



Minutes

Colorado State Parks Board

Thursday, October 11, 2007

Board Work Session: 1:30 PM – 5:00 PM

Friday, October 12, 2007

Board Meeting: 1:30 PM - Adjournment

Mesa Meeting Room – Hawthorn Suites
225 Main Street, Grand Junction, CO 81501

THURSDAY, October 11th

1:30 PM

BOARD WORK SESSION

Welcome to the Rocky Mountain Region –

- Budget Retreat Information Package
- 2008 Decision Items
- 2008 Meeting Dates
- Board Reports
- Upcoming Events
- Roundtable

Kurt Mill

Larry Kramer/Gary Thorson

Larry Kramer/Gary Thorson

Larry Kramer

FRIDAY, October 12th

1:30 PM

PARKS BOARD MEETING

(A) – Agenda Amendments, if necessary

(A) – Approval of August 24, 2007 Parks Board Meeting Minutes

PUBLIC COMMENT

(I) – Highline State Park Personal Water Craft Concession

(I) - Stagecoach State Park Marina Concession

CONSENT AGENDA:

Larry Kramer/Region Managers

(A) – North Sterling State Park – Marina Concession

(A) – Jackson Lake State Park – Concession Contract

(A) – Cherry Creek State Park – Concession Issues

(A) – Golden Gate State Park - Easement

(A) – Harvey Gap State Park – Lease

(A) – State Trails Committee - Reappointments

ADJOURN

(A) = Action Items (I) = Information Items

** APPROVAL OF "ITEMS REFERRED FOR DIRECTOR'S ACTION" BY THE PARKS BOARD IS BASED ON WRITTEN MATERIAL. NO DISCUSSION WILL OCCUR UNLESS THERE ARE QUESTIONS FROM THE PARKS BOARD OR FROM THE PUBLIC.

** PUBLIC COMMENT ON **BOARD MEETING AGENDA ITEMS IS WELCOME**. PLEASE SIGN UP ON SPEAKER SIGN-UP SHEET UPON ENTERING THE PARKS BOARD MEETING ROOM.

NOTE: ALL PROGRAMS, SERVICES AND ACTIVITIES OF THE COLORADO BOARD OF PARKS AND OUTDOOR RECREATION ARE OPERATED IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. IF YOU NEED A SPECIAL ACCOMMODATION AS A RESULT OF A DISABILITY, PLEASE CALL LINDA FOSTER AT (303) 866-2884. TO ASSURE THAT WE CAN MEET YOUR NEEDS, PLEASE NOTIFY US OF YOUR REQUEST AT LEAST SEVEN BUSINESS DAYS PRIOR TO THE SCHEDULED EVENT.

Parks Board Members:

Bill Kane, Acting Chair
Tom Glass
Happy Haynes
Lenna Watson

Division Staff:

Larry Kramer, Deputy Director
Gary Thorson, Deputy Director
Richard Storm, Chief of Law Enforcement
Kurt Mill, Rocky Mountain Region Manager
Bob Wiig, Rocky Mountain Region Assistant Manager
David Giger, High Plains Region Manager
Michael French, SE Region Manager
Heather Dugan, SE Assistant Region Manager
Brad Taylor, Manager – James M. Robb Colorado River State Park
Regina Farrell – Highline State Park
Linda Foster, Assistant to the Director's Office

Guests:

MEETING MINUTES

AGENDA AMENDMENTS - Action Item Removed from Consent Agenda, deferred to future meeting: State Trails Committee-Reappointments.

ADOPTION OF BOARD MINUTES

Adoption of August 24, 2007 Parks Board Meeting Minutes.

Moved: Tom Glass
Seconded: Lenna Watson
Vote: Unanimous

PUBLIC COMMENTS – None

INFORMATION ITEMS

Highline State Park Personal Water Craft Concession

-Kurt Mill

PURPOSE: The purpose of this Information Item is to inform the Board about our intent to exercise the “extension clause of an additional five years” in the current Highline State Park Personal Water Craft concession contract.

BACKGROUND INFORMATION: In 2003, the Parks Board approved of State Parks entering into a contract with a private concessionaire to provide the rental of Personal Water Craft, beach toys and the selling of food items. The original contract was for five years with the possible extension of an additional five years with State Parks’ approval.

DISCUSSION AND SUMMARY: The concession has proven to be fairly successful, and the owner, DMW Investments LLC DBA Lakeside Rental, has requested to exercise the five year extension clause. State Parks has had a good working relationship with the owner and is approving the five year extension of the original contract. The owner has also requested a couple of other items along with the extension that State Parks is in agreement with providing. These include adding an additional 30 feet of beach for use by the concessionaire and increasing the PWC’s that are available for rent from four to five.

Stagecoach State Park Marina Concession

-Kurt Mill

PURPOSE: The purpose of this Information Item is to inform the Board about our intent to exercise the “extension clause of an additional two years” in the current Stagecoach State Park Marina concession contract.

