APPENDIX A

Sample Permit

Town of Clarkdale
Commercial Outfitter Permit
For River Runner Outfitter

SETTING

The Verde River @ Clarkdale is comprised by a 3.5 mile stretch of the Verde River, within and adjacent to the Town of Clarkdale, Arizona. This healthy stretch of river is located between the Lower TAPCO River Access Point (TAPCO RAP) (located at 3400 N. Sycamore Canyon Road) and the Tuzigoot River Access Point (Tuzi RAP) (located at 15 E. Tuzigoot Road). The Town of Clarkdale's **Verde River @ Clarkdale** project seeks to provide access and recreation opportunities at the River Access Points and on the river, thereby promoting better understanding and desire for stewardship of this precious resource.

The Town of Clarkdale (hereinafter, "TOC") is licensed to operate the TAPCO RAP, and cooperatively manages the Tuzi RAP with Arizona State Parks (hereinafter "**Clarkdale Sites"**). A map of the Clarkdale Sites is attached as **Exhibit A**.

I. PURPOSE AND DEFINITIONS:

This permit authorizes Commercial River Runner Outfitting and Guiding for term expiring December 31, 2015. Permits will be eligible for reissuance for subsequent one year terms as long as the holder maintains acceptable performance. Outfitter will be required to submit an updated Annual Operating Plan for each year of operation, and fees and allocation of customer units are subject to change annually. This permit applies to the following commercial recreational outdoor services:

_____ Commercial Guided Recreational Customer Units
_____ Commercial Unguided Recreational Customer Units
_____ Commercial Guided Interpretive/Educational Customer Units

All regulated trips herein are permitted to launch from the Lower TAPCO River Access Point and land at the Tuzigoot River Access Point.

Any changes to the allocated customer units, the fee schedule or other permit provisions in subsequent years will be issued by addendum to the permit.

Definitions relating to this permit are attached hereto as **Exhibit B**.

II. TOWN OF CLARKDALE AUTHORITY:

1. ARS § 9-240(B)19 authorizes the Town Clerk to issue licenses, to direct the manner of issuing and registering the same, and the fees of the Clerk therefore.
2. ARS § 9-494(A) authorizes TOC to establish and maintain public parks and to acquire, hold and improve real property for that purpose.
3. ARS § 9-401 authorizes the TOC to lease or rent land lying outside its corporate limits, for its purposes and uses, and any violation of an ordinance of the TOC occurring within the territorial limits of the land may be punished by the TOC to the same extent and with like effect as if the violation occurred within the corporate limits.

III. THE TOWN OF CLARKDALE SHALL:

1. Make the Clarkdale Sites available to the Permit Holder, seven days per week from the effective date of this Permit (excluding Thanksgiving Day, Christmas Eve and Christmas Day) through December 31, 2015. Site availability is subject to the normal hours of operation of the Clarkdale Sites. Site availability is also subject to safe and acceptable operating conditions (including river flows) and scheduling changes necessitated by special events, as determined by the TOC.

IV. THE PERMIT HOLDER SHALL:

Limit commercial activities under this Permit to the identified scope, term, location, and standards contained herein. The Permit Holder shall submit, prior to the approval of this Permit, an Annual Operating Plan (hereinafter "AOP"), defining the scope of approved commercial activities. The components of this AOP are found herein, in **Exhibit C,** and are subject to approval of TOC.

Further, the Permit Holder shall comply with Arizona State Parks Natural Areas Policies and Guidelines outlined in **Exhibit D,** Arizona State Parks Rules and Regulations outlined in **Exhibit E,** and the **River Guides Standards** outlined in **Exhibit F**.

This permit has been issued as a result of a submittal made by the Permit Holder to an Invitation for Proposals for Commercial River Runner Outfitters that was received by TOC on February 27, 2015. Said submittal is incorporated as a component of this permit and attached as **Exhibit G**.

V. EFFECTIVE DATE, DURATION, TERMINATION, AND DISPOSAL OF PROPERTY:

1. Effective Date and Term: This Permit is entered into, and is effective, as of the date on which the last of all required signatures is affixed hereto. Unless earlier terminated, this Permit shall remain in effect from its Effective Date until December 31, 2015.

   Permits will be eligible for reissuance for subsequent one year terms as long as the holder maintains acceptable performance. The decision whether to reissue a permit to the Permit Holder is at the sole discretion of the TOC. Outfitter will be required to submit an updated Annual Operating Plan for each year of operation, and fees and allocation of customer units are subject to change annually.

2. Termination: This permit may be terminated by either Party upon 30-days prior written notice to the other Party of its intention to cease activities under the permit. The permit is also subject to suspension or revocation in accordance with Clarkdale Town Code Article 8, Section 8-7-10. Unless earlier terminated, the permit will automatically terminate according to the term identified herein.

VI. FEES AND SUBMITTALS:

The 2015 fee for outfitter/guide services is $5 per customer unit per day. A deposit in the amount of $_____ (15% of the per-day rate multiplied by the annual quota assigned in the permit) is due at the time of issuance of the permit.

Thereafter, by the 15th day of each month, outfitter will provide monthly reports and pay for usage during the preceding month. The final monthly payment of the year will be reconciled against the beginning deposit amount, with any refunds issued or additional fees due settled at that time.

An additional fee amounting to $_____ (10% of the amount paid under the Town of Clarkdale fee structure outlined above) will be assessed to secure the Tuzigoot River Access Point as a landing site from Arizona State Parks (hereinafter "AZSP Fee"). AZSP is due and payable on the same date as the fees due to the Town of Clarkdale.

The fees and payment schedule outlined above is for the 2015 calendar year only, and is subject to change on an annual basis. Any changes to the fee schedule in subsequent years will be issued by addendum to the permit.

All fees, once submitted to the TOC, are nonrefundable.

VII. PRINCIPAL CONTACTS: The principal contacts for this Permit is:

For the TOC:

Gayle Mabery
Town Manager
P.O. Box 308
39 N. 9th Street
Clarkdale, AZ 86324
(928) 639-2400
Gayle.mabery@clarkdale.az.gov

For the Permit Holder:

1. Any notice, demand or request required or authorized by this permit to be given or made to or upon the Parties to this permit shall be deemed properly given or made if delivered to or mailed postage prepaid to the TOC Principal Contact.

