

**Parks/PDA Staff Work Session
Cama Beach State Park
May 2-3, 2012
Meeting Notes**

1. Primary contacts

- Washington State Parks
 - Larry Fairleigh, Assistant Director; 360-902-8642; larry.fairleigh@parks.wa.gov
- Fort Worden Lifelong Learning Center Public Development Authority
 - David Robison, Executive Director; 360-643-1770; drobison@fwpda.org
 - Emails to the Board of Directors at: board@fwpda.org

2. Ground rules for the meeting:

- Meeting attendees agreed that a mutually agreed upon set of notes would be published
- Parks directed by legislature and Commission to work collaboratively with PDA. Goal is to find a solution that works for both parties, the public and legislature.
- Both parties understand that process is under great scrutiny, transparency is important but during meeting parties need to get issues and needs on the table
- Parties may call “time out” to caucus as necessary

3. Presentation by Brian Trusty (PROS Consulting) on 2008 Management Plan

- PDA arranged for Brian to present PowerPoint from 2008 Fort Worden State Park Long Range Development Plan
- Copies of PowerPoint available on request from Srey Ryser @ srey.ryser@parks.wa.gov
- Brian - Nationwide, aspects of state parks are becoming the closest thing that government has to a pure retail business – serving consumers who have a choice in a competitive market
 - Partnership should be a realistic solution to immediate problem not a reaction to conceptual outcome
 - Best practices, agency labor costs shouldn't exceed 65% of total budget and 4-6% of total asset value (not including land value) to be reinvested annually in buildings, facilities and infrastructure

4. Presentation by Jeanine Livingston, Dave Pardy, and Terri McCullough

- Primary concern is that a fair and honest process that includes WFSE be held regardless of the outcome
- WFSE express support for 2008 Fort Worden Management Plan
- Lack of communication from State Park management to Ft. Worden employees.
- PDA should develop a list serve to notify the public about meetings and communications.

- WFSE feels that they've been excluded from communication since the PDA became involved in the Fort Worden process.
- WFSE wants more opportunity for public input at PDA meetings...three minutes at Commission meetings isn't enough.
- Fort Vancouver is an outstanding public/private partnership. WFSE subscribes to that model.
- Expressed concern about the brain storming list developed by the Ft. Worden partners.
- Shared that the Union is not out to make any transition fail, but we need to find areas of agreement as well as areas where we disagree
- Need to revisit 2008 Plan's program and services.

5. Discussion of needs of both parties:

State Parks Needs

- Transparent process
- Solution must work for a variety of stakeholders, including the Washington Federation of State Employees (WFSE)
- Time for adequate process related to the budget proviso, Commission action, and collective bargaining
- A solution that is acceptable to the "authorizing environment" and does not negatively impact the state park system as a whole
- Parks cannot get into an agreement that costs more money than we are currently spending at Fort Worden State Park
- Support and assistance to implement the lifelong learning center (LLLC) concept for the park
- Keep the identity of Fort Worden as a state park
- Revenue increase or cost reduction
- Assistance in the preservation of the natural, cultural and historic resources of the park
- To attract and recruit operational partners at the park that have maximum contributory value to the park and its long term success, either financial or otherwise (highest and best use of space consistent with the mission of the park)
- Assurance that the PDA has the financial capacity and staying power to take on the responsibilities ultimately approved by the Commission
- Viable business plan presented by the PDA
- Identify for all stakeholders all the existing conveyances, encumbrances, obstacles, etc. to the process
- Determine the viability and acceptability of historic preservation tax credits as a financing mechanism

PDA Needs

- Transparent process
- Develop relationship of trust among multiple stakeholders

- Delay/money is our enemy because we don't have the financial capacity to sustain a long process; must have commitment by December 31, 2012; April 1, 2013 implementation
- The Conservancy is serving the purpose of being the fundraising component of the PDA for purposes of plan implementation
- We must break-even or better financially to sustain operations and reinvest in capital facilities at the park
- Support and assistance to implement the lifelong learning center concept for the park
- Facilitate a stronger connection between the park and Port Townsend community
- To support the operational partners of the park to improve their business acumen, operational efficiencies, and business outcomes
- To efficiently attract and recruit new operational partners at the park
- Flexible management practices that allow for better efficiency, appropriate level of autonomy, and clear definition of roles and responsibilities of any potential PDA presence at the park
- Official standing at Fort Worden State Park that supports the ability to raise money through grants, donations, and public appropriations for operations and capital
- Viable business plan
- Determine the viability and acceptability of historic preservation tax credits as a financing mechanism

Challenges to the Process

- Potential lengthy process
- Poor communication
- Organized / organizing opposition
- Both parties, especially the PDA, establishing and maintaining a relationship of trust with the public
- Myth, rumor and innuendo

Challenges to the Status Quo

- State of Washington financial circumstances to support operations and capital needs at Fort Worden State Park
- Financial capacity of the PDA is dependent on a viable agreement with State Parks

6. Governance and Management Options Discussion

- This discussion was led as a review of the summary notes regarding multiple governance and management options as prepared by David Robison. Copies are available at www.fwpda.org.
- Both parties need to more clearly describe the meaning and intent of a "lifelong learning center" at Fort Worden.
- Both parties agree that investigation into the reality of bonding as a capital finance option by the PDA needs to be completed
- The leadership of the PDA has developed a greater respect for the position Parks is in and the efforts of Parks leadership to transform the agency into a more proactive standing in

light of the “new normal” of operating circumstances. There is acknowledgement that the larger and bolder options may not be the best course of action at this time. Rather, the PDA discussed a “nested” approach that builds momentum while addressing current issues at the park:

