

IDAHO DEPARTMENT OF PARKS AND RECREATION
“To improve the quality of life in Idaho through outdoor recreation and resource stewardship”
Board Meeting
November 13-14, 2013
IDPR Headquarters
Summit Conference Room
Boise ID 83716

Chairman Correll called the Board meeting to order at 10:35 a.m. on November 13, 2013 at the headquarters of Idaho Department of Parks and Recreation, Boise Idaho with the following Board members in attendance:

Tom Crimmins, Hayden Lake
Randy Doman, Cottonwood
Susan Buxton, Boise
Jean McDevitt, Pocatello
Bob Hansen, Menan

Also present during all or portions of the meeting were the following individuals:

Nancy Merrill, Director
Jan Johns, Administrative Assistant
Anna Canning, Administrator Management Services Division
Keith Hobbs, Administrator Operations Division
Jennifer Okerlund, Communication Manager
Kristy Bobbish-Thompson, Human Resource Officer
Mackenzie Stone, Registration Supervisor
Steve Martin, Fiscal Officer
Kevin Zauha, Management Information Services
Dave Claycomb, Recreation Bureau Chief
David White, North Region Manager
Steve Strack, Deputy Attorney General, Natural Resources Division
Tammy Kolsky, Reservation Program Manager
Jim Thomas, Development Bureau Chief
Kathy Muir, Grant Program Manager
Eileen Dodson, Administrative Assistant
Ray Houston, Legislative Services Office
Shelby Kerns, Department Financial Management
Larry Johnson, Endowment Fund Investment Board
Chris Halvorson, Endowment Fund Investment Board
Dean Sangrey
Ferrell Simpson
Gordon Simpson
Lois & Gary Chestnut
Brad Chestnut
Dave Kimberly

Wednesday November 13, 2013

10:35 a.m. Call to Order

- **Welcome Guests**
- **Additions or Deletions to the Printed Agenda**

10:40 a.m. Public Forum

11:15 a.m. Consent Agenda

Approval of the Minutes

- **May 21-22, 2013**
- **July 30-31, 2013**
- **August 8, 16, 2013**
- **September 13, 2013**
- **October 3, 2013**

11:23 a.m. Hidden Lake Float Home Shoreline Consolidation Plan & Proposed Lease

- Public Comment

1:20 p.m. Working Lunch

1:40 p.m. Financials

- FY 2014 1st Quarter Financial Report

2:00 p.m. Grant Criteria Proposed Changes

2:25 p.m. Road & Bridge Grant Advisory Committee

3:35 p.m. Director's Report

3:50 p.m. Executive Session under authority of Idaho Code § 67-2345(b) to consider the evaluation of public employee

5:10 p.m. Recess

Thursday November 14, 2013

8:10 a.m. Reconvene

8:12 a.m. Review of Endowments

8:20 a.m. FY2014 Proposed Registration Legislation

9:37 a.m. Negligent Boat Operation Court Ruling

10:00 a.m. Reports

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| <ul style="list-style-type: none"> • Attorney General <ul style="list-style-type: none"> ▪ Response Letter to Norman Semanko ▪ Benewah County Resolution • Management Services <ul style="list-style-type: none"> ▪ Coordination of Plans • Development • Fiscal • MIS • Registration • Reservations • Operations <ul style="list-style-type: none"> ▪ Idaho City Yurt Cost Agreement | <ul style="list-style-type: none"> • North Region <ul style="list-style-type: none"> ▪ RMSPEC • South Region • Natural Resource Management • Recreation Bureau • Human Resource • Communication/Marketing <ul style="list-style-type: none"> ▪ Corporate Sponsorship ▪ Corporate Sponsorship Policy • Board Members (Oral) <ul style="list-style-type: none"> ▪ Land Discussion |
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11:25 a.m. Executive Session

1:20 p.m. Adjourn

10:31 a.m. Chairman Correll presented Board member Tom Crimmins with a commemorative gavel acknowledging his year as Chairman for the IDPR Board.

10:35 a.m. Public Forum

DISCUSSION: Mr. Ferrell Simpson addressed the Board, asking them to raise out-of-state camping fees, eliminate refunds and the 18-day reservation window. Mr. Simpson asks that IDPR change the

reservation registration to one reservation in July and one in August with a combined stay of up to 14 days. Mr. Simpson would also like to see boat docks at Indian Creek at Priest Lake State Park campground, providing another place to moor boats. He would like to have staff clean off the beach every night, not allowing tents and sun shelters to up stay overnight. Mr. Simpson would also like to see the reservation program do away with reservation refunds.

DIRECTIVE FOR STAFF: Mr. Crimmins asked Mr. Strack to look at legality of no refunds for reservations.

10:45 a.m. Consent Agenda

BOARD MOTION #1: *Ms. Buxton moved to remove the following minutes from the Consent Agenda due to needed corrections:*

- *May 21-22, 2013*
- *July 21-22, 2013*
- *August 8, 2013*

and take them up separately after the Board addresses the remaining items on the Consent Agenda which would be the August 16th, September 13th and October 3rd minutes. Mr. Doman seconded the motion. The motion carried a vote of 6-0.

BOARD MOTION #2: *Mr. Crimmins moved to approve the Consent Agenda. Ms. McDevitt seconded the motion. The motion carried a vote of 6-0.*

BOARD DISCUSSION: Ms. Buxton discussed the needed edits of the minutes.

DIRECTIVE FOR STAFF: Minutes are to be reviewed and edited accordingly and Ms. Buxton's notes to be incorporated into the minutes reflecting Mr. Schmidt's conversation at the May 2013 Board meeting.

