

THE STATE OF ARIZONA
ARIZONA STATE PARKS BOARD

TRANSCRIPT OF AUDIO RECORDED PUBLIC MEETING

Tonto Natural Bridge, Arizona

July 17, 2013
10:00 a.m.

*Miller Certified Reporting, LLC
PO Box 513
Litchfield Park, Arizona 85340
(P) 623-975-7472 (F) 623-975-7462*

Transcribed by:
Dawn Archambo
C.E.R.T. 00231

A PUBLIC MEETING, BEFORE THE ARIZONA STATE PARKS BOARD,
convened on July 17, 2013, at the Tonto Natural Bridge State
Park, 10 Miles North of Payson, on Highway 97, Arizona.

APPEARANCES:

Mr. Bryan Martyn, Director
Mr. Kent Ennis, Deputy Director
Mr. Alan Everett, Board Member
Mr. Larry Landry, Board Member
Mr. Jay Ream, Deputy Director
Mr. Kelly Stetson, Board Administrator

OTHERS PRESENT:

Mr. Randy Bernage, Ranger
Ms. Dawn Collins, State Parks Department
Mr. Kenny Evans, Mayor of Payson
Ms. Joy Hernbrode, Assistant Attorney General
Ms. Cristi Statler, Arizona States Park Foundation

1 (Note: Poor audio at times created indiscernible
2 throughout transcript)

3 MR. CHAIRMAN: And he didn't introduce himself,
4 but I would like to welcome Mayor Kenny Evans, Mayor of
5 Payson. Good to have you with us again, sir. Would you
6 care to say anything?

7 MR. EVANS: I would.

8 MR. CHAIRMAN: I thought you might being a
9 Mayor.

10 MR. EVANS: (Indiscernible) they always come in
11 off the farm, they've got to say something.
12 (Indiscernible).

13 We want to welcome you and appreciate you
14 coming up here. I think you sense our sense our pride in
15 this facility. As you are aware, we fell on some hard
16 times by the time I was elected Mayor (indiscernible)
17 State Parks around the State.

18 We are appreciative of the excellent work that
19 we've been able to (indiscernible). And one of the
20 things that I would like to do is thank you for your
21 support. We literally were at a crossroads. This
22 facility could have been -- a big sign up there saying
23 "Park Closed." And so we do appreciate your support and
24 I hope you appreciate the efforts that we went to think
25 outside the box and come up with new and innovative ways

1 to not only make this Park available to the public and to
2 stay open, but to improve it, and I think take that giant
3 leap forward in terms of saying these are assets and
4 resources for not only our community, not only in our
5 County and not only in our State, but for the world.
6 Literally, you're in a world-class facility here. I
7 quite often -- my wife likes to redecorate inside and I
8 tell her just open the blinds, the world's best decorator
9 had decorated has come before us. And you have that
10 right here. What a beautiful and scenic site. And we
11 have great hope that you will catch our vision for what
12 this can be.

13 We believe this can be a site that generates
14 250,000-plus visitors a year. We believe that this is a
15 site that can become a destination for travelers not only
16 from here but from around the world. Our websites about
17 four million hits a month, the Town of Payson's website,
18 and this is one of the significant features we have on
19 that website.

20 One of our challenges, and obviously I'm going
21 to make a sales pitch. One of our challenges is, is that
22 quite often when we're sending out these electronic
23 images of what this country looks like and what the State
24 Park looks like, they're going to people in Amsterdam or
25 London or Japan or all over the world. And they come

1 here thinking that this Park because it's so beautiful,
2 it's open seven days a week, and obviously, because of
3 the budget crisis we have not been able to do that.

4 So one of the things that I would encourage you
5 to do is help us fix this little crisis. We have an
6 awful lot of people who end up in Payson going, "We came
7 up and there's a big sign out there saying the Park was
8 closed." So if there is a way to do it, we believe that
9 will help exponentially, not just the extra two days a
10 week. It's the fact that we have visitors who travel
11 here as a destination sometimes on trips that cost them
12 tens of thousands of dollars to get here and they don't
13 have the ability to adjust their travel schedule if we're
14 not open. They just keep right on going and hit the
15 Grand Canyon or other places down here.

16 So if it's possible, we think it would be a
17 great advent to the State Park system, and we believe
18 this can be one of the gems of the State of Arizona right
19 here in our backyard.

20 Thank you for being here.

21 MR. CHAIRMAN: Well, we want to thank you, too,
22 Kenny, and the community both of Payson and Star Valley
23 for all the help and support that we receive from you
24 folks. We really do appreciate it.

1 MR. EVANS: Don't forget the Copper Patch
2 (indiscernible).

3 MALE SPEAKER: Mr. Chairman, I just want to --
4 well, the Mayor and I have known each other since the
5 (indiscernible) Administration. He was the Department
6 Head, I was just one part of the rat pack in the
7 Governor's office in those days.

8 But I think -- there's a lot of new Board
9 Members. You were the first -- you came together. You
10 raised \$50,000 from you, the Chamber, the Tonto Apache
11 Partnership, you saved this Park. And stick around for
12 our budget discussion, because we may have some technical
13 questions of you when we get to seven days a week. I may
14 have some questions of you if you can, Mayor.

15 MR. EVANS: I'll be here.

16 MALE SPEAKER: Again, thank you for being here.
17 Appreciate you being here. We're not only fighting the
18 State Parks but all your sister agencies who were invited
19 to come to beautiful Payson. Many of them have their
20 conferences in the summer and travel to Flagstaff, and we
21 believe that we have all the amenities of Flagstaff and
22 we're a whole lot closer.

23 MR. CHAIRMAN: That's true. A whole lot nicer
24 in a lot of respects. Thank you, Mayor.

1 Since I have no other notices for call to the
2 public, as Chairman, I'm going to exercise my authority
3 and go slightly out of order on the Agenda and jump to
4 item (indiscernible) 7, which I have been told the
5 wording came directly from Joy. (Indiscernible).

6 MALE SPEAKER: I'd like to make a motion, but
7 beforehand I would like to make a comment that
8 (indiscernible) just a little bit.

9 We kind of took the aggression (indiscernible)
10 a little bit as far as chairmanship and Wally moved in
11 and filled the void, which we all appreciated, and we
12 need to reconsider him now. I like that word,
13 "reconsider." It kind of makes it sound like we made a
14 mistake, but it's not. Wally has done an outstanding
15 job.

16 But I'd like to move that we elect Wally -- I
17 mean, Larry Landry as Chairman of the Board.

18 MR. CHAIRMAN: Is there a second?

19 MALE SPEAKER: Second.

20 MR. CHAIRMAN: The motion is seconded, any
21 further discussion? Congratulations, Mr. Chairman.

22 MR. LANDRY: I appreciate it. Mr. Director,
23 the little -- Mr. Chairman, I want to on behalf of the
24 Board present something to you. When I first got to the
25 Governor's office, one of the first things I had to deal

1 with was how (indiscernible) the State land. And a
2 "reasonable rancher" was an oxymoron to me. But then I
3 met Dewayne Miller, then I met Bob Hathaway, then I met
4 little (indiscernible), then I met Resource Wayne and
5 then I met this Chairman.

6 So Mr. Chairman, the first Park Lands
7 Foundation I actually signed the -- Slide Rock State Park
8 (indiscernible) this belt buckle that doesn't exist
9 anymore, I would like you to have it for your outstanding
10 leadership. This is on behalf of the Board.

11 MR. ARMER: Well, thank you.

12 (Clapping)

13 MR. CHAIRMAN: Okay. Let's move right on and
14 I'll try not to take too long today. With Item No. 1 on
15 the Consent Agenda has been pulled because of some of the
16 language we need to discuss further on the bylaws. I
17 hope that if we need to have a special -- Mr. Director, a
18 phone call or something to pass that. There just needs
19 to be some language.

20 Having said that, I'll accept a motion on the
21 rest of the Consent Agenda, Item No. 2.

22 FEMALE SPEAKER: I so move.

23 MALE SPEAKER: Second.

24 MR. CHAIRMAN: All those in favor?

25 (Chorus of "ayes")

1 MR. CHAIRMAN: Against? So it's unanimous. F,
2 Director's Report of Current Events.

3 MR. MARTYN: Mr. Chairman, congratulations.
4 Board Members, good morning. Thank you for spending time
5 with us. A quick minute to thank Park staff for last
6 night's work. I'd like to single out, specifically Mr.
7 Green and all his cooking. Hours, literally hours were
8 spent there. I hope Board Members, that you were able to
9 spend time with us and enjoy the time.

10 Mr. Jake Klowski (phonetic) thank you, the Park
11 Manager for his staff's effort in getting all the beds
12 ready. I hope your sleep was comfortable. The weather
13 cooperated, it was good as far as our cool night, and I
14 hope you enjoyed those pink beds.

15 With that, Mr. Chairman I will -- (clapping).

16 We will go through these slides, these slides
17 have been available to you. I will briefly run over
18 them. If there are questions about a specific topic, you
19 have staff here available to expound if necessary.

20 Lake Havasu (indiscernible), big, big deal for
21 us. Working in conjunction with the Marine Association
22 and that community, we're getting -- that Park is really
23 coming on and plays a significant role in Lake Havasu.
24 And, of course, the boat show, you see that 10,000
25 members, people come in, and those are high-end boats. I

1 don't know where they get all the money but they do. And
2 they show up at Windsor Four out there and they have a
3 great time, and the good thing is they get to see our
4 beach. And for those members who haven't been out to
5 Windsor Four to see our beach lately, you should probably
6 set up a trip. I think you'd be pleasantly surprised.

7 Devilish Ranch continues to play a significant
8 part in that -- in the Verde River Greenway. And they've
9 got the kids out there. I will -- George and Margie were
10 working that. George, of course, is the Manager out
11 there. He continues to do a great job. He created part
12 of that community. I will tell you and George and Max
13 showed up at the Yarnell piece as well, some of those
14 memorials. We played a significant role in that.

15 I personally was at Mr. Gosar's event at Henry
16 Riddle. We continue to offer our support. I just
17 mention that here because George and Max were our key
18 members for State Parks on that, and I think we sent
19 somebody to go -- Fool Hollow picked up --

20 MALE SPEAKER: Tim Wilson went to the memorial.

21 MR. MARTYN: Right, the big one. The big one
22 where the Vice President was at.

23 MALE SPEAKER: (indiscernible).

24 MR. MARTYN: Good, good. Thank you. So,
25 again, we are members of the community as Marilyn will

1 definitely attest to, so we're doing our part there.

2 Next slide.

3 A lot of events out there. Birdy and Nature,
4 this is right in our wheelhouse. We need to continue to
5 demonstrate this. We are -- we're a natural resource.
6 We're not just camping, we're interacting with our
7 customers and giving people a reason to come out other
8 than just camp. Next slide.

9 MALE SPEAKER: New corrals for horseback riding
10 enthusiasts. It's a great destination for horseback
11 riding, particularly if you have your horse in the
12 Phoenix area. You go up to Cottonwood. (Indiscernible
13 camp gear. We have a (indiscernible) for your horses and
14 they can take a horseback ride up and down the Verde
15 River, the Lyman Lake Trail and other trails into the
16 Prescott National Forest.

