

Authorization ID: GUN731801
Contact ID: GUNFLINT TRAIL HISTORICAL SOC.
Expiration Date: 12/31/2026
Use Code: 367

FS-2700-4 (03/06)
OMB No. 0596-0082

**U.S. DEPARTMENT OF AGRICULTURE
FOREST SERVICE**

SPECIAL USE PERMIT

AUTHORITY:

Occupancy Permits, As Amended Act of March 4, 1915, Granger Thye Act, Section 7 April 24, 1950

Gunflint Trail Historical Society, c/o Bruce Kerfoot, Trustee, of 201 S. Gunflint Lake, Grand Marais, MN 55604.

Gunflint Trail Historical Society (the holder) is authorized to use and occupy National Forest System lands on the Superior National Forest, subject to the terms and conditions of this term special use permit (the permit).

This permit covers approximately 50 acres (the permit area), as shown on the map attached as Appendix A. This permit is issued for the purpose of:

Operation and maintenance of the historic Chik- Wauk Lodge for a museum and the surrounding lands for interpretive nature trails, scenic viewpoints, and hiking trails.

The following improvements are authorized in the permit area: **The lodge, outhouse and small log pump house.**

TERMS AND CONDITIONS

I. GENERAL TERMS

A. AUTHORITY. This permit is issued pursuant to the authorities enumerated at Title 36, Code of Federal Regulations, Section 251 Subpart B, as amended. This permit, and the activities or use authorized, shall be subject to the terms and conditions of the Secretary's regulations and any subsequent amendment to them.

B. AUTHORIZED OFFICER. The authorized officer is the Forest Supervisor or a subordinate officer with delegated authority.

C. EXPIRATION AT THE END OF THE AUTHORIZED PERIOD. This permit will expire at midnight on **12/31/2026**. Expiration shall occur by operation of law and shall not require notice, any decision document, or any environmental analysis or other documentation.

D. CONDITIONS FOR ISSUANCE OF A NEW PERMIT. At the expiration or termination of an existing permit, a new permit may be issued to the holder of the previous permit or to a new holder subject to the following conditions:

1. The authorized use is compatible with the land use allocation in the Forest Land and Resource Management Plan.
2. The permit area is being used for the purposes previously authorized.
3. The permit area is being operated and maintained in accordance with the provisions of the permit.

4. The holder has shown previous good faith compliance with the terms and conditions of all prior or other existing permits, and has not engaged in any activities or transaction contrary to Federal contracts, permits laws, or regulations.

E. AMENDMENT

1. 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, the applicable land management plan, or projects and activities implementing a land management plan pursuant to 36 CFR Part 215.
2. At the sole discretion of the authorized officer, this permit may be amended to remove authorization to use any National Forest System lands not specifically covered in the master development plan for this permit or not needed for the use and occupancy authorized by this permit.
3. The holder may apply for an amendment to this permit to cover new or changed uses or areas. In approving or denying an amendment, the authorized officer shall consider, in addition to the requirements in applicable laws and regulations, the findings or recommendations of other affected agencies and whether the new or changed use or area can be accommodated by an amendment to this permit, or whether a new permit should be issued.

F. COMPLIANCE WITH LAWS, REGULATIONS, AND OTHER LEGAL REQUIREMENTS. In exercising the 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. ASSIGNABILITY. This permit is not assignable or transferable.

I. CHANGE IN CONTROL OF THE BUSINESS ENTITY

1. **Notification of Change in Control.** The holder shall notify the authorized officer when a change in control of the business entity that holds this permit is contemplated.
 - a. In the case of a corporation, control is an interest, beneficial or otherwise, of sufficient outstanding voting securities or capital of the business so as to permit the exercise of managerial authority over the actions and operations of the corporation or election of a majority of the board of directors of the corporation.
 - b. In the case of a partnership, limited partnership, joint venture, or individual entrepreneurship, control is a beneficial ownership of or interest in the entity or its capital so as to permit the exercise of managerial authority over the actions and operations of the entity.
 - c. In other circumstances, control is any arrangement under which a third party has the ability to exercise management authority over the actions or operations of the business.

2. Effect of Change in Control. Any change in control of the business entity as defined in clause I.1 shall result in termination of this permit. The party acquiring control must submit an application for a special use permit. The Forest Service is not obligated to issue a new permit to the party who acquires control. The authorized officer shall determine whether the applicant meets the requirements established by applicable federal regulations.

II. IMPROVEMENTS

A. LIMITATIONS ON USE. Nothing in this permit gives or implies permission to build or maintain any structure or facility or to conduct any activity unless specifically authorized by this permit. Any use not specifically authorized by 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.

