

Bureau of Land Management - Vale District
National Historic Oregon Trail Interpretive Center Baker City, Oregon

1232 REA Business Plan and Fee Increase Proposal 2008



1232 Business Plan National Historic Oregon Trail Interpretive Center March 2008

A. Introduction In our everyday experience, we know one maxim to be true: there is a price to pay for quality. For the Interpretive Center, quality means a fun, engaging and evocative experience. It's an experience that speaks to visitors of all ages. Quality means authenticity with accurate interpretation - often provided by one of our dedicated volunteers, contract interpreters, or staff. Thanks to the generous support of volunteers, and the enthusiastic support of our community, we've been able to maintain a first-rate visitor experience for fifteen years, and earned a reputation as one of eastern Oregon's premier attractions. We have recognized the need to reset our fees structure. We've worked to balance our mission to ensure public access to the Interpretive Center with the cost of ensuring program vitality that fulfills the mission.

B. Background National Historic Oregon Trail Interpretive Center is part of the Bureau of Land Management Vale District. The facility is located just outside Baker City, Oregon. Opened in 1992, it was designed to accommodate recreational and educational activities for the general public and enhance sustainable tourism initiatives in eastern Oregon. It is located on the National Historic Oregon Trail, and cultural features include extent wagon ruts from the Oregon Trail migrations of the mid-19th century, and buildings and workings of a historic gold mine dating to the 1890s.

Site:

- 509 acre fenced site, located at 22267 Hwy 86, five miles east of Baker City, Oregon.
- One mile stretch of Oregon Trail route and ruts, adjacent ruts on adjoining public and private lands
- 4.5 miles of hiking trails, (3.5 are paved and graded for universal accessibility).
- Trail system includes shade shelters and interpretive signs
- Picnic shelter
- Outdoor wagon encampment interpretive area
- Outdoor - recreated historic gold stamp mill exhibit and gold panning demo area
- Outdoor amphitheater
- Main Interpretive Center building, two levels: 16545 square foot building with exhibits, theater, multipurpose room, sales outlet, office and work space, restrooms, storage. 2323 sq ft lower level includes mechanical equipment and 55000 gallon water tank.
- Maintenance/artifact storage building: 8000 square feet, includes storage for maintenance supplies and equipment, mechanical and carpentry workshops, three bay garage, interpretive and historical artifact storage, workroom, office space, restrooms.
- Fee booth at main entrance
- Waste water lagoon system
- Well and water filtration system
- Two miles of paved driveway, three parking lots for 107 passenger vehicles, 26 oversized vehicles
- Site, exhibits and building designed to accommodate 200 visitors per hour; have had events exceeding 700 visitors on site within one hour.

Operations:

- Open daily year round except for three holidays per year.
- Reduced hours and programming during winter months (Nov. 1 through March 31)
- Scheduled interpretive programming offered daily during peak summer months
- Snow removal on driveways during winter months, hiking trails not cleared of snow
- Access to Oregon Trail ruts from hwy 86 available at all times, access to hiking trail system through the Rut Access Trail at all times.
- Volunteer cooperating organization operates sales outlet
- contracted janitorial services
- maintenance by BLM Maintenance Organization

Programs:

- Regularly scheduled facilitated interpretive programs in theater, presented by BLM staff interpreters, volunteers, and contracted interpreters. Facilitated programs and guided hikes offered outdoors on regular schedule during peak summer months.
- Facilitated programs offered for educational groups and group tours as available by pre-arrangement
- Special events organized and funded through volunteer cooperating organization
- up to three special exhibits offered annually
- Films and self-guided tours of permanent exhibits offered daily
- Programs focus on six themes: 1) Westward migration story, 2) early exploration of the west, 3) natural history and resources of eastern Oregon, 4) Native American culture along the Oregon Trail, 5) early settlement and mining history, 6) history of the General Land Office and Bureau of Land Management.
- Education and outreach curriculum materials and programs provided onsite and materials developed and disseminated by printed and electronic copies.
- Self-guided hikes available year round.
- Typical visitor activities include: viewing exhibits and programs, hiking, picnicking, wildlife viewing and photography, fitness activities - walking and running. (No bicycling, skating, skiing, or motorized vehicles allowed on trails.)
- Preservation of cultural resources on site: Oregon Trail ruts and historic landscape, structures and workings of historic Flagstaff Mine, artifact and historic document collection.
- Vegetation management - restoration and maintenance of historic landscape and wildlife habitat by controlling invasive weeds, using a variety of vegetation management approaches, providing public education such as plant identification, interpretive signs, and facilitated programs.