- The PDA could focus on the restoration of selected buildings
- As recommended in the 2008 plan, the PDA believes it is critical to attract and recruit a private partner to renovate buildings 298 and 225 for the development of improved accommodations that support the park’s operational efficiency and solvency, and works to achieve the vision of the LLLC
- The PDA’s business plan process would explore directing a portion of existing revenues at the park to be shared so the PDA could support enhanced marketing, partner recruitment, and adaptive reuse of facilities that supports the vision of the LLLC
- Parks needs any business plan developed by the PDA to clearly identify the portion of current revenues that are required/requested
- Parks also needs a clearly identified timeframe under which the success of any partnership with the PDA be evaluated
- The PDA suggested it may be helpful that a range of alternatives be fleshed out that would include:
 - Continuation of the status quo
 - The suggested hybrid approach
 - One of the more involved management options
- Parks points out that infrastructure and servicing facilities enables the vision of the LLLC, but the heart of the LLLC is in the programming and experiences of visitors that may be better provided by a partner such as the PDA.

7. Discussion of Next Steps

- Independent review is needed by both the PDA and Parks to evaluate future operational realities and possible scenarios
- PDA staff recommendations for public comment and Board consideration:
 - Develop a scope for a business and management plan that evaluates two options –
 - Option 1
 - Lease options of selected undeveloped/non-renovated facilities in a phased approach for the purposes of redevelopment that supports the LLLC vision and financially sustainable operations
 - Lease of key revenue generating facilities at Fort Worden for the purposes of developing a consistent hospitality management entity pursuant to the vision of the LLLC, and to create reliable revenues to support the development of PDA’s financial capacity
 - Management of selected services at Fort Worden that support the PDA as a facilitator of the LLLC vision and a hospitality manager that could include, but not be limited to
 - Food / concession services
 - Marketing
 - Programming
 - Reservations (?)

- Revenue and cost sharing to maintain no negative impact on the current level of state subsidy supporting the operations at Fort Worden
 - Development of new business opportunities at Fort Worden State Park that support the vision of the LLLC and creates additional revenue options
 - Option 2
 - PDA becomes a property and operations manager of the campus area of Fort Worden consistent with the vision of the LLLC
 - All aspects of Option 1 + transfer of all existing leases (management of existing leases and leaseholders)
 - Exploration of cost sharing possibilities related to maintenance of facilities and infrastructure
 - Compare / contrast the options evaluated in this business plan to the operational and management strategies outlined in the 2008 plan, including a summary of changed circumstances that may have resulted in some or all of the 2008 options as becoming obsolete
- State Parks:
 - Development of a white paper assessment by August 15, 2012, that evaluates the following:
 - Evaluate levels of service at Fort Worden State Parks, including operational projections based on available state budget data
 - Facility and infrastructure conditions and the projected ability (or inability) to address facility and infrastructure needs
 - Ability to comply with the direction of the Commission to pursue the LLLC vision at Fort Worden State Park
 - Inclusion of relative benchmark comparisons from other state park agencies

8. Milestone dates and opportunities for public and stakeholder comment

1. April-Mid-May..... staff discussions on various options, no decisions made, discussion designed to narrow the field of options so the Fort Worden Life Long Learning Center Public Development Authority (PDA) can focus its efforts on developing a “business and governance plan”
2. *May 15, 2012.....informational meeting with Fort Worden State Park staff and WSFE representatives
3. May 24, 2012Report agenda item to the Commission at its meeting in Yakima including an opportunity for stakeholder and public testimony. Report will include a plan for stakeholder and public input and involvement as conducted by State Parks
4. *June 7-8, 2012.....PDA completed selection of business plan consultant and conduct initial project meetings to start the business and governance plan process; public forum

5. June- August.....PDA develops proposed business and governance plan
6. August 9, 2012.....Report agenda item to the Commission at its meeting in Wenatchee including opportunity for stakeholder and public testimony.
7. *August 23, 2012.....preliminary recommendations and draft business and governance plan to be reviewed by PDA, with a presentation and discussion with PARKS
8. September 1, 2012.....proposed business and governance plan due to OFM and to a mutually agreed upon third party for review
9. September 6, 2012.....Report agenda item to the Commission at its meeting in Olympia including opportunity for stakeholder and public testimony
10. *September 20, 2012.....coordination meeting with PDA and PARKS; public forum to review recommendations and draft plan
11. October 1, 2012.....Proposed business and governance plan due to the Commission
12. October 25, 2012.....Report agenda item to the Commission at its meeting in Vancouver including opportunity for stakeholder and public testimony
13. December 6, 2012.....Requested Action agenda item to the Commission regarding a proposed business and governance plan for Fort Worden State Park with an opportunity for stakeholder and public testimony

*indicates tentative dates

Note: Regular PDA Board of Directors meetings are conducted on the first Wednesday of each month at 8:30 am. Meeting locations are posted at www.fwpda.org. Public comments are welcome at each meeting.

9. Regular communication expectations

- Parks management will work to provide regular and consistent information available to Fort Worden State Park staff regarding the process, progress updates, achievement of milestones, and to address concerns and considerations relative to this project.
- PDA leadership will provide project updates at www.fwpda.org, and schedule community presentations as project milestones develop.
- Regular coordination meetings between Parks management and PDA leadership will be conducted.