2. The designation of the person to or upon whom any notice, demand or request is to be given or made, or the address of such person, may be changed at any time by notice given in the same manner as provided in this section for other notices.

VIII. GENERAL TERMS AND CONDITIONS:

1. Amendment: This permit may be amended only in writing by the Parties hereto. Amendments must be approved with the same formality as was this permit.

2. Arizona Law: This permit shall be governed by and construed in accordance with the laws of the State of Arizona.

3. Compliance with Applicable Law. All work performed pursuant to this Permit Holder shall be in compliance with all applicable state, federal and local laws and regulations.

4. Clarkdale Business License and Transaction Privilege Tax License. Prior to issuance of the permit, Permit Holder shall secure a valid Town of Clarkdale Business License and provide evidence of a valid Arizona Transaction Privilege Tax License. Permit Holder shall ensure that all regulated trips under this permit either begin in the Town of Clarkdale or take place entirely within the Town of Clarkdale, in accordance with Article 8, Section 8-7-3 D of the Clarkdale Town Code.

5. Equal Opportunity/Non-Discrimination: The Parties hereby agree to comply with all Federal and State nondiscrimination orders and statutes as may apply, including Title VI, Title IX of the Civil Rights Act, Section 504 of the Rehabilitation Act, and the State Executive Order No. 2009-09, entitled Non-Discrimination in Employment.

6. E-Verify: In accordance with A.R.S. § 41-4401, the Parties warrant compliance with all Federal immigration laws and regulations relating to employees and warrant their compliance with A.R.S. § 23-214, Subsection A.

7. Illegal Immigration. The Parties agree to comply with Executive Order 2005-30, "Ensuring Compliance with Federal Immigration Laws by State Employers and Contractors," the provisions of which are hereby incorporated by reference.

8. Integration. This permit constitutes the entire agreement between the Parties pertaining to the subject matter herein and accurately sets forth the rights, duties, and obligations of each Party. All prior or contemporaneous agreements and understandings, oral or written, are hereby superseded. The provisions of this permit may be abrogated, modified, rescinded, or amended in whole or in part only by mutual written consent executed by the Parties.

9. Limitations: Nothing in this permit shall be construed as limiting or expanding the statutory responsibilities of the Parties.

10. Mediation/Arbitration: For any controversy or claim arising out of or relating to this Agreement, or breach thereof, that cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation before resorting to arbitration, litigation, or some other dispute resolution procedure. If the parties have not agreed upon the mediator within ten (10) days from the date of submission of a mediation request, either party may request the Presiding Judge of the Superior Court of Yavapai County to assign a mediator from a list of experienced mediators maintained by the Arizona Municipal Risk Retention Pool.

    In the event that mediation is not fully successful, then to the extent required pursuant to A.R.S. § 12-1518, the Parties agree to use arbitration to resolve any dispute arising under this permit, with each Party to bear its own attorneys' fees and costs.

11. Non-availability of Funds: Any payment obligation of TOC that may arise under this permit is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of the permit, this permit may be terminated by TOC at the end of the

period for which funds are available. No liability shall accrue to TOC in the event this provision is exercised, and TOC shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

12. No Partnership or Joint Venture: Nothing contained in this permit shall be deemed or construed to create a partnership or joint venture between either Party, and neither Party shall be responsible in any way for the activities, debts, contracts, obligations or acts, negligent or otherwise, of the other, it being expressly agreed that this permit is an permit between two independent Parties in which the identify of each Party is maintained as it was prior to this permit.

13. Non-Exclusive Use/Other Agreements: This permit in no way restricts either Party from participating in similar activities with other public or private agencies, organizations and individuals. The use and activities authorized under this permit are not exclusive. TOC and Arizona State Parks reserves the right to access all areas in use under this permit for the purposes of inspection, monitoring, or any other such purpose consistent with TOC and Arizona State Park's rights and obligations.

14. Prohibition of Assignment: The respective rights under this permit may not be assigned without the prior written consent of the Parties hereto and any purported assignment without such consent shall be void and of no effect.

15. Records: Pursuant to ARS § 35-214, all books, accounts, reports, files and other records relating to this permit shall be subject at all reasonable times to inspection by TOC for five years. After the completion of the permit, such records shall be reproduced as designated by TOC.

16. Severability. In the event that any provision of this permit, or portion thereof, is held invalid, illegal, or unenforceable, such provision or portion thereof shall be severed from this permit and shall have no effect on the remaining provisions of this permit, which shall remain in full force and effect.

17. Termination for Conflict of Interest. This permit is subject to termination pursuant to A.R.S. § 38-511.

18. Indemnification Clause: Permit Holder shall indemnify, defend, save and hold harmless the TOC and Arizona State Parks, their departments, agencies, boards, commissions, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim

processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Permit Holder or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such Permit Holder to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the Parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Permit Holder from and against any and all claims. It is agreed that Permit Holder will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of the permit, the Permit Holder agrees to waive all rights of subrogation against the TOC and Arizona State Parks, their officers, officials, agents and employees for losses arising from the work performed by the Permit Holder for the TOC or Arizona State Parks.

This indemnity shall not apply if the Permit Holder or sub-Permit Holder(s) is/are an agency, board, or commission of the TOC or Arizona State Parks.

19. Insurance Requirements: Permit Holder and subcontractors shall procure and maintain at the Permit Holder's own expense, until all of their obligations have been discharged, including any warranty periods under this Permit, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Permit Holder, his agents, representatives employees or subcontractors.

The insurance requirements herein are minimum requirements for this Permit and in no way limit the indemnity covenants contained in this Permit. The Town of Clarkdale in no way warrants that the minimum limits contained herein are sufficient to protect the Permit Holder from liabilities that might arise out of the performance of the work under this Permit by the Permit Holder, its agents, representative, employees or subcontractors, and Permit Holder is free to purchase additional insurance.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE: Permit Holder shall provide coverage with limits of liability not less than those stated below.

1. Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

- General Aggregate $1,000,000
- Products – Completed Operations Aggregate $ 500,000
- Personal and Advertising Injury $ 500,000
- Blanket Contractual Liability–Written and Oral $ 500,000
- Fire Legal Liability $ 25,000
- Each Occurrence $ 500,000

a. The policy shall include a separate Additional Insured endorsement evidencing the policy amendment to include the following additional insured language: "The Town of Clarkdale and Arizona State Parks, and their departments, agencies, boards, commissions, and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Permit Holder."

b. Policy shall contain a waiver of subrogation against the Town of Clarkdale and Arizona State Parks, and their departments, agencies, boards, commissions, and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Permit Holder.

2. Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this permit.

Combined Single Limit (CSL) $ 500,000

a. The policy shall be endorsed to include the following additional insured language: "The Town of Clarkdale and Arizona State Parks, and their departments, agencies, boards, commissions, and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Permit Holder, involving automobiles owned, leased, hired or borrowed by the Permit Holder."

b. Policy shall contain a waiver of subrogation against the Town of Clarkdale and Arizona State Parks, and their departments, agencies, boards, commissions, and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Permit Holder.

3. Worker's Compensation and Employer's Liability

Worker's Compensation	Statutory
Employer's Liability	
Each Accident	$ 100,000
Disease – Each Employee	$ 100,000
Disease – Policy Limit	$ 100,000

a. Policy shall contain a waiver of subrogation against the Town of Clarkdale and Arizona State Parks, and their departments, agencies, boards, commissions, and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Permit Holder.

b. This requirement shall not apply to: Separately, EACH Permit Holder or subcontractor exempt under ARS § 23-901, AND when such Permit Holder or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Permit Holder) form.

4. Professional Liability (Errors and Omissions Liability)

Each Claim	$ 500,000
Annual Aggregate	$1,000,000

a. In the event that the professional liability insurance required by this permit is written on a claims-made basis, Permit Holder warrants that any retroactive date under the policy shall precede the effective date of this permit; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this permit is completed.

b. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the "Purpose" section in this permit.

B. <u>ADDITIONAL INSURANCE REQUIREMENTS</u>: The policies shall include, or be endorsed to include, the following provisions:

1. The Town of Clarkdale and Arizona State Parks, and their departments, agencies, boards, commissions and its officers, officials, agents, and employees wherever additional insured status is required. Such additional insured shall be covered to the full limits of liability purchased by the Permit Holder, even if those limits of liability are in excess of those required by this Permit.

2. The Permit Holder's insurance coverage shall be primary insurance with respect to all other available sources.

3. Coverage provided by the Permit Holder shall not be limited to the liability assumed under the indemnification provisions of this Permit.

IX. SPECIAL TERMS AND CONDITIONS:

The following Special Terms and Conditions are hereby incorporated as part of the Commercial Outfitter Permit for River Runner Outfitters operating on the Verde River @ Clarkdale:

1. All trips on the Verde River @ Clarkdale are expected to convey an educational message about the importance of the preservation and restoration of the Verde River and its habitat.

2. Guide to client ratio on guided trips is 1:8

3. Guide to client ratio on guided trips reduces to 1:5 when water levels rise above 300 cfs as measured at the USGS Clarkdale Gauge

4. No unguided commercial trips may launch in water levels that exceed 300 cfs as measured at the USGS Clarkdale Gauge

5. No guided commercial trips may launch in water levels that exceed 500 cfs as measured at the USGS Clarkdale Gauge

6. The Town of Clarkdale will make the Clarkdale Sites available to the Permit Holder, seven days per week from the effective date of this Permit (excluding Thanksgiving Day, Christmas Eve and Christmas Day) through December 31, 2015. Site availability is subject to the normal hours of operation of the Clarkdale Sites. Site availability is also subject to safe and acceptable operating conditions (including river flows) and scheduling changes necessitated by special events, as determined by the TOC.

7. The Town of Clarkdale requires all permitted outfitters to work cooperatively with each other and the Town to develop operational plans that ensure appropriate time spacing between individual trip launches in order to ensure appropriate social encounter levels on the river. This may include added restrictions on unguided trip sizes.

8. Customer injuries should be reported to the Town of Clarkdale as soon as possible after the injury occurs, and written incident reports relating to injuries or other situations that require emergency response should be delivered to the Town of Clarkdale within 48 hours of the incident.

9. The area between Bitter Creek and Deception Wash is surrounded by private, residential property. This stretch of river is a designated "Quiet Zone", where voices should be kept to a conversational level and stopping on the shoreline is not permitted other than in emergency situations. Use of water cannons, water pistols, and other forms of splashing water at other persons are restricted in the designated Quiet Zone.

10. Commercial and other vehicles listed as part of the Operating Plan are not subject to Day Use Fees or registration at Clarkdale Sites. Any private vehicles utilized by customers or employees of Permit Holders are subject to Day Use Fees and/or Registration.

11. Permit Holder may not store vehicles and equipment on Clarkdale Sites. Loading and unloading at boat launch areas should be completed in an efficient and timely manner.

12. Outfitters must comply with Arizona State Parks Rules and Regulations, Exhibit D, while operating at the Tuzigoot River Access Point (Tuzi RAP).

13. Outfitters must comply with Chapter 12, Parks and Recreation Facilities, of the Clarkdale Town Code (available at www.clarkdale.az.gov), while operating at the Lower TAPCO River Access Point.

14. Solid human waste must be removed from the river area in accordance with the following:
    a) Portable toilets must be washable, reusable toilet system that allows for the carry-out and disposal of solid human body waste, allowing for transfer of waste materials to septic vaults or sewage treatment facilities.
    b) Use of a plastic or paper bag as a receptacle for human waste is prohibited unless it is part of a specifically engineered bag waste containment system containing enzymes and polymers to treat solid human body waste.
    c) Leaving solid human waste on public or private lands or dumping it into vault toilets at public facilities is prohibited.

X. SIGNATURE AUTHORITY:

1. This PERMIT is entered into and is effective as of the date of the last signature to this PERMIT.
2. This PERMIT is solely for activities occurring on property owned and/or operated by the Town of Clarkdale and identified in Exhibit A as "Clarkdale Site". It does

not convey the right to use or occupy properties owned or controlled by any other public agency, nor any private parties.

3. By signing below, the signer certifies the authority to enter into this PERMIT and has read the foregoing and agrees to accept the provisions herein.
4. This PERMIT may be executed in two or more counterparts each of which shall be deemed an original and all of which together shall constitute one instrument.
5. All Parties to this PERMIT acknowledge that signatures by electronic means are acceptable and legally binding.

