

**BLM CA Desert District Council
December 1, 2102
Comments by Charles Hattaway
Member of Imperial Sand Dunes Recreation Area DAC Advisory Group**

I have watched the cost to run the dunes rise and the money coming in go down over the past couple of years. Because of this I am in favor of a fee increase. With our government in its' current state I am confident we will see less money from them. This means we have to do something. But I also feel the BLM needs to show us a business plan with more realistic numbers than we have been provided.

**BLM Desert District Council
December 1, 2012**

Comments regarding the BLM's Draft Business Plan for the Imperial Sand Dunes Recreation Area

It is my opinion that the BLM has not presented sufficient budgetary data to support the need for a fee increase of any kind. Until the BLM includes this information in the Business Plan, as a member of the DAC Advisory Sub Group for the ISDRA and a dune user, I can't support it.

Although the timeframe for public comments on the business plan was extended to 45 days, I do not feel this was sufficient time for dune users to read, digest, and formulate a proper response to the BLM. I'm further concerned that the 15 day extension was added only at the urging of the DSG during our October 24, 2012 meeting.

Repeated requests from the public, the DSG, and the former TRT regarding the need for "second vehicle permits" and "one day permits" has again been disregarded by the BLM in this draft business plan.

**Glenn Montgomery
DAC Sub Group - Arizona OHV Representative
Yuma, AZ**

ISDRA draft Business Plan Comments
by Nicole Nicholas Gilles, Executive Director of the American Sand Association

I'm here today speaking on behalf of the American Sand Association which is a nonprofit organization, representing over 35,000 members and 225 businesses, whose primary focus is to protect the rights of the public to recreate on public lands. I also served previously on the ISDRA DAC Subgroup (formerly the TRT) for many years and helped found the United Desert Gateway when I was the CEO of the Brawley Chamber of Commerce.

The ASA hired an independent consultant to conduct a thorough analysis of the draft Business Plan. I would like to submit into the official record of today's meeting, a copy of the analysis and opinion letter from McClure Consulting LLC that addresses a number of the ASA's concerns.

There are nine aspects of the ISDRA draft Business Plan that we feel need attention. Some of which include:

- The level of visitor services suggested in Alternative 1 is greater than the majority of visitor's desire.
- The lack of transparency of the data upon which the Business Plan is based.
- Cost reduction measures are not evident.
- The Business Plan is not consistent with the provisions of the Federal Lands Recreation Enhancement Act.
- Does not sufficiently address the impact on the gateway communities.

It is unfortunate that the ISDRA Business Plan was not developed in a collaborative business-like fashion. The ASA stands ready, with qualified volunteers, to work with BLM and the impacted stakeholders in the redrafting of the Business Plan to fulfill the BLM's management goals while providing the public the desired level of visitor services. Developing a redraft of the ISDRA Business Plan based on a "zero based budget" and a "bare bones" approach to visitor services would be a reasonable starting point for a collaborative effort.

I hope you keep in mind these comments when reviewing the business plan and appreciate the opportunity to speak to you today.



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888-540-7263
www.americansandassociation.org

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Jerry Seaver
Vincent Brunasso
Grant George
Executive Director
Nicole Nicholas Gilles

VIA U.S. MAIL AND EMAIL.

November 28, 2012

Mr. Randy Banis, Chairman
Bureau of Land Management
CA Desert Advisory Council
44404 16th St. W. Suite 204
Lancaster, CA 93534

Re: Protest of Proposed Imperial Sand Dunes Recreation Area Business Plan

Dear Mr. Banis,

This letter is submitted by the American Sand Association (ASA) as a statement opposing adoption of the 2012 Draft Imperial Sand Dunes Recreation Area (ISDRA) Business Plan (BP) and the proposed fee increase.

The ASA (www.americansandassociation.org) was formed in 2000 and is a volunteer-driven, non-profit organization of over 35,000 members and 225 business sponsors. The ASA is dedicated to preserving public lands for sand sport enthusiasts' use, improving OHV safety, and promoting responsible land use. The organization is based on the three principles of "Unite, Inform and Mobilize." The majority of our members recreate at the ISDRA.

Since our inception, the ASA has been an enthusiastic partner of the Bureau of Land Management (BLM). ASA volunteers have contributed many hours in support of BLM public outreach programs. In cooperation with the United Desert Gateway (UDG) communities and the American Desert Foundation (ADF) the ASA has funded or coordinated in-kind contributions that have reduced the operating cost of the ISDRA. We have been recognized as a valued partner by the BLM when former Director Kathleen Clarke presented the Department of Interior's Four C's Award and when the former California State Director Mike Pool acknowledged the ASA's partnership initiative with his Director's Recognition Award.

The bases for this protest are several. The ISDRA BP (1) level of visitor service suggested in Alternate 1 is greater than the majority of ISDRA visitors desire; (2) lacks transparency of the data and assumptions upon which the BP was based; (3) has inconsistent if not inaccurate data relating to visitation, fee revenue and fee compliance; (4) is not consistent with the provisions of the Federal Lands Recreation Enhancement Act (FLREA); (5) is not built on a foundation of minimum visitor services at the least possible cost; (6) cost reduction measures are not evident (past or future); (7) does not sufficiently address the impact on the gateway communities or businesses that rely on ISDRA; (8) has not adequately considered a number of cost-saving measures and other potential management improvements suggested by stakeholders; and (9) fails to address the "zero based budget/bare bones" concept.

Enclosed is an "Opinion Letter" prepared by McClure Consulting LLC that addresses in its critique of the BP a number of the concerns of the ASA. The McClure letter along with the comments provided to BLM by ISDRA visitors, businesses and local community leaders clearly sets forth the rationale for the lack of public support for the ISDRA BP as written.

Unfortunately it appears that BLM may plan to ask the CA Desert District Council (DAC) to approve the ISDRA BP without the endorsement of the ISDRA DAC Sub Group (DSG). Furthermore, the DAC may be asked to move forward with the approval of an ISDRA fee increase in the face of strong opposition from ISDRA visitors, elected officials and the Imperial Valley and the Yuma County business community. This opposition is based on the lack of sufficient information to make an informed decision and the short time frame that BLM has imposed.

The fee review has gone full circle since the May 2009 proposal when former CA Desert District Manager Steve Borchard had the foresight to withdraw the El Centro Field Office 2009 proposal from the Regional Recreation Advisory Council (RRAC) agenda. Borchard's action was premised on the same concerns that have been expressed regarding the 2012 BP; lack of supporting information and lack of public support.

In December of 2011, after careful consideration, the DAC asked the BLM to provide the information required to evaluate future fee proposals. BLM has yet to provide this information that would support BLM's proposal. Three years after the RRAC agenda withdrawal, BLM is in the same position. *The DAC is considering a new fee increase proposal without sufficient supporting information for assessment and approval.*

The ASA respectfully requests that the DAC recommend to the BLM that they prepare a redraft in collaboration with the DSG and the ISDRA stakeholders.

Yours Truly,



Bob Mason
President ASA and DSG Member OHV Organization Representative

Enclosure:

Cc: ASA Board of Directors
ISDRA DAC Sub Group Members and BLM_CA_ISDRA_Subgroup@blm.gov
Mike Pool, BLM Acting National Director
James Kenna, BLM California State Director
Angie Lara, BLM California Associate State Director
Teri Raml, BLM California Desert District Manager
Tim Wakefield, BLM California Desert District Associate Manager
Margaret Goodro, BLM El Centro Field Office Manager



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VIA HAND DELIVERY AND EMAIL

November 28, 2012

Margaret Goodro
Bureau of Land Management
Manager El Centro Field Office
1661 S. 4th Street
El Centro, CA 92243-4561

Re: Protest of Proposed Imperial Sand Dunes Recreation Area Business Plan

Dear Ms. Goodro:

This letter is submitted by the American Sand Association (ASA) as a statement opposing adoption of the 2012 Draft Imperial Sand Dunes Recreation Area (ISDRA) Business Plan (BP) and the proposed fee increase.

The ASA (www.americansandassociation.org) was formed in 2000 and is a volunteer-driven, non-profit organization of over 35,000 members and 225 business sponsors. The ASA is dedicated to preserving public lands for sand sport enthusiasts' use, improving OHV safety, and promoting responsible land use. The organization is based on the three principles of "Unite, Inform and Mobilize." The majority of our members recreate at the ISDRA.

Since our inception, the ASA has been an enthusiastic partner of the Bureau of Land Management (BLM). ASA volunteers have contributed many hours in support of BLM public outreach programs. In cooperation with the United Desert Gateway (UDG) communities and the American Desert Foundation (ADF) the ASA has funded or coordinated in-kind contributions that have reduced the operating cost of the ISDRA. We have been recognized as a valued partner by the BLM when former Director Kathleen Clarke presented the Department of Interior's Four C's Award and when the former California State Director Mike Pool acknowledged the ASA's partnership initiative with his Director's Recognition Award.

The bases for this protest are several. The ISDRA BP (1) level of visitor service suggested in Alternate 1 is greater than the majority of ISDRA visitors desire; (2) lacks transparency of the data and assumptions upon which the BP was based; (3) has inconsistent if not inaccurate data relating to visitation, fee revenue and fee compliance; (4) is not consistent with the provisions of the Federal Lands Recreation Enhancement Act (FLREA); (5) is not built on a foundation of minimum visitor services at the least possible cost; (6) cost reduction measures are not evident (past or future); (7) does not sufficiently address the impact on the gateway communities or businesses that rely on ISDRA; (8) has not adequately considered a number of cost-saving measures and other potential management improvements suggested by stakeholders; and (9) fails to address the "zero based budget/bare bones" concept.

Enclosed, and included in our comments, is an "Opinion Letter" prepared by McClure Consulting LLC that addresses, in its critique of the BP, a number of the concerns of the ASA. The McClure letter along with the comments provided to BLM by ISDRA visitors, businesses and local community leaders clearly sets forth the rationale for the lack of public support for the ISDRA BP as written.

It is unfortunate that the ISDRA BP was not developed in a collaborative business-like fashion. The ASA stands ready, with qualified volunteers, to work with BLM and the impacted stakeholders in the redrafting of the BP to fulfill the BLM's management goals while providing the public the desired level of visitor services. Developing a redraft of the ISDRA BP based on a "zero based budget" and a "bare bones" approach to visitor services would be a reasonable starting point for a collaborative effort.

Respectfully,

Nicole Nicolas Gilles
Executive Director

Enclosure:

Cc: ASA Board of Directors
ISDRA DAC Sub Group and BLM_CA_ISDRA_Subgroup@blm.gov
Mike Pool, BLM Acting National Director
James Kenna, BLM California State Director
Angie Lara, BLM California Associate State Director
Teri Raml, BLM California Desert District Manager
Tim Wakefield, BLM California Desert District Associate Manager
Randy Banis, Desert Advisory Council Chairman



November 26, 2012

Bob Mason, President
American Sand Association Inc.
P.O. Box 1872
Canyon Country, CA 91386

RE: Review and commentary, ISDRA BLM 2012 Draft Business Plan (BP)

Dear Mr. Mason:

This Opinion Letter, including the pages that follow, constitutes our response to your request for a review and commentary of the BLM *2012 Business Plan* for the Imperial Sand Dunes Recreation Area (ISDRA).

Specifically, our firm was asked to provide an opinion letter with the following focus:

- Provide a constructive and unbiased critique of the ISDRA Business Plan.
- Provide support for future discussions with the BLM.
- Provide a basis for ASA to prepare comments to the BLM and to advise members.
- Assist ASA members, ASA partners and other stakeholders in understanding the ISDRA Business Plan as they prepare comments.

In carrying out this assignment, our review addresses various general and specific aspects of the Business Plan, as noted in the material that follows. Our review was structured to meet the relatively short time frame available for this purpose, so we have attempted to address what appeared in our opinion to be the most obvious issues and those with the most potential for meaningful commentary. Having said that, we are not aware of any significant issues left unaddressed.

Sincere regards,

Joseph E. McClure,
Principal



1. Purpose and intent of this Opinion Letter, and generalized summary of findings.

Introduction

McClure Consulting LLC (McClure) was asked to review and provide commentary on the ISDRA BLM 2012 Draft Business Plan (BP) by American Sand Association Inc. (ASA), following the guidelines outlined above. There was no intent with this letter to produce an alternative business plan, in whole or in part, or to definitively resolve questions raised in this review and others' review of the BP. In preparing this letter, McClure made use of various materials in addition to the BP itself, including other BLM documents referenced in the BP, comment letters that had previously been prepared by ASA spokespersons and members, discussions with ASA representatives, and an opinion letter prepared for ASA in 2007 by McClure Consulting that addressed an ISDRA report entitled, *Economic Analysis of Critical Habitat Designation for the Peirson's Milk-Vetch* (Draft, July, 2007), prepared by Industrial Economics, Inc. for the U.S. Fish and Wildlife Service.

Summary of McClure Consulting conclusions and recommendations in this Opinion Letter

This Opinion Letter focuses on the following points:

- The need for the BP to bring the numerous topics that it addresses into focus, as to how these topics relate to both: a) the definition of the problem of how to establish fee levels, and b) the determination of the fees as presented in the BP.
- How standard private-sector business planning practices can be adapted to business planning for the ISDRA, and public-sector business plans that reflect some of these adaptations.
- Specific issues involving the management of ISDRA and the preparation of the BP, why these issues are important to a successful process of establishing fees, and ways to think about and perhaps address the resolution of some of these issues.
- Various issues that specifically involve the need for, and would benefit by, expanded public participation in the development of the BP.

