

County of Santa Clara Parks and Recreation Department



HLUET01 082009

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DATE: August 20, 2009

TO: Supervisor Donald F. Gage, Chairperson
Supervisor Liz Kniss, Vice Chair
Housing, Land Use, Environment, & Transportation Committee (HLUET)

FROM: 
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Director

SUBJECT: Report Back on the Feasibility of County Parks Operating Henry W. Coe State Park within Santa Clara County – Item # 29 Referral from the June 9, 2009 Board of Supervisors Meeting

RECOMMENDED ACTION

Accept report-back on the feasibility of the Santa Clara County Parks and Recreation Department operating the portion of Henry W. Coe State Park (“Coe State Park”) that lies within the borders of Santa Clara County, should the State's budget cut to the State Parks and Recreation Department result in the closure of Coe State Park.

FISCAL IMPLICATIONS

The intent of this transmittal is to provide a feasibility-level analysis of the subject referral, thus no impacts to the General Fund or the Park Charter Fund would result from this report back. However, several fiscal impacts to the Park Charter Fund have been identified, which would result should the County take over management of Coe State Park. While additional fiscal analysis is recommended in order to more accurately determine the Park Charter Fund impacts, the following information provides a general picture of those potential impacts.

Two management scenarios were evaluated to assess the County Parks' resources required to run Coe State Park: 1) at the same level as is currently provided by State Parks ("Current Level Service"); and 2) at the minimum level possible to maintain basic recreational service and manage critical park resources ("Reduced Service Model"). In addition, the park's management structure was analyzed to verify the staffing needs. Through this analysis, it was determined that State Parks employs many different specialty positions from several levels of the organization in order to run Coe State Park.

Because the State Parks' organizational structure is larger and more complicated than the County Parks' organizational structure, it is not possible to do a direct comparison on positions. However, given there are basic similarities between the two organizations, the following fiscal analysis includes a close approximation of what positions and resources would be required for the County to operate the park at the Current Level Service and Reduced Service Model. More information on the park management, staffing structure, and related costs is included in the Reasons for Recommendation section of this report and in Attachment 1 and Attachment 2.

Table 1

All Operational and Administrative Costs	Current Level Services (CLS)	Reduced Service Model (RSM)	Savings
Project Costs (1+ years)	\$568,800	\$175,000	\$393,800
Equipment Purchases (1 X costs)	\$624,550	\$538,850	\$85,700
Annual Staffing Costs Only	\$1,428,690	\$1,018,003	\$410,687
* Total Annual Costs	\$1,957,871	\$1,458,046	\$499,825

Grand Total	\$3,151,221	\$2,171,896	\$979,325
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* This total includes annual staffing costs and other annual costs for materials and supplies

Off-setting revenue from Coe State Park user fees is estimated to be less than \$100,000.

It is important to note that the fiscal analysis does not include costs associated with insurance coverage or additional intra-county charges which could be required for the operation of this park. Moreover, this fiscal analysis does not include additional County Parks expenses (i.e. trail maintenance staffing) that would normally be considered due to the size and scale of Coe State Parks' operational needs. Those costs were omitted from this evaluation because they would be in excess of what the State currently provides. Additional analysis is necessary to approximate all of these supplementary costs.

In addition to the potential fiscal impact of the County's operation of Coe State Park, there are other looming impacts resultant from the State's budget situation. In particular, one of the State's solutions for resolving its deficit crisis involves the diversion of a portion of local property tax to the State (Prop 1A) to be paid back under a loan-type program. This diversion is estimated to result in an impact of \$3.07 million to the Park Charter Fund and \$42.2 million to the County General Fund.

CONTRACT HISTORY

The original land for Henry W. Coe State Park (first known as Henry Willard Coe County Park) was donated by Sada Coe, Henry Coe's daughter, to the County of Santa Clara in 1953. In 1958, and, for unknown reasons, the County transferred the park to State Parks in exchange for land in Anderson Lake County Park. Since that time, there has been no further County contractual involvement in Coe State Park.

REASONS FOR RECOMMENDATION

The report-back is in response to a referral made by the Board of Supervisors at its June 9, 2009 meeting (Item #29), which directed the Parks and Recreation Department to provide the HLUET Committee further information and analysis on the following:

- The feasibility of absorbing that portion of Coe State Park that lies within the borders of Santa Clara County into the County Parks system should the Governor's proposal to close the park as a cost-saving measure be adopted;
- Current park staffing and other operational costs;
- Whether the transfer of the park to the County would be permanent or temporary;
- Whether the County will receive park revenue;
- The types and numbers of users of the park; and,
- Specifics on facilities available in the park.

