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Acknowledgements

Chelan County PUD is grateful for the efforts of the Project Management Team, as well as the information provided by Washington State Parks, the City of Entiat, the Port of Douglas County, and Recreation Resource Management, Inc., for this project. Their support continues to foster the success of our park system and contributes to quality recreation opportunities for our customers and our community.

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Executive Summary

In February 2013, Public Utility District #1 of Chelan County (the District) began a financial and operational analysis of its six park sites that provide overnight camping along the Columbia River. These parks are associated with two hydropower projects (Rocky Reach and Rock Island) owned and managed by the District. The purpose of the study is to analyze current campground and park operations and provide recommendations for alternative operations and future improvements.

The study included the following six parks:
- Beebe Bridge Park
- Daroga State Park
- Lincoln Rock State Park
- Wenatchee Confluence State Park
- Orondo River Park
- Entiat Park

These sites are part of a more extensive system of 14 public parks owned by the District (Figure 1). Each study site provides overnight camping, in addition to other day-use recreation opportunities. The sites currently are managed by four different entities, including the District, Washington State Parks (State Parks), the City of Entiat, and the Port of Douglas County (the Port). Orondo River Park is co-owned by the District and the Port, and is currently contracted for operations to Recreation Resource Management, Inc. (RRM).

The parks are on average approximately 25 years old and are facing the strain of the economic recession and reduced parks funding for maintenance and operations. There is uncertainty around the continued operations of Lincoln Rock, Daroga, and Wenatchee Confluence by State Parks because of statewide budget reductions, and at Orondo River Park because of the difficulty the Port has faced in finding a quality contracted operator for the site.
Planning Process

This report presents the analysis and findings of a multi-tiered planning process that was designed to address the question of how best to operate these six sites in the future. It builds on existing information and the analysis of operations, service levels, and park usage to develop recommendations for improvements (Figure 2 below). It discusses several case studies to identify best practices in the field. It creates decision-making criteria and discusses operational alternatives for the study sites.

Figure 2: Foundation for Decision-Making

Management Alternatives

The analysis included the development of three alternatives that highlight different options for future park management and different levels of District support. The alternatives are described in terms of the park management scenarios, which affect service levels, long-term costs to the District, and recommended improvements. As noted in Section V of this report, the alternatives include:

- **Alternative 1: Current Arrangement Optimized**: Alternative 1 is the “benevolent guardian” model, where the District plays a stronger role than it does currently in providing direction to help various operators be successful and meet specific standards. It assumes that the sites would continue to be managed and operated by current operator, including State Parks, the Port, the City of Entiat, and the District. However, the arrangement would be optimized by standardizing expectations, promoting
efficiencies, and establishing cost recovery targets to ensure that the District’s financial obligation is more predictable. The District would continue to provide funding and staffing support for operations at a defined level, and it would fund and provide stronger oversight/management of capital improvements to replace worn and deteriorating assets.

• **Alternative 2: District as Operator:** Alternative 2 is the “exceptional operator” model, where the District provides a high level of park maintenance and low-cost services to support the public good (for its customer-owners and other park users). This alternative assumes that the District would operate four parks, and Orondo River Park would be closed. The City of Entiat would continue to operate Entiat Park. The alternative recognizes that the District would maintain and operate its four sites at a high level of service, increasing operational costs. It would invest in quality capital improvements to enhance services for the local community, and naturalize Orondo River Park and transfer its recreation capacity to Lincoln Rock and Daroga Parks.

• **Alternative 3: Contract with Another Operator:** Alternative 3 is the “interested auditor” model, where the District contracts with another operator to operate five sites on a break-even basis. It assumes that five sites would be managed jointly for efficiency, and the City of Entiat would continue to operate Entiat Park as long as it meets higher cost recovery targets. The District would set parameters for service level standards and financial targets for both operators, who would report back regularly so the District can audit park operations and ensure Federal Energy Regulatory Commission (FERC) compliance. The scenario assumes that the independent operator would require no operational support from the District, and the City of Entiat would receive less operational support than currently. Working with the contracted operator, the District would fund capital improvements, investing more heavily in revenue-generating facilities that attract visitors and local residents to the park.

In this report, each alternative is evaluated in terms of its costs, alignment with the District’s service level evaluation criteria, and overall strengths and weaknesses. This information is summarized below.

**Cost Comparison**

Figure 3 on the following page compares the alternatives in terms of estimated costs supported by the District for operations and maintenance (O&M) and capital projects in the next 25 years. While operators in all three alternatives are faced with higher cost recovery targets, it is presumed that the independent operator in Alternative 3 would not require any District support for operations.
Service Level Comparison

All three alternatives must provide a minimum level of service as required by federal, state and local regulations. However, there still are substantial differences in the quality of maintenance, customer service, and asset preservation that would be provided by different operators. To accurately compare service levels, Section IV defines service level evaluation criteria, which note the guiding principles that are used by the District to make decisions about the types, quantity and quality of services to provide in parks. The same criteria can also be used to measure the “fit” of each alternative with the District’s vision, mission and goals.

Six categories of evaluation criteria have been identified:

- Strategic Plan Alignment
- Customer Service
- Financial Stability
- Asset Preservation and Replacement
- Environmental and Cultural Resource Protection
- Regional Economic Vitality
The three alternatives evenly support criteria in three categories. For example, each of the three alternatives is aligned with the District’s Strategic Plan, supports regional economic vitality, and carries forward the District’s environmental and cultural resource values through design, construction, maintenance, and operations. However, the alternatives vary in the degree in which they meet criteria in the remaining three categories: customer service, financial stability, and asset preservation and replacement. Table 1 below summarizes the degree to which each alternative meets the criteria. (See Appendix G for additional details.)

**Table 1: Alternative Alignment with Service Level Criteria**

<table>
<thead>
<tr>
<th>Regulation / Criteria Category</th>
<th>Alt. 1</th>
<th>Alt. 2</th>
<th>Alt. 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Service</td>
<td></td>
<td>●</td>
<td></td>
</tr>
<tr>
<td>Financial Stability</td>
<td>Variable</td>
<td>○</td>
<td>●</td>
</tr>
<tr>
<td>Asset Preservation and Replacement</td>
<td>Variable</td>
<td>●</td>
<td></td>
</tr>
</tbody>
</table>

Rating: ● Meets most criteria, Meets some criteria, ○ Meets few criteria, Variable = varies depending on site operator

The evaluation illustrates that different expectations are applied depending on who is operating the parks. For example, when the District is in charge of park operations (Alternative 2), it strives to prioritize a high level of customer service and asset stewardship ahead of defining capped financial metrics. On the other hand, an independent provider (as noted in Alternative 3) may decrease customer and maintenance service levels to the minimum needed to support park use, in order to maximize operating efficiencies.

**STRENGTHS AND WEAKNESSES**

The major strengths and weaknesses of each alternative are summarized in Table 2 on the following page. As shown in the table, each alternative has its merits, and each would require the District to make some changes from current practices. While the three alternatives represent viable future directions, the District’s future operating system for the six sites may involve a variation or hybrid of the three alternatives.
### Table 2: Alternative Alignment with Service Level Criteria

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
</table>
| Alternative 1: Current Arrangement Optimized | • Retains existing relationships.  
• Provides more certainty for District in terms of level of financial commitment each year. | • Most complicated operationally for the District.  
• Greatest variability in service levels and fees among the sites.  
• District may feel obligated to provide additional support if cost recovery targets are not met. |
| Alternative 2: District as Operator | • Highest level of control for District.  
• Simplified structure, consistent policies at most sites.  
• Highest level of maintenance and customer service. | • Most costly over the long-term.  
• Creates a need for more District staff.  
• Forces District to charge for facility use and day-use at the six sites, which changes relationship with customers. |
| Alternative 3: Contract with Another Operator | • Simplest structure organizationally.  
• Most cost effective for the District. | • Increases fees and charges for park users.  
• Least control for the District, though contract would allow termination with operator if terms not met.  
• Requires District to make long-term commitment to avoid potential cost and risk of operator changes. |
Conclusion/Next Steps

This study has confirmed that the District, as a dedicated steward of public trust, needs to be able to budget for its parks program more predictably and that changes to current practices will be required. However, any of the three alternative approaches to campground operations and management studied are valid and viable directions for the District. Each alternative has strengths and weaknesses, as well as different financial implications. This report and accompanying appendices provide the District with the depth of information needed to make decisions about the campground operations as the District proceeds with the Strategic Plan update beginning in May 2013.

Next steps include the following:

- Use the Strategic Planning process to update and further define priorities for Financial Stability and Customer Service. As part of the Strategic Plan process, the District should then re-examine the alternatives in light of new information about customer-owner preferences.

- Investigate concessionaire options (in addition to RRM), if there is interest in exploring Alternative 3. This would include telephone interviews with potential concessionaires to help gauge interest and terms.

- Define desired financial and visitor data to be reported for each site, as well as a desired format. This should be set up to make it easy for District staff to understand the campgrounds at a glance, be consistent with the District’s own day-use reporting, and potentially provide information needed for FERC reporting and future relicensing. As arrangements with operators are formalized, specify reporting requirements.

- “Ground truth” the dollar figures in this report, especially the operating and revenue generation figures.

- Identify the level of financial support the District will provide to the campgrounds and parks, for operations as well as for capital improvements. In addition, identify a financial performance (cost recovery) expectation for the campgrounds. The targets will depend on the District’s decisions regarding Financial Stability and Customer Service priorities, and will be refined over several years as data collection is streamlined and a better understanding of the costs of other operators is developed.
Campgrounds and Park Operations
Analysis & Alternatives
1. Introduction

In February 2013, Public Utility District #1 of Chelan County (the District) began a financial and operational analysis of its six park sites that provide overnight camping along the Columbia River. These parks are associated with two hydropower projects (Rocky Reach and Rock Island) owned and managed by the District. The purpose of the study is to analyze current campground and park operations and provide recommendations for alternative operations and future improvements.

Planning Context

In response to an extended economic recession, park and recreation departments across the country are evaluating their services to identify ways to improve services, reduce costs and operate more efficiently. The loss of traditional sources of park funding is making it more challenging to take care of existing assets, steward resources and provide a high level of customer service. These issues are affecting District parks and campgrounds, where four different park operators are looking for ways to address aging park infrastructure, deferred
Introduction

maintenance, and demands for programs and services. The result is a system of parks and
campgrounds with different fees, different services and variations in the quality of customer
service by site.

For the District as a park owner, there also are concerns around the long-term viability of
continuing to work with existing park operators. Looming budget cuts in the state of
Washington raise a question as to whether Wenatchee Confluence, Daroga, and Lincoln
Rock State Parks will continue to be operated by Washington State Parks (State Parks). Also,
there is uncertainty as to whether the Port of Douglas County (the Port) will continue to
manage Orondo River Park, if the current contracted operator does not return next year.
This site has had three different operators in the last four years. Including the City of Entiat,
each operator is asking or expecting the District to contribute additional funding and/or
staffing support for park operations as well as capital development. Each operator is
simultaneously cutting services. Since no maximum resource contribution or minimum
service levels have been defined, it is unclear how much the District will be asked to
contribute when aging infrastructure should be replaced.

While the funding question is paramount, the District is looking for overarching guidance on
how best to manage and operate its parks with camping facilities. This includes addressing
changing recreation trends and community and visitor recreation needs. It also includes
identifying an appropriate level of capital development, as required by the Federal Energy
Regulatory Commission (FERC) and as needed to refresh parks that are on average 25 years
old. The District also wants guidance on how best to manage and operate District parks in a
way that supports the public trust and honors the investment made by District customers. It
wants to be certain that it is drawing the right line in allowing existing operators to defer
maintenance, while ensuring that assets are adequately taken care of and sustained for
future use.

This report tackles these questions. It aims to provide the District with a solid foundation to
make future decisions about park operations and management. It provides information and
guidance that is flexible to reflect changing economic and funding circumstances for State
Parks and other operators.

Planning Process

This report presents the analysis and findings of a multi-tiered planning process (Figure 1-1
on the following page). It builds on existing information and the analysis of operations,
service levels, and park usage to develop recommendations for improvements. It discusses
several case studies to identify best practices in the field. It creates decision-making criteria
and several alternatives for future operations to provide guidance in moving forward with
future decisions for the six park sites and campgrounds.
Report Organization

This report is organized into the following six sections:

- **Introduction**: The introduction describes the purpose of the document, the planning context, the planning process and the organization of this report.

- **Current Operations and Use**: This section provides an overview of the six sites and summarizes current demographic data and trends that will help forecast future park use.

- **Key Issues and Priorities**: The analysis of current operations, park use, and case studies identified several issues and trends that influence services and service levels provided in parks. These are summarized in this section.

- **Service Level Priorities**: Service level evaluation criteria are defined to assist in evaluating the level of service provided under different proposed alternatives.

- **Management Alternatives**: Three different management scenarios and service level alternatives are presented to illustrate potential 25-year costs for operations and capital development.

- **Conclusions and Next Steps**: This section provides recommendations for next steps, as well as guidance on decision making with regards to improving operations.
Introduction

Accompanying the report are seven appendices that provide pertinent background information related to report findings:

- **Appendix A: Current Operations**: This appendix describes the characteristics of each park, providing an overview of site management, operations and funding in greater detail than in the report body.
- **Appendix B: Service Level Criteria**: This appendix summarizes the ranking of service level criteria.
- **Appendix C: Case Studies**: This appendix presents key findings from the six case study interviews used within the report.
- **Appendix D: Existing vs. Estimated Park Costs and Rates**: This appendix presents existing park operations costs and potential costs for each of the alternatives.
- **Appendix E: Projected Growth in Park Utilization**: This appendix outlines the assumptions used to project park growth scenarios.
- **Appendix F: Capital Cost Assumptions**: This appendix provides the assumptions used to determine projected capital costs outlined in the report.
- **Appendix G: Alternative Evaluation by Service Level Criteria**: This appendix provides the extent to which each alternative fulfills the service level criteria.
II. Current Operations and Use

Park Overview

The study includes the following six parks:

- Beebe Bridge Park
- Daroga State Park
- Lincoln Rock State Park
- Wenatchee Confluence State Park
- Orondo River Park
- Entiat Park

These sites are part of a more extensive system of 14 public parks owned by the District. Figure 2-1 below shows their locations within the park system. Each study site provides overnight camping, in addition to other day-use recreation opportunities. The sites are currently managed by four different entities, as noted in Table 2-1 on the following page. Orondo River Park is co-owned by the District and the Port.

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1 Chelan Falls and Chelan Powerhouse parks are considered one park in the Rocky Reach Licensing documents but are managed as separate parks when considering operations and maintenance.
Current Operations and Use

Table 2-1: Park Ownership and Management

<table>
<thead>
<tr>
<th>Site</th>
<th>Owner</th>
<th>Manager/Operator</th>
<th>Year Opened</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beebe Bridge Park</td>
<td>District</td>
<td>District</td>
<td>1993</td>
</tr>
<tr>
<td>Daroga State Park</td>
<td>District</td>
<td>State Parks</td>
<td>1988</td>
</tr>
<tr>
<td>Lincoln Rock State Park</td>
<td>District</td>
<td>State Parks</td>
<td>1981</td>
</tr>
<tr>
<td>Wenatchee Confluence State Park</td>
<td>District</td>
<td>State Parks</td>
<td>1990</td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>District/Port</td>
<td>Port /RRM(^1)</td>
<td>1974</td>
</tr>
<tr>
<td>Entiat Park</td>
<td>District</td>
<td>City of Entiat</td>
<td>1978(^2)</td>
</tr>
</tbody>
</table>

\(^1\)Recreation Resource Management (RRM) is a private operator hired in 2012 by the Port. RRM will continue to operate this park in 2013.
\(^2\)Entiat Park was redeveloped and expanded by the District in 1978.

PARKS AND FACILITIES

Together these six parks account for approximately 500 acres of the District's 800-acre park system (Table 2-2 on the following page). Each of the parks provide individual campsites (325 total), and several of the parks have specialized overnight accommodations such as group camp areas and cabins. The parks also support day-use visitors with facilities such as picnic shelters, boat launches, turf play areas, trails and a variety of outdoor recreation facilities. Appendix A provides a description of each park site, including the types of amenities and facilities located there.
Table 2-2: Park and Facility Overview

<table>
<thead>
<tr>
<th>Site</th>
<th>Size</th>
<th>Overnight accommodations</th>
<th>Recreation Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Acres</td>
<td>Developed Acres</td>
<td>Acres of Lawn</td>
</tr>
<tr>
<td>Beebe Bridge Park</td>
<td>56</td>
<td>34.4</td>
<td>22</td>
</tr>
<tr>
<td>Daroga State Park</td>
<td>140</td>
<td>47.2</td>
<td>34.7</td>
</tr>
<tr>
<td>Lincoln Rock State Park</td>
<td>60</td>
<td>53.4</td>
<td>36</td>
</tr>
<tr>
<td>Wenatchee Confluence State Park</td>
<td>200</td>
<td>47.7</td>
<td>34.4</td>
</tr>
<tr>
<td>Orono River Park</td>
<td>5</td>
<td>5</td>
<td>3.4</td>
</tr>
<tr>
<td>Entiat Park</td>
<td>40</td>
<td>14.7</td>
<td>10.9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>501</strong></td>
<td><strong>202.4</strong></td>
<td><strong>141.4</strong></td>
</tr>
</tbody>
</table>

Source: Chelan County PUD park data

1 This includes individual sites with full, partial or no utilities. It does not include group areas.

Programs and Services

Programs, special events and services play an important role in providing unique recreation opportunities, attracting visitors, supporting park use, and in some cases, generating revenue. Currently, the focus of customer services and the level of programming varies at each site, especially where some sites have a stronger focus on serving local populations versus visitors. Reservation systems for camping and facilities such as reservable shelters and sports fields vary by site in terms of costs, process (online, telephone, paper), and even whether reservations are available. For-fee amenities and sundries are available at most sites (e.g., showers, firewood, ice), although this varies as well. For example, Beebe Bridge Park provides showers for free, and Lincoln Rock State Park provides a concessionaire-operated camp store. In general, independent concessionaires and vendors are not used frequently to provide enhanced services, with the exceptions of a few specialized and temporary arrangements (e.g., concessionaires for jet ski rentals or vendors associated with events). Additional programming is rare, especially with cuts to State Parks staff that have resulted in decreased interpretative and camp programs at Lincoln Rock, Daroga and
Current Operations and Use

Wenatchee Confluence State Parks. The City of Entiat provides programs at Entiat Park to serve City residents. There has been some coordination with local sports groups and others for use of several sites, but again, procedures, processes and costs have been variable. In general, few of the sites have been programmed to maximize use, especially day-use.

PARK MAINTENANCE AND CONDITION

A park tour was conducted in late February 2013 to provide a brief examination of each site and its condition. With the exceptions of Orondo River Park and Entiat Park\(^2\) (the two oldest sites), all parks and facilities appeared to be in good or very good condition. Various facilities such as sport courts, parking lots and pathways were showing signs of aging (with evidence of filled gaps or cracks in surfacing), and infrastructure upgrades and bank/shoreline stabilization efforts are in process at selected sites. However, no major hazards were noted, and no major signs of deferred maintenance were apparent. Also, facilities and landscaping appeared to be well maintained, although it should be noted that most sites were closed for winter season.\(^3\) Because of the contribution of District resources, including funding, staffing, and equipment at various sites, the parks are maintained at a high service level. Many operators made it clear that the sites would not continue to be maintained in this condition without continued or increasing District support.

Current Recreation Trends and Use

Existing recreation, demographic and park use data were analyzed to get a sense of market characteristics that affect park use. This information helps understand current facility demand and use in order to forecast future facility needs. Key findings are noted below.

Visitor Origin

- **State Parks Campgrounds:** According to tracked visitation data, most visitors to campgrounds at Lincoln Rock, Daroga, and Wenatchee Confluence State Parks come from the State of Washington (88%). A quick scan of the cities of origin suggests that the majority of visitors are coming from the following counties:
  - Chelan
  - Douglas

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\(^2\) Entiat Park is scheduled for renovations, closing at the end of the 2013 park season and reopening in 2015.

\(^3\) The day-use areas at Wenatchee Confluence and Entiat remain open in the winter. Wenatchee Confluence keeps one of two camp loops open year-round. Beginning in 2015, Entiat Park will be open for winter camping.
According to 2011 data, there are more visitors from Canada (9%) than from local cities (6%) or other states outside of Washington (3%).

- **Beebe Bridge Campground**: Visitation to the Beebe Bridge Park campground shows similar market characteristics as the data from State Parks. Most of the campground visitors during a peak month (July 2011) came from the State of Washington (85%), with another 8% from Canada. However, Beebe Bridge Park receives slightly more visitors from local cities (8%), and from states outside of Washington (7%).

**DEMOGRAPHIC TRENDS**

- **Population Growth**: Total population, as analyzed for the key counties of visitor origin in Washington State (noted above), is growing slowly. From 2010 to 2012, the current average annual growth in population has been less than 0.5%. In this decade (2010-2020), average annual growth is anticipated to be approximately 1%. The increase in recreation demand caused by new population will not be extensive.

- **Population Growth by Demographic Group**: Data shows that the highest rates of population growth are anticipated to occur in the following demographic groups:
  - **Older Adults and Seniors**: Of all age groups, the greatest growth (approximately 5%) is projected for older adults and seniors ages 60-80. Generally speaking, people in this age group tend to take advantage of lower impact recreation activities, such as walking or swimming. Baby Boomers also account for the largest segment of RV ownership, as well as the fastest growing segment of the RV market.  
  - **Families**: Population growth is also projected for children under age 9 and adults ages 30-39. This suggests that there will continue to be a market for families with children.
  - **Hispanics/Latinos**: There is a significant local presence of Hispanic and Latino residents in Chelan County (26%) and Douglas County (29%), in comparison to statewide (11%). This population is projected to increase. Studies show that

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4 Local cities include Wenatchee, East Wenatchee, Chelan, Entiat, Cashmere, Peshastin, and Leavenworth.
Hispanic people who camp are more likely than non-Hispanic campers to use public campgrounds (rather than private). They also are more likely to camp with family members and friends and participate in activities such as outdoor cooking, fishing, photography and boating. Participation by Hispanic youth in outdoor recreation activities continues to grow. Generally speaking, day-use recreation trends associated with Hispanic and Latino residents include the tendency to recreate in groups and participate in culturally-popular activities such as soccer.

**Recreation Participation**

- **Recreation Participation (2002 and 2007):** Many of the most popular recreation activities in the State of Washington can be supported at District parks. According to data from the 2002 and 2007 SCORP surveys, walking and hiking, nature activities (nature photography/gardening), picnicking, bicycle riding, and water activities have consistently been among the most popular in the State of Washington, based on the percentage of people participating.

