

SPECIAL RECREATION PERMIT PROGRAM (LAND BASED) BUSINESS PLAN – MOAB FIELD OFFICE

A strategy for fee collection and expenditure in compliance with the Federal Lands Recreation Enhancement Act P.L. 108-447, enacted December 8, 2004.

WBS# LVRD UT080000



**United States Department of the Interior
Bureau of Land Management, Utah
Canyon Country District
Moab Field Office
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United States Department of the Interior
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**SPECIAL RECREATION PERMIT PROGRAM
BUSINESS PLAN
RECOMMENDATIONS, REVIEWS and APPROVALS**

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

Table of Contents

Introduction	4
Background and Authorities	4
A. Introduction to the Moab Field Office Special Recreation Permit Program...	6
Moab Field Office Recreation Program and Visitation.....	6
Applicable Plans.....	8
Land Based Special Recreation Permits in the Moab Field Office.....	9
B. Description of the Permitting Program.....	10
C. Land Based Special Recreation Permit Revenues	11
Revenue Development	12
D. Expenditures	14
Positive Fund Balance Maintenance	15
Continuity of Operations	16
E. Priorities for Future Expenditures.....	16
F. Conclusion.....	17

List of Tables

Table 1: Recreation Visits to Moab Field Office and Arches National Park over a Five Year Period	7
Table 2: Number of Land-based Special Recreation Permit Holders in Moab Field Office by Type and by Primary Activity, FY 2011.....	10
Table 3: Total Land-Based Special Recreation Permits, by Type and Year.....	11
Table 4: User-days for Land-Based Special Recreation Permit Holders, by Type and Year.....	11
Table 5: Recreation Fee Revenues Deposited in LVRD UT08 0000	12
Table 6: Actual Expenditures of Permit Fees, by Year (LVRD UT08 0000)	15
Table 7: Estimated Annual Operating Costs (from UT08) for the Special Recreation Permit Program.....	16

Appendix

Appendix A: Specific Site Related Future Expenditures Using UT 08 Monies.....	18
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References	18
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Introduction

This business plan has been prepared to meet the criteria defined in the “Federal Lands Recreation Enhancement Act, 2004” (FLREA). The Bureau of Land Management (BLM) originally began collecting fees for the recreational use of public lands under the authority of the Federal Lands Policy and Management Act (1976) – known as the “organic act”. The FLREA recognizes the Bureau of Land Management’s authority to collect Special Recreation Permit (SRP) fees for the recreational use of certain areas. FLREA allows collected Special Recreation Permit fees to be retained locally and furthermore outlines how revenues are to be used for such things as facility repair, maintenance, enhancement, interpretation, visitor information, visitor services, visitor needs assessments, signs, habitat restoration, law enforcement related to public use and recreation, and direct operating or capital costs associated with the Recreation and Visitor Services program. At the Moab Field Office (MFO) the recreational use of certain areas within the field office is managed through the Special Recreation Permit Program.

FLREA guidelines require that each fee program have a business plan which thoroughly discusses fees and explains how fees are consistent with the criteria set forth in the Act. Business plans are to assist management in determining the appropriateness and level of fees, cost of administering fee programs, and provide a structured communication and marketing plan. The primary purpose of the plans is to serve as public notification of the objectives for use of recreation fee revenues and to provide the public an opportunity to comment on these objectives. The Moab Special Recreation Permit Fee Business Plan is subject to public review and is the Moab Field Office’s official documentation in the event of an audit.

In the Moab Field Office, land-based activities are deposited in the LVRDUT080000 account. River outfitters’ fees are deposited in a separate account (LVRDUT020000). A business plan for that account is presented under a separate document.

Background and Authorities

This business plan has been prepared to meet the criteria defined in the “Federal Lands Recreation Enhancement Act 2004” (P.L.108-447). The authorities and regulations for this business plan are:

- **The Land and Water Conservation Fund Act (LWCFA), 1965**, as amended, [Public Law 33-578], initially authorized BLM to collect fees for recreational use of qualifying facilities and services. These fee revenues were then deposited into the Treasury for Congress to appropriate as part of the annual National budget.
- **The Federal Land Policy and Management Act (FLPMA), 1976**, [Public Law 94-579], contains BLM’s general land use management authority over the public lands, and establishes outdoor recreation as one of the principal uses of those lands. Section 302 (b) of FLPMA directs the Secretary of the Interior to regulate through permits or other

instruments the use of the public lands. Section 303 of FLPMA contains BLM's authority to enforce the regulations and impose penalties.

