

THE STATE OF ARIZONA  
ARIZONA STATE PARKS BOARD

TRANSCRIPT OF AUDIO RECORDED PUBLIC MEETING

Phoenix, Arizona

September 18, 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 September 18, 2013, at the State Parks offices  
located at 1300 West Washington Street, Phoenix, Arizona.

APPEARANCES:

Mr. Walter Armer, Jr., Board Member  
Mr. R.J. Cardin, Board Member  
Mr. Kent Ennis, Deputy Director  
Mr. Alan Everett, Board Member  
Mr. Larry Landry, Chairman  
Mr. Bryan Martyn, Director  
Mr. Jay Ream, Deputy Director  
Ms. Kay Daggett, Board Member  
Mr. Kelly Stetson, Board Administrator

OTHERS PRESENT:

Ms. Laurie Hachtel, Assistant Attorney General  
Mr. Paul Katz, Assistant Attorney General  
Ms. Doris Pulsifer, Arizona States Park  
Ms. Cristi Statler, Arizona States Park Foundation

1 (Note: Microphone cuts out periodically. At times  
2 indiscernibles are noted.)

3 MR. CHAIRMAN: Good morning, everybody. I'm  
4 going to call this meeting of the Park's Board to order,  
5 and I would ask a roll call be done of the Members.

6 MR. STETSON: Ms. Hickman? Mr. Brnovich? Mr.  
7 Cardin?

8 MR. CARDIN: Present.

9 MR. STETSON: Mr. Everett?

10 MR. EVERETT: Here.

11 MR. STETSON: Mr. Landry?

12 MR. LANDRY: Here.

13 MR. STETSON: Mr. Armer?

14 MR. ARMER: Here.

15 MR. STETSON: Ms. Daggert?

16 MS. DAGGERT: Here.

17 MR. STETSON: Just two members missing, Mr.  
18 Chairman.

19 MR. CHAIRMAN: Okay. We have a quorum. I'd  
20 like us to stand and do a Pledge of Allegiance, and I'll  
21 ask R.J. Cardin to lead us today.

22 (Pledge of Allegiance by Members)

23 MR. CHAIRMAN: Okay. I'd ask Alan Everett to  
24 read our Board Member Statement.

1 MR. EVERETT: "As Board Members we are gathered  
2 today to be stewards and voice of Arizona State Parks and  
3 its mission statement to enhance, manage and conserve  
4 Arizona's natural, cultural and recreational resources  
5 for the benefit of the people both in our Parks and  
6 through our partners."

7 MR. CHAIRMAN: Thank you very much. Let's do  
8 an introduction of the Board Members, and we'll start at  
9 my left with R.J. Cardin.

10 MR. CARDIN: R.J. Cardin, Parks and Recreation  
11 Director for Maricopa County.

12 MR. EVERETT: Alan Everett, Yavapai County,  
13 Member at Large.

14 MR. LANDRY: Larry Landry from Phoenix.

15 MR. ARMER: Wally Armer, livestock  
16 representative from Vail, Arizona.

17 MS. DAGGETT: Kay Daggett, Tourism  
18 Representative from Benson, Arizona.

19 MR. CHAIRMAN: And let's have staff. Laurie,  
20 do you want to start?

21 MS. HACHTEL: Laurie Hachtel with the Attorney  
22 General's office representing State Parks.

23 MR. ENNIS: Kent Ennis, Deputy Director of  
24 Arizona State Parks.

25 MR. MARTYN: Bryan Martyn with State Parks.

1 MR. REAM: Jay Ream, Deputy Director Parks.

2 MR. STETSON: Kelly Stetson, Board  
3 Administrator.

4 MS. PULSIFER: Doris Pulsifer, Chief of  
5 Resources.

6 MALE SPEAKER: (Indiscernible).

7 MR. CHAIRMAN: I will pick up on her later.

8 MS. BILBREY: Ellen Bilbrey, Public Information  
9 Officer.

10 MR. CHAIRMAN: Okay. Anyone else in the back  
11 of the room? Okay. I had intended that the Foundation  
12 be on the Agenda, but that didn't work out, so I will  
13 call on Cristi Statler first at the first call of the  
14 public, and I have no other slips. Oh, it's back down  
15 here. Okay. We'll put him on later.

16 I now go to -- I didn't see it where I thought  
17 it was. Okay. Is that okay, Cristi, can you hang  
18 around?

19 MS. STATLER: Yes. That's what I intended.

20 MR. CHAIRMAN: Okay, good. My bad. Call to  
21 the public. I have no slips for anyone wishing to  
22 testify before the Board. So we'll move right in  
23 Director's Summary of current issues. Am I working on  
24 the wrong Agenda?

25 MALE SPEAKER: No, no, you're good.

1 MR. CHAIRMAN: Now I am.

2 MR. MARTYN: Mr. Chairman, Members, I don't  
3 know if this microphone is on. Mr. Chairman, Members,  
4 good morning. This is a quick overview of the stuff  
5 that's been going on in the last -- since our last  
6 meeting.

7 Red Rock State Park continues with their  
8 moonlight hikes. Those are very popular. In fact, Mr.  
9 Chairman, I think you were at that August night.

10 MR. CHAIRMAN: I think I was in July.

11 MR. MARTYN: You were the July one. I will be  
12 actually out there this Thursday night.

13 The Lake Havasu Marine Association, we got a  
14 couple of awards, which was positive out there. We  
15 continue to do things out at Lake Havasu. We were the  
16 Agency of the Year and we have the Stickerer (phonetic)  
17 of the Year. Lake Havasu remains one of our most  
18 profitable Parks in that particular area. We do -- we're  
19 playing a very active role in that community and the  
20 Regional Manager, John Guthrie and Pete Knotts, the Park  
21 Manager at Lake Havasu, are very active in that  
22 community.

23 You'll notice those new uniforms looking pretty  
24 good on those Rangers.

1                   Contact Point, one of the proposed things --  
2                   this was rolled out at the meeting at Lake Havasu; very  
3                   well received by the community. The manager from Lake  
4                   Havasu was a little taken aback that it was unveiled  
5                   there and not to him first. Of course, I made it very  
6                   clear that I was assured that he would be at that meeting  
7                   since it is the Lake Havasu Marine Association. They  
8                   have seen it since and we continue to work with our  
9                   partners to demonstrate what potential exists out at  
10                  Contact Point and what some of the ideas are.

11                  That right there that you see represents  
12                  probably about a ten million dollar investment.

13                  MR. CHAIRMAN: Bryan, what does that include?  
14                  Is that a marina, a boat?

15                  MR. MARTYN: There's a marina there, boat  
16                  storage, boat launch. It's very robust. Contact station  
17                  -- anything else to add, Mr. Ream?

18                  MR. REAM: We have (indiscernible), a boat  
19                  launch. At this point this is a public boat launch and  
20                  parking area, I'm going to say about 600 parking spots  
21                  for boats and trailers. A 200 slip marina. This would  
22                  be the marina parking area. This represents a large boat  
23                  barn, 450 boats and dry storage. You still need a little  
24                  marina for a dry storage because you can drive up in your  
25                  car, they load the boat into the water with a forklift

1 and Park it in a slip for you for the weekend. It really  
2 is the way to go and it helps this Quagga muscle moving  
3 thing because the boats are in dry storage. They don't  
4 need (indiscernible).

5 This is our current operation year, which is  
6 the Water Safety Center. There's some retail operations,  
7 a Ranger station here, restrooms and things along here.

8 MR. CHAIRMAN: Is there any food and beverage  
9 concession?

10 MR. REAM: Food and beverage, we're copying Mr.  
11 Cardin's food and beverage operation out on Scorpion Bay  
12 Marina, and it will probably be out floating in the water  
13 as part of the marina.

14 MR. CHAIRMAN: Okay. Thank you.

15 MALE SPEAKER: Mr. Chairman, question.

16 MR. CHAIRMAN: Yes.

17 MALE SPEAKER: Are the marina slips covered?

18 MR. REAM: Not at this point. Well, we don't  
19 know. And ten million dollars is probably this piece  
20 right here. This is probably another twenty-five million  
21 alone.

22 MALE SPEAKER: I would just encourage you to  
23 look at that. Those are by far the most popular as far  
24 as covered slips.

25 MR. CHAIRMAN: Good point.

1 MR. MARTYN: Thank you, Mr. Ennis and Mr.  
2 Chairman and Board Members. We are a long way off from  
3 this (indiscernible). This is a demonstration to the  
4 community of our commitment to Contact Point, and the  
5 potential revenue generation possibilities out there, and  
6 the safety aspect of the congestion on the water. Launch  
7 and recovery on the weekends, which can get pretty dicey  
8 out there.

9 National Association of State Park Director's  
10 Conference, Mr. Ream and I went to. Very well attended  
11 and we had 41 states represented and Canada. It was  
12 good. They had a community project. We planted a bunch  
13 of trees. Arizona trees -- the State tree of Arizona is  
14 the Palo Verde --

15 MALE SPEAKER: Doesn't grow in Dubuque.

16 MR. MARTYN: Doesn't grow in Dubuque, Iowa, so  
17 we had plant, find some other trees. But it was good.

18 I was elected to serve as the Southwest  
19 Regional Representative. The Southwest Region includes  
20 Arizona, New Mexico, California, Nevada, Utah, Colorado,  
21 and Hawaii. I committed to getting out to each one of  
22 those states and talking to their Directors one-on-one  
23 about their Park issues. I'm looking forward to all of  
24 them, especially the Hawaii trip. I will pay for the  
25 Hawaii trip on my own.

1                   This is a big deal what's going on at --  
2 beginning tonight. This mic isn't working well Kelly,  
3 just so you know for the future. It's cutting in and  
4 out. I'm not moving, it's cutting in and out.

5                   The Director Camp Out Series. This is a series  
6 where I'm heading out to the various Parks to camp.  
7 Actually, tent and sleeping bag. I'll hit all the  
8 camping Parks and a couple of Parks that don't even have  
9 camping on them, over the next few months. And the idea  
10 is to get out and engage our customers, our Rangers, our  
11 volunteers and talk about the things we're doing well and  
12 talk about the things we might not be doing so well. And  
13 we'll have a very robust social media profile on this.  
14 The Twitter and the Facebook piece and all the pictures.  
15 It will be good. I will be a good time to get out and  
16 I'm looking forward to exploring the Parks.

17                   The Arizona Republic has -- this News Release  
18 went out two days ago when the Arizona Republic jumped on  
19 it right away. They like the idea and I think it will be  
20 in the newspaper quite possibly tomorrow. The Governor's  
21 office is aware that this program is moving forward and  
22 that the newspapers are going to cover it. That's based  
23 on letting the Governor's office know this is a current  
24 policy.