The Opinion Letter is informally organized under eight sections, and opinions that take the form of conclusions and recommendations appear throughout the letter along with the topic being addressed. A selection of some of the more important conclusions and recommendations are reproduced below, by section in which they appear (and conclusions and recommendations that appear in multiple places are generally not repeated).

Section 3. Conclusions/recommendations summary

A clear delineation of how the BLM perceives its mission, as well as specific goals and objectives in providing services, maintaining the facility, etc., relative to the BP, would help readers interpret the details of the BP and provide additional input.

The equivalent [to a Financial Management chapter of a traditional business plan] for ISDRA would be a detailed accounting of costs and revenues. For this kind of documentation to be as convincing as possible, the BLM could engage in “zero-based budgeting,” in which historic costs can be acknowledged but not necessarily presumed valid – in other words every cost item starts from zero and has to be justified on its own merits.

Section 4. Conclusions/recommendations summary

The uncertainties associated with traditional state and federal funding underscore the need for this Business Plan to rigorously assess the fee component of revenues (Point 1). Given the other budget uncertainties, commercial vending fees likewise take on an additional importance, since they could in theory be a profit center for ISDRA (Point 2).

In order to provide meaningful guidance for up to 10 years in the future, the BP must, at a minimum, address the acknowledged deficiencies in data that currently hamper decision-making. Even if these deficiencies cannot be resolved within the current document, the plan should describe ways in which they will be addressed in the near future . . . (Point 3).

The contribution [of partners and volunteers] should be budgetable, and/or this resource is potentially not being maximized by the BLM (Point 8).

The BP addresses both the cost recovery and fair market value concepts, but neither discussion includes levels of analysis that would generate confidence in the results (Point 9).

The BLM asserts the importance of stakeholder input to the BP process, although the public-comment period for the draft BP is highly constrained (Point 11).

Section 5. Conclusions/recommendations summary

One of the primary hurdles of the BP is the scarcity of detailed, documented data upon which to base key decisions. If we accept for the sake of discussion that this is unavoidable, at least at the present time, limited data increase the need for the BP to lay out very clearly what it is attempting to accomplish, given these limitations, and then how those limitations will be addressed going forward.

The description of the three alternatives [outlined in the BP] provides some insight into levels of service and related costs, primarily as compared to present conditions, but only

limited information on how fees are derived and the broader scope of issues associated with management of ISDRA.

The visitation data presented in the BP appear to be inconsistent in some cases, based to some extent on generalizations and assumptions for which more complete documentation would be highly beneficial to the reader.

The level of fee-based revenues generated for ISDRA results from a complex set of [varying] factors . . . It is not clear from the BP that any of this variability is based on analysis or solid data on which an analysis, or even best estimates, could be based . . . Without a fact-based, reasonably rigorous analysis of [fee related] issues, readers could reasonably conclude that the fee increases recommended in the BP are arbitrarily derived.

It is not clear from the BP what level of services, by type of service, are actually being provided or proposed to be provided under the three alternatives.

The issue with the BP is not that data and analysis must reflect some specified unimpeachable standard, but that the BP address forthrightly the lack of data, the approaches to deriving estimates based on missing data, limitations in accuracy of results that come about when data are incomplete or lacking, and, hopefully, plans to obtain better data in the future.

As prices increase, we would expect participation to drop off . . . [and] increasing fees could easily encourage more visitors to avoid paying those fees.

ISDRA interest groups have offered in prior years a number of suggestions to the BLM for how to improve management practices at the facility and meet some of the specific management challenges. Some of those suggestions . . . might be suitable for additional analysis or at the very least might be deserving of additional explanations [besides what is now in the BP].

Section 7. Conclusions/recommendations summary

It appears that the same issues present in 2003 (i.e. inaccurate visitation counts, unsubstantiated fee levels, etc.) are still present in 2012.

The shortage of opportunities for meaningful public participation in the development of the current BP, particularly the time constraints on review of the draft document, is one of the weakest aspects of the BP.

Section 8. Conclusions/recommendations summary

Although the type and extent of improvements within ISDRA are mentioned in various parts of the BP, the document would benefit by a clear, consolidated description of

improvements and the type of capital-investment, maintenance, and management responsibility that the BLM assumes for each.

If the frequency of visits of seasonal permit holders was known, along with methods to ensure that these permits are not being transferred to other users, this would eliminate a fair amount of uncertainty in the analysis of appropriate fee levels.

It is appropriate for the BP to address the issue of potential reduction in visitation with fee increases, and translate any estimated reduction in activity to business-dollar losses in local economies.

Appendix B. Conclusions/recommendations summary

Accurate visitation figures are an integral component in determining appropriate usage fees, and are probably best estimated using a combination of permit data and visitation-count data.

Summary of Opinion Letter organization

The opinion letter is organized under the following eight sections, listed below along with a brief description of the content in each section.

1. *Summary of BLM's stated and implied purpose of and need for the BP, and key elements of what is proposed in the BP (this section).*
2. *Summary of the BLM's stated and implied purpose of and need for the BP, and key elements of what is proposed in the BP.* This section is organized according to 11 points raised in the BP that appear to us to represent the BLM's stated and implied purpose of and need for the BP. The 11 points expressed by the BLM in the BP (by our interpretation) are listed below:
 - Point 1. Current funding does not cover expenses.
 - Point 2. Vendors' fees are part of the cost/revenue equation.
 - Point 3. Plan is intended for future guidance.
 - Point 4. What are proper fee levels and how are fees best collected?
 - Point 5. Development and implementation of BP includes communication with user visitors.
 - Point 6. ISDRA is a major asset.
 - Point 7. BLM has specific guidance in setting fees.
 - Point 8. Partners and volunteers contribute to ISDRA management activities.
 - Point 9. Two methods are used to derive fees.
 - Point 10. Free-use provisions for ISDRA.
 - Point 11. Stakeholder input is vital to development of the BP.

3. ***Conceptual framework and components essential to a business plan structure.*** This section includes a general discussion of private sector business plans, how the concepts in those plans can be reinterpreted for use by public-sector agencies and specifically at ISDRA, examples of public sector plans from the USDA Forest Service, and a discussion of business planning issues specific to ISDRA along with conceptual approaches to some of those issues.
4. ***Conceptual basis, structure, and other basic components of the BLM BP, including relationship to 2003 BP that the current BP is intended to update.*** This section repeats Points 1 through 11 from Section 2 and provides commentary on each of the identified 11 points, in terms of the extent to which they do or do not provide direction for the BP and its conclusions.
5. ***From concept to execution: specific challenges reflected in the BLM BP.*** This section addresses interpretations of the apparent intent of the BP, information presented in the BP and the extent to which it is readily understandable, issues of data reliability, and the implications of incomplete or inaccurate data including effects on meaningful public participation.
6. ***Suggested framework for BP specific to ISDRA issues, including data and analysis recommendations.*** This section includes a six-part suggested framework for a business plan specific to ISDRA issues. The framework is suggested as a method of organizing the BP in what could potentially be a more complete and informative format. The six framework headings are shown below:
 - A. Mission statement for the BLM regarding ISDRA, and for the BP as derived therefrom.
 - B. Description and explanation of ISDRA, physically and in terms of the BLM's current interpretations of its roles and responsibilities.
 - C. Descriptions and figures in the form of (and presented by category of) facts, estimates, assumptions, etc. regarding ISDRA
 - D. Context for refining the BLM role at ISDRA.
 - E. Rationale for modifying fees and related administrative practices.
 - F. Public participation plan and related public-involvement details pertaining to the BP.
7. ***Mandated public participation framework in which the BP would be expected to evolve.*** This section summarizes the content of the different parts of the BP in which public participation is discussed, and provides a brief commentary on the manner in which public participation has been handled in both generating the content of the BP, and the review of the draft document.
8. ***Summary of BP content and issues related thereto by line item of BLM's own specifications for BP content.*** This section takes BLM's own specification for what a BLM business plan should include, summarizes the draft BP as it relates to each of those specified line items, and provides a commentary on ways in which the BP might improve with respect to each of

these line items. The eight line items are:

- a. The level and type of development.
- b. Cost and security of collection.
- c. Type, season, duration, and intensity of visitor use.
- d. Compliance and enforcement capability.
- e. Partnerships; stakeholder input.
- f. Impacts to underserved communities and local businesses.
- g. Private sector alternatives.
- h. Communication and marketing plan.

2. Summary of the BLM's stated and implied purpose of and need for the BP, and key elements of what is proposed in the BP.

We identified at least 11 points raised in the BP that appear to represent the BLM's stated and implied purpose of and need for the BP. Language from the BP from which these points were collected are listed below in boxes, with references to their specific sections of the BP and page number. Commentary on the 11 points identified here is shown in Section 4.

Point 1. Current funding does not cover expenses.

From Executive Summary: Current levels of BLM emergency medical services (EMS)/search and rescue (SAR), law enforcement, and maintenance necessary for overall visitor safety in the ISDRA cannot be sustained within the existing funding program. Since 2003, the cost to manage the ISDRA has continued to increase and sales have steadily declined since 2007. The BLM's management goals must be completed within the fiscal constraints of the fee program, particularly in light of the uncertain federal budget climate. (Page 1)

Point 2. Vendors' fees are part of the cost/revenue equation.

From Executive Summary: Commercial (Vending) fees are also addressed in this plan. (Page 1, also see page 50)

Point 3. Plan intended for future guidance.

From Introduction: This plan . . . is meant to serve as a guiding document for five to ten years. (Page 2)

Point 4. What are proper fee levels and how are fees best collected?

From Introduction: The objective of this plan is to comply with the Federal Lands and Recreation Enhancement Act (FLREA), BLM Manuals, BLM Handbooks, and subsequent guidance while determining the following:

How much of the ISDRA management program will be funded through fees?

1. What will be the most feasible and efficient fee collection method?
2. What is a reasonable amount to charge visitors?
3. What is equitable amount to charge commercial vendors selling goods and services in the ISDRA? (Page 2)

Point 5. Development and implementation of BP includes communication with user visitors.

From Introduction: While meeting the objectives of this document, the BLM will communicate the development and implementation of this plan with visitors to the Dunes. (Page 2)

Point 6. ISDRA is a major asset.

From Area Description: The Imperial Sand Dunes Special Recreation Management Area is

considered a world-class OHV area and represents one of the most popular OHV areas in the United States . . . The ISDRA is the most heavily and intensively visited OHV recreation area on public lands managed by the BLM. (Page 10)

The overwhelming popularity and regional importance of the ISDRA to visitors, recreational enthusiasts, and others require[s] careful management to protect its recreational, natural, and cultural resources. (Page 10)

Point 7. BLM has specific guidance in setting fees.

From Cost Recovery or Fair Market Value Assessment: During the development of new fee rates, the BLM will follow the guidance provided in Manual 2930:

“Recreation fees are used to provide needed public services while protecting and enhancing public lands and recreation opportunities. Fees should be balanced and affordable for all members of the public, should not be an impediment to visiting public lands, and should not be used as a means to affect the allocation of recreation opportunities.

“The BLM collects recreation fees at all recreation-sites which meet fee collection guidelines as provided for in REA. The collection of recreation fees supports the Department of the Interior’s 2007-2012 Strategic Plan Performance Goal “To Provide for and Receive Fair Value in Recreation” and conforms to the BLM’s “Priorities for Recreation and Visitor Services” strategic plan. Fee programs should support protection of natural resources, provide for public health and safety, and facilitate access to public lands.” (Pages 21-22)

Point 8. Partners and volunteers contribute to ISDRA management activities.

From Cost Recovery or Fair Market Value Assessment: During the development of new fee rates, the BLM will follow the guidance provided in Manual 2930 (continued from preceding point):

“Recreation fees are one part of a comprehensive funding strategy to support recreation- sites and services. Other elements of the funding strategy include appropriated funding (as a primary funding source), volunteer assistance, interagency cooperation, grants, partnerships with the private sector, commercial operations, and leveraged funding. Fees are not used to maximize revenue.” (Page 22)

From Financial Analysis: Although BLM partners and volunteers do not generate direct cash revenues, they play an important role in the ISDRA. Partners and volunteers improve visitor satisfaction, education, and safety through innovative measures. They increase program efficiency and complete actions that the BLM would not be able to complete alone. However, since these programs do not generate direct revenues, and usually provide “Nice to have” instead of “Need to have” services and items, they will not be utilized as a main funding source for this analysis. (Page 24)

Point 9. Two methods are used to derive fees.

From Cost Recovery or Fair Market Value Assessment: Two different calculation methods can be used to develop a rationale for an amendment to the current fee collection schedule:

- Cost Recovery Method – The adjustment of fees to cover the cost of operations and maintenance.
- Fair Market Value Method – The adjustment of fees based on competition in open markets for similar recreation opportunities.

This plan will consider both methods and develop proposed fee rates. If the two methods produce significantly different rates, BLM's proposed alternative must recover the cost of managing the ISDRA. This could be accomplished by either increasing the fee, reducing the expenditures, or a combination of both. The BLM will solicit public comments on the proposal then make administrative changes if warranted. (Page 22)

Point 10. Free-use provision.