17 MALE SPEAKER: Are there horses -- we don't
18 rent horses to ride?

19 MALE SPEAKER: We also, we rent horses.

20 MALE SPEAKER: We do. Okay, that's what I
21 thought.

22 MR. MARTYN: We have a concession on
23 (indiscernible). Most of our horses are (indiscernible).
24 You'll see George -- in fact, that slide on the left,
25 that's George having a toast. Next slide please.

1 Park maintenance, we continue to remove some of
2 the invasive species out there. We're working closely
3 with the (indiscernible). Big, big deal keeping it
4 clean. We are stewards of the Verde River Greenway and
5 we are seen as such from the (indiscernible) of the world
6 to the Walton Foundation. They come to us. They know
7 that we're the primary property owner along the Greenway
8 and we're doing things well. Next slide.

9 There it is. We got this at Ikea. It came in
10 a box about that big. We bought this. We're having a
11 big trouble with the cattails out there and so we
12 purchased this cattail cleaner and it's really tough. If
13 you read this slide you'll say it's very challenging
14 because the overgrowth is so much. But once it's cleared
15 it, it will be easy to stay on top of it.

16 We're exploring whether or not we use this
17 often enough to preclude us from having to travel to the
18 Roberts and the like. But most people have known it.

19 If we can move it, we'll move it. If it's too
20 busy at this lake, we'll get another one. So this allows
21 us -- you can fish on the lakes now, you can boat on the
22 lakes now. And, again, this is a good use of the
23 resource in making sure it's successful to our customers.

24 FEMALE SPEAKER: Mr. Chairman, Mr. Director,
25 the price of them, do you know?

1 MR. MARTYN: 21,000.

2 MR. CHAIRMAN: A roper would be an ideal
3 (indiscernible) to help solve the problem we've got over
4 there.

5 MR. MARTYN: Mr. Chairman, Ms. Garner
6 (phonetic), we completely agree. \$20,000 is still \$20,000
7 and I can haul that thing across the State a lot for
8 \$20,000. But we're going to look. If they're busy enough
9 where it makes sense to just leave it there, we'll get
10 another one. But we definitely would want it at other
11 Parks. Next slide.

12 (Indiscernible) Days coming up there. We don't
13 get up there often enough I think as a body. I encourage
14 our Board Members, Mr. Chairman and the Board, if you
15 have a chance to get out there and be a part of that,
16 that's a good thing. It's a long drive but it is a good
17 thing to go to. And the guys -- you know,
18 (indiscernible) and Company do a fantastic job up there.
19 And, again, we know the Hopi are still \$75,000. So it's
20 nice when we demonstrate, hey --

21 MR. CHAIRMAN: And they're not a gaming tribe,
22 so they really don't have the revenue stream that some of
23 the other tribes have.

24 MR. MARTYN: Next slide. BTA State Park.
25 We're still working on that. They continue to do what

1 they do. Dragon Fly Wash, they've got lots -- I don't
2 know if we have -- have we had a Board meeting since our
3 get-together out there?

4 MR. CHAIRMAN: We haven't had a Board meeting
5 at the BTA (indiscernible). Oh, I'm sorry.

6 MR. MARTYN: After the conference at
7 (indiscernible).

8 MR. CHAIRMAN: Yes.

9 MR. MARTYN: I did talk about it. And BTA is
10 still doing well. We're still working it. And Mr.
11 Chairman and Mindy Maddox in the future, we can explore
12 looking at moving the meeting out at BTA (indiscernible).
13 It's as convenient as any. We need to continue to
14 demonstrate that BTA is in fact a State Park. We need to
15 remind them all.

16 MR. CHAIRMAN: We had a meeting there last time
17 I went of the Board, which has been ten years ago.
18 That's when we had the meeting and likely was the last
19 time.

20 MR. MARTYN: Mr. Chairman, I will leave that
21 with you (indiscernible).

22 MALE SPEAKER: Well, at the end of the meeting
23 we can talk about future meetings, because I know we also
24 -- the Governor's interested in going to a Board meeting
25 at San Rafael. So maybe in November. Go ahead.

1 MR. MARTYN: That would be fantastic. Thank
2 you, Mr. Chairman. And then the next slide.

3 The Moonlight hikes. Mr. Chairman, as you well
4 know, you can probably brief us as well as anybody in the
5 room, probably as well as anybody in the State. So this
6 is information about it. Again, I encourage Board
7 Members to --

8 MR. LANDRY: I will tell you that we've done
9 it, Nancy, we've done it - what? -- a number of times
10 now. Every time we bring guests. One immediately is
11 going to give a large donation to State Parks. It is
12 seeing the sunset and then seeing a full moon rise over
13 the red rocks, and Maggie or Norm, or any of the
14 volunteer naturalists telling you why the rocks are red.

15 And when I went -- we went last time, there
16 were about 30 people, there were three groups. There was
17 only -- we were the only ones from Arizona. It's all
18 Internet and it's all -- I mean, we need -- the more we
19 could market that in the State even more, it's such a
20 fabulous experience, and I just would encourage Board --
21 it's an amiable, it's not a hike. I mean, you literally
22 walk maybe a mile and then you walk maybe a mile back,
23 and it's not steep. So don't let the word "hike" deter
24 anyone. And there are kids on it. And the "wow" factor
25 and for \$5, it is absolutely the best value in Arizona.

1 So I would just encourage Board Members and I
2 would like it since -- when we get to the budget, we're
3 going to have to figure out how we get enough money so we
4 can do it two nights like we used to every month, because
5 we're down to only one night. And we use to do it two
6 nights of the full moon. And we sell it out. We take
7 the maximum 90 people and we sell it out every time.

8 And by the way, I'm going to make sure I put my
9 reservation in for the 20th.

10 MR. MARTYN: Thanks a lot. Any questions about
11 the current events' update, things going on, Mr.
12 Chairman, Members of the Board?

13 MALE SPEAKER: Well, Mr. Chairman -- I'm the
14 Chairman, what the heck. I just want to commend the
15 Director, with the Yarnell tragedy and the fire and the
16 State Park (indiscernible) was up there the next day. We
17 offered all kinds of assistance with our folks, with our
18 facilities. We've been working very, very closely with
19 the Governor's office. We've raised a lot of money and if
20 there's -- the Governor's office, you know, has relied on
21 the State Lands also. There's a small group that's been
22 doing an awful lot of work and raised a lot of money, and
23 Bryan is front and center of that.

24 So I want to commend the Director for his
25 leadership and responsiveness on what we've done and

1 continue to on that. And Congressman Schweikert is very
2 appreciative. Bryan was up at the memorial where the
3 whole delegation was. So, I mean, he dropped everything
4 and ran up there. I just wanted to publicly thank him
5 because he has a lot on his plate.

6 So thank you, Mr. Director.

7 MR. MARTYN: Mr. Chairman. All right, let's
8 move on. Next slide. And we'll be deferring any
9 questions -- Kent is kind of keen in this. So if you
10 have any questions at all, Mr. Ennis and Mr. Ream and the
11 staff who sit behind me, would be happy to answer them.
12 All the information is available in the packet. Some of
13 it's a little difficult to get to. If you cannot find
14 it, Mr. Ennis will help you with any questions on that.
15 Mr. Chairman?

16 MR. CHAIRMAN: I would just like to kind of
17 throw this out, and I warned you this is coming. So
18 you've done remarkable not only with all our partnerships
19 like the Mayor's, but you've done remarkable with the
20 SLIF money, with part of the interest we're earning
21 (indiscernible) on the Permanent Fund. We suddenly are
22 at a phase where we no longer are wondering if our doors
23 are going to be open.

24 We suddenly have enough -- not enough, not even
25 touching our capital, which obviously we have our

1 separate Capital Program I know you've briefed the Board
2 on the Blue Book. But I would like to, if need be, at
3 our September meeting, I want to challenge you -- I mean,
4 I want to see this place open seven days week. The
5 demand is there. I think if I read the budget right we
6 have one new FTE probably slated around September-ish for
7 this -- but if we had two new FTE's here, I think it
8 could go to seven days a week.

9 I want to challenge you to come back if it's
10 not -- I couldn't see it specific Park-by-Park here, that
11 we -- and Mr. Director, I know we've talked about this,
12 that when we had to go into the dark days and we had to
13 do extensive reduction in Forest Service, that Board at
14 the time made a policy to the staff that would bring back
15 those that still could come back. I know we've lost some
16 to retirement, or we put a lot of people on seasonal.
17 But if there's any seasonals that were Rangers, I sure
18 would like to know. I hope they're getting back into
19 Parks because they've already been vetted. Some of them
20 are already law enforcement. They would be technically
21 easier to the DOA HR Department.

22 And so I guess what I'm saying is, we went from
23 a defensive victory, not any money taken away from us
24 last year, to an offensive year. And I really hope that
25 we're very aggressive and judicially staffing back up,

1 because I think we can dramatically improve our
2 visitation. Now whether that means Red Rock stays open
3 seven or not, I guess that's not cost-effective
4 necessarily.

5 But this place, for example, seven days a week,
6 it's all on-line. Did I say that right, Mayor? Let me
7 see my notes. I guess it's a general thing. You've done
8 a terrific job and I think this budget presentation is
9 good. And I just think I want to make sure that out of
10 the average resources that we don't need to be public
11 about. We still are broke. That we really get back to,
12 you know, an operational standpoint, still have our
13 partnerships. But a lot of them, like in Camp Verde,
14 they just can't do any more, because it was supposed to
15 be temporary.

16 So I guess I want to commend you, but at the
17 same time offer this as a challenge that I would like to
18 have a status report at our September budget meeting of
19 where we are Park-by-Park, and increasing what we need to
20 do. And, Mayor, if you know, this -- we need whatever we
21 call it, special events place here, it's about \$100,000.
22 Can you go get us some money and maybe we get some money
23 and let's get that done?

24 MALE SPEAKER: We did it before.

1 MR. CHAIRMAN: Let's do it again. All right.

2 That's enough.

3 MR. MARTYN: Thank you, Mr. Chairman. I
4 thought I'd make a brief comment about that. Everything
5 we do in this Agency (indiscernible) revolves around the
6 math (indiscernible). I'm very happy to explore all the
7 options out there relative to the manning issues. We
8 need to be cognizant as a body of business, men on this
9 side of the aisle, that our numbers work.

10 I'm happy to look at this and I'm very
11 confident that the numbers will work, but I need to prove
12 that seven days a week works for any Park, and I'm happy
13 to give you those numbers.

14 MALE SPEAKER: Mr. Director, just one comment.
15 I want to talk about the math at Fort Verde, which I've
16 talked to you about. When I stop on the Sunday after
17 July 4 and the Park Manager Sheila was there Sunday
18 afternoon, and there must have been in 30 minutes almost
19 50 people. And between us, we cross sold the other Verde
20 Valley Parks. You know, I sent people to Slide Rock,
21 Jerome, Dead Horse, Red Rock. She and I -- I mean it was
22 just -- and part-time people don't work. We need another
23 Ranger up there, Mr. Chairman and Mr. Director, because -
24 - and I hear from those volunteers, you know, George and
25 the gang, they're great people.

1 I guess what I'm saying is, the math on
2 historical Parks never works. However, when you look at
3 the cross-selling of our other Park attendance, I want
4 that figured into the math of at least that Park, because
5 driving our numbers up other places, plus the
6 entrepreneurship you've done up there at a regional level
7 with the Federal Government, is something Secretary
8 Jewell, wants to come to Arizona and do throughout the
9 State with the State Parks.

