

**REGIONAL RESOURCE STEWARDSHIP COUNCIL MEETING
JULY 15, 2009**

COUNCIL ADVICE AND RECOMMENDATIONS

Discussion Questions

1. Which specific natural resource and/or recreational management activities should TVA focus on moving forward?
2. What recommendations does the Council have on how best to offer and value future leases and easements for commercial campground and marina operations?
3. How can TVA best communicate and notify commercial operators of changes to existing recreation land leases and easements?

Focus Areas and Key Issues

1. Natural Resource and Recreation Management

Question: Which specific natural resource and/or recreational management activities should TVA focus on moving forward?

- Look at non-renewable natural resources and address in a different fashion than renewable resources. (i.e., archaeological resources, historical sites). Untouched lands provide certain environmental services (water filtration, habitat, recreation). Development could make a renewable resource non-renewable. Make sure to balance impacts.
- General dock permits should be for small acreage with limited impact to the resource, completed in a short time frame, perhaps with an emergency component.
- Offer an incentive program (choose one of 3 dock styles and get a permit quicker). Institute fines that are not forgivable.
- Have a compliance process--unannounced visits, inspections. Development on public land is a privilege, not a right.
- So many variables to the 26a process will make it difficult to standardize the permitting process. Look at categorical exclusions. Seemingly small projects can have significant impacts to archaeological, historical resources. Also have to look at other laws, ESA, NHPA, 404.
- Entire general permit would have to undergo NEPA analysis.

- Develop a template for decision-making process. Complete a cost-benefit analysis of different factors affecting the permit. Competing demands can impact the template.
- TVA revolves around water. Create an improvement process for improved water quality throughout the Tennessee River system. If already in place, create a plan for continued water quality improvement.
- Any pieces of data related to specific sensitive resources (heritage, natural, cultural) would be eliminated from an electronic storefront process.
- Anything that TVA does in the permit process would need to dovetail with efforts to reduce TVA's carbon footprint.
- Inherent economics that are not even in place today (carbon-credit banking) must be considered in the evaluation process for permits and new projects.
- Recreation users may need to pay their fair share. Perhaps use a consultant to establish reasonable economic values of recreation activities and then pass the increased costs on to the user, creating a revenue neutral process.
- Apply appropriate category-specific requirements to reservoirs that are heavily developed, versus reservoirs that have minimal development.

2. **Valuation of Commercial Campground and Marina Operators' Leases and Easements**

Question A: What recommendations does the Council have on how best to offer and value future leases and easements for commercial campground and marina operations?

- Values should be equal to private sector values.
- Cover TVA's costs without undercutting private campgrounds, marinas. Cannot be with a cookie-cutter single policy. Private sector values change based on several factors.
- Need to build in flexibility to any new process.
- Individuals that are benefiting from the TVA system should be providing some benefit back to TVA. Includes marinas selling equipment, boat slip rentals, etc., where private companies gain a windfall from TVA providing the resources. TVA is subsidizing private competition. TVA's increased operating costs should not be passed

on to power distributors when private campgrounds and marinas are gaining profits.

- Consider a study to assess intrinsic value of recreation activities, combined with actual charges to create a self-sufficient process.
- Perhaps create a fixed percentage that is tied to some measure of economic success that fluctuates based on the economy. Will be difficult to determine.
- Economic losses should also be considered. Determining fair, competitive ways to create a benchmark with the private sector will be difficult.
- Try to capture TVA's internal costs associated with a piece of land (stewardship, enforcement, GPS monitoring) to support a revenue-neutral process.
- Consider the auditing component and who will perform that function and how it would work.
- Could create a typical leaser-lessee environment for developers based on traffic, marketing, available resources, etc. Or, consider a franchise-like agreement for land use agreements. TVA could then establish standards for need and use of the properties.
- How is "value" defined? Is it dollars per linear foot, economic development potential, costs of overuse, impact on surrounding area (stress on infrastructure)?
- Ability to grant leases, licenses, and easements can be used as a tool for balancing benefits of the integrated system.
- Public must be involved in the process. Strong communications and transparency will be critical in instituting any new process/policy.
- Development of an undeveloped area may not equate to economic development. There could be other reasons people aren't using that area (remote locations, unavailable infrastructure, etc.)
- Examine U.S. Forest Service's process for 20-year leases with 10-year renewals.

Question B: How can TVA best communicate and notify commercial operators of changes to existing recreation land leases and easements?

- Communicate to the general public, not just the lessee.
- Don't just expect people to go to the Web site to find the new information. Have watershed teams talk to the public/affected lessee throughout the process and lay the groundwork for potential changes.
- Consider the timing of communications with regard to the audience. With TVA's strong political component, policy changes will need buy-in from those groups. Provide ample notice to current lessee to support their business planning.
- Leverage technology where possible.
- Actively communicate outward instead of waiting for stakeholders to seek the information.
- Facilitate input into the process.
- Be prepared for a firestorm. For some people, no amount of communication will help.
- To the extent possible, give the lessee some type of control over their destiny (a menu of options) to allow for negotiation of their lease.