From Social/Economic Impacts: In order to address the concerns of the local visitors and the underserved communities that reside in Imperial County, the BLM would offer free visitation periods in the ISDRA in all alternatives. (Page 40, see also page 28)

Point 11. Stakeholder input vital to development of BP.

From Stakeholder Input: Stakeholder input is vital for the development of this business plan. (Page 44)

3. Conceptual framework and components essential to a business plan structure.

The translation of private-sector business plans to the public sector

For reference, a private-sector business plan outline is attached as Appendix A. The outline was synthesized from guidelines posted online by the US Small Business Administration.

In this section, we review the application of a typical private-sector business plan structure to public-sector management, including issues specifically relevant to ISDRA. The table below shows: a) business plan elements taken from the six major topic headings (left column), b) key components that relate to each of those topic groups (center column), and c) how the business plan topics and major components of a typical business plan can be applied to management issues in the public sector and specifically at ISDRA (right column).

Translating Business Plan Principles to Public Sector and ISDRA Considerations

Business plan element	Key components	Public sector and ISDRA relevance
Business Description and Vision	Mission statement (business purpose). Company vision. Business goals and objectives.	Although public agencies have in general a well-defined mission and focus, the specific mission at ISDRA is by no means obvious, given the unique nature of the facility, its users, and the way users interact with the site. The BLM has some insights into what its mission needs to be, based on experience, surveys of users, and other input from advisory groups. A clear delineation of how the BLM perceives its mission, as well as specific goals and objectives in providing services, maintaining the facility, etc., relative to the BP, would help readers interpret the details of the BP and provide additional input.
Definition of the Market	Describe the industry outlook for your business. Define the critical needs of your perceived or existing market. Identify your target market. Provide a general profile of your targeted clients. Describe what share of the market you currently have and/or anticipate.	Market conditions: Data on trends in OHV use can be combined with data on population growth and demographic characteristics relevant to OHV user "sending areas," (and the BP addresses of this to some extent) to provide an integrated picture of how demand for a facility such as ISDRA would be expected to change. Competition: While there are few sites that even indirectly compete with ISDRA, there are alternative locations for OHV use. For example, according to BLM's Public Lands Statistics, 2011 (Volume 196, Table 4-2), off-highway travel at fee sites/areas constituted just 5-1/2% of visitor days for this activity on all BLM public lands, for FY 2011 (although this presumably involves other vehicle types besides OHVs).
Description of the Products and Services	Specifically describe all of your products and services. Explain how your products and services are competitive.	This would address the essential and discretionary services provided at ISDRA, and who (and what type of entity) is best suited to provide each service, and why.

Business plan element	Key components	Public sector and ISDRA relevance
Organization and Management	Provide a description of how your company is organized.	Besides a description of how the BLM in general and the El Centro office in particular are organized to manage ISDRA, the BP should describe in detail the partnering arrangements with other agencies and organizations involved with ISDRA management.
Marketing and Sales Strategy	Explain your sales strategy, specific to pricing, promotion, products and place.	For ISDRA, an analysis could be produced of how fee level differences for seasonal and weekly participants were derived, how compliance levels are managed, etc.
Financial Management	Cash flow statements/ projections	The equivalent for ISDRA would be a detailed accounting of costs and revenues. For this kind of documentation to be as convincing as possible, the BLM could engage in "zero-based budgeting," in which historic costs can be acknowledged but not necessarily presumed valid – in other words every cost item starts from zero and has to be justified on its own merits.

Setting aside procedural and technical details, a business plan is intended to make a compelling case that the proposed business practices will result in an operation with long-term sustainability. In other words, the cost of product or service to be produced will be more than offset by the revenues generated and customers will remain satisfied over the long term, where "customer satisfaction" consists of a combination of perceived value in what is provided, and competitive pricing compared to alternative products or services.

For a public land agency, not all of these conditions will be applicable, at least in the usual business sense. The product being provided is a land base that is itself essentially free, but which requires some level of ongoing maintenance and improvements in order to be usable by the public. The service being provided to users is the administration of access, maintaining health and safety, and taking other measures to enhance visitors' experiences. User satisfaction is then a function of how users' experiences are perceived, and the value of that experience as measured against their various expenditures in support of that experience, which include both user fees and other investments they have made in equipment, travel costs, provisions, and the like in order to have that particular experience. Since these other investments generally involve substantial amounts of money, the quality of the land-based "facility" they are using must be maintained at a certain minimum level in order for them to continue to participate. This measure of value will be matter of individual perceptions, but some degree of group consensus can be generated through appropriate public-involvement processes.

The perceived value of the services provided by the public agency will be based on a combination of the facility's appearance and functionality, and the administrative and various support services delivered at that facility. In order to have a meaningful interpretation of value, users must have a working knowledge of the costs involved in maintaining a facility and providing related services and how their user fees are related to these costs. The two basic components of costs: 1) facility maintenance, and 2) support services, need to be understood both as individual components and as they relate to each other (and due to the nature of ISDRA, these two components are not always readily distinguishable).

Other public-sector business plan examples, in terms of conceptual framework, structure, and other basics

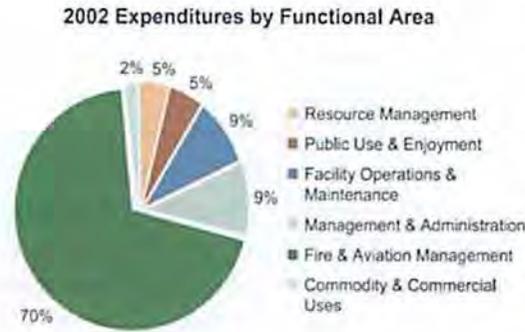
Comparison to USDA Forest Service Business Plans: Mendocino & San Bernardino Forests

The key differences between BLM's ISDRA Business Plan and the Forest Service Business Plans for the Mendocino and San Bernardino Forests essentially boil down to vision and financial details.

Vision. The Mendocino Business Plan provides a clear 20-year vision, articulated at the outset, which identifies how the Forest Service will meet the needs of the public, maintain and improve

the state of the land, and foster relationships with strategic partners. The ISDRA BP makes some reference to long-term goals but lacks the clarity and comprehensiveness of the vision set forth in the Forest Service plans.

Financials. Both Forest Service business plans provide historical expenditures, detailing expenditures by type over a 10-year period. For current forest operations, expenditures are segmented and evaluated by the following broad categories, as shown below:



Total Expenditures

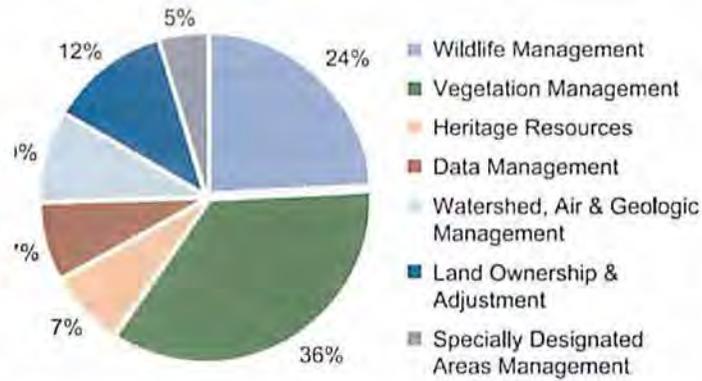
Resource Management	\$1,904,311
Public Use & Enjoyment	\$1,903,161
Facility Operations & Maintenance	\$3,683,951
Management & Administration	\$3,737,166
Fire & Aviation Management	\$27,591,824
Commodity & Commercial Uses	\$789,749
	\$39,610,162

Source: San Bernardino National Forest Business Plan

For each of the broad expenditure categories in the preceding chart, the business plan provides:

- An explanation of the purpose/role of that particular expenditure within the context of the larger operation.
- An overview of the programmatic sub-components, by funded/unfunded cost and estimated Full-time Employment (FTE). The following chart provides an example of the level of financial information detailed in the business plan for one of the broad categories, Resource Management:

**Resource Management
 2002 Expenditures by Program**



Total Required		Available		Shortfall	
Funds	FTE	Funds	FTE	Funds	FTE
\$4,538,350	21.9	\$1,904,311		\$2,634,039	

Source: San Bernardino National Forest Business Plan

Moreover, the Forest Service business plans provide a detailed financial statement, summarizing required employment and funds, available funds and budget surpluses/shortfalls. The document concludes by identifying a set of investment priorities and strategies, which also include: benefits, potential challenges, action plan and investments, external efforts, and costs.

The ISDRA BP does not provide the level of financial detail outlined in the Forest Service plans. The ISDRA BP provides a historical overview of revenue sources and operating budgets, but does not provide sufficient detail about current/historical operating expenditures to substantiate the claims for the need for additional funding. The ISDRA BP details the expenditures for seven (7) line items for the three evaluated alternatives, but does not put these expenditures clearly in context with current operations.

Business planning issues specific to ISDRA

In addition to the two basic components of costs: 1) facility maintenance, and 2) support services, management planning for ISDRA is also greatly impacted by the need to recognize the two basic cost categories of fixed and variable costs, the latter of which is especially important given the seasonal nature of ISDRA's use and the very high usage levels that occur on peak weekends. Cost issues of course relate directly to challenges associated with setting fee levels. Additional issues with setting fees relate to matters such as the appropriate price spread between seasonal and weekly permits, the costs of fee sales, and the marginal costs of achieving increasing levels of compliance – in part as balanced by the need to minimize the "free rider" burden of non-fee-paying visitors on paying visitors.

Fixed costs/variable costs, especially with seasonality, peak weekends

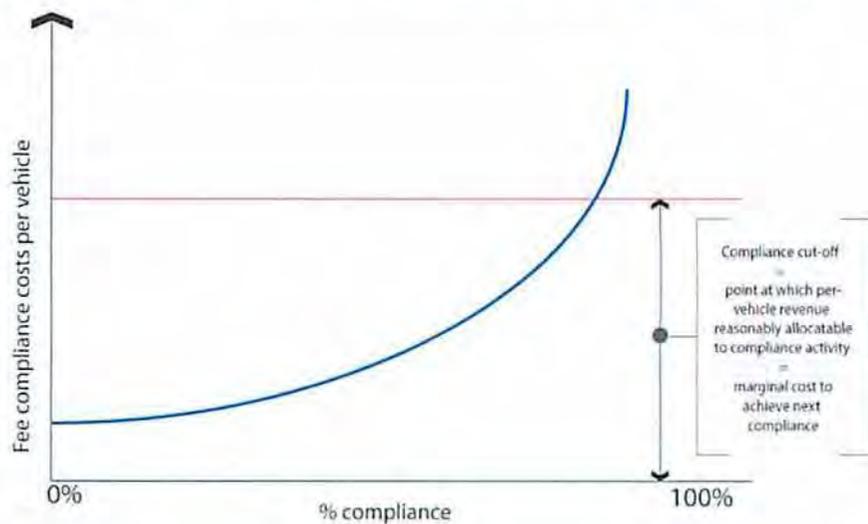
Every business or government operation operates with a combination of fixed and variable costs. For ISDRA, fixed costs include a minimum level of staff, equipment, on-site facilities, and the like just to maintain an acceptable degree of access to the site. Variable costs are the extra staff, equipment, etc. needed after visitation reaches certain milestone levels; such as for example the need for an additional compliance monitor for every 'X' number of visitors beyond the base number that would be accommodated with the minimal access, fixed-cost condition. The high degree of variability in visitation at ISDRA means that the consideration of fixed and variable costs is both highly relevant and highly challenging. In addition, the relationship between visitation and staff/facilities required is not necessarily a straight line. There may be thresholds at which whole new services and personnel, etc. are required.

Price spread between seasonal and weekly permits

To really know how to price these permits, ISDRA managers must know the visitation characteristics of the customer base, in general and under existing pricing for each type of permit. This information can possibly be extracted from existing surveys of visitors (although we are not able to determine this from reviewing the latest survey document).

Marginal costs of achieving increasing levels of compliance, compared to marginal revenues.

The challenge of selecting the appropriate level of effort to achieve fee compliance at ISDRA is summarized in the accompanying figure. At some point, the cost of achieving an additional increment of compliance is greater than the revenue obtained (allocatable to the compliance process).



However, the issue is not simply one of economics. There are intangible costs and benefits associated with the level of compliance. For example low compliance on fees probably is associated with low compliance with rules and regulations, and lower levels of satisfaction of users who have some awareness that they are subsidizing others.

4. Conceptual basis, structure, and other basic components of the BLM BP, including relationship to 2003 BP that the current BP is intended to update.

Section 2 of this opinion letter includes a series of statements about the BLM's explicit and implied purpose of and need for the BP, as extracted from various parts of that document and summarized under 11 discussion points. The 11 points are listed again below in this section, followed by our commentary on the interpretation of these points in terms of how they provide direction for the BP.

Point 1. Current funding does not cover expenses. This portion of the BP contains a fundamental assertion by the BLM, namely that costs have increased over the years while fee revenues have declined (somewhat, since 2007). This statement, however, suggests that costs have increased while fee revenues, and consequently visitation, have declined – which is of course counterintuitive. The uncertainties associated with traditional state and federal funding underscore the need for this Business Plan to rigorously assess the fee component of revenues.

