

**ARIZONA STATE PARKS BOARD
COUNCIL CHAMBERS OF THE CITY OF LAKE HAVASU
2330 MCCULLOCH BLVD., N., LAKE HAVASU, AZ
MINUTES
APRIL 4, 2008**

Board Members Present

William Scalzo, Chairman
Reese Woodling
Arlan Colton
Tracey Westerhausen (arrived at 9:30 a.m.)
William Porter

Board Members Absent

William Cordasco
Mark Winkleman

Staff Members Present

Kenneth E. Travous, Executive Director
Jay Ream, Assistant Director, Parks
Mark Siegwarth, Assistant Director, Administration
Debi Busser, Executive Secretary

Attorney General's Office

Joy Hernbrode, Assistant Attorney General

A. CALL TO ORDER - ROLL CALL – 9:00 A.M.

Chairman Scalzo called the meeting to order at 9:05 a.m.

B. INTRODUCTIONS OF BOARD MEMBERS AND AGENCY STAFF

The Parks Board members introduced themselves, followed by the Agency Staff and the Assistant Attorney General's representative.

- 1. Board Statement -** "As Board members we are gathered to be the stewards and the voice of Arizona State Parks' Mission Statement: Managing and Conserving Arizona's Natural, Cultural, and Recreational Resources, Both In Our Parks and Through Our Partners for the Benefit of the People."

Vice Chairman Reese Woodling recited the Board Statement.

2. Greeting by the Mayor

Mr. Travous noted that the Board had a nice afternoon yesterday and had a chance to see just how large Lake Havasu is. He thanked staff for putting the boat tour together. The evening ended with several Council members hosting the Board and staff for dinner. He introduced Mayor Mark Nexsen and extended his personal thanks to Mayor Nexsen.

Mayor Nexsen addressed the Board. He welcomed the Board back to Arizona's west coast and to a place they call Paradise. He noted that he, too, enjoyed spending some

time with the Board and staff. He noted that a few of the Board members are new and have not had an opportunity in the past to visit their community. He hoped that after spending some time taking in the desert and the lake the Board would understand why they love their great little city and why they call it home.

Mayor Nexsen noted that their city is getting better every day. This Board will play a major role in taking this community to the next level. The Contact Point project will be so much more than just another place to launch one's boat on Lake Havasu. It will be a cornerstone of an exciting master planned community that will offer golf, entertainment, outdoor recreation, environmental education, golf, access to gaming, golf, and commercial enterprise opportunities, as well as an institution of higher education. All kidding aside, what is critical in this project is the mainland marina, as well as a four-year university that they hope will come to Lake Havasu City.

Mayor Nexsen stated that they are very pleased that the Board recognizes the value of this spectacular development will bring to not only Lake Havasu City, but the state as a whole. They look forward to working with the Board closely to get this project off the drawing board, onto the ground, and onto the map.

Mayor Nexsen again welcomed the Parks Board to their City and stated his hope that they have a very productive meeting.

Chairman Scalzo responded that Mayor Nexsen and the Council members were very gracious to the Parks Board Thursday evening. He felt everyone enjoyed it and the Board had a chance to hear some of the great things the City is doing.

C. CONSENT AGENDA

- 1. Approve Minutes of the January 18, 2008 Arizona State Parks Board Meeting**
- 2. Approve Minutes of the March 3, 2008 Arizona State Parks Board Meeting**
- 3. Approve Minutes of the Executive Session on March 3, 2008**

Mr. Porter made a motion to approve the Consent Agenda. Mr. Colton seconded the motion and the motion carried unanimously.

Mr. Porter requested that the Chairman take the Agenda out of order. There are a substantial number of people from Lake Havasu City (LHC) present to speak to certain Agenda items.

Chairman Scalzo stated he would move into the Board Action Items under E

E. BOARD ACTION ITEMS

- 3. Lake Havasu City, Arizona State Parks, and Windsor 4 MOU – Staff recommends Staff recommends that the Arizona State Parks Board direct staff to enter into an MOU with the city of Lake Havasu City to explore various funding sources to pay for: a revised Plan for the Development and Management of WINDSOR 4; the preparation of environmental documents necessary for the approval of said revised Plan; and the construction of improved recreational facilities for WINDSOR 4 for use as a major community / regional special events area.**

Mr. Ream reported that LHC and Arizona State Parks (ASP) crafted a Memorandum of Understanding (MOU) for the purpose of using the Windsor Beach/Windsor IV area

that was pointed out in yesterday's tour at the end of the channel as we came out at the beach area for special events. Rather than having them apply each time for a specific special event we would have a calendar of special events. This was Mr. Dan Cuning's idea.

Chairman Scalzo noted that anyone who wished to speak needed to fill out a Speaker's Request Form and give it to the Secretary in order to be heard by the Board. He reminded Board members and staff to speak into the microphones.

Chairman Scalzo recognized Mr. Ralph Tapscott, Mohave State Bank.

Mr. Tapscott introduced himself to the Board. He noted that there was no specific item on the Agenda that he wished to address. He is CEO of the largest bank in the county; the third largest bank in the State of Arizona. He is also President of the Havasu Foundation for Higher Education. In addition to that, he is a boater, a wind surfer, and a kite boarder. He wanted to drive home to the Board how this lake drives their local economy. Unlike many other communities in this state, the diversification is not here. Tourism from this lake drives more than \$400 Million a year back into his company. His company needs that – it's vital. They pay close to \$6 million per year in taxes (city, state, federal, etc.).

Mr. Tapscott stated that he wanted the Board to know that they initiated a grassroots effort. State Lake Improvement Funds (SLIF) are vital to keeping the lake pristine and accessible. When they received word that not only were the Governor and the legislature looking at raiding funds already in the SLIF pile and that SB 1110 was coming up, they (as a group) initiated a grassroots effort to write dozens and dozens of legislators and the Governor (very diplomatically) encouraging them not to cut off the wing of the goose that's laying the golden egg. They told them that LHC need the lake very much; they need ASP very much as their partner; and they appreciate the Parks Board being here today.

Mr. Ream noted that Mr. Gary Meyers wished to address the Board regarding the Freedom Bridge Foundation.

Mr. Meyers addressed the Board. He stated he is an 8-year resident of Lake Havasu City. He stated that about a year ago he was asked to work on a second bridge plan over the channel, which is being referred to now as the Freedom Bridge. He presented a 6-minute promotional DVD to the Board. He stated that the point they are trying to make is that this is a volunteer group that was put together over the last year. They are, in essence, collecting ideas, raising money, and proposing this to the City and to ASP. One of the areas in the video included the area that's under discussion in Agenda Item 3 which is that area adjoining Windsor Beach, and that's the area they would like to propose making the Freedom Park. That's where they'd like to have veterans' organizations put up statues, a special visitor's center, etc.

Mr. Meyers stated that they are not asking for money. They believe they can raise the capital on their own. All they actually need is the MOU to be able to work with ASP. They have discussed this project with several people at ASP and the Convention and Visitors Bureau. He believes they have a lot of support on this project. There was a recent announcement from the AVTT (American Veterans Traveling Tribute). They are the group that goes around the country with the Viet Nam Wall and other tributes that goes with it. A couple of weeks ago the City Council declared March 29th as Viet Nam Vets Day in LHC. The AVTT has agreed to come to LHC next year to set up in LHC.

More importantly, they are coming to the end of their 4-year tour and are looking for a permanent place for it. They love the site of Freedom Park, which would be right near Windsor Beach.

Mr. Meyes stated, in conclusion, that he is looking forward to working closer with ASP to make this project come to a good conclusion.

Mr. Ream noted that Mr. Cunning, representing the Convention and Visitors Bureau is in the audience and available to speak. He spoke to the Board on the tour on Thursday. If there is anything else the Board wishes to discuss with Mr. Cunning he available to do so.

Mr. Ream stated that the staff recommendation is that the ASP Board direct staff to enter into an MOU with the LHC to explore various funding sources to pay for a revised plan for the development and management of Windsor IV; the preparation of environmental documents necessary for the approval of said revised plan; and the construction of improved recreational facilities for Windsor IV for use as a major community / regional special events area.

Board Action

Mr. Porter: I move that the Arizona State Parks Board direct staff to enter into an MOU with the City of Lake Havasu to explore various funding sources to pay for a revised plan for the development and management of Windsor IV; the preparation of environmental documents necessary for the approval of said revised plan; and the construction of improved recreational facilities for Windsor IV for use as a major community / regional special events area.

Mr. Woodling seconded the motion.

Mr. Porter noted that he was struck by what he saw in the video by the fact that as wonderful as it is, it is going to create the need for Contact Point. It's clear that the channel and that whole area will just become more and more of a focal point for activity and use. The Board will definitely need to help reduce the congestion on the water in that area, and Contact Point is the only viable way to do that.