BACKGROUND INFORMATION: In 1999, the Parks Board approved of State Parks entering into a contract with a private concessionaire to provide the marina services at Stagecoach State Park. The original contract was for eight years with the possible extension of an additional five years with State Parks’ approval.

DISCUSSION AND SUMMARY: The marina concession has proven to be fairly successful, however, the current concessionaire decided he did not want to extend his current contract. We conducted a job

show and advertised for a new potential marina concessionaire. Unfortunately, we did not get any interested bidders. In a letter from the existing concessionaire to State Parks, he proposed to operate the marina under his existing contract for an additional two years. State Parks is in agreement with him and will exercise the existing extension in his current contract for an additional two years.

CONSENT AGENDA ACTION ITEMS

North Sterling State Park – Marina Concession

PURPOSE: To seek Board action on the Bayside Marina request to waive the marina concession annual fee for 2007 at North Sterling State Park (NSSP).

BACKGROUND INFORMATION: Bayside Marina (Contractor) has operated under a concession contract at NSSP since April of 1999. Contract term ends on October 31, 2008 with a 5 year renewable option at the sole discretion of the State. Gross revenue percentage agreed to in the contract is 2%. Additionally, the Contractor pays a \$3,000 annual fee and a \$500 administrative fee.

In 2006, the Contractor was granted a waiver of the \$3,000 annual fee due to low water conditions and the disruption of the marina business due to lingering drought in Northeast Colorado.

In December of 2006, the Contractor notified the State in writing of his interest in selling the marina concession and foregoing the last two years of his contract, citing financial pressures brought about by low attendance and low water level. In May of 2007, the Contractor submitted another request for a waiver of the \$3,000 annual fee. In June of 2007 the State advertised a new Request for Proposal (RFP) for marina services at North Sterling, which was unsuccessful in attracting any bidders.

DISCUSSION AND SUMMARY: Low water levels on North Sterling Reservoir have significantly affected the marina concession during the past three years. The marina bay where the Contractor's boat rentals, wet slips, and fuel dock are located has generally been inaccessible to boat traffic by early August in recent years. While reservoir water levels were improved in 2007, this did not translate into an increase in store traffic or park visitation. Contractor gross revenues have dipped below his nine-year average of \$86,306 in each of his past four years. Gross income reported by Bayside Marina was \$66,056 in 2006 and are projected to fall to \$62,000 in 2007. Despite his losses, the Contractor has expressed a willingness to operate the marina concession again in 2008, while the State attempts to attract a new concessionaire.

DIVISION RECOMMENDATION: Staff recommends that the Board approve the request to waive the 2007 annual fee, but to require payment of the \$500 administrative fee and 2% of gross sales.

SUGGESTED MOTION: "I move the Board of Parks and Outdoor Recreation approve the request to waive the 2007 annual fee from Bayside Marina."

Jackson Lake State Park –Concession Contract

PURPOSE: To seek Board approval authorizing the Director Designee of Colorado State Parks to execute the new contract with Shoreline Investments, Inc. for a period of ten years, ending October 31, 2017, with one additional five year extension option at the sole discretion of the State.

BACKGROUND INFORMATION: A marina concession has operated at Jackson Lake State Park since 1978. The current concessionaire, Shoreline Investments Inc., has operated the concession since 1994. The Division will work with Shoreline Investments, Inc. to negotiate a new lease, which will delete the annual administrative fee of \$500 and the annual fee of \$3,000 and increase the annual percentage fee from 2% to 7% of gross revenue. Additionally, current indemnity insurance information and illegal alien requirements were added per statute.

DISCUSSION AND SUMMARY: The concession has been well run and professional, expanding their operation during the past 13 years. During this period, the concessionaire has built a new marina building, added more vessels to their rental livery, and have demonstrated an ability to increase revenue. There have been very few complaints and the owner, Peggy Pope, has been a pleasure to work with.

DIVISION RECOMMENDATION: Staff recommends that the Board award the ten year contract with an optional five year extension to Shoreline Investments, Inc. and authorize the Director or Director Designee to negotiate and consummate a contract.

SUGGESTED MOTION: “I move that the Board of Parks and Outdoor Recreation award the bid to Shoreline Investments, Inc. and authorize the Director or Director Designee to negotiate and consummate a contract for marina services at Jackson Lake State Park.”

Cherry Creek State Park – Concession Issues

PURPOSE: To receive Parks Board permission for the Director to negotiate and consummate a second amendment to the contract with Hamilton Family Enterprises, the concessionaire at the shooting center at Cherry Creek State Park.

