

DRAFT

**WORKSHOP PROSPECTUS TO GUIDE DEVELOPMENT
OF A WORK PLAN AND REQUEST FOR PROPOSAL TO
ADDRESS HIGH PRIORITY SOCIO-ECONOMIC
INFORMATION NEEDS OF THE GCDAMP**

GRAND CANYON MONITORING AND RESEARCH CENTER

**HELEN FAIRLEY, SOCIO-CULTURAL PROGRAM MANAGER
JOHN HAMILL, CHIEF GCMRC**

AUGUST 6, 2009

PROSPECTUS TO DEVELOP A WORK PLAN AND REQUEST FOR PROPOSAL TO ADDRESS HIGH PRIORITY SOCIO-ECONOMIC INFORMATION NEEDS OF THE GCDAMP

ISSUE

The Glen Canyon Dam Adaptive Management Program (GCDAMP) has a long-standing and continuing need for improved socio-economic analysis regarding how alternative regulated flows from Glen Canyon Dam may affect downstream resources (NRC 1994, 1999). Managers and policymakers need improved capacity for more comprehensive and accurate assessment of socio-economic impacts to resources such as sport fishing, hydropower, recreational boating, regional hotel and restaurant trade, etc. Currently, impacts to hydropower resources are provided by Western Area and Power Administration when changes in dam operations are being contemplated, but there is a need for additional assessments relate to impacts on market exchange of goods and services, social infrastructure, and economic trade-offs associated with implementing various management actions. For example, when a high flow event or a sustained low steady flow event are being contemplated by the AMP, key biophysical and socio-economic impacts of the proposed action need to be evaluated. Currently the GCDAMP has capacity to provide reasonable assessments of biophysical and some cultural resource impacts; however, current data and plans do not exist for evaluating impacts of selected actions on socio-economic resources other than hydropower, such as the Lees Ferry trout fishing enterprise, recreational boating, or the general regional tourism industry surrounding the Grand Canyon. Furthermore, previous reviews of the GCDAMP by the National Research Council (1999) and other entities (e.g. Loomis and others, 2005) have identified the need for more expansive socioeconomic studies and assessments with which to conduct systematic trade-off analyses for improved decision making. In summary, the GCDAMP needs to conduct additional economic impact analyses and tradeoff analyses of biophysical and socio-economic resources under differing dam management scenarios to help inform alternative approaches to management and policy.

PROPOSAL TO DEVELOP A WORK PLAN AND REQUEST FOR PROPOSAL TO ADDRESS HIGH PRIORITY SOCIOECONOMIC NEEDS OF THE GCDAMP

Interest in expanded socioeconomic science activity and potential partnership of GCMRC and TWG in developing program objectives were discussed during the March 2009 TWG meeting and April 2009 AMWG meeting. A motion was passed by AMWG at their April 2009 meeting requesting GCMRC, TWG and the Science Advisors continue to address the following issue of concern: *“Item 6.c. General comment on Goal 10. There is a lack of economic analysis capacity in the program to evaluate trade-offs or other economic concerns. Additional capacity should be considered. Unknown funding needs at this time.”* Subsequently, at a TWG meeting on June 22-23, 2009, GCMRC agreed to organize a workshop in collaboration with WAPA, NPS and other TWG stakeholders to further explore this issue and evaluate program needs, including funding, to conduct additional socio-economic analyses. This prospectus reflects the outcome of preliminary discussions and planning conducted by the GCMRC, in consultation with representatives from WAPA and NPS and the Executive Director of the Science Advisors on July 29, 2009.

Currently, the GCDAMP budget does not permit expansion of the socio-economic science program without other program reductions. The long standing and current interests of stakeholders may warrant GCMRC consideration of budget reallocations or the development of new funding partnerships with other agencies and institutions in the future. Regardless of how the funding issue is resolved, the current expressed need for a more robust socioeconomic science program will benefit from a partnership approach between the GCMRC, SA and TWG. In this process GCMRC would collaborate with AMP stakeholders to identify needs for future socio-economic assessment work, and then develop these needs into an appropriate draft science plan. The science plan development and its oversight would be the responsibility of GCMRC. Below we describe the proposed plan for a workshop to achieve the aims identified above.

PROJECT SCOPE

GCMRC anticipates that development of a well-rounded socioeconomic program will require a phased approach. It is anticipated that Phase I (first 3-5 years) will focus on updating market-based value studies of key resources and formulating plans for a more

expansive approach in future years. The second phase of research is anticipated to include trade-off analyses and non-use value studies.

PROPOSED FALL 2009 TWG/AMWG WORKSHOP

The following section outlines a proposed approach for refining socio-economic goals, information needs, and program scope to assist GCMRC in the development of a work plan and Request for Proposal (RFP) to address high priority socio-economic analysis needs of the GCDAMP. GCMRC believes a workshop involving GCDAMP groups (i.e., GCMRC, TWG and Science Advisors), along with several outside experts, will be an effective means for clarifying status of existing knowledge, refining stakeholder information needs, and evaluating alternative approaches to meeting those need. Information emanating from the workshop would be used by GCMRC to develop a work plan and RFP that would be implemented subject to available funding, AMWG review, and approval by the Secretary of the Interior.

