INTRODUCTION
Thank you Mr. Chairman and Members of the Committee.

BACKGROUND
In 2007, I began a journey of creating a new town on the shores of Lake Eufaula in my home state of Oklahoma. My family has a long history on Lake Eufaula, spanning back three generations. Our experience on the lake has been rich – full of family memories and moments connected with nature. In many ways, our identity as a family has been shaped by the lake and by the land. As a real estate developer, I want to create places that bring people together, allow folks to live a healthy and rewarding life, connected to the outdoors. These are the values that have guided our vision for Carlton Landing.

SUSTAINABILITY
In Oklahoma, we say in our state song, “We know we belong to this land. And the land we belong to is grand.” Whether it’s our Native American heritage or our ancestors like my Great Grandmother who risked life and limb during the Oklahoma Land Runs, we instinctively have a strong connection to the land.

As Town Founder, I accepted a stewardship role of the natural resources in and around Carlton Landing. Many times, real estate development rightfully earns a bad name because it replaces nature with a poorly conceived and a carelessly planned built environment – one that loses value and fails to enhance quality of life. When this happens, people are justified to resent the change because it’s a raw deal. But we approach it differently. We see the natural state as something of great value. If we choose to trade a natural environment for a built environment, we want it to grow in value over time – and this can happen if it enhances the quality of life for those who live and interact within the community.

The site we chose for Carlton Landing was 1,650 acres of wooded land with rolling hills, flowing streams and abundant wildlife. The land was just like God made it, totally undeveloped and natural. It is completely surrounded by land owned or controlled by the Corps which includes 10 miles of shoreline.

From the beginning, we desired for Carlton Landing to set a new standard for sustainable community development, and these values of natural conservation and ecological stewardship are evident in the Carlton Landing master plan. Agrarian land is integrated into the built environment so that a local food system can exist within the community. The land’s existing hydrology is respected with creeks and lower areas remaining natural green spaces, providing an
uninterrupted network of wildlife migration paths. The shoreline is left intact as much as possible so that the lake’s natural edge might be preserved for future generations.

REALIZING VALUE

Carlton Landing’s master plan is compelling, calling for more than 3,000 homes to be built over more than 30 years. It included a Town Center complete with shops, restaurants, schools, churches, parks and trails. In terms of economic impact, we expect to realize more than $2 billion dollars of private investment as the master plan is built out. Over time, we expect Carlton Landing to be one of the more important economic development projects for the Lake Eufaula area, for southeast Oklahoma and for the Oklahoma tourism industry.

In many ways we’ve been able to accomplish our goals. Over the past 6 years, we have:

- formed a new public rural water district,
- incorporated our community into a new public municipality – The Town of Carlton Landing,
- worked with the Corps of Engineers staff at the Lake Eufaula Project Office and Tulsa District Office to see a new Environmental Impact Statement and Alternatives Analysis completed in order to rewrite the Master Plan for Lake Eufaula,
- converted our master plan into a municipal Urban Design Code,
- created an $80 million tax increment financing district,
- leased 420 acres from the Corps of Engineers.
- created the first rural public charter school in Oklahoma,
- created hundreds of jobs in the local area
- completed and sold 130 homes with 50 more currently in construction.

We’re encouraged by the strong response from the market as a regional draw with owners coming from Oklahoma City, Tulsa, Arkansas, Dallas and Houston. This year, we plan to build 75 homes, a wedding chapel, a conference facility, and an expansion to our public charter school into its third building.

There is a strong market for good development on our nation’s rivers – smart, careful, sustainable development activity on our nation’s lakes, rivers and waterways. It is our desire for Carlton Landing to serve as a model for development which conserves our natural resources, breathes much needed life into our rural economies and creates great places for people to live, work, create and play.

REGULATION
For the past nine years, we’ve worked closely with the Corps of Engineers and have fostered a good rapport with the Corps staff. I’d like to think that we’ve done everything possible to earn their trust and not willfully violate their regulations. We respect their authority and recognize the critical nature of their mission in terms of protecting our national security, providing for economic stability, promoting public health and preserving our natural resources. We also understand that, while developing the local economy has not been one of their core missions, the Corps is in a position to allow or to deter economic development at the local level.

To their credit, I’ve found the Corps staff to be accessible and responsive. I’ve seen the Corps coordinate massive projects with the discipline of a military mission. I’ve found the Corps staff to be a smart and committed group of professionals.

But I also need to state that our experience in navigating the waters of Corps regulation has been anything but easy. In preparation for today’s hearing, I’ve received good feedback from several private sector real estate developers. I’ve heard from those who have had great experiences and those who have had business killing experiences. But unfortunately, I think the difficult track of Corps regulation is the norm more than the exception.

Every private sector development project, Carlton Landing included, is absolutely dependent on obtaining an assurance of entitlements within a reasonable timeframe. In our case, we began working with the Corps in 2008 and it took 7 years before we had the Corps’ permission to install a community boat dock with a gangplank attached to our land. There were extenuating circumstances with our site, but had we known that it would take so long, we might not have proceeded. How can you have a lake town with no lake access?!?

We went in blindly and hoped that we could work through the process. While we had a good rapport and while the tone was courteous, the answer from the Corps was always “no”. In our particular case, I don’t believe the local staff was being unreasonable considering the circumstances. They were doing what they could with the options at their disposal.

When we first met with the Corps in 2008, we presented our plans for the land and started the permitting process. We sought to make a minor change to the Shoreline Management Plan, changing the zoning from “Fish and Wildlife Protection” to “Limited Development“. Title 36 specifically empowers a District Commander to use discretion to make minor changes to the Shoreline Management Plan, but in light of the fact that the Eufaula EIS had not been updated since 1977, the previous District Commander of the Tulsa District Office made a promise to other federal environmental agencies that absolutely NO changes would be made until a new EIS was completed. For many years, Congress did not allocated funds for the EIS and we were informed that private money could not be accepted. So
the lake was in a zoning gridlock and the local Corps staff’s hands were tied. And our vision for Carlton Landing was dead in the water.

We appealed to our good Senator who met directly with the District Commander. And within days, we saw a different tone and forward motion was realized. Over the next 2.5 years we saw a completed EIS process, a new Shoreline Management Plan, our land was rezoned to “Public Recreation High Intensity” and we completed a long-term lease of 420 acres from the Corps.

The success we’ve realized in working with the Corps has come only after direct, top-down political pressure from the highest levels of Washington. Without a forceful hand of political involvement to unfreeze the process or create a door of opportunity, I believe that our efforts would have continued to bear no fruit. It is unclear how many Corps projects are affected by structural barriers which have been established over time. This should not be the case because it limits success only to those with political connections and deep pockets that can wait out an unrealistic timeline.

CONCLUSION
To conclude, I appreciate General Semonite’s “no nonsense” approach to accomplishing the mission. He’s the kind of leader the Corps needs to turn the ship and create a culture of action that brings about the desired outcomes. I also appreciate the language of the 2014 and 2016 Water Resource Development Acts. The legislation is clear and is aiming at the right targets.

But if we are serious about attracting private investment in and around our natural resources in a way that maximizes the value of assets managed by the Corps, I believe that it will be necessary to create a better process to educate the market about opportunities and more clearly define the regulatory landscape in a language and within a timing that fits within the constraints of private developers. Thank you.
PROJECT TIMELINE

2007:
- **June:** Land search begins as a hunt for a grass landing strip at Lake Eufaula.
- **August:** While driving across the land, the idea of a New Urbanist lakefront community is born.

2008:
- **June:** Remaining land parcels assembled by Carlton Landing development entity.
- **July:** DPZ completes master plan affecting 950 acres of Carlton Landing property.

2009:
- **May:** Eight architects (4 from Oklahoma, 4 from New Urban Guild) participate in an architectural design charrette to determine the architectural vernacular for Carlton landing and create the initial collection of home plans.
- **May:** Planners (Tom Low, Guy Pearlman) and civil engineers (Tim Johnson, Peter Borelli) conduct an intensive design charrette to develop a plan for Carlton Landing’s stormwater management system according to “Light Imprint New Urbanism”. The resulting plan provides an environmentally conscious approach to stormwater management and land hydrology.
- **September:** Initial staking and land clearing activity commences.

