

California State Park and Recreation Commission



Director's Report

January 24, 2014

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Fiscal Year 2014-15 Governor's Budget Summary

On January 9th, 2014 Governor Brown released his proposed Budget for FY 2014-15. The Governor proposes a one-time increase of \$14 million in the State Parks and Recreation Fund to continue existing service levels throughout the state park system. The 2011 Budget Act included a permanent \$22 million General Fund reduction to state parks. Initially, this budget reduction was anticipated to result in the closure of 70 state parks. However, excess funds were identified in the State Parks and Recreation Fund, and legislation was enacted to utilize these funds to keep parks open. The one-time funds provided in the legislation will expire at the end of 2013-14, and this proposal will provide one-time funding to avoid park closures in 2014-15. The Parks Forward Commission is currently completing a comprehensive assessment of the state park system, and will be releasing recommendations in 2014 intended to ensure the system's long-term viability. This one-time funding will maintain existing service levels at state parks while providing adequate time to fully evaluate the recommendations of the Parks Forward Commission. In addition, the Budget provides \$100 million from the General Fund to various state agencies to address critical infrastructure deferred maintenance needs. Of this amount, \$40 million will be allocated to State Parks.

The funding in the Governor's budget will help us sustain service levels in our parks and continue to offer quality recreation opportunities, as well as natural and cultural resource protection. The Department is currently working to identify those maintenance projects that will maintain the recreational and cultural access for visitors to California's Parks. Our priorities remain fiscal accountability, preserving California's treasured resources by alleviating some of our deferred maintenance backlog connecting people with our State Park system, maintaining the cleanest facilities and restrooms in the country and building a sustainable future for visitors of all walks of life to enjoy their state parks.

California's Five Year Infrastructure Plan

Over the past five years, Parks has expended approximately \$121 million to develop the state park system. In addition, Parks accepts gifts and other donations of property at no cost to the state. The acceptance of donated lands, which sometimes includes historic structures and other culturally significant features, adds to the lands and facilities managed by Parks necessary to promote the Department's mission.

There are a number of factors expected to result in the need for capital projects across the State Park System over the next five years. These factors include: (1) aging infrastructure; (2) a growing state population with diverse needs and interests; (3) changing recreational demands and cultural needs; (4) the encroachment of development on sensitive habitat, open spaces, and other culturally significant resources; and (5) the impact of federal, state, and local laws.

For many years, the operations and maintenance budget has not kept pace with the need to maintain existing facilities and has resulted in an increasing backlog of deferred maintenance projects, currently estimated at over \$1.5 billion.

The state's population is currently estimated at 38 million and is projected to increase to approximately 41 million by 2020. Were park attendance rates to remain constant, population growth alone would result in the need for approximately 2,000 additional campsites to maintain the current ratio of campsites per capita. However, fewer than 100 campsites have been added to the state park system over the past decade. Park managers now have the ability to adjust nightly charges according to market conditions by taking location, demand, public acceptance, and amenities into consideration.

Coastal campsites tend to be most popular and are typically full during much of the spring, summer, and fall months. The recent acquisition of Fort Ord Dunes State Park has presented an opportunity to add more than 100 additional coastal campsites, with construction of these sites to be completed by the end of 2016.

The Plan proposes a total of \$131.3 million over the next five years to address Parks' highest priority needs, comprised of \$54.7 million in OHV funding, \$51.7 million in bond funds, \$19.6 million in Harbors and Watercraft Revolving Fund funds, \$1.3 million in federal funds, and \$4 million of reimbursements. The proposed amount includes funding to address critical health and safety issues at various existing state parks, facilitate the efforts to preserve and restore the state's cultural and historic resources, and enhance public day-use facilities.

The Plan proposes a relatively small amount (\$8.5 million) for strategic acquisitions adjacent to existing parks. This Plan focuses on improving and developing existing facilities in a sustainable manner to reduce or minimize long-term operating costs.

The Budget provides \$40 million to the Department to address critical deferred maintenance infrastructure needs.

Department Now Tracking Park Unit Expenses at the Park Unit Level

On January 10th, 2014 the Department submitted the first ever park unit budget package to the Legislature. Throughout the California State Park System, resources are shared between geographically or thematically similar park units—allowing for districts to be nimble in their response to resource needs. Historically, budgeting and fiscal tracking for park units has been done at the District and Sector level—reflective of how the resources are managed and shared at that level.

