

STATE OF CALIFORNIA
 OFF-HIGHWAY MOTOR VEHICLE RECREATION COMMISSION
 MEETING MINUTES SYNOPSIS - UNAPPROVED

March 14, 2011

DoubleTree Hotel

Salon C

2001 Point West Way

Sacramento, CA 95815

IN ATTENDANCE:

OHMVR COMMISSIONERS:

Gary Willard, Chair	Eric Lueder, Vice Chair
Brad Franklin	Breene Kerr
Diana Perez	Kane Silverberg
Paul Slavik	Stan Van Velsor

CALIFORNIA STATE PARKS OHMVR STAFF:

Daphne Greene, Deputy Director, OHMVR Division
 Phil Jenkins, Chief, OHMVR Division
 Tim La Franchi, Legal Counsel, OHMVR Division
 Bill Herms, Deputy Director, Legislation

Department of Parks and Recreation

OTHER OHMVR STAFF AND REGISTERED VISITORS

1 **AGENDA ITEM I - CALL TO ORDER**

2 Chair Willard called the meeting to order at 9:34 a.m.

3 **AGENDA ITEM I(A) - PLEDGE OF ALLEGIANCE**

4 Commissioner Lueder led the meeting attendees in the
5 Pledge of Allegiance.

6 **AGENDA ITEM I(B) - ROLL CALL**

7 Six Commission Members were present at time of
8 roll call.

9 **AGENDA ITEM II - APPROVAL OF AGENDA**

10 CHAIR WILLARD: Motion to approve today's
11 agenda.

12 COMMISSIONER LUEDER: Motion to approve today's
13 agenda dated March 14, 2011.

14 COMMISSIONER SILVERBERG: Second.

15 CHAIR WILLARD: All those in favor?

16 (Commissioners simultaneously voted.)

17 CHAIR WILLARD: Motion approved.

18 I'd like to welcome two new Commissioners. It's
19 been quite awhile since we've had some vacancies
20 filled, and I'm very glad to report that we have two
21 new Commissioners, Diane Perez and Breen Kerr.

22 Commissioner Perez, why don't you tell us a
23 little bit about yourself, your background.

24 COMMISSIONER PEREZ: Thank you. I'm certainly
25 pleased to be here. I live in Santa Maria. I have a

1 terrific husband and three great kids. I've worked in
2 the field of education for the last 20 years as a
3 counselor and also as an administrator most recently.
4 And I'm honored to be part of this Commission. I'm
5 looking forward to learning some new things. I'm an
6 ATV instructor. My kids love motorized vehicles, and
7 certainly we are a family that enjoys this type of
8 activity. And I'm looking forward to representing the
9 thousands of families that enjoy OHV recreation. And I
10 want to thank you for allowing me to represent you and
11 being part of this Commission. Thank you.

12 COMMISSIONER KERR: Thanks, everybody, for
13 welcoming us this morning and glad to see everyone is
14 here for this special meeting. My background is I'm
15 actually an energy project director at a large
16 commercial contractor. My interests include
17 sustainable building practices, solar energy and other
18 environmental causes; however, I'm also a lifelong
19 motorcyclist, and I have been to most of the OHV riding
20 areas in the state primarily with my son, Caylen. And
21 he and I have participated in off-road vehicle
22 activities for the last 15 years. I also have a
23 background in public service, two-time mayor of the
24 Town of Los Altos Hills and served on a number of
25 regional agencies in the Bay Area. So I look forward

1 to working with my fellow Commissioners and serving the
2 needs of the OHV community.

3 **AGENDA ITEM III (A) - BUSINESS ITEM**

4 CHAIR WILLARD: So the purpose of this meeting
5 is to discuss the very recent budget conference
6 committee's recommendation, the \$10 million be
7 transferred from the OHV Trust Fund to the State of
8 California General Fund. So we're going to have staff
9 reports, and the Commission will be able to have Q and
10 A with staff. Most importantly, we want to hear from
11 the public. So we hope that you will be able to come
12 up and give us your thoughts on this situation. And in
13 order to do that, you need to fill out one of these
14 forms, and you can find them over here. Vicki has them
15 at this desk over here, and you get two minutes if
16 you're an individual, four minutes if you represent an
17 organization.

18 Before we get started, I think I want to make
19 some comments. I've been reviewing the very, very
20 thorough documentation the staff report has for us in
21 the binders. The State of California is in a very
22 difficult period right now, and it seems to get worse
23 every year. This one is really a challenge, and the
24 state is faced with making a lot of very difficult
25 decisions, some of which I'm sure will lead to very

1 draconian measures. And there's going to be cuts in
2 services, and I think all parts of state government
3 need to play a role in providing a solution to this
4 important crises.

5 That said, the State of California OHV program
6 has been contributing to this crisis, the last few
7 years to a very huge degree. And I think we'll get
8 into that a little bit more, but I think it's important
9 for us to keep that in mind that while we have a
10 crises, everyone needs to participate. You need to do
11 that in a manner that's equitable, reasonable and also
12 doesn't cause long-term harm and damage to a program
13 that's taken 40 years to create.

14 Obviously, I've got a lot more to say on this.
15 Right now, I'll turn it over to staff to give us a
16 report.

17 DEPUTY DIR. GREENE: Good morning,
18 Commissioners, members of the public. In particular,
19 welcome to the two new commissioners. We are delighted
20 to have you on board.

21 Obviously, I want to just thank members of the
22 public. I'm Daphne Greene, Deputy Director,
23 Off-Highway Vehicle Recreation Division. I would like
24 to thank everybody. When we received this request from
25 the Commission, we had a very short time frame in which

1 to prepare. I recognize that everybody has
2 commitments, and so to make time on a Monday morning to
3 be here, we appreciate.

4 I would just like to take a moment to introduce
5 to my left Deputy Director Bill Herms, who's the Deputy
6 Director for Legislation for the Department of Parks
7 and Recreation; Tim LaFranchi on my far left, legal
8 counsel, for the OHV Division; and to my right, the
9 Chief of the Division, Phil Jenkins. So at this time,
10 I'm going to turn it over to Phil, he'll walk through
11 some of the issues that we highlighted in the staff
12 report, provide some clarification throughout the day,
13 and then turn it back over to the Commission.

14 CHIEF JENKINS: Thank you. I'm going to try to
15 go through fairly briefly and summarize what's in the
16 staff report, just to get us all up to speed with how
17 we got to where we are today. There were a series of
18 meetings that were held about the budget, and at
19 various times, depending on which day you were
20 watching, paying attention or looking on the web, we
21 were looking at loaning or having taken out of our
22 budget anywhere from \$4 million to \$27 million.
23 Naturally, that leads to quite a bit of confusion about
24 how and why.

25 Very briefly, and for those of you that just

1 want to torture yourselves you can look under tab five,
2 there is the process of how the budget is created. The
3 first one here under tab five is the process from 1998.
4 I should point out the process, the flow of events is
5 correct there. But since that's an older version of
6 that, it doesn't have a few things updated. For
7 instance, it says that it takes a two-thirds vote still
8 to approve the budget. That's no longer the case, but
9 they didn't have anything more recent than that up on
10 the website.

11 Essentially, though, what happened as we got
12 towards in our budget, the first process, as the state
13 is developing the budget, the Governor puts out his
14 proposed budget on January 10th. The budget that was
15 proposed by the Governor, by the administration, on
16 January 10th funded the OHV program essentially at the
17 levels that we had been funded out at in the past.
18 There is a flowchart further back in the packet that
19 shows where our budget would be for this coming year.
20 Actually, that's under tab three, and we can go over
21 that in more detail later.

22 But we were funded at similar levels to last
23 year for both operations, which is the operations of
24 the SVRAs, and then that overhead costs for running the
25 program, as well as for grants. And then in addition

1 there were some special projects in there that we had
2 been approved to do.

3 That budget then goes over to the Legislature
4 and begins going through the Senate and Assembly. The
5 Senate, when they considered the OHV budget, they
6 approved the Governor's budget as it stood for the
7 OHMVR program, so that was one positive step there that
8 they had concurred that that budget was appropriate.

9 On the Assembly side, the Governor's proposed
10 budget was first reviewed by Assembly Subcommittee 3.
11 When the Assembly Subcommittee looked at it, there were
12 several questions that came up. On February 7th, there
13 was a hearing of the Subcommittee, and at that hearing
14 they discussed two items related to the State Parks
15 budget. One was they discussed the \$11 million cut
16 that's being done to department as a whole, \$11 million
17 cut in the General Fund support portion of their
18 operations budget.

19 And then they also discussed the OHMVR program
20 budget. When they got to the OHMVR program budget,
21 there was discussion at that meeting at that time about
22 whether or not monies from the OHMVR program could be
23 directed over to the department, which they just
24 discussed was losing \$11 million of General Fund
25 support, whether or not some OHV Trust Funds could be

1 directed toward the department to offset the cost of
2 enforcing OHV trespass -- or preventing, I should say,
3 OHV trespass into parks that would be closed as a
4 result of the \$11 million loss in funding. At that
5 time Park Director Coleman was at that meeting and
6 discussed with them the possibility that might not be
7 an appropriate use of funds. So that item was left
8 open, and they carried it forward.

9 They met again on February 9th. If you look at
10 the notes it will say February 9th, but it was a
11 two-day meeting, so actually when they discussed our
12 item it was on the 10th, so don't let that confuse you.
13 At that meeting they began to discuss the item again.

14 I skipped a step. One step that led up to the
15 next meeting was the Governor announced that they were
16 going to be not selling property back as they had
17 previously intended, which left a hole in the budget.
18 And as a result of that lack of money coming in from
19 the sale, they were going to be sweeping money out of
20 reserves of various funds. As it turns out, the plans
21 were announced at the following budget meeting that
22 they planned on taking \$21 million from the OHV Trust
23 Fund Reserve, which the Governor's budget was projected
24 to be \$25.8 million. So they were going to take a bulk
25 of the money from the reserve as a loan to assist with

1 closing some of the budget gaps this year.

2 Then on February 10th, the Subcommittee met
3 again. And at that time they looked at specifically
4 \$5 million was proposed as an ongoing take from the
5 OHV program. So that would be every year, \$5 million
6 would go from the program to State Parks to assist with
7 these closures, enforcing these closures. The item was
8 discussed. Chief Deputy Director Michael Harris was
9 there at that meeting, and he testified that the
10 department did not, in fact, support that, that there
11 was perhaps not a need for that, there wasn't a
12 demonstrated need, and we didn't support that.

13 The option was held open, and then carried
14 forward into a subsequent meeting. They met again.
15 The full committee then took that recommendation that
16 was held open, and the full Assembly Budget Committee
17 met on February 18th. At that time when it was
18 introduced, what had left the Subcommittee as a
19 \$5 million recommendation -- and they also had
20 discussed possibly \$10 million at that time. It was a
21 lot of discussion in that Subcommittee without a really
22 firm resolution at the end. But they came into the
23 February 18th meeting with a recommendation for
24 \$27 million. And so somewhere between the close of the
25 February 10th meeting and the opening of the

1 February 18th meeting, they decided that it was
2 appropriate to take \$27 million.

3 In their literature that was handed out that
4 day, it turned out that that was actually an error in
5 calculation. They had intended to look at taking
6 20 percent of our operating budget, which they said
7 would be proportional to the cut that was being
8 contemplated for State Parks. And somebody
9 miscalculated essentially. Nevertheless, they had the
10 \$27 million number, and that's the number they
11 discussed at that meeting. The item once again was
12 held open for further discussion.

13 Finally, then the budget went to the Conference
14 Committee. The Conference Committee is the group that
15 meets when there is a difference between what happens
16 with the Assembly's version of the budget and the
17 Senate's version of the budget. So anything that
18 there's not agreement on goes to Conference Committee,
19 and they try to sort it out.

20 So the Conference Committee met, looked at the
21 \$27 million recommendation of cut from the program, and
22 in their agenda that day was the note that this had
23 been miscalculated, that they intended to do only
24 20 percent, not the \$27 million which was actually
25 40 percent of our program operation budget. At the end

1 of the day when that meeting closed, the final
2 recommendation the final vote was for \$10 million to
3 come out. At that time they were saying \$4 million to
4 be transferred to State Parks to once again assist with
5 these closures and then \$6 million to the General Fund.
6 Once again at the end of the day, they left it open for
7 consideration.

8 And then finally, at the end of a long story, on
9 March 4th they met. Our item came up very briefly, and
10 they decided there and voted finally to take
11 \$10 million, and they didn't say whether it was going
12 to go forever. It just said to take \$10 million,
13 \$5 million from the operations' portion of the OHMVR
14 program and \$5 million from the grants portion of the
15 OHMVR grants program, that they would take that money,
16 and it would all be directed to the General Fund. None
17 of that was to be directed to State Parks. That's the
18 conclusion of the Budget Committee's works.

19 I don't know if you have any questions at this
20 point. I've been talking a long time.

21 DEPUTY DIR. GREENE: If I may, just for
22 clarification purposes, on the staff report under the
23 February 18th meeting, it identified that
24 Subcommittee 3 had voted in favor of the \$5 million
25 cut. I just want to make it clear at that February

1 10th meeting, they actually voted to continue the item
2 for discussion. So my apologies for any confusion
3 related to that item.

4 I would also like to clarify the comments made
5 by Michael Harris, Acting Chief Deputy, at the
6 February 10th meeting. He identified that there was
7 seemingly a lack of evidence to support the idea that
8 closing parks would lead to a spike in unauthorized OHV
9 use. He also expressed some concerns that the
10 department had as a whole about the legality of the use
11 of those monies, and then he also indicated that
12 without looking at the trailer bill language -- and
13 perhaps Bill Herms might be able to clarify some of
14 this. But without the trailer bill language, it was
15 difficult to make a determination about whether or not
16 that was something that Parks would be able to support.
17 And then, finally, obviously, because it was not in the
18 Governor's budget he could not support it.

19 Chair Willard, do you have any questions, or
20 would you like to keep going through some of the items.

21 CHAIR WILLARD: Maybe if we could have some
22 questions that are relevant to the part of the report
23 you just covered, the Budget Conference report and this
24 Assembly Committee meeting. Because I have some
25 questions on those, so maybe we can get into that.

1 I was reading that Section 13, page 18, I
2 believe it's the March 3rd conference report, it makes
3 the statement that this reduction is proportional to
4 the cut being made to vehicle parks -- to non-vehicle
5 parks. So, in other words, the \$10 million cut to the
6 OHV program it's saying is proportional to the
7 \$11 million cut that the Park and Rec Department is
8 facing.

9 And I just can't seem to get that math to work.
10 I believe that the OHV Trust Fund budget amount is
11 approximately \$67 million, and \$10 million is about
12 14.9 percent. That's the math I get on that.

13 And then if you look at the State Parks, and you
14 have to kind of get into their budget and sort of do
15 some internal math on that, because I think that there
16 is a line item -- again, you would have to go to
17 Section 4, pages three and two, and total state
18 operations for 2011/'12 is \$415 million, but that
19 includes the \$67 million from OHV. So if you back that
20 out, you've got \$348 million that is the total budget
21 for State Parks, and \$67 million is the total budget
22 for the OHV program.

23 And so if you just do the math of \$10 million on
24 \$67 million and \$11 million on \$348 million, you come
25 up with 14.9 percent versus 3.1 percent. And then even

1 if you look at the following year where it's considered
2 that there would be a \$22 million or double that, it
3 would be 6.2 percent. So that statement is either
4 wrong or I'm missing something, if you could help me
5 there.

6 DEPUTY DIR. HERMS: My name is Bill Herms, and
7 I'm the Deputy Director for Legislation, State Parks.

8 I watched that process, and I talked to staff,
9 and I guess the short answer is the statement was
10 wrong. There was a great deal of confusion from the
11 very beginning as the Legislature began to have
12 discussions on attempting to come to some value of what
13 they wanted to take out of the operating budget of OHV.

14 Initially, it was our understanding that staff
15 had been directed to take 20 percent of the \$67 million
16 from the OHV side. That would have yielded
17 \$13.4 million. An error that was made by staff had
18 them recalculate this, and it came out as \$27 million.
19 So initially what the Legislature had intended was
20 a \$13.4 million reduction to operating out of OHV.

21 However, when the Conference Committee met and
22 Senator Leno made a motion to alter the proposal, which
23 you have to remember was in error at 27 million, was
24 meant to be 13.4, his motion suggested 10 million.
25 \$10 million was not connected to any formula that

1 anyone saw. It was simply Senator Leno saying, as I
2 have looked at this, this is a number that I think the
3 Conference Committee should be considering. And so the
4 Conference Committee began to discuss \$10 million.

5 The initial idea of a formula of 20 percent was,
6 as I said, based on \$67 million and would have yielded
7 13.5, but a staff error made it 27 million.

8 Ultimately, Senator Leno's motion put \$10 million
9 before the Conference Committee, and ultimately that's
10 what was adopted.

11 CHAIR WILLARD: I was concerned that the
12 Conference Committee's intent was for it to be
13 proportional, but it really isn't. So the proportional
14 is just some staff commentary after the fact that, oh,
15 yeah, it's proportional?

16 DEPUTY DIR. HERMS: I think that there was some
17 discussion about it being proportional. Assembly
18 Member Huffman did make some comments where he noted
19 the reduction to State Parks' budget and felt that
20 perhaps a proportional kind of reduction to the OHV
21 budget should be made. In Subcommittee 3, they took no
22 action. Assembly Member Huffman simply made those
23 comments. I think those comments were then
24 communicated to staff. Had staff done the calculation
25 correctly, we would have seen at the full Budget

1 Committee and the Assembly a 13.4 million reduction,
2 but they made an error, and it came out 27.8 million, I
3 think was the incorrect number at the Budget Committee
4 that ultimately ended up over in the Conference
5 Committee.

6 So, as I said, there was a great deal of
7 confusion from the very beginning as to what the
8 appropriate amount was. In the end it was not driven
9 by a formula. In the end it was Senator Leno making a
10 motion for \$10 million.

11 CHAIR WILLARD: Thank you. One more question
12 before I yield to my colleagues here.

13 On page one of the budget -- again this is an
14 arithmetic problem I'm having -- if you look at the
15 General Fund, and this is for State Parks 2010/2011,
16 it's 121 million, and then for 2011/2012, the next
17 year, it's almost 119 million or a little over
18 \$2 million left. But if you look at the footnote, it
19 says that the budget includes the reduction of
20 11 million from the General Fund. So shouldn't the
21 subsequent year be \$11 million less or shouldn't it be
22 approximately 110 million in the 2011/'12 budget?

23 DEPUTY DIR. HERMS: And, again, the short answer
24 would be no. These numbers don't necessarily track
25 directly to reductions that you see in the Governor's

1 budget. There's a great deal of off budget
2 administrative reductions that all departments during
3 these times have been taking. As a result of that, the
4 workforce cap piece and the sweeping of some vacancies,
5 and a number of other both reductions and expenses that
6 not just State Parks but all departments have taken,
7 there has been somewhat of a disconnect between the
8 prior year and the prior administration and the current
9 year that the current administration is putting out.

10 In essence what the current administration has
11 done is corrected a number of assumptions that had been
12 made in prior years. So what you'll have difficulty
13 doing is tracking from the previous year to the current
14 year. We are as frustrated as everyone else. It is
15 not clear. It is not direct line of sight from one
16 year to the next, but there is a solid accounting
17 connect the dots that can clearly get you there, and we
18 can provide the Commissioners with that information if
19 you'd like. It is complex, however, but we do have
20 that; because we obviously, working with the
21 administration, wanted to ensure that those numbers
22 were correct.

23 CHAIR WILLARD: Okay. It is very frustrating
24 trying to look at this stuff and understand what's
25 going on. I mean I guess you really have to have a ton

1 of background stuff and then you have to be intimate
2 with the understandings of what's going on in order to
3 really make sense of it, so it is frustrating. I have
4 more questions, but I'll wait.

5 Chief Jenkins, you have a comment?

6 CHIEF JENKINS: Just one issue on the 20 percent
7 proportionality issue, your question originally was how do
8 they get 20 percent out of State Parks' budget as a
9 whole. If you look at the cuts they're taking, the
10 \$11 million and the \$22 million in the subsequent year,
11 and look at that budget on page two of the Governor's
12 budget, you can see that the General Fund support for
13 the program for State Parks for the coming year is
14 \$118 million, and so the \$11 million this year and then
15 the \$22 million next year, slightly less than
16 10 percent this year, 20 percent next year. So when
17 they were talking about proportional cut, it was
18 proportional to the portion of the General Fund that's
19 being cut for State Parks, not the operations budget.

20 CHAIR WILLARD: But that's not apples to apples;
21 that's not right.

22 CHIEF JENKINS: That's a very valid observation.

23 CHAIR WILLARD: The OHV Trust Fund includes fuel
24 tax, users fees, concessions and there's a whole half
25 of a page here a list of other revenue sources for the

1 state. So that's why you need to look at the larger
2 number, not it's just the General Fund. That's not a
3 relevant comparison.

4 DEPUTY DIR. HERMS: I believe that you're
5 absolutely right. As I suggested earlier, the need to
6 try and come up with a formulaic justification for a
7 number, ultimately was set aside by Senator Leno's
8 motion.

9 CHAIR WILLARD: I heard that, okay.

10 COMMISSIONER KERR: I just had a comment on the
11 item we were discussing about five minutes ago when you
12 were talking about comparing a prior year's budget.
13 Because in the materials on the web, you listed your
14 prior year budget and then this budget after the cuts.
15 And just quick sort of 30,000-foot viewpoint of that,
16 the budgets appeared relatively flat. In other words,
17 what I got for the 2009/2010 budget looked very similar
18 to the proposed budget for this coming year. And then
19 what you just spoke of, some contracting changes, so
20 what is the 30,000-foot viewpoint here for the agency?
21 Is your budget being cut on an operating and grants
22 side or not?