10 So I had a chance to visit with her at the
11 Western Governor's Association and that's what she talked
12 about, partners, entrepreneurship, and that's what you've
13 been doing, Mr. Director. So I would just say I
14 understand the math of historical Parks. I don't always
15 like the math, but at that one specifically, builds our
16 numbers. So that's all.

17 MR. MARTYN: Thank you, Mr. Chairman. And at
18 the end of the day, this is your Agency, so if that's the
19 direction you want to go, we would give you the math or
20 the numbers and the cost, what it actually means.

21 MR. CHAIRMAN: Okay. I guess there's math and
22 there's math.

23 MR. MARTYN: Amen.

24 MR. CHAIRMAN: Okay.

1 MR. MARTYN: Next slide. A couple of our
2 priorities. I sent out an e-mail referencing an
3 investment guide, the Critical Need Guide referenced in
4 the Blue Book internally. That particular Blue Book was
5 inspired by the fact that I believe we had a hard time
6 wrapping our heads around what our actual needs were.
7 People would come to see me, what do you need, and I had
8 an Excel spreadsheet that had some numbers on it. And so
9 the helicopter pilot in me said, "I need some small words
10 and pretty pictures that clearly show what our needs
11 are."

12 So we developed this book and in an effort to
13 go out and show what we need, our list, our gift list as
14 it is or need book. Based on the guise that the policy
15 that you've approved, we have this ability, this
16 sponsorship policy that we have in place now. So we have
17 this ability if this Board has decided to move forward
18 on.

19 And there are some -- some of the
20 (indiscernible) that differ at the Attorney General's
21 office that this Board has already made a conscious
22 decision that this -- the direction that we're going to
23 go.

24 I will be headed to -- we hired a Federal
25 Lobbyist in an effort to identify funding opportunities

1 for the critical needs to (indiscernible) the Capitol for
2 the Agency. Our initial goal for the Federal Lobbyist
3 was to take care of the EPA on public mandates. Its
4 about 15 million or so million dollars in capital.

5 I'm headed to Washington this week, and I will
6 be visiting a number of Congressmen and agency heads,
7 including BLM, Forest, and Wildlife, (indiscernible
8 Wildlife Service. And we have a number of issues that
9 will be addressed. I will submit a briefing, a written
10 briefing on my trip following -- what it is or what we
11 accomplished so you will have that available to you for
12 your next meeting.

13 We also hired, as you know, the Strategic
14 Concession Strategist. I think that's a good term.
15 That's Margaret Bailey, you've met her. We continue to
16 math the Agency, getting the (indiscernible) numbers,
17 what does it cost to do what we do, and what is the
18 revenue potential based on our portfolio of what we have.
19 And we are looking at where we go with a concession, a
20 single concessionaire model. And I won't go into that
21 because you've already heard that spiel.

22 So we're still moving forward with that, and
23 we're almost done with -- Margaret almost has the numbers
24 compiled. So we'll have a very good indicator of what

1 our status is, what our real options are available, what
2 our assets are.

3 State Park Revenue Fund Capital, you know, one
4 of the issues that has come up on the -- we have the SPRF
5 money. The money that comes in the gate goes into a
6 fund, the SPRF Fund, and then we now have the ability to
7 use that for operations.

8 Unfortunately, we don't have the ability to use
9 it for capital unless it's appropriated. This is an
10 issue for us because right now we've got about six
11 million dollars plus sitting in the bank in the SPRF
12 money, and I can't get to it for capital. And our needs
13 are capital right now.

14 That's an issue that will come up and you as a
15 body, Mr. Chairman and Board Members, I'm soliciting your
16 future help as we move forward with our legislature and
17 our Governor to try to figure out how to make these funds
18 a little more available. I do understand the idea of
19 having money sitting in the bank as a rainy-day fund.

20 What is that number, is it six million?
21 Because next year it quite possibly will be ten million.
22 And that's money that I could use. Mr. Chairman?

23 MR. CHAIRMAN: I guess. I guess this is to
24 Joy. When we make our motion on the budget, are we
25 entitled to put something in that we needed to request

1 that the Director come back to us with specific
2 recommendations on the six million? For example, let's
3 say 100,000 here for the event center or whatever, that
4 we could then forward as a Board to JLBC to request to
5 spend that. Is that how we have to spend the six
6 million, we have to go to JLBC?

7 MALE SPEAKER: Yes. We have in the package,
8 although as Grant pointed out, it's hard to see, which
9 (indiscernible) was going to talk about, some
10 recommendations for capital. That the emphasis or the
11 addition of the Board recommending that we use our own
12 money to spend and giving it to JLBC and the Governor's
13 office (indiscernible).

14 MR. CHAIRMAN: Okay.

15 MR. MARTYN: Mr. Chairman, I might point out
16 that it's not appropriated money. And the Legislature
17 needs to appropriate. That's our challenge. You can't
18 just say I've got some \$20 (indiscernible) so you let me
19 spend it. I wish it worked that way.

20 MR. CHAIRMAN: So we need to have it
21 appropriated during a special session or next Legislative
22 session?

23 MALE SPEAKER: It just -- what they've been
24 doing because for umpteen years now, what's called
25 baseline budget. And they define the baseline budget as

1 "Operations," I won't go into that. But in order to
2 spend money on capital, they need to have a capital
3 appropriation. And they this last year seemed to have
4 forgotten how we do that.

5 MR. CHAIRMAN: But the Governor recommended two
6 million of capital in her budget, which the Legislature
7 did not approve.

8 MALE SPEAKER: Correct. And they ignored our
9 budget recommendation to use our own money. So all we're
10 asking to both the Governor and JLBC is to use our own
11 money for capital.

12 MR. MARTYN: And Mr. Chairman, I want coming
13 out, we had a two million dollar capital request within
14 our own budget. It fell out at the eleventh hour.

15 MR. CHAIRMAN: I understand.

16 MR. MARTYN: We identified it and let them know
17 that it had fallen out. They said they were going to fix
18 it and it didn't make it to the budget. I'm sorry, I
19 have some heartburn, and we're going to fix that next
20 year.

21 MALE SPEAKER: Definitely. But you already --
22 you did hit homeruns with SLIF and rainy-day fund
23 interest, so thank you. That clarifies it.

24 MR. MARTYN: And coming up our priorities, the
25 last one, "Review, recommend, and initiate concession

1 operating model." That will be based on the math of what
2 Margaret says. It's volume, which I've talked about
3 before.

4 If you go that direction, a single
5 concessionaire, that RFP will probably be the most
6 document in this Agency, clearly defining what it is we
7 want someone else to do and what we want to do. And that
8 would be a very heavily discussion, an educated
9 discussion.

10 MR. CHAIRMAN: But I guess on that point, Mr.
11 Director, we have a great market-based concession
12 contract departure. In other words, that's recent; it's
13 market-based. We have a third party doing the gift shop
14 and restaurant. We make some money. We don't have to
15 stamp it. It's a good model.

16 Now I know the river ones are old and terrible,
17 but I think maybe its part of your motion, but as an
18 adjunct, Contact Point is worth seven figures a year to
19 us once we get that developed. And that no taxes, no
20 land costs, great need, that's where I think is much more
21 money available to us. I mean, we've been talking that
22 since I've been on the Board, and this is going on how
23 many years? We've been (indiscernible) 15 years in this
24 Agency. Hopefully, we'll get BLM massaged with your good
25 work in D.C. and I just think Contact Point, I would like

1 to see us get, whether it's RFI an RFP, I think your
2 concessionaire -- I mean the math, this is like a
3 Development Agreement that have been done, a plan. They
4 put all the funding and we give them percentages of
5 revenues. The City gives us -- the sales tax revenue.
6 It's not a hard deal. There's models.

7 I just think that's where the real money is
8 over and above, you know, where we could unify them. So
9 I hope we're focusing on that.

10 MR. MARTYN: Yes, Mr. Chairman and Board.
11 Contact Point definitely plays a part in the math of the
12 concessionaire whether it works or not. They see that
13 property. They will look at our entire portfolio and
14 look at the potential that exists relative to making
15 (indiscernible), and they are very aware that Contact
16 Point is the cash cow of the Agency, future cash cow.

17 MR. CHAIRMAN: Okay.

18 MR. MARTYN: Next one. We are limited by an
19 ADOA policy of 169 full-time employees. 169. We run
20 right now about 153 today. I think we have 153. 153 I
21 think is where we're at today.

22 We continue to hire those vacancies. We are
23 hiring a number of people and we'll address some of
24 those. To your point, Mr. Chairman, about our rehiring
25 back the people that you approached before. Those

1 individuals are -- they can all apply for the Ranger jobs
2 that are coming up throughout the Agency. And surely
3 their qualifications and their experience allows them to
4 interview better and gives them a leg up on the hiring.
5 If they want to get a job back with us, chances are they
6 will be rehired if they want.

7 So there are many opportunities within the
8 Agency to rehire those that we let go.

9 MR. CHAIRMAN: Okay. Well, what I am hearing
10 is, when this Board had to approve the RIF -- you know we
11 all remember it -- we did say let's make it a priority.
12 I mean, I know they have to go through competitive
13 (indiscernible).

14 MALE SPEAKER: Well, Mr. Landry, Members of the
15 Board, the actual thing -- when we do a reduction in
16 force to recover an employee, they have reinstatement
17 rights within two years. We have to -- if we put that
18 job back, or a similar job, we have to give them, allow
19 them reinstatement rights. There's no competition in
20 reinstatement.

21 MR. CHAIRMAN: Okay, but it's been over two
22 years.

23 MALE SPEAKER: If it's been over two years. So
24 now it's competitive.

25 MR. CHAIRMAN: Okay.

1 MALE SPEAKER: So you were right when you did
2 that.

3 MR. CHAIRMAN: Well, I forgot about the two
4 years. Okay.

5 MALE SPEAKER: They still have a chance if they
6 want to come back.

7 MR. CHAIRMAN: Okay. That's all I -- thank
8 you. I just think that's fundamental fairness. Because
9 these were all good people that just got victim of
10 circumstances. Okay. Thank you.

11 MR. MARTYN: We continue to look at the process
12 relative to hiring at -- based on a capacity of a
13 process. That we just can't hire a dozen people off the
14 top if we don't have -- we're not manned for that. HR
15 now falls under ADOA. We have an in-house ADOA employee
16 who is camouflaged as a Park -- as your State Park
17 employee. She's doing a fantastic job. Diane does a
18 good job for us.

19 If you ask today I want you to go hire 20
20 people, it would take a long, long time to go through the
21 process. So we fill as needed and we're always cognizant
22 of that 169 gap. Know that ADOA has made it clear that
23 if we want to go above 169, they will entertain those
24 numbers. But right now, we're not near 169 and I don't
25 know that based on our seasonal model, we need to go near

1 169 right now. And that's the selling point for the
2 Legislature. When I go asking for money, I tell them:
3 We are a limited government, and those are the words that
4 reign well with the Legislature.