2010:
- **January:** Infrastructure development commences.
- **March:** The Carlton Landing Builders Guild is established with 6 homebuilders serving as the founding members.
- **April:** The Farm at Carlton Landing is cleared, tilled and put under cover crop.
- **May:** Memorial Day Weekend – First on-site marketing event held in Carlton Landing.
- **September:** Steve Mouzon completes the First Edition of “The Living Tradition – Design Code for Carlton Landing”.

2011:
- **January:** Homebuilding activity commences.
- **April:** Carlton Landing Drive and Ridgeline Road are completed to provide 3 miles of paved access from Highway 9A to the Town Center.
- **May:** In response to Carlton Landing’s request to modify the Shoreline Management Plan, following an Act of Congress, the U.S. Army Corps of Engineers agrees to complete an Environmental Impact Study on the entire Lake Eufaula project area.
- **May:** Land development activity halted by the Oklahoma Dept of Environmental Quality.
- **July:** First residential lot sold.
- **November:** Approval granted for new public magnet school, Carlton Landing Academy.
- **December:** New public water district formed to serve Carlton Landing – Rural Water, Sewer, and Solid Waste Management District No. 20, Pittsburg County, Oklahoma.
- **Through End of Year 2011:**
  - First phase of infrastructure (180 taps) nearing completion.
2012:  
- **February:** Groundbreaking for Carlton Landing Academy.  
- **February:** Oklahoma Dept of Environmental Quality authorizes the continued construction of utility systems. Land development activity resumes.  
- **April:** First phase of infrastructure completed and open for service.  
- **April:** First occupancy granted in Carlton Landing to Grant and Jen Humphreys.  
- **August:** First day of classes at Carlton Landing Academy.  
- **Through End of Year 2012:**  
  - 13 homes completed.  
  - 11 homes sold or rented and occupied. 2 completed homes remain on the market.

2013:  
- **January:** Architects and planners participate in a Town Center planning charrette to refine the vision for the mixed-use town center and conference facilities.  
- **March:** After 2 years of scheduled environmental assessment process costing $3.5 Million, the U.S. Army Corps of Engineers completes the Lake Eufaula Environmental Impact Study.  
- **March:** All federal lands adjacent to Carlton Landing rezoned from “Fish and Wildlife Conservation” to “Public Recreation High Intensity”.  
- **October:** Town of Carlton Landing officially incorporated into a new municipality  
- **November:** Carlton Landing Academy ranked #1 statewide out of 1,782 schools assessed by the State Department of Education.  
- **Through End of Year 2013:**  
  - 18 homes completed this year.  
  - 31 homes completed to date.  
  - 29 homes sold or rented and occupied. 2 completed homes remain on the market.

2014:  
- **January:** Town Trustees pass a 3% local sales tax.  
- **May:** First harvest of the Carlton Landing Farm. CSA starts with 31 members.  
- **September:** To encourage economic development, the Town of Carlton Landing decides to begin the process of creating a Tax Increment Financing (“TIF”) District.  
- **Through End of Year 2014:**  
  - 35 homes completed this year.  
  - 66 homes completed to date.  
  - 64 homes sold or rented and occupied. 2 completed homes remain on the market.

2015:  
- **February:** 100th residential lot sold.  
- **March:** The TIF Review Committee votes to approve the TIF Economic Development Plan.  
- **June:** Long-term ground lease on 420 acres of waterfront land executed with the US Army Corps of Engineers  
- **August:** Carlton Landing Comprehensive Plan accepted by the Planning Commission  
- **August:** Town Trustees pass resolution to annex additional 900 acres of land  
- **September:** Town Trustees create a 235 acre Tax Increment Financing District which will generate up to $80 million in public investment over the next 25 years  
- **Through End of Year 2015:**  
  - 44 homes completed this year.  
  - 110 homes completed to date.  
  - 105 homes sold or rented and occupied. 5 completed homes remain on the market.
2016:  
- **February:** Carlton Landing voters approve a self-imposed 15 mil property tax increase to fund a $9.5MM General Obligation Bond Initiative, providing civic structures, cultural facilities, sports facilities, street lighting, stormwater management infrastructure and parks and trails.
- **April:** Carlton Landing Academy Charter School is approved as the first public rural charter school in Oklahoma.
- **May:** Trail construction begins in the Carlton Landing Nature Center in the Corps lease land.
- **June:** Carlton Landing Academy featured in a 5-page story in Southern Living magazine.
- **July:** First Annual KCBS Sanctioned “Smoke on the Water” BBQ Competition.
- **August:** Carlton Landing Academy kicks off its first day of classes as a public charter school.
- **September:** Construction commences on Phase 1 of the Residence Club at Carlton Landing.
- **October:** National Town Builders Association holds their Fall Roundtable in Carlton Landing. Andres Duany returns to Carlton Landing for the first time since 2008.

**Through End of Year 2016:**
- 50 homes completed this year.
- 160 homes completed to date.
- 150 homes sold or rented and occupied. 10 completed homes remain on the market.

**By the Numbers:**
- 15 Million – Number of people who live within a 3.5 hour drive of Carlton Landing
- 0 – Number of similar communities within a 300 mile radius of Carlton Landing
- 102,000 – surface acres of Lake Eufaula, the largest lake in Oklahoma and the 9th largest manmade lake in the USA
- 2,280 – acres in Carlton Landing. This includes 1,860 acres owned by Carlton Landing’s Town Founder and 420 acres leased by the Town of Carlton Landing from the Corps of Engineers
- 80 – number of homes projected to be built each year
- 2,200 to 2,500 – number of homes projected to be built within Carlton Landing TIF District
- $31.0 Million – Average annual home construction volume projected for the next 5 years
- $80 Million – projected public investment through the Carlton Landing TIF District
- $9.5 Million – projected public investment through the 2016 Carlton Landing GO Bond Initiative
- > 30 – years to build-out Carlton Landing
- $1.5 to $2.0 Billion – total private investment projected for Carlton Landing
DEPARTMENT OF THE ARMY
LEASE TO NON-STATE GOVERNMENTAL AGENCIES
FOR PUBLIC PARK AND RECREATIONAL PURPOSES
ROUNDTREE LANDING
EUFaulA LAKE
PITTSBURG COUTNY, OKLAHOMA

THIS LEASE is made on behalf of THE UNITED STATES OF AMERICA (the
"United States"), between THE SECRETARY OF THE ARMY, acting by and through
the Chief, Real Estate Division, U.S. Army Corps of Engineers, Tulsa District,
hereinafter referred to as the "Grantor", and THE TOWN OF CARLTON LANDING,
hereinafter referred to as the Lessee.

WITNESSETH:

That the Secretary, by authority of Title 16, United States Code, Section 460d, and
for the consideration hereinafter set forth, hereby leases to the Lessee, the property
identified in EXHIBIT A, attached hereto and made a part hereof, hereinafter referred to
as the premises, for public park and recreational purposes.

THIS LEASE is granted subject to the following conditions:

1. TERM

Said premises are hereby leased for a term of twenty-five (25) years, beginning
June 15, 2015 and ending June 14, 2040.

2. CONSIDERATION

The consideration for this lease is the operation and maintenance of the premises
by the Lessee for the benefit of the United States and the general public in accordance
with the conditions herein set forth.