Point 2. Vendors' fees are part of the cost/revenue equation. Given the other budget uncertainties, commercial vending fees likewise take on an additional importance, since they could in theory be a profit center for ISDRA. However, the emphasis in the BP is on cost recovery (relative to vendors).

Point 3. Plan intended for future guidance. In order to provide meaningful guidance for up to 10 years in the future, the BP must, at a minimum, address the acknowledged deficiencies in data that currently hamper decision-making. Even if these deficiencies cannot be resolved within the current document, the plan should describe ways in which they will be addressed in the near future, so that at least basic management objectives can be met in subsequent years.

Point 4. What are proper fee levels and how are fees best collected. The process of analytically deriving answers to these fundamental questions, and clearly conveying the results of such analyses, could be a major focus around which the BP could be structured.

Point 5. Development and implementation of Plan includes communication with visitors. Here and elsewhere in the BP, the BLM clearly acknowledges the objective of working with stakeholders in Plan development.

Point 6. ISDRA is a major asset. Statements to this effect imply that the BLM (at the national level) should view ISDRA as an asset of national interest and significance, with an allocation of resources to match.

Point 7. BLM has specific guidance in setting fees. The following is excerpted from the BLM's *Priorities for Recreation and Visitor Services* strategic plan (page 24):

GOAL 3: Provide for and Receive Fair Value in Recreation.

OBJECTIVE 1: Provide fair value and return for recreation through fee collection and commercial services.

Milestone 1: Deliver consistent national fee policies, information, research, guidance and legislation.

Actions:

1. Develop and coordinate, through the National Interagency Fee Council, consistent national fee policies, guidance, legislation and fee program efficiencies.
2. Formalize a BLM National Fee Committee to ensure consistent program implementation, appropriate use of fees revenues, and coordination with the National Interagency Fee Council.
3. Develop responses and guidance to implement Office of Inspector General (OIG) and fee program evaluation recommendations for improved management of the Fee Demonstration Project program.
4. Continue fee program evaluation, and monitor program improvements and innovation.
5. Develop a BLM intranet website on fee program information and best management practices.
6. Establish training modules to improve consistent and efficient fee program innovation, implementation and appropriate use of fee revenues.

Actions 1 through 4 under Goal 3, Objective 1, Milestone 1 above promise, at least at the national level, coordinated processes in the setting of fees by the BLM. It would be instructive in this BP to see how these Action items are reflected in the development of recommended fees at ISDRA.

Point 8. Partners and volunteers contribute to ISDRA management activities. BLM guidance provided in Manual 2930 specifically addresses the use of volunteer assistance to supplement the provision of services. In the BP, BLM partners and volunteers are recognized in a somewhat *contradictory* fashion (see Section 2, Point 8). However, even if partners and volunteers only “increase program efficiency and complete actions that the BLM would not be able to complete alone” (BP page 24), this contribution should be budgetable, and/or this resource is potentially not being maximized by the BLM.

Point 9. Two methods are available to derive fees: 1) cost recovery, and 2) fair market value. The BP addresses both concepts, but neither discussion includes levels of analysis that would generate confidence in the results.

Point 10. Free-use provision. Since the free-visitation concept includes making the months of June through September all free, as well as 3 weekend days during the rest of the year, it would be instructive to know historical levels of visitation that have occurred in the summer months,

projected levels under conditions of free usage, and what kinds and levels of costs have been and are expected to be associated with the summer months and with other free usage.

Point 11. Stakeholder input vital to development of BP. The BLM again asserts the importance of stakeholder input to the BP process, although the public-comment period for the draft BP is highly constrained.

5. From concept to execution: specific challenges reflected in the BLM BP.

Intent, information type and understandability, overall structure

As we have discussed in sections 2 and 4 above, the BP includes a wide range of topics that together constitute the intent and purpose of the document. Given the complexity of ISDRA, this is appropriate, and also creates demands on the BP authors to make very clear to the readers how these different topics interrelate, and especially how they combine to focus around the primary purpose of establishing appropriate fees. For example, one of the primary hurdles of the BP is the scarcity of detailed, documented data upon which to base key decisions. If we accept for the sake of discussion that this is unavoidable, at least at the present time, limited data increase the need for the BP to lay out very clearly what it is attempting to accomplish, given these limitations, and then how those limitations will be addressed going forward.

At an even more basic level, documents of this type must have a clear vision and description of the “business” for which the business plan is being prepared. At ISDRA, the BLM's role could vary considerably, and is logically going to include essential processes and actions along with discretionary ones. Users of ISDRA can help define these roles and their levels, the BLM has its own guidelines, and the BP should reflect how all of these considerations are integrated.

The three management alternatives in the BP (one of which is very similar to a “no action” alternative with the two others having higher fee levels than exist at present) focus primarily on levels of services and associated costs as they relate to what is being done at present. There is one cost-reduction measure proposed, which is to retain organizations that will sell permits and extract lower fees for doing so than are in effect at present. The description of the three alternatives provides some insight into levels of service and related costs, primarily as compared to present conditions, but only limited information on how fees are derived and the broader scope of issues associated with management of ISDRA.

Incomplete data and how it should be addressed

Essential, detailed cost data are seriously lacking in the BP. Furthermore, it seems inconceivable that this information does not exist. (The 2003 BP has some detailed cost information, which could have been updated and applied in this BP.) If it does not, production of the necessary

documentation should be one of the essential tasks undertaken by the BLM with regard to ISDRA, and reflected in this BP.

The visitation data presented in the BP appear to be inconsistent in some cases, based to some extent on generalizations and assumptions for which more complete documentation would be highly beneficial to the reader. The figures possibly overstate actual visitation, especially in recent years, to a considerable degree. This issue is discussed in additional detail in Appendix B.

Reasonably accurate visitation numbers are important for a number of practical reasons, such as estimating impacts on the local economy, but most particularly for having per-visitor factors to apply to various categories of costs for services provided at ISDRA. Without such factors, budgeting for changes in visitation levels becomes highly problematic.

The level of fee-based revenues generated for ISDRA results from a complex set of factors including different rates for seasonal and weekly use, costs associated with collecting fees of different types, and the number of users who actually pay fees. It is not clear from the BP that any of this variability is based on analysis or solid data on which an analysis, or even best estimates, could be based. In other words, it is difficult to make an assessment at this time as to whether some visitors are paying too much, some too little, or whether too many are paying nothing at all. On the latter point, there is some discussion in the BP about the difficulties of achieving high levels of fee compliance. On the other hand, other commentators on the BP have suggested alternative measures to help resolve compliance issues, and have raised questions about the “fairness” of fees to multiple-vehicle users and suggested measures to address this. Without a fact-based, reasonably rigorous analysis of these kinds of issues, readers could reasonably conclude that the fee increases recommended in the BP are arbitrarily derived.

Similar arguments could be raised with respect to the type and level of services provided by the BLM at ISDRA and the associated costs of these services. That is, it is not clear from the BP what level of services, by type of service, are actually being provided or proposed to be provided under the three alternatives (except to the extent that some of these are very generally described in terms of how they compare to what has historically been done), whether these are based on criteria originating from the BLM, expressed user preferences, or some other influence, and whether services are being efficiently, cost-effectively delivered.

Finally, all decisions of this type – levels of service to provide, pricing, levels of compliance to enforce, etc. – are ultimately, of necessity, based on imperfect data and analysis. The issue with the BP is not that data and analysis must reflect some specified unimpeachable standard, but that the BP address forthrightly the lack of data, the approaches to deriving estimates based on missing data, limitations in accuracy of results that come about when data are incomplete or lacking, and, hopefully, plans to obtain better data in the future.

Planning and user-activity implications of fees based on incomplete data

The price of admission to any facility can never be assumed to be a neutral factor in the use of that facility. As prices increase, we would expect participation to drop off. Decreasing participation can in turn have a major effect on the type of services that need to be provided, and the costs of such services (for example, unit costs for some kinds of services might increase with smaller crowds). In the case of ISDRA, since fee-payment participation is known to be, or to have been, significantly below 100%, increasing fees could easily encourage more visitors to avoid paying those fees, creating other complications for management of the facility, increasing paying visitors' frustration with those who do not pay, and generally degrading the experience.

Issues of comprehensibility, in relation to preceding framework/components discussion, and effects on public participation

The value of public participation in the development of the BP goes well beyond the decision-making help that such input could provide. The better they understand the way in which the BLM has structured their management of ISDRA, including how fee levels have been determined, visitors will likely have a more satisfying experience in general, and in particular tend to be more cooperative with respect to regulatory and socially appropriate behavior suitable for this unique asset and the activities that occur there.

As part of the public participation process, ISDRA interest groups have offered in prior years a number of suggestions to the BLM for how to improve management practices at the facility and meet some of the specific management challenges. Some of those suggestions from prior years are mentioned in the BP, and some might be suitable for additional analysis or at the very least might be deserving of additional explanation as to why these suggestions are not currently considered, might be considered in the future, etc.

6. Suggested framework for BP specific to ISDRA issues, including data and analysis recommendations.

A suggested framework is shown in items A through F below. The framework is suggested as a method of organizing the BP in a potentially more complete and informative format.

- A. Mission statement for the BLM regarding ISDRA, and for the BP as derived therefrom.
- B. Description and explanation of ISDRA, physically and in terms of the BLM's current interpretations of its roles and responsibilities, for:
 - a. Caring for the physical resource, regardless of visitation and use demands.
 - b. Providing for and managing the visitor loads and their needs, by type of visitor.

- C. Descriptions and figures in the form of (and presented by category of) facts, estimates, assumptions, etc. regarding ISDRA, such as: area devoted to various types of use/preservation, characteristics of visitors, visitation loads by time period including peak use days/weekends, fee purchasing patterns and fee compliance, etc.
- D. Context for refining the BLM role at ISDRA.
 - a. How B.a. and b. have historically been carried out, including significant capital improvements and costs.
 - b. List of challenges in managing ISDRA, such as: spikes in use during certain holidays, varying needs and preferences of different types of users, reduced traditional sources of funding, obtaining visitation data, encouraging and enforcing compliance with fee requirements and with regulations regarding use.
 - c. How input from users and other interested publics has been used to help define the BLM's roles and responsibilities.
 - d. Pending deliberations, analyses, etc. regarding the appropriate type and levels of service for the BLM to provide.
- E. Rationale for modifying fees and related administrative practices.
 - a. Reductions in funding from traditional sources.
 - b. Cost history, by budget items and by fixed and variable cost categories.
 - c. Revenue history, by amounts, number of permits, fee compliance rates, seasonal/weekly split, etc.
 - d. Budget showing relationship of services that are essential and/or requested to funding sources and required amounts.
 - e. Alternatives for obtaining necessary funds, and a discussion and, where appropriate, analysis of the pros and cons of pursuing alternative funding methods – including probable costs to obtain funds (including in the case of fees the costs to achieve varying levels of compliance), management approaches that might reduce costs (operating costs as well as costs of obtaining funds), risks associated with alternatives, and the like.
 - f. How preceding analyses do or do not indicate a need for drafting a revenue plan that makes a distinction between immediate and longer-term funding solutions. If such a distinction is warranted, which would seem to be the case for ISDRA at present, a plan should be prepared describing, for example, how future revenues will be adjusted based on greater levels of certainty about actual visitation, visitors' needs and preferences, and actual costs on a unit basis where possible, and the timetable for securing the necessary information on which to base a review and adjustment of fees.
- F. Public participation plan and related public-involvement details pertaining to the BP, as developed and implemented.
 - a. As mandated by regulations.
 - b. As warranted based on unique organizational involvements at ISDRA.

7. **Mandated public participation framework in which the BP would be expected to evolve.**

BP material related to public participation

The following boxed text provides an overview of the primary discussions of public participation in the BP, by Business Plan section title.

Issues identified through public scoping

This section focuses on the public scoping sessions previously conducted for ISDRA, also detailing the public participation components that *should be* involved with the business plan development. At one meeting, the Desert Advisory Council Sub Group identified a number of public outreach components that should be considered to make the plan successful. The last component of this section includes a table of notes resulting from the brainstorming session with the Sub Group for fee collection ideas.

Process

Generally, this section discusses the BLM recreation fee review and approval process. One of the components includes public involvement, which identifies the need to provide outreach through news stories/paid ads in local media to communicate the fee proposal notice to the general public.

Visitor Feedback Mechanisms

This section focuses on the visitor feedback provided for ISDRA, at the El Centro Field Office, other BLM outreach events, and, in particular, the visitor satisfaction survey results that were collected 2011 in conjunction with the University of Idaho.

Public Participation

This section identifies the public participation methods completed since the 2003 business plan – mostly related to fielding public feedback and comments through various types of communication outreach platforms, and an overview of the brainstorming session with the ISDRA Sub Group. The section concludes with the BP identifying the opportunity for public comments after the release of the draft BP and its presentation to the involved groups/organizations.

Stakeholder Input

This section refers back to previous steps taken to engage the Desert Advisory Council, ISDRA Sub Group, through public meetings, to identify issues prior to the development of the BP. The BP also states that the BLM will continue to keep stakeholders involved throughout the development and implementation of the BP.

Communication Plan

This section refers back to a previously conducted scoping session with the DAC ISDRA

Sub Group. BLM also identified components of the communication plan following the completion of the draft plan, which include: releasing for public comment (includes web-based access comments), and briefing of the Sub Group and others.

