

# Draft Dalton Highway Recreation Fee Site Business Plan

United States Department of the Interior  
Bureau of Land Management

Central Yukon Field Office  
Fairbanks, Alaska

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Sukakpak Mountain – Milepost 204 Dalton Highway

**Draft Dalton Highway Fee Site Business Plan**  
**Central Yukon Field Office**

RECOMMENDATIONS, REVIEWS, and APPROVALS

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This business plan was prepared pursuant to the “Federal Lands Recreation Enhancement Act, 2004” (P.L. 108-447) and the BLM recreation fee program policy. It establishes future management goals and priorities for the Recreation Use Program in the Central Yukon Field Office.

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# Draft Business Plan for BLM Central Yukon Field Office Campgrounds

## 1. Executive Summary

This business plan was prepared pursuant to the Federal Lands Recreation Enhancement Act (FLREA) of December 2004 (P.L. 108-447), and Bureau of Land Management (BLM) recreation fee program policy and manual direction. FLREA provides the BLM current authority to establish, modify, charge, and collect recreation fees at Federal recreational lands and waters. After careful consideration of the current fee program and the anticipated revenues and expenditures as outlined in this document, as well as comparison with other regional and local recreation providers, the following fee rate increases are recommended:

- Increase the individual campsite fee at Marion Creek Campground from \$8.00 to \$10.00
- Add a Recreation Vehicle (RV) Sanitary Dump Station fee of \$5.00 at 60 Mile Campground
- Add individual campsite fees of \$10.00 per night at the following locations:
  1. 60 Mile
  2. Arctic Circle
  3. Galbraith Lake

The fee increase is necessary in order to meet the growing expenses of the campground program, especially with regard to deferred maintenance costs, which stem from the ever-expanding use by the public and the continued growth in popularity of the Dalton Highway Corridor. As the campgrounds age and as the visitation increases, deferred maintenance needs increase. The three newly proposed fee sites in this plan are in areas that are seeing increased dispersed camping visitation. Developed fee campgrounds are a management tool used to prevent further resource damage and to provide better visitor services.

## Introduction

The BLM originally began collecting recreational fees for the use of public lands under the authority of the Federal Land Policy and Management Act (1976) – known as the “organic act”. FLREA provides the BLM with the authority to collect an Expanded Amenity Recreation fee for the recreational use of certain areas. FLREA allows collected expanded amenity recreation fees to be retained locally and furthermore outlines how revenues are to be used for such things as facility repair, maintenance, enhancement, interpretation, visitor information, visitor services, signs, law enforcement related to public use and recreation, and direct operating or capital costs associated with the recreation and visitor services program.

At the Central Yukon Office (CYFO), the recreational use of campgrounds within the field office is managed through the Recreation Use Permit Program using the Expanded Amenity Recreation Fee to fund campground maintenance, operations, visitor services, and construction of new campground facilities. Each of the existing campgrounds in CYFO has the required amenities to qualify for the

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use of this fee. Each of the newly planned campgrounds will also have a majority of the expanded amenities (i.e., toilets, picnic tables, fire rings, tent/trailer spaces, access roads, collection of fees by an employee, reasonable visitor protection, and/or garbage collection) and thus qualify for staffed fee collection.

FLREA guidelines and the BLM 2930 Manual and 2930-1 Handbook require that each recreation fee program have a business plan that thoroughly discusses the purpose and rationale for recreation fees and explains how fees are consistent with the criteria set forth in FLREA. Business plans are to assist management in determining the appropriateness and level of fees, examine the cost of administering fee programs, outline how fees will be used, and provide a structured communication and marketing plan. The primary purposes of the plan are to serve as public notification of the objectives of the recreation fee program, provide the public an opportunity to comment on these objectives, and guide the use of recreation fee revenues in the future.

In the Central Yukon Field Office, campground revenues are deposited in the recreation fee account (WBS LVRDAK010000). This business plan covers recreation fee revenues for developed individual campsites only.

The data used to analyze and prepare this business plan was obtained through internal BLM tracking and accounting mechanisms such as the Recreation Management Information System (RMIS), Collections and Billings System (CBS), Federal Business Management System (FBMS), and other locally generated recreation and visitor use tracking spreadsheets. For more detailed information, contact the Central Yukon Field Office. Some data may be subject to Privacy Act requirements.

### **Background and Authorities**

The authorities and regulations for this business plan are:

- **The Federal Land Policy and Management Act (FLPMA), 1976** [Public Law 94-579], contains BLM's general land use management authority over the public lands, and establishes outdoor recreation as one of the principal uses of those lands. Section 302 (b) of FLPMA directs the Secretary of the Interior to regulate through permits or other instruments the use of the public lands. Section 303 of FLPMA contains the BLM's authority to enforce the regulations and impose penalties.
- **The Federal Lands Recreation Enhancement Act (FLREA), 2004** [Public Law 108- 447], repealed applicable portions of the Land and Water Conservation Fund Act and replaced the BLM's authority to collect recreational fees. This law authorizes the BLM to collect recreation fees at sites that meet certain requirements, allows the BLM to keep the fee revenues at the local offices where they are collected, and directs how the BLM will manage and utilize these revenues. The FLREA also established the America the Beautiful - The National Parks and Federal Recreational Lands Pass program.
- **43 CFR 2930: Permits for Recreation on Public Land**

This business plan has also been prepared pursuant to all applicable BLM recreation fee program policies and guidance, including:

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- BLM Recreation Permits and Fees Manual 2930
- BLM Recreation Permits and Fees Administration Handbook (2930-1 Handbook)

- **Environmental Assessment AK-060-91-00: Dalton Highway Campgrounds**

This Environmental Assessment addressed the development of the campgrounds listed in this business plan. It further served as a guideline for resource protection and visitor protection, and also provided a framework for future response to increased visitation.

The BLM strives to manage recreation and visitor services to serve diverse outdoor recreation demands while helping to maintain healthy and sustainable resource conditions needed so the visitor's desired recreation opportunities and experiences remain available. The BLM's goals for delivering recreation benefits from BLM-administered lands and waters to the American public and their communities are:

- Improve access to appropriate recreation opportunities;
- Ensure a quality experience and enjoyment of natural and cultural resources; and
- Provide for and receive fair value in recreation.

This business plan will assist the Central Yukon Field Office in meeting these recreation and visitor service goals. This plan covers a total of four campgrounds and one RV Sanitary Dump Site, all located within the Dalton Highway Special Recreation Management Area (SRMA) on BLM-administered lands in northern Alaska in the boroughs of Yukon – Koyukuk and North Slope.