Staffing:

Six permanent full time positions and one permanent seasonal position funded through BLM residual organization recreation program

One seasonal term position and one to two seasonal intern positions funded through fee revenue funds

Two permanent full time positions and one seasonal term position funded through maintenance organization, recreation program

Volunteer cooperating organization has one full time and two to three part time and seasonal employees on site.

Off-site overhead/administrative workload supplemented by miscellaneous Vale District administrative staff.

Cooperating Organization and partners:

Ongoing long-term partnerships:

-Trail Tenders, Incorporate. MOU with BLM for 16 years for cooperative management of NHOTIC - contributes volunteer labor, operates gift shop, financially supports interpretive events, programming, and educational programs, manages a donation program, pursues and manages grants to support programs, uses a capital improvement/special projects fund to purchase equipment, furnishings, repairs, and services for site maintenance and improvements.

-Eastern Oregon Visitors Association - partnership and membership toward regional heritage tourism development - cooperative projects, development of tourism sites and services, cooperative outreach and marketing.

-Oregon Trail Preservation Trust (local non-profit based in Baker City, Oregon) - long term partnership managing grants and donations utilized towards development and marketing of the NHOTIC, facilitates group projects with other organizations in arena of Oregon Trail preservation and heritage tourism for Baker County, Oregon.

Project based and shorter term partnerships: Baker County Chamber of Commerce, Baker County Economic Development Corporation, Eastern Oregon University, University of Idaho, Oregon-California Trails Association.

Visitation

-Total visitation since opening in 1992: 1,858,230

-Peak visitation year 1993: 348,848

-low visitation year 2006: 50,083

-most recent annual visitation 2007: 50,453 in Interpretative Center, 16,000 grounds and trails

-Peak visitation months: May - September

-low visitation months: January-February

-Demographics/visitor profile, based on guest book signatures and parking lot license plate surveys, most recently for 2006:

-30% from Oregon: 2% from Baker City, .4% Baker County, 9% eastern Oregon, 18% western Oregon

-17% from Idaho

-15% from Washington

-6% from California

-2% Utah, Colorado, & Texas

-28% other US

-2% international

The NHOTIC opened in mid-year 1992 during the build up to a major multi-state anniversary commemoration of the Oregon Trail migration. Visitation exceeded projections during the first few years, and was attributed to an intensive and highly funded six-state marketing effort, and the uniqueness of the site. Since those peak years, additional Trail history related visitor centers and parks have opened along the route. Marketing efforts and joint marketing is significantly less, which is believed to have resulted in less awareness and use of the site and its programs. Visitation trends mirror general tourism numbers for eastern Oregon.

C. Compliance The BLM is authorized to collect two types of recreation fees, amenity recreation fees and Special Recreation Permit (SRP) fees. Both types of fees may be used to repair, maintain, and upgrade recreational facilities and services to meet public demand. The Federal Lands Recreation Enhancement Act (REA) of 2004 authorizes the BLM to charge amenity recreation fees. "Standard Amenity" recreation fees are charged for using the developed facilities and special services at NHOTIC. The Federal Lands Policy and Management Act (FLPMA) of 1976 and its subsequent directives in the Code of Federal Regulations as well as the REA authorize the BLM to issue Special Recreation Permits (SRPs). SRP fees are charged for commercial activities, organized group events, competitive events, and use of designated special areas on the grounds of NHOTIC.

Many factors limit the potential collection of REA revenues at NHOTIC. REA states: BLM will not charge a standard amenity fee for 1) persons under 16 years of age, 2) outings conducted for noncommercial educational purposes by schools or bona fide academic institutions, and 3) any person engaged in a non-recreational activity authorized under a valid permit issued under any other Act. Data is limited regarding how many of our visitors are either under 16 or associated with a school, but the percentage is significant. In addition, federal interagency passport programs are very popular. Senior, Annual, and Access Passes provide free entrance to a majority of visitors to NHOTIC. The result is that 52-60 percent of visitors to NHOTIC pay no fee upon entrance.

Currently, collection of FLPMA fees is minimal at NHOTIC. Opportunities to increase public group and commercial use of the site are being explored. Challenges to implementation of this program include: 1) limits on staff time, 2) operating within the themes and mission statement of NHOTIC while attracting commercial activities, and 3) having the staff and facilities to accommodate permitted events beyond what is currently allowable recreational use within the site management plan.