Mr. Woodling noted that he sat next to the Councilman who presented this project to him. He had no idea of the magnitude of the fundraising involved and the scope and the vision that this city has. He is very impressed with what's going on here. He was very shocked with the professionalism he saw here. He didn't mention that he was on the Parks Board in 1981-82. This was 25 years ago. He is struck by the growth – not the growth in numbers – but the growth in attitude and positive thinking that this city shows in comparison to 25 years ago. He commended the people in this room and the Mayor, and the others for their vision.

Chairman Scalzo called for a vote on the motion on the floor. The motion carried unanimously.

Chairman Scalzo noted that Board member Ms. Tracey Westerhausen has arrived.

Ms. Westerhausen introduced herself to the audience.

- 4. Lake Havasu City, Arizona State Parks Contact Point MOU** – Staff recommends that the Arizona State Parks Board direct staff to enter into an MOU with the city of Lake Havasu City to explore various funding sources to

pay for: a revised PLAN for the development of CONTACT POINT; the preparation of the environmental documents necessary for the approval of said revised PLAN; and the construction of boating and other recreation and education facilities at CONTACT POINT.

Mr. Ream reported that as staff have planned and continued to plan our park at Contact Point, members have been formally included into the planning group. Staff have an MOU with the Chemhuevi Tribe for a ferry dock at Contact Point and would now like to include LHC in that planning group to help us move forward on Contact Point. LHC and ASP staff have worked out an MOU for the purpose of developing and planning at Contact Point. Staff recommends that the Board direct staff to enter into an MOU with LHC to explore various funding sources to pay for a revised Plan for the development of Contact Point; the preparation of the environmental documents necessary for the approval of said revised Plan; and the construction of boating and other recreation and education facilities at Contact Point.

Board Action

Mr. Porter: I move that the Arizona State Parks Board direct staff to enter into an MOU with Lake Havasu City to explore various funding sources to pay for a revised Plan for the development of Contact Point; the preparation of the environmental documents necessary for the approval of said revised Plan; and the construction of boating and other recreation and education facilities at Contact Point.

Mr. Woodling seconded the motion.

Chairman Scalzo recognized Mr. Robert Mobley, Lake Havasu City Marine Association.

Mr. Mobley addressed the Board. He stated that they support what is being done here. He noted that they are willing to be of service in any way the Board needs.

Dr. Bill Ullery, a 17-year resident of LHC, addressed the Board. He is the CEO of DBU Homes and DBU Realty. He has been active in responding to three different issues with the legislature on SLIF funding, SLIF appropriations, and the proposed marina at Contact Point.

Dr. Ullery stated that the legislature and the Governor seem determined to sweep these \$4 million of SLIF into the General Fund, and there's likely nothing we as citizens can do to stop that money grab. In the future, however, he believes that many of them will be looking for ways to force the State into more responsible management of its revenues and expenditures and, in particular, the Rainy Day Fund.

Dr. Ullery stated that for the proposal to move the appropriation process from the Parks Board to the legislature, part of that rationale from some legislators from some personal conversations he's had with them seem to center on some disagreement on some past funding decisions by the Board that some might think might not be consistent with the intent of the law. He has seen that. However, it is rather strange that this sweep of \$4 million will result in money being spent for just about anything and everything some of those legislators want to do with it. That's just bizarre. He noted that the proposal that may come back may well come back next year guaranteed. There are many in the business community that will resist it. He simply sees it as a power grab and attempt to politicize the appropriations process pure and simple.

Dr. Ullery stated that, finally, they would certainly like to see the \$19 million proposed Parks budget for Contact Point acted upon as soon as the fiscal crisis eases. It is a terrifically important project for the economic activities in and around his city. He noted that they all thank the Board and staff for their service to our great state.

Mr. Travous noted that, while he has not previously met Dr. Ullery, he has been getting his E-mails. He has been absolutely prolific as a citizen. If we had citizens like him all over the state keeping the legislators' feet to the fire, we wouldn't have a lot of the problems we do. He thanked Dr. Ullery – he's a citizen on fire.

Mr. Porter echoed Mr. Travous' comments. He stated that he met Dr. Ullery some months back when Mr. Tapscott brought him to Kingman. He was impressed then, and he's gotten more impressed as time has gone by. While the fervor shows in his E-mails, there also a good diplomatic touch that is exactly the right medicine. One can overdo it. It's not being overdone. He believes that the people here in LHC have always been, by far, the best, most effective and dogged lobbyists in the state when it comes to these things. They are certainly stepping up to the plate and helping with Contact Point, which they promised a couple of years ago they would do. They sure kept that promise.

Mr. Bill Mulcahy, Lake Havasu City Parks and Recreation, addressed the Board. He stated that LHC and ASP have been informally joined at the hip for at least 10 years. He believes that now we are trying to become one and work together on this mainland launch marina. Their plan for economic development in town included a boating survey. We're here because of boating. ASP is here because of boating. LHC is here because of boating. Some of the statistics came from the Board's boating survey. Boating visitor spending, for instance, supports about 4,600 jobs in town; realizes \$105 million in revenues; \$56 million in tax revenues; more than \$27 million in State and Local taxes; and that does not include the manufacturers in town who produce more than \$200 million worth of revenues for the City and the State.

Mr. Mulcahy stated that right now the City is working on a boater retention policy. They feel that it is important for the boaters to know that this is a friendly town. One of the first things they plan to do is clean up their signage. They want to have a nice softer motif while still enforcing the laws that are in place.

Mr. Mulcahy added that the MOU is very important because it takes a lot of pressure off Windsor IV. He noted that if any of the Board members has been here on the weekends, one will hear ASP staff moan and complain that they had to close at 9:00 a.m.; they're full, etc., but the remainder is that when they close, every other boat in town is in town. Their traffic situation is unbelievable. There are some who will say that by doing Contact Point the population on the lake will be increased, it will be polluted, there will be all kinds of issues with more boating traffic. He submitted to the Board that over 60% of the boats that are on the lake, as we speak, are garaged here in carpools and storage units which are in town. They have a lot of California visitors, but he believes they are driving to LHC and picking their boats up because they do have a storage unit in town. Until someone convinces him differently, he believes that if one drives I-40 on Thursday/Friday he/she will see boats and jet skis – but it's not a parade of boats and jet skis. There are a lot of cars and they are all turning right at the exit. He believes they are coming to their homes and storage units to pick up their boats and get on the lake.

Mr. Mulcahy stated that the City is excited about the MOU. They have had a lot of preliminary discussions on Contact Point. They are kind of a team at Contact Point. That includes the private developer, the Chemehuevi Tribe, ASP, LHC, and BLM. If one can get those five groups to agree on anything, one has it made. We're almost there. He believes we are off and running and ready to go if the Board will support this MOU with ASP. He believes it will be a great agreement and a great union. He thanked the Board for allowing him to come before them.

Mr. Charles Wood, Chairman of the Chemehuevi Tribe, addressed the Board. He stated that he first came to LHC in 1959. As a small boy, he could literally look from that side of the lake and count the number of buildings on his fingers. He believes there were 10 buildings that were visible from their side of the lake. Today there are about 59,000 residents in LHC. The Chemehuevi have lived in this area for a long time. Before the creation of the lake, their village sites, their agricultural fields – everything they existed upon – were in the valley. With the creation of Parker Dam in 1940, they lost about 8,000 acres of land to the lake, which resulted in their moving higher into the desert. With the creation of the lake, they depend on the lake for their existence.

Mr. Wood stated that many years ago they began a ferry boat system which they later institutionalized into the Chemehuevi Transportation Authority. It is a public transportation system. They currently dock their boat in the channel. As was seen in the film, the channel is becoming more and more congested. They have a lease that will expire this year, but that's not their major concern. They have a big ferry that, on weekends, the Sheriff or the Coast Guard have to plow a path to allow the ferry to leave the channel. This has been a big liability to them. Some years ago they began to look at other docking possibilities on this side of the lake. They have identified three possibilities, but the best one for them is Contact Point. It has the depth of water, it's protected from the wind and current, and it keeps them away from the mainland where they're proposing additional launching facilities. It is the ideal location for them.

Mr. Wood noted that as time has gone on, other things have come up and they became very excited about the Contact Point vision of the four-year university, the visitors center, etc. They transport in excess of 300,000 people per year. They saw their role in the possibility of a Visitors Center / Education Center as bringing more than 300,000 people past that structure who will then want to visit that structure as well.

Mr. Wood stated that they are very excited about this whole conceptual plan of the four-year college because, depending on what the classes are, the Tribe may be able to give it some benefit in that they may be able to offer work-related activities as to what they are studying (hospitality, gaming, etc.).

Mr. Wood stated that they very excited, they are very supportive of it, and want to work together with the City in a partnership with ASP to make it all happen.

