Unauthorized Recreation Facilities at Two Reclamation Projects

RESTRICTED--Not to be released outside the General Accounting Office unless specifically approved by the Office of Congressional Relations.
Dear Mr. Chairman:

You asked us to determine the appropriateness of expenditures made by the Department of the Interior's Bureau of Reclamation for its Drainage and Minor Construction (D&MC) program. This program primarily consists of minor work on federal water projects for which major construction is essentially complete. Activities under this program include the construction of minimum facilities needed to ensure the public's health and safety—such as guard rails and minimum sanitary facilities—and of recreation facilities at existing reservoirs.

The Federal Water Project Recreation Act of 1965 (P.L. 89-72) does not limit the amount of federal funds that may be spent to construct or to operate and maintain minimum public health and safety facilities. However, the act does limit the amount of federal funds that can be spent for constructing recreation facilities at reservoirs that were completed by 1965. Under the act, no more than half of all recreation-related construction costs may be federally funded; before the act was amended in 1992, no more than $100,000 in federal funds could be spent per reservoir. Any remaining costs are to be paid, under cost-sharing agreements, by nonfederal entities (e.g., states and counties) that benefit from the facilities. For federal reservoirs completed by 1965, the act requires that these agreements be made before Reclamation constructs the recreation facilities. In addition, the nonfederal entities must agree to pay at least half of the costs to operate and maintain the recreation facilities. Before the act was amended in 1992, it required nonfederal entities to pay all the costs to operate and maintain the facilities.

As agreed with your office, we limited the scope of this review to the two projects—the Boise Project, located primarily in Idaho, and the Minidoka Project, located in Idaho and Wyoming—for which Reclamation requested funding in its fiscal year 1992 D&MC budget documents to construct minimum public health and safety facilities. Specifically, this report...
examines (1) whether these facilities are recreational in nature, instead of minimum public health and safety facilities, and, if so, (2) whether Reclamation has exceeded the amount of funds that it was authorized to spend for constructing recreation facilities at these projects and (3) whether Reclamation has entered into the required cost-sharing agreements.

Results in Brief

Many of the facilities at the two projects are clearly recreational in nature—they include recreational vehicle (RV) and tent campsites, group picnic shelters, trails, and paved roads and parking lots. In addition, Reclamation plans to develop many more recreation facilities at the Boise project, including a marina complex and a visitor center. Although these facilities are clearly designed for recreation, Reclamation has identified them in its yearly budget documents as minimum public health and safety facilities.

Data are not readily available to determine the amount of D&M funds that was spent or obligated at the two projects to construct recreation facilities versus the amount spent for minimum public health and safety facilities. However, on the basis of the number and size of the recreation-related facilities constructed, it is evident that Reclamation exceeded the $100,000 that it was authorized to spend at each of two Boise Project reservoirs and exceeded the $760,000 that the Congress authorized it to spend for recreation facilities at a Minidoka Project reservoir. Reclamation has spent or obligated about $7 million in federal funds—and plans to spend between $5.3 and $7.3 million more—to construct facilities at the two Boise Project reservoirs. It has also spent or obligated another $2.8 million to construct facilities at a Minidoka Project reservoir.

Finally, Reclamation has not entered into all of the required cost-sharing agreements with nonfederal entities. As a result, (1) nonfederal entities have not shared the costs to construct some of the facilities and (2) Reclamation, rather than nonfederal entities, has funded almost all of the more than $3.8 million in costs incurred through fiscal year 1992 to operate and maintain the facilities at the two Boise Project reservoirs and almost all of the $1.1 million in costs incurred for fiscal years 1976 through 1992 to operate and maintain facilities at the Minidoka Project reservoir.

Data are not readily available, however, to determine the amount of

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1 Under the Federal Water Project Recreation Act, Reclamation was authorized to spend $100,000 for constructing recreation facilities at each of two Boise Project reservoirs. However, the Congress authorized $760,000 for constructing recreation facilities at a Minidoka Project reservoir.
federal funds spent to operate and maintain facilities that are clearly recreational in nature.

