



Arizona State Parks

MINUTES ARIZONA STATE PARKS BOARD JULY 20, 2016

A. CALL TO ORDER

Chairman Cardin called the meeting to order at 10:04 a.m. on Wednesday, July 20, 2016 at the Arizona State Parks offices at 23751 N. 23rd Avenue, Suite 190 in Phoenix. Monica Enriquez was present to take the minutes.

Members Present

RJ Cardin, Chairman; Kay Daggett, Vice-Chair; Bernard Sanden; Lisa Atkins; Orme Lewis, Jr; Shawn Orme; Mark Brnovich (via teleconference)

B. PLEDGE OF ALLEGIANCE

Commissioner Atkins led the audience in the Pledge of Allegiance.

C. INTRODUCTION OF NEW BOARD MEMBER AND ROLL CALL

Chairman Cardin thanked Mr. Alan Everett for his time on the Board and for his service to the State of Arizona and Arizona State Parks. He asked the audience to give him a round of applause. He said the Governor has now appointed Mr. Bernard Sanden as a Member-at-Large. Mr. Sanden introduced himself. Roll call indicated a quorum was present.

D. DISCUSSION ITEMS

1. Governor Ducey's Arizona Management System Initiative (*5 minutes – Dawn Collins and Nichole Fleshman*)
 - Mr. Sanden, who works for the Governor's Transformation Office, said Governor Ducey's mission is to make Arizona the best place to work, live, retire, recreate, and to get an education. In order to do that you must look at best practices and what's being done across the states. In order to measure up to that you must have metrics. In order to come up with metrics, the State is looking at processes for ways to improve by reducing waste and improving the effectiveness of things, work together and collaborate.
 - Mr. Sanden said it's based on lean principles and the bottom line is maximizing value to stakeholders. The intent is to drive down metrics that Agency directors have worked together and developed throughout the state. This will create a management system that is one specific unified enterprise.
 - Ms. Fleshman said Arizona State Parks Performance Metrics will be: Increase visitation and revenue; Increase reservations made online; Increase occupancy rate; increase volunteer hours; increase Facebook likes; Receive Section 106 compliance submittals electronically (State Historic Preservation Office). She said the statewide metrics will be: Number of full-time employee (FTE); Number of administrative rules improved or repealed; Number of breakthrough achieved; Percent of services online; Number of regrettable attrition.
 - Vice-Chairman Daggett asked what is being calculated in occupancy rate. Ms. Collins said campsite, cabins and cave tours are calculated in the reservation system.

- Ms. Orme asked if there is a specific metric for the percentage of increase and what is the target goal. Ms. Collins said the percentage increase is 10% for visitation but the others have a more organic improvement. ASP is trying to improve on improvements that have already been made or at least maintain.
- Mr. Lewis asked to what extent are your goals and metrics reflect the adverse consequences if use goes out of sight such as safety concerns. Ms. Collins said ASP balances its visitation and natural resources protection responsibilities. ASP takes that into consideration on a park-by-park basis what is the appropriate increase for that month.
- Chairman Cardin asked how frequently does Arizona State Parks (ASP) check their metrics. Ms. Collins said ASP must report monthly to the Governor's Office but internally they are checked daily and weekly depending on the metric.
- Ms. Orme asked if the metrics are tied to the strategic plan. Ms. Collins said ASP is in the process of developing a new strategic plan and everything should be converging.

2. Update on Granite Mountain Hotshots Memorial State Park (*10 minutes – Skip Varney*)

- Mr. Varney said he would discuss the development timeline. He said the land was purchased on June 30, 2015 to create the Granite Mountain Hotshots Memorial State Park. Work began on the trail system with American Conservation Experience (ACE) on January 16, 2016. New website up on February 11, 2016. Work began on March 14, 2016 on the parking lot on Highway 89. Installation of Gabion baskets at deployment site where the fatality occurred began on April 25, 2016. Main trail completion from trailhead in the parking lot to the observation deck on May 25, 2016. The parking lot was completed on June 16, 2016. The grand opening is scheduled for November 2016. He showed the Board photos of the Park with construction to date and that is included in the PowerPoint presentation located at <http://AZStateParks.com/board>.
- Mr. Varney said future development will include kiosks with trail information. Also included in the future development is 19 memorial plaques. Arizona Correctional Industries helped to install the gabions. There will be 12 benches installed which were manufactured by ACI. There will also be six interpretive signs; 2 observation deck signs; 2 trailhead signs and 1 deployment site sign. These will be kiosks to tell the story of what transpired. The new website is granitemountainhotshotsmemorial.org. Arizona Public Service Foundation donated \$229,000 to complete the work that has been presented.
- Ms. Orme asked what the financial needs are moving forward? Mr. Varney said there are additional signs and that ASP would like to do and so additional funds would help with these items. Director Black said ASP would like to continue to raise as many funds as possible. Funds are being accepted through the website and go to the Arizona State Parks Foundation.
- Chairman Cardin introduced Jim Buster, President, Arizona State Parks Foundation. He said the Foundation works with ASP to raise fund for the Hotshots park as well as other endeavors. He said they are proud to be part of creating the park.

