

**Questions and Answers Related to Stanislaus National Forest Campground Operations
for the Baker Deadman, Clark Fork, and Pinecrest Campground Complexes
August 2015**

Background

The solicitation of proposals for concession campground Special Use Permits (SUP) for three campground complexes located on the Summit District of the Stanislaus National Forest (STF) was announced on June 29, 2015. All applications must be on paper and received by the Forest no later than 4:30 p.m. PST on Friday, August 28, 2015. As stated in the press release for the solicitation, individual or multiple SUPs will be issued for Clark Fork, Baker Deadman, and Pinecrest campground complexes, as described in the *Prospectus for Campground and Related Granger-Thye Concessions, Stanislaus National Forest* (hereafter, Prospectus). The same applicant could be selected for all offerings. Prospective applicants can find details about the application process by reviewing the Prospectus for Campground and Related Granger-Thye Concessions documents posted on the U.S. Forest Service (USFS) website at www.fs.usda.gov/main/stanislaus/ or by contacting Susan S. Clark, Forest Recreation Officer, at (209) 532-3671 ext. 316.

Following the release of the Prospectus, interested parties inquired about STF campground operations within the complexes either on the phone, or through emails or site visit contacts. In order that all of interested parties receive the same information, we have compiled a list of questions and answers that have come up through the solicitation process. The information is organized by general topic.

Campground Fees

- 1. Question: Are you aware that the field manager reservation program has an embedded reservation fee of \$3 for each camper that visits Pinecrest, even walk in?**

Answer: I believe you are referring to the National Recreation Reservation System (NRRS). There is an additional fee charged by NRRS for reservations. Currently, the campground fee is \$23 a night and NRRS charges an additional one-time fee of \$10 to make the reservation. The Forest Service Directives states:

Chapter 2330 - Publicly Managed Recreation Opportunities; 2334.35 Reservation Services
Provide users opportunities for making reservations when it is desirable for the public to have assurance that facilities will be available on a given day. To reduce administrative costs associated with collecting and processing fees and to enhance customer service, **encourage the use of the National Recreation Reservation System (NRRS) rather than fee collection services.**

Chapter 2340 – Privately Provided Recreation Opportunities; 2344.31 Policy
Unless otherwise provided by the national agency contract, where a Forest Service developed campground is managed under permit, **ensure that concessionaires use the National**

Recreation Reservation Service (NRRS) for all recreation reservation services (FSM 2334.35).

The campgrounds within the Pinecrest Complex are in high demand. Page 9 of the Prospectus states, “Pinecrest Campground and Pioneer Trails Group Campgrounds are currently on the NRRS and www.recreation.gov, and must be continued by the concessionaire.”

Campground Operations

- 2. Question: Page 158, Appendix 21 of the Prospectus specifies that a certain gate must be manned from 8:00 am to 8:00 pm, etc. Which booth is this referring to? Can you clarify this expectation please?**

Answer: The USFS is recommending, and not requiring a staffing level and hours of operation for the kiosk/gate at Pinecrest Campground.

- 3. Question: Would we be able to use more than two campsites for hosts at Pinecrest?**

Answer: Yes.

- 4. Question: Are campground hosts recommended or required?**

Answer: Appendix 21 of the Prospectus provides a recommended number hosts per campground.

- 5. Question: In the Prospectus, there is mention of the extra vehicle fee to be implemented at Pinecrest after construction. The current concessionaire is charging an extra vehicle fee. Is this an acceptable practice to continue?**

Answer: The current concessionaire is not charging an extra vehicle fee. Currently, there is no designated area for extra vehicle parking inside the campground. Outside of the campground there is a parking lot for extra vehicles, but it’s also open to the public for parking. This is recommended to continue as the CIP proposal identified a location within the campground to charge for extra vehicle parking.

- 6. Question: The Prospectus states there are 34 sites in Baker Campground but I see on site there are 44. Which is correct?**

Answer: The correct number is 44 sites for Baker Campground.

