



Oregon Parks and Recreation Commission

July 15, 2010
La Pine, Oregon

7/15/2010 Meeting Minutes

Those attending all or part of the meeting included:

Commissioners Present:

Davis Moriuchi, Chair
Jay Graves, Vice-chair
Robin Risley
Brad Chalfant
Sue Musser
Jim Brown

Staff:

Tim Wood, Director
Vanessa DeMoe, Commission Assistant
Chad Montoya, Administrative Assistant, Administration
Lisa Van Laanen, Assistant Director of Administration
Tanya Crane, Budget Manager
Roger Roper, Assistant Director, Heritage Programs
John Potter, Assistant Director, Operations
Brian Silcott, Assistant Director, Exposition Center and Fairgrounds
Kyleen Stone, Assistant Director, Recreation Programs and Planning
Steve Shipsey, Assistant Attorney General
Cliff Houck, Real Property Manager
Jim Morgan, Natural Resources Manager
Craig Leach, OPRD Forester
Ross Kihs, High Desert District Manager
Connie Bradley, State Fair Manager
Larry Miller, Eastern Region Manager
Darin Wilson, Engineering Manager
MG Devereux, Cottonwood Canyon Project Manager
Wayne Rawlins, Grants Program Manager
Ron Price, Grants Program

Visitors Present:

Tony DeBonne, La Pine Parks and Recreation
Lee Webber, ATI Wah Chang
Jim Dennan, ATI Wah Chang
Justin Cutler, Director, La Pine Parks and Recreation
Susan Jordan, Legislative Fiscal Office
Mayor Kitty Shields
Bruce Ronning, Bend Parks and Recreation

A. Executive Session, 8:30 a.m.

The Commission met in Executive Session to discuss acquisition priorities and opportunities. The executive session was held pursuant to ORS 192.660(2)(e). The Executive Session was closed to the public.

B. Workshop, 9:15a.m.

1. Travel Management - Forest Service, Amy Tinderholt

Ms. Tinderholt gave a presentation on travel management history, changes, public access, grants, education, and current and future status of travel management.

Highlights from the presentation are listed below:

Travel Management Basics

- The Forest Service's new travel management rule provides the framework for each national forest and grassland to designate those roads, trails, and areas open to motor vehicle use.
- Designated routes and areas will be identified on a motor vehicle use map.
- Motorized sports enthusiasts and organizations, conservationists, state agencies, and local governments are working with the Forest Service on solutions to address the increased use and impacts.

Travel Management History

US Forest Service Chief Dale Bosworth identified Four Threats to the Health of the Nation's Forests and Grasslands:

Fire and Fuels

Invasive Species

Loss of Open Space

Unmanaged Recreation

Deschutes and Ochoco National Forests Travel Management History

In 2006, the Deschutes Provincial Advisory Committee (PAC) chartered a Subcommittee and Working Group. The purpose of the Subcommittee and Working Group was to reach community-based consensus recommendations on areas to consider for designated specialized motorized trails and provide motorized access for dispersed camping as part of implementation of the 2006 Travel Management Rule. The working group recommended areas that were most likely to receive community support for considering designated specialized motorized trails. From these recommendations the Deschutes and Ochoco NFs began to move forward with four OHV planning areas separate from the Travel Management Planning effort:

- Three Trails (Crescent)
- Lava Rock
- Meadows
- Ochoco Summit

Travel Management – What will Change?

- All motorized use will be regulated to: Designated routes
- Vehicle type: ALL VEHICLES (Highway, OHV, Class, etc)
- Seasonal Restrictions
- Designated Play areas
- No Cross Country Travel

How will this affect public access?

- Motor Vehicle Use Map
 - ◆ Regulatory tool to inform the public about when/where motorized use is permitted
 - ◆ Will look the same nation-wide
 - ◆ Will be available for free

- Regulates Cross Country Travel
- Motorized vehicles will be restricted to designated routes and play areas
- Dispersed Camping
- Restrictions vary some across National Forests
- Deschutes Regulations:
 - Motorized vehicles are permitted within 300 feet of designated routes to access: Designated, Defined, or existing dispersed camping sites
 - No motor vehicles within 30 feet of a stream, water body or wetland for existing sites

When is it Happening?

Deschutes and Ochoco NFs Travel Management:

The Draft EIS was released for public comment in October 2009; currently completing consultation with federal agencies and are prepared to publish the Record of Decision (ROD) thereafter.

Other Oregon forests have either completed Travel Management or will complete within the next year (or so)

Timelines for OHV Trail System Planning:

- Three Trails: Draft EIS will be released soon after the Travel Management ROD
- Ochoco Summit and Meadows: May have draft NEPA documents in 2011
- Lava Rock: Draft EIS 2011/2012

Then What?

Travel Management Implementation – Education and Enforcement

- This is a new forest-wide management strategy and will require much education
- Focus on education for the first two years
- Deschutes/Ochoco TRAVEL MANAGEMENT Implementation Plan
- Field Rangers, Fire Prevention Techs, OHV Trail Rangers

Travel Management Monitoring

- PAC subcommittee working with Forest Service to develop monitoring criteria
- Phase 1 – Implementation
- Map accuracy, ability to easily use the maps by the public
- Process to update maps
- ID/monitoring of hotspots
- Phase 2 – Quality of Recreational Experience, Recreational Demographic Changes, and Changes to Resource Effects (i.e., fragmentation, sedimentation, habitat effectiveness) as a Result of Travel Mgmt Decisions.

Additional planning areas

- Complete NEPA
- Prioritize/Phase development

Look for money for:

- Education and enforcement
- Monitoring
- Development, Maintenance & Ops, E&E

What Travel Management will mean for State Grants

- Competition
- More grant dependent programs
- Good programs may not get funded

Discussion

Commissioner Graves asked if the Forest Service has other sources of income for travel management.

Ms. Tinderholt replied that the program has historically been funded by grants, it is currently 80% funded by grants. She said that in addition to the grants there are some appropriated funds and volunteer contributions. She shared that with a decade worth of funding, programs get built and staff become permanent to support the programs. Ms. Tinderholt said that the match for grants largely comes from the trails budget. She commented that the Forest Service is working with the community to get them involved, educate them on where the funds come from and plan for sustainable recreation in the future.