## 2. Introduction

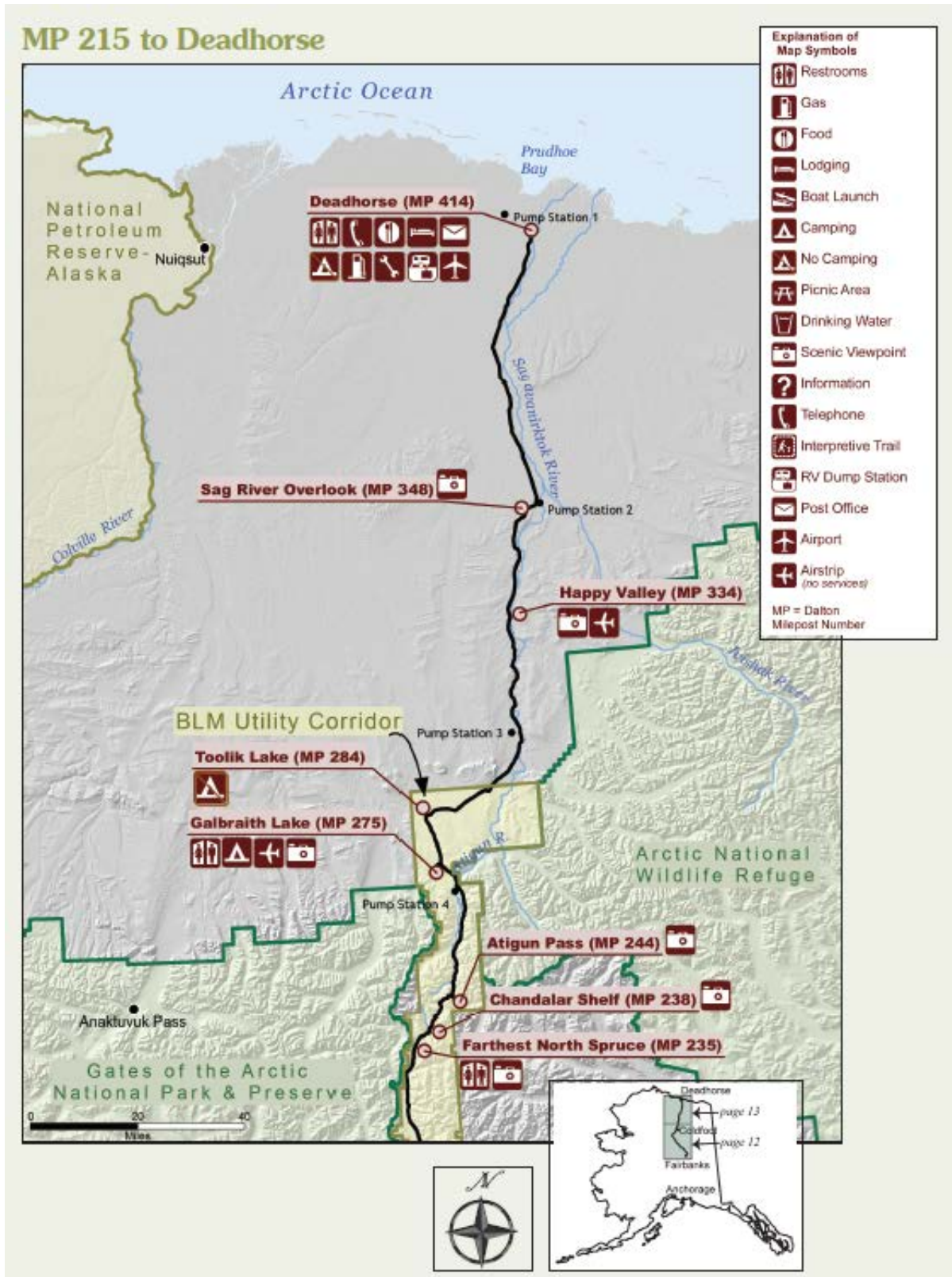
### a. Fees and Business Plan Requirement

Under FLREA, an expanded amenity fee may be charged for the use of certain facilities or services, in this case developed campgrounds that provide at least a majority of the following: tent or trailer spaces, picnic tables, drinking water, access roads, the collection of the fee by an employee or agent of the Federal land management agency, reasonable visitor protection, refuse containers, toilet facilities, and/or simple devices for containing a campfire.

According to BLM Handbook 2930-1, Recreation Permits and Fees (Rel. 2-300, dated November 17, 2014), each recreation fee program must have an approved business plan that comprehensively elucidates fees and illustrates how fees are consistent with the FLREA fee criteria. Business plans assist management in determining the appropriateness and level of fees, evaluating the cost of administering a fee program, calculating the expected benefits provided for the public, and developing a structured communication and marketing plan. This plan serves as public notification of the objectives for the use of the recreation fee revenues and offers the public an opportunity to comment on proposed changes. Special recreation permit and campground revenues for the Dalton Highway SRMA are deposited in the Central Yukon Field Office (CYFO) recreation fee account.

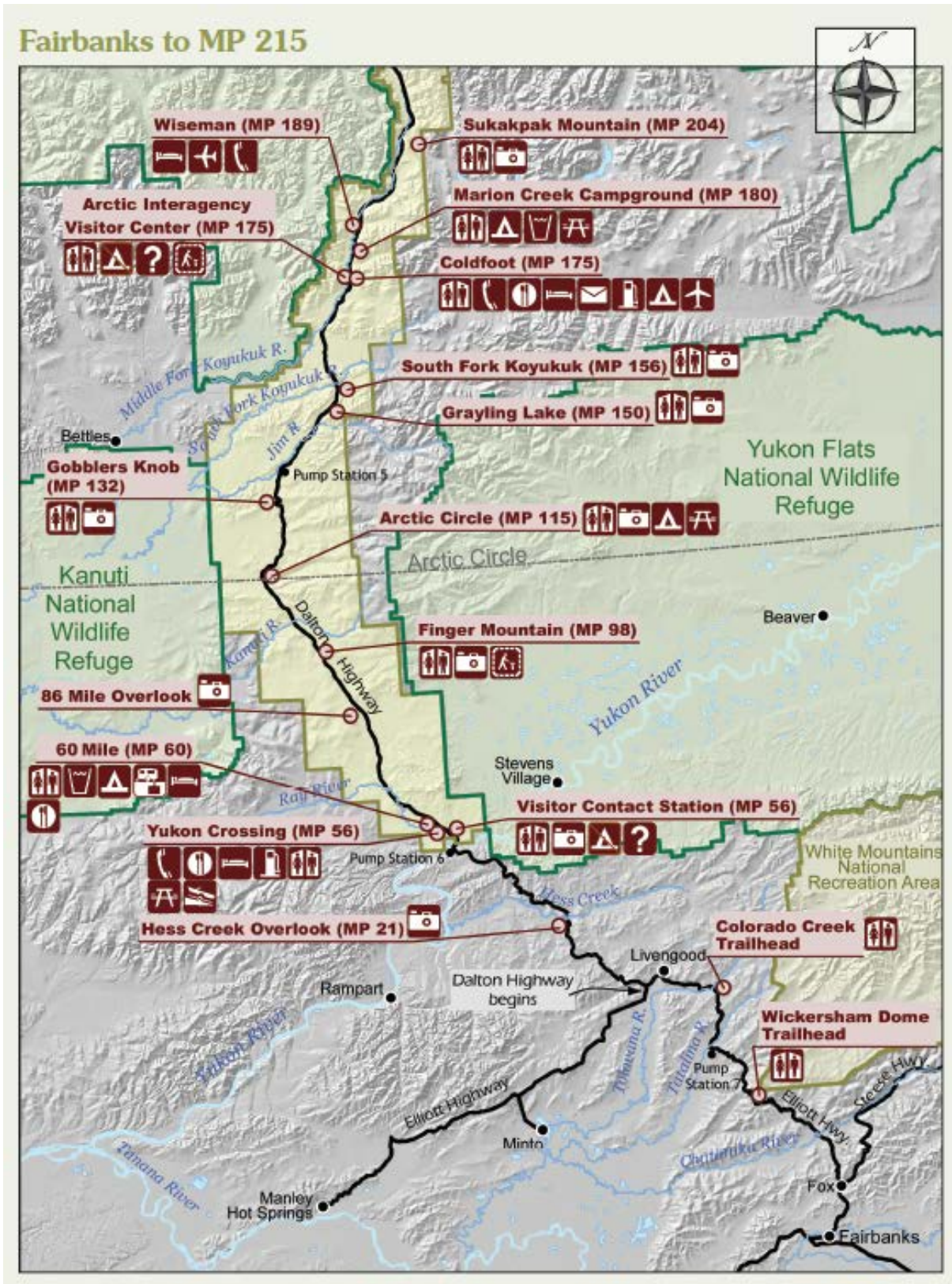
This business plan describes the fee sites, proposed fee changes, the addition of three campgrounds to the fee system, associated operating costs, financial analysis, and the impacts of the proposed fee changes. This plan includes analysis of data from internal BLM tracking and accounting mechanisms such as the Recreation Management Information System (RMIS), Collections and Billings Systems (CBS), Federal Business Management System (FBMS), and other locally generated recreation and visitor use tracking spreadsheets. For more detailed information, contact the BLM Central Yukon Field Office. Some data contained in these systems may be subject to Privacy Act requirements.