- 7. Question: Who owns the generator in the Baker Deadman and Clark Fork water well houses?**

Answer: The generator in the Clark Fork water well house is owned by the USFS. The generator in the Baker–Deadman water well house is owned by the current concessionaire.

8. Question: The Prospectus states there are 88 campsites in Clark Fork Campground but in the field there are only 87 usable sites. Which is correct?

Answer: There are 87 usable sites. One site was closed due to recent natural causes making it unusable.

9. Question: There's a propane tank near the Clark Fork water well house. What is this used for? The generator?

Answer: The tank is not currently being used. It was previously used to heat water for a shower unit that is no longer in place. The generator in the well house is powered by gasoline and not propane.

10. Question: On page 89 of the Prospectus it states, "The concessionaire may not, however, enter into a collection agreement whereby the Forest Service provides routine, ongoing interpretive programs."

Answer: Routine and ongoing is continuous services, for example the USFS operates a visitor center on a standard eight hours per day basis. The USFS encourages applicants to provide interpretive services to the public and suggests entering into a collection agreement with the USFS to provide interpretive programs at concession-operated sites.

Firewood Sales

11. Question: Are there any current restrictions on concessionaire's offering competing sales (with Pinecrest Lake Resort) for firewood, ice, and maps?

Answer: No. The strip stores are under sublease to the Pinecrest Lake Resort (PLR). PLR has a SUP for the USFS land they operate on. Currently, there are no restrictions on campground concessionaire's offering of competing sales, such as firewood, ice, and maps.

12. Question: Do you have the revenue figures for firewood, ice, and storage sales separated from campground revenue?

Answer: The 2014 revenue figures for firewood, ice, maps, etc. were \$27,952, which is included on page 2 of the Prospectus. The total of \$620,852 includes these other sales.

Granger-Thye (GT) Expenses

13. Question: I have never seen GT expenses being defined as up to 50% of the value of an asset. Can you please confirm this is the new standard? (See Prospectus page 161, Appendix 22).

Answer: This is correct. It's been in place for several years.

14. Question: On page 24 of the Prospectus it states that 1% of revenue (not to exceed 1%) is the responsibility of the concessionaire. After the 1% is met can GT Offset funds be used for hazard tree costs after the 1%?

Answer: This is correct, any costs incurred after the 1% can be charged as GT Fee Offset.

Revenue

15. Question: Gross revenue information is provided in the Prospectus (page 2) for the last three years for all complexes; I am assuming this is adjusted gross?

Answer: No. The revenues listed on page 2 of the Prospectus are gross, and not adjusted gross income. Tuolumne County does not charge Transient Occupancy Tax (TOT) to campground concessions, and Pinecrest is within Tuolumne County.

16. Question: Can you provide the revenue per campground?

Answer: We don't have revenue per campground, only per complex. The gross revenue per complex is given on page 2 of the Prospectus.

17. What are the total fees paid to the government for the complex?

Answer: The USFS cannot provide percentages proposed by the current and/or previous permit holders or what they paid to the government. In the Prospectus on page 36-37, it shows the revenues of the campgrounds and the minimum fees paid to the government.

18. The Prospectus indicates that 1% of revenue (not to exceed 1%; page 24) is the responsibility of the concessionaire. My question is after the 1% is met can GT Offset funds be used for hazard tree costs after the 1%. The Prospectus was not clear on that.

Answer: This is correct, any costs incurred after the 1% can be charged as GT Fee Offset.

Sewer System Fees

19. Question: On page 12 of the Prospectus it states that quarterly sewer treatment fees (\$27,000 quarterly/\$104,000 annually) are paid to PPA by the concessionaire. After speaking with PPA, their staff explained that the bill was not generated by the water used in the campgrounds, but it is required for connection and usage regardless of water used. I asked PPA if the bill will continue even if a forest fire closed the campground down. The answer was yes. Can you clarify?

