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STATE OF CALIFORNIA

OFF-HIGHWAY MOTOR VEHICLE RECREATION COMMISSION

PUBLIC HEARING

SATURDAY, JANUARY 28th, 2006

9:11 a.m. to 4:10 p.m.

held at

DOUBLETREE HOTEL

Salon A/B Room

2001 Point West Way

Sacramento, California

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1 (Sacramento, California, Saturday, January 28, 2006.)

2 --oOo--

3 CHAIR SPITLER: Welcome. Thank you all for
4 participating in this public input workshop of the
5 Off-Highway Motor Vehicle Commission. We'll start with
6 the Pledge of Allegiance.

7 (Pledged the Flag.)

8 CHAIR SPITLER: Do a roll call, please.

9 MS. PEREZ: Anderson.

10 COMMISSIONER ANDERSON: Present.

11 MS. PEREZ: Brissenden. Chavez. Spitler.

12 CHAIR SPITLER: Here.

13 MS. PEREZ: Thomas.

14 COMMISSIONER THOMAS: Here.

15 MS. PEREZ: Prizmich.

16 COMMISSIONER PRIZMICH: Here.

17 MS. PEREZ: Waldheim.

18 COMMISSIONER WALDHEIM: Here.

19 CHAIR SPITLER: Okay. Approval of the agenda.

20 Do we have a motion to approve the agenda?

21 COMMISSIONER ANDERSON: I'll move.

22 COMMISSIONER PRIZMICH: Second.

23 CHAIR SPITLER: Is there any discussion? All
24 those in favor?

25 (Commissioners simultaneously voted.)

1 CHAIR SPITLER: Opposed? Okay.

2 Approval of the transcripts. We can probably do
3 these all at once, unless there's going to be
4 significant changes.

5 COMMISSIONER PRIZMICH: I'll move it.

6 COMMISSIONER ANDERSON: Second.

7 CHAIR SPITLER: Discussion.

8 COMMISSIONER THOMAS: Can we go back and do
9 typos and things later? Does a vote to change -- to
10 approve the minutes today, mean you can't -- not typos
11 in that sense, I should say misspeaking if the word you
12 heard was different from the word that I started with
13 can, we correct those things after we approve the
14 minutes?

15 DEPUTY DIRECTOR GREENE: Please, we'd appreciate
16 that input from you, Commissioner Thomas.

17 COMMISSIONER THOMAS: My vote would be
18 conditional to go back and correct.

19 COMMISSIONER PRIZMICH: I'd prefer to see those
20 corrections made ahead of time before we approved them.

21 COMMISSIONER THOMAS: That's why I asked.

22 COMMISSIONER PRIZMICH: I prefer to see them
23 done prior to the approval.

24 COMMISSIONER THOMAS: There was a couple as I
25 was going through that I noted words that people that

1 articulated might have been heard differently, and I
2 thought if this transcript becomes important then we
3 probably should read every word and be correct.

4 COMMISSIONER PRIZMICH: Well, I assume the
5 transcript is always important; therefore, if you have
6 some corrections, I'd prefer to have them addressed at
7 this point.

8 COUNSEL LaFRANCHI: If I might just interrupt
9 for a moment. As you may know, there is some
10 litigation pending, and having the transcript correct
11 will be extremely important in connection with that
12 litigation. So it would be extremely important for all
13 the Commissioners to review those transcripts and make
14 sure that they're comfortable with the accuracy of what
15 they put down.

16 COMMISSIONER THOMAS: I move to table until we
17 do that and go through those word for word. I haven't
18 had the opportunity to do word for word on all four
19 transcripts.

20 CHAIR SPITLER: So maybe we should go ahead and
21 table this item, revisit it at the next meeting after
22 we've all had a chance to review the minutes.

23 COMMISSIONER PRIZMICH: Well, I've taken the
24 opportunity to review them, and I'm not prepared to
25 table it. But that's a vote that -- we get these

1 things ahead of time to review them. We're here now.

2 We should vote on them.

3 CHAIR SPITLER: Other Commissioners have
4 opinions on this?

5 COMMISSIONER ANDERSON: In truth, I got my
6 binder on Thursday, and I left on Friday. With other
7 things I had to do, I was not able to read them word
8 for word. I'd like it to be tabled for a later part of
9 this meeting. I could work on reading them tonight,
10 and maybe we can bring it up again tomorrow -- excuse
11 me, we're not going to be here tomorrow. I need some
12 time. I may be prepared later in the meeting.

13 COMMISSIONER THOMAS: Well, I started the
14 process and found that there were some errors, and I
15 ran out of time. And that's why I think I could --
16 remember, there are four different meetings all at
17 once. That's quite a bit of careful work to do.

18 CHAIR SPITLER: Commissioner Waldheim.

19 COMMISSIONER WALDHEIM: Mr. Chairman, I would
20 say that the accuracy of the document having a
21 proficient and competent court reporter here is not
22 going to really change the face of these documents, if
23 there is some word missing or some misspellings or
24 something like that. I think that's minor in
25 technicality. But to think that the entire context

1 will be changed because of something in there, I think
2 that's far reaching. I would just assume you accept
3 these notes as they have been written, and go from
4 there.

5 If you're going to start trying to be a school
6 teacher and go over every single word, I would venture
7 to say there is not a single one of you on this
8 Commission that has done that ever or will ever do
9 that. So I think we have total confidence in the court
10 reporter doing her job.

11 COUNSEL JENKINS: Commissioner, if I might
12 comment.

13 CHAIR SPITLER: Counsel.

14 COUNSEL JENKINS: I just want the Commission to
15 understand that I agree with Mr. La Franchi that the
16 content of the transcripts is very important, and I
17 would suggest that you not approve them unless you're
18 certain that they're accurate.

19 CHAIR SPITLER: Okay. We have a motion and
20 second. Who's the maker of the motion?

21 COMMISSIONER ANDERSON: I think I was.

22 COMMISSIONER PRIZMICH: Seconded.

23 CHAIR SPITLER: Okay. I'm not comfortable
24 moving forward approving these now. So if you want to
25 continue with the motion, we can do a vote to approve

6

1 them and see how it goes, or you can withdraw the
2 motion, and we can take them up at the next meeting.

3 COMMISSIONER ANDERSON: I'll withdraw the
4 motion.

5 CHAIR SPITLER: Okay. I would suggest we table
6 this until we've all had a chance to fully review the
7 minutes. Any more discussion?

8 COMMISSIONER THOMAS: Take a vote.

9 CHAIR SPITLER: Is that a motion to table?

10 COMMISSIONER THOMAS: Yeah, motion to table. I
11 think I did that already.

12 CHAIR SPITLER: Motion to table.

13 COMMISSIONER THOMAS: Until the next meeting.

14 CHAIR SPITLER: I'll second. Is there
15 discussion?

16 COMMISSIONER ANDERSON: I'll second.

17 CHAIR SPITLER: Okay. All those in favor?

18 (Commissioners simultaneously voted.)

19 CHAIR SPITLER: Opposed?

20 COMMISSIONER WALDHEIM: No.

21 COMMISSIONER PRIZMICH: No.

22 CHAIR SPITLER: Okay. Motion carries, the item
23 will be tabled until the next meeting.

24 Next item is Item Four, Deputy Director report.

25 DEPUTY DIRECTOR GREENE: Good morning,

1 Commissioners. Just wanted to let you know that at
2 this point in time 91 of the project agreements have
3 been executed by the Division staff. They are moving
4 forward. They have gone out to the respective
5 applicants. We await those signatures, and then those
6 will be returned to the Division, and we will continue
7 to move through that process.

8 As you are well aware as well, 46 of those
9 project agreements the Division found we could not
10 execute based on violations of the regulations which
11 govern the competitive process. And so at this point
12 in time, I wanted to give you that update.

13 As well also to inform you that late yesterday
14 afternoon, the department was served with a lawsuit
15 which names the Commission as well, and so that will be
16 forthcoming in a discussion at a later meeting.

17 And that's all the good news I have today.

18 COMMISSIONER PRIZMICH: Mr. Chairman.

19 CHAIR SPITLER: Commissioner Prizmich.

20 COMMISSIONER PRIZMICH: With the funding of --
21 or the de-funding of some of the grants, is there a
22 possibility that the Commission can reset another
23 meeting and deal with those de-funded grants? Is that
24 something that we could do in your opinion?

25 DEPUTY DIRECTOR GREENE: That would be a

1 decision, Commissioner Prizmich, which I would say
2 would be up to the Commission. But for the Commission
3 that would be an option. If the Commission did want to
4 set another meeting date and take those 47 projects and
5 rescore them -- I'm sorry, 46 projects and rescore
6 them, that would be a possibility, as well.

7 COMMISSIONER PRIZMICH: Well, I'd like to
8 express to the Chair that I'd like to make that motion
9 at the appropriate time.

10 CHAIR SPITLER: Commissioner Anderson.

11 COMMISSIONER ANDERSON: At what point did you
12 conclude that this was going to be necessary by the
13 department?

14 DEPUTY DIRECTOR GREENE: That was after an
15 extensive process that the Division went through. That
16 was only recently that we sent that notice out late on
17 Thursday afternoon, and that decision was made very
18 close to that date.

19 COMMISSIONER ANDERSON: Okay. I just -- the
20 reason I'm asking that was that it occurs to me that it
21 might have been appropriate to put that item on our
22 agenda, if we had known prior to the ten days' notice.

23 DEPUTY DIRECTOR GREENE: Had we known, had we
24 had confirmation at that point in time that that was
25 the action that we felt necessary to take, that would

1 have been on the agenda at that time.

2 COMMISSIONER ANDERSON: So you did not make this
3 decision prior to ten days?

4 DEPUTY DIRECTOR GREENE: No, we did not.

5 CHAIR SPITLER: Commissioner Thomas.

6 COMMISSIONER THOMAS: When did the emergency
7 regulations expire? What's the day that they expire?
8 It was a hundred days initially. What is the hundred
9 days from the original.

10 STAFF HOM: I believe it's April 7th, 2006.

11 COMMISSIONER THOMAS: And if emergency
12 regulations are not -- if permanent regulations are not
13 adopted, is the Division applying for renewal of the
14 emergency status?

15 STAFF HOM: Well, we're going to readopt, go for
16 our readoption of the emergency regulations again prior
17 to that expiration of April 7th.

18 COMMISSIONER THOMAS: What day will that be?
19 What day do you intend to submit your regulatory
20 package?

21 STAFF HOM: For the permanent adoption?

22 COMMISSIONER THOMAS: Yes.

23 STAFF HOM: We are expected to submit that
24 February 14th, which will open the record with OAL for
25 the 45-day comment period, April 24th 2000 -- not

10

1 April 24th, I'm sorry, February 24th, 2006.

2 COMMISSIONER THOMAS: So if we adopt these
3 regulations between the period of the expiration date
4 of the emergency regulations and the implementation or
5 non-implementation of the permanent regulations, we
6 will be governed by the old rules. This is not a
7 question I would ask -- well, we can ask our counsel
8 that.

9 But my suggestion to Mr. Prizmich is that we
10 might wait until the expiration of those rules, and
11 then just readopt them. That way the grants will be
12 appropriate.

13 COMMISSIONER ANDERSON: What?

14 COMMISSIONER THOMAS: We would just wait until
15 the expiration of the emergency regulations and readopt
16 under our own time, and that would be my suggestion.
17 There are other ways of doing it, but that might be one
18 way of doing it.

19 COMMISSIONER PRIZMICH: I don't see that that is
20 a viable option. I would prefer to do it at another
21 meeting and revisit the de-funded grants.

22 COMMISSIONER THOMAS: That would be fine, too.

23 COMMISSIONER PRIZMICH: That's my preference.

24 COMMISSIONER THOMAS: That would be fine, too;
25 however way we can do it.

1 COMMISSIONER PRIZMICH: I think the other way is
2 a little bit cute, but I don't think it necessarily --
3 these people are waiting to determine whether they can
4 move forward with grants, and I prefer to do it as
5 forthright and straightforward as we can.

6 COMMISSIONER THOMAS: Oh, I agree with you. I
7 agree with you. However we can to it, it should be
8 done as fast as we can.

9 CHAIR SPITLER: Any other questions?

10 I just had one question for the staff. In
11 noting the reasons for not implementing a number of the
12 grants agreements, the staff referenced some lack of
13 justification for whatever score the Commission came up
14 with. And I was just curious as to whether the staff
15 had a range of scores for each of those applications
16 that were viewed as acceptable were the Commission to
17 approve those?

18 CHIEF JENKINS: The way we went through the
19 process, it didn't have anything to do with the range
20 of scores. It just simply had to deal with whether or
21 not when the scores were changed, if there was
22 justification for that. So there are a number of
23 grants that did move out that the scores have been
24 changed from what the original Division determinations
25 have been, the scores have been adjusted based on

1 comment that you had heard, based on what you read in
2 the actual applications. So when we saw that you had
3 discussed that factually and made a decision based on
4 that, those were absolutely within the process. So
5 given that you, you know, used those reasons to move
6 those scores around, that is within your purview.

7 CHAIR SPITLER: Okay. Any other questions?

8 Okay. Unfinished business, establishment of --
9 Commissioner Anderson.

10 COMMISSIONER ANDERSON: I'm prepared to make a
11 motion to add a meeting to take these up.

12 CHAIR SPITLER: We're establishing the
13 Commission meetings schedule for 2006, so it's a
14 perfect time to talk about when the Commission will be
15 meeting.

16 COMMISSIONER ANDERSON: Okay.

17 CHAIR SPITLER: Does the staff have proposed
18 dates based on the feedback they received from
19 Commissioners?

20 DEPUTY DIRECTOR GREENE: Chairman Spitler, I
21 would imagine you mean in terms of is there a date in
22 February or March?

23 CHAIR SPITLER: No, I think that we're supposed
24 to be establishing our schedule for the whole year, and
25 the staff was -- based on a discussion at the last

1 meeting, the staff was contacting each commissioner to
2 propose dates and determine dates that worked for the
3 entire Commission.

4 COMMISSIONER ANDERSON: It's in the binder.

5 DEPUTY DIRECTOR GREENE: Those dates are in the
6 binder.

7 COMMISSIONER THOMAS: I don't remember being
8 contacted.

9 DEPUTY DIRECTOR GREENE: No, you weren't
10 contacted. What we tried do was to get an
11 understanding of an overall calendar, and then bring
12 forward dates that would perhaps work for you so that
13 we weren't -- in the last meeting we had many of the
14 groups back and forth and, yes, this works and, no, it
15 doesn't. And so in an attempt to try to avoid that, we
16 contacted many of the groups out there to find out
17 calendar schedules and then be able to propose some for
18 you that would be clean and clear. And if those don't
19 work, after you have a range of choices, then perhaps
20 we can work from there. But wanted to bring you some
21 clean choices that would work.

22 COMMISSIONER THOMAS: Don't you think you should
23 start with us, and ask us when we're free and work
24 around our schedule?

25 DEPUTY DIRECTOR GREENE: Commissioner Thomas, it

1 was difficult enough to get response from the
2 Commission members on this particular date. We sent
3 something out indicating that we had problems. A
4 number of Commissioners had indicated they could not
5 attend, and we did not hear back from a number of the
6 Commissioners.

7 So we tried to move forward as best we could
8 providing information for you and then collectively
9 here today perhaps to identify those dates that would
10 work.

11 COMMISSIONER THOMAS: The reason I say that, you
12 have now scheduled -- you have proposed to put two
13 meetings in the middle of people's summer vacation,
14 August 4th, August 11, July 28th. Anybody that has a
15 child in school would undoubtedly have plans with their
16 families at that time. And I would appreciate it if
17 you would just check with me so that when I had our
18 family vacation --

19 DEPUTY DIRECTOR GREENE: What we've done --

20 CHAIR SPITLER: Excuse me, I'm just going to
21 interject here. These are proposed dates, so that's
22 why we're setting this schedule and having the
23 discussion now, so we can reject those proposed dates
24 and set our own. But I do think we do need to set a
25 schedule for the year.

1 DEPUTY DIRECTOR GREENE: Chairman Spitler, if I
2 may, we were not proposing, Commissioner Thomas, that
3 you would meet on those four days. Those are simply
4 dates out of -- perhaps you might want to choose one of
5 those that would work during the summer months. So it
6 was no disrespect to you, or your family, or your
7 children.

8 COMMISSIONER THOMAS: All right.

9 CHAIR SPITLER: So why don't we start with the
10 May dates. Can we do May 19th?

11 COMMISSIONER THOMAS: We need a February date.

12 CHAIR SPITLER: I was going to start with May
13 and get these done, and then we will try to add a day.

14 DEPUTY DIRECTOR GREENE: We also put the
15 May 19th date, just to inform you, that the Hangtown
16 event is occurring here in Sacramento that weekend, the
17 largest outdoor sporting event in Sacramento County.
18 It might be of interest for those of you who were
19 interested to stay on during that weekend if you would
20 like.

21 CHAIR SPITLER: Okay. May 19th, hearing no
22 objections, I'm just going to go ahead and move that.
23 We will do this all by motion at the end, just so we
24 know what we're proposing.

25 Sounds like the July and August dates are

1 problematic. So do we want to move those to September,
2 October?

3 COMMISSIONER THOMAS: Be best.

4 CHAIR SPITLER: Okay. Want to throw out some
5 date in September or October?

6 COMMISSIONER PRIZMICH: Does that impact the
7 winter grants, if we're moving this a little bit too
8 close to the winter? If so, we should do it as early
9 in September as we possibly can.

10 CHAIR SPITLER: The grants won't be heard until
11 December. I'm not sure if these dates are a schedule
12 for subcommittees or for other Commission business, but
13 I don't think that we're taking any final action on
14 grants until the December meeting.

15 COMMISSIONER PRIZMICH: On the winter grants?

16 CHAIR SPITLER: Right.

17 DEPUTY DIRECTOR GREENE: The subcommittee
18 meeting would be separate, identified by the
19 subcommittee sometime in October and November with the
20 final allocation of grants in December.

21 CHAIR SPITLER: Okay.

22 COMMISSIONER THOMAS: So end of September is
23 fine.

24 COMMISSIONER ANDERSON: I have no problems with
25 any of these dates in July or August, nor early

1 September.

2 CHAIR SPITLER: How about September 15th?

3 COMMISSIONER WALDHEIM: Mr. Chairman, that's a
4 bad day because that's the Sand Show. Everybody who is
5 everybody --

6 CHAIR SPITLER: September 22nd.

7 COMMISSIONER ANDERSON: I prefer to move back in
8 the other direction.

9 CHAIR SPITLER: September 8th?

10 COMMISSIONER WALDHEIM: That's better.

11 COMMISSIONER ANDERSON: September 8th, works for
12 me.

13 CHAIR SPITLER: And, staff, do we need -- I'm
14 not sure of the sequencing of these meetings. If we do
15 a September 8th meeting, do we need an October meeting
16 as well if we're doing separate subcommittee?

17 DEPUTY DIRECTOR GREENE: You'll have a separate
18 subcommittee. The dates you have before you were just
19 for the full Commission. Last meeting there was a
20 desire to perhaps have a few more meetings. You could
21 do it September 8th, and then we could have that
22 subcommittee meeting identified somewhere perhaps in
23 late October.

24 CHAIR SPITLER: Okay. So do we need to schedule
25 another full Commission meeting or can we just schedule

1 the subcommittee meetings around that time?

2 DEPUTY DIRECTOR GREENE: We can schedule the
3 subcommittee meetings. It's really up to you, the
4 Commissioners, if you wanted to perhaps get out on the
5 ground or what you might want to do with some of those
6 meetings.

7 COMMISSIONER WALDHEIM: Mr. Chairman, I'd just
8 as soon, if you're going to set subcommittee meetings,
9 put them in there because our calendar is getting full,
10 and it's total havoc to add something later on. If
11 you're going to do something, do it now.

12 CHAIR SPITLER: Okay. Well, why don't we
13 schedule a couple of subcommittee meetings for October
14 then?

15 COMMISSIONER WALDHEIM: Even if we call it a
16 placeholder, October 13th.

17 DEPUTY DIRECTOR GREENE: The possibility of the
18 27th or November 3rd is what we had preliminarily
19 identified.

20 CHAIR SPITLER: Okay.

21 COMMISSIONER WALDHEIM: November 3rd is okay.

22 CHAIR SPITLER: Okay. We will schedule a
23 subcommittee meeting for the 3rd.

24 COMMISSIONER ANDERSON: What was the other date?

25 DEPUTY DIRECTOR GREENE: The other date was

1 October 27.

2 CHAIR SPITLER: Maybe we could space them out
3 just a little bit, maybe move it to the 17th of
4 November or so. I don't know if that's -- is that too
5 late?

6 COMMISSIONER WALDHEIM: October is out.
7 October 27th is out. The 17th of November, yes, that's
8 no problem.

9 COMMISSIONER ANDERSON: 17th of November? He
10 said October.

11 CHAIR SPITLER: That might not give enough time
12 to process the results before the full Commission
13 meeting on the 7th.

14 COMMISSIONER WALDHEIM: 17th of October is a
15 Tuesday.

16 CHAIR SPITLER: No, I was looking at
17 November 17th. How about October 20th?

18 COMMISSIONER WALDHEIM: That's not going to work
19 for me.

20 CHAIR SPITLER: October 13th?

21 COMMISSIONER WALDHEIM: 13th is open.

22 CHAIR SPITLER: October 13th, work? Okay. We
23 will schedule that one for another subcommittee.

24 Okay. Do we want to look at a March date to
25 talk about some of the issues we have left over from

20

1 this meeting?

2 COMMISSIONER THOMAS: It should be February,
3 after February 14th so we can submit -- read the
4 package and submit on the record.

5 CHAIR SPITLER: Okay.

6 COMMISSIONER WALDHEIM: What date?

7 COMMISSIONER PRIZMICH: How about February 15th?

8 COMMISSIONER WALDHEIM: Wednesday? What about
9 the 17th, the Friday?

10 COMMISSIONER THOMAS: Will the packet be
11 available to us by then?

12 DEPUTY DIRECTOR GREENE: I'm sorry?

13 COMMISSIONER THOMAS: Well, we need -- let's
14 pick a date long enough so that the packet is
15 available.

16 CHAIR SPITLER: The packet is due on the 14th.
17 You need at least ten days after that, so how about the
18 first Friday in March, March 3rd.

19 COMMISSIONER THOMAS: Sure.

20 DEPUTY DIRECTOR GREENE: And that meeting would
21 be -- March 3rd, actually the department has a
22 Commission meeting on Friday, the 3rd.

23 CHAIR SPITLER: How about March 10th?

24 COMMISSIONER THOMAS: That will work.

25 DEPUTY DIRECTOR GREENE: Just for clarification

21

1 purposes, this meeting would be held for what purpose?

2 CHAIR SPITLER: Discuss the regulations and any
3 grant issues remaining, and any other items that
4 Commissioners request to put on the agenda.

5 COMMISSIONER PRIZMICH: Just for clarification,
6 my request for the meeting was to deal with the
7 unfunded grants out of this cycle.

8 COMMISSIONER ANDERSON: As was mine.

9 CHAIR SPITLER: Okay. So we have --

10 COMMISSIONER WALDHEIM: Mr. Chairman, we're
11 missing December.

12 CHAIR SPITLER: Oh yes, I'm sorry, the 7th, 8th,
13 9th work.

14 COMMISSIONER PRIZMICH: Not for me. The 9th
15 would be, that's a Saturday. I could make that.

16 CHAIR SPITLER: Okay. Do we need three days?

17 DEPUTY DIRECTOR GREENE: No, these are just
18 proposals, so you can work with those dates similar to
19 the July and August dates.

20 CHAIR SPITLER: I think it would be best to do
21 two dates back to back, so Commissioner Prizmich, does
22 the 8th and 9th work for you?

23 COMMISSIONER PRIZMICH: 8th and 9th will work.

24 CHAIR SPITLER: 8th and 9th work?

25 COMMISSIONER ANDERSON: I just have a comment

1 about that. Given that the three days this year were
2 because of the number of grants that we had versus the
3 number on the Consent Calendar, we were really maybe
4 not stretched for time but certainly pressed to
5 evaluate some of these grants in the committee in a
6 less than detailed manner. I would say, if we were
7 only going to have two days, we can anticipate going to
8 eight or nine o'clock each of those days.

9 DEPUTY DIRECTOR GREENE: We'll make those
10 arrangements with the hotels certainly.

11 COMMISSIONER ANDERSON: I would foresee that if
12 we have anywhere near the same number of grants that we
13 have to consider in detail, that we're going to need
14 the extra hours.

15 DEPUTY DIRECTOR GREENE: We certainly can make
16 those accommodations with the hotel.

17 CHAIR SPITLER: Okay. So the proposed dates
18 that we have are March 10th, May 19th, September 8th,
19 subcommittee meetings on October 13th and November 3rd,
20 and grant hearing on December 8th and 9th.

21 COMMISSIONER WALDHEIM: Could you designate on
22 the subcommittee, which is south, which is north.

23 CHAIR SPITLER: To October 13th for the south.

24 COMMISSIONER WALDHEIM: And Mr. Chairman,
25 Commission meetings, are we assuming it's all in

1 Sacramento or are we going to go to the south for any
2 Commission meeting?

3 CHAIR SPITLER: We would probably assume they
4 are all in Sacramento.

5 DEPUTY DIRECTOR GREENE: Chairman Spitler, just
6 for clarification purposes, please keep in mind that as
7 we move through with the permanent reg process,
8 depending on that timing, we are still looking for
9 having the applications due to the Division by
10 September 1st. So I just would ask as we go into this
11 year with permanent regs and the process that will
12 occur, that we all remain somewhat flexible depending
13 on what might have to happen with these dates.

