

# Recreation at Bureau of Reclamation Projects



Report to the Commissioner

U.S. Department of the Interior  
Bureau of Reclamation



Office of Program and Policy Services  
Office of Public Affairs

April 2004

# **Recreation at Bureau of Reclamation Projects**

## **Report to the Commissioner**

*Prepared By:*

Vernon Lovejoy  
and  
Bruce Brown

*In Cooperation With:  
Reclamation's Recreation Coordinators*

Steven Anderson  
Cathi Bailey  
Fred Liljegren  
Bill Martin  
Jeff Reavis  
Darrell Welch

April 2004

# Contents

	<i>Page</i>
Highlights .....	1
Population and Recreation Needs Continue to Increase in the 17 Western States .....	2
Reclamation Reservoirs Provide Needed Water-Based Recreation .....	2
Congress Encourages Federal and Non-Federal Partnerships to Provide Recreation ...	3
Concession-Managed Activities .....	4
Facing Limited Budgets and Rising Costs, Non-Federal Partners are Returning Management Responsibility to Reclamation .....	5
Existing Legislation Limits Reclamation's Ability to Provide Recreation Services in the Absence of Managing Partners .....	6
Management Approach Supports the President's Management Agenda, the Secretary's Governance Policy, and the Strategic Plan .....	8
Conclusions .....	10

## Tables

<i>Table</i>		<i>Page</i>
1	Recreation Expenditures .....	4

## Attachments

Attachment 1	Reclamation's Recreation History and Related Authorities
Attachment 2	Summary of Major Recreation Authorities
Attachment 3	Identified Recreation Site Turnbacks (Facilities or Land) by Region

## Recreation at Bureau of Reclamation Projects

### Highlights

- Population and recreation needs continue to increase in the 17 Western States.
- Reclamation reservoirs are among the most popular travel and tourism destinations, attracting 90 million visits a year and contributing \$6 billion to the economy.
- Development and use of Reclamation's recreation resources specifically support:
  - ⇒ Reclamation's core mission of delivering water and power and other resource management responsibilities
  - ⇒ The Department of the Interior's (Interior) Plan for Citizen-Centered Government, including the *Strategic Plan*, by providing quality recreation opportunities
  - ⇒ The President's Management Agenda and Healthy U.S. policies
  - ⇒ A positive public image of the Federal Government
- The Congress has authorized and encouraged development and management of recreation resources on project lands by non-Federal managing partners.
- Federal and non-Federal partnerships continue to be the primary providers of recreation and concession-managed activities.
- Facing increased demands on limited budgets, States, counties, and cities are becoming more inclined to turn recreation management back to Reclamation, which creates management and funding problems.
- Unless project-specific legislation authorizes Reclamation to develop enhanced recreation facilities, existing legislation, Federal Water Project Recreation Act of 1965 (Public Law [P.L.] 89-72), limits Reclamation to "minimum basic facilities." The ability to fund and staff Reclamation-managed projects is not constrained by P.L. 89-72 or project-specific legislation; however, competing budget priorities have had an impact on Reclamation's ability to do so.
- For a limited number of projects, site-specific legislation has been enacted that allows for management, planning, development, and construction of recreation facilities and improvements.

- P.L. 107-69 provides for law enforcement authority to maintain law and order and protect persons and property within Reclamation projects and on Reclamation lands.

## **Population and Recreation Needs Continue to Increase in the 17 Western States**

As our Nation's population increases, the desire and expressed need for expanded recreation access and use also increase. Today, the 17 Western States are experiencing unprecedented population and recreation growth.

Recreation and tourism is the primary industry of almost every Western State's economy. Nationwide, recreation and tourism is America's second largest employer.

Millions of international tourists recreate on America's developed lands and waters. The U.S. Department of Commerce estimates that recreation and tourism is the number one industry throughout the world.

The availability of water, land, and facilities is the basic and critical factor in the demand for and supply of recreation and tourism opportunities. A national survey conducted by the Forest Service (FS) and the University of Georgia concluded that the four most popular outdoor recreation activities involve:

- Walking or hiking
- Water-based sports and activities
- Family gatherings
- Sightseeing

Today, water for recreation is in relatively static supply because large-scale Federal water development in the United States is essentially complete. Currently, Reclamation, the Corps of Engineers (Corps), and the Tennessee Valley Authority reservoirs accommodate one-third of the total visitation to the Federal estate, but these same agencies administer only 3 percent of the total Federal estate acreage. The Presidential National Recreation Lakes Study Commission found that the 1,782 Federal lakes experience 900 million visits per year, and the number of visits will increase by about 2 percent per year (Commission report, June 1999).

## **Reclamation Reservoirs Provide Needed Water-Based Recreation**

Reclamation projects provide a major portion of the western half of the Nation's reservoir water recreation opportunities. Reclamation accounts for 8 percent of the total visitation to Federal lands, while it manages only 1 percent of the Federal acreage.