Status of Henry W. Coe State Park Closure

At the writing of this transmittal, it is not known whether the State intends to temporarily close Coe State Park, but the total cut proposed for State Parks is \$22.2 million in FY 2010 which may lead to the possible closure of 100 State Parks.

One complication that could cause difficulty for the State to close its parks is the use of Land Water Conservation Fund and/or Federal Land to Parks Program for the purchase or transfer of parkland. Each program stipulates that recipients must keep parks open in perpetuity where grant money or federal transfer of land has been provided to such parks. Despite reports to the contrary in the media, there is no evidence that the State has received money or land for Coe State Park from either source which would preclude temporary closure. Moreover, in a cursory review of the deed restrictions for the park, it does not appear that there is language included in said restrictions which would categorically preclude temporary closure.

Since the State has not decided on a closure plan for Coe State Park, it is not known what options and conditions the State might consider for a transfer of the park to the County. However, substantial resources are required to manage this park, as noted in the following description.

Description of Current Park Management

Recreational Uses and Park Facilities

Approximately 40,000 people per year visit Coe State Park, primarily for non-motorized trail purposes (hiking, running, equestrian and mountain biking), car camping and backpacking. The park contains the following features:

- 300 miles of trails – 150 miles of fire roads and 150 miles of single track trails
- Two visitor centers - Headquarters and Dowdy Ranch entrances
- 25-site, vehicle accessible campground
- Seven primitive horse camps and two primitive group camps
- Restroom facilities at three entrances – Headquarters, Hunting Hollow and Dowdy Ranch
- 35 to 40 pit toilets in the backcountry area
- Potable water system at the Headquarters entrance (subject to State regulation)
- Approximately 160 former stockpounds
- Four reservoirs (subject to State dam inspection program) – Booze, Mississippi, Kelly and Coit lakes
- Three park residences – 2 at Headquarters and 1 in backcountry
- Three maintenance facilities – Headquarters, Dowdy Ranch and Kickham (staff-only entrance)
- Approximately 120 out-buildings throughout the park
- Approximately 50 in-holding properties, many of which are accessed through the park

Park Operations

Coe State Park is operated according to the following parameters:

- **Park Hours:**

Day Use:

Headquarters, Coyote Creek and Hunting Hollow - daily, sunrise to sunset

Dowdy Ranch - March/ April to October, Friday to Sunday, 8am to 5pm

Campground:

Headquarters - daily, always open

- **Fees and Annual Revenue:**

Day Use: \$29,000 per year

Headquarters and Dowdy Ranch - \$5 per car

Hunting Hollow - \$4 per car

Camping/Backpacking: Revenue total not available from the State.

Car campsites - \$12 per site

Hike-in backpacking - \$3 per person

Horse camping - \$12 for first two horses/riders and \$7 for each additional

• **Staffing:** (Positions in parentheses are closest County equivalent where titles differ)

Ranger/ Park Operations:

1 FTE Park Ranger Supervisor - *sector level, 80% time to Coe State Park*

2 FTE Park Rangers and support from other Sector Park Rangers

4 Seasonal Park Aides - up to 1,500 hours each

Maintenance:

1 FTE Sector Maintenance Chief - *sector level, 80% to Coe State Park*

2 FTE Park Maintenance Workers

1 FTE Park Equipment Operator

1 Seasonal Park Maintenance Assistant (Park Aide) - 1,500 hours

1 Seasonal Park Aide - up to 1,500 hours

Natural Resource Management:

1 FTE Resource Ecologist (NRM Tech II)

1 Part-time Environmental Scientist (NRM Supervisor) - 520 hours per year

4 Seasonal Park Aides - up to 1,500 hour each

Planning:

1 Part-time Park & Recreation Specialist (Planner III) - 300 hours

1 Part-time Sr. Park & Recreation Specialist (Senior Planner) - 200 hours

Real Estate:

1 Part-time Sr. Land Agent (Senior Real Estate Agent) - 160 hours

Administration:

(Clerical and Construction Support) - 1,560 hours

- **Volunteers and Other Labor Sources:**

Volunteers provide a substantial source of labor for the management of Coe State Park. Park staff manages a core group of approximately 120 to 150 volunteers under two different classifications. One class of volunteers is uniformed and provides a significant commitment of time and training. The other volunteer class is non-uniformed and generally concentrates on minor or single-event projects. Volunteers are used for a variety of park management purposes including: trail patrol, trail construction, water system repair, natural resource management projects, interpretive programs, visitor service staffing, and other operational needs.