B. PLANS. All plans for development, layout, construction, reconstruction, or alteration of improvements in the permit area, as well as revisions to those plans, must be prepared by a licensed engineer, architect, landscape architect, or other qualified professional acceptable to the authorized officer. These plans and plan revisions must have written approval from the authorized officer before they are implemented. The authorized officer may require the holder to furnish as-built plans, maps, or surveys upon completion of the work.

III. OPERATIONS

A. FIVE-YEAR OPERATING PLAN. The holder shall prepare and annually revise by **April 15**, an operating plan. The operating plan shall be prepared in consultation with the authorized officer or the authorized officer's designated representative and shall cover all operations authorized by this permit. The operating plan shall outline steps the holder's will take to protect public health and safety and the environment and shall include sufficient detail and standards to enable the Forest Service to monitor the holder's operations for compliance with the terms and conditions of this permit. The operating plan shall be submitted by the holder and approved by the authorized officer or the authorized officer's designated representative prior to commencement of operations and shall be attached to this permit as an appendix. The authorized officer may require an annual meeting with the holder to discuss the terms and conditions of the permit or operating plan, annual use reports, or other concerns either party may have.

B. PERIOD OF USE. The use and occupancy authorized by this permit shall be in normal operation at least 60 days each year or season. Failure of the holder to exercise this minimum use may result in revocation of this permit under clause VII.A.

C. RESPONSIBILITY FOR DAY-TO-DAY ACTIVITIES. As a general rule, the holder shall conduct the day-to-day activities authorized by this permit. A limited amount of activities may be conducted by a party other than the holder, but only with prior written approval of the authorized officer. The holder shall continue to be responsible for compliance with all the terms of this permit.

D. LEASING. Subject to clause III.C. the holder may lease authorized concessions and improvements owned by the holder that are located within the permit area with the prior written approval of the authorized officer. The Forest Service reserves the right to disapprove these leases. The holder shall remain responsible for compliance of the leased concessions and improvements with all the terms and conditions of this permit.

E. CONDITION OF OPERATIONS. The holder shall maintain the authorized improvements and permit area to standards of repair, orderliness, neatness, sanitation, and safety acceptable to the authorized officer and consistent with other provisions of this permit. Standards are subject to periodic change by the authorized officer. The holder shall comply with inspection requirements deemed appropriate by the authorized officer.

F. INSPECTION BY THE FOREST SERVICE. The Forest Service shall monitor the holder's operations and reserves the right to inspect the permitted facilities and improvements at any time for compliance with the terms of this permit. The obligations of the holder under this permit are not contingent upon any duty of the Forest Service

to inspect the premises. A failure by the Forest Service or other governmental officials to inspect is not a defense to noncompliance with any of the terms and conditions of this permit.

G. 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 or the authorized officer's designated representative has approved in writing and marked or otherwise identified what may be removed or destroyed. Timber cut or destroyed shall be paid for at current stumpage rates for similar timber in the 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. Trees, shrubs, and other plants may be planted within the permit area with prior written approval of the authorized officer.

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

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

J. SANITATION. The operation and maintenance of all sanitation, food service, and water-supply methods, systems, and facilities shall comply with applicable standards set by state and local health departments.

K. LIQUOR SALES. The sale of liquor or other intoxicating beverages is prohibited in the permit area.

L. GAMBLING. Gambling and gambling machines and devices are prohibited on National Forest System lands, regardless of whether they are lawful under state or local law.

M. NONDISCRIMINATION

1. The holder and its employees shall not discriminate against any person on the basis of race, color, sex (in educational and training programs), 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 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.

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

O. PROHIBITION OF TIME-SHARE ARRANGEMENTS. No commercial facilities or equipment authorized under this permit will be operated under a time-share or interval-ownership arrangement. All authorized facilities and equipment shall be made available to the general public on a short-term rental basis.

P. HOLDER'S REPRESENTATIVE. The holder or the holder's designated representative shall be within the permit area at all times when the facilities are open to the public. The holder shall notify the authorized officer in writing who the holder's representative will be.

Q. HOLDER'S AND USERS' CONDUCT. Disorderly or otherwise objectionable conduct by the holder or those occupying the permit area with the holder's permission shall be cause for revocation or suspension of this permit.

IV. 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 251, Subpart C, and 5 U.S.C. 704. 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. VALID OUTSTANDING RIGHTS. This permit is subject to all valid outstanding rights. Valid outstanding 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. SERVICES NOT PROVIDED. This permit is for the occupancy of land for the purposes stated in this permit and does not provide for the furnishing of road maintenance, water, fire protection, or any other such service by a government agency, utility, association, or individual.