23 DEPUTY DIR. HERMS: Is your question is
24 State Parks being cut or the OHV?

25 COMMISSIONER KERR: I don't care about

1 State Parks. I care about OHV.

2 DEPUTY DIR. HERMS: The proposal that was passed
3 does reduce the OHV dollars to the Trust Fund by
4 \$10 million.

5 COMMISSIONER KERR: That wasn't my question.

6 DEPUTY DIR. GREENE: \$5 million to the grants
7 program and \$5 million for operations.

8 COMMISSIONER KERR: But when I look at the prior
9 year, the numbers even after the cuts, you're saying
10 that you were cut \$5 million in both of those sides as
11 opposed to what you were planning on getting or
12 planning on doing, and so they're taking away some
13 revenues. My question is the expenditures of the
14 agency in both grant programs and operating it appears
15 fairly similar to last year, even under the reduced
16 budget as proposed by the Legislative Conference
17 Committee.

18 DEPUTY DIR. GREENE: I think keeping in mind,
19 Commissioner Kerr, that in the Governor's budget, what
20 we have up on the web would be the Governor's budget.
21 That doesn't reflect the cut that has been proposed and
22 voted upon by the Conference Committee. Does that
23 clarify?

24 COMMISSIONER KERR: Actually, I would disagree
25 with that. The total amount, what is it, 58 million

1 it's item one that you have that listed, you didn't
2 include last year's budget in the packet that we've got
3 up here. So I'm trying to compare the sort of
4 flowchart that you had for this year's budget, which
5 has a bottom line of, what, 58 million or something,
6 and then last year's fiscal expenditures which would
7 appear to be in the same general order of magnitude.
8 Is that correct?

9 CHIEF JENKINS: Yes, if you look under tab
10 number three, is that where you're looking?

11 COMMISSIONER KERR: Right. So it's equivalent
12 to last year.

13 CHIEF JENKINS: Right. So the one that's shown
14 for this year, what we did was put in the top half of
15 that right up through the income there, the
16 \$122 million, is what was proposed by the Governor's
17 budget. And then you can look over in the red, for
18 instance, local assistance, you can see \$27.1 million
19 we put in there proposed cut of \$5 million. And then
20 when you look down at the individual amounts that are
21 given out to operations and maintenance restoration,
22 et cetera, and compared that to the next chart which
23 shows the current year, you'll see that each of those
24 categories receives less funding as a result. And then
25 similarly if you look at the operations box, and you

1 can see there that there is a \$5 million cut proposed
2 out of the operations budget, and then you can see the
3 three columns down below. And we have to figure out
4 where we're going to take that \$5 million across those
5 three columns.

6 What we did essentially for this exercise was
7 take it out of the Division line of the budget.
8 Whether or not we can actually sustain all of the cuts
9 at the headquarters level is yet to be determined. But
10 just for the purposes of getting this out, that's the
11 way it was there, the reason it looks fairly flat from
12 operations of the Division, that Division in the middle
13 column there.

14 Because this year also included a number of one
15 time support BCPs, so that artificially made it look
16 higher by \$10 million than it would normally. So when
17 you take \$5 million out of that, it's hard to look and
18 see the cut because we included those extra projects
19 this year.

20 COMMISSIONER KERR: Where was the money coming
21 from for that, from the Trust Fund?

22 CHIEF JENKINS: Money was coming from the
23 reserves. We had a fairly high amount of money from
24 the reserves.

25 COMMISSIONER KERR: Is that still coming from

1 the reserves, has that been sort of prevented by this
2 action?

3 CHIEF JENKINS: When the Governor did this
4 original budget and on his budget showed the
5 \$25.8 million in reserves, that was after he had taken
6 out the \$10 million and put it in our operations
7 budget. So that money was still in our operations
8 budget from the previous year's reserves. When the
9 vote was taken to take this extra \$5 million from
10 operations, that reserve amount had already been
11 plugged into the operations number and is part of what
12 would be available to take the cut from.

13 COMMISSIONER KERR: I'm going to try to yield
14 the floor here. So you've got two years' budgets here,
15 but compared to prior year, which are what most people
16 in this room are used to, how does the operating budget
17 compare?

18 CHIEF JENKINS: I'm not trying to be obtuse.

19 COMMISSIONER KERR: How about not being obtuse?
20 How about a really general statement: We spent
21 \$55 million last year on operations. What is the
22 number?

23 CHIEF JENKINS: This year it would be -- on the
24 Governor's budget it's \$67 million for operations.
25 They're taking 5 million of that, so it would be

1 \$62 million.

2 COMMISSIONER KERR: What was it last year?

3 CHIEF JENKINS: \$57 million.

4 DEPUTY DIR. GREENE: If I may explain, for those
5 of you in the audience, if you look at this flowchart.
6 So under the Division column under operations down at
7 the bottom of that, you'll see, "FY '11/'12 Support
8 BCP." That's a budget change proposal. So these, as
9 Phil just alluded to, are a one-time bump in the budget
10 from \$57 to \$67 million. It will go back to 57 million
11 next year, but just this one time was a bump for
12 special projects that we needed to do.

13 Number one would have been, for instance, many
14 of you had heard over at Carnegie that we were trying
15 to make sure that we're compliant with all of the storm
16 water requirements. One of the items that we had this
17 year was for storm water compliance to ensure that
18 we're being compliant at all of our parks. The other
19 one was for the general planning project so we can
20 ensure all of the parks have current general plans. In
21 some cases some of them are out of date upward of
22 20 years. And then the third one was for land surveys
23 where we may have conflicting views from different
24 agencies, whether or not it be BLM down at Ocotillo
25 Wells thinking that they want to develop geothermal

1 development, whether or not that's on State Parks
2 property or BLM property; whether or not at Hollister
3 Hills the property owner who may believe that we're on
4 his parkland, we may believe that his property is on
5 our parkland.

6 So there are some of these disputes that we were
7 trying to take a proactive approach for a one-time
8 budget change proposal that we could then take that
9 \$10 million, do these projects to ensure that the
10 Division and the Parks are stronger. So that's why,
11 Commissioner Kerr, you'll see that one time, thus it
12 bumped to \$67 million versus the typical 57 million.

13 CHIEF JENKINS: And the impact of that is last
14 year our operations budget was \$57 million. They
15 approved those three projects for \$10 million, so that
16 \$10 million goes to those three projects. So in effect
17 our \$57 million operating budget is still 57 million
18 for this year, it just looks like \$67 million because
19 there are three projects that got tagged on.

20 The \$57 million we were planning to use for
21 operations is where we're taking a \$5 million hit. So
22 in real terms, practical money available to us at the
23 Division to distribute to run the program we've gone
24 from \$57 million to \$52 million. So that's why I was
25 saying you've got to look at that three project bump as

1 a separate issue because I can't play with that money.
2 They put that money there for a very specific purpose,
3 and we either do those projects or we don't. They
4 approved the projects, so this \$10 million is reserved
5 for those projects, not available for mixing with all
6 of the other things we do.

7 COMMISSIONER LUEDER: I have a couple of
8 questions getting back to, Deputy Director Herms, when
9 you were discussing the calculations and you stated
10 that staff made some errors. Could you define staff?
11 Is that staff for State Parks or?

12 DEPUTY DIR. HERMS: No, that would be
13 legislative staff. It was Assembly Subcommittee 3
14 staff.

15 COMMISSIONER LUEDER: I think it's obviously an
16 error, but it set a precedent. It set the motion in
17 play. If it had been calculated correctly at
18 13.whatever million, then perhaps the legislators would
19 have negotiated or proposed -- instead of \$10 million,
20 maybe they would have proposed \$5 million or 7 million.
21 So I think it is relevant that that calculation, even
22 though it was in error, it set a precedent for further
23 discussion. So that concerns me, obviously.

24 And then I participated in the February 10th
25 budget subcommittee hearing, and there was a discussion

1 with the Legislative Analyst's Office about the fund
2 being fungible. And to this date I still have not
3 heard whether there is a legal opinion to justify the
4 position that some of our funds are fungible. And so
5 that's a great concern because basically they're just
6 stating that, and there is no justification to back it
7 up.

8 DEPUTY DIR. HERMS: The Legislative Analyst has
9 still not provided any written analysis to support the
10 statements from that morning's subcommittee hearing.

11 CHAIR WILLARD: On February 3rd in the Assembly
12 Budget Subcommittee report, staff states -- and I'll
13 read it:

14 "These funds can only be used
15 for the benefit of off-road
16 recreation, and their proposed uses
17 are consistent with efforts to reduce
18 the impacts of SVRAs, on landscapes
19 and on highways and on neighboring
20 communities."

21 So here is the Subcommittee's own staff saying
22 that they're not fungible, but yet the LAO comes out
23 and says that they are. So what's going on there?

24 DEPUTY DIR. HERMS: I know that this is not a
25 satisfactory answer, but there was a great deal of

1 confusion. The LAO continues to assert that those
2 funds are fungible. Others, including State Parks and
3 staff in some of the committees, believe that they are
4 not. As to the legality, I would have to defer to a
5 lawyer. There is debate over this. The LAO continues
6 to assert that they are fungible.

7 CHAIR WILLARD: I can see how there can be a lot
8 of debate. I personally think that they're illegal,
9 it's not fungible. Just the fuel tax distribution in
10 and of itself, I think it's mandated by the state
11 constitution. How can you go in and just decide
12 through a budget proposal how that gets allocated?

13 DEPUTY DIR. HERMS: And Acting Chief Director
14 Harris in that Subcommittee hearing did say that he
15 believed it was illegal, it's not in the Governor's
16 proposal, and State Parks did not support the action.
17 The debate over legality continues.

18 COMMISSIONER SILVERBERG: Deputy Director Herms,
19 is this going to be an ongoing take from the fund?

20 DEPUTY DIR. HERMS: Normally in an agenda item,
21 there is some note that says clearly whether this is
22 going to be ongoing or not. In the final agenda item
23 that it was voted on, there was no such note. However,
24 and I will simply speak from my own experience, in the
25 past as I have seen budget committees take action

1 similar to this, it is their intent that any reduction
2 be ongoing unless they specify that it is one time.
3 They neither specified that it was one time nor that it
4 was ongoing.

5 If I had to advise as to whether I thought it
6 was ongoing, I do believe that it is the intent of the
7 Legislature that it is ongoing. We will only know that
8 for certain once it is embedded in a final budget and
9 that budget is passed by the Legislature.

10 COMMISSIONER SILVERBERG: Since it seems
11 reasonable it's going to be an ongoing take, what can
12 we do to protect the fund?

13 DEPUTY DIR. HERMS: I think that there are
14 still -- there remains political process for the budget
15 to continue to move through. The budget right now is
16 still in the Legislature. That process will continue
17 to move through the Legislature and provide access
18 points for people of the State of California to
19 communicate to their representatives, both locally and
20 leadership, as well as the process will continue onto
21 the Governor's office once the Legislature passes a
22 budget. So this is not done yet. There remains an
23 open process, a process that people still have access
24 to.

25 COMMISSIONER FRANKLIN: Even though some of

1 these hearings were closed to the public, it's going to
2 be open somehow?

3 DEPUTY DIR. HERMS: I don't believe any of the
4 hearings were closed to the public. Certainly there
5 was staff discussion that the public was not involved
6 in, but the Subcommittee Hearing was open to the
7 public, as well as the Conference Committee.

8 COMMISSIONER FRANKLIN: Are you sure about that?
9 I don't think that's the case.

10 DEPUTY DIR. GREENE: I think for clarification
11 purposes, perhaps, Commissioner Franklin, there was no
12 public testimony taken.

13 COMMISSIONER FRANKLIN: Thank you.

14 DEPUTY DIR. HERMS: That's correct. In the
15 Conference Committee, although it was open to the
16 public, you are correct there was no public comment
17 invited.

18 COMMISSIONER FRANKLIN: So my question is: How
19 do we as public make comment if it's not open to
20 comment? That's a question I have.

21 And I'm confused, you made a statement that
22 while there was no note specifically whether this is
23 ongoing or not, it's open to interpretation, but then
24 again there is no specific note as to whether it's a
25 flat fee of \$10 million or if it was a percentage. And

1 so we're deciding one way or another how it best suits
2 somebody else. So I'm confused there.

3 DEPUTY DIR. HERMS: Senator Leno made his motion
4 as to the amount that he felt was appropriate. The
5 Conference Committee had some discussion. The
6 discussion did not seem to follow any kind of a
7 formula. And as I said earlier, the Conference
8 Committee ultimately acted on something that was close
9 to what Senator Leno proposed but wasn't exactly what
10 he proposed either.

11 As to your earlier point of how do we access our
12 political process as we go forward given that the
13 Conference Committee, I believe, has completed its
14 work, at any time, I have to also say, if the
15 Legislature determines that it does need to return to
16 Conference Committee, it will reopen the committee. I
17 do not see any plans for that right now, but it could
18 certainly happen, and the public would not have an
19 opportunity to testify at another Conference Committee
20 even if it did open.

21 Short of that, there are a wide variety of ways
22 that the citizens of the State of California can
23 communicate their interests to their local members, to
24 leadership, to the Legislature, to the Governor, and I
25 am a firm believer of the open democratic process and

1 would encourage everyone to engage the government on
2 whatever issue.

3 COMMISSIONER FRANKLIN: I think you can see we
4 have a lot of people interested in this and have spent
5 their own personal time to see that this process is
6 finally working right.

7 COMMISSIONER SILVERBERG: Deputy Director Herms,
8 in following suit with my question earlier, is there
9 any legislation that could help to shore up the Fund or
10 protect the Fund from the future to stop quote/unquote
11 raids like this?

12 DEPUTY DIR. HERMS: There are things that the
13 Legislature could do to strengthen the Trust Fund, but
14 I would say that the Trust Fund is about as strongly
15 protected as it can be because it is a Trust Fund. The
16 Legislature makes laws, and they can change that law if
17 they choose. There is nothing that a sitting
18 Legislature can do to prevent the actions of a future
19 Legislature. They can enact legislation. They can
20 enact statute that will strongly signal their intent
21 that they don't want a particular fund raided in the
22 future, but there is nothing that that Legislature can
23 do to guarantee that a future Legislature cannot come
24 back and undo what they have done. And that's the
25 nature of democracy.

1 COMMISSIONER SILVERBERG: So then we need to
2 look maybe at a statute, a modification of an existing
3 or something along those lines.

4 DEPUTY DIR. HERMS: Something along those lines.
5 Just, again, as a personal note, probably the strongest
6 protection that any statute can receive is to be
7 approved by the initiative process because when that
8 has been done, in order to alter it, it must then go
9 back to the people through the initiative process.
10 That is a very high bar. Most programs aren't able to
11 get that kind of language, but that would be the
12 strongest that you could do. But even that can be undo
13 through another initiative that would come before the
14 people. There are no guarantees. There are only
15 things that the Legislature and the people of State of
16 California can do to express their current desire, but
17 the people and the Legislature in the future can take
18 other actions.

19 COMMISSIONER SLAVIK: I have a follow-up
20 question to Commissioner Silverberg, and I was thinking
21 along the same lines you were. In enabling legislation
22 for this program, it seems to me that we went to great
23 lengths to protect the Fund, and that's one of the
24 reasons we call it a Trust Fund. Is there wording
25 within that legislation that you're aware of or staff

1 is aware of that says that this fund can be raided at
2 the discretion of the Legislature? I don't believe
3 we're changing law here, are we? We're basically
4 making a discretionary determination without changing
5 law, it seems to me.

6 DEPUTY DIR. HERMS: What we don't know is the
7 trailer bill language, and Deputy Director Greene
8 referred to this earlier. We have not seen precisely
9 how the Legislature is going to word this particular
10 reduction. They may very well be changing law. At
11 this point, we simply don't know. You've heard us
12 refer to questions of legality at any point. I could
13 defer to counsel for some discussion of that, but I
14 know the counsel is fairly limited on their comments,
15 as well. But the debate over legality continues.

16 COMMISSIONER SLAVIK: I have another question of
17 Chief Jenkins, kind of stepping back a little bit.
18 When this process got started and the Division's budget
19 was fairly intact at the beginning of the process and
20 then at some point somebody got an idea -- and I wasn't
21 clear whether it was the Budget Committee or State
22 Parks that -- in fact, I think it was the Budget
23 Committee, now that I remember -- that the State Parks
24 needed to be protected from trespass. Do you have any
25 idea where that idea came from, how that germinated

1 within that group of people? Because that seems
2 awfully familiar to things we've heard in the past.
3 And the fact that State Parks said we don't believe
4 that that's necessary, it seems a little kind of dirty
5 games playing there. I don't know. That's a bad term.
6 I'm sorry.

7 CHIEF JENKINS: It probably rings a bell with
8 you for a reason. Years back, now we are going back to
9 previous administrations to what we have today, before
10 Deputy Director Greene was in the Division, when State
11 Parks was in financial straits years back, and I'm
12 thinking eight years back or more, in that range in any
13 case, there was a loan, a one-time loan, as these
14 things often start, from the Division Trust Fund to
15 State Parks of \$3 million. And the leadership at the
16 time -- and I was out in the field not in the Division
17 at the time -- called around and asked all of the parks
18 if they had OHV incursions. Some places had a little
19 bit of issues, some didn't. So they decided systemwide
20 to look at \$3 million going over to Parks to help them
21 out addressing these incursions.

22 Subsequent to that, the BSA Audit looked at that
23 practice and determined that it was inappropriate. And
24 as a result of that determination and as a result of
25 watching where the money was actually going, which

1 didn't always track with where there may or may not be
2 issues, the department, Director Coleman, decided to
3 halt that practice. And so that \$3 million no longer
4 goes across to the department. It just didn't pan out
5 the way that the people who initially had set that up,
6 had envisioned. It was not working. It was not
7 tracking to supporting OHV recreation in any way or in
8 many cases even addressing OHV incursions.

9 That's why when both the Director and the Acting
10 Chief Deputy Director testified in front of the
11 Subcommittee, they said that they didn't feel that that
12 was an appropriate use of the funds, referring back to
13 we've gone down this road and we already know that
14 that's really not needed and nor is it appropriated as
15 from the BSA audit.

16 DEPUTY DIR. HERMS: Commissioner, if I may,
17 there seems to be a concern that somehow State Parks
18 was involved in the beginnings of this idea. I was at
19 that subcommittee. I talked with our Acting Chief
20 Deputy Michael Harris. We were as surprised and taken
21 aback by it as everyone else was, which is why Chief
22 Deputy Harris got up and made the comments that he did,
23 and his comments were strong and they were direct.
24 State Parks, as we testified in public at that time,
25 did not support this action; did not see any evidence

1 for that. As the Chief has alluded, we've been down
2 this road before, and we understand what is appropriate
3 and not appropriate for OHV Trust Funds. So I just
4 wanted to reiterate that State Parks, from the moment
5 we saw this proposal, opposed it.

6 COMMISSIONER VAN VELSOR: For Deputy Director
7 Herms, I'm curious, and I may have missed this in the
8 earlier conversation. What is the 20 percent used for?
9 Why is 20 percent being used? Is that the amount or is
10 that the percentage that other departments are being
11 asked to cut? Where does the 20 percent come from?

12 DEPUTY DIR. HERMS: No, other departments are
13 not. There is no general formula for reductions across
14 departments. This is a reduction that is occurring to
15 State Parks. The Chief walked you through a little bit
16 to show you how that reduction to State Parks' General
17 Fund is approximately 20 percent, that's where the
18 number came from.

19 COMMISSIONER VAN VELSOR: So there was no
20 predetermined --

21 DEPUTY DIR. HERMS: No, there was no number that
22 I'm aware of that the Legislature was using. And,
23 remember, this was not part of the Governor's budget,
24 so this didn't come from the Governor or State Parks.

25 COMMISSIONER VAN VELSOR: Then a question for

1 Chief Jenkins. You mentioned that money, one-time
2 monies that were used in the past last year's budget
3 were taken from the reserve, correct?

4 CHIEF JENKINS: The way that we're funding in
5 this year's budget, both the \$27 million in capital
6 outlay and those one-time budget items in the
7 operations budget, that money comes from the reserve.
8 This is a longer answer than you were asking for. The
9 reason I say that, for context, generally the program
10 makes about 85 to \$87 million a year. Our ongoing
11 budget items, which are operations and grants, equal
12 about that amount of money. So any time we spend more
13 than what we're making in a year, we're pulling that
14 from the reserves. And so when we do capital outlay or
15 acquisition or these support BCPs to catch things up or
16 make improvements, we're pulling that out of what
17 showed in the previous year's reserve budget amount.
18 That's how we are able to spend more money in a year
19 than we actually have included in the revenue.

20 COMMISSIONER VAN VELSOR: So the reserve then is
21 what you show as the balance in the flowchart that
22 you've given us. So in 2011/'12, you're bringing a
23 balance of 62 million, roughly, from 2010/'11.

24 CHIEF JENKINS: Correct. And you can correlate
25 that number back into the Governor's budget and find

1 those numbers there.

2 COMMISSIONER VAN VELSOR: So that is our
3 reserve? That's extra money.

4 CHIEF JENKINS: That was the money that was in
5 reserve unallocated, if you will, going into the
6 Governor's budget. If you look at the end of the
7 Governor's budget for this year, the reserve that's
8 indicated there is \$25.8 million of which the
9 Governor's proposing to borrow \$21 million, which would
10 leave \$4.8 million in reserve for economic uncertainty.
11 The reason they call it reserve for economic
12 uncertainty, I might add, every year we base our budget
13 spending on projections of income. So we're projecting
14 what to do with money that we don't yet have on hand.
15 That's the way the state budget works. The reason
16 there is a reserve for economic uncertainty is because
17 in any given year they may have overestimated income.
18 So if we don't actually make the \$85 million we're
19 projecting that we'll make from gas taxes, gate fees,
20 and Green Sticker sales, there needs to be that buffer
21 on the bottom. In the past they kept it a little bit
22 higher. This year they're taking it down to \$4.8
23 million so that if our income doesn't meet projections,
24 there is enough money to cover the difference.

25 COMMISSIONER VAN VELSOR: Thanks.

1 CHAIR WILLARD: I want to make sure I understand
2 how the \$10 million amount was determined. So it seems
3 like there were four budget meetings where staff made a
4 few math errors and some misstatements, and then at the
5 end of the day, the \$10 million amount was simply a
6 number that Senator Leno picked out of the air?