3. Contract for Reservation System (*5 minutes – Charlotte Rhigetti, State Procurement Office*)

- a. The Board may vote to go into executive session under A.R.S. § 38-431.03(A)(2) for consideration and discussion of confidential records and A.R.S. § 38-431.03(A)(4) for discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations.”
- Christopher Munns, Assistant Attorney General, noted the next two items are an update from the State Procurement Office (SPO) on these contracts that are out for bid. When SPO handles the process on behalf of ASP, they make the call so this is not an action item.
 - Ms. Rhigetti said SPO released a Request for Proposal (RFP) on behalf of ASP in May 2016. The competitive bid included three major components: Central Reservation System and Point of Sale; Call Center; and Website Design and Content Management System. The timeline was: May 18, 2016 - Solicitation published and advertised by SPO; May 25, 2016 – Pre-Bid Conference held by SPO at ASP Office where three vendors attended; June 9, 2016 – Solicitation bid opened by SPO and three vendors

ultimately gave offers; June 20, 2016 – Consensus Evaluation Committee Meeting that included parks staff from out in the field; and July 5, 2016 – Negotiations conducted with vendors.

- Ms. Rhigetti said at this time SPO is nearing conclusion of the process and ready to award toward the end of July.
- Vice-Chairman Daggett asked if the previous contractor was part of the mix. Ms. Rhigetti said they provided an offer. Vice-Chairman Daggett asked if the current contractor is not awarded would the transition be difficult for the public. Ms. Rhigetti said it should be a smooth transition. She said a transition plan was provided by the contractors in their bids.

4. Contract for Concession Operations of Contact Point (*5 minutes – Jennifer Wenger, State Procurement Office*)

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- Ms. Wenger said the goal was to increase revenue stream to ASP by creating this new park at Contact Point. SPO released a Request for Proposal in February 2016 to develop and operate a marina and concession operation in Lake Havasu City.
 - Ms. Wenger said the required services and facilities in the RFP included: dry boat storage and rentals; boat launch/ramp/slips and marina; equipment/watercraft rentals; restaurant/bar/vending machines/merchandise store; fishing license sales/bait shop; fuel stations; pump-out stations; roads; parking areas; walkways; lighting; storm water facilities; utilities – water, sewer, electric, telephone, cable, Wi-Fi. Additional services upon approval could include: food and beverage; mobile food/merchandise carts within the park; vending; catering.
 - Chairman Cardin asked if the contractor must disclose ahead of time what additional services they would like to include or if they are able to add additional service upon approval at a later date. Ms. Wenger said the RFP allows the contractor to identify services upfront but also allows them to add additional services later that may be beneficial.
 - Jim Keegan, Deputy Director, showed the Board photos of where the park will be located. Photos are included in the PowerPoint presentation located at <http://AZStateParks.com/board>.
 - Vice-Chairman Daggett asked what the term of the contract will be. Mr. Keegan said the term is 40 years. Vice-Chairman Daggett asked if the return on investment for taxpayers was built into the RFP. Ms. Wenger said ASP would recoup monies through concessions from the operation so ASP would receive funds immediately. Chairman Cardin asked if entrance fees would go to the concessionaire or to the park. Ms. Wenger said the entrance fees would go through the concession operator.
 - Mayor Mark Nexen of Lake Havasu City said this is a project that has been in the works for decades. It is a public/private partnership between the developer, ASP and Lake Havasu City. He said Lake Havasu City will provide sewer lines, water lines and roads to get to the launch ramp and the development that will occur below there. They also plan to do additional development there. The City is excited about this project and the partnership with ASP. He thanked Director Black for her diligence, cooperation and can do attitude.
 - State Representative Sonny Borelli said building relationships with city, county and state officials is how we will get things accomplished. Teamwork is how Arizona is going to be able to succeed. This is a tremendous project that will not only benefit Lake Havasu City and Mohave County but the State as well.
 - Chairman Cardin thanked Representative Borelli and Mayor Nexen for the partnership and moving this along. It's greatly appreciated.