Agreed as provided herein, including Sections I through X, and Exhibits A – E:

TOWN OF CLARKDALE
P.O. Box 308
Clarkdale, AZ 86324

Authorized Signature:

_____
Gayle Mabery, Town Manager

_____
Date

PERMIT HOLDER
Mailing Address
City, State, ZIP

Authorized Signature:

_____
Printed Name of Permit Holder

_____
Date

EXHIBIT A

Clarkdale Sites

Lower TAPCO RAP and Tuzi RAP

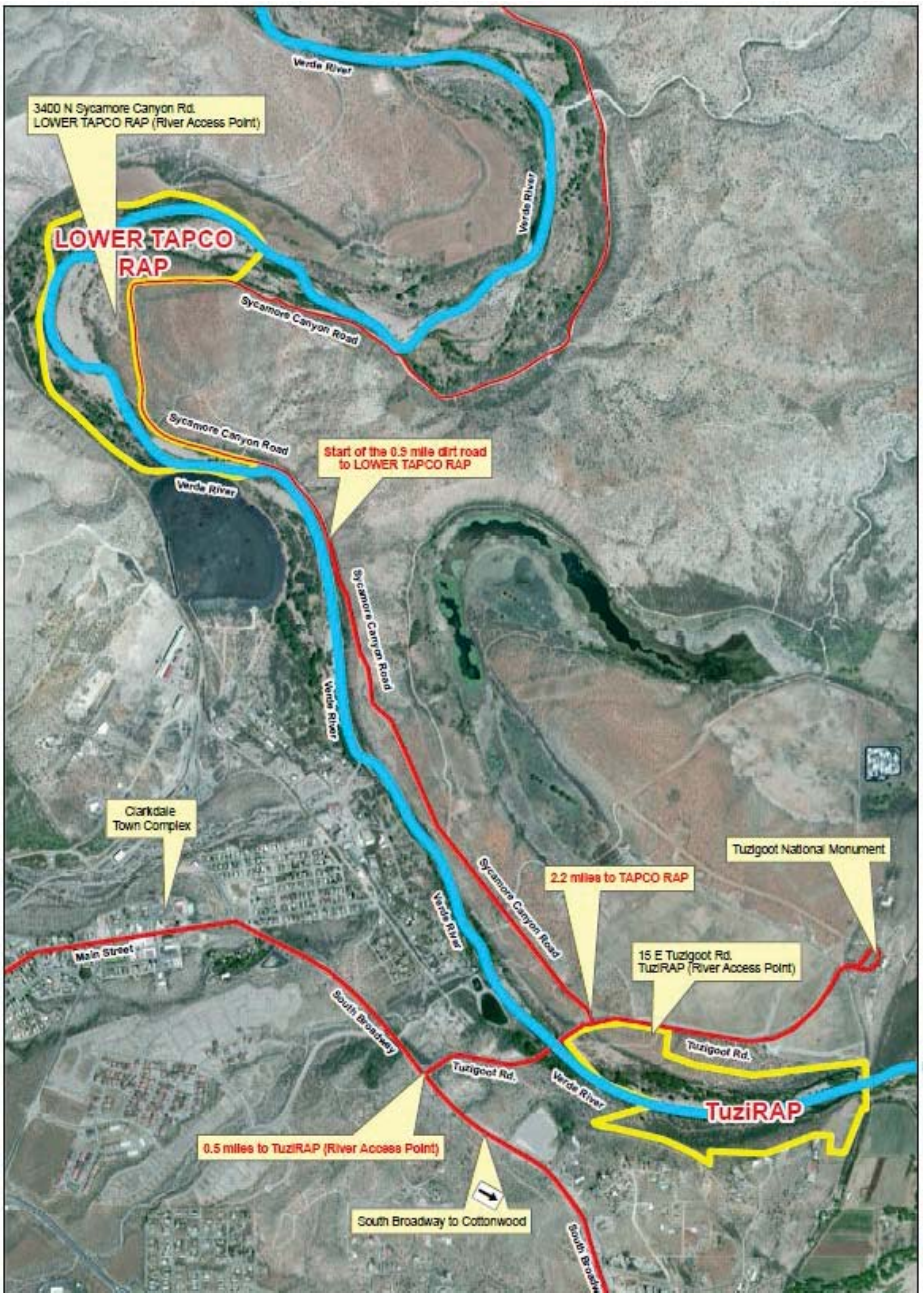

EXHIBIT B

Definitions

The following terms and definitions are hereby incorporated into this Commercial Outfitter Permit for River Runner Outfitters.

1) "Advertise" or "advertisement" means any message in any printed materials or electronic media used in the marketing and messaging of outfitter operations.
2) "Allocation of Use" means an amount of use allocated to a permit holder that is measured in customer units and that is enumerated in a Commercial Outfitter Permit.
3) "Available Use" or "Capacity" means an allocation of use that is measured as the number of customer units; that is consistent with applicable Town of Clarkdale rules and regulations, and that is established as a policy decision of the Clarkdale Town Council.
4) "Commercial Outfitter" or "Outfitter" means any person advertising to provide or providing outdoor recreation services in the nature of facilities, guide services, instruction in outdoor recreation skills, or transportation for the purpose of outdoor recreation; except that "commercial outfitter" or "outfitter" does not include any person whose only service is providing motor vehicles, vessels, and other equipment for rent, or any person who is providing outdoor recreation services exclusively for family or friends outside of a regulated trip.
5) "Commercial Outfitter Permit" means a permit issued by the Town of Clarkdale to any person advertising to provide or providing outdoor recreation services in the nature of facilities, guide services, providing instruction in outdoor recreation skills, or providing transportation for the purpose of outdoor recreation on public lands owned or operated by the Town of Clarkdale.
6) "Commercial Interpretive/Educational Trip" means a trip with a primary purpose to enhance the understanding and appreciation of the wildlife, cultural and natural resources of the Verde River @ Clarkdale, and to further the goals of the preservation and conservation of the Verde River.
7) "Commercial Recreational Trip" means a trip with the primary purpose of enjoyment, pleasure, relaxation and fun.
8) "Customer Units" or "Customers" means one person receiving recreational service from a commercial outfitter on any one day.
9) "Guide" means any individual, including but not limited to subcontractors, employed for compensation by any outfitter for the purpose of providing assistance on regulated trips.
10) "Guide instructor" means any qualified guide whose job responsibilities include the training of guides.