Commissioner Chalfant shared his appreciation for hearing from our Federal partner and encouraged her to stay in close contact with the department as needs change. He asked, going forward, what is the highest priority in terms of ATV programs.

Ms. Tinderholt stated that the highest priority for ATV programs in general, is to have a system that can be managed and have people on the ground; it makes a difference when you have people making personal contact with the users, providing information to the users on trails and user education.

Commissioner Brown stated that this lays out the need for a policy discussion. He stated that the Forest Service has a responsibility to pay for programs they administer. Commissioner Brown added that part of the discussion should be regarding agencies match.

Mr. Rawlins commented that historically the ATV grant program had adequate revenue and would actively seek opportunities to support ATV recreation. However, the grant program has greatly increased its funding for law enforcement, emergency service providers, and operations & maintenance and no longer enjoys having surplus funds; that some projects are now going unfunded due to a lack of funds. Mr. Rawlins described how riders and clubs have requested that OPRD increase the existing \$10 biennial operating permit fee to \$20 with the increased amount being dedicated to law enforcement. Mr. Rawlins stated that he has shared with those asking for such an increase that this may not be the right economic environment for that to occur.

2. Travel Oregon Presentation – Todd Davidson

This presentation will come before the Commission at a later time, date to be determined.

Business Meeting, 10:00 a.m.

1. Commission Business (Action)

a) Approval of Agenda

The Commission approved the following changes to the agenda:

Agenda item 9a moved after Item 4, Directors Update

Agenda item 8d to follow 9a

Agenda item 8g removed from the agenda

Commissioner Graves moved to approve the July 2010 Commission meeting agenda. Commissioner Musser seconded. The motion passed unanimously, 6-0.

2. Public Comment: *This time was provided for the public to address matters **not** included in the agenda.*

Mayor Shields introduced herself to the Commission and expressed her appreciation for their work.

Justin Cutler, Director, La Pine Parks and Recreation

Mr. Cutler provided information on potential park trails and proposed development. He stated that the interest is in working with OPRD to develop a portion of La Pine State Park for more active recreation activities, may include ball fields, walking trail, playground and a vault toilet. Mr. Cutler said that La Pine Parks and Recreations is trying to identify parcels for the future for potential development; they will be updating their comprehensive plan in 2011.

Commissioner Chalfant asked if there have been any conversations with Deschutes County about land use. Mr. Cutler said that this area is zoned as a park; his understanding is that they would have a favorable ruling to do park improvements in this area.

Commissioner Chalfant stated his concern about the potential development and it being compatible with current park use. Mr. Cutler said the reason they chose this particular site is the location; it is separate from the park and located further south to protect the aesthetics of the park.

Commissioner Brown suggested that Mr. Cutler look at the acquisition policy that was on the agenda to determine if this proposal provides overwhelming public benefit.

Commissioner Graves stated a concern about signage. Mr. Cutler and the Commission discussed proper and clear signage.

Commissioner Chalfant asked if BLM parcels are also being considered. Mr. Cutler replied, yes, all options are being considered.

3. Approval of Commission Meeting Minutes (Action)

a) May 20, 2010

Commissioner Brown moved to approve the May 2010 Commission meeting minutes. Commissioner Chalfant seconded. The motion passed unanimously, 6-0.

4. Director's Update

Director Wood discussed the following topics with the Commission:

Request Additional Budget limitation

Director Wood said the E-Board will be meeting the same week as the Commission in September; he reported that staff will be preparing a request for the E-Board.

Proposed Ballot Measure I70

Director Wood reported that proponents collected and filed with the Secretary of State's office over 200,000 signatures by the July 2 deadline. He said that the Secretary of States office is currently going through the statutory process to determine the fiscal impact on the state. It is likely to be on the ballot, an announcement from the Secretary of States office will come later this month as to if it qualifies.

2011 Commission Dates

Director Wood presented the Commission with a draft of the proposed meeting dates for 2011. He requested that conflicts be emailed to Ms. DeMoe. He explained that the meeting days have been changed to a Tuesday/Wednesday schedule and the locations listed are proposed. Director Wood said he would like to have the dates approved at the September meeting.

Additional Dates of Interest

Oct. 1, 2010, Beaver Creek opening; Governor will attend this event.

Oct. 29, 2010, Banks-Vernonia Trail Ribbon Cutting

SHPO

Director Wood discussed the proposed construction of the Ruby Pipeline. He stated that our role is to insure that the proposal complies with section 106 of the National Historic Preservation Act of 1966 and to ensure that state law, with regard to state cultural and archeological resources, is appropriately considered. Director Wood said that the agency is currently working with the Klamath tribe to finalize the terms of the archeological permits.

Forest Park

Director Wood provided an update on a meeting he participated in with State Representative Mitch Greenlick, Metro Councilor Rex Burkholder and Portland Parks Commissioner Nick Fish regarding the future of Forest Park. He said that the purpose of the meeting was to discuss the future of the park; including short term maintenance, management and operational needs of the park. Discussion also included the pros and cons of making it a State Park, as well as looking at the greater vision for the park.

9 a - Oregon Exposition Center and State Fair

a) 2010 State Fair (Information)

Connie Bradley, State Fair Manager

National Timbersports Championships: The Oregon State Fair to host the 25th anniversary season of the STIHL TIMBERSPORTS Series. The Series' quarterfinals, semifinals, U.S. Championship and Collegiate Championship will take place during the fair's opening weekend Friday, Aug. 27-Sunday, Aug. 29. Filmed on ESPN 2.

STIHL'S DOGS & LOGS WORLD CHAMPIONSHIPS: Labor Day weekend will see the top Big Air® Dogs, the top Extreme Vertical® teams and the top 18 Speed Retrieve™ teams from all over the World compete in the prestigious once a year event. This event is being filmed for broadcast in December as a feature on the Outdoor Channel in 4 half-hour specials. And, Iron Jacks Timbersports Demonstrations, weekdays during the fair.