E. RISK OF LOSS. The holder assumes all risk of loss to the authorized improvements. Loss to the authorized improvements may result from but is 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 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. If rebuilding is not allowed, the permit shall terminate.

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. Damage includes but is not limited to fire suppression costs, and 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. For purposes of clauses IV.F and section V, "hazardous material" shall mean any hazardous substance, pollutant, contaminant, hazardous waste, oil, and/or petroleum product, as those terms are defined under any federal, state, or local laws or regulations.

1. 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. If the environment or any government property covered by this permit becomes damaged during the holder's use and occupancy of the permit area, the holder shall immediately repair the damage or replace the damaged items to the satisfaction of the authorized officer and at no expense to the United States.

2. The holder shall be liable for all injury, loss, or damage, including fire suppression or other costs associated with rehabilitation or restoration of natural resources, associated with the holder's use and occupancy of the permit area. Compensation shall include but is not 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 associated administrative, legal (including attorney's fees), and other costs. Such costs may be deducted from a performance bond required under clause IV.J.

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

G. HEALTH, SAFETY, AND ENVIRONMENTAL PROTECTION. The holder shall take all measures necessary to protect the environment, natural resources, and the health and safety of all persons affected by the use and occupancy authorized by this permit. The holder shall promptly abate as completely as possible and in compliance with all applicable laws and regulations any physical or mechanical procedure, activity, event, or condition existing or occurring before, during, or after the term of this permit and arising out of or relating to any activity, event, or condition existing or occurring during the term of this permit that causes or threatens to cause a hazard to the health or safety of the public or the holder's employees or agents or harm to the environment (including areas of vegetation or timber, fish, or other wildlife populations, their habitats, or any other natural resources). The holder shall immediately notify the authorized officer of all serious accidents that occur in connection with these activities, events, or conditions. The holder has sole responsibility to protect the health and safety of all persons affected by the use and occupancy authorized by this permit. The Forest Service has no duty under the terms of this permit to inspect the permit area or operations of the holder for hazardous conditions or compliance with health and safety standards.

H. 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 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, including but not limited to the 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 activities to mitigate damages in addition or as an alternative to monetary indemnification.

I. 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 also shall 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 Gunflint Ranger District, Attn: District Ranger, 2020 W. Highway 61, Grand Marais, MN 55604. 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. 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 **\$200,000 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 case by case by the authorized officer based on the degree of environmental risk from the holder's operations. The

storage and use of normal maintenance supplies in nominal amounts generally would not trigger financial assurance requirements.

J. BONDING. The authorized officer may require the holder to furnish a surety bond or other security for any of the obligations imposed by the terms and conditions of this permit or any applicable law, regulation, or order.

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. WATER POLLUTION. No waste or by-product shall be discharged into water if it contains any substance in concentrations which will result in harm to fish and wildlife, or to human water supplies. Storage facilities for materials capable of causing water pollution, if accidentally discharged, shall be located so as to prevent any spillage into waters or channels leading into water that would result in harm to fish and wildlife or to human water supplies.

C. ESTHETICS. The holder shall protect the scenic esthetic values of the permit area and the adjacent land to the greatest extent possible during construction, operation, and maintenance of the authorized improvements.

D. VANDALISM. The holder shall take reasonable measures to prevent and discourage vandalism or disorderly conduct and when necessary shall contact the appropriate law enforcement officer to address these problems.

E. HERBICIDE AND PESTICIDE USE. Herbicides and pesticides may not be used outside of buildings to control undesirable woody and herbaceous vegetation, aquatic plants, insects, rodents, or fish without the prior written approval of 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 require control measures which 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 authorized 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.

F. ARCHAEOLOGICAL AND PALEONTOLOGICAL DISCOVERIES. The holder shall immediately notify the authorized officer of all antiquities or other objects of historic or scientific interest, including but not limited to historic or prehistoric ruins, fossils, or artifacts discovered in connection with the use and occupancy authorized by this permit. The holder shall leave these discoveries intact and in place until directed otherwise by the authorized officer. Protective and mitigative measures specified by the authorized officer shall be the responsibility of the holder.