In addition to the State Parks volunteers, two non-profit, “friends” groups support Coe State Park: the “Pine Ridge Association” and the “Friends of Gilroy Hot Springs”. Many, but not all, volunteers from these friends groups are State Parks volunteers; however, all volunteers who work in the park must be registered by State Parks.

The park also utilizes labor from several other sources including: California Conservation Corps, CalFire, Boy Scouts of America, youth employment services, and State Department of Corrections work programs.

- **Events:**

There are four park sponsored events each year - Tarantula Fest, Mother's Day Breakfast, Backcountry Camp Weekend and the 10K Run. In addition, various permits are issued for non-sponsored events such as equestrian rides, orienteering, and mountain bike races.

- **District/Sector/Park Management Structure:**

Coe State park is operated as part of a larger district within the State Park system. It is one of three parks that make-up the Gavilan Sector within the Monterey District. The other two sector parks, Fremont Peak State Park and San Juan Bautista State Historic Park, are smaller in size and located in San Benito County. The sector administrative center is at San Juan Bautista State Historic Park and staffing is shared between all parks in the sector, although many staff members spend most of their time in their assigned park. In addition, State Parks establishes a budget for the entire sector and

does not distinguish costs between Coe State Park and the other two parks in the sector. Accordingly, the park staffing noted above has been approximated and does not include the full number of sector employees.

Attachment 1 further describes the district and sector management structure as well as the park's general management activities in the following disciplines: Park Operations, Park Maintenance, Natural Resource Management, Planning and Development, Real Estate and Administration.

- **Planning and Policy Document:**

The State uses a General Plan document to guide the development and use of any State Park. A General Plan for Coe State Park was completed in 1985 and has not yet been updated. This plan is still used to provide the framework for the park's operational, planning, and development decisions.

- **Park Designation and Use Restrictions:**

The Coe State Park General Plan identifies three classifications for the park: a state wilderness area, a special management zone, and a State Park. The majority of the park is designated as a State Park which is largely contained within Santa Clara County. There is a small portion of the park within Santa Clara County that is designated as a special management zone and most of the parkland within Stanislaus County is designated as the Orestimba Wilderness Area. The State Park designation allows the most flexibility for recreational use. However, the State Park designation does not allow motorized use except for park staff, emergency purposes, or permitted uses (i.e. - easement to private in-holdings, public access for special events).

County Parks Management of Coe State Park - Staffing and Resources

In order to determine the feasibility of the County assuming responsibility for the management of Coe State Park, it is important to identify the County's potential costs and impacts. Therefore, this report-back provides information on what staffing and resources would be required for the County Parks Department to manage Coe State Park given two management scenarios: 1) at the same level as is currently provided by State Parks ("Current Level Service"); and 2) at the minimum level possible to maintain basic

recreational service and manage critical park resources (“Reduced Service Model”). It is important to note that the financial projections for both models do not include the park’s revenue, which is minimal and likely under \$100,000 per year given the information provided by the State.

Current Level Service

The costs include the potential resources required from County Parks to manage Coe State Park at a level commensurate with current operations, and given the best information available at this juncture. These costs and resources are further detailed in Attachment 1 and Attachment 2.

The Current Service Level (CLS) model assumes that a new County Park unit would be created, which would require 9 permanent full-time, and 10 seasonal part-time positions (10,400 extra help hours) from several park management disciplines, including Maintenance, Operations (Rangers and Park Services Attendants), Natural Resource Management. In addition, 4,264 hours of support from existing administrative positions (Planning, Real Estate, Clerical, and Construction Services) would be required, which would impact existing workload for those affected staff members. The CLS model also assumes that the current volunteer program would be maintained and that substantial services would continue to be provided through the park’s many volunteers at a minimal cost. In addition, the CLS model catalogues the current project workload (maintenance, construction and natural resource management projects) as well as the vehicles, equipment and support services necessary to run the park at current level of operation. The CLS model does not assume that the County would share or “take over” the State’s vehicles or equipment, or that the County would use existing funds for project management. Should those resources be available to the County, the CLS costs summarized in Table 1 would be lower.

To replicate the State’s CLS, it is estimated that over \$3.1 million could be required for the County to take over management of Coe State Park in the first year of operations. It should be noted that the annualized cost for CLS management is estimated at approximately \$1.9 million, which excludes such one-time costs as vehicles and equipment.