7 DEPUTY DIR. HERMS: Correct.

8 CHAIR WILLARD: Thank you.

9 COMMISSIONER LUEDER: Just a brief follow-up
10 question. Now that the budget subcommittees have met,
11 done their business and come up with the \$10 million
12 concept, who is responsible for generating the trailer
13 language to actually make that happen? I think that's
14 very important for all of us to know because if it just
15 appears out of the air at some point, there's no chance
16 for the public to have input on it.

17 DEPUTY DIR. HERMS: The language is being
18 developed by Legislative Budget staff, and I know that
19 they are working with the Department of Finance. I do
20 not know that there is an open forum for the public,
21 but certainly, as I said earlier, there are many access
22 points to government.

23 COMMISSIONER SLAVIK: Is that the same people
24 that made the \$13 million error?

25 DEPUTY DIR. HERMS: I'm not aware exactly who is

1 working on the language.

2 COMMISSIONER LUEDER: So Legislative Budget
3 staff is producing that language. Once it's drafted,
4 then it's brought back to the State Senate and
5 Assembly? Can you explain that process. Because
6 obviously we want to contact our legislators, make our
7 case, try to influence that language to be beneficial
8 to us the best it can be.

9 DEPUTY DIR. HERMS: The process as it stands now
10 is the Conference Committee has put together the best
11 budget that they have been able to do, and they have
12 sent that back to the Assembly and the Senate. Both
13 the Assembly and the Senate have to take up the budget
14 on the floor and pass it to move onto the Governor's
15 desk. At this point, the budget remains in both the
16 Assembly and the Senate as each considers their budget
17 actions.

18 CHAIR WILLARD: At this point it might be good
19 to continue with the staff report.

20 CHIEF JENKINS: Through the series of questions,
21 we've covered a lot of the remaining materials in the
22 staff report. But just briefly, under tab three, as
23 has been referenced, the first sheet in tab three
24 represents the proposed budget for the coming year.
25 And as you can see, we've indicated how much money

1 would be cut there and how those would be applied. I
2 might point out on the grants portion of that, the
3 local assistance column on the far left, when I asked
4 for this sheet to be prepared, I asked them to just
5 take the \$5 million from local assistance out, cutting
6 out first the \$1.1 million that is an add-on every year
7 to the restoration program, and then divide the rest
8 across the percentages.

9 I don't know if that's the correct way or not.
10 There's two ways to approach it. The grants budget is
11 made up of an ongoing allocation of \$26 million. In
12 any given year, we get \$26 million for the grants
13 program, and then per the Public Resources Code we
14 divide that up into four pots by a predetermined
15 percentage, 50 percent for ops, 25 percent for
16 restoration, et cetera. Then once we've made those
17 divisions and filled those pots according to that
18 percentage, based on an agreement that was come to when
19 SB 742 was negotiated, we add up to \$1.1 million. And
20 so for the past several years, we put \$1.1 million
21 additional into the restoration pot.

22 My assumption going into this, since the reserve
23 is being swept clean except for a very small amount as
24 a safety buffer, was that that \$1.1 million wouldn't be
25 going in as an add-in this year. Subsequent

1 conversations with various budget consultants indicated
2 that if it is in the end an ongoing sweep that it's
3 more appropriately taken from the \$26 million and
4 doesn't have anything to do with the \$1.1 million
5 add-in for restoration. So that would slightly change
6 the percentages in those pots, the percentage breakdown
7 on that grants column. So that's just a caveat to what
8 we're looking at there.

9 Behind that is a spreadsheet that shows what we
10 had past years, just so you can compare back and forth
11 about how much money was in grants and operations,
12 et cetera, in previous years. I might add, if you look
13 there at the far right of operations box, and you can
14 see the various amounts of money that are taken out
15 right here. You can see \$4 million taken out right
16 there of the operations before we ever have access to
17 it. When the administration decided to put employees
18 on furloughs and have them not work on certain days and
19 therefore not be paid on those days, they took the
20 salary that normally would have been paid to those
21 employees and didn't distribute it out to the
22 departments. That's why even though we may start with
23 our same number in operations that we've had in
24 previous years, both this year and the coming year
25 right off the top we're going to lose a little over

1 \$4 million for those furlough days. So that's just a
2 caveat on the budget.

3 The next tab, of course, is the Governor's
4 budget, which we included for reference. It's rather
5 difficult to read the Governor's budget, not because
6 the Governor wants it that way, that's just the way
7 these budget things are, are very difficult to read.
8 So happy to answer any questions about it, but I'm not
9 going to attempt to go through it, other than to say on
10 page 11 of the Governor's budget is what's called the
11 Fund Condition Statement for the OHMVR program. So you
12 can see there on page 11, Fund Condition Statement.
13 The reason the Fund Condition Statement is the easiest
14 way to look at the OHMVR budget is because it's very
15 basic. First it shows your incomes, below that it
16 shows your expenses, and then finally it shows your
17 remaining reserve for economic uncertainty. So if you
18 want a snapshot of what's been going on in the OHMVR
19 budget, the Fund Condition Statement in any year's
20 Governor's budget is going to be your fastest
21 reference. There are references to the OHV budget
22 throughout the Governor's budget, but this is the place
23 where it's all collected into one spot.

24 COMMISSIONER SLAVIK: I can't see it here, but
25 in several other pages there was reference to the

1 Recreational Trails Fund. And I notice that -- I don't
2 remember the numbers exactly now, but there was a
3 considerable change in that number from last year to
4 the proposed '11/'12 budget, like \$22 million. And I
5 don't see that reflecting anywhere else in some of
6 these sheets here. First of all, how did all of a
7 sudden we get \$22 million out of Recreational Trail
8 Funds?

9 DEPUTY DIR. GREENE: I wish we got \$22 million.

10 COMMISSIONER SLAVIK: More magic.

11 DEPUTY DIR. GREENE: For the motorized side of
12 the budget, I think we get 1.3 million a year that
13 comes into the motorized. The non-motorized side does
14 get considerably more, but also, as you well know, that
15 program is always in flux being administered from D.C.
16 So we never know year to year, but we typically just
17 have about 1.3 million.

18 COMMISSIONER SLAVIK: So State Parks gets
19 \$22 million on their side?

20 DEPUTY DIR. HERMS: I don't believe the amount
21 was nearly that much this year, as Deputy Director
22 Greene has alluded to. Changes in the amount that
23 comes from Washington, D.C., it has been in great flux
24 recently. I don't know the numbers off the top of my
25 head, but I'd be glad to get those for you.

1 COMMISSIONER SLAVIK: I just saw a number going
2 from the far left-hand column was around 6 million,
3 middle column was 22 million. I'm sorry, I can't find
4 that right now.

5 DEPUTY DIR. GREENE: Here we go, page one the
6 Rec Trails Fund FY '09/'10 6.4 million; '10/'11,
7 23 million.

8 COMMISSIONER SLAVIK: Yes.

9 DEPUTY DIR. GREENE: So we'll get clarification
10 for you.

11 COMMISSIONER SLAVIK: The question I have is
12 that a projection or is that actual monies coming into
13 State Parks?

14 DEPUTY DIR. HERMS: Well, remember that this is
15 a proposed budget, so these are projected numbers. So
16 this is a projection that was put together by the
17 Governor's office when they put the budget together;
18 however, at that time the actions in D.C. has not been
19 completed and still are not completed, so it's not
20 clear as to how much money is going to be received on
21 the rec trails.

22 COMMISSIONER SLAVIK: That's a considerable
23 number compared to what you've gotten in the past, and
24 if it's just a projection, that's more black magic.

25 DEPUTY DIR. HERMS: Well, it is a projection.

1 We have to wait for D.C. to take its action before we
2 can plug in the real number.

3 CHIEF JENKINS: So other than the Governor's
4 budget, the other items in here are just the flowchart
5 of the process of developing the budget that we
6 indicated, and then all of those items from the various
7 committees in great detail. So I'll close the staff
8 report at this point and am available for questions.

9 CHAIR WILLARD: I have one more question.
10 Perhaps, Deputy Director Herms, you might be the best
11 to answer this. I'm just curious as to the level of
12 the deliberation that the various committee members
13 have taken an action like this. Obviously, they've got
14 to make a lot of very difficult decisions. They've got
15 to find the money somewhere, and it can be real easy to
16 look at a line item, here is some money, let's take
17 \$10 million off of it. Did they get into some of the
18 workings of the program and not only the impacts.

19 But, for instance, this program just went
20 through a major redo in SB 742. And during this whole
21 process, the OHV community was at the table with the
22 lawmakers and negotiated certain things that were in
23 the bill. And so here we are just a short period later
24 almost forgetting that happened. Do they consider the
25 potential violation of public trust that happens in a

1 situation like that? That's just one instance.

2 And the other might be taking money out of the
3 OHV program to prevent trespass, but, in essence, what
4 that does is it has less money for the program in
5 grants where some of that money is less likely to be
6 going to local law enforcement. One can argue that
7 trespass may increase in some areas because of that.
8 But more importantly, if you're cutting from
9 operations, we may have to reduce the riding
10 opportunities to the OHV community, and that in and of
11 itself may stimulate trespass.

12 Plus, getting back to the violation of public
13 trust, I think people are just generally going to be
14 very upset with having their registration fees doubled
15 only to find that now after an agreement was put in
16 place whereby, okay, you guys agreed to double your
17 fees and then you're going to get the program, and then
18 just a year or two later, well, no, we're going to
19 whack the program. I mean if I'm just the average OHV
20 user, I might say to myself, heck, why do I want to pay
21 these licensing fees. Then we're going to lose income
22 from that. So I'm just curious did they get into that
23 level of consideration, or do they understand the
24 program well enough?

25 DEPUTY DIR. HERMS: As I watched the

1 deliberation across the Subcommittee to the Conference
2 Committee, there was some discussion of the impacts to
3 the grants program. I did not see a great deal of
4 discussion about the impacts to the programs, to the
5 operations side.

6 As to your comments as to the appropriateness of
7 the legislative action and the extent to which they
8 deeply explore programmatic impacts, the Legislature
9 has the authority to do these things. Sometimes they
10 publicly discuss things at length, as we all know, and
11 sometimes they choose not to. I think the Chief
12 alluded to the fact that at the last Conference
13 Committee where this item was voted on and adopted, it
14 took perhaps less than ten seconds for them to do so.

15 There is no doubt, however, in defense of the
16 Legislature because I do work with them a great deal,
17 there is always a great deal of conversation that takes
18 place on the backside between staff, there is analysis
19 that's going on. Do I believe that a more public
20 conversation needed to take place, I would have
21 preferred to have seen more, yes. But the Legislature
22 has the authority to move forward in ways that it feels
23 best, and this is the way they chose to do it.

24 COMMISSIONER LUEDER: I'll try to speed this up
25 and be quick about this. When we look at the State

1 Parks and Recreation budget on tab four, we get to page
2 RES 11, and it highlights our three major funding
3 sources, off-highway vehicle registration fees, park
4 entrance fees, and then motor vehicle fuel fees. So
5 that makes up the lion's share of our revenues; am I
6 not correct?

7 CHIEF JENKINS: That's correct.

8 COMMISSIONER LUEDER: And then as I flip the
9 page over to page 12, I see under State Parks and
10 Recreation Fund similar motor fuel vehicle taxes.
11 Could you enlighten me on what programs those taxes go
12 to?

13 CHIEF JENKINS: Generally speaking, the Parks
14 Department operates a number of reservoirs and boating
15 areas, so they do receive gas taxes from the fuel
16 burned and, of course, recreation through boating, and
17 then they also receive highway taxes for maintaining
18 their road system throughout the parks. So there are
19 two different avenues by which they get money out of
20 fuel taxes, for recreation in boating and then to
21 maintain the highways, if you will, that are located
22 inside State Parks.

23 COMMISSIONER LUEDER: And as I see on page one
24 where it has the overall balances of all of the funds,
25 the OHV Trust Fund has been going up and down the last

1 three years. And I'm sure some of that is due to the
2 loans that have been taken, but the State Parks and
3 Recreation Fund has been steadily increasing. Can
4 anybody tell me if any of these other funds within
5 State Parks have been borrowed from at all or reduced
6 in any way over the last couple of years and
7 particularly this year?

8 DEPUTY DIR. HERMS: State Parks has not
9 maintained a large enough reserve for the
10 administration to borrow from State Parks, so there has
11 been no borrowing.

12 As to State Parks' budget going up, over the
13 last few years, the administration has chosen to reduce
14 State Parks' budget. In the current year, we took --
15 I'm not a budget expert, I'm the legislature guy, but
16 it is my understanding that it was a one-time
17 \$14 million reduction that the administration reduced
18 to 7 million for current year.

19 In this proposed budget for the budget year,
20 that reduction is going to be increased by an
21 additional 11 million, so the hole gets deeper, and in
22 budget year plus one, another 11 million will be taken
23 out. So State Parks' budget has actually been
24 decreasing over the last few years.

25 CHIEF JENKINS: I might add for context, in the

1 history of my relationship with State Parks, which
2 spans back to my father beginning in 1964, the
3 department has gone from being supported almost
4 exclusively by the General Fund to receiving cut after
5 cut after cut until today the General Fund support is
6 just a portion, a small portion, if you will, of what
7 State Parks receives in overall support. That's why
8 you've seen State Parks fees increase because there has
9 been more expectation by the government for State Parks
10 to raise fees and have the actual users of the parks
11 pay a higher proportion of the fees.

12 And so Deputy Director Herms is exactly correct,
13 while the General Fund portion of the budget has been
14 going down, you're seeing that increase in SPRF, or
15 State Parks and Recreation Fund, partly due to
16 increased fees, partly due to finding other sources.
17 Sometimes you'll get grants, and those will show up
18 there, so it will make it look like there is more
19 income sometimes. That's just a one-time deal.

20 COMMISSIONER LUEDER: I want to be clear, I'm
21 not trying to throw State Parks under the bus at all.
22 I mean we're all part of the State Parks team, but I'm
23 just trying to understand how it is that our fund keeps
24 being borrowed from, and there doesn't seem to be a lot
25 of proportionality, for lack of a better word. I

1 understand State Parks has been cut severely over the
2 years, and it's tragic that it has, because it should
3 not be on the chopping block, and it should be a
4 growing portion of our state.

5 But I'm just concerned that the other funds
6 within this budget are not necessarily being looked
7 towards for reductions, for cuts, for sharing the pain.
8 And we've clearly over the last few years shared a
9 lion's share of the pain and made several loans to the
10 General Fund out of our Trust Fund, and now we're
11 facing severe cuts that could have severe consequences
12 to the program dependent on how they're carried out.
13 So I'm just trying to get to the bottom of it, and I'm
14 fully supportive of State Parks, so thank you.

15 COMMISSIONER FRANKLIN: Just so I'm clear,
16 Chief, over the last three years or so, we have had a
17 number of one-time-only loans, right? Where are we up
18 to just so everybody knows the total of all of the
19 one-time loans that we've issued out of the OHV budget?

20 CHIEF JENKINS: If you're just looking at the
21 last several years, there was the 90 million, followed
22 by the \$22 million loans. So that was \$112 million in
23 loans. If the 21 million is added this year, that
24 would bring it up to 133 million.

25 If you look back at the history of the program,

1 the total amount of loans taken through the General
2 Fund is closer to 160 million in the past. That's not
3 counting this year.

4 COMMISSIONER SILVERBERG: How much has been
5 repaid out of that?

6 CHIEF JENKINS: There have been loans to Fish
7 and Game that have been repaid. There have been some
8 loans to the State Parks and Rec funds that's been
9 partially repaid. None of the loans that have gone to
10 the General Fund have ever been repaid.

11 CHAIR WILLARD: One more question from
12 Commissioner Kerr, then we'll take a break.

13 COMMISSIONER KERR: That was my question. There
14 have been a number of state budget crises since I've
15 been in public office and a lot of loans to cities
16 around California. But those loans generally have
17 either been paid back by the state or have been in some
18 cases resold on the secondary market to other investors
19 who have been paid back. So I'm a little confused
20 about why this large loan balance exists and what the
21 options are for the agency to market these on the
22 secondary financial markets and basically fund some of
23 the park expansion I know many of you have talked
24 about.

25 CHIEF JENKINS: The first large loan that I'm

1 aware of that is recorded clearly, kind of the history
2 of it, was back in the '80s, \$21.5 million. There was
3 a series of lawsuits and legislative actions
4 surrounding that loan that resulted in language being
5 in the legislation that says if the program ever goes
6 into the red, that's when that loan will be repaid. So
7 far that program has not gone into the red, so that
8 money is outstanding.

9 The more recent loans, when they borrowed the
10 \$90 million, they put in language that said it would be
11 paid back in four years. And then the following year
12 when they borrowed the \$22 million, they didn't say
13 when it would be paid back, so the legislation that
14 exists requires it to be paid back in two years.

15 So the \$22 million would be due back to the
16 program next year. And then the following year, we
17 would be owed back the \$90 million. Now whether or not
18 anything can be done, such as you suggest, to sell the
19 loans and those types of activities, that exceeds my
20 knowledge of what's possible of these things.

21 CHAIR WILLARD: I think we're going to take a
22 ten-minute break right now, and then open the public
23 comment.

24 (Returned at 11:15 from break commencing at 10:58.)

25 CHAIR WILLARD: Public comment.

1 DEPUTY DIR. GREENE: Chairman Willard, if I may
2 clarify for the record one point to Commissioner
3 Slavik's question. Last year, and apparently this year
4 as well, the RTP Fund, the Recreational Trail Fund, was
5 4.68 million, 1.4 million going to the OHV program and
6 3.2 million going to the non-motorized.

7 JIM BRAMHAM: Good morning, my name is Jim
8 Bramham representing the American Sand Association.
9 We're an organization about 35,000 family members
10 strong that primarily is doing recreation in the
11 Imperial Sand Dunes, as well as the other sand dune
12 recreation areas in California.

13 Having followed these processes for years, I
14 again am concerned about the kind of answers that we
15 got today about how we can keep reinventing the law. I
16 certainly would ask the Commission to be diligent in
17 their question about whether or not there is a legality
18 to the action that has been taken; stay on that
19 diligence.

20 The other thing I'm concerned about is how this
21 will affect the grant process going forward. Will this
22 be simply the ranking will then fall off a lower number
23 based on you'll have the ranking of the grants, and
24 then there will just be so much less money available to
25 some of those qualified grants that would otherwise

1 have been funded would not be funded or will a
2 percentage of each grant be reduced so that you would
3 end up with say a six percent overall grant. You would
4 also work the evaluation process, but you would come up
5 to a point where you would then reduce each grant by
6 what that would have otherwise qualified to a specific
7 less amount so that all of those that would have
8 otherwise been funded still be funded but at a
9 potentially whatever that percentage is lower amount?

10 But certainly appreciate all of the efforts on
11 staff's part to try to move this in a more positive
12 direction for OHV. Still concerned tremendously that
13 the shuffle game continues, and what happens in a
14 trailer bill and how that can be influenced by the
15 public. ASA and I'm sure every other organization is
16 extremely interested to know how it is that we can
17 communicate with the specific people who will write
18 and/or make decisions at the trailer bill level.

19 CHAIR WILLARD: Deputy Director, perhaps you can
20 give us a quick answer on the impacts specifically on
21 how the grants are going to be funded? I mean is it
22 going to be degrading the process and then just your
23 people will make the cut, so to speak, or as Jim has
24 suggested or could it be reduced just a percentage off
25 of everybody?

1 DEPUTY DIR. GREENE: We're still in discussions
2 regarding that, but essentially what we looked at
3 initially was simply taking it as identified in
4 statute. So O&M would be at 50 percent, restoration at
5 25 percent, law enforcement at 20 percent, and
6 education and safety at five percent. So we would
7 simply be dealing with a program now that is reduced in
8 funds by \$5 million, and take those same percentages.
9 So certainly those grants that have been funded
10 heretofore, that cut line would simply move and many of
11 those projects would not be funded.

12 CHIEF JENKINS: I might add as well just for
13 clarification, the grant cycle that we're going through
14 right now, because people are applying, turning in
15 applications currently, it doesn't affect this grant
16 cycle. This money would be the money that people would
17 be applying for a year from now.

18 CHAIR WILLARD: Thank you.

19 MICHAEL DAMASO: Good morning, Commissioners.
20 Michael Damaso, President of Merced Dirt Riders and
21 member of Four By Four Motion and other organizations.

22 This budget process really concerns me, and you
23 have a letter that covers several different things.
24 But when we get together as a community and fight and
25 support for Senate Bill 742 that says our funds would

1 be protected and then we come back and get cut like
2 this. I've got several vehicles right now that are
3 Green stickered, and I'm paying double fees on it, and
4 they're sitting in the garage. This is one thing we
5 keep losing more and more ground and then we still lose
6 money this way. It's very disheartening to see that
7 our legislators do not abide by the rules that we
8 thought was set up to protect our funds and go ahead
9 and rob those funds from us.

10 I do have a couple of other things off away from
11 the budget thing, which is the most current, but a lot
12 of travel management plans have cut way back on trails
13 and stuff, and we still need to support them. But when
14 you take legal riding trails away from the public, the
15 public is still going to find places to ride, and this
16 is what concerns me the most. And I've already seen it
17 in the Stanislaus National Forest where because of the
18 travel management plans, there is a lot more riding in
19 areas that are not open, and we see a lot more
20 proliferation of trails and stuff. So I really
21 hopefully and will support whatever Commission says to
22 try to get their budget money back.

23 The other thing is we've got grants to go to the
24 national forests, and then as an organization we go in
25 to try to put on an event, and the Forest Service comes

1 back and hits us with cost recovery. We had our event
2 changed to January 8. We was running in April, and we
3 had a fire in Stanislaus. So in the next few years
4 they did an EA said, well, we go to June, so we would
5 try to eliminate some of the concerns. Since 1996
6 or '97, we've been trying to get our event back into
7 May or April and have not been able to do that. We've
8 been stuck with this June date for many years.

9 Two years ago when we went in, really pushed the
10 issue, they picked it. And Nick Haris and us got
11 together with Forest Service and went in and pushed the
12 issue pretty hard. They come back with the cost
13 recovery. To get our event back into April, the cost
14 recovery was \$19,000. Our total income of our event
15 has never ever even come close to 19,000 or exceeded
16 19,000. The cost recovery is one that's really killing
17 our local clubs and being able to put on events. And I
18 think our grant money should help support some of that
19 and should not be cost recovery for our events. Thank
20 you very much.

