



Minutes

Montana State Parks & Recreation Board Meeting

Pictograph State Park

October 16, 2018 – 9:00 a.m.

Parks & Recreation Board Members Present: Angie Grove, Chair; Jeff Welch, Vice-Chairman; Scott Brown; Mary Sheehy Moe and Betty Stone.

Staff Present: Director Williams, Pat Doyle, Coleen Furthmyre, Tom Reilly, Beth Shumate, Ken Soderberg, Terri Walters, Hank Worsech and Zach Zipfel.

Guests: Bob Walker, Coby Gierke, Chris Gallus and Tom Towe.

Topics:

1. Call to Order and Pledge of Allegiance
2. Approval of Board June 22, 2018 Meeting Minutes
3. Approval of Board Expenses
4. 2019 Board Meeting Dates
5. Board Member Reports
6. Director's Report
7. Administrator Report
8. Fee Analysis Resolution - Endorsement
9. Smith River State Park Biennial Fee Rule Extension - Proposed
10. Policy for Accepting and Recognizing Gifts, Donations, Corporate Partnerships and Sponsorships - Proposed
11. East Gallatin (Affiliated Land) 50-Year Management Agreement - Proposed
12. Land Transfer Policy Revisions - Proposed
13. Parks Fiscal Report
14. State Parks Foundation Update
15. Public Comment ~ For Issues Not On This Agenda ~
 - Tom Towe - Potential Funding Strategies
 - Montana Trails Coalition Legislative Priorities
16. Adjournment

1. Call to Order – Pledge of Allegiance

Chair Grove called the meeting to order at 9:07 a.m. and led the Pledge of Allegiance.

2. Approval of Minutes from the June 22, 2018 Board Meeting

Action: Member Sheehy Moe moved and Member Brown seconded to approve the June 22, 2018 minutes. Motion passed. 5-0

3. Approval of Board Expenses

Action: Member Sheehy Moe moved and Vice-Chair Welch seconded to approve the Parks & Recreation Board expenses. Motion passed. 5-0

4. 2019 Board Meeting Dates

Beth Shumate, Parks Administrator, stated the next Parks in Focus (PIF) will be held Friday, December 14 at First Peoples Buffalo Jump. For the Board to have enough time to review PIF's recommendation, she recommends holding the meeting December 18 or 19 in Helena.

After a quick discussion between Board members, Director Williams and Shumate it was decided to hold the next meeting on December 19 in Helena.

Coleen Furthmyre, Board Secretary, stated in past practice, the Board approves meeting dates and where to hold the meetings for the next year at their December meeting.

Chair Grove stated the legislative session does not end until the last day of April; would like to have the first 2019 Board meeting late April or early May after the session is over; per statute, the Board is required to hold at least four meetings per year; asked Board members to look at their schedule for next year, prior to the next meeting so dates can be set for 2019.

Member Sheehy Moe stated it may be beneficial to hold a meeting when the Board confirmation hearing dates are set since most of the Board members will be in Helena; beneficial to be present for the actual confirmation hearings.

Chair Grove stated she will talk with the Senate Fish and Wildlife Committee and see when the confirmation hearings will be; have spoken with legislators about this; agrees with Member Moe's statement that a meeting could be held at the time of the confirmation hearings.

Director Williams stated scheduling a meeting late January/early February could benefit the Board, depending when the Board confirmation hearings are scheduled.

5. Board Member Reports

Vice-Chair Welch stated he has not given formal notice, but he plans on resigning from the Board at the end of the year; going to concentrate on the Parks Foundation, which he co-founded; has spoken with Governor Bullock and Chair Grove; going to come up with a game plan for the transition.

Chair Grove asked Vice-Chair Welch to attend the December Board meeting, so he can partake in the Board's discussions on the PIF recommendations.

Member Moe thanked Vice-Chair Welch for filling in the bridge with the new Board; very much appreciated.

Vice-Chair Welch stated he is willing to keep assisting the Board as needed.

Member Stone stated she visited Brush Lake State Park; informative visit; about 25-40 people were visiting the park that day; facility is very nice, need more shelter.

Member Moe reported she attended the Smith River Advisory Council Meeting; challenges from warming and what it is doing to the habitat and what are the possible solutions; one death on the river this season.

Member Brown reported he toured: Cooney State Park; Placid and Salmon Lake State Park, visited with hosts at both parks, very friendly and outgoing; Prairie Dog State Park, prairie dogs are doing quite well and very abundant.

Chair Grove thanked all Members for visiting State Parks. Attended the third Parks in Focus Commission meeting at Makoshika State Park; Commission has done a great job at making sure the meetings are being held across the

state and having a strong diversity in the places they have met. If you haven't been to this park, it is a totally different experience than other parks; the Glendive community really welcomed the Commission; great meeting; had lively debates on the Parks in Focus recommendations. Recommendations focus on the internal management operations, how to create more partnerships across the state and funding options; recommendations will be coming to the Board at the next meeting, encourages the Board to look at the recommendations closely. Ben Alexander, Resource Legacy Foundation has been working closely with Ken Soderberg, Parks Chief of Administration and a Regional Park Manager on draft Classification Policy, hopefully will have a draft copy at the next Board meeting. Commission coordinated a survey over the summer; over 6,000 residents were surveyed across the state and asked what kinds of amenities they wanted at Montana State Parks; 89% of the people surveyed stated they wanted more trails, (95% 15-35 age group wanted more trail opportunity); survey can be found on the "*Charting A New Tomorrow*" website.

Having been the Chair for over a year, everyone is always asking for money; while at Makoshika, she received a Business Plan for their proposal for a new campground and potable water for the park; very impressive plan; this is the first time anyone has given her a plan; thanked Makoshika State Park and the community of Glendive; it's an example of what we will need to have for the future. Need to talk about the Board's Legislative strategies at the next Board meeting.