11) "Peace officer" means any town, city, county and state law enforcement officer certified by the Arizona Peace Officers Standards and Training Board.
12) "Permit Holder" or "Permittee" An individual or entity that holds a Commercial Outfitter Permit authorizing outfitting or guiding activities by the Town of Clarkdale.
13) "Person" means any individual, sole proprietorship, partnership, corporation, nonprofit corporation or organization, limited liability company, firm, association, or other legal entity either located within or outside of this state.
14) "Regulated trip" means any trip for which outdoor recreation services are provided which has been the subject of an advertisement or for which a fee has been charged regardless of whether such fee is:

    a. Charged exclusively for the trip or as part of a packaged trip, recreational excursion, or camp; or,
    b. Calculated to monetarily profit the outfitter or is calculated merely to offset some or all of the actual costs of the trip.

    "Regulated trip" does not include a trip in which a person is providing outdoor recreation services exclusively for family or friends as part of a social gathering of such family or friends.

15) "Trip leader" means any guide whose job responsibilities include being placed in charge of a Regulated Trip.
16) "Skill Instructor" means any person who is providing instruction in outdoor recreation skills.
17) "Vessel" means every description of watercraft used or capable of being used as a means of transportation of persons and property on the water, other than single-chambered air-inflated devices or seaplanes.
18) "Watercraft" means any boat designed to be propelled by machinery, oars, paddles or wind action upon a sail for navigation on water, or as may be defined by rule of the Arizona Game and Fish Commission, in compliance with A.R.S. 5-301.21

EXHIBIT C

Annual Operating Plan

The Permit Holder shall provide, before approval of this Permit is granted, a complete Annual Operating Plan (AOP), thoroughly describing the scope of commercial activities to be conducted under this Permit. The AOP will be approved by a designated TOC employee or agent and signed by authorized agents of both parties to this Permit. Once approved, the AOP will become a component of the approved Permit.

***Note: The AOP must be outlined as shown below. The Permit Holder may add additional categories, but the outline headings shown below must be followed as given.**

A. **Permit Holder Information:** Provide corporate status (if applicable), tax-filing status, names and titles of principle owners, primary and emergency contact information (cell phone, email, etc.), and information about the Permit Holder's structure.

B. **Operating Season:** Include typical pre-season, peak season, and post-season activities.

C. **Staffing Plan:** Include projected number of staff, staff names, work titles, and description of positions and levels of training for each, including safety and first aid training (minimum of ARC First Aid/CPR required or equivalent). Describe how Permit Holder's employees will be trained on the specifics of the permit and Annual Operating Plan. Define which Permit Holder work titles and/or employees correspond with the positions defined in Appendix D – River Guide Standards (i.e. Guide Instructor, River Guides and Trip Leaders).

D. **Services Offered to Customers:** Please provide information regarding the services you will be providing. The following topics are not all-inclusive. Please add any information to your response that you feel is pertinent to the evaluation criteria after responding to the specific items listed below:
   - Describe the levels of demand you expect for guided trips (i.e. busiest days of the week and times of year, hours of operation, expected launch times, etc.)
   - Describe the types and time length of services that you plan to offer, including the maximum and minimum number of trips per day that you would like to offer.
   - Describe how customers will be oriented and instructed about rules, proper attire, safety standards and environmental stewardship.

- Describe the types of equipment that will be issued to customers. If you are offering unguided trips, specifically describe the types of watercraft you plan to offer for customers on unguided trips.
- Provide an estimate of your fee structure for the next five years (first term of the permit you may receive as a result of this offering).
- Describe any customer survey or measurement tools that you use to gauge results and customer satisfaction.

E. Providing a Safe Experience for Visitors: Please provide a description of your background, training, and experience in providing safe guided tours. The following topics are not all-inclusive. Please add any information to your response that you feel is pertinent to the evaluation criteria after responding to the specific items listed below:

- Describe your emergency rescue training and procedures. List first aid equipment/supplies that will be available on the guided tours.
- Describe the emergency medical training and/or first aid training requirements for all employees.
- Provide specific boating safety standards with regard to required use of PFDs and how all activities will be in compliance with current US Coast Guard boating safety rules and regulations. Describe how watercraft occupancy limits will not be exceeded.
- 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.
- What type of vehicle(s) will you utilize on your guided tours? What is the capacity and size of the vehicles? What are your loading and unloading locations and procedures? Describe your inspection and maintenance schedule for your vehicles? Describe your inspection and maintenance schedule for other equipment. 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 and are in compliance with any applicable State and Federal safety standards.
- Describe the safety instruction you provide your clients and your general and boating safety procedures when guiding customers.
- Describe your methods for resolving customer conflicts.
- Describe safety standards and logistics relating to the area surrounding and including the Brewer's Tunnel Diversion Dam.

- Describe how the behavior and conduct of customers will be monitored and controlled to ensure compliance with all terms of your permit. Specifically include reference to the following:
  - ✓ Your methods to ensure that customers are not under the influence of alcohol or any controlled substance while operating or maintaining physical control of a watercraft.

F. Providing an Educational Experience to Customers on Recreational Trips: All trips on the Verde River @ Clarkdale are expected to convey an educational message about the importance of the preservation and restoration of the Verde River. The following topics are not all-inclusive. Please add any information to your response that you feel is pertinent to the evaluation criteria after responding to the specific items listed below:

- What standard educational messages will you convey relating to the Verde River and its environment?
- How will you convey the vision of the Verde River @ Clarkdale project to your customers?

G. Providing an Educational Experience to Customers on Interpretive/Educational Trips: The overarching principle of the Verde River @ Clarkdale project is that public knowledge and understanding is vital to the protection and preservation of the Verde River. In keeping with that principle, the Town of Clarkdale believes that getting people onto the river to form personal connections is key to its future sustainability. As such, Interpretive/Educational Trips are a primary focus for the Verde River @ Clarkdale.

The following topics are not all-inclusive. Please add any information to your response that you feel is pertinent to the evaluation criteria after responding to the specific items listed below:

- Describe your education and experience in:
  - ✓ interpretive/educational outfitting
  - ✓ subject matter expertise
  - ✓ experience specifically relating to the Verde River and its surrounding environment.
- Describe the target audience(s) for your interpretive/educational tours.
- Describe the goals and objectives of your tours, and any customer survey or measurement tools that you use to gauge effectiveness.

