

CELRD-PDS-O

13 January 2006

MEMORANDUM TO: Commander, U.S. Army Corps of Engineers,
ATTN: CECW-CO (Ms. Judy Rice) GAO Building, 441G
Street, NW, Washington, DC 204314-1000

SUBJECT: Report of Recreation Modernization Activities – Fiscal Year 2005

1. Reference CECW-CO 3 Nov 2005 memorandum, subject; same as above.
2. Wolf Creek Dam Lake, Kentucky, Nashville District, was one of the six projects selected for the initial modernization effort in FY2004. The requested report detailing the details of that effort are attached as requested.
3. The HQ LRD POC for this action is Dr. Michael A. Loesch, CELRD-PDS-O, (513) 684-3192 and the HQ LRN POC for this action is Ms. Avis Kennedy, CELRN-OP-R, (615) 736-2160.

ROBERT M. WILLIS
Chief, Operations Community of Practice

Attach

Partnership Demonstration Project - Modernization Proposal
Nashville District
Lake Cumberland, Kentucky

Kendall Recreation Area

1. Current condition of the recreation area:

The infrastructure and facilities at the existing day use area and campground at Kendall Recreation Area are in good condition with one significant shortcoming. The water and electrical service is approximately 30 years old and is in need of upgrade. A critical concern is the condition of the old galvanized water line supplying water to the campground facilities and campsites. This waterline was installed during initial construction in the mid 1970s. The galvanized pipe has rusted through in several places and water leaks are occurring with increasing frequency.

The existing electrical service fails to meet the National Electrical Code and occasionally requires repair. However the most significant deficiency is in the voltage carrying capacity of the wire conductors feeding the campsite electrical pedestals. They are undersized and deteriorated with age. Many of the circuits are overloaded due to too many sites being connected to one circuit. This results in low voltage problems on peak use weekends. Customers often complain of low voltage and have even stated that the low voltage has damaged their equipment. This deterioration is impacting the quality of the customer's recreation experience and becoming increasingly costly.

The day use area visitation has been limited by parking. On many peak weekends boaters and day users park on road shoulders of the entrance road due to all parking spaces being taken. This overflow parking is inconvenient to the customer and results in damage to lawn areas adjacent to the roadway.

The discharge ditch from the U.S. Fish and Wildlife Service trout hatchery provides a convenient and accessible trout fishery to campers and day uses. The improved stream is approximately 300 feet long and the unimproved portion is approximately 1000 feet long. The improved portion receives heavy use. The unimproved section receives moderate use but the banks are heavily eroded. This serious erosion impacts the aesthetes and safety of the area.

Two playgrounds are located in the day use area. One was installed in 1988. This unit has had to have several components replaced in the past few years. Repairs are being required more

often and it is becoming increasingly more difficult to find components that are compatible with the old system.

2. Congressional District in which the recreation area is located: Congressman Ed Whitfield, Kentucky District 1.

3. Visitation and Revenue, FY03:

Visitation	120,133 visits/year.
Camping Revenue	\$178,510
Day Use Revenue	\$ 7,350
Total Revenue	\$193,731

We anticipate an increase in visitation after the modernization and construction of new facilities based on factual information from a previous modernization of Kendall Recreation Area in the mid 1980s. The previous modernization resulted in an increase in visitation of 24.6% over five fiscal years; an annual increase of 6.775%. It is estimated that this plan for modernization of existing facilities, construction of 40 new campsites, and new 4000 feet trout stream will result in a 50% increase in visitation for Kendall Recreation Area. With the increased visitation a substantial increase in revenue is also expected.

4. Evidence of public involvement and support of modernization of the area: Comments are solicited and received via public meetings, comment cards, visitor surveys, and phone calls. Recent reductions in services (frequency of cleaning, reduced mowing, etc.) have resulted in a decrease in customer satisfaction. Even with the reduced customer satisfaction rate Kendall campground ranks fourth in the district in camping revenues and third in overall revenues. In order to realize the significance of this ranking it must be pointed out that Kendall has 83 campsites, 12 picnic sites, and one picnic shelter. It is compared in the district totals with several campgrounds with as many as twice the number of sites. All sites are reserved on most weekends from late May through September. Kendall weekday occupancy rate is one of highest in the district at 50.3%. Weekend occupancy is 89.3% (Note: Occupancy rates include 6 roadside sites that are parking only that are seldom used. Weekend use is close to 100% of good sites.) The NRRS system cannot track the number of potential reservation that are lost due to the area being full, therefore we can not estimate camping nights that are lost each season. Sites for the fishing derby weekend and holidays are fully reserved months in advance with most weekends fully reserved 2-3 weeks in advance.