Reclamation's core mission is to deliver water and generate power to meet its contractual obligations. Therefore, one of its top priorities is to provide western

communities with clean, reliable sources of water and power. Reclamation also must carry out its other trust and stewardship responsibilities, one of which is the non-consumptive use of water and associated land resources to provide the public with safe and enjoyable outdoor recreation experiences. The valuable social and economic benefits that recreation provides can easily be integrated into the core water and power services.

Reclamation's 310 designated recreation areas draw almost 90 million visits annually, and the number is increasing at an average rate of 1.2 million visits per year. Those visitors contribute \$6 billion a year to the economy and support 27,000 jobs.

Reclamation projects provide over 350 campgrounds, 1,000 boat launching ramps, 140 swimming beaches, and more than 13,000 miles of shoreline for visitors to enjoy.

The growth of major urban population areas (e.g., Los Angeles, Las Vegas, Phoenix, Albuquerque, and along the Colorado Front Range) near Reclamation projects has created additional needs for expansion of recreation resources and site development. Whenever possible, changes in reservoir storage, release, and flow regimes that support fish, wildlife, and recreation should be considered.

### **Congress Encourages Federal and Non-Federal Partnerships to Provide Recreation**

The Congress passed several bills that authorized and encouraged Reclamation to provide recreation facilities at its projects. "There is a Federal responsibility to provide opportunities for public recreation at Federal water projects" (P.L. 102-575, Title 28, 1992). Other Federal, State, and local public entities conduct most of the recreation management on Reclamation lands and waters. The National Park Service (NPS) manages 6 reservoirs as National Recreation Areas (Lake Mead, Lake Powell, and Franklin D. Roosevelt Lake are the 3 most popular); the FS manages 57 areas, including 3 reservoirs that are managed as National Recreation Areas; the Fish and Wildlife Service manages 11 areas as National Wildlife Refuges; and Reclamation directly manages 51 areas. The remaining nearly 200 areas are managed by 70 non-Federal entities, mainly State, county, and city parks departments. The facilities are usually developed on a cost-sharing basis with Reclamation and managed by the non-Federal entity through management agreements.

In 2000, New Mexico, Utah, and Colorado State park recreation facilities located on Reclamation projects reported that their water-based recreation activities at Reclamation reservoirs attracted 75 percent of New Mexico's State park visitors, 40 percent of Utah's State park visitors, and 26 percent of Colorado's total State park visitors.

In 1992, the Congress amended the Federal Water Project Recreation Act, P.L. 89-72 through P.L. 102-575, Title 28, to allow Reclamation and the Corps more flexibility in cost sharing with non-Federal partners, including new authority for OM&R cost

sharing. This expanded cost-sharing arrangement is vital to the continued recreation management by non-Federal partners. However, with few exceptions, Reclamation has not participated in the OM&R cost sharing because current policy is not to fund OM&R except on an emergency basis. Table 1 shows the recent history of recreation expenditures, including Title 28 cost-share funding.

Table 1.—Recreation Expenditures

Budget Line Item	FY 2001 Enacted (\$)	FY 2002 Enacted (\$)	FY 2003 Enacted (\$)	FY 2004 Enacted (\$)
Recreation Management Act – Title XXVIII	3,711,000	1,727,000	2,800,000	2,800,000
Recreation and Fish and Wildlife Program Administration	879,000	839,000	736,000	200,000
Specific Recreation Projects	16,225,000	16,252,000	10,408,000	10,500,000

Managing partners are able to use the limited Title 28 cost-sharing funds to influence their governing bodies to provide construction funds and to leverage additional contributions from other interests. These funds are used to improve sanitation and accessibility at many Reclamation facilities through the replacement of used, outdated, and inadequate recreation facilities. Also, these new facilities are capable of handling increased visitation. Under Title 28, additional Reclamation funds can address an identified backlog and be matched by a partner. The ratio of the partner's cost-share expenditure to Reclamation's cost-share expenditure can be greater than 1 to 1.

### **Concession-Managed Activities**

Reclamation had not developed any form of policy, directives and standards, or guidelines regarding concessions managed either directly by Reclamation or by managing partners until 1998.

Most concessions that Reclamation directly manages today are the result of turnbacks from non-Federal partners. When concession-related problems exceeded the partners' will or ability to deal with the issues, they simply turned back the recreation area to Reclamation, including any concession contracts the partner had issued. In each of these cases, the non-Federal partner did not provide meaningful oversight of the concessions and, in many cases, provided no oversight at all. Reclamation, in turn, did not provide adequate oversight of the managing partners.

Subsequent contracts issued by Reclamation were developed without any planning or consideration of potential long-term issues or consequences. In some cases, the “failed” concession contracts developed by managing partners were simply adopted by Reclamation. In other cases, concession contracts were issued to solve trespass problems. Contract language was generated by any means possible, but usually the shortest and quickest method prevailed. Contractual requirements to ensure good business practices or recordkeeping were frequently non-existent or rarely enforced. Lengths of term and franchise fees were generally determined by “best guess.”