BOARD DISCUSSION: Mr. Doman discussed his concerns of following up with Mr. Schmidt of the US Forest Service (USFS) and that the travel plans versus the forest plans need assistance. As budgets are declining and forest processes are changing, the liability is what keeps people from volunteering. Recreation opportunities are not looking great. Strategically, IDPR needs to develop relationships with Tom Schmidt. The four points Mr. Doman made are:

- Travel Planning on the Nez Perce
- Coordination between the regions so a trail on one side of the ridge will not be motorized on one side and non-motorized on the other
- Volunteer agreements
- More strategic and less tactical with federal land agencies

Mr. Claycomb shared that a letter from the Governor at IDPR's request to Mr. Rick Brazell, Forest Supervisor, Northern Region, Region 1, asking the USFS to delay the travel planning implementation after the forest planning had taken place. The Forest Supervisor declined the Governor's request.

Mr. Doman thanked Mr. Claycomb for the update saying that IDPR needs to follow up with Mr. Schmidt and his promises at the May 2013 Board meeting.

DIRECTIVE TO STAFF: Mr. Hobbs will work with Mr. Doman to contact Mr. Schmidt, working on building relationships regarding the four points Mr. Doman made.

BOARD MOTION: *Mr. Crimmins moved that the remaining three (3) Board minutes be corrected and brought back to the next board meeting conference call:*

May 21st-22nd, 2013
July 21st - 22nd, 2013
August 8th, 2013

Ms. McDevitt seconded the motion. The motion carried a vote of 6-0.

11:20 a.m. Hidden Lake Float Home Shoreline Consolidation Plan & Proposed Lease

STAFF PRESENTATION: CONSOLIDATION

Mr. White presented the following two Power Point options for the Board's consideration. He said that staff went with one float home representative to walk and measure Hidden Lake's shoreline from the Chestnut's float home to the beaver lodge just south of the Sprenger's float home. This is the only area with water deep enough to facilitate a float home floating year round. Staff then met with several float home representatives and reviewed the measurements to assess current and future layout of the float homes if three float homes were moved. Based upon this assessment, the Board's directive of opening up at least 500 feet to 900 feet of shoreline for public use, and the float home lessee's desire to minimize costs, the group developed two options as depicted on the attached diagrams (See Attachment 1). Each option considers six potential areas that the float homes could be moved to (locations A through F).

Option 1: Move one float home south to location A with the other two float homes being relocated into one of the other sites available amidst the float homes identified as B, C, D, E or F based upon the best fit. This results in approximately 940 feet of shoreline being opened up for future recreation development and public use. This relocates all float homes into previously used "lots" utilizing power and pilings where available minimizing relocation costs.

Option 2: Move all three float homes into one of the sites available amidst the float homes identified as B, C, D, E or F based upon the best fit. This results in approximately 1020 feet of shoreline being opened up for future recreation development and public use. This relocates all float homes into previously used "lots" utilizing power and pilings as available, potentially creating a tighter fit and a higher cost for additional pilings.

STAFF RECOMMENDATION: Consolidate the float homes as outlined in either Option 1 or Option 2.

BOARD DISCUSSION: Mr. Doman asked staff what opportunities the Department is still missing by keeping the float homes on Hidden Lake. Has staff made any analysis as to what would the Department do if it did not have float homes in this area, but if it were a recreational area instead?

Mr. White responded that many of the Department's planning documents over the past years illustrated that IDPR needed opportunities for the general public to access the shorelines of Lake Coeur d'Alene. He said there are very few boat-in areas for the public, and there is a large demand for that type of use on the lake.

Mr. Doman asked if this area could turn into a high demand area that would generate revenue for the park. IDPR is here to create recreational opportunities and to generate dollars to be a sustainable agency as directed by the Governor and Legislators. Mr. Doman also said that the float home owners need to understand what the Department is giving up when negotiating the leases. Mr. White discussed the possibilities of boat-in yurts and camping opportunities along the shoreline with revenue of \$100.00 plus per night for yurts and cabins. He said the Department wanted everyone to understand that it needed to balance the needs of the float home owners to the needs of the recreationists and make sure recreationists are also represented.

Mr. Kimberling said the leases amount to about \$50,000 annually from float home owners. The money the Department would get from renting cabins would not equal that amount. He said working with the float home owners is the best economic decision.

BOARD DISCUSSION: Mr. Crimmins discussed the ability to make public access to Hidden Lake and said he favored Option 2 but could be satisfied with Option 1. Ms. Buxton said that looking at Option 1 versus Option 2, she agreed with Mr. Crimmins and that looking at this from a business stand point, there is not that big of a difference between the two options. Option 1 gives what the Board requires for the needs of public access to Hidden Lake shoreline and, at the same time, accommodates the historical views. Ms. Buxton emphasized that the costs need to be borne by all float home owners, not just those being relocated. Ms. Buxton said the Department did not want to go through another challenge and that the Board needs to be very cognitive of the lease language. She also said she was leery of "grandfathering" of the Chestnut property with two homes.

Mr. Doman cautioned the other Board members that they make sure that when the homes are moved in Option 1, that it is not intimidating to the public. It is very important that this move be successful for both parties.

