOSALS**

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### **A. Content of Proposals**

#### Trail/Road-Based Activities (Bike Riding/Hiking/Horseback Riding/OHV, mountain biking, etc.):

Proposals must include the following information:

- Management areas and trails/roads requested
- Total (maximum) number of trips per year and service days requested by management area
- Proposed client fees for services
- Vehicle(s) used to transport clients
- If requesting use in designated wilderness (hiking/horseback riding only), specify how much of the total use is requested for wilderness locations

If overnight camping is proposed:

- Identify specific camping locations, on a map and/or via GPS coordinates
- Duration of each trip
- Trail routes, including whether routes are round trip or have different entry/exit points

#### Water-Based Activities (River Running, Canoeing, Paddleboard, etc.):

Proposals must include the following information:

- Management area and rivers requested
- Total (maximum) number of trips per year and service days requested by management area
- Proposed client fees for services
- Vehicle(s) used to transport clients
- Launch and pick-up locations

If overnight camping is proposed:

- Identify specific camping locations, on a map and/or via GPS coordinates
- Duration of each trip

#### Transportation Services (Shuttles)

Proposals must include the following information:

- Management area requested, or whether request is to provide districtwide services
- Whether service is on-demand or a scheduled route
- Whether service is for hikers, mountain bikes, or other
- Proposed client fees for services
- Vehicle(s) used to transport clients
- For scheduled route service:

- Identify route on a map
- Frequency of service
- Number of vehicles in operation at one time
- Hours of operation

**B. All proposals must be submitted in writing to:**

**Neil Bosworth, Forest Supervisor  
Tonto National Forest Service Supervisor's Office  
2324 E. McDowell Rd.  
Phoenix, Arizona 85006**

**C. All proposals must be received by 4:30 p.m., April 3, 2015. Proposals must be signed by an officer of the organization or the individual submitting the proposal. Other requirements are:**

- Applicants must submit three (3) complete copies of the proposal, each in a separate sealed envelope. Applications may be hardcopy or electronic, on disks or thumb drives.
- Each sealed envelope must be clearly marked "Outfitter/Guide Prospectus Application."
- Each package should be marked with the name and address of the applicant.
- Mailed applications should be sent by certified or registered mail, return receipt requested.
- Late or handwritten proposals will be returned to the applicant.
- In a separate, sealed envelope, a check or money order for \$200.00 US, made payable to USDA-FS. Envelope should be labeled with "Prospectus Application Fee" and the applicant's name.

**D. The Forest Service will not accept any form of the proposal except in the specified format:**

- Each evaluation criteria is listed on an individual sheet.
- Responses must be typed.
- Electronic submissions must be in Microsoft Word and/or Excel, version 2003 or higher.
- Please label each page clearly.
- All pages should include page numbers and the applicant's name.

**E. Signing Authority:**

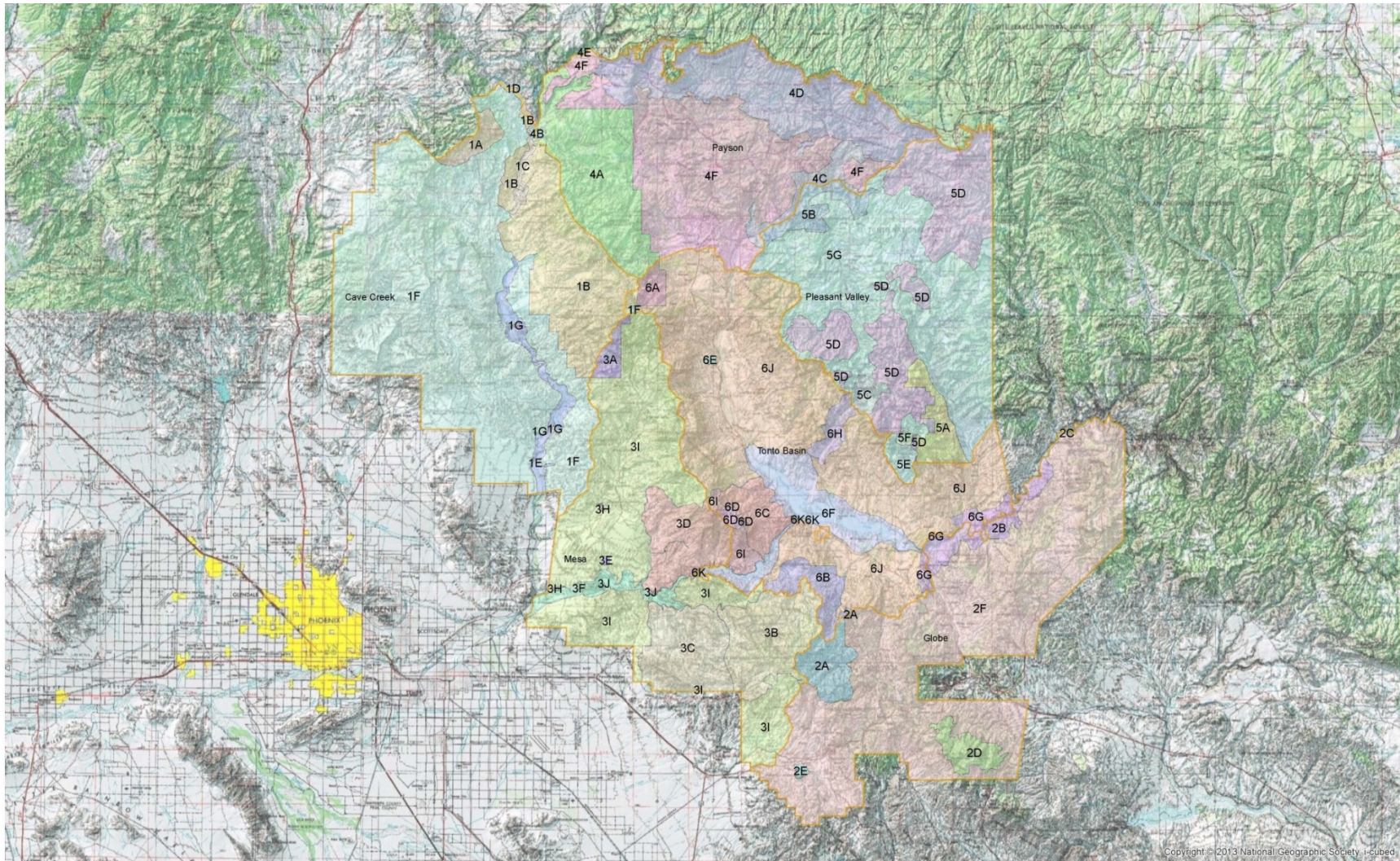
- Companies or corporations submitting applications must sign using the name of the appropriate executive officer, together with proof of the officer's authority to sign, and the official address. Individuals must sign their name and furnish the address of their place of residence or business.