Most concession operations were rarely, if ever, reviewed and evaluated (formal inspections). Reclamation staff did not have any formal training or qualifications to inspect concessions and did not have a standard process to conduct evaluations. Over the long term, this resulted in multiple public health and safety issues (e.g., dumping of raw sewage into reservoirs), emergence of private exclusive use, lack of financial accountability, lack of maintenance of recreation facilities, crumbling infrastructures, lawsuits, public complaints, illegal drug labs, and a lack of facilities and services that would most benefit the public. A recent inspection (May 2003) of the New Melones Lake Marina revealed over 200 violations. There appears to be a trend toward an increasing number of problems since the same problems have been found at other concessions, including those managed by non-Federal partners.

There are about 225 commercial concessions providing recreation services and facilities to meet the public’s recreation demands on Reclamation projects. These concessions provide a wide range of outdoor services and facilities for urban activities and traditional water-related and open-space recreation uses. In return for the opportunity to make a profit, concessionaires pay a fee to the managing entity.

### **Facing Limited Budgets and Rising Costs, Non-Federal Partners are Returning Management Responsibility of Recreation to Reclamation**

In response to a congressional inquiry in 1989, Reclamation assessed the recreation costs of facilities (excluding facilities in California) associated with our non-Federal partners’ management activities. This information has not been updated since 1989. The following findings reflect the results of the inquiry:

- Non-Federal partners spend over \$54 million annually on operation and maintenance (O&M)
- Over 200 recreation areas need significant rehabilitation at a total estimated cost of \$112 million
- 56 recreation areas need expansion at a total estimated cost of \$295 million

However, because of limited additional cost-sharing fund availability, State, county, and city managing partners are finding it difficult to keep up with the costs of OM&R, which has resulted in the return of recreation sites to Reclamation (turnbacks). In addition,



Reclamation often retains management of an area or site because no potential partner wants to enter into a management agreement. This usually results in a reduced delivery of customer services and increased funding needs for the area offices. In most cases, Reclamation does not have the authority to develop recreation facilities and lacks the staff, resources, and funds to adequately manage the recreation facilities. Consequently, the facilities deteriorate further and safety and liability concerns and the potential for environmental damages increase.

Examples of what turnbacks and self-managed areas cost Reclamation (recreation) yearly are:

Lake Berryessa (turnback from Napa County)	\$2.0 million
New Melones (assumed management from the Corps)	\$2.0 million
Canyon Ferry (turnback from the State of Montana)	\$0.7 million

It would be highly undesirable to close these areas to the public. Gates would be broken and barriers circumvented to get to the water. It would be very costly to fence and sign these areas and would require additional law enforcement resources to prevent unlawful trespass and environmental degradation.

Having to manage these turnback areas without adequate resources also reduces Reclamation's ability to support the President's policies on physical fitness, outdoor recreation, and volunteerism and would not meet the intent of the Secretary of the Interior's (Secretary) customer service goals and 4 Cs (consultation, cooperation, communication, and conservation).

A summary of recreation site turnbacks by region, year, site, location, former managing partner, and State is provided in **attachment 3**.

### **Existing Legislation Limits Reclamation's Ability to Provide Recreation Services in the Absence of Managing Partners**

Without a managing partner, P.L. 89-72 confines Reclamation to the construction of only "minimum facilities" that are discussed in the 1965 legislative history as **guardrails, turnarounds at the ends of existing roads, and pit toilets**. These development and management restrictions were reaffirmed in 1993 by the General Accounting Office (GAO) report, *Unauthorized Recreation Facilities at Two Reclamation Projects*, GAO/RCED-93-115.

Legislative attempts to provide Reclamation with full authority to manage for recreation occur every few years. In 1977, Commissioner Higginson wrote to the Assistant Secretary – Land and Water Resources and stated, ". . .reservoirs under Reclamation administration have been subject to the limitations of Public Law 89-72 or left unattended because of lack of additional recreation management authority." He also stated, "Reclamation is still responsible for ensuring that public lands are properly managed and that safe and healthful recreation opportunities are provided for the general public." This legislative attempt failed.

In October 1987, Commissioner Duvall testified before the House Committee on Interior and Insular Affairs and the Subcommittee on Water and Power Resources oversight hearings and stated, *"Reclamation. . .has always had very limited authorization or authority to do and address recreational attributes to the projects. . .is a historic flaw if you look back at it today, because we do have, as you mentioned, 7 million acres of potential recreational properties. . . . We are moving very rapidly to try to do something about that."*

In the 107<sup>th</sup> Congress, the House passed H.R. 5460, which would have given Reclamation full authority to develop and manage recreation facilities when a non-Federal entity could not be found. The Senate was not able to act on the bill before the end of the session. **Attachment 2** provides a summary of major recreation authorities.