Mr. Kimberely addressed the Board. He said the lessees would advocate for Option 1, location A (See Attachment 1). Also Option 1, locations B and E would be acceptable. Regarding the lease, he said that they had not had time to review the lease. Mr. Kimberely said he would differ with Mr. Strack about the value of having a dialogue with the lessees. He would like to have Mr. Strack, park staff, Mr. Magnuson and himself sit down and review the language of the lease. Mr. Kimberely asked for more time to review the lease before the Board makes its final decision. In particular, he would like the lease to still allow access by land. He also would like to secure a loan from DEQ before the lease is signed. He asked that the lease be voted on at the next February Board meeting.

BOARD MOTION: *Ms. Buxton moved to approve Option 1.*

BOARD DISCUSSION: *Mr. Hansen seconded it. Mr. Doman said by approving Option 1, the Department is saving cost of power and pilings. Mr. Kimberely responded that float home owners will not know the actual costs until the owners specifically compare the spaces with the float homes that need to be moved. Whether or not the owners will need to make adjustments to the float homes is still to be determined. This is the unknown risk of Option 2. The motion carried a vote of 6-0.*

DIRECTIVE TO STAFF: None

STAFF PRESENTATION: CHESTNUT FLOAT HOME

Mr. White said that the Chestnut float was different scenario as they are connected to their own sewer system on private land which is located above the park. The Chestnut's property currently has two float homes on one lease and a non-permitted trunk line that crosses park property to access the drain field which is located on their private property. Staff contacted Panhandle Health District (PHD) and discussed the Chestnut sewage disposal system. PHD approved the drain field. The only thing lacking is a permit from IDPR to allow their main line to cross the park up to their private property. The Chestnut's had applied for a temporary permit in 2009 to go through 2014 but this was never approved. As part of the Sewage Management Agreement's (SMA) requirement to assess all float home sewage disposal, PHD assessed the Chestnut's waste water disposal system in 2009 and found everything associated with the float home to be in compliance. Consequently, to ensure lease adherence and fairness amongst the leases, the Chestnuts should have a lease for each float home. The leases should also include language addressing the sewer line and failure to continue utilizing their private property for sewage disposal. One float home is hooked up to sewer, the other one is not. However, both float homes are being used.

STAFF RECOMMENDATION: Allow the Chestnut float homes to remain, entering into a lease for each float home and allowing them to continue to use their drain field, identifying the permitted sewer line connecting their float home to their property, and requiring them to connect to the park's centralized sewer system or remove their float homes if their drain field fails with no replacement available. A utility easement (encroachment) agreement will need to be entered into between IDPR and the Chestnuts. Staff will need to work with the Deputy Attorney General to develop a separate lease for Board approval at January/February 2014 Board meeting.

BOARD DISCUSSION: Mr. Bradly Chestnut addressed the Board regarding his 14.7 acres above his float home. He gave an overview of the history of his family's float home and additional second float home (sleeping accommodations only). The Chestnuts obtained a replacement permit in 1991 to connect one float home to a replacement drain field on their private property above Hidden Lake. PHD did not give the final approval due to the drain field being covered up before inspection. It was also noted that the permit was not for two homes, nor did the Chestnuts have proof of IDPR approval for the line crossing the park. PHD noted that the smaller float home was disconnected from the system. Mr. Chestnut concluded with the statement that they respectfully requested a sewer easement across park land, that they not be required to relocate, and that they be grandfathered with two structures on one lot and a new special lease be drawn up to accommodate this unique situation.

Mr. White stated that IDPR is missing any documentation that allows for the two float homes. Technically, the rule has been one float home / one living environment per lot since 1998.

Mr. Crimmins asked Mr. White if the fee for the lease is based on the value of the property. Calling it two leases would create two fees but each would be less as they are paying for the total value of the property currently. Would the fee change? Mr. White responded that it would change. The lease is based on the lot value and has nothing to do with the value of their float home. The lease would double because they would have a double lot. Mr. Chestnut said that the square foot print of the lot doesn't change because there are two structures. Mr. Kimberely said the evaluation is done on the size of the water front access that the float homeowners have. If they have the same access, whether one or two leases, the total dollar cost ought to be the same. The cabin lots are based on a generic size, even though some are larger and some are smaller, they are adjusted for the size difference through the appraisal process. Some of the float homes have a bigger footprint than what others do but they only have one float home (using in a very generic term) per lease.

Ms. McDevitt asked about the float home that had sleeping quarters in their boathouse. Mr. White said the intent is to have the owners remove the sleeping quarters and convert it back into a boat garage.

Ms. Buxton shared her concern that the Chestnut's second float home (sleeping quarters) were not connected to any sewer. She asked whether or not it should be public policy that each facility is hooked up to a sewer. Her concern that should the time arise that the Chestnuts would want to put in plumbing in this second float home, what process would it take to convert it? Mr. Chestnut responded that it was approximately eight feet between the two float homes. It has never been a problem. If the Chestnuts are required to put sewer to the second float home, it would take considerable work. Ms. Buxton said if they (the Chestnuts) would guarantee that they would always own this property and will always operate it in the exact same way in perpetuity, she would be less concerned but that's not how things work and so a public policy is needed.

BOARD MOTION: *Chairman Correll moved to allow the Chestnuts' float home to remain entering in one (1) lease, allowing them to continue to using their drain field, identifying the permitted sewer line connecting their float home to their property, and requiring them to connect to the park's centralized sewer system or remove their float homes if their drain field fails with no replacement available. Staff is to work with Deputy Attorney General to develop a lease for Board approval at the January/February 2014 Board meeting which specifies that if either structure meets its demise, that the new lease will be written stating that the rebuilt structure will be one (1) float home. Mr. Hansen seconded the motion. Mr. Hansen-aye, Ms. McDevitt-aye, Mr. Crimmins-aye, Chairman Correll-aye, Mr. Doman-nay, Ms. Buxton-nay. Motion carried 4-2.*

DIRECTIVE TO STAFF: Staff is to work with Deputy Attorney General to develop a lease for Board approval at the January/February 2014 Board meeting which specifies that if either structure meets its demise, that the new lease will be written stating that the rebuilt structure will be one float home.