25                   Next meeting Kelly, this needs to work.

1 I invite any of you out. If you want to come  
2 out and camp, there's always a camp fire every night.  
3 I've got all the s'mores and everything. It's a good  
4 time. I've got the football, the gloves and the balls,  
5 if you want to come out and throw a little bit, whatever  
6 you want to do. Come out and enjoy the outside, and of  
7 course there's always the good hiking and everything that  
8 goes on in all our Parks.

9 Any questions about that, Mr. Chairman?

10 MR. CHAIRMAN: No. Any questions Board Members?  
11 Very good.

12 MR. MARTYN: You're all invited.

13 MR. CHAIRMAN: Wally?

14 MR. ARMER: I would just comment that the  
15 Republic called me for some reason and wanted to know  
16 what I thought of the idea and I assured them I thought  
17 it was a great idea. If you want to know what your  
18 customers think, the easiest way is to talk to them face-  
19 to-face. I mentioned that we did surveys every year and  
20 that we get good feedback, but when you're talking face-  
21 to-face, you're obviously are going to find out more than  
22 somebody filling out a form or sending in an e-mail or  
23 what have you. Hopefully, the end result will be as  
24 positive as I thought it was on the phone. So we'll find  
25 out.

1 MR. MARTYN: I'm beyond confident it will be.  
2 It will be good.

3 MR. CHAIRMAN: Excellent.

4 MR. MARTYN: And I did talk to our Federal  
5 Delegation, our Federal Lobbyist this morning, and he is  
6 letting our congressional delegation know that this is  
7 actually happening as well and they're all invited out to  
8 our Parks.

9 MR. CHAIRMAN: Thank you.

10 MR. MARTYN: Slide Rock this weekend. Got the  
11 Fall Festival going on. I'm not scared to camp out there  
12 for a few weeks.

13 Verde River Days, I'll be speaking at that  
14 event on the 28<sup>th</sup>, that's just a couple of Saturdays from  
15 now. Last year it was pretty well attended.  
16 Historically, it's been very political, the turnout. Not  
17 as much in the past because we have the (indiscernible)  
18 going on.

19 MR. CHAIRMAN: Yavapai County.

20 MALE SPEAKER: (Indiscernible) is the same day.

21 MR. MARTYN: Same day. That's all right. Our  
22 guys and gals will be busy out there. A lot of good  
23 things happening.

24 Fort Verde Days going on here in a few weeks.

25 Mr. Landry, are you planning on attending that?

1 MR. CHAIRMAN: I am and the September 28.

2 MR. MARTYN: Fantastic. So, again, I know this  
3 is a long drive for our Board Members, especially those  
4 that are in the south. Of course you're all invited. We  
5 cover these with our media.

6 October 15, the Big Room is going to reopen.  
7 That threw me there because I know we have a big event  
8 coming up here at Kartchner Caverns.

9 And then of course Tubac out on the 19<sup>th</sup>, and  
10 Tubac is going well. No problems in Tubac. Haven't  
11 heard of a lot going on down there, so I'm happy about  
12 that. They're still doing good things.

13 You'll note that is free admission in there out  
14 at Tubac.

15 One to save the date, we usually talk about  
16 this at our next Board meeting but I wanted you all to  
17 know early, November 8, the Big Room 10<sup>th</sup> Anniversary. The  
18 Governor has committed to attending. This will be the  
19 first time that this Governor has attended a State Park  
20 function. So we're very excited about that and very  
21 appreciative of her taking the time to come out.

22 There's the schedule. I encourage you -- every  
23 Legislator was invited. The community leaders, everybody  
24 has been invited. I haven't seen the RSVP list. That's  
25 being attended to at Kartchner. They're watching it. So

1 we'll give you an update on who's going to be there. So,  
2 a big event. We're going to make it even bigger.

3 And I think I have got Aramark, our concession  
4 down there, has agreed to sponsor the food for the event.  
5 That's a big deal 'cause there could be hundreds and  
6 hundreds of people there.

7 MALE SPEAKER: You'll decide what's next.

8 MR. CHAIRMAN: Go ahead.

9 MALE SPEAKER: I've got Action Items next on my  
10 Agenda.

11 MR. CHAIRMAN: This we do have under the  
12 Director's Briefing, but this is H -- okay. Let's go  
13 back to our -- go back to -- any questions of the  
14 Director or comments? No. Then we will then move to  
15 Item F, the Fee Schedule.

16 MR. REAM: Good morning, Mr. Chairman, Members  
17 of the Board. I'd like to talk to you a little bit about  
18 fees and the proposed fee changes to Arizona State Parks  
19 at this time.

20 On July 17, the Parks Board approved State  
21 Parks going out for public comment on the fees. We  
22 received 13 comments, most of them negative. I did break  
23 it down for you in the Board Report.

24 I read through the comments and most of them  
25 just -- I don't think -- really understood what we were

1       trying to do as far as the fees are -- the fee changes  
2       we're talking about. Most of these are strictly  
3       administrative fees. They aren't raising any fees at  
4       all. In fact, in some cases it will lower fees.

5               We have had a difficult time. The first one, on  
6       the non-electric sites at Kartchner Caverns. Once our  
7       campground is full we get a lot of overflow in. We have a  
8       very large parking lot there. People might be waiting  
9       for the next day for a site to open up. We'd like to  
10      accommodate them there. We had no way to charge them  
11      anything, but for an electric hook-up site.

12             And so this -- the change at Kartchner helps  
13      you -- helps us charge them a lower price to Park in a  
14      parking lot while their campsite becomes available.

15             So that actually is a lower fee, while many  
16      comments "You're going to raise fees and you're going to  
17      charge everybody out."

18             The individual fee at Red Rock will actually  
19      result in lower fees for those people who come in a  
20      single car. We've got plenty of Parking at Red Rock  
21      State Park and a lot of people travel by themselves,  
22      particularly in that Sedona area. Don't ask me why, but  
23      they're looking for that center of the universe I  
24      suppose, and it might be at our Park, it might not.  
25      Anyway, they get there and they don't want to pay \$10 a

1 car for the center of the universe, but they would be  
2 willing to pay \$5 a person. And that's what we're going  
3 to try doing there. It's going to a per-person fee.

4 Most State Park systems are on a per-person  
5 basis. We are one of the few systems that are still  
6 doing a per-car, per-vehicle system, because that group  
7 thing. I mean, it is the number of people that have an  
8 impact. So for a family of four with children under 14,  
9 there will be no change. It will still be \$10 -- \$5 each  
10 for the two adults, \$10 for the car and children are  
11 under 14 are free. So we still have a family-oriented  
12 thing.

13 So I think it's going to result in -- that \$5  
14 -- that single often turns around and we're hoping to  
15 bring that person into the Park with a \$5 fee. So we  
16 could actually increase our total revenue by charging  
17 less for that single car. I hope that makes sense. It's  
18 what we're trying to do there.

19 We've been very successful with that in Tonto  
20 Natural Bridge, which was the first Park we did. Where  
21 it won't work is Slide Rock, because we sell every  
22 Parking spot every day. And if we start letting singles  
23 in cheaper than what we're charging the per vehicle car,  
24 it will fill up Parking spots, so we could have charged  
25 more. It's a different scenario at different Parks.

1 MR. CHAIRMAN: Jay, what's the charge if you  
2 want to go hiking in the Federal lands around Red Rock?

3 MR. REAM: Well, at Red Rock State Park --

4 MR. CHAIRMAN: Not at the Park, but the Federal  
5 -- what's our "market" out there? What is the charge to  
6 get a hiking permit?

7 MR. REAM: The Red Rock pass?

8 MR. CHAIRMAN: Yeah.

9 MR. REAM: I believe the Red Rock pass is \$5 a  
10 day or something like that, and you can buy it at certain  
11 places, and that's just the Parking pass. You Park there  
12 -- in many cases at the side of the road.

13 MR. CHAIRMAN: Right.

14 MR. REAM: Before you could get cited for not  
15 having this Red Rock pass. Now they have to have a way  
16 to sell the pass at each site. So, if -- Mr. Chairman,  
17 my opinion is the Red Rock pass is kind of a mess.  
18 Because they have all these points of entries into the  
19 National Forest there that they're trying to charge for.  
20 It's very difficult for them to manage and to -- other  
21 operations around there are charging a \$1 less.  
22 Grasshopper Point, the Park just down the road, Red Rock  
23 Crossing, they're \$9 per vehicle.

24 And then finally the last fee was to create a  
25 range at Kartchner Caverns -- we have ranges at all of

1       our Parks. At Kartchner Caverns we always handle  
2       separately. We have no plans on going off the \$22 fee  
3       right now. But we would like to do some seasonal  
4       operations. Maybe lower it in the summer. You know, try  
5       to drive some interest to the cave in the summer by  
6       lowering fees. And this gives us the flexibility to do  
7       that with the approval of the Executive Director.

8               So at this time, I would ask that the Board  
9       take the staff recommendation.

10              MR. CHAIRMAN: Alan?

11              MR. EVERETT: So back to Red Rock. I'm looking  
12       at 2 to 10. So you're saying that a single person in a  
13       single car would be \$2?

14              MR. REAM: \$5.

15              MR. EVERETT: \$5. So, the 2 to 10, is that a  
16       range?

17              MR. REAM: That is a range for us.

18              MR. EVERETT: Okay. And will you adjust that  
19       as the seasons go, is that your plan?

20              MR. REAM: Well, we can adjust it by the  
21       seasons and by groups and by circumstances and by special  
22       events. So, we charge a little bit more every year. At  
23       Picacho Peak, for instance, during the Civil War  
24       Reenactment, we raise the entrance fee, because we know  
25       we're going to sell every Parking spot and that event

1 costs a lot of money to put on. So, we raise that fee  
2 for that particular and most Rangers will allow us to do  
3 that.

4 MR. EVERETT: Okay. But back to Red Rock.  
5 It's going to be \$5 a car for a single person?

6 MR. REAM: Well, no \$5 per individual.

7 MR. EVERETT: Okay. But if there are two  
8 individuals in a car, then is it --

9 MR. REAM: \$10.

10 MR. EVERETT: \$10. If there are four - it  
11 doesn't max out at 10?

12 MALE SPEAKER: Currently it does.

13 MR. REAM: Currently, it maxis out at 10. Four  
14 adults for \$10.

15 MR. EVERETT: Okay.

16 MR. REAM: But we generally run about two to  
17 three people per vehicle.

18 MR. EVERETT: Okay.

19 MALE SPEAKER: Say that again.

20 MR. REAM: Our average are about two to three  
21 people per vehicle.

22 MR. EVERETT: I'm just trying to understand it.

23 MR. REAM: For four adults in a car, it's going  
24 to be doubled.

25 MR. EVERETT: It will be \$20? Okay.

1 MR. REAM: Because we're going to be charging  
2 per person.

3 MR. EVERETT: So it's \$5 a person?

4 MR. REAM: Correct.

5 MR. CHAIRMAN: Have you considered a floor and  
6 a ceiling? In another words, \$5 per person but a maximum  
7 per car?