At some projects, the Congress authorized and directed Reclamation to construct and manage recreation facilities. For example:

The Colorado River Storage Project (CRSP) has specific recreation authorities. The impact of the CRSP has been significant throughout the Colorado River basin. For the most part, these recreation areas are the backbone of the State park systems in Utah and western Colorado. To date, Reclamation has expended over \$157 million on recreation development in 17 separate CRSP areas, which are non-reimbursable funds. In addition, \$30 million has been designated for the rehabilitation of CRSP facilities in western Colorado on a cost-shared basis with the State of Colorado. The CRSP legislation authorizes Reclamation to plan, develop, operate, and maintain recreation, fish, and wildlife resources and allows Reclamation to fully manage the area in the absence of a managing partner.

The Central Arizona Project (CAP) provides significant public recreation features, facilities, and opportunities. The CAP has four major recreation projects—Lake Pleasant, Theodore Roosevelt Lake, Reach 11 of the Hayden-Rhodes Aqueduct, and the Tucson Aqueduct. The total non-reimbursable recreation investment for this vast array of facilities will exceed \$150 million. CAP legislation authorizes recreational planning and development under P.L. 89-72, which requires a cost-sharing sponsor.

At Lake Berryessa, Solano Project, Reclamation has authority to manage for recreation through the Reclamation Development Act of 1974. Lake Berryessa was a turnback from Napa County, California.

The Canyon Ferry Reservoir, Montana Act of 1998, P.L. 105-277, October 1998, authorized the investigation, planning, construction, operation, and maintenance of public recreation facilities. Canyon Ferry was a turnback from Montana State Parks.

In contrast, and in the absence of a managing partner, the Corps ". . . is authorized to **construct, maintain, and operate public park and recreational facilities at water resource development projects.**"

In 1990, a cursory report was prepared by Reclamation to address the potential for generating recreation revenues from the use of Reclamation projects. In preparing the report, the underlying question was, "What revenues could be generated if Reclamation had full, unrestricted, recreation management authority?" The study concluded that significant revenues could be generated from recreation. The revenues could be used to help offset the cost of a meaningful recreation program and thus significantly reduce the backlog of needed modification, rehabilitation, and expansion of facilities identified in the 1989 congressional inquiry.

P.L. 102-575, Title 28 did eliminate some restrictions imposed by P.L. 89-72, but it did not allow for full recreation authority in the absence of a managing partner.

The provisions of H.R. 5460, the Reclamation Recreation Act of 2002, would have provided Reclamation with the needed authority and flexibility to properly manage the water recreation resources at Reclamation projects. The benefits would have been to:

- Extend Reclamation's authority to enter into management agreements for recreation management by non-Federal public entities, including non-profit organizations, Indian Tribes, and entities within the private sector. This would increase the number of organizations and entities able to manage the recreation resources.
- Allow Reclamation to further develop the recreation resources when a non-Federal entity cannot be found or when an area is turned back to the Federal agency because a non-Federal agency would not manage it.
- Give Reclamation the authority to keep fees that are collected without further appropriation for OM&R of facilities.
- Allow Reclamation to produce and sell information such as publications, maps, and other memorabilia related to the agency and its resources. Revenues could be retained to pay the cost of production and distribution.
- Authorize Reclamation to issue grants and cooperative agreements for recreation projects. This would help Reclamation in co-sponsoring national conferences and national campaigns such as "National Fishing and Boating Week" and "National River Cleanup Week."

### **Management Approach Supports the President's Management Agenda, the Secretary's Governance Policy, and the Strategic Plan**

In the President's Management Agenda, the vision for Government reform is guided by three principles. Government should be:

- Citizen centered
- Results oriented
- Market based

The most effective implementation of Reclamation's recreation management program will include these principles, assist stakeholders in the decisionmaking process, and support management by State and county governments. A market-based approach will be implemented by seeking competitive interest in the available commercial recreation opportunities.

The President's Management Agenda also revealed that the Administration would sponsor an initiative to review current statutory authorities and identify impediments to good management. The agenda said that the Office of Management and Budget will package affirmative legislation comprising proposals to free managers to make better decisions. Recreation legislation similar to that contained in H.R. 5460, described above, would significantly contribute to better management of Reclamation's recreation resource responsibilities.

In implementing the President's Management Agenda, the Secretary adopted a Plan for Citizen-Centered Government. Secretary Norton has outlined a vision for effective program management at Interior that is organized around the "four Cs": Conservation through Cooperation, Consultation, and Communication. Interior has developed a *Strategic Plan* designed to better use the four Cs in managing the resources and opportunities available on Interior lands and waters. One of the goals is providing opportunities for quality recreation experiences on Interior-managed lands and waters. Reclamation reservoirs certainly provide the opportunities. The challenge will be to make the recreation experiences safe and enjoyable. That goal can be achieved through continued development of management partnerships and supporting legislation. Some recent examples of Reclamation's implementation of these strategies include the development of new facilities on Reach 11 in Phoenix; completion of the Davis Dam studies, Laughlin and Bullhead City; and beginning the conversion from private exclusive use to public use facilities at Lake Berryessa.