Answer: The estimate of \$26,700 quarterly (roughly \$104,000 annually) is accurate for the holders share of the sewer fees associated with the Pinecrest Complex of campgrounds. We have been working to install meters for actual measurement of use (but are not totally there yet), so hope to have better backup of amount of sewage/use in the years to come.

Because the FS cannot pay for goods and services in advance, the actual bills reflect the year before. So, when it comes to the question of: What if a fire comes through and the campgrounds are closed/not useable, does the holder still have to pay the bill? The answer for the first year is yes, because the bill is from the prior year's usage. If a disaster rendered the site useable for an extended period of time (i.e., greater than the year), at that point we'd have to reassess and negotiate with PPA, likely regarding both the campground and the administrative use. Regarding sewer usage in the last year of their permit, those fees would be passed on to the next holder (concessionaire).

20. Question: During the reconstruction of Pinecrest will the \$109,000 sewer bill be required?

Answer: Yes, sewer will be billed by PPA as usual. Every effort will be made as to not disrupt campground operations. The re-construction would be performed outside the typical campground season to lessen the disturbance to visitors. Every effort will be made to not disrupt the occupancy rate of the campground as well. Because the USFS cannot pay for goods and services in advance, the actual bills reflect the year before. For a new concessionaire, the first four quarterly bills are from prior year's usage (See question #12 above for additional information).

Shower Facilities

21. Question: There is a portable shower facility across from Pinecrest Campground in the market strip center [Pinecrest Lake Resort]. Can the concessionaire put a shower unit in Pinecrest or Meadowview? Is the store strip center across from Pinecrest under a SUP?

Answer: Yes, there are shower facilities across the street. The Campground Improvement Project (CIP) has identified possibly installing showers in the campground; however, further water usage sewer capacity studies must be completed before a decision is made. Due to water and sewer concerns mentioned, and because the CIP project has identified showers as an added amenity, a shower facility cannot be permitted at this time.

Wage Requirements (concessionaire)

22. Question: Will the Forest Service require that the concessionaire comply with the Presidential Executive Order to pay all staff at least \$10.10 per hour?

Answer: The minimum wage clause is added to a permit if it's a new permit or a re-issue or the authorization changes, but we are not regulating their payments. If a concessionaire has questions about the wages they should pay their employees, they need to contact the Department of Labor. The USFS is not telling permit holders what wages to pay their employees, but concessionaires need to follow all federal, state, and local laws and regulations including wage rates.

Water Systems

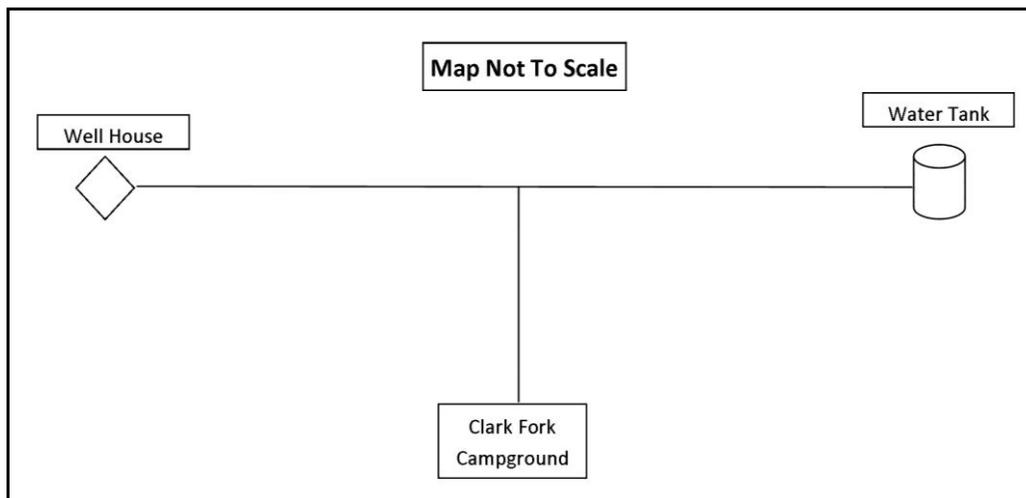
23. Question: What type of water system exists in each of the Complexes?