- **Recreation Participation (2012):** The activities that are currently the most popular in Washington show similarities to past activities. According to report findings, the State’s highest participation rates were noted for the following activities: picnicking, barbecuing, or cooking out (81%), walking without a pet (71%), observing or photographing wildlife (59%), gardening (57%), hiking (54%), and walking with a pet (52%).

- **Camping Participation:** Using data from the 2012 SCORP survey, Table 2-3 on the following page illustrates the most popular types of camping based on ranked percentages of people participating in 2011. For Washington residents, tent camping (whether inside or outside a campground) out-ranked RV camping in terms of participation. Boat camping (several types) had far fewer people participating.

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6 Source: American Camper Report, 2012, produced in a partnership between the Outdoor Foundation, Coleman, and KOA.

7 Source: Hispanic Community and Outdoor Recreation, 2006, produced by the UCLA Anderson School of Management for the Outdoor Foundation.


9 Note: In 2012, Washington SCORP survey categories changed slightly, and both singular and grouped activities were measured in terms of popularity. These results are slightly misleading, since “picnicking, barbecuing, or cooking out” combined the percentages of three different activities. Source: Results of General Population Survey in Support of the Development of the Washington State Comprehensive Outdoor Recreation Plan, 2012, produced by Responsive Management for the Washington Recreation and Conservation Office.


**Table 2-3: Statewide Recreation Participation: Camping by Type, 2012**

<table>
<thead>
<tr>
<th>Camping Activity Type</th>
<th>% of Residents Participating</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Camping Total</strong></td>
<td>42.4</td>
</tr>
<tr>
<td>Camping—Tent Camping with Car/Motorcycle</td>
<td>26.5</td>
</tr>
<tr>
<td>Camping—Tent w/ Car/Motorcycle—Campground</td>
<td>21.2</td>
</tr>
<tr>
<td>Camping—RV Camping</td>
<td>14.2</td>
</tr>
<tr>
<td>Camping—RV Camping—Campground</td>
<td>11.2</td>
</tr>
<tr>
<td>Camping—Backpacking/Primitive Location</td>
<td>8.3</td>
</tr>
<tr>
<td>Camping—Tent w/ Car/Motorcycle—Location Not Specifically Designated</td>
<td>7.9</td>
</tr>
<tr>
<td>Camping—Backpacking/Primitive Location—Self-Carry Packs</td>
<td>7.7</td>
</tr>
<tr>
<td>Camping—RV Camping—Location Not Specifically Designated</td>
<td>4.7</td>
</tr>
<tr>
<td>Camping—With a Kayak/Canoe</td>
<td>2.4</td>
</tr>
<tr>
<td>Camping—In a Boat</td>
<td>2.4</td>
</tr>
<tr>
<td>Camping—With a Kayak/Canoe—Location Not Specifically Designated</td>
<td>1.4</td>
</tr>
<tr>
<td>Camping—In a Boat—State Park or Site Specifically Designated</td>
<td>1.3</td>
</tr>
<tr>
<td>Camping—With a Kayak/Canoe—Site Specifically Designated</td>
<td>1.2</td>
</tr>
<tr>
<td>Camping—With a Bicycle</td>
<td>1.2</td>
</tr>
<tr>
<td>Camping—With a Bicycle—Campground</td>
<td>1.1</td>
</tr>
<tr>
<td>Camping—In a Boat—Location Not Specifically Designated</td>
<td>0.8</td>
</tr>
<tr>
<td>Camping—In a Boat—In a Marina</td>
<td>0.7</td>
</tr>
<tr>
<td>Camping—In a Boat—On Open Water</td>
<td>0.6</td>
</tr>
<tr>
<td>Camping—With a Bicycle—Location Not Specifically Designated</td>
<td>0.4</td>
</tr>
<tr>
<td>Camping—Backpacking/Primitive Location—Pack Animals</td>
<td>0.3</td>
</tr>
</tbody>
</table>

- **Latent Demand for Recreation:** The 2012 SCORP survey also measured latent demand—the desire to participate in activities that respondents do not currently do or would like to do more frequently. Activities with the highest latent demand (based on the percentage of people who are not participating, but would like to) include: air activities, hiking, skiing, hunting, fishing, canoeing/kayaking, camping, and boating. These activities represent areas where the market could be expanded to attract new users.

What is more interesting is data showing activities that Washington residents are already participating in and would like to do more of (Table 2-5 on the following page). Camping is third on this list, and many of the top ten activities with the highest latent demand are supported by various District parks.

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10 Air activities include bungee jumping, hang gliding, hot air ballooning, sky diving, chartered flight sightseeing, and flying glider, ultralights or other aircraft.
Current Operations and Use

Table 2-5: Statewide Recreation Participation: Latent Demand for Recreation

<table>
<thead>
<tr>
<th>Activity</th>
<th>% of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>More activities in general</td>
<td>13.2%</td>
</tr>
<tr>
<td>Hiking</td>
<td>12.4%</td>
</tr>
<tr>
<td>Camping</td>
<td>12.2%</td>
</tr>
<tr>
<td>Fishing/shellfishing</td>
<td>9.0%</td>
</tr>
<tr>
<td>Walking</td>
<td>7.6%</td>
</tr>
<tr>
<td>Bicycling</td>
<td>6.4%</td>
</tr>
<tr>
<td>Off-road driving/dirt biking</td>
<td>5.1%</td>
</tr>
<tr>
<td>Hunting</td>
<td>5.1%</td>
</tr>
<tr>
<td>Sightseeing/traveling</td>
<td>4.8%</td>
</tr>
<tr>
<td>Boating</td>
<td>4.2%</td>
</tr>
</tbody>
</table>

KEY PREDICTORS OF FUTURE USE

The Rocky Reach Recreation Use Assessment Final Report provides accurate counts of park use at most sites that can be extrapolated to illustrate current and future use. Studies show that the greatest driver in the amount of future park usage is the demand created by new population (which is anticipated to increase by 1% in this market area through 2020). Other key factors that may influence levels of future use include:

- The addition of new facilities (especially facilities in high demand)
- Weather/natural hazards
- Technology/advances in recreation equipment
- Changes in the distance people have to travel or are willing to travel to parks

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12 Source: Outdoor Recreation Data, Trends & Projections—Planning for the Future, by Ken Cordell, U.S. Forest Service Research & Development (Southern Research Station, Athens GA) and Gary Green, Warnell School (UGA).
III. Key Issues and Priorities

Key issues to address in the future management and operations of the six park sites were identified in the analysis of operations, the investigation of case studies and the review of customer satisfaction data and priorities for improvements. These issues are noted below.

Operations Issues
The analysis of current operations revealed several issues that affect successful campground and park operations. Described below, these issues include:

- Inconsistent user experiences
- District service level expectations
- Desire for safe, clean and green parks
- Need for a defined level of District support
- Need for financial targets and data management

INCONSISTENT USER EXPERIENCES

With four different independent operators (along with two different managers overseeing the three State Parks), the six sites offer different services and levels of service. For example, there are variations in fees, the availability and process for making reservations,
staffing, priority services, etc. This could be an asset, if the operators were working in unison to provide a diverse range of fees and services to increase visitation and serve a broader range of people. However, current operators are focused more internally on their sites, and there is not coordination in what is offered among operators. In addition, there is little at most of these parks to identify them as District-owned sites.

The changing focus of staffing in light of budget cuts also illustrates changing priorities that are affecting the level of customer service and relationships with park visitors. For example, more staff are focused on maintenance than programming or customer service at most sites. In the State Parks, fewer staff, an increasing emphasis on rangers as law enforcement officers, and less staff time for interpretive and nature programs are all affecting the experience visitors have while camping at these sites. Many parks are leaning on volunteer camp hosts as the primary point of contact for customers. However, at Beebe Bridge, the District moved away from camp hosts to relying on paid park staff. Recreation Resource Management has made a similar change at Orondo River Park.

**DISTRICT SERVICE LEVEL EXPECTATIONS**

The District provides a high level of service at the sites it operates as a responsible steward of its recreational resources with an overall commitment to do so as a “public good.” It also strives to provide a high level of customer service, particularly for local residents, which includes both District customer-owners as well as Douglas County residents. As a result, imposing fees for day-use or special services, such as facility reservations and events, has historically been viewed by the District as contradictory to “public good.” This perspective focuses District efforts more on customer service and less on operational efficiencies, cost recovery and long-term financial stability. By design, District parks tend to be highly manicured, developed parks with high-maintenance landscaping, such as expansive turf areas. They are very different than more rustic camping opportunities.

There is also a difference in District expectations for other operators who manage District sites. Other operators can charge fees and seem to have more flexibility in the quality of services they provide. However, the District still wants these parks operated at a reasonably high level, so it has occasionally stepped in to offer additional financial or operational support to take better care of park assets. The District may have to re-examine its own expectations and those of its customer-owners as it strives to identify best practices in operations.
**Desire for Safe, Clean and Green Parks**

District expectations around park character and atmosphere influence park development and services. District-owned parks are models of “safe, clean and green” parks. The six sites are well-developed and well-manicured, with expansive, irrigated turf areas, shade trees, and landscaping. The sites have regulations and policies in place to ensure a safe, orderly, family-oriented atmosphere. Security is maintained through different methods that vary by operator, but include the use of security cameras, reliance on rangers with law enforcement training, and/or arrangements with local law enforcement and private security firms to provide additional support during specific events or busy weekends. As priorities change for park management and operations, or if park operators change in the future, the District will need to consider questions around park character such as these:

- **Rustic/Natural Sites:** Parks with more natural open space and a more rustic character typically require less irrigation and maintenance, resulting in lower operations costs. The amount of turf in parks could be reduced so it is kept where it supports recreation, day-use and camping, but eliminated elsewhere or replaced with native plantings.

- **Security/Law Enforcement:** As State Parks has reduced staff, there has been a transition away from rangers focused on customer service and nature interpretation in favor of rangers who provide law enforcement. While this has affected programming and services, it also highlights a concern about how security will be maintained if Daroga, Lincoln Rock and Wenatchee Confluence are not operated by State Parks.

- **Appropriate Activities:** As operators look to support activities that generate revenue in parks, the District may want to strengthen or reconsider policies around noise, group size, alcohol use, jet ski and equipment rentals, vendors, etc.

**Need for Defined Level of District Support**

Operating agreements are in place to define the responsibilities of the District and park operators in managing, operating, and maintaining assets at the six sites. However, economic circumstances and other factors influence the level of service that operators are able to provide. On occasion, operators have requested (or the District has offered) increased support from the District in terms of funding, staffing, etc. As noted in the bullets below, there is no protocol in place to define how much additional support the District should provide, how this additional support should be requested, or where/how the District’s expertise should be applied to improve services.

- **Maintenance vs. Capital Projects:** When operating agreements were composed, the levels of District support for capital projects and maintenance were defined. However, financial and funding issues have clouded these definitions. For example, in State Parks, the District has agreed to fund necessary capital projects that cost over $25,000 and have a lifespan of 13 years. State Parks is to fund all day-to-day maintenance and repair.
projects. In practice, State Parks has funded some large-scale park development projects alone or in conjunction with District improvements. The District has funded small specific repair projects (maintenance) when requested. It is hard to estimate and budget for future District costs when there is no clear line defining responsibilities for the District and operators.

- **Requests for Support:** There is no firm process in place to evaluate requests from site operators for maintenance support. It appears that many decisions are made on a case-by-case basis, and the District has taken on more responsibility for maintenance projects than it is contracted to do. For example, the District has provided additional funding for repairs, loaned equipment and even directed its own staff to handle some maintenance tasks at parks operated by others.

- **Expertise in Capital Project Management and Repairs:** Some infrastructure problems at various sites appear to have been caused by improper installation of electrical wiring, irrigation systems, vaults, and valves. Better selection and management of contractors could have reduced long-term maintenance costs for these items. The District has extensive experience in this area, and may need to increase its role project management.

**Financial Targets and Data Management**

The District has not defined expectations or created a standardized format for operators to use in reporting information to the District about park operations and use. Under current practices, different information is collected by operators in terms of visitor counts and financial data. The District does not have a uniform set of data from park to park (or year to year) to use in auditing or evaluate park operations or in setting cost recovery goals. Several of these issues are defined below:

- **Cost Recovery:** Various operators place a different emphasis on cost recovery and revenue generation, and they have different policies about reinvesting revenues in parks where they are collected. For example, State Parks is beginning to track cost recovery, which currently varies from 60-95% at its three sites, and focus more on fee-based services that provide revenues to support parks operations and services. In comparison, Beebe Bridge and Entiat Parks have a 35-45% cost recovery rate respectively.

- **Revenue Reinvestment:** Different operating arrangements affect whether revenues generated in parks can be reinvested in those parks. Discover Pass fees do not return to individual State Parks to fund operations. Some State Park Managers are clearly looking at options, such as selling firewood, to generate revenues for the parks they manage and maintain. They also have the flexibility to work with concessionaires to increase services in individual parks.
Case Study Trends and Issues

Six case studies were selected in consultation with the Project Management Team to investigate quality operators and entities that could demonstrate best practices in different areas of campground operations. The goal was to represent a mix of utility districts, public agency campground operators, and private concessionaires. Case studies included the following:

- Tacoma Power
- Portland General Electric
- Jackson County Parks
- Chelan County Parks
- Recreation Resource Management Inc.
- Oregon State Parks

The case study investigations revealed several trends and issues affecting successful campground and park operations. These issues include:

**PARK MANAGEMENT AND STAFFING**

- **Self-Management:** Four of the six case studies had been involved in a transition from the use of concessionaires toward self-operations and management. In many cases, this transition seemed to be sparked by concerns over the quality of maintenance and customer service, plus the sense that revenues collected by concessionaires were not necessarily being reinvested in the parks—resulting in the long-term deterioration of assets.

- **Maintenance Contractors:** For most of the case studies, there has been a transition away from using landscape contractors or janitorial services to take care of campgrounds. Most operators are finding it cheaper to do this with their own staff (or camp hosts), where they also have greater quality control. However, some specialized
professional services are needed, where maintenance tasks or capital projects are beyond the skill level of existing staff. These services may be provided by contract staff, or in larger organizations, by staff from other departments.

- **Role of Concessionaires:** Several operators noted that they rely on concessionaires for specialized services, such as boat or equipment rentals, camp stores and food vendors, etc. There was recognition that vendors used in these capacities provide services that may encourage or increase visitation.

- **Camp Hosts:** Many of the agencies rely on camp hosts to provide on-site support, customer contacts, restroom cleaning, and other basic services. In some cases, volunteers are still used effectively in this capacity, where clear agreements are established regarding expectations for services. However, some agencies and private company RRM prefer to use paid camp hosts to increase professionalism and provide a higher level of service. Agencies can invest in these employees through training to enhance the services provided.

- **Standardized or Formalized Operational Processes:** For many agencies, especially where other concessionaires are (or have been) involved, successful operations required some type of clear or standardized processes, with regards to communications, staffing (e.g., training, evaluations), financial reporting, data tracking (e.g., visitor counts, maintenance logs, service level tracking), marketing, capital project requests, etc.

### **FINANCES, FEES AND FUNDING INVESTMENTS**

- **Tracking of Revenues/Expenditures:** Many agencies noted an interest in cost-based decision making, requiring them to be able to track revenues, expenditures and even visitation by park site. It seems to be important to have a clear and easily accessible accounting system to accurately calculate cost recovery and estimate future costs of park operations.

- **Fees:** Many operators established fees in the context of market values. Concerns were noted about lower rates charged by campgrounds managed by agencies with other funding sources negatively affect the market value. Sites with significantly different rates or rate structures can create competition between sites, which most operators attempted to avoid by standardizing their rates. Day-use fees and fees for other incidentals clearly played an important role in cost recovery and profitability.

- **Capital Reinvestment:** In the last few years, the agencies studied have focused on making the improvements needed to keep campgrounds open, safe, and usable. Capacity-enhancement projects are typically targeted towards upgrades that will increase revenue generation. For example, Oregon State Parks has invested significantly in yurts and cabins.
PROGRAMS, FACILITIES AND SERVICE TRENDS

- **Programs:** Few case study agencies report having the funding or staffing to provide outdoor programs, although many indicated a desire to provide interpretive programs and “learn to camp” or traditional “outdoor recreation” programs. There is a sense that programs enhance the camping experience and can be a worthwhile investment in attracting new and repeat visitors to parks. Oregon State Parks provides a variety of interpretive, educational, and outdoor recreation programs.

- **Park Character and Development:** There were substantial differences noted in the park character and level of development. While some provided first-rate amenities, facilities, and landscaping that would require specialized (high-cost) maintenance, other campgrounds were designed with a primitive or rustic character that is typically associated with lower-cost maintenance and operations.

- **Group Sites:** Most of the agencies mentioned the addition of or demand for group camp sites for extended families, community groups, and friends. Many of these group camp areas had support facilities such as kitchen shelters or picnic pavilions.

- **Camping Diversity:** Most providers offered a mix of camping opportunities, ranging from primitive camps (with no hookups) to well-developed RV pads and pull-through sites to convenience accommodations (see below). Some provided specially focused camps supporting different primary activities, such as fishing, boating, hiking, and equestrian use. Agencies are targeting different types of campers and outdoor recreation experiences to increase visitation.

- **Convenience Accommodations and Services:** Four of the six providers offered luxury or convenience overnight accommodations, such as rental cabins, RVs, yurts, yomes and tepees. All of the providers offered some type of convenience services, such as dump stations, showers (often coin-operated), groceries, food services (concessions or restaurants), laundry, post office, boat fuel, equipped kitchen shelters, etc.

**Customer Satisfaction and Priorities**

There is little recent data on customer satisfaction with regards to the six sites in this study. However, older data and information gleaned from more recent customer satisfaction surveys provide insights on the types of improvements desired by the public. Key findings are bulleted below.
Key Issues and Priorities

- **Campground Satisfaction:** As noted in the 2001 Rocky Reach Recreation Use Assessment, parks visitors rated their overall satisfaction with the following sites on a scale from 1 to 10. Similar to the study noted above, satisfaction levels were high:
  - Beebe Bridge Park (9.5)
  - Daroga State Park (9.4)
  - Lincoln Rock State Park (9.0)
  - Orondo River Park (8.7)
  - Entiat Park (8.5)

- **Recreation Satisfaction:** As noted in the 2001 Rocky Reach Recreation Use Assessment, overall satisfaction ratings with primary recreation activities were also rated highly by users of District parks.
  - Camping (8.8)
  - Motor boating (8.8)
  - Water skiing (8.1)

- **Recreation Activity Improvements:** As noted in the 2001 Rocky Reach Recreation Use Assessment, respondents participating in camping, motor boating, and water skiing noted several features that could have made this activity better. The most frequently mentioned improvement was “better docking” (Table 3-1 on the following page). Many respondents also noted “something else” that could have improved their trips. Top responses included:
  - Cleaner, better maintained and more bathrooms
  - Warm showers
  - Cleaner and more trash bins
  - Cleaner beaches (less geese, less milfoil and sand)
  - More RV/sewer hookups

- **Desired Facility Improvements:** Approximately 30% of respondents to the 2009 recreation visitor survey for the Seattle City Light Boundary Hydropower Project wanted new/more facilities provided. The most frequently noted responses for desired new development included:
  - Improved restroom facilities
  - RV hookups
  - Boat launch facilities
  - Campsites (increased number and in better condition, including boat-in campsites)

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13 Comparable visitation data are not available for Wenatchee Confluence State Park since this area is not part of the Rocky Reach Project.
Table 3-1: Percentage Responses for Improvements for Top 3 Primary Recreation Activities

<table>
<thead>
<tr>
<th>Feature to improve for this trip:</th>
<th>Camping (n=104 respondents)</th>
<th>Motor Boating (n=46 respondents)</th>
<th>Water Skiing (n=22 respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Better docking</td>
<td>12%</td>
<td>27%</td>
<td>8%</td>
</tr>
<tr>
<td>Fewer people</td>
<td>6%</td>
<td>7%</td>
<td>17%</td>
</tr>
<tr>
<td>Fewer loud people</td>
<td>7%</td>
<td>7%</td>
<td>13%</td>
</tr>
<tr>
<td>Better facilities</td>
<td>10%</td>
<td>8%</td>
<td>5%</td>
</tr>
<tr>
<td>Higher water level</td>
<td>2%</td>
<td>11%</td>
<td>5%</td>
</tr>
<tr>
<td>Better parking</td>
<td>2%</td>
<td>5%</td>
<td>--</td>
</tr>
<tr>
<td>Lower water level</td>
<td>2%</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Something else</td>
<td>26%</td>
<td>13%</td>
<td>14%</td>
</tr>
</tbody>
</table>

1 Percentage responses are approximate since they were interpolated from Figure 5-19 in the Recreation Use Assessment.
Source: Rocky Reach Recreation Use Assessment, Chelan County PUD

- **Desired Service Improvements and Upgrades:** Respondents to the 2012 Mount Baker-Snoqualmie National Forest Study desired the following types of upgrades, which are prioritized based on the number of responses received:
  - Improvements to existing facilities (bathrooms, campgrounds, picnic areas, showers)
  - Increased or enhanced maintenance (trails, roads, bridges, campgrounds, picnic areas, parking lots, and stairs)
  - New facility development or expansion (bathrooms, campgrounds, picnic areas, showers and bridges, and boat launches)

- **Satisfaction with Water-Related Recreation Opportunities:** As noted in the 2012 Mount Baker-Snoqualmie National Forest Study, respondents who were using water-related recreation facilities reported higher overall satisfaction with their recreation experience than those interviewed in developed and wilderness settings.15

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Key Issues and Priorities
IV. Service Level Priorities

The District applies many different criteria when making decisions about the types of services and service levels to support in managing and operating parks. Given the current organizational structure for park operations—with a variety of operators managing different parks—decisions about the proper level of investment currently occur on a site-by-site, and even a case-by-case basis. To apply a methodological approach to defining service levels based on best practices, six categories of evaluation criteria were proposed to support decisions about the level of service to provide in operations and capital development. These include:

- Strategic Plan Alignment
- Customer Service
- Financial Stability
- Asset Preservation and Replacement
- Environmental and Cultural Resource Protection
- Economic Vitality
Service Level Priorities

These categories have been prioritized, based on preliminary discussions with the Project Management Team. The ranking suggests the order in which these categories currently influence service level decisions. The top categories play more important roles in influencing decisions about the level of service to provide.

It must be noted that local, state and federal rules and regulations establish a minimum standard of service that the District must provide. This includes habitat conservation and recreation upgrades as required by Federal Energy Regulatory Commission (FERC) relicensing, as well as compliance with NEPA/SEPA, the Clean Water Act, Endangered Species Act, ADA guidelines, playground safety standards, worker safety standards and other local, state and federal policies and regulations. The categories presented here suggest areas where a higher service level is valued.