21 KEVIN MURPHY: Members of the OHV Commission,
22 thank you for hearing our comments here today. First,
23 I'd like to say that what's happening here is not a
24 borrowing of funds from the OHV community because to
25 borrow as defined by Webster's dictionary is to receive

1 with the implied or expressed intention of returning
2 the same or equivalent. Since the State has only
3 returned a paltry amount of the funds previously
4 borrowed, we can only surmise that the funds under
5 current consideration will not be returned any time
6 soon or if ever. With this in mind, I come to my next
7 point.

8 Since the State has no real plan or perceived
9 ability to return this money, I think we should be in a
10 good position to take something in fair trade. I think
11 specifically Henry Coe Park would be something we could
12 take in fair trade. Now, I know this is an extremely
13 bold statement, but we need to get bold right now. Our
14 adversaries have been backing us into a corner over the
15 last few years, and I think it's time we start pushing
16 back. I think this issue and this time is as good as
17 ever to try to make this happen.

18 In my opinion there are many reasons this
19 transition would make sense, first of which is the fact
20 that Henry Coe Park does not operate in the black. The
21 State would like the park to operate at revenue
22 neutral. Currently this is not being accomplished as
23 the park operates in the red. I know the closing of
24 the park has been discussed in the past because of this
25 revenue shortfall. I'm not sure where that plan is

1 now, but I think opening Henry Coe Park to OHV would
2 make the park at least revenue neutral and at best
3 profitable. In this economic climate, that must speak
4 for something.

5 Another reason to open Henry Coe Park to OHV is
6 that the park is underutilized in its current
7 configuration. The park's current website speaks to
8 the trails that are very overgrown or nonexistent due
9 to lack of use. The truth is the people of California
10 prefer to visit State Parks on off-highway vehicles
11 rather than with a 50-pound pack on their back and a
12 ten-mile walk. Let's face it, this type of visitor is
13 very rare. With over 87,000 acres, Henry Coe Park is
14 the second largest park in California. The size of
15 this park would make it ideal for a mixed-use
16 configuration.

17 Another reason to open the park to OHV is the
18 need for more OHV opportunities in the area. With the
19 loss of Clear Creek Management Area, this has created
20 the need for more viable alternatives for the OHV
21 community. And with more and more OHV users visiting
22 Hollister Hills, the OHV community needs more space to
23 operate. During some weekends, Hollister Hills reaches
24 maximum occupancy and actually does not allow anyone
25 else in the gate for the day. We need alternatives for

1 the OHV community for safety and other reasons.

2 I know the Governor spoke of being good citizens
3 and sharing what we have. I personally think that
4 philosophy should go both ways. We have a small park
5 with high usage. They have a very large park with
6 minimum usage. We should share what we have, and they
7 should share what they have.

8 I know we are here today to consider how to
9 respond to the State borrowing \$31 million of OHV
10 funds. I hate to say this, but I don't think we will
11 ever see that money again or the other money borrowed
12 back anytime soon or if ever. I'm not trying to be a
13 pessimist, but I'm trying to be a realist. And with
14 that in mind, let's be real about what's happening
15 here. This is a financial transaction, and I think we
16 should treat it as such. By treating this like a
17 financial transaction we should make sure that what
18 we've getting is something for our side of the bargain.
19 With OHV funds for property acquisition being depleted
20 by the State, it's only fair and right that the State
21 should provide an equitable piece of property for the
22 funds. This should be done in the here and now, not
23 later, not some day, but now. By taking these funds
24 they have put themselves in a position for us to make
25 this logic request of them and for them to be in a

1 position to grant it. They are in debt to us, not the
2 other way around. That is why I would like to see
3 Henry Coe Park opened to OHV.

4 KAREN SCHAMBACH: Karen Schambach, PEER. You
5 know, times are hard. Everybody is taking a hit in
6 this budget, and, yeah, OHV is taking a hit, too.
7 They're not closing any SVRAs. They are closing a lot
8 of State Parks. So if you talk proportional pain, I
9 think OHV is getting off fairly easily.

10 You get the reserves swept because you have a
11 reserve. You have a reserve because an overly generous
12 allocation from the fuel tax funds, which is about
13 double what the fuel tax survey showed that the program
14 is entitled to. So, yeah, you have a lot of money, and
15 when times are hard, they're going to look for places
16 to take it. But OHV isn't being hit nearly as hard as
17 some other programs. You know, 11-, 12-year-olds are
18 now being proposed to be dropped from after-school
19 child care.

20 So I don't think the public -- it would be
21 interesting to see if you tried to do some kind of
22 legislation. I don't think the public is going to be
23 particularly sympathetic. Even though people in this
24 room care passionately about their sport, people are
25 passionate about other programs that are being cut, and

1 I think you would be surprised that they far outnumber
2 those who care about OHV. Thank you.

3 DAVE PICKETT: Good morning, Commissioners,
4 Commissioner Willard, and welcome our two new
5 Commission members. You jumped in to one where your
6 feet will get burned today, I think.

7 I really appreciate, District 36 appreciates you
8 holding this meeting. I think it's important that you
9 hear from the folks you serve. I know you've received
10 many communications from members of District 36
11 advising the way they feel. They were a good cross
12 section, a representative sample of what the folks that
13 pay the bills are feeling right now.

14 I went to every Subcommittee meeting that took
15 place during this process. And when I could find out
16 when the Conference Committee hearings were taking
17 place, I tried to attend those. I know Commissioner
18 Lueder attended I believe two of these meetings, and I
19 appreciate a member of the Commission being there
20 representing OHV when we were allowed to speak. There
21 was a lot of bad information that was passed on to the
22 committee members. Mr. Harris from State Parks was
23 there and did make a comment about State Parks not
24 wanting the money. And I was quite surprised
25 Senator Leno put forth that proposal for \$10 million

1 after Senator Nielsen said 5 million would be about the
2 maximum that he would feel comfortable going with. And
3 then with the very last meeting that took place, if I'm
4 not mistaken, I think State Parks got noticed about
5 20 minutes before the meeting even took place, and took
6 the vote when Senator Nielsen took a restroom break.
7 They did not pay attention at all to what the public
8 had to say, the facts that were provided to them to
9 give them a history of the program, and totally ignored
10 what State Parks had to say.

11 Mr. Herms, I appreciate you being here today
12 representing State Parks. And I know that you guys
13 have been in a little bit of a pinch on the backside,
14 and I have not been very nice to them via e-mail on
15 this situation. But as I've been thinking about this
16 on behalf of the members that I represent, we're a
17 40-year-old program now. And based on the 2011 Report,
18 that Division put out, came out January 1, I believe
19 you all have a copy of that, page nine, I heard
20 discussion this morning about how much money has been
21 taken from this program and not repaid. And if you use
22 the transfer chart that's on page nine, it shows a
23 little over 160 million. If you take into perspective
24 the amount that they're trying to take right now, it's
25 going to put it at \$200 million of trust funds. Now, I

1 like playing with math, and I look at 40 years,
2 200 million, that's \$5 million every year for the life
3 of the program that has been taken from us. And as I
4 walk the Capitol and I have Assembly representatives
5 tell me everybody has to pay their fair share,
6 everybody is hurting, I have two letters for it, but
7 today I'm going to be a gentleman and not use those two
8 letters. Because we have paid our fair share, and when
9 you break it down even further, that's \$100,000 a week
10 every week for 40 years, these folks' money, they're
11 sitting behind me, the ones that took the day off to
12 come here and talk to you.

13 I'm not trying to beat up the Commission. I
14 know you guys are trying to do the best that you can to
15 protect us and the Division leadership, yeoman's job,
16 over the top. But it's now time to stand up and fight
17 back, and you folks are tasked with helping us, writing
18 letters, putting the pressure on to represent the folks
19 that look to you for leadership. Help us. It's unfair
20 that this money has been taken for this long for the
21 General Fund. Thank you. (Applause.)

22 CHAIR WILLARD: We're required to break at 11:30
23 to allow public comment for any topic, so I think we're
24 going to continue with the public comment, but I'll
25 just allow if someone wants to speak on different

1 subjects, just allow them to do so. Would that be
2 okay? So we'll just continue with the list we've got.

3 DON SKAGGS: As we're sitting here listening to
4 what you're saying, the questions you've asked, I think
5 a lot of people behind me feel that you are
6 representing us to do what we feel is right and to
7 treat us equally. The OHV program spends a lot of
8 money in the local economies that the other programs do
9 not. And so it will hurt everybody, not just a few, if
10 things are cut to the point that you can't do what we
11 want to do. So thank you for what you're doing.

12 CHAIR WILLARD: We're going to go into the
13 non-agenda position of the public comment.

14 DEPUTY DIR. GREENE: Chairman Willard, just as
15 an aside, what you could do is perhaps postpone the
16 public comment period as identified on the agenda on
17 non-agenda items, you can continue to take public
18 comments here on this agenda item, and then afterwards
19 be able to come back and take public comment on the
20 public comment.

21 CHAIR WILLARD: That's a great idea. Let's do
22 it that way.

23 DON AMADOR: First of all, I want to thank the
24 Commission and welcome the new members. As someone who
25 was at that February 10 hearing, I do feel that the

1 public was sort of locked out of being able to
2 participate in the ongoing negotiations for the bill.
3 And as one of the members of the negotiation team for
4 SB 742 that met over that summer with representatives
5 from the Governor's office, Legislature and State
6 Parks, we did a lot of hard work, and we did talk a lot
7 about trust. And we've heard the word trust spoken a
8 lot today. And as part of that deal, we were asked to
9 go out to the OHV community, us as OHV leaders, and ask
10 the public to agree to having us double their fees, to
11 having them increase their fees at some of the parks,
12 and in return Senator Steinberg and others at the time
13 promised them and we promised them that this would be a
14 Trust Fund, that money would no longer be stolen from
15 it. So it really disheartens me today to be up here
16 fighting money being stolen from the program again. As
17 I look at other user fees programs like Boating and
18 Waterways, I don't see that money is being taken from
19 them. So my question is why is it always that OHV is
20 looking at a fund to be stolen from.

21 And it was referenced a little bit earlier that
22 there was some 2009 memo, it was a Legislative Analyst
23 decision that nobody has seen yet. And I don't know if
24 the Commission can request a copy of that, but I would
25 encourage the Commission to maybe consider sending in a

1 letter asking to see if such a memo exists. So I think
2 that's important.

3 So we are not going to talk about the non-agenda
4 items right now. We'll do that later on. Thank you
5 very much for allowing the public to come, and I just
6 wanted to say that we have a lot of OHV partners here.
7 As I was looking through the room, we have
8 representatives from Forest Service, BLM, county
9 sheriff, county search and rescue, environmental
10 community, OHV community, snowmobile clubs, business
11 owners, and even a congressional office representative
12 here. So you can see a lot of people are interested in
13 this program. Thank you very much.

14 GREG McKAY: Good morning, Commissioners. Thank
15 you for the opportunity to let me speak. I'd like to
16 thank the Commission. I haven't been to a Commission
17 meeting probably in eight or nine years. I thought
18 your questions, conclusions, the areas where you were
19 probing were right on spot. I thank you for the
20 education. You have a fantastic program. There are
21 problems with it; that's part of life. I think that
22 these cuts have really negatively impacted the tax
23 revenue situation that the State desperately needs.
24 The multiplier effect of off-highway vehicle recreation
25 is tremendous. A cutback on this may be a spiral you

1 don't want to have.

2 You may try to reverse engineer this problem,
3 make yourself less attractive as a loan target for the
4 State, find sustainable opportunities for off-highway
5 recreation in the state and invest in those. It will
6 serve your constituency better, and I think you'll
7 serve the State better overall.

8 DAVE DUFFIN: Good morning, ladies and
9 gentlemen. I'd like to speak for two different groups,
10 and one group is a group that represents Carnegie Cycle
11 Park. It's called Carnegie Forever. We began to form
12 this organization last year when our park was being
13 shut down, literally. We got a reprieve a day after a
14 large rally that we held to support the park. But from
15 our perspective, we understand the feeling deep down
16 inside of what happens when we are being told that our
17 park is being shut down. Now a few months or weeks
18 back, we had received indications that maybe 27,
19 \$30 million would be taken out of the Trust Fund and
20 that OHV parks could be shut down in the system. And,
21 of course, it rang a bell to us at Carnegie because we
22 went through that. We went through it down to the
23 11th hour. We got a reprieve the very afternoon when
24 the park was going to be closed the next day. So
25 representing the 13,000 people that have joined our

1 group ever since that park was being closed, I would
2 like to express this to you.

3 One of the reasons why these monies are being
4 taken away is because we have let them, collectively we
5 have let them do it. It's been going on long enough
6 when we had budget -- we had no problem with state
7 budgets in California. There was a lot of money,
8 everyone was flush. So sure we are the good guys, just
9 take the money, we'll try to remember in a couple of
10 years to get it back. Anyway, as time goes on, people
11 forget about those things.

12 So at this point, I believe that this Commission
13 is at a historic moment when they can be the ones who
14 say no, not on our watch. I believe that you're the
15 ones who could set some history. And so on behalf of
16 the 13,000 members at the Carnegie Cycle Park I'm going
17 to deputize you all to accept that responsibility.
18 Your badges will be in the mail this week.

19 Second organization that I represent -- just
20 give me a couple of minutes. I have a nonprofit group
21 that I've run overall for about 40 years, started out
22 as a school project. And so these youngsters have
23 asked me to give a report on this meeting here today.
24 So I have got to report to them what I observed and
25 what I saw and the facts and the details of this

1 situation. Now, the majority of them I'd say might be
2 around ten or eleven-years-old, so I have to give them
3 a report about what happened and what I saw. These are
4 youngsters that are very active. They've been to the
5 days up in Sacramento, they've walked the halls,
6 they've visited senators, they visited members of the
7 Legislature and represented the importance of the OHV
8 program for young people, because even though we in our
9 age groups have enjoyed OHV, ultimately the people that
10 are going to inherit what you have done and what
11 everyone else has done around here, we forget that
12 there are some younger people that are coming up and
13 whatever we're doing now, we're doing it for them, not
14 so much as ourselves but in a percentage.

15 So I have got to explain what I learned today to
16 them. And so what I'm going to tell them is this:
17 It's just like when you go to school, and you may have
18 some jobs, you may cut lawns, you may wash cars, and
19 you may end up with some lunch money, and it's your
20 money. When you go to school, a bully takes the money
21 from you. So anyway, that's the way that I will
22 explain this situation to these young people, a bully
23 has taken the money. And I think we need a different
24 Leno as senator, the one from Los Angeles. (Applause.)

25 DIANA TWEEDY: Hi, Commissioners, thank you very

1 much for inviting us. I'm just a normal person. I
2 don't represent anybody. My family and I ride at
3 Carnegie and ride at other State Parks, mostly Carnegie
4 because it's close and we like to save fuel. My
5 daughter, my grandson, my brother, his daughter, and
6 his son, we all ride there. And you know with the
7 deficit the state is experiencing right now, I find it
8 really appalling. It's appalling on a lot of levels
9 not just our OHV funds, but funding for other programs
10 that are critical in California. My feeling about that
11 is I'm a California taxpayer. I pay money into the
12 General Fund. My State Parks do not use General Fund
13 money. My State Parks uses money from a user-financed
14 Trust Fund, the OHV Trust Fund, which I am glad to pay
15 into. At one point I paid \$15 a bike for registration
16 fees. Now suddenly I'm paying \$50 a bike for
17 registration fees. I have a large family. I have
18 quite a few motorcycles. I'm willing to pay that. I'm
19 willing to pay the entrance fees into the parks. I'm
20 willing to pay the gas tax for the parks. But I'm not
21 willing to be doubly taxed. I pay my general taxes,
22 income tax, sales tax, other taxes, and I'm glad to pay
23 that for other parks that I don't use that often. Yes,
24 sure, I'm a hiker, I'm a bicyclist. I use other parks,
25 but there are tons of other parks near where I live

1 where I can hike and where I can bicycle and take part
2 in those activities, while there are only about two or
3 three State Parks within driving distance where I can
4 go and ride my motorcycles.

5 I've been a horseback rider, I've been a
6 bicyclist, I've been a sailor, and a hiker. I've hiked
7 hundreds of miles of trails in the Appalachian Park
8 over here in California. I love all those things, but
9 I also love my off-road vehicle park, and I love what
10 it does for my family because my family can't always
11 partake in these other activities that I partake in,
12 but they love to go and ride their motorcycles. It's a
13 way that I can tell my kids and grandchildren, hey, do
14 well in school or else you're not coming with us or
15 we'll not let you ride your bike. It's a really good
16 way to get families to play together, to stay together,
17 and to get the kids from staying at home and playing
18 video games all day. I'm sorry, I'm an old person.
19 That's my prejudice.

20 But, anyways, thank you very much for listening
21 to our concerns, and it sounds to me like you're very a
22 sympathetic group of people. Thank you.

23 JOHN ORTIZ: My name is John Ortiz. I own
24 Faultline Power Sports. We've got a store in downtown
25 Hollister. I'm also a concessionaire at Hollister

1 Hills SVRA. The taking of this money is going to cost
2 jobs and hurt local economies. A major driver to the
3 economy in Hollister is Hollister Hills SVRA. I employ
4 nine people that ranges from high school kids,
5 part-time jobs, to a couple of guys with kids raising a
6 family. In addition to us in town, there is a Kawasaki
7 dealer and Honda dealer that are supported basically
8 because of the SVRA that's in town, not to mention all
9 of the other money that's spent in town with
10 restaurants, grocery stores, the hotels, gas stations,
11 is a very significant part of the town of Hollister,
12 and we really need a park there and don't need any
13 cutbacks in it.

14 Also, I'd like to comment on kind of the
15 disconnect between the Legislature and Off-Highway
16 Vehicle Commission that you've alluded to a little bit
17 today in that they just kind of quickly jumped over
18 this budget issue, it's \$10 million, sounds good, move
19 on. We really need your help to kind of push them and
20 let them know how family oriented this sport is, and
21 how much it will affect the families of the state.

22 A couple of years ago there was a show and tell
23 up at Hollister Hills when they were talking about
24 doubling the Green Sticker registration fees. And they
25 had a bunch of people from Sacramento come down, and I

1 was standing on the patio of the store, they made a
2 stop there, and some of the comments I heard from
3 people that came to Hollister Hills were amazing: I
4 saw a couple of girls out there riding. Other people
5 were surprised they saw families out there. They
6 commented how beautiful the park was. The legislators
7 don't always realize what they are dealing with and
8 what a resource OHV is. I included a picture for you
9 guys of a poker run we did two weeks ago up in the
10 hills, and it shows I think it's about four-year-old
11 Brody won third place in the poker run, he's being held
12 by his dad, his two brothers are also there in the
13 picture, and his mom won first place in the poker run.
14 It's a family activity. We need to keep it going.
15 Thank you.

16 WAYNE FISCHER: Members of the California OHV
17 Commission, thank you again for our opportunity to
18 speak. I'm representing the Tahoe Sierra Snowmobile
19 Club and we have all of the Tahoe Basin up the ways
20 north and south Tahoe. Half of our members are
21 California residents; half are Nevada residents. And I
22 personally retire to Tahoe. I lived 25 years in
23 San Jose and paid lots of state taxes. I'd like to
24 make three comments.

25 Reduction of the OHV funds for grooming, as an

1 example for snowmobiling, would have a major effect on
2 us. The more advanced snowmobilers can get out into
3 the back country quickly and then disperse that
4 activity. We have many snowmobilers that are senior
5 citizens. They can't put on 25-, 50-pound backpacks,
6 but they can go out and recreate outside on a
7 snowmobile on groomed trails, so we do need that. And
8 also there is a lot of beginners that need to get out
9 there as well, just enjoy the environment on a
10 snowmobile. So, again, that's very important we keep
11 those funds.

12 Second comment is a lot of us feel for the
13 California Legislature to take the money away from us
14 is sort of criminal. It's just unconscionable. How
15 can you collect money not only from the State Parks
16 program, all of the other programs are being
17 redistributing funds. That's just plain not fair. And
18 the question you have to ask yourself: Where does it
19 end? And we have to stop and say no today.

20 The third comment I'd like to make is the big
21 picture, the 30,000-square foot altitude picture. Some
22 of us are former, but most of us are hardworking
23 taxpaying citizens. We work really hard during the
24 week. We contribute to our employers. We come home,
25 are good parents. We pay lots of taxes. And we need

1 to recharge the batteries. We use this outdoor
2 recreation as a mechanism to charge our batteries. And
3 then we can go back and be good workers, good parents,
4 put our kids through college and so on. So please,
5 please, do not let the California Legislature take away
6 this money because we have to be able to recharge the
7 taxes.

8 And the other thing that was pointed out
9 earlier, especially in OHV, we buy these toys. We pay
10 taxes on that. We pay a lot of gas taxes, go to
11 hotels, pay a lot of food and so on. So we're putting
12 money back into the California economy, and it's very
13 important that we can be able to continue this on the
14 scale we've had before. Yes, we all have to cut back a
15 little bit, but, again, please, don't let them do this.
16 Thank you. (Applause.)

17 BROOKE MURPHY: Well, my dad has a motorcycle
18 store and because of the Clear Creek Management Area
19 being closed, he has lost a million dollars in at least
20 three years. And I know that if we close the rest of
21 the motorcycle places, then my dad's store will lose
22 even more money, and we'll go out of business.

23 And I really, really like OHV because it's
24 really fun. You can meet friends. You can go out and
25 just are ride and see things. Like one time my sister,

1 my mom, and I, we were riding on the Renz property in
2 Hollister, and we saw a condor, and we told some
3 newspaper, and they're like really amazed because we
4 hardly ever see condors in California.

5 And also OHV can be a really great way to get
6 out of the house and stop playing video games,
7 especially for kids who play video games all day. Mind
8 you, I know those kids. And also at Metcalf, they have
9 a junior ranger program. I went to that one year, and
10 it's really, really fun because it helped me really be
11 able to ride a motorcycle because usually I ride a
12 quad. And then I really liked it because I met some
13 new rangers, and they were really, really nice to me,
14 and also pretty fun to go out and just camp, meet
15 friends, ride, go out on a ride for a little while.
16 And you can have tons of people out on a ride, and they
17 can be obese, they can be anything. They can just ride
18 because there are different types. They can ride a
19 quad, they can ride a motorcycle, they can ride a free
20 tire thingamajigger, and that way they can get out,
21 find friends.