5 MALE SPEAKER: Well, it's the dynamic intention
6 between limited government and going on a mission.

7 MR. MARTYN: New uniforms for Park staff. The
8 uniforms are kicking my tail. The uniforms are almost
9 all out. They're being delivered to our vendor and I
10 wanted -- and Mr. Klowski (phonetic) was wearing the new
11 uniform, badges. The badges, our vendor, is the last
12 piece there, an American vendor that are buying their
13 badges from Chinese company. And oh, by the way, there
14 are no American vendors who make their badges in America.
15 They're all from China.

16 So we are almost there. We at about the 80
17 percent point on those badges, and when they're all in,
18 they will all get fielded and it's a good thing. And
19 it's a good looking badge. We have a couple of them
20 today in the group.

21 MALE SPEAKER: Mr. Director, related now -- the
22 Governor loves your new volunteer shirts with the miracle
23 fabrics. I had an opportunity to visit with her and I
24 happened to be wearing one. The picture needs to be

1 photo shopped, but -- not of her, but of me. But I just
2 want to say she loves them.

3 MR. MARTYN: We aim to please. And then
4 finally, the next slide, the capital outlays. We're
5 looking to spend almost four million dollars in 2014 and
6 about 4 and a half million dollars in 2015. This is not
7 inclusive of any monies that we get in the form of grants
8 or gifts, sponsorship opportunities relative to capital.
9 These are our monies that we plan on fixing the things
10 that we need to fix.

11 There are papers available to you that lays out
12 what exactly for (indiscernible). We have needs, despite
13 what our Congressmen can do for us, we still have to take
14 care of these things. Note that the majority of these
15 are not in the EPA un-funded mandated world. We have
16 things we have to fix. But those things that we are just
17 fixing for policy sake, (indiscernible) Washington. All
18 right, next slide.

19 Two definitions for you. "Appropriated," any
20 questions about this? We talked briefly about SPRF,
21 State Park Revenue Fund, which was a great victory. So
22 the next time we see the Governor, please thank her for
23 that. It's got a lot -- so much more flexibility and
24 we're utilizing that.

1 We've got our SPRF money, our Conservation Fund
2 growing smarter out there. We're almost done with that.
3 That's more of a grant process that's available out
4 there. Scottsdale has effectively used it, and I'm happy
5 to say that Flagstaff used some last year. They're
6 applying this year, and Pima County is also applying.
7 It's unfortunate that very few of the small rural
8 communities have the matching funds.

9 MALE SPEAKER: Even larger counties.

10 MR. MARTYN: Even the larger counties are
11 matching money. Next slide.

12 These are your non-appropriated funds. These
13 are money that we have the flexibility in certain degrees
14 to utilize. There are some limitations on some of them.
15 There are self-imposed limitations on some of them.

16 OHV. Know that OHV this year, when I came in
17 we were taking \$692,000 a year of OHV revenue. I made a
18 commitment to the OHV community: one, to hire a Director
19 for them, for OHV, a State Park employee who spoke OHV,
20 and I said I would wean us off of OHV money, using it for
21 operations.

22 We have the ability to do that. This is the
23 right direction to go in my opinion. And so OHV is now
24 off. We don't need OHV money to do our Park operations

1 and we have (indiscernible) a large amount of support, of
2 public support through the OHV community.

3 And we continue to expand operations on
4 (indiscernible) e-mail and marketing and all these
5 things. These will in turn generate more revenues
6 (indiscernible) State Parks. And helps and protects our
7 environment.

8 The Donation Fund, that's the new policy that
9 we're working on that we're going after. Thanks to the
10 Foundation for their continued work. They are raising
11 capital, raising money for individual Parks and the
12 Agency. Cristi, keep doing a good job out there.

13 And then SLIF, State Lake Improvement Fund.
14 This is the one that's going to get you in the future
15 just so you know.

16 We're on the hook -- we got -- we had
17 Legislation that increased it by almost two, two-and-a-
18 half-million dollars based on a computation, which was
19 great for us. There's going to come a day of reckoning
20 where the SLIF community is going to say, "We want our
21 campgrounds back." We use it for operations. We use it
22 wisely for operations. It basically runs the
23 administrative process of the State Parks. And without
24 the head, that State will die. We need the
25 administrative part.

1 So eventually, my goal is to eat up, figure out
2 how to get rid of that 67 million dollars, close that
3 gap, so SLIF might go -- know that SLIF money is utilized
4 heavily on our lake properties, heavily. Lake Havasu,
5 Cattail, Buckskin, and the like.

6 So we are passing some of the small test, but
7 there will come a day where they will say enough. But my
8 job is to bridge that gap and then give it back.

9 MR. CHAIRMAN: Are we ready for a motion? Do
10 we need to approve -- there's like three paragraphs here
11 on Board items under "G." Are there any questions, or do
12 you want to keep going through this? I know some of you
13 have time commitments so I don't mean to rush. But I
14 know Alan has to go to Flagstaff and meet with all the
15 law enforcement folks. But we can go through this. I
16 don't mean to cut you off, Mr. Director. I guess a
17 couple of Board Members have indicated they want to just
18 approve this. So, are we ready for a motion?

19 MR. MARTYN: Go to G-1.

20 MR. CHAIRMAN: G-1 is the motion. Can we just
21 move G-1 as written up there, or do we need to read it
22 out, Joy?

23 MS. HERNBRODE: It would be significantly
24 better, Mr. Chairman, if we read it out.

1 MR. CHAIRMAN: Okay. I guess if somebody wants
2 to read. I can't as the Chair.

3 MALE SPEAKER: I'll give it a stab.

4 MR. CHAIRMAN: Thank you.

5 MALE SPEAKER: Not the way it's written on
6 there.

7 MR. MARTYN: It's three different motions.

8 MALE SPEAKER: I would move the Arizona State
9 Parks Board approve submission of the recommended FY 2014
10 Arizona State Parks Operating Fund, \$22,288,000 and
11 Donations Program Budget of \$199,900, as presented in
12 Table 1. And FY 2014, Capital Spending Budget of
13 \$3,695,000 as presented in Table 7, and as presented in
14 Agenda Item Golf 1.

15 I further move that Arizona State Parks Board
16 approve the submission of the requested FY 2015 Arizona
17 State Parks Operating Budget of \$22,288,000 and Donations
18 Program Budget of \$75,000 as presented in Table 2. And
19 FY 2015 Capital Spending Budget as presented in Table 7
20 and as presented in Agenda Item Golf 1.

21 And further recommend or further move that the
22 Arizona State Parks Board approve these budgets as lump
23 sum and that the Executive Director be authorized to
24 implement the programs including submittal to the
25 Governor's office and Legislature as required.

1 MALE SPEAKER: Second.

2 MR. CHAIRMAN: Any further discussion,
3 questions?

4 MALE SPEAKER: Mr. Chairman, just one question
5 that I have in terms of the lump sum budget. Is that
6 traditionally been the way we've done just in a lump sum?

7 MALE SPEAKER: We have had to go that way (a)
8 to survive, and (b) the Legislature and Governor have
9 recommended it. It gives us -- we still have
10 accountability by Park and by area, but it gives us
11 maximum flexibility. So it's really been dictated by the
12 approvers; but, frankly, from an operating standpoint,
13 it's better for us. Is that correct?

14 MALE SPEAKER: That's correct. It seems to
15 give us flexibility. It doesn't "seem to," it does.
16 Maybe that's different than having to (indiscernible).
17 We still have so many restrictions on all that we can do
18 just to call it lump sum.

19 MALE SPEAKER: Thank you.

20 MR. CHAIRMAN: Further discussion? All those
21 in favor, please signify by saying aye.

22 (Chorus of "ayes.")

23 MR. CHAIRMAN: Opposed? (Indiscernible). Item
24 No. 2.

25 FEMALE SPEAKER: Mr. Chairman?

1 MR. CHAIRMAN: Yes.

2 FEMALE SPEAKER: I'd like to move that we pre-
3 approve the submission of the three-year Strategic Plan
4 for the Governor's office for strategic planning and
5 budgeting for FY 2016 through FY 2018, that the Executive
6 Director be authorized to carryout the programs as
7 required. Last minute plan to incorporate
8 (indiscernible).

9 MR. CHAIRMAN: Is there a second?

10 MALE SPEAKER: Second.

11 MR. CHAIRMAN: All right. I'd like to have a
12 little discussion. The Chair wants to discuss that. I
13 philosophically have a problem with pre-approving
14 something I haven't read. So I would just ask that it be
15 sent to the Board at least a week before it's submitted
16 to the Governor, and if Board Members want a special
17 meeting or a telephonic meeting, we could do so.

18 I want the Board to at least have the ability
19 to talk about it. I don't expect any surprises. But if
20 any Board Member has a concern and wants to talk about
21 it. So with that caveat, we don't need that as part of
22 the motion. I know I've already talked about this with
23 staff. I just want, just in case something comes up,
24 that Board Members have the opportunity at least a week
25 beforehand, and I would like it mailed hard copy as well

1 as electronically. If you could do that so that we have --
2 and then it's up to a Board Member to contact the
3 Director and the Director then will initiate whatever
4 process we need. It may be just a simple question. It
5 probably won't be heard, but I just want that caveat.

6 So on that, all those in favor?

7 (Chorus of "ayes.")

8 MR. CHAIRMAN: Opposed? Unanimous.

9 MALE SPEAKER: Mr. Chairman, it goes without
10 saying, I just to be aware of this. It couldn't be done
11 today for a million dollars. It's not available.

12 MR. CHAIRMAN: I understand that. I know that.

13 MALE SPEAKER: So we're happy to do that.

14 MR. CHAIRMAN: I don't think -- it's September
15 1, right?

16 MALE SPEAKER: Right.

17 MR. CHAIRMAN: So, you know, I think even if
18 it's final draft, you send to us.

19 MALE SPEAKER: I guess what I'm saying is, the
20 Governor's forum --

21 MR. CHAIRMAN: I know that. I know that.

22 MALE SPEAKER: Okay. Be happy to do that.

23 MR. CHAIRMAN: Okay. Item 3, OHV.

24 MALE SPEAKER: Mr. Chairman, I would like to
25 move that the State Parks Board approve the proposed FY

1 2014 Off Road Vehicle Program Budget, including seven
2 non-competitive projects total \$1,042,900 and an
3 allocation of \$2,730,000 for competitive finance. AORCC
4 and OHVAG and staff will review the competitive grant
5 applications prior to recommendation to the Arizona State
6 Parks Board for award.

7 MALE SPEAKER: Second.

8 MR. CHAIRMAN: Yes, Joy?

9 MS. HERNBRODE: Mr. Chairman, I just want a
10 little clarification, that you're approving a set amount
11 for grants, but you're going look at the grants again
12 before final approval?

13 MR. CHAIRMAN: That's my understanding of the
14 way the motion is written. Do we need to clarify that,
15 Joy? Is it okay as written?

16 MS. HERNBRODE: I think we're okay as written.
17 I just thought -- I was a little confused and wanted to
18 make sure that we were doing what we talked about doing.

19 MR. CHAIRMAN: Yeah.

20 MALE SPEAKER: I'll second it

21 MR. CHAIRMAN: Well, I think we have. I just
22 want to make one comment. If we look back from a year
23 ago when we had all the trouble with OHV, it is 180
24 degrees. That community is very -- which I liked, know
25 some of those people from the dark days, and they're very

1 happy and the fact is, now this Board does make the final
2 decision. It's embedded through every process you should
3 read. I hear it's good things about who you empowered.
4 I'm not sure I've meet the person. They're lucky to
5 haven't met me. But thank you, Mr. Chairman.