Reduced Service Model

Understanding the intent of this feasibility report is to assess the minimum resources required to keep the park open, County Parks staff evaluated a Reduced Service Model (RSM) scenario for Coe State Park. The RSM assumes three major changes to the park’s

current operation: 1) the park would be open on a five day-a-week schedule (park closed mid-week, and open on weekends); 2) the Dowdy Ranch entrance and facilities would be indefinitely closed to public access; and 3) the park's project workload would be substantially reduced.

The RSM would require less staffing, and related vehicles and equipment in order to maintain a five day-a-week schedule. It is estimated that the RSM would require 7 permanent full-time, 5 seasonal part-time positions (5,200 extra help hours) and 2,392 hours from the same disciplines as noted in the CLS analysis. The RSM also assumes that the current volunteer program would be maintained, albeit at a reduced schedule; however, the cost of volunteer management would not substantially change. This is due to the fact that only one full-time ranger is currently devoted to volunteer management and this responsibility would not appreciably change with a five day-a-week schedule. In addition, the RSM assumes that project workload would be substantially reduced, but that capital investment would still be required to maintain essential park facilities and natural resources. Again, the RSM model does not assume that the County would share or "take over" the State's vehicles or equipment, or that the County would use existing funds for project management. Should those resources be available to the County, the RSM costs summarized in Table 1 would be lower.

It is estimated that over \$2.1 million could be required for the County to take over management of Coe State Park at the RSM level in the first year of operations. It should be noted that the annualized cost for RSM management is estimated at approximately \$1.4 million, which excludes such one-time costs as vehicles and equipment.

Other Financial Considerations

The portion of Coe State Park contained within Santa Clara County is 33% larger in acreage size than the entire 45,000-acre Santa Clara County park system. In addition, the park's 300 miles of trails and fire roads compare with the 265 miles of trails offered in the entire County park system. While the park's services and facilities are fairly basic and mostly confined to trail and overnight camping uses, the park's massive size, multiple entrances, and extensive trail and road system requires substantial staffing and resources for management, even at the RSM level. Moreover, the natural resource management responsibilities of the park are considerable, especially related to habitat (primarily grassland and ponds) and listed species management.

Most of the Department's revenue is derived from the Park Charter Fund, which is property tax based. Given the precipitous decline in property tax values, it is anticipated that the Department's revenue will continue to be relatively flat in the coming fiscal year. For the Parks Department to take over management of Coe State Park at the most basic level (RSM) would require the redistribution of existing resources because the Department would not likely have the capacity to add on-going costs at the level estimated. Such redistribution would have an impact on existing service level at other County parks. In addition, \$3.07 million will soon be diverted from the Department's reserves to be used as a stop-gap solution for Prop 1A. Although the State has assured that the money will be repaid, this situation further burdens the County in the short-term.

Finally, the County has a major looming responsibility to open Martial Cottle Park, which was donated to the County and State in 2004. The County and State are operating under a joint powers and operating agreement (JPOA) for Martial Cottle Park, which specifies that the County's contribution is to plan, develop, maintain and operate the park in perpetuity; whereas the State's contribution is the \$5 million purchase price (greatly discounted in consideration of the property fair market value) for its share of the park. Public anticipation has been mounting for the park's opening which is currently projected for 2012. However, the park's future management costs will be expensive and preliminary estimates indicate that over \$1 million annually may be required. Due to recent economic slump and associated impacts to Park Charter Fund revenue, the Parks Department has already reported a concern that the time frame for opening Martial Cottle Park may be extended. Significant additional expense or use of existing resources in the short term could further delay the timetable for the park's opening.

BACKGROUND

Henry W. Coe State Park is the second largest in the State Park system, comprising over 87,000 acres of which approximately 60,000 acres are contained within Santa Clara County and approximately 27,000 are contained in Stanislaus County. It is located east of the cities of Morgan Hill and Gilroy in the Mt. Hamilton Range and can be accessed from four public entrances: Headquarters/ Dunne Avenue, Hunting Hollow/ Gilroy Hot Springs, Coyote Creek/ Gilroy Hot Springs, and Dowdy Ranch/ Bell Station (see Attachment 3). In addition there is a staff-only entrance at Kickham.

STEPS FOLLOWING APPROVAL

The HLUET Committee will provide direction for presenting the report-back findings to the Board of Supervisors.

ATTACHMENTS

- Attachment 1- Summary of Findings
- Attachment 2- Summary: Henry Coe Park Operating Cost Analysis
- Attachment 3- Map: Henry Coe State Park