8 MR. REAM: Well, we wouldn't have a maximum.  
9 If you have a van, it's \$5 per person.

10 MR. CHAIRMAN: Okay.

11 MR. REAM: We do have group discounts available  
12 for groups over 8 or 9. But that's another part of the  
13 fee schedule.

14 MR. EVERETT: Do you make revenue projections?  
15 Have you made a revenue projection?

16 MR. REAM: We're using our example at Tonto and  
17 some anecdotal information from the Park Manager and the  
18 people who work the gate. Of all these people who turn  
19 around that are in a car alone, we didn't get any money  
20 from because they wouldn't pay \$10 for just themselves.  
21 They felt that if a single car came in -- so no, we don't  
22 have any projections, only anecdotal.

23 MR. EVERETT: So, currently, it's \$10 a car?

24 MR. REAM: \$10 a car.

1 MR. EVERETT: No matter if it's one person or  
2 five?

3 MR. REAM: Correct.

4 FEMALE SPEAKER: Mr. Chairman, Mr. Ream?

5 MR. CHAIRMAN: Yes.

6 FEMALE SPEAKER: On the Kartchner Caverns tour,  
7 for instance, last week my son took his wife and my two  
8 grandkids to Kartchner. They were unable to go to Big  
9 Room tour, but they went to the Rotunda. So the price  
10 currently for that tour is 22, am I correct?

11 MR. REAM: \$22.95.

12 FEMALE SPEAKER: For adults, and I'm not  
13 familiar with the under 14.

14 MR. REAM: Under 14 I believe is \$7.50. It is  
15 in your packet. I want to say attachment -- the current  
16 fee being charge --

17 MR. EVERET: \$12.95.

18 MR. CHAIRMAN: \$12.95.

19 MR. REAM: \$12.95.

20 FEMALE SPEAKER: Okay. So what you're saying on  
21 the Big Room tour and the Rotunda tour, that seasonal  
22 would be on your downtime or your slow time only?

23 MR. REAM: We don't have that opportunity now  
24 because we don't have a range. All year round this Board  
25 has said the fee at Kartchner is \$22.95. I can only lower

1           it through a promotion, which is usually a \$1 a ticket.  
2           But if I wanted to charge, say, \$18, say, for August and  
3           September or July and August, I don't have the authority  
4           to do that.

5                    FEMALE SPEAKER: And this would do that?

6                    MR. REAM: This will do that.

7                    FEMALE SPEAKER: So when you say the range for  
8           the Rotunda room would range from \$18 to \$30?

9                    MR. REAM: Correct.

10                   FEMALE SPEAKER: Rather than a flat 22 for  
11           adults. Then you could do that and that would be at the  
12           Director or your self's discretion?

13                   MR. REAM: Anything under that will require a  
14           Board action. Anything over \$30 will require a Board  
15           action. Because it takes us almost 18 months to change a  
16           fee --

17                   FEMALE SPEAKER: Correct. Because you've got to  
18           take it from here, from our recommendation, then it has  
19           to go to the State -- I mean --

20                   MR. REAM: We'll send it to the Secretary of  
21           State's office, have it published, and then we usually  
22           have 12 months' worth of reservations out there in front  
23           of us. So to change it today, I might not be able to  
24           change the October 15, the first day of the Big Room  
25           opening until 2014.

1 FEMALE SPEAKER: Understood. Okay. And so  
2 would you then with a reservation because the reservation  
3 is for Kartchner, so as you say, a year out oftentimes,  
4 would you then go back and reduce those fees for those  
5 folks?

6 MR. REAM: Once it's already made, we don't  
7 give money back.

8 FEMALE SPEAKER: Okay, all right. Okay, so  
9 from the time that we do this until the time that  
10 something is out to the public for notification --

11 MR. REAM: I believe I put in that the fees  
12 will become effective November 1, 2013.

13 FEMALE SPEAKER: Thank you, sir.

14 MR. REAM: And, again, I do not anticipate -- I  
15 don't know what the Director's wish is, I do not -- the  
16 team does not want to raise the \$22.95 right now. In  
17 fact, most of them want to get rid of the "95."

18 MR. ARMER: I think you may have answered my  
19 question already. There were only 13 responses?

20 MR. REAM: Only 13 responses, yes.

21 MR. ARMER: Okay. Of which I looked at, I  
22 figured 10 of them were negative, two were positive and  
23 one was neutral. To me, that's not a very negative  
24 response.

1 MR. REAM: And some of them really didn't  
2 understand what we were doing. A lot of people just  
3 complain about the fees no matter what. We do have some  
4 high fees.

5 MR. EVERETT: Did you do any revenue  
6 projections or are you able to on Kartchner?

7 MR. REAM: Mr. Chairman, Mr. Everett, I didn't  
8 do any revenue projections because we're really doing an  
9 administrative change. We do a revenue projection if we  
10 planned on raising it or lowering it at any time, and we  
11 don't have any real reason to change it. This is just a  
12 -- we always do Kartchner's separate from all the other  
13 fees. Because Kartchner drives so much revenue to the  
14 Agency, we want the Board to look at it separately. In  
15 fact, we do the Kartchner (indiscernible) separate from  
16 all the other sections in the Agency and other Parks.

17 So, we're just addressing this administrative  
18 change like we did last year for all the other Parks,  
19 where we set up ranges for every one.

20 MR. EVERETT: You mentioned August and  
21 September, are those your two slowest months at  
22 Kartchner?

23 MR. REAM: It slows down considerably after the  
24 temperatures starts hitting 100 here in Arizona and  
25 people leave. We're hoping to drive -- by doing some

1 lower rate, drive some of the locals in there. A couple  
2 of those comments were from people in the Benson area,  
3 who said we can't afford to go to Kartchner Caverns right  
4 now and it's in our backyard because of the price.

5 MR. EVERETT: So, if you went down to the \$18  
6 in August, do you think that would increase the  
7 visitation there?

8 MR. REAM: I'm getting from our PIO and  
9 marketing section, yes.

10 MR. EVERETT: Can you give a local discount?  
11 Could you keep it at \$22 and have a \$5 local discount?

12 MR. REAM: If you put coupons in the local  
13 paper and the local events offer coupons in local areas  
14 and you'll drive local to the Park. There's a way to  
15 discount only. Everybody isn't eligible for it, but if  
16 you just limit the coupon to Tombstone, Sierra Vista,  
17 Benson, St. David area, then, you know, that drives the  
18 locals in.

19 MR. MARTYN: Mr. Chairman?

20 MR. CHAIRMAN: Yes.

21 MR. MARTYN: Mr. Everett, one of the things  
22 that this allows us to do when you want to talk about  
23 bringing locals in, the fringe hours. Most people drive  
24 from Phoenix to Tucson, they get down to the Park about  
25 11:00. 11:00 to 2:00 is where we fill up all our tours.

1 Well, when the Park opens 10:00, 11:00, 12:00,  
2 not a lot of people in there from 3:00 on, not a lot of  
3 people there. This will allow us to say the tours from  
4 10:00 to 11:00, those are \$18, and that will get your  
5 locals out. Because it's close and it's less. But this  
6 range allows, like, us like any hotel or any business,  
7 there are certain times of the day where we want to fill,  
8 where we wouldn't get them anyway.

9 And so if we have the ability to make certain  
10 tours one price, and on the same day another tour another  
11 price because we're busy, we'll make money. We'll fill  
12 tours that right now are vacant or we're running through  
13 with five people. Same manpower is required for a five-  
14 person tour as an 18-person tour. So, that's pure profit  
15 right there. If I get two more people in, I'm ahead \$40.

16 So that's because this range gives us a lot of  
17 flexibility to run it as a business as you've charged me  
18 to do.

19 MR. EVERETT: I was also just wondering if you  
20 kept the rate at \$22.95 for August, would you publicize  
21 Tombstone, Benson and Sierra Vista, a \$4.95 discount?

22 MR. REAM: And this would give us the  
23 flexibility to do that, where we don't have it now  
24 because we have no range. This Board has set that fee at  
25 \$22.95 and that's the fee.

1 MR. CHAIRMAN: Any questions or comments?

2 MALE SPEAKER: Mr. Chairman, Mr. Ream, this was  
3 previously discussed. But what perimeters do you use to  
4 help you set those ranges? Do you look at visitation  
5 numbers? And then how far in advance do you post those  
6 so people understand what these varying rates will be?

7 MR. REAM: Because of our new reservation  
8 system, and granted I still call it "new" because it's  
9 been really just two years, which means we've really only  
10 been 12 months of full reservations, we have the  
11 opportunity to change fees tomorrow. I mean to say,  
12 look, we're filling up the week at Catalina State Park.  
13 We can change the fees and make the weekends bigger. We  
14 can change the fees to say, this campsite is a premium  
15 campsite, we can charge \$5 more a night. This is what  
16 the ranges allow us to do compared to when we had a  
17 single set range we couldn't.

18 Theoretically, we could change it tomorrow. We  
19 can change the fees in 24-hours. Some people might have  
20 reservations for a lower fee, some might make the  
21 reservation at the higher fee. But because of the  
22 reservation system, we run into problems on both ends.  
23 One is, even if I want to change it, a lot of people will  
24 have a year's worth of reservations, and it will be 12

1 months before we can change it. In other cases,  
2 (indiscernible), I can affect that immediately.

3 MR. MARTYN: Mr. Chairman, and Mr. Cardin, if I  
4 could address your issue. At the National Conference, we  
5 spoke in depth about fee structures. South Carolina has  
6 a really good program where they have a number of cabins,  
7 and if the cabins are historically busy on the weekends,  
8 by about Wednesday, if they haven't filled up a cabin  
9 (indiscernible) social media, they'll post it on their  
10 Facebook: hey, we've got a cabin available, you know, for  
11 this weekend. If by Thursday night they don't have that  
12 cabin filled, they post again on their Facebook and then  
13 say 20 percent off.

14 We have that flexibility with the range. That  
15 way I can go in and say immediately, call (phonetic)  
16 anything that's out there right now available, knock it  
17 down to whatever the low rate is and we advertise that as  
18 such. Now, granted, you'll have one cabin that paid one  
19 and their neighbor paid different, it's just the way it  
20 is. You don't ask the person next to you on the airplane  
21 how much they paid for their ticket. It's just the way  
22 it is. And this is the flexibility and we will fill --  
23 I've filled tours and sites and cabins that would have  
24 gone empty theoretically, just by having the ability to

1       reduce the rate just a little bit, if we use it  
2       judiciously.