However, this methodology of fiscal tracking has not allowed for precise reporting of fiscal information for an individual park unit. The inability to speak in detail about the level of resources spent to support an individual park unit limits the Department’s ability to discuss and implement the innovative funding arrangements we seek—such as new partnerships and operating agreements. Additionally, while resources may be managed at the district level, Department policy decisions and conversations about the California State Park System are more often within the context of individual park units—not the districts. The need for this level of information became even more apparent as the Department discussed its budget with the Legislature last year.

Consequently, the Legislature requested and the Department has developed an estimate of what expenditures were for each park unit for fiscal year 2010-11. While the information for that year is not as precise as they would have been had our fiscal tracking systems been tracking to this level, it is more detail than the Department has ever provided and should allow for more informed conversations about the California State Park System. This increased level of information and transparency will inform our discussions and review of the California State Park System.

Going forward, the Department has implemented a methodology and modified fiscal tracking systems to track expenditures at the park unit level. Consequently, in the future, the Department will be able to report these expenditures in a more timely and precise manner.

Park unit expenditures fall into two main categories:

- **Direct costs of delivering services in a park unit.** These include the staffing and operating costs in the State Park System to field to preserve and protect resources and deliver services to the public.
- **Indirect overhead costs to support services in a park unit.** These include the costs of support services for the State Park System provided by the Department’s Headquarters.

In addition to the costs of supporting park units, there are costs to the Department for other efforts. For example, the Office of Grants and Local Services administer grants provided to local agencies. In addition, the Department manages statewide programs such as the Office of Historic Preservation.

The new methodology we presented to the Legislature includes estimated information on Expenditures for FY 2010-11 and a Budget Plan for FY 2013-14. FY 2010-11 data for unit expenditures is only a snapshot in time and includes the 15% reduction in personal services expenditures due to the furloughs during that time. The department will adjust the 2013-14 Budget Plan as it manages its budget throughout the year.

First Day Hikes

The 150th Anniversary commemoration of California State Parks stepped off to an eventful start as more than 1,200 visitors took part in First Day Hikes on New Year's Day. Blessed with good weather in most locations, hikers enjoyed the redwoods, the sea, hills and the desert at 38 parks and on 45 different hikes. The number of hikes and parks participating was nearly double the previous record in 2013. Many hiking groups commemorated the day with a group photo in front of a 150th Anniversary banner. Hike leaders explained the significance of this anniversary year to visitors.

2013, A Banner Year for State Parks' Social Media

Facebook saw a 130% increase in followers in 2013. Most telling was the increase from the first half of 2013 to the second, where posts went from averaging 0 comments to 7, Shares increased sixfold, and Likes more than quadrupled. Twitter has seen a steady increase of 500-plus new followers a month since June, including numerous stakeholders, political figures and members of the media.

All these increases occurred without the aid of any advertising, paid campaigns, or contests. Changing the approach and an increased effort to connect with the audience has led to a more engaged park visitor and one more willing to share their connection to Parks with others. In a time where the Department's public perception is still in recovery and budgets are limited, social media is an amazing tool to reconnect with our visitors and reignite their passion for State Parks. In 2014, the goal is to continue the positive public sentiment created on these two platforms and to expand to Instagram, Pinterest, and relaunch the Wordpress blog, reaching thousands more Parks enthusiasts via their preferred social media platform.

Reservations Sales for 2014

California State Parks reservation sales for 2014 are starting off on the right track. For example, May 2014 reservation sales reached new sales records with a total of 9,385 compared to the highest on record in 2009 with 9,230 sales. Ninety-five percent of sales were web transactions.

Veteran's Day

This year, veterans, active-duty personnel, reserve and National Guard members and their families will be able to go to one of California's 280 parks free of charge on both Memorial Day and Veterans Day, as stipulated by AB 150. This will coincide with California State Park's 150th Anniversary.

CENCOM Signs Off

After 25 years of continuous operation dispatching and assisting rangers, lifeguards, wardens, and environmental scientists from Oceano Dunes to Diablo Valley, the Central Communications Center signed off the airwaves with its last transmission on November 12.

As part of the Department's goal of improved fiscal and programmatic efficiency, a telecommunication consolidation plan was developed which included shifting CENCOM's operations to our other two

dispatch centers NORCOM and SURCOM. All remaining CENCOM Communication Operators transferred on November 17 to NORCOM where they continued in their profession.

CENCOM, which operates out of the Monterey District Office, was the very first State Parks dispatch center to utilize a 365 day 24/7 schedule and came on line back in 1988 as the Department was making efforts to move away from the smaller, less than 24/7, local district dispatch operations functioning independently throughout the state.