6. Director's Report

Director Williams reported summer season is coming to a close; doing her best to support State Parks, especially Administrator Beth Shumate and staff; the department is building internal training modules for managers and supporting leadership and managements skills. Working with the Governor's office for legislative strategies of how to come up with more funding for Parks. Trying to work nationally on coming up with other funding sources for Parks and Recreation; attended a meeting with Rachel VandeVoort, Montana's Director of Outdoor Recreation; worked with the Outdoor Industry Association on how to come up with different options. Thanked Member Brown for attending the Region 6-7 All-Staff meeting at Tongue River Reservoir (Member Brown stated the meeting was very informative); meeting demonstrated the agency-wide support for Parks. Working on the Legislative Audit recommendations and with the Parks in Focus Commission on their recommendations.

7. Administrator Report

Beth Shumate, Parks Administrator, reported staff is currently reviewing the Parks in Focus draft recommendations; recommendations will be released to the public on October 24; the Governor's independent Commission will finalize the recommendations in December. Working on the Asset Management System from the Legislative Performance Audit recommendation; received responses back from four different vendors, will be having demonstrations from these vendors within the next month.

Montana State Parks had 2.5 million visitors in 2017; statewide visitation was down 4% from 2016; north central region (Great Falls) had the highest overall visitation with over 724,600 visits; Giant Springs State Park had the highest visitation of all state parks with over 401,000 visits; there were several factors that participated in the decline, most notably the fires that affected Regions 1 and 2.

The Parks Division Annual Report is currently being drafted; The main purpose of the report is to provide information on the health of the Parks Division to interested parties (legislators, partners, the media and residents of Montana); connect the everyday activities of the Parks division to our mission and vision statement; can't assume readers will automatically understand how our activities help achieve our goals; the report needs to provide information on our fiscal year and overall financial health; graphs or charts will be included to break down complicated information and make it more understandable; additional information may include how the Parks Division manages volunteers, how equipment has depreciated over time and why the Facility Condition Inventory (FCI) doesn't include the entire 55 state park system and the current needs; the document will highlight achievements and accomplishments. It is extremely important to look back at what has been accomplished and

to show that we aren't operating a stagnant system; ideally, this report will provide a good baseline of our current system and offerings which will in turn aid us in developing the "desired" state park system. This report could also play a critical role in explaining the need for classification and the system that we decide to implement; the report will give our community of supporters the sense that FWP absolutely embraces them as partners in bringing about all of the year's accomplishments; this attitude of gratitude will permeate the entire report.

In the beginning stages of starting the new Statewide Comprehensive Outdoor Recreation Plan (SCORP); a successful plan depends on input and engagement from the diversity of outdoor recreation stakeholders; to help guide and facilitate this process a small, but proficient group of people will be assembled into the SCORP Advisory Team; the team will work collaboratively with University of Montana to update the existing SCORP and help facilitate statewide engagement in the process. Objectives of the plan are: To update MT SCORP plan from 2014-2018 with existing trend data and usage patterns; to conduct a low cost assessment of supply and demand needs in Montana; to develop a list of priorities to guide Montana outdoor recreation over the next five years; to provide goals and recommendations for outdoor recreation planning over the next 5 years; work collaboratively with SCORP Advisory team to identify goals and recommendations; and to make SCORP an inclusive process and get buy-in from the larger outdoor recreation community

The Parks Division and Enforcement Division held a joint meeting. The overall goals from the meeting were: shared learning with a focus on gaining a better understanding of the limitations that both Divisions deal with on a daily and seasonal basis; educate everyone on how advanced technology provides additional tools for data input and reporting; and consideration of some solutions that will help move the needle towards improved enforcement coverage within State Parks to allow for improved public safety of our visitors. There was consensus towards an Annual Meeting between Parks and Enforcement staff to have a post-season evaluation and plan for the upcoming season. It was also discussed that the enforcement administration will work with Parks administration to identify training opportunities for improved awareness and safety, and improved communication (Wardens will work to communicate their presence while at the park, so park staff can communicate current pressing matters/updates).

Two significant award winners within our Parks Division this past month: *Mike Kustudia* received The Don Aldrich Award from the Missoula Conservation Roundtable last week; the award is presented to an individual for his or her service in the area of natural resource conservation or environmental protection over a long period of time; Mike was selected for this prestigious award for his long term commitment to the superfund project which lead to the development of Milltown State Park. Mike has dedicated much of his career to the project both as an FWP staff member and before that, through his work with the community as the director of a non-profit. Mike was praised for his ability to work with a wide variety of people and his ability to effectively communicate this complex project in a clear and understandable way too many audiences. The Avalanche Center and FWP (Seth McArthur, FWP Snowmobile Specialist) are being acknowledged by our Regional Forester for delivering benefits to the public; the project is Avalanche Safety – Working Together to Build Safe Communities. The Snowmobile Program partnership efforts have resulted in additional field-based avalanche education/awareness sessions every weekend throughout the winter season in Cooke City; the number of fatalities has decreased significantly since the program in Cooke City began in 2015; the Snowmobile Map Application also provides avalanche awareness/safety updates of the current conditions, so winter enthusiasts have the most up-to-date avalanche warning information.

Shumate introduced Terri Walters as the acting Region 5 Park Manager; she is currently the Park Manager at Lake Elmo State Park. Currently working on hiring the Planner Position; will be advertising for the Region 5 Park Manager position and AmeriCorps and Interpretive Program position soon.

8. Fee Analysis Resolution – Endorsement

Member Moe stated Vice-Chair Welch and herself worked together to put something together that meets the concerns the Board has; basically, that the Board sets fees as such, that doesn't block access, but also takes full advantage of the variety the state parks offers and utilize what people want and when they want it.