Historically, public participation and stakeholder involvement has played a role in providing “real time” intelligence about what is happening and identifying key issues and concerns, with the goal of influencing policy decision-making for ISDRA. However, the input sought has tended to be narrowly focused. For example, the current BP provides an overview of fee-increase issues identified through public scoping, centered on a brainstorming session with the ISDRA Sub Group. There were a number of ideas raised by the Sub Group ranging from EMS services, second vehicle permits, holiday fee increases, etc. – many of which were “considered but eliminated” by the BLM.

It appears that the same issues present in 2003 (i.e. inaccurate visitation counts, unsubstantiated fee levels, etc.) are still present in 2012. In an effort to develop more meaningful public participation, the BLM needs to address these issues first and foremost. This, in turn, will allow the BLM to more effectively communicate its policies, methods and corresponding rationale to the stakeholders, thus, fostering a more informative, proactive dialogue where users can provide much-needed and valuable direction in a variety of topical areas.

Finally, as we will discuss in the following section (e. Partnerships, stakeholder input), the shortage of opportunities for meaningful public participation in the development of the current BP, particularly the time constraints on review of the draft document, is one of the weakest aspects of the BP.

8. Summary of BP content and issues related thereto by line item (a-h below) of the BLM’s own specifications for BP content.

BLM-Defined Business Plan Components, as Applied to ISDRA

The business plan components used by the BLM,¹ as identified in headings a. through h. below, are followed in this section by boxed text taken directly from the BP, which addresses each of the components as shown. In some cases the accompanying text is our interpretation of the content in the BP that addresses the component, but the boxed text is often extracted directly from the BP under the same corresponding heading. Commentary on how each component is addressed follows the boxed text. It should be noted that not all of the information in the BP is necessarily contained within these specified components; but they are addressed here since they are prescribed by the BLM.

¹ BLM Manual 2930, page .06B6f.

a. *The level and type of development.*

The Imperial Sand Dunes Special Recreation Management Area is considered a world-class OHV area and represents one of the most popular OHV areas in the United States. It is a well-known area to local residents and the thousands who visit each year from the southwestern United States and beyond . . . Visitation levels fluctuate tremendously, from almost zero during the summer to almost 200,000 during Thanksgiving weekend. The overwhelming popularity and regional importance of the ISDRA to visitors, recreational enthusiasts, and others require careful management to protect its recreational, natural, and cultural resources.

ISDRA . . . comprises approximately 164,209-acres [and] contains the largest mass of sand dunes in California, covering an area more than 40 miles long and averaging 5 miles in width. (Page 10)

Commentary: Although the type and extent of improvements within ISDRA are mentioned in various parts of the BP, the document would benefit by a clear, consolidated description of improvements and the type of capital-investment, maintenance, and management responsibility that the BLM assumes for each.

b. *Cost and security of collection.*

The BLM is currently operating with an annual fee budget of \$2,595,000 (FY 2011), but estimates a need for an annual budget of \$5,000,000 to \$7,000,000 in order to provide a high level, quality services to the ISDRA visitors. (Page 22)

The fee program constitutes the majority of the revenue to fund operations in the ISDRA. Revenue levels peaked at \$3,356,612 in FY 2009 after the addition of the on/off-site fee program. Since that time, revenues have decreased due to a reduction in the amount of permits sold and an increase in the off-site permit percentages. (Page 24)

In the proposed alternative [Alternative 1], the cost and security of collection would be incurred by the fee contractor for the sales required through the fee collection contract . . . In addition, BLM may need additional help during the busy holidays. The level of assistance varies per holiday and but averages about \$3,000 per person per holiday weekend if the person is not from the El Centro Field Office. BLM's goal is to keep the combined contractor and agency fee collection cost to about \$500,000 or less per year. (Page 35)

Commentary: We have noted elsewhere in this opinion letter that both the levels and fee collection methods and costs require additional analysis in order to be evaluated by stakeholders.

c. *Type, season, duration, and intensity of visitor use.*

The ISDRA provides for many types of recreational experiences, with OHV recreation as the dominant activity. The OHV enthusiasts who visit on holiday weekends will experience large crowds, noise, and intensive, 24-hour OHV activity in areas such as Glamis, Gecko, Dune Buggy Flats, and Buttercup. There are other locations within the

ISDRA where OHV recreation is less intense on holiday weekends and visitors can have a quieter, less intensive experience (Mammoth Wash or the Ogilby areas). The majority of the opportunity lies during weekdays and non-holiday weekends when a range of recreational settings can accommodate many different types of experiences.

The ISDRA is managed to provide both non-motorized and motorized recreational opportunities to area residents and visitors. In addition to OHV recreation, the ISDRA provides other recreational opportunities including hiking, horseback riding, wildlife and scenery viewing, picnicking, photography, nature study and environmental education, camping, sightseeing, and driving for pleasure.

The types of vehicles that are used within the ISDRA include . . . sand rails, dune buggies, all-terrain vehicles, recreational off-highway vehicles (ORVs), motorcycles, 4WD pickups, 2WD pickups, sport utility vehicles, and custom built off-road vehicles.

The earliest known annual visitation within the ISDRA was 150,000 in the late 1970s; the number of visits had increased to 225,900 visits in 1985 (Bureau of Land Management, 1987). (Page 19)

Average annual visitation for fiscal years 2004 through 2011 was 1,348,734 visitors, with peak visitation between October and April. The visitation levels for the ISDRA peaked in FY2006 and have declined each subsequent year, likely due to the weak economy and the decline in disposable income.

Visitation is unevenly distributed throughout the year, with the highest visitation occurring during four holiday weekends (Halloween, Thanksgiving, New Year's, and Presidents' Day). The visitation estimates for the major holiday weekends often exceed 100,000 visitors. For example, the visitation during Thanksgiving weekend for fiscal year 2011 was 146,000. During approximately 25 percent of the recreation season (i.e., two out of eight months in the season), 35 percent of the annual visitation occurs. (Page 20)

Commentary: Visitation levels are another area of considerable data uncertainty, as noted elsewhere in this opinion letter, and data deficiencies would be an appropriate topic of discussion for this component. The discussion above also highlights the challenges created for the BLM with the very high levels of participation on the holidays.

d. Compliance and enforcement capability.

Fee compliance has increased to over 90% in the ISDRA due to the law enforcement staffs' significant efforts. During the holidays, personnel from several agencies and locations are assigned to assist in the ISDRA. Together, the BLM maintains high levels of fee compliance in all areas in the ISDRA. Without the continued high level of support for the fee program by the Ranger staff, the fee program would not be successful. (Page 35)

The high level of compliance is maintained in the ISDRA through active patrol and frequent contact with visitors.

Fee compliance data is developed by the BLM staff monitoring between 8,000-12,000 vehicles per season. While on patrol during weekends, holidays, and weekdays, vehicles are checked in the camping areas. Between the years of 2009 and 2011, off-site season permits averaged 44% of all vehicles checked but were only about 20% of the total permits sold. The FY 2012 compliance data collected so far is close to 50%. The discrepancy between the percentage of season permits sold and the percentage of season permits displayed might indicate that season permit holders visit more frequently than previous surveys have indicated, or some visitors could be transferring permits from vehicle to vehicle. In order to maintain high levels of compliance, season permits should have a way to identify the actual permit holder. A name written on the permit with a permanent marker could be a feasible solution. (Page 36)

Commentary: The discussion about fee compliance implies a level of certainty about the fee compliance rate that may not be substantiable given all the data challenges surrounding this particular set of information. The above text does seem to articulate issues for which supplementary information could provide some solutions. That is, if the frequency of visits of seasonal permit holders was known, along with methods to ensure that these permits are not being transferred to other users, this would eliminate a fair amount of uncertainty in the analysis of appropriate fee levels.

e. Partnerships; stakeholder input.

Public participation is an important part of developing the business plan to recommend fee changes in the ISDRA. Since the last business plan was completed in 2003, the public has had the opportunity to voice their concerns about the current fee program to the BLM through many avenues. Examples include, but are not limited to: direct conversations with BLM staff, e-mail, website, phone conversations, surveys, and through their representatives on several advisory councils. Feedback from the public has provided the BLM the opportunity to make changes, adjustments, and improvements to the fee program with the support special interest groups and advisory councils.

The concerns of the Desert Advisory Council (DAC) ISDRA Sub Group were identified on August 31, 2010 and the BLM conducted surveys to document visitor satisfaction levels prior to beginning the process of developing this plan . . . the majority of visitors feel the current level of fees is equitable, but many do not want to pay more. If fees are raised to support the continued operation of the ISDRA, visitor satisfaction, and fee compliance, is likely to decline. However, if the fee program is not modified to cover the current and future costs, visitor satisfaction would also decrease due to a reduction in in services and access provided in the dunes. (Page 43)

The public will also be afforded the opportunity to provide comments after the release of the draft business plan and when the plan is presented at the following meetings:
(Page 44)

- DAC ISDRA Sub Group meeting,

- DAC meeting, and possibly the
- Recreation Resource Advisory Council meeting.

Stakeholder Input

Stakeholder input is vital for the development of this business plan. BLM has been collecting and discussing ideas with ISDRA stakeholders for many years. The Desert Advisory Council, ISDRA Sub Group has provided input and the BLM has utilized the DAC and Sub Group public meetings to solicit scoping issues prior to the development of this plan. BLM will continue to keep stakeholders informed and they will continue to play a pivotal role throughout the development and implementation of this plan. (Page 44)

Commentary: It is possible that the shortage of opportunities for meaningful public participation in the development of the current BP is one of the weakest aspects of the document, at least at this stage of its development. Not only are opportunities currently very limited, the documentation of prior input from the various advisory groups seems to be very limited. Visitors providing input about fee levels subsequent to the 2003 BP and prior to the 2012 BP probably did not anticipate fee increases of the magnitude proposed in the 2012 BP.

f. Impacts to underserved communities and local businesses.

Underserved communities. The Department of Health and Human Services poverty guidelines define poverty for a family of four at an annual income level of \$23,050. Seven percent of the ISDRA visitors have an average income between \$20,000 and \$30,000; and one percent of visitors have an average income of less than \$20,000 (Haas, 2008). (Page 39)

The BP also evaluated other socio-demographic factors such as ethnicity, socioeconomic status, geographic location, educational attainment, disability and age. (Page 39-40)

The majority of the visitors to the ISDRA describe themselves being of White ethnic background. The second largest ethnic group is described as "Hispanic, Latino, Spanish." The geographic location [with respect] to large populations of Hispanic communities allows accessibility advantage to the ISDRA with relatively short driving distances. 80% of Imperial County and 60% of Yuma County are of Hispanic or Latino origin (US Census, 2010). The proposed alternative is expected to benefit the local community through free visitation periods.

Local businesses. During October 2005 to May 2006, visitors to the ISDRA spent an average of \$1.66 billion on their trips (\$1,182.37 average expenditure times 1.4 million visitors) inside and outside the region (Collins, 2007).

It was estimated that the dollars spent [in] gateway communities is between \$577 million and \$1.28 billion during October 2005 to May 2006. Assuming visitors spend the majority of their dollars in the gateway cities, between: (Page 40)

- \$230.8 and \$513.2 million was spent in Brawley; \$150.0 to \$333.6 million in El Centro; \$52.0 to \$115.5 million in Blythe/Palo Verde; \$132.7 to \$295.1 million in

Yuma.

BLM's current fee program benefits local and regional businesses. During the FY 2011 visitation season, approximately 80% of the ISDRA permits were purchased off-site through private commercial establishments . . . Anecdotal reports have been [that] approximately 75% of the customers that enter businesses to buy an ISDRA permit also purchase fuel or other merchandise. (Page 41)

Commentary: As noted by another reviewer of the BP, the estimated expenditures appear to be overstated in the "local business impact" discussion of this component. In McClure Consulting's 2007 report concerning ISDRA (cited on page 2), we noted that there is a geographically widespread industry base that is very closely tied to ISDRA. While the fact that they are widely distributed throughout (primarily) the three states of California, Arizona, and Nevada means that although losses in these businesses could have a proportionately small effect on the overall economies of their host regions, the specific establishments involved can be severely impacted. In any case, it is appropriate for the BP to address the issue of potential reduction in visitation with fee increases, and translate any estimated reduction in activity to business-dollar losses in local economies.

g. Private sector alternatives.