Answer:

- a. **Clark Fork Complex** (Permit Area 1), Sand Flat Campground and Clark Fork Campground (pages 4-6 of Prospectus):

There is a potable water system in Clark Fork Campground consisting of well water piped to a storage tank that serves the campground. Potable water is supplied to Sand Flat Campground from six hand pumps on wells. The concessionaire is required to test for all bacterial indicators in all six wells prior to the opening of the season and to test each well at least twice during the use season. Two wells per month are tested on a rotating basis. Other water tests need to be done as requested for nitrates/nitrites, or as needed.

The water system is fed from the well in one line to the tank with T-lines coming off the one line. The picture below provides a general description of the system. A detailed description and exact layout of the system can be provided.



- b. **Baker Deadman Complex** (Permit Area 2), Baker and Deadman Campgrounds, and Kennedy Meadows Trailhead and Camping Area (page 7-8 of Prospectus):

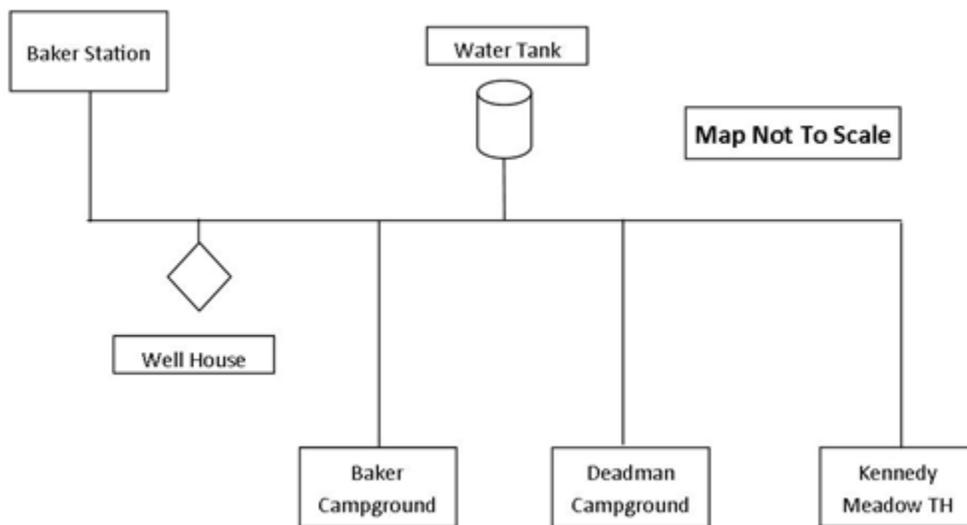
Potable water is supplied to both Baker and Deadman Campgrounds, and to Kennedy Meadows Trailhead by a well and waterline near Baker Campground. This system also supplies water to the Baker Station facilities. Baker and Deadman Campgrounds each have well water piped to a storage tank. Kennedy Meadows Trailhead/Camping Area has piped well water available at a spigot near the restrooms.

NOTE: For both Baker Deadman and Clark Fork complexes, the concessionaire is required to operate and maintain water systems in the permit area in compliance with

applicable federal, state and local drinking water laws and regulations for the operation and maintenance of a public water system. The concessionaire is responsible for water testing and preparing the required reports, and maintaining required records. The water testing requirement applies to all the sites receiving water from the well (i.e., Baker Deadman Campgrounds; and the Kennedy Meadows Trailhead and Baker Station facilities).