14 CHAIR SPITLER: Okay. Do I hear a motion for
15 the dates?

16 COMMISSIONER PRIZMICH: I'll move it.

17 CHAIR SPITLER: Is there a second?

18 COMMISSIONER ANDERSON: I'll second.

19 CHAIR SPITLER: Okay. Is there any public
20 comment on these items? Any member of the public wish
21 to comment on the proposed meeting dates? Okay.

22 JOHN STEWART: John Stewart, California
23 Association of 4-Wheel Drive Clubs. I'd just like to
24 point out that the November 3rd date does conflict with
25 CEMA, which a lot of groups do attend, so that is

1 something that I'd like to point out is a potential
2 conflict for some people.

3 CHAIR SPITLER: Any more discussion among the
4 Commission?

5 All those in favor?

6 (Commissioners simultaneously voted.)

7 CHAIR SPITLER: Opposed? Okay. Motion carries.

8 COMMISSIONER PRIZMICH: Mr. Chairman, if I could
9 ask that the Division for the March meeting that we
10 just scheduled provide either now or prior to that the
11 available amount of money that would be open for the
12 unfunded grants, so we know what we're working with.
13 If you could do that, that would be appreciated.

14 DEPUTY DIRECTOR GREENE: Certainly, Commissioner
15 Prizmich.

16 CHAIR SPITLER: Okay. Next item of unfinished
17 business is the audit discussion, which we held over
18 from the last meeting.

19 Does staff want to do a presentation on where we
20 stand with the audit?

21 DEPUTY DIRECTOR GREENE: At this point in time,
22 the audit, as everybody is well aware of, was released
23 on August 17th. There was the response that the
24 Commission gave to the Auditor's Office as well as the
25 Division. There was a requirement for a 60-day

1 response to the audit. And then we're quickly coming
2 up on the sixth month response, as well, and then there
3 will also be the year response. And the OHV program
4 has been identified as a high-risk audit so it's likely
5 that we will also be followed up on the two-year mark.

6 So at this point in time, I think what would be
7 helpful, Chairman Spitler, you had mentioned at the
8 last meeting that you had sent a letter to the
9 auditors, and that was reflected in the release this
10 week of the BSA audit follow up. However, at this
11 point in time, it would certainly be up to you as to
12 whether or not staff could help with the sixth month
13 response that may want to provide to the BSA auditors.

14 COMMISSIONER THOMAS: I don't understand, the
15 BSA audit response that was out this week?

16 DEPUTY DIRECTOR GREENE: There was a follow
17 up -- the Bureau of State Auditors has a -- from time
18 to time gives an update, so an annual and semiannual
19 update on all of the audits that they've done
20 throughout the year, indicating those particular areas
21 of where recommendations were referenced by the auditor
22 and then the responses by the appropriate agency.

23 COMMISSIONER THOMAS: And where is that in our
24 packet?

25 DEPUTY DIRECTOR GREENE: That just came out this

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1 week, Commissioner Thomas. And I'm afraid we do not
2 have it in your package. Actually, it's the same thing
3 that is in the back of your book. It's the same
4 information that was presented at the last meeting when
5 we could not discuss the audit. But the actual
6 response that the auditor provided this week as it
7 pertains to this Commission was that in 2005 they had
8 received a letter from the chairman indicating that the
9 Commission had not yet had the opportunity to meet and
10 discuss the audit, but was hoping that they would be
11 able to do so soon.

12 CHAIR SPITLER: So I think it probably makes the
13 most sense to walk through these audit recommendations
14 one by one and develop a Commission response on how we
15 plan to address them.

16 So we will start with the first -- the first is
17 that the Commission and Division develop a shared
18 vision and strategic plan jointly for the entire
19 program. Staff want to -- did you want to provide any
20 comments on how you see that process working?

21 DEPUTY DIRECTOR GREENE: I think, as we
22 mentioned at the last meeting, we have identified for
23 the strategic plan -- we did the interim strategic
24 plan, which many of you had the opportunity to look at.
25 But at this point in time, we do need to move forward

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1 with a comprehensive plan.

2 We're still waiting for the results of the Fuel
3 Tax Study that will come out that will provide us a lot
4 of information as to -- that will help us as we develop
5 that strategic plan. So it would certainly be helpful
6 to the Division to have a better understanding. I
7 think we've tried to reflect in our responses to the
8 BSA auditor some of our goals and what we'd like to
9 see. And so it would be extremely helpful if we could
10 discuss with you as the seven-member Commission, how
11 you might like to be involved in that process.

12 I think at the last meeting I shared some of the
13 ways that I thought we could work with the Commission
14 and at that time had asked that perhaps in this
15 discussion we could hear ways that it would be helpful
16 for each of you that the Division could provide some
17 information as to how to develop that strategic plan
18 that would accommodate your needs and desires, as well.

19 COMMISSIONER THOMAS: Have you shared with us
20 the communications with the auditor as to how we are to
21 develop this shared vision?

22 DEPUTY DIRECTOR GREENE: I think that would be
23 perhaps a discussion that would be really beneficial to
24 all of us.

25 COMMISSIONER THOMAS: No, my question is:

1 Have you communicated with the auditor about
2 this issue? And then if so, have you shared those
3 communications with us?

4 DEPUTY DIRECTOR GREENE: Those communications
5 were released in the Bureau of State Audit Report that
6 was released on August 17th.

7 COMMISSIONER THOMAS: The audit.

8 CHIEF JENKINS: In the 60-day response, we also
9 had addressed that. I could read that off to you if
10 you'd like.

11 COMMISSIONER THOMAS: I'm just trying to keep
12 track of all of the paper here. I got our letter to
13 you guys, and then I've got this January 28th memo,
14 audit highlights, which sounds like it's a summary that
15 the auditor put together. And then I've got the audit
16 itself.

17 But I'm looking for were there documents that
18 the Division has communicated with the auditor so that
19 we can understand what you guys, you the Division, want
20 to do in the way of developing a shared vision. How do
21 you propose to develop a shared vision? And what have
22 you said to the auditor about developing a shared
23 vision?

24 DEPUTY DIRECTOR GREENE: I think the shared
25 vision that we indicated is the need to have an

1 understanding. I think what would be helpful and what
2 we indicated was with seven individual members with
3 very individual beliefs and feelings about their roles
4 and responsibilities as Commissioners, it is
5 problematic for us at best to work with each one of you
6 individually to try and meet your needs.

7 It would certainly be helpful as a first step
8 for the Division if we could work with the Commission
9 that has collectively -- and I think, Commissioner
10 Thomas, you've indicated this in the past, to have that
11 more general discussion and perhaps we can also
12 highlight some of that this afternoon as the public
13 gives their input. But it would certainly be helpful
14 for us if we knew where the Commission feels they
15 collectively have their own shared vision, and then we
16 can work in conjunction with that. But right now it is
17 problematic for us.

18 COMMISSIONER WALDHEIM: Mr. Chairman.

19 CHAIR SPITLER: Commissioner Waldheim.

20 COMMISSIONER WALDHEIM: I've been really upset
21 and curious of everything that's been happening since
22 the audit that we as Commissioners really have not
23 really been part of. The Chair made the original
24 response, and I was shocked when my 25 pages appeared
25 in the document because it was my understanding when

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1 our legal counsel, Ken Pogue, asked me for my comments,
2 that they would be put together in one piece of
3 document from the Commission, but that wasn't the case.
4 Every one of our comments was put into this audit
5 document.

6 Having said that though, this Commission as a
7 unit should be the one responding to that document, and
8 we have not been given that opportunity to do that
9 because the Chair made a response without any of us
10 participating in that process. So I would just as soon
11 that all seven Commissioners be part of that, and if we
12 need to have a professional consultant help us through
13 it to get everyone's thought and put it into one piece
14 of paper, then we could move together forward. I don't
15 think it's fair to the staff to try to figure out what
16 the heck each one of us seven folks want to put into
17 this document.

18 So it should be done in an open manner where the
19 public can see what we are doing and send it forward to
20 the auditor. It is high overdue. It should have been
21 done before, and the document that's on the internet
22 right now states that the Commission's actions are
23 none. That's what it shows on page 273 when I pulled
24 it off the Internet. So we are not doing our duty, and
25 I think we should make -- take a recommendation of

1 staff here, number eight, and just move forward with
2 it.

3 COMMISSIONER ANDERSON: Mr. Spitler.

4 CHAIR SPITLER: Commissioner Anderson.

5 COMMISSIONER ANDERSON: I would agree with
6 Mr. Waldheim. I think the use of a professional
7 consultant would be helpful. I would also like in
8 connection with what Mr. Waldheim said, that it's
9 difficult if you're not in the internal e-mail loop to
10 figure out what's happening at many points.

11 For example, Mr. Waldheim says he's pulled
12 something off of the Internet from the Bureau of State
13 Audits. It would have been nice if, without comment,
14 you had somehow -- the staff had indicated to the
15 Commissioners that such a document existed and that it
16 was relevant to the Commission. And I'm happy to go
17 there, but I'm not going to continually search the
18 Bureau of State Audits', nor even the OHV website for
19 things that you post.

20 So when things are posted, or there is a
21 significant change or addition to the OHV website, or
22 if there is some other document that comes out relevant
23 to the Commission, I would certainly appreciate an
24 e-mail that says please go look here, there, and
25 wherever for additional information, check our website

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1 because there are new things that are relevant. I'm
2 happy to do that. You don't have to send me another
3 package or another binder. But I do need some kind
4 of -- my life is busy enough that I don't spend time
5 just looking around to see, you know, doing a Google
6 search on OHV California State to see if there is
7 anything new that's come out.

8 CHIEF JENKINS: I appreciate that input and do
9 apologize for that. We just became aware of the fact
10 that that was on the website ourselves. We brought it
11 to our attention on Thursday, and we were in an all-day
12 meeting on Thursday. Friday we got wound into the last
13 minute prep for the meeting and different -- the
14 lawsuit that came through and a number of issues, and
15 it was just an oversight on our part.

16 I have made a recent change, recognizing
17 everything that we've been going through, trying to
18 keep the Commissioners involved and recognizing the
19 letter that Chairman Spitler had sent earlier
20 requesting that we have somebody dedicated full time to
21 the staff support for the Commission.

22 Just this last week I've asked one of our staff
23 Mardi -- I just saw her walking around, wave. So Mardi
24 now has been assigned. That's her full-time
25 responsibility to try to make that we do have that even

1 flow of information back and forth, and that you are
2 kept fully informed. So if one person full-time -- I
3 don't know if you are aware of it, the help that we
4 have been having in that was only our retired
5 annuitant, two days a week. She works very, very hard
6 at it, but only being in the building two days a week
7 was difficult. Mardi is there five days a week, and
8 she will be trying to make that much more consistent.

9 COMMISSIONER WALDHEIM: Mr. Chairman, and in
10 support of what Ms. Anderson is talking about, this
11 document was referred to me on January 25th at
12 6:00 a.m. in the morning. That's when it was made
13 available to me through, thanks goodness, vigilant
14 off-highway vehicle folks out there who are surfing all
15 the time. So I did not get this copy until the 25th of
16 January. So staff is correct, they didn't even have a
17 copy of this. So it was a report that was released by
18 the State Auditor, and actually it says, "Yesterday,
19 the State Auditor issued the follow-up report to the
20 Legislature." So that means that the State Auditor
21 released it on January 24th, and my folks found it --
22 or our folks found it on the 25th.

23 COMMISSIONER THOMAS: And what does it say? I
24 mean do they congratulate us for doing a good job?

25 COMMISSIONER WALDHEIM: No. On page 273, it

1 states that the Commission has taken no action on a
2 whole bunch of things. All over, Commission nonaction.
3 It tells, legislative action, none. And it's
4 highlighted in green the things that were supposed to
5 be. The Commission action, none. We're AWOL. We're
6 AWOL all over the document, and it's highlighted in
7 green in the box.

8 COMMISSIONER PRIZMICH: Mr. Chairman, if I
9 might.

10 CHAIR SPITLER: Commissioner Prizmich.

11 COMMISSIONER PRIZMICH: For my purposes, I don't
12 think we need to spend any more of OHV money on the
13 consultant to get us together. I think we can have a
14 meeting, schedule another meeting with the express
15 purpose of coming together with a shared vision and
16 lock ourselves, with the public in the room, and hammer
17 it out. We're all adults, and we can work through it.

18 COMMISSIONER WALDHEIM: Mr. Chairman.

19 COMMISSIONER PRIZMICH: I just hate to see a lot
20 of money being spent on us when it should be spent out
21 on the field.

22 COMMISSIONER WALDHEIM: Mr. Chairman, my whole
23 point on that -- I would agree with Commissioner
24 Prizmich. My only issue was that we need somebody who
25 cannot take a verbatim transcript, but put together

1 what seven folks are expressing into something that
2 makes some sense and present it the auditor. In other
3 words, we need somebody to do the massaging of all of
4 our comments. That's all I'm asking.

5 COMMISSIONER PRIZMICH: I understand that. But
6 these kinds of things occur all the time in government
7 and private practice, and somehow people are able to
8 come up with a shared vision. And I think we should --
9 we owe it to the public and we owe it to ourselves to
10 stick our nose into the middle of it and get it done.

11 COMMISSIONER ANDERSON: I would have only one
12 comment relative to that, and that is that a consultant
13 or some other person who was chairing that portion of
14 the meeting, who has no -- I forgot the expression, no
15 bias, no personal interest in what the outcome is going
16 to be, is useful in that it facilitates the discussion
17 and evens out the input so that you don't have -- my
18 apologies for having this sound personal, but without
19 having Commissioner Spitler having to either manage the
20 Commission or try to keep track of what the comments
21 are. It keeps all of the Commissioners focused on
22 one -- all pointing in the same direction, indeed
23 physically as well as hopefully mentally. So I've seen
24 those kinds of processes, but they work best with the
25 person who comes in. And I'm just suggesting for the

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1 length of the discussion, I'm not talking about hiring
2 them to do anything other -- and it could be some other
3 state employee who has no dog in this fight.

4 COMMISSIONER THOMAS: That's quite a phrase.
5 Isn't that an old Marine phrase, I got no dog in this
6 fight?

7 CHAIR SPITLER: More discussion?

8 COMMISSIONER THOMAS: Let me ask about what is
9 this current interim strategic plan? Because of our
10 letter of November 1st, the staff asked that they work
11 with the Commission to develop this strategic plan, the
12 SVRA. And I gathered 1-B of this paper that was handed
13 to us this morning refers to a strategic plan for State
14 Vehicle Recreation Areas, is that correct?

15 CHIEF JENKINS: The strategic plan that exists
16 was created kind of in that interim period just as
17 Deputy Director Greene was coming on board. It's not a
18 full blown strategic plan. And when the auditors went
19 through and looked at it, they were critical of it in
20 the audit, of course.

21 What we could do as part of this -- I don't know
22 if I'm completely answering your question, but just
23 kind of everything I'm hearing here, the strategic
24 planning that goes on over the rest of the department,
25 I think would be closer to what the auditors are

1 looking for. And perhaps going back to what
2 Commissioner Anderson was suggesting, we could find
3 some help from within the department without having to
4 go to an outside consultant or perhaps we could have
5 somebody within the department work collaboratively
6 with us and perhaps just have a consultant that one day
7 to run that meeting so we would have that objective
8 coordinator mediate our meeting. There are a number of
9 ways to proceed.

10 COMMISSIONER THOMAS: My question is a little
11 simpler. I appreciate what you're saying, but I'm
12 trying to determine, is the current interim strategic
13 plan, identified in paragraph 1-B of your paper today,
14 the same as the strategic plan for State Vehicular
15 Recreation Area?

16 CHIEF JENKINS: Yes, it is.

17 DEPUTY DIRECTOR GREENE: And actually it
18 encompasses more than that, though, Commissioner
19 Thomas. It's not just for the SVRAs. It's for the
20 entire grants program for the entire program.

21 COMMISSIONER THOMAS: That's what I'm trying to
22 understand.

23 DEPUTY DIRECTOR GREENE: That is correct. The
24 strategic plan that we're talking about relates to the
25 entire program.

1 COMMISSIONER THOMAS: Is the strategic plan that
2 the auditor recommended we work with, the strategic
3 plan for the State Vehicular Recreation Areas.

4 DEPUTY DIRECTOR GREENE: No, it's a strategic
5 plan as outlined by AB 2274 that would include
6 acquisitions, would include the future of the program.
7 So it's not just the SVRAs.

8 COMMISSIONER THOMAS: Can you point to where in
9 the audit they discuss this matter?

10 DEPUTY DIRECTOR GREENE: Excuse me?

11 COMMISSIONER THOMAS: Can you point to where in
12 the audit that this strategic plan is discussed?

13 CHIEF JENKINS: If you give us a moment, we can
14 find it.

15 COMMISSIONER THOMAS: Sure. Page 21, you might
16 find it.

17 DEPUTY DIRECTOR GREENE: So Commissioner Thomas,
18 as you're looking towards that, can you perhaps explain
19 a little bit more of what you're trying to identify.

20 COMMISSIONER THOMAS: I'm trying to understand
21 the structure that the auditor anticipates, the
22 legislative structure that we're functioning within.
23 Because if a shared vision is part of our duty and
24 interim strategic planning is part of our duty, and
25 people are expecting us to behave to produce certain

1 work product, then we need to know what the work
2 product that is expected consists of.

3 DEPUTY DIRECTOR GREENE: And that is clearly
4 articulated. Actually, if you go into 5090.32:

5 "Strategic planning process that
6 will identify future off-highway
7 vehicle recreation needs, including
8 but not limited potential off-highway
9 vehicle parks and urban areas to
10 properly direct vehicle operators
11 away from illegal and environmentally
12 sensitive areas. The strategic plan
13 process shall take into
14 consideration, at a minimum,
15 environmental constraints,
16 infrastructure requirements,
17 demographic limitations."

18 COMMISSIONER THOMAS: I understand. But where
19 is the audit, so we can understand what the auditor is
20 expecting of us? Where do they say, look guys, you
21 didn't do the job right?

22 DEPUTY DIRECTOR GREENE: I think particularly in
23 the audit they recognized that we did have the interim
24 strategic plan. It also recognized that the auditor
25 felt that there are certain -- that we should have

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1 followed certain requirements, which we did not,
2 acknowledging the fact that we did not because it was
3 an interim strategic plan, and we could not have the
4 depth of information within the strategic plan that we
5 would like until the Fuel Tax Study is released.

6 COMMISSIONER THOMAS: For instance, at page 20
7 it says the Department of Finances guidelines for the
8 process. So if they have guidelines that we're
9 supposed to be following, then let's follow them.

10 DEPUTY DIRECTOR GREENE: And we can do that, and
11 that is what we intend to do. But I think, again, it
12 comes back to, as Commissioner Waldheim just indicated,
13 I think we need to have the discussion. It certainly
14 would be helpful, and we can provide that outline. If
15 the Commission identifies a time or a date that they
16 would like to talk about this, then we certainly are
17 more than willing to engage in that discussion and
18 certainly would welcome it as we can try and work to
19 identify that strategic plan. And if in fact you want
20 to even identify a subcommittee, that would be helpful
21 to us, as well.

22 COMMISSIONER THOMAS: We can start with those
23 guidelines. That's point one.

24 Point two would be that page 21 of the audit
25 says that our strategic plan is inadequate, incomplete

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1 because it doesn't identify future recreational needs,
2 including vehicular parks. And then they tell us what
3 they want us to do. Are we doing that?

4 DEPUTY DIRECTOR GREENE: In terms of identifying
5 parks, yes. As I mentioned at the last meeting, the
6 Bakersfield project continues to go along.

7 COMMISSIONER THOMAS: No, jointly with the
8 Commission. I know you might be doing that, but I mean
9 the charge that the auditors have tagged us with is
10 that we have not jointly done this. What I'm saying
11 is: How do you intend to jointly integrate us into
12 your draft strategic plan?

13 DEPUTY DIRECTOR GREENE: What I would certainly
14 like, Commissioner Thomas, is if this, the body of the
15 Commission, as the Division would present a number of
16 these items. If we could identify a date where --
17 perhaps have discussion with members of the public and
18 to take that input, and then we could begin to take
19 those steps to work towards that strategic plan and a
20 shared goal.

21 COMMISSIONER THOMAS: Today is the day where we
22 are talking about it, and you guys, you the Division
23 staff, need to give us a process. Because we can't
24 develop a process ourselves, we don't do process. We
25 participate in somebody else's process, particularly it

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1 looks like, the Department of Finance's process.

2 CHIEF JENKINS: Precisely. Which is why that's
3 what we're asking is as we go into this process, would
4 you like us to hire consultants, would you prefer that
5 we just use some in-house resources and set up a
6 subcommittee and approach it that way? That's
7 precisely our question.

8 COMMISSIONER THOMAS: I prefer you start out by
9 telling us what the process is because we don't know.

10 CHIEF JENKINS: Well, the first part of it was
11 before we could get a plan to get some place, that's
12 why the Division is that first statement, that we have
13 to have that shared vision. So to try to have that
14 strategic plan in some sense is jumping a step. We
15 need to step back, make sure that we are all heading to
16 the same place. Once we know that with the shared
17 vision, then we could move to that next step, okay, now
18 how are we going to get there to develop that strategic
19 plan.

20 COMMISSIONER THOMAS: Well, but you already
21 developed a strategic plan.

22 CHIEF JENKINS: We are not -- right now we have
23 that strategic plan in place to draft. It's a working
24 document, okay. What we need to do and what the audit
25 pointed out and what we're trying to move forward today

1 is to identify how we can take that document that we
2 all recognize as flawed, as is pointed out repeatedly
3 in the audit, and move into something that represents a
4 shared vision between the Commission and the Division.

5 COMMISSIONER WALDHEIM: Mr. Chairman, I still
6 would like to go back, if it's a consultant or if it's
7 a person from staff, it doesn't make any difference to
8 me, but I feel that every one of us up here on this
9 Commission needs to participate. I'm not inclined to
10 go to little subcommittees because that's what got us
11 into trouble in the first place. We need to all
12 participate openly in front of the public and listen to
13 the public and really have a shared vision.

14 And if Mr. Jenkins can provide a staff person
15 for the few hours it takes to do that and then put it
16 together, that would be the way we need to go. But
17 it's got to be together in open public process for us
18 to really having something that's meaningful. These
19 little subcommittees, it just doesn't work because it
20 just doesn't get done.

21 DEPUTY DIRECTOR GREENE: Commissioner Thomas,
22 we're more than happy, as was indicated early on in the
23 process as soon as the audit came out, was the desire
24 to try to have a meeting and be able to talk about the
25 audit. We're happy to present you with an interim

1 strategic plan if that might be a good starting point,
2 and that we could jump off from there and be able to
3 try and work through some of those issues that we've
4 identified in the strategic plan and to see whether or
5 not -- again, whether or not the Commission concurs
6 with that.

7 COMMISSIONER THOMAS: The core of good
8 governance is planning and process. We cannot develop
9 the process. You have to develop process. I can tell
10 you that I'm not opposed to having an independent
11 person work with us on the process, but the design of
12 the process is your turf. You are the governing entity
13 that staffs this Commission. So my request to you
14 would be to propose a process for us.

15 DEPUTY DIRECTOR GREENE: And we're certainly
16 happy to do that. We just need to know there is a
17 desire. And so I appreciate the fact that the desire
18 has been communicated today.

19 COMMISSIONER THOMAS: Well, you know there is a
20 desire because on November 1st you got a letter saying
21 please help us do this process. So don't tell me there
22 is no desire. This is five months ago.

23 DEPUTY DIRECTOR GREENE: No, and I understand
24 that. That letter did come from the Chair, so I don't
25 know -- we had not had a meeting as a body, a whole

1 body. The Commission has not spoken about the audit
2 until this meeting.

3 COMMISSIONER THOMAS: Well, I've told you in
4 passing and in private that we need to develop a shared
5 vision and follow the audit recommendations. And I can
6 tell you I'll say it again in public, please give us a
7 process. We do want to do this.

8 DEPUTY DIRECTOR GREENE: Thank you, sir.

9 COMMISSIONER ANDERSON: Chairman Spitler.

10 CHAIR SPITLER: Commissioner Anderson.

11 COMMISSIONER ANDERSON: I commented on what I
12 thought would help with the vision plan. Most
13 businesses, many other organizations go through this
14 kind of process for reaching consensus on what they're
15 going to do and in reaching vision. I would concur
16 with Mr. Waldheim that I would prefer not to have it
17 done by a subcommittee. I would envision our having to
18 sit down and crack our knuckles and try to figure out
19 what to do.

20 I would also like to agree with Mr. Thomas in
21 that it's much easier for to us proceed as
22 Commissioners if we have an outline laid out as to the
23 specific steps, the types of items that you think
24 belong within this vision statement, and then we can
25 agree or disagree in terms of when we move into

1 actually creating it. But it's helpful to have an
2 outline to work from, and I think that's kind of what
3 he is speaking to. We can always deviate from that,
4 but at least there is a place for us to move.

5 DEPUTY DIRECTOR GREENE: And Commissioner
6 Anderson, if I may, as it pertains to the sixth month
7 response by the Commission to the recommendations that
8 were highlighted in the audit, because, in fact, as the
9 Chair said, you had not met so you were not able to
10 respond as requested by the BSA auditor for the 60-day
11 response, it would be helpful, again, for the
12 Commission to try and share together what they -- how
13 they would like to respond to the auditor for the sixth
14 month response, which is due again upcoming in
15 February. I'm more than happy to help in any whatever
16 way we can if you want to identify another meeting, but
17 it's just difficult without knowing that this body --
18 how you feel about those recommendations that came from
19 the audit.

20 COMMISSIONER ANDERSON: Okay. I'm wondering if
21 somebody else who knows better how to allocate time for
22 this, I'm wondering if the meeting that we have
23 scheduled for March, that we can add this to the agenda
24 for that meeting.