**Background**

Under the Reclamation Act of 1905, the Secretary of the Interior authorized construction of the Boise Project in 1905. The project was authorized for three purposes: irrigation, hydroelectric power, and flood control. Construction of the project, which provides irrigation water to about 390,000 acres in Idaho and Oregon, was completed in 1948. At the project, six reservoirs (all located in Idaho) provide flood control and store or divert water for irrigation and hydroelectric power production. The reservoirs—Anderson Ranch, Arrowrock, Black Canyon, Cascade, Deadwood, and Lake Lowell—are located in the most populous portion of Idaho and are used extensively by recreationists.

Lake Walcott, one Minidoka Project reservoir, was formed in 1907 with the completion of Minidoka Dam. Reclamation has operated and maintained a park at the reservoir since 1907, except for the period 1965-1975 when the site was operated and maintained by another Interior agency.

**Many Facilities at the Two Projects Are Clearly Recreational in Nature**

Senate and House reports on the Federal Water Project Recreation Act include "guard rails, turnarounds at the ends of roads, and minimum sanitary facilities" as examples of public health and safety facilities. The reports specifically state that "parking, picnicking, swimming, or camping areas or facilities, or more elaborate sanitary facilities" are not included as minimum public health and safety facilities. For the last 19 years, however, Reclamation has requested funding in its yearly D&MC budget justifications to construct minimum public health and safety facilities, but the agency then used some of those funds to construct facilities that are clearly recreational in nature.

For example, Reclamation has completed facilities at the Boise Project's Cascade and Black Canyon reservoirs that include tent and RV campsites, paved parking lots for vehicles and boat trailers, and picnic sites (some with group picnic shelters). Furthermore, Reclamation plans to construct many more facilities, including additional campsites, fish cleaning stations, paved hiking and biking trails, nature trails, and wildlife observation platforms. Reclamation also plans to work with other federal and nonfederal entities to develop a marina complex and a visitor center at Cascade reservoir. (App. I contains details of Reclamation's completed and planned recreation development at the two Boise Project reservoirs.)
Reclamation is constructing new facilities on the existing recreation site at the Minidoka Project's Lake Walcott reservoir. These new facilities include overnight campsites; surfaced roads, trails, and parking areas; and a concrete boat ramp. (App. II contains details on Reclamation's ongoing recreation development at Lake Walcott.)

According to Reclamation's fiscal year 1993 budget request, the facilities at both projects "are necessary to provide a safe environment for visitors and prevent degradation of the resources associated with these reservoirs from misuse and overuse." However, most Reclamation documents we reviewed (e.g., public brochures and development plans) refer to the constructed and planned facilities as ones used for recreational purposes.

We requested the views of Interior's Office of the Solicitor regarding Reclamation's construction of facilities at the Boise Project. In a November 1992 response, the Solicitor stated that concrete or asphalt recreation vehicle pads, multifamily picnic gazebos, large barbecue grills, lakeside benches, landscaping, boat ramps, and boat docks "probably do not constitute 'minimum facilities' as contemplated in [the Federal Water Project Recreation Act]." The Solicitor continued, however, that "Even if not authorized under the Federal Water Project Recreation Act, Reclamation's activities should be looked at in the fuller context of prudent management of federal assets" to prevent the rapid deterioration of the resources in and around project reservoirs. In our view, many of the facilities constructed or planned by Reclamation—e.g., group picnic shelters, a marina complex, and a visitor center—are not designed principally to prevent the rapid deterioration of reservoir resources, but rather to enhance recreation.

While data are not readily available to determine the amount of D&MC funds spent or obligated to construct recreation facilities at the Boise and Minidoka projects, on the basis of the number and size of the recreation-related facilities constructed, it is evident that Reclamation has spent more at both projects than the amounts authorized by the Congress. The appropriations acts did not constitute specific authorities for these expenditures because funds for recreation-related facilities were not expressly mentioned in these acts.

Under the Federal Water Project Recreation Act, Reclamation was authorized to spend up to $100,000 to construct recreation facilities at each of the two Boise Project reservoirs. Instead, Reclamation has spent...
or obligated over $5.3 million in D&MC funds to construct facilities at the Boise Project's Cascade reservoir and about $1.7 million at Black Canyon reservoir. Many of these facilities are clearly recreational in nature. Additional recreation facilities planned at the two reservoirs are estimated to cost from $5.3 to $7.3 million.