3. NOTICES

All correspondence and notices to be given pursuant to this lease shall be
addressed, if to the Lessee, to The Town of Carlton Landing, 20 Boulevard, Carlton
Landing, OK 74432; and, if to the Grantor, to U.S. Army Corps of Engineers, Tulsa
District, Attention: Chief, Real Estate Division, 1645 South 101st East Avenue, Tulsa,
OK 74128-4609, or as may from time to time otherwise be directed by the parties.
Notice shall be deemed to have been duly given if and when enclosed in a properly
sealed envelope, or wrapper, addressed as aforesaid, and deposited, postage prepaid,
in a post office regularly maintained by the United States Postal Service.
4. AUTHORIZED REPRESENTATIVES

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

5. DEVELOPMENT PLANS

a. The premises shall be developed and used in accordance with the Lessee's implementing Plan of Recreation Development and Management (Development Plan) attached as EXHIBITS B1 AND B2 which shows the facilities and services necessary to meet the current and potential public demand and the management and development activities to be undertaken by the Lessee and any sublessees.

b. The Lessee shall be guided by an annual Plan of Operation and Maintenance in furtherance of the Lessee's implementing Development Plan. No later than January 1 of each year, the Lessee will submit the annual Plan to be mutually agreed on between the Lessee and the Grantor. Such annual Plan shall include but is not limited to the following:

(1) Plans for management, maintenance and development activities to be undertaken by the Lessee and any sublessees.

(2) Report of the management, maintenance and development accomplishments of the Lessee for the preceding year.

(3) Report on any significant modification of policies or procedures which are planned for the following year as well as those implemented in the preceding year.

(4) Minor modifications to the development plan. Major modifications are to be accomplished by amendment to the Plan before proceeding to implement any changes in the development or management of the leased premises.

(5) Budget of the Lessee for carrying out all activities for the upcoming year.

(6) Personnel to be used in the management of the leased premises.

(7) Annual certification that all water and sanitary systems on the premises have been inspected and comply with Federal, state and local standards as required by the condition on APPLICABLE LAWS AND REGULATIONS. The Lessee will also provide a statement of compliance with the Rehabilitation Act and the Americans with Disability Act, as required in the condition on NON-DISCRIMINATION, noting any deficiencies and providing a schedule for correction.
c. In the event development plans substantially change during the lease term from those described in the Environment Impact Statement additional National Environmental Policy Act (NEPA) analysis will be required.

d. The use and occupation of the premises shall be subject to the general supervision and approval of the Grantor. During the term of the lease, the Grantor will notify the Lessee of any updates to the existing project Master Plan affecting the premises and the Lessee may provide comments.

6. STRUCTURES AND EQUIPMENT

The Lessee shall have the right, during the term of the lease, to erect such structures and to provide such equipment upon the premises as may be necessary to furnish the facilities and services authorized. Those structures and equipment shall be and remain the property of the Lessee, except as otherwise provided in the Condition on RESTORATION. However, no structures may be erected or altered upon the premises unless and until the type of use, design, and proposed location or alteration thereof shall have been approved in writing by the Grantor. The Grantor may require the Lessee, upon the completion of each of the proposed developments to furnish complete "as built" construction plans for all facilities.

7. APPLICABLE LAWS AND REGULATIONS

a. The Lessee shall comply with all applicable Federal laws and regulations and with all applicable laws, ordinances, and regulations of the state, county, and municipality wherein the premises are located, including, but not limited to, those regarding construction, health, safety, food service, water supply, sanitation, use of pesticides, and licenses or permits to do business. The Lessee shall make and enforce such regulations as are necessary and within its legal authority in exercising the privileges granted in this lease, provided that such regulations are not inconsistent with those issued by the Secretary of the Army or with the provisions of 16 U.S.C. § 460d.

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

c. In addition to other applicable codes, the lessee and sublessees shall comply with the current editions of the National Fire Protection Association (NFPA) codes and standards, including, but not limited to NFPA 70, National Electric Code, NFPA 303, Fire Protection Standard for Marinas and Boatyards, and the codes and standards of the American National Standards Institute (ANSI), including, but not limited to the
National Electrical Safety Code. Upon request by the Grantor, the lessee / sublessees will provide a certification that all electrical installations on the premises have been inspected by a qualified individual and comply with the applicable codes.

8. CONDITION OF PREMISES

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

9. FACILITIES AND SERVICES

   The Lessee shall provide the facilities and services as agreed upon in the Development Plan referred to in the Condition on DEVELOPMENT PLANS either directly or through subleases or concession agreements that have been reviewed or accepted by the Grantor. These subleases or agreements shall state: (1) that they are granted subject to the provisions of this lease; and (2) that the agreement will not be effective until the third party activities have been approved by the Grantor. The Lessee will not allow any third party activities with a rental to the Lessee or prices to the public which would give the third party an undue economic advantage or circumvent the intent of the Development Plan. The rates and prices charged by the Lessee or its sub-lessees or concessionaires shall be reasonable and comparable to rates charged for similar goods and services by others in the area. The use of sub-lessees and concessionaires will not relieve the Lessee from the primary responsibility for ensuring compliance with all of the terms and conditions of this lease.

10. TRANSFERS, ASSIGNMENTS, SUBLEASES

   a. Without prior written approval of the Grantor, the Lessee shall neither transfer nor assign this lease nor sublet the premises or any part thereof, nor grant any interest, privilege, or license whatsoever in connection with this lease.

   b. The Lessee will not sponsor or participate in timeshare ownership of any structures, facilities, accommodations, or personal property on the premises. The Lessee will not subdivide nor develop the premises into private residential development.

11. FEES

   Fees may be charged by the Lessee for the entrance to or use of the premises or any facilities, however, no user fees may be charged by the Lessee or its sub-lessees for use of facilities developed in whole or part with federal funds if a user charge by the Corps of Engineers for the facility would be prohibited under law.
12. ACCOUNTS, RECORDS AND RECEIPTS

All monies received by the Lessee from operations conducted on the premises, including, but not limited to, entrance, admission and user fees and rental or other consideration received from its concessionaires, may be utilized by the Lessee for the administration, maintenance, operation and development of the premises. Beginning 5 years from the date of this lease and continuing at 5-year intervals, any such monies not so utilized or programmed for utilization within a reasonable time shall be paid to the Grantor. The Lessee shall establish and maintain accurate records and accounts and provide an annual statement of receipts and expenditures to the Grantor. Annual or weekly entrance fees not collected on the Project, which also are honored at other recreational areas operated by the Lessee, are excluded from this requirement. The Grantor shall have the right to perform audits or to require the Lessee to audit the records and accounts of the Lessee, third party concessionaires and sub-lessees, in accordance with auditing standards and procedures promulgated by the American Institute of Certified Public Accountants or by the state, and furnish the Grantor with the results of such an audit.

13. PROTECTION OF PROPERTY

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

14. RIGHT TO ENTER AND FLOOD

The right is reserved to the United States, its officers, agents, and employees to enter upon the premises at any time and for any purpose necessary or convenient in connection with Government purposes; to make inspections; to remove timber or other material, except property of the Lessee; to flood the premises; to manipulate the level of the lake or pool in any manner whatsoever; and/or to make any other use of the land as may be necessary in connection with project purposes, and the Lessee shall have no claim for damages on account thereof against the United States or any officer, agent, or employee thereof.

15. LIGHTS, SIGNALS AND NAVIGATION

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

16. INSURANCE

a. At the commencement of this lease, the Lessee, unless self-insured, and its sub-lessees and concessionaires at the commencement of operating under the terms of this lease as third parties, shall obtain from a reputable insurance company or companies contracts of liability insurance. The insurance shall provide an amount not less than that which is prudent, reasonable and consistent with sound business practices or a minimum Combined Single Limit of $1,000,000 whichever is greater, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage, or both, suffered or alleged to have been suffered by any person or persons, resulting from the operations of the Lessee, sub-lessees and concessionaires under the terms of this lease. The Lessee shall require its insurance company to furnish to the Grantor a copy of the policy or policies, or, if acceptable to the Grantor, certificates of insurance evidencing the purchase of such insurance. The Grantor shall have the right to review and revise the amount of minimum liability insurance required.

b. The insurance policy or policies shall specifically provide protection appropriate for the types of facilities, services and products involved; and shall provide that the Grantor be given thirty (30) days notice of any cancellation or change in such insurance.

c. In the event the Lessee is self-insured, the Lessee shall certify such self-insurance in writing in the minimum amount specified above to the Grantor. The Lessee’s insurance status shall not eliminate the requirement for its sub-lessees and concessionaires to have insurance from a reputable insurance carrier as set out above.

d. The Grantor may require closure of any or all of the premises during any period for which the Lessee and/or its sub-lessees and concessionaires do not have the required insurance coverage.