BACKGROUND INFORMATION: Hamilton Family Enterprises (Hamilton) is under contract with Colorado State Parks for range concession services for Cherry Creek State Park. The contract with Hamilton became effective on January 25, 2004, and was first amended on December 4, 2004. Numerous disputes have arisen between the State and Hamilton regarding the contract that have resulted in Hamilton filing a Complaint in the District Court of Arapahoe County, Colorado naming Colorado State Parks as the defendant. In order to resolve their disputes, both parties have agreed to amend the contract.

DISCUSSION AND SUMMARY: The disputes that the amendment will resolve include the following: inability to meet dates of performance for facility development as outlined in the contract by both the State and Hamilton; fee adjustments due the State by Hamilton as a result of estimated loss of revenue due to inability to complete facility development (dates of performance) by the State; notification to Hamilton regarding special events occurring on the park that may impact the concession and are approved by the State; access to and from the concession location from the entrances; replacement of a State owned facility at the concession; and the ability to place advertising signs at the east and west park

entrances. Negotiations between the State and Hamilton are continuing at the current time. Region staff can discuss the specifics of the negotiations with the Parks Board in executive session during the Board meeting.

DIVISION RECOMMENDATION: Division staff recommends that the Parks Board authorize the Director or designee to negotiate and consummate a second amendment to the contract between Colorado State Parks and Hamilton Family Enterprises in settlement of the filed Complaint.

SUGGESTED MOTION: “I move the Board of Parks and Outdoor Recreation authorize the Director or designee to negotiate and consummate a second amendment to the contract between Colorado State Parks and Hamilton Family Enterprises in settlement of the filed complaint.”

Golden Gate State Park – Access Easement

PURPOSE: To obtain permission for the Director to grant Michael Pace a no fee utility easement over and across 40 feet of State lands at Golden Gate Canyon State Park.

BACKGROUND INFORMATION: Mr. Pace owns a 10 acre parcel of undeveloped property bordering State Park lands in the SW ¼ of the S1/2 of Section 13 T2S, R72W in Gilpin County Colorado as described on attachment A. Across this section of Golden Gate there exists a United Power utility line that services homes to the west of the park. It is along this line that Mr. Pace would like to have United Power “tap in” and trench an approximate 40 foot underground utility line across State Land to his property line. Gilpin County will not issue Mr. Pace a building permit without utilities to his property. The landowner adjacent to him to the south will not allow utility access over his property and thus his request to State Parks.

DISCUSSION AND SUMMARY: Park staff has reviewed this request and visually inspected the area of the easement and have concluded this easement would have no negative impact to park operations or the natural resources in this area of the park. Access to the utility trench is off an existing road cut into the area in previous years. The utility easement will contain language requiring Mr. Pace to return State Park land to its original condition after trenching.

DIVISION RECOMMENDATION: The Director has found this easement to be necessary, suitable or proper for parks and outdoor recreation purposes. Staff recommends the Board give authorization to the Director to negotiate, consummate and grant a no fee utility easement to Michael Pace.

SUGGESTED MOTION: “I move the Board of Parks and Outdoor Recreation authorize the Director to negotiate, consummate and grant a no fee utility easement to Michael Pace.”

Harvey Gap State Park - Lease

PURPOSE: To seek Board approval to lease Harvey Gap Reservoir and its adjoining land that is owned by Farmers Irrigation Company (“Farmers”) and Silt Water Conservancy District (“District”).

BACKGROUND INFORMATION: State Parks has leased Harvey Gap Reservoir from “Farmers” and the “District” since March of 1998 under the current lease agreement. This lease agreement is coming to the end of the ten year term which will formally end on March 31st, 2008. Prior to the current lease agreement, State Parks had leased the area from 1987 until 1997.

DISCUSSION AND SUMMARY: State Parks is proposing to enter into a new lease agreement with “Farmers” and the “District” that would be similar to the currant lease.

DIVISION RECOMMENDATION: The Director has found this property to be necessary, suitable and proper for parks and outdoor recreation purposes, specifically for public access, public recreation and outdoor recreation. The Division recommends that the Board grant authority to the Director to negotiate and consummate a new lease for the Harvey Gap Reservoir site.

SUGGESTED MOTION: “I move the Board of Parks and Outdoor Recreation authorize the Director to enter into a lease with Farmers Irrigation and Silt Water Conservancy District for the recreation management of the Harvey Gap Reservoir site.”

ACTION ITEMS

- Larry Kramer/Region Managers

Larry Kramer and Region Managers presented the Action Items for the Consent Agenda, reviewing each item and fielding questions with members of the Board.

1. North Sterling State Park – Marina Concession
2. Jackson Lake State Park – Concession Contract
3. Cherry Creek State Park – Concession Issues
4. Golden Gate State Park - Easement
5. Harvey Gap State Park - Lease

MOTION: “I move the Board of Parks and Outdoor Recreation approve the October 11, 2007 Consent Agenda.”

Moved: Tom Glass
Seconded: Lenna Watson
Vote: Unanimous

MEETING ADJOURNED

Bill Kane, Acting Chair

Tom Glass, Acting Secretary