In 2003 the Corps was approached with a proposal to construct a new trout stream, campsite and day use area by a group consisting of non-profit organizations, state and federal agencies, local government, tourist associations and interested individuals. The following groups/individual were involved: Catch-A-Rainbow Committee, Trout Unlimited, U.S. Fish and Wildlife Service, Kentucky Department of Fish and Wildlife, Russell County, Lake Cumberland Area Tourist Development Agency, Russell County Tourist Agency, Friends of Lake Cumberland, Inc. and various individuals. Our long-range development plan for Kendall is based, in part, on the consensus of meetings with the above groups to look at future development opportunities.

Details of partnering participation can only be estimated at this point however several groups that are interested in the long range development of additional facilities are currently active partners that utilize their funds for activities at Lake Cumberland. Examples: (1) The Catch-A-Rainbow Committee coordinates an annual kids fishing derby at the hatchery discharge ditch that had 1,400 participants, between age 2 and 16, in 2003. Many local businesses sponsor the event and cover the cost of food and prizes for participants. (2) The Friends of Lake Cumberland, Inc. (Friends) is a non-profit organization that began in 1990 to conduct a one-day lake-wide clean up. Since its beginning in 1990 over 7500 volunteers have removed 41,599 bags of garbage, 4,255 tires, and numerous appliances from the shoreline of Lake Cumberland. In addition the Friends fund cleanup of shoreline areas and dumpsites on government property. Their annual budget is approximately \$65,000, with 100% going to shoreline and government property clean-ups. (3) Trout Unlimited (TU) is very active in the Russell County area. The trout fishery below Wolf Creek Dam is outstanding and TU has participated with the U.S. Fish and Wildlife Service and the Kentucky Department of Fish and Wildlife for years to enhance that fishery. They are extremely interested in the new trout stream proposal and have said that they expect to have funds available to assist with the project.

5. Impact on the local and regional economy: This region is considered economically depressed. Local merchants would benefit from increased tourism that a modernized and expanded campground would attract. Located immediately downstream of Wolf Creek Dam, Kendall provides convenient access to the lake, river and trout stream. It provides access to more fishing opportunity than any recreation area on the Lake Cumberland project. The U.S. Fish and Wildlife Service operates a trout

hatchery adjacent to Kendall Recreation Area Funding for a visitor center at the hatchery has been approved and construction is scheduled to start in FY05.

6. The complete modernization and expansion is proposed as a six-year project and is included to provide an overview of the vision for Kendall Recreation Area development. Cost and FY scheduled are listed below:

<u>PROPOSED ACTION</u>	<u>PROJECTED COST</u>
Upgrade water and elect service (existing) FY05	\$275,000
Replace fence around forest FY05	\$ 17,000
Install new play equipment in existing DU FY05	\$ 30,000
Eng/Design/Layout of new trout stream, campground/day use & utilities FY 05	\$100,000
Primary water & electric for campground(new) FY05	\$ 85,000
Sewage System for campground (new) FY05	\$ 85,000
Construct picnic shelter w/parking (existing) FY05	\$ 80,000
Build campground shower house (new) FY06	\$350,000
Construct 40 campsites (new) FY06	\$140,000
Pave roadways in campground/day use (new) FY07	\$ 50,000
Construct day use facilities(new) FY)07	\$300,000
Construct day use restroom (new) FY07	\$220,000
Construct new trout stream FY07	\$1,200,000
Pave day use roads (new) FY08	\$ 35,000
Expand day use parking (existing) FY08	\$ 35,000
Pave trail between campgrounds, ADA FY10	\$ 40,000
Construct picnic shelter (new) FY10	\$ 50,000
Subtotal	\$3,092,000
Contingency (1.5% X \$3,092,000)	+\$46,380
Subtotal	\$3,138,380
Project Management/Engineering/Design (4% X \$3,138,380)	+\$125,535
Construction and Contract Admin. (7.5% X \$3,138,380)	+\$235,378
Bonds (0.5% X \$3,138,380)	+\$ 15,692
<u>Total Estimated Modernization Cost</u>	<u>\$3,514,985</u>