17. RESTORATION

On or before the expiration of this lease or its termination by the Lessee, the Lessee shall vacate the premises, remove the property of the Lessee, and restore the premises to a condition satisfactory to the Grantor. If, however, this lease is revoked, the Lessee shall vacate the premises, remove said property therefrom, and restore the premises to the aforesaid condition within such time as the Grantor may designate. In either event, if the Lessee shall fail or neglect to remove said property and restore the premises, then, at the option of the Grantor, said property shall either become the property of the United States without compensation therefore, or the Grantor may cause the property to be removed and no claim for damages against the United States or its
officers or agents shall be created by or made on account of such removal and restoration work. The Lessee shall also pay the United States on demand any sum which may be expended by the United States after the expiration, revocation, or termination of this lease in restoring the premises.

18. NON-DISCRIMINATION

a. The Lessee shall not discriminate against any person or persons or exclude them from participation in the Lessee’s operations, programs or activities conducted on the leased premises, because of race, color, religion, sex, age, handicap, or national origin. The Lessee will comply with the Americans with Disabilities Act and attendant Americans with Disabilities Act Accessibility Guidelines (ADAAG) published by the Architectural And Transportation Barriers Compliance Board.

b. The Lessee, by acceptance of this lease, is receiving a type of Federal assistance and, therefore, hereby gives assurance that it will comply with the provisions of Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. § 2000d); the Age Discrimination Act of 1975 (42 U.S.C. § 6102); the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794); and all requirements imposed by or pursuant to the Directive of the Department of Defense (32 CFR Part 300) issued as Department of Defense Directives 5500.11 and 1020.1, and Army Regulation 600-7. This assurance shall be binding on the Lessee, its agents, successors, transferees, sub-lessees and assignees.

19. SUBJECT TO EASEMENTS

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

20. SUBJECT TO MINERAL INTERESTS

This lease is subject to all outstanding mineral interests. As to federally owned mineral interests, it is understood that they may be included in present or future mineral leases issued by the Bureau of Land Management (BLM), which has responsibility for mineral development on Federal lands. The Secretary will provide lease stipulations to BLM for inclusion in such mineral leases that are designed to protect the premises from activities that would interfere with the Lessee’s operations or would be contrary to local laws.
21. COMPLIANCE, CLOSURE, REVOCATION AND RELINQUISHMENT

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

b. This lease may be relinquished by the Lessee by giving one (1) year prior written notice to the Grantor in the manner prescribed in the Condition on NOTICES.

22. HEALTH AND SAFETY

a. The Lessee shall keep the premises in good order and in a clean, sanitary, and safe condition and shall have the primary responsibility for ensuring that any sub-lessees and concessionaires operate and maintain the premises in such a manner.

b. In addition to the rights of revocation for non-compliance, the Grantor, upon discovery of any hazardous condition on the premises that presents an immediate threat to health and/or danger to life or property, will so notify the Lessee and will require that the affected part or all of the premises be closed to the public until such condition is corrected and the danger to the public eliminated. If the condition is not corrected within the time specified, the Grantor will have the option to: (1) correct the hazardous conditions and collect the cost of repairs from the Lessee; or, (2) revoke the lease. The Lessee and its assignees or sub-lessees shall have no claim for damages against the United States, or any officer, agent, or employee thereof on account of action taken pursuant to this condition.

23. PUBLIC USE

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

a. The Lessee shall not permit gambling on the premises or install or operate, or permit to be installed or operated thereon, any device which is illegal, or use the premises or permit them to be used for any illegal business or purpose. There shall not be conducted on or permitted upon the premises any activity which would constitute a nuisance.

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

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

25. NATURAL RESOURCES

a. The Lessee shall cut no timber, conduct no mining operations, remove no sand, gravel, or kindred substances from the ground, commit no waste of any kind, nor in any manner substantially change the contour or condition of the premises, except as may be authorized under and pursuant to the Development Plan described in the Condition on DEVELOPMENT PLANS herein.

b. The Lessee may salvage fallen or dead timber; however, no commercial use shall be made of such timber. Except for timber salvaged by the Lessee when in the way of construction of improvements or other facilities, all sales of forest products will be conducted by the United States and the proceeds therefrom shall not be available to the Lessee under the provisions of this lease.

c. The Lessee shall not remove any standing dead timber below the 585 elevation conservation pool, except as may be authorized by the Lake Project and the Oklahoma Department of Wildlife Conservation and approved in writing by the Tulsa District Real Estate.

d. All planned or potential temporary or permanent construction or earthmoving impacts involving any jurisdictional water of the United States whether momentarily wet or dry, particularly as related to aquatic sites, creeks, streams, jurisdictional wetlands, and the lake itself, shall be fully documented and coordinated in writing with the Lake Project and Regulatory of the Tulsa District during the planning and design phase of the proposed project and in all cases before any construction activities are begun. Section 404 of the Clean Water Act shall be followed to the utmost. The latest industry-standard
engineering-based Best Management Practices for construction in or near aquatic sites shall be incorporated into the planning process and be fully implemented and continuously maintained during all work.

26. DISPUTES CLAUSE

a. Except as provided in the Contract Disputes Act of 1978 (41 U.S.C. § 7101-7109) (the Act), all disputes arising under or relating to this lease shall be resolved under this clause and the provisions of the Act.

b. "Claim," as used in this clause, means a written demand or written assertion by the Lessee seeking, as a matter of right, the payment of money in a sum certain, the adjustment of interpretation of lease terms, or other relief arising under or relating to this lease. A claim arising under this lease, unlike a claim relating to the lease, is a claim that can be resolved under a lease clause that provides for the relief sought by the Lessee. However, a written demand or written assertion by the Lessee seeking the payment of money exceeding $100,000 is not a claim under the Act until certified as required by subparagraph c.(1) below.

c. A claim by the Lessee shall be made in writing and submitted to the Grantor for a written decision. A claim by the Government against the Lessee shall be subject to a written decision by the Grantor.

(1) For Lessee claims exceeding $100,000, the Lessee shall submit with the claim a certification that:

(i) The claim is made in good faith;

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

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

(2) If the Lessee is an individual, the certificate shall be executed by that individual. If the Lessee is not an individual, the certification shall be executed by:

(i) A senior company official in charge at the Lessee’s location involved; or

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

d. For Lessee claims of $100,000 or less, the Grantor must, if requested in writing by the Lessee, render a decision within 60 days of the request. For Lessee-certified claims over $100,000, the Grantor must, within 60 days, decide the claim or notify the Lessee of the date by which the decision will be made.
e. The Grantor's decision shall be final unless the Lessee appeals or files a suit as provided in the Act.

f. At the time a claim by the Lessee is submitted to the Grantor or a claim by the Government is presented to the Lessee, the parties, by mutual consent, may agree to use alternative means of dispute resolution. When using alternate dispute resolution procedures, any claim, regardless of amount, shall be accompanied by the certificate described in paragraph c.(2) of this clause, and executed in accordance with paragraph c.(3) of this clause.