- **Section 315 of the Department of the Interior and Related Agencies Appropriations Act, 1996**, established the "Recreation Fee Demonstration Program", which authorized BLM to keep recreation fees collected and expend them within the guidelines of the law. Annual reauthorizations of this legislation kept this fee program active until enactment of the Federal Lands Recreation Enhancement Act.
- **The Federal Lands Recreation Enhancement Act (FLREA), 2004** repealed applicable portions of the LWCFA and replaced BLM's authority to collect fees in 2004. This current law authorizes BLM to collect recreation fees at sites that meet certain requirements and allows BLM to keep the fees revenues and directs how BLM will manage and utilize these revenues. FLREA also established the America the Beautiful – The National Parks and Federal Recreational Pass Program.
- **Title 43 Code of Federal Regulations, Part 2930 (43CFR2930)**, contains the regulations governing BLM's recreation permitting programs.

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

- BLM Recreation Permit Administration Handbook (H-2930-1)
- BLM Recreation Fee Proposals Step-by-Step Review & Approval Process, March 22, 2007
- BLM Instruction Memorandum 2007-028: *Federal Lands Recreation Enhancement Act – Final Public Participation Policy for Certain Recreation Fee Adjustments and Proposed New Fee Sites/Areas*
- BLM Utah Instruction Memorandum UT 2007-056: *Fee Site Business Plan Development and Business Plan Outline*

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

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

This business plan will assist the Moab Field Office in meeting these recreation and visitor service goals for commercial and/or competitive activities, and organized group events as managed through the BLM's Special Recreation Permit Program.

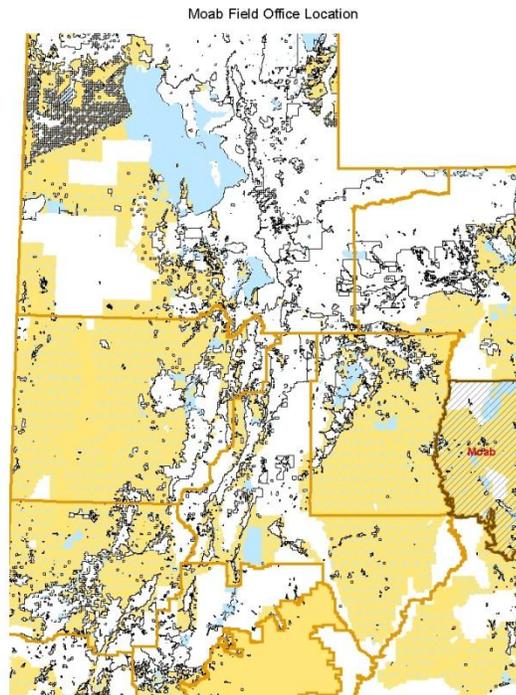
Special recreation permit fee revenues authorized by FLPMA are accountable to the public separately from amenity fee revenues authorized by FLREA. Each type of fee is deposited into a separate project account. Additionally, under other Special Recreation Permit regulations and policy, the BLM is authorized to require permit applicants to pay costs related to processing their

Special Recreation Permit application and managing their permit under certain circumstances. These funds are deposited into a third separate account specific to the permit. These cost recovery accounts are not considered public fee revenues and their expenditure is guided by separate policy. This business plan is not applicable to either Special Recreation Permit cost recovery or amenity fee accounts. The recreation fee revenues described within this business plan are derived from the issuance of Special Recreation Permits at the MFO and are managed internally under Project LVRDUT080000.

A. Introduction to the Moab Field Office Special Recreation Permit Program

Administrative Unit

The Moab Field Office of the Canyon Country District, Bureau of Land Management, is the administrative unit for the WBS# LVRD UT080000 account. The Moab Field Office manages approximately 1,500,000 acres public lands in Grand County, Utah as well as approximately 300,000 acres of public land in San Juan County, Utah. The Moab Field Office is located in Utah Congressional District 2.



Moab Field Office Recreation Program and Visitation

The Moab Field Office has a diverse and extensive recreation program. The red rock scenery in the Moab area is iconic and is highly sought after by local, national and international visitors. Features such as the Colorado River, Fisher Towers, Castle Rock, Slickrock Bike Trail and Gemini Bridges attract visitors from all over the world, who recreate both privately and by hiring

commercial outfitters. Visitors also come to Moab to participate in competitive and organized group events.