## Appendix A. Forest and Management Area Maps

*Figure 2: Management Areas*

Additional Maps are located at <http://www.fs.usda.gov/main/tonto>



**Table 1. Management Areas, Activity and Service Days Available**

<b>Activity and Service Days Available</b>	<b>1B, 1C, 3A, 4A, 4B, 6A (Matazal Wild)</b>	<b>1D (Upper Verde River)</b>	<b>1E (Lower Verde Rvr/CC Res)</b>	<b>1F (CC Non-Wild Dispersed)</b>	<b>2B, 6G (Salt River Canyon Wild)</b>	<b>2C (Upper Salt River)</b>	<b>2D, 2F, 3I, 4F, 5D, 5E, 5G, 6C, 6J (Gen Dis/Dev Rec)</b>	<b>3B, 2A, 6B (Superstition Wild-East Half)</b>	<b>3C (Superstition Wild-West Half)</b>	<b>3D, 6I, 6D (Four Peaks Wild)</b>	<b>3F (Mesa-Lower Salt River/Mesa Res)</b>	<b>4C/5B (Hells Gate Wild)</b>	<b>4D (Payson Gen Dispersed)</b>	<b>5A (Sierra Ancha Wild)</b>	<b>6F (TB Lower Salt River/TB Res)</b>	<b>6H, 5C (Salome Wild)</b>
<b>Horseback riding</b>	1,775	0	500	6,100	0	0	3,336	1,396	3,576	400	1300	260	2,700	150	1,150	75
<b>Hiking</b>	0	0	950	1,260	0	0	0	672	587	800	970	140	1340	250	470	50
<b>Other <sup>1</sup></b>	0	0	2200	2,050	0	0	25	0	0	0	450	0	1020	0	1250	0
<b>River Running</b>	670	800 (max 2 permits)	28,266	0	0	0	0	0	0	0	550	0	0	0	0	0
<b>OHV</b>	0	0	4348	24056	0	0	3900	0	0	0	0	0	2000	0	0	0

<b>Activity and Service Days Available</b>	<b>1B, 1C, 3A, 4A, 4B, 6A</b> (Matazal Wild)	<b>1D</b> (Upper Verde River)	<b>1E</b> (Lower Verde Rvr/CC Res)	<b>1F</b> (CC Non-Wild Dispersed)	<b>2B, 6G</b> (Salt River Canyon Wild)	<b>2C</b> (Upper Salt River)	<b>2D, 2F, 3I, 4F, 5D, 5E, 5G, 6C, 6J</b> (Gen Dis/Dev Rec)	<b>3B, 2A, 6B</b> (Superstition Wild-East Half)	<b>3C</b> (Superstition Wild-West Half)	<b>3D, 6I, 6D</b> (Four Peaks Wild)	<b>3F</b> (Mesa-Lower Salt River/Mesa Res)	<b>4C/5B</b> (Hells Gate Wild)	<b>4D</b> (Payson Gen Dispersed)	<b>5A</b> (Sierra Ancha Wild)	<b>6F</b> (TB Lower Salt River/TB Res)	<b>6H, 5C</b> (Salome Wild)
<b>Non-Motorized OHV</b>	0	0	0	5200	0	0	0	0	0	0	0	0	0	0	0	0
<b>SCUBA</b>	0	0	0	0	0	0	0	0	0	0	3000	0	0	0	0	0

<sup>1</sup> Other is a general category and includes activities not listed; for example, shuttles, paddle-boarding, and rock climbing.





NOTE: Respondents may submit certified financial statements in lieu of answering PARTS A through C on the next pages. However, respondents must complete either certification statement PART D (1) or PART D (2) at the bottom of the last page.

Can be found on the Tonto National Forest's website in an electronic form: <http://www.fs.usda.gov/tonto/>

**PART A. BALANCE SHEET**

	CURRENT YEAR (MM/DD/YYYY)	PAST YEAR (MM/DD/YYYY)	THIRD YEAR (MM/DD/YYYY)
YEAR ENDED			
<i>ASSETS</i>			
CURRENT ASSETS:			
CASH			
RECEIVABLES-TRADE			
LESS ALLOWANCES FOR DOUBTFUL ACCOUNTS	< >	< >	< >
INVENTORIES (LIST MAJOR CATEGORIES):			
SUPPLIES AND MISCELLANEOUS			
MARKETABLE SECURITIES			
PREPAID EXPENSES			
SUPPLIES INVENTORY			
OTHER CURRENT ASSETS:			
TOTAL CURRENT ASSETS			
FIXED ASSETS:			
LAND			
BUILDINGS			
MACHINERY AND EQUIPMENT			
PLANT			
LEASEHOLD IMPROVEMENTS			
OTHER			
LESS ALLOWANCE FOR DEPRECIATION	< >	< >	< >

BOOK VALUE-FIXED ASSETS			
OTHER ASSETS:			
DEPOSITS-CASH			
DEPOSITS-SECURITIES			
TOTAL-OTHER ASSETS			
TOTAL ASSETS			

<i>LIABILITIES AND OWNER EQUITY</i>	CURRENT YEAR	PAST YEAR	THIRD YEAR
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE-TRADE			
ACCRUED PAYROLL			
ACCRUED PAYROLL TAXES AND INSURANCE			
NOTES PAYABLE			
INCOME TAXES-CURRENT			
OTHER TAXES			
CURRENT PORTION OF LONG-TERM DEBT			
OTHER CURRENT LIABILITIES (SPECIFY):			
TOTAL CURRENT LIABILITIES			
OTHER LIABILITIES:			
DEFERRED INCOME TAXES			
LOANS FROM OFFICERS/PARTNERS			
LONG-TERM OBLIGATIONS-LESS CURRENT AMOUNT			
TOTAL OTHER LIABILITIES			
TOTAL LIABILITIES			
<i>OWNER EQUITY:</i>			
CAPITAL STOCK OUTSTANDING			
RETAINED EARNINGS (DEFICIT)			
PARTNERS' INVESTMENT (DEFICIT)			
TOTAL OWNER EQUITY			
TOTAL LIABILITIES AND OWNER EQUITY			

<b>PART B. SUPPLEMENTAL DATA</b>
THIS STATEMENT IS ON THE-CASH BASIS _____ ACCRUAL BASIS _____
INVENTORIES ARE-LIFO _____ FIFO _____ COST OR MARKET WHICHEVER IS LOWER _____
NAMES OF CONTRACTORS OR SUB-CONTRACTORS USED (IF ANY):

<b>PART C. INCOME STATEMENT</b>	<b>CURRENT YEAR</b>	<b>PAST YEAR</b>	<b>THIRD YEAR</b>
GROSS SALES			
LESS-RETURNS AND ALLOWANCES	< >	< >	< >
NET SALES			
LESS-COST OF GOODS SOLD	< >	< >	< >
GROSS PROFIT ON SALES			
LESS-SELLING EXPENSE	< >	< >	< >
NET PROFIT (LOSS) ON SALES			
GENERAL EXPENSE:			
OFFICERS SALERIES			
LEGAL AND OTHER PROFESSIONAL EXPENSE			
OFFICE EXPENSE			
TOTAL GENERAL EXPENSE			
NET OPERATING PROFIT (LOSS)			
ADD-OTHER INCOME			
LESS-INTEREST EXPENSE			
INCOME TAXES	< >	< >	< >
OTHER EXPENSE	< >	< >	< >
NET AMOUNT OF OTHER INCOME AND EXPENSE	< >	< >	< >
NET PROFIT (LOSS) FOR YEAR			

NOTE: Offers must set forth full, accurate, and complete information as required in this Financial Statement (including any attachments). The penalty for making false statements in this Financial Statement is prescribed in 18 U.S.C. 1001.