5. Three new OHV grant programs have been introduced: 1) Mitigation and Emergency Grant 2) Small Grant 3) Law Enforcement Grant (*10 minutes – Skip Varney*)

- Mr. Varney said the Off-Highway Advisory Group (OHVAG) asked ASP to do research on small grant programs. After doing some research last year with property owners, ASP developed three new grant

programs. These grants have already gone through the OHVAG and the Arizona Outdoor Recreation Coordinating Commission (AORCC).

- The first one is the Emergency and Mitigation Grant. That focuses on resources of trail rehab and could be anything from trash removal, toilet facility repair or emergency trail repair. It allows us to get funding out the door quicker. The funding ranges from \$10,000 to \$100,000 grants. ASP works with land managers to develop, maintain and regionalize contractors to expedite the projects. Chairman Cardin said it includes damage from natural disasters and asked if it also includes mitigation from OHV damage. Mr. Varney answered affirmatively.
- Mr. Varney said the Small grant is designed to allow the OHV program to contract with various groups associated with OHV programs to develop and maintain routes and trails. This would be a competitive grant in the January and July cycle. Submission could happen anytime throughout the year and funds would be set aside. The funding ranges from \$10,000 to \$100,000 grants and a 5% match would be required. The project must be completed within one year. They must be shelf ready and NEPA and cultural clearances must be one.
- The Law Enforcement grant will provide funding to law enforcement agencies to conduct specific OHV enforcement or educational programs on public land. Submission to the grant will be on a semi-annual basis and funding will be up to \$30,000 with a 5% percent match.
- Chairman Cardin asked how the \$30,000 amount was derived. Mr. Varney said that amount allows for basic equipment and will allow more agencies to get additional funds. Vice-Chairman Daggett asked if the 5% match is normal. Mr. Varney answered affirmatively.

E. ACTION ITEMS

1. Approval of meeting minutes from October 6, 2015.

Chairman Cardin noted there was one error in the minutes and asked for that change.

Motion: With that change, Commissioner Atkins motioned to approve the minutes. Vice-Chairman Daggett seconded the motion. The motion passed.

2. Approve January 2016 Motorized Trail Grants (OHV) (5 minutes – Skip Varney) Staff and advisory committee recommendations will be presented and the Board will be asked to approve the recommended Off-Highway Vehicle motorized trail grants.

- Mr. Varney said there were 11 grants submitted in the January cycle approximately \$2.9 million worth of submissions. The submissions were reviewed by ASP staff as well as OHVAG. Dave Klein from OHVAG said this was one of the busiest grant cycles. He commended ASP staff on the job they have done to moving the grants through. He said the grants were also reviewed by AORCC and is excited to get them out on the ground.
- Chairman Cardin said he appreciates the amount of effort ASP staff has given the grants by reviewing, then also having OHVAG and AORCC review. He said it shows considerate thought was put into it and it is admirable.
- Jeremiah Loyd from the Town of Eager thanked Mr. Varney and Mickey Rogers for their help because their project wouldn't be able to happen without it. He said he is on a county wide trail group and the whole group feels State Parks and National Parks bring legitimacy to them and he wanted to express his appreciation.

Motion: Ms. Orme motioned to approve funding of all 11 projects, consistent with a majority of all committee recommendations on each project, by making available funds from the Off-Highway Vehicle Recreation Fund. Vice-Chairman Daggett seconded the motion. The motion passed.

3. Approve January 2016 Non-motorized Trail Grants (RTP) (5 minutes – Mickey Rogers) Staff and advisory committee recommendations will be presented and the Board will be asked to approve the recommended non-motorized trail grants.

- Mickey Rogers, ASP Grant Coordinator Lead, said the grant cycle opened in January. He said 17 applications were received requesting \$1,085,126 in funds. The Arizona State Committee on Trails (ASCOT) reviewed the projects but unfortunately there was not enough available to fund all of them. ASP

staff met with Arizona Department of Transportation (ADOT) and they approved an additional \$365,000 and ASP was able to fund additional projects.