The resolution reads as follow:

WHEREAS, the mission of Montana State Parks is to preserve and protect our state's heritage and the natural beauty of our public lands for the benefit of our citizens, communities, local economies and out-of-state visitors; and

WHEREAS, responsible stewardship of our state parks requires revenues adequate to protect the resource and provide varied visitor experiences that are appealing, affordable, and accessible; and

WHEREAS, user fees represent a significant, reasonable, and fair source of the revenues required for responsible stewardship, if established with a sensitivity to the relationship between price and access and an emphasis on yield management; and

WHEREAS, Montana's constitution guarantees its citizens the right to know of and participate in decisions by government bodies affecting such matters as the imposition or adjustment of taxes and fees;

THEREFORE, BE IT RESOLVED THAT THE STATE PARKS AND RECREATION BOARD ADVISES THE DEPARTMENT OF FISH, WILDLIFE & PARKS TO:

- Set fees in a manner and at levels that do not price Montanans out of their state parks.
- Identify the variables related to yield management at each state park and establish varying fee options based on demand for and availability of specific types of user experience and/or specific locations.
- Review fee schedules *annually* to ascertain whether fees are responsive to inflation, commensurate with user impacts on the resource, and not a barrier to access.
- Establish a process that ensures that the public is notified in a timely manner of the intent to set or adjust user fees, has access to the information cited as the basis for that decision, and is provided an opportunity to comment on the proposed fees or fee increases prior to their establishment or adjustment.

Chair Grove asked what the process is to changing fees and how long it takes; is changing the fees annually too cumbersome, maybe change to biannually? Can we expect to see fee changes next season?

Ken Soderberg, Parks Chief of Operations, due to numerous logistics when there are changes to fees, reviewing fees on a biannual basis would allow the Department to strategically set-up timing to make any adjustments accordingly. During the last Regional Park Manager meeting, it was discussed and determined that a (staff) team will be formed who will look into the current fee rule, conduct an analysis of the rule and the bring forth a set of recommendations to the Board; tentatively looking at bringing the fee recommendation to the Board in April 2019; any final changes would not take effect until year 2020.

Vice-Chair Grove asked if something like a season camping pass be an option? The upgrade to the rec.gov site is phenomenal; need to look at it.

Administrator Shumate stated the Department is currently looking at different business management needs which includes the Reservation and Automated Licensing System (ALS); will take time, but we are looking at changes.

Director Williams stated the Department has submitted a request to the Legislature to update the ALS; will take time and will include the park experience.

Motion: Member Stone moved and Member Brown seconded that the Parks and Recreation Board endorse the Resolution on setting and/or adjusting of user fees for Montana State Parks.

Amended Motion: Member Sheehy Moe moved and Vice-Chair Welch seconded to replace the wording in Section 3 to "annually" with "once every two years".

Chair Grove asked for public comment.

Action on Motion: Motion passed. 5-0

9. Smith River State Park Biennial Fee Rule Extension - Proposed

Ken Soderberg, Operations Manager, explained the Smith River Management Act, 23-2-401 through 23-2-410, MCA, authorizes the Board to provide for the administration of the Smith River waterway and adopt rules for this purpose. The Smith River State Park and River Corridor Biennial Rule establishes fees and administrative rules for private, commercial, and landowner float trips in Smith River State Park. The current rule was last adopted by the Board in February 2017 and is scheduled to expire in December 2018. Upon approval by the Board, the fee rule will be in effect for the next biennium, until December 2020. The proposed changes from the existing Biennial Fee Rule are:

- Remove Big Sky Expeditions from the table on page 13 of the Biennial Rule.
- Change the number of allocated float trip launches from 4 to 11 for Montana Angler Fly Fishing on page 13 of the Biennial Rule.

The proposed change to remove is because Big Sky Expeditions (Garry Stocker) sold his commercial outfitting business to Montana Angler Fly Fishing (Brian McGeehan). Once the business transaction was completed, seven allocated launches from Big Sky Expeditions were transferred to Montana Angler Fly Fishing. In addition to public comment taken at the October 16, 2018 Board meeting, other public comment will be solicited; any final adoption will take place at the December 19, 2018 Board meeting. FWP recommends the Parks and Recreation Board approve this fee rule to maintain the authority, continue to charge fees and implement use rules on the Smith River for the next biennium, until December 2020.

Member Moe and Soderberg discussed when the current policy would expire.

Motion: Member Sheehy Moe moved and Member Brown seconded that the Parks and Recreation Board approve for public comment, the extension of the 2017 Smith River Biennial Fee Rule as proposed.

Chair Grove asked for public comment.

Action on Motion. Motion Passed. 5-0

10. Policy for Accepting and Recognizing Gifts, Donations, Corporate Partnerships and Sponsorships - Proposed

Ken Soderberg, Operations Manager, explained the acceptance of donations and gifts to benefit Montana State Parks and the public has occurred over the years with little established direction to inform decisions on acceptance and recognition. To date, park staff have assessed proposals on a case-by-case basis and worked with donors to find mutually agreeable solutions for acceptance and recognition. A few examples of donations made to the State Park system are: Partnership Project funded by friends of the Bannack Association - Bannack picnic shelter;

Museum of the Rockies – skull (Makoshika State Park); partner's donated time, labor and materials to the Traveler's Rest State Park Flag Circle, partnership through donations - a monument commemorating the Hellgate Treaty at Council Grove State Park; and Parks Foundations – Lone Pine State Park kiosks, just to name a few. The draft policy was put together with assistance from the Parks in Focus Commission; Parks Foundation, Regional Park Managers, Park Managers and the Travelers Rest Preservation and Heritage Association had the opportunity to provide input and feedback; looked at similar policies from California, New York, and Indiana State Parks, National Park Service and some municipalities that have similar policies. While working on the policy, FWP wanted to make sure the we stay grounded and operate within the frame-work; felt there was a responsibility to determine what constitutes an appropriate relationship between the donor and management of public resources. Soderberg explained the draft policy in length. The draft policy reads: The following shall inform the evaluation of donation and sponsorship proposals presented to Montana State Parks (MSP). These conditions and criteria have been established to ensure all sponsors are treated in an equitable and appropriate manner, and that, in recognizing a sponsoring entity's support, the values and purpose of a particular state park are not diminished:

1. Sponsorship Proposals & Acceptances: *This section is to address the alignment piece to ensure that the Mission of FWP, Mission of the Parks Division and the intent of the donor have some alignment.*

1.1 MSP and its staff appreciate gifts and memorials that contribute to, and support enhance, the agency's mission. Donations, gifts, and memorials for parks should be directly supportive of the declaration of purpose, intent for which the park was acquired, related park planning documents, and, when appropriate, the interpretive period of the park.