3               We're not looking to increase our rates. We're  
4       not looking to increase our rates. We're looking for  
5       flexibility and range that allows us to ebb and flow with  
6       the market, which is what, in my personal opinion, I  
7       think we need that ability.

8               MALE SPEAKER: (indiscernible) and other people  
9       are wishing they could do the same.

10              FEMALE SPEAKER: So, basically, it's like the  
11       hotel principle, where they're looking at the occupancy  
12       rates as well as the average daily rate.

13              MR. REAM: And I tell you, this Director won't  
14       change unless I can tell him it will either make us more  
15       money or drive more attendance and make us more money.

16              MR. MARTYN: Math is still a berm in this  
17       Agency.

18              MR. EVERETT: Back to Red Rock for a second. I  
19       think the Red Rock Ranger District, their Parking fees  
20       are \$5 or \$20 annual, for an annual pass. Have you  
21       considered or could you do an annual pass for Red Rock  
22       only. It would be hikers only basically, say, for \$20. I  
23       know the annual pass for total Park system is whatever it  
24       is, quite a bit higher.

1           My thought is to get hikers in there because  
2           the hikers go to the National Forest. But there's some  
3           great hiking in Red Rock, too. So if you had just a  
4           hiking-only pass, maybe you don't call it that, but a  
5           single Park annual pass, you could get those regular  
6           hikers in there.

7           MR. REAM: Mr. Chairman, Mr. Everett, I believe  
8           this year at some point I will be bringing to this Parks  
9           Board a live look at multi-use passes and how they effect  
10          our operations. If you were to offer a multi-use pass to  
11          a group of people, where we would actually have some --  
12          gain some revenue out of a multi-year pass, we would have  
13          to charge so much that actually the people who would  
14          help, the people who have less ability to pay, couldn't  
15          afford the multi-use pass, you know, to make it a value.  
16          Multi-use passes are a giveaway and the people who can  
17          most afford the Park entrance, can afford the multi-use  
18          pass, and those that can't, pay one at a time.

19          So there's a big study out by the National  
20          Recreation Park Association, NRPA, on multi-use passes. I  
21          believe I sent that out to all the Board Members a few  
22          months back. It's something that once we get this piece  
23          done, we're going to try and have the fee team get  
24          together and discuss how we do multi-use passes.

1           One way is to do it per Park, where you  
2           actually become -- when you buy your multi-use pass for  
3           Red Rock, you become a Friend of Red Rock State Park in a  
4           sense, and we can charge Red Rock just to get into Red  
5           Rock. Maybe give you a couple of coupons to visit  
6           another Park in the area. But that multi-use pass only  
7           gets you into one Park, not every Park. It's one way to  
8           get out this multi-use pass business that really cuts  
9           into our revenues.

10           Annual passes are a giveaway for those people  
11           who use the Parks a lot.

12           MR. CHAIRMAN: Yes.

13           MR. REAM: One visit to Slide Rock, we charge  
14           \$20 a vehicle there.

15           MR. CHAIRMAN: I think what he's saying is  
16           there's a lot of hikers from Sedona and we could capture  
17           a bigger portion of the market.

18           MR. REAM: And I agree with you.

19           MR. CHAIRMAN: In other words, our competition  
20           has a flat fee for hikers for an annual basis, and he's  
21           asking on Park-specific to look at that issue.

22           MR. REAM: I'd be happy to. But I think we're  
23           going to do it on a broader scope and bring it up to the  
24           whole group.

1                   MR. EVERETT: I can tell you as someone that  
2 does a lot of hiking around the Sedona area, there's no  
3 reason for me to continue to go to Red Rock State Park.  
4 It's the same, you know -- I would go there to hike, but  
5 I'm not going to pay that fee every time I go in there  
6 when I can get a Red Rock Ranger District pass for \$20 a  
7 year and I can Park in a lot of places and do a lot of  
8 hiking.

9                   But if I had an annual pass just to Red Rock  
10 State Park to do hiking, there's some really good hiking  
11 trails there. But I think we're out of whack with the  
12 competition, which is the National Forest Service in that  
13 area.

14                  MR. MARTYN: Mr. Chairman, Mr. Everett, you  
15 know, we need to math it. There's one thing to get  
16 people in the Park. Right now there's no way to recoup  
17 the cost. You're not going to buy a hot dog or go into  
18 the gift shop. You're just going to go in, you're going  
19 to Park your car and you're going to hike, which is  
20 great. I still got to maintain that pavement, that road.  
21 I've still got to make sure there's Rangers out there.  
22 If you fall down and hurt yourself, I still got to get a  
23 Ranger to you. There are costs associated with all these  
24 things and we need to math, to really math them and I

1 can't afford to give away the store just because  
2 everybody wants to walk in the Park.

3 We're not subsidized. We don't have any  
4 ability to do it. I'm happy to look at the math of it,  
5 but unless we find some monies from somewhere else, it  
6 might be challenging. But we definitely are going to  
7 look at and see -- get some projections on, if we had it,  
8 a Park-specific pass, how much would it cost us to  
9 operate the Park with the additional people that come in?  
10 Because every person that comes in there's a requirement  
11 on us, negligible in some cases.

12 But I'm happy to explore mathing. This for not  
13 only Red Rock, but also Parks like Catalina and other  
14 Parks where we have a local population that likes to come  
15 into the Park.

16 We're just different than a city Park. There's  
17 just no way around it.

18 MR. EVERETT: Yeah, I understand what you're  
19 saying. But I'm also saying you're out of -- what you're  
20 doing is discouraging the locals and what you're - you're  
21 just asking for the tourists to come to Red Rock State  
22 Park. Because there's no incentive for the locals to  
23 keep coming there over and over.

24 And another thing, we can another day, but it's  
25 always been a little bit of a mystery to me, we don't

1 allow dogs at Red Rock State Park. A lot of people hike  
2 with their dogs.

3 MR. REAM: Well, the reason was a long time  
4 ago, not necessarily now, but that dogs and the scent of  
5 dogs, dispersed wildlife and the opportunity to view  
6 wildlife in their natural habit was something that the  
7 Park Management Plan had included. That is an easy rule  
8 to change. That is a un-Park rule and if the Board would  
9 like us to look into that, we can.

10 MR. EVERETT: We can talk more about that when  
11 we get into the slide. But there are challenges there.

12 MR. CHAIRMAN: On leash, dogs on leash.

13 MR. REAM: The same thing with swimming. The  
14 idea was to create a different crowd and a different mood  
15 at Red Rock from Slide Rock and from others, so that's  
16 why we don't allow swimming. There's no reason to bring  
17 an ice chest full of beer because there's no swimming.

18 Although when Slide Rock closed because of  
19 flooding not too long -- a couple of three years ago, or  
20 the big fire threat or whatever it was, I forget what it  
21 was. Fire I guess, we did open Red Rock for swimming  
22 that summer.

23 MR. EVERETT: Did you have an increase in  
24 visitation?

25 MR. REAM: Yeah, we did. Yeah, we did.

1 MR. CHAIRMAN: Okay.

2 MR. REAM: Thank you, Mr. Chairman. I  
3 appreciate that.

4 MR. CHAIRMAN: Any other questions or comments?  
5 Wally?

6 MR. ARMER: Mr. Chairman, if you'd like?

7 MR. CHAIRMAN: Sure.

8 MR. ARMER: I would move the Arizona States  
9 Park Board adopt a fee changes as presented by staff to  
10 take effect on a date as to be determined by the Director  
11 and direct staff to notify the public of the fee changes.

12 MR. EVERETT: Second.

13 MR. CHAIRMAN: I have a motion and a second.  
14 The date in the suggested motion was wrong. So Mr. Armer  
15 modified it. All those in favor, signify by saying aye.

16 (Chorus of "ayes.")

17 MR. CHAIRMAN: Thank you.

18 MR. MARTYN: Thank you, Mr. Chair.

19 MR. CHAIRMAN: We'll go to Growing Smarter, F-  
20 2. Is that Doris?

21 MS. PULSIFER: Good morning, Mr. Chairman,  
22 Member of the Board. I'm happy to present this morning  
23 (indiscernible).

24 As you know, the Growing Smarter Program is a  
25 result of voters and approved Proposition 303 back to

1 1998. That's when it was a twenty-million-dollar  
2 appropriation approved by the Legislature to the General  
3 Fund (indiscernible). The purpose was to purchase  
4 (indiscernible) State Trust Land (indiscernible)  
5 conserving open space in areas with high growth  
6 (indiscernible).

7 This year, we have received three applications.  
8 If you look in your packets, you will find a chart that  
9 outlines the three requests and how much is eligible and  
10 the funding that is available.

11 For this cycle, we had \$16,088,380 available.  
12 According to the statutes, we can't award more than 50  
13 percent of what's available in any one county. So that  
14 did affect the City of Scottsdale on the amount that was  
15 recommended for their grant.

16 I'm going to go through each of the projects  
17 and explain the rationale of these recommendations.

18 Starting with the City of Scottsdale, their  
19 total project cost was 24 million, and their grant  
20 request was for 50 percent of that, which is 12 million.  
21 But, again, because we can't award more than 50 percent  
22 of the amount that's available, the amount that we can  
23 award to them is \$8,044,100 and that is the  
24 recommendation for the City of Scottsdale.

1 Pima County, their request was for \$1,375,000  
2 and that was for the purchase of 800 acres for the  
3 (indiscernible) Mountain Park expansion (indiscernible).  
4 They were awarded a grant last year for (indiscernible),  
5 so this is (indiscernible).

6 The final appraisal amount for this purchase  
7 was \$2,450,000, so they are eligible for \$1,225,000 plus  
8 10 percent of associated costs. So that brings up their  
9 eligible amount of \$1,347,500 and that is the recommended  
10 funding for Pima County.

11 Flagstaff, they applied for - their total  
12 project cost was \$12,000,000 and their request was for  
13 \$6,000,000. Their final appraisal amount was  
14 \$11,600,000. They would have actually been eligible for  
15 a little over \$6,000,000. I think it was  
16 (indiscernible), but because their allocation was for  
17 \$6,000,000, we can't award more than what they're  
18 applying for.

19 So the recommendation for the City of Flagstaff  
20 is \$6,000,000.

21 If you approve the recommended funding for the  
22 cycle as presented, the total recommended funding is  
23 \$50,391,690, which would leave a balance for the next  
24 cycle of (indiscernible).