Arches National Park is enveloped by lands managed by the Moab Field Office; Canyonlands National Park and Dead Horse Point State Park are located along the field office’s western boundary.

Visitation to BLM lands in the Moab Field Office is very high, totaling approximately 1.8 million visits in 2011. This visitation exceeds that of Arches National Park. Table 1 displays the average number of recreation visits over the past five years to both Moab Field Office and Arches National Park lands.

Table 1: Recreation Visits to Moab Field Office and Arches National Park over a Five Year Period

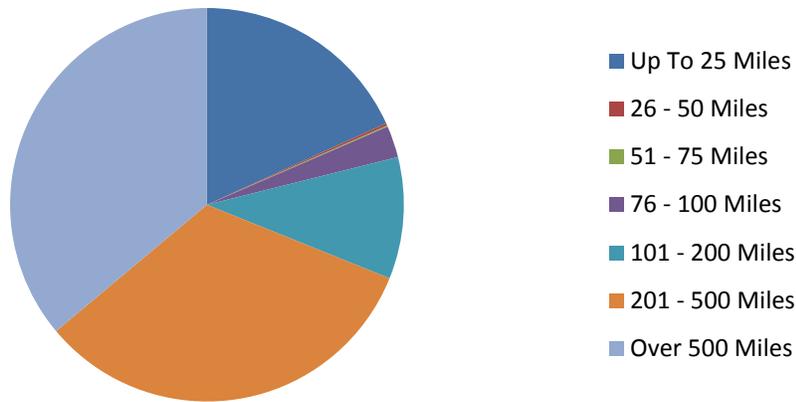
Year	Visits to Moab Field Office	Visits to Arches National Park
2007	1,493,700	860,181
2008	1,706,389	928,795
2009	1,674,504	996,312
2010	1,834,724	1,014,405
2011	1,809,702	1,023,669 (YTD NOV 2011)

Visitation to the Moab area grew at a 9% rate during the 1990’s, but has since leveled off to an approximately 2% yearly growth rate. Thus, it is anticipated that recreation visitation will continue to grow, but at this lower rate (*Economic Value of Public Lands in Grand County, Utah, 2011*, Headwaters Economics).

The recreation programs provided by the Moab Field Office, including that of Special Recreation Permit administration, are particularly important to the Grand County economy. A recent study commissioned by Grand County and conducted by Headwaters Economics (*Economic Value of Public Lands in Grand County, Utah, 2011*) found that the economy of Grand County is heavily dependent upon public lands recreation use. It is unlikely that any other county in the United States that is surrounded by BLM lands is as heavily dependent on public recreation lands for its economic well-being. Many Moab businesses are BLM Special Recreation Permit holders.

The most reliable information on visitor demographics, such as from where visitors to Moab BLM originate, comes from 2006 data gathered for the National Visitation Use Monitoring (NVUM) study. This was prepared by the U.S. Forest Service (U.S. National Forest Service, 2007) for the Moab BLM. Results from this survey indicate that the great majority of recreation visitors to Moab BLM travel large distances to come to the area. This is summarized in the following chart:

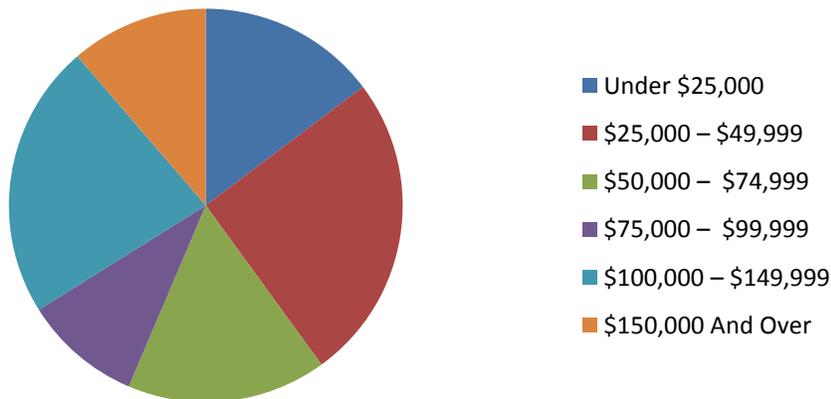
Percent of BLM Visits by Distance Travelled to MFO (NVUM, 2007)



The visits reported above include 6.5 per cent overseas visitation, primarily from Europe (4.1 per cent) and Canada (2.3 per cent).