Map 1 – Dalton Highway - Coldfoot to Deadhorse





Map 2 – Dalton Highway - Fairbanks to Milepost 215



### 3. Background

#### a. Area Description

The Dalton Highway, formerly called the Haul Road, is a rough, industrial road that begins 84 miles north of Fairbanks and travels 414 miles northward, where it terminates at Deadhorse, the industrial camp at Prudhoe Bay along the Arctic Ocean. The Haul Road was built in 1974 to haul industrial equipment to the Prudhoe Bay oil fields and was originally closed by the State of Alaska to all non-commercial traffic. Beginning in 1981, the State of Alaska allowed public access to Disaster Creek at milepost (MP) 211, and the road was renamed the Dalton Highway. The Utility Corridor Final Management Plan (January 1991) and Dalton Highway Recreation Area Management Plan (November 1991) provided the management guidance for recreation site and program development. Later, in 1994, the State opened the full length of the highway, all the way to Deadhorse. The opening of the full length of the Dalton highway to recreational use has increased the demand for recreational facilities and campgrounds.

The BLM's CYFO administers the BLM utility corridor and adjacent lands along the Dalton Highway from MP 56 to milepost 300. The BLM manages four campgrounds, 15 waysides complete with outhouses, a visitor contact station at Yukon Crossing, and the Arctic Interagency Visitor Center (AIVC) at Coldfoot in cooperation with the National Park Service and U.S. Fish and Wildlife Service. Currently, Marion Creek Campground is the only BLM fee site along the Dalton. The other 3 campgrounds (Galbraith Lake, Arctic Circle, and 60 Mile) are currently non-fee sites. However they possess the amenities that meet the criteria required by FLREA to designate them as fee sites.

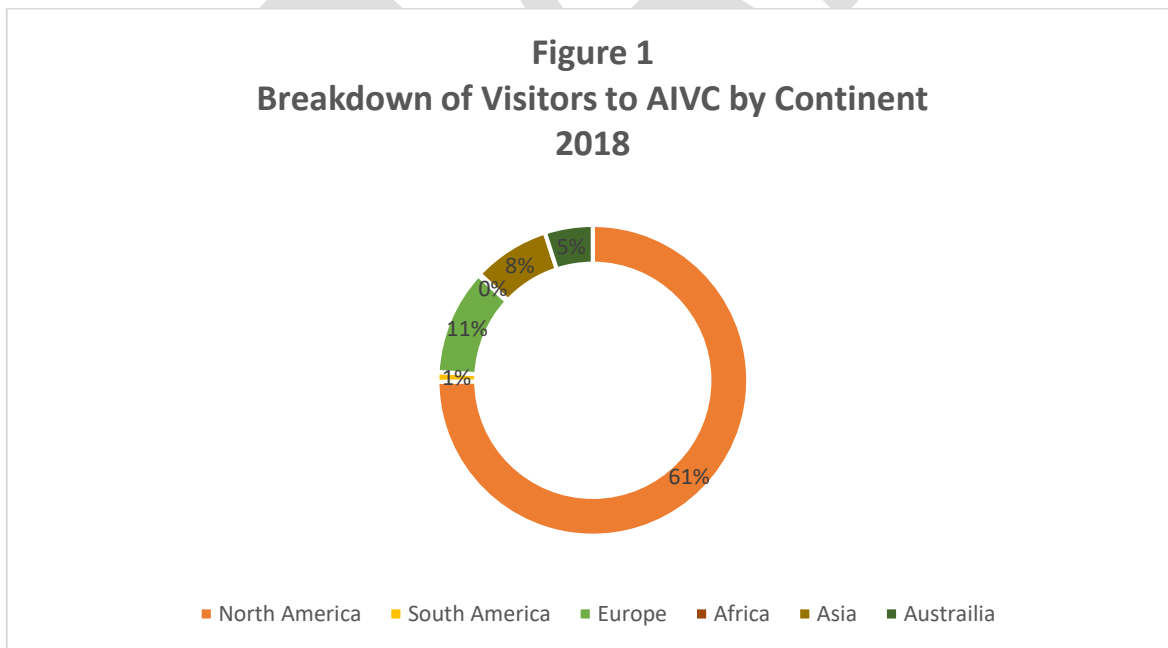


**View along Dalton Highway**

**b. Visitor Demographics**

In 2018 the state of Alaska had an estimated population of 736,239.<sup>1</sup> The Dalton Highway’s nearest population center, the Fairbanks North Star Borough, had an estimated 2018 population of 97,121.<sup>1</sup> The median household income for the State of Alaska was \$72,515 in the years 2011–2015, with 9.9% of the population living below the poverty level. The state’s median age is 34 with 47% of the population being female.<sup>1</sup> Alaska is racially composed of 61% Caucasians, 15% American Indians or Native Alaskans, 7% Hispanics or Latinos, 6% Asians, 4% Blacks or African Americans, and 7% others.<sup>1</sup>

The Dalton Highway is currently the only road in Alaska connecting Canada and the lower 48 states to the Arctic Ocean. As such, the Dalton Highway is an attractive destination for adventurous tourists. Data from the visitor log book at the AIVC in Coldfoot provides a representation of the country of origin of Dalton Highway tourists. Of the 499 visitors who signed the log book at the AIVC during the summer season of 2018, most came from the lower 48 representing 61.6%, with Alaska residents comprising only 11.4% of visitors. Visitors from Canada and Mexico represented 2.2% and 0.6% respectively. Visitors from Europe traveled from 15 different countries, constituting 10.5% of visitors. Asian tourists came from 5 different countries and represented 8.3%, and Australian visitors (including Tasmania and New Zealand) 5.2% of visitors. The AIVC also had one visitor from South Africa representing 0.2% of visitors. Below, Figure 1 shows the breakdown of visitors by continent and Figure 2 shows the breakdown of North American visitors.



<sup>1</sup> State of Alaska Labor Department and Workforce Development – Research and Analysis

**c. Recreation Campsite Descriptions**

**Table 1 – Campground Descriptions**

| <b>Site</b>           | <b>Type</b>  | <b>Location</b>                                | <b>Amenities</b>  | <b>Points of Interest</b>                                |
|-----------------------|--|--|---|--|
| <b>60 Mile</b>        | Developed (5 sites) with a large, open graveled section  | MP 60, 4 miles north of Yukon River            | potable water, dump station, outhouse, picnic tables, fire rings, leveled tent sites                            | Yukon River and food service nearby                      |
| <b>Arctic Circle</b>  | Developed (8 sites) with multiple user-created locations, scheduled for full development in 2020 | MP 115, on hill above Arctic Circle Wayside    | No water currently (planned well installation in 2020), outhouse, picnic tables, fire rings, leveled tent sites | Arctic Circle, pipeline, hiking                          |
| <b>Marion Creek</b>   | Developed, 27 sites including tent and pull-through  | MP 180, 5 miles north of Coldfoot              | potable water, outhouse, picnic tables, fire rings, host, trash, leveled tent sites                             | Hiking, fishing, visitor center in Coldfoot              |
| <b>Galbraith Lake</b> | Developed (6 sites) with a large, open graveled section  | MP 275, 2.5 miles off of highway near airstrip | Picnic tables, fire rings, outhouse, trash, leveled tent sites  | Hiking, fishing, wildlife viewing, access to backcountry |

**i. Galbraith Lake Campground**

The campground is located near an ancient glacial lake that once occupied the entire Atigun Valley. Just downstream from the Dalton Highway bridge at MP 264, the spectacular Atigun Gorge leads into the western edge of the Arctic National Wildlife Refuge. The campground is located two miles down an access road at MP 275 of the Dalton Highway.