Reclamation has spent or obligated another $2.8 million to construct facilities at the Minidoka Project's Lake Walcott reservoir. The Congress authorized $760,000 for the construction of recreation facilities at the reservoir; as of December 31, 1992, Reclamation had spent or obligated those funds as the federal government's contribution to the over $1.5 million in total construction costs that Reclamation is sharing with nonfederal entities. The nonfederal entities had provided almost $800,000 for constructing the facilities. However, Reclamation had obligated federal funds for the remaining estimated $2 million in construction costs; most of this is for recreation-related facilities at the reservoir.

Reclamation has not entered into all of the required cost-sharing agreements with nonfederal entities for facilities at the Boise and Minidoka projects. As a result, the nonfederal entities have not shared construction costs for some of the facilities, and Reclamation, rather than the nonfederal entities, has funded almost all of the costs to operate and maintain the facilities.

Nonfederal Entities Have Not Shared All Construction Costs

In a July 1987 memorandum to Reclamation's Commissioner, Interior's Assistant Solicitor, Branch of Water and Power, concluded that in the absence of a cost-sharing agreement with nonfederal entities as required in the Federal Water Project Recreation Act, "the Secretary has no authority to provide recreation facilities or make project modifications for recreation." Reclamation has, however, constructed some recreation facilities at the Boise and Minidoka projects without entering into the required cost-sharing agreements. The agency also has not entered into such agreements to share the construction costs of planned recreation facilities at Cascade reservoir.

At the Minidoka Project, Reclamation has shared over $1.5 million in construction costs with nonfederal entities. However, for the estimated

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2Reclamation has also leased some land at the Boise Project's Cascade reservoir to nonfederal entities—such as a senior citizen's group—so that the land could be developed for recreation at no expense to the federal government. The nonfederal entities operate and maintain any recreation facilities they build.
$2 million in remaining construction costs, Reclamation has obligated federal funds without obtaining cost-sharing agreements.

Reclamation has also obtained cost-sharing agreements for some recreation facilities at the Boise Project, according to a Reclamation official. For example, construction of the docks at Reclamation’s recreation sites at Cascade reservoir was funded by Valley County (in which the reservoir is located), through the state of Idaho’s Waterways Fund. The county also provided funding for boat ramps. In addition, at Reclamation’s request, the state provided $12,000 in grant money in 1987 for the construction of an RV dump station at Cascade reservoir.

According to a Reclamation official, the agency has not shared the costs of other recreation facilities because Reclamation has not been able to find nonfederal entities willing to do so. However, recreation facilities at both projects provide economic benefits to the state of Idaho, the counties in which the reservoirs are located, and the cities near the reservoirs.

In the absence of cost-sharing agreements with nonfederal entities, Reclamation officials have allocated or will allocate most of the estimated $7 million spent or obligated to construct facilities at the Boise Project’s two reservoirs for repayment by two authorized project purposes—irrigation and power. However, the costs allocated to irrigation exceed the amount that the irrigators are able to pay for the project. Reclamation officials intend the Bonneville Power Administration (an agency of the Department of Energy) to repay these costs from federal power revenues. This is consistent with a long-standing practice of using power revenues to repay construction costs that are allocated to irrigation but that are beyond the irrigators’ ability to pay.

Bonneville is scheduled to repay the construction costs allocated to irrigation in 1997. Bonneville officials, however, were not aware that their cost allocations include repayment of the recreation facilities’ construction costs. The officials are evaluating the costs to determine if it is appropriate to use power revenues to pay for the construction of recreation facilities. If they determine that this is not appropriate, then the appropriated funds used to construct the recreation facilities will most likely not be repaid, according to a Reclamation official.
maintenance costs. Before the act was amended in 1992, it required that nonfederal entities fund the costs of operating and maintaining completed recreation facilities. As amended, the act now permits Reclamation to pay up to half of these costs.

For fiscal years 1973 through 1992, Reclamation spent over $3.8 million in federal funds to operate and maintain the Boise Project's facilities. In fiscal year 1992, these costs totaled more than $600,000. Although Reclamation collects some user fees (e.g., fees for some overnight campsites), these fees are minimal—Reclamation collected about $35,000 total in fiscal year 1992. Yearly operation and maintenance costs are expected to increase if Reclamation completes its planned recreation facilities at Cascade reservoir.

Similarly, for fiscal years 1976 through 1992, Reclamation had spent $1.1 million to operate and maintain facilities at the Minidoka Project's Lake Walcott reservoir. These costs totaled more than $89,000 in fiscal year 1992.