6 All those in favor?

7 (Chorus of "ayes.")

8 MR. CHAIRMAN: Okay. Item No. 4, G-4.

9 MR. MARTYN: G-4, Mr. Chairman, there's not a
10 slide.

11 MR. CHAIRMAN: Oh, okay.

12 MALE SPEAKER: I move the Arizona State Parks
13 Board direct staff to solicit public comment on the
14 proposed Fee Statement.

15 FEMALE SPEAKER: I'll second.

16 MALE SPEAKER: Okay. My only comment is I
17 really think we need to re-look at the Annual Fee
18 Schedule, even if it's Park-by-Park specific. I'll use
19 Patagonia as an example.

20 We're losing a lot of money by having such a
21 low annual fee at Patagonia. I would think it should be
22 at least \$300. No, I'm serious. These people come every
23 weekend. Well, look at the math. Just have it as Park -
24 - we have the ability Park-by-Park to re-look at the
25 annual fee. I think it is equal of Kartchner and Lake

1 Havasu. I was able to spend some time down there and
2 spend time with Clay, and so that's just my only comment.
3 I would like the annual fee issue looked at at Patagonia.

4 MALE SPEAKER: Mr. Chairman, that is an
5 industry-wide problem. All multi-use facets including
6 per-vehicle charges are being looked at in the entire
7 industry, because of the cost. A vehicle full of four
8 people is the same price of a vehicle with one person.
9 This is something that we are going to be addressing
10 across the Board, and again, we're going to be taking
11 cues industry-wide, seeing who's modeling what.

12 The problem is, once you started an Annual Pass
13 Program, it's almost like (indiscernible). And two years
14 ago, three years ago, we tried to eliminate the Annual
15 Pass at Arizona State Parks and --

16 MALE SPEAKER: The world ended.

17 MALE SPEAKER: -- in Lake Havasu.

18 MR. CHAIRMAN: Yes, it did. Well, I'm just
19 saying if the Legislature is saying we have to operate
20 more like a business, and if those legislators
21 specifically are saying that to us, then our seasonal
22 marketing or seasonal charging for Annual Passes can be
23 looked at in the comment period. I would hope that the
24 Board Members receive a summary of all comments and
25 copies of all written comments or summary of them.

1 FEMALE SPEAKER: Mr. Chair, Mr. Graham, on the
2 fee structure that was included in our packets, it seems
3 like there was some that was included in our packets that
4 I read, probably e-mail. They don't -- do they have the
5 annual fees in there or just updates?

6 MALE SPEAKER: We did the annual fees two years
7 ago. We raised them significantly based on a recession
8 (indiscernible). We are just reaching those numbers that
9 we had back when it was 45 and 125. We made again,
10 significant increases (indiscernible). We're starting to
11 see those numbers come back (indiscernible) and in a
12 year's time start working on our Annual Pass Program
13 again.

14 But as I said, the industry is looking at
15 multiple-use passes. Starbucks doesn't give you a
16 discount should you put \$10 on a Starbucks' card, they
17 still apply \$10 worth of coffee.

18 So the fact that the Annual Passes are a money
19 loser, they're actually a benefit to people
20 (indiscernible).

21 MR. CHAIRMAN: Well, I guess, I just think
22 everything is fair game and, you know, we have that price
23 point of the laxity. We want to make it affordable for
24 families, especially for the younger census, younger
25 families. At the same point, if someone is taking up,

1 you know, a camping site every weekend at Patagonia every
2 weekend for six months, \$75 is cheap. Alan?

3 MR. EVERETT: Do these fees, do they have to go
4 through the Legislative Fee Commission to be renewed?

5 MALE SPEAKER: Not anymore. We're exempt from
6 the ruling on our fees (indiscernible). However, once
7 this Board has taken an action, then we have to publish
8 it in the Secretary of State's office before we can make
9 it effective.

10 So we have been exempting from rulemaking on
11 our fees, because it's in legislation that we can set
12 these fees. So we are fortunate in that. We thought
13 maybe we lost that exemption this year. It's still a
14 little -- we got this long letter from (indiscernible).
15 I think we sent a paragraph back saying sure, whatever.

16 And our (indiscernible) rulemaking is coming
17 around again, so we'll have to do that. But they're
18 still telling us our fee's exempt. And that's the way I
19 think -- we had the AG look at them as well, and that was
20 her read on them.

21 MALE SPEAKER: But there's also that
22 Legislative Fee Commission that they pick up different
23 agencies each year.

1 MALE SPEAKER: We're working with SPD, who is
2 the liaison for that. We are one of the agencies that
3 drew the short straw. We got selected to --

4 MALE SPAKER: This year?

5 MALE SPEAKER: This year. And so -- but the
6 committee I'm told through the composition and the
7 Legislators who will be on that (indiscernible). We've
8 already given them quite a bit of information to the
9 analyst, including (indiscernible).

10 We'll see. But we think that this is an
11 information exercise. We don't have any indication that
12 they have a feel one way or the other about our fees,
13 especially since (indiscernible).

14 MALE SPEAKER: These fees probably wouldn't --
15 this review and establishing new fees probably wouldn't
16 happen after a review by the Fee Commission.

17 MALE SPEAKER: The way I understand it, they're
18 mostly interested in our process and how we set fees,
19 making sure we pay -- I don't know (indiscernible).

20 MALE SPEAKER: Another agency I'm familiar with
21 is (indiscernible).

22 FEMALE SPEAKER: I will say to you that our
23 agency went through the Fee Commission and we made it
24 through unscathed. But we were there and saw other
25 agencies not have quite such a good time. So I'm sure

1 (indiscernible) for the questions, but they do sometimes
2 have their usual questions about hikes and reviews, where
3 they come from. I have no doubt that (indiscernible)
4 very prepared, but lots of different interest from
5 different groups on the Fee Commission, because they are
6 private sector members that are appointed to serve as
7 well.

8 MR. CHAIRMAN: Keep going, keep going.

9 MALE SPAKER: I would think that if you really
10 -- if you raise the annual fee significantly, those
11 private members are going to challenge that a little bit.
12 But again, I think that with this process, they probably
13 won't take votes until after the (indiscernible).

14 FEMALE SPEAKER: What is the public comment
15 time period?

16 MALE SPEAKER: Just through August. The
17 changes we're requesting at this time, we've only had our
18 current fees in effect for 19 months. And with the
19 reservations -- I'm sorry, since April 12, so 14 months.
20 But it takes about -- through the reservation system, it
21 takes about 12 months for some of them to go into effect,
22 depending on when people made the reservation a year out.

23 So we're really coming around toward our first
24 full year with the new fees that you set on April 14.
25 But we missed a few. First of all, we never mixed

1 Kartchner fees with the rest of the Agency, because it's
2 messy.

3 MALE SPEAKER: Don't we have the ability to
4 spend some revenue from Kartchner or someplace else now,
5 or did they change that law, or is it still restricted?

6 MALE SPEAKER: Yes and No.

7 MALE SPEAKER: Okay.

8 MALE SPEAKER: We can't -- it's nearly
9 impossible.

10 MALE SPEAKER: We don't. Okay. I understand.

11 MALE SPEAKER: You have to have special
12 permission.

13 FEMALE SPEAKER: Mr. Chairman, so the fee
14 structure for Kartchner and the last time that you did
15 it, it got really messy as you know, and so the process
16 in and of itself for all the other Parks that we go
17 through the fee structure (indiscernible). They go to
18 that in area, you talk to them for a week, two weeks, 30
19 days, to get their input. What is it exactly? What's
20 that rule?

21 MALE SPEAKER: Mr. Chairman, we are not
22 required to seek public input. It's not a requirement of
23 our fee process.

24 MALE SPEAKER: It's more policy.

1 MALE SPEAKER: This is something we do because
2 we want public input. This (indiscernible) correction
3 thing, we're going to do Press Releases and request
4 either by mail or our website, rather than hold -- we
5 hold a public meeting it lasts two minutes. We've set
6 ranges all across the board for our Parks, but we did not
7 do that at Kartchner Caverns, which (indiscernible) the
8 Director to manipulate fees, work with market changes
9 (indiscernible).

10 We haven't gotten that sophisticated yet.
11 (Indiscernible) taking public comment, then taking Board
12 action and then subsequently -- and then waiting for the
13 Secretary of State's office, then 12 months of
14 reservations, it's almost an 18-month process.

15 So set them in ranges. We do not do that with
16 Kartchner.

17 As to multiple-use fees, at Red Rock, we're
18 going to a per-person fee like we do here at Tonto.
19 Because we have sufficient parking and some people come
20 alone and they're turned off by a \$10 fee as a single.
21 To reduce that to \$5 instead of -- and we're not getting
22 the \$10.

23 So we are only a per-person fee and those are
24 really the two big things we're asking as part of this.

1 FEMALE SPEAKER: Thank you for the
2 clarification. That makes it easier in my mind.

3 MR. CHAIRMAN: I know it's a little early, but
4 tell me, what is -- have you got any feedback from your
5 Park Managers on the flexibility of the fee structure?
6 Is it working? Does it appear to be working well for
7 them?

8 MALE SPEAKER: It appears to be working well for
9 them because, really, when you sign up for a specific
10 campsite and you look at a map, oh, that's one to the
11 lake, you click on that and there's the price.

12 And so they can compare back and forth, view
13 the prices. People like -- they're going to have to
14 spend an extra \$5 to be close to the lake, it's kind of a
15 big deal. So Parks are really utilizing it. Patagonia
16 utilizes it greatly. I believe Havasu is going to be
17 using it a lot because they have seasons, Memorial Day
18 weekend. You know, we should probably charge top dollar
19 Memorial Day weekend. We won't have any trouble selling
20 it out.

21 We're also working on if you want Memorial Day
22 weekend, you've got take Friday, Saturday and Sunday
23 night. You can't just take Saturday night because then
24 we might lose the Friday -- Sunday night camp fee.

1 So we're working at all kinds of things and
2 that's what that flexibility has allowed us to do with
3 SPRF for last year and (indiscernible).

4 MR. CHAIRMAN: Other questions or comments?
5 I think we have a motion and a second. All those in
6 favor?

7 (Chorus of "ayes.")

8 MR. CHAIRMAN: Next item?

9 MALE SPEAKER: Oh, it's me again.

10 MR. CHAIRMAN: I had one question, Jay. We're
11 going after all kinds of private and Federal money. I
12 assume this submittal is a snapshot that if we do get
13 money, we will be able to adjust the fiscal years; is
14 that correct?

15 MR. REAM: Mr. Chairman and Members, the CIP,
16 Capital Improvement Plan that we're submitting and that
17 you're approving, is something that the DOA requests.
18 It's ten million dollars -- it could be any number. But
19 we picked ten million dollars to show that we have needs,
20 so we do ten million dollars a year. We have three. But
21 we get all of these in and we give them those projects,
22 if money comes around, we can do those. Because the
23 Board has looked at these projects, there's no priority
24 to them. Very often the fund source dictates the
25 priority.

1 So all we have is SPRF dollars, we can only
2 (indiscernible) Parks. 430 doesn't come into play. As
3 far as reservation dollars (indiscernible).