STAFF PRESENTATION: EISINGER FLOAT HOME

The Eisinger is a land-based recreational residence. The park has no records of when it actually ended up on the shore. At this point, moving this structure will probably result in its demise. Consequently, if it is to remain and the Eisingers are interested in retaining a lease, a lease should be developed noting its uniqueness and associated requirements including any reconstruction as defined in the lease to be as a float home. Mr. Strack said that in 1965 the 6-F boundary went into effect, however, the float homes were either left outside of the 6-F boundary or grandfathered in. The fact that the Eisinger float home is on shore and there could be a conversion tied to that, if the home actually ended up on shore after the 6-F boundary went into effect. Documentation from an aerial photo, dated 1958, shows the Eisinger float home on the shore at that time, putting the float home on shore prior to the 6-F Boundaries. The Eisinger float home is not considered to be a float home as it is not on the water. Mr. Strack discussed the 6-F Boundary regarding the Eisinger's float home. He said if IDPR does a land lease, the U.S. Parks Service could interpret it as a conversion as it would be a new lease. It may be better to have a lease that has an addendum that their float home really doesn't float so as to not be at odds with the U.S. Park Service. Should the float home meet its demise, it could not be reconstructed on land; it would have to be built as a float home so it can fit the configuration with the other float homes.

STAFF RECOMMENDATION: Allow the Eisinger non-floating float home to remain in place with a lease addressing its uniqueness and with the same requirements to connect to the park's centralized sewer system as designed and constructed by the float home lessees and indicating a reconstruction as defined in the lease to be as a float home. Staff is to work with the Deputy Attorney General to develop a lease for Board approval at January/February Board meeting.

BOARD DISCUSSION: Mr. Doman asked if the new proposed bike-in, hike-in would be impeded by the location of this home. Mr. White responded that there is a road above the property where the power lines were put in and that would be used as the trail.

BOARD MOTION: *Mr. Crimmins moved to accept staff recommendations to reissue a lease to Eisinger float home as a non-floating unit and, should the structure meet its demise, any reconstruction to be a float home. Ms. Buxton seconded the motion. The motion carried a vote of 6-0.*

DIRECTIVE TO STAFF: Staff is to work with the Deputy Attorney General to develop a lease for Board approval at January/February Board meeting.

Ms. Buxton said she received an email from Mr. Kimberely dated November 11, 2013 which she provided to the Board. To summarize, Mr. Kimberely's email reflects the request by Mr. John Magnuson, dated November 8, 2013 (a letter already part of the record). Ms. Buxton said for the record, she did review the lease in detail. After the discussion today with Mr. Strack, she noted that in regards to access to Hidden Lake only by boat, (referring to proposed lease **Use and Occupation of Moorage Site 2.7.**), it appears that limiting access is not the intent. Other access would be available to people. They could access the shoreline either by bike or by foot as a secondary access. Ms. Buxton asked Mr. Strack if he had meant to have the lease state that secondary access would not be permitted? Mr. Strack responded, "Not at all."

Ms. Buxton continued saying that all the float home owners are to be treated equally. She said all the float homes will benefit from the move. She said she wanted to identify why she voted "no" on having the Chestnut homes as a single lease. She did not agree in having a private sewer system when a public one is available as a policy. She has concerns with that. She said she understood that the float home owners have to hook up to it if their sewer failed. The fact she wants everyone treated the same and to the extent that Mr. Strack needs to work to that, is fine. With regards to the secondary access issues, as allowed by other park users that bike and walk-in, she said the lease should be substantially similar to what the Board expects to receive at the next Board meeting, realizing that there may be other amendments or changes that the Attorney General's office would require consistent with the discussions from today.

STAFF PRESENTATION: LEASE

Mr. Strack said that Ms. Muir, Grants Manager, has had preliminary discussions with the U.S. Park Service regarding whether or not moving any of the float homes would be an issue. At this point, the U.S.

Park Service still has some questions, but Mr. Strack believes that they can be convinced that by moving the float homes and opening shoreline for public use (putting it in a location that used to be occupied by float homes) that the IDPR is not converting anything into non-public use. IDPR is basically just shifting items around.

On the float home leases, Mr. Strack said the Board had requested that several items be included in the lease:

- 1) Milestones and associated dates for meeting those milestones
 - a) **Attachment A 8.2.1: Construction Timeline**

The Float Home Lessees must comply with the construction milestones set forth in Attachment D, which by this reference is incorporated into this Lease as if expressly set forth herein. Failure to achieve a construction milestone is deemed to be a material breach of this Lease and shall be cause for immediate reference to the Board to determine if this Lease should be terminated.
- 2) Lease was to address future utility adjustments to account increase in fees that everyone else is paying.
 - a) **Attachment A 8.3: Annual Sewage Fee**

The sewage fee is subject to annual adjustments at the discretion of IDPR. Changes in the sewage fee will be reflected in the annual billing. Sewage fees may also be adjusted by IDPR in the event the sewage disposal system is expanded, improved, or upgraded. Lessee acknowledges and agrees that such adjustments may include a one-time fee reflecting Lessee's fair share of sewage system construction or reconstruction costs.
- 3) Lessee strictly adhere to park rules (Section 26)
 - a) **Attachment A 26: Compliance with Laws and IDPR Rules.**

Lessee shall comply with all applicable federal, state and local laws, regulations, orders and agreements that govern activities within Heyburn State Park and upon the navigable waters of the State of Idaho. Lessees are recreational users of Heyburn State Park and are required to abide by all rules and regulations applicable to other park visitors; nothing in this Lease shall be construed to exempt lessees from compliance with such rules and regulations.