The water systems must be operated by a water system operator certified by the State of California. This will require D2 Water Distribution System license and may require a Class 2 (T2) Water Treatment Operator license. Systems must be maintained to meet or exceed water quality standards (See # 25 below for additional licensing information).

The water system is fed from the well in one line to the tank, with T-lines coming off the one line. The picture below provides a general diagram of the system. A detailed description and exact layout of the system can be provided.



c. **Pinecrest Complex** (Permit Area 3), Pinecrest and Meadowview Campgrounds, Pioneer Trails Group Camp (page 9-14 of Prospectus)

The USFS supplies potable water to both Pinecrest and Meadowview Campgrounds, which includes the testing for bacteria indicators and nitrates/nitrites. The average annual water supply and testing fee for the Pinecrest Complex is \$10,000 dollars, and is payable to the USFS under a separate and annual Collection Agreement. PPA supplies potable water to the Pioneer Trails Group Campground, and all fees for service are payable directly to PPA. This campground is available for winter recreation opportunities and is to remain open during the winter months.

Water System Fees

- 24. Question: Please Clarify: It's clear that water fees are payable to USFS under a collection agreement, but other portions of the Prospectus indicate that the concessionaire is responsible for testing and obtaining water licensing to do so (page 13). If the concessionaire is required to pay through collection agreements for this service, it seems the responsibility is on the service providers (PPA and USFS), and not the concessionaire.**

Answer: The management of water systems in the Pinecrest Complex is different than that of both Clark Fork and Baker Deadman complexes. As stated above, management of the potable water system, including testing, documentation, and reporting is provided to Pinecrest and Meadowview by the USFS, and is charged to the concessionaire under a separate collection agreement (see page 13 of the Prospectus). At Pioneer Trails Group Campground potable water is supplied by PPA and fees are payable directly to them. Pinecrest Complex is the only unit that has this service. However, in order to repair/maintain distribution system in all complexes, the concessionaire is required to have a D-1, Water Distribution License, or hire a subcontractor with a D-1 license to do the work. A licensed underground contractor (Class A, general) can also repair a water distribution system (pipes, etc.). For Pinecrest, because other entities (USFS, PPA) test and treat the surface water from the lake, the concessionaires would not need a T-2, Class 2 Water Treatment Operator License.

The concessionaire is required to do water testing and prepare required reports (see page 13 of Prospectus). This treatment and testing requirement applies to both Baker Deadman and Clark Fork because these campgrounds are on wells, which require a spring/opening season chlorination treatment through the entire system (i.e., 24-hr soak in lines, then flushed out with fresh water). Water samples must be taken afterward (total coliform sample). If the parts per million (ppm) is higher than the allowable threshold, additional samples must be taken (i.e., e. coli, fecal coliform). Monthly total coliform samples must be taken as well. Water testing and treatment requires a "T-2" Class 2 Water Treatment Operator License.

Water System Operator/Maintenance Licenses

- 25. Question: Is the concessionaire required to obtain a D-1 license for Pinecrest water system maintenance? Is there a water system licensing for the other campgrounds?**

Answer: In order to repair/maintain water distribution systems (pipelines, etc.) in all complexes, the concessionaire is required to have a D-1 license (Water Distribution License), or hire a subcontractor with a D-1 license to do the work. A licensed underground contractor (Class A, general) can also repair a water distribution system.

For Pinecrest, because other entities (USFS, PPA) test and treat the surface water from the lake, the concessionaires would not need a T-2, Class 2 Water Treatment Operator License. In order to chlorinate and test the water in Baker Deadman and Clark Fork complexes, the concessionaire must have a T-2 license, or they can subcontract out the work. Outside of monthly water sampling, the daily operation requires that concessionaire keep tank full; may have to run

Prospectus for Campground and Related Granger-Thye Concessions, Stanislaus National Forest

generator intermittently (turn on/off occasionally) to fill tank. The pump and tank filling work does NOT require licensing. See answer #23 above for further information regarding water system operator /maintenance licensing information.