25 DEPUTY DIRECTOR GREENE: We certainly can do

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1 that.

2 COMMISSIONER THOMAS: We can do better. We can
3 direct the staff to provide us a process for
4 consideration and adoption in March. And I would so
5 move, and that way we report back to the auditor that
6 we directed staff. And if nobody acts, then we've done
7 our job.

8 COMMISSIONER PRIZMICH: If I might add, the
9 purpose for the March meeting was to deal with unfunded
10 grants. That's my main purpose. This seems to me to
11 be going off in a completely different direction, and I
12 would suggest that we leave that to the unfunded grant
13 issues, so that those people can go on with life. And
14 that we schedule another meeting, whether it be in
15 conjunction with that, the day before, day after, or
16 another day, to deal with this. I think it's more
17 important for me personally that these individuals who
18 have submitted grants and that are trying to operate
19 out there on the field understand whether they're going
20 to get funded or not. So the March meeting, that's my
21 personal main purpose for that.

22 I'm not saying that this is not important, nor
23 that we shouldn't have a process, nor that the Division
24 shouldn't come up with some process that we can follow,
25 because we certainly have difficulty following

1 directions. But I think that's a separate issue, and I
2 agree with the comments here that we need to respond to
3 this and we probably need some guidance to do that, but
4 I don't want to tie inexplicably and intertwine with
5 the March meeting for purposes of refunding those
6 grants hopefully. That's my personal position.

7 COMMISSIONER WALDHEIM: Mr. Chairman, I concur
8 100 percent with Commissioner Prizmich. That's what
9 the main meeting is going to be.

10 On the action of the audit, on page 274 when it
11 asks about the Commissions' actions and it says none,
12 am I to take that as saying that the auditors have
13 absolutely received nothing from this Commission, or am
14 I to understand that the Chair did send something to
15 the Commission, to the auditors of which we are not
16 privileged to see at this point or when are we going to
17 see. It's a mystery to me that we have taken
18 absolutely no action as far as they are concerned, and
19 that's just totally baffling to me.

20 CHAIR SPITLER: We've only had one meeting since
21 the time the audit came out and that was the
22 December meeting when Commissioner Waldheim, you left
23 early, and we deferred this item until this meeting.

24 COMMISSIONER WALDHEIM: So Mr. Chairman, have
25 you sent a letter to the auditor?

1 COMMISSIONER ANDERSON: Since the report?

2 COMMISSIONER WALDHEIM: Right, since the report.

3 And if you have, where is a copy of that report?

4 CHAIR SPITLER: I'm happy to provide you a copy

5 with the letter that I sent the auditors in

6 November stating that we had not held a meeting and

7 would provide a full response once we had met and

8 discussed it.

9 COMMISSIONER WALDHEIM: Mr. Chairman, that's the

10 gist of your letter?

11 CHAIR SPITLER: Right.

12 COMMISSIONER WALDHEIM: I would appreciate that

13 we get a copy of that because I have never seen that.

14 CHAIR SPITLER: Happy to provide it.

15 COMMISSIONER THOMAS: I'm going to make a motion

16 that we direct staff to, one, propose a process for

17 adoption by the Commission to develop a shared vision;

18 two, a process to develop a strategic plan for State

19 Vehicular Recreation Areas at our next regularly

20 scheduled meeting.

21 COMMISSIONER WALDHEIM: Mr. Chairman,

22 Mr. Thomas, are you limiting this strictly to SVRAS?

23 COMMISSIONER THOMAS: No, I'm --

24 COMMISSIONER WALDHEIM: You need to change the

25 words.

1 COMMISSIONER THOMAS: No, the motion was the
2 shared vision first, and then strategic plans for
3 SVRAs. And the motion is for staff to develop and
4 propose to the Commission a process at the next
5 regularly scheduled meeting.

6 COMMISSIONER PRIZMICH: Point of clarification,
7 two. One, is the process to be implemented at the next
8 scheduled meeting or is it just to be recommended?
9 That's one question.

10 And, two, is the next regularly scheduled
11 meeting the March meeting?

12 COMMISSIONER THOMAS: I'm not sure. The reason
13 I leave the motion open ended is to accommodate your
14 needs, your clearly articulated needs about not
15 stepping on the first priority, which I agree. And the
16 answer to your question -- restate your second point.

17 COMMISSIONER PRIZMICH: There's two issues, one,
18 I want the March meeting, my own personal, that that
19 dealt with -- that that be set aside to deal with the
20 unfunded grants.

21 COMMISSIONER THOMAS: Right.

22 COMMISSIONER PRIZMICH: I suspect if we engage
23 in this effort, it would take that entire meeting up,
24 and I would prefer not to do that. So that's my first
25 question: Is your next regularly scheduled meeting in

1 your motion, that meeting. And I would be objecting to
2 that.

3 And, two, is your suggestion that they come up
4 with a process, the process itself, that is, presenting
5 the process, this is what we intend to do, and we will
6 schedule a later time the implementation of that
7 process. Or is the process being presented, and then
8 we deal with the process coming up with a joint meeting
9 because that's a very long meeting.

10 COMMISSIONER THOMAS: No, that's correct.
11 That's a very long meeting.

12 COMMISSIONER PRIZMICH: So if I understand --

13 COMMISSIONER THOMAS: Let me answer the question
14 for you. My intention is that the staff examine their
15 time available, their fiscal constraints, the
16 Commission's time, fiscal constraints, the needs and
17 demands of the State Audit Board, the Department of
18 Finance rules for strategic planning, and with all of
19 that information propose to the Commission a process by
20 which we can accomplish what the State Audit Board has
21 directed. And in leaving it open ended, my motion open
22 ended and leaving the decision on how to accomplish the
23 goals to staff to propose to Commission, I'm trying to
24 maximize their flexibility and our scheduling.

25 COMMISSIONER PRIZMICH: I understand that, but I
52

1 also heard just recently that there's a February time
2 frame by which the Commission has a second response to
3 the audit. And if we're putting this off to March or
4 later, we've already bypassed that time frame, as well.

5 COMMISSIONER THOMAS: Correct. At a minimum, we
6 will be able to tell the State Bureau of Audits that we
7 directed action to accomplish their goal.

8 COMMISSIONER WALDHEIM: Mr. Chairman.

9 COMMISSIONER THOMAS: At a maximum, we may be
10 able to have an earlier meeting on the issue, depending
11 upon the staff's time and availability, and they could
12 work with the Chairman and try to schedule something if
13 time permits.

14 COMMISSIONER PRIZMICH: Okay. Just for complete
15 clarification, you're only -- what they're going to
16 come up with, if this passes, is a process?

17 COMMISSIONER THOMAS: Is a process.

18 COMMISSIONER PRIZMICH: Not the actual process,
19 but a suggested process.

20 COMMISSIONER THOMAS: It's the staff's
21 recommended process to accomplish. Because as I've
22 tried to state, it's a very complex matter, a lot of
23 rules and number of expectations, and it would be
24 presumptuous or unreasonable for us to anticipate what
25 the staff can or can't do, what the budgets allow, what

1 the various competing rules systems demand of us. And
2 that's really up to Phil and Daphne and the staff to
3 decide, and we're asking for their direction in
4 developing that process.

5 COMMISSIONER WALDHEIM: Mr. Chairman,
6 Mr. Prizmich, we could dedicate -- we could dedicate
7 March 9th to the entire audit, and inform the audit
8 folks this is when the Commission will take the action
9 and resolve the issues. We could dedicate March 9th to
10 that if we wanted to, and then March 10 go to what your
11 main focus is.

12 COMMISSIONER PRIZMICH: That's fine with me. I
13 just want to keep March 10th set aside for dealing with
14 the unfunded grants. That's my own personal deal.

15 COMMISSIONER WALDHEIM: Mr. Chairman, if we did
16 that, then it would give us a full day with public
17 participation to finally get this completed. And we
18 would do a good job, a thorough job of getting it done.
19 So I would like to make a motion that we set aside
20 March 9th for taking care of all of the audit issues
21 from a full Commission and with full public
22 participation.

23 COMMISSIONER THOMAS: Mr. Chairman, let's deal
24 with the first motion that's on the table.

25 CHAIR SPITLER: So we have a motion that I don't

1 think has been seconded. Maybe the maker of the motion
2 would wish to combine this with Commissioner Waldheim's
3 motion and do it jointly?

4 COMMISSIONER THOMAS: I would be happy to
5 solicit a second and accept the March 9th date to
6 accept the recommendation of staff as to the process.

7 DEPUTY DIRECTOR GREENE: Commissioner Thomas,
8 can you provide some clarification? You identified
9 just the SVRAs.

10 COMMISSIONER THOMAS: No, it's in the
11 transcript. You can read the transcript and it's very
12 clear.

13 DEPUTY DIRECTOR GREENE: And I appreciate that,
14 but that last time it took over a month before we could
15 get the transcript. So can you just help me?

16 CHAIR SPITLER: Excuse me, Deputy Director,
17 Commissioner Thomas, maybe you can just restate the
18 motion for the record. And see if we can get a second.

19 COMMISSIONER THOMAS: There's been a lot of
20 questions, I don't want to ride over my first motion.
21 Does the court reporter have a readback ability? You
22 can't go back on the screen and pull my motion up?

23 COMMISSIONER WALDHEIM: Mr. Chairman, could we
24 take a five-minute break for the court reporter to get
25 that testimony? Thank you.

1 CHAIR SPITLER: We will do a five-minute break.

2 (Break taken in proceedings.)

3 CHAIR SPITLER: Okay. Commissioner Thomas,
4 would you like to restate the motion?

5 COMMISSIONER THOMAS: Yes, the motion would
6 direct the staff, the Division staff to propose for
7 adoption by the Commission a process to, one, develop a
8 shared vision that addresses diverse interests in the
9 OHV program; two, which assists the Commission in
10 reviewing and completing the strategic plan for the
11 SVRA portion of the OHV program, including performing a
12 thorough assessment of external and internal factors,
13 collecting data needed to focus efforts and developing
14 action plans; and, three, a proposal to provide
15 appropriate guidance to applicants in the grants
16 program and communicate Commission priorities. And I'm
17 reading from recommendations one, two, and three on
18 page six of the audit.

19 CHAIR SPITLER: Was part of that motion to
20 include a March 9 meeting?

21 COMMISSIONER THOMAS: Yes, that included
22 Commissioner Waldheim's request that there be a
23 March 9th meeting, and thank you for the second, Ed, on
24 that motion.

25 CLERK PEREZ: I'm sorry, who seconded?

1 COMMISSIONER THOMAS: Ed Waldheim seconded.

2 CHAIR SPITLER: Is there a second?

3 COMMISSIONER WALDHEIM: Mr. Chairman, I cannot
4 accept item number two because they're zeroing in
5 strictly on the SVRA. That's not correct. We need to
6 have a recreational vision for the whole state of
7 California. We're not talking only about the SVRA.
8 There needs to be a complete vision for the whole state
9 of California. I have no idea why Mr. Thomas is
10 zeroing in so in detail and minutia into the SVRA.

11 Number one I have no problem with. Number three
12 I have no problem with. Number two I do have a problem
13 with.

14 COMMISSIONER THOMAS: Ed, I'm just reading off
15 of what the auditor has requested us to do, verbatim
16 right out of the audit. If you're telling me that you
17 don't deal to do with the audit, I guess that would be
18 a reason to vote no.

19 COMMISSIONER WALDHEIM: Would Mr. Thomas agree
20 to add -- I'll concede to Ms. Anderson. Go ahead.

21 COMMISSIONER ANDERSON: I was going to suggest
22 that you add a fourth item, Mr. Waldheim, that covers
23 what your interest is.

24 COMMISSIONER WALDHEIM: Be my guest.

25 COMMISSIONER ANDERSON: You're articulating what

1 your concern was. I'm suggesting adding a fourth item.

2 COMMISSIONER WALDHEIM: Fourth item, that we add
3 a recreational vision for the state of California, an
4 element that we desperately need.

5 CHAIR SPITLER: Will the maker of the motion --

6 COMMISSIONER WALDHEIM: Off-road vehicle
7 recreation vision.

8 COMMISSIONER THOMAS: I'm happy to incorporate
9 that.

10 COMMISSIONER PRIZMICH: Is that limited to
11 off-road vehicle recreation vision; is that what you're
12 saying?

13 COMMISSIONER WALDHEIM: Well, many times this
14 Commission is becoming a non-motorized Commission, so I
15 want to make sure we remember what our name is. It's
16 off-road vehicle recreation, so I don't want to lose
17 sight of that fact. That's been -- for some reason
18 being left out there.

19 CHAIR SPITLER: Okay. Was there a second?

20 COMMISSIONER WALDHEIM: Yes, Mr. Chairman.

21 CHAIR SPITLER: A second. More discussion?

22 Okay. We'll go ahead and do public comments.

23 COMMISSIONER WALDHEIM: Public comments are on
24 the motion.

25 CHAIR SPITLER: Any member of the public wish to

1 comment on this item if you could just go ahead and
2 step forward.

3 JOHN STEWART: Good morning, Commissioners, John
4 Stewart, California Association of 4-Wheel Drive Clubs
5 and United Four-Wheel Drive Associations.

6 I would like to point out and comment on
7 specifically the issue of the recreation program for
8 the state of California. What Commissioner Thomas is
9 referring to in the audit is an incomplete program or
10 strategic plan for the SVRAs. In the paragraph right
11 above where he's extracting that verbiage, it talks to
12 a recreation program and grants program that is
13 inclusive of the entire state.

14 When the strategic planning processes were set
15 up, they start with a -- or they're composed of a
16 mission, vision, values, goals, objectives, and
17 performance measures for those objectives. Legislation
18 and statutes establish the mission, so that's clear
19 because your statute does that already. Now, it is a
20 matter of establishing the vision, values, goals and
21 objectives of which that is part and parcel to
22 something that is very important that is being left out
23 of this, which is the regulations. You're looking at
24 regulations. You're looking at how you manage it, how
25 you provide a recreational opportunity in its total,

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1 not just the SVRAs. And it is OHV recreation, but it
2 is and it encompasses more than just the SVRAs. It
3 encompasses the federal lands, and it helps them. It
4 also helps establish goals and criteria for creating a
5 viable grants program that actually supports the
6 recreational opportunity for the residents of the state
7 of California. Thank you.

8 CHAIR SPITLER: Thank you.

9 COMMISSIONER WALDHEIM: Mr. Chairman, may we ask
10 a question of the people testifying?

11 CHAIR SPITLER: Sure, but I'm not going to
12 entertain a back and forth.

13 COMMISSIONER WALDHEIM: No, Mr. Stewart, the
14 motion as has been outlined, have we covered the
15 concerns that you were outlining there on item number
16 four with the recreation?

17 JOHN STEWART: I believe if it is encompassing
18 of a recreational program -- a plan for a recreation
19 program for the state of California, and you drop any
20 distinction that it is going to singularly address
21 SVRAs as an entity and that -- because it has to be
22 taken as a totality. It has to be taken with
23 everything as a whole.

24 COMMISSIONER WALDHEIM: Did I cover that in item
25 number four?

1 JOHN STEWART: Yes.

2 COMMISSIONER WALDHEIM: Thank you.

3 CHAIR SPITLER: Excuse me, Mr. Klusman. Do we
4 have a timer going for the public comments? Thank you.

5 DON KLUSMAN: I got zero time.

6 CHAIR SPITLER: Perfect. Next speaker.

7 DON KLUSMAN: I could put a one in front of it.

8 Don Klusman, California Four-Wheel Drive Association.

9 I want to comment on the motion but also what has
10 happened in the last few minutes on this subject. This
11 audit came out six months ago. The audit was of the
12 Division, of the program, of the Commission. There's
13 three entities in that audit. And now, six months
14 later, the Commission -- and I understand the
15 Commission was really tied up with grants, but six
16 months later now you're directing the Division to give
17 you something to work with. I find that kind of ironic
18 in that the Division came to you on other items, and
19 you guys said we don't want to deal with them. We
20 don't want to adopt those. So now you've asked for
21 this motion, so I'm going to play devil's advocate.

22 The Division comes back with suggestions on how
23 to proceed and you guys still can say, no, you don't
24 want to or, yes, you do want. But this is six months
25 after the fact. That's the thing that really bothers

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1 me. This audit came out six months ago. Now, all of a
2 sudden you're in a time crunch because you have to
3 respond in the six months. We just need to manage our
4 times better and get to these things as they come up.
5 And because when -- like the thing that came out two
6 days ago, it says the Commission has not responded, has
7 not done anything. That puts a bad light on all of us.
8 Thank you.

9 COMMISSIONER WALDHEIM: Mr. Chairman?
10 Mr. Klusman, did we cover everything of your concerns
11 in the motion?

12 DON KLUSMAN: Yes.

13 COMMISSIONER WALDHEIM: Thank you.

14 TOM TAMMONE: Tom Tammone, CORVA. I just wanted
15 to comment about meeting the necessity of environmental
16 responsibility versus recreation. The fund is set up
17 to provide recreation. That's its purpose. As far as
18 providing environmental responsibility, being involved
19 with federal agencies for over 12 years, I think they
20 know how to do that. So maybe perhaps rather than
21 trying to set targets and manipulate federal policy, we
22 ought to just be out in the field verifying that
23 they're doing what they're supposed to be doing. Thank
24 you.

25 CHAIR SPITLER: Thank you.

1 COMMISSIONER WALDHEIM: Mr. Tammone, did we
2 cover your concerns on this motion? The comments are
3 on the motion.

4 CHAIR SPITLER: Commissioner Waldheim.

5 COMMISSIONER WALDHEIM: I want to make sure that
6 we cover what had we covered in the motion and that you
7 are satisfied with that.

8 TOM TAMMONE: Yes.

9 CHAIR SPITLER: Commissioner Waldheim, we're not
10 going to go through this questioning of every comment,
11 are we?

12 COMMISSIONER WALDHEIM: Mr. Chairman, if the
13 people are testifying if they say, yes, you guys did
14 what we want you to do, or tell us where we didn't do
15 the right motion.

16 KAREN SCHAMBACH: Chairman, Karen Schambach,
17 Center for Sierra-Nevada Conservation. Yes, the motion
18 covers my concerns. But I wanted to add a couple of
19 comments that the -- this idea of a shared vision that
20 the auditor came up with is -- it's fine, but I think
21 that the response to the audit should and could still
22 explain to the auditor that there is a reason in the
23 statute why different interests are represented on this
24 Commission. They're supposed to represent, you know,
25 the environmental point of view, the law enforcement

1 point of view, the opportunity point of view. And
2 there is a reason for that, and I think it's a good
3 thing. On the other hand, the shared vision part of
4 it, there's certainly things outlined in the statute
5 that require that this be a balanced program. And
6 that's I think where the shared vision comes in, where,
7 you know, everybody that sits on this Commission I
8 assume accepts that. That's their statutory duty,
9 right? So I think that there are other things in the
10 audit besides this idea of a shared vision that --
11 we're talking a lot about shared vision. To me there
12 are weightier things in this audit, and I'd like to see
13 us get to those. Thanks.

14 CHAIR SPITLER: Thank you.

15 DAVE PICKETT: Good morning, Commission. Dave
16 Pickett, District 36 Motorcycle Sports Committee and
17 OHV stakeholder. Mr. Waldheim, yes, I concur with your
18 fourth suggestion and give that full support. But as
19 you talk about your shared vision, the Commission and
20 the Division, please don't just put this Division
21 together for the Commission and the Division. Put it
22 together for the people that you work for, that's the
23 OHV community. That's priority one. That's the ones
24 who pay the bills. And I encourage you to keep that as
25 you move forward in this process. Thank you very much.

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1 CHAIR SPITLER: Any other public comment on this
2 item? Folks who want to comment could just go ahead
3 and step forward and just form a line behind the mic,
4 we could move through these things quicker.

5 JUDITH SPENCER: Judith Spencer with CORE. I
6 agree that there needs to be a shared vision, and I
7 think you've covered a lot of that. My problem is with
8 the partialness of what's being said, that your role is
9 to provide off-road opportunity because there's more to
10 the statement that says, while protecting the
11 environment, blah, blah, blah. And the people that you
12 work for is the State of California, all of us, and
13 bless our hearts, through our gas taxes, we pay for
14 this program. So I hope that the vision includes
15 informing the people of California, all of us, not just
16 the riders, all of us, that this is our program and
17 that we all have a stake, and we all need to take a
18 part. I think that needs to be a part of the vision.
19 Thank you.

20 CHAIR SPITLER: Thank you.

21 KATHLEEN MICK: Good morning, Commissioners and
22 the Division staff. Kathleen Mick, U.S. Forest
23 Service, motorized trail program leader. Heard some of
24 the other speakers mention the shared vision between
25 the Commission and Division, and have also heard

1 mention of the federal lands. And so from the Forest
2 Service's perspective, we just want to make sure that
3 if a vision is going to be developed in a comprehensive
4 manner for recreation throughout California that
5 involves motorized use, that the Forest Service be a
6 party at that table to develop the vision, since a good
7 portion of the recreation occurs on our lands. Thank
8 you.

9 CHAIR SPITLER: Thank you.

10 COMMISSIONER WALDHEIM: Mr. Chairman? Ms. Mick,
11 are you going to be at the meeting when we deal with
12 this? Will you be part of the process and the public
13 comment periods to help us develop this vision
14 representing the Forest Service?

15 KATHLEEN MICK: Absolutely.

16 COMMISSIONER WALDHEIM: Then we welcome your
17 comments.

18 ALBERT LLATA: Hello, my name is Albert Llata.
19 I'm just an individual. I just want to talk about some
20 general comments I gathered. I notice a lot of money
21 is being spent on restoration, which is basically where
22 you close OHV routes, try to get them to the way they
23 looked before the OHVs were there. A lot of money
24 being spent on enforcement in proportion. I'm just
25 really afraid that the restoration money is going to go

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1 to waste because I spent hundreds of hours over the
2 last few years, mostly in San Bernardino Forest, but in
3 a lot of other areas, and if you don't give these
4 people good roads to go on where they can have fun and
5 not get bored, you know, something a little challenging
6 but yet easy enough for the kids to ride along too, you
7 know, like maybe have half the trail smooth, the other
8 half with bumps in it or something like that, that
9 makes sense, if you don't do that, especially the
10 locals, they know what -- how to get around the law
11 enforcement. And I'm just concerned that by spending
12 all this money on restoration, it's just going to go to
13 waste. It's just -- you know, you're going to not
14 provide a good enough opportunity for OHV use that's
15 legal and you're going to restore these areas, and
16 these people are going to go out there and scar them up
17 again. And it's just not a good use of money. And I
18 think one of the fundamental reasons this is going on
19 is -- I'm just going to tell you the way I see it. I'm
20 kind of new here. So excuse me if I appear wrong to
21 some of you, you know, we have a Chairman, Mr. Spitler,
22 who has a bias toward the wilderness groups. And I
23 just think, you know, does Oscar Mayer, do they hire a
24 vegetarian to do product and development for their
25 meats?

1 CHAIR SPITLER: I'm sorry to interrupt. I just
2 want to note that we do have a public comment period
3 coming up for items not on the agenda. The comment
4 right now is for the -- just to specifically discuss
5 the audit recommendations.

6 ALBERT LLATA: Okay. Well, I'll just cut it
7 short. I just found that a fundamental problem, and
8 thank you for your time. And I did sign up as a
9 non-agenda item. Sorry.

10 CHAIR SPITLER: I'll be calling you momentarily,
11 and you can have your comments on the agenda then.

12 ALBERT LLATA: Thank you.

13 CHAIR SPITLER: Any other public comments on the
14 audit recommendations?

15 ELIZABETH NORTON: Elizabeth Norton with the
16 Lassen National Forest. One thing I wanted to mention
17 is that in the auditor's report, it indicates that the
18 Division has not collected the necessary data or
19 prepared the required reports to successfully complete
20 strategic planning. And some of the reports they
21 mention here where the data would be extremely helpful
22 would be the Fuel Tax Study. And I know Deputy
23 Director Greene, you mentioned that that would
24 hopefully be available this summer. And the other ones
25 were require reports that should define the principal

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1 reasons people use off-highway vehicle trails and the
2 appropriate level of funding for the program's
3 components. So I don't know what your process is or
4 what your time frame is to complete your shared visions
5 and strategic planning, but doing it one day in March,
6 I see is just the beginning of a longer process that
7 would also include incorporation of some very specific
8 data that I think will guide and feed development of
9 your strategic plan.

10 The other thing I want to mention too is that
11 the Forest Service, some units on the Forest Service
12 have completed a second round of what we call our
13 visitor use monitoring studies. So I think that
14 information also, when it's available later this
15 spring, would be helpful in guiding your strategic
16 planning effort, particularly OHV recreation on the
17 national forest. So thank you.

18 CHAIR SPITLER: Thank you.

19 COMMISSIONER PRIZMICH: Mr. Chairman, can I ask
20 a question as a result of the public comments?

21 CHAIR SPITLER: Can you hold it until we get
22 through the public comments?

23 Okay. More public comments on the audit?

24 AUGUSTA OCHINSKY: My name is Augusta Ochinsky.
25 I work with CORE, and I just have one quick request of

1 you. You discussed responding to the audit, and then
2 you moved to the strategic planning process which is
3 part of what the auditor asked you to do. CORE would
4 like to request that you consider in your response to
5 the State Auditor, public comments because there are
6 elements of the audit report that may be clarified by
7 some of the public comments that you might receive.

8 CORE has identified areas in the audit where
9 there are errors, discrepancies that they would like
10 you to consider correcting -- or not correcting, but
11 pointing out to the State Auditor and would like to
12 submit that information to you and have you consider
13 it. So I realize that may not be on the exact point of
14 your motion, but I wanted to make sure that we made
15 that request. Thank you.

