

I have a vision of a recreation destination that is a draw to people from around the world. A place where people can experience the incredible environment of Elephant Butte. They come and the recreation experience exceeds expectations. They can enjoy water sports, explore and discover as they experience nature. They leave refreshed and wanting to return.

I appreciate the opportunity to be here. I hope your time will feel well spent as I share some of the most pressing issues from my perspective as a long-term concessionaire at New Mexico's largest and most visited State Park, Elephant Butte. I will state the issues I see and a resolution to those issues.

The Issue: The current long-term contracts don't work well for Marina operators.

New Mexico State Parks needs to be a tourism minded business partner facilitating the concessionaire's success. When I came to Elephant Butte there were 4 marinas at Elephant Butte Lake, 1 at Caballo, 2 at Conches

1 at Cochiti and 2 at Navajo. They were all owned by different people. Now there are 2 at elephant Butte

owned by the same people and 2 at Navajo owned by the same company. From 10 marinas at 5 lakes to

4 marinas at 2 lakes. From 10 operators to 2 operators. When a contractor leaves, they either sell the

asset (which includes the contract) or he pulls out the facility or abandons it. The best scenario for the

state is that he sells it to someone else excited to be there.

Here are three contractual points that are a problem and solutions to those problems.

- 1) **Make the contracts reasonable.** Language required by State Parks that enables them to terminate the contract without cause, makes the contract unreasonable. Page 1 Line B.
 - a) Banks do not want to loan on a contract that can be terminated on a whim.
 - b) This type of language devalues the contract resulting in the loss of assets and State Park amenities and revenue sources.
 - c) It is difficult to sell a contract with this language which means the assets will not continue if a concessionaire is unable to continue.
 - d) **This language needs to be excluded.**
- 2) **Our concession terms are among the worst in the nation.**
 - a) New Mexico State Park fees are higher than an equivalent marina on New York Harbor.
 - b) Most Federal contracts are 3% to 5%.
 - c) Marina Del Sur and The Dam Site marina are both at Elephant Butte. Marina Del Sur, under State Parks, is at 8% of gross. Dam Site marina under BOR is at 5%.
 - d) High fees restrict investment.
 - e) **The State Park concession fees need to be lower.**
- 3) **Too short of contract length**
 - a) Our marinas are worth millions of dollars and yet we have 20 years maximum to finance them.
 - b) A house loan is a lot less money and generally 30 years long
 - c) Texas State Parks has 50 years on their marina concessions.
 - d) Right now, there are 2 five year extensions on my 20 year contract.

- e) A five-year extension precludes being able to borrow money from a bank even to operate the business during those short periods.
- f) Investment is curtailed while the five year periods play out.
- g) This hurts the Concessionaire as well as hurting the State by stopping investment.

Solution: Get rid of the 2 five-year extensions when the initial 20-year contract period is up and award a 30 or 40-year contract. It is better for the concessionaire easier for the State Parks and benefits the whole state by better serving the public.

Issue: Boat ramp and parking facilities are restricting tourism at Elephant Butte.

1) Put in a proper boat ramp See pictures.

a) Straighten the ramp.

- i) The 2 or 3 lanes at this elevation are turning a corner so depending on the backing skill of the driver they may occupy the whole boat ramp

b) Widen the boat ramp

- i) Presently Elephant Butte Lake has only 2 or 3 lanes for the whole park to launch boats.

a) This is not new. For the last 10 years the lake has been at or near this elevation 38% of the time. That is over 1400 days with the ramp in this situation. This causes long wait times as people maneuver to put their boat in or to pull them out of the lake. This is a dangerous situation. People don't want to wait in long lines to use the lake and they shouldn't have to. This badly hurts visitation and should be rectified.

2) Make a proper parking area.

a) The largest boat ramp at the lake (and currently the only working boat ramp) has a dirt or mud parking lot depending on weather

- i) and it is hard for our visitors to know where or how to park because there are not any lines delineating parking spots.

- ii) It is a big dirt/mud field.

b) There are increased accidents trying to get your truck and trailer out

c) People get stuck in the parking area because they only have a two-wheel drive vehicle

d) Poor over-all experience having to park under these conditions.

e) People come to fish tournaments here and it is an embarrassment that this is the way we do things here at New Mexico's largest State Park.