22 And I also agree that it would be pretty cool if
23 we opened up Henry Coe as a motorcycle place because
24 the other place, Hollister Hills, is packed. Yesterday
25 I saw like eight people with motorcycles just from

1 Hollister Hills, and I hardly ever see that many on the
2 highway. So thanks. (Applause.)

3 ANTHONY GODRICH: Hi, Anthony Godrich, I think
4 that's who you were calling. I don't write real clear.
5 I'm a member of CERA, I have been for over 30 years
6 now. CERA is California Enduro Riders Association. We
7 put on enduro races. We've also put on air scrambles,
8 and poker runs, and whatnot. I've been in the AMA as a
9 life member now over 33 years in that. District 36,
10 I'm a life member. I'm a life member of CERA. I've
11 been riding for 42 years. My son has been riding now
12 for 17 years.

13 I can sympathize with what we guys are going
14 through as far as the Legislature. I don't agree with
15 a lot of what they're doing as far as taking money.
16 But the funds that they are trying to take from the OHV
17 program that they have are not funds that they can use
18 for General Funds, as far as I'm concerned. I've paid
19 taxes in this state since I started working when I was
20 16, and my funds go into the General Fund and are there
21 for their use. I also am funding through my OHVs,
22 which I've had for years, and I've had a garage full of
23 them, and now I've seen the fees double in price. My
24 fees are being set aside from a specific purpose there,
25 and it's not for the General Fund. I already pay into

1 that. I want my fees for the OHV to continue to go for
2 what I'm having my sport. My son, like I say, he's
3 been doing Motocross. We don't have to register
4 Motocross bikes in the state at all. We can pretty
5 much ride any of the private tracks we want. You don't
6 have to register, but I've chosen to register all of
7 our bikes every year for every year we've had them
8 because I support the program. And like I say, he's
9 ridden Motocross for years. It's a family sport, just
10 as enduros are for me, and we've chosen to continue to
11 support the systems through our OHV funds.

12 Now I'm looking at if they're going to continue
13 to take money away from the funds, do I want to
14 continue supporting funds through the Motocross
15 circuit. I probably will, but I'd really like for some
16 fight back from the Commission to stop the Legislature
17 from trying to raid our fund all the time. So kind of
18 that's where I'm coming from.

19 Our club has been putting up with cost
20 recoveries on the part of the Forest Service right now
21 to the tune of around \$27,000 they're trying to hit us
22 for. We can't afford that as a club, so we're looking
23 for all alternatives now as far as how we're going to
24 fund our activities. We paid over \$10,000 into a
25 five-year permit process only to find out that halfway

1 through the process when they were just about ready to
2 issue the permit they said, oh, by the way, we're not
3 going to issue the permit, you need to supply us with
4 another \$17,000 to continue the process. That to me
5 was a bait and switch. We said perhaps we can pay as
6 we go sort of program, where the first year of revenue
7 that we get from our events, we can turn around and pay
8 a fifth of the proceeds towards that \$17,000
9 additional. They wouldn't have any part of it. They
10 want all of the money upfront. For a small nonprofit
11 club, we can't afford that kind of money. So we're
12 being pushed into -- we're looking at venues in
13 Carnegie and places like that now to try to have our
14 events mainly because we're getting priced out. And
15 there's issues with the Legislature that we're taking
16 forth with that to try to push the thing back onto the
17 Forest Service that they can't price people out of
18 national forests. It's there for everybody's
19 enjoyment.

20 So most of us in this room are very passionate
21 about our sport. We are imploring you guys to take the
22 fight and push back on the Legislature to say, no, we
23 don't want our fund raided anymore. (Applause.)

24 JERRY FOUTS: Good morning, Commissioners,
25 Chairman, Deputy Director. My name is Jerry Fouts.

1 I'm AMA congressman for Northern California, Northern
2 Nevada, and thank you for letting me speak.

3 Something that's pretty interesting, we talked a
4 lot about it, and we didn't really settle out on it was
5 jobs. This OHV self-funded Trust Fund creates jobs,
6 creates a juggernaut, an economic engine in this state
7 that nobody has really talked about. We've talked
8 about it a little bit. That economic engine provides
9 jobs. It provides discretionary spending. It provides
10 taxes for those social things that Karen is so
11 passionate about, and I agree with that. And any
12 change in that tax structure, any change in taking
13 money away from this program is going to dramatically
14 change the participation and affect all of those
15 things.

16 Look at the kind of businesses in the state that
17 are driven by off-highway vehicle recreation, the RV
18 people that build tow haulers, they build motor homes,
19 they build enclosed trailers; look at the exhaust
20 manufacturers that develop and build product in
21 California, they build it here. The largest in the
22 world, and they ship stuff all over the world.
23 California is their largest market. Look at the Fox
24 motorcycle apparel company, probably hundreds of
25 millions of dollars of product a year, they're here in

1 California, Morgan Hill. They do a wonderful job.
2 It's driven, an economic engine that's driven by our
3 community, by our funding of our OHV program. Look at
4 the mom and pop motorcycle stores, places where kids
5 grow up learning how to work, places where kids grow up
6 going to college being able to have a place to work,
7 learning what good things are about.

8 At the end of the day, this program provides
9 discretionary spending for those people that are
10 employed by it. At the end of the day, this program
11 provides tax benefits that provide social programs all
12 the way from medical programs, all the way from
13 indigent programs, all the way from school lunches,
14 every social product that Governor Brown wants to
15 invent, we're funding it through this program. We're
16 doing it. And anything to cut that is going to
17 diminish it, it really is. I have two kids that grew
18 up in this sport, and they're awesome. And the reason
19 they're awesome is because they developed
20 problem-solving skills, self-reliance, a respect for
21 environment, and respect for law enforcement from
22 participating in this sport.

23 We are what it's all about, a self-funded Trust
24 Fund, okay? Any changes to that in my mind is killing
25 the goose that laid the golden egg. And anybody that

1 can't understand that in the room should go somewhere
2 else because this is the perfect program in my mind.
3 We're paying for it, and we're paying for those social
4 programs.

5 So, please, Commission, do whatever you can do,
6 Deputy Director, legislative people talk to
7 legislators, derailing that train is a horrible idea.
8 Even if you don't care about motorcycles, derailing
9 that train is a horrible idea because it takes away
10 from those social programs, that discretionary spending
11 that all of those other people depend on us to do.
12 Thank you very much for your time. (Applause.)

13 TIM ADKINS: Tim Adkins, Butte Meadows
14 Hillsliders out of Chico, also the owner of MJB Welding
15 Supply and Industrial Power Products out of Chico. I'm
16 wearing two hats today. I'm in charge of keeping the
17 trails groomed for about 100 miles in the Chester/Chico
18 area; also in charge of keeping the roads open by
19 blowing, grooming up to the snow parks.

20 We take a look at everything that's going on
21 here today and kind of get lost in the confusion. We
22 have people that try to take money from things that we
23 self-generate. And we talk about this gas tax, our
24 county received two years ago \$48,000 of gas tax
25 generated by user deals through OHV. OHV found that

1 our users come from the Bay Area, Sacramento, and all
2 over the State of California to come to our Chester
3 area and ride snowmobiles in the winter.

4 Without these winter sports, a lot of people
5 don't have an economy. Here we are worried about the
6 economy, and yet we got to turn and have people that
7 come around and want to kill our jobs and kill the
8 economy. How do they expect these people to survive
9 through the winter. The summer months pretty much take
10 care of them in the mountains. The winter months,
11 without this OHV money and without these groomed trails
12 and all of these people coming up there who use hotels,
13 food, lodging, buying gas, all those different things.

14 I come from an business standpoint. I couldn't
15 manage my business any way the people manage the money
16 around our state or be here, we all know that. For us
17 to think that somebody can stick their hand in our
18 pocket and take money from us, should be absurd. That
19 can't be done. I've saved a lot of money through the
20 past few years to make it through these economical
21 problems. The OHV has done the same thing. Now we
22 take users that have used their money, and used it in a
23 very bad way, and they think they can walk over and use
24 our money that we've saved. There is something wrong
25 with this picture totally. I hope the legislators

1 learn and I hope they listen because we'll come at you
2 from all directions, and we expect you, the people up
3 here at the OHV Commission, you're doing a fabulous
4 job, I hope you can get the word across to them that
5 there is nobody in this room here that's not very upset
6 with what's going on. I thank you for your time.

7 (Applause.)

8 JOHN STEWART: Now we can say good afternoon,
9 Commissioners and Deputy Director. I'm John Stewart
10 with California Association of Four-Wheel Drive Clubs.
11 It's been an interested morning listening to the
12 discussions and description of the California budget
13 crisis. Yes, California is in a budget crisis, but I
14 would also like to point out that over a number of
15 years, people were giving their life savings into
16 another fund, and that fund was entrusted to an
17 individual to be managed properly. That fund broke
18 down and found that it was mismanaged and fraudulent.
19 That fund manager is well known today and that is the
20 name of Bernie Madoff who now sits in federal prison on
21 embezzlement charges. Listening to the obfuscation
22 that the Legislature is going through it is again
23 looking like you have a trust fund where people have
24 been putting their money into with the expectation that
25 they would receive a benefit and that it would be

1 managed wisely.

2 The OHMVR Division has been managing the Trust
3 Fund, the people's money, the people that are
4 participants in OHV recreation, they have been managing
5 that wisely. State Parks overall has not been doing a
6 good job of management of their funds. And the State
7 Legislature has not been doing a good job of managing
8 the funds from the General Fund taxes entrusted to them
9 to manage for the social welfare programs.

10 Here we have a 40-year program that for year
11 after year it has been protected by the Legislature as
12 a viable option, as something that is important. The
13 frequent raids have come and gone. We have never been
14 repaid. Litigation has forced a payment under -- if
15 the program falls into the red. Well, with the loss of
16 this \$31 million on the program now, it looks like very
17 soon the program will go in the red. It remains to be
18 seen, will that Legislature stand up to their promises
19 or is it another fraudulent effort on their part, smoke
20 and mirrors, where they would again avoid the real cost
21 and the real issues of managing the public's money in a
22 safe and in a responsible manner.

23 Overall, let's ask the State Legislature to keep
24 their hands off of the OHV Trust Fund, which is from
25 the people, from the recreationists. It is our money.

1 It is recreation money, and it is there, and it is
2 there for an intended purpose, and they gladly pay it
3 for that intended purpose. Let's see that it goes to
4 that intended purpose. Thank you. (Applause.)

5 AMY GRANAT: It's a pleasure to address you.
6 Thank you, Commission, Commission and Commissioners,
7 for taking on this subject. You can hear all of the
8 passion in the room, and as I was sitting listening
9 deciding what I wanted to say, I was thinking that the
10 young man in the back, Mr. Murphy really said it better
11 than anything I can say. You can hear the passion in
12 his voice. I think it was W.C. Fields who said you
13 can't ever work with kids or animals, but I'm impressed
14 with his passion. I'm impressed with what he has told
15 you. I think that's the message that needs to carry
16 on.

17 In sitting in the Budget Subcommittee meeting
18 there was an expression that one the of Assembly
19 members used that everyone has to pay their fair share,
20 and I heard the same thing echoed today, and that kind
21 of bothered me because I thought about it. In essence,
22 that's true, but the OHV community that I know is among
23 the most generous of communities that I have ever seen.
24 And the idea that it's not recognized that this money
25 that we put into this Trust Fund is like a piggybank,

1 and everybody's activities and everybody's
2 registration, and everybody's fees go into that
3 piggybank, a special little piggybank put off to the
4 side. And it goes in and it goes in, and then somebody
5 comes and really looks at your piggybank and says, wow,
6 you've raised all this money, and snatches it away. It
7 is not everybody else's money. It is the OHV
8 community's money and has to stay the OHV community's
9 money because they have paid for it.

10 It is a self-funded program. I'm going to
11 address this to everyone in the audience. I think
12 everybody here understands that fact, but we in the OHV
13 community now need to take it directly to our
14 legislators, and take it to our politicians and say,
15 hands off our money. We need to not only express it
16 here in this room, we need to express it in the
17 offices, to the staff, to everyone in the Legislature
18 to let them know how we feel, and we can't stop. This
19 is not a one-time thing. We've heard about all the
20 money that has been taken. So I am empowering
21 everybody in this room to follow the lead of the
22 Commissioners, talk to the legislators, get your point
23 across, have them understand that we are a generous
24 community. We've given until it hurts. We've doubled
25 our registration fees on our Green Sticker vehicles to

1 support our programs. So everyone, we have to leave
2 here, take all of the energy and passion that's in this
3 room, when we leave this meeting take it further and
4 talk to your legislators. Together we can make a
5 difference. One or two people working alone, it's
6 really hard. Thank you. (Applause.)

7 JOEL OSOFSKY: Good afternoon, everyone. My
8 name is Joel Osofsky. I'm with the Plumas National
9 Forest. Thank you for taking the time to listen to my
10 comments.

11 I wanted to start off by saying I appreciate and
12 agree with what the Commission is doing and the
13 advocacy you guys have for OHV community. Please keep
14 that up. I want to speak to something that has been
15 brought up by other people here. I feel that all of
16 the messages have been very powerful and meaningful.
17 As a member of the Forest Service, I would like to
18 speak to what kind of impacts some of these cuts will
19 have to our agencies, how the trickle-down effect can
20 affect everybody.

21 I realize today after speaking with someone in
22 the Division that there are current grant shortfalls
23 even for this grant cycle. As a member of the Forest
24 Service, we rely heavily on those grants just to get
25 done even just our everyday work, let alone to develop

1 positive partnerships with some of these other groups
2 that have come forward and said, hey, Forest Service is
3 not working with us, we're having difficulty working
4 with them and getting our goals accomplished. I just
5 think it kind of demonstrates how important these
6 grants are to community support for OHV management,
7 which is obviously what you guys are here for. And
8 this is also compounded by the other budget cuts as the
9 federal government has had and just makes it a little
10 more difficult.

11 I'd like to just also echo the concerns that
12 many other people have had about how this budget
13 process is not transparent and encourage you guys to
14 take a strong stance with that. And also a more
15 personal note, I admire the dedication that many of
16 these people have in this room for the OHV community
17 and for their OHV opportunities. I work with a
18 volunteer group that does grooming in the La Porte
19 community, and every year they volunteer over 500 hours
20 of their time. I know members that -- Tim Adkins and
21 his group probably volunteer that much, if not more.
22 Please, when you guys go to bat for us and we go to bat
23 for the OHV community, remember there are people out
24 there who have that personal faith that this is what
25 they're putting in this. So please remember that.

1 Thank you. (Applause.)

2 RYAN CHAMBERLIN: Good afternoon, my name is
3 Ryan Chamberlin. I'm an ATV safety instructor, teach
4 motorcycle ATV safety. I'm also a motorcycle
5 technician. I'm also a motorcycle tech instructor.
6 I'm highly involved with the motorcycle industry all
7 the way around.

8 Over the past few years, OHV community has been
9 hit over and over again by numerous different outside
10 organizations. I'm currently a user, ten-plus OHVs
11 paying Green Sticker fees on, and what's the whole idea
12 behind what this trust is. The trust is funding in
13 toward the future of OHV. We're trying to get enough
14 to be able to get along for the next year, but what do
15 we need this reserve for is what we really need to
16 think about. Future trail compliance, other new rules
17 and regulations, quite similar to what happened at
18 Carnegie here in the past year. Could we have
19 predicted that? I doubt that.

20 The current ban on motorcycles has been another
21 big impact on the motorcycle industry, also,
22 environmental impact, special events have been hurt,
23 also other nonprofits. Nonprofits been attacking the
24 OHV community for quite some time now. A lot of
25 organizations rely on the OHV fund and grant fund for

1 their fiscal year and fiscal spending. We need to keep
2 this going. We need to do what we can do to protect
3 the future of OHV and the safety for generations to
4 come. Thank you very much. (Applause.)

5 RANDY BURLESON: Hi, my name is Randy Burleson.
6 Good morning, Commissioners and the public. Thanks for
7 the opportunity to comment today. I'm representing the
8 Sierra Treasure Hunters Four-Wheel Drive Club. I want
9 to provide special thanks to OHMVR staff for diligent
10 research and communication on this issue. They've
11 really helped bring a lot of people up to speed.

12 I took the time to come down and testify at one
13 of the budget committees and was turned away because of
14 a full room from the Conference Committee, and I'm
15 continuing to work to encourage our public to contact
16 their electeds and lobby this issue; not giving up.
17 And we need to keep the heat on the electeds to
18 hopefully rectify the problem. That's you guys, all of
19 the commissioners, and us in the room, and the users
20 outside the room, we all need to work together on this.
21 OHMVR is kind of being treated like an ATM for State
22 Parks and the General Fund. These aren't loans. This
23 is borrowing without intent to repay. For most folks
24 that's called theft or fraud. Politics makes things
25 kind of less clear.

1 I've heard some folks in this room and other
2 rooms say that we should share the pain. We've shared
3 \$122 million in the past few years, and 160 million
4 overall. Sharing more pain than that would be crazy.
5 Prop 21 was recently voted down with a pretty clear
6 mandate of the California people not to support State
7 Parks funding in that way. And State Parks' own census
8 numbers show sporadic use at a lot of parks. At the
9 same time our SVRA, OHV parks make money and show
10 regular high census or census figures and just
11 regularly filled by paying enthusiasts. To say that
12 more clearly, OHV pays our own way. We even doubled
13 our own fees through SB 742 to help cover some of these
14 expenses. OHV pays its own way and right now State
15 Parks users do not. Loaning further money there just
16 doesn't make sense to me.

17 So I'd like to encourage us all, again, this
18 side of the microphone and that side of the microphone,
19 we need to work together to resist further drains,
20 draws, and takes from the OHMVR funds. Commissioners,
21 specifically, we need your help. We may be somewhat
22 out of time for this particular budget, but I'm not
23 done fighting. But more than anything, we can work
24 together on accountability and repayment for the past
25 \$160 million. I hope the OHMVR Division continues to

1 challenge the legalities of some of these loans of
2 non-fungible funds, but we need to work together to
3 fight the take that is underway now and to get refunded
4 on the past loans. I appreciate the opportunity to
5 comment today and appreciate the special meeting to do
6 so. Thanks. (Applause.)

7 BRUCE BRAZIL: Good afternoon, Bruce Brazil. A
8 few of our previous speakers have mentioned the trust
9 part of Trust Fund, and there has been some comments
10 from the Commission also as far as how to hang on to
11 the money. A couple of weeks ago when all of this came
12 out, I sent an e-mail off to the Office of
13 Administrative Law asking if there is a binding
14 definition of Trust Fund, has to do with our state
15 government. The reply, no. It's up to individual
16 legislation to cover that. So we're kind of duped into
17 thinking that our money was protected by putting it
18 into a trust fund.

19 And for the borrowing, when we passed SB 742,
20 special wording in there says that if any funds
21 borrowed will be repaid in two years. That hasn't
22 happened, and they don't seem -- the Legislature
23 doesn't seem to want to follow that. If I recall
24 correctly, the \$90 million that was borrowed has got a
25 four-year borrowing term on it? Okay. There is other

1 almost an umbrella statute that says funds borrowed
2 will be repaid in three years. Now, I understand that
3 the Legislature can change legislation, future
4 legislators are not bound to previous legislation, but
5 they have not changed any of the legislation in order
6 to circumvent what is already on the books. So I think
7 we've got a technicality here that we can work with.

8 Another part, fuel tax, under the fuel tax
9 program, any fuel that is purchased at the pumps and
10 used off-highway, other than for recreational usage,
11 the user can apply for a rebate on the fuel tax on that
12 fuel used. This is showing that the recreation
13 community, because we cannot apply for that rebate,
14 that money is definitely dedicated for a specific use;
15 therefore, it cannot be considered fungible, which
16 means applied for similar uses. We don't have that
17 opportunity to do the rebate, so hopefully we can get
18 the concept through to our legislators. Thank you very
19 much. (Applause.)

20 TERRY HANSFORD: Good afternoon, Terry Hansford.
21 I'm a native Californian, I grew up here. And I got
22 the opportunity to be able to watch the Green Sticker
23 program first implemented and how it's changed over the
24 years. And as a taxpayer in this state for my whole
25 life, I don't like it, and I've never gotten involved

1 at this point, but I feel it's time to speak up. There
2 are a lot of sayings I live by, and one of them is
3 those that don't learn from the crap they're doing are
4 doomed to relive it.

5 I heard contradictions today, and the finance
6 accounting department just scares me something
7 horrible. They don't know what they've got, they don't
8 know where it's going for sure, and they don't know how
9 much is coming in. I don't know. But the point is
10 with this there has been too much money borrowed from
11 the program over the years without any kind of
12 accountability by the State, and I haven't seen a
13 business yet that was able to borrow out money to any
14 one person, place, or thing under a we will pay you
15 back whenever we feel like it and survive.

16 It's a bigger picture here, too. There's a lot
17 more that needs to be done. But for now, just as a
18 general consumer who grew up on bikes and snowmobiles,
19 I love the sport. I don't want to lose it. The
20 snowmobile community operates on a shoestring as it is.
21 The majority of work on the trails and infrastructure
22 is done by volunteers. I believe more privatization
23 should be done because the systems are really
24 suffering. And to take more money away at this point
25 will make a bad situation even worse. We need to

1 expand systems. And, again, this is a bad message for
2 the kids growing up, too, find out how things are run
3 for the last 40 years since the Green Sticker program
4 started, the spirit of what it was originally intended
5 to be never happened.

6 But I thank you all very much for getting
7 involved. Thank you for your time. And I'm opposed to
8 any of this. I want no sweep of the accounts at all
9 because we'll probably never get it back, and it's been
10 already stated. No attack, just -- I know how it
11 works. Appreciate you people actually saying it.
12 Thank you.