1.2 The proposed donation or sponsorship activity/relationship, as well as the character and mission of the sponsoring entity, should promote the mission and values of MSP in relation to the project/program that the funding supports.

1.3 Acceptance of donations / sponsorships must enhance, and shall not impede, MSP's ability to act in the public interest.

1.4 The proposed relationship between the donor / sponsoring entity and MSP should maintain MSP's reputation for objectivity, independence, integrity, credibility, social responsibility and accountability.

1.5 Sponsorships cannot be made conditional on MSP's performance.

1.6 Individual sponsors shall not limit MSP's ability to seek other sponsors.

1.7 MSP will evaluate potential sponsors on criteria, including but not limited to:

- Products/services offered by sponsoring entity.
- Alignment of the principles of the sponsoring entity and the mission of FWP and the Montana State Parks Division.
- Statutory or policy guidelines.
- Donor/Sponsoring entity's rationale for its interest in Montana State Parks.
- Donor/Sponsoring entity's expectations regarding the sponsorship activity/relationship.
- Donor/Sponsoring entity's timeliness and/or readiness to enter into an agreement.

2.0 Categories: *This section articulates what the different donation categories are.*

2.1 Donations / Sponsorships are appropriate for the following types of activities:

- Park/Facility Development: Financial or in-kind support associated with the design and construction of a park or recreational or cultural facility. Projects within this category will typically be of a one-time nature.
- Operational Support: Financial or in-kind contributions which provide operational support of a park.
- Events: Financial or in-kind support for an event organized by MSP on MSP property.
- Program Delivery: Financial or in-kind support that facilitates the ongoing delivery of a statewide or site-specific program.

3.0 Recognition of Donors: *The section establishes funding levels.*

3.1 It is preferable to express appreciation for contributions by presenting something to donors or sponsors rather than by forms of recognition to be displayed in the park.

- Recognition for gifts under \$2,500 from a single donor or donor organization may be in the form of letters of appreciation; noted in appropriate printed materials, or where the gift is between \$500 to under \$2,500 - with a recognition plaque which is presented to and given to the donor but not displayed in the park.

3.2 Where a physical form of on-site recognition is deemed appropriate, temporary forms of recognition are preferred.

- Recognition for gifts, sponsorships or donations under \$2,500 which are gifted specifically to support interpretive programs or special events, may be granted *Recognition Benefits* and be displayed in the park for the duration of the program or event and be included in promotional materials related to the program or event.
- Recognition for gifts, sponsorships or donations under \$2,500 which are gifted for the specific purpose of the procurement of site amenities such as benches, bike racks, picnic tables etc. may include recognition small plaques affixed to the amenity; plaques may not to exceed 3" x 5"; must be of a material consistent with other materials on site and approved by the Regional Park Manager; plaques may not exceed 50 characters, the text of which must be approved by the Regional Park Manager. The procurement of such amenities and placement of plaques must be approved by the Regional Park Manager and conform to already existing site standards. Corporate or organizational script, slogans and / or logos may not be used on any plaque.
- Replacement of damaged plaques or site amenities that have reached the end of their useful life will be at the discretion of the Regional Park Manager.

3.3 Under no circumstances should either temporary or permanent recognition be affixed to historic, cultural or natural resources of the park or located where they would intrude on the historic or natural character of the area. Recognition plaques may not be placed on or near "green" donations such as plantings or trees.

3.4 The duration of sponsor recognition is determined on a case-by-case basis but should be commensurate with the relative value of the sponsorship. Permanent recognition shall be available only for the largest donations/sponsorships.

- Recognition for gifts between \$2,500 to \$10,000 from a single donor or donor organization may be given temporary on-site recognition which will not exceed 24 consecutive months and may not be exclusive to a single donor. (i.e. name placed on a park kiosk bulletin board or "donor recognition board" may include other names). Temporary recognition may be in the form of park printed material, park kiosk, visitor center bulletin board, websites etc. The form of temporary recognition shall be determined by the Regional Park Manager and Park Manager in consultation with the Parks Division Chief of Operations.
- Recognition for gifts exceeding \$10,000 from a single donor or donor organization will be made on a case by case basis and evaluated by a committee comprised of the Division Chief of Operations, the Regional Park Manager and Park Manager of the site to which the donation is being made. The committee will present a recommendation to the Division Administrator of how the donor will be recognized. The Division Administrator will be responsible for making the final decision.

3.5 Recognition of corporate or organizational donations or sponsorships must not in suggest the endorsement of Montana State Parks, nor give the impression to park visitors of advertising, commercialization or solicitation, or of a proprietary interest in the unit. State employees may acknowledge contributions but may not endorse products, services, business or organizations.

3.6 Temporary or permanent recognition, except for special events, shall be subordinate in all cases to the character of the surroundings. Recognition shall not detract from the park values or the park's interpretive messages.

- Corporate or organizational script, slogans and / or logos may not be used on any permanent recognition such as interpretive signs or other physical site amenities.