1 MR. CHAIRMAN: Thank you. Are there any  
2 questions of Board Members?

3 FEMALE SPEAKER: (Indiscernible).

4 MR. CHAIRMAN: All I can say is there's much  
5 left, so if anybody wants it, you better get your bid in  
6 quick. And I'm glad Pima County got something again.  
7 They were whining for a long time. Then, Doris, how much  
8 -- just big picture, how much money has been spent in the  
9 total Grant Program since the voters -- I know it's in  
10 the packet. I thought I warned you I was going to ask  
11 this question.

12 MS. PULSIFER: Well, the program started back  
13 in 2011, when we had the first cycle. Through last  
14 year, our 2012 cycle, we have awarded 27 grants and that  
15 was towards the conservation of (indiscernible). The  
16 total amount that has been awarded is \$250,820,487 in  
17 awards. Now out of that that actually expended, after  
18 the auction the amounts changed a little bit. The actual  
19 amount that we have expended is \$198,347,850.

20 MR. CHAIRMAN: Well, it's been an outstanding  
21 program. We're all going to miss you. Those who don't  
22 know, Doris is retiring from State Parks, but is  
23 transitioning to the City of Phoenix, and State Parks is  
24 really going to miss all the outstanding work and

1 everything you've done, not only in this program, but all  
2 our grants.

3 So, Doris, I know I speak on behalf of all the  
4 Board for that. Thank you.

5 (Clapping.)

6 MR. CHAIRMAN: I will accept a motion.

7 MALE SPEAKER: Mr. Chairman, if you are ready -  
8 I'm sorry, Kay.

9 MS. DAGGETT: I'm sorry, I do have one  
10 question. Doris, the time for application and the  
11 closing date for application, do you know that off the  
12 top of your head?

13 MS. PULSIFER: The closing date was the 28<sup>th</sup> of  
14 June. Usually we open it up -- we'll have, like, the  
15 application workshop in the spring, usually around March,  
16 and actually the process starts a lot earlier than that  
17 because usually we start with the State Land Department.

18 So you can start that process the fall before.  
19 So if there's applicants interested in applying for next  
20 year's cycle, we can start that process with the Land  
21 Department around this time of the year, so that they  
22 will be ready to apply next summer or next spring.

23 MS. DAGGETT: Thank you.

24 MR. CHAIRMAN: Okay. Now R.J.

1 MR. CARDIN: Mr. Chairman, I move the Arizona  
2 State Parks Board approve the funding for the following  
3 three Growing Smarter State Trust Land Acquisition Grant  
4 Requests as follows: the City of Flagstaff up to the  
5 eligible request amount of \$6,000,000 for the purchase of  
6 2,251 plus acres of conservatory mesa;

7 Pima County up to the eligible amount of  
8 \$1,347,500 for the purchase of 800 acres of the Tortolita  
9 Mountain Park Expansion Acquisition Phase II;

10 Number three, the City of Scottsdale, up to the  
11 allowable cap per county, which is \$8,044,190 for the  
12 Fiscal Year 2013 Growing Smarter Grant Program, for the  
13 purchase of 2,365 acres of the McDowell Sonoran Preserve.

14 MR. CHAIRMAN: Thank you. Do I have a second?

15 MR. EVERETT: Second.

16 MR. CHAIRMAN: Second. Any further comments or  
17 questions? All in favor signify by saying aye.

18 (Chorus of "ayes.")

19 MR. CHAIRMAN: Opposed? It's unanimous. Thank  
20 you very much. Thank you, Doris.

21 MR. EVERETT: Can I ask one follow-up question,  
22 Mr. Chair?

23 MR. CHAIRMAN: Yes, go ahead.  
24  
25

1 MR. EVERETT: So, what do we do with the  
2 remaining \$600,096? Will that be publicized and made  
3 available?

4 MR. CHAIRMAN: Another cycle.

5 MS. SPARLSBERG: We'll have another cycle.

6 MR. EVERETT: Just a short one.

7 MR. CHAIRMAN: Thank you. All right, let's  
8 move to Item F.

9 MR. ARMER: Does this have to be included?

10 MR. CHAIRMAN: Let me ask our attorneys. Do we  
11 need to add the final grant will be based on the State  
12 Land?

13 MS. HACHTEL: Mr. Chairman, I was just  
14 clarifying that. Yes, we do. So can we have the  
15 original --

16 MR. CHAIRMAN: Amend the motion.

17 MS. HACHTEL: (indiscernible) motion and  
18 second, please?

19 MR. CARDIN: Certainly, I would amend the  
20 motion, Mr. Chairman, to add the following:

21 The final grant amount will be based on the  
22 Arizona State Land Department final appraisal value of  
23 the parcels agreed upon by the applicants, plus no more  
24 than 10 percent for eligible associated costs. Approval

1 of the awards is contingent upon the appraised land value  
2 being finalized before December 31, 2013.

3 MR. EVERETT: Second.

4 MR. CHAIRMAN: Second. All those in favor,  
5 signify by saying aye.

6 (Chorus of "ayes.")

7 MR. CHAIRMAN: Opposed, say "nay."

8 Ayes have it, it's unanimous. Thank you.

9 Good catch, Wally.

10 Let's go to F-3, the Off Highway Vehicle Grants  
11 that have gone through various AORCC and everything. I'm  
12 not sure you need to go through every grant. The memo  
13 was pretty thorough. Are there questions? Do Board  
14 Members want a presentation, or are there any  
15 discussions?

16 MR. EVERETT: I'd just like to know the  
17 difference between the two options.

18 MR. CHAIRMAN: Okay. Doris, will you go  
19 through that, please?

20 MS. PULSIFER: Mr. Chairman, Members of the  
21 Board, with this item we're presenting two options for  
22 funding recommendations, and I will explain the  
23 difference between the two. But before I do that, I  
24 wanted to introduce to you our OHV staff. Bob Baldwin  
25 and Jeff Prince.

1 I just want to point out what a great job they  
2 do in (indiscernible). Bob for several years, he was  
3 very short staffed and actually had to cover about three  
4 or four jobs in this program. This is a very complicated  
5 program because it involves both Federal funds and State  
6 funds.

7 I just want to thank Bob for stepping up and  
8 taking care of this program the way he has.

9 It will be almost a year now that Jeff came to  
10 us and he's been doing an outstanding job also in the  
11 Outreach Program.

12 The program has been very successful due to the  
13 professionalism and dedication of hard work  
14 (indiscernible). They are here available today just in  
15 case you do have questions on any of these grant  
16 applications.

17 But the difference between the two options is  
18 we had nine applications that were originally came into  
19 us. One of them was deemed ineligible during the rating  
20 process. And then during the rating process, it was  
21 identified that one of the applications, there was issues  
22 with it. That was the Buckeye Water Conservation and  
23 Drainage District.

24 And it was determined that before they could  
25 really make any recommendations for this one project, our

1 OHV Coordinator, Jeff, was going to go out and do a  
2 little bit of investigation to get a little bit more  
3 information on this project.

4 Unfortunately, he wasn't able to contact and  
5 get the answers that he needed in order to present those  
6 concerns to AORCC and the results of his investigation.

7 So the recommendation that was forwarded to  
8 AORCC was for the approval of eight applications, and  
9 that was -- you'll find that on Attachment B. The AORCC  
10 recommendation includes funding -- eight applications  
11 that includes that -- the one there in the middle that's  
12 ranked 47 points for the Buckeye Water Conservation  
13 (indiscernible).

14 By the time he met with (indiscernible), Jeff  
15 had had the opportunity to compile some information and  
16 present to OHVAG and the concerns that was with the  
17 Buckeye Water District application.

18 There was several issues, but the main issue  
19 was that this particular grant application competes with  
20 a private enterprise, which is against State law. So  
21 because of that, staff did not recommend funding this  
22 project from OHVAG.

23 So when OHVAG made their final recommendation,  
24 they recommended seven grants, which did not include the  
25 Buckeye project.

1                   So that's the difference between the two. So  
2                   the OHVAG recommendation is for \$881,429 versus the AORCC  
3                   that included the Buckeye for their recommendation of  
4                   \$1,215,732. So, that's the difference.

5                   MR. CHAIRMAN: Wally?

6                   MR. ARMER: You say there was -- the Buckeye  
7                   project was in competition with a private enterprise?

8                   MS. PULSIFER: Yes. There's another motorcross  
9                   operation within 15 miles (indiscernible).

10                  MR. CHAIRMAN: And that's the statute, 15  
11                  miles?

12                  MR. KATZ: Mr. Chairman, Paul Katz with the  
13                  Attorney General's office. I hadn't pulled the statute  
14                  today, but I had it out in front of me during our OHVAG  
15                  meeting.

16                  Basically, the State can't promote a private  
17                  enterprise that is in direct competition -- it's not  
18                  necessarily by geographic perimeters -- with an existing  
19                  private enterprise. It's a very limited audience and if  
20                  you have a track nearby that we are essentially funding,  
21                  there's a problem.

22                  There are also some issues regarding the  
23                  sustainability of the program with the use of assessments  
24                  from the Water Conservation District to run a track.  
25                  There's concerns that you put money into that track, how

1 are you going to operate it. There was also some  
2 concerns that weren't adequately investigated as to who  
3 might be operating that track, and one of the persons  
4 that came to mind was somebody that had an operation in  
5 Maricopa County that the State Land Department cancelled  
6 for the non-payment of over \$100,000 of rent and no  
7 insurance. And I won't go into greater detail unless you  
8 would like me to do so.

9 But there were a lot of unanswered questions.  
10 My recommendation would be from the legal perspective,  
11 that it not be approved. Let it be done without  
12 prejudice for the Water Conservation District to reapply  
13 during the next grant cycle, and we would investigate --  
14 our staff would investigate that matter in greater  
15 detail.

16 MR. CHAIRMAN: Thank you. Are there comments  
17 or questions?

18 MR. EVERETT: I would agree. I would go with  
19 option 1.

20 MR. CHAIRMAN: Okay. I guess we need a motion  
21 then for option 1 from somebody. Wally?

22 MR. ARMER: I move to provide funds from the  
23 State OHV Recreation Fund and Federal Recreation Program  
24 in the amount of \$881,429 to seven of the eight proposed  
25 motorized projects, excluding the Buckeye Water

1 Conservation and Drainage District project, as identified  
2 in Attachment A, and direct the Executive Director or  
3 designee, to execute the appropriate agreements.

4 MR. EVERETT: Second.

5 MR. CHAIRMAN: I have a motion and a second.  
6 Any further discussion or comment? All those in favor  
7 signify by saying aye.

8 (Chorus of "ayes.")

9 MR. CHAIRMAN: Opposed? Say nay. It's  
10 unanimous. Thank you all for your very hard work. We  
11 know it's a difficult area. Thank you.

