



Minutes

Montana State Parks & Recreation Board Meeting

Montana Fish, Wildlife & Parks

Fairmont Hot Springs, Anaconda, MT

April 20, 2017

Parks & Recreation Board Members Present: Tom Towe, Chair; Mary Sexton, Vice-Chair; Diane Conradi, Member; Jeff Welch, Member; Doug Smith, Member; Martha Williams, Director, FWP

Parks Staff Present: Thomas Reilly/Assistant Administrator/Acting Administrator; Pat Doyle/Marketing & Communication Manager; Zach Zipfel/Agency Legal Counsel; Doug Habermann/Region 5 Manager; Katelyn Weber/Administrative Lead.

Guests: April 20, 2017 – See Parks file folder for sign-in sheet.

Topics:

- 1. Call to Order – Pledge of Allegiance**
- 2. Approval of February 16, 2016 Board Meeting Minutes**
- 3. Approval of February 16, 2016 Board Expenses**
- 4. Board Member Reports**
- 5. Director's Report**
- 6. Staff Report**
- 7. Public Comment for Items Not on Agenda**
- 8. Legislative Update**
- 9. Parks Funding/Budgets**
- 10. AIS Update**
- 11. Smith River Advisory Council**
- 12. Makoshika State Park – Future Campground and Waterline Extension Project**
- 13. Volunteer of the Year Awards**
- 14. Capital Projects Over \$5,000**
- 15. Hell Creek State Park Concession Agreement Extension**
- 16. Lewis & Clark Caverns State Park Concession**

- 17. Recreational Trails Program (RTP) Grants Approval**
- 18. OHV Program Grants Approval**
- 19. Biennial Fee Rule 2018/2019**
- 20. Montana State Parks Foundation & Montana State Parks Partnership Update**

1. Call to Order – Pledge of Allegiance

Chairman Towe called the meeting to order at 9:05 AM and led the Pledge of Allegiance.

2. Approval of the Parks & Recreation Board Meeting Minutes of February 16, 2017

Action: Vice-Chairman Sexton moved to approve the February 16, 2017 minutes. Motion carried unanimously.

3. Approval of Parks & Recreation Board: February 16, 2017 Board Expenses

Action: Vice-Chairman Sexton moved to approve the February 16, 2017 Parks & Recreation Board expenses. Motion carried unanimously.

4. Board Member Reports

Chairman Towe reported that he visited two state parks in Arizona and made two trips to Helena for the legislative session since the last Board meeting.

Vice-Chair Sexton reported that she visited Escalante Petrified Forest State Park in Utah and was impressed with their partnership with Grand Staircase-Escalante National Monument. She also attended the First Peoples State Park Native Elders Feast.

Member Conradi reported that she visited Tanzania and that it was a great outdoor recreation experience, especially in regards to land management, human interaction with the environment, poachers, and ranchers. She also reported that she attended the International Wildlife Film Festival on behalf of the Montana State Parks Foundation.

Member Welch reported that he is seeing a lot of energy around trails right now, especially in regards to the legislative session.

Member Smith reported that he spent a month in Jamaica. He also reported that there is great interest in eastern Montana to establish trails and bring recreational trail monies to that part of the state, but that it lacks the expertise to get it done.

5. Director's Report

Martha Williams, Director of Fish, Wildlife & Parks (FWP), as Secretary of the Board, reported that she visited Travelers Rest State Park the previous weekend. She indicated that she has struggled with the opportunity to show up to state parks events. She also attended the First Peoples State Park Native Elders Feast and that she wants to focus on tribal relationships and treaty rights going forward.

She also reported that it was a tough legislative session that was not yet complete; the toughest areas being parks, Aquatic Invasive Species (AIS), and enforcement. The budget for FWP has been zero-based because of parks and enforcement issues. Vice-Chairman Sexton indicated that FWP should be collaborative with Dustin Temple and Anne Howes, MSP Business Manager, while going forward with the zero-based budget.

6. Staff Report

Acting Administrator Tom Reilly reported that Logan State Park campground has been electrified and is open to the public. A dock also went in. Lewis & Clark Caverns State Park water line system upgrade bid is out. The septic system bid will be going out and that project will be underway next winter. Acting Administrator Reilly also reported that he visited the Alamo and was impressed with the interpretation at the site and that the budget there was \$450 million. He also reported that the Chief of Operations position will be filled and that other staff will be filling the position on a rotating basis in the interim.

7. Public Comment for Items Not on Agenda 15:30

Jocelyn Dodge, with the United States Forest Service (USFS) thanked the Parks staff for coming out to the Pipestone OHV area to see how the area contributes to the local economy and how Recreational Trails Program grant money helps improve the area.