The Department of the Interior's *Strategic Plan* included two goals for recreation that were adopted in Reclamation's Government Performance and Results Act (GPRA):

- Goal 1:* Provide for a quality recreation experience, including access, and enjoyment of natural and cultural resources on Interior-managed and partnered lands and waters. Three GPRA goals were identified by Reclamation to implement this: (1) increase the percent of universally accessible facilities in relation to the total number of recreation areas, (2) increase the number of recreation areas managed through partnerships with others, and (3) improve or maintain the condition of recreation facilities to fair or good condition, as measured by the Facilities Condition Index.
  
- Goal 2:* Provide for and receive fair value for recreation. One GPRA goal was identified by Reclamation to implement this: (1) increase the percentage of concession activities with performance-based contracts.

## Conclusions

- Bureau of Reclamation (Reclamation) reservoirs are extremely popular for water-based recreation activities, drawing 90 million visits per year to only 1 percent of the Federal land base. Those visitors contribute \$6 billion per year to the economy. A progressive recreation program at Reclamation projects would be a significant benefit to society and would make important contributions to local, State, and national economies.
- The Congress has recognized the valuable recreation benefits of Reclamation reservoirs and has authorized recreation development and management at Reclamation projects, primarily in partnership with State, county, and city governments. There are almost 200 State, county, and city parks at Reclamation projects.
- Facing increased demands on limited budgets, States, counties, and cities may become more inclined to return recreation management back to Reclamation. In turnback cases, Reclamation has authority to manage the areas, including operation, maintenance, and replacement (OM&R) of existing facilities, but lacks staff, resources, and funding to do so. Closing the areas is not a viable option because Reclamation does not have the resources to prevent use and destruction. An increase in appropriated funds that are cost shared with non-Federal partners for recreation development would keep non-Federal partners from turning back recreation areas.
- While the Congress has recognized the recreation values of Reclamation reservoirs, it has not provided the agency with adequate authority to develop and manage its recreation resources, except in a few cases. Currently, Reclamation cannot adequately address recreation visitation and use and protect resources on projects where other partners are not in place. Additional authorities are needed similar to those contained in H.R. 5460, which passed the House in the 107<sup>th</sup> Congress but was not addressed in the Senate. Continued efforts to seek these additional authorities would provide Reclamation with the management tools and flexibility it needs to responsibly manage recreation resources in the absence of a managing partner and to attract new managing partners.

---

**Attachment 1**

---

## Reclamation's Recreation History

Early in Reclamation's history, recreation was not recognized as an authorized purpose for its projects. The first known reference to recreation regarding Reclamation is found in the Department of the Interior Appropriations Act of 1937. This act authorized ". . . the construction, reconstruction, and improvement of roads and trails for recreation access to Boulder Dam reservation. . ." It should be noted that Hoover Dam was designed to accommodate the visiting public.

The first major public recreation uses at Reclamation reservoirs were related to hunting and fishing. The Congress recognized the public's desire for hunting and fishing by enacting the Conservation of Wild Life, Fish and Game Act of 1934, which was later amended by the Fish and Wildlife Coordination Act of 1946. The Act of 1946 includes ". . . providing public shooting and fishing areas. . . and providing for the development and improvement thereof in connection with such water resource development."

By 1944, in addition to the Department of the Interior Appropriations Act of 1937 and the Conservation of Wild Life, Fish and Game Act of 1934, Reclamation had developed post-war plans for integrating western industrial and agricultural water use into a unified program aimed at smoothing the transition between wartime and peacetime economies. Homes for returning veterans and construction job opportunities were major factors in these plans. Forty new water projects were authorized, and 200 more were being studied. To increase the number of feasible projects, Reclamation sought congressional authorization to include non-reimbursable benefits in its programs in addition to flood control. A particularly strong bid was made to include recreation. For some time, Reclamation had noted the incidental recreation benefits that accrued from the construction of storage dams in rural arid localities. In 1944, Reclamation published a report entitled *Rural Recreation Areas* that documented the increasing importance of water-based recreation.

The Missouri River Basin Project was authorized by the Flood Control Act of 1944. Reclamation and the Corps had developed competing project plans. After considerable debate and compromise, the Pick-Sloan plan emerged. Pick-Sloan provided that Reclamation would build dams to supply water for irrigation, power, and other purposes, and the Corps would construct structures for navigation, flood control, power, and other purposes. Other purposes included in the plan were silt control; domestic, municipal, and industrial water supply uses; fish and wildlife enhancement; pollution abatement; and recreation uses. Full recreation authority was included in other purposes for only the Corps. The Pick-Sloan legislation also authorized the Corps ". . . to construct, maintain, and operate public parks and recreational facilities. . ." including **law enforcement citation authority.**

It is interesting that during the first 34 years of Reclamation's existence, no projects were turned over to other agencies for recreation management. Almost 60 years went by before there were any significant land and water areas turned over to other agencies to manage for recreation.