Galbraith Lake Campground is the farthest north campground on the Dalton Highway and is currently a non-fee site with an information kiosk and interpretive signs, as well as an outhouse toilet and trash service. Sweeping vistas of the arctic plain are available to those who camp here. The campground was originally a temporary personnel camp during the construction of the Trans-Alaska Pipeline. Campsites were established by user preference. In 2017, BLM-Alaska engineers, in collaboration with Central Yukon Recreation staff, established permanent campsites with picnic tables and fire rings. Access roads were upgraded as well. The BLM financed this project with appropriated deferred maintenance funding and created amenity upgrades at the campground.

**Table 2 – Galbraith Lake Campground Visitation**

| <b>Fiscal Year</b> | <b>Visits</b> | <b>Visitor Days</b> |
|--------------------|---------------|---------------------|
| 2012               | 300           | 660                 |
| 2013               | 300           | 660                 |
| 2014               | 1290          | 2838                |
| 2015               | 951           | 2092                |
| 2016               | 657           | 1445                |
| 2017               | 1451          | 3192                |
| 2018               | 1590          | 3498                |



**Galbraith Lake Campground**

**ii. Marion Creek Campground**

Marion Creek Campground is located 5 miles north of Coldfoot at Dalton Highway MP 180. The 26-site campground offers potable water, outhouse toilets, trash services, firewood, fire rings, accessible campsites, pull-through sites, and picnic tables. The campground is open from late May through late September and closed to the public the remainder of the year. Volunteer campground hosts support the operation during the summer months. The campground and surrounding area offer visitor services (AIVC), river access, interpretive sightseeing, river rafting, fishing, hiking, and hunting. Five miles

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south of the campground the small community of Coldfoot has the following services: restaurant, gas station, phone, internet access, lodging, and tire repair. Currently, Marion Creek Campground is the only campground on the Dalton Highway that charges a fee. The fee is \$8 per night with roughly 65% of the clientele paying half price (Senior or Access Pass). In 2018 alone, of the \$4,729.98 in fees that were collected, 96% of the revenue supported volunteer campground host reimbursements for the season to provide visitor services and perform basic maintenance at Marion Creek. These reimbursements include a daily stipend, propane, and vehicle mileage allowances to staff this remote location. This left all of the remaining operations and maintenance costs to be paid out of the base budget of Central Yukon Field Office, including staff labor, campground maintenance supplies (toilet paper, hand sanitizer), vehicles, and incidental cost/repairs.

**Table 3 – Marion Creek Campground Visitation and Fees**

| <b>Fiscal Year</b>    | <b>Visits</b> | <b>Visitor Days</b> | <b>Total Revenue</b> |
|-----------------------|---------------|---------------------|----------------------|
| 2012                  | 858           | 1888                | \$6,408.79           |
| 2013                  | 718           | 1580                | \$4,763.25           |
| 2014                  | 1899          | 4177                | \$4,736.25           |
| 2015                  | 1605          | 3531                | \$5,228.83           |
| 2016                  | 863           | 1899                | \$5,938.80           |
| 2017                  | 2550          | 5610                | \$5,529.89           |
| 2018                  | 2312          | 5086                | \$4,729.98           |
| <b>7 Year Average</b> | <b>1543</b>   | <b>3396</b>         | <b>\$5,333.68</b>    |

\*See recreation use fee and revenue on page 23 for further details



**Marion Creek Campground**

**iii. Arctic Circle Campground**

The Arctic Circle Campground is located at MP 115, a short drive up the hill behind the Arctic Circle wayside sign, interpretive viewing deck, and picnic area. This campground provides an outhouse-style toilet, access roads, and trash services. There are also 8 campsites with picnic tables and fire rings. Visitors can enjoy camping, hiking, nearby fishing, and picnicking. This is a rustic campground without potable water, and fees are not currently collected.

Visitors from all over the world come here to get their picture with the Arctic Circle sign, and this destination also serves as a midway point along the highway for north and southbound recreation adventure travelers. The campground also offers outdoor enthusiasts access to adjacent undeveloped areas for exploration and discovery. Arctic Circle Campground is scheduled for substantial upgrades including improved access roads throughout the campground, further delineation and hardening of campsites, additional toilet facilities, and spaces for camp hosts. The upgrades are scheduled to begin during the summer of 2019 and culminate in 2020.

**Table 4 – Arctic Circle Campground Visitation**

| <b>Fiscal Year</b> | <b>Visits</b> | <b>Visitor Days</b> |
|--------------------|---------------|---------------------|
| <b>2012</b>        | *             | *                   |
| <b>2013</b>        | 380           | 836                 |
| <b>2014</b>        | 415           | 913                 |
| <b>2015</b>        | 381           | 838                 |
| <b>2016</b>        | 440           | 968                 |
| <b>2017</b>        | 512           | 1126                |
| <b>2018</b>        | 609           | 1340                |

\*Data Not Available



**Arctic Circle Campground**

**iv. 60 Mile Campground**

The 60 Mile Campground is located four miles north of the Yukon River at MP 60, and provides the most amenities of any public site along the Dalton Highway. The campground offers potable water, interpretive displays, information kiosks, outhouse toilets, and trash services. The site also has the only free public RV dump station along the highway. The campground is staffed by volunteer hosts during the summer season. This is a rustic campground that was once a temporary personnel camp during the construction of the Trans-Alaska Pipeline. The site is located in a graveled open space and is currently a non-fee site. Each campsite has a picnic table and fire ring. Visitors enjoy activities such as hiking, picnicking, hunting, interpretive sightseeing, fishing, and boating access nearby at the Yukon Crossing. Four miles south of the campground on the north bank of the Yukon River, the commercially operated Yukon River Camp provides year-round visitor services such as phone service, lodging, gas, and a restaurant. Another local restaurant, located within walking distance to the campground, also offers meals and lodging.

**Table 5 – 60 Mile Campground Visitation**

| Fiscal Year | Visits | Visitor Days |
|-------------|--------|--------------|
| 2012        | 319    | 702          |
| 2013        | 380    | 836          |
| 2014        | 415    | 913          |
| 2015        | 810    | 1782         |
| 2016        | 861    | 1894         |
| 2017        | *      | *            |
| 2018        | 782    | 1720         |

\*Data not available



**60 Mile Campground**



#### **d. Operating Costs**

The Central Yukon Field Office expends considerable resources in managing the BLM Utility Corridor recreation sites and campgrounds along the Dalton Highway. The current system of waysides and campgrounds requires substantial levels of facility maintenance, visitor contact, signage, staff, volunteers, and law enforcement staff to maintain a presentable and safe experience for visitors along the Dalton Highway. Management resources available include three full-time outdoor recreation planners, one full-time maintenance worker, and a seasonal park ranger. In addition, multiple volunteer campground hosts and law enforcement staff are required to high-quality experience for recreationists.

Campgrounds and the AIVC are currently only open during the snow-free months, but a growing winter tour industry based on northern lights viewing is increasing the cost of maintaining the outhouses and necessitating extended staffing of the Yukon Crossing station. The three agencies that manage the AIVC have also discussed potential winter staffing of that facility in the near future.

Direct costs for recreation management of the Dalton Highway BLM Utility Corridor include BLM employees, volunteer, contractors, and intern labor. Services include diverse items such as restroom pumping, garbage collection, firewood, hazard tree mitigation, potable water testing, vehicles, law enforcement, signage, maintenance materials and supplies, brochures, and other interpretive materials.