Conclusions

On the basis of the number and size of the recreation-related facilities constructed, it is evident that Reclamation has exceeded the amounts that it was authorized to spend to construct recreation facilities at both the Boise and Minidoka projects. In addition, Reclamation has not entered into all of the required cost-sharing agreements with nonfederal entities. As a result, nonfederal entities have not shared the construction costs for some of the facilities and Reclamation, rather than the nonfederal entities, has funded most of the costs to operate and maintain the facilities. In doing so, Reclamation has inappropriately placed the financial burden for constructing and operating and maintaining these facilities on the U.S. taxpayer and on users of Bonneville hydroelectric power, rather than on those who benefit from the recreation facilities.

Reclamation has avoided congressional scrutiny of the costs to construct recreation facilities at the two projects by identifying them—under a program intended to fund mostly minor work on federal water projects that are essentially complete—as minimum public health and safety facilities. We believe that Reclamation should either be required to comply with existing legislative requirements and limitations or to obtain specific congressional authorization to continue operating and maintaining the facilities at taxpayers' expense.
Recommendations

For existing recreation facilities at the Boise Project, we recommend that the Secretary of the Interior direct the Commissioner of the Bureau of Reclamation to enter into agreements with nonfederal entities to (1) recoup federal construction expenditures in excess of $100,000 per reservoir as well as past operating and maintenance costs and (2) share the future costs to operate and maintain the facilities.

For existing recreation facilities at the Minidoka Project's Lake Walcott, we recommend that the Secretary direct the Commissioner to enter into agreements with nonfederal entities to (1) recoup federal construction expenditures in excess of the $760,000 authorized by the Congress as well as past operating and maintenance costs and (2) share the future costs to operate and maintain the facilities.

If Reclamation cannot find nonfederal entities willing to share construction and operating and maintenance costs at one or both projects, then the Secretary should direct the Commissioner to either (1) obtain specific authorization from the Congress to continue operating and maintaining the facilities at the expense of U.S. taxpayers or (2) stop funding the facilities' operation and maintenance.

For recreation facilities that are either under construction or planned at the Boise and Minidoka projects, we recommend that the Secretary direct the Commissioner to cease further construction or contracting for construction until Reclamation has either (1) entered into agreements with nonfederal entities to share construction and operating and maintenance costs or (2) received specific authorization from the Congress to construct, operate, and maintain the facilities at U.S. taxpayers' expense.

Agency Comments and Our Evaluation

We requested and received written comments on a draft of this report from the Department of the Interior, which agreed to implement our recommendations. Specifically, for existing recreation facilities at both the Boise and Minidoka projects, Interior agreed that, when possible, Reclamation will enter into agreements with nonfederal entities to share in construction and operation and maintenance costs. If this effort is not successful, Reclamation will pursue the other two options outlined in our recommendations. For recreation facilities either under construction or planned at the Boise and Minidoka projects, Interior agreed that Reclamation will suspend these construction activities and pursue cost-sharing agreements with nonfederal entities. If agreements cannot be established, Reclamation will pursue the other option outlined in our
recommendation. Interior's comments are included in appendix III of this report.

Scope and Methodology

We conducted our work primarily at Reclamation's Pacific Northwest Regional Office in Boise, Idaho, where we interviewed Reclamation officials and reviewed documents concerning recreation facilities at the Boise Project and the payment of costs related to those facilities. We visited existing and proposed recreation sites at the Black Canyon and Cascade reservoirs. We also interviewed a Reclamation official at the Central Snake Project Office (the office responsible for day-to-day operations of the Boise Project) in Boise, Idaho, as well as officials from the following Idaho entities: the State Parks and Recreation Department, the Valley County Commissioner's Office, the city of Cascade, and the city of Donnelly. Furthermore, we interviewed officials from the Bonneville Power Administration about the appropriateness of using power revenues to repay the construction costs of recreation facilities.

For the Minidoka Project, we reviewed documents and interviewed officials from Reclamation's Pacific Northwest Regional Office, Minidoka Project Office, and Minidoka Dam field office in regard to recreation facilities at Lake Walcott.

We also reviewed pertinent laws concerning Reclamation's authority to build recreation facilities. We reviewed Reclamation's policies and procedures regulating construction funded under the D&MC program. In addition, we obtained the views of Interior's Solicitor on whether construction at the two projects was authorized in the absence of cost-sharing agreements.

