

CALIFORNIA STATE PARK and RECREATION COMMISSION

MEETING CONDUCTED VIA TELECONFERENCE

Teleconference Location: California State Parks Russian River District Office
25831 Steelhead Boulevard
Duncans Mills, California

Minutes of the Meeting - Thursday, January 14, 2010

COMMISSIONERS PRESENT AT THE TELECONFERENCE LOCATION

Caryl Hart, CHAIR

COMMISSIONERS PARTICIPATING VIA TELECONFERENCE AS PERMITTED BY CALIFORNIA GOVERNMENT CODE SECTION 11123

Linda Briskman
Lindy DeKoven
Alice Huffman
Gail Kautz
William "Bill" Kogerman
Mario Santoyo
Paul Junger Witt

COMMISSIONERS ABSENT

Maureen Gorsen

CALIFORNIA STATE PARKS STAFF

Ruth Coleman, DIRECTOR
Michael Harris, ACTING CHIEF DEPUTY DIRECTOR
Manuel Lopez, DEPUTY DIRECTOR, ADMINISTRATION
Tara Lynch, ACTING CHIEF COUNSEL
Louis Nastro, ASSISTANT TO THE STATE PARK AND RECREATION COMMISSION
Kathryn Tobias, SENIOR STAFF COUNSEL
Roy Stearns, DEPUTY DIRECTOR, COMMUNICATIONS

MEMBERS OF THE PUBLIC PRESENT AT THE TELECONFERENCE LOCATIONS

Mike Gardner/San Diego Union-Tribune
Phillip Ung/Conservation Strategy Group
Traci Verardo-Torres/California State Parks Foundation

AGENDA ITEM 1

CALL TO ORDER

Legal notice having been given, this teleconference meeting of the California State Park and Recreation Commission was called to order at 10:01 a.m. by Commission Chair Caryl Hart. Chair Hart asked the commissioners, staff, and members of the public present at the various teleconference locations to introduce themselves.

California State Parks Director Ruth Coleman noted that this teleconference meeting was technically a courtesy informational briefing and not a Commission business meeting.

AGENDA ITEM 2:

**Update on the governor's proposed budget with
Director Ruth Coleman and Department of Parks and Recreation staff**

**Discussion of possible impacts of the proposed budget, including the
Commission's role in addressing consequences of the proposed budget
and identification of possible actions to be taken by the Commission**

Director Ruth Coleman reported that during October 2009 the governor's office informed California State Parks that the budget reductions sustained by the department for fiscal year 2009-2010 would be "one-time" budget cuts, which allowed State Parks to address the decrease in available funds with temporary service reductions rather than by instituting park closures. Director Coleman also explained that Governor Schwarzenegger's 2010-11 State Budget Proposal (released January 8, 2010) restored \$22 million to State Parks' budget to make up for the reductions of the current year.

Director Coleman also explained that the governor's 2010-11 State Budget Proposal displaced general fund monies with anticipated revenue from the Tranquillon Ridge Offshore Oil and Gas Lease Agreement. The Director noted that the budget included language directing the California Department of Finance to replace these proposed funds with money transferred from the state's general fund, should funding from the Tranquillon Ridge agreement not materialize, or if revenues generated from the agreement should be less than projected. Director Coleman stated that Governor Schwarzenegger had fulfilled the promise of his earlier commitment to restore the funding that had been cut during the 2009-2010 fiscal year.

Director Coleman provided a brief explanation of the Tranquillon Ridge proposal. She explained how the proposal does not permit the establishment of new oil or gas leases, but instead created opportunities for new revenue from existing drilling operations. The Director also explained the approval process the Tranquillon Ridge proposal would be submitted to, which required approval of the State Coastal Commission. Director Coleman stated that although all state agencies would be required to sustain a five percent reduction in personnel services in the next fiscal year, the Tranquillon Ridge proposal and the governor's 2010-11 State Budget Proposal presented a positive outlook for California State Parks.

Chair Caryl Hart inquired about the timeline that would be required for approval of the Tranquillon Ridge proposal. Director Ruth Coleman replied that it would be difficult for her to estimate the time involved, because of the various approvals and agencies involved and their respective calendars. The Director noted that approval could take several months, and she added that the governor's 2010-11 State Budget Proposal assumed that revenue would begin accruing during fiscal year 2010-2011.

The Chair then asked if there were any questions from the commissioners, and she referred the commissioners to Commissioner Bill Kogerman's written questions and the written responses that had been provided in advance by State Parks staff.

Commissioner Kogerman asked for clarification regarding personnel in the 2009-2010 budget versus the 2010-2011 budget. Deputy Director of Administration Manuel Lopez and Acting Chief Deputy Director Michael Harris discussed with Commissioner Kogerman the differences between the actual expenditures of a previous year's budget and the proposed figures of an upcoming year's budget. They discussed the complexities of how amounts are presented in the state budget and the distinctions between amounts that are authorized and actual expenditures. Commissioner Kogerman noted that the proposed budget gave the impression of an increase in personnel; Mr. Harris and Mr. Lopez explained that this was not the case, and that in fact the proposed budget included a reduction of approximately 70 employee positions, though with other changes such as the termination of the furlough program per-employee expenses could increase. Mr. Harris explained that the proposed budget contained seven new positions outside of the overall five percent reduction, but that these positions were for specific new programs that the governor was proposing in the budget which may or may not be adopted by the legislature. Mr. Harris added that State Parks would continue to reduce expenditures through reductions in staff and "salary savings."

Mr. Harris, Commissioner Huffman, and Director Coleman discussed specifics of the personnel-related reductions in the proposed budget. It was clarified that the proposed budget eliminated employee furloughs as of June 30, 2010.