Recreation visitors to Moab BLM have a higher than average income profile than the population at large. This is illustrated in the following chart, derived from the 2007 NVUM study:

Annual Household Income of Visitors to the Moab FO (NVUM, 2007)



Applicable Plans

Management in the Moab Field office is guided by the Approved Resource Management Plan (RMP), Moab Field Office, which was signed on October 31, 2008. Specific decisions were made concerning the Special Recreation Permit program. These are:

REC-46 (page 97): Special Recreation Permits (SRPs): Special Recreation Permits are issued as a discretionary action as a means to help meet management objectives, provide opportunities for economic activity, facilitate recreational use of the public lands, control visitor use, protect recreational and natural resources, and provide for the health and safety of visitors. Cost recovery procedures for issuing Special Recreation Permits will be applied where appropriate.

REC-47 (page 98): Priority for authorization of new Special Recreation Permits for events are given to applicants proposing uses that: do not duplicate existing events; take place outside of March, April, May and October; make use of less-crowded weekdays; utilize facilities off public lands for overnight accommodation of guests; display and communicate the Canyon Country Minimum Impact Practices; and focus visitation on sites and area capable of withstanding repeated use.

REC-48 (page 98): All Special Recreation Permits will contain standard stipulations appropriate for the type of activity and may include additional stipulations necessary to protect lands or resources, reduce users conflicts, or minimize health and safety concerns.

REC-49 (page 98): There will be no competitive mechanized or motorized events in Wilderness Study Areas while these areas are managed under the *Interim Management Policy for Lands Under Wilderness Review*.

REC-50 (page 98): Issue and manage special recreation permits for a wide variety of uses to enhance outdoor recreational opportunities, provide opportunities for private enterprise, management user-group interaction, and limit the impacts of such uses upon natural and cultural resources. Organized group permits are required for groups with 25 or more vehicles (one driver/vehicle).

In addition, there are ten Special Recreation Management Areas within the Moab Field Office. Recreation Area Management Plans have been prepared for eight of them (Cameo Cliffs, Canyon Rims, Colorado Riverway, Dolores River Canyons, Sand Flats, South Moab, Two Rivers and Utah Rims.) Guidance on issuing Special Recreation Permits varies according to the recreation area management plans; these decisions emanate from those made in the Resource Management Plan. For instance, no motorized events are allowed within the Canyon Rims Special Recreation Management Area or within the Dolores River Canyons Special Recreation Management Area. Recreation Area Management Plans are in preparation for the Labyrinth/Gemini Special Recreation Management Area and for the Lower Gray Canyon Special Recreation Management Area.

Land-Based Special Recreation Permits in the Moab Field Office

The Moab Field Office administers approximately 197 land-based special recreation permits (as well as another 33 Special Recreation Permits for river outfitters, which are addressed in the Business Plan for WBS# LVRD UT020000). The land based permittees consist of approximately 135 commercial outfitters, 15 competitive event organizers and 47 organized group events. Land-based Special Recreation permit holders provide recreation services to approximately

62,000 visitors per year. The Moab Special Recreation Permit program is the largest issuer of Special Recreation Permits of any field office in the BLM. (The El Centro, California Field Office is second with 137 Special Recreation Permits).

Entities are required to obtain a Special Recreation Permit to offer commercial outfitting services, hold recreation events, or conduct competitive races on public lands. Fees for Special Recreation Permits are set by national BLM policy and regulation. Commercial outfitters are charged 3% of gross. Organized group event permittees are charged \$5 per person per day for activities on public land. Competitive events are also charged at a \$5 per person per day rate.

B. Description of the Permitting Program

Land-based Special Recreation Permit holders in the Moab Field Office offer a wide variety of outfitter services, including, but not limited to, guided jeep tours, guided biking tours, hunting services, guided hiking services, guided photography tours, outdoor education tours, horseback riding, shuttle services, ballooning trips, guided motorcycle and ATV tours and guided climbing services. Organized events include running races, endurance horse rides, vehicle-based club tours, and unicycle events. Competitive events include both running and bike racing events. Table 2 shows the number of Special Recreation Permit holders in the Moab Field Office as of December 1, 2011 by their type and primary activity.

Table 2: Number of Land-based Special Recreation Permit Holders (SRPs) in MFO by Type and by Primary Activity, FY 2011

Primary Activity	Number of SRPs
Motorized touring, full sized vehicle	36
Motorized touring, motorcycle or ATV	6
Bicycle touring	34
Hiking/photography touring	30
Hunting services	19
Balloon rides	2
Climbing or canyoneering	35
Equestrian Uses	4
Outdoor Education	6
Competitive foot race	11
Competitive bike race	4
Vending and Livery	10

The land-based Special Recreation Permit program in the Moab office has grown over the years. Table 3 shows the total number and types of permits issued during the past three fiscal years.