Reclamation does not determine the amount of D&MC funds spent or obligated to construct or to operate and maintain recreation facilities at the two projects. Therefore, we could not separate the costs for Reclamation's construction, operation, and maintenance of recreation facilities from similar costs for Reclamation's minimum public health and safety facilities.

We conducted our review between March 1992 and February 1993 in accordance with generally accepted government auditing standards.

Unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days after the date of this letter. At that
time, we will send copies to the Secretary of the Interior; the Commissioner, Bureau of Reclamation; the Director, Office of Management and Budget; and the appropriate congressional committees. We will also make copies available to others on request.

This work was performed under the direction of James Duffus III, Director, Natural Resources Management Issues, who may be reached at (202) 512-7756 if you or your staff have any questions. Other major contributors to this report are listed in appendix IV.

Sincerely yours,

J. Dexter Peach
Assistant Comptroller General
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## Abbreviations

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<th>Full Form</th>
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<tr>
<td>D&amp;MC</td>
<td>Drainage and Minor Construction</td>
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<td>GAO</td>
<td>General Accounting Office</td>
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<td>RV</td>
<td>recreational vehicle</td>
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Appendix I

Reclamation’s Recreation Development at the Boise Project

Reclamation’s Boise Project was intended to provide water for irrigation and hydroelectric power generation and to protect lands from floods. The six project reservoirs—Anderson Ranch, Arrowrock, Black Canyon, Cascade, Deadwood, and Lake Lowell—are also used extensively by recreationists. The reservoirs and surrounding lands, located in Idaho, provide a variety of recreation opportunities such as fishing, boating, and hunting. Reclamation has constructed recreation facilities at two of the reservoirs, Black Canyon and Cascade, and is planning to construct additional recreation facilities at these reservoirs and at Anderson Ranch reservoir. Although Reclamation has no finalized plans for facilities at Anderson Ranch reservoir, the agency projected, in its fiscal year 1993 budget documents, that it would need construction funds for the reservoir in fiscal year 1995. Figure I.1 shows the Boise Project lands and the location of the six project reservoirs.
Appendix I
Reclamation's Recreation Development at the Boise Project

Figure I.1: Boise Project Reservoirs and Dams
Black Canyon Reservoir is located in Gem County, Idaho, about 23 miles northwest of the Boise metropolitan area. The long, narrow reservoir has little fluctuation in water level and is used by recreationists primarily for boating and water skiing. According to Reclamation's fiscal year 1991 budget documents, by the end of fiscal year 1989, the agency had spent $331,000 in developing recreation facilities at the reservoir. By the end of fiscal year 1992, Reclamation obligated, through contracts, almost $1.4 million for additional facilities; according to its fiscal year 1993 budget documents, the agency was projecting to spend almost $900,000 for facility construction in fiscal year 1995. Also, Reclamation operates and maintains the facilities.

Black Canyon Reservoir Park, located about 1 mile upstream from the Black Canyon Dam, originated as a Civilian Conservation Corps camp. In the 1950s, a local Lion's Club developed the site into a day-use recreation area. In 1976, Reclamation and the State of Idaho jointly redeveloped the park so that the park's facilities included pit toilets, a picnic shelter, lakeside benches, a boat ramp and docks, drinking water, picnic grills, and gravel parking areas. In 1979, due to budget constraints, the state turned the park over to Reclamation to operate and maintain. In 1992, Reclamation replaced many of the park's recreation facilities because, according to Reclamation, they were unsafe or unsanitary. The facilities now include paved parking areas, four new pit toilets that are accessible to the handicapped, two new group picnic shelters, new drinking fountains, new large picnic grills, and a new boat ramp and dock.

Also in 1992, Reclamation began renovating facilities in Wildrose Park, located immediately below the Black Canyon Dam. Reclamation did not build the original park facilities; they were part of a housing area used during the dam's construction. The original facilities included a restroom with two pit toilets, several brick barbecues, picnic tables, drinking fountains, a well, and a garden area. Reclamation's newly constructed facilities, to be completed in 1993, include a restroom with flush toilets, a paved parking area, a group picnic shelter, a gazebo, paths connecting the facilities, and landscaping. In addition, the existing well will be replaced with a new well, because, according to Reclamation, the existing well does not meet state water quality standards. The new well will be shared with the dam and power plant facility.