G. NATIVE AMERICAN GRAVES PROTECTION AND REPATRIATION (NAGPRA). If the holder inadvertently discovers human remains, funerary objects, sacred objects, or objects of cultural patrimony on federal or tribal lands, the holder shall immediately cease work in the area of the discovery and shall make a reasonable effort to protect and secure the items. The holder shall immediately notify the forest archaeologist by telephone of the discovery and shall follow up with written confirmation of the discovery. The activity that resulted in the

inadvertent discovery may not resume until 30 days after the forest archaeologist certifies receipt of the written confirmation, if resumption of the activity is otherwise lawful, except that a recovery plan adopted as a binding agreement between the Forest Service and the affected Indian tribes may provide for earlier resumption of the activity.

G. PROTECTION OF HABITAT OF THREATENED, ENDANGERED, AND SENSITIVE SPECIES. The location of sites within the permit area needing special measures for protection of plants or animals listed as threatened or endangered under the Endangered Species Act (ESA) of 1973, 16 U.S.C. 531 *et seq.*, as amended, or as sensitive by the Regional Forester under Forest Service Manual (FSM) 2670, pursuant to consultation conducted under section 7 of the ESA, may be identified on the ground or shown on a separate map. The map shall be attached to this permit as an appendix. The holder shall take any protective and mitigative measures specified by the authorized officer. If protective and mitigative measures prove inadequate, if other sites within the permit area containing threatened, endangered, or sensitive species are discovered, or if new species are listed as threatened or endangered under the ESA or as sensitive by the Regional Forester under the FSM, the authorized officer may specify additional protective and mitigative measures. Discovery of these areas by the holder or the Forest Service shall be promptly reported to the other party.

H. 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.

I. CLEANUP AND REMEDIATION

1. The holder shall immediately notify all appropriate response authorities, including the National Response Center and the Forest Service authorized officer or the authorized officer's designated representative, of any oil discharge or of the release of a hazardous substance in the permit area 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 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 or the authorized officer's designated representative of any release or threatened release of any hazardous material in or near the permit area which may be harmful to public health or welfare or which may adversely affect natural resources on federal lands.

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 in the permit area or in connection with the holder's activities in the permit area, regardless of whether 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 permit area to the Forest Service free and clear of contamination.

J. 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 permit area is uncontaminated by the presence of hazardous materials and that there has not been a release or discharge of hazardous materials upon the permit area, into surface water at or near the permit area, or into groundwater below the permit area during the term of the permit. 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 permit area is in compliance with all applicable federal, state, and local laws and regulations.

VI. LAND USE FEE AND ACCOUNTING ISSUES

A. LAND USE FEE. The holder shall pay an annual land use fee of \$ _____ for the period from _____ to _____ and thereafter annually on _____ in the amount of \$ _____. **Fee waived as provided for in Title 36 CFR 251.57 (#3)**

B. MODIFICATION OF THE LAND USE FEE. The land use fee may be revised whenever necessary to reflect the market value of the authorized use or when the fee system used to calculate the land use fee is modified or replaced.

C. 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 an administrative appeal decision, a court decision, or settlement terms.

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.

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.

D. NONPAYMENT. Failure of the holder to make timely payments, pay interest charges, or any other charges when due shall be grounds for revocation of this permit.

E. ACCESS TO RECORDS. For purposes of administering this permit (including ascertaining that the correct land use fee was paid), the holder shall make all accounting books and supporting records for the authorized operations, as well as those of lessees operating in the permit area, available for review by the Forest Service or other federal agencies authorized to review Forest Service activities. Review of accounting books and supporting records shall be made at dates convenient to the holder and reviewers. Financial information shall be kept

confidential to the extent permitted by law. The holder shall retain these records and keep them available for review for 5 years after they were generated, unless otherwise approved by the authorized officer in writing.

F. ACCOUNTING RECORDS. The holder shall follow generally accepted accounting principles or other comprehensive bases of accounting acceptable to the Forest Service in recording financial transactions and in reporting financial results to the authorized officer. When requested by the authorized officer, the holder at its own expense shall have annual accounting reports for the authorized operations audited or prepared by a licensed independent accountant acceptable to the Forest Service. The holder shall require lessees to comply with these same requirements. At a minimum, the holder's and lessees' accounting system shall include:

1. Systematic internal controls, including recording by type of business the gross receipts derived from all operations conducted under this permit. Gross receipts should be recorded daily and, if possible, deposited into a bank account without reduction for disbursements. Receipt entries shall be documented by cash register tapes, sale invoices, rental records, cash accounts from other sources, or some other means.
2. A permanent record of capital investments in facilities (including a depreciation schedule).
3. Generation and maintenance of other records and accounts as may be specified by the authorized officer.

