

Coordinated Fee Structure for Developed Recreation Sites on the Ashley, Uinta, and Wasatch-Cache National Forests¹

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Abstract: A joint effort between three National Forests in northern Utah was begun to provide a uniform process for establishing fees at developed recreation sites, based upon the “cost approach” method. This method can be adapted for other National Forest and District use and can be modified to reflect “comparable fees” and updated periodically to meet local needs and changing conditions.

The Ashley, Uinta and Wasatch-Cache National Forests in northern Utah jointly analyzed procedures for establishing fees at developed recreation sites. The purpose was to establish a coordinated fee structure process for the three urban National Forests. Two procedures were analyzed:

- Market analysis of other Federal and State agencies and private campgrounds in geographical areas of concern to determine fee comparability between developed recreation sites in the public sector and those in the private sector.
- Analysis of operation and maintenance costs and benefits for existing or proposed campground fee sites to establish the fee. This analysis is based on selected cost/benefit ratios and interest rates, and such factors as market comparability and social/political climate.

At present competition is low between developed campgrounds in the public and private sectors in northern Utah. This is because of the variety of recreation settings, levels of outdoor recreation experiences, and expectations of customers. In general, those seeking outdoor experiences in northern Utah can match their expectations, choosing between highly developed campgrounds in city/town environment and usually less developed sites in nearby forest and desert environments.

Most private campgrounds in northern Utah are located within or next to communities. These campgrounds serve the needs of customers wanting highly developed and special amenities, and/or serve the needs of customers en route to destination recreation areas on public lands. These customers are willing to pay more for these sites, especially if the sites offer full service features and facilities, such as water, sewer, electricity and recreational equipment/infrastructure.

Therefore, the lower campground fees at nearby public recreation sites do not persuade customers to use public instead of private sites.

Public lands in Utah offer many destination sites. Customers traveling to these destination sites may stay at private campgrounds along the way. Upon arriving at a chosen destination site on public lands, these customers usually prefer to stay at campgrounds on site. Their preference to stay on-site is because of the proximity of additional recreation opportunities at or near the public campground of choice, and the long distance that they would have to travel to stay at private campgrounds in adjacent communities. The preference to stay on-site is not based on the lower campground fees at the public campground sites. Thus, developed campground fees in the urban private sector markets of northern Utah are not in direct competition with developed sites on the three National Forests.

Because the market competition between private and public campgrounds is low, the Ashley, Uinta, and Wasatch-Cache National Forests selected a cost analysis procedure for determining fees at developed campgrounds. Fee comparisons with the private sector will also be implemented to level extreme differences between fees.

The following Cost Analysis and Recommendations will be used as guidelines for District Rangers to establish yearly campground fees.

Goals

- Provide the District with rationale and method for establishing campground fees.
- Ensure that the fee structure is coordinated among the Ashley, Uinta, and Wasatch-Cache National Forests and reflects similarities as well as differences among recreation settings, uses and publics on the three Forests.

Objectives

Develop a fee structure that considers the following criteria, as listed in the USDA Forest Service Manual, Title 2300—Recreation Management 2331.23:

- a. The amount charged for use of comparable facilities and services offered by the private sector in similar settings.
- b. The amount charged for use of comparable facilities and services administered by Federal, State, and local agencies in similar settings.
- c. The benefits received by the user, including the quality and variety of recreation opportunities offered at or near the

¹An abbreviated version of this paper was presented at the Second Symposium on Social Aspects and Recreation Research, February 23-25, 1994, San Diego, CA.

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site and special services such as the use of amphitheaters, boat launching ramps, and swimming sites.

d. The direct and indirect costs to the United States of developing, maintaining, and operating the site, facilities, and equipment, and providing services.

e. The cost of collection versus the amount collected.

Process, Concept, and Basic Steps

A. The Concept: This process is based on identifying the desired future condition of the site as if new; determining the cost to maintain this condition over time; determining the income needed for the costs; and selecting a fee that is appropriate considering investment by the government and other considerations.

B. Basic Steps: The basic steps required to determine the fee rate at a recreation site are as follows:

1. Determine value of the site facilities when new, using the comparison examples for various developmental scales as a guide, and enter the information on the electronic spreadsheet.
2. Identify the annual maintenance, operation, resource, and construction/reconstruction costs to be used, and enter them on the electronic spreadsheet.
3. Build the Financial Model using the information from the electronic spreadsheet.
4. Check the benefit/cost ration figures in the Financial Model and make adjustments in proposed fees until the ration is 1:1 or better.

5. Compare the fee developed in the Financial Model with factors such as comparable market rates and social/political considerations and decide what the fee rate should be.

The paper entitled “Coordinated Fee Structure for Developed Recreation Sites on the Ashley, Uinta, and Wasatch-Cache National Forests,” is available from the Ashley National Forest. It includes a spreadsheet and worksheet for cost calculations as well as a Financial Model for Present Net Worth.

The model also has considerable flexibility for the manager to consider different management and investment alternatives and display the benefit/cost of each alternative.

Acknowledgments

This process was developed by Alan G. Baird, Forest Recreation Planner, Ashley National Forest, with contributions from Garth Heaton, Recreation, Lands, and Minerals Staff Officer, Ashley National Forest; Brent McBeth, Recreation and Lands Branch Chief, Uinta National Forest; and Larry Lucas, Recreation, Lands, Minerals, and Wilderness Staff Officer, Wasatch-Cache National Forest. Portions of the background information in the publication were assembled by Gordon Williams during his tenure as Forest Landscape Architect on the Uinta National Forest.