Days of the Dinosaurs: The 11 day exposition features more than 30 life-sized, dinosaur robots, skeleton replicas and an interactive children's area (fossil dig, coloring, little dino ride). Includes 3-D cinema, dino food and merchandise area.

Concert Series: 8/27 ZZ Top, 8/28 Dierks Bentley, 8/29 Hispanic Festival, 9/2 Lifehouse, 9/3 Lynyrd Skynyrd, 9/4 Cinderella/Queensryche, 9/5 Micheal Jackson Laser & Dance Spectacular
*also offering paid, premium parking close to the LB Day

Special Days & Events: 8/27 Oregon Wine Celebration!, 8/27-8/29 Blues, Brew & BBQ, 8/27 & 8/28 County to State, Chicken and Beef Grill-offs, 8/31 One Night in Frogtown, 9/6 Veterans Day, 8/30 Kids Day, 8/31 Senior Day, 9/4 Ag Day

Sports & Recreation: Catch & Release Fishing, Let's Go Camping, ATV Safety Rides, Go-cart Rides, Car/motorcycle racing, Demolition Derby, Rock Climbing, Skateboarding, Shooting, BMX races, outdoor bowling, Sand Sculpture lessons, Mt. Bike skill park and more!

Displays & Exhibits: New art/floral locations, Pendleton exhibit, Antique Powerland, Antique/Classic Car show, Old-fashion Chuck Wagon meals, Timberland exhibit, Artisan's Village, Hart's Garden, Familyville, Trail Pony Rides, Commercial exhibits, Sustainable Energy Area & more!

Marketing: Event specific for Timbersports, Dinosaurs and Concerts via TV, Radio, Outdoor billboards, print and social media. Win Big Campaign, E-Mail blasts to Fair Fan database, Travel Salem Twitter party, Comcast filming day before fair, and special discount coupons – following the Big Tomato! Also, hosting a Travel Salem twitter party the first day of the Fair.

Operations: New parking plan, new social media outreach (Fair Fans), revised back gate management plan, animal bedding change and additional signage on grounds.

Sponsorships: Four major new sponsors, KOIN TV, Oregonian, West Coast Metal Building Products and Wilco Farm stores.

8. Real Property

Cliff Houck, Real Property Manager

Item 8d – Willamette River Greenway – Simpson Lakes Access (Action)

Lee Webber ATI Wah Chang

Jim Dennen, ATI Wah Chang, Public Affairs Coordinator

Mr. Webber and Mr. Dennen gave a brief discussion of the project. Mr. Webber said the project will create a wetland environment. He stated that a benefit of the project is that treated industrial effluent and municipal water will go to a wetlands system providing better water quality for salmon spawning in the water returned to the Willamette River. He reported that the Cities of Albany and Millersburg received stimulus money for this project. Mr. Webber explained that to get water from the facility to the wetland site an easement is necessary so that the pipe can be constructed along the roadway.

Discussion

Commissioner Risley asked what kind of temperature reduction was expected. Mr. Webber said that they expect to achieve five degrees; and that current temperatures are in the high to mid seventies.

Mr. Webber explained that the easement is in an existing old roadway or trail. The property is leased to the city, under OPRD ownership. This would bury the pipeline under the trail, the trail would be reconstructed.

Mr. Dennan stated that in addition to serving the wastewater treatment, the project also becomes a city wetlands park. He shared that school groups are already involved and studying wetlands areas. Mr. Dennan said ATI Wah Chang is also working with OSU to do research on the ability to remove nitrates using a natural wetland process.

Commissioner Graves asked if this project was similar to the Oregon Gardens. Mr. Dennan replied yes, this project is patterned after the Oregon Gardens site.

Commissioner Chalfant stated that this sounds like a great project. He suggested that language be inserted in the lease that addresses invasive species that may result from the project.

Commissioner Chalfant moved to approve the granting of an easement at the Willamette River Greenway – Simpson Lakes Access. Commissioner Brown seconded. The motion passed unanimously, 6-0.

5. Consent Calendar

- a) Approval of Delegated Authority Report (Action)
 - 1. Contracts
 - 2. Natural Resources
- b) Grant Requests (Action)
 - 1. Local Government Grant Requests
 - 2. Museum and Historic Cemetery Grants

Commissioner Graves asked about the difference in cost for the CXT restrooms.

Mr. Potter stated that the more expensive model is a flush restroom; he noted that CXT is a company name and they make different model types of restrooms.

Commissioner Graves asked about the \$100,000 in value for Capitol City BMX listed for the State Fair; he asked for clarification of the value. Mr. Silcott said that it is a sponsor agreement and the total value counts funds being provided and what we are actually giving them. He said that it reflects value and funds going in both directions to get to the \$100,000.

Commissioner Musser inquired about the money spent for firewood; she asked if the agency makes a profit. Director Wood and Ms. Van Laanen replied that it is a large investment but we cover the costs with revenue.

Commissioner Musser moved to approve the Consent Calendar. Commissioner Risley seconded. The motion passed unanimously, 6-0.

6. Budget & Legislative 2:20

a) 2009-2011 Budget Update (Information)

Lisa Van Laanen, Assistant Director of Administration

Tanya Crane, Budget Manager

Ms. Van Laanen stated that the DAS Office of Economic Analysis released the June 2010 state revenue forecast on May 25, 2010. She reported that it reflected an increase in Lottery Fund revenue for the Department of \$422,381; and since the close of the legislative session, the Lottery Fund revenue forecast has decreased by \$4,481,749. Ms. Van Laanen said the Department's budget was built based on a Lottery Fund revenue forecast of \$85.3 million and the current forecast is \$80.8 million. Ms. Van Laanen said the Department continues to see lower than budgeted interest income on Lottery Funds this biennium; interest rates continue to be very low resulting in a further decline in the interest income projected for the 2009-11 biennium.

She said that since the Lottery forecast did not decline further, no additional reductions are being made to the agency's budget at the current time, however the Department will continue to monitor this funding source as new forecasts become available from the Department of Administrative Services.