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

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

27. ENVIRONMENTAL PROTECTION

a. The Lessee, including the Lessee's subtenants/successors or assigns, employees, agents, contractors and invitees of any of them, will use all reasonable means available to protect the environmental and natural resources and where damage nonetheless occurs from activities of the Lessee, including the Lessee's subtenant/successors or assigns, employees, agents, contractors and invitees of any of them, the Lessee shall be liable to restore the damaged resources.

b. The Lessee, including the Lessee's subtenants/successors or assigns, employees, agents, contractors and invitees of any of them, shall protect the project against pollution of its air, ground and waters by complying, at its sole cost and expense, with all Environmental Laws that are or may become applicable to the premises or the Lessee's activities on the premises, including but not limited to all applicable Federal, state, and local laws, regulations, USACE policies, and other requirements. The disposal of any toxic or hazardous materials within the premises is specifically prohibited.

c. The term "Environmental Law", as used herein, means any statute, law, act, ordinance, rule, regulation, order, decree, or ruling of any Federal, State and/or local governmental, quasi-governmental, administrative or judicial body, agency, board, commission or other authority relating to the protection of health and/or the environment or otherwise regulating and/or restricting the use, storage, disposal, treatment, handling, release, and/or transportation of Hazardous Substances, including, without limitation,
the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Water Pollution Control Act, the Clean Air Act, the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Emergency Planning and Community Right To Know Act, and the environmental control laws of the State of Oklahoma, each as now or hereafter amended, and all regulations and interpretive guidelines respectively promulgated thereunder.

d. The Lessee is required to participate in all aspects of any recurring (annual) Environmental Review Guide for Operations (ERGO) assessment, including but not limited to pre-briefings, the Outgrant Pre Visit Questionnaire, the assessment, exit briefings, etc., of their outgranted area. The Lessee shall promptly initiate and complete all necessary corrective actions, as determined and directed by the Lessor, in order to fully resolve those findings contained in ERGO Environmental Compliance Assessment Reports. Failure of the Lessee to take the required corrective action(s) identified in the ERGO Environmental Compliance Assessments may be referred to the appropriate enforcement agency that will render final determinations with respect to compliance with relevant laws or regulations. Continued non-compliance by the Lessee may also serve as grounds for revocation of this Lease.

e. The Lessee shall require all sanitation facilities on boats moored at the Lessee's facilities, including rental boats, to be sealed against any discharge into the lake. Services for waste disposal, including sewage pumpout of watercraft, shall be provided by the Lessee's as appropriate. The Lessee shall not discharge waste or effluent from the premises in such a manner that the discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

f. The Lessee must obtain approval in writing from the Government before any pesticides or herbicides are applied to the premises.

28. ENVIRONMENTAL CONDITION OF PROPERTY

An Environmental Condition of Property (ECP) Report documenting the known history of the property with regard to the storage, release or disposal of hazardous substances was completed. Upon expiration, revocation, or termination of this lease or in the event a significant environmental change occurs while said lease is in effect, another ECP shall be prepared which will document the environmental condition of the property at that time. A comparison of the two surveys will assist the Grantor in determining any environmental restoration requirements. Any such requirements will be completed by the Lessee in accordance with the condition on RESTORATION.

29. HISTORIC PRESERVATION

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

30. **CEMETERY FENCES**

   The Lessee shall construct and maintain fences, enclosing all cemeteries or graves within the leased area as specified in **EXHIBIT C**, and shall permit ingress and egress thereto.

31. **SOIL AND WATER CONSERVATION**

   The Lessee shall maintain in a manner satisfactory to the Grantor, all soil and water conservation structures that may be in existence upon said premises at the beginning of, or that may be constructed by the Lessee during the term of, this lease, and the Lessee shall take appropriate measures to prevent or control soil erosion within the premises. Any soil erosion occurring outside the premises resulting from the activities of the Lessee shall be corrected by the Lessee as directed by the Grantor.

32. **DEDICATED ROADS**

   The Lessee shall provide records within one (1) year from the effective date of said lease that all access roads from Highway 9 to the premises are fully and clearly dedicated for public use, and these roads shall continue to be dedicated for public use while said lease is in effect.

33. **TRANSIENT USE**

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

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

34. **COVENANT AGAINST CONTINGENT FEES**

   The Lessee warrants that no person or selling agency has been employed or retained to solicit or secure this lease upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Lessee for the purpose of securing business. For breach or violation of this warranty, the United States shall have the right to annul this lease without liability or, in its discretion, to require the Lessee to pay, in addition to the lease rental or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.
35. OFFICIALS NOT TO BENEFIT

No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this lease or to any benefits to arise therefrom. However, nothing herein contained shall be construed to extend to any incorporated company if the lease be for the general benefit of such corporation or company.

36. MODIFICATIONS

This lease contains the entire agreement between the parties hereto, and no modification of this agreement, or waiver, or consent hereunder shall be valid unless the same be in writing, signed by the parties to be bound or by a duly authorized representative; and this provision shall apply to this clause as well as all other conditions of this lease.

37. DISCLAIMER

This lease is effective only insofar as the rights of the United States in the premises are concerned; and the Lessee shall obtain such permission as may be required on account of any other existing rights. It is understood that the granting of this lease does not eliminate the necessity of obtaining any Department of the Army permit which may be required pursuant to the provisions of Section 10 of the Rivers and Harbors Act of 3 March 1899 (30 Stat. 1151; 33 U.S.C. § 403), or Section 404 of the Clean Water Act (33 U.S.C. § 1344).

38. MINIMUM WAGE REQUIREMENT (EXECUTIVE ORDER 13658)

a. Any reference in this section to "prime contractor" or "contractor" shall mean the Lessee and any reference to "contract" shall refer to the Lease.

b. The parties expressly stipulate this contract is subject to Executive Order 13658, the regulations issued by the Secretary of Labor in 29 CFR part 10 pursuant to the Executive Order, and the following provisions.

c. Minimum Wages.

(1) Each worker (as defined in 29 CFR 10.2) engaged in the performance of this contract by the prime contractor or any subcontractor, regardless of any contractual relationship which may be alleged to exist between the contractor and worker, shall be paid not less than the applicable minimum wage under Executive Order 13658.

(2) The minimum wage required to be paid to each worker performing work on or in connection with this contract between January 1, 2015 and December 31, 2015 shall be $10.10 per hour. The minimum wage shall be adjusted each time the Secretary of Labor’s annual determination of the applicable minimum wage under section 2(a)(ii) of Executive Order 13658 results in a higher minimum wage. Adjustments to the
Executive Order minimum wage under section 2(a)(ii) of Executive Order 13658 will be effective for all workers subject to the Executive Order beginning January 1 of the following year. If appropriate, the contracting officer, or other agency official overseeing this contract shall ensure the contractor is compensated only for the increase in labor costs resulting from the annual inflation increases in the Executive Order 13658 minimum wage beginning on January 1, 2016. The Secretary of Labor will publish annual determinations in the Federal Register no later than 90 days before such new wage is to take effect. The Secretary will also publish the applicable minimum wage on www.wdol.gov (or any successor Web site). The applicable published minimum wage is incorporated by reference into this contract.

(3) The contractor shall pay unconditionally to each worker all wages due free and clear and without subsequent deduction (except as otherwise provided by 29 CFR 10.23), rebate, or kickback on any account. Such payments shall be made no later than one pay period following the end of the regular pay period in which such wages were earned or accrued. A pay period under this Executive Order may not be of any duration longer than semi-monthly.

(4) The prime contractor and any upper-tier subcontractor shall be responsible for the compliance by any subcontractor or lower-tier subcontractor with the Executive Order minimum wage requirements. In the event of any violation of the minimum wage obligation of this clause, the contractor and any subcontractor(s) responsible therefore shall be liable for the unpaid wages.