- Thoroughly describe the interpretive/educational experiences and information that you plan to offer to customers. Include typical topics covered, typical features on the site that are highlighted, and your overarching approach to the experiences you provide.
- How will you convey the vision of the Verde River @ Clarkdale project to your customers?

H. Sustainable Clarkdale Initiative - The Sustainable Clarkdale Initiative is envisioned as the economic and social engine of the Town of Clarkdale. In keeping with the accepted definition of sustainability, which is "practices which meet the needs of the present without compromising the ability of future generations to meet their own needs", the Town of Clarkdale focuses on the three components of sustainability in the projects it undertakes: Cultural Sustainability; Environmental Sustainability; and, Financial Sustainability.

The following topics are not all-inclusive. Please add any information to your response that you feel is pertinent to the evaluation criteria after responding to the specific items listed below:

Cultural Sustainability - Community Stewardship

- Describe how you will manage your operations to ensure that you do not interfere with normal use of the River Access Points, public rights-of-way, and commercial areas by the general public and other permit holders.
- Describe the actions that the Permit Holder will take to mitigate impacts to residential neighborhoods and private citizens along tour routes. Describe how you will manage operations in the designated Quiet Zone.
- Describe your methods for resolving customer and/or guide conflicts with members of the public.
- Describe any free recreational or educational events you plan to offer to the public during the calendar year. Describe any community service events you plan to participate in during the calendar year.

Financial Sustainable - Economics/Local Economy

- Describe how your business supports the local economy of the Town of Clarkdale and the economy of the greater Verde Valley area, and how your business supports other local businesses.
- Do you consider yourself a local business in Clarkdale or the Verde Valley? Are you a resident of Clarkdale or the Verde Valley?

- Estimate the percentage of your revenue that stays in the Verde Valley area economy.

Environmental Sustainability

- Describe how your tours will further the understanding and enjoyment of the wildlife, cultural and natural resources of the Verde River @ Clarkdale, and how you will balance the needs of the visiting public with the resource values of the area.
- Describe how activities will conform to the general policies and guidelines applicable to Arizona State Natural Areas (**See Appendix C).**

I. Vehicles and Equipment: Include identifying markers and plans for storage of vehicles. Provide a list of all vehicles (including make/model; license plate numbers; VIN) that will be used in your operations this year.

J. Safety Standards for Weather Events: Describe how certain high-water conditions will impact permit operations, and define the conditions under which guided trips will be halted due to high water or other potentially dangerous conditions. Describe safety practices in the case of lightning.

K. Emergency Procedures: Describe the protocol for handling medical, law enforcement, fire, and other emergency situations. Include a list of emergency contacts that can be used by local emergency response agencies to contact Permit Holder. Local emergency response contacts include:

- For All Emergencies, call 911
- Clarkdale Police Dispatch, (928) 634-2921
- Clarkdale Fire Station #21, (928) 639-4591
- Arizona State Parks-Verde River Greenway, (928) 634-5283

L. Incident Management and Reporting: Describe protocol for reporting incidents pertaining to customer injuries, risk management, rules compliance, law enforcement, citizen complaints and emergencies.

M. Advertising and Promotions: Provide a description of all venues and materials that will be used for promotions and advertising. A schedule for planned special events must be provided. Website addresses, and examples of typical advertisements should be provided.

N. Signage: All on-site and off-site signage is subject to Sign Permit Requirements of the Town of Clarkdale. This includes, but is not limited to, proposed permanent signage,

temporary signs and banners, and portable signage (such as A-Frame signs). Some types of signage may require approval through the Clarkdale Design Review Board. Permitting should be coordinated in advance of any sign placement through the Clarkdale Community Development Department.

O. Communications Methods: What communications equipment will be used to ensure a professional and safe operation?

P. Refuse Control and Recycling Plan: How will the Permit Holder control and mitigate for litter and refuse? Describe Permit Holder's plan for Carry-In/Carry-Out refuse control. Describe the plan for encouraging recycling efforts.

Q. Human Waste: How will human waste services be provided to customers while on the river trip between the launch and landing site? Disposal of solid human waste must meet standards outlined in the Special Stipulations section of this Annual Operating Plan.

EXHIBIT D

Arizona State Natural Areas

The Permit Holder shall comply with all conditions put forward by the State Natural Area designation of the Verde River Greenway, as follow:

NATURAL AREAS PROGRAM
POLICY and GUIDELINES
ARIZONA STATE PARKS BOARD

The following policies, goals and structure have been set forth for the Arizona State Parks Natural Areas Program.

ARTICLE I. NATURAL AREAS ADVISORY COMMITTEE

Section 1. The Arizona State Parks Board ("Parks Board") action of February 19, 1991 endorsed the need for a Natural Areas Advisory Committee and specified the structure and responsibilities for that Committee.

Section 2. The Committee shall provide assistance and guidance to the Arizona State Parks Natural Areas Program staff and to serve in an advisory capacity to the Parks Board, especially in the implementation of Title 41, Chapter 3, Arizona Revised Statutes, Article 1, §41.503 D and §41.503 E.

Section 3. Committee members shall represent scientific expertise in the fields of botany, ecology, geology, hydrology, zoology, wildlife biology, preserve management or other relevant subjects or be actively involved in the conservation, scientific or preservation fields.

ARTICLE II. NATURAL AREAS PROGRAM POLICY

Section 1. STATEMENT OF PURPOSE
The Natural Areas Program shall establish a system of State Natural Areas to preserve the diverse natural heritage of Arizona for the public benefit, through acquisition and designation of lands having primarily global, but also national or state significance with regard to plant or animal species, habitats/communities, or geologic/hydrologic features.

Section 2. DEFINITION
State Natural Area: An area retaining to a substantial degree its unique or natural character established for the perpetual preservation of outstanding biological, geological, or hydrological features of primarily global, but also national or state significance. An area will be so designated on approval of the Parks Board.

Section 3. CRITERIA
(a) Lands which may become designated natural areas under the terms of this policy are those lands which meet one or more of the following criteria:
1. Lands largely undisturbed by man or largely recovered from such disturbance.
2. Lands which provide seasonal or year-long habitat for rare species of plants and/or animals, including but not restricted to species listed as rare by the U.S. Fish and Wildlife Service or by an official agency of the state.
3. Lands where rare or especially significant biological communities occur.
4. Lands with special geological, hydrological or paleontological significance.