4 So sometimes Fort Verde goes to the top of
5 priority depending on the fund source.

6 MALE SPEAKER: I thought that was the case, but
7 wanted to ask.

8 MALE SPEAKER: And you can see some of these
9 things here.

10 MALE SPEAKER: Mr. Chairman, I would move the
11 Arizona State Park Board approve the FY 2015, 2016 and
12 2017, Capital Improvement Plans as within Agenda Item
13 Golf 6.

14 FEMALE SPEAKER: I'll second.

15 MR. CHAIRMAN: Any further discussion? All
16 those in favor signify by saying aye.

17 (Chorus of "ayes.")

18 MR. CHAIRMAN: It's unanimous. Next item?

19 MALE SPEAKER: I'm ready. I just --

20 MR. CHAIRMAN: We just did Golf 5, G-5 and you
21 should have G-6 somewhere. Even if it's not up there,
22 it's in our packet. And in our packet I don't see a
23 recommended. Do we have a recommended motion?

24 MALE SPEAKER: Mr. Chairman, I'm on the old un-
25 amended Agenda. My bad.

1 MR. CHAIRMAN: Do we need to approve this Work
2 Plan as part of --

3 MALE SPEAKER: We typically do.

4 MR. CHAIRMAN: We do. So G-6 is in your
5 packet. It was in your packet e-mailed, the amended
6 packet, I think. So what we need on G-6 -- it is the
7 State Historical Preservation Office Work Plan. It is
8 required by statute, and we need to have a motion to
9 approve the Work Plan.

10 MALE SPEAKER: Mr. Chairman?

11 MR. CHAIRMAN: Yes.

12 MALE SPEAKER: I recommend that the Arizona
13 State Parks Board approve the State Historic Preservation
14 Office FY 2014 Work Plan as presented and in item G-6.

15 MALE SPEAKER: Second.

16 MR. CHAIRMAN: I have a motion and second. Is
17 there any further discussion?

18 I just want to point out we had over 200 people
19 at the Historic Preservation Conference the Director
20 spoke at. It was well attended. The Native communities
21 that were there praised State Parks as the best State
22 Agency to work with. Some said the only State Agency to
23 work with.

24 So it was in Mesa and well, Ellen was there and
25 she got us tremendous publicity for it, and we just

1 really -- it's kind of one of our hidden gems, especially
2 in the Native community of the partnerships that we don't
3 go after some of their 12 percent money.

4 So I have a motion and a second. Is there any
5 further discussion? All those in favor?

6 (Chorus of "ayes.")

7 MR. CHAIRMAN: Opposed? It's unanimous. Next
8 item.

9 MALE SPEAKER: Mr. Chairman and Board, the
10 previous motion I made had a technical error in it.

11 MR. CHAIRMAN: Okay. Which one was that?

12 MALE SPEAKER: That was on the Capital
13 Improvement Plan. I said "as presented in the item Golf
14 6." It should have been Golf 5.

15 MR. CHAIRMAN: Do we need to reconsider a
16 motion or can we just except that as a technical error
17 (indiscernible)?

18 FEMALE SPEAKER: I believe you can go with a
19 technical error on that one.

20 MR. CHAIRMAN: Thank you.

21 MALE SPEAKER: If I seconded it, then I
22 (indiscernible).

23 MR. CHAIRMAN: H-1, Operation Status Update.

24 MALE SPEAKER: Mr. Chairman, this is the update
25 that you see every month from the Operation section, to

1 discuss the individual Parks and where they're going and
2 what they're doing. This is particularly important
3 because it is the beginning of the fiscal year, but it is
4 kind of where we're heading down the road in 2014.

5 These are our Parks that have opened without
6 any financial partnership. I mention this right now
7 because there are 13 of them listed. The next time you
8 see this, there will be 15 of them listed, Parks without
9 financial partnership.

10 But I will tell you, much like this Park right
11 here that used to have a negative (indiscernible), this
12 Park now has a positive margin. I don't have the FY '13
13 numbers yet. I should have them for you in September.
14 But it has a positive margin now. We have other Parks
15 like Jerome that have moved to a positive margin. A lot
16 of this is our staffing models that we're using right
17 now, using seasonals and professionals to manage those
18 seasons.

19 So we are -- and our aggressive fees. Between
20 the two of those and (indiscernible), we are moving Parks
21 up to without financial --

22 MALE SPEAKER: Who are the two that are no
23 longer -- or who are the 14, 15?

24 MALE SPEAKER: Jerome will move up and Red
25 Rock. However, there will continue to be financial

1 partnerships from the benefactor. The State will
2 continue to support particularly the educational program.

3 MALE SPEAKER: Thank you, George.

4 MALE SPEAKER: If we keep the doors open, we
5 can -- and we (indiscernible). We have them run the gift
6 shop there. They take the proceeds of that gift shop and
7 turn it into the education.

8 MR. CHAIRMAN: I guess what maybe we could have
9 is an Agenda item in September, just kind of a status of
10 our margins at each Park. I know we do that periodically
11 and I know we've made great improvement in several
12 places. But it's probably a good snapshot of how we're
13 doing.

14 And then I guess I would like to see what will
15 the numbers be if we expand in operations or service or,
16 you know, the ROI as we add, you know, a couple of people
17 here and go seven days a week. I mean, you know, what's
18 that ROI on that?

19 And if September is too quick, that's fine. I
20 just want to keep it front and present.

21 MALE SPEAKER: Mr. Chairman, Members, we're
22 still paying FY '13 bills. That's why we don't know
23 these numbers yet. Revenues we probably have.
24 Expenditures are still coming in and still being paid.
25 We expect them next week sometime, I think.

1 MR. CHAIRMAN: That's fine.

2 MALE SPEAKER: We can easily do that before you
3 (indiscernible).

4 MR. CHAIRMAN: Okay. Thank you.

5 MALE SPEAKER: But I will tell you, what you're
6 asking the Chief of Operations (indiscernible) and I,
7 (indiscernible).

8 MR. CHAIRMAN: Well, I can quarterly forge and
9 formally review it as an Agenda item.

10 MALE SPEAKER: So to get on with our 13 Parks
11 and financial partnerships, just a couple of things that
12 are a little bit crazy this year.

13 Red Rock, we had a couple late (indiscernible).
14 Alamo and Patagonia Lakes dropped (indiscernible). The
15 lake went up 3 feet in one night. That sounds amazing
16 when that water comes in like that.

17 We have some Parks that are absolutely
18 phenomenal out there (indiscernible).

19 Catalina State Park, sets another record this
20 year and soundly (indiscernible) their record last year.
21 (Indiscernible).

22 Picacho Peak is closed right now.
23 (Indiscernible). You know, the good thing there is for
24 the first time in five years, we've got a new Manager, a
25 new Assistant Manager (indiscernible). When we opened in

September and you're driving down I-10, stop and talk to the guys there. They're new. Right now they're in training and working through the (indiscernible) training and they're working at Patagonia Lake, getting some on-the-ground Park law enforcement training through our Rangers there. And they will become activated probably within the next year. You'll be meeting those as we present them with their gun.

So Tonto Natural Bridge, we are at seven days a week right now. This is a seasonal thing. It's something we've been doing. (Indiscernible) effect the seven day a week operation. When this (indiscernible) is done and open, we'll probably have to work seven days a week. So those two ideas may overlap.

MR. CHAIRMAN: That's fine. I think we have goals of enhancement throughout -- for every Park. I know you have those. And I just think that periodically we should just talk to the Board about them. And when we have a Mayor like we have here, and it's the Chamber and the Tribe, this is such a great partnership, it's a model for the rest of the State.

MALE SPEAKER: It's real important for any Manager here (indiscernible).

MR. CHAIRMAN: Well, we hired two more FTD's
that are Fort Verde.

1 MALE SPEAKER: Right. We're looking into why
2 she was there (indiscernible).

3 MR. CHAIRMAN: Was it July -- it was the
4 Sunday. Was that the 4th or was it the 5th, whatever that
5 Sunday was.

6 MALE SPEAKER: We'll figure out.

7 MR. CHAIRMAN: After 2/15.

8 MALE SPEAKER: When we look at our Parks and
9 financial partners, these are our best friends in the
10 world. Fort Verde, we currently have no agreement with
11 the (indiscernible) through an MOU and doing in-kind type
12 things. There's still kind of working on that.

13 Hopi Tribesman gives us money. They're still a
14 great partner (indiscernible).

15 And Yavapai County's agreement ends next month.
16 All of their agreements. Our final agreement with
17 Jerome, which is our last one, their participation in
18 financially funding Parks end. But Jerome is now
19 operating in a positive margin and we'll move up
20 (indiscernible).

21 MALE SPEAKER: They're at seven days a week
22 there?

23 MALE SPEAKER: Seven days a week year round. So
24 we're doing good. Visitation in Jerome and the town is
25 very high (indiscernible).

1 Oracle, the Director and I discussed looking at
2 (indiscernible) and see if a mission change for Oracle
3 might not help it out financially. (Indiscernible).

4 MR. CHAIRMAN: Okay. That's another one of the
5 Park Plans, old Park Plans Foundation of Parks we brought
6 in, and at that time we got Bob (indiscernible) to give
7 us a half million dollars for the operation because we
8 just knew it would be a low-use environment.

9 MALE SPEAKER: And Red Rock is doing real well.
10 Again, we're talking about changing the fee structure
11 there. I think you're going to see extraordinary things
12 at Sedona's ever-popular and really, once you've shopped
13 the Red Rock and Slide Rock, (indiscernible).

14 MR. CHAIRMAN: I agree and we'll have two
15 moonlight hikes a month and we'll make more money and
16 we'll raise awareness. All right, keep going.

17 MR. REAM: Roper Lake State Park. They have a
18 new Park Manager. He came from Picacho Peak, so we're
19 really excited and (indiscernible) as well.

20 The following are Parks that are operating with
21 no State Park staff. We've got a brand-new parking and
22 entrance at Boyce Thompson Arboretum State Park off of
23 U.S. Highway 60. We'll probably have some sort of
24 dedication for that in October, because no one wants to
25 stand out on asphalt parking lot in June or July.

1 So that's just completed in time for the United
2 States (indiscernible). We'll count on that sometime in
3 October.

4 McFarland has a new mission and a tenant there,
5 where our agreement is with the town has not taken Main
6 Street out. They put the Chamber of Commerce in there,
7 so we're hoping this is a good fit. We have a two-year
8 agreement with them.

9 MALE SPEAKER: I ran into some of the Chamber
10 Board Members. They're very happy.

11 MALE SPEAKER: And Riordan, we just renewed
12 with the Riordan Historical Society, and darned if
13 Director R.J. Cardin is doing a great job running the
14 (indiscernible) and conservation area.

15 MR. CARDIN: Now does Riordan really think it's
16 a State Park? (Laughter) I'm sorry.

17 MALE SPEAKER: So Tombstone Agreement, a little
18 (indiscernible). We're getting ready to rebuild the
19 gallows at the Park. We've got some old pictures of what
20 the gallows looked like. However, since we are
21 rebuilding them, we have to have engineer drawings. And
22 if you have to have engineer drawings, you have to have
23 ADA accessibility to go to ADOA. You know 15 steps go to
24 the platform of the gallows at Tombstone. (indiscernible)
25 handicap ramp.