D. Cost, Security and Enforcement of Collection REA specifies that not more than an average of 15 percent of total fee revenues may be used for administration, overhead, and indirect costs related to the recreation fee program. It is a challenge for NHOTIC to collect, account, and administer the fee program and to stay within the 15% limit. As discussed previously, NHOTIC reorganized the fee collection process to reduce costs and to increase efficiency in 2002. This reorganization changed NHOTIC from a per vehicle charge to a per person charge, and reduced the costs of collection.

NHOTIC currently sees a net of about \$2.00 per visitor. Due to high use of federal passes and REA regulations, a majority of visitors pay no fee. Costs of fee collections and VIA salaries which had at one time been covered by 1232 have been changed to base allocation of 1220 funding, interpretation is accomplished by increased use of contracts and partnerships utilizing 1232 funds. NHOTIC has traditionally operated on carryover of total annual revenue, planning expenditures based on the previous year's revenue, and has avoided as much as possible spending funds within the Fiscal Year in which they are collected.

NHOTIC has established standard operating procedures for the collection, accounting, and depositing of recreation revenues. Every effort is made to secure funds at all times through the use of cash registers, safes, and regular deposits. Procedures are in place to assure each fee collector is in control of, and responsible for, their individual collections. Since 1997, when NHOTIC began its fee collection process, no discrepancies have been known to occur.

E. Stakeholder Input Visitors to NHOTIC have been formally surveyed in 2000, 2004, and 2006. The surveys have shown a very high rate of satisfaction regarding fees being charged. In order for the BLM to comply with the Government Performance and Results Act (GPRA), a visitor satisfaction survey was conducted at 17 BLM recreation sites in 11 states during fiscal year 2006. The survey was developed to measure each site’s performance. NHOTIC received a 100% satisfaction measure. In other words, every surveyed visitor was satisfied overall with the facilities, services, and recreation opportunities they experienced at NHOTIC.

The 2006 survey of 136 visitors to NHOTIC asked several questions pertaining to user fees. A summary of the results is as follows:

1. **Total fees paid** - 57 percent paid no fees, and 41percent paid under \$25 for their group.
2. **Appropriateness of fee charged** - 91 percent of paying respondents thought that \$5 was about right, while 7 percent thought it was too low, and only 2 percent thought it was too high.
3. **Value of the experience** - 92 percent of respondents agreed or strongly agreed that the value of the experience was in line with the amount they paid. 8 percent were not sure.

The survey did not ask if visitors would have been willing to pay more. These recent survey results gave us very positive feedback. It is reasonable to consider raising fees to increase the amount of fee dollars available to fund interpretation and visitor services in order to maintain the quality visitor services provided at NHOTIC. As has been done in the past to determine an appropriate fee schedule, a fair market value process was used to determine any potential increase in fees at NHOTIC. The following table is a listing of similar or comparable fee sites in Oregon, Washington, and Idaho. All have an emphasis on historical or cultural attractions.

Table 9 - Comparable Sites (those highlighted in yellow are most similar to NHOTIC)

Site	Management	Adult	Senior	Child	Comments
Tamastlikt Cultural Institute	Tribal non-profit	\$6.00	\$4.00	\$4.00	Children under 5 free.
Columbia Gorge Discovery Center	Private non-profit w/ USFS & County support	\$8.00	\$7.00	\$4.00	School Groups \$3.00 Groups of 10 or more (non-school) \$6.50.

Four Rivers Cultural Center	???	\$4.00	\$3.00	\$3.00	Museum only.
End Of the Oregon Trail	Oregon Trail Foundation non-profit	\$9.00	\$7.00	\$5.00	Pass for 7 facilities May to Sept.
High Desert Museum	Non-profit	1 week \$18.00	1 week \$12.00	1 week \$9.00	Off season reduced.
Ore/Cal Trail Center Montpelier, ID	???	\$8.00	\$6.00	\$5.00	School and group rates.
Ore Trail Regional Museum	County	\$5.00	\$4.50	Under 16 free	
Umpqua Discovery Center	Non-profit w/ City taxes	\$8.00	\$7.00	\$4.00	\$20.00 family
Lewis & Clark National Historical Park	National Park Service	\$5.00		Under 16 \$2.00	Off Season Reduced. Subject to FLREA.
Museum at Warm Springs	Tribal non-profit	\$6.00	\$5.00	\$3.00	Membership: Individual \$35.00 Family \$45.00
Columbia River Maritime Museum	???	\$8.00	\$7.00	\$4.00	Memberships Individual \$30.00 Family \$50.00
Mt. Saint Helens Visitor Center	Federal US Forest Service	\$8.00	\$8.00	Under 16 free	Subject to FLREA

(DOES NOT INCLUDE YAQUINA HEAD BECAUSE THEIR FEES ARE BASED ON PER VEHICLE RATHER THAN PER PERSON)