3.7 Recognition shall not interfere with routine park operations or visitor use.

3.8 Recognition shall not be a part of, or displayed on, any employee uniform item.

4.0 Authorization of Recognition: *This section articulates the visitor experience; the recognition of the donation should not impede on the visitors experience of the park.*

4.1 Montana State Parks vary greatly with respect to their historical, cultural, and recreational amenities. Appropriate forms of recognition will be chosen that do not detract from the visitor experience or expectation. However, caution should be exercised to avoid unnecessary visual clutter to natural, cultural, historic and built environments.

4.2 The Parks Division Administrator shall make the final decisions regarding appropriate form of recognition.

5.0 Terminating Sponsorships

5.1 The Montana Department of Fish, Wildlife & Parks reserves the right to terminate any sponsorship, should conditions arise during the life of that sponsorship that results in the sponsorship conflicting with these guidelines or the sponsorship is no longer in the best interests of FWP. Decisions to terminate a sponsorship shall be made by the Division Administrator.

6.0 Ethical Considerations

6.1 All sponsorship offers need to receive careful consideration and FWP retains the right to reject a sponsorship offer. Circumstances under which this may occur include but are not limited to:

- The potential sponsoring entity seeks to secure a contract, permit or lease.
- The potential sponsoring entity seeks to impose conditions that are inconsistent with FWP's mission, values, policies and/or planning documents.
- Acceptance of a potential sponsorship would create a conflict of interest or policy.
- The potential sponsor is in litigation with the State of Montana.

6.2 Montana State Parks will honor the donor's intent for all accepted and approved donations.

7.0 Other Considerations: *This section discusses other issues that may arise and need to be attended too.*

7.1 Montana State Parks is responsible for maintenance and repair of park facilities and must consider maintenance and replacement costs for physical assets and other forms of acknowledgement subject to damage when developing on-site recognition.

7.2 On-going operating costs associated with the sponsor's proposal should be evaluated.

7.3 Real costs, including staff time, for procuring sponsorship should be considered.

7.4 Sponsorship should meet an actual need of FWP, and not require FWP to assume funding commitments it is unprepared or unable to accept.

8.0 Existing Agreements

8.1 These guidelines are not intended to supersede requirements of general plans or long-standing formalized recognition programs, which will continue in their current form. However, recognition inconsistent with these guidelines should be phased out or altered whenever possible to conform to these guidelines.

As new partnership opportunities and donation interests arise, clear direction applicable to parks system-wide will better ensure appropriate, well-informed and consistent decision-making by state park staff. Donations, partnerships and sponsorships can play a key role in supporting the programs and services of the Montana State Parks. Involving public and private funders in partnership and/or sponsorship not only provides financial resources, but also fosters strengthened relationships, promotes collaborative stewardship, and increases public awareness. In appreciation of support, donors, sponsors and partners will have the opportunity to be recognized for their contribution to the state park system. A policy which helps guide decision making will help ensure that values and purpose of the agency's parks, facilities, and services are taken into consideration. It will also help to ensure that such recognition will not detract from the visitor's experience or expectations; impair the visual qualities of the site; or be perceived as creating a proprietary interest in the public resource. No formal public

process has been undertaken directly related to this policy; the policy is developed based on the Department's past experience with existing partners and regional staff. In addition to public comment taken at the October 16, 2018 Board meeting, other public comment will be solicited; any final adoption will take place at the December 19, 2018 Board meeting. The Department recommends adopting the policy. Policy guidance for donations and sponsorships made to the Park's Division would benefit from a consistent approach to recognize the donor while providing managers with the tools needed to ensure that such recognition shall not detract from the visitor's experience or expectations, nor shall it impair the visual qualities of the site or be perceived as creating a proprietary interest.

Member Brown commented as a small business owner himself, when he donates, the advertisement component of the donation is a big benefit; businesses in general want the advertisement recognition; something as simple as thanking the donor on the website, could possibly increase donations.

Member Sheehy Moe commented the policy itself could use a some proofreading; doesn't understand the "conflict of policy" (6.1, bullet 3); need to include a statement that states "there would be no perception of political influence" or "while in office or running for office, donations will not be accepted"; would be helpful if on the larger donations, the Administrator and a larger public body make the recommendation, not just the Administrator.

Director Williams stated there needs to be some sort of transparent process; you also run the risk of undervaluing the naming gift.

Vice-Chair Welch stated he feels this has come forward because of the Foundation; need to work more closely with the Foundation, particularly Section 3.1 and 3.2, (\$2,500 is an arbitrary figure that is unnecessarily high and/or is subjective to what the Park Manager says; people are not donating to Parks, any donations that are given, are small.

Soderberg stated section 3.2 second bullet, allows for smaller project donations.

Vice-Chair Welch stated it sounds like fuzzy language to him; 3.1 and 3.2 contradict each other; need to have consistency. Doesn't agree with Section 3.3.

Chair Grove stated she agrees with Vice-Chair Welch's comment on Section 3.3; should give some sort of recognition to the "green" donations as well (i.e. plaque on tree that was donated).

Vice-Chair Welch commented he doesn't understand how a temporary recognition would work (Section 3.4).

Soderberg explained Section 3.4 references when you have a larger donation and the recognition is in perpetuity, and there is a smaller donation for the same area, who gets the permanent recognition?; this section attempts to put a time frame on the smaller gifts and recognition.

Vice-Chair Welch stated the policy itself is fine, except for Section 3; worried about how prescriptive it is; being flexible is not always positive; being flexible at the discretion of a Park Manager will lead to issues; the Foundation and Parks need to sit down every year and discuss what is the Foundation going to raise money for this year; the donors need to know what they are going to get for their dollars, and it cannot change after the dollars come in; should be able to be agreed upon by both the Foundation and the Parks Division.

Chair Grove stated one of the goals of the policy was, we want to send the message loud and clear that we are open and ready for business; want an encouraging tone and let people know there is ample opportunity. She appreciates there is finally a policy we can talk about but there are still a lot of individual trigger points to be addressed; from a business point of view, if you read the policy, you would probably not feel welcomed.