In 1984, Reclamation developed a recreation area at Montour, located at the upper end of Black Canyon Reservoir. At this area, Reclamation
constructed an overnight campground with about a dozen camping units, one restroom with four pit toilets, and a paved access road.

Cascade Reservoir Recreation Development

Cascade Reservoir, located in Valley County, Idaho, about 80 miles north of the Boise metropolitan area, is the largest body of water in southwest-central Idaho. When full, the reservoir has about 86 miles of shoreline. The public uses the reservoir for fishing, sightseeing, swimming, boating, hiking, picnicking, camping, and snowmobiling. According to its fiscal year 1993 budget documents, Reclamation had spent about $5.3 million by the end of fiscal year 1991, to develop recreation facilities at Cascade reservoir. Reclamation plans to spend another $4.4 to $6.4 million to develop additional recreation facilities there, according to cost estimates in the agency's fiscal year 1993 budget documents.

Until 1975, the only developed recreation sites at the reservoir were in Cascade and Donnelly city parks and on lands administered by the Forest Service. In 1976, Reclamation finished constructing some recreation facilities at the reservoir and was planning others. According to Reclamation, recreation facilities were needed at the reservoir because unrestricted use of Reclamation's lands around the reservoir and a lack of sanitary and trash facilities had resulted in unsightly conditions and potential health hazards at the reservoir. By 1991, Reclamation had developed 11 recreation sites at Cascade reservoir; these sites include facilities such as picnic sites, group picnic shelters, tent and recreational vehicle (RV) campsites, group campsites, boat docks, and boat launch lanes. Reclamation operates and maintains the recreation sites.

In 1991, Reclamation issued a resource management plan for the reservoir that proposed expanding 10 of its 11 recreation sites. According to the plan, the expansion will provide additional facilities, including some that have never been available at the reservoir. Planned facilities include a marina, a visitor center, boat trailer parking, fish-cleaning stations, winterized restrooms, trails, and landscaping.

At one of the ten sites, Van Wyck Park, Reclamation plans to expand the park by removing existing facilities, some of which are not usable or are in disrepair, and replacing them with new and different ones. Among the facilities to be removed are RV campsites, an RV dump station, flush toilet restrooms, and pit toilets. According to the resource management plan, the replacement facilities will include overnight camping facilities for RVs, an RV dump station, a day-use area, a group picnic shelter, picnic and swim
areas, and trails. Reclamation has also planned new facilities that have not previously been available at the reservoir—such as a marina complex—that will contain concessionaire services; a staffed visitor center; and a 0.5-mile paved biking/hiking trail beside the lake, with benches and rest areas along the trail. Reclamation's management plan summary describes the marina and other planned facilities at Van Wyck Park with the following passage:

"... The marina, with as many as 250 seasonal boat slips, will be partially enclosed by a breakwater. It will include a water supply system, lighting, gate security, dockside fueling, a boat dump station, a fish cleaning facility, and a small number of docks for temporary use. At least two additional boat launch lanes will be constructed. A concession offering recreation supplies and possibly limited groceries, equipment rental and storage, repair services and restrooms is proposed near the marina. There will also be a staffed visitors center to serve as the point of orientation for the entire reservoir and to provide information regarding recreation facilities, environmental protection, and use regulations. The existing parking capacity will be tripled in size, eliminating camping which occurs there now. A new campground will be developed closer to the dam and the existing RV dump station relocated. Between the marina and the campground, the shoreline will be improved for day use. Both individual and group picnic facilities are proposed at two beach sites and in a wooded area. Additional parking and lawn area will be provided. A paved trail will be constructed through this area along the shoreline..."

The resource management plan also states that Reclamation will develop seven new recreation sites at Cascade Reservoir. If built as planned, these new sites will contain facilities such as day-use boat docks, picnic sites, and tent campsites. For example, the proposed Pelican Bay day-use area will have facilities such as a paved road, a parking lot, picnic tables, docks, and restrooms. Reclamation also plans a hiking trail that will lead to a wildlife observation platform with interpretive information and a mounted telescope.