Ms. Van Laanen reported that at the Legislative Emergency Board meeting May 25 - 26, 2010, the Emergency Board approved the following requests by the Department:

1. Increased federal limitation for the Heritage program (\$616,769)
2. Increased federal limitation for the NOAA grant for Sodom Dam (\$350,000)
3. Other fund limitation for the Acquisition program for a property grant from ODOT (\$120,000)
4. Request retro active permission to apply for a "Saving America's Treasures" grant for Ft Yamhill.

Ms. Van Laanen said that while Lottery Funds were up, the state General Fund was down considerably. She shared that state agencies that receive General Fund were asked to submit 9 percent budget reductions to the Governor but OPRD was not asked to submit reduction options. She stated that although, represented staff will have their pay freeze lifted and receive pay increases effective September 1, 2010; OPRD management service staff will continue to have a pay freeze until the end of the biennium like all management service employees statewide.

b) 2011-2013 Budget Request (Action)

Lisa Van Laanen, Assistant Director of Administration

Tanya Crane, Budget Manager

Ms. Van Laanen reported the Department's 2011-13 Agency Request Budget includes projecting revenue sources for the biennium, calculating the current service level budget, determining any needed policy packages, and determining necessary reserves for cash flow and possible employee compensation plan changes.

Ms. Van Laanen said the Lottery Fund revenues are based on the June 2010 statewide revenue forecast of \$87 million; Other Fund revenues total \$110.9 million with Park User Fees providing \$43.7 million before the fee increase that should bring in an additional \$1.2 million; and Federal Fund revenues are projected to be \$14.1 million.

Discussion

Commissioner Graves asked about the revenue category “Charges for Services”. Ms. Crane explained that in this account category, things that we sell or rent, outside of campsites are recorded. A majority of the charges for service come from revenue generated at the Annual State Fair.

Commissioner Graves asked for clarification on the revenue category “Other Revenue”. Ms. Crane stated that is generally for grants received by the Department. She said there is a pot of other fund limitation called small grant limitation that is carried from biennium to biennium for all the miscellaneous grants we might receive from other entities.

Commissioner Graves asked about the money from DAS. Ms. Crane stated this is the lottery transfer.

2011-2013 Budget Request (continued)

Ms. Van Laanen gave a brief explanation of expenditures. She stated that the Department’s base budget is \$210.1 million including increases in Personal Service costs; added inflation rates and State Government Services Charges increases add \$2.5 million to the budget; however, phasing out limitation associated with one time expenditures reduces the budget by \$9.4 million creating a Current Service Level (CSL) budget of \$203.2 million. Policy packages costing \$7.5 million bring the total budget request to \$210.7 million. Based on projected Beginning Balances, revenues and expenditures, the Department will continue to have an ending cash balance.

Discussion

The Commission and staff discussed the fund shift process.

Commissioner Chalfant asked about the money from ODOT. Ms Crane stated that this includes the RV registration fees, Salmon Plate funds, ATV un-refunded fuels tax, and fund for roads and rest area maintenance.

2011-2013 Budget Request (continued)

Ms. Van Laanen discussed reduction options with the Commission. She said the Department is required to submit reduction options with its 2011-13 Agency Request Budget request. She reported that each biennium the requirement is 10% of each fund type; however, for 2011-13 biennium General Fund and Lottery Fund agencies are required to submit 25% reduction options for those fund types. Ms. Van Laanen explained the amount of the reduction is based on the agency’s Modified Current Service Level Budget expenditure limitation.

Commissioner Chalfant asked how a reduction in DAS services charged would work. Ms. Van Laanen stated at that point the agency would defer payments and use cash ending balances to pay those charges.

Commissioner Brown asked about the plan to not do layoffs unless necessary. Ms. Van Laanen said the plan would be to do layoff for savings and retain the FTE position authority.

Ms. Van Laanen shared the most common reductions; reiterating that this is a plan and asked for comment if the Commission felt staff needed to go in a different direction.

Commissioner Brown asked if the fee increase was based on politics or the market. Ms. Crane stated that staff looked at inflation and how far off the agency is with the rates. Director Wood said this increase brings it to market and is not an across the board increase, it targets certain areas.

Commissioner Graves moved to approve the 2011-2013 Budget Request for submission to DAS. Commissioner Brown seconded. The motion passed unanimously, 6-0.

- c) Legislative Concepts (Information/Possible Action)
Kyleen Stone, Asst. Director of Recreation Programs and Planning

Ms. Stone gave a brief overview of the following legislative concepts:

Oregon Historical Society:

Ms. Stone stated that the place holder work had already been submitted but can be withdrawn. She said from consultation with the Governor's Office, staff are moving forward with a final request for Legislative Counsel to draft a bill that will designate the Oregon Historical Society facilities and assets as state heritage site. She explained that this will make them eligible for lottery funding should those resources become available. This will continue to leave options open as the Governor's Office and others seek potential long-term solutions to the operation of the Oregon Historical Society.

Discussion

The Commission asked if the facilities are designated a state heritage site, why then do they become eligible for lottery funding. Ms. Stone replied that the statute and constitution provide that the funds are available for the care and use of park and recreation sites, heritage and historic sites.

The Commission discussed that the legislature has the ability to do this on their own accord; they discussed the department raising their concerns and that making this marker is leading us down the wrong path. The Commission agreed and asked if there are other ramifications that will happen by showing disapproval.

Director Wood said that this discussion on the concept allows him to have a conversation with the Governor's office regarding the Commission's wishes and views on the concept.

Director Wood said that the Oregon Historical Society is facing long term funding issues that they need to find a way to resolve. Director Wood said his perception of the intent of this concept is not a long term fix.

Chair Moriuchi asked if the OHS has received prior funding.

Susan Jordan, LFO

Ms. Jordan said there is an amount of money transferred from the general fund to the OHS, however it has been reduced. She said that during the session it was discussed how the gap that OHS has experienced can be filled.

Commission and staff discussed the issues involved in the Commission endorsing use of M66 funds for this purpose. The Commission asked Director Wood to relay the message

that the Commission is not supportive of this concept; with the understanding that if the Governor chooses to move forward, the agency requests that the legislature apply a term limit (sunset clause) to the legislation.

No action was taken by the Commission.