Solution: Make the parking area concrete, it could become the boat ramp and the present ramp could be the parking area. Jersey walls are easy to move Parks already has the equipment to move them, and they can control where people park and where they launch.

Additionally, this would be much more versatile i.e., busy times you could open more lanes to launch. Slow times the parking area could be closer to the water.

Issue: We need private public grants to improve the lake at little or no cost to the state.

- 1) As a private business I want to improve the whole lake. There are federal grants available for accomplishing this. An example where this has worked is a sewage system for pumping out boats. Years ago, we were able to install these sewage systems in a private public grant with the NM State

Parks. We installed miles of pipe at our expense as part of the offset for the grant. Over the years we have maintained the facilities again at our expense. The benefit is that

- a) we don't have boats discharging sewage into the lake because they receive free pump-outs
 - b) and we provide restroom facilities that the state Parks doesn't have to mess with.
- 2) In the last number of years parks has not been willing to get federal grants.
- a) If parks would apply with a private public partnership, we could make the lake a better place.
 - b) Private persons are willing to pay 100% of the offset if the parks would apply.

Solution: Parks should apply for Federal grants, encourage public private partnerships, and improve the lake without spending state funds. (Lake access Funds, Dingle Johnson or clean waters act)

Here are a couple of ways to increase visitation by increasing amenities with these grants.

Issue: Fish cleaning station see pictures

- 1) We should have a legal epa / ada compliant place to clean fish somewhere at Elephant Butte Lake.
 - a) There is a fish cleaning station on the Dam Site Marina, and it is not compliant with epa or ada but it is the only facility where people can clean fish at Elephant Butte lake. We provide it complementary and maintain it as a courtesy to the general public but we have to pull it out.
- 2) I recommend this amenity be provided at the top of the launch site Where most fishermen launch their boats.
 - a) Electric and water are easily accessible.
 - b) The station would be out of the way where there is plenty of parking.
 - c) It would be convenient to boaters as well as most campers and anyone else coming in the main entrance of the State Parks and wanting to clean fish.

Solution: make a nice, compliant fish cleaning station part of the boat ramp renovation and do it with a federal grant.

Issue: Lak of restroom facilities at the Lake

- 1) The only restroom facilities for people on the water are
 - a) The marinas which get very congested and are difficult to navigate in peak times.
 - b) Porta-poties located thousands of feet from the water, uphill through the hot sand
 - c) And the lake

Solution: Floating restrooms see photographs Paid for with a private public grant.

Issue: State Park utilized mainly one season of the year.

- 1) people boat year around at elephant butte
 - a) numbers are greatly diminished in Fall Winter and Early Spring
 - b) It is important for business to be open year around for safety and security
 - c) Difficult to operate business/keep employees during off season

Solution: Allow Off highway vehicles in the park to extend season

- d) Would allow another season benefiting both the park and the community
- e) Would be operating on a durable surface where other vehicles already operate
- f) Provide a needed and wanted service.
- g) Protect more sensitive areas by providing places to ride

Produce a plan in collaboration with the parties concerned. Present the proposal to BOR to allow these vehicles in the park during the off season.

Issue: Minimum pool

- 1) Practice deficit sharing state-wide like they do in the lower Rio Grande irrigation district
- 2) Instead of paying to fallow fields buy up water rights in the Middle Rio Grande.
 - (a) You have the ability to reduce the demand for water
 - (b) It builds a storage that will allow the state to own water in addition to credit water. (It is like savings in the bank)
- 2) Increase recreation
 - a) Recreation is a Non depleting water use, you make money on it and improve the offerings of the state by just having it available.
- 3) Stabilize eco system and the economy by
 - a) reducing elevation swings
 - b) Prevent silting in the major portion of the lake reducing future and present maintenance costs.
 - c) Promote confidence that the lake will be here next year.
- 4) Enable the state to Store water in upstream reservoirs
 - a) This benefits the state and the Farmers with more security by having water available in desperate times.
 - b) Provides more recreation for all the reservoirs.
 - c) Lowers evaporation loss overall.

Solution: Set up a State operated minimum pool that will empower the state and add security to farmers and other water users.

Neal B. Brown

President Lago Rico, Inc.
Operator of Marina Del Sur, and Damsite Resort
(575) 744-5567