<b>PART D (1): CERTIFICATION FOR CORPORATIONS OR PARTNERSHIPS</b>		
We, the undersigned, general officers (or members) of ( <i>insert name of corporation or partnership</i> ) being severally sworn, each declares that the above or attached financial statements are true and correct, and that it covers all of the financial affairs of said company (or) firm up to and including the date of           ( <i>Month day, year</i> )		
CERTIFYING OFFICIAL'S NAME AND TITLE	SIGNATURE (Sign in ink)	DATE
CERTIFYING OFFICIAL'S NAME AND TITLE	SIGNATURE (Sign in ink)	DATE
SWORN TO AND SUBSCRIBED before me this            day of ( <i>Month/Year</i> )		<i>(Affix Notary Seal)</i>
SIGNATURE	TITLE	
<b>PART D (2). CERTIFICATION FOR INDIVIDUALS</b>		
I swear (or affirm) that the above or attached financial statements are true and correct to the best of my knowledge.		
INDIVIDUAL'S NAME AND TITLE	SIGNATURE (Sign in ink)	DATE
SWORN TO AND SUBSCRIBED before me this            day of ( <i>Month/Year</i> )		<i>(Affix Notary Seal)</i>
SIGNATURE	TITLE	
<p>According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082. The time required to complete this information collection is estimated to average 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.</p> <p>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotope, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).</p> <p>To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 975-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.</p> <p>The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.</p>		
U.S. GPO: 1996-720-508		

## Appendix C. Sample Permit

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Use Code: 153 Authorization ID: XXXXXX Contact Name: XXXXXXXXXXXX Expiration Date: 12/31/2017	FS-2700-4i (V.07/2012) OMB No. 0596-0082
<b>SPECIAL USE PERMIT FOR OUTFITTING AND GUIDING</b> <b>Authority: Federal Lands Recreation Enhancement Act, 16 U.S.C. 6802(h)</b> <b>(Ref. FSH 2709.14, Chapter 50)</b>	
This permit authorizes priority use outfitting and guiding for XXXXX years.	
PERMIT HOLDER, ADDRESS, AZ 8XXXX (hereinafter "the holder"), is hereby authorized to use and occupy National Forest System lands, subject to the terms and conditions of this permit, to provide outfitting and guiding services within the XXXXX Ranger District of the Tonto National Forest, described as XXX LEGAL DESCRIPTION and as shown on the map of the authorized area, attached as Appendix A. The above-described area shall be referred to as the "permit area."	
The purpose of this permit is to authorize the following outfitting and guiding activities:	
Conducting XXX Activity in the XXXX area on the XXX Ranger District.	
and assign use as follows:	
#days priority use service days for XXXX activity or district.	
Number assigned sites	
Number grazing use (in head months (HMs))	
This use will be exercised as described in the annual operating plan.	
The following appendices are attached to and made a part of this permit:	
APPENDIX A - Map of Authorized Area	
APPENDIX B - Annual Operating Plan, dated XXXX and approved annually	
APPENDIX C - Trip Itinerary	
APPENDIX D - Estimated Fee Determination Sheet, approved annually	
APPENDIX E - Actual Use Report Format	
APPENDIX F - Authorized Officer's Outfitter and Guide Performance Evaluation Criteria	
APPENDIX G - Other XXXX	
<b>I. AUTHORITY AND GENERAL TERMS OF THE PERMIT</b>	
<b>A. AUTHORITY.</b> This permit is issued pursuant to Federal Lands Recreation Enhancement Act, 16 U.S.C. 6802(h), and 36 CFR Part 251, Subpart B, as amended, and is subject to their provisions.	
<b>B. AUTHORIZED OFFICER.</b> The authorized officer is the Forest Supervisor or a subordinate officer with delegated authority.	
<b>C. TERM.</b> This permit shall expire at midnight on 12/31/2018. Expiration of this permit shall not require notice, a decision document, or any environmental analysis or other documentation.	

**D. RENEWAL.** This permit is not renewable. Upon expiration, this permit may be extended for up to 8 years if the priority use authorized by this permit is consistent with applicable law and the applicable land management plan and if the holder's performance is satisfactory.

**E. AMENDMENT.** This permit may be amended in whole or in part by the Forest Service when, at the discretion of the authorized officer, such action is deemed necessary or desirable to incorporate new terms that may be required by law, regulation, directive, the applicable forest land and resource management plan, or projects and activities implementing a land management plan pursuant to 36 CFR 215.

**F. COMPLIANCE WITH LAWS, REGULATIONS, AND OTHER LEGAL REQUIREMENTS.** In exercising the rights and privileges granted by this permit, the holder shall comply with all present and future federal laws and regulations and all present and future state, county, and municipal laws, regulations, and other legal requirements that apply to the permit area, to the extent they do not conflict with federal law, regulation, or policy. The Forest Service assumes no responsibility for enforcing laws, regulations, and other legal requirements that fall under the jurisdiction of other governmental entities.

**G. NON-EXCLUSIVE USE.** The use and occupancy authorized by this permit are not exclusive. The Forest Service reserves the right of access to the permit area, including a continuing right of physical entry to the permit area for inspection, monitoring, or any other purpose consistent with any right or obligation of the United States under any law or regulation. The Forest Service reserves the right to allow others to use the permit area in any way that is not inconsistent with the holder's rights and privileges under this permit, after consultation with all parties involved. Except for any restrictions that the holder and the authorized officer agree are necessary to protect the installation and operation of authorized temporary improvements, the lands and waters covered by this permit shall remain open to the public for all lawful purposes.

#### **H. CHANGE IN CONTROL**

**1. Notification.** The holder shall notify the authorized officer when a change in control of the business entity that holds this permit is contemplated. If the holder is a corporation, change in control means the sale or transfer of a controlling interest in the corporation. If the holder is a partnership or a limited liability company, change in control means the sale or transfer of a controlling interest in the partnership or limited liability company. If the holder is an individual, change in control means the sale or transfer of the business to another party.

**2. Termination.** This permit is not transferable. Any change in control of the business entity as defined in clause I.H.1 shall cause this permit to terminate upon issuance of a new permit to another party for the use and occupancy authorized by this permit. The party who acquires control of the business entity must submit an application for a permit for the type of use and occupancy authorized by this permit. Issuance of a new permit to the party acquiring control shall be at the sole discretion of the authorized officer. The authorized officer shall determine that the applicant meets requirements under federal regulations.

**I. LIMITATIONS.** Nothing in this permit gives or implies permission to build or maintain any structure or facility or to conduct any activity, unless specifically provided for in this permit. Any use not specifically identified in this permit must be proposed in accordance with 36 CFR 251.54. Approval of such a proposal through issuance of a new permit or permit amendment is at the sole discretion of the authorized officer.