16 CHAIR SPITLER: Thank you.

17 COMMISSIONER THOMAS: I would suggest we contact
18 the auditor, as well, with your concerns.

19 AUGUSTA OCHINSKY: We shall.

20 CHAIR SPITLER: Any other public comments on the
21 audit? Okay. Public comment is closed.

22 Commissioner Prizmich.

23 COMMISSIONER PRIZMICH: I have a question for
24 staff. With regard to the issue that was brought up,
25 which I think is a valid issue, that is the gas tax not

1 being identified completely, how will that impact our
2 shared vision, if at all, from your perspective?

3 CHIEF JENKINS: I think where the information
4 that will come out of the Fuel Tax Study would come
5 into play would be in that next step. I think if we
6 have a shared vision of what we want -- what we want to
7 do as an overall program, that's just kind of a pure
8 vision. Now, when we go to actually implement the
9 vision out in the field and we want to provide, you
10 know, whatever opportunities or however we direct those
11 monies, that's where we need those demographics and
12 specific type of information that will be falling out
13 of the Fuel Tax Study. So we could proceed with trying
14 to achieve that shared vision. And once we have that
15 in place, hopefully soon thereafter we will have that
16 Fuel Tax Study in hand. So as we go to the nuts and
17 bolts of the strategic vision, all of that information
18 will be available. Hopefully the timing works out that
19 way. Does that answer your question?

20 COMMISSIONER PRIZMICH: I personally see that
21 that can be real problematic. We can come up with a
22 vision based on what we would like to see, but the
23 actual financial impact of that vision can be --
24 dramatically impact what it is we think we'd like to
25 see. So I mean I'm not sure there is a solution to it

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1 that, you know, this one meeting is going to get us
2 where we need to go. But I mean we will just have to
3 see. We've got to move forward somehow.

4 DEPUTY DIRECTOR GREENE: Commissioner Prizmich,
5 as well, just a follow up on it. I think that there is
6 really an ongoing process. I don't think that you
7 necessarily just have a strategic plan, and it's done.
8 I think the desire of the Division certainly is once
9 this Fuel Tax Study comes in, to be able to
10 continuously update it on a two to three-year cycle. I
11 think that that's definitely necessary. We have to see
12 where the trends are in the data that's provided, where
13 are people recreating because I think that's so
14 important. You know, what are the impacts of that
15 recreation. And so to be able to have that
16 information, as the chief said, is vitally important
17 both on the front end but continuing as we go along.

18 COMMISSIONER PRIZMICH: I think that's an
19 important point, but it would be better for all of us
20 if we had that with us as we went into this joint
21 venture.

22 DEPUTY DIRECTOR GREENE: You're absolutely
23 correct. I don't think anybody desires that Fuel Tax
24 Study to be released sooner than the Division.

25 CHAIR SPITLER: Okay. Is there more discussion?

1 Okay. We have a motion and a second. All those in
2 favor?

3 (Commissioners simultaneously voted.)

4 CHAIR SPITLER: Opposed? Motion carries.

5 Perfect timing. We are at eleven o'clock, time
6 to do public comment on items not on today's agenda.
7 If any member of the public wishes to comment on an
8 item not on today's agenda, if you can fill out a blue
9 form and hand it to Ms. Mardi over there, we will get
10 your comments. I will read through these. Again this
11 is public comments for items not on today's agenda.

12 Terry Higginbotham, followed by Ryan Henson, and
13 Don Klusman.

14 TERRY HIGGINBOTHAM: Good afternoon, Terry
15 Higginbotham, president of High Sierra Motorcycle Club.
16 I've been sitting here making notes. This is my first
17 Commission meeting, and quite frankly this stuff is
18 just worthless. To me, let's keep it simple. We need
19 to get back to basics. The whole idea of this
20 Commission was started with -- in mind was to provide
21 opportunity for guys like me who want to go ride
22 off-road. I have several green sticker vehicles. I
23 put lots of money into the fund. I have lots of gas
24 tax money that I put out there. I take my family, my
25 children out all the time. We're constantly being

1 reduced in the ability to enjoy our recreational
2 activities. And that seems to me to be a direct cause
3 of the Commission.

4 The Commission is not acting with what I feel
5 was their mission statement, to provide OHV activities.
6 If you look at your funding, which I've been doing
7 lately, just the information I received today, you're
8 cancelling funding for the things that maintain and
9 create the trails, the opportunities that we were
10 trying to establish in creating this fund. All you're
11 doing is providing money for law enforcement. You're
12 getting to the point where you're creating another
13 problem. You're not providing the monies to maintain
14 our areas to ride in, let alone increasing the areas as
15 is necessary because of the increased sales of
16 motorcycles, for example. We're having an astounding
17 rate of increase in the number of people who want to go
18 ride off-road, and yet by your actions you're taking
19 land and opportunities away from us. I dealt with
20 El Dorado Tahoe National Forests, in those areas there,
21 I've seen reduction of trails. Tahoe, when I lived up
22 there a couple of years ago, they actually had \$75,000
23 for law enforcement one year and not one penny came
24 from this Commission for maintaining or creating new
25 trails. That is exactly opposite of what you were

1 created for.

2 Let's get back to the basics. This has nothing
3 to do with your personal agendas. You were put here on
4 this Commission to do the job of providing
5 opportunities for us with our money, and you're not
6 doing it. Thank you.

7 CHAIR SPITLER: Thank you. Ryan Henson,
8 followed by Don Klusman.

9 RYAN HENSON: Yes, Ryan Henson, policy director
10 of California Wilderness Coalition. Mr. Chairman,
11 members of the board, thank you for hearing me today.
12 I wanted to say, first of all, thank you for also
13 considering, reconsidering the grants in March that
14 were cancelled. I think the law enforcement and
15 restoration grants in particular are very important,
16 and I'd like to see them reconsidered, so thank you for
17 doing that.

18 The issue that I'd like to address, and actually
19 I was hoping it would be addressed in more detail by
20 someone from Del Norte County, but I don't see her here
21 today, is Tawala Dunes State Park where off-road
22 vehicle intrusions have been occurring, and we've heard
23 from many people in Del Norte County that they believe
24 that the Division is actually trying to facilitate the
25 authorized use of off-road vehicles in the Dunes. We

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1 hope that isn't true. And we encourage the Commission
2 to look into this case and others. In fact, at the
3 last meeting, Sandra Jerabek of Del Norte County was
4 here and she did talk to you about this issue. So we
5 hope this isn't true, and we hope it's true -- it's not
6 true of other State Parks such as the proposed
7 Anza-Borrego addition, and Red Rock. So thank you very
8 much.

9 CHAIR SPITLER: Thank you, Don Klusman, followed
10 by Bruce Brazil.

11 DON KLUSMAN: Don Klusman, California Four-Wheel
12 Drive Association. I was stunned yesterday when I
13 received the notice that 46, 47, whatever the number
14 is, grants have been basically pulled and are not going
15 to be funded. Now you are going to reconsider them,
16 which I think is a wonderful thing. It's too bad it
17 can't be done sooner than March. This goes back to --
18 and I guess I'll beat my own drum here -- when I came
19 to this Commission in December and was complaining that
20 when a grant had a high score and all of a sudden for
21 no apparent reason those grants proceeded to get
22 funding down to zero, also what is true is going the
23 opposite direction.

24 The whole idea of the scoring system was to put
25 some balance into the program. And not so that I get

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1 up here or someone else gets up here and says, oh, this
2 is a wonderful grant, you need to fund it a hundred
3 percent. If the grant is garbage, it's garbage. If
4 they do not do a good job of putting it together,
5 that's what you should look at. Also, the need for
6 that grant, especially in law enforcement. We have
7 areas now where this Commission has decided that law
8 enforcement, I guess, is not important. And that's
9 real sad because without it, you are going to have
10 those renegade people out there going where they want
11 to go. And they are not strictly OHV people. They're
12 everyday people. We see the meth labs. We see the
13 trespass. We see the squatting. That is not OHV
14 people. But if you don't have law enforcement out
15 there, guess what, there's going to be more of them.
16 And those are some of the kind of things you need to
17 think about when you make these decisions on these
18 allocations. And when you take all law enforcement
19 grant money away from a particular area that has shown
20 to be doing a good job, it's going to turn around the
21 other way. Thank you.

22 CHAIR SPITLER: Thank you. Bruce Brazil,
23 followed by John Stewart.

24 BRUCE BRAZIL: Good morning, Bruce Brazil,
25 California Enduro Riders Association. First, I'd like

1 to possibly get some feedback from, I guess, Chairman
2 Spitler on the seventh Commissioner who has not been in
3 attendance since last April. I was wondering if that
4 position is going to be filled so we could get a
5 balance or partial balance at least back on the
6 Commission.

7 Second item, back in April, the Chairman
8 appointed some standing committees, one of them was the
9 capital outlay standing committee. I would like to
10 hear from the two members of that committee, which
11 would be Commissioner Anderson, Commissioner Waldheim,
12 as to their participation in the -- I guess the refusal
13 of payments for the capital outlays last December 10th.

14 Last, there's a standing -- standing policy
15 committee of Commissioner Waldheim, Commissioner
16 Prizmich. I would like to hear what their
17 participation was in the policy proposals that Chairman
18 Spitler brought up at last December's meeting. Thank
19 you.

20 CHAIR SPITLER: Thank you. Okay. John Stewart,
21 followed by Tom Tammone.

22 JOHN STEWART: Good morning, Commissioners.
23 John Stewart, California Association of 4-Wheel Drive
24 Clubs and United Four-Wheel Drive Association. I
25 provided a sheet to all of the Commissioners about

1 recreation statistics update. This is from the
2 national survey on recreation and the environment, a
3 national survey conducted every four years by the U.S.
4 Forest Service. It charts transit demographics in
5 recreational aspects, with the sheet in front of you
6 specifically for the off-road vehicle users component.

7 In 1960, when the first national survey -- it's
8 that sheet there. In 1960, when the first survey was
9 done, OHV recreation was not even on the radar. It
10 didn't even show up as something. By 1982, it started
11 to show up. From 1982 to the 2002, 2001 year, there
12 was a hundred percent increase in participation. As
13 you'll note here, during the survey in 1999 to 2000,
14 37.6 million people, 17.6 percent of the population,
15 engaged in OHV recreation. In 2003/2004, four years
16 later that number had jumped to 49.6 million people,
17 23.2 percent of the population. The population of the
18 state of California is roughly 32 million people.

19 What this is revealing is that OHV recreation is
20 a rapidly growing activity on public lands. This is
21 showing that there is a major growth, a major demand
22 for recreational opportunity. Planning and creating a
23 plan to satisfy this demand is critical if we expect to
24 have a good balanced environment. If we expect to have
25 critical habitat for sensitive species, creating a plan

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1 to provide for this recreational opportunity is
2 critical.

3 And also on the second page of that it does
4 those demographics breakdown, and it points out some
5 other very interesting statistics in here. There are
6 some things that, you know, down near the bottom it
7 points out to the ethnicity coming up, in that in the
8 2000 survey, Hispanic participation was down to 2.9
9 percent, 2.9 million people. In the summer of 2004,
10 that was up to 9.3 million people. These are points of
11 the demographics where the planning has got to take
12 this into account, whether it is directions or things
13 on education put out in multiple languages, these are
14 things that have got to be brought into account within
15 any shared vision or any values that it adds to the
16 program.

17 And noting that where the recreation is coming
18 from, the recreation pressure is coming from
19 metropolitan areas, and these are areas where people
20 have no history with relationship with the land. So
21 this points out that we do have to have a very
22 comprehensive recreation management plan, and this
23 is -- many more statistics like this is available from
24 the Forest Service.

25 CHAIR SPITLER: Thank you.

1 Tom Tammone, followed by Karen Schambach.

2 TOM TAMMONE: Tom Tammone, CORVA. Well, this
3 year we observed a scoring system put in place, and it
4 has its bugs like anything else, but it's legal and it
5 works. Just the fact that none of the grants that the
6 Commission altered wound up on that list is testimony
7 to that fact. The simple solutions that would take
8 five minutes at the next meeting would simply have one
9 vote to put all 46 grants back on Consent.

10 As far as the targets, the funding targets, if
11 that becomes a problem, simply change them. The
12 funding targets were established so that the applicants
13 would have some idea what the Commission was doing from
14 year to year, not to put us in a box with a system that
15 works. As a matter of fact, I think the scoring system
16 is the best way for determining the amounts. Less than
17 \$3 million was determined that needed to go to
18 restoration by the staff's scoring system. Not one
19 person that I know stood up and spoke against any of
20 the restoration grants. I supported the ones for San
21 Bernardino where I volunteer. Many of the grants got
22 thrown out because they were altered, they were scored
23 too high for arbitrary reasons. Now, all of that,
24 \$900,000 still got left on the table almost.

25 So the fact is we're setting targets wrong. And

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1 as far as the Fuel Tax Survey, we don't have one yet.
2 And the agencies, let them submit what they want. We
3 don't need to have targets. Let the agencies submit
4 it. Let's score them and look at the spreadsheets. If
5 staff determined -- if we did it that way, would be
6 \$3 million left. And that would have covered the
7 grants that got thrown out because they were incomplete
8 or whatever. Well, they'll be in next year. And as
9 far as the agencies, a lot of them didn't spend time on
10 their grants. Well, that's because before it didn't
11 make any difference, and when it came to the Commission
12 looking at them, it didn't matter what kind of a grant
13 you submitted. So they figured they put a minimal
14 amount of time in it, and whatever happened happened.
15 Well, if there's a system in place that they know is
16 fair and just, they'll spend the time to do the grants.
17 Thank you.

18 CHAIR SPITLER: Thank you. Karen Schambach,
19 followed by Pete Conaty.

20 KAREN SCHAMBACH: Karen Schambach, Center for
21 Sierra-Nevada Conservation. I heard a couple of
22 comments here, which I do at all meetings, about this
23 program existing to provide opportunity, and I just
24 would remind those who may be new to these meetings and
25 to this program, that riding existed, you know, when

1 this program was created. The program was created to
2 ensure that environmental protection was provided so
3 that the opportunity and environmental protection could
4 find some balance.

5 And along that line, I'm wondering, back in '97
6 there was an environmental audit done with -- and there
7 was supposed to be another one five years later, which
8 was due January 1st, '03. Without that audit, we have
9 no means of measuring the success of this program as
10 far as its mandate to provide environmental protection.
11 And along those same lines, it would also measure law
12 enforcement, since law enforcement is, you know, among
13 other things, designed to help provide that
14 environmental protection. And I don't know how we can
15 do a strategic plan without having some way to measure
16 the success of this program's ability to provide that
17 environmental protection.

18 And my third comment has to do with a trend that
19 I've seen since last fall that involves this Division
20 going out to various State Parks, including Red Rock
21 Canyon, Tawala Dunes, and Anza-Borrego with the purpose
22 of expanding off-road vehicle opportunity in those
23 State Parks. Now, we've heard a lot about problems
24 with communication among the Division, among the
25 Commissioners, and among the public.

1 To me this is such a serious, serious step that
2 the Division is taking. It involves State Parks.
3 These are not SVRAs. This needs to be done in a very
4 transparent way, not just including select members of
5 the OHV community, but the public in general. And I
6 would hope that that would -- you know, that that kind
7 of behavior would stop, that any possible expansion of
8 OHV opportunity using OHV funds in State Parks would
9 come before this Commission to be aired in a public
10 forum and, you know, give everybody a chance to comment
11 on that. Thank you.

12 COMMISSIONER THOMAS: I have a question.

13 CHAIR SPITLER: Commissioner Thomas.

14 COMMISSIONER THOMAS: Ms. Schambach, would you
15 support a joint meeting of the State Parks Commission
16 and OHV Commission to discuss this issue of what you
17 believe is encroachment on the State Parks?

18 KAREN SCHAMBACH: Absolutely, yes, I would. I'm
19 not sure that the State Parks Commission is aware of
20 this effort either.

21 COMMISSIONER THOMAS: And would you -- how would
22 you suggest that we go about making that issue
23 available to the community of people that are
24 concerned?

25 KAREN SCHAMBACH: Well, I think that there

1 should be some public notice. You know, the State
2 Parks has the ability, as does this Division, to do
3 press releases. And if there is, you know, an
4 initiative to expand off-road vehicle use in State
5 Parks in general, that's something of high interest to
6 the public. And certainly there should be public
7 meetings on that, and I think a joint meeting with this
8 Commission and State Parks with, you know, widespread
9 public notice is certainly the way to do it, not just
10 meeting with, you know, certain members of the OHV
11 community on site to discuss plans that will affect all
12 of the public in California.

13 COMMISSIONER THOMAS: We will consider making a
14 motion to put that on the agenda.

15 KAREN SCHAMBACH: Thank you.

16 CHAIR SPITLER: Okay. Pete Conaty, followed by
17 Judith Spencer.

18 DEPUTY DIRECTOR GREENE: Chairman Spitler, at
19 the end of the public comment period, I would request
20 the opportunity to respond to the comments that have
21 been made here today or by the alleged behavior of the
22 Division, please.

23 CHAIR SPITLER: Well noted.

24 PETE CONATY: Actually, I'd like to respond to
25 the comments made by the -- my name is Pete Conaty, and

1 I represent various off-road groups, but I'm speaking
2 as a private individual. And I'd like to respond to
3 the comments from gentleman from the Wilderness
4 Coalition and from Karen Schambach, especially about
5 Tawala Dunes and encroachments in the state park.
6 Basically what the gentleman from the Wilderness
7 Coalition said is we don't want to help you solve
8 problems in areas where there are conflicts. We just
9 don't want any off-roading in Tawala Dunes. And I'd
10 like to remind everybody at the last meeting, the
11 chairman chastised unmercifully the Deputy Director for
12 going up and doing the job she was directed to do by
13 the Director of Parks and Recreation and try and work
14 through the issues at Tawala Dunes.

15 So I'm here to report that those people that
16 live up there are working through the issues with
17 representatives from the community, the Blue Ribbon
18 Commission. So what the bottom line is we really don't
19 hate the State Parks Commission to meet because if
20 that's what you want to do with the joint meeting,
21 maybe we don't need the Commission anymore. Thank you.

22 CHAIR SPITLER: Judith Spencer, followed by
23 Dennis Downum.

24 JUDITH SPENCER: Judith Spencer, CORE. I have
25 so many ideas I'm not sure where to start, but I start

1 with the one about use. And I understand use is up for
2 off-road riding, so is the use up for people who want
3 to recreate without motors and who want to live near
4 wildlands. So I think that we cannot lose sight of
5 that, and I really appreciate Karen Schambach bringing
6 once again to the fore that it's a two-part thing,
7 riding opportunities where the environment is
8 protected -- homeowners are protected -- I'm throwing
9 that one in, so that this is all sustainable.
10 Otherwise it won't work. And about the people who are
11 now showing up, for years and years folks weren't aware
12 that there was this Commission and this program. Nine
13 years ago when I got interested, I only found out about
14 the program because I overheard the word grant,
15 overheard it. It was never said in our community.
16 Even though grants had been being given for about ten
17 years. It's been a secret. It's a secret that needs
18 to be told that this -- we have this program. It's a
19 valuable program. It needs to be balanced, so I want
20 that said.

21 And I also want to note that about the
22 restoration, it is so important, along with the
23 enforcement. We put new gates up to support our
24 Interface plan, I think I told you at the last meeting,
25 they were ripped out. They were ripped out by the

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1 roots. There's simply not going to be compliance
2 without enforcement. So this is where I need to give
3 you the pitiful face. We don't really have a dog in
4 the fight. But this dogfight means that our community,
5 thousands of home surrounding the Interface, other
6 homes in those kinds of areas, in our forest and in our
7 particular district, we got no funding for enforcement
8 by the Forest Service or by the sheriff's departments.
9 All three of the sheriff's departments associated with
10 the Calaveras district funding was pulled. Point being
11 that lives are being really affected. Homeowners,
12 hikers, riders, whose experiences are going to be
13 bothered.

14 I'd hate to have to go home, and I can get real
15 pitiful if you want, put up a for sale sign. But it's
16 those kinds of things, and I think we had a definitely
17 flawed evaluation process. Not that you didn't work
18 very hard, but the criteria, many of them simply did
19 not address what was important about particular grant
20 issues. And even in the decision to stop the finding
21 of some grants, no reference was made to all of the
22 information that was brought to the subcommittee
23 meeting that would have answered many of those
24 questions about particular criteria.

25 So my point is a lot of us are getting squeezed

1 in this flawed process, and I hope that will be
2 addressed, and realizing that we can't skip a year or
3 so without enforcement or restoration and come out in
4 any kind of good place. In fact, we will be throwing
5 away about a decade of work if that happens. Thank
6 you.

7 CHAIR SPITLER: Thank you. Dennis Downum,
8 followed by Bob Spencer.

9 DENNIS DOWNUM: Dennis Downum, Sheriff of
10 Calaveras County. I want to thank the Commission for
11 setting up the meeting to reevaluate some of the grants
12 that were approved, unapproved, approved, unapproved.
13 In Calaveras County, we're going to have a very
14 difficult time maintaining our OHV presence with our
15 local resources. It's just -- quite frankly, it's not
16 going to happen. And it doesn't really matter whether
17 you're providing opportunities for recreation,
18 conservation, designated trails, restoration, it's just
19 simply not going to work without an enforcement
20 element. And Calaveras County, the Calaveras County
21 Sheriff's Department is the enforcement element. There
22 are no federal law enforcement officers in our county.
23 We could call, one would be there in a day or two or
24 three or whatever, but we are the on-ground law
25 enforcement in that county. And, folks, I just don't

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1 see any of your programs working the way they should be
2 working without an enforcement element. And we do
3 appreciate the opportunity of being able to come back
4 and address some of the -- some of the criteria that
5 apparently we didn't put in, although I think we got a
6 significant argument with that.

7 But I certainly agree with Judith Spencer, we
8 are going to lose the ground we made up particularly --
9 there needs to be some criteria for quality of life,
10 and the people that live in the subdivisions next to
11 the national forests. I think we've made a tremendous
12 difference in Calaveras County. We're going to lose
13 it, and anyway, thank you.

14 CHAIR SPITLER: Thank you. Bob Spencer,
15 followed by Dave Pickett. Dave Pickett, followed by
16 Albert Llata.

17 DAVE PICKETT: Dave Pickett, District 36
18 Motorcycle Sports Committee. My dog is a pit bull and
19 she's not a happy dog right now.

20 Chairman Spitler, Commissioner Thomas, both of
21 you were appointed by the Senate Rules Committee.
22 Commissioner Brissenden, though not here yet again, was
23 appointed by the Speaker of the Assembly. Those
24 appointments should not be taken lightly. Observing
25 the three of your actions over the last three years,

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1 interfacing with the actions of the public agencies,
2 disregard for public support of grants, disregard for
3 quality grants submitted by our federal agencies and
4 partners, and the obstructionist attitude against the
5 Deputy Director over the last two years, really upsets
6 District 36. It's clear that the three of you and your
7 personal agenda based on your voting record is not in
8 the best interest of this program. I therefore request
9 all three of you resign. Thank you.

10 CHAIR SPITLER: Thank you. Albert Llata,
11 followed by Nick Haris.

12 ALBERT LLATA: I'll keep this short. I
13 apologize for not speaking on topic before.

14 My emphasis is just on satisfying motorized
15 routes. Then as the public uses these satisfying
16 motorized routes, money spent on restoration won't go
17 to waste because they'll be spending time on the
18 satisfying routes, they're not going to be interested
19 in trying to make their own routes because they're
20 having too much fun on really a good motorized route
21 system. And I think the fundamental problem here is
22 you have a lot of conflict within this Commission; we
23 have someone who's very understanding of the OHV
24 lifestyle, everything around it; we have someone who is
25 more toward an emphasis of closing roads and making

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1 things more wilderness, that's my perception. There's
2 a lot of conflict there, and I think the fox guarding
3 the henhouse is a real problem. So I think the
4 solution would be to try to move forward, do what is
5 right for the program in the near term and the long
6 term by emphasizing where it really needs to be, good
7 motorized routes, that way you can move forward, focus
8 on these things, have these routes dispersed and closer
9 to where the users live. This way they're not making
10 their own routes near where they live, because they're
11 going to do that anyway if you don't give them good
12 routes near where they live. And then I believe years
13 down the road your restoration will make sense because
14 they're really not going to be interested in going on
15 these illegal routes when they can go on these great
16 routes. And then the law enforcement can feel good
17 about writing tickets knowing that, hey, they have a
18 good place to go, there is no reason for them to be
19 messing up this riparian area. So that's just it. I
20 really think the emphasis needs to be less on
21 restoration and enforcement, and more on making
22 satisfying motorized routes where the users live or as
23 close to them as reasonable. Thank you.

24 CHAIR SPITLER: Thank you. Nick Haris, followed
25 by Valerie Guardia.

1 NICK HARIS: Good morning, Commissioners. Nick
2 Haris, Western States's representative for the American
3 Motorcyclists Association. Just wanted to touch on a
4 couple of things. First of all, I wanted to point out
5 that we have publically supported and will continue to
6 support the Division's efforts to create some criteria
7 for these grants. The Commission did not want to
8 participate when that first came up. I would like to
9 see some dialogue. I think we can all agree on what
10 makes a good law enforcement grant and what makes a
11 good restoration grant. We can disagree over the
12 points you want to assign to each category. But bottom
13 line, I think we can come up with a workable consistent
14 program for all of the applicants. I don't think
15 anybody that walked -- and there's got to be a lot of
16 applicants waking up this morning that aren't getting
17 funded all of a sudden which must be a little shocking
18 to some of them. And if the Commission and the
19 Division chooses to meet with State Parks, I just also
20 would like them to request that \$3 million that State
21 Parks took for Angel Island. Because we're talking a
22 lot about OHV and areas that some folks don't think is
23 legitimate, and then we also found out through the
24 audit that a lot of money has been taken from our
25 program areas where no OHV allowed. So it seems to me

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1 it cuts both ways. I'm not taking a position that --
2 you know, just bring that up. If you guys are going to
3 meet with them, please bring it up.