For each category, a short list of evaluation criteria is noted. These criteria were ranked as important or very important by the Project Management Team during the planning process to provide insights into preferred or expected service levels (Appendix B). However, the scoring of these criteria revealed that current service expectations are different for the District and operators who manage parks on behalf of the District, and service priorities may have to evolve to achieve some of the District’s desired outcomes. Potential service level priorities are numbered for reference only, and the numbering does not imply prioritization.

Strategic Plan Alignment

The Parks Department manages and operates parks in alignment with the District’s Strategic Plan, also using its own departmental Strategic Plan as a guide. The District’s Strategic Plan was developed through outreach to its customers, employees and business partners to set a solid financial course for the future. It defines how the District carries out its public power mission for future generations. The projects and services associated with park and campground operations can be evaluated based on their alignment with these plans.

Service Level Priorities for Strategic Planning Goals

The capital project, policy or service:
A1. Directly supports the District or Parks Department’s strategic planning initiatives.
A2. Indirectly supports the District or Parks Department’s strategic planning initiatives.

Customer Service

The District provides recreation services as a requirement of its FERC operating licenses to address local recreation needs which enhance quality of life in the community. Moreover, it
manages and operates its parks in a way that is responsible to the ratepayers\textsuperscript{16} it serves. The District strives to provide excellent customer service to meet or exceed customer expectations. These expectations are defined in the District’s Strategic Plan.

This focus on the needs and expectations of ratepayers drives the provision of park and recreation services. While the District strives to provide a high level of service for all park patrons, its main goal is to provide responsible park management to support operational excellence for District residents and ratepayers.

**SERVICE LEVEL PRIORITIES FOR CUSTOMER SERVICE**

The capital project, policy or service:

B1. Provides quality customer service to all park patrons (at the same level).


B3. Meets the outdoor recreation and service needs of non-ratepayers (e.g., tourists and Douglas County residents).

B4. Supports local interest groups, non-profits and partners, such as sports leagues, stakeholders, campground operators, and program providers.

B5. Reinforces “a community park feeling” through design, programming and services.

B6. Provides innovative recreation opportunities and/or supports new trends to enhance recreation opportunities for customers.

B7. Improves or enhances existing facilities to serve more customers.

**Financial Stability**

While the District strives to provide excellent customer service, it must do so in a way that ensures financial stability and supports the long-term sustainability of operations. The Parks Department contributes to the District’s overall financial stability through revenue generation, cost recovery, efficient operations, and even the use of partners and volunteers to reduce costs. In addition, the use of other potential funding strategies (e.g., grants, donations, sponsorships, naming rights, and vendor fees), would also support financial stability.

In order to meet customer services goals while ensuring financial stability, cost recovery and revenue-generation strategies may vary according to the service groups targeted. See Appendix D for information.

\textsuperscript{16} Park customers may include District residents and ratepayers, as well as tourists and others who are not customers of the District’s utility services. For clarity, the term “ratepayers” is used to refer to the District’s utility customers.
Service Level Priorities

SERVICE LEVEL PRIORITIES FOR FINANCIAL STABILITY

The capital project, policy or service:
C1. Reduces risk, liability, or environmental consequences that could have long-term costs for ratepayers.
C2. Enhances the ability of park operators to operate parks more cost effectively and maximize use of budgeted funds.
C3. Collects revenue from tourists and visitors who are not Chelan County residents, or increases the revenue-generating capacity of facilities and services targeting these park users.
C4. Collects revenue (or increases the ability to collect revenue) from ratepayers who receive services or benefits beyond regular daily use, such as facility reservations, sports field scheduling, event coordination, utilities or products.
C5. Recovers costs from all park users, including ratepayers, to reinvest in park assets and operate more cost effectively.
C6. Reduces costs through changes in operations and design, even where these decrease services levels, to support financial stability.

Asset Preservation/Replacement

One of the keys to the long-term sustainability of operations is asset preservation and replacement. This includes routine and preventative maintenance, major and minor repairs, and other efforts as needed to keep the park or facility from falling into a state of disrepair. In the long-term, it also includes refreshing, renovating, or replacing worn or aged facilities and landscaping to support continued park use.

As noted in preliminary discussions by the Project Management Team, there is a financial component to asset preservation where collected revenues could be reinvested in parks to support assets.\(^{17}\) However, where operational costs exceed revenues, deferred maintenance, repair and replacement have become issues.

SERVICE LEVEL PRIORITIES FOR ASSET PRESERVATION

The capital project, policy or service:
D1. Reduces risk or supports park safety.
D2. Maintains assets as needed to support demand and intensity of use.
D3. Maintains assets at high level.
D4. Repairs or replaces current facilities to continue same level of operations.
D5. Repairs or replaces current facilities to maintain the top asset quality.
D6. Preserves assets by limiting high impact activities, uses or programs.

\(^{17}\) This potential varies by operator. At some sites, collected revenues support a higher level of administrative and overhead costs. Operators also have different requirements on whether revenues can be reinvested at the site where they are collected.
Environmental/Cultural Resource Protection

As noted in its Strategic Plan, the District views service quality, reliability and care for the environment (emphasis added) as vital parts of operational excellence. While FERC and environmental regulations require a minimum level of service, the District strives to provide enhanced resource protection—natural, historical and cultural resources—in its parks.

**SERVICE LEVEL PRIORITIES FOR RESOURCE PROTECTION**

The capital project, policy or service:

- **E1.** Eliminates or reduces environmental hazards.
- **E2.** Provides enhanced protection for wildlife habitat, and the tree canopy in parks.
- **E3.** Conserves water, electricity, supplies and materials, or other resources.
- **E4.** Provides enhanced protection for archaeological or historical sites in parks.
- **E5.** Reduces stormwater runoff, protects water quality, or enhances other ecological functions (e.g., aquifer recharge, carbon sequestration).
- **E6.** Supports environmental and cultural stewardship, interpretation and/or education among park users.
- **E7.** Preserves a sense of place or natural landscape character.

**Regional Economic Vitality**

District parks play an important role in the local and regional economy. The District directly and indirectly fosters economic impacts associated with park use and tourism, and in some cases, supports concessionaires who provide commercial services to park users. However, taking actions to purposefully support economic development is one of the lowest priorities for the District, according to preliminary rankings provided by the Project Management Team.

**SERVICE LEVEL PRIORITIES FOR REGIONAL ECONOMIC VITALITY**

The capital project, policy or service:

- **F1.** Indirectly supports tourism or broad economic impacts throughout the region.
Service Level Priorities
V. Management Alternatives

Given the complexity of operation of the District’s campgrounds, their varying financial performance, and the trends in operations for other entities, MIG and the Project Management Team defined three distinct management alternatives to explore different potential approaches for the future. The alternatives are described in terms of three different park management scenarios, which affect anticipated service levels, long-term costs to the District, and recommended improvements. Each alternative is evaluated in terms of its strengths and weaknesses, its costs, and its alignment with the District’s service level evaluation criteria.

Financial Performance Targets

Long-term financial stability was one of the key drivers for conducting this study. While FERC relicensing agreements require continued maintenance and operations as well as specified system upgrades, they do not specify financial performance targets. These targets, as well as whether to make additional investments above those specified by FERC, are a decision the District must make as part of its approach to doing business.
Management Alternatives

Simply stated, financial options for operating the campgrounds include:

- **Provide Financial Support as Needed:** The District may continue to invest additional funds as needed into park and campground maintenance, operations, and capital improvements to keep the system going. While costs should not be excessive, the District may be willing to increase the amount it invests on a case-by-case or annual basis, taking into consideration the limited resources of existing operators and fluctuations in revenues and outside funding. It also may be willing to provide maintenance support at some sites to supplement what the operator is able to accomplish. While funding and task responsibilities have been defined for the operator and the District, these divisions may be flexible when more support is needed. This is the current operating scenario.

- **Define a Firm Financial Support Level:** In light of District financial goals, the Parks Department may consider defining a maximum level of funding and operational support—the total amount it is willing to invest in park operations and improvements at the six sites. The District has different expectations for various operators, so the subsidy level may be defined contextually based on the park managers/operators involved and the level of service provided. This defined level of support may remain consistent from year to year (considering an escalation factor), or it could be based on cost recovery rates that allow a greater amount of investment as demand and use increase. Either way, this type of financial performance target would help the District predict the level of investment needed to stay within a desired subsidy level.

- **Break Even:** Operating on a break-even basis requires that the campground system as a whole generates enough revenue to fund operations and maintenance, as well as repair and minor improvements. The Parks Department may consider operating the six sites collectively on a break-even basis to eliminate the annual operational subsidy. In comparison to current operations, achieving this performance target would require both reducing costs and increasing fees and revenues. Depending on how targets are set, sufficient revenues may be generated to support some level of capital reinvestment and replacement.

In March 2013, the Project Management Team rated Service Level Criteria in six categories to identify the factors that were most significant in influencing service level decisions (Appendix B). Currently, the District’s service level priorities favor providing a high level of customer service and maintenance. While long-term financial stability is important, feedback showed a stronger desire to maintain high service levels and preserve free recreation opportunities as a service to local residents. These priorities regarding Service Level Criteria set parameters for the alternatives the District is willing to consider.

On the funding continuum of the level of subsidy (Figure 5-1 on the following page), the District aims to end up somewhere in the middle—at a defined level that will vary depending on who operates the campgrounds. For this reason, the alternatives presented in
this memo identify an appropriate level of subsidy under each of three different management scenarios.

Figure 5-1: Funding Continuum

Alternative 1: Current Arrangement Optimized
Alternative 1 is the “benevolent guardian” model, where the District plays a stronger role than it does currently in providing direction to help various operators be successful and meet specific standards. It reflects a management scenario that is similar to current park operations. It assumes that the six campgrounds would continue to be managed and operated by State Parks, the Port, the City of Entiat, and the District (Table 5-1). However, the arrangement is optimized by standardizing expectations, promoting efficiencies, and establishing cost recovery targets to ensure that the District’s financial obligation is more predictable.

Table 5-1: Operating Scenario in Alternative 1

<table>
<thead>
<tr>
<th>Site</th>
<th>Manager/ Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beebe Bridge Park</td>
<td>District</td>
</tr>
<tr>
<td>Daroga State Park</td>
<td>State Parks</td>
</tr>
<tr>
<td>Lincoln Rock State Park</td>
<td>State Parks</td>
</tr>
<tr>
<td>Wenatchee Confluence State Park</td>
<td>State Parks</td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>Port /RRM</td>
</tr>
<tr>
<td>Entiat Park</td>
<td>City of Entiat</td>
</tr>
</tbody>
</table>

Service Levels
The six park sites currently differ in their level of maintenance and programming, as well as the condition of park assets. In this scenario, three different service levels would be set and standardized, with parks operated according to these standardized service levels as noted in Table 5-2 on the following page. The rating system for these service levels is described following the table.
Table 5-2: Service Level Strategies for Alternative 1

<table>
<thead>
<tr>
<th>Site</th>
<th>Overall Condition &amp; Facility Quality</th>
<th>Maintenance</th>
<th>Programs and Activities (Non-Fee)</th>
<th>Additional Services (Fee-based)</th>
<th>Park Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beebe Bridge Park</td>
<td>High</td>
<td>Level A</td>
<td>Low</td>
<td>Low</td>
<td>Limit</td>
</tr>
<tr>
<td>Daroga State Park</td>
<td>Medium</td>
<td>Level B</td>
<td>Low</td>
<td>Moderate</td>
<td>Increase</td>
</tr>
<tr>
<td>Lincoln Rock State Park</td>
<td>High</td>
<td>Level A</td>
<td>Moderate</td>
<td>High</td>
<td>Increase</td>
</tr>
<tr>
<td>Wenatchee Confluence State Park</td>
<td>Medium</td>
<td>Level B</td>
<td>Moderate</td>
<td>High</td>
<td>Increase</td>
</tr>
<tr>
<td>Orondo River Park(^1)</td>
<td>Low /Medium</td>
<td>Other</td>
<td>Low</td>
<td>High</td>
<td>Increase</td>
</tr>
<tr>
<td>Entiat Park(^2)</td>
<td>Medium</td>
<td>Level C</td>
<td>High</td>
<td>Moderate</td>
<td>Maintain</td>
</tr>
</tbody>
</table>

\(^1\)Orondo River Park, under the operation of RRM, will likely improve its condition from low to medium. This transition is unlikely if another independent operator takes over the site.

\(^2\)Entiat Park is undergoing renovations and will reopen in 2015. While most facilities will be new and in excellent condition, a moderate quality of amenities and facilities will be provided.

**Overall Condition & Facility Quality**

This category represents both the quality and condition of capital infrastructure. Facility quality reflects the level of investment when facilities are new. The level of use and level of maintenance will affect park conditions in the long-term. The levels are defined as follows:

- **High**: This level reflects a high level of capital investment, no deferred maintenance and repairs, and updated facilities and landscaping.
- **Medium**: This level reflects a moderate level of capital investment, few deferred maintenance tasks and repairs, and facilities and landscaping that are updated periodically.
- **Low**: A low level reflects a lower level of capital investment, some deferred maintenance and repairs, and older facilities and landscaping that are refreshed or updated less frequently.

The Alternative 1 scenario assumes that the overall site condition of each park will be maintained at its current level, or in the case of Orondo River Park, would improve over time.

**Maintenance**

More consistent investment in maintenance across all the sites will better preserve assets and reduce facility lifetime costs for the District. Maintenance levels are defined as follows:

- **Level A**: An investment of $6,250 per acre is needed to provide a high level of care, including frequent litter removal, mowing and cleaning to support higher levels of use. It
also includes detailed attention to rental, sport and specialized facilities, all necessary routine and preventative maintenance, and a detailed level of care for landscaping.

- **Level B**: An investment of $5,000 per acre is needed to provide a moderate level of care in parks where higher staffing and administrative costs affect the costs of services provided. The level of care is similar to what is described in Level C below.

- **Level C**: An investment of $4,000 per acre is needed to provide a moderate level of care. This includes basic maintenance services that are enhanced during peak use times, such as litter removal, mowing, and restroom cleaning. It also provides additional preventative and routine maintenance to preserve facilities and landscaping, including turf care (irrigation, aeration, fertilizer) and regular tree trimming and pruning.

- **Other**: Orono’s small size creates per acre costs that are substantially higher than other parks. An investment of $8,000 per acre is needed to provide a moderate level of care.

Alternative 1 assumes that all sites would receive a moderate to high level of care, similar to current maintenance levels. The City of Entiat would take care of its new facilities at a moderate (rather than high) level, reflecting the City’s normal standard of service.

**Program and Activities**

The provision of non-fee recreation programs not only enhances recreation services but also can attract new and repeat park users. This column includes programs as well as non-fee services that support recreation. Service levels include:

- **High**: A high level of service for programming includes the programming noted for lower service levels, plus community events, specialized or site-specific programs (e.g., campfire or nature programs, entertainment). It assumes an investment of $75,000 annually.

- **Moderate**: A moderate service level may include self-directed activities, facility reservations and scheduling, pre-packaged interpretive programs (e.g., Junior Ranger, NRPA or USFS programs), as well as interpretive, educational or recreational programs provided by partners/volunteers. It assumes an investment of $50,000 annually.

- **Low**: This service level may provide self-directed activities and/or basic facility reservations and scheduling. It assumes an investment of $25,000 annually.

The Alternative 1 scenario assumes that non-fee programs will continue to be provided at similar levels as currently, with higher levels at Entiat Park and moderate levels at two State Parks. (Programming is lower at Daroga State Park, which has less staffing and facilities than Lincoln Rock and Wenatchee Confluence to support programming opportunities.)
Management Alternatives

Additional Services
Fee-based programs and services generate the revenues to offset the costs of maintenance and non-fee programs and services. This column represents both the service level (e.g., number, availability and variety of services), as well as the level of effort in recovering costs.

- **High:** This service level assumes that the park operator is providing extra fee-based services, in addition to day-use fees and reservable facilities. These may include commodities and services such as boat and equipment rentals, fuel sales, food services, camp stores, etc. The return on investment is high.

- **Moderate:** This service level assumes there basic charges are in place for all reservable facilities and utilities, plus a day-use fee is charged to cover use of non-reservable amenities and facilities. There is a moderate return on investment.

- **Low:** This service level assumes there are a few basic charges for facilities and amenities such as camping, dump stations, and firewood/ice. The return on investment is lower (than in the other two levels), since this service level reflects more of an interest in providing affordable services than generating maximum revenues.

The Alternative 1 scenario assumes that fee-based programs and services will be emphasized at sites with day-use fees to increase revenue generation. It assumes that State Parks will be directed to focus more heavily on revenue-generation and cost recovery by adding fee-based services in parks. It assumes that RRM will make some significant changes to increase revenues at Orondo River Park. On the other hand, Beebe Bridge Park will continue with its current fee structure, which includes free shelter reservations and sport field scheduling (unless for tournaments).

Park Usage
The level of park usage is noted here in the context of efforts to limit, maintain or increase the number of park visitors and facility users (reservation holders). Following these assumptions, potential usage is discussed in more detail in the next section.

- **Increase:** Parks with day-use and other fees generate more revenue when usage is increased. Consequently, a higher level of use is desired, and park infrastructure may be developed, maintained and programmed to increase capacity and use.

- **Maintain:** The parks are operating at a capacity that meets current demand and revenue-generation needs. The current capacity and level of use will be maintained.

- **Limit:** High intensity use particularly during peak use periods creates wear and tear on facilities and landscaping, and increased maintenance costs and needs. Where parks do not charge day-use and other fees to reinvest in asset maintenance, repair and replacement, managers and operator may program and schedule the park only lightly to minimize these impacts. Similarly, the number of park users may be limited by infrastructure capacity, and large-group facilities may be avoided.
The Alternative 1 scenario assumes that State Parks and RRM will attempt to increase the number of park users to increase revenues. The City of Entiat will continue to meet its current level of demand and use (or slightly higher when new facilities are opened). To continue to maintain Beebe Bridge Park at a high level, the District may attempt to limit the impacts anticipated from higher use levels associated with nearby residential development. This may include limiting facility scheduling, the use of the site for programs and events, group use of the site and limiting capacity-enhancement projects and services.

**Financial Target**

The service level assumptions noted in Table 5-2, page 32, were used to create cost estimates for operations at each park (Table 5-3 on the following page). Note that State Parks are bundled as a business unit, with an overall cost recovery target that will affect all three sites. The columns in the table are explained below. For reference, this information can be compared to existing costs and rates presented in Appendix D.

- **Annual Maintenance Cost:** This number is the product of the per-acre cost at the anticipated maintenance level (from Table 5-2) times the number of maintained acres.
- **Annual Program Allowance:** This cost represents an allowance ($25,000; $50,000; or $75,000) to support a low, moderate or high level of non-fee programs, activities, and reservations.
- **Return on Investment (ROI) for Fee-based Services:** This column notes the level of investment and ROI needed for revenue-generating services to offset maintenance and non-fee programming costs. This may include services such as campsite and facility reservations and use, sport field use, food services, concessions/sales, boat fuel and dump stations, day-use fees, etc.
- **Targeted Cost Recovery Rate:** This percentage reflects the operator’s cost recovery target for maintenance and operations, which may be met by a combination of revenue generation and additional sources of funding (e.g., grants, sponsorships, foundations/friend’s groups, other funding mechanisms, general fund dollars).
- **Net Annual O&M Cost to District:** Assuming the operator hits its cost recovery target, this column represents the net annual cost for operations and maintenance that the District will be anticipated to support. It does not include capital investment, which is noted separately.
Management Alternatives

**Table 5-3: Annual Operations Cost Estimates for Alternative 1**

<table>
<thead>
<tr>
<th></th>
<th>Maintained Acres</th>
<th># of Campsites</th>
<th>Annual Maintenance Cost</th>
<th>Annual Program Allowance</th>
<th>ROI for Fee-based Service</th>
<th>Targeted Cost Recovery Rate</th>
<th>Net Annual O&amp;M Cost to District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beebe Bridge Park</td>
<td>56</td>
<td>46</td>
<td>$350,000</td>
<td>$25,000</td>
<td>Low</td>
<td>35%</td>
<td>$243,750</td>
</tr>
<tr>
<td>State Parks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$55,000</td>
</tr>
<tr>
<td>Daroga SP</td>
<td>47</td>
<td>53</td>
<td>$250,000</td>
<td>$25,000</td>
<td>Moderate</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Lincoln Rock SP</td>
<td>60</td>
<td>94</td>
<td>$375,000</td>
<td>$50,000</td>
<td>High</td>
<td>95%</td>
<td>-</td>
</tr>
<tr>
<td>Wenatchee Confluence SP</td>
<td>70</td>
<td>59</td>
<td>$350,000</td>
<td>$50,000</td>
<td>High</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>5</td>
<td>16</td>
<td>$40,000</td>
<td>$25,000</td>
<td>High</td>
<td>100%</td>
<td>$0</td>
</tr>
<tr>
<td>Entiat Park</td>
<td>40</td>
<td>57</td>
<td>$160,000</td>
<td>$75,000</td>
<td>Moderate</td>
<td>60%</td>
<td>$94,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>275</strong></td>
<td><strong>325</strong></td>
<td><strong>$1,525,000</strong></td>
<td><strong>$250,000</strong></td>
<td></td>
<td></td>
<td><strong>$392,750</strong></td>
</tr>
</tbody>
</table>

1 The acreage for Daroga State Park excludes undeveloped acres. Wenatchee Confluence State Park acres do not include the 130-acre Horan Wildlife Habitat Area.
2 The planned number of RV and tent sites at Entiat Park after renovation is noted here.

As shown in Table 5-3 above, Alternative 1 presumes that costs and cost recovery rates at Beebe Bridge would remain nearly the same. While O&M costs at State Parks would increase as usage is increased, these three sites should collectively achieve a 95% cost recovery rate, which is based on an increased focus on revenue generation and the use of State General Fund or other dollars to supplement the amount. Orondo River Park, under the management of RRM, would decrease maintenance costs and increase its cost recovery rate to operate on a break-even basis. Also, the City of Entiat would strive for a 60% cost recovery rate to limit the District’s annual investment to less than $100,000. Based on these assumptions, the total operational cost to the District in Alternative 1 is limited at approximately **$400,000 each year**.

**POTENTIAL USAGE**

The park use assumptions noted in Table 5-1, page 31, were used to project visitor use for camping facilities and day-use areas in the six sites in the next 25 years. This information is presented in Appendix E. In Alternative 1, growth rates are tied to park usage assumptions as noted below.18

- **Increase:** A growth rate of 2% per annum was applied to all State Parks and Orondo River Park.

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18 As noted in the Current Usage memo, population growth is the key factor that drives increased demand for services. These growth rates are based on Washington population growth estimates.
• **Maintain:** A growth rate of 1.5% per annum was applied to Entiat Park.