12 MS. PULSIFER: And I just want to say thank you  
13 to everybody at the Parks Board. It's been a pleasure  
14 working with you and that our paths cross again.

15 MR. CHAIRMAN: Hope so, too, Doris.

16 I'm told the next item, G-4, that we need to  
17 take this in executive session.

18 MALE SPEAKER: After I introduce it, Mr.  
19 Chairman, we will.

20 MR. CHAIRMAN: Okay.

21 MALE SPEAKER: I'll give you a little  
22 background before we get into our attorney's  
23 recommendations on -- real quick. This is a request for  
24 Rio Rico properties or Avatar is their parent company.  
25 We've been dealing with Rio Rico properties -- this is

1 down near Nogales. If you're not familiar with it, it's  
2 basically the Sonoita Creek area, Santa Cruz River.

3 The Termination Agreement - the Cooperation  
4 Agreement resulted from a 2003 purchase, a two million  
5 dollar purchase of property along the Sonoita Creek  
6 Natural Area.

7 As part of this agreement, there were three  
8 things that we agreed to cooperate on that was tied to  
9 this Purchase Agreement. The first was \$200,000 at  
10 \$50,000 a year for four years to hire a Ranger to patrol  
11 the area of the new Natural Areas purchased.

12 The second piece was to buy two pieces of  
13 property. One was a Ranger residence area and trailhead  
14 and the other was a Visitor's Center location.

15 The third piece was that they were willing to  
16 sell us, which I thought was good, the Santa Cruz River,  
17 about six miles of the Santa Cruz River, and it runs  
18 through the Rio Rico property.

19 Mr. Armer says, "We don't need all that  
20 property," I think is the exact quote from 2003. But  
21 nevertheless, that was part of the Cooperation Agreement.

22 Well, things change. We had a great recession.  
23 Land values certainly have gone down, to be determined  
24 how much they really have gone down. Our strategy we

1           have decided as a Board, that we were not going to pursue  
2           the purchase of the Santa Cruz River.

3                       Thus, the need for a Visitor's Center at the  
4           confluences of Sonoita Creek and the Santa Cruz was  
5           hardly necessary. And we're really not in a position to  
6           have a Ranger residence at the west end of a State  
7           Natural Area. In fact, we're not even managing the  
8           Natural Area now, more passively than before. It's part  
9           of the Patagonia Lake State Park, which we have no Ranger  
10          specifically assigned to the Natural Area at this time.

11                      Because of those strategy changes, staff is  
12          recommending that the Parks Board authorize the Director  
13          to negotiate and enter into a Termination Agreement with  
14          Avatar, Rio Rico. At that point, because this is a  
15          contract and part of a sales purchase, we brought in the  
16          A.G.'s office, Mr. Paul Katz. The A.G.'s office  
17          representative has been working with us on that and he  
18          has some comments that he would like to share with the  
19          Board in executive session because it's a real estate  
20          action.

21                      MR. CHAIRMAN: I'll entertain a motion for us  
22          to go into executive session pursuant to --

23                      MR. EVERETT: I move that we go into executive  
24          session for the purpose of receiving legal advice from  
25          counsel.

1 FEMALE SPEAKER: I second.

2 MALE SPEAKER: I'd like Ray to stay if it's  
3 okay. He is our real estate manager and he'll be taking  
4 care of a lot of the details of this, and it's just  
5 easier.

6 MR. CHAIRMAN: I have a motion and second, all  
7 in favor, please by saying aye.

8 (Chorus of "ayes.")

9 MR. CHAIRMAN: Okay, we are now in executive  
10 session.

11 (Whereupon, the public retires from the meeting  
12 room.)

13 (Whereupon, the Committee is in executive  
14 session from 1:12:49 to 1:30:06 p.m.)

15 \* \* \* \* \*

16 (Whereupon, all members of the public are  
17 present and the Committee resumes in general session.)

18 MR. CHAIRMAN: Okay, we're back in open session  
19 on Item F-4. I'll entertain a motion. Does someone want  
20 to make a motion? Wally or Kay?

21 MS. DAGGETT: I'll move the Arizona State Parks  
22 Board authorize the Executive Director to negotiate with  
23 Avatar/Rio Rico Properties and to come back to the Board  
24 with further recommendation.

25 MALE SPEAKER: Second.

1 MR. CHAIRMAN: And it's the Director or his  
2 designee just to clarify.

3 All those in favor, signify by saying aye.

4 (Chorus of "ayes.")

5 MR. CHAIRMAN: Opposed. Okay. We're now in  
6 State Operation Status Update. Is that you Jay?

7 MR. REAM: Oh, I'm sorry, I was trying to  
8 figure out -- what I was going to (indiscernible).

9 This is going to be very brief as soon as I  
10 find my notes here.

11 Mr. Chairman, this is going to be a real quick  
12 brief. You get this brief every week. It does a couple  
13 of things for us. It allows the Board to talk about any  
14 Park as we go through, and it allows us to update you on  
15 big changes in a Park.

16 This month, however, there's only a couple of  
17 major changes. The most important is, Picacho Peak  
18 reopened last Saturday on the 14<sup>th</sup>, and it's open for  
19 business and it has a new Park Manager. A couple of  
20 months ago I told you it had a new Park Manager and a new  
21 Park Assistant Manager. That Assistant Manager has  
22 already found another job somewhere else. So we're back  
23 to just a Park Manager and a couple of Ranger 2's there.  
24 It's not a bad operating and we've done that for years.  
25 However, this Park Manager will be going to the Academy

1 here in a month or so. So, we'll have an Interim  
2 Manager.

3 MALE SPEAKER: Mr. Chairman, I would just add,  
4 I'm going to stop on the way home and introduce myself to  
5 the new guy since he is pretty new, just to let him know  
6 that I've got his name.

7 MALE SPEAKER: Let him know somebody's  
8 watching.

9 MALE SPEAKER: That's right. See if I can  
10 catch him at the commercial establishment just outside  
11 the front gate.

12 MR. REAM: Picacho Peak State Park is a common  
13 rest area for the State Park staff.

14 On another note on this same list, Jerome State  
15 Historic Park has moved up to the Parks Without Financial  
16 Partnership. Our operation in Jerome, using a shared  
17 manager between Jerome and Red Rock and using a Park  
18 Ranger 3 and seasonals, have put Jerome in the operating  
19 black. And so we are very happy about the way Jerome is  
20 running, and there is no financial partner there and we  
21 will continue that type of a model at some of the other  
22 Parks as we bring them out of the financial partnerships  
23 and into a black-operating scenario.

24 These are those other Parks. Fort Verde  
25 currently has no agreement but we have high hopes that

1 Camp Verde will continue with us. They would like to  
2 take our agreement to an MOU instead of an IHGA that they  
3 currently have, and provide in-kind management and  
4 opportunities there.

5 Camp Verde is a great partner and they've had  
6 some changes in their counsel of recent, and so we start  
7 over a lot there. I'll just leave it at that.

8 Homolovi State Park, we still have a great  
9 agreement with the Hopi.

10 And Oracle State Park reopened as well.  
11 September 1, we're open for school groups and on  
12 weekends. And Oracle State Park is being co-managed with  
13 Catalina State Park.

14 Red Rock, as you know, we are only working with  
15 the benefactors, no longer with Yavapai County; and Roper  
16 State Park, we have in-kind agreement with Graham County  
17 and the Towns of Safford and Thatcher, or is it Taylor?  
18 Thatcher.

19 MR. CHAIRMAN: Taylor is further north.

20 MR. REAM: And these are the Parks operated  
21 without Arizona State Park staff. Boyce Thompson  
22 Arboretum, which is where we'll be meeting at the next  
23 Board meeting. And use of Operational Agreements you  
24 have in your packet, when they expire and when they end.

1                   And then finally, you saw the picture of  
2                   Contact Point and we're moving forward on our developing  
3                   plans there, and a special grazing permit with Ross  
4                   Humphrey at the San Rafael Cattle Company has expired for  
5                   this year, and we are working on a management plan to  
6                   either allow long-term grazing there or not allow grazing  
7                   at all. I think we're either long-term or none. I just  
8                   don't know where we are yet. It's a work-in-progress.  
9                   We may end up with another Special Use Permit next year  
10                  as we slug our way through this.

11                 MALE SPEAKER: Jay, how come we don't list  
12                  Rocking River? Isn't that a Park not open to the public?

13                 MR. REAM: Rocking River is part of the Verde  
14                  River Greenway.

15                 MALE SPEAKER: Okay.

16                 MR. REAM: And for now it is not a Rocking  
17                  River State Park, it's part of the Verde River Greenway.

18                 MR. CHAIRMAN: Speaking of Rocking River,  
19                  there's the -- what I'm trying to say, Pickett House?

20                 MR. REAM: Picket Post House.

21                 MR. CHAIRMAN: Picket Post.

22                 MR. REAM: Boyce Thompson Arboretum.

23                 MR. CHAIRMAN: Can we take a look at that when  
24                  we have our Board meeting?

1 MR. REAM: Mr. Chairman, I've given a nice  
2 Agenda for the day at Boyce Thompson Arboretum, and the  
3 Director will be telling you about that at the end of the  
4 meeting.

5 MR. CHAIRMAN: Okay, good. I'd like to do  
6 that. And, secondly, is there anything you can or care  
7 to tell us in an update on Tubac, or are we just treading  
8 water?

9 MR. REAM: You know the notes that I've been  
10 getting from Shaw Kinsley, who is the Director of the  
11 Tubac State Park down there, have been very positive. I  
12 believe their troubles with the Arizona Historical  
13 Society were put on hiatus during the summer because our  
14 friend goes to Maryland for the summer.

15 MR. CHAIRMAN: That wasn't the Historical  
16 Society?

17 MR. REAM: The Tubac Historical Society --

18 MR. CHAIRMAN: You said Arizona Historical  
19 Society.

20 MR. REAM: Oh, I'm sorry. The Tubac Historical  
21 Society goes on hiatus to Maryland for the summer, and  
22 when he returns this fall, I expect it to heat back up.