(5) If the commensurate wage rate paid to a worker on a covered contract whose wages are calculated pursuant to a special certificate issued under 29 U.S.C. 214(c), whether hourly or piece rate, is less than the Executive Order minimum wage, the contractor must pay the Executive Order minimum wage rate to achieve compliance with the Order. If the commensurate wage due under the certificate is greater than the Executive Order minimum wage, the contractor must pay the 14(c) worker the greater commensurate wage.

d. Withholding. The agency head shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the prime contractor under this or any other Federal contract with the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay workers the full amount of wages required by Executive Order 13658.

e. Contract Suspension/Contract Termination/ Contractor Debarment. In the event of a failure to pay any worker all or part of the wages due under Executive Order 13658 or 29 CFR part 10, or a failure to comply with any other term or condition of Executive Order 13658 or 29 CFR part 10, the contracting agency may on its own action or after authorization or by direction of the Department of Labor and written notification to the contractor, take action to cause suspension of any further payment, advance or guarantee of funds until such violations have ceased. Additionally, any failure to comply
with the requirements of this clause may be grounds for termination of the right to proceed with the contract work. In such event, the Government may enter into other contracts or arrangements for completion of the work, charging the contractor in default with any additional cost. A breach of the contract clause may be grounds for debarment as a contractor and subcontractor as provided in 29 CFR 10.52.

f. The contractor may not discharge any part of its minimum wage obligation under Executive Order 13658 by furnishing fringe benefits or, with respect to workers whose wages are governed by the Service Contract Act, the cash equivalent thereof.

g. Nothing herein shall relieve the contractor of any other obligation under Federal, State or local law, or under contract, for the payment of a higher wage to any worker, nor shall a lower prevailing wage under any such Federal, State, or local law, or under contract, entitle a contractor to pay less than $10.10 (or the minimum wage as established each January thereafter) to any worker.

h. Payroll Records.

(1) The contractor shall make and maintain for three years records containing the information specified in paragraphs (h)(1) (i) through (vi) of this section for each worker and shall make the records available for inspection and transcription by authorized representatives of the Wage and Hour Division of the U.S. Department of Labor:

(i) Name, address, and social security number.

(ii) The worker's occupation(s) or classification(s).

(iii) The rate or rates of wages paid.

(iv) The number of daily and weekly hours worked by each worker.

(v) Any deductions made; and

(vi) Total wages paid.

(2) The contractor shall also make available a copy of the contract, as applicable, for inspection or transcription by authorized representatives of the Wage and Hour Division.

(3) Failure to make and maintain or to make available such records for inspection and transcription shall be a violation of 29 CFR part 10 and this contract, and in the case of failure to produce such records, the contracting officer, upon direction of an authorized representative of the Department of Labor, or under its own action, shall take such action as may be necessary to cause suspension of any further payment or advance of funds until such time as the violations are discontinued.
(4) The contractor shall permit authorized representatives of the Wage and Hour Division to conduct investigations, including interviewing workers at the worksite during normal working hours.

(5) Nothing in this clause limits or otherwise modifies the contractor's payroll and recordkeeping obligations, if any, under the Davis-Bacon Act, as amended, and its implementing regulations; the Service Contract Act, as amended, and its implementing regulations; the Fair Labor Standards Act, as amended, and its implementing regulations; or any other applicable law.

i. The contractor (as defined in 29 CFR 10.2) shall insert this clause in all of its covered subcontracts and shall require its subcontractors to include this clause in any covered lower-tier subcontracts. The prime contractor and any upper-tier subcontractor shall be responsible for the compliance by any subcontractor or lower-tier subcontractor with this contract clause.

j. Certification of Eligibility.

(1) By entering into this contract, the contractor (and officials thereof) certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of the sanctions imposed pursuant to section 5 of the Service Contract Act, section 3(a) of the Davis-Bacon Act, or 29 CFR 5.12(a)(1).

(2) No part of this contract shall be subcontracted to any person or firm whose name appears on the list of persons or firms ineligible to receive Federal contracts.


k. Tipped employees. In paying wages to a tipped employee as defined in section 3(t) of the Fair Labor Standards Act, 29 U.S.C. 203(t), the contractor may take a partial credit against the wage payment obligation (tip credit) to the extent permitted under section 3(a) of Executive Order 13658. In order to take such a tip credit, the employee must receive an amount of tips at least equal to the amount of the credit taken; where the tipped employee does not receive sufficient tips to equal the amount of the tip credit the contractor must increase the cash wage paid for the workweek so that the amount of cash wage paid and the tips received by the employee equal the applicable minimum wage under Executive Order 13658. To utilize this proviso:

(1) The employer must inform the tipped employee in advance of the use of the tip credit;

(2) The employer must inform the tipped employee of the amount of cash wage that will be paid and the additional amount by which the employee's wages will be considered increased on account of the tip credit;
(3) The employees must be allowed to retain all tips (individually or through a pooling arrangement and regardless of whether the employer elects to take a credit for tips received); and

(4) The employer must be able to show by records that the tipped employee receives at least the applicable Executive Order minimum wage through the combination of direct wages and tip credit.

I. Antiretaliation. It shall be unlawful for any person to discharge or in any other manner discriminate against any worker because such worker has filed any complaint or instituted or caused to be instituted any proceeding under or related to Executive Order 13658 or 29 CFR part 10, or has testified or is about to testify in any such proceeding.

m. Disputes concerning labor standards. Disputes related to the application of Executive Order 13658 to this contract shall not be subject to the general disputes clause of the contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR part 10. Disputes within the meaning of this contract clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the workers or their representatives.

n. Notice. The contractor must notify all workers performing work on or in connection with a covered contract of the applicable minimum wage rate under the Executive Order. With respect to service employees on contracts covered by the Service Contract Act and laborers and mechanics on contracts covered by the Davis-Bacon Act, the contractor may meet this requirement by posting, in a prominent and accessible place at the worksite, the applicable wage determination under those statutes. With respect to workers performing work on or in connection with a covered contract whose wages are governed by the FLSA, the contractor must post a notice provided by the Department of Labor in a prominent and accessible place at the worksite so it may be readily seen by workers. Contractors that customarily post notices to workers electronically may post the notice electronically provided such electronic posting is displayed prominently on any Web site that is maintained by the contractor, whether external or internal, and customarily used for notices to workers about terms and conditions of employment.

o. If a duly authorized representative of the United States discovers or determines, whether before or subsequent to executing this contract, that an erroneous determination regarding the applicability of Executive Order 13658 was made, contractor, to the extent permitted by law, agrees to indemnify and hold harmless the United States, its officers, agents, and employees, for and from any and all liabilities, losses, claims, expenses, suits, fines, penalties, judgments, demands or actions, costs, fees, and damages directly or indirectly arising out of, caused by, related to, resulting from or in any way predicated upon, in whole or in part, the erroneous Executive Order 13658 determination. This includes contractor releasing any claim or entitlement it
would otherwise have to an equitable adjustment to the contract and indemnifying and holding harmless the United States from the claims of subcontractors and contractor employees.

IN WITNESS WHEREOF I have hereunto set my hand by authority of the Secretary of the Army this 23 day of June 2015.

TERRY D. RUPE
DISTRICT CHIEF OF REAL ESTATE
REAL ESTATE CONTRACTING OFFICER

THIS LEASE is also executed by the Lessee this 23 day of June 2015.

THE TOWN OF CARLTON LANDING:

By: JOANNE CHINNICI
MAYOR OF CARLTON LANDING
CERTIFICATE OF AUTHORITY

I, Jordan Sowers, certify that I am the Town Manager, (Secretary or Attesting Officer)

of the Town of Carlton Landing, named as grantee/lessee-licensee herein;

that Joanne Cinnici, who signed this Agreement on behalf

of said Town of Carlton Landing, was then Mayor, (Officer Title)

of the Agency; and that said Agreement was duly signed for and on behalf of

the Town of Carlton Landing by authority of its governing body and is

within the scope of its statutory powers.

Signed, Secretary or Attesting Officer

(The person that signed the attached instrument cannot sign Certificate)

This form certifies that the person signing the attached instrument has the authority to do so. The signature of the Secretary/Attesting Officer and the Individual signing the attached instrument cannot be the same.
ROUNDTREE LANDING

Area contains 420 acres of which 297 acres are land and 123 acres are water, located in Sections 5 and 6, T8N, R17E and Sections 31 and 32, T9N, R17E, Pittsburg County, Oklahoma

GRANTEE NAME: Town of Carlton Landing

CONTRACT NO.: DACW56-1-15-268

PROJECT: Eufaula Lake
SPECIFICATIONS FOR BARRIER TO PROTECT ENVIRONMENTALLY SENSITIVE AREA

The purpose of the exclusion zone is to protect an environmentally sensitive location from the direct and indirect impacts of human presence. This will be accomplished by permanently excluding people from the end of the small peninsula using a well-marked fence in upland areas and bollards and cable near the shoreline. The fence will physically exclude pedestrians from the area. The bollards and cable will physically exclude vehicle traffic such as golf carts while not representing a hazard to navigation during times of inundation.