• **Limit:** A growth rate of 1% per annum was applied to Beebe Bridge Park.

According to the utilization guidelines excerpted from the Forest Service and Bureau of Land Management build-out scenarios (as reported in the Rocky Reach Recreation Assessment), additional facilities will be needed when use exceeds 80% utilization. As noted below, above 80% approaches extreme use.  

- 40% utilization = “optimal utilization”
- 60% utilization = “well utilized”
- 80% utilization = “heavily utilized”
- 100% utilization = “extreme use”

Given the assumptions for Alternative 1, the demand for campgrounds and, in a few cases, day-use facilities will by far exceed capacity in the next 25 years. Not surprising, the summer season shows the greatest number of projected utilization numbers that exceed 80%. Sites above the 80% trigger include:

- **Beebe Bridge Park:** summer weekday (86%) and weekend camping (139%)
- **Daroga State Park:** summer weekday (80%) and weekend camping (155%)
- **Lincoln Rock State Park:** summer weekday (112%) and weekend camping (157%), summer weekend day-use (112%), fall weekend camping (112%)
- **Orondo River Park:** summer weekend camping (127%), summer weekday (103%) and weekend day-use (172%)
- **Entiat Park:** weekday (90%) and weekend day-use (196%)

Utilization rates over 100% are theoretical; when campgrounds or other facilities are full, prospective visitors would have to use an alternate site. However, figures over 100% indicate the extent to which additional facilities are needed to meet demand. This information will help the District determine at what point to add new facilities to accommodate the projected increased facility utilization.  

**IMPROVEMENTS**

Shifts to the current situation are needed to make this alternative viable, as described on the following page.

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19 Source: Rocky Reach Recreation Use Assessment Final Report, Chelan County PUD, 2001

20 Pacific Gas and Electric (PG&E) uses a lower “trigger” for constructing new recreation facilities than the 80% noted in Forest Service and Bureau of Land Management design standards. New facilities are constructed when hydropower-related recreation facilities are used at 75% for 2 consecutive years based on an overall average of the entire season.
**Operation and Service Improvements**

- Define financial **performance targets** for each operator, and specify the targets in **formal agreements**.

- **Modestly increase revenue generation** at sites operated by other entities, and spell out the financial performance target for each operator.
  - Add revenue-generating services in the three State Parks to increase cost recovery rates by approximately 10%.
  - Allow RRM to revise services and decrease maintenance costs to increase cost recovery rates by 35%. This includes eliminating boat fuel sales and adding for-cost programs.
  - Consider whether the District’s fee strategy is affecting the market rate and numbers of facility rentals in parks that depend on that revenue. Revise the District’s fee strategy if there is a negative effect on the other operators in terms of their ability to meet financial targets.

- Provide a **standard system of data tracking and reporting** for all operators to follow. This will increase the transparency and District knowledge of what is going on in the parks.
  - Treat the three State Parks as a single business unit. While State Parks does not have to alter its staffing or manage the parks as a single unit, State Parks should report back to District with collective data and manage the three sites in a way that recovers 95% of O&M costs.
  - Provide defined expectations about service levels to meet, so operators are clear when those standards are not being met. (This would provide guidance for the Port, for example, in contracting out operations.)
  - Better define the difference between capital improvements vs. repairs, and include the definitions and expectations in the tracking and reporting system.

- Provide **expertise and staff time** to help operators succeed. The District is a sophisticated agency. The various operators have differing skill sets and capacities, and could benefit from in-house capacities and organizational infrastructure the District already has in place (e.g., contracting, project management, equipment, parks professionals). Potential improvements include:
  - Provide capital improvement and project management support to the City of Entiat and the Port. Both are smaller agencies without dedicated parks departments/staff.
  - Evaluate the cost effectiveness and efficiency of providing baseline maintenance of Entiat Park grounds using District crews or contract crews managed by the
District. This maintenance could be performed in lieu of the annual allowance at Entiat Park.

- Provide staffing support to State Parks in enhancing programs, such as coordinating partners to provide interpretive programs. Though State Parks has trained parks professionals, there is no budget support for staff to coordinate programming.
- If State Parks encourages staff to collect revenues to reinvest in individual parks,\(^{21}\) host a brainstorming session with relevant staff on revenue-generating strategies. Look for ways that fee-based events and programs at Wenatchee Confluence can compliment events and programs at Walla Walla Point Park.
- Recognize that the District has a stake in keeping RRM at Orondo River Park. Talk to RRM and Port staff about what is needed to continue this arrangement.

**Capital Improvements**

In this alternative, most future capital improvements will be triggered by growing use levels and the need for capital reinvestment and replacement. The exception is revenue-generating features at State Park sites, which would be at a quality consistent with the existing improvements. Table 5-4 on the following page presents costs estimates for capital projects in the next 25 years. Costs are identified in the following categories.

- **Capital Reinvestment:** Replacement of assets on scheduled cycle (10, 20 or 25 years). This cost is based on $100,000/acre over 25-year span.
- **Infrastructure Reinvestment:** Replacement or upgrade of water, waste, electrical, irrigation or other utility infrastructure.
- **Boat Ramp/Dock/Moorage Replacement:** Replacement or upgrade of boat ramps and in-water motor boating facilities.
- **Campground Capacity-Increasing Projects:** Addition of more camping capacity (group campsites, RV or tent campsites, yurts or cabins, and conversion of tent or RV sites to yurts or cabins), more parking in campgrounds, additional bathhouses, etc.
- **Day-Use/Community Park Enhancements:** Projects to enhance the day-use/community park experience, such as more picnic areas/shelters, enhanced playgrounds, sports field improvements, walking paths, dog park, disc golf, etc.
- **Revenue Generation Enhancements:** Addition of facilities or amenities designed to increase revenue generation (campstore, concession stand, special facility such as a zipline, paddling center) or marketability of site (improved shower house, upgrade cabins with kitchens).

### Table 5-4: 25-Year Capital Improvement Needs (in Millions) for Alternative 1

<table>
<thead>
<tr>
<th>Site</th>
<th>Capital Reinvestment</th>
<th>Infrastructure Reinvestment</th>
<th>Boat Ramp/Dock/Moorage Replacement</th>
<th>Campground Capacity-Increasing Projects</th>
<th>Day-Use/Community Park Enhancements</th>
<th>Revenue Generation Enhancements</th>
<th>Population Growth Capacity Triggered Within 25 Years</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beebe Bridge Park</td>
<td>$5.6</td>
<td>$0.8</td>
<td>$2.0</td>
<td>-</td>
<td>-</td>
<td>$0.2</td>
<td>-</td>
<td>V</td>
</tr>
<tr>
<td>State Parks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Daroga SP</strong></td>
<td>$4.7</td>
<td>$0.7</td>
<td>$1.3</td>
<td>$0.3</td>
<td>-</td>
<td>$0.3</td>
<td>V</td>
<td>Add 10 yurts</td>
</tr>
<tr>
<td><strong>Lincoln Rock SP</strong></td>
<td>$6.0</td>
<td>$1.0</td>
<td>$1.3</td>
<td>$0.4</td>
<td>-</td>
<td>$0.6</td>
<td>V</td>
<td>Add 5 cabins</td>
</tr>
<tr>
<td><strong>Wenatchee Confluence SP</strong></td>
<td>$7.0</td>
<td>$0.9</td>
<td>$1.3</td>
<td>$0.4</td>
<td>-</td>
<td>$0.6</td>
<td>V</td>
<td>Add a group campsite</td>
</tr>
<tr>
<td><strong>Orondo River Park</strong></td>
<td>$0.5</td>
<td>$0.4</td>
<td>$1.3</td>
<td>-</td>
<td>$0.2</td>
<td>$0.3</td>
<td>V</td>
<td>Operator identified enhancements</td>
</tr>
<tr>
<td><strong>Entiat Park</strong></td>
<td>$4.0</td>
<td>$0.4</td>
<td>-</td>
<td>-</td>
<td>$0.2</td>
<td>-</td>
<td>V</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$27.8</strong></td>
<td><strong>$4.2</strong></td>
<td><strong>$7.2</strong></td>
<td><strong>$1.1</strong></td>
<td><strong>$0.6</strong></td>
<td><strong>$1.8</strong></td>
<td><strong>$42.7 million total</strong></td>
<td></td>
</tr>
</tbody>
</table>

Note: These estimates are based on cost assumptions presented in Appendix F.  
1 Based on $100,000/acre over 25-year span.

As shown in the above table, approximately $42.7 million in improvements will be needed.

*Camping yurts*  
*Revenue-generating camping cabins*
**Alternative 2: District as Operator**

Alternative 2 is the “exceptional operator” model, where the District provides a high level of park maintenance and low-cost services to support the public good (for ratepayers and other park users). This alternative assumes that the District would operate four parks and that, to be cost effective, Orondo River Park would be closed. Table 5-5 summarizes this operating scenario.

<table>
<thead>
<tr>
<th>Site</th>
<th>Manager/ Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beebe Bridge Park</td>
<td>District</td>
</tr>
<tr>
<td>Daroga Park</td>
<td>District</td>
</tr>
<tr>
<td>Lincoln Rock Park</td>
<td>District</td>
</tr>
<tr>
<td>Wenatchee Confluence Park</td>
<td>District</td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>Closed 1</td>
</tr>
<tr>
<td>Entiat Park</td>
<td>City of Entiat</td>
</tr>
</tbody>
</table>

1 The recreation capacity of Orondo River Park would be relocated to Daroga and Lincoln Rock Parks.

### Service Levels

Table 5-6 notes proposed service levels for maintenance, programs, services and park usage in Alternative 2.

<table>
<thead>
<tr>
<th>Site</th>
<th>Overall Condition &amp; Facility Quality</th>
<th>Maintenance</th>
<th>Programs and Activities (Non-Fee)</th>
<th>Additional Services (Fee-based)</th>
<th>Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beebe Bridge Park</td>
<td>High</td>
<td>Level A</td>
<td>Low</td>
<td>Low - Mod</td>
<td>Limit</td>
</tr>
<tr>
<td>Daroga Park</td>
<td>High</td>
<td>Level A</td>
<td>Low</td>
<td>Low - Mod</td>
<td>Limit</td>
</tr>
<tr>
<td>Lincoln Rock Park</td>
<td>High</td>
<td>Level A</td>
<td>Low</td>
<td>Low - Mod</td>
<td>Limit</td>
</tr>
<tr>
<td>Wenatchee Confluence Park</td>
<td>High</td>
<td>Level A</td>
<td>High</td>
<td>Moderate</td>
<td>Limit</td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Entiat Park 1</td>
<td>Medium</td>
<td>Level C</td>
<td>High</td>
<td>Moderate</td>
<td>Maintain</td>
</tr>
</tbody>
</table>

1 Entiat Park will reopen in 2015 with renovated facilities in new condition, but will be maintained at a medium level in the long term.

If the Port ceased to operate Orondo River Park, the District would relocate its recreation uses to enhance capacity at Daroga and Lincoln Rock Parks. Under District operations, the condition and level of maintenance at the former State Parks would increase. The District
would maintain them at the same service level as it does Beebe Bridge both because of the increased use (relocated capacity in lieu of Orondo) and because of the District’s culture of providing a higher level of service. Programming would decrease, except at Wenatchee Confluence Park, which would be programmed more as a community park in conjunction with Walla Walla Point Park. Service levels would be standardized as noted in the Table 5-6.

**FINANCIAL TARGET**

The service level assumptions noted in the table on the previous page were used to create cost estimates for operations at each park (Table 5-7 below).

*Table 5-7: Annual Operations Cost Estimates for Alternative 2*

<table>
<thead>
<tr>
<th>Site</th>
<th>Maintained Acres</th>
<th># of Campsites</th>
<th>Annual Maintenance Cost</th>
<th>Annual Program Allowance</th>
<th>ROI for Fee-based Service</th>
<th>Targeted Cost Recovery Rate</th>
<th>Net Annual O&amp;M Cost to District</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>District Parks</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beebe Bridge Park</td>
<td>56</td>
<td>46</td>
<td>$350,000</td>
<td>$25,000</td>
<td>Low - Mod</td>
<td>50%</td>
<td>$803,125</td>
</tr>
<tr>
<td>Daroga Park</td>
<td>47</td>
<td>53</td>
<td>$293,750</td>
<td>$25,000</td>
<td>Low - Mod</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Lincoln Rock Park</td>
<td>60</td>
<td>94</td>
<td>$375,000</td>
<td>$25,000</td>
<td>Low - Mod</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Wenatchee Confluence</td>
<td>70</td>
<td>59</td>
<td>$437,500</td>
<td>$75,000</td>
<td>Moderate</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>5</td>
<td>16</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Entiat Park</td>
<td>40</td>
<td>57</td>
<td>$160,000</td>
<td>$75,000</td>
<td>Moderate</td>
<td>50%</td>
<td>$117,500</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>278</strong></td>
<td><strong>325</strong></td>
<td><strong>$1,616,250</strong></td>
<td><strong>$225,000</strong></td>
<td></td>
<td><strong>$ 920,625</strong></td>
<td></td>
</tr>
</tbody>
</table>

1The acreage for Daroga State Park excludes undeveloped acres. Wenatchee Confluence State Park acres do not include the 130-acre Horan Wildlife Habitat Area.

2The planned number of RV and tent sites at Entiat Park after renovation is noted here.

Given the increased cost of maintenance, Alternative 2 presumes that the District would initiate a day-use fee to raise its overall cost recovery rate to 50%. In general, it would not take on a greater programming emphasis, except at Wenatchee Confluence, which would be operated more like a community park and have greater programming expenditures. As shown in the table above, this scenario also assumes that the City of Entiat would be held to the same 50% cost recovery rate. Based on these assumptions, costs are much higher. Alternative 2 O&M costs are estimated at more than $920,000 each year.
[Note: If the District changed its service level criteria (Appendix B) and transitioned to a stronger business model, it could operate its parks more cost effectively than assumed here. It could strive to recover costs similar to what is noted in Alternative 3.]

**POTENTIAL USAGE**

The park use assumptions noted in Table 5-6, page 41, were used to project visitor use for camping facilities and day-use areas in the six sites in the next 25 years. This information is presented in Appendix E. In Alternative 2, growth rates are tied to park usage assumptions as follows:

- **Maintain**: A growth rate of 1.5% per annum was applied to Entiat Park.
- **Limit**: A growth rate of 1% per annum was applied to all other sites.

Even without specific efforts to increase capacity and use, the Alternative 2 usage analysis reveals seasons and sites above the 80% trigger:

- **Beebe Bridge Park**: summer weekday (86%) and weekend camping (139%)
- **Daroga State Park**: summer weekend camping (121%)
- **Lincoln Rock State Park**: summer weekday (88%) and weekend camping (123%), summer weekend day-use (88%), fall weekend camping (88%)
- **Entiat Park**: weekday (90%) and weekend day-use (196%)

Utilization rates over 100% are theoretical. However, they indicate the extent to which additional facilities will be needed to meet demand. This information will help the district determine at what point to add new facilities to accommodate the projected increased facility utilization.

**IMPROVEMENTS**

To apply the Beebe Bridge model of operations across the District’s campgrounds will require several changes operationally and modest capital improvements.

*Operation and Service Improvements*

- Treat the four District parks as a **single business unit**.
- **Standardize fees** across all District-operated parks.

---

**Alternative 2: 25-Year O&M Costs Total**

$23 million
Management Alternatives

- **Increase cost recovery** at District parks (by about 15%). Consider the following:
  - Institute a day-use fee for all parks. Provide a sticker to Chelan and Douglas County residents to allow them to get in free.
  - Charge market-based fees for all services or benefits beyond regular daily use, such as camping, facility reservations, sports field scheduling, event coordination, utilities or products.
  - Increase prices for amenities and services that primarily support out-of-area tourists.
- **Standardize camping and facility reservations** across all District-operated parks.
- **Close Orondo River Park** and relocate recreation uses from to Daroga and Lincoln Rock.
  Assist the Port in decommissioning facilities and naturalizing the site.
- **Provide technical support** to the City of Entiat to ensure the quality of the new park infrastructure is sustained at the District’s standard. The newly improved park will require a substantially higher level of maintenance, and is at a scale that most cities of Entiat’s size do not have the fleet, equipment or parks maintenance personnel to support.
  - Provide maintenance for Entiat Park using District crews or contract crews managed by the District.
  - Provide capital improvement and project management support to City of Entiat.

**Capital Improvements**

In Alternative 2, future capital improvements are primarily related to the relocation of recreation capacity from Orondo and for improvements that enhance the community park function of Wenatchee Confluence Park and other sites. Table 5-8 on the following page presents costs estimates for capital projects in the next 25 years.
### Table 5-8: 25-Year Capital Improvement Needs (in Millions) for Alternative 2

<table>
<thead>
<tr>
<th>Site</th>
<th>Capital Reinvestment</th>
<th>Infrastructure Reinvestment</th>
<th>Boat Ramp/Dock/Moorage Replacement</th>
<th>Campground Capacity- Increasing Projects</th>
<th>Day-Use/Community Park Enhancements</th>
<th>Revenue Generation Enhancements</th>
<th>Population Growth Capacity Triggered Within 25 Years</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Parks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Beebe Bridge Park</em></td>
<td>$5.6</td>
<td>$0.8</td>
<td>$2.0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>V</td>
<td>Transfer of Orondo capacity (10 campsites)</td>
</tr>
<tr>
<td><em>Daroga Park</em></td>
<td>$4.7</td>
<td>$0.7</td>
<td>$2.0</td>
<td>$0.2</td>
<td>-</td>
<td>-</td>
<td>V</td>
<td>Transfer of Orondo capacity (5 cabins)</td>
</tr>
<tr>
<td><em>Lincoln Rock Park</em></td>
<td>$6.0</td>
<td>$1.0</td>
<td>$2.0</td>
<td>$0.4</td>
<td>-</td>
<td>-</td>
<td>V</td>
<td></td>
</tr>
<tr>
<td><em>Wenatchee Confluence</em></td>
<td>$7.0</td>
<td>$0.9</td>
<td>$2.0</td>
<td>-</td>
<td>$0.8</td>
<td>-</td>
<td>V</td>
<td></td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Decommissioning Cost - $500,000</td>
</tr>
<tr>
<td><em>Entiat Park</em></td>
<td>$4.0</td>
<td>$0.4</td>
<td>-</td>
<td>$0.5</td>
<td>-</td>
<td>-</td>
<td>V</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$27.3</strong></td>
<td><strong>$3.8</strong></td>
<td><strong>$7.2</strong></td>
<td><strong>$0.6</strong></td>
<td><strong>$1.3</strong></td>
<td><strong>$1.8</strong></td>
<td><strong>0</strong></td>
<td><strong>$42 million</strong></td>
</tr>
</tbody>
</table>

Note: These estimates are based on cost assumptions presented in Appendix F.

As shown in the above table, approximately $42 million in improvements will be needed.

*Day-use shelter*  
*Reservable cabins*
Alternative 3: Contract with Another Operator

Alternative 3 is the “interested auditor” model, where the District requires another operator to operate sites on a break-even basis and report back regularly so the District can audit park operations and ensure FERC compliance. The District provides capital support only to support the success of this other operator. In turn, the operator is working under a stronger business model approach.

This alternative is based on a scenario where State Parks is unable to continue operating its three sites. The District could bundle all of its parks with campgrounds together and contract with a single operator (private, public or other) or a single operator and the City of Entiat (since the community has strong ties to this park). The District would set parameters with regard to service level standards and financial targets.

Table 5-9: Operating Scenario in Alternative 3

<table>
<thead>
<tr>
<th>Site</th>
<th>Manager/ Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beebe Bridge Park</td>
<td>Private Operator</td>
</tr>
<tr>
<td>Daroga Park</td>
<td>Private Operator</td>
</tr>
<tr>
<td>Lincoln Rock Park</td>
<td>Private Operator</td>
</tr>
<tr>
<td>Wenatchee Confluence Park</td>
<td>Private Operator</td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>Private Operator</td>
</tr>
<tr>
<td>Entiat Park</td>
<td>City of Entiat</td>
</tr>
</tbody>
</table>

SERVICE LEVELS

Table 5-10 below notes proposed service levels for maintenance, programs, services and park usage in Alternative 3.

Table 5-10: Service Level Strategies for Alternative 3

<table>
<thead>
<tr>
<th>Site</th>
<th>Overall Condition &amp; Facility Quality</th>
<th>Maintenance</th>
<th>Programs and Activities (Non-Fee)</th>
<th>Additional Services (Fee-based)</th>
<th>Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beebe Bridge Park</td>
<td>Medium</td>
<td>Level B</td>
<td>Moderate</td>
<td>High</td>
<td>Increase</td>
</tr>
<tr>
<td>Daroga Park</td>
<td>Medium</td>
<td>Level B</td>
<td>Moderate</td>
<td>High</td>
<td>Increase</td>
</tr>
<tr>
<td>Lincoln Rock Park</td>
<td>Medium</td>
<td>Level B</td>
<td>Moderate</td>
<td>High</td>
<td>Increase</td>
</tr>
<tr>
<td>Wenatchee Confluence Park</td>
<td>Medium</td>
<td>Level B</td>
<td>Moderate</td>
<td>High</td>
<td>Increase</td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>Medium</td>
<td>Level C</td>
<td>Low</td>
<td>Low</td>
<td>Limit</td>
</tr>
<tr>
<td>Entiat Park</td>
<td>Medium</td>
<td>Level C</td>
<td>High</td>
<td>High</td>
<td>Maintain</td>
</tr>
</tbody>
</table>

1Orondo River Park, under the operation of RRM, will likely improve its condition from low to medium. This transition is unlikely if another independent operator takes over the site. Its per-acre maintenance costs are substantially higher because of its size.

2Entiat Park will reopen in 2015 with renovated facilities in new condition, but will be maintained at a medium level in the long term.
Alternative 3 assumes that single operator would operate the parks under a stronger business model. Operations and service levels would be standardized as noted in the Table 5-10, with a reduction in maintenance and capital expenditures (lower level of capital investment, maintenance and repairs), but with an increase in revenue-generating programs and services at larger sites where the return on investment is higher. This may also include more of an emphasis on programs to increase visitation and use, which will result in greater day-use revenues. Even the City of Entiat would be required to have a stronger focus on cost recovery, in order to keep this site. Because of its small size, Orondo River Park is presumed to have a lower level of investment and lower return on this investment.

**FINANCIAL TARGET**

The service level assumptions noted in Table 5-10 on the previous page can be used to create cost estimates for operations at each park. These estimates are noted in Table 5-11 below.