Vice-Chair Welch agreed with Chair Grove's statement.

Member Stone stated in Section 1.1 the word "enhance" should be removed, you cannot enhance a mission, you can only support it; Section 2.0 bullet 4, the word "ongoing" should be eliminated, don't need to be limited to just ongoing, could also have a one-time donation; Section 3.5 remove the word "in", in the second line; Section 6.2 add the words "strive to" honor the donor's intent....; policy is good; the policy could be more positive.

Vice-Chair Welch stated this draft policy is a platform and can be built from it; we all want the same thing.

Chair Grove stated the policy needs to be revisited a little more; this is a big deal; might be useful to form a committee for this policy; recommends Vice-Chair Welch, Member Welch, Soderberg, Foundation staff and Friends Groups, if interested, work together on the policy; could possibly be considered at the December Board meeting and finalized in December, or it might not be finalized until the spring.

All Board Members agreed with Chair Grove's statement.

Chair Grove asked Zach Zipfel, FWP Legal Counsel, if there should be a motion or what action should be taken.

Zipfel stated a motion does not need to be taken; what the Board is essentially doing is not approving the policy, just giving directive; no action is being taken.

Director Williams stated you don't need a motion to put a committee together.

Chair Grove thanked the Board for their thoughtful comments; that is the kind of feedback that is necessary for important areas.

11. East Gallatin (Affiliated Land) 50-Year Management Agreement – Proposed

Tom Reilly, Parks Assistant Manager, explained the State of Montana has about 12 'Affiliated Lands' throughout the state; 'Affiliated Lands' are land interest holdings only, they do not belong to the State. The Department acquired the 29-acre site in 1985 and was designated a Parks 'Affiliated Land'; a subsequent 6-acre parcel was donated soon afterward. The East Gallatin State Recreation Area (EGSRA) site has been managed and developed by the City of Bozeman and the local Sunrise Rotary Club and known locally as Glen Lake Rotary Park. Since 1991 a management agreement has been in-place with the City, with a 5-year automatic renewal clause; due to the constitutional requirement that a state agency receive fair market value for land disposed of, it is not possible to simply transfer the parcel to another governmental entity, nor is it realistic for the City to purchase the property. The best option appears to proceed with a new no-cost management agreement for this important local recreational site, with a term of 50-years. This approach and solution will provide long-term assurance for continued investment to be made at the site under the City's management. The 50-year no-cost management agreement is a continuation of the past practice for the City's management of the site. In addition to public comment taken at the October 16, 2018 Board meeting, other public comment will be solicited; any final adoption will take place at the December 19, 2018 Board meeting. The alternatives are: Alternative #1: Continue with the existing 1991 lease arrangement, with the 5-year automatic renewals, Alternative #2: Discontinue the arrangement with the City of Bozeman, with the possibility of Fish, Wildlife and Parks assuming the duties for day-to-day management, or Alternative #3: Proceed with the new 50-year management agreement as proposed. The Department recommends Alternative #3; enter into the new 50-year management agreement with the City of Bozeman for management of the site; the 50-year term will provide the needed assurance for continued investments to be made by the local Sunrise Rotary Club, via their long-established relationship with the City of Bozeman.

Motion: Vice-Chair Welch moved and Member Brown seconded that the Parks and Recreation Board move to approve for public comment, the Department's proposed action to enter into a 50-year management agreement with the City of Bozeman for their continued management of the East Gallatin site.

Chair Grove asked for public comment.

Action on Motion: Motion passed. 5-0

12. Land Transfer Policy Revisions – Proposed

Zach Zipfel, FWP Legal Counsel, explained that statute requires the Parks and Recreation Board to “review and approve all acquisitions or transfers of interest in these properties, lands, and waters by the department....” And directs the Parks Board to “set policies and provide direction” to the Department for “management, protection, conservation, and preservation” of state parks. The Legislative Performance Audit concluded the new policy conflicted with itself and suggested strengthening the Board’s Lands Policy, specifically to eliminate “the conflict in the current policy between land transfer criteria and the assertion that the State Parks and Recreation Board will not close any parks.” Himself and Chair Grove met the John Harrington, Legislative Audit Division, last week to discuss another recommendation “to include resource availability and the division's ability to staff and maintain state parks as criteria for when a park may be transferred”; as a result of that conversation, we have a better understanding of what the audit was aiming at; the language has not been added to the draft policy due to the fact that the meeting materials had already been given out to the Board after the conversation; Section 4 will read as follows, prior to soliciting public comment:

4. Transfer of Lands or Interests in Lands

There are instances where the transfer of certain lands or interests in lands is appropriate. Those situations may include:

- a. Lands, such as affiliated lands, which are not utilized for the primary mission of state parks;
- b. Lands that have been determined to not meet the criteria for Significance, Relevance, and Accessibility;
- c. Affiliated Lands currently managed by another governmental entity and available for public recreation;
- d. Sites currently managed by state parks that may be better managed by another governmental entity or division within FWP;
- e. Lands purchased as park sites but currently undeveloped; and
- f. The Department lacks staffing or financial capacity to ensure public access to the site.

An individual park or parcels’ Significance, Relevance, and Accessibility as described above will be considered as an integral component of any transfer consideration or review.

Member Sheehy Moe has concerns with Section 5; seems like we are acknowledging there are circumstances we may need to find another way to operate the state parks; the legislature could view that as a reason not to fund state parks adequately; need to change “insure” in the second line of Section 5 to “ensure”.

Zipfel stated he cannot say what the legislature would do, but Section 5 has been in the policy for at least two years and does not see a problem.

Director Williams asked with the new language being made within the policy, do they address the concerns raised by the audit.

Zipfel replied yes, that is the intention.