Fencing

Furnish all materials, equipment, and labor necessary to install fencing across the peninsula located near the leased portion of Roundtree Landing at Eufaula Lake. The exact start and end points for the fence will be indicated by the Corps of Engineers.

1. The fence shall be 11½ gauge galvanized chain link 4ft. high.
2. Line post - 1¼ in. OD Sch 40. Concrete footing 10in diameter 24in. depth.
3. Terminal/Gate post - 2½in. OD Sch 40. Concrete footing 12in. diameter 30in. depth.
4. Bracing - Terminal/Gate posts braced to nearest line post with 1½ in. OD Sch 40.
5. Top rail - 1½ in. OD Sch 40.
6. Gate - A 4 ft. wide chain link single swing gate shall be constructed near the center.
7. Location - The fence shall be approximately 550 ft long and be installed in a straight line may be needed to prevent encroachment on trees. The final location will be marked and location is approved. The fence will be installed from 592 ft elevation on the eastern side to the 592 ft elevation on the western side.
8. Signage - A notice sign (see sign specs below) will be mounted on the fence at each end near the terminal post and every 50 ft. between.
9. Tension Wire - 9GA smooth tension wire will be attached to the top and bottom of the fence fabric with hog rings every 24in.
10. Tie Wire - 9GA aluminum tie wire will be placed every 15in. on line posts and every 24in. on top rail.
11. Footings - hand mixed concrete
12. Fittings - Standard galvanized tension bars and carriage bolts, pressed steel rail-end, and die-cast aluminum dome caps.

Bollards

1. Steel pipe bollards shall be installed every 3ft. beginning at the termination of the fence and ending at the 585ft. elevation line.
2. Pipe - 4in. OD, API Sch 40 steel pipe
3. Footing - hand mixed concrete
4. End treatment - the tops of each bollard will be capped and welded to prevent water entering the interior of the pipe.
5. Bollards will be anchored in concrete footings 12in. diameter, ½ of the height of the bollard with a minimum of 24in. depth.
6. All bollards, except the bollards on the end farthest from the fence will have a finished height of 6 ft. above ground level. The terminal bollards will be installed with a finished height at 597 ft. elevation.
7. Marker - A 24in. standard retroreflective diamond "Danger" navigation sign will be installed facing the water at the top of each terminal bollard. Lettering will be minimum 3in. block letters.

Approximately 3in. from the bottom of the sign a 6in. wide 3M High intensity (#3870) White Reflective Tape will be installed encircling the entire bollard. Sufficient bracing will be installed to support and
attach the sign to the bollard pipe.
8. Sign – A notice sign (see sign spec below) will be centered at 4ft. above ground level on the terminal bollards. The sign will be installed parallel to the fence and face the land.

**Signs**

1. Sign – A standard 17x11 in. aluminum “NOTICE” sign with 1 in. black letters “ENVIRONMENTALLY SENSITIVE AREA” and in red letters on the last line “NO ACCESS”
2. Signs will be installed on terminal bollards, at the end of each fence near the terminal posts and each 50 ft. along the fence.
3. Attachment - The signs will be bolted to the bollards with stainless hardware to prevent rust. Signs will be attached to the fence with aluminum or stainless rings or other non-rusting method approved in advance by the Corps of Engineers.
EXHIBIT “B-1”

USE PLAN
ACTIVITIES TO BE OFFERED

1. Minimum Activities Required by the Lessor:
   a. Furnish facilities for mooring and docking privately owned boats
   b. Servicing, repairing, maintaining, and caring for privately owned boats
   c. Sale of gasoline and oil
   d. Sale of food, refreshments, fishing tackle, bait, fishing licenses and other supplies
   e. Providing a marine sanitary boat pump-out system
   f. Furnish premier and Primitive Campsites
   g. Construct hiking and biking trails

2. Optional Activities That May Be Offered by the Lessor:
   a. Rental of boats and personal watercraft
   b. Chartering of dinner cruises on the lake
   c. Launch and retrieval of boats for storage and/or service purposes
   d. Sale of miscellaneous boats, personal watercraft and related accessories
   e. Sale of miscellaneous recreational related merchandise, sportswear, equipment and accessories
   f. Furnish guide service and/or charter service
   g. Rental of floating and fixed location cabins
   h. Furnish a fishing dock
EXHIBIT "B-2"

DEVELOPMENT PLAN

The following is a narrative explanation of the Development Plan as presented in the attached timeline.

YEAR 2015

1. Nature Center
   a. Hiking & Biking Trails
      i. Construct 10% of the Trails (project 10% complete)
   b. Education & Natural Play Areas
      i. Construct 20% of the Play Areas (project 20% complete)
   c. Rental Cabins
      i. Complete Landscape and Architectural Design
   d. Outdoor Amphitheatre
      i. Complete Landscape and Architectural Design

2. Roundtree Landing Cove Side
   a. Sports Fields
      i. Clearing, Grading and Erosion Control

3. The Marina
   a. Boat Slips
      i. Add 16 additional slips (total of 31)
   b. Floating Cabins
      i. Complete architectural design
   c. Premium Campsites
      i. Extend utilities and access road

YEAR 2016

1. Nature Center
   a. Hiking & Biking Trails
      i. Construct 20% of the Trails (project 30% complete)
   b. Education & Natural Play Areas
      i. Construct 20% of the Play Areas (project 40% complete)
   c. Rental Cabins
      i. Construct Rental Cabins 1-4 of 12 (project 33% complete)
   d. Outdoor Amphitheatre
      i. Complete Phase 1 Construction (project 50% complete)
   e. Nature Center Facilities
      i. Complete Phase 1 Landscape and Architectural Design

2. Adventure Zone
   a. Kayaks and Paddleboards
      i. Increase inventory
   b. Wibit Aquatic Play Zone
      i. Install Phase 1 of Wibit Sports Park (project 40% complete)
   c. Courtesy Dock
      i. Install Courtesy Dock (project 100% complete)
d. Bouldering Course
   i. Install Bouldering Course (project 100% complete)

e. Paintball Area
   i. Construct Fixed Elements (project 100% complete)

f. Outdoor Recreation Area
   i. Install zip line and slackline course (projects 100% complete)

3. Roundtree Landing Cove Side
   a. Sports Fields
      i. Overseed Field in the spring and in the fall
   b. Horse Riding Trails
      i. Construct 20% of the Horseriding Trails (project 20% complete)
   c. Premium Campsites
      i. Construct Premium Campsites 1-5 of 20 (project 25% complete)

4. Summer Camp
   a. Tents and Cabins
      i. Construct Cabins 1-2 of 8 and Tents 1-3 of 12 (project 25% complete)
   b. Supporting Facilities
      i. Construct Dining Hall (project 25% complete)
   c. Swim Beach
      i. Construct Swim Beach and Lake Access (project 100% complete)
   d. Outdoor Recreation Facilities
      i. Construct Archery Range and Campfire Area (project 25% complete)

5. The Marina
   a. Boat Slips
      i. Relocate boat slips to Marina Site
   b. Floating Cabins
      i. Construct Floating Cabins 1-4 of 12 (project 33% complete)
   c. Premium Campsites
      i. Construct Premium Campsites 1-4 of 16 (project 25% complete)
   d. Primitive Campsites
      i. Construct Primitive Campsites 1-10 of 40 (project 25% complete)
   e. Infrastructure and Access Roads
      i. Extend Utilities and Access Road
   f. Lake Store
      i. Commence Construction on Lake Store (not complete by end of year)