### Table 5-11: Annual Operations Cost Estimates for Alternative 3

<table>
<thead>
<tr>
<th>Site</th>
<th>Maintained Acres</th>
<th># of Campsites</th>
<th>Annual Maintenance Cost</th>
<th>Annual Program Allowance</th>
<th>ROI for Fee-based Service</th>
<th>Targeted Cost Recovery Rate</th>
<th>Net Annual O&amp;M Cost to District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Operator</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td><strong>Beebe Bridge Park</strong></td>
<td>56</td>
<td>46</td>
<td>$280,000</td>
<td>$50,000</td>
<td>High</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Daroga Park</strong></td>
<td>47</td>
<td>53</td>
<td>$235,000</td>
<td>$50,000</td>
<td>High</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Lincoln Rock Park</strong></td>
<td>60</td>
<td>94</td>
<td>$300,000</td>
<td>$50,000</td>
<td>High</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Wenatchee Confluence</strong></td>
<td>70</td>
<td>59</td>
<td>$350,000</td>
<td>$50,000</td>
<td>High</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Orondo River Park</strong></td>
<td>5</td>
<td>16</td>
<td>$20,000</td>
<td>$25,000</td>
<td>Low</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Entiat Park</strong></td>
<td>40</td>
<td>57</td>
<td>$160,000</td>
<td>$75,000</td>
<td>High</td>
<td>90%</td>
<td>$23,500</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>278</strong></td>
<td><strong>325</strong></td>
<td><strong>$1,345,000</strong></td>
<td><strong>$300,000</strong></td>
<td></td>
<td></td>
<td><strong>$23,500</strong></td>
</tr>
</tbody>
</table>

1 The acreage for Daroga State Park excludes undeveloped acres. Wenatchee Confluence State Park acres do not include the 130-acre Horan Wildlife Habitat Area.

2 The planned number of RV and tent sites at Entiat Park after renovation is noted here.

Alternative 3 presumes that a single operator would be far more efficient in site management and operations, with a lower level of overhead and a much higher emphasis on revenue generation. In terms of efficiencies, maintenance costs and service levels would be reduced. Programs would be emphasized where these helped achieve cost recovery.
goals. It is presumed that the right operator will be able to operate on a break-even basis.\textsuperscript{22} If the City of Entiat is interested in continuing to manage Entiat Park, they must agree to a higher cost recovery level (or apply additional funds), so that the District’s annual contribution is limited to less than $25,000. Otherwise Entiat Park may be bundled with the other park sites. Alternative 3 O&M costs are estimated at less than $25,000 each year.

**POTENTIAL USAGE**

The park use assumptions noted in Table 5-10, page 46, were used to project visitor use for camping facilities and day-use areas in the six sites in the next 25 years. This information is presented in Appendix E. In Alternative 3, growth rates are tied to park usage assumptions as follows:

- **Increase:** A growth rate of 2% per annum was applied to all State Parks and Beebe Bridge Park.
- **Maintain:** A growth rate of 1.5% per annum was applied to Entiat Park.
- **Limit:** A growth rate of 1% per annum was applied to Orondo River Park.

Given these assumptions, many sites are above the 80% trigger. These include:

- **Beebe Bridge Park:** summer weekday (110%) and weekend camping (178%)
- **Daroga State Park:** summer weekday (80%) and weekend camping (155%)
- **Lincoln Rock State Park:** summer weekday (112%) and weekend camping (157%), summer weekend day-use (112%), fall weekend camping (112%)
- **Orondo River Park:** summer weekend camping (99%), weekday (80%) and weekend day-use (134%)
- **Entiat Park:** weekday (90%) and weekend day-use (196%)

Utilization rates over 100% are theoretical. However, they indicate the extent to which additional facilities will be needed to meet demand. This information will help the district determine at what point to add new facilities to accommodate the projected increased facility utilization.

**IMPROVEMENTS**

Operationally, the District would need to shift its role substantially under Alternative 3 to eliminate direct service provision for campgrounds. In terms of capital improvements, a conservative approach to Alternative 3 assumes the District will have a significant role in

\textsuperscript{22} With a long-term contract and capital support to build revenue-generating facilities, the private operator may also agree to set aside funds for capital reinvestment, repair and replacement. However, this depends on factors such as the service level standards the single operator is required to keep.
funding capital improvements. However, it is possible the operator could take on a bigger financial role in capital improvements.

**Operation and Service Improvements**

- **Issue a Request for Proposals (RFP) for operation of the bundle of parks.**
  - Set performance standards for the operator based on medium or high quality services while recovering all or most costs.
  - Require an accounting system that can be regularly audited.
  - Consider a long-term contract (e.g., 20 years) to maximize the operator’s ability to potentially invest in large repairs and small capital improvements.
  - Use the RFP process to determine what facilities and services (if any) to keep at Orondo River Park. The District has an interest in keeping this site open, so that recreation capacity will not have to be transferred. One potential concept is to turn the site into one or two group campsites.
  - Clearly define the District’s responsibilities for capital support, and structure the contract so that the operator’s responsibility for capital improvement contributions increases as their profitability increases.
  - Allow the prospective operators to recommend the capital and service improvements that will be needed to generate revenues.

- Set new (higher) **cost recovery expectations for Entiat Park**. If these cannot be met, consider bundling this site with the others to be managed by a single operator.

- **Transition** from a direct service provider **role to a contract manager role** for campgrounds.

**Capital Improvements**

In Alternative 3, the assumption is that the District will have primary responsibility to fund capital improvements, a conservative approach. The types of capital improvements will be those triggered by increased use and new revenue-generating facilities. Table 5-12 on the following page presents costs estimates for capital projects in the next 25 years.
Table 5-12: 25-Year Capital Improvement Needs (in Millions) for Alternative 3

<table>
<thead>
<tr>
<th>Site</th>
<th>Capital Reinvestment</th>
<th>Infrastructure Reinvestment</th>
<th>Boat Ramp/Dock/Moorage Replacement</th>
<th>Campground Capacity - Increasing Projects</th>
<th>Day-Use/Community Park Enhancements</th>
<th>Revenue Generation Enhancements</th>
<th>Population Growth Capacity Triggered Within 25 Years</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Operator Parks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beebe Bridge Park</td>
<td>$5.6</td>
<td>$0.8</td>
<td>$1.3</td>
<td>$0.4</td>
<td>-</td>
<td>$0.6</td>
<td>√</td>
<td>Group campsite, Operator Identified Enhancements</td>
</tr>
<tr>
<td>Daroga Park</td>
<td>$4.7</td>
<td>$0.7</td>
<td>$1.3</td>
<td>$0.7</td>
<td>-</td>
<td>$0.6</td>
<td>√</td>
<td>10 yurts, 5 cabins, Operator Identified Enhancements</td>
</tr>
<tr>
<td>Lincoln Rock Park</td>
<td>$6.0</td>
<td>$1.0</td>
<td>$1.3</td>
<td>$1.2</td>
<td>-</td>
<td>$0.6</td>
<td>√</td>
<td>5 cabins, Group campsite, Operator Identified Enhancements</td>
</tr>
<tr>
<td>Wenatchee Confluence</td>
<td>$7.0</td>
<td>$0.9</td>
<td>$1.3</td>
<td>$0.8</td>
<td>-</td>
<td>$0.6</td>
<td>√</td>
<td>2 group campsites, Operator Identified Enhancements</td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>$0.5</td>
<td>$0.4</td>
<td>$1.3</td>
<td>$0.4</td>
<td>-</td>
<td>$0.3</td>
<td>√</td>
<td>Convert to Group campsite</td>
</tr>
</tbody>
</table>

Entiat Park  $4.0 $0.4 - - - $0.3 √

Total  $27.8 $4.2 $6.5 $3.5 $3.00 $45 million

Note: These estimates are based on cost assumptions presented in Appendix F.

As shown in the above table, approximately $45 million in improvements will be needed.
Evaluation of Alternatives

Cost Comparison

Projected cost estimates for necessary operations and maintenance (O&M) and capital projects over the next 25 years are compared in Figure 5-2 below.

Figure 5-2: 25-Year Cost Comparison for Alternatives 1-3

![Cost Comparison Bar Chart]

Service Level Comparison

Appendix B presents the District’s service level evaluation criteria, which note the guiding principles that are used to make decisions about the types, quantity and quality of services to provide in parks. The same criteria can also be used to measure the “fit” of each alternative with the District’s vision, mission and goals. While regulatory compliance defines a minimum level of service that is required, the other categories allow greater flexibility in defining service levels to provide.

Each of the alternatives presented in this memo are aligned to varying degrees with the District’s Strategic Plan. Each indirectly supports economic development, and each presumes that the District’s environmental and resource values will be carried forward in design, construction, maintenance, and operations. However, as shown in Table 5-14, page 53, the alternatives vary in the degree in which they meet the remaining three criteria categories: customer service, financial stability, and asset preservation and replacement. Table 5-13 on the following page summarizes these findings, and Appendix G provides more detail on how well each alternative fulfills the intent of these criteria.
Management Alternatives

Table 5-13: Alternative Alignment with Service Level Criteria

<table>
<thead>
<tr>
<th>Regulation / Criteria Category</th>
<th>Alt. 1</th>
<th>Alt. 2</th>
<th>Alt. 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Service</td>
<td></td>
<td>•</td>
<td></td>
</tr>
<tr>
<td>Financial Stability</td>
<td>Variable</td>
<td>○</td>
<td>•</td>
</tr>
<tr>
<td>Asset Preservation and Replacement</td>
<td>Variable</td>
<td>•</td>
<td>○</td>
</tr>
</tbody>
</table>

Rating: • Meets most criteria, • Meets some criteria, ○ Meets few criteria, Variable = varies depending on site operator

To some extent, the ratings of “variable” for Alternative 1 are due to the fact that the District is ambivalent in the way that it weighs criteria, depending on who is operating the park. When the District is in charge of park operations, it strives to prioritize a high level of service ahead of defining capped financial metrics. Other providers exhibit different priorities for services. For example, they may decrease maintenance service levels to the minimum needed to support demand and intensity of use, in order to maximize operating efficiencies.

STRENGTHS AND WEAKNESSES

Table 5-14 on the following page summarizes the major strengths and weaknesses of each alternative. As this table shows, each alternative has its merits, and each would require the District to make some changes from its current practices. Any of the three alternatives represents a viable future direction for the District, as are the many variations that could be crafted by changing the underlying assumptions.
Table 5-14: Alternative Alignment with Service Level Criteria

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
</table>
| Alternative 1: Current Arrangement Optimized | • Retains existing relationships.  
• Provides more certainty for District in terms of level of financial commitment each year. | • Most complicated operationally for the District.  
• Greatest variability in service levels and fees among the sites.  
• District may feel obligated to provide additional support if cost recovery targets are not met. |
| Alternative 2: District as Operator | • Highest level of control for District.  
• Simplified structure, consistent policies at most sites.  
• Highest level of maintenance and customer service. | • Most costly over the long-term.  
• Creates a need for more District staff.  
• Forces District to charge for facility use and day-use at the six sites, which changes relationship with customers. |
| Alternative 3: Contract with Another Operator | • Simplest structure organizationally.  
• Most cost effective for the District. | • Increases fees and charges for park users.  
• Least control for the District, though contract would allow termination with operator if terms not met.  
• Requires District to make long-term commitment to avoid potential cost and risk of operator changes. |
Management Alternatives

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VI. Conclusion and Next Steps

This study has confirmed that the District, as a dedicated steward of public trust, needs to be able to budget for its parks program more predictably and that changes to current practices will be required. However, as the last chapter emphasizes, any of the three alternative approaches to campground operations and management studied are valid and viable directions for the District. Each alternative has strengths and weaknesses, and different financial implications. This report and accompanying appendices provide the District with the depth of information needed to make decisions about the campground operations as the District proceeds with the Strategic Plan update beginning in May 2013.

Next steps include the following:

- Use the Strategic Planning process to update and further define priorities for Financial Stability and Customer Service. As part of the Strategic Plan process, the District should then re-examine the alternatives in light of new information about ratepayer preferences.

- Investigate concessionaire options (in addition to RRM), if there is interest in further exploration of Alternative 3. This would include telephone interviews with potential concessionaires to help gauge interest and terms.

- Define desired financial and visitor data to be reported for each site, and desired formats. This should be set up to make it easy for District staff to understand the campgrounds at a glance, be consistent with the District’s own day-use reporting, and potentially provide information needed for FERC reporting and future relicensing. As arrangements with operators are formalized, specify reporting requirements.

- “Ground truth” the dollar figures, especially the operating and revenue generation figures.

- Identify the level of financial support the District will provide to the campgrounds and parks, for operations as well as for capital improvements. In addition, identify a financial performance (cost recovery) expectation for the campgrounds. The targets will depend on the District’s decisions regarding Financial Stability and Customer Service priorities, and will be refined over several years as data collection is streamlined and a better understanding of the costs of other operators is developed.
Conclusion and Next Steps

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References

- 2011 Beebe Campground Visitor Data (April-October).
- 2012 Beebe Campground Labor Data.
- American Camper Report, 2012, produced in a partnership between the Outdoor Foundation, Coleman, and KOA.
- Chelan County PUD Parks Department, 2007 Commission Presentation (Operations Overview).
- Chelan County, Chelan County Comprehensive Parks and Recreation Plan (2007).
- Chelan County PUD, Parks Department Strategic Plan (2011).
- City and States of Campers Data (Year not given).
- Daroga State Park: Monthly Revenues.
- Eastmont Metropolitan Park District, Parks, Recreation and Open Space Plan (2008).
- Entiat Park Plan Set (2012).
- Hispanic Community and Outdoor Recreation, 2006, produced by the UCLA Anderson School of Management for the Outdoor Foundation.
References

- Outdoor Recreation Data, Trends & Projections—Planning for the Future, by Ken Cordell, U.S. Forest Service Research & Development (Southern Research Station, Athens GA) and Gary Green, Warnell School (UGA).
Appendices
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Appendix A: Overview of Operations by Park Site

**BEEBE BRIDGE PARK**

*Beebe Bridge Park Aerial 2013*

**Description**

**Acres:** 56 acres

Facilities: 46 tent-RV sites with electricity and water, RV dump station, restrooms, showers, parking, day-use facility, picnic shelter, swimming area, 2-lane boat launch, short-term boat moorage, tennis courts, playground equipment, horseshoe pits, shoreline trail.

**Condition:** Very good

**Annual Visitation:** Approximately 75,000 visitors per year.

**Season:** Closed in winter, from November 1 to March 31. The north loop camp area is open April 1 through October 31. The south loop camp area is open May 15 thru September 15.

**Park Character:** Beebe Bridge is developed in character, manicured in appearance and oriented to water-based recreation. It has a functional and attractive campsite layout. A large turf area, sports fields, and other traditional park facilities provide recreation opportunities for both day-use and overnight visitors.
Site Management/Operations

Site Management: This site is managed by the District.

Staffing: Staff includes one assigned Campground Attendant, one roving Park Aide (seasonal), two roving maintenance staff, including one seasonal Park Maintenance 1 and one Park Maintenance 2. The District changed last year from using volunteer camp hosts to hiring a campground attendant to handle campground registration, camper contact and campsite maintenance, restroom cleaning and transmittal of funds. This has increased camper contacts and reduced user conflicts at this park.

Services and Fees: Camping is available on a “first-come, first-served” basis. No reservations are permitted, but a per-night fee is charged. Services include RV dump station (fee for non-campers), short-term boat moorage (no fee; campers only), shelter reservations (no fee; reserved online or in person) and sport field reservations (tournament fees apply, but no other fees are charged; reserved by application). There is no boat launch fee. See Table A-1, Appendices Page 13, for a summary of camping and day-use fees.

Concessions: A mobile vendor sells firewood, ice, ice cream, and other sundries seasonally from his vehicle, keeping all revenues.

Events and Programs: None

Other: The residence on site is rented to a local law enforcement officer at less than market rate with the requirement that the officer drive the loop morning and evening.

Revenues/Expenditures/Improvements

Annual Revenues: From 2010 to 2012, revenues at Beebe Bridge Park increased from approximately $108,000 to more than $125,000. Camping fees accounted for 99% of 2012 revenues.

Annual Expenditures: From 2010 to 2012, total O&M expenditures increased from approximately $281,000 to nearly $350,000.

Costs: In 2012, the park was operating at a deficit of nearly $225,000. The District is spending approximately $6,245 per acre (gross cost) and $4,015 per acre (net cost) for operations and maintenance.

Planned Improvements: As noted in the 2011 Strategic Plan, nearly $500,000 in large maintenance projects and $425,000 in capital projects were planned for this site from 2012-2015. An estimated $436,500 in additional funds will be needed to address shoreline erosion.
**Daroga State Park**

![Daroga State Park 1996 Aerial](image)

**Description**

**Acres:** 140 acres

Facilities: 28 tent/RV sites with electricity and water, 25 walk-in, boat-in sites or tent sites with no hookups, two group camping sites (each with capacity of 150), RV dump station, restrooms, showers, baseball/soccer field, 2-lane boat launch, boat trailer parking, short-term moorage, playground equipment, combination tennis and basketball court, swimming, picnic shelters, volleyball, tennis, 2.6-mile shoreline trail.

**Condition:** Good

**Annual Visitation:** Approximately 100,000 visitors per year.

**Season:** Closed in winter, from October 1 to April 1.

**Park Character:** Daroga State Park is less developed in character than Beebe Bridge Park or Wenatchee Confluence State Park. However, power lines cross the park and create a visual intrusion. The site has an “island” with walk-in/boat-in campsites that provide a unique type of camping experience. The park as a whole and especially the walk-in area has been severely impacted by the loss of trees in 2012 due to an unseasonably wet winter and high winds. This changed the character of the park, and debris is still being removed.
Site Management/Operations

Site Management: This site is managed by Washington State Parks.

Staffing: Daroga is considered a satellite site of Lincoln Rock. Lincoln Rock and Daroga share these staff: two Park Rangers/Managers (1.66 FTEs) and one roaming O&M Specialist. This represents a staffing reduction from five Park Rangers in the last few years. Volunteer camp hosts provide support and minor maintenance/janitorial duties. State Parks also has a two-person arbor crew for all of eastern Washington.

Services and Fees: Individual campsites are available on a "first-come, first-served" basis. The two group campsites may be reserved. See Table A-2, Appendices Page 13, for a summary of camping and day-use fees.

Concessions: Firewood and ice are delivered to campsites. These sundries are reported to generate approximately $8,000-$9,000 in revenues that can be reinvested in the park.

Events and Programs: Programs provided by State Parks, such as the Junior Ranger Program, evening programs and interpretive programs, are decreasing as staff time has been cut.

Revenues/Expenditures/Improvements

Annual Revenues: From 2011 to 2012, revenues at Daroga State Park increased from approximately $100,000 to nearly $122,000. Camping fees accounted for 83% of 2012 revenues.

Annual Expenditures: From 2011 to 2012, total reported O&M expenditures decreased from approximately $218,000 to nearly $184,000.

Costs: Based on the 2012 data provided, the park was operating at a deficit of nearly $63,000 last year. State Parks is spending approximately $1,315 per acre (gross cost) and $450 per acre (net cost) for O&M. Note: This may not reflect true costs, since certain functions (e.g. tree pruning) are provided by regional State Parks staff that are not part of this park’s appropriated budget.

Planned Improvements: As noted in the 2011 Strategic Plan, nearly $26,000 in large maintenance projects and $850,000 in capital projects were planned for this site from 2012-2015.
LINCOLN ROCK STATE PARK

Description

Acres: 60 acres

Facilities: 94 tent/RV sites (35 with electricity and water, 32 with electricity, water and sewer, 27 standard), 4 cabins, RV dump station, restrooms, showers, 3-lane boat launch, boat trailer parking, short-term moorage, swimming, picnic shelters, playground equipment, volleyball, tennis, horseshoe pits, amphitheater.

Condition: Good

Annual Visitation: Approximately 200,000 visitors per year.

Season: Closed in winter, from November 1 to March 1.

Park Character: Lincoln Rock State Park is a popular, family-oriented park with more tree cover than many of the other sites. Because of its topography and design, it has several different activity areas, each with a unique character. Uphill convenience cabins and RV campsites offer water views. A memorial amphitheatre protected from the wind provides good opportunities for interpretive programs and events such as weddings. A lower level camp loop is adjacent to water access facilities, such as a swimming beach and boat ramp. Away from the river, a large turf for traditional day-use park/sports activities is accessible from both camp areas.
Site Management/Operations

Site Management: This site is managed by Washington State Parks.

Staffing: Lincoln Rock and Daroga share these staff: two Park Rangers/Managers (1.66 FTEs) and one roaming C&M Specialist. This represents a staffing reduction from five Park Rangers in the last few years. Volunteer camp hosts provide support and minor maintenance/janitorial duties. State Parks also has a 2-person arbor crew for all of eastern Washington.

Services and Fees: Camp sites and shelters are available by reservations (by phone or online). The amphitheater and sport fields are reservable under a more flexible arrangement to be pursued with the Site Manager. See Table A-2 for a summary of camping and day-use fees.

Concessions: A camp store is run by a private concessionaire. Other temporary vendors have been allowed (at no charge) to provide products/services just outside the park entrance, if approved by the camp store concessionaire and Site Manager.

Events and Programs: The sports field has been used for adult league play (26 teams). Programs provided by State Parks, such as the Junior Ranger Program, evening programs and interpretive programs, are decreasing as staff time has been cut. While a variety of programs have been provided at the amphitheater in the past, the facility is not well used at this time.

Revenues/Expenditures/Improvements

Annual Revenues: From 2011 to 2012, revenues at Lincoln Rock State Park increased from approximately $400,000 to more than $441,000. Camping fees alone accounted for 81% of 2012 revenues. All overnight fees combined (camping and cabins) accounted for 91% of 2012 revenues.

Annual Expenditures: From 2011 to 2012, total reported O&M expenditures decreased from approximately $463,000 to approximately $455,000.

Costs: Based on the 2012 data provided, the park was operating at a deficit of less than $14,000 last year. State Parks is spending approximately $7,580 per acre (gross cost) and $235 per acre (net cost) for operations and maintenance. Note: This may not reflect true costs, since certain functions (e.g. tree pruning) are provided by regional State Parks staff that are not part of this Park’s appropriated budget.

Planned Improvements: As noted in the 2011 Strategic Plan, $12,000 was planned for a 2012 tennis court repair, and $450,000 in new capital development is planned for this site through 2015.
WENATCHEE CONFLUENCE STATE PARK

Description

Acres: 200 acres

Facilities: 59 tent/RV sites (51 with electricity, water and sewer, 8 standard), 1 group site, RV dump station, 2-lane boat launch, boat trailer parking, swimming, restrooms, showers, picnic shelters, baseball/soccer field, volleyball, tennis, playground equipment, Wenatchee River pedestrian bridge, 5 miles of trail, wildlife area, interpretive signage.

Condition: Good

Annual Visitation: Approximately 300,000 visitors per year.