None of the comparison sites are identical to NHOTIC. The sites highlighted in yellow provide the closest comparisons. They all offer facilitated programs, a variety of permanent and changing exhibits, and high quality facilities. Five of the most comparable sites currently charge a fee of \$8.00 per adult per day, while the Museum at Warm Springs charges \$6.00. The High Desert Museum, which is also very comparable, charges \$18.00 for a full week. This is difficult to directly compare. It is probable that a majority of their adult visitors pay \$18 for their single visit because many traveling visitors do not have the flexibility or interest in returning to the same site for multiple days. NHOTIC's current fee of \$5.00 per adult is valid for two days, but only a small percentage take advantage of the second day.

The willingness to pay between \$5.00 and \$8.00 per person seems to fall within the range of the fees being charged at comparable sites. The Columbia Gorge Discovery Center, Lewis & Clark Historic Park, and Mount Saint Helens Visitor Center receive federal tax base funding. Their adult entrance fees are \$8.00, \$5.00, and \$8.00

respectively. There does not seem to be an inconsistent variation in fees being charged at tax-based sites versus non-profit sites.

F. Proposed Fee Schedule The table below outlines a new, recommended fee schedule for NHOTIC that could be implemented in 2008. The recommended fees are considered to be within the comparable market.

Table 10 - NHOTIC Existing and Proposed Fee Schedule

Per Person Fee	Existing Fee Schedule	Proposed Fee Schedule	
		Apr 1 - Oct 30	Nov 1 - Mar 31
Adult (16 and over)	\$5 two days	\$8 two days	\$5 two days
Youth (15 and under)	Free	Free	Free
Seniors (62 and over)	\$3.50 (free with Senior Pass)	\$4.50 (free with Senior Pass)	\$3.50 (free with Senior Pass)
Commercial groups	\$3.50/person	\$5/person	Same
Annual Pass or Membership	None	\$25 individual, \$45 family.	Same
All exterior visitors	Free	Free	Free
Scheduled Educational groups (with a certified teacher)	Free	Free	Free
Monthly Free Fee Day	12 days per year	10 days per year	
Free to holders of America the Beautiful Federal Interagency Passes: Annual Pass, Senior Pass, Access Pass, Volunteer Pass			

It would be difficult to estimate the number of visitors that would not visit as a result of the higher fees, but assuming visitation would remain at current levels, it would be reasonable to expect the amount of additional revenue generated would be in the neighborhood of \$100,000 per year. This sum was calculated by assuming 60,000 visitors annually, less 56% that pay no fee, equals 33,600 paying visitors. The majority of these paying visitors would pay the adult fee of \$8.00 rather than the current \$5.00, thus an increase of \$3.00 per adult equals additional revenue of \$100,800. This additional revenue would be used to provide interpretation and facility enhancements.

Implementation of a reduced rate during the off season has several benefits. It provides another option for those that feel the new rates are too high and encourages more visitation during the off season. It also reflects the reduced services (contracted interpreters, trail hikes, special events) offered at the Center during the off season. The reduced off season rate is expected to have minimal impact on the potential increase in fee revenue. Visitation is so low during the months of November through April that loss of the additional \$3.00 per adult will be minimal.

In addition to daily entrance fees, most comparable sites offer an annual membership for individuals and families. NHOTIC has not offered this in the past. Annual memberships may encourage more local visitation. Currently, visitation from the local area is low. It would be difficult to estimate the number of people who would be interested in an annual membership, but it could be assumed that it would begin slowly and hopefully increase through the years. A conservative estimate of additional

revenue would be approximately \$2,000 (30 families @ \$45, and 26 individuals @ \$25) in the first year of implementation.

Currently, a free fee day is planned for each month. During the busy months of July and August, significant revenue is lost during those two days. A few local visitors take advantage of the free fee days but most visitors simply “luck out” on visiting during the free day. Free fee days do not see a significant bump in visitation. During the other months of the year, the benefit from positive public relations is worth the loss in revenue. By eliminating the free fee days in July and August an estimated \$800 to \$1000 annually will be collected.

Fee rates have not changed at NHOTIC since 2002. The proposed fee schedule reflects an attempt to keep up with the increased costs of energy and maintenance of NHOTIC's 509 acres and 27,000 square feet of buildings. Even at the new fee rate, the visitor is not paying the full cost of the Center experience. Because we offer an integrated experience of history, living history, and natural history - the true cost per visitor is actually \$14.56 (operating costs /visitation). The new rates are competitive with other recreational options. It is comparable in price to going to a movie, two lattes, or much less than a day of golf. Based on community and visitor feedback, we believe that these new rates reflect the value of the Center experience.