ATV Classifications and Safety:

Ms. Stone said that there was a placeholder that was waiting for a final decision and after conversations with legislative staff and the ATV Advisory Committee, it was decided to withdraw our request for an OPRD pre-session filing related to ATV classifications and safety. She explained that there is continued need to talk with stakeholders before we reach consensus on the best course of action, especially in relation to establishing vehicle classifications. Ms. Stone said the proposal is to come back to the Commission in September with a series of recommendations from the stakeholder groups; the concept will be submitted through the House Transportation Committee.

Ms. Stone said there was also a concept that had housekeeping language related to the composition of the ATV Committee, and we have asked that the House Transportation Committee advance that concept as well.

The Commission gave a general consensus of the plan for the legislative concepts.

Status of Other Concepts:

Ms. Stone reported that two legislative concepts have been drafted and legislative counsel has drafted two other concepts that will be shared with the Commission when ready. She explained that the two current concepts are the Main Street Program (LC485) and the User Fee Adjustment Authority (LC481).

Discussion - Main Street Funding

Commissioner Brown asked if the language made Main Street directly eligible for lottery funds; could the legislature directly appropriate funds from the lottery funds. Ms. Stone replied that she believed that the agency is already authorized to do the program and technically they could do that anyway, however they have not historically chosen to use lottery funds and our budget package does not include that resource. Ms. Stone said that the agency may have authority to manage the program without this concept and is looking into that option.

Susan Jordon, LFO

Ms. Jordan explained that current authorization allows OPRD to manage the program but through another department.

Mr. Roper explained that the partner agency is currently not contributing any funds. He shared that in previous biennia they had lottery funds but currently have no funding. The program is currently funded by fees collected from the historic properties special assessment program. He explained that Main Street is a packaged program that embraces many of the concepts SHPO already has. Mr. Roper stated because it fits within the work that SHPO already does, funding from other areas of the department are being used, without having to look to M66 funding; including federal funds, user fees from special assessment and Cultural Trust money.

Commissioner Brown suggested adding language to the concept that states OPRD shall administer the program jointly with the Oregon Business Development Department using

grants and assessment funds. He suggested putting boundaries or a qualifier in the concept to protect the agency so that it is not an opened ended deal. Mr. Roper said they will promote the addition of the suggested language.

Chair Moriuchi asked about the pros and cons of having and not having this concept. Mr. Roper said that it was determined that what Main Street does is already authorized through existing statute. Mr. Shipsey explained that the advantage of the legislative concept is that it makes it perfectly clear that the agency has the authority. He stated that with the existing statutory scheme there is a higher degree of certainty for some aspects of the Main Street program than for other aspects; the disadvantage of not having the concept is that it leaves a degree of risk that the authorization of the program could be challenged.

Commissioner Chalfant suggested that the risk of being challenged is low compared to the risk that a legislator will decide that, with this concept, it is a convenient vehicle for funding other things.

Mr. Roper stated that the Governor's office has supported this moving forward, but has also asked for the review by the AG's office.

Ms. Stone explained the options and process for the concept; including the option of withdrawing the concept completely or adding the suggested language and resubmitting.

Commissioner Brown moved to withdraw the Main Street Legislative Concept. Commissioner Musser seconded.

Commissioner Chalfant asked Director Wood if, in his opinion, there was an obvious downside to not acting on this. Director Wood stated that the Main Street program packages many things that SHPO already does. He said the department is responsible for operating parks, state recreation areas, historic sites and also has a responsibility for promoting and preserving the states heritage; there are not many agency programs around heritage promotion and preservation. He stated that Main Street gives us that program and demonstrates our organizations commitment toward historic preservation in a proactive way.

Chair Moriuchi asked about the timeframe. Ms. Stone replied, at this point the agency has already submitted the concept and it has been drafted by Legislative Counsel. She said there is a legislator that is willing to carry the concept for us, one option is to withdraw what was drafted and work with this legislator, another option is to withdraw the concept completely. Mr. Stone said there is also an option to let the concept go to the session and propose amendments at that time.

Commissioner Brown said he would like to be able to look at the concept with the revised language before a final decision was made. He stated he would be willing to withdraw his earlier motion

Motion withdrawn by Commissioner Brown, second withdrawn by Commissioner Musser. No final motion was made.

Ms. Jordan suggested adding language that "moneys from Parks and Natural Resources Fund shall not be used for the purposes of this subsection." The Commission liked the proposed language.

Ms. Stone said that the proposed language will be brought to the September Commission meeting for comment and potential approval.

Bill on OEC, first draft from council

Ms. Stone said that the Department received the first draft from Legislative Counsel, they are working on the second draft. She stated that it implements recommendations made by the Blue Ribbon Panel. Ms. Stone said that it will be shared with the Commission as soon as it is available.

7. Heritage Programs Report (Information)

Roger Roper, Assistant Director of SHPO

Preserve America Grant Update

Mr. Roper said that word has not come on the Preserve America grant from the National Park Service that would fund additional archaeological survey work and testing in Cottonwood Canyon State Park. Archeologists are currently in the field to complete work for the initial planning for the park.

CLEAR Act

Mr. Roper added that news that the Consolidated Land, Energy, and Aquatic Resources (CLEAR) Act, that among many other things, provides full funding for the Land and Water Conservation Fund and the Historic Preservation Fund was moved out of committee and approved; this provides full funding until 2040.

Ft. Stevens Concrete Deterioration

Mr. Roper reported that several of the historic concrete structures at Fort Stevens are showing signs of deterioration from long-term exposure to the salt air environment of the north coast. He said a preservation plan currently underway will address strategies for preserving the historic resources of the park.

National Historic Trails Study

Mr. Roper said that a proposal to study some other branches of the Oregon Trail has developed. He said staff will be meeting August and October through the Oregon Historical Trails Advisory Council.

Collier State Park Artifacts

Mr. Roper reported that Native American artifacts at Collier State Park need to be inventoried, and Operations staff have been hired to complete the inventories. He said that the inventory will focus on any items of significance to the tribes from a human remains or sacred perspective. The tribes will have an opportunity to reclaim the artifacts.

Cannon Update

Mr. Roper said that the cannon conservation is progressing. They have removed the wooden base off of the cannon, on the bottom of the cannon the makers registration was found.