Mr. Woodling noted that when he came to LHC last evening with his wife, he was very unaware of the importance of this lake to LHC and the citizens of the State. He has two concerns. First, the level of the lake. He's watched Lake Powell and Lake Meade. He is very aware of the climate changes going on and believes it will affect a lot of the issues being discussed. A number of things were pointed out to him yesterday. Especially important is that this lake maintains its level due to legislative action. Regardless of what happens to lake Powell or Lake Meade, this lake has to maintain a fairly constant level to get water into California and the Central Arizona Project (CAP). He noted that

during the tour yesterday he did not see the “bath tub” ring as can be seen at Lakes Powell and Meade.

He noted that his second concern was the rising fuel costs and getting people here. As gas prices rise over the next several years (and they will) and the cost of energy rises (as it will) he sees this place as a playground not only for Lake Havasu residents, but for Arizona residents – particularly Phoenix. Phoenix is growing; we are an urban state. Most of us live in large, urban communities and want to get out and recreate. He was totally blown away by the fact that this lake is here; it’s close to Phoenix. Being here and living in a growing state and an urban state he feels like this place will be here a long, long time and offer the same amenities it offers today. He feels the vision and the future are right on.

Mr. Woodling noted that, as a Parks Board member, he worries about water issues in other areas of the state. He doesn’t see that happening here. He thinks that developing Contact Point and entering into an MOU with our partners is a good move, and a positive one. He supports it.

Mr. Colton stated he has no problem with the Motion at hand and looks forward to that partnership. He recalls reading the LHC General Plan and reviewing it. He asked if any attempts are being made to address the population as it exists today but also the needs of the population as it will be 20-30-40 years from now for demand for the use of the lake. It seems to him that that is a cooperative endeavor that needs to be undertaken relatively soon.

Mr. Ream responded that staff are in the Request for Proposal (RFP) process with our partners. The first draft has been written by the Project Manager and our Procurement Section. It is now with our partners for their edits and information. Staff are going to ask consultants to perform a lake study, talk about lake capacity, and look at all the properties all along the lake to provide recreation in our planning for Contact Point. We can certainly ask our consultant to look into these issues and either provide us with answers or provide a menu of choices or solutions that may work as we continue our planning. He was going to get to the planning point later today. There are a lot of competing interests and staff are asking the planner to look at all of those competing interests. That is one reason so much money was dedicated to this proposal. There are more questions than answers. It may not be just a choice of building another 40-50 acre parking lot and putting in a large boat ramp. Staff would like to know what all the effects are. According to the Board’s Vision, staff have to do that before beginning to tear up the ground. The City is well on the way in the planning of their work. Mr. Komick is planning his community there. We are a bit behind, but they are our partners in this and will share their planning efforts with us as we move forward with ours.

Mr. Porter noted that if Item F.4. is what Mr. Ream is referring to, if staff have anything further to present that deals with Lake Havasu, this might be a good time to get that out while all of the LHC folks are here and then the Board can vote on this Motion.

Chairman Scalzo responded that that will be done, but the Board needs to take some action on the particular item before them now.

Ms. Westerhausen noted that it appears that the MOU is between the City and ASP. She asked if the Tribe has any standing under the MOU.

Mr. Porter responded that the Tribe has a separate MOU.

Mr. Ream added that the Tribe approached staff long before discussions began regarding Contact Point for their ferry dock needs. They have somewhat been a catalyst to moving forward on it. The Board's MOU with the Tribe was a lot quicker and a single issue, whereas the MOU with the City is multi-issues.

Chairman Scalzo called for a vote on the Motion on the Floor. The Motion carried unanimously.

Chairman Scalzo then moved to Agenda Item F.4.

F. DISCUSSION ITEMS

4. Lake Havasu Planning

Mr. Ream reported that discussions yesterday on the tour touched on Lake Havasu Planning. He reiterated that staff are in the middle of the RFP process. SLIF funds totaling \$1.5 million were secured about a year ago for this purpose. Staff received tentative JCCR approval to begin the process with the caveat that staff bring the RFP back to them for review once we have completed it. Staff created a draft RFP and took it to a few legislators on the JCCR just to let them know where things stand. Staff provided a draft to our partners here at LHC and the BLM for their review. It is being distributed to ASP staff for their review. He hopes to have all of that review done by the end of April and to have a final draft of the RFP available to the JCCR for approval hopefully in early May. Then staff will put it out on the street. It typically takes 60 days on the street for the RFP. Then staff will review the RFP; our partners will be on the review committee (BLM, LHC, and other partners staff may bring to bear on it). He noted that the template that was used for Spur Cross will be used here. There will be a public process in threes. There will be three public meetings preceded by three staff meetings as we move through with the consultants. The public will have three looks at our planning at Contact Point. Staff would like for them to have a brainstorming session where they bring all the ideas to Contact Point. Then we will have the "Goldilocks and the Three Bears" session where we will have the three different plans and choose among A, B, and C plans. Staff will then go back and give their edits and bring a final plan back to the public at a third public meeting. Then the construction portion can begin.

Mr. Colton asked if, spatially, the RFP is Contact Point or a much broader area.

Mr. Ream responded that the RFP is a broader area. The MOU is for Contact Point. He did not want to lose sight of the fact that we have two other parks here on Lake Havasu. We have a very successful park at Windsor Beach. He wanted to be sure we don't do something at Contact Point that negatively impacts our operation at Windsor Beach or do something at Contact Point that we should be doing to at Windsor Beach and take some of the load off of Windsor Beach. In the same respect, there is a concession coming due in the near future that could expand our use at Cattail Cove. These are all things he would like the consultant to take a look at – kind of a holistic view of our operations on Lake Havasu prior to just making a planning statement for 165 acres. What we do here is much more important than that.

Mr. Colton stated that, if appropriate, he would be willing to volunteer to look at, review, or make comments on the document since that is within his line of work.

Mr. Ream responded that he has copies for the Board if they would like to see them. The RFP covers the essential parts and, hopefully, the consultants will fill-in the rest of

the information. He has a copy for Mr. Colton or any other member of the Board who would like one.

Mr. Colton requested a copy of the RFP.

Mr. Porter noted that the Board would be very fortunate to have Mr. Colton bring his talents into play. He believes that's one of the reasons this Board is made up of, in some cases, specialized representation.

Chairman Scalzo stated that he would like to agendize the Lake Havasu Planning Process at least twice a year while we are going through this process so that the Board can be updated. If Mr. Colton is willing, perhaps he can do those presentations along with Mr. Ream.

Mr. Ream responded that he would appreciate it. As we talk about Lake Havasu Planning, this would be a great time to hear from one of the people we haven't heard from yet – the Western Arizona Law Enforcement Training Academy.

Chairman Scalzo then moved to the next Agenda Item, F.5.

5. Western Arizona Law Enforcement Training Academy – Presentation

Chairman Scalzo invited Police Chief Bob DeVries, Kingman Police Dept., to the podium.

Chief DeVries thanked the Board for the opportunity to speak with them today. He reminded the Board that he spoke with them almost a year ago. He is proud to be here today to represent the Western Arizona Law Enforcement Training Academy (WALETA). They appreciate the Board's support. Their association is growing in numbers and in accomplishments. They now extend as well to the National Park Service and have a very strong partnership with California including San Bernardino County and the California Highway Patrol. When he came to the Board a year ago, they had a vision. They were following the MAG reports and knew the growth they were experiencing in this area. One of the biggest challenges they had was the ability to place a recruit in a training academy. As a group, they collectively began contacting groups from La Paz and Mohave counties to search out and find an academy. There was a lot of apprehension and questions as to whether they could do it. They came to the Parks Board and, thankfully, the Board gave its permission to move ahead with their vision. He showed a promotional DVD that was completed to distribute across the state to give some idea of what their concept was with WALETA.

Chief DeVries reported that they have distributed that video across the State to other law enforcement agencies indicating their willingness to work with them as well. Since the time when they went from the apprehension, he would be remiss not to say that today they have members of their association here from Lake Havasu Police Dept., Bullhead City Police Dept., Quartzite Police Dept., and their Recruit Commander (who appeared in the video). That apprehension and questions as to whether they could do it have been put to the side. They started small. They started their first class with 9 and graduated 7 who are out on the street today. Their second class came immediately behind. They began with 23 recruits; 21 remain in training as they complete week 6. This was probably a good week for the Board to meet here because next week he believes that all 21 will be on the streets of Havasu providing traffic control.

Chief DeVries stated they are very proud of those accomplishments. It's being recognized across the State. The 100 Club of Arizona provided them with a \$140,000 firearms simulator system. That is the single largest donation by the 100 Club to date. They recognized what WALETA was doing here. They went from apprehension to being the talk of the town at Rio Rico two weeks ago when the Chiefs Association gathered there. They have now had inquiries from as far away as Somerton, Yuma Police Dept., all the way to Apache Co. They are being recognized across the State as an up-and-coming academy they want to go to.