The CYFO operates a small fleet of vehicles in support of the recreation program along the Dalton Highway. The fleet includes two large, 4500/5500 series 4x4 stake bed trucks, three passenger pickup trucks, two specially designed gooseneck 30' garbage trailers with custom designed animal-proof covers, one enclosed 5'x10' trailer for hauling potable water to remote sites, one flatbed auto-transport trailer for transportation of equipment and removal of abandoned vehicles in this remote region of Alaska, one hydraulic snow plow for the 4500 series truck, two snow blowers, one skid-steer loader with several attachments (i.e., snow blower, bucket, post hole digger, brush hog), three power washers with 100-gallon water tanks to maintain four campgrounds and 15 waysides with a total of 33 vault toilets along 238 miles of remote, rough industrial highway.

Labor is the most expensive direct cost. Three full-time outdoor recreation planners are tasked with managing all aspects of recreation along the length of the Dalton Highway Corridor, as well as remote lands that are accessible only via aircraft. A significant amount of time is spent managing recreation fee sites, as well as non-fee sites that draw considerable visitation. Leading staff, managing volunteer campground hosts, and developing interpretive materials are among the many duties associated with managing fee sites and developed recreation areas. A percentage of the overall recreation budget also funds engineering staff to work on deferred maintenance, facility upgrades, and new projects as needed.

Unanticipated expenditures are the biggest unknown when it comes to operational costs. Water system failures, winter snow and plowing damage, and the price of fuel to transport materials up to this remote region are recent examples where large amounts of recreation fee revenue and base budget funding have been used. Most aspects of the recreation program expenditures have been and are supported by appropriated funding.

Table 6 is a breakdown of all anticipated costs associated with operating all CYFO fee and non-fee sites along the Dalton Highway in FY18. The biggest variable in this breakdown would be vehicles and the associated fuel; when fuel prices spike, BLM’s costs go up with them.

**Table 6 – Labor and Supply Breakdown for Fee Site Operation**

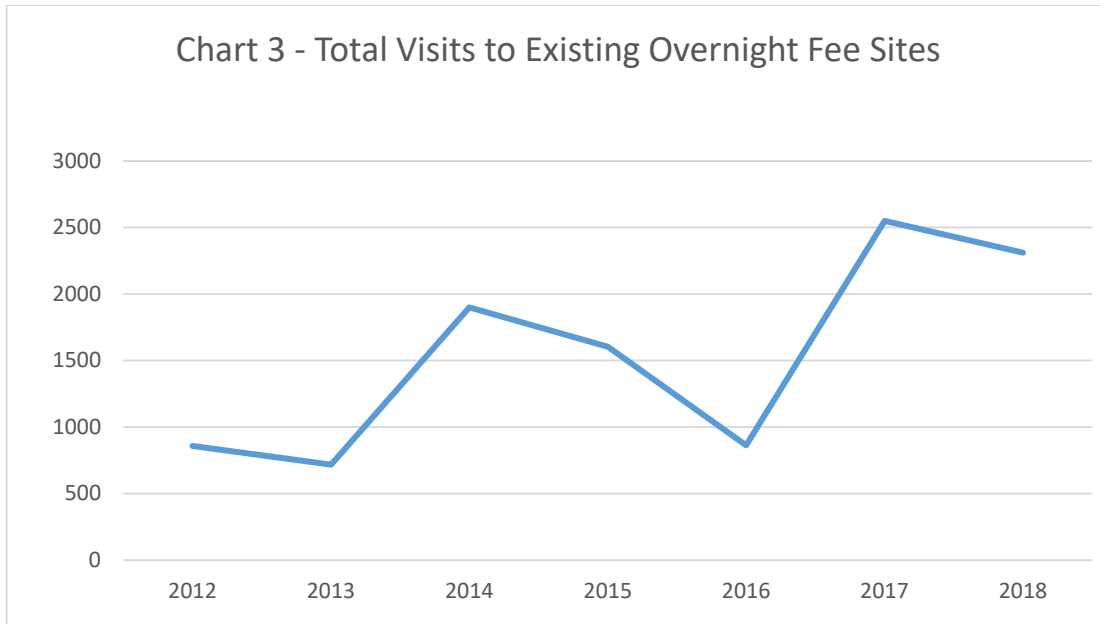
| <b>Expenditures</b>                                       | <b>Cost (approximate)</b> |
|---|---------------------------|
| <b>Labor – Outdoor Recreation Planner (2 work months)</b> | \$22,000                  |
| <b>Labor – Outdoor Recreation Planner (2 work months)</b> | \$19,000                  |
| <b>Labor – Maintenance Worker (4 work months)</b>         | \$35,600                  |
| <b>Labor – Seasonal park ranger (4 work months)</b>       | \$29,000                  |
| <b>Campground Host subsistence payments</b>               | \$12,000                  |
| <b>Supplies and Materials</b>                             | \$8,000                   |
| <b>Vehicles</b>   | \$20,000                  |
| <b>Total</b>  | \$145,600                 |

**e. Recreation Use Fees and Revenues**

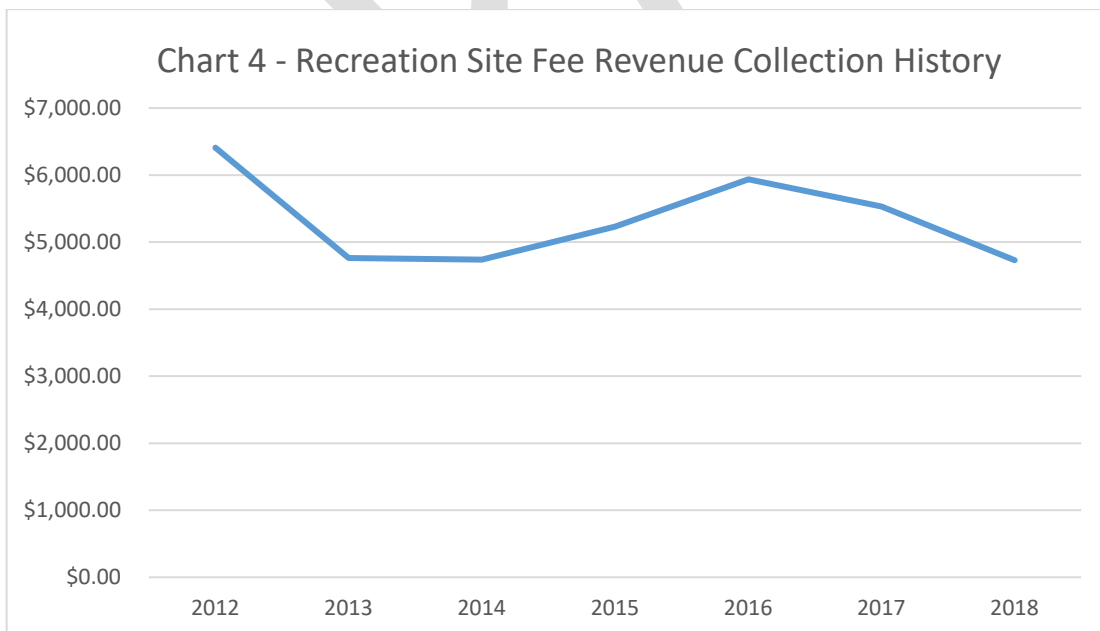
From 2011 through 2018, CYFO had an estimated yearly average of 73,700 visitors to lands along the Dalton Highway. The growth of visitation continues to explode, with multiple tour operation companies helping propel increased visitation from all over North America and international locations. For example, in 2011 the BLM recorded 24,875 visits along the Dalton Highway. By 2018 that number had risen to 126,845, an increase of 409%.<sup>2</sup> Of these visits (averaged from 2011 to 2018), an estimated 20%, or approximately 15,000 visits annually, involved a recreation fee site or a site that is being considered in this plan. Visitation trends are highly variable and influenced by a number of factors. The state of the economy, fuel prices, weather, and the overall condition of the Dalton Highway are just a few of these factors. Since 2015, the BLM has observed a marked increase in visitation. Much of this growth is likely due to the popularity of television programs that feature this area, as well as more readily available information through social media and improved digital map systems prepared by the BLM in 2015.