Season: The day-use area and one campground loop are open year-round; one campground loop is closed seasonally.

Park Character: Wenatchee Confluence State Park is more urban in character compared to the other five parks, with surrounding industrial or commercial uses and an approach through an industrial area of Wenatchee. The site functions as a city park for Wenatchee residents (sports, playground use, walking, biking), because of its connection to the Apple Capital Loop Trail and its proximity to Walla Walla Point Park, which is well-programmed and scheduled by the District for sports and events. The park is connected to a wildlife preserve area and nature trail loop via a pedestrian/bike bridge across the Wenatchee River. This preserve is an important and unique attraction for this park.
Site Management/Operations

Site Management: This site is managed by Washington State Parks.

Staffing: Until 2012, staff included two Park Rangers/Managers, five part-time Park Aides, and one construction and maintenance supervisor who served multiple parks. In 2012, staff and equipment were consolidated with two other sites (Peshastin Pinnacles and Squilchuck). This added a seasonal Park Ranger (8 months), part-time Park Aide, and part-time Office Assistant, but divided everyone’s time among the three sites. Budgeted work hours for all three sites were reduced from 14,835 to 13,200 hours annually. A volunteer camp host cleans campsites and checks restrooms.

Services and Fees: Campsites and shelters are available by reservations (by phone or online). The sport fields and turf area are reservable under a more flexible arrangement to be pursued with the Site Manager/Ranger. See Table A-2, Appendices Page 13, for a summary of camping and day-use fees.

Concessions: Camp hosts sell ice and firewood. There is a vending machine by one of the restrooms.

Events and Programs: The sports field is regularly used by rugby and soccer teams. The rugby team provides its own field lighting. The park also hosts some special events, although these types of uses have decreased since the Discover Pass system was initiated. The Discover Pass may have impacted the convenience of local drop-in use as well. Walla Walla Point Park now hosts more events (e.g., Apple Blossom Festival Carnival), and Wenatchee Confluence receives a lot of spillover use for camping.

Revenues/Expenditures/Improvements

Annual Revenues: From 2011 to 2012, revenues at Wenatchee Confluence State Park increased from approximately $299,000 to more than $371,000. Camping fees accounted for 87% of 2012 revenues.

Annual Expenditures: From 2011 to 2012, total reported O&M expenditures decreased from approximately $505,000 to approximately $456,000.

Costs: Based on the 2012 data provided, the park was operating at a deficit of approximately $85,000 last year. State Parks is spending approximately $2,280 per acre (gross cost) and $425 per acre (net cost) for O&M. (Note: This may not reflect true costs since some State Park costs are only accounted for at regional and state levels.)

Planned Improvements: As noted in the 2011 Strategic Plan, nearly $150,000 in large maintenance projects (asphalt repair) and $245,000 in capital projects were planned for this site from 2012-2015. (Note: These numbers may include funds for play equipment that was replaced by State Parks in 2012).
**Orondo River Park**

*Orondo River Park 1983 Aerial*

**Description**

**Acres:** 5 acres

**Facilities:** 13 RV sites with electricity and water, 14 tent sites, 1 new group site (added near the boat launch), showers, swimming, 1-lane boat launch, boat trailer parking, short-term moorage, picnic shelter, fuel pump. A small dog walk area is located along the western fence.

**Condition:** Fair

**Annual Visitation:** Approximately 20,000 visitors per year.

**Season:** Closed for winter, although advertised as open year round. (This may be a new policy established by the concessionaire).

**Park Character:** Orondo River Park is a much smaller park, older and not as well-maintained compared to the other five parks. The tent sites are on the lawn and very close together. The landscaping browns in the summer, due to the layout/use of the park, the tight spacing of camping areas, and the design of the irrigation system (which does not have multiple zones that allow isolation of different areas of the park for watering). The boat launch area is more constrained than at other sites, but Orondo offers fuel and has mooring slips that are highly visible to the campsites (attractive for boat owners). The beach area is small, and the open day-
use lawn is much smaller than at the other parks. The site has limited potential for improvement given space constraints.

**Site Management/Operations**

**Site Management:** Beginning in 2012, the Port of Douglas County contracted with Recreation Resource Management (RRM) for operations. The contract was initiated on a year-to-year basis as a trial arrangement. (RRM can terminate the contract with 30 days notice.) RRM has agreed to continue to operate the site in 2013, increasing revenues by charging new day-use fees. Because Orondo River Park is a smaller recreation area than they typically manage, RRM keeps all revenues and requires the Port to address major maintenance and capital repairs and projects (e.g., irrigation system, plumbing and other infrastructure).

**Staffing:** Under RRM, the site is managed by three staff, including two campground hosts and one O&M person who handles landscaping maintenance and other minor tasks on a part-time basis. Port staff are called in to address larger maintenance projects.

**Services and Fees:** Campsite and shelter reservations may be made by phone or by email. Through RRM, the park has its own website and Facebook page, with attractive photos and descriptions of services. The Orondo River Park initiated new day-use parking and walk-in/bike-in fees in 2013, in response to the number of short-term site visitors and non-recreational park users who were using the amenities and facilities (including restrooms and showers). See Table A-3 for a summary of camping and day-use fees.

**Concessions:** Pontoon boats (not jet skis) are available for rental. There is a camp store with cold drinks, ice cream, snacks, hot and cold coffee drinks, etc. Wi-Fi is available as well. Boat fuel is available for park users as well as locals who stop just for fuel.

**Events and Programs:** RRM provides events and programs at many of the sites it operates. It did not initiate programming in the first year at Orondo River Park.

**Revenues/Expenditures/Improvements**

**Annual Revenues:** From 2010 to 2012, revenues at Orondo River Park increased from approximately $35,000 to more than $61,000. Camping fees accounted for less than 40% of 2012 revenues. Nearly 45% of reported revenues came from fuel sales, for which there is a very little profit margin.

**Annual Expenditures:** From 2010 to 2012, total reported O&M expenditures increased from approximately $12,000 to $20,000, and then decreased to approximately $8,000. Data appear to be Port expenditures, which may not reflect RRM’s O&M costs in 2012.

**Costs:** Using 2011 data (for reasons noted above), the park appears to have been operating at profit of approximately $30,000. Both decreased maintenance level and incomplete O&M accounting probably contribute to this finding.

**Planned Improvements:** As noted in the 2011 Strategic Plan, a $150,000 park shelter is the only project planned for this site from 2012-2015.
Entiat Park

Description

Acres: 40 acres

Facilities: Renovation of Entiat Park will begin at the close of the camp season in 2013. The park is anticipated to reopen in 2015. Planned facilities include 31 camps sites (partial hookups), 26 tent sites (no hookups), 1 group site, 2-lane boat launch, short-term boat moorage, kayak launch, picnic shelter, playground, as well as interpretative signage and viewpoints, sculpture, and a museum. Though the RV dump station will be removed, a new dump station will be provided at the City’s sewer treatment plan only a short distance north of the park.

Condition: Currently, poor.

Annual Visitation: Approximately 60,000 visitors per year.
Season: Day-use areas are open year round. RV campsites are winterized. The site is not marketed for winter camping, but will be after renovation.

Park Character: Entiat Park has a small town character, which will be retained and improved after revitalization. The park incorporates part of the old town of Entiat, which was moved upland when the dam was constructed and the reservoir was filled. Walk-in tent camp sites will be provided on a turf area with trees, although with more convenient parking than those at Daroga State Park. Upgraded RV sites will be located adjacent to the river, with greater privacy. The large day-use area includes an expansive lawn and a large beach area. However, swimming is not desirable at this park because of the milfoil growth. (This area, however, has been targeted to be part of a study designed to eliminate milfoil.) Most swimming occurs off boats that anchor on the sand bar to the west of the park. Several historic features will be explained on interpretive signs throughout the new park including the old town, early transportation up the river, a historic home that now serves as a museum, and the Entiat Tribe, which inhabited this area in the late 1800’s. Dogs are not allowed in Entiat Park.

Site Management/Operations

Site Management: The park is managed and operated by the City of Entiat. The District provides an annual payment to the City to assist in the cost of operating the park. The amount is not set, but rather changes annually based on the funding gap between annual expenditures and revenues.

Staffing: The park is maintained by City of Entiat Public Works staff. This includes four staff that are also in charge of sewer treatment plant operations and maintenance of City streets, facilities, and infrastructure. The park does not have a camp host, and City staff are responsible for cleaning restroom and campsites.

Services and Fees: Online reservations taken through the City of Entiat’s website. Reservations may be made by telephone as well. See Table A-4 for a summary of camping and day-use fees.

Concessions: The City provides information to visitors regarding local companies and concessionaires that rent boats, jet skis, kayaks, and recreational vehicles.

Events and Programs: The City markets the site to support special events, commercial events, and sports programs. Each of these are fee-based services.

Revenues/Expenditures/Improvements

Annual Revenues: In 2011, approximately $65,500 in revenues were generated (as reported through 11/30/11).

Annual Expenditures: In 2011, reported O&M expenditures totaled nearly $150,000. Approximately 64% was spent on payroll/benefits.

Costs: Base on 2011 data, the park appears to have been operating at loss of approximately $84,000. The City of Entiat requested a payment from the District for $65,000 to offset this loss.
The District is spending approximately $3,744 per acre (gross cost) and $2,107 per acre (net cost) for operations and maintenance.

**Planned Improvements:** As per the 2009 FERC License, approximately $7.2 million in improvements are scheduled from 2013-2015.

**Campground and Day-use Fees by Site**
Park fees vary by operator, in terms of costs as well as type of fees charged. Tables A-1 below through A-3 on the following page summarize the fee-based system. It includes fees where applicable for reservations and day-use. Fees for concessions are not noted here.

### Table A-1: Beebe Bridge Park Use Fees (2013)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Peak Season Fee</th>
<th>Off-Peak Season Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campsite/night*</td>
<td>$28</td>
<td>$23</td>
</tr>
<tr>
<td>Campsite/night (Disabled Veterans)**</td>
<td>$18</td>
<td>$12</td>
</tr>
<tr>
<td>Picnic Shelter Fees</td>
<td>No cost</td>
<td></td>
</tr>
<tr>
<td>Trailer Dumping Fee (non-campers)</td>
<td>$5</td>
<td></td>
</tr>
</tbody>
</table>

*Campsite fee includes the use of boat launch, day-use parking, RV waste dump and showers.

**Include Seniors (62+) in the off-peak season.**

### Table A-2: Daroga, Lincoln Rock, Wenatchee Confluence State Parks Use Fees (2013)

<table>
<thead>
<tr>
<th>Fees</th>
<th>Peak Season (5/15-9/15)</th>
<th>Off-Peak Season (1/1-5/14, 9/16-12/31)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discover Pass</td>
<td>$30</td>
<td>$30</td>
</tr>
<tr>
<td>Annual Pass</td>
<td></td>
<td></td>
</tr>
<tr>
<td>One-day Pass</td>
<td>$10.00</td>
<td>$10.00</td>
</tr>
<tr>
<td>Camping Fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonresident Reservation Fee</td>
<td>$5</td>
<td>$5</td>
</tr>
<tr>
<td>Central Reservation Fee (online)</td>
<td>$6.50</td>
<td>$6.50</td>
</tr>
<tr>
<td>Central Reservation Fee (Phone)</td>
<td>$8.50</td>
<td>$8.50</td>
</tr>
<tr>
<td>Primitive Campsite and water trail1</td>
<td>$12</td>
<td>$12</td>
</tr>
<tr>
<td>Standard Premium Campsite2</td>
<td>$26</td>
<td>$22</td>
</tr>
<tr>
<td>Standard Non-premium Campsite2</td>
<td>$23</td>
<td>$22</td>
</tr>
<tr>
<td>Partial-utility Campsite (Premium)3</td>
<td>$35</td>
<td>$28</td>
</tr>
<tr>
<td>Partial-utility Campsite (Non-premium)3</td>
<td>$30</td>
<td>$28</td>
</tr>
<tr>
<td>Full-Utility Campsite (Premium)4</td>
<td>$37</td>
<td>$29</td>
</tr>
<tr>
<td>Full-Utility Campsite (Non-premium)4</td>
<td>$32</td>
<td>$29</td>
</tr>
<tr>
<td>Group Camping Reservation Fee</td>
<td>$25</td>
<td>$25</td>
</tr>
<tr>
<td>Group Camping Fee</td>
<td>$2.39/pp</td>
<td>$2.39/pp</td>
</tr>
<tr>
<td>Trailer Dumping Fee</td>
<td>$5/use</td>
<td>$5/use</td>
</tr>
<tr>
<td>Additional Vehicle, Trailer</td>
<td>$10/night</td>
<td>$10/night</td>
</tr>
<tr>
<td>Shower Fee</td>
<td>$0.50</td>
<td>$0.50</td>
</tr>
<tr>
<td>Boating</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Daily Launch Permit $7 $7
Annual Launch Permit $80 $80
Overnight Dock Moorage $0.60/feet ($12 min.) $0.60/feet ($12 min.)
Overnight Buoy Moorage $12 $12

1 Campsite does not include a nearby flush comfort station. Primitive campsites may not have amenities. Sites accessible by motorized/non-motorized vehicles and water trail camping.
2 A designated campsite served by nearby domestic water, sink waste, garbage disposal and flush comfort station.
3 A standard campsite with the addition of electricity. May have domestic water and/or sewer.
4 A standard campsite with the addition of electricity, water and sewer.

Washington State Parks also charges separately for reserved shelters and other facilities (such as amphitheaters and sports fields), unless the facility is part of a group camp site. No stated rate for these facilities is available. It appears that rates vary by a number of factors, such as facility location, size, number of people served, date of use, etc. For example, the regular full rate for shelters at several state park sites is $34.62 each, 25 people for the entire day (not including the additional reservation fee of $6.50).

Table A-3: Orondo River Park Use Fees (2013)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Camping</td>
<td></td>
</tr>
<tr>
<td>Single Family Tent Campsite</td>
<td>$26</td>
</tr>
<tr>
<td>Single Family RV Site/night</td>
<td>$30</td>
</tr>
<tr>
<td>Single Family RV Site/month</td>
<td>$600</td>
</tr>
<tr>
<td>Extra Vehicle, Trailer</td>
<td>$5</td>
</tr>
<tr>
<td>Picnic Shelter Fees</td>
<td></td>
</tr>
<tr>
<td>Group up to 25</td>
<td>$55</td>
</tr>
<tr>
<td>Day-use Fees</td>
<td></td>
</tr>
<tr>
<td>Day-use Parking</td>
<td>$5</td>
</tr>
<tr>
<td>Boat Launch/day</td>
<td>$8</td>
</tr>
<tr>
<td>Boat Launch/year</td>
<td>$75</td>
</tr>
<tr>
<td>Extra Persons, Walk-in, Bicycle</td>
<td>$1</td>
</tr>
<tr>
<td>Slip Rentals/night</td>
<td>$10</td>
</tr>
<tr>
<td>Pontoon Boat (4hrs)</td>
<td>$140+fuel</td>
</tr>
<tr>
<td>Pontoon Boat (8hrs)</td>
<td>$265+fuel</td>
</tr>
</tbody>
</table>
### Table A-4: Entiat Park Use Fees

<table>
<thead>
<tr>
<th>Activity</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>RV Space</td>
<td>$28.00 per night</td>
</tr>
<tr>
<td>Tent Space</td>
<td>$22.00 per night</td>
</tr>
<tr>
<td>Extra Adults (Maximum of 6 people per site)</td>
<td>$2.00 each</td>
</tr>
<tr>
<td>Extra Vehicle</td>
<td>$2.00 each</td>
</tr>
<tr>
<td>Sewage Dump Fee</td>
<td>$5.00 non-campers (free to paid campers)</td>
</tr>
<tr>
<td>Boat Launch</td>
<td>$5.00 non-campers (free to paid campers)</td>
</tr>
<tr>
<td>Group Camping</td>
<td>Call City Hall for rates</td>
</tr>
<tr>
<td>Park Showers</td>
<td>$1.00 (four quarters/four minutes)</td>
</tr>
<tr>
<td>Picnic Shelter Reservation</td>
<td></td>
</tr>
<tr>
<td><em>Residents – Picnic Shelter</em></td>
<td>$15.00</td>
</tr>
<tr>
<td><em>Non-Residents – Picnic Shelter</em></td>
<td></td>
</tr>
<tr>
<td>Up to 50 people</td>
<td></td>
</tr>
<tr>
<td>51-100 people</td>
<td></td>
</tr>
<tr>
<td>101-200 people</td>
<td></td>
</tr>
<tr>
<td>201 &amp; over</td>
<td></td>
</tr>
<tr>
<td>Special Events</td>
<td>$100.00</td>
</tr>
<tr>
<td>Commercial Events</td>
<td>$250.00</td>
</tr>
<tr>
<td>Park Recreation User – Sport Assn. per Team (Kiwanis Park)</td>
<td>$20.00</td>
</tr>
</tbody>
</table>
Appendix B: Service Level Evaluation Criteria

The following criteria are metrics for defining the appropriate level of services to provide in District parks with campground facilities. The criteria are organized in six Service Level Evaluation Categories, which have been prioritized by the Project Management Team and appear in ranked order (A-F). Metrics are prioritized in two categories:

- **Very Important**: This criterion is very important to the outcome the District is trying to achieve.
- **Somewhat Important**: This criterion is somewhat important to the outcome the District is trying to achieve. It is not the District’s main focus, but it is a component of the services provided.

The scoring reflects current thinking and, to some extent, current expectations and operations at District sites. However, there is an acknowledgment that service priorities may have to evolve, and that service expectations are different for the District and operators who manage parks on behalf of the District.

**Table B‐1: Service Level Evaluation Criteria**

<table>
<thead>
<tr>
<th>Service Level Criteria</th>
<th>Very Important</th>
<th>Somewhat Important</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Strategic Plan Alignment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A1. Directly supports the District or Parks Department’s strategic planning initiatives.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>A2. Indirectly supports the District or Parks Department’s strategic planning initiatives.</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td><strong>B. Customer Service</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B1. Provides quality customer service to all park patrons (at the same level).</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>B2. Meets the outdoor recreation and service needs of ratepayers.</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>B3. Meets the outdoor recreation and service needs of non-ratepayers (e.g., tourists and Douglas County residents).</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>B4. Supports local interest groups, non-profits and partners, such as sports leagues, stakeholders, campground operators, and program providers.</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>B5. Reinforces “a community park feeling” through design, programming and services.</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>B6. Provides innovative recreation opportunities and/or supports new trends to enhance recreation opportunities for customers.</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>B7. Improves or enhances existing facilities to serve more customers.</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td><strong>C. Financial Stability</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C1. Reduces risk, liability, or environmental consequences that could have long-term costs for ratepayers.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>C2. Enhances the ability of park operators to operate parks more cost effectively and maximize use of budgeted funds.</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>C3. Collects revenue from tourists and visitors who are not Chelan County residents, or increases the revenue-generating capacity of facilities</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Service Level Criteria</td>
<td>Very Important</td>
<td>Somewhat Important</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------------</td>
<td>----------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>and services targeting these park users.³</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C4. Collects revenue (or increases the ability to collect revenue) from ratepayers who receive services or benefits beyond regular daily use, such as facility reservations, sports field scheduling, event coordination, utilities or products.</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>C5. Recovers costs from all park users, including ratepayers, to reinvest in park assets and operate more cost effectively.⁴</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>C6. Reduces costs through changes in operations and design, even where these decrease services levels, to support financial stability.⁵</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td><strong>D. Asset Preservation and Replacement</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D1. Reduces risk or supports park safety.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>D2. Maintains assets as needed to support demand and intensity of use.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>D3. Maintains assets at high level.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>D4. Repairs or replaces current facilities to continue same level of operations.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>D5. Repairs or replaces current facilities to maintain the top asset quality.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>D6. Preserves assets by limiting high impact activities, uses or programs.⁶</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td><strong>E. Environmental/Cultural Resource Protection</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E1. Eliminates or reduces environmental hazards.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>E2. Provides enhanced protection for wildlife habitat, and the tree canopy in parks.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>E3. Conserves water, electricity, supplies and materials, or other resources.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>E4. Provides enhanced protection for archaeological or historical sites in parks.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>E5. Reduces storm water runoff, protects water quality, or enhances other ecological functions (e.g., aquifer recharge, carbon sequestration).</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>E6. Supports environmental and cultural stewardship, interpretation and/or education among park users.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>E7. Preserves a sense of place or natural landscape character.</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td><strong>F. Regional Economic Vitality</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F1. Indirectly supports tourism or broad economic impacts throughout the region.</td>
<td>x</td>
<td></td>
</tr>
</tbody>
</table>

¹ Douglas County residents are perceived as local park users. Service levels are more closely aligned with ratepayers than with other visitors and tourists.
² The District supports efforts to increase use at sites with day-use fees, such as in State Parks.
³ The District is less inclined to collect revenue from Douglas County residents, who are perceived as local park users.
⁴ The District supports other operators in recovering costs from all park users to reinvest in park assets. The District does not support recovering costs from all park users in the parks they operate.
⁵ The District supports reducing costs in sites run by other operators. At District-operated sites, maintaining a high level of service is more important than reducing costs.
⁶ The level or intensity of activities and use are typically limited by the infrastructure capacity.
On park lands, resource protection is secondary to recreation uses. It is emphasized (beyond regulatory compliance) where it supports recreation and park character.
Appendix C: Case Study Highlights

Six case studies were selected in consultation with the Project Management Team to investigate quality operators and entities that could demonstrate best practices in different areas of operations. The goal was to represent a mix of utility districts, public agency campground operators, and private concessionaires. Case studies included:

- Tacoma Power
- Portland General Electric
- Jackson County Parks
- Chelan County Parks
- Recreation Resource Management, Inc.
- Oregon State Parks

Each case study is summarized on the following pages. Sources of information include data available online, reports provided by the agency/entity, and interviews with the following people:

- Pam Hefley, Wildlife & Recreation Coordinator, Tacoma Power
- Tony Dentel, Parks Operations Manager, PGE
- Steve Lambert, Parks Program Manager, Jackson County Parks
- Mike Kaputa, Natural Resource Director, Chelan County
- Warren Meyer, President and CFO, Recreation Resource Management, Inc.
- Eric Timmons, Operations Coordinator, Oregon State Parks
TACOMA POWER
As a division of Tacoma Public Utilities, Tacoma Power provides electric service to several cities in the Tacoma area and unincorporated Pierce County in Washington State.

Campground Overview

Parks with Campgrounds: Tacoma Power operates four parks with campgrounds on Alder, Mayfield and Riffe Lakes.¹

Camp Sites: Mayfield Lake Park is the smallest of the four parks, offering seasonal camping at 55 sites (partial hookups). Campgrounds at the other three parks are open year-round (except the last two weeks of December) and provide 152-173 individual campsites (a mix of primitive, tent, walk-in, partial hookup, and full hookup). All four parks also have 1-2 group camp areas, which are designed as individual sites that can be reserved together.