Concessions Alternative – The BLM has the authority to manage areas under a concession contract. In a typical concessions contract, the term could be 15-20 years and the franchise fee (the amount retained by the agency) could be in the 2% to 10% range. The concessionaire manages all aspects of the recreation area except law enforcement. In the ISDRA it could include, all non-law enforcement staffing, maintenance, permit sales, and emergency medical services. Concessionaires usually include the revenues of retail sales in the recreation area and a concessions program could lead to all retail services and sales in the recreation area being conducted through the concessionaire with no BLM permitted vending allowed. A concessions program could lead to the ISDRA being more developed and a change in the recreation experience. There is a potential for the experience to be more like a visit to a developed national park where there are developed access points with visitor centers, assigned campsites, and a structured education and interpretive programs. Overall, a concession could move the recreation setting from semi-primitive to a more developed setting, thereby changing the experience. (Page 33)

Assistance Agreement (Friends Group) Alternative – The BLM has the option to develop an assistance agreement with a non-profit "Friends" group to collect and manage the fee program. If this alternative were chosen, an assistance agreement would have to be bid like contract. The winning proposal would have shared project objectives with the BLM and a mutual interest in the program and outcome. Unlike contractors who work for the BLM, assistance agreement partners work together with BLM cooperatively. (Page 34)

Proposed Hybrid Alternative – the BLM would contract for the parts of fee collection that provide the most difficult challenges to the agency, and are critical in nature, and BLM would hire a small seasonal staff to assist with permit sales at the ranger stations. The labor intensive, on-site permit sales would be removed from the contract, which would reduce the cost of the contract. The BLM would contract the on and off-site vendor management, printing, and website sales. A seasonal staff of BLM visitor use assistants would staff Cahuilla and Buttercup Ranger Stations and sell the on-site permits. (Page 34)

Commentary: The discussion for this component adds some insight into the proposed fee-collection method, and could be expanded upon in order for readers to understand why the “proposed hybrid” is the most logical alternative.

h. Communication and marketing plan.

Prior to the development of this business plan, BLM conducted scoping (outreach) through individual conversations with stakeholders and through public meetings with the ISDRA Sub Group and DAC. After the development of this draft plan, the BLM will release it for public comment; brief the ISDRA Sub Group members, and Imperial County Board of Supervisors. The plan will also be published on the BLM web site and comments will be collected by e-mail. After reviewing the comments, and making adjustments, the BLM will prepare a final plan to propose to the Desert Advisory Council (DAC) or Recreation Resource Advisory Committee (RRAC) for implementation. Once Business Plan is completed and approved for implementation, some of the steps below would need to reoccur to advise the public what changes have been approved and when implementation is expected to begin.

Goals. The goal of this communications plan is to provide guidance and direction for communications and public involvement activities associated with the release of the Draft and Final ISDRA Business Plan.

Objective. The objective of this communication plan is to establish a clear consistent message to key audiences. The messages should be delivered in a timely manner so audiences have time to review the draft material to formulate well-informed responses. After the approval final Business Plan, the objective will be to inform and educate the visitors of the upcoming changes that will occur. (Page 44)

Key messages and talking points

1. Without an increase in revenues, critical services will no longer be provided by BLM. Service that could be cut include, but are not limited to, maintaining access to camping areas, search and rescue, law enforcement, and critical maintenance services.
2. Permits have been available at the same rate since 2004 (nine years by FY 2014).
3. OHV grants are not a reliable source of funding for the ISDRA program.

4. Significant reductions in services are already occurring.
5. Increased efficiency measures have already occurred.
6. BLM must reduce the cost of fee collection but that could also reduce fee compliance and current conveniences.
7. Public participation is a key element of this planning process.
8. A new fee program needs to be implemented for the 2013-2014 visitation season.

Marketing Plan. BLM successfully utilizes the fee contractor to work together with the individual vendors to market the sale of permits for the ISDRA. BLM will continue a marketing program through a fee contractor in some alternatives. Individual vendors market their off- site sales and it is expected to increase each year if the proposed alternative is implemented. With the help of the BLM contractor, the vendors have developed signs, billboards, and advertise special sales to buy ISDRA permits before arriving at the dunes. (Page 49)

The Business Plan also identified key messages, key audiences, project timing and outreach venues. (Page 45)

Commentary: Other materials in the BP related to this component include a list of key audiences, milestone dates, outreach venues, and questions and answers. This component is another topical area in which the need for public involvement is emphasized and described in some detail. It is instructive that the "key messages and talking points" contain a number of entries in which the observations presented might actually still be highly uncertain or at the least not fully explained, for example items 4, 5, and 6.

Appendix A. Business Plan Outline for Private Businesses, Synthesized from Small Business Administration Guidelines Posted Online (sba.gov)

Business Description and Vision

This section should include:

- Mission statement (business purpose).
- Company vision (statement about company growth).
- Business goals and objectives.
- Brief history of the business.
- List of key company principals.

After reviewing this section the reader should know:

- “Who the business is” and what it stands for.
- Your perception of the company’s growth & potential.
- Specific goals and objectives of the business.
- Background information about the company.

Definition of the Market

This section should:

- Describe your business industry and outlook.
- Define the critical needs of your perceived or existing market.
- Identify your target market.
- Provide a general profile of your targeted clients.
- Describe what share of the market you currently have and/or anticipate.

After reviewing this section the reader should know:

- Basic information about the industry you operate in and the customer needs you are fulfilling.
- The scope & share of your business market, as well as who the target customers are.

Description of the Products and Services

This section should:

- Specifically describe all of your products and services.
- Explain how your products and services are competitive.
- If applicable, reference a picture or brochure of your products, which would be included in the plan’s appendix.

After reviewing this section the reader should know:

- Why you are in business.
- What your products and services are and how much they sell for.
- How and why your products & services are competitive.

Organization and Management

This section should:

- Provide a description of how your company is organized as well as an organization chart, if available.
- Describe the legal structure of your business (proprietorship, partnership, corporation, etc.).
- Identify necessary or special licenses and/or permits your business operates with.
- Provide a brief bio description of key managers within the company.

After reviewing this section the reader should know:

- The legal form of ownership for your business.
- Who the leaders are in your business as well as their roles.
- The general flow of operations within the firm.

Marketing and Sales Strategy

This section should:

- Identify and describe your market – who your customers are and what the demand is for your products & services.
- Describe your channels of distribution.
- Explain your sales strategy, specific to pricing, promotion, products and place (4Ps).

After reviewing this section the reader should know:

- Who your market is and how you will reach it.
- How your company will apply pricing, promotion, product diversification and channel distribution to sell your products and services competitively.

Financial Management

This section should include:

- For a New Business
 - Estimate of start-up costs.
 - Projected balance sheet (1 year forward).
 - Projected income statement (1 year forward).
 - Projected cash flow statement (12 months forward).
- For an Existing Business
 - Balance sheets (last 3 years).
 - Income statements (last 3 years).
 - Cash flow statement (12 months).
- If Applying for a Loan (in addition to the above)
 - Current personal financial statement on each principal.
 - Federal tax return for prior year.

After reviewing this section the reader should:

- Have a good understanding regarding the financial capacity and/or projections for your company.

Appendix B. Visitation Data Discussion

According to the BLM Business Plan, ISDRA attracted 1,133,132 visitors in FY2011. The estimated visitation is based on magnetic vehicle counters and applying certain factors to this information, to refine estimates of the number of visits made to the recreational area,² including an assumed average occupancy of 3.5 persons per vehicle.³ Accurate visitation figures are an integral component in determining appropriate usage fees, and are probably best estimated using a combination of permit data and visitation-count data. The following discussion highlights that issue, and is based on comments on the BP put forth by others.

Working backwards from the total visitation figures provided by the BLM for FY2011 (1,133,132), using the previously discussed factors for vehicle occupancy and a 90% compliance rate (given by the BLM), the total number of "permitted visits," based on our calculation, would be 291,376 (significantly higher than the 61,667 permits actually issued in 2011). By subtracting the number of weekly permit holders in FY 2011 (48,416), as identified by the BLM, the balance of visits, which would be covered by season-permit holders, would be 242,960. That means that each of the 13,251 FY2011 season permit holders (per BLM) travel to the dunes an average of over 18 times per season.⁴ Based on the permit fees from 2011, if an off-site season permit holder (paying a lower price than the on-site purchaser) made 18 trips to the ISDRA, the average per trip permit cost would be \$5.00 – significantly lower than the (off-site purchase) weekly fee of \$25.

The BP also discusses the issue that season-permit holders might be letting others use their permit, which would of course help explain the above discrepancy, but also highlights a management issue that the BLM recognizes in the BP – that is, that seasonal permits must be identified with a particular party. Otherwise, if season-permit holders are actually visiting 18 times per season, they may perhaps be underpaying based on that degree of usage (or weekly permittees are overpaying).

The factor used by the BLM for average vehicular occupancy, 3.5 persons, is also running the risk of overstating the number visitors when consideration is given to multi-vehicle groups. For example, there may be 4 to 5 persons in the group dispersed between two vehicles, resulting in an average occupancy of 2 to 2.5 persons. A permit system that distinguished between primary and auxiliary vehicles would make possible a more accurate estimate of the number of visitors to the recreation area.

² The 2003 Business Plan noted that visitation figures were reduced by one-third, accounting for multiple trips by recreationists, vendors and BLM staff, and we are assuming the same methodology was applied to the derivation of the 2011 visitation data.

³ As stated in the BLM ISDRA Business Plan, a "visit occurs when one person visits BLM lands to engage in any recreational activity, whether for a few minutes, full day, or more." The 3.5 figure was based on surveys sponsored by the BLM.

⁴ The estimate of 18 visits per season is calculated by taking the balance of season permit holder visits (242,960) and dividing by the number of season permit sales reported by the BLM for FY2011 (13,251).



November 29, 2012

ISDRA DAC Sub Group

Re: Opposition of Proposed Imperial Sand Dunes Recreation Area Business Plan

To Whom It May Concern:

On behalf of the United Desert Gateway (UDG), and the gateway communities we represent, I would like to submit the following comments in response to the proposed 2012 ISDRA Business Plan (BP) that is slated to be heard by the Desert Advisory Committee (DAC) on December 1, 2012.

The United Desert Gateway, a nonprofit public benefit corporation comprised of the Brawley, El Centro and Yuma Chambers of Commerce, works hand-in-hand, through an Assistance Agreement, with the Department of Interior, Bureau of Land Management, California Desert District (BLM) and other partners to enhance the recreational experience at the Imperial Sand Dunes Recreation Area (ISDRA) and other BLM managed lands in the area.

Since its inception in September of 2004, the UDG has identified and implemented several "Partners In Stewardship" projects that have provided volunteer and economic resources in the Imperial Sand Dunes Recreation Area. To date, the UDG has contributed well over \$1.9 Million worth of contributions to promote visitor access as well as safety and litter education in the ISDRA.

The UDG has enjoyed our solid partnership with the BLM ECFO and is always here to help and assist the BLM in any way we can. That is why, as a very involved stakeholder in the successful management of the ISDRA, it is my position that the BLM should have more readily sought out assistance, opinion and problem-solving ideas from their partners during the formation of the 2012 BP. If this had been done, our pooled resources could have potentially found solutions to some of the financial gaps and also stakeholders would have a better understanding of ISDRA budget issues and a need for the proposed increase.

In a survey conducted by the UDG during the weeks of November 3-29, 2012, 64% of the 695 respondents stated that they wanted no fee increase and would prefer that services be reduced in lieu of higher fees, 23.1% of respondents were favorable to a one-time increase, or a smaller incremental increase. This figure represents a significant number of users that embrace the idea of fees increasing. With proper education, outreach and partnership involvement, we could reach a greater number of individuals and educate them as to the reasons behind a fee increase.

1095 S. 4th Street • El Centro, CA 92243
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A need for some amount of fee increase seems reasonable at this time in order to assure that basic services and safety are maintained in the ISDRA, but I am seeing evidence that the proposed amount of \$180, a 100% increase in Alternative 1, is an amount that the users will not tolerate. In addition, the business plan does not provide conclusive rationale for the proposed increase. Visitorship has already decreased by at least 30% over the past 5 years and a fee increase of this magnitude would only intensify that statistic. The economic impact of Off-Road recreation to our Gateway Communities is significant, representing between \$177.8 million - \$314.4 million annually to the economies of Brawley and El Centro, CA and Yuma, AZ, according to a 2006 UDG survey. In the recent UDG visitor survey of 695 respondents, 31.9% stated that they would find another area to recreate, and 25.6% said they would take fewer trips to the ISDRA if the proposed 100% increase was put in place. This could represent a significant, if not devastating, impact to our local economies.

While the UDG does not adamantly oppose a fee increase, we do fervently oppose a 100% increase. Anything over a 33% increase seems unreasonable for the users, and our local economies, to bear. We also request that the BLM work with their partners to draft a plan that meets the BLM's management goals while pulling from our collective strengths and resources.

The UDG stands ready, with qualified volunteers, to work with BLM and the impacted stakeholders to help the BLM's meet it's management goals.

Thank you for your time and consideration,

Charla Teeters-Stewart
Program Manager
United Desert Gateway

Constant Contact Survey Results

Survey Name: ISDRA Business Plan Survey

Response Status: Partial & Completed

Filter: None

11/29/2012 8:48 AM PST

*Did you know that BLM is proposing to raise fees to continue to provide Dunes services?

Answer	0%	100%	Number of Response(s)	Response Ratio
Yes			438	63.0 %
No			256	36.8 %
No Response(s)			1	<1 %
Totals			695	100%

*How did you learn of the proposal?

Answer	0%	100%	Number of Response(s)	Response Ratio
Friend			96	13.8 %
Blog			15	2.1 %
Internet			212	30.5 %
Facebook			36	5.1 %
BLM			18	2.5 %
OHV Group			64	9.2 %
This Survey			169	24.3 %
Other			84	12.0 %
No Response(s)			1	<1 %
Totals			695	100%

*How would you prefer to receive your dunes information?

Answer	0%	100%	Number of Response(s)	Response Ratio
Internet			514	74.0 %
Facebook			113	16.2 %
Twitter			13	1.8 %
UDG guide			16	2.3 %
Kiosks			18	2.5 %
Signs			52	7.4 %
Camp Visit			37	5.3 %
Ranger Station			44	6.3 %
Other			65	9.3 %
Totals			694	100%

*Do you feel you know how your fee dollars are spent?