#### **II. OPERATIONS**

**A. ANNUAL OPERATING PLAN.** The annual operating plan, which shall be attached to this permit as Appendix B, shall be submitted by the holder and approved by the authorized officer before the holder conducts any services authorized by this permit. The holder shall prepare an annual operating plan by date before start of operating season, in consultation with the authorized officer. At a minimum, the annual operating plan shall include (1) the season of use for authorized outfitting and guiding activities, including the start and stop date of operations; (2) limitations on use established by the Forest Service (including fire restrictions); (3) the fee calculation option to be used and a completed Estimated Fee Determination Sheet (appendix D); and (4) any of the following that are applicable: (a) a process for submitting trip itineraries (appendix C); (b) guidelines and limits for incidental grazing; (c) location and layout of assigned sites to be used for base, spike, and drop camps or other purposes; and (d) authorized temporary improvements on National Forest System lands, including a schedule for their construction and removal ; (e) identity and schedule for any inspections that the holder is required to conduct at the holder's expense.

**B. ITINERARY.** The holder shall submit an itinerary for each type of trip.

**C. PERFORMANCE REVIEW AND EVALUATION.** The holder's compliance with the terms and conditions of this permit and the five-year or annual operating plan is subject to annual performance review and evaluation by the authorized officer. The holder's performance will be documented using the Outfitter and Guide Performance Evaluation Criteria, Appendix F.

**D. TEMPORARY IMPROVEMENTS.** No permanent improvements may be constructed under this permit. Temporary improvements with negligible value, such as hitching posts, corrals, tent frames, and shelters, may be approved by the authorized officer in the five-year or annual operating plan. Plans and revisions to plans for design, development, and layout of temporary improvements must have prior written approval from the authorized officer.

**E. PROHIBITION ON ASSIGNMENT OF USE.** The holder may not assign all or part of the authorized use to others.

**F. PERFORMANCE OF SUPPORT SERVICES.** As a general rule, the holder shall conduct the day-to-day activities authorized by this permit. Activities that support the use authorized by this permit, such as food or shuttle services, may be conducted by a party other than the holder, but only with prior written approval from the authorized officer. The holder shall continue to be responsible for compliance with all the terms of this permit.

**G. MAINTENANCE.** The holder shall maintain authorized temporary improvements and the permit area to standards of repair, orderliness, neatness, sanitation, and safety acceptable to the authorized officer and consistent with other provisions of this authorization. The holder shall comply with inspection requirements deemed appropriate by the authorized officer.

**H. SIGNS.** Signs posted on National Forest System lands must have prior written approval of the authorized officer.

#### **I. NONDISCRIMINATION**

1. The holder and its employees shall not discriminate against any person on the basis of race, color, sex (in educational activities), national origin, age, or disability or by curtailing or refusing to furnish accommodations, facilities, services, or use privileges offered to the public generally. In addition, the holder and its employees shall comply with the provisions of Title VI of the Civil Rights Act of 1964 as amended, Section 504 of the Rehabilitation Act of 1973, as amended, Title IX of the Education Amendments Act of 1972, as amended, and the Age Discrimination Act of 1975, as amended.

2. The holder shall include and require compliance with the above nondiscrimination provisions in any third-party agreement made with respect to the operations authorized under this permit.

3. The Forest Service shall furnish signs setting forth this policy of nondiscrimination. These signs shall be conspicuously displayed at the public entrance to the premises and at other exterior or interior locations, as directed by the Forest Service.

4. The Forest Service shall have the right to enforce the foregoing nondiscrimination provisions by suit for specific performance or by any other available remedy under the laws of the United States or the State in which the violation occurs.

**J. EQUAL ACCESS TO FEDERAL PROGRAMS.** In addition to the above nondiscrimination policy, the holder agrees to ensure that its programs and activities are open to the general public on an equal basis and without regard to any non-merit factor.

**K. SANITATION.** The operation and maintenance of all sanitation and food service systems and facilities shall comply with applicable standards set by state and local health departments.

**L. REFUSE DISPOSAL.** The holder shall comply with all applicable federal, state, and local requirements related to disposal of any refuse resulting from the use and occupancy authorized by this permit.

**M. REMOVAL AND PLANTING OF VEGETATION.** This permit does not authorize the cutting of timber or other vegetation. Trees or shrubbery may be removed or destroyed only after the authorized officer has approved and marked what may be removed or destroyed. Timber cut or destroyed shall be paid for at current stumpage rates for similar timber in the Tonto National Forest. The Forest Service reserves the right to dispose of the merchantable timber to those other than the holder at no stumpage cost to the holder. Unmerchantable material shall be disposed of as directed by the authorized officer. Planting of trees, shrubs, and other plants in the permit area must have prior written approval from the authorized officer.

**N. FAILURE TO EXERCISE AUTHORIZED PRIVILEGES.** During the 5th year of operation and upon termination, the authorized officer shall review actual use and adjust the allocation of use to match the highest amount of actual use in 1 calendar year during the first 5 years of operation, plus 25 percent of that amount for holders with up to 1,000 service days or the equivalent in quotas or 15 percent of that amount for holders with more than 1,000 service days or the equivalent in quotas, provided that:

1. The combination of the highest amount of actual use in 1 calendar year and the additional 25 or 15 percent of use not exceed the amount of use allocated when the permit was issued; and

2. To ensure that 5 years of use are available for review as a basis for making the allocation adjustment, the authorized officer may adjust the review period to include a previous or an additional year of use based on a finding that extraordinary circumstances prevented a season of operation.

**O. RESTRICTION OF MOTOR VEHICLE USE.** The holder shall restrict motor vehicle use to designated roads, trails, and areas, unless specifically provided otherwise in the operating plan.

**P. NOXIOUS WEED/EXOTIC PLANT PREVENTION AND CONTROL.** The holder shall be responsible for the prevention and control of noxious weeds and/or exotic plants arising from the authorized use. For purposes of this clause, noxious weeds and exotic plants include those species recognized as such by name of federal, state, or local authority. The holder shall follow prevention and control measures required by name of federal, state, or local authority. When determined to be necessary by the authorized officer, the holder shall develop a plan for noxious weed and exotic plant prevention and control. These plans must have prior written approval from the authorized officer and, upon approval, shall be attached to this permit as an appendix.

**Q. WEED-FREE HAY.** The holder shall use only hay, grain, straw, pelletized feed, or mulch certified as noxious weed-free or noxious weed seed-free by a State Department of Agriculture or other authorized county official. The holder shall provide documentation of that certification to the authorized officer.

### III. RIGHTS AND LIABILITIES

**A. LEGAL EFFECT OF THE PERMIT.** This permit, which is revocable and terminable, is not a contract or a lease, but rather a federal license. The benefits and requirements conferred by this authorization are reviewable solely under the procedures set forth in 36 CFR Part 214. This permit does not constitute a contract for purposes of the Contract Disputes Act, 41 U.S.C. 601. The permit is not real property, does not convey any interest in real property, and may not be used as collateral for a loan.