7. The project Master Plan authorizes modernization and expansion of Kendall Campground to 152 sites. Modernization will correct safety hazards, environmental degradation, provide universal access, and replace deteriorated facilities and infrastructure and will significantly add to the camping and day use opportunities. Existing requirements, IDIQ and MATOC

contracts are capable of performing all modernization activities as funds become available.

Due to the high occupancy rate at Kendall we do not anticipate that modernization of the existing facilities will drastically increase revenue. These improvements will greatly increase customer satisfaction. However, current occupancy rates and the number of rejected reservations due to no vacancy indicate that at the completion of the total project, the new facilities would be utilized at the same rate as the existing facilities. This would equate to an increase in revenue of approximately \$90,000 per year. The increase in camping revenue and day use opportunities that will be provided by this proposal will result in a significant increase in the economic impact to the surrounding community.

Partnership Demonstration Project Proposal Lake Cumberland, Nashville District

The purpose of this document is to expand on the expected partnering opportunities that will develop as the Kendall Recreation Area proposal submitted by the staff at Lake Cumberland becomes a reality. The proposal includes the renovation and expansion of camping and day use facilities and also the design and construction of a meandering, natural trout stream using the discharge from the U.S. Fish and Wildlife Services' fish hatchery as a water source

Several partners have expressed an interest in providing resources for these projects. In fact it was a group of potential partners that approached the Corps about the project in 2002. At this time it is impossible to guess amounts of funds or volunteer labor that may be available but we will discuss each potential partner and the type and scope of contribution that may be expected.

Trout Unlimited: Trout Unlimited stated in our initial meetings in 2002 and 2003 that they would provide assistance with planning and design for the proposed stream extension. We anticipate that members will be willing to provide volunteer labor for a small portion of the construction, final landscaping, erosion control, etc. In addition the local chapter will solicit funds from the national organization to contribute to the construction cost.

East Kentucky Power: East Kentucky Power has a transmission line that crosses the forest area adjacent to the proposed stream. They have funds designated for mitigation of their easements. Projects such as erosion control, planting of warm season grasses, and other wildlife enhancements can be expected.

Russell County Tourist Commission: The tourist commission sees this proposal as a significant part of their tourism development. The agency proposes to apply for state and federal grants to assist with the funding of the stream and campground.

U.S. Fish and Wildlife Service: The U.S. Fish and Wildlife Service operates a hatchery below Wolf Creek Dam. A new visitor center has been funded and construction is expected to begin in 2005. The hatchery will provide rainbow and brown trout for initial stocking. The hatchery manager estimates that a stocking will be required for approximately 5 years to establish a breeding population. This contribution is estimated to be \$39,000 annually.

Kentucky Department of Fish and Wildlife: The KDF&W is very supportive of the proposal but they have not proposed any direct assistance at this time.

Lake Cumberland Area Development District: The District's headquarters is located in Russell County and economic development is their primary purpose. They anticipate having grant monies available to contribute to the design and construction cost of the camping facilities.

Catch-A-Rainbow Committee: Catch-A-Rainbow committee members are expected to provide volunteer labor to assist with items such as trail construction, bench placement and interpretive displays.

Friends of Lake Cumberland: The Friends of Lake Cumberland's primary mission is to clean-up the shoreline, however members have expressed an interest in providing volunteer labor and limited funding for landscaping and signage.

Summary of Modernization Activities at Kendall Campground

The original proposal for modernization of Kendall Camping facilities was based on a three year program to construct 44 campsites, one host site, one showerhouse and associated facilities. Construction of roadways, utilities and 45 campsites was proposed for the first year. Below are details of items completed and pending under existing contract.

Cleared and grubbed for all road and site work. Made required cut and fill for all road and site work.

Constructed 3,800 ft. of two lane access road (base stone) into the campground area.
Constructed 3,500 ft. of one lane road in the campground areas.