Member Stone asked Vice-Chair Welch since he was on the Board when this policy was first adopted, does he feel the changes still cover the intent of the policy; this policy seems to have more flexibility.

Vice-Chair Welch stated he is ok with the policy; thinks this policy came about because of Hell Creek and Ackley Lake.

Motion: Member Stone moved and Member Sheehy Moe seconded that the Parks and Recreation Board approve for public comment, the proposed draft Lands Policy.

Chair Grove asked for public comment.

Action on Motion: Motion passed. 5-0

13. Parks Fiscal Report

Director Williams stated the Governor's Budget is not finalized yet, still in discussions of what the actual budget will be moving forward; the upcoming budget will be contingent on legislative proposals moving forward. The Big Four "actual" 2018 Fiscal Year budget is as follows:

Revenue:

• Motorboat Fuel Tax	\$ 1,469,267.55	13% of budget
• Accommodations Tax	2,132,769.26	19% of budget
• Coal Tax Trust Account	951,686.13	8% of budget
• *Miscellaneous	<u>6,797,431.12</u>	60% of budget
	\$11,351,154.06	

Expenditures:

• Motorboat Fuel Tax	\$ 1,050,259.17	11% of budget
• Accommodations Tax	1,369,818.15	15% of budget
• Coal Tax Trust Account	979,896.59	10% of budget
• *Miscellaneous	<u>5,941,888.50</u>	64% of budget
	\$ 9,341,862.41	

Projected Fund Balances: FY '18 - \$7,723,682.47 FY '19 - \$1,608,838.94 (The significant balance change takes into account the major capital projects, and safety and sanitary projects that were appropriated last session.)

*Miscellaneous is comprised from the light vehicle registration (LVR) and other fees.

Director Williams stated FWP has learned the hard way that FWP administration and leadership must track both revenue and expenditures. In the past, expenditures had not been carefully tracked, the Administrators spent their budget for the appropriated money; will talk with the legislature about keeping our promises when asked for appropriations. The Department has centralized the budget functions within the agency, so revenue and expenditures can be tracked appropriately.

Member Sheehy Moe stated she assumes the coal tax trust account is earmarked, how is it that we spent more than we were allocated?

Chair Grove stated the Coal Tax Trust Account is earmarked and can be carried over from year-to-year, as is in this circumstance.

Director Williams handed out the FY '19 appropriated funding sources budget and a breakdown of each state park budget breakdown, and explained the following Parks FY '21 requests:

Parks Operations Increase: \$400,000

Parks Earned Revenue: \$300,000

Motorboat Fuel: \$100,000

Available funds will cover increases the division is experiencing in weed spraying, toilet pumping, garbage services, and utility costs. Operational costs for these services continue to increase yearly due to higher use of our parks and annual increases by service providers.

Parks Fund Switch: \$1,200,000

Parks Earned Revenue: \$1,200,000

PR -WB: +\$ 200,000

General License +\$1,000,000

A funding switch from Parks Earned Revenue to General License and Federal Dingle Johnson. The state parks system is heavily utilized by hunters/anglers as demonstrated by a survey conducted by the department. This request will support those activities with the funding designated for them.

Parks Equipment OTO \$300,000

Parks Earned Revenue: \$300,000

This request is for one-time-only equipment authority to purchase critical heavy equipment needed to maintain and repair infrastructure such as drain fields, campsite leveling, road maintenance and repair, removal of hazards, and snow removal at parks statewide.

Smith River .65 FTE and Operations

This request would increase FTE and operations for Smith River State Park from the Smith River Enhancement fund. The available funds will support two seasonal River Ranger positions critical for the protection of the resource and visitor safety. The increased operations will cover the boat camp lease payments, latrine pumping, signage, river education, weed control and trash removal.

Restore Snowmobile Groomers Biennial \$210,000 each year

This request would reinstate the biennial appropriation to purchase snowmobile trail groomers at the level authorized during the 2017 session. The funding was fully spent in FY '18 and not captured as part of the 2019 base.

Parks Capital Request (includes major maintenance and deferred maintenance)

Parks Earned Revenue: \$1,000,000

Motorboat Fuel: \$ 500,000

Boat In-Lieu: \$ 90,000

All Parks: \$1,590,000

Smith River: \$ 200,000

Total Request: \$1,790,000

Vice-Chair Welch noted increasing fees by 10%-20% could increase earned revenue significantly.

Vice-Chair Welch and Soderberg had a short discussion on the Fish Creek State Park budget.

Vice-Chair Welch stated the Department should be ready to justify why more than half of the budget is going to the parks office in Helena; legislators will not like that and will want an answer.

14. State Parks Foundation Update

Coby Gierke, State Parks Foundation Executive Director, stated the Parks Foundation has invested \$54,939 into the state parks system across the state, in the form of direct project spending, and has also advocated to improve the image of state

parks in the last year; not a huge number, but for the first year of the Foundation's strategic plan and directly invest private equity into state parks, the Foundation feels it was a modest and meaningful start for the agency. Currently working on wrapping up the Milltown State Park project and get donor recognitions in place at every part of the park that the Foundation funded by early November; the Adventure Challenge wrapped up last month; just completed a new lending library and park benches at West Shore State Park; working on planning and design work for Lewis and Clark Caverns State Park. Currently working on the End-Of-Year Giving Campaign until December 31; this campaign is when the vast majority of gifts are received; individual giving is what allows the Foundation to pay organizational expenses and the discretionary spending decisions that allows the Foundation to run its business. Recently attended the National Gathering of State Park Foundations Directors in Bend, Oregon; a lot of good discussions and brought back several ideas that could work in Montana; there is a growing movement across the country for private philanthropy to positively change state parks across the nation. Last year, \$37,000 in revenue came from the sale of Montana State Parks specialty license plates. The Washington State Parks Foundation has compiled data the National Association of State Parks Directors (NASPD) submitted data for the last three years which will allow a tool for states to use to identify trends and weakness at their or other state parks. Appreciates Ken Soderberg's hard work on the Donor and Sponsorship Policy; policy will help create a better system to help parks.