Park Attractions: All parks feature year-round day-use areas with swimming beaches and boat launches. Other facilities vary by site; some include playgrounds, horseshoe pits, and volleyball. One site has a seasonal store and fast-food concession stand. Three sites offer reservable kitchen shelters.

Visitation/Occupancy: In 2012, the four parks received 287,730 visitors, including 122,779 visitors to the day-use sites only and 164,951 visitors to the group and individual campsites combined. Tacoma Power reports that bad weather and good fishing played a role in decreasing and increasing use at specific sites throughout the summer season.

Operations and Management

Management Approach: Tacoma Power operates all four parks. This reflects a transition away from the use of concessionaires approximately 10 years ago.

Staffing: Tacoma Power Parks utilizes paid staff to provide a high level of customer service.

Reservations: Reservations for Tacoma Power Parks can be made by phone or online through Washington State Parks’ reservation system. Eighty-eight percent of reservations are made online. Three of the parks handle their own group camp and kitchen shelter reservations. Mayfield Lake Park handles its own kitchen shelter reservations, but switched to group camp reservations online and by phone in 2012 (in lieu of paper applications). This switch created a 64% increase in reservations and 36% increase in revenue for the group camp that year.

Maintenance: Tacoma Power strives to provide a high maintenance level of service. It tracks customer satisfaction with park upkeep, bathroom cleanliness and campsites.

Capital Improvements: 2012 capital improvements primarily addressed facility repair and replacement, as well as hazard tree pruning and removal at all sites. Projects included rebuilt moorage slips, building painting/repairs, improved picnic tables and gravel pads at campsites.

¹ Tacoma Power owns two other sites with campgrounds. One is operated by State Parks, and the other by the U.S. Forest Service. As part of the Cushman Hydroelectric Project agreement, it also maintains some facilities at sites now operated by the Skokomish Tribal Nation. The information provided did not include these sites.
etc. A few capacity enhancement projects were completed, such as the installation of three new docks and boat ramps, completion of a group camp, the addition of a large barbecue at a group camp, and the addition of a cross-country course for high school meets.

**Services/Programs:** Coin-operated showers, dump stations. No program data were provided.

**Financial**

**Overview:** In 2012, Tacoma Power Parks recovered 54% of their costs for parks O&M. As illustrated by tables in their 2012 Annual Report, the park system was operating at an annual expense of approximately $967,000. By identifying parks as cost centers and tracking all costs by site and by category, Tacoma Power can summarize net costs by park and system wide. Costs are tracked for park and non-park personnel (admin or roving), supplies, utilities, contracted services, etc.

**Funding:** Revenues are collected from camping and day-use fees, as well as fees associated with showers, firewood, laundry, trailer dump fees, retail sales and concessions. Campground operations also are subsidized from Tacoma Power’s funds as part of their public services.

**Cost Breakdown:** 72% personnel, 12% services, 8% supplies, 5% utilities, and 2% vehicles and equipment. (This does not equal 100% because numbers are rounded.)

**Fees:** Tacoma Power Parks bases reservation fees on the State of Washington’s rates. Following the lead of State Parks in 2012, full hook-up sites increased three dollars; partial hook-up sites increased two dollars, and all other sites increased one dollar. Fees are also charged for extra vehicles, day-use parking, seasonal parking, and registration. Group fees vary based on the size and amenities of the group camp area.

**What Works/Doesn’t Work?**

- Tacoma Power administers an online customer satisfaction survey each week during the recreation season for users who stayed the previous week. The survey measures customer satisfaction with park features, the reservation process, employee helpfulness and ADA accommodations. In 2012, 2,100 people responded. Ninety-nine percent of respondents indicated that park employees were helpful. Ninety-six percent of respondents would recommend Tacoma Power’s parks to their friends.

- Tacoma Power reports that it spends a lot of resources on facility upkeep and maintenance, including repair/replacement of aging or worn park amenities and campsite upgrades. According to survey results, customers were very satisfied (91%) or somewhat satisfied (8%) with park upkeep.

- Tacoma Power links its user fees to the State of Washington fee schedule. Though they are typically one year behind in conforming to state-wide rates, the periodic adjustments keep operations running smoothly.

- Despite the shared reservation system, only 24% of customers reported that they learned about Tacoma Power parks from the Washington State Parks web site.

- Tacoma Power, particularly at Mossyrock Park, saw an increasing trend of weekend camping, but weekday stays and extended stays decreased in 2012. When group
reservations were lower than anticipated, site managers divided group sites to rent individual spaces on a first-come, first-serve basis, resulting in increased group site occupancy.

**PORTLAND GENERAL ELECTRIC (PGE)**
PGE operates eight parks in northwest Oregon. Four have campgrounds.

**Campground Overview**

**Parks with Campgrounds:** Campgrounds are located in waterfront parks. Three of the campgrounds are located along the Clackamas River, and the fourth is on the Deschutes River.

**Camp Sites:** The size of their campgrounds varies, ranging from 10 to 200 campsites. PGE offers canvas cabins (yomes), RV sites without electricity, RV and/or tent sites without electricity and tent only sites. Electrical hookups are only available at one site (Pelton Park).

**Park Attractions:** These parks include amenities and facilities such as lakes/river fishing, boat ramps, playgrounds, amphitheater, swimming areas, trails, large group shelters (capacity 75-200), preparation kitchen (in group areas), ball field, and disc golf. One site (Pelton Park) offers a park store with groceries and fuel.

**Park Character:** Campgrounds range from small and rustic (e.g., 10 sites with no hookups, vault toilets) to large and amenitized (e.g., 200 sites with varied hookups, camp store, etc.). Most sites offer a waterfront or natural camping experience.

**Visitation/Occupancy:** Visitation of campsites remains steady.

**Operations and Management**

**Management Approach:** PGE manages all sites and contracts out two of its marina operations to concessionaires. PGE wants to retain control of park staff to ensure the highest quality service for its users. They also pride themselves in the number of returning seasonal employees and pay a higher wage in comparison to a concessionaire.

**Staffing:** PGE relies on their own staff to operate and host all parks. On occasion, PGE will contract for specific needs such as hiring electricians and/or plumbers as needed.

**Reservations:** Reservations are required for camping. Picnic sites at all day-use areas can be reserved by completing a day-use area permit application with PGE. PGE is in the process of transferring its reservation system to a new online system by March 15, 2013. The new system will allow users to make reservations online or by phone three days ahead of arrival and up to six months in advance, 24 hours a day. For Promontory and Pelton parks, there is a $6 non-refundable fee for all camping reservations and a $10 fee for cancelations. For Timothy Lake and Lake Harriet, there is a $9 nonrefundable reservation fee for camping and a $10 cancelation fee. Rates range from $16/night for standard, non-electric sites to $50/night for group sites.

**Maintenance:** No data are available.
Capital Improvements: PGE has two recently updated FERC licenses that detail the capital needs for its park sites. All projects for the Deschutes River license are nearly completed and will be finished by summer 2013. For sites along the Clackamas River, PGE is planning to renovate campsites at each park. However, park structures and parking areas are tracked separately from other park expenditures, and are included within the budget for hydro projects.

Services/Programs: PGE hosts several special events, such as Accessible Fishing Day, Eagle Watch and fishing clinics.

Financial

Overview: PGE strives to operate its parks on a break-even basis. The campgrounds generate revenue to support park and system wide O&M. However, the day-use areas are largely subsidized as these sites have limited revenue-generating facilities. In addition, PGE directs some funding to other non-PGE managed tribal and federal-owned land.

Funding: Parks O&M projects are funded through electrical generation revenue and park user fees.

Cost Breakdown: No information provided.

Fees: PGE bases its fees on Oregon State Parks’ fees. Per night camping fees range from $16 (standard/single site) to $50 (group sites); additional vehicle ($8); group picnic shelters ($50); and canvas cabins ($30/night).

What Works/Doesn’t Work?

- The current management approach reflects a long-term transition. In the 1980’s, PGE contracted parks operation and management to concessionaires as a way to reduce staff and maintenance expenses. However, contractors retained all revenues, routine maintenance service levels decreased, deferred maintenance increased, and some contractors did a poor job in representing PGE in providing customer services. As part of their FERC relicensing from 2000-2006, they hired a parks operations manager and reclaimed park management, using PGE seasonal staff for operations. They revamped their image by promoting special events and outdoor/environmental programs (through partnerships), targeting families in marketing materials, and providing consistent, enforceable rules and policies in all parks. Improved maintenance and capital upgrades helped them promote a safe and attractive recreation environment.

- Controlling management of PGE sites has worked well. PGE continues to monitor customer satisfaction at the sites it manages and retain control of services with in-house staff. Today, PGE limits concessionaire contracts to the operation of two marinas.

- PGE notes that providing paid, well-qualified staff is key to a successful user experience. PGE hires seasonal park employees that have responsibilities ranging from fee collection to maintenance and cleaning. PGE pays higher wages than most concessionaires, which enables them to attract better staff and retain them from year to year.
**JACKSON COUNTY PARKS (JCP)**
Jackson County Parks operates 18 parks in southwestern Oregon. Eleven have campgrounds. The County eliminated General Fund support for the parks program four year ago, so JCP must generate enough revenue to support itself. Campgrounds are a key part of the revenue generation strategy.

**Campground Overview**

**Parks with Campgrounds:** Parks with campgrounds range in size from 33 acres to 1,467 acres. Of these, seven are around Howard Prairie Lake. All 11 are riverfront or lakefront property.

**Camp Sites:** JCP offers basic (no hookups), tent sites (on grass), partial hookups, full hookups (cement pad, 50-amp, water, sewer), yurts, basic cabins, larger cabins (2 bedroom, kitchen, bath/shower), Schooner RV Trailer Rentals (full hookups), and several group camp areas of various sizes.

**Park Attractions:** These parks include amenities and facilities such as lakes/river fishing, waterslides, boat ramps, playgrounds, swimming areas, trails, large group shelters (capacity 80-400), preparation kitchen (in group area), and equestrian camps (corral at each site).

**Park Character:** Campgrounds range from small and rustic (e.g., 20 sites with no hookups, vault toilets) to large and amenitized (e.g., 200 sites with varied hookups, 20 rental RVs, camp store, restaurant, boot moorage, etc.) Most sites offer a woodsly or natural camping experience.

**Visitation/Occupancy:** Visitation has increased in recent years, increasing revenues collected for camping and day-use. JCP attributes this to more people recreating closer to home. JCP is just starting to track occupancy levels to make business decisions on services provided.

**Operations and Management**

**Management Approach:** JCP operates 10 of the 11 sites themselves. This includes Howard Prairie Resort, which the JCP took back from a concessionaire on 2/13/13 to improve services. Due to funding issues, Cantrall-Buckley was temporarily closed, but reopened and is operated by a community group (Greater Applegate Community Development Corporation).

**Staffing:** In last 6-7 years, JCP tripled the use of volunteers. Volunteer camp hosts provide 20 hours of work per person per week, cleaning restrooms, selling firewood, cleaning campsites, answering questions, etc. Volunteers are supported by County staff for maintenance, projects, and site management.

**Reservations:** Reservations may be made online or by phone 15 days to 9 months in advance. Reservations are required for all group camp areas and are highly recommended for five campgrounds. Other sites and facilities not reserved 2 weeks in advance are available on a first-come, first-served basis. There is a non-refundable $8.00 fee per campsite for online reservations and $10.00 per campsite for phone reservations.

**Maintenance:** JCP used to contract out all landscaping services, but the County saves money by doing it themselves. Overall, maintenance has improved since JCP began maintaining and operating their own campgrounds in lieu of using concessionaires.
Capital Improvements: Any improvement over $5,000 is defined as a capital improvement. JCP has an estimated $11 million in deferred maintenance in 17 of their 18 parks. Most facilities are older, having been built in 1950’s and 60’s. There are issues with underlying infrastructure. JCP is investing in facilities that generate revenue (e.g., cabins), or improving support facilities (e.g., restrooms/showers) at sites that generate revenue.

Services/Programs: Coin-operated showers, dump stations. JCP contracts out for specialized services they cannot do well or cheaply (e.g., restaurant, camp store, boat rentals). JCP is working on plan to integrate more programs into parks, including interpretive programs run by partners (Southern Oregon University Environmental Education) and programs similar to Oregon State Parks’ “Let’s Go Camping” model. The lack of staff has slowed this initiative.

Financial

Overview: JCP strives to operate its parks on a break-even basis. It has applied cost-cutting and cost-recovery strategies to provide a variety of recreational experiences at a low cost. Its campgrounds generate revenue to support O&M in day-use areas.

Funding: Parks O&M are funded through user fees, Oregon State Marine Board and RV registration and licensing fees.

Cost Breakdown: Of the entire budget, expenditures include approximately 35% labor and benefits, 25% O&M, 10% capital reinvestment, 15% reserves.

Fees: Per night camping fees range from $16 (no hookups) to $30 (full hookups); additional vehicle ($6); group areas ($37-$150 with higher rates on weekends); cleaning deposit for group areas ($100-$250), cabins ($125/night with higher rates on weekends); yurts ($35); RV trailers ($95-$115); daily parking fee ($4 per vehicle); season day-use passes ($30); firewood ($5/bundle). JCP also has weekly rates for cabins; shelter rates, etc.

What Works/Doesn’t Work?

• When General Fund support was eliminated, the operations of several parks were transferred to concessionaires. Parks suffered; the County did not collect any revenues; but JCP was still investing in big maintenance and capital projects. As of this winter, JCP has taken back all sites and is collecting revenues to reinvest in its sites.
• JCP conducted a fee survey of other public and private camps to set rates at market value. They have advocated for Oregon State Parks to charge market-based fees, rather than reduced rates that are possible because of outside funding (lottery dollars). OSP rates affects Jackson County’s pricing.
• All campgrounds are resource-oriented. Many have specialized facilities to attract specific type of user (e.g., equestrian camp, fishing camp, boating facilities, waterslides).
• Group camping is growing in popularity. Most sites have one or more group camp areas; some sites have options to reserve the entire campground, with a base rate and per night charge based on number of people.
• JCP is seeking concessionaires (via RFP) to provide stand-up paddleboards. JCP tries to capitalize on recreation trends that will increase visitation at their parks.
CHelan County Parks (CCP)
Chelan County Parks operates two parks in central Washington. One of these sites has a campground.

Campground Overview

Parks with Campgrounds: The County has one campground at Wenatchee River County Park.

Camp Sites: Wenatchee River County Park has 49 individual campsites. Three are pull-through sites, and three sites have water and electric hook-ups. The other 43 sites have full hook-ups including water, electric and sewer. (No tents are allowed in the park – RVs only).

Park Attractions: Facilities and amenities include laundry, showers, restrooms, post office and small store, volleyball court, horseshoes, golfing cage, basketball court (1/2), a small fitness center, playground, trails, and river access.

Park Character: The park is developed and manicured.

Visitation/Occupancy: Park access is seasonal. The campground is typically full in the summer.

Operations and Management

Management Approach: Two seasonal County staff operate and maintain the park, under the direction and administration of the Chelan County Administrator.

Staffing: O&M staff include two seasonal park managers, two camps hosts, two maintenance staff and 2 office clerks. There is some cost sharing in maintaining this site and the adjacent farm worker housing that is owned and operated by Chelan County. It is unclear if the employees noted here are shared maintenance staffing.

Reservations: Reservations are available through Chelan County by phone.

Maintenance: Periodic maintenance and capital projects are conducted by Chelan County. Routine maintenance is conducted by seasonal employees.

Capital Improvements: The septic system was just replaced. No other capital improvements are planned.

Services/Programs: Camp store and post office.

Financial

Overview: Wenatchee River County Park was purchased with Land and Water Conservation. No specific financial goals were noted.

Funding: The park is supported by user fees and county funds. There is state funding for the farm worker housing.

Cost Breakdown: No data.
**Fees:** Day-use and camping fees are identified in Table A-2. They differ from other providers in their inclusion of monthly camp fees ($450) and off-season monthly storage fees ($75). Fees for individual campsites range from $20 - $30, with charges for additional campers ($5), additional vehicles ($5), and camping overflow ($15). The day-use area may be reserved for the entire day, and fees are based on the size of the group.

**What Works/Doesn’t Work?**
- Having the farm worker housing next to the County park allows for maintenance efficiencies.
- The location of Wenatchee River County Park and its proximity to the river works well. It is in a great location, close to Wenatchee and is well maintained. It provides short and long-term camping opportunities.
- More funding is needed to provide more amenities, through rates are believed to be competitive.


**RECREATION RESOURCE MANAGEMENT (RRM)**
Recreation Resource Management (RRM) is a private, for-profit S-corporation that manages campgrounds, day-use areas, marinas, and camp concessions in multiple states.

**Campground Overview**

**Parks with Campgrounds:** RRM has nearly 30 concession contracts with eight different public authorities in 11 states. Each contract includes between 1 and 50 parks/facilities. The majority of the contracts are with National Forests, but they also manage sites for the Arizona, California and Texas State Parks; the Tennessee Valley Authority, the United Water Conservation District (in California), among others. In the Pacific Northwest, they manage the Orondo River Park.

**Camp Sites:** Varies from sites with no hookups to full-service RV sites, cabins, etc.

**Park Attractions:** Varies, depending on park character.

**Park Character:** RRM manages primitive campgrounds, as well as “complex” campgrounds with amenities such as multiple campsites, group pavilions, day-use beaches (with lifeguards), cabins, camp stores, and boat launches/canoe runs.

**Visitation/Occupancy:** Visitation (and financial) reporting is standardized, but visitation varies by region/sites. RRM prefers facilities that are open seasonally, because most sites lose money when open all winter.

**Operations and Management**

**Management Approach:** RRM enters contracts on a customized basis, depending on the number of sites, facilities, service expectations, etc. A short contract is typically for 5 years guaranteed, plus 5 years optional. Longer contracts are established for 20-30 years.

**Staffing:** During the peak summer season, RRM employs between 400 and 500 employees, managed by more than 50 area managers. They operate with an “empowered host” model and keep corporate staff lean. Over 99% of employees (436 of 439) are located on site. Multiple contracts make them efficient in staff recruitment, screening, evaluation and management.

**Reservations:** Reservation systems vary, depending on landowner. In most case, reservations may be made online, by phone, and in person.

**Maintenance:** RRM staff typically handles routine and preventative maintenance, plus minor repairs. They can address deferred maintenance. The size and type of contact affects what is considered maintenance vs. capital, as well as their level of service.

**Capital Improvements:** RRM has inherited campgrounds with substantial deferred maintenance. RRM has works with the landlord to improve facility conditions on a case-by-case basis. Depending on the length and terms of the contract, RRM re-invests funds into revenue-generating facilities and equipment to increase visitation. RRM has its own internal construction department and has been contracted to manage the construction of cabins, stores and food service facilities.
Services/Programs: RRM provides canoe/boat rentals and similar services to increase visitation. It works with the Forest Service, NPS and others to provide interpretive programs. It offers “free use” camping days in conjunction with the USFS “More Kids in the Woods Program.” It offers programs to encourage school field trips and community group visitation.

Marketing: RRM has a professional PR firm on retainer and works with landowners for advertising and marketing. They use ads in local materials, visitor maps, brochures and rack cards, press releases, extensive web marketing and social media—documenting spikes in revenues associate with increased marketing.

Financial

Overview: RRM operates on a for-profit basis, often taking over facilities where the landlord does not have the staff, funds or interest to handle day-to-day site management. RRM prefers to “bundle” multiple sites into one contract, which gives them more flexibility to carry smaller, less profitable sites by increasing revenues at larger sites with more opportunities.

Funding: Revenues from user fees and concessions support this for-profit business. For some highly profitable sites, the landowner collect a percentage of user fees. RRM is risk-adverse and does not like to take sites that rely on annual appropriations from landowners to break even. RRM estimates that it operates most sites for 40% less than big agencies. Unlike big agencies (e.g., USFS, State Parks), RRM can ensure that collected fees stay in park operations.

Fees: Fees are based on local market value.

What Works/Doesn’t Work?

• RRM’s business focus allows it to make clear decisions about cost recovery and profits. For example, at Orondo River Park, they want to eliminate or limit fuel services, because of low profit margin, high staffing needs, customer complaints when staff are not available to provide fuel quickly, and environmental concerns.
• RRM provides programs and services as important elements of the camping experience to increase visitation and encourage repeat visitors.
• RRM recognizes that small parks, with annual revenues of $30,000 - $50,000, can be profitable if managed in conjunction with other sites. This allows them to share maintenance equipment, staff and staff managers, administration, data tracking and oversight, trips to the bank to deposit funds, etc.
• RRM manages many sites that were under independent contractors previously, reverted to the original landowners, and then awarded to RRM to continue improving services. They find that many landlords do not want to manage daily operations, if another operator is available to provide high quality services while supporting infrastructure upgrades.
• One advantage of RRM is the operational expertise, training, and standardized processes they provide their staff, in contrast to most independent operators and managers.
• The success of most sites is based on a “critical mass issue” and “appropriate fees.” Setting appropriate day-use fees is as important as overnight fees, as is increasing visitation.
• Group camping sites are popular. RRM added one to Orondo River Park last year to increase sites use/profits.
OREGON STATE PARKS
The Oregon Parks and Recreation Department (OPRD) operates a variety of state parks, trails, recreation areas, scenic viewpoints, scenic corridors, heritage sites, and waysides as part of the state park system.

Campground Overview

Parks with Campgrounds: Within the state park system, 51 parks include year-round or seasonal campgrounds.

Camp Sites: OPRD provides 10 different types of camp site accommodations, ranging from primitive sites to cabins and teepees. All 51 of their campgrounds provide tent camping, and 46 support RV camping. There are 30 state parks with campsites specifically targeting hikers and bikers; and 30 with yurts or cabins. Many of the Oregon State Most campgrounds feature multiple types of overnight accommodations. Several offer group tent areas; a few offer group RV areas.

Park Attractions: The location and recreation focus of the park affects the types of facilities that are provided (e.g., equestrian, hiking/biking, beach access, etc.) Various parks include children’s play areas, fishing docks, boat launches, boat moorage, picnic areas, picnic shelters, meeting rooms, hiking or horse trails, bike paths, Frisbee golf courses, swimming areas, wildlife or bird viewing areas, and nature or interpretive exhibits. Many are “dog friendly.” Except in hiker/biker areas, every campsite has a picnic table, fire ring, barbecue or camp stove.