Chief DeVries noted that when he addressed the Board before, they recognized the need; that was prior to other issues that came to be. Since that time the bond passed in Phoenix adding 500 new officers. He reminded the Board that it was already difficult to get officers into an academy there. Shortly after the Board had the vision to allow them to do this academy, Maricopa Co. closed off their academy. What was tight before is almost impossible to get a seat for a recruit in the academy. This academy has not just gone from being important – it's vitally important to western Arizona.

Chief DeVries then showed the graduation of Class #1 video. It showed what they are doing at the Water Safety Center and what an academy entails.

Chief DeVries noted that he failed to mention an accomplishment that is very important. Two years ago AZPOST implemented a comprehensive exam for completion of the academy. It's a three-part exam. WALETA was the first academy in the state to have every recruit pass that exam on the first try. That also speaks to the caliber of what they are doing. On behalf of all of their members, he thanked the Board for the opportunity to host the academy there and requested that the Board consider potentially extending their stay there. They believe that they have become a good neighbor and a good partner for today and well into the future.

Mr. Ream reported that he and Mr. Travous attended WALETA's Legislative Day at the academy in February where they were presented, on behalf of WALETA, an award "for partnering with the Western Arizona Law Enforcement Association to provide a training facility and housing for recruits of the Western Arizona Law Enforcement Training Academy without which the first and succeeding basic and police training classes would not be possible. WALETA Class 0701."

Mr. Porter stated his agreement with the Chief's proposal. He discussed it with staff to be sure they were comfortable with it. It is on the Agenda, although it is not specifically listed as an Action Item. He understands from past advice from counsel that because it is on the Agenda the Board may take action on it.

Board Action

Mr. Porter: I move that the Board extend the Academy's IGA for 18 months.

Mr. Woodling seconded the motion.

Mr. Ream noted that he believes that under the IGA the Board can extend it, as is done in most of our InterGovernmental Agreements.

Ms. Westerhausen noted that she grew up in Maricopa Co. and believes there is at least one training academy in Maricopa Co. She can't imagine why anyone would want to train in Maricopa Co. if they could come here. She saw a look of concern on Ms. Hernbrode's face as to whether or not the Board could move forward on this.

Ms. Hernbrode responded that because we do have a statement on the Agenda states that, "the Board may discuss and take action on the following items," if it is fairly tied within that Agenda Item she is comfortable with the Board moving forward. Because it is an extension of an existing IGA and is not a new action by the Board she is fairly comfortable with the Board taking action. She always likes things to be more specific.

Mr. Colton asked where the shooting range is relative to the facility.

Chief DeVries responded that it is about two miles from the current facility.

Mr. Colton asked if the academy has any goals in terms of diversity of its recruits for women, people of color, etc. It was a very impressive group of folks.

Chief DeVries responded that the academy, itself, does not. It is the individual agencies' hiring practices of which they would strongly encourage diversity.

Mr. Woodling asked if WALETA will take recruits from Maricopa Co. but not other counties like Cochise Co. He assumed that there are other training facilities around the state.

Chief DeVries agreed that there are other training facilities. The way they are set up right now is to try to accommodate their agencies in the Western Region first; beyond that, any seat is available to any agency in the State of Arizona.

Chairman Scalzo stated that the Board has a Motion before them to extend the Western Arizona Law Enforcement Training Academy IGA at Contact Point for another 18 months. He called for a vote on the Motion on the Floor.

The Motion carried unanimously.

Chairman Scalzo called for a Recess at 10:25 a.m.

Chairman Scalzo reconvened the meeting at 10:37 a.m. He moved to Agenda Item E.1.

E. BOARD ACTION ITEMS

- 1. Appoint New Members to the Off-Highway Vehicle Advisory Group (OHVAG)** – OHVAG recommend that the Board appoint Rebecca Antle and Robert S. Biegel to fill the OHV organization vacancies on OHVAG, and that John Savino be appointed as a citizen-at-large member, and that they serve a three-year term beginning January 1, 2008.

Mr. Ream reported that at the last Board meeting and the one previous to that staff have been working on the Off-Highway Vehicle Advisory Group (OHVAG). Issues were brought before the Board regarding membership of the group and who should be represented on the group. The Board suggested, at the last meeting, they may need a briefing as to what the OHVAG is doing and what they are working on right now and what their authorities are. He asked Ms. Amy Racki, the Arizona State Off-Highway Vehicle Coordinator to come and give her presentation on the OHV program.

Ms. Racki presented a PowerPoint presentation to the Board. She noted that OHV issues are very controversial nationally. Off-Highway vehicles consist of a number of vehicles – motorcycles, 4-wheel drives, sandrails, dune buggies, rock crawlers, snow mobiles, etc. Jet skis are not considered OHVs.

Ms. Racki reported that there are four different funding sources at ASP; two deal with motorized recreation. The Recreational Trails Program is a federal aid for motorized

trails. The OHV Recreation Fund was created and established in 1991, which created the State OHV recreation program from the gas tax. Of the gas tax money, Game and Fish receives 30% of that fund for law enforcement, education and information. ASP receives 70% of that fund for a variety of management duties – everything from trail development, mitigation, education programs, etc. A portion of the fund is used for administration. Staff do a variety of jobs – everything from conducting a statewide conference, motorized / non-motorized partner conference (which was very successful last year), and support the OHVAG. They also provide technical assistance and run the programs.

Ms. Racki explained that the RTP is the federal funds. It's the recreational trail program. It is run under the Grants program. Essentially 50% of those monies go toward motorized projects. This is a competitive grants program conducted in partnership with federal highways who oversee all of the projects that go through. These fund the more expensive, larger projects on the ground.

Ms. Racki stated that the OHVAG was created in 1996 by the ASP Board. At one time the members were appointed by the Governor. At some point in time, the Governor decided not to have all advisory groups and the Parks Board took over OHVAG. The process was to help develop and implement the ASP OHV Plan and program. OHVAG consists of 7 members who are pretty much OHV users; two are members of the public or casual OHV enthusiasts.

Ms. Racki noted that other Advisory Groups that the Parks Board appoints include the Natural Areas group which includes scientists; Historic Preservation which consists of historic preservation interests; the Arizona State Committee on Trails which is being reduced from 25 to 15 members representing non-motorized user interests; and OHVAG representing the 2 community members as well as 5 OHV users.

Ms. Racki added that OHVAG has a number of roles and believes that they have been more active than usual with all the controversial issues going on. There are six bills in the legislature right now; a number of air quality bills were passed last year. Therefore, there is more and more involvement from OHVAG as well as OHV user interests. Basically, OHV has a trails plan that the Board will hear about a little later. The plan is updated every five years. It's a representative survey across the state that defines motorized and non-motorized user trail interests. They assist with the updates of that plan. For the Recreational Trails Program there are ASP staff members who sit on a grant rating team and one Advisory Group member who sits in but doesn't have a vote. Their recommendation is forwarded to the rest of the OHVAG, whose recommendation is then forwarded to the Parks Board.

Ms. Racki stated that they brainstorm many projects for the OHV Recreation Fund and provide recommendations on that funding. They assist with the development of public information, workshops, conferences, etc. They also provide policy advice to the Board that has also been recognized nationally in the past.

Ms. Racki reported that for Fiscal Years 2006, 2007, and 2008 they kind of restarted the program because the funds were swept into the future. Based on the needs of the State, there are three projects. One is on-site management presence; one is route evaluations; and the third is OHV education.

Ms. Racki reported that the on-the-ground presence is a very successful pilot program where they hired an OHV Planner to coordinate the program where volunteers are

trained to monitor trails. They patrol the trails on their ATVs, dirt bikes, and 4-wheel drives and look for cut fences, downed signs, and educate users. They are the “cool” people on the block. While they are not law enforcement personnel, they do work with county sheriffs as well as forest protection officers and BLM officers. There’s always someone on-site ; they are in radio contact with them. They also participate in special events.

Ms. Racki referred to a slide that depicted the public information trailer that they take out and set up in staging areas. The BLM provided a report in their *People, Land, and Water* newsletter and discussed how highly they regard this program. The Deputy Chief of the Forest Service conducted a National Parks, Forests, and Public Lands Oversight hearing on the impacts of unmanaged off-road vehicles on federal land. The Forest Service Chief referred to Arizona in his discussion of what the states are doing to address OHV recreation. One of our pilot areas is the Tonto National Forest Cave Creek Ranger District as well as BLM’s Lake Pleasant Area in Maricopa Co. They spoke highly of what we’re doing to address OHV recreation. She believes that Arizona was the only state mentioned.

Ms. Racki noted that they provide funding for projects that are less than \$10,000, will be completed in less than 12 months, and are considered to be quick-and-easy projects. This program has been very successful for these under-\$10,000 projects.