23 MR. CHAIRMAN: Okay.

24 MALE SPEAKER: He'll be refreshed.

25 MR. CHAIRMAN: Enough said. Thank you.

1 MR. REAM: And that's all I have if there's no  
2 more questions.

3 FEMALE SPEAKER: Mr. Chairman and Mr. Armer, I  
4 don't know, I assume all of you know that there are  
5 lawsuits that are pending regarding that. Arizona State  
6 Parks are not involved currently --

7 MR. CHAIRMAN: That was my understanding.  
8 That's why we did not have it on the Agenda. But,  
9 yeah, there are.

10 FEMALE SPEAKER: I assume all of you know that  
11 there is some ongoing litigation that does not involve  
12 us.

13 MR. CHAIRMAN: Right. Thankfully. I had  
14 quarterly events update. We have that in our packet,  
15 right? Okay.

16 MALE SPEAKER: Mr. Chairman, we end Fiscal '13  
17 with visitation up a little over 2 percent throughout the  
18 system. We've passed again just over the two million  
19 visitors' mark, which is good news. This is  
20 (indiscernible) those Parks that we manage on our own or  
21 with financial support of those Parks that are managed  
22 (indiscernible). Good news.

23 With regard to the State Parks Revenue Fund, we  
24 were up approximately 1.6 percent to ten million, we'll  
25 call it \$500,000. When you add in all the other revenues

1 from what's called the State Parks Revenue Fund, the  
2 concessions, the reservation surcharge and the gift shop,  
3 we were just shy of twelve million dollars, and this is  
4 about the third year running that our total system  
5 revenues have been right at that level. We were just a  
6 shade under our forecast. We were 1.6 percent over as I  
7 mentioned. So we did okay. Being slightly up is good.

8 The OHV, I just looked at this actually  
9 recently. We were dead on to last year. We are just a  
10 percent under our forecast. At least has to do with the  
11 highly-stable revenue, slightly to our surprise.

12 We're doing what we can with regard to an  
13 outreach and promotion program that we'll be starting  
14 here in the next month or two to get more information  
15 out, to get more people to sign up for that program. We  
16 think there's awful lot of non-compliance, and we're  
17 hoping that that will make some difference in the second  
18 half of this calendar year.

19 So we've dedicated money in the OHV budget for  
20 that and we've hired first-class people that are helping  
21 us to put together a campaign on that.

22 So, again, on forecast, the State Lake  
23 Improvement Fund, I looked at this and this is our  
24 easiest -- this is such a large number that it is very  
25 stable, and so were exactly on target there.

1           So overall, revenues for the Agency were  
2           (indiscernible). I'll be happy to answer any questions.

3           MALE SPEAKER: First, thank you for putting in  
4           the percent to prior year.

5           MALE SPEAKER: Or would you like to see more?

6           MALE SPEAKER: No, that's fine. But also, what  
7           a great job of forecasting you did when you can come  
8           within 1 percent.

9           MALE SPEAKER: That's what I've been doing for  
10          the State for 24 years. And, you know, it's the theory  
11          of large numbers and what's going on underneath bounces  
12          around a lot, but when you add them all up -- a previous  
13          director asked me to forecast Park revenues and I said I  
14          can't. But when you add them up, they stabilize and that  
15          seems to be the case. It seems to work out well that  
16          way. I wouldn't venture to -- some of our Parks are  
17          pretty stable, but some of them have good years and some  
18          have so-so years. But when you add them all up it turns  
19          into a fairly stable -- but, thank you.

20          MR. MARTYN: Mr. Chairman?

21          MR. CHAIRMAN: Yes.

22          MR. MARTYN: I spoke Wednesday -- Monday at the  
23          Mohave Board of Supervisors, Mohave County Board of  
24          Supervisors, gave them a brief overview on State Parks  
25          and SLIF and how we utilize SLIF. They know that these

1 counties are looking, especially Mohave (indiscernible).  
2 But they also understand that (indiscernible), so their  
3 Resolution included taking back SLIF money but finding  
4 another funding source for State Parks to replace SLIF.

5 So they are aware. They're doing what they're  
6 doing, but at least we had the ability to tell our story.

7 FEMALE SPEAKER: Mr. Chairman, what does the  
8 SLIF Fund total roughly?

9 MALE SPEAKER: Last year it was five million  
10 dollars in revenue as opposed to (indiscernible).  
11 Between the gas tax and then also -- the voting  
12 registration we split with (indiscernible).

13 I'm about to discuss in a little bit, we'll be  
14 getting some money for that. I guess what Bryan was also  
15 mentioning is that the word is out that we're getting a  
16 little extra money, (indiscernible) grants prior to my  
17 time are back asking for it. But we've been using the  
18 SLIF Fund for operations for at least six or seven years  
19 now. And it is in no way -- even with the new tweak to  
20 the formula, it doesn't replace the money we got from the  
21 General Fund.

22 They heard we got new money, they're sniffing  
23 around, but as much as we might want to help them, we're  
24 in no position. So if they can help us get back on the

1 General Fund or find some other source, then we can be  
2 back in business.

3 FEMALE SPEAKER: Thank you.

4 MR. MARTYN: Mr. Chairman, Ms. Daggett, it  
5 represents 32 percent of our budget. It's a big chunk.  
6 And, again, looking long-term for the sustainability of  
7 the organization, SLIF is not the answer. SLIF will go  
8 away some day. So it's up to us and Board Members to  
9 advocate for a more predictable, long-term funding  
10 source. We are not in a position to have SPRF cover the  
11 cost of operation.

12 FEMALE SPEAKER: Understood. Thank you.

13 MR. CHAIRMAN: Thank you. I'd like to go to  
14 Use of Additional Funding discussion.

15 MALE SPEAKER: Chairman, if I may give a brief  
16 update on that and ask you to refer to -- we don't have a  
17 slide on this, refer to the memo in your packet.

18 You had asked and perhaps others were  
19 interested, how we plan to use this extra (indiscernible)  
20 coming from SLIF and we also received thankfully, a  
21 million dollars from -- there's a General Fund  
22 appropriation into the State Parks Revenue Fund for  
23 capital purposes.

24 And so with - in this Fiscal Year, that's a  
25 million-plus because the SPRF Legislation doesn't start

1           until -- it kicks in until October. That gives us a 1.8.  
2           Next year when it's a full year, we'll get about 2.6. So  
3           this year that's 1 plus 1.8, that's about 2.8  
4           (indiscernible).

5                         There's a table that is shown here that shows  
6           how we will spend it in this Fiscal Year, and of that  
7           million dollars, which we thankfully received and shared  
8           another million dollars with the Parks Commission, we are  
9           -- we're spending it on electrification at Buckskin,  
10          Catalina and Lost Dutchman. It turned out to be  
11          wonderful amenities for our customers and also  
12          moneymakers, because you get to charge a little bit extra  
13          for usage.

14                        We're also, as you can see if you're looking at  
15          that table, we're spending that million dollars on a new  
16          restroom at Lost Dutchman, and we're doing some plumbing  
17          and HVAC upgrades at Tonto Lodge as well as a new  
18          restroom. We're blending we think cleverly, but that's  
19          all we can do.

20                        This million dollars with some other funds to  
21          do these projects and Federal LWCF monies and some of our  
22          SLIF, State Lake Improvement Funds, to accomplish these  
23          electrification. And some landscaping at the beaches  
24          which are we think just are tremendous and we are really  
25          enjoying the enhanced look at our beach Parks.

1           In addition to that, the money is going to be  
2 used -- and this is primarily out of the State Lake --  
3 the new money out of the State Lake Improvement Fund for  
4 furtherance not completion of our ADEQ compliance,  
5 consent or compliance projects to the tune of about  
6 \$730,000, a total of \$925,000. That's an ongoing effort  
7 to try to address those projects.

8           So in total, we're planning on spending almost  
9 3.7 million dollars of which (indiscernible) \$600,000. So  
10 we're activity utilizing a lot of the money on capital  
11 projects.

12           And the Chairman asked how we're doing with  
13 regard to new staff and that is also I think in your  
14 memo. We currently as of today, have 152 full-time  
15 employees and 76 seasonals. We plan - there's a little  
16 table at the bottom of that memo. We plan on adding new  
17 permanent -- 13 new permanent employees in the field.  
18 And possibly up to 5 here in the central office, for a  
19 total of 18 people. And that would give a change of  
20 about a million -- we'll call it almost two million  
21 dollars to our budget.

22           Hiring is just slow as Christmas and the labor  
23 market we're noticing is tightening. I'm hearing just in  
24 the last couple of weeks and how that may or may not  
25 affect us, we'll have to see.

1 I was at a meeting yesterday with Alan Everett  
2 and some of the other Directors, talking about  
3 (indiscernible). And that's that. I'll be happy to try  
4 to clarify any questions you may have.

5 MR. CHAIRMAN: Thank you. Are there any  
6 questions? R.J.?

7 MR. CARDIN: One question. The Land and Water  
8 Conservation Fund, the \$600,000, is that the full  
9 allocation for the State of Arizona?

10 MALE SPEAKER: We just received notification  
11 the day before yesterday, and I think -- I'm drawing a  
12 blank. It's \$800,000, so it's almost (indiscernible).

13 MR. CARDIN: So what will the rest of those  
14 funds be used for?

15 MR. MARTYN: Mr. Chairman, a quick update.  
16 Relative to the million dollars that the Legislature got  
17 -- and thanks to the Foundation for their help in  
18 securing those funds -- I did send out letters to  
19 Legislators thanking them for their vote, and I did -- I  
20 told them that they were going to utilize the monies for  
21 campground electrification (indiscernible). And I  
22 demonstrated that that million-dollar investment would in  
23 turn create more than a couple of million dollars in  
24 revenues over the lifespan of the project.

1           Relative to the personnel piece, and a couple  
2           of members are aware of it, we're about to embark on a  
3           program that includes hiring Veterans. In this case  
4           they're homeless Veterans from the shelter here in  
5           Phoenix. We'll hire them as seasonals and so they get  
6           paid about \$12 an hour. They're in the Parks for about  
7           nine months and they'll actually live on Park in the FEMA  
8           trailer. The idea is to have two, a pair. Two for Lake  
9           Havasu, two for Dead Horse and two for Fool Hollow in  
10          Show Low, because many of these Veterans don't have  
11          vehicles and those are Parks that are -- you can live in  
12          without having a car.

13                 It's a very aggressive program and we're  
14          working directly with the VA to include counseling  
15          services and all the above. They would be vetted through  
16          the VA. The members would be vetted through the VA and  
17          then also through the (indiscernible). There are no  
18          guarantees on this, but I think this is something that we  
19          need to do; and dammit, if not us, who.

20                 We're going to give these guys and gals a  
21          chance. I have requested to have at least one female  
22          Veteran. This is the direction we're going to go with  
23          and see how it goes. Know that all three of these Parks  
24          have prior military personnel that work in them. So they  
25          know their speak and I think the key that comes down is

1 the initial talk to me where it will be in expectations.  
2 These are the expectations and I will definitely turn on  
3 my military voice and will make it very clear that this  
4 is something that we serve our customers, and it will be  
5 transparent to all of our customers that these  
6 individuals were at one time homeless. They will just  
7 know that they have quality customer experience at  
8 Arizona State Parks.