Ryan Weiss, Public Access Specialist for Montana's Department of Natural Resources and Conservation introduced himself to the Board. His position was created by Governor Bullock to enhance and protect access to public lands.

Edward Banderob, Chair of the Butte Historical Society introduced himself to the Board to advocate for House Bill 225, that establishes signage on shared pathways of 1,320 feet that say "Take a break, take a walk" as part of a five-minute healthy habit walkway program.

8. Legislative Update

Chairman Towe gave an update on the \$11.2 million ending fund balance that the Joint Committee restored to the Parks Division. Chairman Towe also indicated he drafted several bills to get Parks more money. Questions still remain why the ending fund balance was not called to the attention of the Board earlier.

He also indicated Virginia Court's bill to establish an \$8.00 opt-out fee for motor homes passed committee but was killed on the floor of the House.

Chairman Towe reported that HB 607 and HB 621, both tax bills to support Parks also failed to pass.

Chairman Towe reported that HB 442, a bill to allow for 501(c)3s with 500 acres not to have to pay property tax. The bill was defeated on second reading, brought back, and defeated on third reading by one vote.

Chairman Towe also reported that HB 324, introduced by Bradley Hamlett, that would attach Parks administratively to Fish, Wildlife, & Parks wherein the Parks & Recreation Board would hire the administrator and have autonomy over its budget, has passed both houses and sits on Governor Bullock's desk waiting for signature or veto. The bill is not support by the current administration or the agency. It is expected that it will be vetoed.

Vice-Chairman Sexton indicated she was not happy that parks funds went towards Virginia and Nevada City, which are under the Department of Commerce.

9. Parks Funding/Budgets

Dustin Temple, FWP Chief of Administration, presented to the Board information on the capital side of the parks budget. Three requests were submitted for HB 5, the Makoshika Road, Bannack Fire System, and LCC electrical upgrade, totaling \$5.95 million. All requests were adopted in February and are currently in HB 5. After HB 5 reached the Senate, \$2 million was added for sanitation and safety for Parks, then removed and added to HB 2. Additionally, several amendments were introduced to spend the \$11.2 million on outside projects. Changes were made to those resulting in Hell Creek road appropriation going forward, the Nevada and Virginia City requests being reduced from \$4 million to \$2 million and the trail appropriate was stricken completely. There will be no capital balance remaining.

10. AIS Update

Tom Reilly, Assistant Administrator, reported that \$1.5 million of federal Dingle Johnson (DJ) money that was on the books for Parks went to the AIS program. The money was money that Parks did not have match money for from previous sessions. He indicated that the problem of not having state match money for DJ funds is an ongoing problem for the division. AIS had the match money and the authority to spend the money on AIS.

Dustin Temple, FWP Chief of Administration, indicated that the money was used instead of allocating Parks fund balance money towards AIS. It was for current fiscal year spending to stand up the AIS program for 2017, as a onetime event.

Member Conradi asked where AIS operations money is coming from. Assistant Administrator Reilly indicated Parks staff is helping by taking on additional responsibilities,

but AIS is funding their own staff and both are working cooperatively. Director Williams that staff across the department is taking on additional responsibilities to help the AIS program.

Member Conradi expressed concerned for spreading Parks staff and funding too thin while assisting the AIS program.

11. Smith River Advisory Council

On March 23rd, a meeting of the Smith River Advisory Committee was held in Helena. The purpose of the meeting was to inform the Committee members of the Charter and Operating Procedures and discuss them together. Additionally, other aspects of the Smith River Program were reviewed. These included; the current Smith River Corridor Enhancement Account (CEA) fund balance, status of current projects, an update on the recent public launch applications/process, and other issues relevant to the Smith River.

Two project proposals were presented and discussed by the Committee member, both Fisheries Division project proposals. One was for a study concerning fish movement throughout the Corridor and the other involved predation by pelicans. The two proposals are under consideration for funding from other FWP funding sources.

In the future, it is likely that project proposals to utilize the existing Smith CEA funds available will be submitted and considered by the Smith River Advisory Committee.

12. Makoshika State Park – Future Campground and Waterline Extension Project

Beth Epley, Executive Director of Eastern Plains Economic Development Corporation, addressed the Board regarding Makoshika State Park's lack of hook-ups for the campground. The park has had to turn away many potential campers. The EPEDC developed a plan to extend water from the visitor center into the park and build a fully developed campground with full hook-ups, showers, and flush toilets. The community is behind the idea and welcomes the development centered around Makoshika and its natural history. The estimate for the project is \$1.3 million. She indicated she does not want the project to become a political chess piece. She reported that there is interest in this development as a place that would receive a large amount of use and prove to be an effective use of funds.

