



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
WASHINGTON, DC 20310-0108



15 JAN 1993

REPLY TO
ATTENTION OF

MEMORANDUM FOR THE DIRECTOR OF CIVIL WORKS

SUBJECT: Civil Works Policies and Regulations

In my memorandum dated May 14, 1992, subject as above, I directed a review of the management and objective of the Corps recreation program. The intent of the effort was to review and modify existing policies, regulations and outgrant instruments to provide for less onerous regulations and increase partnerships with public and private entities.

Between July 31, 1992, and January 8, 1993, I received a series of five briefings in response to my request. These resulted in a number of policy decisions that must be developed in detail and executed. A summary of those policy decisions is attached. Policy letters, to be followed by revisions of appropriate regulations, should be developed, coordinated with my staff, and sent to the field for execution in accordance with the implementation plan presented on January 8, 1993.

In approving these changes, we recognize there are some inherent risks in providing additional authority to the States. However, we believe that the benefits to be received far outweigh those risks and that we should proceed with implementation.

The extensive and in-depth review of the Corps recreation program was accomplished in a very objective manner which will result in improved efficiencies and increased flexibility for our partners in providing public recreation opportunities. I commend those members of your staff and the divisions and districts who played a part in conducting this review. Please extend my thanks to them for a job well done.

Nancy P. Dorn
Assistant Secretary of the Army
(Civil Works)

Attachment

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**RECREATION POLICY REVIEW
DECISION SUMMARY**

The following decisions are not listed in order of priority but rather in the general order in which they were made.

1. Compliance Inspection Frequency. The frequency of compliance inspections for state leases is to be reduced from annually to once every three years.
2. Daily Drive-Throughs. Informal daily inspections of state leases will not be conducted.
3. Fee Comparability Guidance. Clarify existing guidance on the comparability of fees with state and private providers of camping. The objective is to set fees at Corps campgrounds so that they do not unfairly compete with the state and private sector. Use fees should be based on value and that charged by others for similar value services and facilities.
4. Impact of Financial Management Act on the Oversight of State Leases. Obtain a legal opinion on whether the Financial Management Act has an impact on the oversight of state leases.
5. Legislation to Exclude the Corps from the Requirement of Conducting Utilization Inspections. Prepare proposed legislation to be included in the President's legislative initiative to exclude Corps administered properties from the requirement of regular utilization inspections.
6. Standard Lease Forms. Revise the standard leases for Public Park and Recreation Purposes and for Commercial Concession Purposes. Details on the approved changes are contained in the November 4 and November 24, 1992, briefing material packages which address these two standard lease forms.
7. Preliminary Assessment Screening. Check the Preliminary Assessment Screening requirements to establish the environmental condition baseline prior to execution of new leases to determine whether this applies to the Corps outgrant program.
8. Corps Alcohol Policy. Liberalize the interpretation of the alcohol sales policy to accommodate types of development which traditionally provide that type of service, e.g. resort type developments where alcoholic beverages are served in conjunction with other services within the establishment; where alcohol sales would be considered the "norm" for that type of facility. Stand alone bars will not be allowed.

9. Private Exclusive Use. If a state proposes a recreation development that includes residential development, the Corps will work with the state to develop legislation that would transfer lands above the operating pool to the states for residential development on that land. Time share development will not be allowed.

10. Terms of The Lease. Spell out the conditions for different levels of approval for the different terms of each type of lease. Strive for providing the District Engineer with the authority to approve leases with terms up to 35 years with approval at higher levels for larger scope proposals.

11. Rates and Prices. Delete the requirement for the District Engineer to review and approve the rates and prices for leases with public entities. Revise the requirement for rates and prices for commercial concession leases to provide the District Engineer with the right to direct change if there is an egregious departure from reasonableness.

12. Transient Use (Hotels). Length of stay restrictions do not apply to hotels and motels. Permanent and part-time residency is not allowed in hotels and motels located on Corps administered lands.

13. Concession Rental Fees. The Corps Real Estate Directorate has a contractor reevaluating the Graduated Rental System. It is scheduled for completion on June 24, 1993. This issue will be revisited following completion of the study.

14. Shoreline Management. The approved changes basically resulted in a streamlined process for administering the program. The changes include the reduction of the frequency of inspections, a reduction in the personal services provided, e.g. more reliance on written communication and scheduling appointments v.s. impromptu meeting with applicants. Other streamlining includes requiring applicants to have their plans and design certified by a professional engineer (in lieu of Corps approval), modifying the facility identification system, instituting a "no-refund" policy, and investigating a direct deposit system for use by project personnel.

15. Combine the Shoreline Management Permit and the Real Estate License. Combine the shoreline management permit and the minor real estate license into one form to be administered by the project. The scheduling of this action should ideally coincide with the reorganization of the districts.

16. Best Management Practices and Measurable Objectives. Develop a best management practices handbook and measurable objectives that will be used to improve the effectiveness and efficiency of the Corps Recreation Program.

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17. Recreation Oversight Committee. Establish a committee which will be used to institute the business practices for the Corps recreation program. It will be chaired by the Deputy Director of Civil Works and structured to respond to field recommendations on improving the efficiency and effectiveness of the Corps Recreation Program. The field staff would identify bureaucratic restraints and forward recommendations for change or waiver to policy to the committee for consideration.

18. Demand and Marketing Studies. This is an uncompleted recommendation of the September 1990 Recreation Study. Corps fee competition with other agencies or private sector providers of recreation appears to be limited. This may be due to (1) the possibility that others keep their fees artificially low to remain competitive with the Corps; and (2) the number of providers of similar facilities surveyed may be limited. The fact remains, however, that the Corps receives tax subsidies. Were the Corps to charge fees commensurate with the actual cost of providing its fee-facilities, many citizens would be "priced out." On the other hand, tax subsidized government facilities or services can negatively influence the fees charged by lessees or ancillary providers of similar facilities or services in the area. Site-specific surveys are necessary to identify specific areas of unfair competition throughout the Corps. If such problems exist, market studies should be conducted to determine what fees should be charged, consistent with the law and other relevant factors.

19. Variable Pricing. This is an uncompleted recommendation of the September 1990 Recreation Study. This policy will expand the use of variable pricing in the Corps recreation user fee program. For example, it will allow for a higher user fee during the summer compared to the winter season. Higher fees could be charged for campsites near the water compared to those away from the water.

20. Volunteer User Manual. This is an uncompleted recommendation of the September 1990 Recreation Study. Complete and publish a user manual to include guidance on identifying potential duties that could be performed; recruitment, training, and supervision for these labor sources; and case studies of successful programs used by the Corps and others.

21. Nationwide Reservation System. This is an uncompleted recommendation of the September 1990 Recreation Study. Establish a task force that will provide leadership and guidance for Corps participation in an interagency nationwide reservation system. The next window of opportunity to join a no-cost contract is with the Forest Service in January 1, 1996.

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22. Rationale for Renovation. This is an uncompleted recommendation of the September 1990 Recreation Study. The Recreation Study recommendation concerns investing Federal funds for renovation of recreation areas(s) that will subsequently be turned over to non-Federal entities for O&M. More specifically, a determination is needed as to whether the savings of future Federal O&M costs are equal to, or less than, the Federal costs of renovation.

23. Length of Stay: This is an uncompleted recommendation of the September 1990 Recreation Study. This issue was also examined extensively during the Recreation Policy Review. Relax the length of stay policy to allow stays of up to 30 days during any 60 day period. Requests for stays of longer periods must be approved by the Division Commander. This approval cannot be delegated to the District Commander.

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