VII. 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 law.
2. For noncompliance with the terms and conditions of this permit.
3. For abandonment or other failure of the holder to exercise the privileges granted.
4. With the consent of the holder.
5. For specific and compelling reasons in the public interest.

Prior to revocation or suspension, other than immediate suspension under clause VII.C, the authorized officer shall give the holder written notice of the grounds for revocation or suspension. In the case of revocation or suspension based on clause VII.A.1, 2, or 3, the authorized officer shall give the holder a reasonable period, not to exceed 90 days, to cure any noncompliance.

B. REVOCATION FOR SPECIFIC AND COMPELLING REASONS IN THE PUBLIC INTEREST. If during the term of this permit the authorized officer determines that specific and compelling reasons in the public interest require revocation of this permit, this permit shall be revoked after 30 days written notice to the holder. The Forest Service shall then have the right to purchase the holder's improvements, to remove them, or to require the holder to remove them, and the Forest Service shall be obligated to pay an equitable amount for the improvements or for removal of the improvements and damages resulting from their removal that are caused by the Forest Service. If that amount is fixed by mutual agreement between the authorized officer and the holder, that amount shall be accepted by the holder in full satisfaction of all claims against the United States under this clause. If mutual agreement is not reached, the authorized officer shall determine the amount to be paid, which shall become part of the revocation decision.

C. 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 shall be in writing. The holder may request an on-site review with the authorized officer's supervisor of the adverse conditions prompting the suspension. The authorized officer's supervisor shall grant this request within 48 hours. Following the on-site review, the authorized officer's supervisor shall promptly affirm, modify, or cancel the suspension.

D. APPEALS AND REMEDIES. Written decisions made by the authorized officer relating to administration of this permit are subject to administrative appeal pursuant to 36 CFR Part 251, Subpart C, as amended. Revocation or suspension of this permit shall not give rise to any claim for damages by the holder against the Forest Service, other than as provided in clause VII.B.

E. 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.

F. RIGHTS AND RESPONSIBILITIES UPON REVOCATION OR TERMINATION WITHOUT RENEWAL.

Except as provided in clause VII.B., upon revocation of this permit or termination of this permit without renewal of the authorized use, the authorized officer has the discretion to require the holder to sell or remove all structures and improvements, except those owned by the United States, within a reasonable period prescribed by the authorized officer and to restore the site to the satisfaction of the authorized officer. If the holder fails to sell or remove all structures or 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.

G. CONTINUATION OF OBLIGATIONS AND LIABILITIES BEYOND EXPIRATION OR REVOCATION.

Notwithstanding the termination or revocation of this permit, its terms and conditions shall remain in effect and shall be binding on the holder and the holder's personal representative, successors, and assignees until all the holder's obligations and liabilities accruing before or as a result of termination or revocation of this permit have been satisfied.

VIII. MISCELLANEOUS PROVISIONS

A. 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.

B. REGULATING SERVICES AND RATES. The authorized officer shall have the authority to regulate the adequacy and type of services provided the public under this permit and to require that these services conform to satisfactory standards. The holder may be required to furnish a schedule of prices for sales and services authorized by the permit. These prices may be regulated by the authorized officer, provided that the holder shall not be required to charge prices significantly different from those charged by comparable or competing enterprises.

C. ADVERTISING. The holder, either orally or in advertisements, signs, circulars, brochures, letterheads, and like materials, shall not misrepresent in any way the accommodations provided, the status of the permit, or the ownership of the permit area or adjacent lands. The fact that the authorized facilities and services are located on the Superior National Forest shall be explicitly stated in all the holder's brochures and print advertising regarding the operations authorized by this permit.

D. CURRENT ADDRESSES. The holder and the authorized officer shall keep each other informed of current mailing addresses, including those necessary for billing and payment of land use fees.

E. ALTERATION OF GOVERNMENT IMPROVEMENTS (D-16). If during the term of this permit any Government-owned improvements are altered in any way, the material, equipment, fixtures or other appurtenances that are affixed to or made a part of those improvements in connection with the alteration shall

become the property of the United States, regardless of whether the work is performed by the holder or any other party. The holder shall not be entitled to any compensation for that property, other than to the extent it qualifies for fee offset. ****the above clause pertains to such items as door knobs and light fixtures.**
Cabinetry/exhibits will be/are the property of the Gunflint Trail Historical Society

F. SUPERIOR CLAUSES. If there is a conflict between any of the preceding printed clauses and any of the following clauses, the preceding printed clauses shall control.

THIS PERMIT IS ACCEPTED SUBJECT TO ALL ITS TERMS AND CONDITIONS.