<sup>2</sup> Recreation Management Information System – BLM Internal System

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Recreation fees have been collected at Marion Creek Campground since 1995. One fee increase occurred in 2008. Though visitation to Marion Creek has only increased slightly over the last 6 years, revenue collected from fee sites has remained nearly static, with a small decline noted. Chart 4 illustrates total recreation fee revenue for the last 6 years. Special Recreation Permit income is not included in the chart.



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There are several reasonable explanations for the variability in fee revenue versus visitation numbers. Of note in these charts are the years 2012 and 2016, when similar fees were collected respective of the visitation. These years had consistent campground host presence throughout the summer, which led to improved payment compliance.

The BLM has experienced other seasons where the agency lacked a consistent presence by campground hosts due to unforeseen circumstances such as weather, vehicle problems, lack of recruitment availability, or medical issues. Currently, the BLM has an extremely vibrant volunteer program and manager, and most campgrounds are staffed with experienced camp hosts who have returned for multiple seasons.

DRAFT

## 4. Fee Proposal

### a. Summary of Fee Proposal

This fee proposal includes increasing camping fees at Marion Creek Campground; establishing Galbraith Lake, Arctic Circle, and 60 Mile campgrounds as fee sites; and establishing a RV Dump Station fee at 60 Mile Campground. Table 7 found in the section below shows a brief summary of the proposed changes and additions while Appendix B shows a more detailed analysis of the changes.

### b. Existing and Proposed Fees

Table 7 illustrates the current and proposed fee structure for CYFO recreation sites.

**Table 7 – Existing and Proposed Fee Structure**

| Recreation Site                 | Existing Fee | Proposed Fee |
|---------------------------------|--------------|--------------|
| Marion Creek                    | \$8          | \$10         |
| Arctic Circle                   | \$0          | \$10         |
| Galbraith Lake                  | \$0          | \$10         |
| 60 Mile                         | \$0          | \$10         |
| 60 Mile RV Dump Station Use Fee | \$0          | \$5          |

### c. Financial Analysis

In fiscal year 2018, the CYFO collected \$4,729.98 in recreation fee site revenue. With the proposed increase at Marion Creek, the CYFO estimates that it would collect an additional \$1,183.00 annually, an increase of 25%.

Table 8 illustrates the projected revenue if the proposed fee sites were implemented. Revenue projections are based on the implementation of the proposed fee increases on analysis of three factors used to determine revenue: 1) total number of Recreation Use Permits (RUPS), 2) percentage of discounted RUPS, and 3) average length of stay.

**60 Mile, Arctic Circle, and Galbraith Lake campgrounds were calculated using a different method than Marion Creek, since they are currently not fee sites.** Instead of using RUPs as a baseline for the analysis, the analysis uses visitor use counts taken by campground hosts and employees, and 2012–2018 RMIS data. This average was then compared to Marion Creek (similar size, visitation, and location) to come up with an estimated number of RUPs.

For the proposed 60 Mile Campground RV dump station fee, the BLM has not determined a conclusive formula to ascertain future revenue. The BLM lacks information on the percentage of RV campers versus tent campers that visit the campground, as well as the percentage of RV campers that would use the dump station while visiting. Over the years, however, BLM employees and volunteers have observed RV campers utilizing the dump station, and the continued cost of maintenance remains a cost borne by CYFO.

**Table 8 – 60 Mile, Arctic Circle, Galbraith Lake Campground Projected Revenue**

| <b>Proposed Recreation Fee Site</b> | <b>*Visitor Use</b> | <b>Estimated # of RUPs</b> | <b>Average Length of Stay (days)</b> | <b>Site Occupancy (nights)</b> | <b>Proposed Fee</b> | <b>Total Fees</b> |
|-------------------------------------|---------------------|----------------------------|--------------------------------------|--------------------------------|---------------------|-------------------|
| <b>60 Mile</b>                      | 595                 | 225                        | 1.7                                  | 383                            | \$10                | \$2,581           |
| <b>Arctic Circle</b>                | 456                 | 250                        | 1.7                                  | 425                            | \$10                | \$2,855           |
| <b>Galbraith Lake</b>               | 932                 | 225                        | 1.7                                  | 383                            | \$10                | \$2,581           |

\*Average from Fiscal Year 2012 through Fiscal Year 2018

#### **d. Fee Calculation**

Expanded amenity fees for Central Yukon Field Office recreation fee sites, and those proposed to be established as fee sites, are based on market comparability. The CYFO conducted a comparative market study of park facilities within the geographic region of Alaska having similar recreation activities and services. Specifically, the BLM looked at similar Bureau of Land Management facilities in adjacent field offices, U.S. Fish and Wildlife refuge campgrounds, and facilities run by Alaska State Parks and Chugach National Forest. Proposed fees are based on what these agencies currently charge for similar visitor facilities, access, and amenities. Since fees in the Central Yukon Field Office have not been raised since 2008, and the other three campgrounds proposed in this plan have not charged fees to this point, the field office has significantly lower fees than nearby facilities run by BLM's Glennallen and Eastern Interior field offices, even though visitation patterns and levels of amenities at sites are similar for all field offices. See Appendix A.

All developed campgrounds that the BLM compared within the market comparison area charge an overnight fee (60 Mile, Arctic Circle, and Galbraith Lake excluded). These fees range from \$6 to \$28 per night, with more rustic and remote BLM and U.S. Fish and Wildlife Service campgrounds on the low end and highly developed U.S. Forest Service, State of Alaska, and private campgrounds in urban interface areas towards the upper end. Where easy road access and/or proximity to population centers and airports drive high demand, campgrounds are increasingly listed on the recreation.gov system. Online reservation systems have proven necessary for managing use at these extremely high visitation areas, but the BLM does not currently anticipate needing such systems at any of these recreation sites considered in this report. The new fee proposal at 60 Mile, Arctic Circle, and Galbraith Lake is in line with those charged at BLM campgrounds located in the adjacent Glennallen and Eastern Interior field offices, as well as those charged at USFWS and state facilities with very similar services and amenities.

The proposed fee increase and new fee sites at 60 Mile, Arctic Circle, and Galbraith Lake were determined directly from this analysis. The proposed fee increase is within the range of other service providers' highs and lows. Comparable services and amenities provided were the main determining factors for the proposed increase and fee site establishment. The BLM also took into consideration the length of time since the field office last raised its fees, the length of time since neighboring

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agencies last raised their fees, the number of discounted RUPs sold, and the increased costs of doing business at the recreation sites.

### **e. Use of Fees**

CYFO's main goal for recreation fee sites is to provide high-quality recreation opportunities and experiences for all visitors. BLM labor and cost of volunteer support will continue to be the highest operating cost, but less than 4% of that is currently funded by recreation site fee revenue. BLM staffing among many other things provides visitor information, conducts field patrols, delivers interpretive programming, maintains facilities, collects and reconciles fees, and rehabilitates natural resource damage.

Recreation fee revenue will continue to heavily support operations of the sites. The following is an initial list of priority expenditures that recreation fee site revenue will continue to be used for:

- Service contracts for garbage collection, septic pumping, water testing, wildland fire mitigation through brush clearing, hazard tree mitigation, and firewood
- Supplies including but not limited to cleaning supplies, toilet paper, hand soap, paper towels, hand sanitizer, fuel for motorized equipment, paint, lumber, upkeep of mechanical equipment, etc.
- Maintain, improve and replace recreation site infrastructure such as trails, information and interpretive signage, fire rings, picnic tables, restroom buildings, etc.
- Pro-rated costs associated with government vehicles and trailers
- Maps, brochure development and reprints, and interpretive materials
- Construction of recreational facilities
- Volunteer campground hosts' per diem and reimbursement for expenses.