Anderson Ranch Recreation Development

Anderson Ranch Reservoir is located in Elmore County, Idaho, about 45 miles southeast of the Boise metropolitan area. A portion of the reservoir lands has been established as a game management area, and the reservoir offers salmon, trout, and bass fishing. Although Reclamation has not yet developed recreation facilities at the reservoir, it plans to spend about $1 million in fiscal year 1995 to develop facilities, according to its fiscal year 1993 budget documents. However, Reclamation has no formal plans

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or definite time frame for the area's development, according to an agency official.

According to the official, the agency would like to convert an older housing area, which was used during the dam's construction and is currently used as a camping area, into a more structured overnight recreation site. This would mean constructing facilities such as RV and tent campsites, restrooms, water, and trash receptacles.
Appendix II

Reclamation’s Recreation Development at Lake Walcott

Lake Walcott, located in Idaho about 150 miles southeast of the city of Boise, was formed in 1907 with the completion of Reclamation’s Minidoka Dam. Since 1975, Reclamation has operated and maintained the Walcott Park recreation site on Lake Walcott; since 1988, the agency has been constructing new facilities at the site. Walcott Park is located on the north side of Lake Walcott, adjacent to the dam.

Walcott Park, created in 1907, included the residence area of the dam’s construction workers and adjacent lands: about 22 acres in all. During the 1930s, the Civilian Conservation Corps constructed terraces in the park; these served as roadways, parking areas, and lawns. During the following years, additional facilities were added. By June 1989, the park’s facilities included 130 picnic units, 200 parking spaces, drinking water, and two boat launching ramps. Reclamation has operated and maintained the park since 1907, except for the period 1965-1975 when Interior’s Fish and Wildlife Service did so.

In 1989, Reclamation began expanding the site (by an additional 10 acres) and constructing new facilities. The construction was planned in three phases. By the end of fiscal year 1992, Phases I and II had been completed, and Phase III was under way. When construction is completed in 1993, Walcott Park will have overnight camping facilities, which were not available in the park previously; a park-wide wastewater (sewage) collection and treatment system that will serve the dam’s powerplant and an office complex; and a domestic water supply and delivery system.

Phase I construction, which cost almost $788,000, included the construction of a wellhouse, a domestic water distribution system, a wastewater treatment plant, restrooms, an RV dump station, and a concrete boat ramp. Phase II construction, which cost over $388,000, included building restrooms and a covered picnic shelter and installing plumbing, plumbing fixtures, and electric lights. Phase III construction, under contract for a bid amount of over $1.5 million, includes installing electrical facilities; surfacing roads, trails, and parking and camping areas; building a viewing deck; and landscaping the area.
Mr. James Duffus III  
Director, Natural Resources  
Management Issues  
United States General Accounting Office  
441 G Street, NW.  
Washington, D.C. 20548  

Dear Mr. Duffus:

We have reviewed your draft report entitled “Bureau of Reclamation: Unauthorized Recreation Facilities at Two Reclamation Projects” (GAO/RCED-93-115) and offer the following comments:

In general, we agree with the recommendations in the report and will take affirmative actions to implement the recommendations. Additional comments are provided in the enclosure.

Recent legislation authorized by the Congress will enable the Bureau of Reclamation (Reclamation) to more equitably manage and maintain recreation facilities. Title 28 of the Reclamation Projects Authorization and Adjustment Act of 1992 (Public Law 102-575) amended the Federal Water Project Recreation Act of 1965 (Public Law 89-72) and expanded the authority of Reclamation to provide Federal funds for Reclamation projects for planning, development, operation, maintenance, and replacement of recreation and associated fish and wildlife facilities developed under Public Law 89-72. The Congress, in its findings, declared that some provisions of Public Law 89-72 are outdated because of increases in demand for outdoor recreation and changes in the economic climate for recreation-managing entities.

The Congress declared that it is in the best interest of the people of this Nation to amend Public Law 89-72 to remove outdated restrictions and to authorize the Secretary of the Interior to undertake specific measures for the management of Reclamation lands. Reclamation is developing policies and procedures to implement Title 28 that will include criteria for setting priorities for cost-sharing and funding of projects. This will result in a consistent policy governing relationships with all of Reclamation’s non-Federal recreation management partners and will ensure that inconsistent interpretations do not occur in the future.

Reclamation’s goal is to manage project lands and recreation resources in partnership with State and local governments, the private sector, and other
Federal agencies to provide the widest range of benefits. Reclamation seeks to support and enhance compatible recreational opportunities through these partnerships.