NHOTIC staff will continue to explore other opportunities to use the 1232 fee program through issuance of Special Recreation Permits. Permits for commercial, organized, and competitive events could be encouraged and issued when they fit within the mission of NHOTIC, and could foster increased recreational use and visitation to public lands at this site.

Use and rental of space within the buildings and on the grounds of NHOTIC will be promoted and permitted when appropriate. Subject to Center Director approval, the buildings may be used for other appropriate purposes. The BLM is not required to make its buildings available for use by the public, however, the agency can demonstrate support for communities and create goodwill toward the BLM by making facilities available, and as long as NHOTIC can still accomplish its mission and business. A policy statement will be developed which outlines rental of our facility so that requests will be responded to in a consistent manner. Conditions of Use will be attached to the application and the permit.

There is also a potential to introduce specialized education programs that would be available with a fee. This opportunity would be dependent on authority, staffing, and cost effectiveness but warrants further exploration.

In summary, the proposed new fee structure has the potential to increase 1232 revenue by a total of \$103,000 annually (\$100,000 in fees, \$2000 in annual passes, and \$1000 from a reduction in fee free days). An additional sum may be available through the issuance of SRPs and specialized education programs. No estimate is made for these two opportunities because they are untested and will be dependent on staff availability for implementation.

Revenue from fees are utilized on site. Annually, approximately 75% of fee revenue is used for visitor services including labor costs for seasonal interpreters and visitor services staff, per diem costs for volunteer hosts, contracted interpreters; outreach

such as brochures, site maps, signs and directory listings; interpretive signs and special temporary exhibits. 15% is used for fee administration costs including seasonal labor, supplies and services. 10% is used for facility maintenance and upgrades such as repair and modification of hiking trails, replacement of permanent exhibit display fixtures and audio visual equipment.

E. Communication Plan Prior to adoption of this proposed fee schedule, input will be requested from identified stakeholders in the on-going operation of NHOTIC. We have had many partners vested in the facility since before it was constructed. We have sought consensus from the following partners:

- Trail Tenders, Inc.
- NHOTIC Advisory Board (currently inactive due to lapse in charter)
- Oregon Trail Preservation Trust
- Baker County Chamber of Commerce
- Baker County Commissioners
- Eastern Oregon Visitors Association
- US Forest Service

Feedback to date from these organizations has brought comments from all except the Chamber of Commerce, Baker County Commissioners and US Forest Service, and efforts to receive some input from these groups will continue. Comments supported the fee increase and that proposed fees are consistent with current market value and amenities provided. Comments expressed general concern and desire for maintaining the facility and programming at optimum levels, and necessity for utilizing fee revenue towards keeping the facility well maintained and amenities, particularly interpretive programming, in place.

The strategy for general public feedback in the local community will be to provide an opportunity to review the proposal and mail in feedback via the BLM Vale District website. A press release to Baker County newspapers will notify the public of the opportunity to review and comment on the proposal. If initial feedback indicates a need for more information to the public, the NHOTIC manager will schedule information speaking opportunities via local service clubs and community organizations.

NHOTIC will develop and implement a public involvement and information strategy that includes communicating with the public to develop a user friendly and acceptable way to implement an increase in fees. We will contact local chambers of commerce, visitor centers, and local government entities prior to implementation. News releases will be submitted to local and regional newspapers. Notice of the new fee rates will be posted on our web site. We will post notices throughout the Center informing users when the increase in fees will begin. The on-site fee collectors will informally gather feedback from visitors about how they feel about the increase in fees and report their findings to the Center Director. Additionally, after implementation we will monitor visitation rates to detect changes. We will document written and oral communication from the public on this issue and assess the sum total of all feedback. Fee rates will be assessed and could be adjusted if found to be inappropriate.

A provision of REA is to post clear notice of locations where work or projects are performed using recreation fee revenues. Annual reports request information on how the public is notified of utilization of fee revenues. Reporting procedures state the requirement to post an accountability statement at the site of revenue collection. Reporting also includes brochures, newspaper articles, and oral presentations.

Currently, NHOTIC posts signs in the lobby and fee collection station stating how fee revenues are used. Construction improvements are posted with temporary signs that read: This project funded through recreation fees. In the future, permanent structures will include a small sign explaining that the construction was entirely or partially funded through recreation fees collected at the site.

Prepared by:

NHOTIC Center Director

Date

Approved by:

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Date

Concurrence by:

Oregon/Washington Deputy State Director - Resources

Date