Table 3: Total Land-Based Special Recreation Permits, by Type and Year

Fiscal Year	Commercial	Competitive	Group Event	Vending/Livery	TOTAL
FY09	134	8	3	3	148
FY10	163	8	3	3	177
FY11	125	15	47	10	197

Land-based Special Recreation Permit holders service visitors of all types. Commercially guided clients come from every state in the Union, as well as from overseas. Those participating in competitive events tend to be drawn from the Intermountain region. Participants in organized group events are drawn both from throughout the intermountain west and beyond. For instance, the 2011 Moab Jeep Safari drew participants from 32 states and 13 foreign countries.

Land-based Special Recreation Permit holders form a diverse business population. Some businesses holding Special Recreation Permits are well-funded and heavily capitalized businesses, while others provide part-time employment for their owners.

Thousands of visitors from all over the nation and the world are served by land-based Special Recreation Permit holders. The figures for the past three years for users and user-days are found in Table 4.

Table 4: User-days for Land-Based Special Recreation Permit Holders, by Type and Year

Fiscal Year	Users	User Days
FY09	42,179	48,692
FY10	56,039	61,368
FY11	(not yet compiled)	(not yet compiled)

C. Land-Based Special Recreation Permit Revenues

Land-based Special Recreation Permit user fees are collected at the conclusion of the calendar year (or 30 days after the last use on Moab public lands). Fees are set for Special Recreation Permit holders by national policy. As of 2011, commercial use fees are 3% of gross; organized group and competitive event fees are \$5.00 per person per day. In addition, assigned site fees may be charged. Permittees are billed for their use on public lands after they submit their post-use report for the calendar year.

Special Recreation Permit fees are deposited into a separate recreation fee revenue account established exclusively for Moab land-based permittees' fees (LVRD UT08 0000). Table 5 displays revenues collected in this account for the past five years.

Table 5: Recreation Fee Revenues Deposited in LVRD UT08 0000

Federal Fiscal Year	Revenues
2011	\$171,480
2010	\$158,594
2009	\$206,100 ¹
2008	\$155,255
2007	\$156,090

Source: BLM Collections and Billings System database

The projected annual revenues are expected to be \$172,893 in 2012 (average of last five years, plus 2% growth). This figure is based on past revenue, with provision for growth following the general recreation visitation growth pattern reported in the study done by Headwaters Economics. There are no other anticipated changes in revenue such as the loss of financially significant permit holders.

Revenue Development

Managing for Positive Special Recreation Permit Results

The goal of the Special Recreation Permit program in the Moab Field Office is to enhance recreation services to meet increasing demand for land-based recreation. In order to meet the demand, the field office will seek to increase land-based Special Recreation Permit revenues by managing for positive Special Recreation Permit results for the following four groups: Special Recreation Permit holders, the local community, the Special Recreation Permit participants, and the BLM.

The Special Recreation Permit holder benefits by:

- (1) having the opportunity to attain permits in a timely manner
- (2) being able to operate a stable and successful public land-dependent business or activity
- (3) having a predictable and stable business relationship with BLM, including efficient, low-cost processing of routine transactions

The local community benefits by:

- 1) the development of business opportunities in the outdoor recreation sector
- 2) the provision of jobs for its citizens and tax revenues for local government
- 3) gaining improved services and quality of life through facility development and resource protection.

The Special Recreation Permit participants benefit by:

- 1) the provision of enhanced, interpretive and educational recreational experiences
- 2) the provision of improved public lands facilities for outings (i.e. clean toilets)
- 3) the ability to get together with like-minded enthusiasts for organized events

The BLM benefits by:

¹ The spike in revenues in 2009 is due to both 2008 and 2010 payments being deposited in 2009.

- 1) meeting its land management goals, including protection of cultural and natural resources
- 2) being able to direct Special Recreation Permit holders to appropriate locations for their activities
- 3) partnering with Special Recreation Permit holders as stewards of the public lands
- 4) providing for a more stable (and hence knowledgeable) BLM work force
- 5) lowering costs by developing improved business management systems
- 6) provision of revenues to use for program management and facilities enhancement.