Sincerely,

Elizabeth Ann Rube
Assistant Secretary
for Water and Science

Enclosure
Response to General Accounting Office Draft Report
"Bureau of Reclamation: Unauthorized Recreation Facilities at Two Reclamation Projects"
GAO/RCED-93-115

GAO Recommendation

For existing recreation facilities at the Boise Project, we recommend that the Secretary of the Interior direct the Commissioner of the Bureau of Reclamation to enter into agreements with non-Federal entities to (1) recoup Federal construction expenditures in excess of $100,000 per reservoir as well as past operating and maintenance costs and (2) share the future costs to operate and maintain the facilities. If Reclamation cannot find non-Federal entities willing to share construction and operating and maintenance costs, then the Secretary should direct the Commissioner to either (1) obtain specific authorization from the Congress to continue operating and maintaining the facilities at the expense of the U.S. taxpayers or (2) stop funding the facilities' operation and maintenance.

Reclamation Response

Concur. To date, the Bureau of Reclamation (Reclamation) has been unsuccessful in locating non-Federal partners to cost-share construction or operation and maintenance expenses for the Boise Project. With passage of Public Law 102-575 and the revision of Public Law 89-72 to remove outdated restrictions governing recreational developments at Reclamation facilities, Reclamation is developing policy and procedures to address cost-sharing and funding for recreation facilities. Under this policy, Reclamation will, when possible, enter into agreements with non-Federal entities to share in construction and operation and maintenance costs. If this effort is not successful, Reclamation will pursue the other options outlined in the recommendation.

The responsible official for finalizing policy and procedures is the Assistant Commissioner - Resources Management. The target completion date is December 31, 1993. The responsible official for securing agreements for the Boise Project is the Regional Director, Pacific Northwest Region. The target completion date is March 31, 1994.

GAO Recommendation

For existing recreation facilities at the Minidoka Project's Lake Walcott, we recommend that the Secretary direct the Commissioner to enter into agreements with non-Federal entities to (1) recoup federal construction expenditures in excess of the $760,000 authorized by the Congress as well as past operating and maintenance costs and (2) share the future costs to operate and maintain the facilities. If Reclamation cannot find non-Federal entities willing to share construction and operating and maintenance costs, then the Secretary should direct the Commissioner to either (1) obtain specific authorization from the Congress to continue operating and maintaining the facilities at the expense of the U.S. taxpayers or (2) stop funding the facilities' operation and maintenance.
Appendix III
Comments From the Department of the Interior

Reclamation Response

Concur. Reclamation has cost-shared the $760,000, as well as additional construction expenditures authorized by the Congress and will continue to cost-share the construction expenditures at Lake Wai-cott. With passage of Public Law 102-575 and the revision of Public Law 89-72 to remove outdated restrictions governing recreational developments at Reclamation facilities, Reclamation is developing policy and procedures to address cost-sharing and funding for recreation facilities. Under this policy, Reclamation will, when possible, enter into agreements with non-Federal entities to share in construction and operation and maintenance costs. If this effort is not successful, Reclamation will pursue the other options outlined in the recommendation.

The responsible official for finalizing policy and procedures is the Assistant Commissioner - Resources Management. The target completion date is December 31, 1993. The responsible official for securing agreements for the Minidoka Project is the Regional Director, Pacific Northwest Region. The target completion date is March 31, 1994.

GAO Recommendation

For recreation facilities either under construction or planned at the Boise Project and Minidoka projects or elsewhere, we recommend that the Secretary direct the Commissioner to cease further construction or contracting for construction until Reclamation has either (1) entered into agreements with non-Federal entities to share construction and operating and maintenance costs or (2) receive specific authorization from the Congress to construct, operate, and maintain the facilities at U.S. taxpayers' expense.

Reclamation Response

Concur. Reclamation will suspend recreation construction activities, and pursue securing agreements with non-Federal entities in accordance with the policy and procedures developed as a part of implementing Title 28 of Public Law 102-575. In the interim, if cost-sharing agreements with non-Federal entities can be consummated, Reclamation will continue to develop minimum basic health and safety facilities and meet our legal obligation under existing laws at Reclamation projects. If agreements cannot be established, Reclamation will pursue the other option outlined by the recommendation. The responsible official is the Assistant Commissioner - Resources Management. The target date for finalizing policy and procedures is December 31, 1993.
Appendix IV

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