150th Anniversary of California State Parks

We are now in the midst of our 150th Anniversary of California State Parks. Efforts are underway to commemorate establishment of the California State Park System; to promote the relevance of the California State Parks system; to increase the awareness of California State Parks, including OHV and Boat & Waterways; to enhance the image of the State Parks; to share the great stories of our parks and the parks system with the public; and to inspire all generations to embrace and care for the natural, cultural, educational, and social values of the California State Parks.

Key Marketing Initiatives include:

- Signature event that all state parks participate in on the same day that will highlight the 150th Anniversary as well as feature the key visitor activities, programs and services of each park. Additional resources needed to create this special day in the parks will be funded by donor agreements sold and administered by the California State Parks Foundation. REI will also be a partner in creating activities in designated parks in which they operate outdoor programs for the parks. The event will most likely be in September and will be marketed as the “Great Getaway Day”. Advertising and media will play a key role in the promotion of this event.
- Assistance to parks and communities throughout California to adopt the 150th theme for their events held throughout the year.
- A coordinated print advertising and media campaign supported by social media and travel publications that help tell the story of the California State Parks and to encourage the public to visit the parks.
- Media partners such as Sunset and AAA magazines to support the 150th Anniversary
- Incorporation of the 150th logo on all possible department official documents and passes.
- Selling new park passes with the 150th theme and at strategic price points to encourage more sales.
- 150th website showcasing the history of the parks through videos and photos, listing of special events throughout the year, offering of special collectibles, and more.
- Partnership with major events held within our parks system throughout 2014 that have special significance and large local/regional/and possibly state media potential such as; the Calaveras Big Trees Visitor Center Opening in May, the Big Sur Visitor Center Opening, the Yosemite Grant

Signing Event, and others.

- Exhibiting at the Cal Expo State Fair in July with combined booth including all of California State Parks Park Operations Division, Off Highway Vehicle Division, and Division of Boating and Waterways.
- Partnering with other organizations such as Save the Redwoods League, California Council of Land Trusts, The Nature Conservancy, California State Parks Foundation, Visit California, CalTravel, the convention and visitor bureaus throughout California at their events and on their websites.
- Encouragement of each park and their concessionaires to promote the 150th Anniversary throughout the year. All have received a marketing tool kit CD produced by C SPR giving them ideas on how to do so.
- Partnering with County Fairs and Festivals throughout the state to assist them in ways to promote the 150th Anniversary.
- Promotional items such as 150th Anniversary pins, banners, brochures and posters produced and distributed at travel and tourism events, to travel industry partners, to other supporting organizations, and to the general public throughout the year and marketed on the 150th website.

Concessions Upcoming Proposals and Negotiations

State Parks will issue requests for proposal for the following concession agreements:

- **Angel Island State Park Ferryboat Service:** A public input meeting was rescheduled to January 16th in Mill Valley to receive public input on the development of a request for proposals (RFP) for a concession contract to provide ferryboat service to Angel Island. The tentative RFP release date is scheduled for early 2014.
- **Bolsa Chica State Beach:** An RFP for one to four beach stands within the Orange Coast District was released January 7th. The present concessionaire has been operating on a ten-year concession contract that went on a month-to-month status January 1, 2014. A pre-proposal meeting is scheduled January 23, 2014 with the target contract commencement date for a new contract of May 1, 2014.
- **Henry Cowell Redwoods State Park:** An RFP for a Park Store within the Santa Cruz District is being finalized. The present concessionaire has been operating on a two-year concession contract that went on a month-to-month status June 1, 2010. The target RFP opening date is late February 2014 with tentative contract commencement date for a new contract of early summer 2014.

- **Folsom Lake State Recreation Area**: Staff is drafting an RFP for the Shadow Glen Stables. The present concessionaire has been operating on a two-year contract that went on a month-to-month status in 2005. District requested new concession contract to begin in June 2014.

State Parks is negotiating concession agreements for the following concessions:

- **Mackerricher State Park**: Negotiations are nearing completion for two new concession contracts with the present concessionaires to operate the Outdoor Environmental Education Camp and the other for the Pay Showers concession.
- **Folsom Lake State Recreation Area**: Staff is finalizing a negotiated five-year concession contract for a floating mobile food service. The current concessionaire has been operating on a one-year contract that went on a month-to-month status in 2005. Commencement date for the new contract is expected to be March 2014.

Future Commission Meeting Dates

The following are dates for future State Parks and Recreation Commission Meetings:

- Thursday-Friday, March 27-28 (San Francisco)
- Thursday-Friday, May 15-16 (Los Angeles)
- Thursday-Friday, August 28-29 (TBD)
- Thursday-Friday, October 23-24 (San Diego area)