WORKSHOP PROSPECTUS

A three-part workshop is proposed, with one full day (8am-12 pm, 1-5 pm) dedicated to Parts I and II and a portion of the following morning devoted to Part III. Expected participants include TWG/AMWG members, selected GCMRC staff, Science Advisors invited socio-economic researchers who have worked in the past or are currently working on socio-economic studies in the Colorado River Basin, plus a small panel of independent socio-economic experts who will serve as discussants during Part III of the workshop. Following conclusion of Part III, the panel of invited experts will meet independently of the larger group to develop a set of recommendations for GCMRC to use in developing a future work plan and RFP:

Time and location of the workshop is tentatively proposed for the first half of November 2009 in the Phoenix, Arizona area (possibly Saguaro Lake). GCMRC will arrange necessary facilities and facilitation for the meeting. The GCMRC Sociocultural Program Manager, working with the SA Executive Coordinator and TWG Chair, will be responsible for summarizing key outcomes of the workshop in a GCMRC/TWG file report. The specific format, objectives, and proposed outcomes of the Workshop are outlined below:

- **Part I: Summarize past NRC reviews and recommendations and update status of current socio-economic knowledge.** GCMRC will provide a summary of past reviews and recommendations concerning needed socio-economic analyses. GCMRC will solicit the involvement of socio-economic researchers currently working in the Colorado River Basin on various socio-economic issues relevant to the AMP and invite them to summarize their studies and conclusions during this first part of the workshop. TWG members will have an opportunity to ask questions or make observations following these oral presentations.
- **Part II: Clarify TWG Information Needs, i.e. identify areas of socio-economic science to be pursued over next 3-5 years and 5-10 years, and general outcomes to be derived.** Collection and assessment of impact data, development of impact assessments, and development of tradeoff models have been identified as potential needs of the AMP program and outcomes of future socio-economic studies. In April 2007, GCMRC conducted an information needs workshop focused primarily on identifying socio-economic information needs related to Goal 10 (hydropower.) Areas of known socio-economic and resource interest in the GCDAMP extend beyond hydropower, however, and at a minimum include economic impacts to recreation resources such as sport fishing, commercial and private boating, hotel and restaurant enterprises, guide services, etc. As noted above, GCMRC anticipates that development of a well-rounded socioeconomic program will require a phased approach, with Phase I (first 3-5 years) focused on updating market-based value studies of key resources and formulating plans for a more expansive approach in future years. The second phase of research is anticipated to include trade-off analyses and non-use value studies. Therefore, after identifying/clarifying overall socioeconomic program information needs in a general sense to be conducted within a ten-year timeframe, Part II of the workshop will specifically focus on identifying the information needs to be addressed in Phase I and prioritizing those research interests within a five-year timeframe.

- **PART III: Solicit external expert advice for framing future Work Plan/RFP and specify general science process to be followed:** During Part III, the invited panel of independent experts will briefly review the information and discussions of Part I and II and provide some preliminary feedback to workshop participants in terms of logically prioritizing the identified information needs to best meet program goals and identifying some potential approaches and strategies to meet those needs over five and ten-year time frames. The panelists will use this opportunity to clarify previous research findings and identify perceived knowledge gaps, concerns and priority interests of AMP stakeholders.

Immediately following conclusion of the workshop, the independent panel will meet independently of the larger group to outline and begin drafting a report to help frame the direction and future development of a five-year socioeconomic work plan and RFP(s). (GCMRC believes that regardless of the information needs identified, an open competition RFP process will best support program needs in the future.) Taking into account past program reviews and the current state of knowledge identified in Part I of the workshop, along with TWG/AMWG information needs identified during the second part of the workshop, the panel will recommend potential approaches, methodologies, and anticipated time frames to address the identified socioeconomic needs of the GCDAMP. GCMRC will use these recommendations as a starting point for developing a short-term (3-5 year) and long term (10 year) work plan and future RFP(s) to address the highest priority studies identified through the workshop process. It is anticipated that the results of the work shop will be used by GCMRC to draft a work plan by February 1, 2010 for consideration by the TWG and AMWG.

WORKSHOP BUDGET

It is anticipated that the workshop will cost approximately \$30,000, not including TWG participant time and travel costs. A preliminary workshop budget is shown below:

Budget

Socio-economic research presenters (honoraria): \$10,000

Socio-economic research panelists (honoraria): \$12,500

Workshop Facilitator: \$5,000 (contracted services)

Facilities, miscellaneous: \$2,500

TOTAL \$30,000

GCMRC and Science Advisors costs for planning and attending meetings are already incorporated into existing budgets. WAPA and NPS have agreed to cover travel costs for some individual presenters. GCMRC proposes to carry forward unused funding (approximately \$16,000) from the FY09 Goal 10 monitoring project to cover most the costs for the invited panelists and facilities. GCMRC is seeking additional funding, perhaps from the unused portion of Reclamation's FY09 TWG facilitator budget, to cover the costs of hiring a facilitator for the workshop and TWG member travel costs. We anticipate that with these combined sources of carry-over and appropriated funding, most elements of the workshop budget can be covered with existing funds.