Regarding rental rate, in 2009, the Board fixed the rate at 3.75% of appraised value of the property. Mr. White is in the process of hiring an appraiser to figure out the appraised value of the lots. This is a difficult appraisal issues because the lot is the water.

Mr. Strack said that this was a preliminary copy of the lease and there might be a need to change language. An issue was brought forth a few days ago in regards to the fact that the old leases had a provision stating leases must be signed by a natural person. IDPR does not lease recreational residences to companies. One of the lessees wanted to assign their lease to an LLC. In response to the lessees' request for a lease term that is conducive to obtaining a loan for construction of the sewer line, Mr. Strack stated that Idaho Code 67-4201 which was first adopted in 1907, one the earliest state park statutes, says "No lease of state park premises can be made for a period longer than 10 years." That was in anticipation of dividing parks into platted lots, blocks, and then leasing them to parties. The float homes have been treated as a lot within the park so they have always been subjected to the 10-year lease provision. Mr. Strack continued saying there is also Rule 50 "Governing Leasing Practices for Recreation Residents within Heyburn State Park" stating that lease terms not to exceed 10 years. The statute and the rule would need to be amended in order to get a lease term that is longer than 10 years. Mr. Magnuson, attorney for the float home owners, suggested that the Board approve a 10-year lease with options to renew for the next two to three decades. Mr. Strack said that there is a provision in the Rules that prevents any renewal of leases. This rule would also have to be amended. Mr. Strack said if the Board authorized any lessee to place any significant infrastructure on a property it will make it harder to terminate the leases.

BOARD DISCUSSION: Ms. Buxton said that Mr. Strack attempted to address a lot of those risks and with some indemnification of waiver language on part of the lessees. Mr. Kimberely said that there has not been time to vet out a discussion and issues with the float home's attorney, Mr. Magnuson. Mr. Strack said it was the Board's job to set the policies, terms, and conditions under which they would lease these

properties. Mr. Strack said if the lessees find something significant in the lease, then it can be addressed but this should be what the Board wants to do in moving forward. Mr. Strack reminded the Board that they could not incur a future liability of which they do not have appropriations.

Ms. Buxton said that there are three homes that need to be moved. She did not think it was fair that the three homes that need to be moved should bear the brunt of the cost without the rest of the float home owner's association being involved with the cost. Ms. Buxton asked if this would have to be a separate agreement or was it stated well enough in the lease as presented. Mr. Strack said he recommend negotiated lease terms and that it should be a separate agreement.

Mr. White said that the milestones do address when the float homes get moved and they don't get moved until the sewer system is in and the lessees can hook up to it. Mr. White said that the float home owners are making this a group effort and that no one person will have to be responsible for the costs of moving the float homes.

BOARD MOTION: *Mr. Doman made a motion that the Board review all three leases in the same context at the same meeting with the same comments and that the leases be brought be back to the Board in the January/February 2014 meeting and look at all of them. Mr. Crimmins seconded the motion. The motion carried a vote of 6-0.*

DIRECTIVE TO STAFF: Mr. Strack to submit all three leases for Board approval at the January/February 2014 Board meeting.

1:40 p.m. 1st Quarter Financial

STAFF PRESENTATION: Mr. Martin presented the 1st Quarter Financials FY 2014.

BOARD MOTION: *No Board action required.*

DIRECTIVE TO STAFF: Mr. Doman would like to see demographics on who is buying the Passport by age and location. He said the Department needs to get younger families into the parks.

2:04 p.m. Grant Criteria Changes

STAFF PRESENTATION: Director Merrill addressed the Board and asked for clarification on what the Board was requesting. Did the Board want to look at all the areas of criteria of the grants and all of the corresponding sections? Director Merrill asked that staff receive further direction from the Board, enabling staff to direct their efforts on exactly what the Board would like to see happen.

Mr. Martin addressed the Board regarding the request from the Board in the July 2013 meeting for staff to review the current rating criteria (See Attachment 2) for ways to customize the rating to each grant. A history was presented to the Board beginning in 2002 when the current criteria were adopted.

STAFF RECOMMENDATION: Staff is requesting additional specific direction from the Board on the following questions:

1. Is it the Board's intent to change the current rating system to program specific criteria for each of the seven state grant programs (Recreational Vehicle Fund, Waterways Improvement Fund, Off-Road Motor Vehicle Fund, Motorbike Fund, Recreational Road and Bridge Fund, Cutthroat License Plate and Mountain Bike License Plate) and four Federal-aid programs (Recreational Trails Program, Land and Water Conservation Fund, Clean Vessel Act and Boating Infrastructure Grant)?
 - a. If not, for which specific programs, if any, would the Board like to see changes?

b. Which specific questions would the Board like to see changed?

2. If changes to the current rating system in any of the programs are intended, what level of public input should staff solicit?

a. Advisory committee members only?

b. Regional public meetings?

c. Other?