Ms. Racki reported that the Forest Service and BLM are currently re-evaluating all their routes to designate which routes will be motorized and which will be non-motorized. Currently there is a lot of cross-country travel and a lot of that cross-country travel is legal. They need to define which routes they will allow for motorized vehicles. OHVAG assists them with this process. They provide up to \$0.15 per mile in assisting those agencies in getting it done.

Ms. Racki reported that OHVAG is conducting a dealer education pilot program that includes nine dealers. OHVAG provides information to them to provide to their customers. The rough riders are the ones OHVAG has been unable to contact. These individuals have no information and no association with any clubs. We are now targeting the dealers and manufacturers and working with them trying to include a “Nature Rules” mentality and supplement the dealers’ existing campaigns.

Ms. Racki added that in the short time since this program has been restarted since the legislative sweeps, it has become recognized nationally. It’s appreciated statewide. The land managers are very satisfied as well as a lot of the public.

Ms. Racki reported that OHVAG met last week. There are two Action Items on the Board’s Agenda. One is to appoint new members to the Advisory Group. OHVAG recommended the same members that they selected in November 2007. Two of those individuals are present today – Messrs. John Savino and Bob Biegel. Mr. Savino lives in Show Low and would replace Mr. Sipes. Mr. Biegel is an OHV Ambassador. To become an OHV Ambassador one has to go through three days of training (defensive driving, dirt bike training, ATV training, communication, etc.).

Ms. Racki added that the second Action Item is the composition of OHVAG. A number of groups have come to the Board saying the Board should revisit the composition of the group. In February OHVAG recommended that while they appreciate and strongly support the current diversity of OHVAG they do not have an issue with replacing a citizen-at-large with a sportsman.

Chairman Scalzo noted that he was recently at the Ft. McDowell Yavapai Community near Fountain Hills. They advised him that they have created their own OHV track. He asked if staff was aware of that.

Ms. Racki responded negatively.

Chairman Scalzo stated that their purpose was to avoid misuse, so they created one. They wanted to publicize it. It's good that some of the tribes are going out on their own to create some opportunities for off-roaders. He was unaware of it and thinks it's great for the community.

Chairman Scalzo noted that Mr. Bob Biegel has asked to address the Board.

Mr. Biegel, one of the nominees for membership on OHVAG, addressed the Board. He noted that he is also an avid off-roader (4-wheeler) as well as an Ambassador. He was involved in the planning of this program from day one and has seen it move to fulfillment. They do a lot of training while they're out playing. There is no Ambassador that he would not go riding with and trust being out on a trail with. They are all skilled and conscientious about what they do and how they do it (which is the other big thing). Regarding the OHVAG Community itself, he was asked to volunteer for the program; he is still interested in the program and would like to see the Board finalize the recommendation from the OHVAG and put this to rest so that they can get on and learn what they're supposed to do. He thanked the Board for the opportunity to speak to this issue.

Mr. Colton noted that these to Agenda Items are intertwined. He stated he has no problem with the nominees suggested in E.1. As he has said before, he thought a good case was made for modifying the membership make-up of the group. He is also concerned by the possibility of setting up a lot of 5-2 votes. He has given this a fair amount of thought and reviewed all of the materials. Seeing this presentation was very helpful. He has concluded that it makes logical sense to him that a sportsman be involved on the committee and that it be a designated position. That would probably take one of the citizen-at-large positions because it is specific enough that citizen-at-large doesn't really get at it.

Mr. Colton stated that, given the level of growth expected in the State of Arizona and given the growth that's likely to occur in OHV users we expect to see and given the impact on the land, it makes sense to him to have someone on the committee who looks at the land from a more futuristic perspective. One of the recommendations that came before the Board was a recommendation for someone from the conservation community or the environmental community. He wanted to be more specific than that and suggested someone from the environmental planning community be included on OHVAG. These would be people who understand the land; who have an understanding of the needs for how land gets used in the future. They are not land use planners, but rather environmental planners. There are people in both the public and private sectors who are capable of filling that role. He added that it seemed to him that the department has recreation planners. He doesn't think the group needs that aspect. But he feels that there needs to be someone who comes from a broader environmental planning perspective – being able to see the future; being able to look at the land needs and the impacts to the land as the state grows. This would be a good way to use that second citizen-at-large position. He is throwing that out on the table as an option.

Ms. Westerhausen noted that as a follow-up to Mr. Colton's comments, she had been thinking about that, too. As she was reviewing the materials, it appeared to her that there was a lot of overlap of interest between OHVs and conservationists because the same things continue to appear. We all want our children and grandchildren to have the opportunities for outdoor recreation that we currently have. There was also some evidence of philosophical disagreement in the materials, particularly with the Blue Ribbon Coalition who may have alluded to a plan to try to get OHVs out of the recreational domain, which she doesn't think anyone on the Board would want to see. She asked staff if they are comfortable that there are other advisory groups that have a stated environmental or conservation or scientific environmental focus that gets an equal ear to OHVAG on these overlapping issues.

Mr. Travous responded that when it comes to specific environmental issues, we have the Natural Areas Advisory Committee from a wide perspective. One of the members is a water person; there is a geologist on the committee. There are people on the Trails Committee who have a variety of those viewpoints as well. He doesn't know that there is anyone designated from that community for any of those committees.

Ms. Racki added that at each of their meetings (at least 80%-90% of them) they have a representative from the US Forest Service, Game and Fish, and BLM to assist and guide the OHVAG should they have any questions.

Mr. Travous noted that staff have bounced this issue back and forth and have differing views. His only worry is that a situation not be created where in the future the Board has to add more members to groups because we forgot about some constituency. As an example, finally the Committee on Trails (ASCOT) is dropping from 25 to 15 members. They have a long history of working together and it is so difficult not only to maintain a quorum for a group of that size, but when dealing with a group that size they tend to break up into little special interest groups vying with each other and it becomes untenable. From a purely administrative standpoint, it is important for flexibility to not have to add more members because another wheel starts squeaking in the future.

Mr. Woodling noted that he was one of the members of the Board in January who asked for this issue to be included on this Agenda with additional information disseminated to the Board. He wanted to add a few things from a rancher's viewpoint.

Mr. Woodling stated that ranchers are having a serious problem with OHVs in southeast Arizona where he is Chairman of the Malpai Borderlands Group, which is a ranching group that calls itself the "radical center". They try to work with agencies, environmental groups, conservation groups, and the ranching community. Their board consists of mostly ranchers, although they have a Nature Conservancy member on their board. He noted that he tries to represent the ranching interests on this Board. There are a lot of ranchers in this area and around the state who are very disturbed with some of the actions of OHV use on ranchlands, going through gates, etc. He was very interested to see that one of the applicants who has since withdrawn his name was a sportsman and also worked with trail development. He felt this person would be a very viable new member to come on OHVAG. He sees that the OHVAG has not recommended that gentleman but recommended a gentleman who is sitting in the audience. He doesn't know anything about these two gentlemen other than what he read in the Board materials.

Mr. Woodling added that he read some letters that were written concerning expanding the group. He is opposed to that. He thinks seven is a good number.

He doesn't believe the Board should add non-voting members. His main concern arises from when he read the letters from the two opposing sides. Several of the groups that signed on to the letter that says we need a more diverse group really disturbed him. One is the Center for Biological Diversity. He does not consider them to be any kind of environmental group or conservation group. They are a lawsuit group. They have threatened to sue Malpai for some of the work they are doing on ground because they didn't go through proper channels with the Forest Service, etc. They are similar to the Forest Guardians out of Silver City. He has a real concern with some of those groups supporting ASP adding a conservation or environmental person. He does, however, support it. As Mr. Colton stated, the Board really needs to address the total picture.

Mr. Woodling stated that the other letter he read that really upset him as a rancher was from the Blue Ribbon Coalition that is out of Idaho. He is very familiar with groups from northern Idaho and northern Nevada. They are combative groups that do not want to work with any governmental agencies or any environmental groups. He really takes umbrage to the fact that they wrote a letter concerning Arizona and what Arizona should do. It was included in the Board packet, he read it, and wanted to make the comment that he totally disagrees with their standpoint. He does not represent all of the ranchers in Arizona – some may be for it. The Malpai Group, the ranching group he does represent, certainly does not go along with a lot of their positions on stewardship of the land.

Mr. Woodling stated that, with all of that said, the members of the Board certainly know how he will vote. He is disappointed that one of the nominees to OHVAG has withdrawn his name; he believes the gentleman had a lot of good credentials. However, that is not an issue here today.

Chairman Scalzo stated his wish to move this issue along. The Board has before them a request to appoint three new members to OHVAG.

Board Action

Mr. Porter: I move that the Board appoint Rebecca Antle and Robert S. Biegel to fill the OHV organization vacancies on OHVAG, and that John Savino be appointed as a citizen-at-large member, and that they serve a three-year term beginning April 5, 2008.

Mr. Woodling seconded the motion and it carried unanimously.