BEFORE ANY PERMIT IS ISSUED TO AN ENTITY, DOCUMENTATION MUST BE PROVIDED TO THE AUTHORIZED OFFICER OF THE AUTHORITY OF THE SIGNATORY FOR THE ENTITY TO BIND IT TO THE TERMS AND CONDITIONS OF THE PERMIT.

ACCEPTED:



GUNFLINT TRAIL HISTORICAL SOCIETY
BETTY HEMSTAD, President

SIGNATURE

8-27-07
DATE

APPROVED:



DENNIS D. NEITZKE, District Ranger

SIGNATURE

8/27/07
DATE

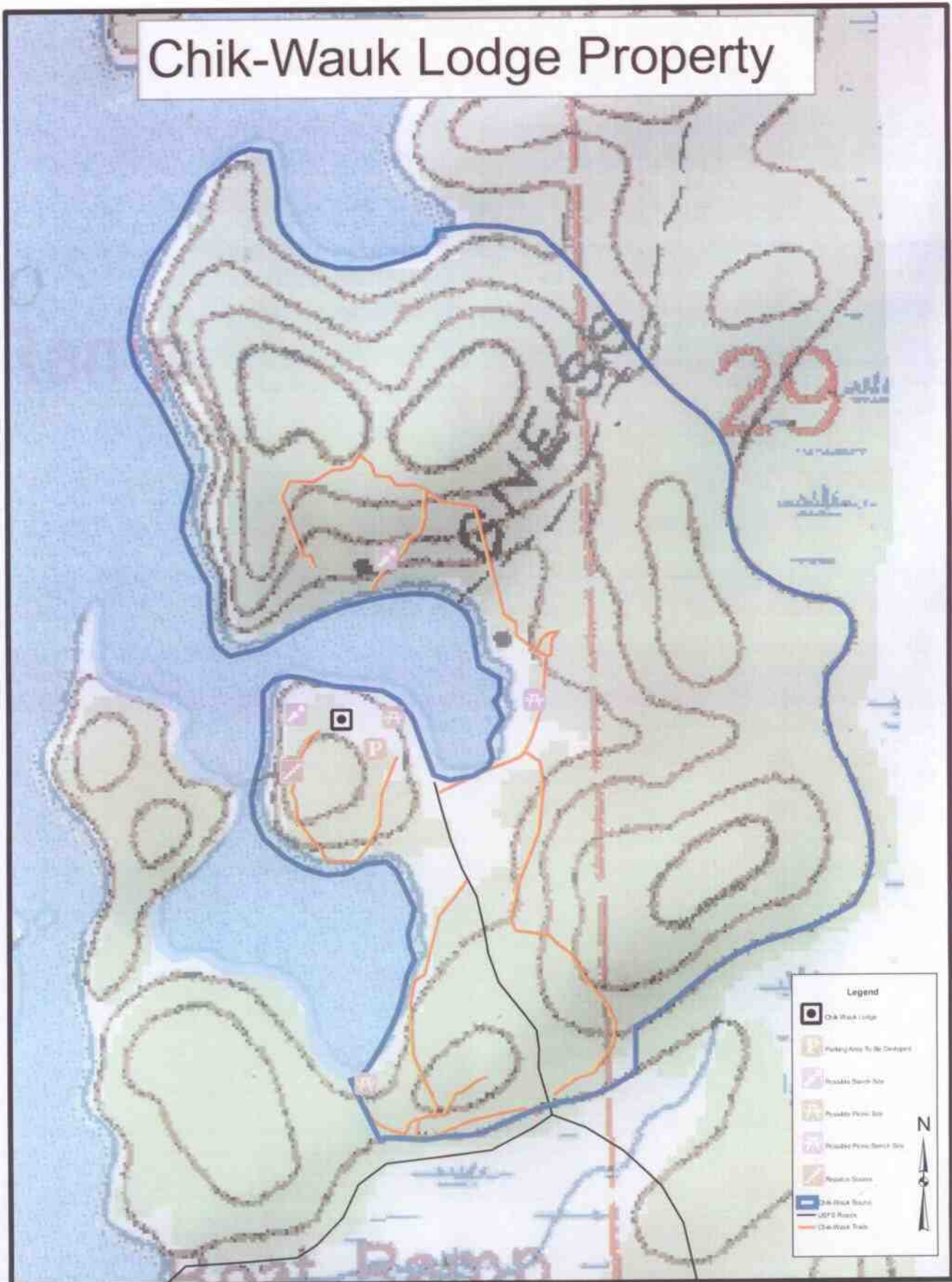
According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082. The time required to 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, 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, 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 (800) 975-3272 (voice) or (202) 720-6382 (TDD). 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.