**B. THIRD-PARTY RIGHTS.** This permit is subject to all valid outstanding rights. Valid outstanding valid rights include those derived under mining and mineral leasing laws of the United States. The United States is not liable to the holder for the exercise of any such right.

**C. ABSENCE OF THIRD-PARTY BENEFICIARY RIGHTS.** The parties to this permit do not intend to confer any rights on any third party as a beneficiary under this permit.

**D. WATER RIGHTS.** This permit does not confer any water rights on the holder. Water rights are not required by state law and may not be acquired to exercise the minor water uses authorized by this permit.

**E. RISKS.** The holder assumes all risk of loss associated with use and occupancy of the permit area, including but not limited to theft, vandalism, fire and any fire-fighting activities (including prescribed burns), avalanches, rising waters, winds, falling limbs or trees, and acts of God. If authorized temporary improvements in the permit area are destroyed or substantially damaged, the authorized officer shall conduct an analysis to determine whether the improvements can be safely occupied in the future and whether rebuilding should be allowed.

**F. DAMAGE TO UNITED STATES PROPERTY.** The holder has an affirmative duty to protect from damage the land, property, and other interests of the United States that are associated with the use and occupancy authorized by this permit. Damage includes but is not limited to destruction of or damage to National Forest lands covered by this permit, fire suppression costs, and destruction of or damage to government-owned improvements covered by this permit.

1. The holder shall be liable for all injury, loss, or damage, including fire suppression, or other costs in connection with rehabilitation or restoration of natural resources associated with the use and occupancy authorized by this permit. Compensation shall include but not be limited to the value of resources damaged or destroyed, the costs of restoration, cleanup, or other mitigation, fire suppression or other types of abatement costs, and all administrative, legal (including attorney's fees), and other costs in connection therewith.

2. The holder shall be liable for damage to all roads and trails of the United States open to public use caused by use of the holder or the holder's heirs, assigns, agents, employees, contractors, or lessees to the same extent as provided under clause III.F.1, except that liability shall not include reasonable and ordinary wear and tear.



**G. HEALTH AND SAFETY.** The holder shall address the health and safety of its employees, agents, and clients by having trained and qualified staff, utilizing properly maintained equipment, and providing supervision appropriate for the level of risk associated with the authorized activity. The holder shall avoid situations or conditions that cause or threaten to cause a hazard to public health or the safety of the holder's employees, agents, or clients. The holder shall as soon as practicable notify the authorized officer of all serious accidents that occur in connection with such activities. The Forest Service has no duty under the terms of this permit to inspect the permit area or operations and activities of the holder for hazardous conditions or compliance with health and safety standards.

#### **H. ENVIRONMENTAL PROTECTION**

1. For purposes of clauses III.H and V, "hazardous material" shall mean (a) any hazardous substance under section 101(14) of CERCLA, 42 U.S.C. § 9601(14); (b) any pollutant or contaminant under section 101(33) of CERCLA, 42 U.S.C. § 9601(33); (c) any petroleum product or its derivative, including fuel oil, and waste oils; and (d) any hazardous substance, extremely hazardous substance, toxic substance, hazardous waste, ignitable, reactive or corrosive materials, pollutant, contaminant, element, compound, mixture, solution or substance that may pose a present or potential hazard to human health or the environment under any applicable environmental laws.

2. The holder shall avoid damaging or contaminating the environment, including but not limited to the soil, vegetation (such as trees, shrubs, and grass), surface water, and groundwater, during the holder's use and occupancy of the permit area. Environmental damage includes but is not limited to all costs and damages associated with or resulting from the release or threatened release of a hazardous material occurring during or as a result of activities of the holder or the holder's heirs, assigns, agents, employees, contractors, or lessees on, or related to, the lands, property, and other interests covered by this permit. If the environment or any government property covered by this permit becomes damaged in connection with the holder's use and occupancy, the holder shall as soon as practicable repair the damage or replace the damaged items to the satisfaction of the authorized officer and at no expense to the United States.

3. The holder shall as soon as practicable, as completely as possible, and in compliance with all applicable laws and regulations abate any activity or condition arising out of or relating to the authorized use and occupancy that causes or threatens to cause harm to the environment, including areas of vegetation or timber, fish or other wildlife populations, their habitats, or any other natural resources.

**I. INDEMNIFICATION OF THE UNITED STATES.** The holder shall indemnify, defend, and hold harmless the United States for any costs, damages, claims, liabilities, and judgments arising from past, present, and future acts or omissions of the holder in connection with the use and occupancy authorized by this permit. This indemnification and hold harmless provision includes but is not limited to acts and omissions of the holder or the holder's heirs, assigns, agents, employees, contractors, or lessees in connection with the use and occupancy authorized by this permit which result in (1) violations of any laws and regulations which are now or which may in the future become applicable, and including but not limited to those environmental laws listed in clause V.A of this permit; (2) judgments, claims, demands, penalties, or fees assessed against the United States; (3) costs, expenses, and damages incurred by the United States; or (4) the release or threatened release of any solid waste, hazardous waste, hazardous substance, pollutant, contaminant, oil in any form, or petroleum product into the environment. The authorized officer may prescribe terms that allow the holder to replace, repair, restore, or otherwise undertake necessary curative actions to mitigate damages in addition to or as an alternative to monetary indemnification.

**J. INSURANCE.** The holder shall furnish proof of insurance, such as a certificate of insurance, to the authorized officer prior to issuance of this permit and each year thereafter that this permit is in effect. The Forest Service reserves the right to review and approve the insurance policy prior to issuance. The holder shall send an authenticated copy of any insurance policy obtained pursuant to this clause to the authorized officer immediately upon issuance of the policy. Any insurance policies obtained by the holder pursuant to this clause shall name the United States as an additional insured, and the additional insured provision shall provide for insurance coverage for the United States as required under this clause. Such policies shall also specify that the insurance company shall give 30 days prior written notice to the authorized officer of cancellation of or any modification to the policies. The certificate of insurance, the authenticated copy of the insurance policy, and written notice of cancellation or modification of insurance policies should be sent to mailing address of administering office. Minimum amounts of coverage and other insurance requirements are subject to change at the sole discretion of the authorized officer on the anniversary date of this permit.

1. Liability. The holder shall have in force liability insurance covering losses associated with the use and occupancy authorized by this permit arising from personal injury or death and third-party property damage in the minimum amount of \$1,000,000.00 as a combined single limit per occurrence.

2. Depending on the holder's operations, the Forest Service may require the holder to demonstrate the availability of funds to address any release or threatened release of hazardous materials that may occur in connection with the holder's use and occupancy. Any requirements imposed would be established on a case-by-case basis by the authorized officer based on the degree of environmental risk from the holder's operations. The use and storage of normal maintenance supplies in nominal amounts generally

would not trigger financial assurance requirements.