Motion: *Commissioner Atkins motioned to recommend funding to as many of the eligible non-motorized trail projects as possible beginning with the highest scoring projects, until all allocated FY 2016 Recreational Trails Program funds are obligated. Should more funding become available, or one of the awarded projects be unable to provide the completed documentation, funds will be moved to the next eligible non-motorized trail project as appropriate.* Vice-Chairman Daggett seconded the motion. The motion passed.

4. **Approve January 2016 Trail Maintenance grants (RTP)** (5 minutes – Sean Hammond) Staff and advisory committee recommendations will be presented and the Board will be asked to approve non-motorized trail maintenance grants.
- Sean Hammond, ASP Grant Coordinator, said for the January cycle ASP received six non-motorized trail maintenance projects. He said there was \$150,000 in funding set aside but projects totaled \$180,000. One was not approved because they were not 50% complete on another project that they received funding. The other projects were approved at about \$30,000 each for five projects.

Motion: *Ms. Orme motioned to recommend funding the five eligible trail maintenance projects, \$30,000 each, for a total of \$150,000. Should more funding become available or one of the awarded projects be unable to provide the completed documentation, funds will be moved to the next eligible non-motorized trail project as appropriate.* Commissioner Atkins seconded the motion. The motion passed.

5. **Approve increase in previously awarded Land Water Conservation Fund (LWCF) grant** (5 minutes – Mickey Rogers) Staff and advisory committee recommendations will be presented and the Board will be asked to approve an increase in LWCF grant for Roper Lake State Park.
- Mr. Rogers said in October of 2015, the Board approved restroom/showers at Lost Dutchman, Roper Lake and Buckskin Mountain. Since that time the dump station at Roper Lake is no longer working so ASP would like to add an additional \$266,000 for the new dump station, new leach field and some amenities.

Motion: *Vice-Chairman Daggett motioned to approve an increase of grant funds from the LWCF by \$226,100, to allow Arizona State Parks to include a new dump station leach field and site amenities, in addition to the previously approved restroom/shower grant project at Roper Lake State Park.* Mr. Lewis seconded the motion. The motion passed.

6. **Approve LWCF grant application to support Statewide Comprehensive Outdoor Recreation Plan (SCORP)** (5 minutes – Dawn Collins) – Staff and advisory committee recommendations will be presented and the Board will be asked to approve an application for LWCF grant funds in the amount of \$23,500 to support the Statewide Comprehensive Outdoor Recreation Plan (SCORP) planning effort through a partnership with Arizona State University.
- Ms. Collins said every five years Arizona State Parks prepares the SCORP. The National Park Service requires this plan in order for the state to receive Land and Water Conservation funds. This plan establishes outdoor recreation priorities for the state. ASP has embarked on starting the process for the 2018 SCORP and is partnering with Arizona State University. She read a statement from Dale Larsen. The SCORP working group has representatives from federal agencies, state agencies, municipalities and non-profits. She said ASP is asking for support the grant application for funds that will partially support the SCORP effort.
- Chairman Cardin said having led the SCORP process many years ago, hats off to you, the team and the group of folks you've put together. It's always been an inclusive process from what I see you have taken that to the next level.
- Ms. Orme said she would like to serve on the working group.

Motion: *Ms. Orme motioned to recommend that Arizona State Parks apply for \$23,500 in Land and Water Conservation fund monies to support the SCORP planning effort.* Vice-Chairman Daggett seconded the motion. The motion passed.

7. **Approve FY 2017 Budget** (5 minutes – Jim Keegan) – Staff recommends the Arizona State Parks Board approve the recommended FY 2017 Operating, Donations and Capital Budgets.

- Mr. Keegan said in FY 2016 ASP set a record for revenue with \$16,444,354. That was \$2 million more than the previous year. When you look from FY 14 to FY 16, there is a \$5 million revenue increase. With being an enterprise self-sustaining agency, ASP needs to make sure the focus is on expenditures and revenue. The agency is getting behind the director's initiatives and guidance the Director is setting, and we look forward to achieving new records. The most amount of the revenue is being generated from cave tours, camping and day-use fees.
- Mr. Keegan said in FY 16 a spending plan was developed and implemented. There was 0.03% remaining in ASP's budget which is very little money. Mr. Keegan said FY 17 will be consistent with prior years with the resources so we can implement and operate the agency as it has been.
- Ms. Orme asked where the activities of the Arizona State Parks Foundation figure in to the budget. Mr. Keegan said there is no activity from the Foundation at this time. Chairman Cardin said the Foundation provides donations for parks such as the Hotshot state park but Mr. Keegan is saying those donations are not reflected in the overall budget. Mr. Keegan said that is correct.
- Mr. Lewis asked if the increase in revenue affects the number of full-time employees (FTE) on an annualized basis. Mr. Keegan said the number of FTE's is the same as last year.