(b) Secondary criteria that clarify and further define the criteria in this section will be developed by the Parks Board, through the Natural Areas Advisory Committee.

Section 4. HIGHEST AND BEST USE

Natural areas, created by designation of lands qualifying under Article I, Section 3 are declared to be at their highest and best use for public benefit and are declared to serve one or more of the following public purposes:

(a) Protect designated natural areas for their intrinsic values.
(b) Provide sites for scientific research and examples for scientific comparison with more disturbed lands.
(c) Provide opportunities for passive recreation or contemplation.
(d) Contribute to the growth and development of public understanding of and appreciation for natural systems, and the consequent development of public values and ethics.
(e) Provide for the economic and social benefits through the preservation of genetic diversity.

ARTICLE IV. STATEMENT OF GOALS

Section 1. PRIMARY GOAL OF THE PROGRAM

The program will pursue land acquisitions and easements that will accomplish the following natural heritage goal:

To preserve unique natural terrestrial or aquatic ecosystems, rare species of plants and animals or unusual or outstanding geologic or hydrologic features. This includes the protection and preservation of the processes that sustain those features.

Section 2. SECONDARY GOALS OF THE PROGRAM

The following goals will be pursued when and where they are deemed compatible with the primary program goal.

(a) To increase public awareness of the benefits of protecting natural heritage and biodiversity, and to provide educational opportunities for the general public through a variety of mediums, such as programs, publications, and displays.
(b) To provide an opportunity for the public to experience Arizona's unique natural heritage.
(c) To provide sites for field research in the natural sciences.
(d) To build a supportive constituency in the communities around the state through a variety of mechanisms, such as a volunteer site steward program.

ARTICLE IV. ACQUISITION AND DESIGNATION PROCEDURE:

Section 1. State Natural Areas are created when lands qualifying under Article 1, Section 3 are acquired and/or designated according to the following procedure.

(a) Sites are identified, inventoried and assessed for natural values and features, using the 1989 SCORP Natural Areas Inventory, Arizona Game & Fish Department's Non-Game Data Management System, and other sources.
(b) The Natural Areas Advisory Committee evaluates the information compiled in (a) and makes a decision on whether a site is appropriate for designation or acquisition as a State Natural Area, according to the criteria set forth in Article **1**, Section 3.
(c) The Committee shall establish a ranking of sites by general categories of significance, degree of threat, availability, and other criteria as decided by the Committee.

(d) The Committee recommends a list of sites for acquisition by the Parks Board to be managed and designated as State Natural Areas.
(e) The Parks Board chooses the site(s) to be pursued for acquisition. Once these sites are acquired, articles of designation shall be drafted. The articles shall contain a clear statement and identification of the natural values, their quality, and reasons for the recommended designation. A statement of management goals for the protection of those values will also be specified.
(f) Upon Parks Board acceptance of the articles of designation, the Parks Board shall release Heritage funds under ARS §41.503.E for the drafting of a preliminary management plan for the site.
(g) During this period, the Natural Areas Advisory Committee will assist in reviewing the plan and making recommendations for modifications. At any point, the Committee may make recommendations to the Parks Board that Heritage funds under ARS §41.503.E be made available for the operation and management of the natural area.

Section 2. EXTINGUISHMENT

(a) Articles of designation may be extinguished and the designation abandoned:
1. when all of the qualifying features of the land under Article 1, Section 3 have been destroyed or irretrievably damaged, and
2. the public purposes of the dedication described in Article 1, Section 4 and in the articles of designation have been utterly frustrated, and then,
3. only after notifying the Natural Areas Advisory Committee of the Parks Board's intent and reasons for the abandonment.

(b) Where articles of designation are proposed to be extinguished for other reasons, the Parks Board must find that the extinguishment and abandonment serves an imperative and unavoidable public necessity and that no prudent alternative exists. Public notice of the proposed extinguishment will occur as part of the Parks Board meeting process.

ARTICLE V. NATURAL AREAS MANAGEMENT POLICY:

Section 1. Management of each State Natural Area shall be guided by a management plan consistent with the primary goal of the program and these general policies:

(a) The program shall strive to preserve those significant natural resources through habitat protection and enhancement, maintenance of ecological processes, prevention or minimization of adverse impacts resulting from human activities, continued research and monitoring, management and education efforts.
(b) Each area will be managed for the preservation of significant natural features for which it was designated, emphasizing the maintenance of the natural processes, whenever possible.
(c) The management plan for each area will specify acceptable uses.
(d) The plans are to be revised as appropriate.

Section 2. Funds allotted for the operation and management of natural areas as specified under ARS §41.503.E. shall be expended on those sites that qualify under Article 1, Section 3 as a natural area, are so designated per Article V, and are administered by Arizona State Parks.

ARTICLE VI. PROGRAM IMPLEMENTATION STRATEGIES:

Section 1. COOPERATIVE AGREEMENTS
Cooperative agreements will be pursued with federal and state agencies, non-profit organizations, and volunteer assistance, whenever necessary, to accomplish the goals of the program.

Section 2. INVENTORIES
The program will utilize the information contained in the 1989 SCORP Natural Areas Study, the Arizona Game & Fish Department's Non-Game Data Management System, as well as other sources to assist with the identification of potential natural areas in the state.

Section 3. VOLUNTEER PROGRAM
The program will pursue the establishment of a volunteer program, including training, coordination and projects, to assist with the management of State Natural Areas.

ARTICLE VII. AMENDMENTS

Section 1. AMENDING PROGRAM POLICIES AND GOALS
The Natural Areas Program policies and goals may be amended by the Parks Board with prior notification to the Natural Areas Advisory Committee provided that such amendments shall not violate the intent of ARS §5-522, Section 1, and Title 41, Chapter 3, ARS §41.501.01, §41.502, §41.503 D and E.

Section 2. AMENDING ARTICLES OF DESIGNATION
The Articles of Designation prepared for each State Natural Area may be amended by the Parks Board with prior notification to the Natural Areas Advisory Committee provided that such amendments shall not violate the intent of the original designation or of ARS §5-522, Section 1, and Title 41, Chapter 3, ARS §41.501.01, §41.502, §41.503 D and E.