Constructed 19 campsites and one park host site. Provided water and electric service to each campsite. Sewer hookup provided to host site.

Installed 3,550 ft. of 3 in. water main to service campground and 2,200 ft. of 2 in. line in the campground. Ran copper supply line with cut-offs to 20 sites and installed cut-off valves for 25 future sites.

Installed 3,500 ft. of underground primary electric service, including five pad mounted transformers, three sectionalizing enclosures, and ten 200 amp disconnects.

Installed 2,750 ft. of underground secondary service, including ten load center panels, 20 electrical pedestals on completed sites, and stub outs from load centers to feed 25 future sites.

Installed sewage system, including 1,500 ft. of lateral line, two 1,500 gallon tanks, and two dump stations.

The delivery order was issued on 27-Jul-2005. Due to administrative problems and modifications being issued, work did not actually start until 20-Sep-2005.

The contractor completed all work except final grading, seeding and mulching. The contract is at a minimum 95% complete. Work was suspended on 14-Dec-2005 because of weather. The soil was too wet to complete grading and seeding and mulching. The contractor will return when weather and soil conditions permit, hopefully by mid March, and in 5 to 8 days, should complete the work

A contract to construct the first phase of the modernization project was awarded to Environmental Safety and Health Corp. The contract included the construction of 20 sites, roads and utilities services for the sites. The contract was awarded for \$396,950.00. The cost for management oversight, preparation of contract scopes of work/delivery orders, construction S&A, etc. was \$52,000. Total costs for modernization improvements at Kendall Recreation Area for FY 2005 were \$ 448,950.00

5 January 2006

Recreation Facility Modernization at Kendall Campground, Lake Cumberland

The original proposal for modernization of Kendall Camping facilities was based on a three year program to construct 44 campsites, one host site, one showerhouse and associated facilities. Construction of roadways, utilities and 45 campsites was proposed for 2005.

Work completed through 14 December 2005

Cleared and grubbed for all road and site work. Made required cut and fill for all road and site work.

Constructed 3,800 ft. of two lane access road (base stone) into the campground area. Constructed 3,500 ft. of one lane road in the campground areas.

Constructed 19 campsites and one park host site. Provided water and electric service to each campsite. Sewer hookup provided to host site.

Installed 3,550 ft. of 3 in. water main to service campground and 2,200 ft. of 2 in. line in the campground. Ran copper supply line with cut-offs to 20 sites and installed cut-off valves for 25 future sites.

Installed 3,500 ft. of underground primary electric service, including five pad mounted transformers, three sectionalizing enclosures, and ten 200 amp disconnects.

Installed 2,750 ft. of underground secondary service, including ten load center panels, 20 electrical pedestals on completed sites, and stub outs from load centers to feed 25 future sites.

Installed sewage system, including 1,500 ft. of lateral line, two 1,500 gallon tanks, and two dump stations.

Work needing completion relating to Kendall Campground Modernization

Additional 25 campsites which were planned to build were not completed during 2005, but water and electric hookups along with roadway construction and electrical transformers were provided within this section of campground anticipating future improvements to remaining sites.

The contractor completed all work except final grading, seeding and mulching. The contract is at a minimum 95% complete. Work was suspended on 14-Dec-2005 because of weather. The soil was too wet to complete grading and seeding and mulching. The contractor will return when weather and soil conditions permit, hopefully by mid March, and in 5 to 8 days, should complete the work

Future Use at Kendall Recreation Area

The project Master Plan authorizes modernization and expansion of Kendall Campground to 152 sites. Modernization will correct safety hazards, environmental degradation, provide universal access, and replace deteriorated facilities and infrastructure and will significantly add to the camping and day use opportunities. Existing requirements, IDIQ and MATOC contracts are capable of performing all modernization activities as funds become available.

Anticipated increase in visitation after the modernization and construction of new facilities is expected based on factual information from a previous modernization of Kendall Recreation Area in the mid 1980s. The previous modernization resulted in an increase in visitation of 24.6% over five fiscal years; an annual increase of 6.775%. It is estimated that this plan for modernization of existing facilities, construction of 45 new campsites, and new 4000 feet trout stream will result in a 50% increase in visitation for Kendall Recreation Area. With the increased visitation a substantial increase in revenue is also expected.