Chik-Wauk Lodge Property



APPENDIX B

CHIK-WAUK

Five-Year Operating and Maintenance Plan

2007-2011

I - INTRODUCTION

The Special Use Permit issued to Gunflint Trail Historical Society (GTHS) authorizes occupancy and use of the historic Chik-Wauk Resort Site on National Forest land. This Operating and Maintenance Plan defines specific responsibilities of GTHS for the operation and maintenance of the historic site for use as a Museum. Target date for the Museum to be up and running is the summer of 2010.

The Forest Service will conduct a formal historical evaluation and nomination to determine National Register eligibility and listing of the property on the National Register of Historic Places. The Forest Service no longer uses the buildings for administrative purposes.

The Permit is entered into with the understanding that the Forest Service will benefit by having maintenance and repair performed on their building to maintain the integrity of the site and that GTHS will benefit by having space and grounds for a local historical museum.

Property, buildings, and any building or property improvements including those made by GTHS will be the property of the United States. Any exhibits, cabinetry, books, pamphlets, historical artifacts, etc., placed in the buildings by GTHS will remain the property of GTHS.

The Special Use Permit and this Operating and Maintenance Plan may be amended by the Forest Service as needed for compliance with law, regulation and policy. It may also be amended for other purposes upon mutual agreement by both parties.

II - FOREST SERVICE RESPONSIBILITIES:

1. Make the Chik-Wauk Lodge and space available to GTHS for use as a public historical museum including interpretive association sales and office operations.
2. Work with GTHS on the preparation of an annual Operating and Maintenance Plan for the Museum operation.

3. Assist with periodic inspections to ensure the site is operated in conformance with direction for National Register sites, meets applicable State public health laws, meets acceptable standards of maintenance, and in general complies with the Special Use Permit.
4. Allow GTHS to collect donations or charge a reasonable entrance fee to help defer the cost of maintenance of the buildings.
5. Designate a Forest Service Liaison to work with GTHS for coordination, consultation and assistance in Museum operations as needed.
6. Provide the assistance and consultation of the Forest Service Archeologist or other FS staff as needed for museum projects and activities as related to National Register of Historic Places status.

III – GUNFLINT TRAIL HISTORICAL SOCIETY'S RESPONSIBILITIES:

Site Operations

1. Maintain the buildings and grounds at the Chik-Wauk site to conform to the requirements for buildings on the National Register of Historic Places. GTHS shall obtain the assistance of the Minnesota State Historic Preservation Officer on structure and site rehabilitation and interior and exterior building and site modifications.
2. Prepare an Annual Operating and Maintenance Plan in conjunction with the Forest Service by April 15 of each year that includes a list of proposed improvement and maintenance projects for the Museum and its premises.
3. Submit an Annual Report to the Forest Service by September 30 of each year that includes a summary of Museum visitation, special events held at the site, improvement and maintenance projects, inspection reports, and other related information about the operation of the Museum.
4. GTHS in their advertisements, signs, circulars, brochures, letter heads, and like materials, as well as orally, shall acknowledge the fact that the permitted area is located on National Forest land within the Superior National Forest.

Projects and Improvements

5. Obtain approval in advance and in writing from the Forest Service authorized officer for any plans for development, layout, construction, reconstruction, alteration of improvements, or revision of layout or construction plans within the permitted area.
6. Obtain approval in advance and in writing from the Forest Service authorized officer for any landscaping plans within the permitted area. Trees, shrubs, or other landscaping in the permitted area may be removed or destroyed only with approval from the forest officer in charge. Trees, shrubs, and other plants may be planted or seeded in such manner and in such places as approved by the forest officer in charge.

7. Nothing in the Permit shall be construed to imply permission to build or maintain any structure not specifically named in this Permit. Additional structures requiring specific approval shall include, but are not limited to: signs, fences, nameplates, mailboxes, newspaper boxes, exterior lighting, and television antenna.
8. No signs or advertising devices shall be erected on the area covered by this Permit or highways leading thereto, without prior approval by the Forest Service as to location, design, size, color, and message. Signs shall be maintained or replaced as necessary to appear neat and professional.