BOARD DISCUSSION: Mr. Hansen said that the Board's intent was to discuss some issues in particular of certain funds and tweak those and the rest of it would be alright. Ms. Buxton said that there had been a lot of complaints about applicants not being treated fairly, and that they are confused about the process. Perhaps a new, friendlier criteria ranking sheet was needed. Mr. Crimmins asked if one of the reasons the Board is looking at this is, is to deal with the Operations side of things? Mr. Crimmins said he did not believe that the grant criteria needed to be changed. He believed that the Board needed to change the way allocation of funds is done. This can be done internally. A whole reanalysis of grant criteria is not needed. The criteria were last changed in 2002.

Ms. McDevitt said that the advisory committees had a hard time using the 1-10 point system in rating criteria. The 1-10 rating system does not create an equal playing field.

Mr. Martin said that from his perspective that this problem is encountered no matter what the criteria are or what the point scale is. People will always interpret the language differently and tailor it to their own needs. Mr. Martin said that staff has taken some of these questions to the committee and gotten their feedback which was basically concerns of semantics. He said that the evaluation system was working, and he does understand that there are complaints, Those complaints are from people who aren't getting funded. He also said that variances will always occur when you have large committees rating different projects.

BOARD MOTION: *Mr. Crimmins moved to thank staff for their efforts and urged that, as things move along, if staff finds something that throws up a red flag to come back to the Board with that specific item. Ms. Buxton seconded the motion for purposes of discussion.*

BOARD DISCUSSION: Ms. Buxton said that no one likes to change the process or the forms, but staff has to make sure that when staff trains committee members that they understand that the committees have to be objective. It is always a concern to have set criteria that is not looked at a lot and then it comes back to bite you. Ms. Buxton said "Is this rating objective, is there a bias of how staff has always done it so they are going to keep doing it that way?" That is the concern Ms. Buxton has been hearing, and that is why Ms. Buxton and the Board made the comment regarding the need to go back and look at criteria rating. Director Merrill said that when Mr. Doman had concerns with the Frank Church trail, Ms. Muir went back through the ranking and reviewed them all and didn't find anything askew. Ms. Muir said that it is not done every year but if there is an issue, staff will go back and look at scores.

Mr. Doman said that the ratings turned out alright but the calls and comments to the grant applicant were not alright. Everyone knows the criteria. The reason that nobody wants to change the criteria is that they have figured out how to answer the questions to get the maximum benefit on the ranking.

BOARD MOTION: *Chairman Correll called for the motion. Ms. Buxton-nay, Mr. Doman-nay, Ms. McDevitt-aye, Mr. Crimmins-aye, Chairman Correll-aye, Mr. Hansen. The motion carried a vote of 4 ayes-2 nays.*

DIRECTIVE TO STAFF: Ms. Buxton requested staff to make sure that the ranking is objective and make sure that staff is looking at new ways to make sure staff are doing their training. Mr. Crimmins asked if staff did an analysis to see if committee members rated their region significantly higher than anyone else. Is staff looking at the ratings from individual committee members and addressing the issue of being fair and balanced. Mr. Doman requested that staff select one or two projects a year that are serving 5,000 people (or whatever the criteria are) and verify if they are performing as they said they would. Staff needs to look at the grant and the finished project. Staff should be checking on those that are getting a lot of money. Are applicants really doing what they said they are doing? Show the Board how the funds were used.

Road and Bridge Grant Advisory Committee

STAFF PRESENTATION: Mr. Martin said that the Board wants to establish an advisory committee to evaluate the portions of these funds that are available (approximately \$300,000 is awarded annually.)

STAFF RECOMMENDATION: Staff recommends that Board select three existing members from the ORMV committee and three existing members from the WIF committee to form a six-member Road and Bridge Fund (RBF) Advisory committee. Staff also requests that the Board identify two alternate members from each of the ORMV and WIF committee to contact in event their first choices decline to serve on the RBF committee.

BOARD DISCUSSION: Director Merrill addressed the Board saying that when staff brought this forward, it was because the Board did not want staff to be able to do the ranking on the Road and Bridge Funds. The discussion that the Board also had was that they wanted to see one member appointed from each of their districts. If the Department chose to go with staff's recommendation, it will not meet the Board's wish to have a representative from each district. A separate committee could be put together to represent each of Board's district, should the Board desire that option. Mr. Crimmins shared his concern that the amount was only \$300,000 of which half is administered by the Department. Mr. Crimmins questioned whether it was realistic to set up another committee of six people to administer this small amount of funds, considering the additional costs for the committee as well as the ability to make effective decisions. Ms. McDevitt reviewed the history of the legislation that created this fund in recognition that the state needed roads and bridges within and leading to park and recreational areas to the state. Ms. McDevitt also discussed how the split between the IDPR and non-IDPR projects has shifted over time (currently at a 50/50 split). She believes the process should be removed from the grant process and administered by the Director with Board approval. She believes that staff has a better understanding of what is needed than a committee. Mr. Crimmins did not support giving the control to staff. He believes that from a political stand point, this will cause many issue to arise if the Department uses the money as a "park fund." Ms. Buxton responded that the criticism of staff was that they were looking at it too narrowly based on what the actual statutory language is. Ms. Buxton clarified that staff has to look at it from a broader perspective as per the statute. Historically, the process has been handled through the Director's oversight, not a committee. Mr. Doman said that the Director has control over half the money and that there needs to be clear representation and process how the criteria is applied so that everyone feels they got heard. Mr. Doman said he would not support a motion that gives the process to the Director only. Mr. Doman said that it is unfair to the Director and staff and puts them in a compromising position. He suggested that the OHV or the WIF committees oversee the \$300,000. Mr. Crimmins said that he disagreed with Mr. Doman. Mr. Crimmins suggested that all the committees be queried to see if anyone would be interested in sitting on the Road and Bridge Fund committee. Ms. Buxton said that she got complaints from rural communities. Some of the criteria look fair on paper but at the same time, there may be a need someplace where there