1 So we are really, believe it or not, we really
2 gone around and around with this. We're now turning it
3 into an exhibit and they seem to be allowing a simulated
4 stringer, a single stringer going up to simulate the
5 steps. Once it's accessible, it has to be accessible to
6 all.

7 So everybody wonders why it takes so long to do
8 a project, here's one of those things.

9 Our Tubac is doing better, at least they
10 haven't called me in the last couple of months.

11 MR. CHAIRMAN: I've got to tell you, I went
12 through that (indiscernible) and it's fabulous. I mean,
13 it really is one of our hidden gems.

14 MALE SPEAKER: Well, it's due to Natural Area,
15 that whole Park.

16 MR. CHAIRMAN: I do have a question, Joy. I
17 got a copy of the letter to Santa Cruz County. Has there
18 been any response from them?

19 MS. HERNBRODE: Sorry, I almost hit Mr.
20 Chairman there. No, we haven't. I have it on note to
21 contact them and I will also be asking the Board for some
22 time at the next meeting for an executive session. We'll
23 just have a little chat about that situation.

24 MR. CHAIRMAN: Okay.

1 MALE SPEAKER: Mr. Chairman, Kelly should be
2 getting through or got through to this Board meeting,
3 draft Master Plans for (indiscernible).

4 MR. CHAIRMAN: Yes, it's here on her desk.

5 MALE SPEAKER: Okay, great.

6 MALE SPEAKER: What's the timing on comments on
7 that? Do we eventually approve it?

8 MALE SPEAKER: Mr. Chairman, Members of the
9 Board, according to our agreement, yes. We have to
10 approve any changes there. This is a very draft Master
11 Plan. I'm not going to comment further on that. I want
12 you to take a look at it. If you can get your comments
13 to me by e-mail, that would be fine.

14 MALE SPEAKER: Is a public hearing being held
15 on it?

16 MR. CHAIRMAN: It says, "Review by
17 stakeholders."

18 MALE SPEAKER: This is just a Stakeholder
19 Agreement.

20 MR. CHAIRMAN: Okay. So it's not a -- it
21 hasn't gone to public comment yet?

22 MALE SPEAKER: In my opinion, there's great
23 ideas in there. But much like our thirty million dollars
24 worth of great ideas, someone's got to pay for all of
25 them.

1 MR. CHAIRMAN: Thank you. When do you want
2 comments by the Board Members by? 30 days?

3 MALE SPEAKER: Through August.

4 MR. CHAIRMAN: Okay. Thank you.

5 MALE SPEAKER: And finally, we did talk about
6 Contact Point. Great ideas, no cash. And then San
7 Rafael Natural Area, we're going to go grazing
8 (indiscernible).

9 MR. CHAIRMAN: Yes, he's not renewing it? Did
10 he pay a fine for his overgrazing for 10 days on that one
11 part?

12 MALE SPEAKER: Well, I don't know. He may have
13 been there longer than he should have been, but I don't
14 know if overgrazed. And I will tell you --

15 MR. CHAIRMAN: I saw it Jay. It was
16 overgrazed.

17 MALE SPEAKER: One monsoon storm out there or
18 fire -- I told the Director, next time we come to San
19 Rafael, it will all be green. When the grass grows there
20 it grows great.

21 MR. CHAIRMAN: That's fine.

22 MR. MARTYN: Mr. Chairman, at your original
23 request (indiscernible) have the regionals come in and
24 give us a briefing?

25 MR. CHAIRMAN: Yes.

1 MR. MARTYN: Would you like to hear Randy
2 Bernage three to five minutes?

3 MR. CHAIRMAN: I think that would be great. We
4 also have the Visitors Survey too, don't we?

5 MR. MARTYN: We have that after.

6 MR. CHAIRMAN: Okay. Why don't we take a five-
7 minute break for calls of nature or whatever. Let's do a
8 five, literally five minutes. Literally five minutes.

9 (Recess at 11:24:51)

10 (Recess concludes at 11:33:00)

11 MR. CHAIRMAN: I will recall the meeting to
12 order and Mr. Director, we're going to hear Randy.
13 Randy, will you introduce yourself and tell us how long
14 you've been with State Parks and what Parks you have.

15 MR. BERNAGE: Chairman Landry and Members of
16 the Board, I thank you for having me up here to speak to
17 you today. My name is Randy Bernage. I've been a Ranger
18 for 30 years, 26 of those years have been with Arizona
19 State Parks. So you can say I still like it here. I
20 found a home here.

21 I've managed as a regional just about every
22 place at this point. The regions have shuffled around a
23 lot. Right now I have what's called 3-2-2. That pretty
24 goes from Safford, it's so of a dog lane all the way up
25 to Sedona. So that consists of about 12 Parks and two

1 sub-units. And that is Roper, Lyman Lake, Fool Hollow,
2 Town of Fort Verde, Dead Horse (indiscernible) Greenway,
3 Rocky River Ranch, Jerome, Red Rock, Slide Rock, and
4 Roper Lake has a sub-unit also called (indiscernible).

5 So it's a pretty varied group. It's a great
6 job. It's a rewarding job. I'm getting to see most of
7 my career with Arizona State Parks I spent down at
8 Southern Arizona, mostly on the border. So a lot of
9 border issues, a lot of law enforcement. Now I kind of
10 get to come up to the green areas and see the pine trees.
11 So it's actually a good (indiscernible) for me.

12 My presentation to you is not really a
13 presentation. Just sort of a quick update. I kind of
14 got that assigned at the last minute, so I really wasn't
15 -- believe it or not, I didn't compare notes with Bryan
16 and Jay. But what I came up with was pretty close to
17 what they have.

18 I want to talk about that we, out in the field,
19 I've been out there 26 years, believe me I feel like I'm
20 pretty well connected to the field. I came up through
21 the ranks with them. We're motivated. We see things
22 getting better. This is probably the best
23 (indiscernible). Things are getting better. We heard
24 about that today.

1 We see more money coming in, we see positions.
2 Money in our line of work, there's always a shortage. We
3 can work around that. It's bodies that's really hard.
4 We get to the point where you're not providing a savings
5 because we don't have a staff.

6 So we've got ahead of that now. We've got
7 beyond that RIF and that furlough and we're bringing some
8 people back. We have three new Assistant Managers at
9 three different very diverse Parks. We've got a new
10 Assistant Manager at Red Rock. We've got a new Assistant
11 Manager at Jerome and we have a new Assistant Manager at
12 Fool Hollow.

13 Jerome and Red Rock are unique to our system in
14 the way we've been managing them for going on a year now.
15 We have one Manager, an Assistant Manager at Jerome and
16 an Assistant Manager at Red Rock. So that Manager
17 actually manages two units with an Assistant Manager at
18 each one.

19 A lot of large County Park systems do this type
20 of thing. Other State Park systems have done it. This
21 is our first try. We think it's working pretty good.

22 We have two young folks into the job. That
23 will probably always be a fairly senior Manager because
24 they're running two Parks, so we're getting some
25 (indiscernible) which we need to do. (Indiscernible).

1 We've got maybe three to five years left. There's going
2 to be a big exodus you probably heard about, so we need
3 to pull the mileage out of those senior folks and get it
4 out to some of these new people.

5 So that's kind of what's unique about those two
6 Parks. We do have the one Manager that oversees both of
7 them. They're really two different Parks. Jerome is a
8 museum on a historic property. Some tourists wouldn't
9 like it, but I call it Red Rock Museum. It's an outdoor
10 museum and an environmental learning center.

11 (Indiscernible).

12 Fool Hollow, what's interesting about that job
13 is we hired that young man while he was still in the
14 Navy. We're in the process now when we get a Discharge
15 Officer, old dogs like me didn't have (indiscernible) 30
16 years ago. Probably Bryan is familiar with all that. I
17 know Wally was involved, so there's a way they're kind of
18 helping them look for jobs. We had a former employee who
19 told us about this individual. We talked to him, we
20 picked him up and it's the right thing to do. We try to
21 hire veterans as they come back. I'm sure we all support
22 that. But I had never heard of actually being able to
23 interview and hire somebody, he or she, while they were
24 still in the military. So they're usually there and

1 they're trying to get you to re-up. So that was sort of
2 unique.

3 The last thing I'll leave you with is the
4 cattail machine that Bryan talked about. That was
5 something I wanted to mention. That's an (indiscernible)
6 leaf cutter. It's mounted on a boat and what's neat to
7 me about that is, I managed Roper Lake for about ten
8 years. Patagonia was in my region for that long or
9 longer, and cattails are really a problem out here for
10 us. I came here from Louisiana. A lot of machinery, a
11 lot of ways to handle cattails down there. Not much
12 available in Arizona. The only people that have those
13 kinds of boats were Arizona Game and Fish.

14 So for the 26 years I've been here, we had to
15 rely on Game and Fish to bring those boats in and help us
16 out. They did do as much as they possibly could, but
17 they had a lot of properties to take care of.

18 So there again, that's one of those things that
19 we in the field see that we were finally able to get. It
20 will go back and forth between -- we've got about four
21 lakes in the State that have problems with cattails.
22 Lyman never does, we don't know why. (indiscernible)
23 chemical level or whatever it is that still makes fish
24 grow (indiscernible).

1 But anyway, that's really a big deal for us to
2 be able to take that boat. It will go probably all the
3 way from Dead Horse as the Director mentioned all the way
4 down to Safford, Jerome and Lake Patagonia as we move it
5 around. There's not a big learning curve on them. So we
6 can probably get by without a crew for awhile. But we
7 probably could keep that thing busy about eight months a
8 year.

9 I wanted to keep it short and sweet. Pretty
10 much get that message across to you that we're pretty
11 happy out there. We're seeing some pretty neat things
12 happen, and I think as you go around you'll probably see
13 -- I don't know that we were ever at really low morale,
14 but it's kind of hard to see that light at the end of the
15 tunnel. We can certainly now. We thank all of you.

16 MR. CHAIRMAN: Thank you.

17 (Clapping)

18 MR. CHAIRMAN: And at our Board meetings I
19 think I've asked the Director the various regionals just
20 give us an update like this. I think it's just real
21 helpful.

22 MR. MARTYN: Mr. Chairman, I'd like to make a
23 request, I think we have time. Is it all right if we
24 talk about the region and stuff going on relative to --
25 three minutes max -- from the Foundation, as they --

1 MR. CHAIRMAN: Oh, sure, sure. Absolutely, Mr.
2 Director. Cristi, would you like to speak?

3 MS. STATLER: Now?

4 MR. DIRECTOR: Yes, please.

5 MS. STATLER: Thank you.

6 MR. CHAIRMAN: Please, yes, yes. I thought
7 you'd be a (inaudible) of the audience, but now you kind
8 of get to help us.

9 MS. STATLER: It's nice to be able to have a
10 (indiscernible) after you're viewed the Board packet
11 already. But I just -- first of all, congratulations,
12 Mr. Chairman on your new position. And congratulations
13 to the State Park staff for shepherding this Agency
14 through the most challenging economic times that we can
15 remember with regard to State Park operations and the
16 ability to keep these Parks open through partnerships and
17 any means possible.

18 You've gotten to the point now where there's a
19 little breathing room. So congratulations to all staff
20 and to Board for your foresight in getting that work
21 done.

