

Reclamation Manual

Directives and Standards

Subject: Implementation of the Cost-Sharing Authorities for Recreation and Fish and Wildlife Enhancement

Purpose: Establish Reclamation's approach to implementing the cost-sharing authorities

Authority: Public Law 89-72, as Amended by Public Law 102-575, Section 2804 (Title 28)

Contact: Water, Land, and Cultural Resources Office, D-5300

1. **History of Authority.** Using Public Law 89-72 authorities, Reclamation has provided up to 50 percent of the costs of recreation facility development at certain reservoirs when a non-Federal entity entered into an agreement to provide the remaining development funds; to pay all of the costs of operations, maintenance, and replacement (OM&R); and to manage the area for public recreational use. For reservoirs constructed before 1965, the Federal contribution for the development of recreation facilities was limited to \$100,000 for each reservoir.

Section 2804 of Public Law 102-575 (Title 28) modified Public Law 89-72 to allow for Federal cost sharing of up to one-half the costs of recreation facility planning and OM&R. The \$100,000 cost-share cap for pre-1965 projects was also eliminated.

2. **Authorities for Cost Sharing in Public Law 89-72, as Amended.** The following summarizes the current cost-sharing authorities in Public Law 89-72, as amended. See Sections 3 through 7 for directives on how these authorities are to be applied to Reclamation projects.
 - A. **Planning.** Federal cost sharing may be provided for up to 50 percent of the costs of planning studies for development, modification, and expansion of recreation and fish and wildlife enhancement facilities where an agreement exists with a non-Federal entity to:
 - (1) cost share at least 50 percent of the development, modification, or expansion of recreation facilities or exactly 25 percent of the costs for development of fish and wildlife enhancement facilities;
 - (2) to manage the resulting facilities; and
 - (3) to provide at least 50 percent of the costs of facility operations, maintenance and replacement.

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- B. **Operations, Maintenance, and Replacement.** Federal cost sharing may be provided for up to 50 percent of the OM&R expenses for facilities constructed under or falling under Public Law 89-72. Generally, this covers all Reclamation facilities for which a management and cost-sharing agreement exists or is developed with a non-Federal entity for the facility.
- C. **Development, Modification, and Expansion.** The previous limit of \$100,000 for Federal contribution to recreation and fish and wildlife enhancement facilities at pre-1965 projects is removed.
- (1) Fish and wildlife enhancement facilities may be developed with 75 percent Federal, 25 percent non-Federal funding.
 - (2) Recreation facilities may be developed with up to 50 percent Federal funding.
 - (3) Recreation facilities constructed under or falling under Public Law 89-72 which are inadequate to meet the current demand may be "expanded or modified" with up to 50 percent Federal cost sharing. For the purposes of modification and expansion, we judge that fish and wildlife facilities qualify as recreation facilities to the extent that they serve recreational purposes. The authority to "expand or modify" facilities, as those words are used in the statute, is considered to include rehabilitation of facilities or their replacement.
3. **Scope of Application.** These directives will be applied to cost sharing of recreation or fish and wildlife enhancement facilities at all Reclamation projects, including those facilities developed under authorities other than Public Law 89-72, except where project authorities are more limited than Public Law 89-72 authorities and the project is not otherwise eligible under Public Law 89-72, as amended.
4. **Cost Sharing of OM&R.** Reclamation's cost sharing of OM&R expenses will be limited to one-time replacement or rehabilitation activities as described in Section E. Annual recurring operation and maintenance costs will not be cost shared.
5. **Cost Sharing for Planning, Development, Modification, and Expansion of Recreation and Fish and Wildlife Facilities.** Reclamation will cost share up to 50 percent of the cost of planning, development, modification, and expansion of recreation facilities, and up to 75 percent of these costs for fish and wildlife enhancement facilities where a non-Federal partner agrees to provide the remainder of the planning and development costs and to manage the resulting facility.

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- A. **Planning.** Requests from a non-Federal entity for such cost sharing must be accompanied by a study proposal which:
- (1) Includes a letter of intent from an authorized official to enter into a cost-sharing and management agreement for any resulting facilities.
 - (2) Identifies an opportunity or need directly related to recreation or fish and wildlife enhancement at a Reclamation project.
 - (3) Provides reasonable detail of the study process and products.
 - (4) Provides up-front funding for planning activities.
- B. **Development/Modification/Expansion.** In order for Reclamation to provide cost sharing for facility development, modification, or expansion, the following criteria must be met:
- (1) For modification, development or expansion:
 - (a) Any facilities resulting from the proposed construction will comply fully with all applicable Federal, State, and local laws and regulations, whichever are more stringent.
 - (b) Funds will be used to develop publicly owned and operated facilities, open to general public use, with title to be vested in the United States, which are directly tied to the recreational use and enjoyment of Reclamation project water and related land features or enhancement of associated fish and wildlife resources. The transfer of title to the United States is not required for movable property.
 - (c) Reclamation reserves the right to approve all designs and specifications.
 - (d) The partner agrees to provide cost sharing for the proposed development, expansion, or modification of facilities and to manage the resulting facility. Such agreements are acceptable in all their particulars to the United States based upon current law and policy. The management agreement must provide:
 - (i) Consistency with the current Resource Management Plan, if one exists.

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- (ii) An annual work plan, staffing, and budget sufficient to support continuity of the public recreation benefits, protection of public health and safety and critical resources, and attainment of the full expected service life of facilities.
 - (iii) A revenue enhancement plan which provides for maximum reasonable collection of market-based use fees.
 - (1) Additionally, for expansion or development:
 - (a) Cost sharing will be based upon a comprehensive site development plan which identifies all development or expansion, including cost-shared and non-cost-shared facilities.
 - (b) All development or expansion must be guided by a development plan with a level of detail appropriate to the size and cost of the proposed construction and the resources affected. Proposal must demonstrate the need or the recreation demand for the project and that the non-Federal entity possesses the financial and technical capability to provide adequate OM&R for existing and planned facilities. Reclamation will review and approve development plans.
 - (c) Proposal includes appropriate identification and signing of Reclamation facilities.
- 6. **Payment of Partners' Share of Development Costs.** Funding of development, modification, or expansion of recreation facilities will be done on a concurrent basis by Reclamation and the cost-sharing entity. Schedules for construction will be adjusted to allow for concurrent financing. Appropriate arrangements may be made to account for differences in fiscal calendars. However, it will be Reclamation's policy to initiate or continue Federal investment only in projects where concurrence of spending can be achieved within 2 years.
 - A. Reasonable and customary credits may be made for partners' qualifying in-kind contribution of services, materials, and lands.
 - B. For the sake of efficiency, wherever possible, all expenditures and contracting will be managed by one entity, preferably the non-Federal partner.
- 7. **Priorities.** Highest priority for funding of proposals will be given to:
 - A. Providing for the public's health, safety, and disability access.

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- B. Complying with other Federal and State laws and regulations.
 - C. Protecting critical resources.
 - D. Modernization of existing facilities to meet current standards.
8. **More Detailed Criteria.** More detailed criteria for funding may be established annually as program needs evolve.