#### **IV. PERMIT FEES AND ACCOUNTING RECORDS**

**A. PERMIT FEE.** The holder shall pay to the USDA, Forest Service, an annual permit fee for the term of this permit based on the fair market value of the use and occupancy authorized by this permit. The annual permit fee shall include a commercial use fee and, if applicable, an assigned site fee and grazing fee, as enumerated in clauses IV.B, C, and D. The minimum annual permit fee for the authorized use and occupancy shall be \$105.00. Estimates of service days, the number of assigned sites, and grazing use shall be determined from the five-year or annual operating plan. Estimated fees shall be calculated on an Estimated Fee Determination Sheet. The holder shall pay the annual permit fee in advance of the authorized use and occupancy, as provided in clause IV.B. Payments due before commercial operations commence are not refundable. The Forest Service shall adjust and calculate permit fees authorized by this permit to comply with any new permit fee system based on market value that may be adopted by statute, regulation or directive issued by the Chief after issuance of this permit.

**1. COMMERCIAL USE FEE.** The annual permit fee shall be determined in accordance with 3% of gross revenue.

##### **(a) Definitions**

**(1) Adjusted Gross Revenue.** Gross revenue and revenue additions less applicable exclusions.

**(2) Gross Revenue.** The total amount of receipts from the sale of goods or services provided by the holder or third party under the permit.

**(3) Revenue Additions.** The market value of the following items, which are added to gross revenue:

**(A)** The value of goods and services that are donated or the value of goods and services that are bartered in exchange for goods and services received that are directly related to the outfitted or guided trip; and

**(B)** The value of gratuities, which are goods, services, or privileges that are not available to the general public and that are donated or provided without charge to organizations; individuals; the holder's employees, owners, or officers; or immediate family members of the holder's employees, owners, or officers.

**(4) Revenue Exclusions.** The following are excluded from gross revenue:

**(A)** Revenue derived from goods or services sold on private land that are not related to outfitting and guiding operations conducted on National Forest System lands, such as souvenirs, telephone toll charges, and accident insurance sales.

**(B)** Amounts paid or payable to a State government licensing authority or recreation administering agency from sales of hunting or fishing licenses and recreation fee tickets.

**(C)** Revenue from the sale of operating equipment, rental equipment, capitalized assets, or other assets used in outfitting and guiding operations, such as horses, tack, watercraft, and rental skis and boots, which are sold periodically and replaced.

**2. ASSIGNED SITE FEE.** A fee shall be charged for the occupancy of National Forest System sites assigned to the holder. Assigned site fees shall not be prorated; the holder shall pay the full annual fee for each assigned site. No refunds or credits will be given for authorized but unused assigned sites.

**3. GRAZING FEE.** A fee shall be charged for grazing livestock used in conjunction with the use and occupancy authorized by this permit. No refunds or credits will be given for authorized but unexercised grazing use.

**B. PAYMENT SCHEDULE.** The holder shall pay the annual estimated permit fee, including the fee for commercial use, assigned site fee, and grazing fee, in advance of the authorized use, as follows:

**1. Single Payment.** The holder shall pay the total annual estimated fee in advance when it is less than \$500.

**2. Two Payments.** The holder shall pay half the total annual estimated fee in advance and the remainder by mid-season when the total is equal to or greater than \$500, but less than \$2,500.

**3. Three Payments.** The holder shall pay one-third of the total annual estimated fee in advance and the remainder in two equal payments by mid-season when the total is \$2,500 or more.

**4. Final Payment.** The Forest Service shall reconcile annually the actual permit fee against permit fee payments made. The holder shall pay any additional fees owed for the past year's operation within 30 days of billing.

**C. DOCUMENTATION OF REVENUE.** The holder shall provide documentation of use and revenue for purposes of permit fee verification.

**1. Actual Use Report.** Within 30 days of completion of the holder's approved operating season, the holder shall submit to the authorized officer an actual use report in accordance with the format in Appendix E.

**2. Income Statements.** No later than 90 days after the close of the holder's fiscal year, the holder shall submit to the authorized officer a statement of income reporting the results of the holder's annual operations. The statement shall include gross revenue, the value of donated goods and services, the value of gratuities, the value and description of items excluded from gross revenue, and all adjustments, such as taxes deducted, and shall be broken down by permitted activities.

#### **D. FEE PAYMENT ISSUES**

**1. Crediting of Payments.** Payments shall be credited on the date received by the deposit facility, except that if a payment is received on a non-workday, the payment shall not be credited until the next workday.

**2. Disputed Fees.** Fees are due and payable by the due date. Disputed fees must be paid in full. Adjustments will be made if dictated by settlement terms or an appeal decision.

#### **3. Late Payments**

**(a) Interest.** Pursuant to 31 U.S.C. 3717 *et seq.*, interest shall be charged on any fee amount not paid within 30 days from the date it became due. The rate of interest assessed shall be the higher of the Prompt Payment Act rate or the rate of the current value of funds to the Treasury (i.e., the Treasury tax and loan account rate), as prescribed and published annually or quarterly by the Secretary of the Treasury in the *Federal Register* and the Treasury Fiscal Requirements Manual Bulletins. Interest on the principal shall accrue from the date the fee amount is due.

**(b) Administrative Costs.** If the account becomes delinquent, administrative costs to cover processing and handling the delinquency shall be assessed.

**(c) Penalties.** A penalty of 6% per annum shall be assessed on the total amount that is more than 90 days delinquent and shall accrue from the same date on which interest charges begin to accrue.

**(d) Termination for Nonpayment.** This permit shall terminate without the necessity of prior notice and opportunity to comply when any permit fee payment is 90 calendar days from the due date in arrears. The holder shall be responsible for the delinquent fees, as well as any other costs of restoring the site to its original condition, including hazardous waste cleanup.

**4. Administrative Offset and Credit Reporting.** Delinquent fees and other charges associated with the permit shall be subject to all rights and remedies afforded the United States pursuant to 31 U.S.C. 3711 *et seq.* and common law. Delinquencies are subject to any or all of the following:

**(a)** Administrative offset of payments due the holder from the Forest Service.

**(b)** If in excess of 60 days, referral to the Department of the Treasury for appropriate collection action as provided by 31 U.S.C. 3711(g)(1).

**(c)** Offset by the Secretary of the Treasury of any amount due the holder, as provided by 31 U.S.C. 3720 *et seq.*

**(d)** Disclosure to consumer or commercial credit reporting agencies.

**E. ACCOUNTING RECORDS.** The holder shall follow generally accepted accounting principles or another comprehensive basis of accounting, such as the cash, modified cash, or income tax basis of accounting, in recording financial transactions. The minimum acceptable accounting system shall include:

1. Systematic internal controls and separate recording of gross receipts from each type of business conducted under this permit, separate from any other commercial or personal activity. Receipts shall be recorded daily without reduction and, if possible, deposited into a bank account. Receipt entries shall be supported by documentation such as cash register tapes, sales invoices, reservation records, and cash accounts from other sources.

2. For permits with fees greater than \$10,000, when requested by the Forest Service, the holder at its own expense shall have its annual accounting records audited by an independent public accountant acceptable to the Forest Service.