9 That will hit the press after we've hired. But  
10 it will be out of the press, because I think it is a good  
11 program that can be replicated throughout the country the  
12 skill set required for a seasonal Ranger. Healthy  
13 military men and women possess that skill set, the vast  
14 majority of it. So this is something that we're  
15 embarking upon and you are all part of it.

16 So I will keep you posted as we move down. It  
17 will probably take place within the next 30 days.

18 MR. CHAIRMAN: Thank you.

19 MALE SPEAKER: Mr. Chairman, just a question  
20 for Mr. Martyn. Will these individuals get a background  
21 check?

22 MR. MARTYN: Mr. Chairman, no more than any  
23 other seasonal employee, relative to we will look at  
24 their criminal records if they have some. A criminal  
25 record will not preclude use of the ability to be hired

1 at State Parks as it is now. But there are certain  
2 issues, certain criminal -- if you have certain things in  
3 your record, they have definitely precluded you from  
4 working with children and customers in that capacity; if  
5 you got caught stealing a bike or if you were caught  
6 smoking something you shouldn't have, with the substance  
7 abuse of sorts, we will take that into consideration.  
8 But that will not preclude giving these guys and gals a  
9 fighting chance.

10 MR. CHAIRMAN: Thank you very much. We'll  
11 obviously when we talk at our next Board meeting about  
12 the SWAT analysis, we can talk in more detail about each  
13 Park.

14 Cristi, the Arizona State Park Foundation  
15 Update. And the Board is going to have to excuse me  
16 because my wife had some outpatient procedure this  
17 morning. It's all fine but I have to go pick her up. I  
18 just got a page, so I'm going to unfortunately have to  
19 leave the meeting right now.

20 MS. STATLER: And I think this is going to work  
21 fine for me. I think you have to be 5'2" or shorter for  
22 this microphone to be effective. I'm just going to give  
23 you a quick debrief, an update on what's current with the  
24 Foundation. Thank you for inviting and including me on  
25 the Agenda today.

1           There are some exciting things going on. I  
2           won't dwell much on achievements, we should talk about  
3           plans. But there's a little background I'd like you all  
4           to hear.

5           Arizona State Parks Foundation was founded as  
6           partner to the Park system in June of 2004, nearly 10  
7           years ago. My how time flies when you're having a lot of  
8           fun. This organization determined then that it could  
9           deliver the greatest benefit to State Parks through three  
10          areas of focus, advocacy, Friends groups, building and  
11          fundraising for specifically programs and projects  
12          throughout the Park system.

13          Over the last nine years, the Foundation has  
14          been a dedicated and very flexible partner, responding to  
15          an array of crisis and threats to the State Park system,  
16          and supporting efforts that are designed to create a more  
17          sustainable and stable State Park system while we  
18          continued the development of crucial partnerships,  
19          Friends groups, and fundraising for State Park events  
20          that drove visitation, Park operations in some cases,  
21          programs and some Park capital needs.

22          Arizona State Parks Foundation is now analyzing  
23          its future in developing the strategic plan that expands  
24          the Arizona State Parks Foundation Board of Directors,  
25          insures its own sustainability and positions the

1 organization as an effective partner to the State Park  
2 system.

3 Efforts currently underway include the  
4 Foundation support of the Friends of Tonto Natural  
5 Bridges Taste at the Bridge. This special event, second  
6 annual event, is to be held October 19 and your \$50  
7 ticket is available before you leave today. We hope that  
8 you'll consider participating in this. You don't know  
9 what it means -- I think sometimes it's State Parks  
10 Members Foundation Board Member senior staff, don't  
11 appreciate how deeply their presence is felt when you  
12 attend a special event like that. It's a real  
13 endorsement and support of that Friends organization.

14 Those volunteers who are working hard to raise  
15 money to sustain that Park year after year. They make a  
16 contribution to sustain the operating efforts or make a  
17 couple of improvement at that Park. \$10,000 a year for a  
18 small community is not necessarily -- is not negligible.

19 We're also supporting the Strategic Planning  
20 Board Development and stakeholder engagement to  
21 reinvigorate efforts at Friends of Lost Dutchman State  
22 Park. We are hosting -- the Foundation is hosting a  
23 Stakeholder Café on October 1, next Tuesday evening,  
24 October 1, and we have engaged already the participation  
25 of local political leaders, Chamber of Commerce,

1 neighbors to the Park, partners to the Park in the  
2 corporate community, as well as State Legislators from  
3 that District. So I'm looking forward to that  
4 Stakeholder Café.

5 We are in the development of Arizona State  
6 Parks Foundation business circle, which is intended to  
7 maximize the corporate community's participation in  
8 fundraising and advocacy efforts benefiting State Parks.

9 We're in the development of a grant program to  
10 support ongoing work of Friends groups, affiliates, and  
11 those with independent 501C.3 non-profit status.

12 We are also undertaking right now the  
13 development of a Strategic Digital Plan, which will  
14 prescribe a thoughtful redesign of the Foundation's  
15 website and social media outreach and presence.

16 We are also continually engaged with State Park  
17 stakeholders, in dialogue and planning for sustainable  
18 Parks and open space throughout the State. You know  
19 what, those folks don't care where those jurisdictional  
20 lines cross between municipal, county, regional and State  
21 Parks. We believe that they are sustainability issues at  
22 every level, and are engaged in (indiscernible) dialogue  
23 to address sustainable Parks and open space.

24 The work of the Foundation in its entirety is  
25 pursued for the ultimate benefit of Arizona's State Parks

1 and the organization stands as the sole statewide partner  
2 to Arizona State Parks to enhance, conserve, and preserve  
3 Arizona's State Parks and ensure visitors affordable  
4 access and the finest possible visitor experience at  
5 these wondrous State assets. That's all I have. I'm  
6 happy to answer any questions or respond to any concerns  
7 you might have.

8 MR. CHAIRMAN: Thank you, Cristi. Any  
9 questions? We appreciate the support of the Parks  
10 Foundation. It's needed and I hope will be expanded.

11 MS. STATLER: I do, too. And I will tell you,  
12 you have more Friends out there that we're engaging  
13 through the State Parks Foundation, not just as Board  
14 Members but through sub-committees. You don't have to be  
15 a Board Member to participate in the sub-committee work  
16 of this Foundation.

17 Our external partners have expanded enough to  
18 enable us to work with the Arizona Commission of the Arts  
19 and their Friends, to secure a million dollars for your  
20 capital needs. It's the only capital money you got this  
21 year. And it was well worth the six-and-a-half to seven  
22 weeks we spent focused on lobbying. As a registered I  
23 was influencing legislation, no question about it.

24 The relationship that we have with Rusty Foley  
25 and other Legislators, got that money, and to my mind, my

1 way of thinking, that's a better return on any other  
2 fundraising effort that we would do on your behalf.

3 So when you think about that million dollars in  
4 capital funds, just considering a fundraising effort of  
5 the Arizona State Parks Foundation for your benefit.

6 I'm delighted to --

7 MR. CHAIRMAN: Any questions of Cristi?

8 MS. STATLER: I hope we'll have an opportunity  
9 every other month or every quarter, something like that  
10 to provide an update like this that's on your Agenda and  
11 not up front in the comment section, because sometimes  
12 address issues during the meeting that we'd like to  
13 respond to, but are unable to at the front end.

14 So I hope you'll consider adding us again to  
15 your Agenda in the next quarter.

16 MR. CHAIRMAN: We certainly will.

17 MS. STATLER: Thank you.

18 MR. CHAIRMAN: The next meeting, Wednesday,  
19 October 16 at Boyce Thompson.

20 MR. MARTYN: Mr. Chairman?

21 MR. CHAIRMAN: Yes, sir.

22 MR. MARTYN: I'm going to go over real quick at  
23 BTA very briefly on what we're looking at. We have a  
24 parking lot dedication at 11:00 in the morning out there.  
25 11:00 if you can make it. 12:00 lunch, 1:00. The

1 luncheon is provided by the contractor. Posted lunch.  
2 1:00 to 3:00 we have a Parks Board meeting, that's us.  
3 From 3:30 to 5:30, a joint meeting with the Boyce  
4 Thompson Arboretum Board.

5 MALE SPEAKER: (Indiscernible) to both Boards.

6 MR. MARTYN: Yes. Resolution will talk about  
7 their tailings, proposed tailing locations and the  
8 potential impact or not, on Boyce Thompson Arboretum.

9 From 5:00 to 6:00 you'll have a walking tour.  
10 Give you a chance to check out Pickett Post.

11 From 6:00 to 7:00 a happy hour, and then from  
12 7:00 to 9:00 there will be a dinner out at Boyce Thompson  
13 Arboretum.

14 I laid that out there because the October 16 is  
15 a full day. If you should choose to your Board duties,  
16 it is from 1:00 to 3:30.

17 MR. CHAIRMAN: Great. Thank you. Kelly, would  
18 you send an e-mail to all the Board Members outlining  
19 that schedule? Thank you much.

20 Board Members any specific items you'd like to  
21 have added? Thanks. We're adjourned.

22 MALE SPEAKER: I just want to comment,  
23 November, San Rafael.

24 MR. CHAIRMAN: It will be colder than hell in  
25 San Rafael in November, just keep in mind.

1 MALE SPEAKER: I defer to the advice of a  
2 rancher.

3 MR. MARTYN: In fact, I was out at McFarland  
4 this last week. McFarland looks good. Maybe we should  
5 consider if you don't want to go down to the Border.

6 MR. CHAIRMAN: I don't mind going there. I  
7 just commented that it could be little nippy.

8 MALE SPEAKER: We could get in the Council --  
9 or the new Supervisors Chambers.

10 MR. MARTYN: We could do that. You don't want  
11 do it in our Park?

12 MALE SPEAKER: How cool would that be?

13 MR. MARTYN: We'll talk about that.

14 MR. CHAIRMAN: As soon as he left, they got new  
15 council chambers, is that the idea?

16 MR. MARTYN: That was the last big hoorah to  
17 make that happen.

18  
19 (End of recording)

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## CERTIFICATION

I certify that I transcribed the testimony in the foregoing matter from a CD, and that the preceding pages of typewritten matter is true, accurate and complete accounting of all testimony from the audio recordings, to the best of my skill and ability.

I further certify that I am in no way related to any of the parties and that I am not in any way interested in the outcome thereof.

Dated this \_\_\_\_\_ day of November 2013.

      /s/ Dawn Archambo      

Dawn Archambo

Certified Electronic Transcriber No. 00231

Revisions made on January 27, 2014 by:

      /s/ Angela F. Miller      

Angela F. Miller, RPR, CR (AZ50127)

Certified Reporter