13. Volunteer of the Year Awards

In 2016 1,341 volunteers provided 45,221 hours of service to the Montana State Parks Division. These volunteers served as campground hosts, greeted and provided information to visitors at visitor centers; assisted with education and interpretive programs; assisted with special-events and helped with a wide variety of special projects.

Each year Regional Park Managers receive nominations from field managers for individuals to be recognized as their region's individual or volunteer group of the year. Consideration is given to volunteers or volunteer groups based on the following criteria;

- nominees that have exhibited a strong commitment and personal interest in the park or parks division program they serve;
- how the nominee makes a difference to the public they serve;
- how the nominees help make a connection between the local community and the park or parks division programs;
- the nominees level of service provided to a critical component of the park operation; and
- the nominee's personal commitment and determination to volunteer and serve.

The regional service award recipients for 2016 were presented with their awards and given photo opportunities with the Board.

14. Capital Projects Over \$5,000

Per the Parks and Recreation Board Policy adopted in December 2013, Board approval is required for unanticipated expenses exceeding \$5,000 within the Parks Capital Program. For this meeting, there is one project which would incur a capital cost that has not been previously approved by the Board.

Assistant Administrator Reilly reported that Yellow Bay State Park on the east shore of Flathead Lake is served by the sewer treatment system located on the adjacent U of M's Biological Research Station. The sewer line serving the restroom facility at Yellow Bay SP gravity feeds to an antiquated lift station which transports the effluent to the U of M's treatment facility.

The U of M is in the process of proceeding with a larger project to upgrade the sewage treatment infrastructure serving their facilities. The proportionate cost of upgrading the infrastructure on the park property is \$50,000 (design and construction efforts).

As the antiquated system is past the end of its' useful life, there will never be a more economical opportunity to upgrade the parks sewer system as a component of the U of M's larger project.

The proposed funding for this project is from the remaining capital fund balance of \$50,000 in Bed Tax/2013 Legislative Session.

***Action:** Member Conradi moved to approve the Parks Division's proposal to commit \$50,000 in existing capital funds to the Yellow Bay State Park sewer system upgrade project as proposed. Motion carried unanimously.*

15. Hell Creek State Park Concession Agreement Extension

Hell Creek State Park is one of three significant park locations statewide with a private concession operation which provides goods and services to the public. For Hell Creek SP there are two important dates ahead which directly relate to this agenda item:

- Current Private Concession Agreement – expires December 31, 2018.
- Site Agreement with the Army Corp of Engineers (ACOE) – expires April 30, 2021.

Assistant Administrator Reilly reported that given that the concession agreement term expires approximately 2 ½ years prior to the State's lease term agreement with the ACOE for management of the 337-acre site, it is not possible to enter into another concession agreement beyond April 2021. By extending the existing concession agreement term to match the ACOE lease term, the ability will exist to have both processes proceed on the same timeline from April 2021 forward.

Vice-Chairman Sexton asked if the concessionaire was asked for anything in return for the 2 ½ year extension. Assistant Administrator Reilly indicated that he was not asked and that the extension would simply buy the Parks division time to work out issues.

Chairman Towe asked if Clint Thomas had been contacted regarding this extension and if he was made aware of the Board meeting. Assistant Administrator Reilly indicated he was not notified prior to the meeting. He also indicated the agreement would provide for 2 ½ years of certainty and security to address the complaint by Clint Thomas that without an agreement, the next two years are uncertain. Chairman Towe reported that there should be public comment on the lease extension. Member Conradi asked if Hell Creek State Park could be turned into a Fishing Access Site (FAS). Chairman Towe indicated that site is too large. Assistant Administrator Reilly indicated that FAS program does not have the capacity to take on a site as large as Hell Creek.

Member Welch indicated an alternate solution needs to be addressed before 2019. Assistant Administrator Reilly indicated that a decision would be made following the 2019 legislative session. Member Welch reported that he is struggling with the passivity. Chairman Towe indicated that the process has been started.

Other than the proposed concession agreement extension to April 30, 2021, no other conditions in the current concession agreement are proposed to be changed.

No public involvement is anticipated for this administrative step to extend the concession agreement term approximately 2 ½ years.

***Action:** Member Welch moved to approve the Parks Division's proposal to offer the private concessionaire at Hell Creek State Park an extension to the existing lease agreement through April 30, 2021. Vice-Chairman Sexton opposed the motion. Motion carried.*

16. Lewis & Clark Caverns State Park Concession

At the August 18, 2016 Parks and Recreation Board meeting the division was given approval to enter into a Request for Proposal process for a new lease for the food and

beverage concession at Lewis & Clark Caverns State Park. The Board approved seeking a lease with an initial 10-year term, with the ability to negotiate two (2) additional five year terms for a total term not to exceed 20 years. The process was to adhere to Montana Code Annotated 18-4-313 regarding contract terms, extensions and time limits.