The first known transfer of recreation planning and management by Reclamation to another entity was at Lake Mead, under cooperative agreements with NPS, October 13, 1936, and July 18, 1947.

Further, and as a result of the 1947 agreement, NPS began evaluating proposed Reclamation projects for potential recreation use and visitation and developed conceptual Public Use Plans. NPS recommendations included leasing cabin sites for 20- to 30-year periods because the proposed developments were long distances from population centers. It has now become apparent to Reclamation that the cabin sites cannot be easily phased out even when there is a need for other public uses. Most Reclamation reservoirs are no longer in rural areas.

The most significant legislation that provides direction and impacts recreation development associated with Reclamation (and the Corps) projects was the Federal Water Project Recreation Act of 1965 (P.L. 89-72). This recognized recreation as a purpose for developing multipurpose water resource projects and, for the first time in economic studies of proposed water developments, acknowledged the recreation benefits. The major aspects of P.L. 89-72 are that it established the need for coordinated recreation planning and management by local sponsors, authorized cost sharing, and limited expenditures for pre-1965 projects.

Reclamation's general but limited authority for recreation evolved per P.L. 89-72: "Project construction agencies shall encourage non-Federal public bodies to administer project land and water areas for recreation. . .and operate, maintain, and replace facilities." P.L. 89-72 also recognized recreation as a purpose for developing water projects. P.L. 89-72 indicated that, if recreation management was not transferred to a non-Federal public entity, Reclamation would be restricted to providing ". . .minimum facilities which are required for public health and safety and are located at access points provided by roads existing. . ." P.L. 89-72 also provided specific transfer of recreation management responsibilities for projects within or adjacent to National Forests and specific areas to service National Parks. P.L. 89-72 did not authorize any Reclamation O&M support for recreation uses.

The Land and Water Conservation Fund Act of 1965 authorized Reclamation to charge user fees, but fees could not be charged for the use of any waters.

Reclamation's earliest recreation authorities were limited to specific projects. An example is section 8 of the Colorado River Storage Project Act. In 1956, CRSP authorized and directed the Secretary to ". . .investigate, plan, develop, manage. . . conserve the scenery, the natural, historic, and archeological objects. . .for public use and enjoyment." The Fryingpan-Arkansas project authorization enacted in 1962 contains the same basic language. The Recreation Facilities-Elephant Butte and Caballo Reservoirs Act of 1962 authorizes and directs the Secretary ". . .to investigate, plan, construct, operate and maintain basic recreation facilities at Elephant Butte and Caballo Reservoirs. . .including access roads, and facilities for safety, health, and protection of the visiting public, and provide for the public use and enjoyment of such recreation facilities and the water areas."



In 1965, P.L. 89-80 established the President's Water Resources Council (Council) to guide water resources development. The Council developed principles and guidelines that provided economic values of recreation experiences attributed to potential water developments and developed a process for assigning recreation benefits for project-specific economic analyses. Assigned benefits were based on full recreation development for projected visitation and the estimated revenue generated. The economic values were hypothetical prices visitors would be willing to pay.

Under the Council's guidelines, the general rule was that the benefits must exceed costs of development. However, at most new projects, Reclamation and managing partners did not fully develop facilities to accommodate projected and actual visitation. Original planning estimates were not revised when visitation was obviously miscalculated or unexpected nearby population growth occurred. Subsequently, visitors were unwilling to pay for access when there were few or no facilities. Many new water developments were not transferred to other entities for recreation management, and other recreation areas that were transferred were later returned to Reclamation. Most returned areas and non-transferred areas did not meet minimum recreation facility criteria for Reclamation to charge fees, and if any efforts were undertaken to provide public access, they were related to minimum basic health and safety concerns.

The Land and Water Conservation Fund Act (LWCF) of 1965 assists Federal and State agencies in meeting present and future outdoor recreation demands and needs. The LWCF provides for grants to States for acquisition and development, and it provides funds for acquisition only to Federal agencies, primarily the NPS and FS. Reclamation has never received any LWCF funds, although our non-Federal public partners have used LWCF funds to develop recreation areas on Reclamation lands. LWCF further identifies conditions under which Federal agencies may charge certain fees, and it does specifically authorize Reclamation to collect user fees.

In 1992, the Congress amended P.L. 89-72 by enacting the Reclamation Recreation Management Act of 1992, P.L. 102-575, Title 28. This amendment expanded Reclamation authority to cost share OM&R of recreation facilities with non-Federal public entities and removed the limitation regarding the pre-1965 projects.

The Omnibus Consolidated Rescissions and Appropriations Act of 1996, P.L. 104-134, authorized a demonstration program to test fee collection levels and methods at parks, refuges, and public land sites. The intent is to collect and apply revenues toward maintaining and improving infrastructure to enhance the quality of the visitor's experience. The act includes most Federal land management agencies but does not include Reclamation in the demonstration program.