4 I'm still kind of a little bit surprised. We
5 get this a lot, but we have people that keep moving in
6 next to riding areas and then complaining about riding
7 areas. And I've got to say that's like moving next to
8 the Sacramento Airport and complaining about the
9 planes. I mean these aren't new. We're not opening a
10 riding area every other weekend and then having someone
11 go, gosh, I've lived here for 30 years and now they're
12 riding next to my house. They were riding there in
13 most of these cases. I'm sure there's exceptions. I'm
14 sure there's illegal riding that's going on that needs
15 to be addressed. But to move next to a riding area
16 that's been a riding area for decades, and then
17 complain about riding, I just really have a problem
18 with.

19 And I just want to encourage the Commission to
20 respond to the audit. I know there's some problems
21 maybe not having enough staffing you feel in some cases
22 to get a proper response but the JLAC hearings are
23 coming up, and it would be really nice to see a full
24 participation from all of you, guys. Thank you.

25 COMMISSIONER THOMAS: Could you tell us about

1 the JLAC hearings?

2 NICK HARIS: The Joint Legislative Audit
3 Committee, which is going to be the House and Senate
4 discussing this, and it's going to be your chance to
5 get up --

6 COMMISSIONER THOMAS: What date?

7 NICK HARIS: March 1st, I believe.

8 DEPUTY DIRECTOR GREENE: They have not
9 identified a date?

10 NICK HARIS: Oh, I'm sorry, they haven't picked
11 a date. We've been hearing different dates.

12 COMMISSIONER THOMAS: So what was your last?

13 NICK HARIS: March 1st is the last date I heard.
14 I think it's a Wednesday, but that has not been
15 officially announced.

16 COMMISSIONER THOMAS: And what would the Joint
17 Legislative Audit Committee hasn't consulted with us or
18 asked anything other than this general audit
19 requirements. Is there something --

20 NICK HARIS: I think that's -- honestly I would
21 tell you to consult with them, and with their chair to
22 figure out what exactly they're going to be looking at.
23 But there's going to be some questions. If everyone
24 wants to speak for themselves, then I think we need to
25 be prepared for it.

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1 COMMISSIONER THOMAS: So what you're saying is
2 we should probably meet before March 1st?

3 NICK HARIS: Well, I think there's been a number
4 of requests to get some things done, some reports, some
5 responses to the auditors, other than saying to the
6 auditor we haven't done anything yet. I think it would
7 be nice to say, you know, these are the things we're
8 putting in place. I don't know; you're not going to
9 have all of the answers, but at least show a process is
10 in place.

11 COMMISSIONER THOMAS: Okay. Does it bother you
12 that the audit -- the 60-day report came out and said
13 they've done nothing?

14 NICK HARIS: Yeah, it seems to be par for the
15 course.

16 COMMISSIONER THOMAS: Does that seem to be fair?

17 NICK HARIS: No, it doesn't seem fair. It's
18 discouraging because I think the audit pointed out a
19 lot of problems, like the \$3 million to Angel Island.
20 I'd like to see the Commission pass a resolution that
21 says we want the money back. I don't think that's
22 absurd. I think that's a very legitimate request, or
23 if they're not going to give the money back, just tell
24 us why they took it, why did they do it.

25 COMMISSIONER THOMAS: Have you asked the

1 Division to put in a written request?

2 NICK HARIS: I have not.

3 COMMISSIONER THOMAS: Why don't do you that?

4 NICK HARIS: Thank you.

5 CHAIR SPITLER: Okay. Valerie Guardia.

6 VALERIE GUARDIA: Good morning, Valerie Guardia,
7 acting director for Recreation for the Pacific
8 Southwest Region of the Forest Service. And I just
9 wanted to say that we are pleased that the Commission
10 has agreed to meet to review the grants that were
11 unfunded per the January 26th memo from the Division.
12 The Forest Service has several projects on that
13 unfunded list, and the lack of funding for these
14 projects will have serious impacts to the OHV program
15 on at least seven national forests in this region. So
16 we're happy that there will be another opportunity to
17 review and fund these projects. However, because this
18 seems somewhat unprecedented, it would be helpful if we
19 could know in advance what the process will be to
20 review and possibly fund these projects so that the
21 field units are best prepared to come and find out what
22 happens to their submittals. Thank you.

23 CHAIR SPITLER: Thank you. Any other members of
24 the public wish to comment on an item not on today's
25 agenda?

1 LOIS SILVERNAIL: Lois Silvernail, CORVA, for
2 Northern California grants and legislation. I wanted
3 to comment on a couple of things I've listened to and
4 that is as a user group. And I hear Karen Schambach
5 and I hear Judith Spencer talking about restoration
6 grants. One of the things I find appalling from this
7 group is the lack of new areas of opportunity. Twenty
8 years and yet John Stewart's report has shown out
9 what's happened to my sport. It's exploded. It's
10 exploded with the number of people who are using our
11 lands. It's exploded with the different ethnic. It's
12 exploded with -- I happen to represent disability. We
13 have more and more opportunity for us with disabilities
14 to get out there and use motorized sports and yet there
15 are no new areas to play in. I hear Judith's problem
16 with the Interface, but what in the heck does she
17 expect? There is no place for to us go. The areas
18 like we have had with the forests are getting closed
19 left and right, whether the road-less hearings or
20 whatever. We need new opportunity in areas to play,
21 just like this gentleman over here talked about giving
22 us quality opportunity. And I'm willing and I'm more
23 than willing to concede to people like Paul and Karen
24 and say, okay, let's give buffer zones and areas around
25 SVRAS for this Interface or Forest Service, but we need

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1 the opportunity. And this hasn't been done by this
2 group. I'm going back to looking at your -- maybe I'm
3 wrong, but I thought in reading this audit they wanted
4 your vision, you the Commission's vision, of what this
5 program should look like for the entire state, not just
6 the SVRAs. They want what are our Division's ideas of
7 what the state program should look like. And then meld
8 the two into something that we can work with. And we
9 the public will be more than happy to contribute to
10 what this should look like, I as a user group, Kathy
11 Mick with the Forest, and I'm sure BLM will, too. But
12 we need you people to do the work. What does your idea
13 of this work look like? And I realize Paul Spitler's
14 idea is going to be different than what Ed's is, and
15 that's why we need a balanced program. I want to see
16 what all of you -- but we need you to do the work. I
17 understand Hal wants a base plate idea, and that's
18 fine, get an idea from Division what it should look
19 like. But I still want you folks to do the work. I
20 don't want you to use Division's ideas. I want to hear
21 what your idea is. And I'm appalled, appalled as a
22 user group that you let it go 60 days and all you said
23 is we haven't had a chance to work on it. I work full
24 time for a living, and I can still get on e-mail and
25 look. Why didn't you do that. You had 60 days to get

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1 together, even if you didn't have a meeting, and get on
2 e-mail and do something about a shared vision of what
3 you were going to do with the audit. Thank you.

4 CHAIR SPITLER: Thank you. Any other public
5 comments?

6 DON MORAL: Yes, I'm Don Moral. I'm commenting
7 as a member of the general public, and I was commenting
8 on the budget. So it is a budget item, so if I'm out
9 of turn I apologize for that.

10 CHAIR SPITLER: Actually we're getting to the
11 budget item in a moment.

12 DON MORAL: I have to leave at noon, so.

13 CHAIR SPITLER: If you could just do it briefly
14 that would be great.

15 DON MORAL: I will make it quickly. I would
16 like to say that I appreciate the challenge that you
17 have before you. I am -- and I am here for the general
18 public but -- representing the public, but I am a
19 founder and board member of the California Wilderness
20 Coalition. And part of the reason I do that is because
21 my family history is I'm a fifth generation member of a
22 California ranching family, all of whom were stewards
23 of the land, and that's a tradition in our family. And
24 I believe that's an overriding concern. I appreciate
25 all of the user groups and the need for use. At the

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1 same time we need to think about not just, you know,
2 the past but the future, for generations to come that
3 we protect as much of California's wild landscape as
4 possible for them. We'll only be here for a short time
5 on this earth, so I think we need to think five
6 generations, at least, or more out. So, anyway, I
7 appreciate your challenge.

8 I did want to urge on the budget that maximum
9 funding, \$10 million at least for restoration, \$4
10 million or more for enforcement, and at least \$2
11 million for route designation, and in addition, at
12 least a million dollars to support wildlife studies and
13 other necessary research to accompany the Forest
14 Services route designation process. So I appreciate
15 the challenge you have, and I wish you luck in your
16 work. And I would like to submit this for the record,
17 if that's okay, my letter. Thank you.

18 CHAIR SPITLER: Thank you.

19 JIM WILLIAMS: Good morning, Chair Spitler and
20 fellow Commission members. I'm Captain Jim Williams
21 from the San Bernardino County Sheriff's Department
22 representing the Office of the Sheriff. Again, we were
23 just recently notified that two of our law enforcement
24 grants had been unfunded, and we'd like to thank the
25 Commission for the opportunity to address that issue in

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1 the upcoming hearings in March. Again, it would be
2 most helpful if we would know what the process will
3 entail prior to that, so we will be prepared to discuss
4 all salient, relevant points. And finally just a
5 footnote, is that our equipment grants were funded but,
6 again, without the enforcement grant behind it, the
7 equipment will be sitting in the garage and unusable
8 this year. So, again, thank you for your time.

9 CHAIR SPITLER: Thank you.

10 FRED WILEY: Good morning, Commissioners. Fred
11 Wiley with the Off-Road Business Association and the
12 California Nevada Snowmobile Association. I'd like to
13 speak briefly on the audit this morning. I represent
14 most of the groups that asked for the audit, and I want
15 to make it clear to everyone here that we're sorry that
16 the Commission is now taking five months to understand
17 what we wanted out of the audit, but I think it's very
18 clear today that you are now understanding why we asked
19 for the audit. We would also challenge you to go to
20 the Parks Department and get our money back. They have
21 no right to take money and use it in areas that do not
22 provide any opportunity. Put that money into law
23 enforcement, into making the trails in areas that we
24 need to provide good access for the riding people, and
25 that will have a far greater effect on the impact of

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1 the surrounding areas and the people that live there.

2 Thank you.

3 COMMISSIONER THOMAS: I have a question. Would
4 you write in support a meeting with the State Parks
5 Commission to talk about this issue?

6 FRED WILEY: The issue of the money?

7 COMMISSIONER THOMAS: Yes.

8 FRED WILEY: Yes, I would.

9 COMMISSIONER THOMAS: So would you get
10 together --

11 FRED WILEY: I think the Division and public
12 should be involved in that, as well. I think we all
13 need to know why did they decide they were going to
14 take it and specifically what it's being used for.

15 COMMISSIONER THOMAS: Would you get together
16 with Ms. Schambach and write us a letter so we can get
17 that process underway?

18 FRED WILEY: I will.

19 COMMISSIONER THOMAS: Thank you.

20 CHAIR SPITLER: Any other members of the public?

21 BOB SPENCER: My name is Bob Spencer. I passed
22 earlier, but I would like to comment. One of the
23 things is that there was mention of people moving in
24 next to the airport. I'd like to point out that in the
25 Arnold area, there are houses there that were there

1 before the Honda Trail was around. So there wasn't a
2 lot of OHV riding in that area prior to the recent
3 years. Without -- well, let me go back. The Forest
4 Service has been working on developing a new trail
5 system in there, that's from the reports I've heard.
6 The riders like it, the community likes it, and the
7 only way it can remain there and provide for the
8 activities that protect the rest of the community is by
9 providing the necessary law enforcement to do that. So
10 I would hope that you would look very seriously at
11 reinstating the enforcement grants for those areas.
12 Thank you.

13 CHAIR SPITLER: Thank you. Any other members of
14 the public wish to comment on items not on today's
15 agenda? Okay. Public comment is closed. I'm hoping
16 we can move through this new business relatively
17 quickly before lunch and come back after lunch and
18 continue with the public workshop part of the meeting.

19 DEPUTY DIRECTOR GREENE: Chairman Spitler.

20 CHAIR SPITLER: Deputy Director Greene.

21 DEPUTY DIRECTOR GREENE: May I have an
22 opportunity please to respond to a couple of comments
23 that were made during the public comment period?

24 CHAIR SPITLER: Sure.

25 DEPUTY DIRECTOR GREENE: I think that we all

1 recognize that statewide OHV recreation continues to
2 grow, whether or not you're recreating with a green
3 sticker or street legal vehicle. As such, there aren't
4 little isolated areas where we look at OHV recreation.
5 It is statewide. We've heard today from recreation and
6 non-motorized, the sheriff; the issues affect all of us
7 as Californians. In particular, when reference was
8 made earlier as to the Division and its appropriate
9 behavior visiting some of the State Parks throughout
10 the California, I just need to make it clear that the
11 OHV Division is a Division of California State Parks.
12 There is a resource Division, culture Division,
13 historical. And as we look at this, there are many
14 times that the OHV Division is asked for and sought
15 after their opinions on areas based on the fact of our
16 expertise in OHV recreation, whether that be with the
17 stakeholders that we have in trying to work through a
18 collaborative process and understanding similar to
19 where Fish and Game called us a number of months ago
20 asking if we could help provide a volunteer OHV base to
21 help patrol some of the Fish and Game lands.

22 So when it's referenced that somehow the
23 Division is arbitrarily heading up to areas or going to
24 other State Parks and is acting out of place, in all of
25 those instances we have been invited, and in some

1 cases, directed by the director of State Parks to try
2 and work on collaborative efforts with the other State
3 Parks to understand some of the issues and come up with
4 real solutions that affect all of the communities
5 within California.

6 So I really would express when we were
7 particularly up north, we met with both the off-road
8 community, as well as the environmental community,
9 members of the board of supervisors, and members of the
10 chambers of commerce. So we've tried to be as
11 inclusive as possible and address the issues that I
12 think are of concern to all of us. Thank you.

13 CHAIR SPITLER: Thank you. On to new business,
14 Approval of Commission Contracts and SVRAs.

15 CHIEF JENKINS: And in order to get some more
16 clarity on that, we've provided Jim Luscutoff, who is
17 the Concession Manager for the Department who will be
18 making the presentation.

19 JIM LUSCUTOFF: Mr. Chairman, members of the
20 Commission, you have two items before you today. One
21 is for Carnegie SVRA, which is an equipment supply
22 store, and the other is Oceano Dunes for all-terrain
23 vehicle rental use.

24 The item in front of you today concerns Public
25 Resources Code 5080.20, which requires the Commission

1 to review sections of 5001.9 of the Public Resources
2 Code and 5080.03 for their compatibility with the
3 classification of the unit. And in the case of a
4 general plan, the compatibility of the general plan.

5 We submitted a package to you, and if you have
6 any questions about the process, I can answer those
7 right now. If you have any questions about the
8 operation of these, because they do exist now, we have
9 operation staff here to answer any questions.

10 (Simultaneously speaking.)

11 COMMISSIONER ANDERSON: I think I have ranking
12 tenure. Mr. Waldheim.

13 COMMISSIONER WALDHEIM: Thank you. I'm going to
14 make a motion that we approve both of these.

15 But I was curious on the Oceano Dunes, the
16 increase is absolutely incredible. The rent paid, it's
17 \$193,000. Five years before it was only \$119,000. Yet
18 in Carnegie, it's gone down. Is there a particular
19 reason why are we getting less visitors there? Why
20 have we gone down in Carnegie?

21 JIM LUSCUTOFF: Well, I'll try to answer your
22 question, Mr. Waldheim, and refer to district staff if
23 I can't. I know in the case of Oceano, we did not have
24 contracts in place where you see that large increase is
25 the first year, and I believe it was 2003 that we put

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1 the ATV contracts in place. Prior to that, they were
2 operating without a contract, without insurance, and we
3 negotiated contracts with the low service providers
4 that in essence they were, quote, grandfathered in. We
5 didn't realize at the time that they would earn the
6 gross receipts that they are. There are four equipment
7 rental providers there that earn nearly a million
8 dollars in gross receipts annually. Any service that's
9 provided that's over \$500,000 requires legislative
10 approval and OHV Commission approval. That's why we're
11 here today, and we will be putting those contracts out
12 to bid with your approval to go through the competitive
13 process. Again, at Carnegie, I believe we've seen a
14 little decrease in gross receipts because user activity
15 has decreased in a high-use periods, I believe due to
16 the different sticker requirement limitations.

17 COMMISSIONER WALDHEIM: Has weather had anything
18 to do with it, too?

19 CHIEF JENKINS: Weather patterns, the red
20 stickers requirements, there are a number of variables
21 there that dictate the ebb and flow of that visitation.

22 COMMISSIONER WALDHEIM: Thank you.

23 COMMISSIONER ANDERSON: I have a couple of
24 questions on Oceano Dunes. I'd like to be sure that
25 within the conditions of your bid proposal that -- and

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1 maybe you can tell me if it's already there. As I
2 understand the operation, the ATVs that are there for
3 rental, the operator brings the vehicles and then
4 they're rented on the site; is that correct?

5 JIM LUSCUTOFF: That's correct.

6 COMMISSIONER ANDERSON: And the concern that
7 I've heard from members of the public is that the
8 location where he sets up his trucks, his vehicles for
9 rent, be located to the south of the stream to reduce
10 the number of passages, unnecessary passages over the
11 stream. The stream has apparently some salmon
12 considered -- I don't know if it's considered perhaps a
13 viable salmon stream and the users want either
14 restoration or continuation. So their proposal was to
15 be sure that -- was to be sure that the actual
16 off-loading and movement to the members of the public
17 weren't going to be located south of the stream. That
18 was the one concern.

19 The second concern had to do with training, that
20 a condition of the contract be that the operator give
21 some instruction to the renters on the environmental
22 concerns in the neighborhood, the snowy plovers and
23 others.

24 And the third was to be sure that absolutely no
25 repairs which might release any kind of petrochemicals

1 onto the beach be allowed, so that if there are any
2 repairs that need to be done, those need to be taken
3 off the beach and off site before they're completed.
4 And with those provisions, I don't have any problems.

5 ANDY ZILKE: Commissioners, Andy Zilke, District
6 Superintendent of Oceano Dunes. With regard to your
7 first question, the staging area for all of the ATV
8 rentals is south of Post 2, which is approximately a
9 half mile south of Arroyo Grande Creek. It does in
10 fact reduce the number of trip miles that ride across
11 the creek.

12 Secondly, there is in place a training and
13 orientation programs that are mandatory as part of the
14 contracts, and it's been very successful. In addition,
15 there is resource training that's considered -- our
16 resource staff conducts annual training for each of the
17 contractors.

18 COMMISSIONER ANDERSON: For the contractor?

19 ANDY ZILKE: Yes, and their employees are
20 mandatory. Thirdly -- what was your third comment?

21 COMMISSIONER WALDHEIM: Repairs.

22 ANDY ZILKE: Repairs are not allowed on the
23 beach. They are taken off-site.

24 COMMISSIONER ANDERSON: Thank you.

25 COMMISSIONER THOMAS: I've got some questions.

1 CHAIR SPITLER: Mr. Thomas.

2 COMMISSIONER THOMAS: Specifically this
3 proposal, does the Coastal Commission permit this
4 activity?

5 ANDY ZILKE: As part of our coastal development
6 permit, which has been appended five additional times,
7 the issue of rentals isn't specifically addressed, but
8 it is a preexisting use.

9 COMMISSIONER THOMAS: But does that mean that
10 they operate under our Coastal Commission permit, the
11 State of California?

12 ANDY ZILKE: Part of the existing use for the
13 coastal permit would include that activity, although
14 they haven't specifically addressed it as being an
15 issue.

16 COMMISSIONER THOMAS: Is the permitting for all
17 of those minor cap improvements that we discussed last
18 meeting also under our Coastal Commission permit?

19 ANDY ZILKE: My understanding with regard to
20 capital outlay projects, they would be under the
21 purview of the -- San Luis Obispo under the local
22 coastal plans should those policies be appealed by the
23 Commission.

24 COMMISSIONER THOMAS: But the placement and
25 location of those facilities are regulated under the

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1 coastal lands independent of the State of California's
2 Department of Parks coastal permit?

3 ANDY ZILKE: The placement of the location for
4 rentals, are you referring to?

5 COMMISSIONER THOMAS: No, the facilities that
6 were in the minor cap proposal.

7 ANDY ZILKE: I do not understand your question.

8 COMMISSIONER THOMAS: In other words, if
9 somebody says I want to build a permanent bathroom
10 facility here in the middle of the sand dunes, is that
11 a decision that occurs under the state's coastal permit
12 or does that occur under somebody else's coastal
13 permit?

14 ANDY ZILKE: It could be with the Coastal
15 Commission; however, the rest rooms that you are
16 referring to are not permanent structures.

17 COMMISSIONER THOMAS: And so they're exempt from
18 the coastal act because they're not permanent
19 structures.

20 ANDY ZILKE: It would be looked at by the county
21 and the local community coastal plans should it be --
22 (Inaudible.) -- and again with appeal for the Division.

23 COMMISSIONER THOMAS: But the county acts as the
24 local survey -- for the local jurisdiction. It's not
25 to say that it's not part of the Coastal Act. It's not

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1 how the county administers.

2 COMMISSIONER WALDHEIM: Mr. Chairman, this is
3 not part of what we're discussing here.

4 COMMISSIONER THOMAS: Well, I'm trying to
5 understand the coastal permit and the extent and
6 control of this area so I can make an intelligent
7 decision about what the contractor -- what rules he
8 operates under.

9 So, for instance, you're saying that the coastal
10 permit does not apply, that the state holds the coastal
11 permit, and then the state allows the vendor to go
12 ahead and lease under your coastal permit; is that
13 correct?

14 ANDY ZILKE: That would be correct. The local
15 coastal permit basically was established for us to --
16 as a new project to install controlled -- (Inaudible.)
17 -- stations and place 22,000 linear feet of fencing.
18 Since that time, the permit has been amended five
19 additional times to incorporate additional regulations
20 and measures to manage recreation impacts on resources,
21 et cetera. So in terms of review of recreation and
22 impacts of recreation, that's certainly part of that
23 permit.

24 COMMISSIONER THOMAS: But is the specific act of
25 having a vendor and having that vendor lease vehicles

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1 on the beach, is that permitted specifically in any
2 coastal act permit?

3 COUNSEL LaFRANCHI: Commissioner Thomas, if I
4 may, the activity of riding an ATV is permitted under
5 the Department's and the Division's coastal development
6 permit for Oceano Dunes. So the -- all of the
7 operation, including rental concession activities that
8 go in that activity are permitted under that coastal
9 development permit, and it is in the name of State
10 Parks so that there would not be a separate coastal
11 development permit for these specific rental
12 activities.

13 COMMISSIONER THOMAS: Okay. I understand. And
14 what was this preexisting issue, is there some argument
15 that this is not subject to coastal land because it's
16 preexisting?

17 COUNSEL LaFRANCHI: I don't think -- under the
18 Coastal Act there is a motion -- there is one
19 exception, there are a couple of them. There are some
20 other exceptions, but among others, there is one
21 exception for preexisting activity. For example, if a
22 power plant has been in operation prior to 1973 -- I
23 don't know exact date, but somewhere around there --
24 prior to the date of the enactment of the Coastal Act,
25 that's a preexisting condition, and they don't need to

1 go get a preexisting condition exception --(Inaudible.)

2 -- apply here.

3 I think what Superintendent Zilke was referring
4 to is the rental activities are consistent or a part of
5 the ATV operations that have been there all along that
6 are operating under the program that the Department has
7 in place from the Coastal Commission.

8 COMMISSIONER THOMAS: And two more questions.
9 Is there a controversy between ourselves and the
10 Coastal Commission about how we act under our permit?

11 ANDY ZILKE: No, the permit is reviewed
12 annually, along with management measures that are
13 applied there, as well as recreational densities and
14 whatnot. We are within the capacity limits established
15 by that permit.

16 COMMISSIONER THOMAS: Okay. Very good. And
17 then, lastly, process question. This \$500,000 contract
18 in the five years I've been on this Commission, we've
19 never dealt with one of these. So I was wondering, do
20 we anticipate seeing more of these kinds of long-term
21 contracts or is this a unique event?

22 JIM LUSCUTOFF: Mr. Thomas, when we negotiated,
23 like I stated before, the ATV rental contracts at
24 Oceano Dunes, we had no idea what the gross receipts
25 were going to be. And we now have four of them that

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1 are approaching a million dollars. Any activity that
2 we have that exceeds \$500,000 in gross receipts or
3 capital improvements will be brought to the OHV
4 Commission for review of compatible use requirements
5 within the Public Resources Code. To answer your
6 question if we will be bringing more, I'm guessing that
7 we will because the \$500,000 limit remains static. I
8 don't have any projects identified right now that we
9 will be bringing forward, other than the two that we
10 have before you today.

11 COMMISSIONER THOMAS: I'm just curious, is the
12 reason that we hadn't seen these in the past, we
13 weren't paying attention to this or was it just that
14 there weren't receipts exceeding 500,000?

15 JIM LUSCUTOFF: I'm not sure of that answer,
16 Mr. Thomas, but I can assure you that we will be
17 bringing them in the future.