Regional Manager for Region 3 Matt Marcinek reported that the Request for Proposal for the concession was open for competitive bidding according to State contracting procedures from November 23, 2016 through December 22, 2016. The bidding process was conducted through the Procurement Bureau of Montana Department of Administration, in coordination with FWP's Central Support Services.

There was one bidder from the Request for Proposal process, State Procurement and FWP staff negotiated final details of the contract with the bidder. The new contract was executed by the FWP Director on April 5, 2017 with Sharbert Enterprises, Inc. who has been the concessionaire since 2006 and has been providing excellent services to the public. The new lease requires a 7% fee on gross sales be made to the division, with a provision that a portion of the fee be directed to capital improvements to the facility. Projects will be administered by FWP's Design & Construction staff. The initial term of the lease is 10-years, with the ability for two (2) additional 5-year terms with total term not to exceed 20 years. The concession will open for the season under this new contract on May 1, 2017.

17. Recreational Trails Program (RTP) Grants Approval

The federal Recreational Trails Program (RTP) grants involves pass-through funds which benefit trail related projects in each state. Each year Montana State Parks solicits and awards \$1.4 - \$1.6 million in RTP funds to sponsors statewide. The annual grant awards typically involve 50 – 60 individual projects. The funds are awarded to projects sponsored by local communities, private clubs and organizations, state entities, and federal agencies. The types of projects are as diverse as the development of new trails, installation of latrine facilities at trailheads, funds for snowmobile trail grooming, and maintenance on existing trails.

Assistant Administrator Reilly reported that for the current grant cycle, a total of 69 applications were received requesting over \$2.6 million. The applications have been scored, input sought from the State Trails Advisory Committee (STAC), and narrowed to 54 grants for the \$1.67 million available this cycle. The Board was presented with a summary of the proposed RTP grants.

The public was provided an opportunity to comment on the full list of RTP grants from February 16th through March 16th. Notice was provided via a press release and on the website. One comment letter was received offering constructive comments on one specific project and 163 public comments were received for other categories of projects in general (primarily a Missoula project, MTB Missoula and Nordic ski projects).

Action: Vice-Chairman Sexton moved that the Board concur with the Parks Division's recommendation to award the 54 RTP grants for the current year's cycle. Motion carried unanimously.

18. OHV Program Grants Approval

The annual grant application period for proposed OHV grants closed February 1st. A change was initiated this year to move the grant opportunity to the winter months and have the award process complete by the time funding is available at the start of the new fiscal year on July 1st.

Assistant Administrator Reilly reported that a total of 12 applications were received, with a total funding request of approximately \$171,000. It is anticipated that \$110,000 will be available to grant for each year of the upcoming biennium (calendar year's 2017 and 2018). The applications were scored by staff and discussed at the scheduled meeting of the citizens Off-Highway Advisory Committee (OHVAC) meeting on March 30th. All grant applications were reviewed with the OHVAC members present, resulting in the final recommendation for funding 10 grant applications at the amounts proposed.

The proposed OHV grant projects were posted on the website and public comment was solicited via the standard process for a 30-day period. The public comment period closed March 17, 2017. No public comments were received.

Action: Member Smith moved that the Board concur with the Parks Division's recommendation to award the 10 OHV grants for the current year's cycle. Motion carried unanimously.

19. Biennial Fee Rule 2018/2019

The Biennial Fee Rule is a two-year rule that establishes recreational use fees for state park lands. An extension to the current fee rule was last approved by the State Parks and Recreation Board on October 20, 2016. The Montana State Parks Biennial Fee Rule establishes fees for camping, non-resident day use/entry, non-resident annual passports, guided tours, and special uses such as group use and facility rental.

The proposed Biennial Fee Rule will be posted for a 30-day public comment period.

Action: Member Smith moved that the Board approve the release of the draft 2018 Biennial Fee Rule for public comment. Motion carried unanimously.

20. Montana State Parks Foundation & Montana State Parks Partnership Update

Marketing & Communication Manager, Pat Doyle, reported to the Board that over the last two months there have been two joint event sponsorships between Montana State Parks and the Montana State Parks Foundation. One event was the Governor's Conference on Tourism and Recreation in Helena in March and the other was at the International Wildlife Film Festival in Missoula, where Montana State Parks had a booth and sponsored a film. At both

booths, MSP has had the opportunity to interface with new constituency that it has yet to connect with. Members of the Foundation have been present to answer questions about fundraising and support for MSP at these events. MSP intends to continue to broaden its reach by attending more of these events across the state, not only to advocate for parks, but also for the grant programs that MSP manages.

Member Welch also reported that the donation boxes are done and will be distributed to the parks.

Meeting adjourned at 2:15 PM.

Tom Towe, Chairman

Martha Williams, Director