Answer	0%	100%	Number of Response(s)	Response Ratio
Yes			162	23.3 %
No			532	76.5 %
No Response(s)			1	<1 %
Totals			695	100%

*The proposed fee increase is \$40 per week off-site, \$70 per week on-site, and \$180 for a season pass.
Would you prefer:

Answer	0%	100%	Number of Response(s)	Response Ratio
No fee increase and reduce public safety, sanitation, road and camping area services?			462	66.4 %
Small incremental fee increases resulting in some reductions in public safety, sanitation, and road and camping area services?			138	19.8 %
A one-time fee increase to maintain current services and increase public safety, sanitation, and road and camping area services?			93	13.3 %
No Response(s)			2	<1 %
Totals			695	100%

*Do you prefer to purchase:

Answer	0%	100%	Number of Response(s)	Response Ratio
One permit per day			30	4.3 %
One permit per trip			179	25.7 %
One permit per season			484	69.6 %
No Response(s)			2	<1 %
Totals			695	100%

*If a fee increase occurs, will you:

Answer	0%	100%	Number of Response(s)	Response Ratio
Buy permit and continue to visit.			146	21.0 %
Share the permit cost with a friend or family.			91	13.0 %
Not purchase a permit and take my chances with a citation.			29	4.1 %
Visit less / take fewer trips.			178	25.6 %
Go to another area.			222	31.9 %
Stop OHV recreation.			28	4.0 %
No Response(s)			1	<1 %
Totals			695	100%

BLM CA Desert District Council

December 1, 2102

Comments by Bob Mason

Member of Imperial Sand Dunes Recreation Area DAC Advisory Group

The discussion of fees at the Imperial Sand Dunes Recreation Area (ISDRA) is not new. On October 7, 2009 representatives of the American Sand Association (ASA) and former DAC member, Dick Holliday met with Teri Raml's predecessor Steve Borchard. The BLM subsequently withdrew the 2009 request for a fee increase from the RRAC meeting agenda due to the lack of public involvement and comprehensive supporting rational.

On December 3, 2011 the DAC discussed the fee concept at length. Over 50 pages of the meeting minutes are dedicated to the subject of ISDRA fees. This discussion culminated in the DAC adopting a 5 point recommendation to BLM. That was a year ago and BLM has not responded.

On October 18, 2012 BLM released a draft ISDRA Business Plan. Comments were due by November 30, 2012. This 2012 draft plan also lacks a comprehensive supporting rationale. As a member of the ISDRA DAC Sub Group I have not received sufficient information to make an informed decision to support the plan or the fee increase as proposed.

I request that the DAC recommend that the BLM collaborate with the ISDRA DSG and stakeholders in the development of a redraft of the Business Plan taking into account recent public comments.

Respectfully submitted,



ISDRA DAC Sub Group Member



Above Beyond

Acting Director Mike Pool
1849 C Street NW, Rm 5665
Washington DC, 20240

Dear Acting Director Pool,

My name is Donald L. Wharton, and I am representing REACH Air Medical Services as the Senior Manager of Business and Membership Development and concerned local citizen. I am writing in objection to the proposed "raising" of fees for the Imperial Sand Dune Recreation Area (ISDRA) as presented in the draft business plan proposal. It is our understanding that the fees are to be raised significantly with seasonal permits doubling. I am extremely concerned about the future impact to visitation, local economy, and our ability for the private sector partners, such as us, to provide critical services to the community. Furthermore, it appears that our firm and several other stakeholders were not given reasonable opportunities for input.

In 2006, the United Desert Gateway conducted an ISDRA Visitor Survey. It estimated that the City of Brawley benefits annually between \$72.6 and \$128.3 million in income from ISDRA visitors. As a Brawley resident and a contributing partner, I believe a dramatic increase in the permitting process will have a significant adverse affect on the, already, declining visitation data. The impacts can be significant further exacerbating the current reality that we are all facing with the current condition of the nation's economy.

It is my hope, that the Bureau will consider alternative measures to reduce costs, lower expenditures, outsources, and utilize the existing partnerships to maintain the needed services while eliminating the nonessential. Perhaps the involvement of a broader number of stakeholders will encourage innovative and more practical solutions to the funding problems facing the BLM.

I thank you for your time and attention in this important matter. I hope that REACH can continue to contribute to the safety of the public and the partnership with the Bureau. I can be reached at (760) 427-3244, don_wharton@reachair.com, or local mail – 1111 Airport Rd, Imperial, CA 92251.

Sincerely,

Donald L. Wharton
Senior Manager of Business and Membership Development

451 Aviation Blvd., Suite 201
Santa Rosa, CA 95403
Tel: 707.324.2400
Fax: 707.324.2478
REACH

BOB FILNER
51ST DISTRICT, CALIFORNIA

VETERANS' AFFAIRS COMMITTEE
RANKING MEMBER

TRANSPORTATION AND INFRASTRUCTURE
COMMITTEE

AVIATION
HIGHWAY AND TRANSIT

WATER RESOURCES AND ENVIRONMENT
ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS,
AND EMERGENCY MANAGEMENT



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website: www.house.gov/filner

November 19, 2012

Mike Pool
Acting Director
U.S. Bureau of Land Management
1849 C Street NW, Rm. 5665
Washington, DC 20240

Dear Acting Director Pool:

I am writing regarding the draft Business Plan proposing a doubling of the permit recreation fees in the Imperial Sand Dunes Recreation Area (ISDRA).

The ISDRA has a positive economic impact in Imperial and San Diego Counties. As cited in the 2006 study commissioned by the United Desert Gateway in conjunction with the BLM, Imperial County alone benefits between \$119.8 and \$211.7 million annually from people recreating in the dunes. I do not feel that the stakeholders have been given adequate time to review a business plan that will have such an impact on the local economy.

I respectfully request that the draft ISDRA Business Plan be tabled until a more mutually acceptable plan can be reached.

Sincerely,

BOB FILNER
Member of Congress

BF/ek
2627108

DUNCAN HUNTER
52D DISTRICT, CALIFORNIA

COMMITTEE ON ARMED SERVICES

COMMITTEE ON
EDUCATION AND THE WORKFORCE

CHAIRMAN, SUBCOMMITTEE ON
EARLY CHILDHOOD, ELEMENTARY AND
SECONDARY EDUCATION

COMMITTEE ON
TRANSPORTATION AND INFRASTRUCTURE



U.S. House of Representatives
Washington, DC 20515-0552
November 1, 2012

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FAX: (619) 449-2251

Acting Director Mike Pool
1849 C Street NW, Rm. 5665
Washington, DC 20240

Dear Acting Director Pool:

I am writing to make you aware of my strong objection to the newly proposed fees that were released as part of the Bureau of Land Management's (BLM) El Centro Field Office draft business plan for the Imperial Sand Dunes Recreation Area (ISDRA). It is my understanding that these newly proposed fees represent a 40% increase for weekly permits purchased onsite, a 75% increase for weekly permits purchased offsite and a 100% increase for season permits. These actions are not only unwarranted, but unfairly target outdoor recreationalists and undermine efforts to promote the utilization of one of Southern California's greatest natural resources.

As you know, ISDRA is the largest mass of sand dunes in the state and is one of the premier off-highway vehicle riding areas in California. If these newly proposed fees are levied on the public, these additional charges will place a significant financial strain on the generations of families that visit the dunes, some of which have no other source of affordable recreation. Additionally, these increased fees will have a detrimental effect on Imperial County as the increased cost of enjoying this world class off-highway recreation area will cut into the over \$200 million in economic benefit this sport brings to the region.

I understand the fiscal situation that BLM faces, however, the public should not be forced to shoulder such a large increase in fees. Instead, BLM should look at its own budget to improve inefficiencies and cut wasteful spending to maintain federal public lands. As BLM reviews and addresses the public comments for the proposed fee increases, I encourage you to work with local representatives to find an alternate solution to maintaining the daily operations of this important area.

Thank you for your attention to this important matter and I look forward to your prompt reply. Please do not hesitate to contact me with any questions you may have.

Sincerely,

Duncan Hunter
Member of Congress

cc: Bureau of Land Management California State Director, Jim Kenna

BLM CA Desert District Council
December 1, 2102
Comments by Larry Jowdy
Member of Imperial Sand Dunes Recreation Area DAC Advisory Group

After a review of the Business Plan, I know I'm going to take heat from individual visitors and some off road groups but, I'm in favor of a rate increase **provided the BLM substantiates their need.**

I seriously doubt that Congress (under the present administration) will appropriate any more money for Operation and Maintenance of the ISDRA. The proposed increase to **\$180.00** is a bargain to anyone who visits the dunes several times during the season. Campgrounds cost anywhere between \$50.00 - \$65.00 per night, granted they have full hook up's but if a visitor only went 2 times per year for 4 days each, that equates to only **\$22.50** per night..

What I do object to is the fee structure imposed on vendors. Vendors offer a service that's necessary to the visitors such as safety equipment, repairs, food, etc. etc. Unfortunately, when I go to the dunes, it requires a "pumping out" of waste black and gray water while I'm there. My vendor (Bernie) feels that his "pump out" prices will go up due to the Increase of vendor fee's. I feel that the permanent vendors may also increase their already high prices, even higher.

In addition, since no 2nd vehicle pass was proposed, I object to that omission. In the past, the TRT and now the DSG have pleaded with the BLM to institute a plan for a 2nd vehicle with no results. I also feel that a "daily visitor pass" system be instituted.

In regard to the DSG. I feel that once we became an 'underling' of the DAC we became ineffective. Quite frankly, the hoops that we jump through are excessive and way too time consuming. Things of importance are conveniently forgotten or delayed through both through the BLM and through the DAC and, in summation, the "once effective" TRT, now known as the DSG, is a basically nothing more than an exercise in futility.

GARY WYATT
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Margaret Goodro, Manager
El Centro Field Office
Bureau of Land Management
1661 S. Fourth Street
El Centro, CA 92243

November 30, 2012

Dear Ms. Goodro:

We are submitting this letter as individual members of the Imperial County Board of Supervisors in response to your recently released Business Plan for the Imperial Sand Dunes Recreation Area. While we believe our comments may be representative of the Board as a whole, the timeframe your office allowed for submission of public comments did not allow our staff ample opportunity to review your proposal in time to secure a place on a Board of Supervisors meeting agenda prior to the November 30th deadline. Although your document states that the BLM is seeking and values input from its various publics, the time provided to submit comments seems to contradict the stated objective. Our representative to your DAC subgroup on the dunes requested that the deadline be extended to 60 days in order to allow our full board to have time to discuss this proposal in an open public meeting. BLM chose to only extend the original two week comment period to 45 days, so please accept our comments as individual members only, as we would not have been able to schedule this item for public discussion until December 4th at the earliest.

Imperial County is generally sympathetic to your need to adjust fees in order to cover all the costs normally incurred in providing services to your various publics. We are also a governmental organization that has been delegated numerous regulatory obligations as a result of federal and state law, with the caveat that we must recover the costs of providing these services from the regulated parties. Over the years we have had occasion to review the costs of providing our services and then adjust our fees (usually upward) to ensure that we fully recover our costs to provide those services. It has always been our experience that the regulated community is never happy with the prospect of paying ever increasing fees for these services. We have learned that in order to minimize the level of protest over our fee proposals, we must provide sufficient fiscal detail into what the real cost of providing our services is, and to include easily understood supporting studies and other information to justify the new fee structure we are proposing. We must clearly demonstrate that the new fee structure is cost neutral in that they are only enough to cover the level of services that are required by the law, and/or are necessary to provide the appropriate level of health and safety to the regulated community and our resident publics.

We regret to say that after considerable review of your proposal and its supporting documentation, our finding is that this report falls far short of meeting those standards that we as a county require of ourselves. If there is a real need to increase fees to the levels you are proposing, we cannot find that justification after reading and re-reading your Business Plan. That is not to say that these fees are not an appropriate level to recover the costs needed to insure that the public health and safety is maintained at minimal acceptable levels in the dunes, we are simply pointing out that if this information is contained within the report, we cannot find it in a way that is readily and easily discernible. We think you need to direct your staff to rework this document with the objective of presenting the cost and workload information in a way that demonstrates to your stakeholders what each level of service costs to provide,

and to further justify whether the proposed level of service is the optimal level based on current conditions as they exist today.

For example, in the 2001 season, uncontrolled and rowdy visitors had largely taken over the dunes on big holiday weekends and presented a serious safety threat to the law-abiding families who traditionally used the area to recreate. The BLM, along with resources from the state and the county moved in with a large contingent of LEOs to restore order. For the next several years, with a significant contribution from the state, LEO levels were maintained at similar levels until the perpetrators of this rowdy behavior gradually came to the conclusion that their behavior would no longer be tolerated here. We should be looking at whether we can better deploy our LEO resources to a maintenance level now that the major cause of the intense levels of safety enforcement are largely contained.