The inclusion or exclusion of Reclamation within specific recreation-related legislation may be a result of the differences between Senate and House committees and subcommittees. Most appropriations for land management functions come through the Interior and Related Agencies Subcommittee, but Reclamation receives appropriated funds through the Energy and Water Development Subcommittee.

The coordination of appropriated funds associated with recreation is further affected by the oversight involvement of the Senate and the House Committees on Energy and Natural Resources and their six subcommittees (Senate subcommittees: Forests and Public Land Management; National Parks, Historic Preservation, and Recreation; and Water and Power; and House subcommittees: Energy and Mineral Resources; Public Lands; and Water and Power).

In 2002, the Reclamation Recreation Management Act was amended by P.L. 107-69, which included law enforcement authority. Rules to implement this new authority are pending.

By the late 1980s and early 1990s, congressional interest in all Federal concession operations began to emerge. Congressional hearings, Inspector General (IG) audits, and GAO audits were frequent. In particular, the NPS and FS were drawing media and congressional attention because concessionaires were reaping large profits while paying very low franchise fees. Concession contracts were issued for long periods of time without any authority. Sweetheart deals were considered common with automatic renewals or preferential rights of renewal. Competition for contracts was nonexistent, and corporations that had contracts were selling the contracts for large profits. It was easy to conclude that the Government was not protecting the public's financial interest. Reclamation was also investigated as a result of the agreement with the City of Scottsdale and the third party contract with the Tournament Players Club (TPC) golf course. Both the city and TPC were getting large profits and the Federal Government was left out of the financial rewards.

As a result of numerous congressional hearings, media attention, and audits, Secretary Lujan ordered, in 1991, that a Secretarial Task Force be assembled for the purpose of making recommendations that would help alleviate the growing issues surrounding concessions management. This task force included representatives from all Interior bureaus as well as representatives from the FS and Corps.

In 1992, the Task Force Report was delivered to the Secretary, and in January 1993, the Secretary directed that all Interior bureaus implement the recommendations contained in the report. For Reclamation, this was the beginning of the process to develop concession management policy. The principles contained in the Task Force Report were:

- Protect natural, historic, and cultural resources
- Provide opportunities for appropriate, quality visitor services at reasonable costs
- Provide concessionaires with a reasonable opportunity for profit
- Provide equitable returns to the Federal Government and the taxpayer
- Enhance competition in awarding concession authorizations

- Improve consistency among agencies' comparable commercial recreational programs
- Integrate concessions management into agencies' resource management planning processes

By the end of 1993, Reclamation had assembled a Reclamation-wide team to begin the process of developing concession policy and directives and standards that would comply with the Secretary's Directive and incorporate the large volume of IG and GAO information. More importantly, Reclamation had begun to understand the potential for a crisis at some concession operations.

The policy development process included the development of numerous versions of the policy, multiple Reclamation-wide reviews, solicitor reviews, consultation with other Federal agencies (NPS in particular), and the review and approval of the policy and directives and standards by the Assistant Secretary. Briefings were also conducted for the Assistant Secretary, solicitors, and NPS officials.

In 1998, Reclamation's first Concessions Policy and Directives and Standards were completed and signed by the Commissioner. In the meantime, Reclamation had begun to conduct joint training sessions with NPS concession employees on concessions contracts, rate approval, financial management, and review and evaluation. The policy and directives and standards were revised in 2002.

In 2000, the IG conducted the second audit of Concessions Managed by the Bureau of Reclamation in 5 years. The 2000 audit found grossly inadequate contract provisions and inadequate enforcement and oversight of concessions contracts. See Audit Report, Concessions Managed by the Bureau of Reclamation, No. 00-I-376, May 2000, and Audit Report, Recreation Management Activities at Selected Sites, No. 95-I-870, May 1995, for complete information.

---

**Attachment 2**

---

## Summary of Major Recreation Authorities

### Reclamation's Authorities that are Limited to Specific Reclamation Projects

- **Appropriation Act of 1937**  
authorizes “. . .the construction, reconstruction and improvement of roads and trails for recreation access to Boulder Dam reservation. . .”
- **Colorado River Storage Project Act of 1956, P.L. 84-485 and Fryingpan-Arkansas Project Act of 1962, P.L. 87-590**  
authorizes and directs the Secretary to “. . .investigate, plan, develop and manage. . .conserve the scenery, the natural, historic, and archeological objects. . .for public use and enjoyment.”
- **Recreation Facilities-Elephant Butte and Caballo Reservoirs Act of 1962**  
authorizes and directs the Secretary “. . .to investigate, plan, construct, operate, and maintain basic recreation facilities at Elephant Butte and Caballo Reservoirs. . .including access roads, and facilities for safety, health and protection of the visiting public, and provide for the public use and enjoyment of such recreation facilities and the water areas.”
- **Colorado River Basin Project Act of 1968 and associated Central Arizona Project**  
authorizes recreation in accordance with P.L. 89-72.
- **Reclamation Development Act of 1974, P.L. 93-493, Title VI**  
authorizes Reclamation to “. . .develop, operate, and maintain such short-term recreation facilities. . .” (excluding law enforcement authority) for Federal lands and waters at Lake Berryessa, California.
- **Canyon Ferry Reservoir, Montana Act of 1998, P.L. 105-277**  
authorizes the investigation, planning, construction, operation, and maintenance of public recreation facilities.