**F. ACCESS TO ACCOUNTING RECORDS.** The holder shall make all of the accounting books and supporting records for the business activities authorized by this permit available for audit by the Forest Service or other federal agencies authorized to review Forest Service activities. The holder shall retain these records and make them available for review for five years after the end of the year they were generated, unless disposition is otherwise authorized by the Forest Service in writing.

## **V. RESOURCE PROTECTION**

**A. COMPLIANCE WITH ENVIRONMENTAL LAWS.** The holder shall in connection with the use and occupancy authorized by this permit comply with all applicable federal, state, and local environmental laws and regulations, including but not limited to those established pursuant to the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6901 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq., the Oil Pollution Act, as amended, 33 U.S.C. 2701 et seq., the Clean Air Act, as amended, 42 U.S.C. 7401 et seq., the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, 42 U.S.C. 9601 et seq., the Toxic Substances Control Act, as amended, 15 U.S.C. 2601 et seq., the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, 7 U.S.C. 136 et seq., and the Safe Drinking Water Act, as amended, 42 U.S.C. 300f et seq.

**B. VANDALISM.** The holder shall take reasonable measures to prevent and discourage vandalism and disorderly conduct and when necessary shall contact the appropriate law enforcement officer.

**C. HERBICIDE AND PESTICIDE USE.** Herbicides and pesticides may not be used to control undesirable woody and herbaceous vegetation, aquatic plants, insects, rodents, fish, and other pests and weeds without prior written approval from the authorized officer. A request for approval of planned uses of pesticides shall be submitted annually by the holder on the due date established by the authorized officer. The report shall cover a 12-month period of planned use beginning 3 months after the reporting date. Information essential for review shall be provided in the form specified. Exceptions to this schedule may be allowed, subject to emergency request and approval, only when unexpected outbreaks of pests or weeds require control measures that were not anticipated at the time an annual report was submitted. Only those materials registered by the U.S. Environmental Protection Agency for the specific purpose planned shall be considered for use on National Forest System lands. Label instructions and all applicable laws and regulations shall be strictly followed in the application of pesticides and disposal of excess materials and containers.

**D. ARCHAEOLOGICAL-PALEONTOLOGICAL DISCOVERIES.** The holder shall immediately notify the authorized officer of any antiquities or other objects of historic or scientific interest, including but not limited to historic or prehistoric ruins, fossils, or artifacts discovered as the result of operations under this permit. The holder shall leave such discoveries intact until authorized to proceed by the authorized officer. Protective and mitigative measures specified by the authorized officer shall be the responsibility of the holder.

**E. PROTECTION OF HABITAT OF ENDANGERED, THREATENED, AND SENSITIVE SPECIES.** Location of areas needing special measures for protection of plants or animals listed as threatened or endangered under the Endangered Species Act (ESA), 16 U.S.C. 531 et seq., as amended, or as sensitive by the Regional Forester under the authority of Forest Service Manual Chapter 2670, derived from ESA Section 7 consultation, may be shown on a separate map, hereby made a part of this permit, or identified on the ground. Protective and mitigative measures specified by the authorized officer shall be the sole responsibility of the holder. If protective measures prove inadequate, if other such areas are discovered, or if new species are listed as federally threatened or endangered or as sensitive by the Regional Forester, the authorized officer may specify additional protection, regardless of when such facts become known. Discovery of such areas by either party shall be promptly reported to the other party.

**F. CONSENT TO STORE HAZARDOUS MATERIALS.** The holder shall not store any hazardous materials at the site without prior written approval from the authorized officer. This approval shall not be unreasonably withheld. If the authorized officer provides approval, this permit shall include, or in the case of approval provided after this permit is issued, shall be amended to include specific terms addressing the storage of hazardous materials, including the specific type of materials to be stored, the volume, the type of

storage, and a spill plan. Such terms shall be proposed by the holder and are subject to approval by the authorized officer.

#### **G. CLEANUP AND REMEDIATION.**

1. The holder shall immediately notify all appropriate response authorities, including the National Response Center and the authorized officer, of any oil discharge or of the release of a hazardous substance at the site in an amount greater than or equal to its reportable quantity, in accordance with 33 CFR Part 153, Subpart B, and 40 CFR Part 302. For the purposes of this requirement, "oil" is as defined by section 311(a)(1) of the Clean Water Act, 33 U.S.C. 1321(a)(1). The holder shall immediately notify the authorized officer upon knowledge of any release or threatened release of any hazardous material at or in the vicinity of the permit area which may be harmful to public health or welfare or which may adversely affect natural resources under the management of the United States.

2. Except with respect to any federally permitted release as that term is defined under Section 101(10) of CERCLA, 42 U.S.C. 9601(10), the holder shall clean up or otherwise remediate any release, threat of release, or discharge of hazardous materials that occurs either on site or in connection with the holder's activities, whether or not those activities are authorized under this permit. The holder shall perform cleanup or remediation immediately upon discovery of the release, threat of release, or discharge of hazardous materials. The holder shall perform the cleanup or remediation to the satisfaction of the authorized officer and at no expense to the United States. Upon revocation or termination of this permit, the holder shall deliver the site to the Forest Service free and clear of contamination.

**H. CERTIFICATION UPON REVOCATION OR TERMINATION.** If the holder uses or stores hazardous materials at the site, upon revocation or termination of this permit the holder shall provide the Forest Service with a report certified by a professional or professionals acceptable to the Forest Service that the site covered by this permit is uncontaminated by the presence of hazardous materials and that there has not been a release or discharge of hazardous materials upon the site, into surface water at or near the site, or into groundwater below the site during the term of the permit. This certification requirement may be waived by the authorized officer when the Forest Service determines that the risks posed by the hazardous material are minimal. If a release or discharge has occurred, the professional or professionals shall document and certify that the release or discharge has been fully remediated and that the site is in compliance with all federal, state, and local laws and regulations.

#### **VI. REVOCATION, SUSPENSION, AND TERMINATION**

**A. REVOCATION AND SUSPENSION.** The authorized officer may revoke or suspend this permit in whole or in part:

1. For noncompliance with federal, state, or local laws and regulations;
2. For noncompliance with the terms of this permit;
3. For failure of the holder to exercise the privileges granted by this permit;
4. With the consent of the holder; or
5. At the discretion of the authorized officer, for specific and compelling reasons in the public interest.

**B. REVOCATION BASED ON PERFORMANCE RATING.** If the holder receives an annual rating of unacceptable based on deficiencies identified but uncorrected in a mid-season review and evaluation, the Forest Service shall revoke this permit or, if it is about to expire, shall allow it to terminate.

**C. NOTICE AND OPPORTUNITY TO TAKE CORRECTIVE ACTION.** Prior to revocation or suspension under clause VI.A or VI.B, the authorized officer shall give the holder written notice of the grounds for the action to be taken. For purposes of revocation under clause VI.B, written notice must be given to the holder after the mid-season review and evaluation that if the identified deficiencies are not corrected, they will result in an annual rating of unacceptable, which in turn will result in revocation of the permit. Prior to revocation or suspension under clause VI.A.1, 2, or 3 or revocation under clause VI.B, the authorized officer also shall give the holder a reasonable period, not to exceed 30 days, to complete corrective action prescribed by the authorized officer. The period between the mid-season review and evaluation and the annual rating shall constitute adequate opportunity to take corrective action for purposes of revocation under clause VI.B.