We have other concerns about BLM wanting to rely solely on user-fees as a way of maintaining public safety at the dunes. In the late 1990's when the fees were first being proposed, BLM told the county that they were not even certain that they had federal authority to enforce fee compliance at the dunes. BLM asked the county to pass an ordinance that would allow BLM to enforce fee compliance at the dunes and we responded by quickly passing such an ordinance that included a significant fine for non-payment of fees. One hundred percent of the fines imposed under this ordinance would go directly to the county and could be used by the county to continue to provide supplementary LEO and EMT services in the ISDRA. However, shortly after we passed our ordinance to assist the Bureau implement the original fee program, they learned that citations could be written as federal offenses and that is the way most non-compliance tickets are now issued with the resultant fines going directly into the General Fund of the United States Treasury and NOT returned back to this community in a way that the revenues could serve to reduce the need to increase fees to the levels proposed in your Draft Business Plan. The county sheriff also cross-deputizes BLM rangers to enable them to write citations under the California Vehicle Code. Under that code, fifty percent of all fines and forfeitures paid for violations of the off-highway vehicle laws are returned to the county where the offense happened. Once again, BLM chooses to write tickets that are adjudicated by federal magistrates and the resultant fines and forfeitures find their way to the national treasury instead of a local fund that could help our sheriff partner with BLM to provide services that will otherwise be provided by increasing fees to our visitors and county residents who use the dunes to recreate.

We are also concerned about reluctance by BLM to look at better ways to impose fees and to collect them. Many of the user groups have suggested going to monthly and annual fees instead of weekly and annual fees. Others have spoken to the notion of second vehicle fees or to a daily fee for those persons who only want to experience a one-time visit to the ISDRA. We can't say for a certainty which of these proposals might be a better way to go, we can only tell you that in our discussions with concerned user representatives, that they feel that their suggestions are routinely dismissed rather than undergo a serious unbiased analysis. We also question the notion that we must continue to pay an outside firm a half million dollars out of fee dollars to administer the program. You now have a solid contingent of businesses in Imperial County and outside of the county that have signed on to sell permits to the public. The State of California administers a similar program for out-of-state OHV permits with a single staff person in house, and we are told that the Barstow Resource Area administers a similar fee program at Dumont Dunes using a single in house staff person. We suggest that BLM consider using a similar method that would result in keeping hundreds of thousands of fee dollars for use on dunes programs and not outside administration, and of course to pass on the savings to the fee paying public. We have similar concerns about the proposed new fee structure for vendors in the dunes. We think these vendors add a significant enhancement to the experience of visitors to the ISDRA and they provide valuable services. Once again, with the documentation provided, it is difficult to ascertain the degree to which the proposed fees are commensurate with the actual costs that they propose to recover.

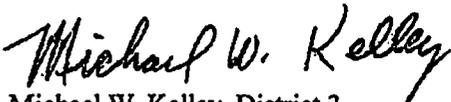
Finally we have to tell you that we are concerned with the dismissive attitude that we detected by BLM that seemingly concludes that it is OK to accept the loss of one third of our traditional users due to the fee increase, so long as BLM is able to raise the level of revenue that they think they need or deserve. While we welcome our winter visitors from outside the county whom we often see arriving every weekend with half-million dollar motor-homes towing trailers loaded with hundreds of thousands of dollars worth of sand toys, we also believe that our public lands should be accessible to less affluent users as well. In a county where the unemployment levels are often the highest in the nation and the per capita income the lowest in the state, we think it is patently unacceptable to take such a cavalier attitude that seems to find it acceptable that up to one third of the traditional users may choose to go elsewhere because of the high fee levels. Many of those persons from that one third group are likely to be members of the Imperial Valley communities who must pick up the tab for some of the services provided by the county to maintain health and safety standards on our local public lands.

To finalize, we sympathize with the notion that you may need to increase fees, and to the extent that you can demonstrate that a particular fee level is necessary to recover costs of providing essential services to protect the public health and safety, we would support you. Sadly, we do not find that this document provides that level of documentation to allow us to reach the threshold that we could declare our support for the proposed fee increase. We suggest you go back to the drawing boards and rework this entire document and that you do so in REAL collaboration with our sheriff and with your NGO organizational partners at the dunes.

Sincerely,



Gary Wyatt, District 4
Imperial County Board of Supervisors



Michael W. Kelley, District 3
Imperial County Board of Supervisors

Cc: Senator Dianne Feinstein
Senator Barbara Boxer
Congressman Elect Juan Vargas



Promoting Growth in Business

Bureau of Land Management
El Centro Field Office
1661 S. 4th Street
El Centro CA 92243

The Brawley Chamber of Commerce founded, in conjunction with the El Centro and Yuma, AZ Chambers of Commerce, the United Desert Gateway organization and have been longstanding partners with the BLM regarding the management of the Imperial Sand Dunes. We are submitting this letter of comment regarding the proposed update to the Imperial Sand Dunes Business Plan to express our concerns over the changes to that plan. Our concerns are as follows:

- The former CA Desert District Manager elected to withdraw the 2009 proposed fee increase due to the lack of sufficient supporting information and public participation (review). The BLM, at that time, committed to conduct a robust interactive and open dialogue with the stakeholders. This dialogue has not happened and should be conducted prior to any changes in the business plan.
- The Imperial Sand Dunes Recreation Area Business Plan that was released on Oct 18, 2012 does not provide sufficient explanation to warrant stakeholder support.
- The Gateway Communities are significant stakeholders. The off-highway economic contribution to the Cities of Brawley and El Centro is substantial. As per the UDG Visitors' Study conducted in 2006, it concluded that the City of Brawley benefits between \$72.6 and \$128.3 million annually from dune visitors and the City of El Centro benefits between \$47.2 and \$83.4 million annually.

The Chamber suggests that BLM redraft the Business Plan after working collaboratively with all stakeholders.

Sincerely,

Kathryn C. Figari

Kathryn C. Figari, M.Ed
Executive Director

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Mr. Randy Banis
Chairman, Bureau of Land Management
CA Desert Advisory Council
14404 16th St W, Suite 204
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93534

Mr. Banis,

The Orange County ATV Association is a non-profit 501c-7 Social Club devoted to off road activities. We have been recreating in the ISDRA since 1983 and we still currently spend more than 80% of our time there. It was to our camp that you brought Interior Secretary Salazar during his visit to the dunes in 2011. The following is our comments on the BLM's proposed ISDRA Business Plan and fee increase.

We have several concerns with this document. The first being the extremely short time period available for public comment. Forty five days is simply not time enough to thoroughly review the plan and construct comments and recommendations. Our second concern has to do with the way the BLM dismisses the many positive suggestions raised by the DSG brainstorming session. Of the (27) ideas, (7) were 'dismissed due to complexity/high cost to administer' with no additional details provided. Of particular concern is item 11, 'Second Vehicle Pass'. We disagree that this service, very much desired by many visitors, would be difficult to provide. As an example, this process can and be placed on the permit vendor. Their website can be easily adjusted to allow for purchasing of a second vehicle pass. The customer will enter the license plate number of the primary vehicle and the secondary vehicle. The pass will have both numbers printed on them. Pass will be clearly displayed or (preferred) be a window sticker. Customers will be told that it will take 7-10 days to process the request. Primary vehicles are defined as any motor home, any vehicle towing a trailer OR any vehicle carrying an OHV. Primary vehicle must be in the ISDRA for secondary vehicle to be present. Law enforcement/permit staff already go camp to camp checking for permits as well as checking at entrance/exit 'choke points' This will not add any burden to staff and it will greatly increase customer satisfaction. There is also, contrary to what is stated in the Business Plan, in our opinion, no requirement that this process be 'quick and easy'. It just needs to be available.

Our next concern is related to the very obvious flaws in the visitation numbers, compliance percentages and permit fees collected. The numbers simply do not add up. The BP claims that for FY 2011, there were 1,133,132 visitors, that the compliance rate per vehicle was 90% and there

were 13,251 season permits and 48,416 weekly permits sold. Additionally, the BP assumes an average of 3.5 persons per vehicle. If we divide 1,133,132 by 3.5, then there were 323,752 vehicles. Multiply $323,752 \times .90$ (90% compliance) = 291,376 permits. There were a total of 48,416 weekly permits. Subtract $(291,376 - 48,416) = 242,960$. What this means is that the balance of the visits of 242,960 permits comes from the 13,251 seasonal passes. (Or compliance is really not 90%, but closer to 50%) This would mean that each seasonal pass must go to the dunes 18 times per season, or from Oct. to May, each season permit is used 2.25 times per month. We do not believe that to be true. Most people can't afford to go more than once per month, and many do not go more than 5 times per season. And it assumes that each season permit is owned by one individual. It does not account for those people who own 2 permits for their 'second vehicle' which most likely does not bring 3.5 persons per vehicle.

If we make a couple of assumptions, we can calculate the number visitors for FY 2011 conservatively. Conservatively means it is still overstating visitation, but is likely to be much more accurate. We accept the 3.5 persons per vehicle. It has been our observation that, in family camping groups that include children under the age of 18, this is accurate. Even though no supporting data or methodology was supplied in the BP, we will also accept the 90% compliance rate. This too is supported by our on the ground observations. We will also assume (conservatively) that each Season permit was used (7) times in FY 2011. (This was not true for OCATV. We visited the ISDRA just 6 times in FY 2011, and we have NEVER visited the ISDRA 2.25 times per month in any recreation season) Based on these assumptions then we have: $13,251$ (season permits) $\times 7 = 92,757$ vehicles. Add that to the 48,416 weekly passes = 141,173 vehicles. Divided by .90 (90% compliance) = 156,858 vehicles per season $\times 3.5$ persons per vehicle = **549,006 visitors**. As noted above, this number is conservative and it is highly probable that it overstates the number of visitors by a significant percentage.

To verify that the number of ISDRA visitors is significantly overstated, and again assuming an extremely conservative approach, we can calculate how many permits were used through the major holidays of Thanksgiving, New Years and Presidents day. According to the chart on page 21 of the business plan, there were 150,000 visitors for Thanksgiving, 120,000 for New Years and 110,000 for Presidents day respectively. We will assume that the 3.5 visitors per vehicle is accurate and that compliance is at 90%. We will also assume that all 13,251 season permits were used on all three holidays. This is obviously not true or possible, but is used as a 'conservative' approach. For Thanksgiving then, we have $(150,000/3.5) \times .90 = 38,571$ permits in the dunes. Subtract 13,251 season permits means that for Thanksgiving, there were 25,320 weekly permits. For New Years, we have $(120,000/3.5) \times .90 = 30,857$ permits. Subtract 13,251 season permits = 17,606 weekly permits. Repeating for Presidents day we have $(100,000/3.5) \times .90 = 25,714 - 13,251 = 12,463$ weekly permits. EXCEPT that $25,320$ (TG) + $17,606$ (New Year's) + $12,463$ (Pres. Day) + $13,251$ (season permits) = **68,640 permits**. Which is more than the Business Plan reports were sold for the entire 2011 season. (61,667)

The only conclusion that can be drawn is that visitation at the ISDRA is vastly overstated, has been for many years, and most likely does not even approach 500,000. BLM and the Business Plan, however, are using these inflated numbers to make management and staffing decisions. It is clear that staffing levels, especially those on major holiday weekends, where staffing costs are highest, should be reduced by at least half, and those reduced costs used to calculate the funds needed to operate the ISDRA.

It is not an acceptable excuse to say that the counting methods used are 'nationally recognized', nor is it acceptable to acknowledge that the visitation numbers are not accurate. We insist that visitation numbers, permits sold and compliance rates be accurately rectified prior to proposing any fee increase. Business decisions, especially those of government, where fees are imposed on users of public land without any real elected representation, must be made by using complete, honest and accurate data.

Our next concern is the discrepancies related to dollars spent in the local communities on pages 39 and 40 of the Business Plan. Each primary vehicle spends \$1,182.37 on page 39. Then it states that each PERSON spends that amount on page 40. This needs to be fixed. The actual amount would be 472.8 million dollars based on 3.5/people per vehicle. All the corresponding numbers for the various municipalities are then also too high. Additionally, it should be noted that, per the pie chart on page 39, 24% of the expenditures are for 'vehicle maintenance'. However, this maintenance usually does not take place in the ISDRA or the surrounding local communities, it happens prior to visitors leaving home. This would mean the \$1,182.37 should be reduced by 24% to \$898.60 per ISDRA visit spent in local communities.

Our final concern is related to the increase in vendor fees. There is no detailed cost breakdown supporting the \$145,000 the BP claims BLM is spending on this program. This should be provided. The \$7,000 per site for (4) sites is arbitrary. It is the same amount the Glamis Beach Store charges for the vendors on their private property. The (4) sites would be those at the Gecko Road entrance. BLM should remember that the reason the vendors are now on Glamis Beach Store property is because the BLM drove them there through high prices, impossible demands, restrictive inventory management and bureaucratic red tape. If BLM truly desires to make the vendor program a profit center, rather than raising prices, they should revamp their entire vendor program to entice the vendors back onto BLM land.

In conclusion the OCATV Association has (2) requests. One, that the DAC request that the BLM fix the grossly inaccurate data collection re visitors and compliance. We understand that this will require time. Two, that the DAC return the Business Plan to be re-drafted with major input from local community groups, such as the United Gateway Communities (UDG), user groups such as the American Sand Association and local vendors. Only in this fashion, with transparent and full data disclosure and major input from stakeholders can a business plan be created that will be supported by the users and community.

Thank you,
Lloyd Misner
Orange County ATV Association