Motion: Commissioner Atkins motioned the Arizona State Parks Board approve the recommended FY 2017 Operating, Donations and the Capital Budgets as lump sum and that the Executive Director be authorized to implement the programs, including submittal to the Governor's Office and Legislature as required based on the information presented. Mr. Lewis seconded the motion. The motion passed.

F. ELECTION OF BOARD OFFICERS FOR 2016

Motion: Commissioner Atkins motioned to elect Kay Daggett as Board Chair and Shawn Orme as Vice Chair. Mr. Lewis seconded the motion. The motion passed.

- Chairman Daggett said it is going to be an interesting year and she hoped the Board would help the Director and Governor with their plans for State Parks.
- Director Black thanked Mr. Cardin for his leadership and how much he truly cares for this agency as a former employee. It has been a pleasure to work with him. Mr. Cardin said his heart has always been with ASP. He started in 1990 and worked on the 1992 SCORP. He said he has been to nearly every State Park and he looks forward to ASP continuing the great tradition and is excited to have Chairman Daggett and Vice-Chairman Orme move into these roles.

G. CALL TO THE PUBLIC – Those wishing to address the Board must register at the door and be recognized by the Chair. Presentation time may be limited to three minutes at the discretion of the Chair; the Chair may limit a presentation to one person per organization. The Board may direct staff to study or reschedule any matter for a future meeting.

- Jim McPherson, said he is on the Board of the Arizona Heritage Alliance, President of the Arizona Preservation Foundation, and also on the Board of the Arizona Downtown Alliance. He said he works closely with ASP staff mainly from the State Historic Preservation Office (SHPO). He said this year is the 20th Anniversary of the Arizona Heritage Fund. Unfortunately, the State Parks Heritage Fund is gone but the Heritage Alliance continues to work to bring it back or some sort of funding mechanism for historic preservation projects. There is still the Game & Fish Department Heritage Fund and continues to work with staff on that. The Arizona Preservation Foundation just had a successful conference with 400 people attending. He said he also works with SHPO on the Main Street Program. He thanked the Board and ASP for their continued support.
- Jan Hancock, American Trails, said after more than 20 years of close interaction as a trails advocate in my partnering experiences with ASP and ASCOT, I just wanted to have the meeting record reflect my positive comments about the great work for trails being done by the current ASP staff. The trails community is thrilled with all of the leadership and support from the ASP staff. The ASP staff have dug deep to support trails in spite of limited budget dollars. She said she hears from many in the trails community who are happy with the growing focus on trails with the State Parks system, since there are economic benefits to Arizona

when we increase recreational trail opportunities to the public. She said she is personally impressed with how well we are all working together with ASP to maintain, and sustain, our State's trail systems.

- Mr. Lewis asked how many miles of public trails there are in Arizona. Nick Lund, Chair, ASCOT, said there are 800 miles of non-motorized trails that were part of the State Trails System but it was cumbersome to educate the public about it. For the past two years ASCOT has worked on a new system called the Arizona Premier Trail System. They would select the Top 100 trails in the State of Arizona and focus on those. These would be the absolute best trails in the State. ASCOT has worked on criteria and screening process and applications are now being received. This fall ASP and ASCOT will start to recognize those trails. They would then have to re-apply every five years.
- Mr. Lewis asked if those trails include those in the Forest Service and other public lands. Mr. Lund said yes. Chairman Daggett asked if that could be an agenda item at the next Board meeting.

H. TIME AND PLACE OF NEXT MEETING

1. Board members may wish to discuss issues of interest to Arizona State Parks and request staff to place specific items on future Board meeting agendas.
 2. Suggested date for next Arizona State Parks Board meeting is September 20, 2016
- Director Black said she would meet with Chairman Daggett and Vice-Chairman Orme to discuss future meeting dates and will bring them to the Board at the September meeting.

Director Black thanked all of the partners and Board. She also thanked ASP staff for their work

I. ADJOURNMENT

Chairman Daggett adjourned the meeting at 11:38 a.m.