22 Arizona State Parks Foundation is your partner
23 in all things, and has successfully provided funding and
24 support for Arizona State Parks through three areas of
25 focus, advocacy, framed building and fundraising. Next

1 June, just FYI, is the Foundation's 10th anniversary. And
2 we look forward to -- we're in the throws of building an
3 event, the Committee. If any of you are interested in
4 supporting that effort, perhaps next September is
5 something I'm looking at, a date to celebrate the
6 Foundation and the partnership that we enjoyed.

7 But among the things, the successes that we'll
8 be celebrating are really two areas. An affiliate
9 structure. The vision of the Foundation Board to build
10 Friends groups, form LLC's and identify them as Friends
11 groups and enable them to operate as a non-profit
12 umbrella of the foundation, was visionary. And enabled
13 the first Friends group, Friends of the Verde River
14 Greenway, to be formed. Friends of the Tonto National
15 Bridge, Friends of Roper Lake, Friends of Lost Dutchman
16 State Park.

17 It is the Friends of the Verde River Greenway,
18 the Foundation, that secured the grants from Walton
19 Foundation and then secured public money for that private
20 -- to enable to that private match and got a coalition of
21 13 different Federal, State, County and private
22 organizations to form and work on the elimination of the
23 -- and this is on the river. That project is ongoing and
24 has engaged (indiscernible) landowners as well as the
25 public, education and really has created a strong

1 partnership between SRP and Arizona (indiscernible)
2 Foundation. Just so you know, they love (indiscernible).

3 MR. CHAIRMAN: Well, we haven't been feeling
4 warm and fuzzy from SRP, so I hope we hear them at some
5 point.

6 MS. STATLER: I understand. But we continue to
7 work with them, bring them under the tent. We don't want
8 to send them out to go.

9 MR. CHAIRMAN: They're not under our tent yet.

10 MS. STATLER: I understand. We can talk about
11 that. Additionally, it's the Tonto Natural Bridge that
12 partnered with Payson and Star Valley, to enable the
13 ongoing operation of this Park when it was threatened
14 with closure.

15 It is the Friends of Lost Dutchman State Park,
16 another affiliate of the Foundation that contributed to
17 enabling that Park to stay open and never close. \$24,000
18 to keep that Park open at a critical period when
19 everybody was hearing, "State Parks are closing."

20 The Foundation worked closely with the Arizona
21 Commission on the Arts this past spring to secure a
22 million-dollar rainy-day fund interest for capital
23 maintenance system. (Indiscernible). It's the
24 Foundation's efforts. They're focused on getting you
25 what you need.

1 We're working on our Legislative Agenda for
2 this next year already, in partnership with a number of
3 key legislators, and we look forward to the Board Members
4 as well as new staff on an Agenda to enable us to get
5 through what we need. Including the little flexibility
6 with the SPRF overflow.

7 So I just wanted to bring those items to your
8 attention. I appreciate your continued support of the
9 Foundation's work. We're here for you and we want to do
10 the best job possible. (Indiscernible).

11 So my phone number, my e-mail, are 24-7, like
12 it or not, and we look forward to talking with you more
13 about the Legislative session.

14 MR. CHAIRMAN: Thank you so much.

15 MS. STATLER: Thank you.

16 MR. CHAIRMAN: And for that, let's thank you.
17 And for the new Board Members, Bryan serves as an ex-
18 officio Member of the Board, so he is our liaison with
19 the Board, just so you know that, that we do have an
20 ongoing -- we're not -- on some states, it's a voting
21 member, or the Parks Board is on their Board, but that's
22 not how it works in this State. But Bryan is an ex-
23 officio Member of this Board. Thank you, Bryan.

24 We're back to you. Are we at visitors now?

1 MR. MARTYN: We're at revenue forecast
2 (indiscernible) update.

3 MR. CHAIRMAN: Okay, it's all good news. Let's
4 go.

5 MALE SPEAKER: Mr. Chairman, we had a great
6 June. I'll be brief as always. It looks -- I use to work
7 1 percent several times. It looks like we're going to
8 end up Fiscal '13 with about a 1 to 1 and a half percent
9 increase on visitation to about 1,950,000. We had some
10 really soft months around the winter time and mid-way
11 through the fiscal year now, I think was a contributor to
12 that. We've been bouncing back in the spring time. So 1
13 and a half percent. So we're pleased with that.

14 Our overall revenues, it looks like they're
15 going to be up. We're still tallying the ten plus year.
16 The person who tallied our attendance and most of our
17 Park revenues retired in the last week. So normally we
18 should be deadlocked, but we're running a few days behind
19 where we're transitioned to a new person.

20 But these are 95 percent plus percent accurate.
21 It looks like we're going to be about -- we won't be 1 ½
22 percent ahead on revenues. It will be close to twelve
23 million dollars, so it will be another record year. It
24 won't be a big jump, but it's another record year. So
25 we're doing well there.

1 Next.

2 MR. MARTYN: Mr. Chairman and Board, although
3 you saw visitation numbers are still not at 2008/9
4 levels. They're still not there.

5 MR. CHAIRMAN: New (indiscernible) casinos.

6 MR. MARTYN: But look at our revenues. So
7 we're doing something right, and as our numbers go up,
8 we'll get our visitation back when people figure out all
9 the Parks are open again. This is a very good trend.

10 MR. CHAIRMAN: As we have more hours of
11 operation, our numbers will just keep spiking.

12 MALE SPEAKER: So we're all pretty pleased.
13 And I think the trend, the outlook is good. Next.

14 The OHV came in about 2 percent ahead of last
15 year, which was pleasing. It's pretty surprisingly
16 stable, but with the outreach that we're doing and the
17 new program Manager there is doing a fabulous job, and
18 with the promotion that we're going to be doing and so
19 forth, we think that the outlook is up, whether it's up a
20 little or a lot, we don't know yet. But it's definitely
21 looking good.

22 MR. CHAIRMAN: Mr. Director, sometime before
23 the end of the year, we probably should (indiscernible)
24 schedule on one of our Board meetings an update on our
25 marketing program (indiscernible). You pick when.

1 MALE SPEAKER: Next. SLIF, we've talked about
2 the next year and well, forever we're going to have a
3 bump in the revenues. Because of the general effective
4 date of the Legislation this year, we won't get the full
5 amount unfortunately, but we lost a lot. So we'll get
6 about an extra million eight, million nine this year, and
7 then after that (indiscernible) full 12 months. In the
8 future it will be about 2.5, 2.6 million more. So we're
9 happy about that. Next. Oh, that's the last one.

10 MALE SPEAKER: I think it would be helpful if
11 you put the real numbers in here. The graph shows trend,
12 you know, which is really good. But maybe you could do
13 year-to-date versus prior year and year-to-date versus
14 budget.

15 MALE SPEAKER: Sure.

16 MR. CHAIRMAN: That would be good in our
17 September meeting and why don't we schedule it as an item
18 to talk about.

19 (Indiscernible) My granddaughter Sylvia is
20 there. Hi, Sylvia. She's now a Junior Ranger.

21 (Clapping)

22 MR. MARTYN: Mr. Chairman, I have H-3
23 (indiscernible).

1 MR. CHAIRMAN: She got stung by a scorpion this
2 morning, so she's limping. But she made it here. So she
3 gets hazardous duty pay.

4 We have new Board Members. Can you say how
5 long you've been with Parks and what you do there, since
6 we have new Board Members?

7 MS. COLLINS: My name is Dawn Collins. I was
8 in research and marketing up until recently
9 (indiscernible). I have been doing visitor surveys,
10 (indiscernible) numbers as needed. (Indiscernible).

11 We've recently completed the (indiscernible)
12 because they got a comprehensive (indiscernible) plan.
13 So I am the research.

14 MR. CHAIRMAN: How long have you been with the
15 State Parks?

16 MS. COLLINS: I've been with State Parks for
17 seven years.

18 MR. CHAIRMAN: And don't you have a Ph.D.?

19 MS. COLLINS: I do. Actually -- I got married
20 right out there. Thank you very much for having me today
21 and thank you very much for allowing me to come back
22 here.

23 Mr. Landry has expressed an interest in our
24 upcoming Visitor Survey. I do want to point out to Mr.
25 Chairman, Members of the Board, that our first person who

1 shepherded the Visitor Survey into existence is
2 (indiscernible) to do research and marketing and also did
3 Visitor Survey in 1996.

4 So we have had Visitors Surveys in 1996. We
5 did them again in 2001, 2007, and we are doing one again
6 this year. (Indiscernible). This year, we're trying to
7 utilize all of the different choices, what kind of data
8 is available to us. We're kind of excited. We're
9 breaking some new ground here.

10 I think you all have the presentation in front
11 of you. So I think --

12 MR. MARTYN: What's the name (indiscernible)?

13 MR. CHAIRMAN: Why don't you talk us through
14 this. Maybe we can get Kelly a new computer.

15 MS. COLLINS: No, you know what, it's my fault.
16 Okay. So you are maybe asking yourself: Why are we
17 embarking out Visitor Surveys to begin with? Well, we
18 all know that everybody in Arizona has many, many options
19 when it comes to outdoor recreation. We want to make
20 sure that we're providing value outdoor recreation
21 opportunities for Arizonans and for visitors to the
22 State.

23 Also, we have changed our business model, we
24 changed our staffing model, we changed our fee structures
25 since the last time the first survey was done. We have

1 seasonal operations at some Parks. So we want to know
2 how have these changes to the system impacted our
3 visitors.

4 In addition, we use this information for
5 planning, we use this information for marketing. We use
6 this information for operations.

7 MR. CHAIRMAN: And I use this information to
8 get corporations to invest in our State Parks and sponsor
9 things. So I really -- we really need this because some
10 of them say how many people come through your Park, what
11 kind of images do I get, where are they from, and it
12 helps us get investors.

13 MS. COLLINS: Absolutely. So you might wonder
14 then what kind of information are we getting from these
15 people. We want to know what their doing when they're on
16 our Parks. We want to know something about their travel
17 group, who are they coming with, and also, some of the
18 demographics (indiscernible). We want to find out about
19 their experiences. Do they have (indiscernible)
20 experience? Is there something they would have liked to
21 do that were unable to do? We want to know how they want
22 to see communications about our Park. How do they want
23 to find out about opportunities in our Parks once they're
24 on Parks, and how do they want learn material.

1 We also want to know economic impacts of our
2 visitors. This was a very key piece of information and
3 it is probably the most requested piece of information
4 that (indiscernible). It doesn't help to keep the system
5 afloat (indiscernible) 35 years.

6 So this year, we're doing things just a little
7 bit differently. If you will look at the second page,
8 there's an introduction to our --

9 (End of recording)

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 CERTIFICATION
23 I certify that I transcribed the testimony in the
4 foregoing matter from a CD, and that the preceding 80
5 pages of typewritten matter is true, accurate and
6 complete accounting of all testimony from the audio
7 recordings, to the best of my skill and ability.8 I further certify that I am in no way related to any
9 of the parties and that I am not in any way interested in
10 the outcome thereof.11 Dated this _____ day of November 2013.
1213
14 /s/ Dawn Archambo15 Dawn Archambo
16 Certified Electronic Transcriber No. 00231
1718 Revisions made on January 28, 2014 by:
1920 /s/ Angela F. Miller21 Angela F. Miller, RPR, CR (AZ50127)
22 Certified Reporter
23
24
25