is not a large population but the grant is significant for that small area. Any time recreation can be increased in small communities, it benefits the local government, as well as the local community, and it meets the requirement under the statute. A committee member from each of Board members district should be selected to rank projects for this fund thus allowing small areas to be represented; \$20,000 makes a big difference to a small community. Ms. Buxton continues that the problem lies with the fact that there is not a way that anyone has the ability to appeal to the Board regarding the ranking of their application or to explain the importance of the grant. Unless all the applications are given to the Board, the Board is also at a disadvantage, and the Department needs a process for that.

BOARD MOTION #1: *Ms. McDevitt moved to leave the percent split the same, and that money will be held by the Director until the projects come to the Board for approval. Director will bring recommendations to the Board. Buxton seconded. Motion withdrawn. Second agrees.*

BOARD MOTION #2: *Mr. Crimmins moved to thank staff for their work and that the Department stays with the existing situation with the understanding that staff is clearly trained in understanding the statute, and all the ramifications. The Road and Bridge Funding procedure will be left as is. Chairman Correll seconded the motion.*

BOARD DISCUSSION: Ms. Buxton quoted the statute “to be used solely to develop, construct, maintain and repair roads for entrances and parking areas within and leading to parks and recreation of the state.” Discussion about the current criteria (See Attachment 2) continued. Ms. Buxton said that when looking at the criteria and what the statute says, the criteria, in interrupting the statute, narrows a lot. And that is the criticism the Board has received. The smaller communities are not being represented. Recreational opportunities in these small areas will make a difference in their economic development but they are continually overlooked. Ms. Buxton said her concern was that the criteria have been interpreted by the Department too narrowly. Mr. Doman said not only do the small communities not have the capacity to write the grants, but also they don’t have the capacity to match funds.

BOARD MOTION #3: *Mr. Crimmins withdrew his motion. Chairman Correll withdrew his second. Mr. Doman moved to table the motion. Mr. Hansen seconded the motion. Staff needs to analyze how that particular grant money is awarded The motion carried with a vote of 6-0.*

DIRECTIVE TO STAFF: Mr. Doman directed staff to see how the money is spent, and to see if the perception of the small communities not receiving grants is true or not. At which point, the Board can make a decision. This will need to be completed by January 2014 so that the Board can decide whether or not they need to change the process.

3:25 p.m. Director's Report

STAFF PRESENTATION: Direct Merrill discussed Mr. Hobbs and Ms. Canning's backgrounds and their future working plans. She also discussed Idaho Department of Lands property opportunities at Priest Lake as well as the \$3 million request to the Governor for critical repairs and backlog maintenance projects.

3:50 p.m. Executive Session

BOARD MOTION: *Ms. McDevitt moved to enter into Executive Session under authority of Idaho Code § 67-2345(b) to consider the evaluation of public employee. Mr. Hansen seconded the motion. She requested that a roll call be taken and that the Secretary record the vote in the minutes of the meeting. Crimmins-aye, Doman-aye, Hansen-aye, McDevitt-aye, Chairman Correll-aye, Buxton-aye. The motion carried a vote of 6-0.*

5:08 p.m.

BOARD MOTION: *Ms. McDevitt moved that Board reconvene out of Executive Session and that the official minutes of the meeting reflect that no action was taken during the Executive Session.*

5:09 p.m. Recess

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8:08 a.m. Chairman Correll called the meeting back in session.

8:10 a.m. Endowment Funds

STAFF PRESENTATION: Mr. Larry Johnson and Chris Halverson of the Endowment Fund Investment Board updated the Board on funds for Ritter Island and Trail of the Coeur d'Alenes.

Ritter Island Endowment Fund Performance as of October, 2013:

• Current Value of the Fund	\$1,104,870
• Investment Change in Market Value Inception-to-Date	\$ 341,783
• Contributions Inception-to-Date	\$1,000,000
• Withdrawals Inception-to-Date	\$ (236,914)
• Month-to-date Returns	2.3%
• Inception-to-Date Annualized Return	5.4%

Trail of the Coeur d'Alenes Performance as of October, 2013:

• Current Value of the Fund	\$2,341,773
• Investment Change in Market Value Inception-to-Date	\$ 863,749
• Contributions Inception –to-Date	\$2,163,600
• Withdrawals Inception-to-Date	\$ (685,576)
• Month-to-date Returns	2.3%
• Inception-to-Date Annualized Return	9.1%

STAFF RECCOMENDATION: Staff recommends the Board approve the modifications to both endowment funds SIPs as proposed by the EFIB as needed.

BOARD MOTION: *Information only. No action taken by Board.*

DIRECTIVE TO STAFF: None

8:20 a.m. Registration Realignment

STAFF PRESENTATION: Director Merrill presented an overview and update of the Registration Realignment including the current proposed legislation brought forth by Idaho Recreation Council (IRC.) She then addressed the request from IRC that the IDPR Board write a letter that will assure IRC that IDPR and its Board will continue to work together with them through this next year as IDPR staff puts together a program that meets all the needs of all the users, that is cost efficient, that is easy, and keeps the vendor system. There is concern for the Board's desire to keep the 54% of County DMVs where people register. Staff realized that IDPR is not in control of that even though Board and staff would like to continue working with the DMVs, it ultimately falls back on the County Assessors and County Commissioners on whether or not they will sale a sticker alone without the information gathering that is needed by ITD.