18 COUNSEL LaFRANCHI: If I might address that,
19 previously over the years the rental operations were
20 operated off-site, so you go downtown to the rental
21 site, and they would -- you set up your rental
22 agreement, and then you get your ATV, and you drive it
23 on. Over the years operationally, that proved to be
24 difficult. Superintendent Zilke may remember some of
25 this. I was involved -- the reason I know about this

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1 is I was involved in this program. So the idea was to
2 try to facilitate better operations. So these were
3 more consolidated. They were on -- they were managed
4 better along the lines, as Commissioner Anderson. And
5 as soon as you start talking about operating a business
6 on a state park, then you get into the concession
7 requirements. And that was kind of a brief summary of
8 the history of trying to bring it into better
9 management. And in that regard, we can then start
10 making some money, getting some rental concession fees
11 off of the operation.

12 COMMISSIONER THOMAS: Okay. And did staff
13 consider the application of our solar policy to these
14 concessionaires in developing this lease or maybe
15 perhaps in the future developing a lease proposal to
16 that solar and electric policy? Did that play in your
17 thinking? We have that policy that the Commission --

18 ANDY ZILKE: No, we haven't considered that, but
19 we certainly --

20 COMMISSIONER THOMAS: Could you, in this?

21 JIM LUSCUTOFF: Absolutely, Mr. Thomas. The
22 details for request of proposal will be drafted and
23 dealt with after we have your approval, and any
24 policies that the Commission thinks should be included
25 and incorporated within that document.

1 COMMISSIONER THOMAS: Well, it would be
2 wonderful to see us try to transition some of our
3 concessionaires into solar, electric and --(Inaudible.)
4 warming demands and all of the rest of the things that
5 we're supposed to be doing as good stewards. And I
6 always feel bad in dealing at the last minute with the
7 proposal when I say, gosh, I don't want to vote for it
8 because you didn't comply with the policy. And it's
9 great you're going to tell me, no problem, we're
10 trying. So thank you. I would second the motion.

11 ANDY ZILKE: I might mention real quickly,
12 several vendors are taking the initiative to utilize
13 solar power for their energy needs, cash registers and
14 so forth.

15 COMMISSIONER THOMAS: The idea is for us to
16 think about as a program and try to get -- (Inaudible.)
17 -- from State Parks into using solar as a standard.
18 And that way you begin to move forward -- (Inaudible.)
19 -- less impact, and I would second Commission
20 Anderson's motion to approve.

21 CHAIR SPITLER: Commissioner Anderson, could you
22 repeat the motion?

23 COMMISSIONER ANDERSON: I move to approve the --
24 what is it -- the Commission approves the contracts --
25 that the staff has given permission to put the contract

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1 document in, I guess is what I get to, right?

2 JIM LUSCUTOFF: What we're asking for is for you
3 to approve compatibility with the concession and the
4 general plan at both Carnegie and Oceano Dunes.

5 COMMISSIONER ANDERSON: Okay. That's fine.
6 Thank you.

7 CHAIR SPITLER: Discussion? Is there a public
8 comment on this item? Please step forward.

9 DON KLUSMAN: Don Klusman, California 4-Wheel
10 Drive Association. Mr. Thomas, I appreciate you being
11 concerned about the Coastal Commission and its
12 endeavors on Oceano. I've been involved in this
13 process for 15-plus years, and I think I've attended 14
14 years of coastal meetings, most of them on Oceano.
15 Please trust me in me saying that the Coastal
16 Commission, above any other agency in this state, knows
17 more what happens in Oceano than possibly us, the
18 users, do. We have personally taken the Coastal
19 Commission on a tour of Oceano seven times. I have
20 personally been involved with taking the chairman of
21 the Coastal Commission all the way out there, all the
22 way back to before Rusty Areias.

23 So when you ask the questions about the Coastal
24 Commission, do they know, do they -- absolutely. The
25 Coastal Commission is definitely -- any time we want to
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1 put up a sign, we have had to ask them and get their
2 permission, and that's part of the process. So the
3 State of California -- remember the permit is to the
4 State Parks, and the Division works within that system.
5 And every I is dotted and T is crossed. And the
6 Legislature has made sure of that also. I wanted to
7 bring that to your attention.

8 COMMISSIONER THOMAS: Thank you very much.

9 BRUCE BRAZIL: Bruce Brazil, California Enduro
10 Riders Association. I'm just wondering if it's
11 standard policy to have the concessionaire take and
12 build structures, and then at some later date -- I
13 believe this is, what, a ten year possibility -- that
14 they would have to abandon it after they have put their
15 money into the construction of the building?

16 And, secondly, the other half of the request
17 here is for the Carnegie concession, and I'm wondering
18 if this is approved, if skiffs out of Carnegie would
19 still be able to operate until such time as another
20 concessionaire was willing to go in there and invest in
21 a new building? And actually I'll go along with the
22 contract. Thank you.

23 CHAIR SPITLER: Thank you.

24 JOHN STEWART: John Stewart, California
25 Association of 4-Wheel Drive and United 4-Wheel Drive

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1 Associations. We support these proposals in that these
2 underscore the point that these are recreational
3 opportunities that need to be provided for the public.
4 We'd like to see them move forward as is. We realize
5 and understand that there has been a lot of study to
6 get them to this point, and this is now in final
7 formality stages. So your approval of these is
8 requested. Thank you.

9 CHAIR SPITLER: Thank you. Any other public
10 comments?

11 PETE CONATY: Pete Conaty representing the
12 Friends of Oceano Dunes, a group of supporters who work
13 with the State Parks and the Division to ensure that
14 Oceano Dunes is environmentally sensitive. I would
15 point out that we're celebrating at least 100 years of
16 automobile use at Oceano Dunes. First recorded use on
17 the beach was in 1905, so I think the use was kind of
18 preexisting. I would also point out that Oceano Dunes
19 gets more visitors per year than Hearst Castle nearby.
20 I would point out that it is the only low cost
21 recreational area not only for off-roaders but for
22 hikers, for people that want to go to the beach that
23 exist near the L.A. metropolitan area, and has a
24 significant population of low income and Hispanic
25 families that go and camp overnight. I would point out

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1 that Oceano Dunes, under the direction of the Division
2 and State Parks has been -- done a better job in
3 increasing the population of the snowy plover than
4 anywhere else on the entire California coastline. I
5 would point out that salmon haven't been seen in 50
6 years, regardless of what you may have heard, and I
7 would also point out at the last meeting you voted down
8 minor capital outlay projects for Oceano Dunes that
9 would have put it in compliance with federal and state
10 environmental laws. So I would urge you to approve
11 these contracts, and I would also urge you to approve
12 the minor capital outlays that you voted down at the
13 last Commission meeting. Thank you.

14 CHAIR SPITLER: Thank you. Any other public
15 comments?

16 DAVE PICKETT: Dave Pickett, District 36.
17 Please support the concessions, staff report as
18 submitted. Thank you.

19 CHAIR SPITLER: Thank you. Any other public
20 comments? Okay. We've got a motion to approve the
21 concessions and a second. Is there more discussion?
22 All those in favor?

23 (Commissioners simultaneously voted.)

24 CHAIR SPITLER: Opposed? Motion carries.

25 Item B is the program budget.

1 COMMISSIONER ANDERSON: Chairman Spitler, at
2 some point I have a motion that I want to make, and
3 that might be right now.

4 CHAIR SPITLER: Okay.

5 COMMISSIONER ANDERSON: Do you want it now?

6 CHAIR SPITLER: No. We will finish all of our
7 new business. Does it relate to this item?

8 COMMISSIONER ANDERSON: Not specifically, no.

9 CHAIR SPITLER: What does it relate to?

10 COMMISSIONER ANDERSON: It relates to something
11 that I wrote before Mr. Conaty came up, which was to
12 place on the agenda for either March 9th or 10th small
13 caps.

14 CHAIR SPITLER: Okay. I think we will get those
15 requests toward the end of the meeting, all requests
16 and input for all agenda items for the March meeting.

17 COMMISSIONER ANDERSON: Okay.

18 CHIEF JENKINS: For the budget presentation,
19 I've asked Manuel Lopez, he's the budget officer for
20 our department, to make that presentation.

21 MANUEL LOPEZ: Good afternoon, Mr. Chairman,
22 Commissioners. My name is Manuel Lopez. I'm the
23 budget officer for the California State Department of
24 Parks and Recreation. And I am here to basically
25 distill for you this budgetary document that's been

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1 left out in front for you and let you know what it
2 means for the OHV Trust Fund.

3 Basically this budget contains approximately a
4 proposed appropriation amount of about \$411 million,
5 and of that amount \$61 million of that is specific to
6 the OHV Trust Fund, representing about 15 percent of
7 the department's overall budget. This budget contains
8 approximately 16 other fund types.

9 Of that \$411 million, 340 of that million is
10 tied to state operations, which is basically the
11 overall support of the department; \$40.2 million of
12 that is specific to the OHV Trust Fund representing
13 about 11.8 percent of the state operations line item.
14 Our budget contains 45.4 million for local assistance
15 grants. Of that, 18 million is specific to the OHV
16 Trust Fund, or 39.6 percent. We've got 29.4 million
17 set aside for capital outlay. Of that, 2.667 million
18 is specific to OHV, and that contains basically seven
19 minor projects, as well as \$600,000 for statewide
20 opportunity acquisitions.

21 The next slide that you have is basically taking
22 a state operations line item and breaking that down for
23 you -- actually, the OHV Trust Fund amount, and showing
24 you the local assistance slice of 18 million, the
25 capital outlay slice of approximately 2.7, and the

1 state operations of 40.2. So that in effect is what is
2 currently being proposed for the '06/'07 fiscal year
3 budget by the Governor.

4 I understand there are some questions, basically
5 what the '05/'06 budget represents for the OHV Trust
6 Fund, and I'd like to break down for you the state
7 operations component of the budget. We have --

8 COMMISSIONER THOMAS: Just a second, you're
9 breaking down the state operations section of the
10 budget for the OHV Trust Fund?

11 MANUEL LOPEZ: Yes, for the current fiscal year.

12 COMMISSIONER THOMAS: Very good. Thank you.

13 MANUEL LOPEZ: We have funding set aside for
14 cultural development, basically .01 million set aside
15 for that.

16 COMMISSIONER THOMAS: And where is that in the
17 budget as you go down through the budget?

18 MANUEL LOPEZ: That is contained within the
19 state operations line item.

20 COMMISSIONER THOMAS: What number in the budget,
21 because we've got that number in front of us, so I can
22 tell what it is.

23 COMMISSIONER ANDERSON: Can we slow down?

24 COMMISSIONER THOMAS: I've got the actual budget
25 here, and there are line items.

1 COMMISSIONER WALDHEIM: All we have is this, and
2 that's to pay attention.

3 MANUEL LOPEZ: Actually, what you want to do is
4 go to the fourth page of the presentation.

5 COMMISSIONER ANDERSON: Fourth page, correct?

6 MANUEL LOPEZ: Fourth page, correct. And that's
7 basically the compensation of the state operations line
8 item tied to the OHV Trust Fund.

9 COMMISSIONER THOMAS: Is that historical
10 expenditures?

11 MANUEL LOPEZ: There will be an historical
12 expenditure presentation following what's in the
13 '05/'06 budget.

14 COMMISSIONER ANDERSON: So what's the total for
15 this page?

16 MANUEL LOPEZ: Total for that is -- for state
17 operations line item is, I believe, 36.58 million.

18 COMMISSIONER THOMAS: I thought it was 40
19 million?

20 MANUEL LOPEZ: That's for the '06/'07 fiscal
21 year. That's what's being proposed for next year.

22 COMMISSIONER THOMAS: Existing, yes.

23 MANUEL LOPEZ: You take that 25.4 million being
24 dedicated to the Division itself, that represents 69
25 percent of the overall state operations budget.

1 Cultural development, small amount, but it's direct
2 projects work within the specific OHV -- sorry, that's
3 that one percent. Acquisition and development work,
4 that covers both acquisition and development projects
5 as well as program delivery costs relevant to that.

6 COMMISSIONER THOMAS: Why is it not capital
7 outlay?

8 MANUEL LOPEZ: Because that is -- acquisition
9 and development projects are currently being funded
10 under support. Those are not considered capital outlay
11 type projects. It's a typical vagary within the
12 budget, but those are funded within the state
13 operations line item.

14 COMMISSIONER THOMAS: Well, what's the
15 difference? How come you have one funded through
16 capital outlay and --

17 MANUEL LOPEZ: It's considered mitigation and
18 remediation. And because of that, it's being funded in
19 the state operation line item. That was Division.
20 That was approved by the Department of Finance.

21 COMMISSIONER THOMAS: That's interesting,
22 flexible. Thanks.

23 MANUEL LOPEZ: We have approximately 3.3 million
24 being dedicated to non-SVRA units, and we've got
25 basically 6.8 million being dedicated to indirect

1 support. In the non-SVRAs, we've got 27,000 in direct
2 to the -- (Inaudible.) -- unit in the Northern Buttes
3 for OHV opportunities. We've got 300,000 being
4 dedicated to Mammoth Bar for OHV opportunities, and
5 we've got \$3 million being set aside for non-SVRA units
6 where OHV opportunity is provided.

7 There's been some talk in the audit in terms of
8 misuse of that \$3 million. And just to kind of give
9 you a little background on that historically, the way
10 this particular decision was implemented, it was a
11 focus on effective and efficient use of the resources.
12 On a macro level, when you look at the amount of
13 opportunity being provided and the cost of that
14 opportunity, it was in excess of \$3 million; however,
15 when you look at it at this micro level, the way the
16 funding was distributed, you get certain instances
17 where you see like an Angel Island receiving
18 approximately \$30,000 tied to an individual charging
19 their cost center.

20 And so basically what we've done is we've gone
21 through, and we've done a park unit by park unit
22 survey, in concert with OHV as well as park operations,
23 to identify the specific units where OHV opportunity is
24 provided, actually legal opportunity is being provided.
25 And then tied to that we're also funding the associated

1 maintenance and enforcement activities relative to that
2 opportunity; so that's what that \$3 million represents.

3 Also, there is basically within the Off-Highway
4 Motor Vehicle Recreation Division dedicated
5 approximately \$200,000 directly to com centers within
6 the overall state as a means to support that activity.
7 And also indirect support, there's been a lot of talk
8 in the audit report about the overhead costs,
9 administrative overhead costs tied to what's being
10 charged to the OHV. To let you know, the majority of
11 that money is going to fund, in effect support the
12 general fund, reimburse it for costs tied to their
13 central service agencies, such as Department of
14 Finance.

15 COMMISSIONER THOMAS: What's your overhead?

16 MANUEL LOPEZ: Actually, I don't have that
17 calculation in front of me, but I would say 19 percent
18 is the amount going to overhead in general, but we need
19 to be careful in terms of how we couch that because a
20 large portion of that 19 percent is tied to Department
21 of Finance amounts that are outside of the control of
22 the department. It's a dictated amount.

23 COMMISSIONER THOMAS: I understand it quite
24 well. We'd like to know what those overhead rates are,
25 indirect and direct, because I know you can't control

1 direct, but you can control indirect.

2 MANUEL LOPEZ: What I can break down for you is
3 the dollar amounts for that 6.8 million that I
4 referenced. Like I say, 4.2 million is for prorata,
5 which is, like I said, the statewide support for the
6 general fund activities. And again that's subject to
7 increase in the '06/'07 fiscal year to the tune of \$7.2
8 million, going up from 4.2 to 7.2.

9 It's a huge increase, and an issue addressed by
10 the auditors and outside the control the department.
11 \$700,000 of that 6.8 is tied to unemployment and
12 workers' comp costs; 1.8 million is for the indirect
13 support of the Division, basically admin costs for the
14 department's proportionate share of those admin costs.
15 We've got, for instance, the accounting costs,
16 personnel, contracts, information technology costs,
17 budget, those types of costs are in effect
18 proportionally distributed to the OHV based upon the
19 percent of OHV extended to the total budget.

20 COMMISSIONER THOMAS: How does that percent work
21 out?

22 MANUEL LOPEZ: I would have to calculate that
23 for you and get to that later, if I could, because I
24 don't have a number in front of me right now. And we
25 also have \$100,000 roughly set aside for basically the

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1 audit.

2 Moving on to the next page.

3 COMMISSIONER PRIZMICH: I have a question. You
4 said that the prorata costs are going to go up to 7.2
5 from 4.2?

6 MANUEL LOPEZ: Yes, that's the estimated cost.

7 COMMISSIONER PRIZMICH: How is that being dealt
8 with?

9 MANUEL LOPEZ: Basically, there is an
10 appropriation provided to us by the Department of
11 Finance commiserate with that amount, so in effect
12 that's a direct draw against the fund.

13 COMMISSIONER PRIZMICH: So it's coming out of
14 the OHV fund?

15 MANUEL LOPEZ: Coming out of the OHV fund,
16 correct.

17 COMMISSIONER PRIZMICH: So the prorata fund that
18 is now 4.2 is going to increase out of the OHV fund
19 itself up to 7.2?

20 MANUEL LOPEZ: That's the estimated. Again, in
21 the subsequent year what would happen if the costs
22 associated with the trust fund did not materialize,
23 then what they would do in a subsequent year is give an
24 adjustment for -- in effect, if we overestimated, the
25 amount of that cost would be credited back the

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1 following year. So that's the estimated costs coming
2 into the '06/'07 fiscal year.

3 COMMISSIONER PRIZMICH: Just for clarification,
4 the gas tax, is that entering into this budgeting
5 process at all?

6 MANUEL LOPEZ: No, sir, not at this point. You
7 mean the Fuel Tax Study?

8 COMMISSIONER PRIZMICH: Yes.

9 MANUEL LOPEZ: It is to a certain degree in
10 terms of one of the major capital outlay projects that
11 was being proposed, we need to in effect complete that
12 study to ensure that we have funding in place to have
13 the operational support for certain acquisitions, so it
14 is playing into the budget to a certain degree. But in
15 terms of the calculation of the numbers I've just
16 referred to, no, because what I'm dealing with here is
17 a current year budget.

18 COMMISSIONER THOMAS: It looks like six million
19 out of 25 million goes to indirect or prorata.

20 MANUEL LOPEZ: That's 19 percent right there in
21 total, lion's share of those resources are specific to
22 the prorata issue.

23 COMMISSIONER THOMAS: Actually, it's -- 20, 21,
24 22, okay.

25 MANUEL LOPEZ: Just to keep in mind that every

1 fund that is used to support the department, unless it
2 is statutorily prohibited, is subject to that prorata
3 cost. The problem is you folks take the lion's share
4 of that because you have not only a state operation,
5 local assistance, and capital outlay, whereas the
6 majority of the capital outlay funds within the
7 department, within the volunteer forces, and the bond
8 funds were excluded in their calculations because you
9 have such a larger share of capital outlay and local
10 assistance. Your share is proportionally higher than
11 the rest of the department.

12 CHAIR SPITLER: Any comments on how much of the
13 65 million in capital outlay budget in the '05/'06
14 budget was actually allocated or will be allocated?

15 MANUEL LOPEZ: Basically the process for
16 building the budget, if it's built in there, they have
17 to show what's being obligated or expended, that is,
18 what would generally be the cost associated with the
19 7.2 increase if those funds are not encumbered.

20 CHAIR SPITLER: I'm actually asking a different
21 question. This may be a question for Mr. Jenkins. How
22 much of that money will be encumbered, has been or will
23 be encumbered this fiscal year?

24 CHIEF JENKINS: I see what you're asking.
25 That's the Riverside money, for instance, and that's

1 the \$22 million for the three projects. Right now most
2 of those projects are kind of moving along, but don't
3 have any -- I don't see us being able to spend any of
4 that money in the very near future; whether or not we
5 can make some progress by the end of the fiscal year,
6 your guess is as good as mine. At this point we're
7 working toward finding solutions in all of those areas,
8 trying to find a way we can all come to a project that
9 works for everybody. But right now there's no
10 immediate possibility that's going to be spent.

11 CHAIR SPITLER: So this shows a \$18.5 million
12 surplus at the start of this fiscal year, and you'll
13 probably -- excuse me, at the start of the next fiscal
14 year, and you'll probably add some large portion of
15 that 65 million.

16 MANUEL LOPEZ: Yes, if it's not encumbered, yes,
17 it would be added to that, unless that particular item
18 was moved to the next fiscal year -- (Inaudible.)

19 COMMISSIONER THOMAS: Well, ask the question.
20 Is it encumbered or not?

21 MANUEL LOPEZ: At this point it is not
22 encumbered, sir. But within the -- (Inaudible.)

23 COMMISSIONER THOMAS: What act do we have to
24 direct to encumber it?

25 MANUEL LOPEZ: Actually, I believe you would

1 need to get approval from the Department of Finance in
2 order to proceed to acquisition.

3 And maybe you can speak to that.

4 COUNSEL LaFRANCHI: Actually, to encumber it, I
5 believe would require a contract, a purchase contract,
6 and that would require several steps, which is
7 Department of Finance approval, Public Works Board. So
8 the project, if it involves acquisition, would have to
9 go through a number of steps before you could get to
10 the point where you could actually have a binding
11 contract in place and encumber the funds. That's a
12 simplification.

13 COMMISSIONER THOMAS: But we could encumber it
14 by, for instance contracting with the surrogate A, B,
15 C -- you name it -- to acquire buffer lands around
16 Prairie City. In other words, we don't have to -- we
17 don't have to acquire the land itself. You can set up
18 a contract with someone else to acquire the land.

19 MANUEL LOPEZ: Can I speak to that? In order
20 for you to use the resources that have been set aside,
21 they're set aside for a specific purpose, for a
22 specific project.

23 COMMISSIONER THOMAS: These are within the
24 purpose of being set aside. The money is set aside for
25 Prairie City off-road areas. That's what I'm talking

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1 about. What I'm reacting to is what I'm fearing that
2 the staff is saying, well, I wasn't able to encumber
3 it; therefore, it goes back to the fund. And our
4 suspicion is you're not trying very hard because there
5 are opportunity purchases that are being passed by
6 daily in the Sacramento suburban areas. And if you
7 don't encumber these funds, we will never be able to
8 spend them for the Prairie City area. And if it
9 requires an act of working with a third party to
10 encumber, we should be doing that.

11 Now, we have -- the Commission has no control
12 over when the Division does that, but I'll be damned if
13 I'm going to be beat up by the public day in and day
14 out for not getting opportunity when we're sitting on
15 \$35 million that the Division is not going to spend.

16 So you guys out there working us every day on
17 this issue, \$35 million of money for Prairie City is
18 not being spent. That's the issue.

19 COMMISSIONER WALDHEIM: Mr. Chairman, I have in
20 follow-up to Mr. Thomas' comment, it's not \$35 million
21 for Prairie City, please.

22 COMMISSIONER THOMAS: Well, it's 68 for the two
23 projects.

24 COMMISSIONER WALDHEIM: We do need to definitely
25 encumber for whatever you were setting up for the

1 Riverside project, the Onyx Ranch or the Rutnick
2 property, which was a lot smaller than what was
3 originally intended. We're talking about 6500, 7,000
4 acres, and we definitely need to have money set aside
5 for the Bakersfield project which we entered into
6 negotiations to make that project pass.

7 So when you say, well, it's moving along, I
8 would definitely say, as Mr. Thomas stated, to make
9 things happen, they can happen. They either happen or
10 they throw it out. I'm not saying with Prairie City,
11 I'm not so familiar with that, but we definitely should
12 encumber those funds and make sure they're very, very
13 clearly outlined.

14 CHIEF JENKINS: What's going on with those right
15 now, for instance, in Riverside we have contracts with
16 some folks down there that are helping run the process
17 and talk to the county, and there's a team that's
18 working down there to continue to try to explore what
19 possibilities there are. We have a similar process in
20 Bakersfield working with the folks in Kern County and
21 the City of Bakersfield; have a contract with them,
22 looking at the possibilities of trying to proceed on
23 any work up there. So those monies came up, for
24 instance, the \$22 million, the -- (Inaudible.) --

25 (Simultaneously speaking.)

1 COMMISSIONER WALDHEIM: Well, they are
2 encumbered.

3 CHIEF JENKINS: They are set aside to be used.
4 Encumber implies when we're actually ready to go
5 purchase a piece of property and sign a piece of
6 contract and encumber it. That's what we mean by
7 encumber.

8 COMMISSIONER WALDHEIM: We have the money.

9 CHIEF JENKINS: We have the money. And then at
10 the end of the year, taking care to make sure that
11 money is reappropriated so it stays there until we can
12 get the contracts in place, make the good decisions and
13 be responsible with the use of that money. As it was
14 pointed out in the audit, we need to be careful how we
15 spend the money, make sure it's the best use of funds.
16 We're proceeding diligently, making sure that we have
17 good projects that are the best use of funds.

18 CHAIR SPITLER: Let me ask a clarification,
19 Mr. Jenkins. Did I just hear you say that you were
20 requesting that that 22 million -- that the 29 million
21 for Riverside and for the other three projects which is
22 going to be reappropriated in the next year's budget.

23 CHIEF JENKINS: As we go through this system,
24 they come out each year, and they're nearing the end of
25 their life. In other words, the money is appropriated,

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1 sitting there in account. After a certain amount of
2 time, I have to go back and check the dates but when
3 they were originally appropriated during the last time
4 we had to go through that process, that's the general
5 process. It doesn't come in, and then if you haven't
6 used it the next time -- (Inaudible.) -- in the fund.
7 So what we do is as it reaches that time line, as a
8 routine, if we're still interested in the project
9 collectively, then reappropriate those monies so that
10 they're still there available for use.

11 CHAIR SPITLER: But my understanding is at the
12 end of this fiscal year, meaning come June if those
13 funds haven't been spent by that point, they will
14 revert to the trust fund.