Youth engagement is an often overlooked aspect and value of the recreation program. The Student Conservation Association and multiple local school districts and villages have been involved with recreation site development and maintenance projects over the years. Using recreation site fee revenues will aid in securing the services of these providers, in turn allowing youth to gain invaluable work skills and an introduction and appreciation for natural resource agencies.

Budget reductions, funding shortfalls due to emergency building and site repair, and unforeseen events are common situations that can lead to maintenance backlog or employee shortages. With the possibility of reduced budget levels and with uncertainty in the use of assistance agreements for labor and support, authorizing new fees and raising the one existing fee would allow the field office to continue to fill vacant positions and continue to support the recreation sites and visitors that visit the Dalton Highway corridor.

Over the next five years, CYFO hopes to achieve greater self-sufficiency for the recreation fee sites along the Dalton Highway corridor while recognizing that appropriated funds still provide the backbone of the recreation program. The BLM's Recreation Strategy "Connecting with Communities" supports the Department of the Interior's April 15, 2019 priorities, and provides a vision to increase and improve collaboration with local communities and service providers. In so doing, the strategy seeks to improve socioeconomic health and deliver outstanding recreation experiences to visitors while sustaining the distinctive character of public land recreation settings.

**Work and items needed at 60 Mile, Arctic Circle, and Galbraith Lake:** iron rangers (self-service pay stations), new information boards, additional fire rings and picnic tables (once future development is finished), and earth and rock work to separate camping areas and visitors from vehicles. Damaged/vandalized stone work on the vault toilets needs to occur, as well as continued toilet pumping and general maintenance repairs. It is estimated that these new items, in addition to transportation fees, would amount to \$50,000. Current fees generated would not begin to cover the costs of the upgrades/repairs. However, the CYFO anticipates being able to cover the costs through deferred maintenance funding and limited base funding, due mainly to lapsed funding available because of staff vacancies. The new fee proposal, if approved, would nonetheless allow the CYFO greater self-sustaining ability to manage the continued costs of operating these sites.

Other priority items that would be accomplished within the next five years should fees increase:

- Continued development of 0.75 miles of non-motorized trail from Marion Creek Campground to a nearby point of interest
- New BLM recreation signs along the Dalton Highway directing visitors to recreation sites that are Federal Highway Administration compliant
- Replacement of Arctic Circle campground/wayside sign and boardwalk
- Fees have been, and will be used in the future to help with resource damage, including repairing vandalized toilets and OHV trail damage, trash dumping, and structure repair are all examples.
- New interpretive panels depicting cultural, historical, and wildlife of the area at 60 Mile, Galbraith Lake, and Arctic Circle campgrounds.

**Compliance and Enforcement** – Recreation staff, law enforcement, and volunteer campground hosts all play a vital role in recreation fee site compliance. Campground hosts directly interface with visitors to ensure they clearly understand payment requirements and procedures. Visitors are required to hang the yellow envelope stub on clips that are affixed to Carsonite or wooden posts at every site or on vehicle dashboards. If a host does not observe the yellow stub, visitors are handed a yellow payment envelope and are encouraged to pay. If any refusal or difficulties arise, law enforcement is notified the next time they drive through the park, or by cell phone when there is coverage. Regular patrols by recreation staff and volunteers compliment this process. During the summer months, BLM personnel strive to maintain a consistent presence at recreation sites. The summerlong presence of multiple AIVC staff helps in this effort.

**Fee Discounts** – Section 5 of FLREA provided for the establishment of a single interagency national pass known as the America the Beautiful Pass – the National Parks and Federal Recreational Lands Pass. This pass provides the bearer full coverage of standard amenity fees. No sites within the field office charge a standard amenity fee (these are typically day-use fee areas, high visitation picnic areas, etc.); the one current fee charged is for an expanded amenity. Holders of the Interagency Senior and Interagency Access passes receive half-off of expanded amenity fees. This includes overnight camping at CYFO campgrounds. As described before, roughly 65% of historic campground visitors use an Interagency Senior or Interagency Access pass for a 50% discount. No other fee discounts, passes, or waivers are allowed.



**f. Impacts of Fee Changes**

**Positive Impacts** – The Central Yukon Field Office fees has not changed or updated its fees since 2008. Prior to 2008, fees had remained the same since 1994, when the office developed the initial fee structure. Since 2008, the cost of goods, labor, and service have steadily increased. During this time, the Consumer Price Index has increased 19.25%.<sup>3</sup> As the costs of goods, labor, and services increase, the purchasing power from recreation fees decreases proportionately.

If the proposed new fees and the one fee increase were adopted, the BLM would continue to offer current services and would add expanded amenities at the 60 Mile, Arctic Circle, and Galbraith Lake sites. The CYFO would use some of the revenue to incrementally reduce the maintenance backlog, and it would implement new projects identified in the priorities for future expenditures section. Site infrastructure, cleanliness, and visitor services and information would also benefit. All of these combined would improve the overall visitor experience.

Benefits to the local economy could also be realized. An Outdoor Industry Association study found that in 2017, outdoor recreation generated \$887 billion in consumer spending in the United States and generated \$7.3 billion in Alaska alone. It also brought in \$337 million in Alaska state and local tax revenue. It is imperative to the local economy to keep recreation site infrastructure in good condition, clean, and serviced to high standards. Maintaining these high standards and creating new opportunities improves the overall recreational experience for current and future visitors alike.

New and increased fees would also benefit the natural environment by allowing the field office to improve, manage, and operate recreational facilities to the fullest. By providing trailheads, waysides, campgrounds, and day-use areas for visitors, the field office could consolidate resource impacts into a much smaller area. Human waste and garbage are dealt with in an appropriate manner in areas where infrastructure is provided. If these services weren't available, the impacts would be realized across a wider area, as illegal dumping would increase. Increased and new fees would allow for more purchasing power to acquire items that help reduce negative impacts to the environment.

**Negative Impacts of Not Instituting New Fee Schedule** – New and existing facilities represent a substantial public investment, and visitors could expect to see a loss of functionality and use of these facilities as maintenance efforts might be reduced. As costs continued to increase, maintenance might not happen as quickly or as often as needed, and some services might be reduced. Deferred maintenance costs would increase as facilities aged, and some facilities might not be operated at full capacity. Maintenance deferred because of insufficient funding might result in increased safety hazards, reduced service to the public, higher future costs, and inefficient operations.

Recreation demands will continue to increase as visitation increases. Thus the costs to operate the existing fee sites, as well as those proposed in this analysis, would become more dependent on the fluctuating appropriated funding. The opportunities for future planned developments would be constrained and likely set aside. The field office might have challenges implementing the BLM's Recreation Strategy.

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<sup>3</sup> US Department of Labor, Bureau of Labor Statistics

As mentioned earlier, not raising or establishing these proposed sites could lead to the erosion of services such as cleaning and maintaining the sites. Sites that are not appealing to visitors could cause them to stop recreating in this region, thereby affecting the local economy.

Negative impacts to the environment could also occur. Fewer trash pickups and pumping of toilets could occur, creating human waste and garbage impacts. These garbage impacts could also attract wildlife such as bears, which could further lead to a negative impact to visitors and the environment. Less frequent patrols from recreation staff to maintain trails, signage, and education materials might allow some visitors to act inappropriately by creating new trails and vandalizing facilities. If visitors began to view these sites as non-maintained, they might assume these sites are not frequented at all, furthering the problem of dumping and vandalism.

## 5. Outreach

### a. Public and Stakeholder Participation

Outreach efforts for proposed fee changes or new fee implementation will follow procedures outlined in FLREA. The Central Yukon Field Office will engage a wide range of public and stakeholder participation throughout the process.