13 Governor Brown himself, right here in black and
14 white, let's see if I can find it -- I should have had
15 more public speaking -- he thought the proposal to sell
16 the leased-back property by the state was shortsighted,
17 I don't believe that. I believe that the selling of
18 the property leased back could be very profitable, both
19 the short-term and long-term, especially like I heard
20 here from a couple of gentlemen taking some of the
21 properties that the State wants to sell and lease back,
22 hey, what about the money owed us, folks? There is a
23 solution. Put the value on the property, how much do
24 they owe us, give us the property. They owe us money,
25 millions and millions and millions of dollars. Does

1 the off-road vehicle community see any interest
2 payments for that? Have they? I haven't heard that.
3 All I've heard is the State saying we'll pay you back
4 when we feel like it. That's kind of status quo,
5 folks, and has been for as long as I've been in the
6 state. I ain't leaving. I still love it here. I have
7 to ride with a knee brace and back brace, but I'm going
8 to until I can't get on it anymore. Same with
9 motorcycles, I can't ride without a back brace, without
10 a bike brace, but I still ride. And I will until I
11 can't. I love the sport.

12 No matter what happens here today, I'm going to
13 stay involved. But it's getting more and more
14 expensive. Overall tax burden on the general public is
15 horrifying, it's unbelievable. Anyway, I'm
16 sidestepping again, but I believe a lot of
17 privatization could help all of the off-road vehicle
18 community. Just from what I've seen, specifically in
19 the school belt community seems to be like the unwanted
20 stepchild or whatever. We have very little funding and
21 very little done because there is no money. And I'm
22 reiterating saying most of what I seen done is strictly
23 volunteer. Money should not be taken away, especially
24 from OHV. I oppose taking any of this. Governor Brown
25 himself said all loans will paid back by fiscal year

1 '13/'14. Where is that? I had that here. It's one of
2 the papers you guys had back here on the table, yet I
3 heard here no, probably not. So too many
4 contradictions. I ain't buying it.

5 Again, I have to say I'm opposed to this as a
6 general taxpayer. If anything, we need more money
7 coming in to the off-road vehicle community, not being
8 taken out. And the whole state ain't going to make it
9 until all of this stuff is changed, so thank you for
10 your time. (Applause.)

11 TERRY McHALE: Good afternoon, members of the
12 Commission, I'll be brief. I'll just start by saying
13 that I've always been confused as to why the parks
14 foundation and PEER and other groups want to close down
15 OHV when over the years we've proven to be their most
16 reliable slush fund. It seems to me that -- I will say
17 that there's been a lot of criticism of the
18 Legislature, some of it deserved, some not so much. It
19 is true there is a point in the Legislature where it
20 becomes a breaking point. For those of us who have
21 attended all of the hearings, especially Budget Sub 3,
22 I think that you saw this group, Commissioner Lueder
23 was there, a great many of the people in this room, and
24 I think there was an expectation that it would fly
25 through and it didn't, and it was held over.

1 And when it went to the Budget Committee, it was
2 held over several times. And it was held over because
3 individuals in this group, because of the Commissioner,
4 because of Deputy Director Daphne Greene, and Chief
5 Phil Jenkins, and Bill Herms from Parks who was outside
6 and made sure that testimony was heard that Parks did
7 not want this money, all of it had an effect.

8 And I think if there's any lesson that can be
9 taken from this, it is that there is a fatigue in the
10 Legislature that this money continues to be taken and
11 there is no money given back with respect that is due
12 OHV isn't provided. I heard earlier someone say that
13 the voters would not support off-highway vehicle
14 recreation, and I find that ironic since that
15 particular person supported an initiative that went
16 before the voters in a democratic year, and it was
17 rejected overwhelmingly, and then they returned and did
18 a report as to what has to happen for our parks to
19 become more viable. I don't know how many people saw
20 the report, but it said, we need to reeducate people on
21 how to use parks and we need more boats. Well, my
22 answer would be that we don't need more boats, we don't
23 need to reeducate people on how to use their parks, we
24 need to look at the OHV program, which is a viable
25 program that pays for itself and that people want to

1 use.

2 It is true there are enormous needs in the State
3 of California. \$500 million is being taken from higher
4 education. They're protesting at the Capitol.
5 \$2 billion is being taken from redevelopment money.
6 Firefighters in the State of California is being
7 reduced by a quarter. There are profound cuts being
8 made; however, OHV has paid their share. We need to
9 tell the Governor, we need to tell the Legislature,
10 yes, OHV has paid their share. It is time for those
11 moribund parks that are not being attended by people,
12 that are sitting up there without being used, it's time
13 to say either close to them down or let's be so bold --
14 we may not get Henry Coe State Park, but a lot of those
15 parks are out there dying to be used. And you have a
16 program where they can be used, and they can be used
17 well.

18 Let me close by saying this has been a terrible
19 time to work in the State of California. The
20 \$12.5 billion cuts that have been paid are real cuts.
21 This isn't a Schwarzenegger program of smoke and
22 mirrors, we'll wait for the federal government to bail
23 us out. These are genuine cuts. We know today the
24 budget discussions have broken down again, which means
25 the five republicans who said they may have been

1 willing to vote for the budget and to put on the ballot
2 the extension of those taxes has said that it is
3 broken, and they are not going to move forward on that.
4 If that happens, Governor Brown has said, and I believe
5 him, that he will do a \$12.5 billion more in cuts. And
6 so this \$10 million we're talking about now, this
7 \$10 million that scares the shit out of everybody, if
8 that happens, what we will be fighting for is whether
9 or not there will be an OHV program at all, at all.
10 The entire program gets shut down. And this worry with
11 70 and 90 state parks is real. They will close down
12 those 70 and 90 state parks, and you're not going to
13 get garage pickup at your house. You're not going to
14 have police responding on anything except a call where
15 people are being injured. You're not going to have
16 firefighters come to your house without charging money
17 for being there. They are real cuts.

18 So my advice to all of you is to take this
19 passion, and there is place it can be directed. Eric,
20 you'll join in with me on this, I believe in terms of
21 what the response was in the committees, I think those
22 of you who have gone to the Legislature and have spoken
23 to your legislators will agree, we need to go to them
24 and the message needs to be two-prong. First of all,
25 take the money from where it deserves to be taken, and

1 that is the Parks that don't work. Second of all, if
2 we're going to have -- these cuts should not happen at
3 all. But in the future if there are going to be cuts,
4 what we should do is have a program in place that only
5 those parks -- and the new Secretary of Resources was
6 asked what he was using as a standard to close down
7 parks. He said the three most important standards are
8 the historic parks, which need to be kept, and I think
9 we're fine with those; second of all are those parks
10 that pay for themselves need to be kept; and third of
11 all those parks that are most used need to be kept. We
12 fall under all of those categories. And so the message
13 needs to be parks that can afford to pay for themselves
14 need to be preserved. We fall in a category.

15 The last thing, someone said today that the
16 reason we have a reserve is because we get too much
17 money. That's reinventing history. I sat in on every
18 one of those discussions with 742. There was an
19 agreement on how that money was going to be shared.
20 The reason we have too much money is because
21 Daphne Greene and Phil Jenkins are not given
22 opportunity to spend the money they have. So the
23 daring young man who came up and talked about Henry Coe
24 State Park, put that into an opinion piece, get that to
25 your newspaper, call the individuals that represent

1 you, call the members of the Budget Committee, and of
2 the Subcommittee Budget, cooperate with I think the
3 most effective people in state government, Daphne and
4 Phil, and make it clear there are options, there are
5 recreational opportunities that can survive even the
6 deepest budget cuts, and that is to follow the program
7 that you, Commissioners, are in charge of.

8 And one more final comment, I do want to say
9 that this Commission deserves particular praise. Part
10 of 742 was to put together a Commission of people who
11 understood and cared and realized that off-highway
12 vehicle recreation is the best representative of people
13 who recreate and recreate responsibly. And we wanted a
14 Commission like you, and we would invite you to be as
15 daring as possible in reaching out to the Governor, to
16 those who appointed you to this Commission. Thank you
17 very much for your patience. (Applause.)

18 NICK HARIS: Nick Haris, American Motorcyclist
19 Association. Terry warned me that he was going to
20 steal all of my thunder, so I'll echo a lot of what he
21 said. I wanted to point out a few things. Number one,
22 as Terry mentioned, the budget negotiations have broken
23 down again. So for us to act like this is done,
24 potentially it could be worse as he alluded to, but
25 also it could be better. The fight is not over. We

1 had, the last time I checked, 1700 messages from our
2 website alone that have gone out. Anybody that's seen
3 their representative or walked the halls knows that
4 they're hearing from us. And I think Terry mentioned
5 to me a few weeks ago, you got down to like four things
6 left to get out of the Budget Committee, and we were
7 still on that list. That alone was very impressive.
8 We were making people realize this was something that
9 was not free, was going to be a cost politically.

10 And I guess the other comment I wanted to make,
11 I think we've all seen in the past State Parks
12 Foundation is very close to State Parks, as they should
13 be. They support them. They've got a website. They
14 worked on the initiative, and yet when the State Parks
15 folks got up at the Budget Committee hearing that I was
16 at as well, and said they didn't need the money, the
17 State Parks Foundation person got there immediately
18 afterwards and said oh, no, you should take it. So I
19 think that that is either very disingenuous or there
20 was a real lack of communication between them. I'm
21 kind of curious as to if there are any more details
22 about that that could be shared with myself and the
23 Commission.

24 Other than that, we have been including in our
25 messages from our website the message about let's

1 identify some State Parks units that are potentially
2 good candidates for OHV use and work with State Parks,
3 take that off their books, put them on our books, give
4 us some opportunities. And I'm not saying everything
5 going to be like Prairie City, but we can find and we
6 can identify a number of opportunities I believe. And
7 thank you all for being here. (Applause.)

8 DEE MURPHY: Hi, my name is Dee Murphy. I'm
9 here for two things. One will be my husband's store,
10 Zoom Cycles in Santa Clara. It's been opened about
11 40 years. Since Clear Creek closed in May of 2008, we
12 consistently at our store had monthly sales loss of 30
13 to 35,000. That's on the average of \$500,000 in one
14 year. Now, that's three years we're going on that
15 closure. We have five employees right now, where we
16 used to have 17 to 21 employees. We were more like
17 John's store in San Jose, no more near a motorcycle
18 park at Metcalf. We are not paying the sales tax. If
19 we can't sell anything because there are no parks, how
20 do you think the state government will get that extra
21 money, not the OHV money but the sales tax money?
22 Customers come in, they say if the parks close we have
23 nowhere to ride, we'll just sell our bikes. No one
24 will buy them. We will have to sell them out of state.
25 There will be no Green Sticker fees to spend on

1 anything.

2 Over 14 percent of Californians own OHV vehicles
3 that are registered. Many more are unregistered, farm
4 workers, things like that. There are over 35 million
5 residents. That's about 500,000 motorcycles. I own
6 11. I only have three of us, okay?

7 When you go to Hollister Hills, if you're not
8 there by 9:00, you're not getting in most days. We
9 were in Hollister, bought a house in Hollister for two
10 reasons. I love Hollister Hills, and I love Clear
11 Creek even more. They closed Clear Creek. I only can
12 go pretty much to Hollister Hills. It closes at 9:00.
13 The people that drive an hour and a half to get there
14 can't even get in. Where will they ride? They move
15 back to Metcalf, Metcalf closes. Metcalf has 438, just
16 three digits, acres. Hollister has 4,000, plus the
17 upper branch. Clear Creek has 70,000. Henry Coe has
18 87,000. Henry Coe State Park was a state park that was
19 supposed to be state park for OHV in the '60s, but it
20 wasn't made that because somebody had some upset, they
21 didn't want it that close to Santa Clara County.

22 The largest county for OHV ownerships per capita
23 are Santa Clara, San Joaquin, Alameda counties. They
24 all have the dirt bike park. So if all of those riders
25 are riding to there, except for Hollister Hills where

1 they ride to anyway, most of them go there, there will
2 be no money, no money at all going into the Green
3 Sticker fee if nobody buys any bikes. I know several
4 people, I know John, I know Fred at Hollister Honda.
5 They built Hollister Honda, Hollister Powerhouse for
6 Clear Creek. It closed right after they opened it.
7 That's what that big sale that sales. The number one
8 store in the United States of America that sells Honda
9 motorcycles is Hollister Powerhouse, and they aren't
10 selling any dirt bikes.

11 Hollister Hills is the crown jewel of all OHV
12 places. It is. People come from out of state to go to
13 that park to see, well, how do we build a Hollister
14 Hills in Alabama, back east. It doesn't matter where.
15 They come to our parks to look at our ways that we
16 build them. If Metcalf closes, which it fills up also
17 and it gets OHV funds, there will be nowhere anywhere
18 at all. You'll have to drive three hours or more from
19 Santa Clara County. That's where we came from. We
20 came from Hollister, my daughter and I. And I know
21 other people came from much further away than I did to
22 drive here.

23 Most of our customers own several off-road
24 vehicles, especially dirt bikes, quads, and UTVs
25 because everyone in the family rides. As I told you, I

1 have 11, and I know people have three, four. You'll
2 have a track bike, you'll have a regular bike. Now
3 more and more people are being looked out of public
4 land such as Clear Creek. It is my land. I paid for
5 it. I've been working since I was eight years old.
6 All over America when they close land, people do go
7 riding where they're not supposed to. I don't. I've
8 never told my daughter to do that. We just have to
9 not. That's not fair. Where does that leave the kids?
10 That leads the kids, like my daughter told you, to sit
11 at home and watch OHV, watch it on TV, watch Super
12 Cross or play video games. I've talked to kids in San
13 Jose and Cupertino, they don't go to the parks, they
14 don't play on the grass, they don't go anywhere.

15 I had a daughter that was in second grade, when
16 she was in second grade, she did show and tell of a
17 quad and a motorcycle. A boy told her girls can't ride
18 a motorcycle. Well, that's pretty bad when your mom
19 and daughter and your little sister all have been
20 riding since before you were born, because I made sure
21 that that was not going to go through any further than
22 that.

23 You need to fight for all of us to keep our land
24 open. All of the Green Sticker fees need to stay in
25 Green Sticker funds. Over \$500,000 you're not getting

1 in sales from our store, that's a lot of tax base.
2 We're not able to pay you to run anything, that's
3 programs for kids, the 11 and 12-years-old. They
4 should take the money away from prisons. That's where
5 they should take the money from. Those guys are
6 ridiculous. If you have all of these people that are
7 hired at our store, five of them, 12 of them at John's
8 store, a whole mess of stores are here, I know that, if
9 they all closed or even 70 percent, where are all of
10 those employees going to go? There is nobody hiring.
11 You see signs all the time or you get somebody --
12 nobody will get it. You'll get someone with a college
13 education trying to go to work at In-N-Out. So that's
14 pretty much what I feel on Zoom standards there.

15 Now for me and my family, I've ridden in several
16 State Parks and on BLM land. I currently own 11 dirt
17 bikes. I've taught my daughters to ride and have all
18 intentions of teaching my grandchildren to ride. But
19 if Hollister isn't open, there is nowhere I'll be able
20 to ride, other than maybe Metcalf. If they don't get
21 OHV money maybe they'll close that, too. We want them
22 to open UTC property into that. We want them to open
23 Clear Creek back up. What I think the State should buy
24 with our land money, UTC property; Clear Creek back
25 from BLM, because they don't want to run it, ask them;

1 and Hollister Hills, expand it; and buy -- what was the
2 other one, Henry Coe.

3 The OHV program created in California is by far
4 the best there is in the U.S.A. All states come here
5 and use it. They'll have them riding, you have kids
6 riding. I have my kids in Junior Rangers, I can't wait
7 to have them teach a Junior Ranger program, you just
8 have to be a little older. Pretty much that's about it
9 because, you know, we need -- and you guys are
10 wonderful. It's really nice, and Daphne doing a
11 wonderful job. What we need is to do our OHV sticker
12 funds to stay here, and buy all of the State Parks like
13 they say that is not monetarily making it because we'll
14 make it make it. That's it.

15 RICHARD BRIGHTMAN: First of all, thank you, the
16 Commissioners and Daphne and Phil for all of the
17 wonderful work you guys are doing and supporting us.

18 I've been in the snowmobiling fun business for
19 about 45 years. I started riding snowmobiles back in
20 1966. When I was sitting here earlier, I heard a woman
21 get up, and I believe she was from PEER, and she was
22 talking about child care suffering because of the
23 budget cuts. I really don't care about child care and
24 budget cuts. This is my passion. And I'm going to
25 tell you, I think everybody in this room, we support

1 and we represent not one or two people, not 10 or 20,
2 hundreds of thousands of people, millions across United
3 States enjoy OHV. It's a way for us to find release.
4 It's a form of recreation that we enjoy. I have a
5 friend right now who has Stage IV cancer, and I'll try
6 not to get emotional about this, but one of his last
7 wishes is for me to take him on a trail ride on a
8 snowmobile. And for people to take funds away so we
9 can't have grooming so that I can give somebody their
10 dying wish, I think is a sad state of times.

11 Then let's talk about a loan. Now, when I go to
12 a bank, and I want to but a vehicle every couple of
13 years to haul the snowmobiles with, I take out a loan.
14 When I take out that loan, there are terms and interest
15 that I must pay back. So how can the Legislature --
16 and we can call them loans, we can call them robbing
17 our funds, whatever you want. They're taking the funds
18 and they're not paying them back. So why aren't they
19 being held accountable? Not just you all standing up
20 here and the staff over here, I think it's time for
21 everybody that we represent, everybody that couldn't be
22 here today, to get mad and to make our voice heard.
23 You know we've been sitting back while we're being
24 pushed around by the environmentalists and budget
25 committees and stuff. It's time we stood up and had

1 our voice heard. We need to be mad. We need to be
2 heard because we don't -- we won't be riding, we won't
3 have a place to go recreate at. That young person who
4 came up here and spoke won't have a place to have fun
5 and take their kids to one day when they get old
6 enough.

7 And most of us are volunteers. We volunteer.
8 I'm involved as a volunteer with the California State
9 Parks Snow Pal program. I'm by trade a safety
10 consultant and trainer. I travel all over the country
11 teaching people to deal with hazardous responses and
12 stuff. So each year I give my time to that program
13 because I very much believe in it. We take inner-city
14 kids that are troubled youth that have earned their
15 privilege to go to this program, and my portion of it
16 is I train the instructors to train them. I don't do
17 the hands-on with the kids anymore because I'm involved
18 in so many other things. Do we want to put that at
19 risk? I mean these kids come up here sometimes and
20 they've never seen snow before. And you should see the
21 looks on their faces and the fun they're having.

22 So I think it's important that we fight for our
23 right to ride not only snowmobiles, which I do, but any
24 kind of ways, be it dirt bikes -- I don't care what you
25 ride, but we should be out there, and we should make

1 sure our voice is heard because you can darn well
2 believe -- and I'm very involved with this -- that
3 there are many organizations that would love to see the
4 OHV completely shut down, that you would not exist,
5 that they would not exist, and that they could go out
6 there and do their recreating without having to deal
7 with motorized vehicles. I think that's pretty much
8 what I have to say. Thank you very much for your time.
9 (Applause.)

10 MAURICIO MARQUEZ: My name is Mauricio Marquez.
11 I'm a sergeant with the Kern County Sheriff's Office,
12 and part of my duties is I'm the supervisor for our
13 Off-Road Vehicle Enforcement Team, which is why I'm
14 here. And as a sergeant for the team and supervisor,
15 the grant process or the grant funding that we receive
16 from OHV is a major part of our program. It keeps us
17 going and supplies us with the funding for necessary
18 equipment and obviously to put people on the ground in
19 addition to what we already have. I've been the
20 supervisor for about a year and a half. I'm not an OHV
21 person; didn't have any experience with OHV. So I've
22 had an uphill battle since the get-go trying to
23 familiarize myself with OHV, the issues that surround
24 it.

25 It's pretty interesting sitting here listening

1 to everyone. One thing that I was amazed during this
2 year and a half is that this is a family sport, it's a
3 family sport. And quite honestly, I didn't think it
4 was before I actually got involved with it, so it's
5 pretty neat to see that.

6 Now what's the focus of our off-road vehicle
7 team and what happens in our county, we have a very
8 large county, Kern County, and we do have many riding
9 opportunities there and do have a large influx of
10 people that come visit our county to take advantage of
11 those opportunities. What that creates is small
12 cities, I don't even know how else to put it. We have
13 small cities that are created by the large quantity of
14 people that show up, and we need to provide law
15 enforcement services for them. That's really the
16 bottom line with us. So we have to have law
17 enforcement out there in order to maintain and make
18 sure that we have safety and security for the people.
19 That's our number one priority.

20 Also, along those lines, we also have many other
21 issues that we have to address. We have the off-trail
22 riding. We have other illegal activity. I know
23 several people mentioned the trespass, environmental
24 damage. Now, my personal opinion is that this
25 funding -- or lack of funding or decrease in funding

1 would actually create more illegal activity, more
2 trespass, because you couldn't put the law enforcement
3 out there. You would not have the law enforcement
4 services out there to deal with this proactively and in
5 an efficient manner.

6 Just to close, I want to keep this short and
7 sweet, like I said, grant funding is extremely
8 important to law enforcement, and this is just a point
9 of view from one law enforcement agency that relies on
10 this funding. We're already doing more with less, and
11 I'd hate to see this happening. Thank you.

12 (Applause.)

13 CHAIR WILLARD: Before we break, I want to thank
14 the public for coming out and making statements. It
15 was tremendous, from snowmobiles to sand rails, from
16 people from the northern mountains to the southern
17 desert, we had some youngsters and senior citizens
18 talking. So it just shows the depth and breadth of the
19 program, and it was great to have all of you come out
20 and to have us listen to you, some very interesting
21 points made that I hadn't thought of and took some
22 notes on. So I think with that we'll just take a
23 ten-minute break. We could break for lunch but we have
24 just a little bit more to do so thought we'd take a
25 ten-minute break, come back, get it finished, and we

1 can be out of here.

2 (Returned at 1:06 from break commencing at 12:50.)

3 CHAIR WILLARD: Okay. Commissioners, we've
4 heard a lot of valuable input this morning and
5 afternoon. Any other comments, discussions? I think
6 we should probably consider taking action which I
7 believe would be writing a letter to appropriate
8 legislators. But before I even consider a motion, I
9 think we should discuss the situation. Comments?