Deputy Director of Administration Manuel Lopez suggested to Commissioner Kogerman that he would be able to obtain a better understanding of the governor's budget by comparing the proposed 2010-11 budget to previous year's proposed budgets, rather than comparing the proposed document to actual expenditures. Commissioner Kogerman stated that he would do this.

Commissioner Alice Huffman, Chair Hart, and Commissioner Kogerman briefly discussed Commissioner Kogerman's concerns related to his perception that the proposed budget indicated that State Parks would be experiencing growth in the coming fiscal year. It was clarified that since there was no growth proposed in the 2010-2011 budget, Commissioner Kogerman would no longer be concerned.

Commissioner Kogerman, Commissioner Huffman, and Chair Hart discussed the Tranquillon Ridge proposal and the opposition to the proposal expressed by the California State Parks Foundation. It was made clear that the California State Parks Foundation is an independent body and therefore free to take such a position. Chair Hart asked Traci Verardo-Torres of the California State Parks Foundation to comment.

Traci Verardo-Torres stated that the California State Parks Foundation was a "501c3" organization representing over 100 thousand members. Ms. Verardo-Torres explained that the Foundation's opposition to the Tranquillon Ridge proposal was based on the project having not been successful in the past; the Foundation therefore believed it was not reasonable to expect that it would be successful now. She further explained that the Tranquillon Ridge lease term was 14 years, which meant that any State Parks funding realized through the project would cease to be available after 14 years, making this a non-sustainable proposal. Ms. Verardo-Torres added that this was why the California State Parks Foundation supported the effort to place the State Park Access Pass initiative (aka the "California State Parks and Wildlife Conservation Trust Fund Act of 2010") on the ballot in November 2010.

The commissioners and staff then discussed the California State Parks and Wildlife Conservation Trust Fund Act of 2010. The commissioners agreed that they would like to be better informed on the subject. It was noted that the complete text of the measure was available on the Secretary of State's web site. The discussion included suggestions for a Commission meeting to be conducted as a briefing on the subject. Director Ruth Coleman and State Parks Acting Chief Counsel Tara Lynch specified that since the initiative was not proposed by the governor state resources could not be involved in conducting a meeting on the subject.

Director Coleman advised that staff counsel would prepare for the Commission an overview of the considerations that must be addressed in conducting a Commission meeting on the subject of the initiative. Commissioners agreed that they could conduct such a meeting on their own without the use of state resources.

Traci Verardo-Torres clarified that at this time the California State Parks and Wildlife Conservation Trust Fund Act of 2010 was not a "qualified initiative," and that it would likely be during the summer of 2010 that the initiative would be qualified.

The commissioners agreed that until such time that a meeting could be convened on the subject, their best course of action would be to review information on the subject available from the initiative's sponsors and the Secretary of State's office.

Chair Caryl Hart asked if there were any further questions from commissioners on this subject. There being none, the Chair asked if there were any comments from commissioners or staff related to possible actions to be taken by the Commission related to the proposed budget.

Director Ruth Coleman explained that the authority of the Commission was limited to the establishment of general policies for the guidance of the director in the administration, protection, and development of the state park system, and that the Commission was therefore not involved in the budget process.

The Director noted that State Parks' budget comes under the authority of the Department of Finance, and that State Parks is in fact restricted from sharing proposed budget details with commissioners until the governor makes the proposed budget public. Director Coleman added that Governor Schwarzenegger's 2010-11 State Budget Proposal offered good news for California State Parks in that it reinstated funding that had been eliminated from the 2009-2010 budget.

Commissioner Alice Huffman stated that she believed the commissioners should support the governor's proposed budget. Chair Hart and Commissioner Bill Kogerman noted that their intention was to receive clarification on budget issues, not to establish a position with regard to the budget.

Chair Hart asked if there were any other questions or comments. There being none, the Chair stated that she would like to establish a date and location for the next Commission meeting.

Director Coleman explained that under the current budget State Parks was operating on a substantial reduction in funding, and that it would be difficult to justify a Commission meeting when there were no specific proposals for Commission action. The Director added that the next Commission meeting would likely be in April or May 2010, with actions on either the Millerton Lake State Recreation Area general plan or the Del Norte Coast Redwoods general plan amendment. The Director reiterated that it would not be possible to expend state funds on a Commission meeting to discuss the California State Parks and Wildlife Conservation Trust Fund Act of 2010. She added that it was her desire to conduct more frequent Commission meetings, but that the budget restrictions made this difficult in that it both inhibited progress on the projects to be brought to the Commission for action and because of the costs associated with travel. Director Coleman stated that she hoped it would be possible for the Commission to meet more often in the next fiscal year.

Commissioner Huffman stated that she wished to arrange a briefing with the California State Parks Foundation on the proposed initiative, and that it was her intention that this briefing would be personally funded by the commissioners. Chair Hart noted that it could be possible to have southern and northern California commissioners meet in their respective California State Parks Foundation offices and connect the two offices via a teleconference.

**AGENDA ITEM 3:
PUBLIC COMMENT**

Chair Hart opened the public comment portion of the meeting at 10:50 p.m. The Chair asked if there were persons at any of the teleconference locations who wished to speak. There being none, the Chair closed public comment at 10:50 a.m.

**AGENDA ITEM 4:
ADJOURNMENT**

The Chair adjourned the teleconference meeting at 10:51 a.m.

ATTEST: These minutes were approved by the California State Park and Recreation Commission on May 12, 2010, at its duly-noticed public meeting in Fresno, California.

By: _____ *ORIGINAL SIGNED BY* _____ Date: 5-12-10

Louis Nastro
Assistant to the Commission
For Ruth Coleman, Director
California Department of Parks and Recreation
Secretary to the Commission