EXHIBIT E

Arizona State Park Rules and Regulations

All activities performed under this permit must be in compliance with current Arizona State Park rules and regulations, as follow:

Arizona State Parks ARS Rules & Regulations

R12-8-101. Definitions

R12-8-102. Permission to Enter or Remain in a State Park

R12-8-103. Vandalism

R12-8-104. Hours of Use; Closure

R12-8-106. Limited Services on Christmas

R12-8-107. Litter and Waste

R12-8-108. Payment of Fees

R12-8-109. Fees and Permits

R12-8-110. Fee Waivers

R12-8-111. Camping

R12-8-112. Campfires

R12-8-113. Vehicles, Speed Limits, and Parking

R12-8-114. Watercraft; Launching and Mooring

R12-8-115. Pets

R12-8-116. Glass Containers

R12-8-119. Weapons

R12-8-120. Fireworks and Explosives

R12-8-122. Commercial Use of a State Park

R12-8-124. Disorderly Conduct

R12-8-125. Special Use Permits

R12-8-126. Violation; Classification

In addition to the above, all posted speed limits and traffic laws must be obeyed by Permit Holder's vehicle operators, and all Federal, State, and local water and boating safety laws must be followed and enforced by Permit Holder's employees for permit operations.

EXHIBIT F

River Guide Standards

The Permit Holder shall comply with the standards for Guides, Outfitters, and Leaders as outlined herein. Guide Instructors, River Guides and Trip Leaders must meet the minimum qualifications as outlined below to be in compliance for commercial river runner standards on the Verde River @ Clarkdale. Documentation to demonstrate compliance will be subject to review by the Town of Clarkdale:

Definitions:

1) A **Guide Instructor** means any qualified guide whose job responsibilities include the training of River Guides and Trip Leaders. Guide instructors shall be:

- eighteen years of age or older;
- possess a valid standard first-aid card;
- be trained in cardiopulmonary resuscitation;
- be trained in swift water rescue;
- have logged at least one thousand (1,000) river miles, of which at least five hundred (500) river miles shall have been logged while acting as a qualified guide; and,
- be able to meet the necessary physical requirements of the job.

2) A **High Water Trip Leader/Guide** means any individual, including but not limited to subcontractors, employed or hired for compensation by the Permit Holder whose job responsibilities include being placed in charge of, or serving as a guide on, a Regulated Trip with river flows exceeding 300 cfs. High Water Trip Leader/Guides must meet the following minimum criteria:

- twenty-one years of age or older;
- have experience boating the Verde River between the Lower TAPCO River Access Point and the Tuzigoot River Access Point;
- have training from a qualified guide instructor suitable for Class I - V rapids;
- have logged at least seven hundred fifty (750) river miles, of which at least two hundred fifty (250) river miles shall have been logged while acting as a qualified guide;
- possess a valid standard first-aid card;
- be trained in cardiopulmonary resuscitation;
- be trained in swift water rescue; and,

- be able to meet the necessary physical requirements of the job.

3) A **Regulated Trip** means any river trip for which river-running services are provided which have been the subject of an advertisement by the Permit Holder, or for which a fee has been charged regardless of whether such fee is charged exclusively for the river trip or as part of a packaged trip or recreational excursion. A Regulated Trip does not include a trip in which a person is providing river-running services exclusively for family or friends as part of a social gathering of such family or friends.

4) A **River Guide** means any individual, including but not limited to subcontractors, employed or hired for compensation by the Permit Holder for the purpose of operating vessels. River Guides meeting the following minimum qualifications may be used on Regulated Trips with river flows up to 300 cubic feet per second (cfs):

- eighteen years of age or older;
- have experience boating the Verde River between the Lower TAPCO River Access Point and the Tuzigoot River Access Point;
- have training suitable for guiding trips on Class I and II rapids;
- possess a valid standard first-aid card;
- be trained in cardiopulmonary resuscitation; and,
- be able to meet the necessary physical requirements of the job.

5) A **Trip Leader** means any guide or individual, including but not limited to subcontractors, employed or hired for compensation by the Permit Holder whose job responsibilities include being placed in charge of a river trip. At least one person on each Regulated Trip must meet the qualifications to be designated a Trip Leader, as follows:

- eighteen years of age or older;
- have experience boating the Verde River between the Lower TAPCO River Access Point and the Tuzigoot River Access Point;
- have training from a qualified guide instructor suitable for Class I - III rapids;
- possess a valid standard first-aid card;
- be trained in cardiopulmonary resuscitation;
- be trained in swift water rescue; and,
- be able to meet the necessary physical requirements of the job.

Guide to Client Ratios and Maximum Regulated Trip Size:

In order to ensure safety of river patrons and appropriate span of control for river guides, the following Guide to Client ratio is required:

- For river flows below 300 cfs, a Guide to Client ratio of 1:8 is required.
- For river flows between 300 and 500 cfs, a Guide to Client ration of 1:5 is required.
- Guided Trips are prohibited when river flows exceed 500 cfs as measured at the USGS Clarkdale Gauge.
- Unguided Trips are prohibited when river flows exceed 300 cfs as measured at the USGS Clarkdale Gauge.

To ensure resource protection along the river, the maximum group size (including guides) for any trip is 16 people.

Prohibited Acts:

River outfitters, guides, trip leaders, or guide instructors are prohibited from:

(a) Violating the safety equipment provisions of the Annual Operating Plan. Any such violation is cause for termination of this Permit.

(b) Operating a vessel in a careless or imprudent manner without due regard for river conditions or other attending circumstances or in such a manner as to endanger any person, property, or wildlife. Any such violation is cause for termination of this Permit.

(c) Operating a vessel with wanton or willful disregard for the safety of persons or property. Any such violation is cause for termination of this Permit, and may be subject to criminal prosecution.

(d) Operating or maintaining physical control of, or allowing any other person to operate or maintain physical control of, a vessel on a regulated trip during which the river outfitter, guide, or controlling person is under the influence of alcohol or any controlled substance, or any combination thereof.

(e) Purposefully boating over the waterfall created by the Brewer's Tunnel Diversion Dam, or allowing a customer to boat over the waterfall, on a regulated trip.

APPENDIX G

(To be attached at time of issuance.)