The positive Special Recreation Permit results summarized above allow commercial outfitters and organized group permit holders to work with the BLM to achieve mutually agreed-upon goals. As users of the public lands, outfitters and groups have a vested interest in their sustainability. The local community gains in its most important economic sector, and participants and the public benefit by increased opportunities to enjoy public lands.

Revenue Capture and Special Recreation Permit Compliance

The achievement of positive Special Recreation Permit results requires capture of revenue in order to provide necessary services. Presently, the Moab Field Office seeks to capture all revenue due to the government from land based commercial, organized groups and competitive event users. Continuing actions include field patrols, careful auditing of post-use reports, and the use of a tailor-made Special Recreation Permit database to professionalize contacts and to accurately determine payments due. In addition, the Moab BLM has developed a system of reservable group sites that provide venues for Special Recreation Permit holders. For instance, the Goldbar group site complex is utilized by adventure race promoters for staging and finish lines. These group sites also serve as a ready-made venue for large group activities that involve camping, such as Adventure Rabbi and Labor Day Jeep Safari.

The Moab BLM works with existing permittees to provide additional opportunities for the public by providing excellent service to Special Recreation Permit holders. For example, all business relations are managed through the database, in conjunction with CBS. Permittees seeking new areas of authorization are able to obtain augmentations to their permits in a timely manner. Permit applications are taken at any time, and are normally processed in less than one month.

To protect Special Recreation Permit holders, the public, and the public lands, aggressive efforts are undertaken to ensure that Special Recreation Permits are obtained by all who require them. Existing Special Recreation Permit holders are encouraged to report “pirate” activities, and many have done so over the years. In addition to field patrols, staff regularly search the internet for businesses and groups utilizing public lands without a permit, as well as work with other agencies and BLM offices to ensure permit compliance. Staff also document the presence of vehicles and groups that require permits; follow-up contacts are made with these groups. Staff review advertisements and acquire business cards; staff then contact those who are operating on public lands, inform them of permit requirements, and give them an opportunity to acquire an Special Recreation Permit. Entities continuing to operate without authorization are cited for non-compliance with Special Recreation Permit regulations.

Future efforts at Special Recreation Permit revenue development by the Moab BLM include compiling a web list of potential business and event opportunities, emphasizing suitable areas. For instance, the newly constructed Moab Canyon Bike Trail and Bar M Parking Lot/Staging Area present new opportunities for event holders, as they are perfect venues for running races, wheelchair hill climbs or bike events. Other event staging areas such as Jug Rock will be improved as an approved location for staging events. The Moab BLM is also constructing the Moab Skyway Day Use Area as an event venue; it is hoped that the provision of this location will jump-start new businesses and organized group events by providing a location for event registration and participant contact. The Moab BLM will continue to work with its non-profit partners to develop facilities. For example, the Moab BLM has worked with Trail Mix (the non-motorized committee of Grand County) to develop a system of singletrack bike trails that can be used by Special Recreation Permit holders. This system of singletrack bike trails has revitalized the bicycle recreation sector in the Grand County economy.

D. Expenditures

In addition to permit administration expenditures, The Moab Field Office maintains an infrastructure that supports special recreation permit holders. For instance, 49 trailheads have been provided to service guided trips. Approximately 15 of these trailheads have toilet facilities which are maintained by the BLM. Other services provided include maintenance of travel plan signing as well as maintenance of hiking, bicycle and motorcycle trails. The BLM also provides interpretive sites throughout the field office that are utilized by special recreation permit holders.

Annual operating costs for the Special Recreation Permit program include expenditures for permit administration, permit monitoring, law enforcement services, trailhead maintenance and cleaning, vault toilet pumping, trail maintenance and marking, and trash disposal. Up to nine permanent employees provide services to the land-based Special Recreation Permit program: two recreation employees are involved with permit administration, three are involved with permit monitoring and trail marking, two law enforcement officers provide compliance checks, and two maintenance workers ensure the cleanliness and safety of the facilities. These maintenance duties include repair and cleaning of the trailhead toilets, trash collection, and maintenance and repair of routes, trails and other recreational infrastructure. The labor expended by each employee has been prorated among the various fee accounts in which he or she works.

The vehicles used to support the maintenance, monitoring and law enforcement staff include pick-up trucks, a dump truck, and a Bobcat. Table 6 identifies the annual expenditures associated with the Special Recreation Permit program, revenues, and the net gain /loss for the last five fiscal years.