Health and Safety

9. The operation and maintenance of all sanitation, food-service, and water-supply methods, systems, and facilities shall comply with the standards of the local department of health and the United States Public Health Service. GTHS will see that necessary repairs are made prior to opening the Museum to the public each year.
10. GTHS shall take reasonable precautions to prevent pollution of or deterioration of lands or waters, which may result from the exercise of the privileges extended by this Permit. All waste materials, garbage, household hazardous waste products, and rubbish of all kinds will be disposed of properly and on-site storage areas or collection containers will meet bear-resistant guidelines.
11. Rising waters, high winds, and other hazards are natural phenomenon in the forest that present risks which GTHS assumes. GTHS has the responsibility of inspecting the site, lot, right-of-way, and immediate adjoining area for evidence of hazardous conditions and, after securing permission from the Forest Service, of removing such hazards.
12. The museum area will be maintained to present a clean, neat, and orderly appearance. Trash, debris, unusable machinery, building materials, firewood, etc, will be stored inconspicuously or disposed of. GTHS shall protect the scenic esthetic values of the lands under this Permit, and the adjacent land, as far as possible with the authorized use, during construction, operation, and maintenance of the improvements.
13. GTHS will take reasonable measures to prevent and discourage vandalism or disorderly conduct. When the situation warrants law enforcement intervention, GTHS will contact the appropriate law enforcement authorities and file an incident report with the Forest Service within 48 hours.
14. Emergency and evacuation procedures for medical, fire and other emergency situations will posted on site and filed with the Forest Service.

Fire Safety

15. No material shall be disposed of by burning in open fires during the closed season established by law or regulation without a written permit from the forest officer in charge or his authorized agent.

16. Fireplaces and stoves shall be installed and operated in accordance with applicable fire codes. Open fireplaces shall be equipped with spark screens. The roof shall be kept reasonable clear of leaves, twigs, and other debris.
17. GTHS shall install smoke alarms, fire extinguishers, and firefighting apparatus as required. This equipment shall be available for immediate use, and shall be tested each year.

Utilities

18. A site plan indicating the current location of utility lines servicing or crossing the permitted area shall be maintained by GTHS and a copy provided to the Forest Service. Plans for relocation of telephone, electrical or other utility lines necessitated by operations under this Permit shall be submitted to and approved by the authorized officer prior to commencement of any work.
19. All electrical wiring will be installed and maintained in strict compliance with the safety rules dealing with electrical supply and communication lines which are set forth in the National Electric Safety Code and also with all applicable local codes.
20. All butane, propane, or other liquefied-petroleum-gas equipment shall be installed and operated in accordance with the laws and regulations of the State.

Accessibility and Non-discrimination

21. Every effort will be made to ensure accessibility for all staff and visitors to all facilities. While historic structures can present challenges for accessible design, needed improvements will be addressed in GTHS's long-term planning for the site.
22. - In connection with the performance of work under this Permit, including construction, maintenance, and operation of the facility, GTHS shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
 - GTHS and its employees shall not discriminate by segregation or otherwise against any person on the basis of race, color, religion, sex, or national origin by curtailing or refusing to furnish accommodations, facilities, services, or use privileges offered to the public generally.
 - GTHS shall include and require compliance with the above non-discrimination provisions in any subcontract made with respect to the operations under this permit.
 - Signs setting forth this policy of non-discrimination to be furnished by the Forest Service will be conspicuously displayed at the public entrance to the premises, and at other exterior or interior locations as directed by the Forest Service.

Liability

23. GTHS 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) third party property damage in the amount of Twenty-Five thousand and no/hundreds dollars (\$25,000.00), and (2) damage to persons in the minimum amount of One hundred thousand and no/hundreds dollars (\$100,000.00) in the event of death or injury to one

individual and the minimum amount of Two hundred thousand and no/hundreds dollars (\$200,000.00) in the event of death or injury to more than one individual. The coverage shall extend to property damage, bodily injury, or death arising out of GTHS's activities under the permit including, but not limited to, the occupancy or use of the land and the construction, maintenance, and operation of the structures, facilities, or equipment authorized by the Permit. Such insurance shall also name the United States as a co-insured and provide for specific coverage of GTHS's contractually assumed obligation to indemnify the United States. The permittee shall require the insurance company to send an authenticated copy of its insurance policy to the Forest Service immediately upon issuance of the policy. The policy shall also contain a specific provision or rider to the effect that the policy will not be canceled or its provisions changed or deleted before thirty (30) days written notice to the Authorized officer by the insurance company.

Other operations

24. Gambling or gambling machines or devices will not be permitted on National Forest lands regardless of whether or not they are lawful under State law or county ordinances, with the exception of interpretive displays of historic machines or devices.
25. The sale of liquors or other intoxicating beverages is prohibited within the permitted area.
26. No animals or fowl, other than household pets, shall be kept upon the premises except for short duration special events.