10 COMMISSIONER FRANKLIN: I think obviously we've
11 heard from everybody still here, and all those folks
12 that were here in the morning, that this is an issue
13 near and dear to their hearts, and we would be remiss
14 if we didn't take some further action. A letter or two
15 to various people in the know and intimately involved
16 with this is definitely, in my opinion, appropriate.

17 COMMISSIONER VAN VELSOR: My initial reaction to
18 the proposal to cut \$10 million from the OHV Trust Fund
19 was one of support because I shared the perspective, as
20 many have as caring American citizens, that we all need
21 to sacrifice for the common good. However, after
22 further consideration I've come to the conclusion that
23 the proposed statewide budget cuts places the majority
24 of the economic burdens of the back of the poor, young
25 people, the unemployed, the elderly, the working and

1 middle class individuals and families.

2 It's true that the great recession of 2008
3 caused a massive loss in state and municipal government
4 finances with tax receipts dropping sharply along with
5 household incomes, spending and real estate values, but
6 it is important to remember that the cause of America's
7 economic plunge was Wall Street's excesses, not the pay
8 scales of elementary teachers and state employees.
9 According to Robert Wright, the Secretary of Labor
10 under President Clinton, the reason the economy remains
11 stagnant is because so much wealth has been
12 concentrated into the top income levels, and that the
13 vast majority of people in the United States no longer
14 have the purchasing power to lift the economy out of
15 its doldrums.

16 Roughly 70 percent of the American economy is
17 based on consumption, and Americans are buying much
18 less than they did before the recession. Only the
19 richest five percent of Americans are spending at
20 renewed levels because the Dow Jones Industrial Average
21 doubled since the crisis. However, the purchases of
22 the richest five percent of the Americans will not
23 result in economic recovery. They just can't spend
24 enough of their money to stimulate the economy. In
25 order to build a strong economic recovery, more money

1 needs to be in the hands of the working and middle
2 class because they tend to spend the majority of their
3 income regularly. This is especially true when the
4 money goes for salaries of teachers, police officers,
5 firefighters, state workers, and others that provide
6 vital services for our communities.

7 The American economy is more than twice as large
8 as it was 30 years ago, but there's been a major shift
9 in who controls the wealth. The share of the richest
10 one percent of Americans has doubled from nine percent
11 in 1977 to over 20 percent today. The 150,000
12 households that comprise the top one tenth of
13 one percent now earn as much as the bottom 120 million
14 people put together.

15 The answer to our budget problems in California
16 will not be solved by blaming government and reducing
17 government spending placing even greater burdens on the
18 middle and working class. Basic economics demonstrates
19 the carefully-chosen tax increases are preferable to
20 spending cuts when the economy is weak, and prominent
21 economists argue that tax increases on higher income
22 individuals are the least damaging mechanisms for
23 closing state fiscal deficits.

24 Nobel prize winning economist, Joseph Stiglitz
25 makes the point that economic theory and evidence gives

1 a clear and unambiguous answer. It is economically
2 preferable to raise taxes on those with high incomes
3 than to cut state expenditures. Making budget cuts is
4 not only unfair in terms of who will be hurt most, but
5 it will also compromise the fragile recovery and put
6 the California economy further at risk. Prominent
7 economists suggest that in a recession it is preferable
8 to raise the level of total spending in the economy.
9 That keeps people employed and buying things and makes
10 it more likely that businesses will want to invest to
11 serve that consumer demand.

12 So it would be my recommendation that the
13 Commission in writing a letter to support an increase
14 in the taxes of upper income individuals and resist
15 budget cuts to the existing programs that benefit the
16 working and middle class families and individuals here
17 in California.

18 CHAIR WILLARD: Well, that sort of puts a whole
19 new spin on our deliberations here that I'm not sure
20 we -- well, maybe we want to get into it, I don't know.

21 COMMISSIONER VAN VELSOR: We are somewhat
22 confined within our ability to make recommendations,
23 but I strongly believe that the burden of this economic
24 situation is being placed on regular people, and that
25 is playing out in states all over the nation with

1 budget cuts, extreme budget cuts to all of the programs
2 that benefit working and middle class people. And if
3 we don't point that out and say there needs to be a
4 different way of looking at providing for state budgets
5 than to just continue to cut and cut and cut programs
6 because what is happening is it's just furthering a
7 spiral of economic decline. And by expecting that the
8 working and middle class can handle the burden of
9 additional economic reduction is not going to solve the
10 problem. And so I think that it needs to be pointed
11 out that there is a significant amount of wealth at the
12 upper levels of this country that those folks need to
13 start paying more of their share of providing for the
14 common good. So I see it as a real issue that we
15 should raise.

16 COMMISSIONER SILVERBERG: So, Stan, how do you
17 see us composing this letter? I'm not following. I
18 understand what you discuss. I just don't understand
19 how we wrap that into comments regarding the issue at
20 hand.

21 COMMISSIONER VAN VELSOR: I'm assuming we will
22 suggest to the Legislative Budget Committee that we
23 don't approve of these cuts, and we don't approve of
24 these cuts because there is a better way, and that
25 better way is to look at increasing taxes on the upper

1 class -- or the upper incomes in the state.

2 COMMISSIONER KERR: So I think if I could
3 redirect our attention to some potential action by the
4 Commission, I do feel that the discussion needs to
5 focus on OHV rather than some of the other larger
6 social issues that are out there.

7 I'd like to ask our counsel before we decide
8 what actions to take -- I haven't heard anything from
9 him during the meeting, and I want to know what are the
10 legal options. In my opinion so far this particular
11 agency has not been particularly aggressive about
12 enforcing its rights, and I want to know what, if any,
13 options we have on the legal front other than just
14 simply writing a letter.

15 And then I'd like to comment about where I think
16 the Commission should go.

17 COUNSEL LAFRANCHI: Basically under the
18 Commission's duties and responsibilities, the
19 Commission annually has a role, obligation to review
20 budget expenditures --

21 COMMISSIONER KERR: Not our role specifically,
22 but what options are open to the agency itself that we
23 could recommend as Commissioners in our advisory role?
24 Can the agency sue the State of California? Is that at
25 least something that an independent, nonprofit can do?

1 What can we do to enforce the loans agreements?

2 COUNSEL LAFRANCHI: The Commission has no
3 authority to sue, to bring an action. Beyond that, it
4 would be inappropriate for me to comment in terms of
5 agency responsibilities. As Deputy Director Herms
6 pointed out, all of these legal issues are being
7 debated on a lot of fronts.

8 COMMISSIONER KERR: Let me ask you something
9 then. On this money that's been borrowed, one of the
10 problems I see is that -- let's say the State did pay
11 it back, it would simply go in the Trust Fund and then,
12 as I understand it, before it could be spent from the
13 Trust Fund, then the state budget would have to have a
14 line item in it that says it was going to be spent; is
15 that correct? So, in other words, if we wanted to buy
16 some property in Hollister, it's not just a matter of
17 the agency deciding to take money out of the Trust Fund
18 to go buy it. They also have to get a line item in the
19 budget?

20 COUNSEL LAFRANCHI: The Legislature needs to
21 appropriate the money in the Trust Fund before the
22 agency is authorized to spend it.

23 COMMISSIONER KERR: So to speak to this point,
24 one of the things I thought the role of today's meeting
25 was to listen and try and make some sense out of the

1 comments and hopefully represent the OHV community.

2 And as I listened to everyone today, I felt like
3 I did hear something that I had not considered before,
4 which is this concept of trading for public land that's
5 currently run by the Parks the other side of the Parks
6 Department. And based on my conversations with
7 legislators and my limited interaction I've had with
8 the Governor, I would say that we're going to be asked
9 to do our, quote, fair share. And I'm not happy about
10 the \$10 million, but I think that based on what I see
11 going on in other state agencies, it's not particularly
12 out of line or unexpected.

13 I think what the Commission should do in my
14 opinion is to concentrate on getting these loans paid
15 back and getting something in return. And since it's
16 very difficult to apparently spend these monies that
17 are in this Trust Fund, that I would rather have
18 property. So it seems like people are open to
19 innovative solutions at times of financial stress, and
20 I think we should consider asking for the state to
21 consider trading real estate for some of this money to
22 see if we can get some traction with that idea.

23 CHAIR WILLARD: Well, I for one am definitely
24 very much opposed to the \$10 million taking. As I said
25 in my opening comments, the state is in a difficult

1 financial situation right now and all parts of
2 government need to do their fair share. This program
3 has done more than its fair share. We've already
4 contributed \$160 million in loans in the last two
5 years. That's magnitude two to three times our annual
6 operating budget. I don't know any other state agency
7 that can say that they've already contributed multiples
8 of their annual operating budgets back to the General
9 Fund; there aren't any. So this program has already
10 done way more than any other program.

11 I'm also very, very concerned about the
12 precedent that the taking of \$10 million this year
13 sets. I mean what's going to happen next year,
14 \$20 million, and then the year after, \$40 million? I
15 think we need to stand up. We need to point out the
16 reasons why this is not fair, it's not equitable, and
17 the problems that it creates to the program. And
18 obviously there are other programs throughout the state
19 that are yelling, screaming the same way for cuts to
20 their program.

21 This is a little bit different situation in my
22 view because it is self-funded. It's not a program
23 where you have citizens that pay taxes, those taxes go
24 for services. And so when you have a fiscal problem,
25 you either need to raise taxes or cut services or a

1 combination of both. But the OHV program is a little
2 bit different in that it is funded by fees from users.
3 You can say that that's an additional tax that the
4 users are contributing to the services the State
5 provides. So to come in and take that money back, it's
6 like an extra tax, but I would argue it's a tax on a
7 certain segment of society, which I don't think would
8 be legal. You can't just choose some portion of the
9 citizenry and say, we're going to go tax these guys. I
10 don't think that flies.

11 So I would like to see this Commission today
12 pass a motion to direct staff and the Chair to craft a
13 letter that would be sent to the appropriate
14 legislators. I'm not even sure at this point who they
15 would be. I think the big five certainly would be on
16 the list of receiving such a letter. There may be
17 other legislators such as Senator Steinberg or others
18 that are in a leadership position that we might want to
19 address. If they'll take a phone call from me or even
20 a meeting, I'm willing to do that as the Chair for the
21 Commission if so directed. But that's my view on this.
22 I think we need to take a firm stand, and we don't need
23 to be mincing our words on it.

24 Commissioner Van Velsor, as far as making the
25 point in the letter that we feel that we ought to be

1 able to increase taxes, I just think that's a little
2 bit broad-reaching right now for this Commission to
3 agree to. I personally am okay with the notion of
4 maintaining the tax increases that are in place. As
5 far as new taxes, what would be the levels, who are we
6 talking about, how much. I just think that's a little
7 bit much for us to go into today. I appreciate the
8 concept, though. And ultimately at the end of the day,
9 perhaps that's what's going to be needed to get us out
10 of this mess. But I think right now for what we have
11 to deliberate on, the action we actually take, I think
12 we should just keep it focused on the OHV program and
13 the issue of this \$10 million take.

14 COMMISSIONER SLAVIK: I was sitting here
15 listening to all of this testimony, and I kept thinking
16 in my mind, double taxation, and I think that's what,
17 Chair, you're alluding to.

18 Is there a legal precedent for double taxation?
19 Tim, maybe you can elaborate on it a little bit. And
20 just my analogy from talking about double taxation, it
21 seems to me like if we want to talk to our legislators
22 or anybody that's going to listen that has some kind of
23 horsepower about this thing, the analogy would be if we
24 had hopefully money in our savings account back home
25 and all of a sudden the state decided we're going to

1 take 20 percent of your savings because we need money,
2 we didn't manage our money properly so we are going to
3 take your money. Sounds to me like what we're talking
4 about is almost exactly the same thing. We have a
5 trust fund, they're going to take money they don't have
6 any right to take.

7 COUNSEL LAFRANCHI: It's a very complicated
8 concept, and I'm not qualified to really address it.
9 I'm sorry.

10 DEPUTY DIR. GREENE: If I may, just for a moment
11 for the purposes of the Commission, it might be
12 helpful. I think what you have before you, what we've
13 heard today are a couple of things. One would be the
14 \$21 million loan proposed by the administration. We
15 haven't seen the language, so I can't say the language
16 is very clear. We're still trying to get that language
17 to confirm that, but for all intents and purposes, what
18 we've seen is that it would be a \$21 million loan.

19 The \$10 million is what is still unclear,
20 because we have not seen that trailer bill language.
21 We don't know whether or not it is a loan or if it's an
22 ongoing permanent take from the program. I think that
23 is what has been the concern in terms of the program
24 would be that if that firewall, which traditionally has
25 been everything is a loan not a take. If that firewall

1 is broken by a take, you now have the ability for the
2 Legislature, as one of you alluded to, next year it
3 would be 20 million, 30 million, and then you have no
4 program.

5 Legal issues aside, what is important is a
6 policy that perhaps the Legislature is looking at
7 changing. A 40-year program was started by a member of
8 the environmental community and a member of the
9 off-highway vehicle recreation community, recognizing
10 that we need each other, that we need to make sure we
11 provide legal places for people to recreate, and that
12 we protect the environment through the programs that we
13 have in place currently or some additionally to come.

14 I just bring that up to all of you that if, in
15 fact, you start to cut away at the program, then you're
16 going to go back to what life was like in the '60s.
17 And if you look at some of the photographs and for
18 those of you who remember the degradation that was
19 occurring, we know it wasn't sustainable, and that the
20 OHV recreation would be shut out entirely.

21 So I think members of the Legislature need to
22 understand that policy and the importance of OHV
23 recreation in their communities. I provide that as a
24 suggestion recognizing that others may take legal
25 recourse. Obviously, that's difficult for us to let

1 you know. That's something that's going to be
2 separate, but those might be some other avenues to
3 consider in terms of language and what you're
4 addressing here today.

5 COMMISSIONER PEREZ: I concur with Commissioner
6 Willard. First of all, it was great to hear from the
7 public. I did enjoy everything that was shared today,
8 and I'm also against the taking of the \$10 million,
9 whether it's a loan or an ongoing request. I think
10 that I heard lots of great ideas; however, I am
11 concerned about the transferring or the possibility of
12 maybe trading a property. That concerns me since the
13 likelihood of something like that occurring or whether
14 it's an easy transfer or not, I think there's a lot of
15 questions there. So I would like to say that I am in
16 support of this letter that will stay focused on what
17 it is that we want to accomplish. And at this point,
18 at least in my position, I would like to see that the
19 \$10 million is not taken away from the OHV community.

20 CHAIR WILLARD: Commissioners, any other
21 thoughts?

22 COMMISSIONER LUEDER: In addition to the cuts
23 that are being proposed, I think the question of
24 fungibility of OHV funds and revenue are key. And so
25 when we're ready to make motions, one of those would be

1 to address that through a letter requesting a legal
2 opinion from whichever office is appropriate at the
3 state level to determine what fungibility of our funds
4 are. Because until that's really answered clearly,
5 we're going to have this constant disconnect between
6 the Legislature and everybody else saying, well, our
7 funds can't be touched and the Legislature says, yes,
8 they can. And Legislative Analyst Office says, yes,
9 they can. So that's the sum of my comments until we
10 get to the motions.

11 CHAIR WILLARD: If there isn't any other
12 discussion, I would like to put a motion forth and then
13 we can discuss that.

14 COMMISSIONER VAN VELSOR: Will there be further
15 discussion after your motion?

16 CHAIR WILLARD: Absolutely.

17 So Counsel LaFranchi can help me here. So I
18 want to make a motion that the Deputy Director, Chief
19 or staff work with the Chair to craft a letter to
20 certain legislators and the big five, so that would be
21 the Governor and other legislators. And the purpose
22 for the letter would be to raise our objection to the
23 requested loan of \$22 million and the taking of
24 \$10 million. And then in the letter set forth the
25 rationale as to why we believe the loan and the taking

1 are inappropriate. And one of the rationale would
2 include the issue of fungibility of our Trust Fund
3 monies, as well as the impacts such a taking would have
4 on the program. Does that make sense?

5 COUNSEL LAFRANCHI: Sounds good to me.

6 CHAIR WILLARD: So moved.

7 COMMISSIONER LUEDER: I'll second.

8 CHAIR WILLARD: Discussion.

9 COMMISSIONER VAN VELSOR: The OHV Commission and
10 the OHV Division has a reasonable right to support and
11 protect their program and to advocate for optimal
12 funding for their program, as does all of the other
13 organizations that are advocating at this point in time
14 to keep from having their programs cut. \$500 million
15 is being cut from universities, and we've seen other
16 cuts in our binders. So everyone is trying to keep
17 their program operating and provide for the public in a
18 way that they believe is acceptable with a limited pool
19 of money.

20 And there's a limited pool of money because, as
21 I said, there's a disparity in the wealth in this
22 nation. And we need to bring that forward and that
23 needs to be recognized, and we need to continue to
24 hammer on that. Because we are continuing to be
25 presented with the idea that we are needing to just

1 fight with each other around this limited set of
2 resources and that that's all there is. And there is a
3 great deal of wealth in this country that's not being
4 accessed.

5 And I think it's reasonable for us in our
6 statement to say that we believe that not only our
7 budget should be protected, not reduced, but the
8 budgets of the other programs should not be reduced,
9 and that there should be efforts made to access funds
10 or income in this country and in the state that are
11 available. I just feel that we need to make that
12 statement. For us, the OHV Division, to advocate for
13 ourselves, I think that's fair. I think we should,
14 just like everybody else should, but that's not the
15 main problem. The problem is the wealth disparity in
16 this country, and I just think we need to continue to
17 point that out so that eventually it's heard and there
18 may be some changes made.

19 COMMISSIONER SILVERBERG: On this topic, I think
20 we are diverting. Stan has some interesting points,
21 but it really isn't relevant in this case, and the
22 reason I believe it's not relevant is because if the
23 funds that we're talking about, as we've heard over and
24 over, are really from the funds that are generated from
25 the OHV program, whether it be Green Sticker, park fees

1 and so forth that the community itself is paying, and
2 on top of it it's the gas tax that again the users are
3 paying. And so that is a whole different situation
4 versus monies in the General Fund that are being
5 distributed. And so that's where I think there is a
6 disconnect to where if we're bringing up general issues
7 to run the state and country, it really isn't
8 applicable at the level that we're at here, which is a
9 very finite measure of what we're talking about, which
10 is simply just OHV. So to go outside of that doesn't
11 make sense, since like I said, the funds that are
12 involved all have to do with the users that are not
13 from the general public.

14 And so it seems to me that we should really
15 focus our letter on that fact and the intent of the
16 original program and the safety mechanisms that were
17 put in place and address that to the legislators that
18 are making these decisions.

19 CHAIR WILLARD: Yes, I would agree with
20 Mr. Silverberg. He raises an excellent point. If we
21 bring in the tax aspect of it, it would only deplete
22 one of our primary rationale being opposed to the take,
23 and that is that it's a different type of program, it
24 is self-funded. These are monies that are paid in by
25 the users. It's not like another state program like

1 Parks and Rec or even the education system where it's
2 primarily funded through taxes. This is funded 100
3 percent from the users. There is no General Fund
4 monies that come in here. So I think it's a little bit
5 different, so I for one would want to move forward with
6 the motion the way it stands, but I'm willing to hear
7 from other Commissioners.

8 COMMISSIONER SLAVIK: Couple of points, can this
9 letter be available to the general public to carry into
10 their legislator or even take it to their local
11 newspapers? I'm wondering how much we can get the
12 media involved in this particular endeavor of ours.
13 That would be one question.

14 And the second question would be this
15 fungibility question. Can we get outside opinion
16 before we go in and maybe show our hand -- well, I
17 guess we've already shown our hand. Is there qualified
18 legal representation that can give us an answer to that
19 question at least based on their knowledge?

20 COUNSEL LAFRANCHI: The Attorney General renders
21 opinions, formal opinions and informal opinions. The
22 Attorney General, of course, advises the Governor and
23 the state agencies. So any kind of a request for a
24 legal opinion from the Attorney General's Office would
25 need to go through the administration and with their

1 blessing. So you could make a request of the Deputy
2 Director.

3 COMMISSIONER SLAVIK: Are you saying any request
4 we would make for outside legal opinion would have to
5 go throughout Attorney General's Office?

6 COUNSEL LAFRANCHI: The Attorney General is the
7 state's attorney. That's who it represents.

8 COMMISSIONER SLAVIK: I understand that. They
9 may not be on our side. I'm trying to get a second
10 opinion here like if we had cancer or something.

11 COUNSEL LAFRANCHI: So you're putting me in a
12 tough spot. I think we would need to take that
13 question back up the chain and find out what the
14 opinion is. I think the Commission has limited ability
15 to retain its own outside counsel. It has no ability
16 under the statute to retain outside counsel.
17 Certainly, if a lawsuit were to arise out of this and
18 the Commission were named, and the Commission were
19 taking a different position than the administration,
20 then that raises a whole other issue. I think at this
21 point your options are severely limited in terms of
22 getting another opinion.

23 The other option, of course, as Commissioner
24 Lueder has suggested, would be in this letter to
25 request feedback from the Legislature on whatever

1 opinion they've got. As we've heard, we haven't seen
2 an opinion. There hasn't been one published, as far as
3 I know, by the Legislative Counsel's Office. So I
4 think you raise kind of a tough question.

5 COMMISSIONER SLAVIK: It seems to me we've been
6 stonewalled by them already. I'm wondering if there is
7 any way we have of getting a second opinion prior to
8 going back to somebody that's going to probably --

9 COUNSEL LAFRANCHI: I think all we can say is
10 we'll take that question back and at least ask the
11 question. We can't say what the answer is.

12 DEPUTY DIR. GREENE: Commissioner Slavik, as has
13 been alluded to, the issue was not originally brought
14 up in the Senate, it was brought up in the Assembly.
15 It could be possible, and this is just process, that
16 perhaps in that letter if it's to the Speaker of the
17 Assembly Perez, the head of the Budget Committee when
18 it was alluded to that the funds were fungible, what
19 was the legal basis for which that decision was made.
20 We have tried to get that information. Perhaps you
21 might have more success as commissioner appointees
22 from, some of you, those very members. That may be an
23 avenue.