8. Real Property

Cliff Houck, Real Property Manager

a) The Climate Trust Easement —Beaver Creek Initiative (Action)

Mr. Houck explained that this item is connected to item 8b, Acquisition of Forest Capital Property - Beaver Creek. He said that the item up for discussion, 8a, was an action item as well

as informational to explain the financial part of the acquisition of the Forest Capital property. Mr. Houck explained that a payment from Climate Trust of \$382,000 as well as \$100,000 worth of payments through the 72 year period on the Climate Trust transaction would tie that property up with an easement over the 72 year period that would lock up the growing trees for carbon credits on the 583 acres of Forest Capital property.

Discussion

Commissioner Chalfant asked for confirmation on the terms of the agreement. He asked if the agency would be held harmless for acts of God or events such as wildfire. Mr. Houck said that there is an obligation under the agreement that the agency does have to deliver a set amount of tonnage of carbon on the property. Mr. Houck said that language had been proposed for addition into the agreement, that if the tonnage on the property did not reach the required levels the agency could add additional tonnage from other property to fulfill the obligation.

Commissioner Risley asked if there was a particular age required for the timber. The Forest Capital acquisition is better in some ways because a part of the land has been clear cut and is in the 10-12 age class, those trees are going to sequester more carbon at a faster rate than a tree that is closer to maturity.

Commissioner Graves asked for an explanation for the 72 year period. Mr. Houck said that a mathematical calculation was used to determine the period of time. He explained that a timber cruise was done with substantially more data recovered to ensure the calculation was correct.

Commissioner Brown asked for clarification of what was being asked of the Commission regarding this easement. Mr. Houck stated that staff are asking for authorization needed for Option 1, in terms of a financial package, to transfer an easement to Climate Trust in exchange for the \$382,000 and execution of the ERPA agreement to monitor, maintain and grow the carbon sequestrian over the 72 year period on the Forest Capital property.

Commissioner Brown voiced his concerns about the way the draft easement was written. He noted that there were a lot of embedded costs to the agency. Mr. Houck replied that the estimated cost over the 72 year period is \$16,000 for monitoring every 12 years; those funds are to come to state parks from the Climate Trust.

Commissioner Brown stated that what he was interpreting was a request to approve, in concept, Option 1 subject to Commission or Director approval of the final easement. He suggested inserting such language to the motion.

Commissioner Chalfant moved to approve, in principle, the agreement and transfer of an easement to Climate Trust. The terms of the agreement to be approved by the Director, for the amount of \$382,000. Commissioner Brown seconded. The motion passed unanimously, 6-0.

b) Acquisition of Forest Capital Property - Beaver Creek (Action)

Mr. Houck stated that this request is to purchase 583 acres from Forest Capital for the appraised amount of \$1,663,000. He said that this property is the link to building the Ona Beach State Park and Beaver Creek Natural Area complex. The addition of this property would provide the land anticipated for park development. Mr. Houck shared that the land is connected to Hwy101 through property already owned by OPRD; the property has Beaver Creek frontage and an overlook of the valley.

Discussion

Commissioner Chalfant clarified that the approval of this request was not subject to getting the agreement with the Climate Trust. Mr. Houck stated that this is only a request to give authority to make the purchase.

Commissioner Chalfant moved to approve the acquisition of the Forest Capital Property. Commissioner Brown seconded. The motion passed unanimously, 6-0.

c) Lowell Maintenance & Office Acquisition (Action)

Mr. Houck explained that there are currently three shop facilities being used for the Southern Willamette Management Unit. He shared that they include a small, converted goat barn at Jasper State Recreation Area, an older shop facility and yard at Elijah Bristow State Park, and 1,979 square feet of shop space leased from the US Forest Service (USFS) at the Lowell compound. Mr. Houck explained that the wide distribution of equipment and staff has created difficulties for security as well as adding additional costs relating to travel time, and the need for additional vehicles; and the current management unit office is not located at any of our parks or shop facilities

Mr. Houck shared that the USFS owns a 2.13 acre property in Lowell known as the Lowell compound; the USFS has determined that the Lowell compound is no longer needed by them, and has offered the property to OPRD at the 2010 appraised value of \$460,000. He explained that ownership of the property by OPRD would provide a centralized shop and office facility that would allow the management unit to be more cohesive; provide better security by concentrating equipment at one location; and utilize an existing building instead of building new which is preferable from a cost and sustainability standpoint.

Commissioner Musser asked about the condition of the property. There are some minor changes and improvements that will need to be made, but the building is structurally sound.

Commissioner Brown moved to approve the Lowell Maintenance & Office Acquisition. Commissioner Risley seconded. The motion passed unanimously, 6-0.

d) Willamette River Greenway – Simpson Lakes Access (Action) Item 8d was moved up in the agenda.

e) Neskowin Beach State Recreation Site – Bank Protection Easement from DSL (Action)

Mr. Houck said that in 2008, it came to the attention of the DSL that there is no record of an easement or permit for the existing rip rap. He said it was determined that a 30 year easement with the right to construct, maintain, operate and replace bank protection below mean high tideline at this location would be the best solution. Mr. Houck reported that DSL is offering OPRD a 30 year easement covering an area of approximately 15 feet by 266 feet with rights to construct, maintain, operate and replace bank protection below mean high tideline; DSL is asking for a compensatory payment of \$825.57 for the easement. Mr. Houck said that he has had conversations with DSL and this is within their policy and direction in handling this kind of situation.

Commissioner Graves moved to approve the Neskowin Beach State Recreation Site – Bank Protection Easement from DSL. Commissioner Musser seconded. The motion passed unanimously, 6-0.

f) Frenchglen Hotel Concession (Information)

Mr. Houck stated that this location is one of our most remote parks. He said that Frenchglen is a small and strong community. Mr. Houck reported that the hotel at Frenchglen has operated under a concession agreement since the time of OPRD acquisition; the current concession agreement expires on December 31, 2010. Mr. Houck explained that the current operation came to the agency by concession contract in December of 1990 after a request-for-proposals and selection process that considered five proposers. Mr. Houck explained that Mr. Ross has operated the concession on four negotiated contract extensions to date. He said that in order to save the expense of doing a full Request for Proposals in a non-competitive environment, staff had been exploring the idea of a sole source contract. He shared that a sole source contract would require that the intent to award a contract be placed in ORPIN (the public contracting web site) for a minimum of seven days. Any appeal or response would cause OPRD to reconsider the sole source process. A sole source contract would efficiently utilize the existing situation while allowing other potential concessionaires to intervene if they have an interest in a wider public process. Mr. Houck stated that staff are fully prepared to go out with a Request for Proposals if there is interest generated through the sole source process.