- 2. Off-Highway Vehicle Advisory Group Change Composition of Advisory Group** – OHVAG recommends that the ASP Board consider revising the OHVAG Policy Statement such that the criteria for the OHVAG citizen-at-large member shall reflect that a sportsman serves in that capacity starting January 2009.

Mr. Colton requested that he make a draft motion to see what everyone else thinks. His motion was that, beginning with the citizen-at-large position that is up next year, the Board phase in a change in composition to OHVAG wherein the two citizens-at-large positions be shifted. The first one to be someone who is from the environmental planning community (whether public or private sector) experienced in land issues. The second citizen-at-large position would go to someone from the sportsperson's

community. Over time, one of the other positions go to someone in the ranching community.

Mr. Woodling seconded the draft motion just for discussion purposes.

Ms. Westerhausen suggested breaking that draft motion down into three separate motions because there may be unanimity on one or more of them and room for discussion on one or more of them.

Mr. Colton, maker of the draft motion, stated that would be fine with him. He withdrew his original draft motion in order to move forward with Ms. Westerhausen's suggestion.

Chairman Scalzo noted that Ms. Westerhausen's recommendation is actually three motions that are separate. He was not sure the Board could do it that way.

Ms. Hernbrode suggested that the Board try it as three separate motions. The Board currently has no Motions on the Floor. The Board should make its first Motion as a separate motion, discuss it, vote, and move on to the next motion.

Mr. Woodling stated that the OHVAG has spent a lot of time on this. They've come in with a recommendation that one citizen-at-large, starting in 2009, reflect a sportsman serving in that capacity. He believes that that is a very important item that the Board needs to make a motion on and get it passed since it comes from OHVAG.

Board Action

Mr. Woodling: I move that the Arizona State Parks Board revise the OHVAG Policy Statement such that the criteria for the OHVAG citizen-at-large member shall reflect that a sportsperson serves in the capacity starting January 2009 when that position becomes available.

Mr. Colton seconded the Motion. The Motion carried unanimously.

Board Action

Mr. Colton: I move that when the position next comes up that the second citizen-at-large position be designated for someone who is an environmental planner in either the public or private sector who has experience with land use issues.

Ms. Westerhausen seconded the motion.

Ms. Westerhausen noted that this is a big shift. Perhaps what is needed is not to put such a person on OHVAG but perhaps to have an environmental planning expertise advisory commission separately. From what she's hearing from staff is that the Board really doesn't have a real depth of knowledge there devoted to those issues. She is throwing that idea out for future consideration. It might be better to create an advisory committee that is geared towards those issues.

Mr. Travous responded that this might be addressed by making sure that when staff updates the OHV Plan people updating that plan have that expertise. Then the resultant policies would be based upon people doing that kind of work in the plan itself.

Chairman Scalzo noted that the Board would be discussing the Arizona Trails 2010 Plan update later in this meeting. This subject matter could be included as part of that discussion.

Mr. Woodling stated that he agrees with Mr. Colton philosophically and believes in where he is trying to go. However, he also feels that this advisory was established by the ASP Board. He would hate to, at this time without thinking about it, add another caveat to the citizen-at-large position. He agrees completely with Mr. Colton's philosophy. However, he feels adding a member of the ranching community is not a good idea. He would certainly not want a rancher on that group even though the ranching industry has a great problem with OHVs. This advisory group is set-up in such a way that they are very aware of some of the issues surrounding ranching issues such as cutting gates, cutting fences, making new roads, etc. He does not feel the ranching industry needs representation in that group. The Board has to pass on any new member (citizen-at-large or off-highway group) recommendation and the Board can hold them up if it doesn't agree. He feels the Board is meddling a little too much in the advisory group and needs to back off a little. He likes the idea of adding a sportsman.

Mr. Colton responded that he appreciates Mr. Woodling's comments. Therefore, he will not make a motion regarding the rancher position. On this motion, amongst the current advisory group members, he is not saying that individual members are not futurists, but he thinks it will become incumbent upon the Board to think about how the land is being used today but how the land needs to be used in the future and look for opportunities in planning ahead where this use (which is bound to grow as the state grows) can best coincide with the need to conserve appropriate lands while having other lands that can be utilized for this purpose. He stated that it is the process of inculcating that future look at our lands and that the uses of our lands in and amongst our advisory groups doesn't necessarily exist today. He thinks that the concept of a citizen-at-large is great if there isn't someone else to fill that position. As we look at it today, the citizen-at-large appears to still be associated specifically with the OHVAG community, which is not really a citizen-at-large. He believes that targeting that position makes some sense. He believes that someone who understands planning for the future would be most appropriate.

Mr. Woodling noted that about a month ago there was an article in the *Arizona Star* that was very vague with not much detail that dealt with the bill that was defeated by the Senate Natural Resources Committee on a 3-3 vote with one person absent. It was the bill that would set fees and guidelines. Evidently it was supported by many of the groups who support OHVAG. He doesn't understand why it failed.

Mr. Travous responded that part of the interest being seen now within the OHV program is that there is some anticipation that a lot more money will be coming in. They want to be at the table when it starts to be doled out. He believes that's why some of these other groups want to be involved. The bill was to create a registration fee program for OHV users with the money being dispersed in different areas. It did fail on the 3-3 vote but was brought back just last week with Senator Gray allowing one of her bills being used as a vehicle to be the strike-all amendment. He heard just this morning that the bill, because it was a strike-all amendment, can then go back for a vote if she concurs. It is in jeopardy right now by a threat of a filibuster. There are some members in both the House and the Senate who absolutely do not want this bill to pass. They will do everything they can, including the first filibuster staff have seen in 20-30 years. It is threatening to shut down the entire legislative process if this bill comes before the Senate. It's out there; it was killed once; it's been resurrected by Representative Weirs (the House Natural Resources Committee); and is being heard

again but is threatened. It is a bill that is similar to bills in California and Utah that would require OHVs to carry a registration program with the money to go to those types of things. Part of the argument has been that there is nothing to keep the legislature from sweeping this money. They may well do that.

Mr. Woodling stated his appreciation of Mr. Travous' explanation. He noted that there are people in the legislature who are totally opposed to it. However the article he read said that this bill has the support of OHV users, environmental community, and the conservation community. He asked why this bill is so onerous to several people. He doesn't understand.

Mr. Travous responded that it is a "freedom to ride wherever I want to; no government should be taxing me any more than they already have; and it's my Constitutional right to go on public lands whenever I want however I want" mentality.

Ms. Westerhausen noted that Mr. Biegel appeared anxious to address the Board.

Mr. Porter agreed and wanted to hear Mr. Biegel's comments.

Chairman Scalzo invited Mr. Biegel to again approach the podium to address the Board. He noted that there is still a lot left on the Agenda and requested Mr. Biegel to keep his comments short.

Mr. Biegel noted that he gets E-mails from Jeff Gursch, who is a prime sponsor and mover on this bill and has been for many years. He was told recently that one or two Senators are the biggest obstacles to this bill. It passed the House originally. They don't want it passed because of, "No new taxes." He understands that this is not a tax; it will actually save people money on registration because if one registers his/her quad or whatever, the fee is exorbitant just like on a car or a truck. By registering it through this method in this new bill, there will be a \$20 fee per year plus the registration fee. It will be cheaper for the average OHVer to use their vehicle on a street-legal basis because of this new bill. He doesn't see how some Senators can object to this as being a tax. He asked that question at an OHVAG meeting where they were present and never got an answer.

Mr. Biegel stated that his main concern here is that the Board is discussing the make-up of the OHVAG. Being the newest member of that group he doesn't have a lot of input except for one small item. He understands that this is an off-highway users group. The recommendations should be from OHVers and not necessarily from sportsmens groups; not necessarily from environmentalists; not necessarily from conservationists. It is an advisory council on OHV activities and usage. He doesn't think there's anyone on that that committee that he's met who is not concerned about the environmental impact that OHVs have in this state. They hear it from everyone they talk to; they see it when they're out on the trails. Everyone on the group that he knows would be extremely environmentally sensitive to anything that upsets the environment out there. They don't like to see people cutting fences; they don't like to see people off trails creating new trails and damaging the environment. He has already seen that OHVAG has a direct influence on the Board in some respects in trying to get education funds for OHV uses of all types (bicyclists, motorized vehicles, etc.) He believes that should be the real make-up of OHVAG as people who are in to OHV usage of all sorts – motorized or non-motorized – it doesn't matter. Most of them have multiple interests. He rides dirt bikes; he rides motorcycles; he drives a 4-wheel drive vehicle off-road. He spent last weekend camping in the middle of the Florence Junction area. They do a lot of trail

maintenance when they're out there. They do a lot of clean-up when they're out there as well as a lot of education. To diversify this group into something that it's not or wasn't intended to be is not something he sees as part of the OHV community or the OHV actions of the Board itself. He noted that these are just his thoughts on this issue.