In June 2019, the CYFO posted a notice of intent to increase fees at Marion Creek and charge a new fee at 60 Mile, Arctic Circle, and Galbraith Lake campgrounds at information kiosks, campgrounds, and adjacent waysides. The CYFO also issued a news release to local and regional print media, television and radio was issued on [date to be determined]. The release was posted on the BLM website.

The BLM plans to issue another news release and conduct additional outreach efforts regarding the new and increased fees in conjunction with the publishing of a Federal Register notice, expected in fall 2019.

### b. Visitor Feedback Mechanisms

The BLM will allow for a 30-day public review period, during which the public will have the opportunity to learn about the proposal and to submit comments for consideration.

Before implementing new fees, the Central Yukon Field Office will conduct the following outreach efforts to notify the public of its opportunity to review and comment on the draft business plan:

- Post an announcement on all campground kiosks
- Issue a news release to statewide print and broadcast media (e.g., *Fairbanks Daily News-Miner*, *Anchorage Daily News*)
- Post the Draft Business Plan on the BLM-Alaska website

In addition, the CYFO will present the campground fee proposals to the BLM Alaska Resource Advisory Council (RAC) for its formal review. The Alaska RAC is a 15-member advisory panel that provides advice and recommendations to the BLM on resource and land management issues for 75 million acres of federal public land in Alaska. The FLREA mandates that the appropriate Recreation RAC review all BLM recreation fee proposals prior to approval. The CYFO will consider comments

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from both the public at large and the BLM-Alaska RAC before approving the implementation of the new campground fees.

The public may submit comments on the proposed Recreation Use Fee changes by any of the following methods:

- [Project website](#)
- Email: [CentralYukon@blm.gov](mailto:CentralYukon@blm.gov)
- Fax: 907-474-2318
- Mail: BLM Central Yukon Field Office, 222 University Ave. Fairbanks, AK 99709

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## 6. Appendices

### Appendix A – Campground Services and Fee Comparison, 2019

| AGENCY   | CAMPGROUND                    | STANDARD SERVICES (FLREA) |                |        | EXPANDED SERVICES |             |        |             |   | EXISTING FEES (PROPOSED)          |
|----------|-------------------------------|---------------------------|----------------|--------|-------------------|-------------|--------|-------------|---|-----------------------------------|
|          |                               | Sites                     | Drinking Water | Toilet | Host              | Picnic Area | Shower | Boat Launch | Additional Developments                                 | Overnight Sites                   |
| Private  | Nenana RV Park and Campground | 45                        | x              | V      | x                 |             | x      |             | RV Dump, Pavillion, Play Ground, Laundry, Wi-Fi         | \$20                              |
| Private  | Tok Soudough Campground       | 75                        | x              | F      | x                 |             | x      |             | RV Dump, Pavillion, Laundry, Wi-Fi, Café                | \$28                              |
| AK State | Chena River                   | 61                        | x              | F      | x                 | x           |        | x           | Pavillion/Dump Station/WiFi                             | \$12 walk-in/\$15 dry             |
| USFS     | Trail River                   | 91                        | x              | V      | x                 |             |        |             | Picnic shelter, volleyball & horseshoe area, playground | \$18                              |
| USFS     | Williwaw                      | 60                        | x              | V      | x                 | x           |        |             |   | \$18 single site/\$28 double site |
| USFS     | Tenderfoot                    | 35                        | x              | V      | x                 |             |        | x           |   | \$18                              |
| USFS     | Russian River                 | 83                        | x              | F      | x                 | x           |        |             |   | \$18 single site/\$28 double site |
| USFS     | Quartz Creek                  | 45                        | x              | F      | x                 | x           |        | x           | Picnic Shelters, RV Dump                                | \$18 single site/\$28 double site |
| AK State | Big Delta                     | 25                        | x              | V      | x                 | x           |        |             |   | \$15                              |
| AK State | Birch Lake                    | 19                        | x              | V      | x                 | x           |        | x           | 1 Cabin Rental  | \$15                              |
| AK State | Red Squirrel                  | 5                         | x              | V      |                   | x           |        | x           |   | \$15                              |
| AK State | Rosehip                       | 37                        | x              | V      | x                 | x           |        | x           |   | \$15                              |
| AK State | Granite Tors Trail            | 24                        | x              | V      | x                 | x           |        | x           |   | \$15                              |
| AK State | Salcha River                  | 6                         | x              | V      | x                 | x           |        | x           | 1 Cabin Rental  | \$15                              |
| AK State | Upper Catanika River          | 24                        | x              | V      |                   |             |        | x           |   | \$15                              |
| AK State | Whitefish                     | 25                        | x              | V      |                   | x           |        | x           | Picnic Shelter  | \$15                              |
| AK State | Olnes Pond                    | 15                        | x              | V      |                   | x           |        | x           |   | \$15                              |
| BLM      | Marion Creek                  | 27                        | x              | V      | x                 | x           |        |             |   | \$8 (\$10)                        |
| BLM      | Brushkana                     | 21                        | x              | V      | x                 |             |        |             |   | \$12                              |
| BLM      | Tangle Lakes                  | 27                        | x              | V      | x                 |             |        | x           |   | \$6 (walk-in)/\$12                |
| BLM      | Paxon Lake                    | 50                        | x              | V      | x                 |             |        | x           | RV Dump   | \$6 (walk-in)/\$12                |
| BLM      | Sourdough Creek               | 42                        | x              | V      |                   |             |        | x           |   | \$6 (walk-in)/\$12                |
| BLM      | Cripple Creek                 | 21                        | x              | V      |                   |             |        |             |   | \$6                               |
| BLM      | Mount Prindle                 | 13                        | x              | V      |                   |             |        |             |   | \$6                               |
| BLM      | Ophir Creek                   | 19                        | x              | V      |                   |             |        | x           |   | \$6                               |
| BLM      | Eagle                         | 16                        | x              | V      | ?                 |             |        |             |   | \$10                              |
| BLM      | Walker Fork                   | 20                        | x              | V      | ?                 |             |        |             | Picnic Shelter  | \$10                              |

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| CAMPGROUND SERVICES AND FEES COMPARISON – 2019 continued |                   |    |   |   |  |   |  |   |         |            |
|--|-------------------|----|---|---|--|---|--|---|---------|------------|
| USFWS  | Upper Skilak Lake | 25 | x | V |  |   |  | x | RV Dump | \$10       |
| USFWS  | Hidden Lake       | 44 | x | V |  |   |  | x | RV Dump | \$10       |
| BLM  | Galbraith         | 30 |   | V |  | x |  |   |         | \$0 (\$10) |
| BLM  | Arctic Circle     | 12 |   | V |  | x |  |   |         | \$0 (\$10) |
| BLM  | 60 Mile           | 8  | x | V |  | x |  |   | RV Dump | \$0 (\$10) |
| BLM  | West Fork         | 20 |   | V |  |   |  |   |         | \$10       |

**Appendix B – ACRONYMS, ABBREVIATIONS, AND SYMBOLS**

**AIVC – Arctic Interagency Visitor Center**

**BLM – Bureau of Land Management**

**CBS – Collection and Billing System**

**CYFO – Central Yukon Field Office**

**FBMS – Federal Business Management System**

**FLREA – Federal Lands Recreation Enhancement Act**

**MP – Milepost**

**MUTCD – Manual on Uniform Traffic Control Devices**

**RMIS – Recreation Management Information System**

**RUP – Recreation Use Pass**

**RV – Recreational Vehicle**

**SO – State Office**

**SRMA – Special Recreation Management Area**

**USFS – United States Forest Service**

**USFWS – United States Fish and Wildlife Service**

**WBS – Work Breakdown Structure**

**WO – Washington Office**