24 Just one other point, if I may before
25 Commissioner Kerr, would be in this case the Commission

1 does, with all due respect, have a little bit more
2 latitude than perhaps keeping in mind that we work for
3 the administration, so that is something that as we're
4 going through this process, that is why sometimes
5 you'll feel that uncomfortable feeling because while --
6 to Commissioner Van Velsor's point, we may be trustees
7 for the Trust Fund but, at a certain point we can't
8 advocate because we represent the administration. So
9 those are the constraints that it's important for
10 everybody to recognize we're working under. You don't
11 necessarily have those same constraints.

12 COMMISSIONER KERR: Well, to that point,
13 personally I support the letter that you describe, and
14 I think you ought to write it.

15 But I also feel that it would be within the
16 Commission's prerogative to write a letter second to
17 Kamala Harris, our Attorney General, and ask her for
18 her opinion of this proposed action.

19 And to bear in mind what Daphne just mentioned,
20 I don't think that the staff is going to make that
21 suggestion, but I think that we can certainly write any
22 letter we want to if we can agree on it, and I've
23 suggested that this legal firewall, this issue of are
24 these funds fungible, is an important one to the
25 agency, and we ought to raise it where we can.

1 CHAIR WILLARD: That's an interesting
2 suggestion. So to make sure I understand, you're
3 suggesting perhaps there should to be a second letter
4 we ought to pursue?

5 COMMISSIONER KERR: Well, I think we ought to
6 agree on the letter that we propose. I also recommend
7 that we consider writing a second letter to the
8 Attorney General asking her legal opinion. She serves
9 the entire state. The Legislative Analyst is one piece
10 of our state government, and the Attorney General
11 represents all of the people of California and has
12 broader responsibilities to respond to such requests.

13 CHAIR WILLARD: Let's take these one at a time.
14 It sounds like maybe that has the makings of a second
15 motion. So let's deal with the motion that's in front
16 of us, which is whether or not the Commission directs
17 staff and the Chair to collaborate on a letter to the
18 big five and other key legislators. So is there any
19 more discussion on that?

20 COMMISSIONER FRANKLIN: Just to confirm, and
21 respectfully, this letter is not going to have any
22 mention of redistribution of wealth. That is
23 completely outside of the purview of this particular
24 Commission.

25 CHAIR WILLARD: I have not amended my motion, so

1 the motion stands the way it was originally made before
2 Commissioner Van Velsor made the suggestion about
3 taxation being a part of the letter. So that's not a
4 part of the motion.

5 COMMISSIONER SLAVIK: Can this letter include
6 some of the other options that were brought up at the
7 meeting today, for instance, swap for land or anything
8 like that? In other words, don't leave anything on the
9 table.

10 CHAIR WILLARD: I'm open to that. I think
11 that's an interesting concept, one that I'm sure most
12 people in this room can get behind. I'm not sure what
13 kind of legs it has. But I think I would defer to
14 staff's judgment on that to see whether that was
15 something that we wanted to include in the letter or
16 whether that was perhaps maybe a little overreaching
17 for this specific point in time that we're at with
18 this. The main objective is to prevent the loan and
19 taking.

20 So does staff have any comments on whether or
21 not this concept of a swap for a state park for monies
22 owed is worth including in the letter?

23 CHIEF JENKINS: Without commenting on whether
24 it's advisable or not, in order to take a unit of the
25 State Parks system, it changes classification. It

1 would require the action of the sister Commission, the
2 Parks and Rec Commission, to take that action because
3 right now all of those parks are under their purview.
4 So changing the classification of a park would require
5 an action of a Parks and Rec Commission.

6 On the other hand, there are a couple of parks,
7 most notably Red Rock State Park, where we have
8 currently the state park system allowing Green Sticker
9 activity. It might take some of the burden off of
10 State Parks if we were assuming more responsibilities
11 there. There again, the advisability of that or not,
12 not commenting on, just noting that there is a small
13 number of parks that do have Green Sticker opportunity.
14 So there could be some possibility for collaboration.

15 COMMISSIONER FRANKLIN: I think we've got
16 multiple issues here. And to dilute the current
17 \$21 million loan, the possible ongoing \$10 million take
18 in with a 160, \$180 million previous loans and letter
19 to the Attorney General, I think are three separate
20 issues, and we should handle them that way.

21 I think maybe take a motion on the loan and the
22 potential ongoing take as one, and then the other ones
23 separately because I think they all have merit.

24 COMMISSIONER LUEDER: Just a quick follow-up on
25 the land swap or exchange or whatever you want to call

1 it, it was discussed actually in the Budget
2 Subcommittee hearing that I attended. Assembly Member
3 Brian Jones from Southern California actually brought
4 that question up and discussed it. So it wouldn't be
5 unprecedented for us to make mention that certain
6 members of the Assembly have looked at that as an
7 option, and that we would certainly be open to further
8 discussions if the Legislature and the Governor so
9 chose.

10 CHAIR WILLARD: Commissioner Van Velsor, you're
11 certainly welcome to make a motion for amendment to the
12 motion I made on writing the letter to include
13 something for taxes, but it doesn't sound like you've
14 got much support. So if you don't want to go through
15 that step at this point.

16 COMMISSIONER VAN VELSOR: Thanks.

17 CHAIR WILLARD: I want to make sure I'm not
18 shortchanging you there.

19 So if there is no other debate on the motion,
20 call for the vote. All those in favor?

21 (Commissioners simultaneously voted.)

22 CHAIR WILLARD: Opposed?

23 Show that it's unanimous approval. Thank you.

24 So, Commissioner Kerr, do you want to make a
25 motion?

1 COMMISSIONER KERR: I want to move that we also
2 authorize you to write a letter to the Attorney General
3 asking for a legal opinion as to fungibility of the
4 various monies that come into the OHV program and
5 whether these can be transferred to the General Fund
6 under state law.

7 COMMISSIONER LUEDER: I'll second that.

8 CHAIR WILLARD: We'll have discussion before we
9 call for the vote. I'd like to hear from staff on
10 that. Any input?

11 COUNSEL LAFRANCHI: I think that's an
12 appropriate way to handle it from the Chair to the
13 Attorney General, then the Attorney General can respond
14 as she sees appropriate.

15 CHAIR WILLARD: Commissioners, any discussion?
16 Call for the vote. All those in favor?

17 (Commissioners simultaneously voted.)

18 CHAIR WILLARD: Opposed?

19 Hearing none, it's unanimous.

20 Was there another motion?

21 COMMISSIONER KERR: I think there is something
22 circulating around here. I don't want to have to be
23 the one to formulate it. I think there is an issue of
24 the nature of these loans, how they would be paid back,
25 and somehow that gets composed in a way that talks

1 about --

2 CHAIR WILLARD: This has been a very important
3 topic, and we've discussed this before, before you came
4 on. I'm not sure there's a whole lot we can do. I
5 mean they basically have taken the money. We can
6 certainly make a request. Perhaps what's more
7 appropriate is to make a formal request for the funds
8 that are due. Are there monies due from that one loan
9 that had a two-year, that would be a loan that's due,
10 right?

11 DEPUTY DIR. GREENE: I believe the \$22 million
12 is due back in '12/'13, and '13/'14 is the \$90 million.

13 CHAIR WILLARD: Wasn't there a loan made like
14 two or three years ago that had a two-year term on it?

15 DEPUTY DIR. GREENE: The 90 million, they put a
16 four-year. The 22 million was the two-year. So this
17 \$21 million that's now being requested by the
18 administration would be two years, as well.

19 CHAIR WILLARD: So of all of the loans that have
20 been made, none of them yet have come up to their term?

21 COMMISSIONER KERR: Could I make one suggestion,
22 perhaps when you're writing the initial letter, maybe
23 you can mention all of these different notes and when
24 they're due, and this would simply add another one when
25 you're talking in the original letter, and that we just

1 want to make sure that...

2 CHAIR WILLARD: Definitely that's part of the
3 rationale or argument, if you will, for why we think
4 this is inappropriate and not equitable because the
5 program has already made --

6 COMMISSIONER KERR: If you're going to do that,
7 I don't think we need to do any more until such time
8 the notes are due.

9 CHAIR WILLARD: That's good to keep in mind.
10 Once the notes are due, we already had discussion
11 before, if I remember right, once the loans are due, we
12 would make some formal request for payment. Even if it
13 looked unlikely, we would still want to make a formal
14 request. And the Division can do that or the
15 Commission can do that, but at some point when those
16 loans are due, I think we definitely want to raise our
17 hands and say, hey, don't forget us, please pay back.
18 And that's when we can have the conversation about,
19 well, you don't have money, how about some land; maybe
20 that's appropriate.

21 I think that's it. Any other discussions or
22 comments on this topic? I think we're done with that.

23 //

24 **AGENDA ITEM IV(D) - Public Comment**

25 CHAIR WILLARD: So we do have the public comment

1 for the non-agenda items, so I think we're going to
2 open that up right now. And if you've got something
3 additional you want to say, now is the time to do it.

4 BRUCE BRAZIL: Boy, long day today. Bruce
5 Brazil speaking. This year U.S. Congressman Wally
6 Herger has introduced House Resolution 242. Basically
7 what it kind of boils down to is that he is requesting
8 a suspension on the funding of projects by the
9 U.S. Forestry on projects that are as a result of the
10 travel management plan. He's been getting enough
11 complaints from his constituents that he would like to
12 have some time to look into the outcome of the travel
13 management plan and kind of put it on hold.

14 And being that our grants process is also
15 funding restoration of -- well, not just restoration,
16 but projects that have to do with the travel management
17 plan, I'm wondering if there is an avenue that the
18 grants program can take to also reflect the same
19 decisions that the federal are. If the feds aren't
20 going to fund some of these projects, why should the
21 state, and why should the OHV program do it? Thank
22 you.

23 DEAN STANFORD: My name is Dean Stanford. I'm a
24 resident of Fremont and happen to be an owner of Tesla
25 Motors. I'm not sure if this is a non-agenda item.

1 I'm very concerned about the future of expansion of
2 parks regarding the budget. I would love to see
3 Metcalf and Hollister Hills expanded. And the idea
4 about the Henry Coe Park is intriguing.

5 But I'm most concerned about the proposal that I
6 submitted for your review last meeting where my
7 proposed urban zero emission off-road park to the City
8 of San Jose. And I've actually made some progress.
9 Their latest land-use map, compared to their densest
10 land plan deleted about 50 acres of industrial
11 buildings and they included a flexible recreation zone.
12 That leads me to believe that they're somewhat
13 interested in the idea, and I'm really worried about
14 the cuts in the grants that would affect opening new
15 parks and expanding existing parks.

16 Maybe one suggestion is since the federal
17 bureaus are charging exorbitant rates maybe we can cut
18 their funding by the \$5 million and not affect other
19 parts of the programs.

20 And I would also like to remind the Commission
21 that I asked for a letter of recommendation to San Jose
22 for this proposal, and I'd like to see that. Thank
23 you.

24 MICHAEL DAMASO: Mike Damaso, Merced Dirt Riders
25 Four By Four Motion. I kind of hit some of the points

1 in my first time I was up here that I was going to
2 bring up now, but there's a couple of them that I kind
3 of forget about.

4 On the cost recovery thing on the Forest
5 Service, one of the things that really kind of upset us
6 is Merced Dirt Riders had over 4,000 volunteer hours
7 from 2003 to 2009, and none of that would have been
8 considered towards the cost recovery. The volunteer
9 hours was over \$60,000 according to the Forest Service.
10 But none of our volunteer hours go towards any other
11 cost recovery costs. So they're requesting volunteers
12 and volunteers to go up and work in the forest and
13 stuff, but yet none of your volunteer hours seem to
14 count for anything.

15 Getting back to the budget, there is a lot of
16 cuts, but I think a lot of cuts in the budget should be
17 done because there's so much mismanagement of our
18 funds. So much waste going on within the government,
19 the inefficiency of the government. The OHV program
20 has done a much better job of managing their budgets
21 and efficiency of what's been done on the ground. So
22 one thing I don't know for sure is that the park fees
23 are covered under the Senate Bill 742. And the park
24 fees apparently under \$3 million that was received from
25 the park fees, which may be totally different than what

1 was covered under Senate Bill 742. I'm not sure. I
2 think that's about all I've got at the moment. Thank
3 you.

4 DAVE PICKETT: Dave Pickett, District 36. I'm
5 going to repeat what my predecessor just said, cost
6 recovery continues to be a problem. We have one
7 particular club that has had to go to Congress to get
8 the Forest Service to refund monies they put upfront,
9 and it's now like seven months that they're trying to
10 get their funding back that they were forced to put
11 upfront. They were unable to obtain the permits again
12 due to the costs. It isn't anything new. I said this
13 before with the Commission over the last few years.

14 I don't know if you've heard about the Bureau of
15 Land Management insurance mandates that has now come
16 for events. It basically doubled the liability
17 insurance. This is the reaction coming from that
18 terrible accident last fall down in the desert.

19 Cost recovery and double insurance, and the
20 public is slowly but surely being priced out of
21 recreating on their own land. The SB 742, the
22 intention of the thing was supposed to be a good thing,
23 and it seems that the leaders are just telling us to go
24 fly a kite.

25 And I appreciate what you're trying to do here

1 with your letter. You speak for millions of people, so
2 make it powerful. Thank you.

3 DON SKAGGS: Well, I think everybody has just
4 said about what I wanted to say, so I'm just going to
5 say a big ditto, and I'd like to commend you on the
6 work you're doing. Thank you.

7 DON AMADOR: Commissioners, I just wanted to
8 give you guys just a quick update on Clear Creek. I
9 know a number of you have been aware of that situation
10 since the closure in May of 2008 to all users, a
11 70,000-acre facility just outside of Hollister.

12 There has been a couple of things that have
13 happened just recently here that you guys may be
14 interested and may even be interested in maybe taking
15 some action or something like that. Last week the
16 resources committee had a hearing on Clear Creek where
17 the issue of the closure was brought up to Abbey. Then
18 a year or two ago, you guys authorized an asbestos
19 study by the Division, and I don't know where that is,
20 but it may be time for an update on that particular
21 study. And then the BLM, as I understand it, has their
22 FEIS already back at the Washington office, and that
23 could be coming out at any time. So it seems like
24 we're getting to kind of a crunch time where it may be
25 appropriate for you guys to take another look at that.

1 Thank you.

2 JOHN STEWART: Good afternoon, Commissioners and
3 OHMVR Division staff. John Stewart, California
4 Association of Four-Wheel Drive Clubs. I'd like to
5 extend a message from the Tierra Del Sol Four-Wheel
6 Drive Club of San Diego. This past weekend, the Tierra
7 Del Sol Club held their 49th Annual Desert Safari at
8 Ocotillo Wells SVRA. And as part of that event, we
9 opened up a new obstacle course area on Ocotillo Wells
10 SVRA. The obstacle course features 21 different
11 obstacles range from being capable for a stock vehicle
12 to a highly-modified vehicle. It's a world-class venue
13 that the people in attendance had great fun playing on,
14 and it's been well received. And from the club, we
15 have over \$25,000 invested in that, plus hundreds of
16 man hours in working with this, and we have had great
17 cooperation from the OHMVR Division and the Ocotillo
18 Wells staff. I show Kirk Shea from Ocotillo Wells
19 staff is in the back here. And I wanted to extend our
20 thanks to the staff of Ocotillo Wells and the OHMVR
21 Division for making this possible. This is a great
22 asset to the recreation public. Thank you.

23 ANTHONY GODRICH: I just got one comment, and I
24 don't think it was agenda item, it was kind of
25 discussed, though, talking about the land acquisitions

1 and the swaps and things like that.

2 We've purchased land -- or actually the OHV
3 group purchased land at Carnegie probably around
4 15 years ago or something now. It's still not open to
5 the OHV public. I would caution about trading for any
6 other chunks of land without getting some specific plan
7 in place to get it open because we're still sitting
8 with Carnegie closed. From last conversations I had
9 with the rangers, including the supervisor there, they
10 don't see that opening up for at least another couple
11 of years and maybe even longer than that, since they're
12 on their third environmental impact statement for that
13 land.

14 If we enter into the same kind of agreement for
15 someplace like Henry Coe or one of those kind of places
16 and we end up getting this nice park that we can't ever
17 open for OHVs, then we're basically sitting on a chunk
18 of property we're responsible for that we're not
19 allowed to use. So keep that in mind when you move
20 forward and make plans or swapping purchasing or any of
21 that kind of stuff. Just another little perspective,
22 thanks.

23 CHAIR WILLARD: That concludes the non-agenda
24 public comment period.

25 Deputy Director, perhaps we can talk about the

1 next meeting.

2 DEPUTY DIR. GREENE: Sure, if I may just respond
3 on a couple of points, if it's okay with the
4 Commission. Just apropos of the Carnegie comment, as I
5 indicated earlier today, part of that \$10 million in
6 the budget change proposal was for general plans. One
7 of those general plans in that is Carnegie. But
8 keeping in mind as we're looking at the \$5 million cut,
9 that's part of what we're grappling with, as well. I
10 just wanted to let you know that we understand.

11 COMMISSIONER FRANKLIN: You had mentioned the
12 upcoming meeting. I believe our next meeting is going
13 to be in April sometime. And as much as I just
14 absolutely love coming to Sacramento, I would really
15 like to get out and about. Hollister and Carnegie has
16 come up quite a bit. We have made field trips and had
17 meetings at other areas. I would like to recommend we
18 go to Hollister maybe for our next meeting in April.

19 CHAIR WILLARD: Thank you. Our plan all along
20 has been to have these meetings everywhere but
21 Sacramento, but, unfortunately, due to the budget
22 crisis or this was such a short notice and emergency,
23 and this just seemed the best place to do it. I think
24 we're scheduled for Heber Dunes.

25 DEPUTY DIR. GREENE: That's correct. As a

1 matter fact, we are scheduled for three weeks and one
2 day to get back together. We're supposed to head to
3 Heber Dunes. The goal was to move forward with the
4 approval of the general plan for that park. We are
5 running a little behind, my apologies. So if the
6 Commission is all right with that, I would like to try
7 to move that to our fall meeting that we have
8 identified, so that would be something that we're
9 trying do.

10 CHAIR WILLARD: I think Mr. Amador made some
11 comments regarding Clear Creek and kind of coming to a
12 head, so perhaps I think it would be more appropriate
13 to have the meeting close to those folks that are users
14 at Clear Creek, so that we can have a more meaningful
15 public input on that situation. Does that make sense?

16 DEPUTY DIR. GREENE: It's up to the Commission,
17 certainly. One of the things that had been identified
18 last time was the desire to get to Southern California.

19 CHAIR WILLARD: Well, I think we've got the rest
20 of the year to go to Southern California, and I think
21 we'd love to do that. I for one defer to my
22 colleagues' input, as well. I think Clear Creek is a
23 really, really important issue, and I had promised
24 folks from the EPA that once the reports were done,
25 that we would have a meeting to discuss Clear Creek.

1 And they're coming out of the San Francisco office, and
2 I know their travel constraints would be an issue going
3 down to Southern California to talk about Clear Creek.
4 So I think I for one would want to see the next meeting
5 in Hollister, San Jose, San Benito, somewhere close to
6 the Clear Creek area.

7 COMMISSIONER LUEDER: Could I make a suggestion?
8 We have meetings scheduled in April and May, I believe;
9 is that correct?

10 DEPUTY DIR. GREENE: That is correct.

11 COMMISSIONER LUEDER: Could we possibly have
12 discussion with the Chairman and Deputy Director to
13 select the appropriate place and time to address Clear
14 Creek, realizing that there is only three weeks until
15 the next Commission meeting?

16 DEPUTY DIR. GREENE: Certainly.

17 COMMISSIONER LUEDER: And suggest possibly that
18 if we don't have a Northern California meeting in
19 April, that we visit Ocotillo Wells.

20 DEPUTY DIR. GREENE: We're scheduled to be down
21 there in December.

22 COMMISSIONER LUEDER: I was at the Tierra Del
23 Sol event, and the new closed course four-by-four area
24 is outstanding, and staff down there is fully engaged
25 and has a lot of great things going on. And it's

1 nearing the end of the season for them down there, so
2 just a suggestion.

3 DEPUTY DIR. GREENE: Thank you.

4 CHAIR WILLARD: So does that make sense for
5 staff and Chair to take it up over the next week and
6 come up with a location?

7 DEPUTY DIR. GREENE: Yes, I would like to confer
8 with our partner, the BLM, out of respect, and we will
9 move it forward.

10 CHAIR WILLARD: If that's okay with fellow
11 Commissioners, I think what we'll do is we'll come to
12 the decision shortly here and inform you as to the
13 location of the meeting in three weeks and one day.

14 COMMISSIONER SLAVIK: We promised to talk about
15 cost recovery, too. Is that going to be included in
16 this next meeting?

17 CHAIR WILLARD: That can be an agenda item,
18 certainly. And if any of the Commissioners have any
19 suggestions on agenda items, just let me know.

20 COMMISSIONER KERR: When am I going to hear
21 about the location?

22 CHAIR WILLARD: Within the next week.

23 COMMISSIONER KERR: It has to be publicly
24 noticed; be up against that pretty soon?

25 DEPUTY DIR. GREENE: That is correct. By law,

1 certainly ten days in advance. Obviously we would like
2 to give communities more advanced notice than that.
3 That would be March 25th we would need to make sure
4 that notice and material goes out. So we'll make sure
5 we do that, and we will expedite this as quickly as
6 possible.

7 CHAIR WILLARD: We will work together and try to
8 come up with a location and get back to you. But you
9 can be assured it's not going to be in Sacramento.
10 Sounds like either Southern California or Clear Creek
11 area.

12 DEPUTY DIR. GREENE: Correct.

13 CHAIR WILLARD: I need a motion to adjourn.

14 COMMISSIONER LUEDER: I'll make a motion to
15 adjourn the meeting.

16 COMMISSIONER FRANKLIN: I'll second.

17 CHAIR WILLARD: All those in favor.

18 (Commissioners simultaneously voted.)

19 (Meeting adjourned at 2:10 p.m.)
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