Chairman Scalzo called for a vote on the Motion on the Floor. The Motion failed with Mr. Colton voting Aye and Messrs. Porter, Woodling, and Ms. Westerhausen voting Nay.

Ms. Westerhausen stated that Mr. Colton's idea is a very good one that should perhaps be developed in another setting besides in OHVAG.

Chairman Scalzo noted that the Board had a number of items that required the Board to go into Executive Session.

Chairman Scalzo recessed the meeting so the Board could enter Executive Session at 11:40 a.m. He requested all but necessary staff to leave the room.

Chairman Scalzo reconvened the public meeting at 12:20 p.m. He moved to Agenda Item F.1, Development. He noted the Board received a wonderful handout and turned the discussion over to Mr. Siegwarth.

F. DISCUSSION ITEMS

1. Economic Development Options

Mr. Siegwarth noted that the handout is a copy of the PowerPoint presentation he was about to give. A copy of that presentation is included in the Board Book.

Mr. Siegwarth noted that this is the third time the Board has seen this presentation. He has shortened it in some areas and expanded it in other areas. This is staff's attempt to talk more about policy rather than all of a sudden hitting the Board in July with, "This is how much money we have and this is where it's going to go."

Mr. Siegwarth congratulated Mr. Jay Ziemann, the Foundation, and other concerned citizens relating to how the chart from the presentation that shows that the Board gives them more than they give back looks now. The chart shows that the Board will get \$8.5 million and they will sweep \$5.5 million. While it's not showing huge support from the legislature, at least it's not as negative as it was.

Chairman Scalzo noted that the Heritage Alliance has held some meetings that he, Messrs. Travous, Ream, and Ziemann have attended, along with other organizations and agencies (Game and Fish, city organizations, county organizations, etc.). They are all working very hard to make sure that ASP and Game and Fish and other agencies aren't unfairly treated during this budget issue. It's great to see all these people from throughout the State doing some very interesting things. The Sierra Club and other groups are working with us and they are all working very hard to ensure that we are not put more into the negative than anyone else proportionately. That's a real issue. We seem to be, in the past and potentially currently, being pushed harder than others to support the state. That particular slide is very dramatic.

Mr. Siegwarth noted that there are some catalyst issues. In July he will request approval of a budget that will address FY09, FY10, and FY11. We need to start talking about this and the big issues that are out there.

Chairman Scalzo asked if the Board wanted to ask for a Certificate of Participation (COP) and use the funds from some other purchase or activity such as implementation of the Lake Havasu Contact Point Plan. If it involved the creation of more parking, more slips for the public, working with the Tribe to do some things and we needed to have Capital dollars, do we have the potential to go and do a COP and use the revenues from that project to pay it back? In other words, sort of continue the Tonto Bridge project but with a different location.

Mr. Siegwarth responded that in these difficult times, he would say almost anything is possible. However, he would like the opportunity to research this question.

Chairman Scalzo explained that he is talking about borrowing money and paying it off over a certain time period with revenues we develop from a new project such as Contact Point. It provides us money through tribal contributions, docking more boats there through our provision of more slips, and water activities and phases out pieces of a plan we are going to do right now.

Mr. Porter responded that this is creative thinking. It had never occurred to him before.

Chairman Scalzo noted that it's been done in other governments he's worked in. The Board doesn't have to go to the voters on that. COPs are used frequently in local governments.

Mr. Porter added that something like that was done several years to create the Papago Park museum for the Arizona Historical Society. It was very revolutionary. Governor Mechem had kittens over it. The legislation went through and then he left office before he could veto it. The bottom line is that that's exactly how the museum was developed. He hadn't even thought about that for Contact Point.

Ms. Westerhausen asked how the Park Manager would react if he heard the money generated from Contact Point would not be used on the lake.

Chairman Scalzo responded that it is being used on the lake because it is providing more opportunity for people to access to the lake and pay a fee for the process. It would help LHC; it would help the Board provide more recreational opportunities to the public; and it could be phased in. That project won't be completed in one or two years, but the revenues it produces would pay back the Capital so it gives the Board more flexibility for development in Lake Havasu. There could be partners. The collaborative approach could bring the City in to help with some of these projects. The Tribe might even want to buy these bonds because they have a very good value. There are many ways to do it. Developers may want to see this happen so that we have lake access. It is surprising how many people are willing to buy these bonds and to take any risk, which he believes would be minimal.

Mr. Woodling asked if the Board can do that legally.

Mr. Porter responded that it needs to be researched.

Chairman Scalzo noted that it's allowed by state statute and it's done quite frequently on acquisitions or Capital projects that produce their own revenue to pay the bonds back. He knows of many projects in Maricopa County where they did that on projects and paid them back that way. Their Board of Supervisors are what he considers to be moderately conservative. They don't believe in anything but cash, but they support it because it has a mechanism to pay it back. It comes from revenues – not taxes.

Mr. Siegwarth noted that he met with a number of staff and asked for revenue-raising ideas – good or bad. Those ideas are included in the presentation. He will look into COP and whether it needs JCCR review. One idea was a license plate per vehicle that includes a state residency fee. It would be a big help if we got \$1 from every resident in Arizona. Another was trying to get a bigger slice from the Lottery.

Chairman Scalzo noted that currently Game and Fish gets between \$6 and \$8 million a year from the Gaming statutes from when it was changed in 2002. They made sure they got all those funds and he believes that it should be amended to at least share it equally with the Board. He thinks the legislature might do it.

Mr. Siegwarth noted the concession program was begun to assist in revenues. We could concession out Contact Point. We could look at some of our properties – the land is worth a lot of money. Some parks may benefit from private investment.

Mr. Siegwarth added that we could really go after reducing some of our operational costs – concession out a lot of our staff. We could try to negotiate some of our current concession contracts. He has been in contact with a gentleman who owns a company that places advertising on toilet paper. The agency would get toilet paper free, which could amount to a savings of \$25,000 per year. If we want to go to advertising on toilet paper, that's one thing; above urinals is another. This is an internal issue that staff had heated discussions on.

Mr. Siegwarth noted that other ideas included corporate sponsorships, elimination of Annual Passes, etc. He noted that he is an avid rider of trains back east. One goes to a vending machine and buys 5 trips, 10 trips, whatever. It is “tap and go, tap and go, tap and go,” and very easy to use. Another suggestion was leasing sites. If people want to stay there a month, perhaps we should consider letting them stay there for 3 months but at a premium price and not at a discount.

Mr. Siegwarth noted that staff are trying to come up with organizational options. A maintenance unit could be created that would travel from park to park and perform certain maintenance. There could be regional law enforcement rather than law enforcement at every park. Maintenance or repair facilities could be more regional rather than at every park. There could be rangers who do more value-added things such as a “Save the Ranger” program. Years ago, the Ranger was the one who did the campfire talks, took visitors on hikes, and was always there to answer questions or help people to set up their campsites. Now they are so busy with work they are becoming something else. They are so busy at some parks they can barely keep track of the money and control parking.

Ms. Westerhausen noted that both she and the Chairman received a letter from an unhappy visitor to one of the parks.

Chairman Scalzo responded that he gave the letter to the proper staff person to take care of.

Mr. Siegwarth stated that the agency could go in the opposite direction and eliminate value-added services. It would be a bare-bones operation where the Ranger takes the money and the visitors are on their own.

Ms. Westerhausen noted that that is not making them Rangers – it's making them cashiers.

Chairman Scalzo noted that the value-added operation would include interpretive Rangers. Some parks systems have tried to make them more friendly and helpful.

Mr. Siegwarth noted the Board could start looking at seasonal hours or even reducing the hours or days of operations.

Chairman Scalzo stated that when the Board holds its July meeting, a lot of time is spent on the budget, and the budget is very important. It may be appropriate to get into more depth on some of this. He suggested that between now and then Mr. Siegwarth do more research on what the Board could do without legislative action and those things that would involve legislative actions so the Board can discuss them in more detail. He also suggested that staff put priorities on these issues for the next fiscal year.

Chairman Scalzo reminded everyone that the July Board meeting will be a two-day meeting (Thursday and Friday, July 17 and 18) and will be held at the Lodge at Tonto Natural Bridge State Park.

Mr. Woodling asked if the lodge would be available considering the shape of the roof.

Mr. Ream responded that he checked on that this morning. He stated that staff can only take one project to Procurement at a time. Because of seasonality, it is best to take Picacho Peak State Park's project to Procurement first so we can begin construction during their off-season. Tonto will follow Picacho and, therefore, be available for the Board's July meeting.

Mr. Colton suggested additional options. If COPs can't be done through the state for some reason, perhaps it could be done through a partnership with the City, who could do it. There may be ways to run it through the local governments. In looking at the concession at Cattail Cove, while the agency may currently be in unsatisfactory situations, it may be worthwhile to buy them out or have another entity come in and buy them out for something that's far more lucrative. Another consideration could be what we can do with air rights. We have existing use on the ground, but maybe there's something above it that we could make money off of.