YEAR 2017

1. Nature Center
   a. Hiking & Biking Trails
      i. Construct 20% of the Trails (project 50% complete)
   b. Education & Natural Play Areas
      i. Construct 20% of the Play Areas (project 60% complete)
   c. Rental Cabins
      i. Construct Rental Cabins 5-8 of 12 (project 67% complete)
   d. Nature Center Facilities
      i. Award Construction Contract

2. Adventure Zone

Page 3 of 7
a. Kayaks and Paddleboards
   i. Increase inventory
b. Wibit Aquatic Play Zone
   i. Install Phase 2 of Wibit Sports Park (project 80% complete)
c. Outdoor Recreation Area
   i. Install Pony Rides and Bungee Bounce (projects 100% complete)
d. Climbing Wall
   i. Construct Phase 1 of the Climbing Wall (project 50% complete)

3. Roundtree Landing Cove Side
   a. Sports Fields
      i. Construct Baseball Diamond (project 75% complete)
   b. Horse Riding Trails
      i. Construct 20% of the Horseriding Trails (project 40% complete)
   c. Premium Campsites
      i. Construct Premium Campsites 6-10 of 20 (project 50% complete)

4. Summer Camp
   a. Tents and Cabins
      i. Construct Cabins 3-4 of 8 and Tents 4-6 of 12 (project 50% complete)
   b. Supporting Facilities
      i. Construct Arts and Crafts Building (project 50% complete)
   c. Outdoor Recreation Facilities
      i. Construct Volleyball Court (project 50% complete)

5. The Marina
   a. Boat Slips
      i. Add 30 Boat Slips (total of 60)
   b. Floating Cabins
      i. Construct Floating Cabins 5-8 of 12 (project 67% complete)
   c. Premium Campsites
      i. Construct Premium Campsites 5-8 of 16 (project 50% complete)
   d. Primitive Campsites
      i. Construct Primitive Campsites 21-20 of 40 (project 50% complete)
   e. Infrastructure and Access Roads
      i. Complete Paving and Parking Area
   f. Lake Store
      i. Complete Construction on Lake Store (project 100% complete)
   g. RV Resort
      i. Extend Utilities and access Road

YEAR 2018

1. Nature Center
   a. Hiking & Biking Trails
      i. Construct 20% of the Trails (project 70% complete)
   b. Education & Natural Play Areas
      i. Construct 20% of the Play Areas (project 80% complete)
   c. Rental Cabins
      i. Construct Rental Cabins 9-12 of 12 (project 100% complete)
   d. Outdoor Amphitheater
i. Complete Phase 2 Construction (project 100% complete)
e. Nature Center Facilities
   i. Complete Phase 1 Construction (project 50% complete)

2. Adventure Zone
   a. Kayaks and Paddleboards
      i. Increase inventory
   b. Wibit Aquatic Play Zone
      i. Install Final Phase of Wibit Sports Park (project 100% complete)

3. Roundtree Landing Cove Side
   a. Sports Fields
      i. Construct Spectator Stands (project 100% complete)
   b. Horse Riding Trails
      i. Construct 30% of the Horseriding Trails (project 70% complete)
   c. Premium Campsites
      i. Construct Premium Campsites 11-15 of 20 (project 75% complete)

4. Summer Camp
   a. Tents and Cabins
      i. Construct Cabins 5-6 of 8 and Tents 7-9 of 12 (project 75% complete)
   b. Supporting Facilities
      i. Construct Field House (project 75% complete)
   c. Outdoor Recreation Facilities
      i. Construct Basketball Courts (project 75% complete)

5. The Marina
   a. Boat Slips
      i. Add 40 Boat Slips (total of 100 slips)
   b. Floating Cabins
      i. Construct Floating Cabins 9-12 of 12 (project 100% complete)
   c. Premium Campsites
      i. Construct Premium Campsites 9-12 of 16 (project 75% complete)
   d. Primitive Campsites
      i. Construct Primitive Campsites 21-30 of 40 (project 75% complete)
   e. RV Resort
      i. Construct Sites 1-30 of 60 (project 50% complete)
      ii. Construct Amenities (project 50% complete)

YEAR 2019

1. Nature Center
   a. Hiking & Biking Trails
      i. Construct 30% of the Trails (project 100% complete)
   b. Education & Natural Play Areas
      i. Construct 20% of the Play Areas (project 100% complete)
   c. Nature Center Facilities
      i. Complete Phase 2 Design
      ii. Award Phase 2 Construction Contract

2. Adventure Zone
   a. Kayaks and Paddleboards
      i. Increase inventory
b. Climbing Wall
   i. Construct Phase 2 of the Climbing Wall (project 100% complete)

3. Roundtree Landing Cove Side
   a. Horse Riding Trails
      i. Construct 30% of the Horseriding Trails (project 100% complete)
   b. Premium Campsites
      i. Construct Premium Campsites 16-20 of 20 (project 100% complete)

4. Summer Camp
   a. Tents and Cabins
      i. Construct Cabins 7-8 of 8 and Tents 10-12 of 12 (project 100% complete)
   b. Supporting Facilities
      i. Construct Camp Offices and Clinic (project 100% complete)
   c. Outdoor Recreation Facilities
      i. Construct Tennis Courts (project 100% complete)

5. The Marina
   a. Boat Slips
      i. Add 50 Boat Slips (total of 150 slips)
   b. Premium Campsites
      i. Construct Premium Campsites 13-16 of 16 (project 100% complete)
   c. Primitive Campsites
      i. Construct Primitive Campsites 31-40 of 40 (project 100% complete)
   d. RV Resort
      i. Construct Sites 31-60 of 60 (project 100% complete)
      ii. Construct Amenities (project 100% complete)
   e. Lakefront Restaurant
      i. Construct Lakefront Restaurant (project 100% complete)

YEAR 2020

1. Nature Center
   a. Nature Center Facilities
      i. Complete Phase 2 Construction (project 100% complete)

2. Adventure Zone
   a. Kayaks and Paddleboards
      i. Increase inventory

3. The Marina
   a. Boat Slips
      i. Add 50 Boat Slips (total of 200 slips)
<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hiking &amp; Biking Trails</strong></td>
<td>Construct 12% of AHA (Project 50% Complete)</td>
<td>Construct 15% of Trails (Project 50% Complete) by 3/31/15</td>
<td>Construct 20% of Trails (Project 50% Complete) by 3/31/16</td>
<td>Construct 25% of Trails (Project 50% Complete) by 3/31/17</td>
<td>Construct 30% of Trails (Project 50% Complete) by 3/31/18</td>
<td>Construct 35% of Trails (Project 50% Complete) by 3/31/19</td>
</tr>
<tr>
<td><strong>Elevation &amp; Natural Play Areas</strong></td>
<td>Construct 20% of AHA (Project 50% Complete)</td>
<td>Construct 25% of Play Areas (Project 50% Complete) by 3/31/15</td>
<td>Construct 30% of Play Areas (Project 50% Complete) by 3/31/16</td>
<td>Construct 35% of Play Areas (Project 50% Complete) by 3/31/17</td>
<td>Construct 40% of Play Areas (Project 50% Complete) by 3/31/18</td>
<td>Construct 45% of Play Areas (Project 50% Complete) by 3/31/19</td>
</tr>
</tbody>
</table>

**Note:**
- **Completed Projects:** All projects listed are expected to be completed by the specified dates.
- **Projected Completion:** The completion dates are based on estimated timelines and may be subject to change.
- **Budgetary Considerations:** The budget for each project is under review and subject to final approval.

**Additional Projects:**
- **Construction of New Facilities:** Completed by 3/31/15.
- **Expansion of Existing Facilities:** Added by 3/31/16.
- **Renovation of Existing Facilities:** Completed by 3/31/17.

**Key Dates:**
- **March 31, 2015:** Initial budget approval.
- **March 31, 2016:** Preliminary design completion.
- **March 31, 2017:** Detailed design and permits.
- **March 31, 2018:** Construction commencement.
- **March 31, 2019:** Construction completion.

**Final Notes:**
- All projects are subject to regulatory approval and may be delayed due to external factors.
- Funding is secured for all listed projects as of the last update.

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