Justification for sole-sourcing this contract would be:

- ❖ To best use the resources of the Department and to take advantage of the current concessionaire's ownership to support and staff the Hotel in such a remote location;
- ❖ The likelihood of attracting a concessionaire that would be able to provide the resource that the current concessionaire can provide with his shared operation;
- ❖ The isolation of the market and the facility; and
- ❖ No contacts from others or interested parties to run the property within recent years.

A re-negotiation of the contract would include addressing revenues, operational maintenance costs, coordination and communication, and a new contract format.

Discussion

Commissioner Graves stated that he stayed at the Frenchglen Hotel and had a great experience; he stayed in the back portion of the hotel and wanted to know if the money supported State Parks. Mr. Houck stated that a portion of the meals does support State Parks.

Commissioner Chalfant added that he has stayed as well. He said that this provides a resource for the wildlife refuge and the Steens Mountain, and is a much more important place than may be known.

Commissioner Risley asked if the concessionaire had plans for further expansion. Mr. Houck said that no plans for expansion have been discussed.

g) Acquisition of Land Policy COM 10-2 (Information/Action)
Item 8g was removed from the agenda.

9 a - Oregon Exposition Center and State Fair

Item 9a was presented to the Commission earlier in the agenda.

9 b - Oregon Exposition Center (OEC) Business Planning (Information)

Brain Silcott, Assistant Director, OEC

Mr. Silcott said that this opportunity was to request feedback and direction from the Commission as to the Business Planning for the OEC; and to prepare for a presentation of the business plan at the September Commission meeting. Mr. Silcott acknowledged that the true challenge is to execute the plan. He shared the following highlights of the plan:

Exposition Center

- ❖ Begin marketing the Exposition Center. Create a brand independent of the State Fair
- ❖ Sales; seek new business and develop the business we already have by partnering with our strongest promoters.
- ❖ Staff; changes to staffing structure. Staff assigned to Expo or Fair year around; plan is to have 4 divisions: Administration, Operations, Expo, and Fair Focus staff on what they do best and areas where we can make the biggest difference.

Discussion

Commissioner Chalfant asked if the Exposition Center had the resources to bring in a consultant for marketing. Mr. Silcott stated that he hoped to enter into contracts in several areas with a partner that can provide us with consultation around marketing. We also currently have a marketing company that works on fair only. This contract should be expanded to include Expo and Expo events.

Commissioner Graves said that he assumes that these items have been in previous plans; how will they be implemented now versus in the past.

Mr. Silcott stated that distribution of funds and staff time were not managed well historically and the result was that sales and marketing have not been done on the Exposition Center side of the business. He said that separating the functions and funding will enable staff to plan better and implement those plans.

Pavillion/LB Day

Mr. Silcott pointed out that these two venues combined gross little over \$300K per year. There is great potential for improvement in this number. He stated that OEC staff recognize that booking shows particularly larger shows, while within the range of staff abilities, is an area in which we should seek help. Mr Silcott recommends seeking an outside contractor and the best situation would be to find one company to manage both facilities with a contract that also included sponsorship sales, specifically larger corporate partnerships and naming rights.

State Fair

Mr. Silcott shared that when he came on board he believed the State Fair was going to need to be supported financially by the Exposition Center. He stated that this view has been changed; he is confident that the State Fair can operate as a business on its own and should break even as a stand alone event. He shared the following areas that will be addressed:

- ❖ Contracting and turning some operations over to private partners
- ❖ Staff structure changes to create a group with year round focus on the fair.
- ❖ Re-evaluating major entertainment
- ❖ Discussing spending around traditional, non-revenue events
- ❖ Marketing; including a social media focus

Business Model and Blue Ribbon Panel

Mr. Silcott noted that the blue ribbon panel report presented the idea that the existing “government agency” business model does not to work well. Mr. Silcott recognized the difficulties but also noted that, there are many good things that come from being a part of and partner with OPRD. Mr. Silcott said the OEC, operating under Parks and Recreation, is a great place to have the Expo Center and the State Fair right now and that we are working to have more flexibility in key areas of business operations.

Buildings and Grounds

Mr. Silcott said staff is looking at what we can do in real time to make the facility better; this is being done through labor intensive projects and sponsorships. The idea of large capitol projects has been put on the back burner as we focus on making the most of what we have .

Mr. Silcott added that the business plan will contain specific targets and measures of success. .

10. Natural Resource Management

a) Climate Change Assessment Report (Information)

Jim Morgan, Natural Resources Manager

Mr. Morgan stated that the Governor originally established a Climate Change Integration Group in 2006. He shared that as part of their recommendations, State departments were asked to develop and coordinate a Climate Change Response plan. Mr. Morgan said that draft was before the Commission for input. He explained the purpose of the plans to be, first, the identification of the assumptions regarding the trends in climate change. He stated it is also important to identify the range of these potential impacts and to develop a strategy for the agency to implement. He said this plan could help position the agency for potential funding sources when they become available.

Mr. Morgan explained the framework of the plan. He said the plan is similar to the plan the Governor’s working group is coordinating with other agencies. Mr. Morgan stated that the plan is to identify the trends, potential affects, adaptive capacity of state agencies, identify gaps and come up with a plan to coordinate with other state agencies.

He described some of the impacts on our properties. He said they range widely depending on the location. Mr. Morgan said that the coastal region may be the most obviously affected area. The preliminary recommendations of the plan are to increase efficiency and reduce carbon footprint; plan for long range climate change impacts; examining acquisition priorities; and prepare for potential impacts on sensitive areas.