Mr. Siegwarth reported that usually by September 1 he has all his budget plans in. Mr. Ziemann needs to have our legislative agenda at the Governor's Office so they can review it and coordinate it so that when the legislative session starts in January the Governor supports it.

Chairman Scalzo stated that he would like to ask the Vice Chairman, Mr. Woodling, to work with Mr. Siegwarth because it will affect him next year, too, as Chairman. He wants the Board to be able to work together and spend time to do things that make sense and prepare for the future. The future now is that we need money and we need to be much more creative than we have been in the past.

Mr. Woodling responded that he could not disagree with the Chairman and looked forward to working with Mr. Siegwarth. He noted that the fiscal year ends June 30 and the Board meets on the budget in July. He asked if the July meeting is to discuss some of these items late.

Mr. Siegwarth noted that what happens is that the Board passes a 3-year budget. Normally what the Board does in July is passing revisions to the budget so that he has enough time to operate in July until the Board revises it.

2. Budget

Mr. Siegwarth reported that he is still waiting to hear from the legislature on the budget. He believes the agency is fine for 2008; it's a little late to do anything catastrophic now. What he's seen is better than he expected. For FY 09, things are up-in-the-air and he is concerned about that.

3. 2008 Legislative Session

Mr. Travous reported that Mr. Ziemann has been working hard to get the bill that would amend our Annual Passes killed. He is hopeful that he has a member of the legislature who will sit on that bill until the end of the session. The OHV bill was discussed earlier today. The other bills are spelled out in the document that was distributed to the Board this morning. The big thing now is the budget and how much time they spend on the budget.

E. BOARD ACTION ITEMS

5. Picket Post House

F. DISCUSSION ITEMS

6. Verde River Greenway Properties

7. Santa Cruz River Properties

Board Action

Mr. Porter: I move that the Board authorize the Arizona State Parks Director or his designee to continue negotiations to purchase the properties discussed in Executive Session and to expend funds for due diligence and associated expenses for the purchase of these properties, and to bring purchase contracts to the Board for final action.

Mr. Woodling seconded the motion and it carried unanimously.

G. EXECUTIVE STAFF UPDATES

1. Arizona Trails 2010 Plan Update

Mr. Ream reported that this is a read-only update that was included in the Board Packet. It is the Arizona State Trail Users survey that will be conducted by Arizona State University (ASU). This year they will hold workshops statewide along with their phone calls and mail-ins. They will work with the people who work with trails at the workshops for their input. They expect to have their results in draft form early next year.

2. ADOT Roads Funding Update

Mr. Ream reported that he attended the March 20, 2008 Arizona Department of Transportation's (ADOT) board meeting in Tucson where they approved and passed the Roper Lake State Park project that they had been sitting on. We still have issues with that board. Mr. Feldmeier suggested that their staff contact ASP staff for the purpose of creating a partnership of sorts between the two agencies regarding this money. He used, as an example, a motion that was made earlier in their board meeting where the Arizona Game and Fish Dept. partnered with them at a \$9 million number to build a new traffic signal light at their new offices on Care Free Highway. ADOT put in

\$1 million and Game and Fish put in their money. He assumes that the question is why ASP is not participating with a dollar number as well. He has not yet met with them. Last night he exchanged voice mails with the Deputy Director of ADOT regarding meeting next week. There are no projects coming up immediately for their approval, but our five-year plan is due in the next few weeks. They work everything out of their five-year plan. We need to be in that five-year plan. He is encouraged that Mr. Feldmeier voted for the Roper Lake project. He believes that it is a matter of money. Mr. Feldmeier also asked that the SLIF be placed on their agenda for discussion; however, that was pulled at the last meeting. He was told that it may return. He believes that it's because it comes from gas tax money.

3. Update on Proposed Elder Hostel at Red Rock State Park

Mr. Ream reported that that project is not dead. The President of NAU (Northern Arizona University) has other priorities for right now. This project is sitting with the President of NAU. The last he's heard is that they are building a hotel on the NAU campus much like the Marriott project is at the UA (University of Arizona) campus. He questions why all the hostels can't just stay at his hotel. Staff's argument is that that is not Sedona – it's Flagstaff. Sedona is what makes the difference in this elder hostel program over all the elder hostel programs in the state. This is the largest. He will speak with Mr. Wayne Fox to see whether he can attend the Board's May16 meeting only if there's a change.

4. ASP Foundation

Mr. Travous reported that the Attorney General' Office (AG) has information they requested from him regarding all of our friends groups and Foundation. They have not responded to him and he has not called them in more than a month. He will call them prior to the next Board meeting. It will be on the next Board Agenda.

5. Update on Litigation by Mabery LLC

Ms. Hernbrode reported that she regretted that Mr. Cordasco and Mr. Hays are not present. As a result of discussions with the Maberys, she is pleased to report that a verbal agreement has been reached to settle this litigation. However, she has not received the paperwork to sign. It is her understanding that some members of the Mabery family have been experiencing some serious health issues and that has impacted their ability to schedule a meeting on this issue. She certainly understands why that would be more important than a meeting. She has a call in to Mr. Rick Mabery to find out what the status is. He has not been able to return her call.

Ms. Hernbrode reiterated that we do have an agreement. The Maberys did feel that the 50' width was a deal breaker for them but agreed on the rest of the terms. Mr. Hays and Mr. Cordasco felt that the explanation they had for the 50' width was good. She said she preferred not to go into more detail until there is a signed agreement that she can bring to the Board at the next meeting in May. We are in a good place there and she hopes we can get some issues resolved. They have a deadline for filing with the Supreme Court (April 21) if they plan to petition for Review, and they would like a signed agreement before that time. It puts them under a deadline; we are not particularly anxious about it. We would like to accommodate them if possible. We have received a verbal agreement from the majority shareholders of the Mabery Ranch Co.

H. CALL TO THE PUBLIC

There was no public remaining in the audience who wished to speak.

I. TIME AND PLACE OF NEXT MEETING AND CALL FOR FUTURE AGENDA ITEMS

- 1. Staff recommends that the next Arizona State Parks Board Meeting be held in Phoenix, AZ on May 16, 2008.**

Chairman Scalzo stated that the time and place of the Parks Board meeting is scheduled for May 16, 2008 at the ASP Board office in Phoenix. If, for some reason the Board needs to meet prior to that date due to budgetary or land acquisition issues the Secretary will work with the Chairman to come up with that date.

Chairman Scalzo also noted that the meeting will begin at 10:00 a.m. When the Board travels out of the metro-Phoenix area, the meetings generally start at 9:00 a.m. because most of the Board members are already there.

Chairman Scalzo stated that there was one final thing to be done in recognition of a long-term member of this Board who may or may not be leaving the Board by the next Board meeting. He asked Mr. Travous to do a presentation.

Mr. Travous stated his hope that this would not be Mr. Porter's last meeting, but it might be. If it is, the Board and staff want him to come back to a Board meeting so we can present him with his lifetime pass. In the meantime, it was felt that because he was so instrumental in our relationships in LHC that the plaque for the first WALETA class really belongs to him. He presented Mr. Porter with the plaque.

At this time photographs were taken of the Parks Board and Mr. Travous.

Mr. Porter stated that, even if he is still on the Board on May 16, he had been counting on not being on the Board. Because of that, he has another commitment on that date. Should this turn out to be his last meeting as a Parks Board member, it couldn't have been anything better than that cryptic motion that, hopefully, sets in motion the acquisition of Picket Post House and the acquisition of those river properties elsewhere with water rights. That is a spectacular step forward. He is leaving happy with having made that motion. He believes that signals the future of what ASP is all about and what it should be.

Mr. Porter added that he has no intention of disappearing. He has received an invitation to serve on the board of the Arboretum and immediately said yes. He also received an invitation last night from LHC to work with them on Contact Point and fundraising on an advisory group they are forming, and he said yes. He has no intention whatsoever of breaking ties with the Parks Board. He will probably turn up at a meeting someday and lobby from the audience on his favorite topic – San Bernardino. He stated that he is not going lightly into that dark night.

Chairman Scalzo thanked Mr. Porter for his service on the Board

J. ADJOURNMENT

Mr. Porter made a motion to adjourn. The Chairman adjourned the meeting at 1:10 p.m.

Pursuant to Title II of the Americans with Disabilities Act (ADA), Arizona State Parks does not discriminate on the basis of a disability regarding admission to public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the acting ADA Coordinator, Karen Farias, (602) 364-0632; or TTY (602) 542-4174. Requests should be made as early as possible to allow time to arrange the accommodation.

APPROVED:

William Scalzo, Chairman

Kenneth E. Travous, Executive Director