### Major Federal Recreation Activities and/or Development Legislation

- **Conservation of Wild Life, Fish and Game Act of 1934**  
recognizes the public's desire to hunt and fish.
- **Section 4 of the Flood Control Act of 1944, as amended**  
authorizes the Corps “. . .to construct, maintain and operate public park and recreation facilities at water resource development projects.”

- **Fish and Wildlife Coordination Act of 1946**  
authorizes agencies of the Interior to provide “. . .public shooting and fishing areas. . .and development and improvement thereof in connection with such water resource development.”
- **Land and Water Conservation Fund Act of 1965, P.L. 88-578**  
authorizes Reclamation to collect user fees, but fees cannot be charged for the use of any waters. Although Reclamation has not received any LWCF funds, non-Federal partners have used LWCF funds to develop recreation areas on Reclamation lands.
- **Public Law 89-80**  
establishes the President's Water Resources Council to guide water resources development. It assigns benefits based on full recreation development for projected visitation.
- **Federal Water Project Recreation Act of 1965, P.L. 89-72**  
recognizes recreation as a purpose for developing multipurpose water resource projects and acknowledges for the first time the recreation benefits in economic studies for proposed water developments.
- **Public Law 98-552**  
authorizes the Secretary to cooperate with State regulatory or enforcement officials to enforce State resource protection laws. It authorizes such cooperation to include reimbursement of State expenditures for resource protection and administration.
- **Reclamation Recreation Act of 1992, P.L. 102-575, Title 28**  
amends P.L. 89-72, expands Reclamation authority to cost share with non-Federal public entities for O&M of recreation facilities, and removes the limitation regarding the pre-1965 projects.
- **Omnibus Parks and Public Land Management Act of 1996, P.L. 104-333**  
establishes a commission to consider, review, evaluate, and recommend legislative opportunities for enhanced water-based recreation for public use.
- **Reclamation Recreation Management Act, P.L. 107-69**  
amends P.L. 102-575 to include law enforcement authority. This legislation is also known as the **Law Enforcement Authority at Bureau of Reclamation Facilities**.

---

**Attachment 3**

---

## Identified Recreation Site Turnbacks (Facilities or Land) by Region

### Great Plains Region

- 1976 Clark Canyon Reservoir, Montana Fish, Wildlife and Parks, Montana
- 1976 Tiber Reservoir, Lake Elwell, Montana Fish, Wildlife and Parks, Montana
- 1976 Fresno Reservoir, Hill County Park Board, Montana
- 1989 Nelson Reservoir, Montana Fish, Wildlife and Parks, Montana
- 1992 Kortess Reservoir, Wyoming Game and Fish Department, Wyoming
- 1994 Seminoe Reservoir, Wyoming Game and Fish Department, Wyoming
- 1994 Glendo Reservoir, Wyoming Game and Fish Department, Wyoming
- 1994 Canyon Ferry Reservoir, Montana Fish, Wildlife and Parks, Montana
- 1994 Heart Butte Dam, Lake Tschida, North Dakota Game and Fish, North Dakota
- 1999 Belle Fourche Reservoir, South Dakota Department of Game, Fish and Parks, South Dakota

### Pacific Northwest Region

- 1976 Mann Creek Reservoir, State of Idaho, Idaho
- 1985 Prineville Reservoir, Crook County, Oregon
- 1987 Black Canyon Reservoir, Gem County, Idaho
- 1988 Cascade Reservoir, City of Cascade, Idaho
- 1988 Scooteney Reservoir, Franklin County, Washington
- 2001 Banks Lake Reservoir (Coulee), Washington State Parks, Washington
- 2001 Billy Clapp Reservoir, Washington State Parks, Washington
- 2002 Banks Lake Reservoir (Electric), Washington State Parks, Washington
- 2002 Conconully Reservoir, Okanogan Irrigation District, Washington

### Mid-Pacific Region

- 1968 East Park Reservoir, Orland Unit Water Users Association, California
- 1968 Stony Gorge Reservoir, Orland Unit Water Users Association, California
- 1971 Stony Gorge Reservoir, Glenn County, California
- 1975 Lake Berryessa, Napa County, California
- 1975 Red Bluff Diversion Reservoir, City of Red Bluff, California
- 1989 East Park Reservoir, U.S. Forest Service, California



### **Upper Colorado Region**

- 1994 Newton Reservoir, Cache County, Utah
- 1997 Big Sandy Reservoir, Wyoming State Parks and Historic Sites, Wyoming
- 1998 Lost Creek Reservoir, Utah Division of Parks and Recreation, Utah

### **Lower Colorado Region**

- 1995 Sportsman Park, Clark County, Nevada