Visitation/Occupancy: Day-use and overnight visitation is tracked and used to calculate visitors per acre, as reported annually to the National Association of State Park Directors. The total visitation in Fiscal Year (FY) 2011 was 42.15 million or 399 visitors per acre, which is a 5.7% decrease from FY 2010. Ongoing land acquisitions and unusually poor weather contributed to the decline. According to 2010 results of the National Association of State Park Directors survey, Oregon State Parks had the second highest number of visitors per acre in the country. The national median was 75 visitors per acre.

Operations and Management

Management Approach: OPRD manages the majority of their parks with their own staff. In a few special cases, parks are managed by concessionaires.

Staffing: OPRD uses paid staff to operate and maintain their parks. They also have a well-established volunteer program, including an extensive host program.

Reservations: Reservations for Oregon State Parks can be made by phone or online through Reserve America, a private vendor.

Maintenance: State Parks staff are “jack of all trades” regarding routine maintenance. Plumbing is done in-house, and some electrical work also done by State Parks staff. State Parks have their own facility design and engineering team, but construction is contracted to private firms.
**Capital Improvements:** OPRD is investing in roofed accommodations (cabins and yurts). The break-even period for roofed accommodations is six years, much lower than the 14 years required to break even on a traditional campground. New roofed facilities are averaging 97% occupancy. Their 2011 long-range goal was to increase from 285 to 500 alternative units.

**Services:** Many (42) of the campgrounds provide showers. Some sites provide dump stations and boat moorage. Oregon State Parks provides a digital park guide on their website and markets through social media, including Facebook, Twitter, and Wordpress.

**Programs:** Junior Ranger programs are offered at most campgrounds. State Parks also offers a summer series of guided weekend group outings for beginning campers. “Let’s Go Camping” provides hands-on lessons, such as camping basics, equipment care, outdoor ethics, hiker safety, fire building and safety, and outdoor cooking. They also provide ranger-led interpretative programs, nature hikes, family activities. Educational and interpretive services are supported by 16 different State Park Cooperating Associations (Friends Groups).

**Financial**

**Overview:** OPRD does not have well defined cost recovery goals, but uses other metrics to measure success. These other metrics influence the financial picture. (See bullet 2 under What Works/Doesn’t Work).

**Funding:** The primary sources of revenue for OPRD are RV vehicle registration fees, Lottery funds, user fees, and RV registration fees. These three sources accounted for 67% of Oregon State Parks revenue in fiscal years 2009 to 2011. The additional funding allows State Parks to charge less for camping, day-use, and facility rentals.

**Fees:** Day-use and camping fees are identified in Table A-2, Appendices Page 13. Fees for camping and overnight accommodations vary by season (peak and non-peak), by type of shelter/campsite, and by park location. Fees are also charged for various types of group sites; campsites, picnic areas, and meeting venues. Fees range from $5 for extra vehicle fees to about $80 per night for a deluxe cabin. The same fee is charged for full and partial hookups at parks where both are provided.

**What Works/Doesn’t Work?**

- OPRD uses a level of service calculator tool to determine the types and frequency of maintenance required for each park. The tool covers over 200 maintenance activities and relates the frequency required for each activity to the park’s use level and season (June - September; April, May, October; November - February). Repairs that go beyond these routine maintenance activities are determined based on a condition assessment and scoring criteria. The scoring criteria of repair projects takes into consideration the type of use, visitor counts, liability, critical need, ability to mitigate if failure occurs, revenue impact (both loss of fees and additional damage caused by postponing project), ADA needs, aesthetics, and other factors.
OPRD reviews their annual performance according to 11 approved measures, which includes visitation, citizen satisfaction, the percentage of alternative camping facilities, and percent reduction in the facilities backlog (deferred maintenance.)
Appendix D: Existing vs. Estimated Park Costs and Rates

Appendix D presents existing operations costs as a baseline for proposed estimates.

Table D-1: Existing vs. Proposed Maintenance /Operations Cost per Acre

<table>
<thead>
<tr>
<th>Park</th>
<th>Total Acres</th>
<th>Developed Acres</th>
<th>Current Annual O&amp;M Cost</th>
<th>Cost per Acre</th>
<th>Cost per Developed Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beebe Bridge Park</td>
<td>56</td>
<td>34</td>
<td>$349,756</td>
<td>$6,246</td>
<td>$10,167</td>
</tr>
<tr>
<td>Daroga State Park 3</td>
<td>140</td>
<td>47</td>
<td>$184,279</td>
<td>$1,316</td>
<td>$3,904</td>
</tr>
<tr>
<td>Lincoln Rock State Park 3</td>
<td>60</td>
<td>53</td>
<td>$454,782</td>
<td>$7,580</td>
<td>$8,517</td>
</tr>
<tr>
<td>Wenatchee Confluence State Park</td>
<td>200</td>
<td>48</td>
<td>$456,072</td>
<td>$2,280</td>
<td>$9,561</td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>5</td>
<td>5</td>
<td>$75,762</td>
<td>$9,791</td>
<td>$9,791</td>
</tr>
<tr>
<td>Entiat Park</td>
<td>40</td>
<td>15</td>
<td>$149,753</td>
<td>$3,744</td>
<td>$9,984</td>
</tr>
<tr>
<td>TOTAL/AVERAGE</td>
<td>501</td>
<td>202</td>
<td>$1,670,404</td>
<td>$5,160</td>
<td>$8,654</td>
</tr>
</tbody>
</table>

1 Source: Chelan County PUD Park Data.
2 Costs are based on 2012 data where available. 2011 data were used for Entiat Park and Orondo River Park (ORP). ORP costs exclude fuel sales.
3 Lincoln Rock and Daroga State Parks have shared staffing. It is presumed that more staffing costs have been attributed to Lincoln Rock’s budget, creating the apparent difference in maintenance costs.

Table D-2: Existing O&M Costs vs. Estimates

<table>
<thead>
<tr>
<th>Park</th>
<th>Current Annual O&amp;M Cost 1</th>
<th>Estimated Annual Maintenance Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Alt. 1</td>
<td>Alt. 2</td>
</tr>
<tr>
<td>Beebe Bridge Park</td>
<td>$349,756</td>
<td>$350,000</td>
</tr>
<tr>
<td>Daroga State Park</td>
<td>$184,279</td>
<td>$250,000</td>
</tr>
<tr>
<td>Lincoln Rock State Park</td>
<td>$454,782</td>
<td>$375,000</td>
</tr>
<tr>
<td>Wenatchee Confluence State Park</td>
<td>$456,072</td>
<td>$350,000</td>
</tr>
<tr>
<td>Orondo River Park</td>
<td>$75,762</td>
<td>$40,000</td>
</tr>
<tr>
<td>Entiat Park</td>
<td>$149,753</td>
<td>$160,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$1,670,404</td>
<td>$1,525,000</td>
</tr>
</tbody>
</table>

1 Costs are based on 2012 data where available. 2011 data were used for Entiat Park and Orondo River Park (ORP). ORP costs exclude fuel sales.
### Table D-3: Existing vs. Proposed Cost Recovery Rates

<table>
<thead>
<tr>
<th>Park</th>
<th>Current Annual Revenues ¹</th>
<th>Current Annual O&amp;M Cost ¹</th>
<th>Current Cost Recovery Level</th>
<th>Targeted Cost Recovery Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Alt. 1</td>
</tr>
<tr>
<td>Beebe Bridge Park</td>
<td>$125,311</td>
<td>$349,756</td>
<td>36%</td>
<td>35%</td>
</tr>
<tr>
<td>Daroga State Park</td>
<td>$121,683</td>
<td>$184,279</td>
<td>66%</td>
<td>95%</td>
</tr>
<tr>
<td>Lincoln Rock State Park</td>
<td>$441,127</td>
<td>$454,782</td>
<td>97%</td>
<td>95%</td>
</tr>
<tr>
<td>Wenatchee Confluence State Park</td>
<td>$371,229</td>
<td>$456,072</td>
<td>81%</td>
<td>95%</td>
</tr>
<tr>
<td>Orondo River Park ²</td>
<td>$49,390</td>
<td>$75,762</td>
<td>65%</td>
<td>100%</td>
</tr>
<tr>
<td>Entiat Park</td>
<td>$65,492</td>
<td>$149,753</td>
<td>44%</td>
<td>60%</td>
</tr>
<tr>
<td><strong>TOTAL/AVERAGE</strong></td>
<td><strong>$1,174,232</strong></td>
<td><strong>$1,670,404</strong></td>
<td><strong>65%</strong></td>
<td><strong>89%</strong></td>
</tr>
</tbody>
</table>

¹ Revenues and costs are based on 2012 data where available. 2011 data were used for Entiat Park and Orondo River Park (ORP). ORP costs exclude fuel sales.

² The 2011 cost recovery rate for ORP pre-dates RRM’s management.
Appendix E: Projected Growth in Park Utilization

Assumptions about the desired level of park use in the different scenarios were used to project visitor use for camping facilities and day-use areas in the six sites in the next 25 years. This information is presented in the tables below. Growth rates are tied to park usage assumptions as follows:

- **Increase**: A growth rate of 2% per annum was applied.
- **Maintain**: A growth rate of 1.5% per annum was applied.
- **Limit**: A growth rate of 1% per annum was applied.

As described in the Current and Potential Use memo, these growth rates are based on Washington population growth estimates that were used to project recreation use in the Rocky Reach Recreation Assessment.²

According to the utilization guidelines excerpted from the Forest Service and Bureau of Land Management build-out scenarios (as reported in the Rocky Reach Recreation Assessment), additional facilities will be needed when use exceeds 80% utilization. As noted below, above 80% approaches extreme use.³ ⁴

- 40% utilization = “optimal utilization”
- 60% utilization = “well utilized”
- 80% utilization = “heavily utilized”
- 100% utilization = “extreme use”

---

² Previous work on projecting growth (Cordell et al, 2010) for recreation facility utilization indicates that population growth is the most important influence among factors such as population age, income, quality of recreation facilities, and availability of substitute facilities.

³ Source: Rocky Reach Recreation Use Assessment Final Report, Chelan County PUD, 2001

⁴ Pacific Gas and Electric (PG&E) uses a lower “trigger” for constructing new recreation facilities than the 80% noted in Forest Service and Bureau of Land Management design standards. New facilities are constructed when hydropower-related recreation facilities are used at 75% for 2 consecutive years based on an overall average of the entire season.
Table E-1: Projected Growth in Facility Utilization for Alternative 1

<table>
<thead>
<tr>
<th>Recreation area</th>
<th>Alternative 1 Projected Growth Scenarios</th>
<th>Spring % utiliz(^1)</th>
<th>Summer % utiliz(^1)</th>
<th>Fall % utiliz(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Weekday</td>
<td>Weekend</td>
<td>Weekday</td>
</tr>
<tr>
<td>Wenatchee Confluence-day-use(^2)</td>
<td></td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Wenatchee Confluence-camping(^2)</td>
<td></td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Lincoln Rock-day-use</td>
<td></td>
<td>22.4</td>
<td>28.0</td>
<td>65.4</td>
</tr>
<tr>
<td>Lincoln Rock-camping</td>
<td></td>
<td>39.3</td>
<td>62.3</td>
<td>112.2</td>
</tr>
<tr>
<td>Orondo River Park-day-use</td>
<td></td>
<td>16.8</td>
<td>23.0</td>
<td>102.8</td>
</tr>
<tr>
<td>Orondo River Park-camping</td>
<td></td>
<td>18.7</td>
<td>24.6</td>
<td>71.0</td>
</tr>
<tr>
<td>Entiat Park-day-use</td>
<td></td>
<td>2.9</td>
<td>63.8</td>
<td>89.9</td>
</tr>
<tr>
<td>Entiat Park-camping</td>
<td></td>
<td>0.0</td>
<td>2.9</td>
<td>30.5</td>
</tr>
<tr>
<td>Daroga-day-use</td>
<td></td>
<td>18.7</td>
<td>26.2</td>
<td>50.5</td>
</tr>
<tr>
<td>Daroga-camping</td>
<td></td>
<td>18.7</td>
<td>29.9</td>
<td>80.4</td>
</tr>
<tr>
<td>Beebe Bridge-day-use</td>
<td></td>
<td>14.6</td>
<td>15.4</td>
<td>32.1</td>
</tr>
<tr>
<td>Beebe Bridge-camping</td>
<td></td>
<td>7.3</td>
<td>10.2</td>
<td>86.1</td>
</tr>
</tbody>
</table>

\(^1\) Utilization projected from current estimated occupancy
\(^2\) Data not available. The Wenatchee Confluence was not covered in the Rocky Reach Hydro Project Resources Management Plan.

Note: Utilization over 80% is in bold italics

Note: Utilization rate over 100% are theoretical; when campgrounds or other facilities are full, prospective visitors would have to use an alternate site. However, figures over 100% indicate the extent to which additional facilities are needed to meet demand.
Table E-2: Projected Growth in Facility Utilization for Alternative 2

<table>
<thead>
<tr>
<th>Recreation area</th>
<th>Spring % utiliz(^1)</th>
<th>Summer % utiliz(^1)</th>
<th>Fall % utiliz(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Weekday</td>
<td>Weekend</td>
<td>Weekday</td>
</tr>
<tr>
<td>Wenatchee Confluence-day-use</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Wenatchee Confluence-camping</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Lincoln Rock-day-use</td>
<td>17.5</td>
<td>21.9</td>
<td>51.1</td>
</tr>
<tr>
<td>Lincoln Rock-camping</td>
<td>30.6</td>
<td>48.6</td>
<td>87.6</td>
</tr>
<tr>
<td>Orondo River Park-day-use</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Orondo River Park-camping</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Entiat Park-day-use</td>
<td>2.9</td>
<td>63.8</td>
<td>89.9</td>
</tr>
<tr>
<td>Entiat Park-camping</td>
<td>0.0</td>
<td>2.9</td>
<td>30.5</td>
</tr>
<tr>
<td>Daroga-day-use</td>
<td>14.6</td>
<td>20.4</td>
<td>39.4</td>
</tr>
<tr>
<td>Daroga-camping</td>
<td>14.6</td>
<td>23.3</td>
<td>62.7</td>
</tr>
<tr>
<td>Beebe Bridge-day-use</td>
<td>14.6</td>
<td>15.4</td>
<td>32.1</td>
</tr>
<tr>
<td>Beebe Bridge-camping</td>
<td>7.3</td>
<td>10.2</td>
<td>86.1</td>
</tr>
</tbody>
</table>

\(^1\) Utilization projected from current estimated occupancy

Note: Utilization over 80% is in bold italics
Note: utilization rate over 100% are theoretical; when campgrounds or other facilities are full, prospective visitors would have to use an alternate site. However, figures over 100% indicate the extent to which additional facilities are needed to meet demand.
### Table E-3: Projected Growth in Facility Utilization for Alternative 3

<table>
<thead>
<tr>
<th>Recreation area</th>
<th>Alternative 3 Projected Growth Scenarios</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Spring % utiliz(^1)</td>
</tr>
<tr>
<td></td>
<td>Weekday</td>
</tr>
<tr>
<td>Wenatchee Confluence-day-use</td>
<td>n/a</td>
</tr>
<tr>
<td>Wenatchee Confluence-camping</td>
<td>n/a</td>
</tr>
<tr>
<td>Lincoln Rock-day-use</td>
<td>22.4</td>
</tr>
<tr>
<td>Lincoln Rock-camping</td>
<td>39.3</td>
</tr>
<tr>
<td>Orondo River Park-day-use</td>
<td>13.1</td>
</tr>
<tr>
<td>Orondo River Park-camping</td>
<td>13.0</td>
</tr>
<tr>
<td>Entiat Park-day-use</td>
<td>2.9</td>
</tr>
<tr>
<td>Entiat Park-camping</td>
<td>0.0</td>
</tr>
<tr>
<td>Daroga-day-use</td>
<td>18.7</td>
</tr>
<tr>
<td>Daroga-camping</td>
<td>18.7</td>
</tr>
<tr>
<td>Beebe Bridge-day-use</td>
<td>18.7</td>
</tr>
<tr>
<td>Beebe Bridge-camping</td>
<td>9.3</td>
</tr>
</tbody>
</table>

\(^1\) Utilization projected from current estimated occupancy

Note: Utilization over 80% is in bold italics

Note: utilization rate over 100% are theoretical; when campgrounds or other facilities are full, prospective visitors would have to use an alternate site. However, figures over 100% indicate the extent to which additional facilities are needed to meet demand.
Appendix F: Capital Cost Assumptions

Each of the three alternatives presented in Section V of the report includes a table that estimates major capital costs in 25 years. Estimates are noted in the following cost categories:

- **Capital Reinvestment**: Replacement of assets on scheduled cycle (10, 20 or 25 years).
- **Infrastructure Reinvestment**: Replacement or upgrade of water, waste, electrical, irrigation or other utility infrastructure.
- **Boat Ramp/Dock/Moorage Replacement**: Replacement or upgrade of boat ramps and in-water motor boating facilities.
- **Campground Capacity-Increasing Projects**: Addition of more camping capacity (group campsites, RV or tent campsites, yurts or cabins, and conversion of tent or RV sites to yurts or cabins), more parking in campgrounds, additional bathhouses, etc.
- **Day-use/Community Park Enhancements**: Projects to enhance the day-use/community park experience, such as more picnic areas/shelters, enhanced playgrounds, sports field improvements, walking paths, dog park, disc golf, etc.
- **Revenue Generation Enhancements**: Addition of facilities or amenities designed to increase revenue generation (camp store, concession stand, special facility such as a zip line, paddling center) or marketability of site (improved shower house, upgrade cabins with kitchens).

**A. ASSUMPTIONS**

Estimated costs are based on the assumptions noted below:

**Capital Reinvestment**

- Cost per acre of reinvestment needs over 25 years: $100,000

**Infrastructure Reinvestment**

- Irrigation Upgrades: $4,500 per acre
- Water System: $300,000 per park
- RV Hookup Utility Upgrades: $4,500 per campsite

**Boat Ramp/Dock/Moorage Replacement**

- PUD Quality Boat Ramp Replacement: $1,600,000
- Standard Quality Boat Ramp Replacement: $900,000
- Day Moorage: $250,000
- Boat Launch/Moorage Repair and Float Replacement: $150,000

**Campground Capacity-Increasing Projects**

- PUD Quality RV Campsite: $20,000 per site
- Standard Quality Campsite: $12,500 per site
• Group Campsite: $400,000 per site (includes lawn area, large picnic shelter with utilities, and council circle/fire pit)
• Yurt: $30,000 per yurt
• Cabin: $75,000 per cabin

Day-use/Community Park Enhancements
• Large Picnic Shelter: $150,000 each
• Small Picnic Shelter: $50,000 each
• Playground: $100,000 each
• Destination Playground: $300,000 each
• Sports Field Renovation: $50,000 per field
• Sports Field Development: $250,000 per field
• Dog Park: $30,000 each
• Splash Pad: $100,000 each
• Courts: $50,000 each
• Other Site Amenities: $100,000 allowance per park

Revenue Generation Enhancements
• Costs will vary by individual proposal.
• Low, Moderate and High Allowances by site over 25 years: <$125,000 (average of $5,000 per annum); <$625,000 (average of $25,000 per annum), $625,000+ (> $25,000 per annum)
Appendix G: Alternative Evaluation Using Service Level Criteria

Each of the alternatives is in alignment with the District’s service level criteria to some degree. While all three alternative will support economic development and will uphold environmental and resources values, there is greater variation when applying the alternatives to criteria for customer service, financial stability and asset preservation and replacement. Table G-1 below summarizes the extent to which the alternatives support these three criteria. These scores are used to create an overall rating of each category, based on how strongly criteria are met. Each is scored strong, medium, weak or variable (where support varies depending on who operates the parks).

Table G-1: Alternative Evaluation by Service Level Criteria

<table>
<thead>
<tr>
<th>Service Level Criteria</th>
<th>Alt. 1</th>
<th>Alt. 2</th>
<th>Alt. 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>B. Customer Service</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B1. Provides quality customer service to all park patrons (at the same level).</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>B2. Meets the outdoor recreation and service needs of ratepayers.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B3. Meets the outdoor recreation and service needs of non-ratepayers (e.g., tourists and Douglas County residents).</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>B4. Supports local interest groups, non-profits and partners, such as sports leagues, stakeholders, campground operators, and program providers.</td>
<td>varies</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>B5. Reinforces “a community park feeling” through design, programming and services.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>B6. Provides innovative recreation opportunities and/or supports new trends to enhance recreation opportunities for all park patrons.</td>
<td>varies</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>B7. Improves or enhances existing facilities to serve more customers.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td><strong>Overall Rating for Customer Service</strong></td>
<td>Medium</td>
<td>Strong</td>
<td>Medium</td>
</tr>
<tr>
<td><strong>C. Financial Stability</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C1. Reduces risk, liability, or environmental consequences that could have long-term costs for ratepayers.</td>
<td>varies</td>
<td>X</td>
<td>X²</td>
</tr>
<tr>
<td>C2. Enhances the ability of park operators to operate parks more cost effectively and maximize use of budgeted funds.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>C3. Collects revenue from tourists and visitors who are not Chelan County residents, or increases the revenue-generating capacity of facilities and services targeting these park users.</td>
<td>varies</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>C4. Collects revenue (or increases the ability to collect revenue) from ratepayers who receive services or benefits beyond regular daily use, such as facility reservations, sports field scheduling, event coordination, utilities or products.</td>
<td>varies</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>C5. Recovers costs from all park users, including ratepayers, to reinvest in park assets and operate more cost effectively.</td>
<td>varies</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>C6. Reduces costs through changes in operations and design, even where these decrease services levels, to support financial stability.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td><strong>Overall Rating for Financial Stability</strong></td>
<td>Variable</td>
<td>Weak</td>
<td>Strong</td>
</tr>
<tr>
<td><strong>D. Asset Preservation and Replacement</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D1. Reduces risk or supports park safety.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>D2. Maintains assets as needed to support demand and intensity of use.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D3. Maintains assets at high level.</td>
<td>varies</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>D4. Repairs or replaces current facilities to continue same level of</td>
<td>varies</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Service Level Criteria</td>
<td>Alt. 1</td>
<td>Alt. 2</td>
<td>Alt. 3</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------------------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>D5. Repairs or replaces current facilities to maintain the top asset quality.</td>
<td>varies</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>D6. Preserves assets by limiting high impact activities, uses or programs.</td>
<td>varies</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td><strong>Overall Rating for Asset Preservation and Replacement</strong></td>
<td>Variable</td>
<td>Strong</td>
<td>Medium</td>
</tr>
</tbody>
</table>

Note: An “X” indicates that the alternative meets this criterion.

1 This assumes the District would step in to ensure that operator reduces risk, liability, or environmental consequences that could have long-term costs for ratepayers.

2 The operator would reduce risk, liability, or environmental consequences to protect themselves from long-term costs.

3 Based on the responses to the criteria, the three alternatives are rated as strong, medium, weak, or variable in the degree to which it supports that category.