Table 6: Actual Expenditures of Permit Fees, by Year (LVRD UT08 0000)

Federal Fiscal Year	Staff Labor	Operations Costs	Total of Annual Expenditures	Revenues	Net Gain/Loss	Fund Balance
2011	\$154,460	\$42,654	\$197,114	\$171,480	(\$25,634)	\$283,164
2010	\$127,412	\$18,362	\$145,774	\$158,594	\$12,820	\$308,798
2009	\$94,672	\$19,181	\$113,853	\$206,100 ²	\$92,247	\$295,979
2008	\$123,740	\$42,219	\$150,354	\$155,255	\$4,901	\$203,733
2007	\$94,873	\$28,253	\$137,092	\$156,090	\$18,998	\$198,832
5-Year Average	\$119,031	\$30,133	\$148,837	\$149,503	\$20,666	\$258,101

Additional costs to the government of administering the permitting program include managerial support, work by recreation planners and park rangers and office overhead. These costs are generally borne by the L1220 account (Recreation Management) or the L1210 account (Wilderness Management).

Positive Fund Balance Maintenance

The Moab Field Office will strive to maintain a positive fund balance of no less than the prior year's expenditures in the UT 08 account (\$200,000 in FY 2011). The reason for this goal is to have the flexibility to obtain matching funds in applying for grants, effect emergency repairs, provide long-term stability for staff services, provide capability to meet unanticipated costs or to take advantage of unforeseen opportunities to improve services, or to use revenues to provide future recreation infrastructure to support visitor use. This fund balance will be managed as a working capital fund, with the goal of investing in facilities and services that will promote program growth consistent with visitor demand through generation of increased revenue.

Maintenance of a positive fund balance is essential because the economy of Grand County (Frommer's "Top Adventure Destination" worldwide) is dependent upon the recreational use of public lands. Moab BLM, as BLM's top issuer of commercial, competitive and organized group permits, plays an essential role as the majority of these activities are not allowed in the area's two national parks. Our business and other partners depend upon the BLM providing proper authorizations and facilities in a timely manner so that the Grand County economy can prosper.

Headwaters Economics produced an economic study for Grand County in October of 2011 (*The Economic Value of Public Lands in Grand County, Utah*). That study found that least 44% of the jobs (1,486 of the 3,378 private sector jobs) in Grand County are directly in the recreation sector and thus are dependent on public lands. This figure does not include jobs in the government sector that depend upon tourism (including Federal, state and local government), nor does it include jobs closely related to tourism, such as grocery stores and specialty vehicle shops. The study found that, "it is the robust variety of outdoor activities, largely on public land" that

² The spike in revenues in 2009 is due to both 2008 and 2010 payments being deposited in 2009.

drive the Moab economy (*The Economic Value of Public Lands in Grand County, Utah, page 6*). The majority of these activities are provided by BLM Special Recreation Permit holders.

Continuity of Operations

The Special Recreation Permit program in the Moab Field Office is the mainstay of the Grand County economy. As such, the continuity of its operations is vital not only to individual businesses, but to the entire community. The Special Recreation Permit program must continue to operate, even in light of an unexpected or sudden loss of appropriated funds or a decline in fee revenue. The Fund Balance will be maintained as explained above, and, in addition, the following steps will be taken should appropriated monies (or fees) decline:

- 1) Site construction and improvements would be deferred; maintenance will continue
- 2) Spending would be focused on key frontline recreation staff
- 3) Spending on non-revenue producing agreements would be eliminated, reduced or deferred
- 4) Fee adjustments would be implemented where allowed by law to maintain services and program capability
- 5) The season during which services would be offered would be reduced
- 6) Low use, non-profitable sites would be closed if necessary to maintain economic health
- 7) Other allowable actions would be taken as necessary to maintain a positive fund balance to ensure the continuity of services in the Special Recreation Permit program.

Should appropriated funds be greatly reduced or eliminated, the Moab Field Office will take action by managing Special Recreation Permit revenues and expenditures to maintain continuity of operations for the program.

E. Priorities for Future Expenditures

Table 7 shows the estimated annual UT 08 operating costs for Fiscal Years 2012, 2013 and 2014.

Table 7: Estimated Annual Operating Costs (from UT08) for the Special Recreation Permit Program

Federal Fiscal Year	Estimated Revenues	Staff Labor	Operations Costs	Total Annual Expenditures From UT08
2012	\$173,000	\$143,000	\$30,000	\$200,000
2013	\$176,000	\$146,000	\$30,000	\$210,000
2014	\$180,000	\$148,000	\$32,000	\$220,000

While the Moab Field Office uses collected Special Recreation Permit fees (UT 08) to cover some of the operating costs of the Special Recreation Permit program, appropriated federal funds will again be used in fiscal years 2012 and beyond to augment these revenues. For example, items such as the garbage collection contract and the vault toilet pumping contract are presently paid for by appropriated monies, although with expected cost increases, UT 08 funds may be required to supplement appropriated funds.