**D. IMMEDIATE SUSPENSION.** The authorized officer may immediately suspend this permit in whole or in part when necessary to protect public health or safety or the environment. The suspension decision must be in writing. Within 48 hours of the request of the holder, the superior of the authorized officer shall arrange for an on-the-ground review of the adverse conditions with the holder. Following this review, the superior shall take prompt action to affirm, modify, or cancel the suspension.

**E. APPEALS AND REMEDIES.** Any written decisions by the authorized officer relating to administration of this permit, including annual ratings of probationary and unacceptable and revocation or suspension decisions, are subject to the administrative appeal regulations at 36 CFR Part 214, as amended. Revocation or suspension of this permit shall not give rise to any claim for damages by the holder against the Forest Service.

**F. TERMINATION.** This permit shall terminate when by its terms a fixed or agreed upon condition, event, or time occurs without any action by the authorized officer. Examples include but are not limited to expiration of the permit by its terms on a specified date and termination upon change of control of the business entity. Termination of this permit is not subject to administrative appeal and shall not give rise to any claim for damages by the holder against the Forest Service.

**G. REMOVAL OF TEMPORARY IMPROVEMENTS.** Upon revocation or termination of this permit, the holder shall remove within a reasonable time prescribed by the authorized officer all temporary improvements, except those owned by the United States, and shall restore the site. If the holder fails to remove all temporary improvements within the prescribed period, they shall become the property of the United States and may be sold, destroyed, or otherwise disposed of without any liability to the United States. However, the holder shall remain liable for all costs associated with their removal, including costs of sale and impoundment, cleanup, and restoration of the site.

## **VII. MISCELLANEOUS PROVISIONS**

**A. ADVERTISING.** The holder shall not misrepresent in any way, either orally, in its circulars, brochures, advertising, and other materials, or on its website, signs, or letterheads, any aspect of the use authorized by this permit, including services provided by the holder, the status of this permit, or the area it covers. All of the holder's circulars, brochures, and advertising and its website regarding use of the permit area shall state that the permit area is located in the Tonto National Forest.

**B. CURRENT ADDRESSES.** The holder and the Forest Service shall keep each other informed of current mailing addresses, including those necessary for payment of fees.

**C. SERVICES NOT PROVIDED.** This permit does not provide for the furnishing of road or trail maintenance, water, fire protection, search and rescue, or any other service by a government agency, utility, association, or individual.

**D. MEMBERS OF CONGRESS.** No member of or delegate to Congress or resident commissioner shall benefit from this permit either directly or indirectly, except to the extent the authorized use provides a general benefit to a corporation.

**F. SUPERIOR CLAUSES.** In the event of any conflict between any of the preceding printed clauses and any subsequent clauses or any provisions in the appendices attached to this permit, the preceding printed clauses shall control.

**G.. Cultural Resources Protection (D001RO).** The holder, contractor, or lessee shall be responsible for the protection from damage of all identified cultural resources within the area which may be affected by their actions. In addition, the holder, contractor, or lessee shall be liable for all damage or injury to the identified cultural resources caused by their actions. The holder, contractor, or lessee shall immediately notify the agency Project Administrator if any damage occurs to any cultural resource and immediately halt work in the area in which damage has occurred until approval to proceed has been granted by the Project Administrator after consultation with the Forest Archeologist. All provisions of the Region 3 Cultural Resources Damage Assessment Handbook are incorporated by reference herein.

**H. Risk Acknowledgement (Outfitter Guide) (x002RO).** The holder will not request or require persons served to sign a liability waiver for activities authorized by this permit. The holder may, however, advise such persons of the risks involved and have them sign a Visitor's Acknowledgement of Risk provided the following conditions are met: (1) a copy of the proposed form has been submitted to and approved by the issuing Forest Officer, and (2) forms which deviate significantly from the standard approved format will require review and approval by the Office of General Counsel prior to use.

The following sample is approved wording for a Visitor's Acknowledgement of Risk:

VISITOR'S ACKNOWLEDGMENT OF RISK  
(SAMPLE)

I recognize there is an element of risk in any adventure, sport, or activity associated with the outdoors. I am also fully cognizant of the risks and dangers inherent in activity. Knowing of the inherent risks (may include specific risks), dangers, and rigors required of said activity(s), I certify that I and my family, including minor children, are fully capable of participating in the said activity(s). Therefore, I assume full responsibility for personal injury to myself and/or to members of my family, or for loss or damage to my personal property and expenses thereof as a result of my negligence or the negligence of my family participating in said activity(s) except to the extent such damage or injury may be due to the negligence of \_\_\_\_\_ (concessionaire). I further understand that \_\_\_\_\_ (concessionaire) reserves the right to refuse any person it judges to be incapable of meeting the rigors and requirements of participating in \_\_\_\_\_ (activity(s)).

Name of Participants:

Self \_\_\_\_\_

Spouse \_\_\_\_\_

Minor Children \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,

I have read, understand, and accept the terms and conditions stated herein and acknowledge that this agreement shall be effective and binding upon the parties during the entire period of participation of the said activity(s).

Parent/Guardian \_\_\_\_\_

Customer Signature \_\_\_\_\_

Date \_\_\_\_\_

(Form may be modified to provide for the signature of each individual member of a group)

I. Native American Grave Protection and Repatriation Act (X003RO). Pursuant to the Native American Grave Protection and Repatriation Act (NAGPRA) 25 USC 3002(d); 43 CFR Part 10.4, if any human remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered during the course of ground disturbing activity, the holder will immediately cease activity in the area of the discovery and will make a reasonable effort to protect the remains and objects. The holder will provide immediate telephone notification of the discovery to the Forest Service, and will follow up with written confirmation to the authorized officer. The holder will not resume the activity that resulted in the discovery until the authorized officer gives written approval. Approval to resume the activity, if otherwise lawful, will be given thirty (30) days after certification by the authorized officer of the holder's written confirmation of the discovery, or at any time that a written binding agreement is executed between the Forest Service and the affiliated tribes adopting a recovery plan for the remains and objects.

**This permit is accepted subject to all its terms and conditions.**

HOLDER: PERMITEE

**U.S. DEPARTMENT OF AGRICULTURE**

**By:** \_\_\_\_\_  
(Holder or Holder's Agent)

**By:** \_\_\_\_\_  
(Authorized Officer)

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

The following certificate shall be executed by the secretary or assistant secretary of the corporation:

I, name of Secretary or Assistant Secretary, certify that I am the select Secretary or Assistant Secretary of the corporation that executed the above permit; that name of signatory, who signed this permit on behalf of name of holder was then title of signatory of that corporation; that I know his/her signature; that his/her signature on this permit is genuine; and that this permit was signed, sealed, and attested to on behalf of name of holder by authority of its board of directors.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call toll free (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice). USDA is an equal opportunity provider and employer.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.