STAFF RECCOMENDATION: Staff presented two options:

- 1) If proposed legislation **is held**, direct staffs to continue updating our current registration system that would include communication that interfaces with ITD if possible and promotes a strong retail vendor system.
- 2) If legislation is **not held**:
 - a) Direct **staff** to either support or not support the legislation as written.
 - b) If Board **does not support** proposed Legislation, staff will continue to seek RFP to update current system.
 - c) If Board **does support** proposed Legislation, direct staff to continue updating our current registration system that would include an online vendor program with an RFP that would include the changes in the proposed legislation.

BOARD DISCUSSION: Mr. Crimmins asked what specific commitments was IRC asking for? Ms. Canning replied that the following were requested:

- IDPR will continue to work with IRC
- IDPR will listen to them
- IDPR will create an agreement moving forward on what the program consists of.

Mr. Doman asked for clarification as the Department originally started this Registration Realignment because ITD was on a fast track to change their GARNET system and because of that, it effected how the Department would be able to collect information and changes to our system would be needed in order to work with ITD. Now ITD has slowed down their changeover but IDPR is moving ahead. Director Merrill responded that was the original reason why IDPR went forward with the change. The consultant that IDPR hired to analyze the needed changes in the Registration Program and staff became aware that the Registration Program was failing and would not be able to be updated without direct steps taken to upgrade the operating system, the servers, and the software that is currently being used. Staff believes that it needs to keep moving forward and keep up communication with ITD knowing what their requirements will be in the future and incorporate them into a new Registration Program. Mr. Crimmins questioned the urgency of the upgrade. Director Merrill responded that was the reason for the long and short goals as established by the consultant and staff.

Ms. Buxton shared her concern about being able to collect all the registration fees and not using the DMVs.

Discussion followed on what the content of the letter to IRC would be.

Mr. Doman shared that IDPR had one registration program and ITD had another, basically doing the same thing and that is not good management. It shouldn't be two (2) separate processes. He also said he had concerns about the DMV and the counties. Registration is a lot of money, however, the Department just collected over \$1.2 million in Passport dollars through ITD and the Department needs to keep that

relationship going. Mr. Doman also said that the Department must be able to provide a secure system. When information is transferred, it must be encrypted.

Ms. McDevitt said that in the letter to IRC, the Board needs to emphasize that they will work with IRC, all the other user groups, other government agencies and whoever else is a player in this.

BOARD MOTION: *Mr. Doman moved to continue updating our current registration system that would include communications that interface with ITD if possible and promotes a strong retail vendor system. Mr. Hansen seconded the motion. The motion carried a vote of 6-0.*

DIRECTIVE TO STAFF: Staff is to continue to work with ITD as well as continue to update the Registration Program.

9:37 a.m. Negligent Boat Operating Court Ruling

STAFF PRESENTATION: David Claycomb gave information regarding a law suit that may affect the statutes regarding negligent boat operation. The case involves Title 67.

STAFF RECOMMENDATION: Information only.

BOARD MOTION: *Information only. No Board action required.*

DIRECTIVE TO STAFF: None

10:00 a.m. Reports

Reservation: Ms. Kolsky said that the Reserve America contract was extended for one (1) year and that the Request for Proposal (RFP) for a reservation purveyor had begun. She also discussed the refund policy, saying that the reservation fee is nonrefundable. If it is a campsite that can be turned over, the camp fee is refunded. If the reservation is cancelled before the 21 days, the customer is charged a refund fee. Mr. Doman remarked that people are “gaming” the system; the Department needs to make changes.

Operations: The Board asked that Mr. Hobbs send them a copy of the Pan Handle response letter of objection to the Forest Plan. Mr. Hobbs is to set up appointment with Tom Schmidt.

Board: Mr. Doman said that he was appointed the Clearwater Basin Collaboration Committee chairman. He met with US Forest Service to talk about their budgets and lack thereof. Their budget source is so limited that they do not have a person to train volunteers. Mr. Doman volunteered Director Merrill, Ms. Canning, Mr. Hobbs and Mr. Claycomb to assist with strategic planning to help with the committee. Mr. Doman said that they needed to go to regional foresters and to congressmen to talk about IDPR’s role in recreation and to the economy as a political force for the state. He continued that IDPR needed to help USFS to get money to keep trails open. He said the Department may need to shift gears to figure out how to get out of trenches and see how it can help everyone around us, not just with grant dollars. The USFS believes their niche is timber, not recreation. Mr. Doman would like to change the mindset of forest supervisors.

11:25 a.m. Executive Session

BOARD MOTION: *Mr. Hansen moved to enter into Executive Session under authority of Idaho Code § 67-2345(b) to consider the evaluation of public employee. Mr. Crimmins seconded the motion. He*

requested that a roll call be taken and that the Secretary record the vote in the minutes of the meeting. Crimmins-aye, Doman-aye, Hansen-aye, McDevitt-aye, Chairman Correll-aye, Buxton-aye. Mr. Hansen seconded the motion. The motion carried a vote of 6-0.

1:00 p.m.

BOARD MOTION: Mr. Hansen move that the Board reconvene out of Executive Session and that the official minutes of the meeting reflect that no action was taken during the Executive Session.

1:15 p.m.

Meeting adjourned.



Charles Correll, Chair

Idaho Park and Recreation Board

Nancy Merrill, Director

and Ex-Officio Member of the Board