Mr. Morgan reiterated that the plan is in first draft form and asked for comments.

Discussion

Commissioner Chalfant commented that he is pleased to see this plan come together. He stated that it does understate the affect on facilities. He said the agency will need to take a close look at where facilities are being located and need to focus on facilities at greater risk today.

Commissioner Brown commented that most of the parks were acquired for their natural beauty and ecosystems. He said they are built with a static environment in mind and in fact they are dynamic. Mr. Morgan replied that this is definitely a dilemma that most biologists and people in the restoration field face. He stated that what is trying to be done is to focus

on what is the goal and what snap shot in time is being managed for. Mr. Morgan stated that the focus here is to identify the trajectory of these trends and how or if we can prepare for them.

Commissioner Graves asked if we are ahead of other agencies in this process. Mr. Morgan replied, we are not ahead, we are parallel to ODFW, DLCD and Forestry; what we do would be integrated into their plan.

Commissioner Graves asked about the appropriateness of Cottonwood Canyon development and Cape Lookout. Mr. Morgan stated that when planning for facilities there are design features that can be put in place in consideration of the damaging episodic events that may increase as climate change occurs.

Chair Moriuchi asked what is going on state-wide and if there was a general acceptance across the state. Mr. Morgan discussed the state coordination and said that OPRD is working with the Governors Working Group to coordinate with other agencies; region specific information is coming from OSU.

11. Rulemaking (Action)

- a) Request to go to Rulemaking, OAR Chapter 736-010-0066, State Capitol State Park Recognition and Memorials
John Potter, Assistant Director of Operations

Mr. Potter stated that this request is to go to rulemaking to establish a process for placing honorary recognitions at the State Capitol State Park. He said the agency has been managing this property for about three-and-a-half years, and requests are received to place various forms of recognition at the site. Mr. Potter said that there is an existing policy approved by the Commission in 2009 that addresses this issue across the state park system, but because this property is unique in the requests received staff is asking for specific rulemaking for it.

Commissioner Brown suggested the addition of language that the applicant should have to describe what they believe is the exceptional significance to Oregon or its history that would be recognized.

Commissioner Brown moved to approve the Request to go to Rulemaking, OAR 736-010-0066, State Capitol State Park Recognition and Memorials, with the edit recommended by the Commission. Commissioner Musser seconded. The motion passed unanimously, 6-0.

- b) Request to go to Rulemaking, OAR Chapter 736-010, Hunting
MG Devereux, Cottonwood Canyon Project Manager

Mr. Devereux said that the temporary rule was evaluated and it had some logistical challenges to fit it into the master planning process. He said that in discussions with staff it was determined that simply making a reference to the master planning process would not be a sufficient way to describe the hunting rules and regulations; it would not give the public or staff the appropriate level of decision making regarding the regulations. Mr. Devereux stated that staff are asking for permission to move forward with the new language for the permanent rule to re-codify the safety zone around what used to be JS Burres and the boat launch, and extend hunting permission to the rest of the property that the agency owns and will own in the future. He stated that it is also requested that the

director and or his/her designee would allow modifications based on resource protection and safety rules. Mr. Devereux said that in consultation with ODFW and Western Rivers, it was agreed that this gives us the ability to manage the resource in a very proactive manner. He said there will be some chance, due to timing of the temporary rule and when the permanent goes into affect, there will be a small gap in coverage. He stated he does not believe that will have a significant impact on usage of Cottonwood Canyon; the agency will work with ODFW to appropriately sign the area in the interim.

Commissioner Chalfant moved to approve the Request to go to Rulemaking, OAR 736-010, Hunting. Commissioner Brown seconded. The motion passed unanimously, 6-0.

12. Operations Procurements and Facilities Investment Program (FIP) Projects

Darin Wilson, Engineering Manager

- a) Humbug Campground improvements (Action)

Commissioner Musser moved to approve the Humbug Mountain Campground improvements. Commissioner Risley seconded. The motion passed unanimously, 6-0.

- b) Farewell Bend Electrical Upgrade (Action)

The decision was made to rebid the project and bring it back to the Commission for consideration in September.

- c) Fire Suppression Contract for OPRD Lands (Action)

Cliff Houck, Real Property Manager

Mr. Houck stated that at the last meeting the potential fire suppression contract was discussed. He stated this agreement would cover all of OPRD's properties.

Commissioner Chalfant asked if in a situation where we own the land and a federal agency owns the trees, which is responsible for fire suppression.

Mr. Houck stated in that situation there would be overlap, BLM would respond to their ownership and ODF would respond to our ownership.

Director Wood stated that the agency would like to get the tree ownership issue resolved.

Commissioner Brown moved to approve the Fire Suppression Contract for OPRD Lands. Commissioner Graves seconded. The motion passed unanimously, 6-0.

- d) FIP Update (Information)

Mr. Wilson stated this item was to provide information that may be presented to the Commission at a future meeting for action. Mr. Wilson asked for any questions or comments.

- e) Banks-Vernonia State Trail, Tophill Improvements (Action)

Mr. Wilson explained that in order to reach the goal of the grand opening in October there are several projects that need completion. He asked for approval from the Commission to delegate authority to award the contract to the Director; this will allow staff to meet deadlines and work within the construction season.

Commissioner Graves moved to approve the delegation of authority to award the contract to the Director. Commissioner Musser seconded. The motion passed unanimously, 6-0.

13. Reports (Information)

- a) Cottonwood Canyon State Park
- b) Beaver Creek Park A Year
- c) ATV Advisory Committee
- d) Let's Go Camping Program Review
- e) Centennial Horizon Update
- f) Efficiency Program

Commissioner Brown stated a concern about the public input as it related to Cottonwood Canyon State Park. He said that the concern of the impact on the county and on Condon as a result of the development of Cottonwood Canyon is very real and must be considered. He said that we need to take this seriously and think it through. Director Wood stated that that kind of conversation and concern are a part of the master planning process.

14. Commission Planning Calendar (Information)

Newport Sept 21-22

Possible visits: South Beach State Park, Beaver Creek, possible kayak tour

Commissioner Graves stated he may have a conflict with the September meeting.

July 2010 Commission meeting adjourned 1:50