15 CHIEF JENKINS: They will be reappropriated, and
16 they will still be available the next year.

17 COMMISSIONER THOMAS: But they're not in the
18 Governor's budget.

19 CHIEF JENKINS: That's what I said. I need to
20 look at when -- it has to do with when they fall out.

21 CHAIR SPITLER: It was 2003, so this would be
22 the end of the third fiscal year.

23 CHIEF JENKINS: We could find out exactly what
24 the status of those are and get back to you. But right
25 now, as far as I'm aware, they are going through that

1 reappropriation process, or just went through it, and
2 they're going to roll over and be available. You may
3 see it.

4 DEPUTY DIRECTOR GREENE: At this point in time,
5 the deadline in terms of the reappropriation, our full
6 intention was that we appropriate those monies as I
7 indicated at the other meeting. So at this point, it
8 looks as though those would be indicated in the
9 May revised and not at this time.

10 CHAIR SPITLER: Thank you.

11 COMMISSIONER WALDHEIM: What about the
12 \$5 million that the Governor put into the budget for
13 Bakersfield? Is that besides or is that part of the
14 22 million?

15 DEPUTY DIRECTOR GREENE: I don't believe it's
16 \$5 million, Commissioner Waldheim. That would be part
17 of the \$22 million for the Bakersfield project, I think
18 that you're referencing.

19 CHAIR SPITLER: No, there was a separate five
20 million in last year's budget.

21 DEPUTY DIRECTOR GREENE: Not in this year's
22 budget, though.

23 COMMISSIONER WALDHEIM: Last year's.

24 COMMISSIONER THOMAS: What happened to it? Did
25 it revert?

1 COMMISSIONER WALDHEIM: What I'm trying to find
2 out is that when the Governor put that \$5 million in,
3 was that just part of the original 22 million or was
4 that an additional \$5 million so now we have
5 27 million?

6 CHAIR SPITLER: That was in the current year's
7 budget, the \$5 million was in the current year's budget
8 in addition to --

9 CHIEF JENKINS: Yeah, the \$5 million was in
10 addition to. It was in this last year's budget that
11 came out, so it will be there available for three
12 years. If we have not encumbered it by the end of that
13 three years --

14 COMMISSIONER WALDHEIM: We have 29 million for
15 Riverside. We've got the \$22 million that was
16 originally 49 million or 39 -- what was the original
17 million?

18 DEPUTY DIRECTOR GREENE: \$27 million originally
19 was the Riverside project.

20 COMMISSIONER WALDHEIM: Plus the 22 million.

21 DEPUTY DIRECTOR GREENE: \$22 million was a
22 separate.

23 COMMISSIONER WALDHEIM: Plus the \$5 million now.

24 COMMISSIONER THOMAS: What was separate, what
25 project?

1 CHAIR SPITLER: Can I ask you a question about
2 the grants budget. I've raised this in the past --

3 COMMISSIONER WALDHEIM: Mr. Chairman, can we
4 finish this one, please. Let me finish this one here
5 to make sure we're all on the same page.

6 CHAIR SPITLER: I thought we were done with it.

7 COMMISSIONER WALDHEIM: No, the Deputy Director
8 is just explaining the 27, 22 and the five when
9 Mr. Thomas' questioning, he wanted to make sure --

10 COMMISSIONER THOMAS: What is the 22? What's it
11 for?

12 DEPUTY DIRECTOR GREENE: I'm sorry?

13 CHAIR SPITLER: The \$22 million was for
14 acquisition of buffer lands for OHV projects in
15 Bakersfield, Prairie City, and Jawbone.

16 COMMISSIONER WALDHEIM: And Bakersfield.

17 COMMISSIONER THOMAS: That I think is the
18 confusion.

19 COMMISSIONER WALDHEIM: Thank you, Mr. Chairman.

20 CHAIR SPITLER: Can I move on?

21 COMMISSIONER WALDHEIM: Yes, be my guest.

22 CHAIR SPITLER: I'm curious about the grants.
23 As everyone in this room knows, our grants program is
24 severely impacted and has been for the last few years,
25 and I think it would be an immense help for the grants

1 program where there is some additional funds available.
2 So I'm curious as to the -- as to the budget surplus
3 that shows up in the budget for 2006/2007, the \$18
4 million that shows up -- appears to show up as surplus
5 at the start of this year and whether it might be
6 possible and whether the Division supports making some
7 of those funds available for additional grant funds in
8 this year's grant process.

9 COMMISSIONER WALDHEIM: Mr. Chairman, could you
10 tell us what page you're taking that from?

11 COMMISSIONER ANDERSON: We're trying to find out
12 where you are.

13 COMMISSIONER WALDHEIM: Where are you?

14 COMMISSIONER ANDERSON: We're trying to find out
15 which page you're on.

16 CHAIR SPITLER: I'll dig that up. Maybe if
17 staff could --

18 COMMISSIONER THOMAS: It's page Res A, resources
19 fund condition statement.

20 CHAIR SPITLER: Actually at the top of page nine
21 you'll see that first number on the top right, 18.5
22 million.

23 CHIEF JENKINS: Commissioners, I think the
24 misunderstanding is what you're looking at there is an
25 amount that remains in the trust fund. We've had, I

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1 know, numerous discussions about obligations from past
2 budgets that are coming through for restoration. The
3 bulk of that 18 million that you're talking about, a
4 large portion of it, that's those restoration dollars
5 that are sitting there waiting for restoration
6 projects.

7 CHAIR SPITLER: How much of that exactly is
8 restoration?

9 CHIEF JENKINS: I can tell you. Just a moment.

10 COMMISSIONER WALDHEIM: Okay. Mr. Chairman --

11 CHAIR SPITLER: Excuse me, Mr. Waldheim, we're
12 waiting for a response.

13 COMMISSIONER WALDHEIM: Sorry.

14 CHIEF JENKINS: So for the last year we have
15 complete numbers for which it looks like it would be
16 the end of -- it's one of those rolling numbers. At
17 the end of '03/'04, we still were holding \$8.1 million
18 for restoration. At the end of '04/'05 we were holding
19 \$10.4 million for restoration. And at the end of
20 '05/'06 we're going to have to see where the spending
21 goes through the rest of this year to see what that
22 turns out to be. It could be most likely, if we get
23 everything spent the way we're planning to, between
24 10 and 11 million dollars.

25 CHAIR SPITLER: Okay. So a portion of that

1 18 million, you know, maybe 10 or 11 or somewhere
2 around there is restoration, and a portion of it is
3 maybe C&E or non-C&E. I guess the question is:

4 Does the Division support allocating some of
5 those funds in this year's -- to this year's grant
6 cycle making more funds available for restoration and
7 trail maintenance and other enforcement and other
8 activities?

9 DEPUTY DIRECTOR GREENE: I'm sorry, Chairman
10 Spitler. I'm just confused by your question. Are you
11 suggesting that we take those -- the identified
12 obligation of the restoration monies and then make
13 those available for other areas for additional
14 expenditure and allocation by the Commission for the
15 grants program?

16 CHAIR SPITLER: No. I'm asking whether the
17 Division supports increasing this year's grant budget
18 by adding the funds for whatever the appropriate bucket
19 that the funds are in and adding those to this year's
20 grant budget.

21 DEPUTY DIRECTOR GREENE: At this point in time,
22 I don't think it would actually be a responsible move,
23 based in part of one of the issues that was raised this
24 year and I think one of the comments that we had as a
25 response to a proposed policy that was presented at the

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1 last meeting.

2 Given the staff that we have and the new program
3 and the staffing requirements that we have on the
4 ground in dealing with issues of site visits, the soil
5 standards, the WHIP, everything that we are responsible
6 for, I have a concern at this point in time that if we
7 increase that amount, that additional staff level will
8 not be able to be met, and that's a real concern to me.

9 MANUEL LOPEZ: And can I add on to that, Daphne.
10 In addition to the current year, there is no
11 opportunity to increase the amount that's appropriated
12 for local assistance at this point. The only thing I
13 would be able to do is maybe propose an augmentation to
14 the '06/'07 fiscal year.

15 CHAIR SPITLER: That's what I was referring to.
16 I was talking about the '06/'07 fiscal year.

17 COMMISSIONER THOMAS: The question needs to be
18 answered clearly. Would the Division support an
19 augmentation to the '06/'07 fiscal year?

20 DEPUTY DIRECTOR GREENE: As I said, I think at
21 this point in time it would be irresponsible of me to
22 go forward with that.

23 COMMISSIONER THOMAS: So that's no.

24 And can you tell us what is the budget amount
25 that you submitted to the Department of Finance for the

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1 grant fund line item for local assistance, the grants
2 program?

3 MANUEL LOPEZ: It's 18 million, sir.

4 COMMISSIONER THOMAS: So the Governor accepted
5 our suggested dollar amount?

6 MANUEL LOPEZ: Yes.

7 COMMISSIONER THOMAS: So we suggested a
8 reduction of \$965,000 in this fiscal year. The
9 Division --

10 MANUEL LOPEZ: Let me kind of go back and talk
11 about it.

12 COMMISSIONER THOMAS: You can answer the
13 question.

14 MANUEL LOPEZ: The process in terms of how the
15 local assistance number was arrived at and how.

16 COMMISSIONER THOMAS: The question was: Did we
17 propose a reduction of \$965,000 from last year?

18 MANUEL LOPEZ: We proposed \$18 million to be
19 appropriated.

20 COMMISSIONER THOMAS: And was that at a reduction
21 of \$965,000 for the prior year?

22 MANUEL LOPEZ: I'm sorry, I have to look and see
23 what we submitted for the proposed '05/'06 fiscal year.

24 COMMISSIONER THOMAS: Fair answer.

25 CHAIR SPITLER: If we can go ahead and do public

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1 comment. I don't think we can take any action. This
2 is more informational.

3 COMMISSIONER WALDHEIM: Mr. Chairman, before --

4 CHAIR SPITLER: If I can go ahead and get
5 through the public comments, then we can continue the
6 Commission discussion.

7 Okay. Are there any members of the public who
8 wish to comment on the budget?

9 DON KLUSMAN: Don Klusman, California 4-Wheel
10 Drive Association. I want to commend the Commission,
11 Division, and the gentleman with all the numbers. This
12 is the first time in a long time we've heard and can
13 understand, more or less, where the money is coming
14 from, where it's going. And, like I say, we appreciate
15 it. Thank you.

16 CHAIR SPITLER: Thank you.

17 COMMISSIONER THOMAS: Thanks.

18 JOHN STEWART: John Stewart, California
19 Association of 4-Wheel Drive Clubs and United 4-Wheel
20 Drive Association.

21 Past few Commission meetings, I've been asking
22 for an accounting of the funding, and thank you. I now
23 see, and this is some of the budget information that is
24 desperately needed to get out to make sure that the
25 people do understand. And thank you for providing the

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1 information.

2 CHAIR SPITLER: Thank you.

3 PETE CONATY: Pete Conaty this time representing
4 all of my clients, and we want to commend the Division
5 for their hard work on the budget, and we fully support
6 the Governor's budget.

7 CHAIR SPITLER: Thank you. Any other public
8 comments? Okay. Commissioner Waldheim.

9 COMMISSIONER WALDHEIM: When we created the OHV
10 program in the first place, we have a little portion in
11 it that says the capital outlay -- I mean the grants
12 and cooperative agreement could spend up to 50 percent
13 of the OHV fund. And for years we were keeping it
14 around the 50, 50, 50, for the SVRA and the operations,
15 and the rest went to local assistance because 80
16 percent of the off-highway vehicle opportunity in the
17 State of California occurs in the federal lands in the
18 local assistance program. That is where the activity
19 is taking place today. When you listen to all of the
20 testimony in here, that is where our crying need is for
21 help in the State of California.

22 And I find it kind of sad that out of a total
23 budget, we're now up to \$42.9 million for 20 percent of
24 the opportunity in the State of California. And if
25 we're going to increase our off-highway vehicle

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1 opportunity, there has to be something done to increase
2 that local assistance program. I appreciate
3 Ms. Greene's position, and the staffing, it's only
4 going to get worse as we add SVRA, as we add other
5 people. It's going to get worse. Something -- we've
6 got to figure out some way to increase that local
7 assistance program because we cannot continue to
8 operate just with \$18 million which is -- I mean the
9 percentage, we're going down and other than -- and
10 everything else is going up.

11 So at some point these folks out here that come
12 to us and complain that we're not getting law
13 enforcement when we are getting problems with areas;
14 we're not getting the additional opportunity, which our
15 regulation states that we are to enhance our
16 off-highway vehicle opportunity, we're just not getting
17 that. And so I'm trying to figure out how in the world
18 or what is the means or the process that we can get
19 that local assistance program going up. We have to do
20 that.

21 DEPUTY DIRECTOR GREENE: Commissioner Waldheim,
22 if I may respond to that. I think it would be, and I
23 look forward to the discussion, because I think -- I
24 know that you are passionate about the federal lands.
25 I believe that Commissioner Thomas has always been

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1 especially supportive of the State Park lands. I
2 understand that the Forest Service and the BLM provide
3 80 percent of the lands in the state. I also recognize
4 that the state funds are there to help supplement that
5 program. I also recognize that in our SVRAs this year,
6 we are over four million visitors. At Oceano Dunes
7 alone, we are over two million visitors. I think there
8 are a number of visitors within this state who enjoy
9 recreating at the State Vehicular Recreation Areas. In
10 particular as you look at the SVRAs, the management
11 that occurs at those particular parks is much more
12 intensive, and the recreationists go to those parks
13 because they know that they're going to have that
14 intense level of management. So I think that it is
15 important. I would agree with you that we have that
16 discussion and perhaps identify those priorities.

17 But as we look at other SVRAs coming on line and
18 the idea of having them -- whether it be Riverside or
19 Bakersfield, we have to recognize that State Parks are
20 going to be an operational unit and not just additional
21 funding.

22 CHAIR SPITLER: Okay. Commissioner Anderson.

23 COMMISSIONER ANDERSON: I'm referring again to
24 this same page you were just describing. Do you have
25 any kind of details on the 25.4 million that goes to

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1 the Division, what portion of that actually ends up in
2 the SVRAS budgets?

3 CHIEF JENKINS: That's one of those numbers, I
4 referenced that briefly at the last meeting, that in
5 the past the way that the Division has done the
6 accounting for the books, they kept a lot of the costs
7 centralized at the Division office. So it's very
8 difficult to go back into the accounting and try to
9 unwind what was spent to support any individual
10 specific unit.

11 We are putting into place a new computerized
12 tracking program this year where we are trying to
13 divide out those costs. And so we've been trying to
14 track the costs as we go through the year. We're
15 just --

16 COMMISSIONER ANDERSON: Is there any other kind
17 of breakdown that you might give us for where this
18 money is going? For example, staffing versus
19 operation, you know, maintenance -- what else, I don't
20 know, utilities, all of those kinds of things? Or are
21 those still all centralized and you can't -- I mean
22 surely within the budget you must have some category,
23 like this is going for utilities and fuel for vehicles,
24 and this is going to buying the vehicles, and this is
25 for staffing. You must have something in categories.

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1 CHIEF JENKINS: All of the expenditures are
2 captured and a code attached to all of the expenditures
3 about what it's for. In the past, it's been not quite
4 as specific as we would like about where exactly each
5 unit is so you have a breakdown of how much was spent
6 at Oceano Dunes operation versus snowmobiles. We can
7 take a look --

8 COMMISSIONER ANDERSON: The kind of information
9 that might be useful for us in an advisory and
10 supervisory role, if you like, is to know kind of what
11 some of the trends are, for example, within the
12 staffing for SVRAs, is it going up, is it going down,
13 is it staying about the same, you know, has one of the
14 units suddenly become more expensive to operate. So
15 that we get some sense of as you add SVRAs, obviously
16 this part of the budget grows, and the amount of money
17 available within the trust fund for local assistance
18 grants decreases. So that's a reality that we have to
19 deal with as we're moving forward with the development
20 of the SVRA.

21 CHIEF JENKINS: Right. And the biggest single
22 cost is going to be your staffing cost and staff
23 benefit overhead. Another way for us to increase those
24 costs is to do budget change proposals so those costs
25 have remained pretty flat over the years. There are a

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1 few budget change proposals that have gone through.
2 There was one several years ago -- a couple of years
3 ago for Riverside -- four or five years ago for
4 Riverside that added some positions to the Division at
5 large.

6 So other than that type of an action, where
7 there is an actual budget change proposal which then
8 sets a new baseline for what we have available to pay
9 for staffing costs and various operational costs on
10 recurring basis, it stays flat.

11 What I was trying to explain for this program,
12 that we are beginning to track this year's cost in the
13 fiscal year. And when we close the fiscal year, we
14 should be able to give you some pretty good numbers
15 that break down the cost by the individual districts.

16 COMMISSIONER ANDERSON: In line with Mr. Thomas'
17 question about is the requested budget line item for
18 local assistance grants requested this year, the
19 18 million recognized and agreed to by the Governor's
20 budget, is that a trend that, okay, last year it
21 appeared we'd have more than that, close to 19 million,
22 and this is only 18? Are we expecting reductions in
23 the future?

24 I'm most concerned about whether or not we have
25 a \$100,000 less year or \$900,000 less than I am in the

1 long-term impacts. Where are we going with the local
2 assistance grants? Are they going to continue to
3 shrink or is this a blip on the screen, and we are
4 going to be able to put more into local assistance in
5 the next fiscal year, you know.

6 CHIEF JENKINS: As far as the costs year to year
7 on the local assistance as a set aside, as I understand
8 it, and I went back and did look at the Governor's
9 budget from last year, similar to what we provided to
10 you for this meeting, and it showed 18 million provided
11 in the advance program last year, which was exactly
12 required last year, and I think the year before that
13 was seventeen. So I know that last year represented a
14 \$1 million increase. We've maintained that this year
15 in keeping that same million dollar increase, keeping
16 it level funded of what it was last year, 18 million.

17 COMMISSIONER ANDERSON: So how is the -- how is
18 the decision about out of the total that you're going
19 to request from the Governor for the program out of the
20 all of the monies that were in the trust fund, how do
21 you arrive at the decisions on the percentages that are
22 going to go to local assistance, capital outlay, and
23 state operations?

24 MANUEL LOPEZ: Basically local assistance is the
25 variable and the overall formula that we use the --

1 (Inaudible.) -- the budget. Basically the state
2 operations is the fixed cost and also what is being
3 proposed for capital outlay is -- (Inaudible.) --
4 considered a fixed cost, so you have the obligation.

5 The second thing we needed to look at is,
6 consistent with the audit report, are we maintaining
7 sufficient resources to meet the obligations relative
8 to restoration and the CESA dollars? Are we meeting
9 those obligations? And based upon that that formula
10 will in effect drive how much you have available for
11 local assistance.

12 What we did is because this year there has been
13 some concern relative to the Fuel Tax Study and what
14 that means to the overall fund, the desire there was to
15 basically continue on with what was submitted last
16 year, which is 18 million. I think the question was
17 posed, how much was submitted last year, and basically
18 it is a consistent amount.

19 The difference between what is shown in the
20 budget and what we actually proposed for '05/'06 is a
21 rollover of unencumbered balances from prior years that
22 in effect will equate to -- I think it's approximately
23 a \$983,000 differential between the 18 million -- the
24 1893 shown in the '05/'06 year, versus the 18 million
25 that is being shown in the '06/'07 year.

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1 COMMISSIONER ANDERSON: Thank you.

2 CHAIR SPITLER: Before you go next,
3 Commissioner Thomas, I just want to do an agenda check.
4 Once we get through this item, we have one more item,
5 and then we still have the public workshop portion of
6 today's meeting. So I'm hoping that we can wrap this
7 up in another five minutes or so -- or we will wrap it
8 up in five minutes or so, take a break for lunch, and
9 if we need to continue when we come back after lunch,
10 we can do that. But I just want to be cognizant of the
11 public input portion of this meeting that we don't sell
12 that too short.

13 COMMISSIONER THOMAS: How many -- (Inaudible) --
14 wise do we have in this fiscal year in the base budget?

15 MANUEL LOPEZ: To be honest with you, sir, I
16 don't have that information available to me at this
17 point, but it's something I could provide to you both,
18 basically tracking that going across the past few
19 years.

20 COMMISSIONER THOMAS: The data you gave us for
21 the budget only shows the entire department.

22 MANUEL LOPEZ: No, actually what it does, it
23 shows the dollar figure.

24 COMMISSIONER THOMAS: I'm talking about position
25 numbers. In the personal services line, it says

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1 there's -- in the department it's 3,221.6 PYs. How
2 many of those PYs work for the Division?

3 MANUEL LOPEZ: To be honest with you, sir, I do
4 not have that information available at this point.
5 It's something I could --

6 COMMISSIONER THOMAS: We want to know how many
7 bodies work for the Division, what's their salary, how
8 many positions vacant, have to be kept.

9 MANUEL LOPEZ: Basically salary savings amount
10 is budgeted at 5.4 percent of the actual cost of the
11 position of the -- (Inaudible).

12 COMMISSIONER THOMAS: And then that translates
13 into how many vacant positions?

14 MANUEL LOPEZ: I'll have to look at --

15 COMMISSIONER THOMAS: Come back to me.

16 MANUEL LOPEZ: Sure.

17 COMMISSIONER THOMAS: When the budget goes up
18 from 36 -- and this is the total proposed
19 appropriation, from 36.5 million to 40 million, it
20 looks to me like it's a 9.7 percent budget increase
21 from '05 to '06 -- (Inaudible).

22 MANUEL LOPEZ: You're absolutely right, none of
23 that increase is tied to -- (Inaudible).

24 COMMISSIONER THOMAS: I want to know that. I
25 want to be able to look at position -- (Inaudible) --

1 get it on the record, this is how many bodies you told
2 us to keep vacant so that when we're evaluating the
3 quality of the program, we can be assured that there
4 are sufficient bodies. I'm not going to try to add
5 programs with no bodies because that's irresponsible.
6 So I need to know those basic facts so that I can try
7 to be a responsible manager.

8 And then finally the -- no more questions. If
9 we could get those answers, that would be great.

10 MANUEL LOPEZ: Sure.

11 COMMISSIONER THOMAS: Lastly, just a general
12 statement, this Commission needs to consider
13 recommending to the Legislature that we increase the
14 line item for local assistance and call the Division on
15 its desire for more opportunity. If the Division wants
16 more opportunity, and we go to the Legislature and say
17 we need more opportunity, and the Legislature says, no,
18 they don't want to do it or the Legislature says yes
19 and the Governor says no, then we will know. But the
20 blame won't be back on this Division and this
21 Commission if we try to do more opportunity and the
22 system doesn't want it, so thank you.

23 And, Mr. Chairman, at some point you can
24 agendize that request at the next regularly scheduled
25 meeting, and I would request that we send a letter to

1 the legislative budget subcommittee asking them to
2 increase the \$18 million.

3 CHAIR SPITLER: Commissioner Prizmich.

4 COMMISSIONER PRIZMICH: No.

5 CHAIR SPITLER: Okay. We're going to wrap up
6 this item and break for lunch. Okay. We will take an
7 hour break. We will be back at two o'clock.

8 (Lunch break taken in proceedings.)

9 CHAIR SPITLER: Okay. We will reconvene. We
10 have one more item of new business, and then we will
11 get on to the public workshop portion of the meeting.

12 The last item of business is the program
13 regulations. Deputy Director Greene, do you want to
14 introduce where we are with the regulations?

15 DEPUTY DIRECTOR GREENE: Good afternoon, just in
16 terms of the process for these emergency regs and as we
17 go to permanent regs, as I mentioned earlier, we
18 certainly hope to be able to have a final reg package,
19 if possible, to share with both the policy committee,
20 the subcommittee, as well as our partners of the Forest
21 Service and BLM and perhaps our stakeholders.

22 Looking towards, as an update, to have that
23 package available towards the end of this week, it
24 really would be the end of this week, and then looking
25 towards trying to turn around and submit either on the

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1 14th, as Julie Hom had indicated, or perhaps we may
2 have to put that off by one week depending on the
3 variety of comments that we receive from the public and
4 from the Commissioners.

5 COMMISSIONER THOMAS: Will you be able to send
6 them to us in the next week, to the Commissioners
7 individually?

8 DEPUTY DIRECTOR GREENE: We can do that.

9 COMMISSIONER THOMAS: I'd like to see them.
10 Thank you.

11 CHAIR SPITLER: Discussion from the Commission?

12 COMMISSIONER WALDHEIM: Mr. Chairman, the
13 subcommittee has to meet and review these things, so
14 I'd like to just see what they sent us. And then the
15 subcommittee can make a recommendation to the
16 Commission, to the Chair.

17 CHAIR SPITLER: Do we have public comment on the
18 program regulations?

19 DAVID HUBBARD: Good afternoon, my name is David
20 Hubbard. I'm here representing Ecologic Partners, Inc.
21 I do have some comments regarding the proposed
22 regulations. When you look at these, and for the most
23 part they're fine, but what's missing is a separate
24 article addressing procedures for public review and
25 comment. One of the, I think, recurring problems with

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1 the way the program is administered is that the public
2 doesn't really have ample opportunity to receive the
3 recommendations that Division is making to the
4 Commission with regard to the grants and the manner in
5 which they're being scored. It doesn't have the time
6 to review those, digest them, and submit comments.

7 So what we would recommend is that the
8 regulations be amended to include a 30-day public
9 review and comment period that would follow Division
10 draft recommendations to the scoring decisions so that
11 the public would have a chance to in effect help shape
12 those decisions and alert the Commission as to the
13 grants that they feel are most deserving.

14 Tied to that, after the Commission makes its
15 determinations as to grants, there should be some sort
16 of appeal process for anyone who feels that the
17 Commission's decision is in error. This is similar to
18 what the Coastal Commission does. There is an appeal
19 process that they follow. It would be very simple to
20 have something like that here. And, again, this is
21 simply a method for allowing the public to be more
22 involved and for there to be greater accountability for
23 the program.