Chair Grove thanked Gierke for his dedication and hard work with the Foundation and working with Soderberg on the Donor and Sponsorship Policy; greatly appreciated.

Vice-Chair Welch stated he is proud of the \$54,939 the Foundation has invested into state parks; this is the first year the Foundation was actually making money; may not happen fast or overnight, but the money will increase. If you are successful on a small scale, that proves to a donor you can be successful on a larger scale.

15. Public Comment ~ For Issues Not On This Agenda ~ Adjournment

Bob Walker, Montana Trails Coalition, explained the following associations are active members of the Montana Trails Coalition: American Trails and Professional Trail Builders Association, Back Country Horsemen of Montana, Bike Walk Montana, Cross Country Skiers of Missoula, Friends of the Little Belts, Helena Parks and Recreation, Missoula Mountain Bicyclers, Montana Snowmobile Association, Montana Trail Vehicle Riders Association, Montana Trails Recreation & Parks Association, Montana Wilderness Association, Prickly Pear Land Trust and State Trails Advisory Committee. The Coalition was formed roughly 1½ years ago to find common ground and adequately funding for trails and associated recreation. We looked at eight funding sources that could be relevant for Montana: Trails Maintenance License (user fee), this option was not popular with the trail organizations; portion of state gas tax, found out at an Environment Quality Council (EQC) meeting that this is not a popular option and did not have support; Montana State Park Foundation, the primary objective of the Foundation is state parks. The Coalition is trusting in the long run recreation could be funded by the Foundation; sales tax on recreational equipment; soft drink excise tax; expanding the vehicle recreation fee for motor homes, travel trailers, motorcycles and quadracycles; increasing the lodging facility use bed tax and the optional light motor vehicle (LMV) registration fee. The Coalition is focusing on the last two sources for funding. The Coalition has prepared draft legislative proposals to increase the bed tax by 1% and to increase the LMV fee from \$6 to \$9. We have talked with the Department and other Coalitions, Foundations and Organizations for support but need to remember this is a Coalition legislative proposal. The Coalition just released a report called *Montana Trails in Crisis*. The report states since 2014, the State of Montana's Recreational Trails Program (RTP) has generated over \$24 million for 267 motorized, non-motorized, and diverse (motorized and non-motorized) trail projects that preserve Montana's legacy of accessible public lands for hunting, hiking, motorized use, and biking. Even so, it has left 128 projects unfunded, leaving approximately \$7 million on the table, as the demand for public trails continues to grow.

Chair Grove explained one of the caveats of getting the original LMV registration fee law passed was to not charge Montana residents entrance fee to state parks; due to inflation, an increase of the \$6 fee is a good idea.

The Board and Walker discussed the logistics of the Coalition's legislative proposal.

Director Williams stated because the Department's budget isn't finalized, she cannot speak out in favor or against the proposal.

Chair Grove stated the Board would like more time to review the proposal and will not take any action at today's meeting; would like to discuss at the next Board meeting and possibly vote on endorsing the proposal at that time. Several people have asked to bring bills to the Board, but she feels the best thing for the Board to do is support the effort but not necessarily the language.

Vice-Chair Welch stated he agrees tourism is a tough road but suggests not closing it off completely and not talk with anyone from Commerce in Helena. Tourism is one of parks best partners for recreation. If you don't raise the bed tax and LVR tax for the things you want, someone else will.

Chair Grove asked Walker to share his contact information with the Board Members.

Tom Towe, Billings, stated to be successful in the legislature, you need to make sure the people of the State of Montana support Montana State Parks; every single park has something special to offer visitors. At the 2017 Legislature, the Parks Board explored six different draft bills; three were introduced into the legislature (and will be reintroduced at the next session) (LVR tax \$2 increase bill. Coal tax trust bill – 50% of the coal severance tax monies would be received immediately, the other 50% would go into the constitutional coal trust account (will benefit parks in 5-6 years); the Board looked at the constitutional coal trust side (which has several sub-funds) and created a fund called the "Big Sky Economic Development Fund"; interest income from this fund would be available for economic development; the sub-fund would sunset in 2025; when expired, a new sub-fund would be established and be called the state parks sub-fund. Motorhome tax bill - try and go after "free money", you don't increase anybody's taxes nor take money away from anyone. At the next session: will proposal a bill to include RV/trailers in the motorhome tax bill and will look at a soda pop tax bill.

Chair Grove stated the Board will review and explore these options (Walker's and Towe's) information and will revisit in December.

Member Stone stated motorhomes are not a one-time registration; would be good revenue to be taxed.

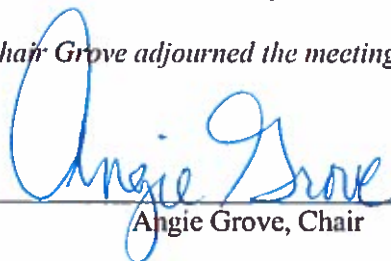
Chris Gallus, Attorney Helena, Friends of Hell Creek submitted a proposal to the Governor called "Proposal for Operation of Hell Creek Park"; this proposal would allow the Friends of Hell Creek to manage Hell Creek State Park and the Marina; feel free to contact him if there are any questions.

Chair Grove stated she would look at the proposal.

Chair Grove stated if any Board Members get contacted about any legislative proposal or interests, the Department has legislative liaisons, Hank Worsech and Tom Reilly; feel free to contact them if needed.

Motion: Member Sheehy Moe moved and Member Brown motion to adjourn the meeting. Motion Passed. 5-0

Chair Grove adjourned the meeting at 1:04 PM.



Angie Grove, Chair



Martha Williams, Director