Labor costs of those working in the Special Recreation Permit program will also continue to be supported by appropriated monies, including 1220 (Recreation Management), 1210 (Wilderness Management) and 1651 (Operations Management). Of the nine people working in the Special Recreation Permit program, \$58,616 dollars are allocated to them for Special Recreation Permit work from L1220, \$27,444 dollars for Special Recreation Permit work in L1210 (FY 2011) and \$36,855 in L1651 for FY2012. (That is, the proportion of time employees worked in the Special Recreation Permit program utilizing non-fee dollars was calculated for FY 2012. This means that \$122,915 in allocated funds will be spent doing Special Recreation Permit work in FY 2012.)

Major expenditures on projects in support of the lands-based Special Recreation Permit program include the addition of new toilets and other infrastructure, including parking, at trailheads. There is a need for at least 12 new trailhead toilets at various locations throughout the field office. The estimated cost of these new toilets and associated trailhead improvements is projected to be approximately \$560,000. These new toilets would require maintenance on at least a weekly basis. Projects such as these are gradually being funded by the UT 08 program. See Appendix A for a list of future projects that require UT 08 monies.

It is important to maintain a fund balance in the recreation fee accounts, including that derived from Special Recreation Permit fees, so that the BLM can provide seamless permit administration, address threats to public health and safety immediately and to allocate revenue for future investments in recreation infrastructure. The fund balance would also be available to cover labor costs of those employees involved in the Special Recreation Permit program should allocated monies be reduced. The Moab Field Office has determined that approximately \$200,000 should be available in the UT08 account for the above purposes. This amount would allow maintenance of the average past three years of program expenditures (\$100,000) for purposes of program continuity and provide for future improvements to sites (\$100,000).

The primary objectives for potential future revenues generated by the UT08 program are to enhance the quality of visitor experiences and cover the rising operational costs of administering, monitoring, maintaining and improving the Special Recreation Program and the infrastructure upon which it is based. The Moab Field Office estimates that \$2,000,000 is necessary over the next 10 years to maintain and improve the quality of service that permittees and their customers have received. The fact that the Grand County economy is largely dependent upon the Special Recreation Permit program provided by the Moab Field Office adds to the importance of this mandate.

F. Conclusion

In conclusion, the Moab Field Office's Special Recreation Permit program is by far the largest of its kind in the BLM. As documented above, the robustness of the local economy is dependent upon the successful operation and continuity of the BLM's Special Recreation Permit program. Continuing management for positive Special Recreation Permit results is essential for the long-term economic health of the local community.

Appendix A: Specific Site Related Future Expenditures Using UT 08 Monies

Sites Utilized by Permittees that Require Improvements in the Moab Field Office (Amount = capital improvement only; no maintenance costs are included)

1. Bar M Trailhead and Event Staging Area -- Parking, Sanitary and Access Improvements
\$65,000
2. Moab Skyway Development - \$60,000
3. Klondike Bluffs Trailhead and Toilet - \$35,000
4. Gemini Bridges Toilet - \$40,000
5. Mud Springs Trailhead, Parking and Toilet - \$40,000
6. UPS Toilet - \$5,000
7. Jug Rock Events Staging Area and Toilets- \$150,000
8. Mill Canyon Trailhead and Toilet - \$35,000
9. White Wash Sand Dunes Toilets and Staging Area - \$150,000
10. Improvement of Bitter Creek toilet facility - \$20,000
11. Utah Rims trailhead improvements - \$50,000
12. Bartlett Slickrock trailhead improvements and toilet - \$35,000
13. Wall Street climbing area toilet - \$50,000

It is to be noted that all the above sites will require maintenance services on at least a biweekly basis.

Route Marking and Delineation, Interpretation and Other Projects

1. Trail Mix (Grand County) Matching Funds for trail construction and maintenance-
\$10,000 per year
2. BLM trail and travel maintenance and marking - \$50,000 per year
3. Interpretation panels at 20 trailheads - \$20,000

References

Headwaters Economics, *Economic Value of Public Lands in Grand County, Utah, 2011*,
October, 2011

U.S. National Forest Service, *National Visitor Use Monitoring Report for BLM Moab Field
Office, 2007*