24 Also, there should be within the regulations a
25 requirement that the Commission adopt findings of fact

1 that explain to the public why and how they arrived at
2 the decisions made.

3 The other thing that is required in the view of
4 my clients is that whenever the Commission or Division
5 proposes grant policies, not grant decisions but grant
6 policies that will shape decisions in the future, that
7 those policies be given a minimum of three public
8 readings. Again, this is all with a view towards
9 increasing public participation.

10 And the last request that we would make is that
11 within the definitions section in the regulations, that
12 the definition of restoration be amended so that it is
13 in sync with the definition recommended by the audit.
14 If you'll recall in the audit, it was critical of the
15 manner in which the term "restoration" was being
16 interpreted, that it was too limiting. And we think
17 that the audit is correct in that the restoration
18 definition should be changed so that it better reflects
19 the definitions suggested in the audit. Thank you.

20 COMMISSIONER THOMAS: Thank you, sir. Who is
21 Ecologic Associates?

22 DAVID HUBBARD: Ecologic Partners, Inc. is a
23 nonprofit corporation that supports family recreation
24 and public access to public lands. We tend to be
25 involved in controversy involving land use in public

1 lands in California and the southwestern United States.

2 COMMISSIONER THOMAS: Are you based in
3 Sacramento?

4 DAVID HUBBARD: No, based in Southern
5 California.

6 COMMISSIONER THOMAS: And who are your clients?
7 You mentioned your clients. Who are those clients?

8 DAVID HUBBARD: My client is Ecologic.

9 COMMISSIONER THOMAS: And are you counsel?

10 DAVID HUBBARD: Yes.

11 COMMISSIONER THOMAS: Okay. Could you tell us
12 again who you are?

13 DAVID HUBBARD: My name is David Hubbard.

14 COMMISSIONER THOMAS: David Hubbard.

15 COMMISSIONER PRIZMICH: Mr. Hubbard, can I ask a
16 question if it's okay with the Chair. The first -- I'm
17 just going to move forward.

18 The first comment that you had regarding a
19 30-day public review and comment period prior to
20 the getting -- the information getting to the
21 Commission here, what form would that take? Is that
22 just a mailing; is that your vision of it, some form of
23 mailing? So that people would have the information and
24 then respond back to the Commission or the Division; is
25 that what you're thinking?

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1 DAVID HUBBARD: Right. It's very similar -- if
2 members of the Commission are familiar with the manner
3 in which the California Environmental Quality
4 Act operates. When the draft environmental impact
5 report is done and is ready for public review, there's
6 what's known as a notice of availability that goes out,
7 and it basically puts the world on notice that the
8 document is ready for public review, and how much time
9 you have, and who you need to contact with your
10 comments. And I'm envisioning something that is in
11 lockstep compliance with that kind of procedure. So
12 there is a template out there.

13 COMMISSIONER PRIZMICH: And on the other items
14 that you spoke to, the three or four items following
15 that, you're also saying there is a template, using
16 your words, that would kind of give us a guidepost?

17 DAVID HUBBARD: Yes. For example, the
18 California Coastal Commission, if they make a decision
19 that anyone disagrees with, there is a process that
20 they have for appealing that decision, and it's very
21 tight. You have to submit your request for appeal
22 within 10 days. You have to identify the issues to be
23 appealed. I believe there may even be a small fee to
24 have the appeal process. But if you look at the
25 regulations that append to the Coastal Act, they're

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1 very clear in the way it works. So again there a
2 template.

3 COMMISSIONER PRIZMICH: Okay. Thank you.

4 COMMISSIONER WALDHEIM: Mr. Hubbard, would you
5 be able to provide us the wording and so forth and give
6 us an idea where you technically think we should be
7 inserting these things into the document?

8 DAVID HUBBARD: That would be no problem at all.
9 Again, I think there is probably something that
10 requires an article because it's basically directed at
11 public participation, but I would be very happy to try
12 to provide some draft language that the Division could
13 then work with.

14 COMMISSIONER WALDHEIM: If you could do that and
15 provide it to staff so they can then provide it to us,
16 too.

17 DAVID HUBBARD: Okay. Be happy to do that.

18 COMMISSIONER THOMAS: Mr. Hubbard, are you
19 working off of some language? So when you said these
20 suggestions, I could figure out where you want it
21 inserted.

22 DAVID HUBBARD: Here's what I was thinking is
23 that Article 4, which is the last one, deals with the
24 application evaluation system, and that's where you
25 start talking about the --

1 COMMISSIONER THOMAS: Are you starting from the
2 emergency regs? I'm not sure what you're talking
3 about.

4 DAVID HUBBARD: Yes, these are the emergency
5 regs, I'm sorry.

6 COMMISSIONER THOMAS: Okay. I can understand
7 this.

8 DAVID HUBBARD: Okay, great.

9 COMMISSIONER THOMAS: Thank you.

10 CHAIR SPITLER: Okay. Other public comments on
11 the program regulations?

12 JOHN STEWART: John Stewart, California
13 Association of 4-Wheel Drive Clubs and United 4-Wheel
14 Drive Associations. Looking at these grants, there's
15 some grant regulations, these regulations, yes, there
16 are some things necessary to move forward. I would be
17 mindful as these do move forward that what is in these
18 regulations needs to dovetail with a strategic plan or
19 any recreation plan that is yet to be developed. In
20 other words, I would hate to see a vision and a
21 strategic plan or management plan for recreation turn
22 around and be constrained by the content of these
23 regulations because these regulations aren't in a
24 certain structure. It's almost as if you are putting
25 the cart before the horse. It's almost -- it might be

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1 better to let the emergency regs go through and keep
2 going, and then get a good valid recreation management
3 plan, and then create the permanent regs based on the
4 objective and the goals of the to-be-developed plan.
5 Thank you.

6 CHAIR SPITLER: Any other public comments on the
7 program regulations? Anyone else wishing to comment,
8 if you could step forward towards the microphone.

9 ELIZABETH NORTON: Elizabeth Norton with the
10 Lassen National Forest. I spent last night going over
11 information that I printed off from the website to be
12 better prepared for this meeting, and in particular I
13 took a look at the 2005 regulations that were posted on
14 the site, the November 2005 Commission policies, and
15 then also the December evaluation of scoring criteria.

16 And what seemed really apparent to me is that we
17 have independent parties working on these documents and
18 coming up with policies or scoring criteria on
19 application procedural guides for the regulations, and
20 the parties are not talking to each other. And as a
21 result, this information, these documents are not in
22 alignment with each other, and in some cases are in
23 direct conflict with each other.

24 And I have a question on who has the supremacy
25 here, the regulations which allow, for example, ten

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1 percent administrative cost or is it the Commission
2 policies that clearly state that direct and indirect
3 administrative costs will not be allowed.

4 As far as being an applicant in this program,
5 it's confusing. And my level of confusion is rising.
6 It's not helping when we keep making these changes and
7 then they're in conflict or not meshing very well. So
8 I would encourage all parties that when the regulations
9 come out later this month -- I don't know, it's hard
10 for me to evaluate them when we have these other
11 documents that preceded the regulations, and they are
12 not very consistent.

13 So somehow my plea to all of you would to be
14 have these three, four documents, the regulations, the
15 application procedural guide, the Commission's
16 policies, as well as the evaluation scoring criteria
17 link very closely. And I would certainly -- I know I
18 mentioned this before; I would certainly be willing to
19 help in that regard. Thank you.

20 CHAIR SPITLER: Thank you. Any other public
21 comments on the regulations?

22 JUDITH SPENCER: Judith Spencer, CORE. My
23 comments are -- I was sort of playing catch up about
24 the regulations as well, and my greatest concern is
25 about the evaluation criteria, and they clearly have

1 come from the regulations for one. I'm not sure how
2 they fit into each other, but it's -- I still think
3 that they need a lot of work.

4 And I have sort of what seems to be a simply
5 example, but uniqueness, this is an odd criterion for
6 several of the grants. But if that uniqueness could
7 become a bonus point sort of thing so if you happen not
8 to have something unique in your program but want to
9 continue something that you've finally refined, then
10 the bonus points could be there. But to have that --
11 it can be a deal killer. So I really hope that we can
12 look at the evaluation criteria because oftentimes it
13 seems like the main thrust of that particular kind of
14 grant is being missed. And either -- and I do agree
15 with the lady whose name I always forget, it should
16 feed into the regulations, as well. You do need the
17 continuity. But just to pull the criteria from the
18 regulations, they're too broad and don't fit very well.
19 Thank you.

20 CHAIR SPITLER: Thanks.

21 DON KLUSMAN: Don Klusman, California 4-Wheel
22 Drive Association. Hey, we've got a timer now.
23 Thanks, Mardi. One of the things that's confusing
24 here, we're talking about regulations here and none of
25 us have seen the proposed regulations. The comments

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1 you just heard of coming off of the emergency regs, and
2 I believe there's been some input given -- well, I know
3 there's been some input given in the OHV committee, and
4 I believe there was some input given at the Commission
5 at the last -- at the December meeting about what's
6 broke and what needs fixing and what can work. So it's
7 real hard to comment on those.

8 If the February 14th date, or the February 21st
9 date -- I think is the other date -- holds up that the
10 proposed final regs are going in. We'll have 45 days
11 at that point to comment on. I would urge everyone,
12 including the Commission, to read those as soon as
13 possible. I would like to see this put back on the
14 agenda for that March 9th, 10th meeting, whatever one
15 it is, so that we can all be on the same page. We can
16 say look at page 24 or whatever, that wording is wrong,
17 to give you guys some input as to where the public
18 comes from. Because we will be sending our input in so
19 that maybe everybody can get on the same page. Thank
20 you.

21 CHAIR SPITLER: Thank you. Other public
22 comments? Okay. Public comment period is closed. We
23 have a couple mop-up items to do, and then we will move
24 on to the public workshop portion of the meeting.

25 Deputy Director Greene, if you --

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1 COMMISSIONER THOMAS: I've got something on the
2 regulation issue.

3 CHAIR SPITLER: Excuse me. More discussion on
4 the regulations.

5 COMMISSIONER THOMAS: I want to do some
6 discussion. Don's point is well taken. We need to put
7 this on the agenda at the next meeting.

8 Secondly, we want our counsel to look at these
9 regulations, and we need to authorize him to do that.

10 So I would make a motion that the Commission
11 directs counsel to review, analyze, and prepare
12 comments for Commission review on the next scheduled
13 meeting, March 9th. Let's review, analyze heard
14 comments for Commission review on the regulatory
15 package scheduled for the February 14th release, and
16 then counsel will consider the Commission and -- duties
17 of the Commission in formulating its advice. So on the
18 agenda we will have some comment by counsel, and we can
19 discuss the matter further on suggestion. I moved it.

20 COMMISSIONER ANDERSON: I'll second it.

21 CHAIR SPITLER: Discussion? All those in favor?
22 (Commissioners simultaneously voted.)

23 CHAIR SPITLER: Opposed? Okay. Motion carries.
24 More discussions on the regulations?

25 COMMISSIONER THOMAS: Thank you. That's all I

1 have.

2 CHAIR SPITLER: Okay. That concludes our new
3 business.

4 Deputy Director Greene, do you want to
5 address --

6 COMMISSIONER ANDERSON: I have a motion, too.

7 CHAIR SPITLER: I understand.

8 DEPUTY DIRECTOR GREENE: Just for consideration,
9 as was moved and seconded this morning by Commissioner
10 Prizmich, to have that March 10th meeting to reconsider
11 some of those -- to reconsider those 46 grants deemed
12 to be in violation of the competitive process, I think
13 in speaking with legal counsel during the break, we may
14 want to consider trying to move that particular
15 meeting, if at all possible, up as soon as possible,
16 perhaps the 17th of February, because I believe that at
17 this point in time with the decision to come back and
18 rescore, it could be problematic to those contracts
19 which we're looking to execute, which were on the
20 Consent Calendar, as well as a number of other project
21 types that were deemed to be complete.

22 So to wait until the 10th, it simply puts out
23 the time line on which we can get all of the projects
24 which are valid executed and the money out on the
25 ground. So that is my concern that if the Commission

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1 would perhaps reconsider trying to -- I recognize it
2 could be problematic, but to try to move that to
3 perhaps February 17th, somewhere in that time period,
4 that that might be a possibility. Because at this
5 point in time, those 46 outstanding items could affect
6 the 91 which are already moved through for execution.

7 COMMISSIONER ANDERSON: I'm confused. How would
8 they affect that?

9 CHIEF JENKINS: If you, for instance, were to
10 rescore those 46 outstanding grants application and one
11 of those turned out to have a higher score than one of
12 the grants that's already been -- the contracts have
13 been sent out the door, haven't been signed and come
14 back, but the contracts have gone out, we could be in a
15 position where you had a lower scoring grant that had
16 already been funded. Then you rescore the 46, then you
17 have a higher scoring grant, and there is no money left
18 to fund it.

19 COMMISSIONER PRIZMICH: If I may, so what you're
20 saying is we may be compounding a problem that already
21 exists. Let me ask you -- that's the last thing I want
22 to do.

23 The 17th of February, does that comply, comport
24 with the lawful time frames with regard to getting
25 information out to the public and agendizing those;

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1 does that provide adequate time?

2 DEPUTY DIRECTOR GREENE: That does provide
3 adequate time. And I don't know, I'm just -- trying to
4 think through it here. We can certainly do something,
5 Commissioner Prizmich, within -- it's always a 10-day
6 notice and so.

7 COMMISSIONER PRIZMICH: You've got posting time.
8 You've got to get stuff out to people, so it's in
9 reality more than ten days.

10 DEPUTY DIRECTOR GREENE: Yes, exactly. So
11 that's why we were looking to identify perhaps the 16th
12 or 17th. And if the Commission wanted to, and again
13 apologies but we really looked at this during the lunch
14 time, wanted to move some of that other -- the other
15 items. I know that they identified the 9th and the
16 10th, perhaps to do the 16th and the 17th, it's just a
17 suggestion. But at a minimum, I think that the
18 rescoring of the grants, that needs to be done sooner
19 rather than later if that's the decision by the
20 Commission.

21 COMMISSIONER PRIZMICH: Well, my position is I
22 don't want to create more of a dilemma than we're
23 already facing with those 46. I want to have --
24 (Inaudible). So I would be facing the same problems,
25 so I'd like to --

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1 I'd like to make a motion that we consider this
2 on the 17th of February, if that's okay with the rest
3 of the Commissioners.

4 COMMISSIONER THOMAS: I can't do that date, and
5 you know, I'm not --

6 COMMISSIONER PRIZMICH: Is there a date you can?

7 COMMISSIONER THOMAS: Let me finish.

8 I'm not particularly sympathetic that
9 unilaterally the Division wiped out 46 grants, and then
10 we try to fix what we perceive is an irresponsible act
11 by restoring these grants and reconsidering them, and
12 then we're told, oh by the way, if you reconsider them,
13 you're going to screw up the effort I've made to go
14 ahead and jam you into a corner by producing 91
15 contracts at an accelerated rate. I don't buy it.
16 It's like -- it's not our problem that they pulled 46
17 grants. I didn't say anything this morning. I'm not
18 going to say anything more now. It's not the time to
19 do it.

20 COMMISSIONER PRIZMICH: I don't necessarily
21 agree with that position.

22 COMMISSIONER THOMAS: I know you don't. But to
23 ask us to accelerate, it's going to take more than
24 that.

25 COMMISSIONER PRIZMICH: Well, I'd like to make a
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1 motion that we consider these grants on the 17th of
2 February.

3 COMMISSIONER ANDERSON: I'll second that because
4 February actually works better for me, and I don't know
5 whether the 17th is a better date or the 18th or the
6 19th or the 20th, but February is actually easier for
7 me than March.

8 CHAIR SPITLER: I mean we've held -- thus far
9 not scheduled a meeting when Commissioners can't make
10 it. So we need to find a date that works for everyone
11 who is present today.

12 COMMISSIONER PRIZMICH: Well, I made a motion,
13 and I think I had a second.

14 CHAIR SPITLER: And we're discussing the motion
15 is the discussion. So we can do public comment. Is
16 there public comment on this motion?

17 JOHN STEWART: John Stewart, California 4-Wheel
18 Drive Association and United 4-Wheel Drive
19 Associations. I would agree that addressing these
20 grants at the soonest possible is a more prudent step;
21 in other words, we need to have a resolution to this
22 issue, to this problem and get money on the ground. We
23 have a recreation program. We have users that are
24 expecting something. I'd like to see resolution as
25 soon as possible. Thank you.

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1 KAREN SCHAMBACH: Karen Schambach, Center for
2 Sierra Nevada Conservation. I'm just a little bit
3 confused because I thought even at the initial
4 meeting -- and I didn't make the last grants meeting,
5 but my understanding is that the grants on Consent were
6 funded, so to speak, and then the competition for
7 funding was among those not in Consent? Anyway, I
8 guess I just don't see what difference it makes doing
9 it now if they're on Consent.

10 DAVE PICKETT: Dave Pickett, District 36. I
11 concur with Mr. Stewart. We need to give these funds
12 to these folks as soon as possible. Please accelerate
13 the time schedule.

14 COMMISSIONER PRIZMICH: How about we just fund
15 it as we originally voted? None of this would be
16 necessary, those contracts go out tomorrow.

17 DAVE PICKETT: Well, obviously there is some
18 kind of conflict between Division and Commission. So
19 you're the Commissioners, work with the program,
20 please, those folks need their funding.

21 CHAIR SPITLER: Okay. Are there other dates we
22 can propose that will be more -- make it so that
23 everyone can attend.

24 COMMISSIONER THOMAS: 3rd.

25 COMMISSIONER ANDERSON: 3rd of what, March?

1 COMMISSIONER THOMAS: I have a trial in that
2 period.

3 COMMISSIONER ANDERSON: Give me a month first.

4 COMMISSIONER PRIZMICH: Can I ask if people
5 can't make it on the 17th.

6 CHAIR SPITLER: You already have one
7 Commissioner that can't make it.

8 COMMISSIONER PRIZMICH: One commissioner that
9 can't make it.

10 CHAIR SPITLER: Well, at least one.

11 COMMISSIONER THOMAS: Can't do the 24th either.
12 The 10th is the first day that I can do it. I can go
13 the 8th, the 7th, or the 6th, actually, of March, any
14 time that week. So that entire week is open after the
15 6th. As a practical matter, if we are going to
16 rescore, that means all those grants have to be redone
17 anyway, so it's -- the notice can't go out until the
18 grants are redone anyway. If all of the grants have to
19 be rescored and contracts rewritten because of our
20 rescoring, that work has to be done anyway.

21 DEPUTY DIRECTOR GREENE: Commissioner Thomas,
22 just for clarification purposes, you're only looking at
23 the 46 project types where those project types, once
24 they are identified, a score based on the criteria,
25 then they will -- then you will have a list from that

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1 point based on the score in order, and then we will be
2 able to execute those project agreements. We have sent
3 those -- some of the project agreements out currently,
4 but we're waiting -- once it's returned to the
5 Division, we still have to sign them. So that's just
6 the reason we were saying if you could expedite the
7 process, that would be fine. If you can't, that's
8 understandable as well. But it would be beneficial
9 obviously to try to get the money out on the ground for
10 those that were approved.

11 COMMISSIONER THOMAS: Okay.

12 CHAIR SPITLER: We're just picking a date here.
13 We need to either settle on this date or not and move
14 on to the public workshop.

15 I'll just make some final comments before we
16 vote on this. I just think it's very important as a
17 Commission that we honor the input and commitment that
18 each Commissioner makes to this process. And in three
19 years as Chair, I've never once scheduled a meeting
20 intentionally when another Commissioner could not
21 attend, and I really don't think that's fair to do in
22 this instance. I think we set a date this morning, we
23 picked a date that worked for the entire Commission. I
24 really don't think that we should change it now,
25 knowing that at least one and maybe more Commissioners

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1 can't attend.

2 COMMISSIONER PRIZMICH: Well, if I may comment,
3 that's all true. And my whole point in making the
4 motion initially was to deal with those -- for whatever
5 reasons we arrive at this location here to deal with
6 those 46 people or 46 grants that weren't funded, to
7 deal with them in some form so that they can have an
8 idea of what, you know, they're going to be facing.

9 And with this new revelation, if that does
10 impact other grants, we're just falling further and
11 further into the hole, and I would just like to get
12 this thing dealt with. And with all due respect to
13 Mr. Thomas, there's no effort on my part to leave him
14 out of the process, but I think it's important for
15 those 46 and possibly others, that we deal with this as
16 soon as we can with no disrespect to Mr. Thomas, the
17 Commission, nor the Division.

18 CHAIR SPITLER: Mr. Thomas, any Saturday in
19 February that works?

20 COMMISSIONER THOMAS: Actually, I can do the
21 18th or the 25th.

22 COMMISSIONER PRIZMICH: Fine.

23 COMMISSIONER THOMAS: I just have a trial that
24 week.

25 CHAIR SPITLER: Are the Commissioners okay with

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1 the 18th?

2 DEPUTY DIRECTOR GREENE: The 18th is a three-day
3 holiday, so you know.

4 COMMISSIONER ANDERSON: Mr. Waldheim said no.

5 CHAIR SPITLER: The 25th?

6 COMMISSIONER ANDERSON: Which one, 25?

7 COMMISSIONER WALDHEIM: No; 24th, but not 25th.

8 CHAIR SPITLER: What's the 24th?

9 COMMISSIONER THOMAS: The 24th I have a trial
10 that day, 10:30.

11 COMMISSIONER WALDHEIM: 21, 27, 22.

12 COMMISSIONER THOMAS: I can do the 27, 28.

13 CHAIR SPITLER: How about the 27th?

14 COMMISSIONER WALDHEIM: It's a Monday.

15 COMMISSIONER ANDERSON: Okay.

16 CHAIR SPITLER: Will that work?

17 COMMISSIONER PRIZMICH: Fine with me.

18 CHAIR SPITLER: We have to do it procedurally.
19 Maybe withdraw the motion and restate it.

20 COMMISSIONER PRIZMICH: I would withdraw my
21 motion and change that date for the next Commission
22 meeting wherein we will be reviewing the 46 grants that
23 were not funded through the result of our actions,
24 change that date to the 27th of February.

25 COMMISSIONER ANDERSON: That's okay with me.

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1 CHAIR SPITLER: All those in favor?

2 (Commissioners simultaneously voted.)

3 CHAIR SPITLER: Opposed? Okay.

4 COMMISSIONER WALDHEIM: Mr. Chairman, is that
5 releasing the 9th and the 10th as a placeholder? What
6 are we doing with those?

7 CHAIR SPITLER: We will pick one of those days.
8 I'd probably just as soon keep the 10th, keep the
9 10th -- we will cancel the 9th and keep the 10th.

10 COMMISSIONER PRIZMICH: Thank you, Mr. Chair.

11 CHAIR SPITLER: Okay. Now, I guess the last
12 item is agenda topics for the 10th. It sounds like the
13 intent on the 27th is to focus solely on grants, so we
14 will talk about other issues on the 10th. We have
15 program regulations, capital outlay, the audit.

16 Are there other items that need to be on the
17 agenda for the 10th?

18 COMMISSIONER ANDERSON: For the 10th, I'd like
19 to move that we put back on the agenda the small CAP
20 items that were first set before us in December for
21 possible reconsideration, and I'd like the staff to
22 please give us additional background material on those
23 small CAP improvements. And I'd be happy to --
24 Mr. Waldheim and I would be happy to work with the
25 staff on making our subcommittee recommendations to the

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1 Commission whichever date you choose to put it on the
2 agenda.

3 CHAIR SPITLER: Okay. We will put that onto the
4 10th.

5 COMMISSIONER WALDHEIM: Mr. Chairman, I feel
6 that we should agendize it for the 27th in case we get
7 done with it, we can take care of it; agendize it for
8 both days.

9 CHAIR SPITLER: I think we really need to focus
10 the 27th on grants.

11 COMMISSIONER WALDHEIM: If you get through by
12 two o'clock.

13 COMMISSIONER THOMAS: Then we go home.

14 COMMISSIONER WALDHEIM: Okay.

15 CHAIR SPITLER: I'd like to hear a report on
16 where the Division is with buffer acquisitions
17 statewide. Any other items for the 10th?

18 COMMISSIONER THOMAS: Any of the prior motions
19 that refer to the 9th, is that my understanding we had
20 some other motions today?

21 CHAIR SPITLER: We'll assume those are being
22 handled on the 10th.

23 COMMISSIONER PRIZMICH: Can I ask one more
24 question. I don't know if Commissioner Anderson has
25 had an opportunity to review the minutes sufficiently

1 enough to --

2 COMMISSIONER ANDERSON: I have one of them done,
3 okay, and I'm prepared to move on the November minutes.
4 At least we can get those off the table.

5 CHAIR SPITLER: I'm still not prepared to move
6 on them. I would like more time to review them.

7 COMMISSIONER ANDERSON: The November minutes?

8 CHAIR SPITLER: All of them.

9 COMMISSIONER ANDERSON: The November meeting
10 that we didn't have?

11 CHAIR SPITLER: Yes.

12 COMMISSIONER ANDERSON: I found -- I did find
13 some, if you want a list of possible changes.

14 CHAIR SPITLER: Why don't we hold that since
15 we're not taking up this item now? We tabled this
16 item. Why don't you hold it -- I'm sorry, was this in
17 regards to the minutes?

18 COMMISSIONER ANDERSON: Yes.

19 CHAIR SPITLER: Why don't you wait until we take
20 up that item because we will take that up at an
21 upcoming meeting.

22 COMMISSIONER ANDERSON: What would you like me
23 to do with my corrections?

24 COMMISSIONER THOMAS: Forward them to the court
25 reporter. Do you want me to give them to the --

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