

A Meeting of the  
**MONTANA HERITAGE COMMISSION**

December 12, 2013

Reeder's Alley Interpretive and Convention Center, Helena, MT

MISSION

*The Montana Heritage commission preserves and manages historic resources in Virginia City, Nevada City and Reeder's Alley and promotes the appreciation of history through quality visitor experiences.*

**Commissioners Present**

Barbie Durham, Philip Maechling, Jerry Walker, Any Poole, Marilyn Ross, Bruce Whittenberg, Timothy Lehman, Cyndy Andrus

**Commissioners Absent**

Bill Howell, Jason Davis, Bob Lawson, Shera Konen

**Staff Members Present**

Elijah Allen, Director of Operations; Dianne Carey, Administrative Assistant, Garrett Norcott, Bonnie Martello

**Interested Persons**

Dave Schultz, Ray Shaw, Dave Strohmanes, Marca Gibson, Dundee Warden, Heidi O'Brien, Pat Doyle, Leanne Kurtz, Julie Walker, Chere Jiusto, Pat Boedecker, Pete Brown, Matthew Bishop

**Meeting of the Real Estate Committee**

Andy Poole noted the Real Estate Sales Committee needs to make a recommendation to the Executive Committee. An archaeological report is needed on the property proposed for sale to Madison County. Philip Maechling wants clarification on the boundaries of the lots. He suggested Lots 8-12 not have permanent structures on them as a condition of the sale, due to how it would affect Daylight Village and the creek. He feels it is important both ecologically and historically to keep these lots in a pristine condition. The buyers only want to build on Lots 1-7.

Dave Schultz, Madison County Commissioner, said they are continuing to move forward with the annex project. They had an engineer and architect look at this issue, and they have to excavate the building site upward significantly. It was recommended to design the parking lot to slope away from Daylight Creek. They will not put a hard surface on Lots 8-12 and support the commission's recommendation. Marilyn called for vote on the amendment that as a condition of the sale, Lots 8-12 not be built upon and that no permanent structure can be built on the lots. The amendment carried. The grading and drainage for the development of Lots 1-7 will be done in such a way as to have no effect on Daylight Creek and the alley. **A motion was made to proceed with the sale of the property. Motion carried.**

Real Estate Committee meeting adjourned at 9:28 a.m.

### **Call to Order**

The Montana Heritage Commission was called to order by Chair Ross at 9:44 am.

### **Approval of September 9, 2013 Minutes**

**A motion was made that the September 9, 2013 minutes be approved with requested changes. Motion was seconded. Motion carried.**

### **Public Comment**

Heidi O'Brien, Pat Doyle and Chere Jiusto in Reeder's Alley stated they are very pleased with the addition of the new conference center site. Marca Gibson and Matthew Bishop spoke on how much they like Reeder's Alley and the progression that is being made by the Montana Heritage Commission. Dundee Warden spoke about the great job Elijah is doing is happy for Elijah striving to meet their needs. Marilyn commended Elijah for the great job he has done.

Chas van Genderen spoke of his conversations with Elijah over the 2009 Memorandum of Understanding (MOU) between Fish, Wildlife and Parks (FWP) and the Montana Heritage Commission (MHC). He invited the Commission to review and evaluate the MOU and refine it. Chas noted that FWP has engineers on staff as an example on how we could work together on the spring in Nevada City. Chas suggested a strategic retreat and feels there would be value in members of both organizations meeting together. Marilyn noted a Parks Board Meeting will be held next Wednesday and invited other commissioners to attend along with herself and Elijah. Chas will forward information on the Parks Board to Elijah and encouraged the Commission to reach out to the new board members.

Marilyn Ross advised that Jerry Walker is retiring and will leave us with a vacancy on the Commission. Andy Poole commended Jerry for the wonderful job he has done with the Commission and his absence will be felt.

### **Director's Comments and Report**

#### **1. Updates-Concessionaires/Reeder's Alley/Honorary Plaques**

Elijah thanked the board and finds the challenges very rewarding. The plaques honor and thank those people who have done much for the Montana Heritage Commission and will be displayed in the Virginia City Depot. Amy Sullivan deserves a lot of credit for the Montana History Foundation's efforts and work.

Financially we are breaking even on Reeder's Alley (RA). With the new conference center, we are in partnership with Caretaker's Cabin for catering where we will be receiving a percentage of sales.

Elijah showed a video presentation to the Commission of Reeder's Alley, featuring Ellen Baumler. SHPO has requested we put off addressing the structural damage in RA until spring.

In Virginia City, the Madisionian will be renting the old Aunt Julia's building. We've renegotiated the contract with Alder Gulch Accommodations for the Nevada City Hotel and Cabins and the Fairweather Inn, where we will be receiving a larger portion of the rent and sharing the repairs. We will also be able to promote a package deal with a "play and stay" discount. Alder Gulch Accommodations gets a better deal with marketing. The Daems and Thomas Meagher cabins will become vacation rentals. Marilyn noted the Hibernians have been taking care of the grounds of the Thomas Meagher Cabin every year in the spring. Cyndy Andrus inquired on the amount of money that will be generated. Elijah said he feels it will be about \$15,000 per year. The Hamiltons will be taking on the upkeep of these rentals. We are also looking into adding the Sara Bickford house as a rental as well.

2. Web site Developments/Past Perfect Online

Elijah demonstrated the newly redesigned Montana Heritage Commission website as well as the new online collections and artifacts site with Past Perfect. Currently there are approximately 300 collection items posted.

3. MCA Statute, potential revision of 2010 MHC Motion

The governing statute under **MCA 22-3-1003** indicates we do not have to go through the same procurement laws as other state agencies. Elijah indicated we have not gone through any contracts under his direction with a purchase price of over \$5k without Commerce's legal staff signing off and we will continue to do so. Elijah advised the commission we need to contract with vendors who are familiar with our properties to protect the Heritage structures and artifacts that we have stewardship over. Elijah asked for the ability to sign on sole source agreements, based on our governing statute for those situations where a sole source contract is justified. Elijah would like to have the latitude to choose our contractors without going through the state procurement laws. Garrett Norcott, MHC's legal representative from the Department of Commerce, noted that Elijah has been making good business decisions with the current procurement process. **A motion was made that the Montana Heritage Commission may enter into contracts directly with the vendor and that we not be subject to state procurement laws as currently outlined in MCA statute MCA 22-3-1003. Motion carried.**

## Financial Report

While the bed tax remains the same, we are 5% above in vehicle tax. Jerry Walker reported that as of the last report it is at 77% compliance. Philip mentioned the clerks in his county are supportive of the tax. We thank the parks department for their efforts. Revenue in MHC Visitor Services exceeded expectations. We hope the new Reeder's Alley Convention Center will add to our income.

We would like to begin selling merchandise on our website. Donations and grants could be improved upon. We are looking into adding an app for this on cell phones. Our expenses are on target with personal services.

Marketing expenses are high due to bill paying timeframe. Repair expenses for concessionaires are to be expected and beyond our control. Tenants in RA all had plumbing problems with the structural issues. . The Short term investment plan (STIP) fund is currently at \$71,000. Bed and vehicle taxes pay our salaries and the vehicle tax is difficult to project. Cyndy Andrus had a question on how we budget. Elijah said because we have had a recent layoff and MHC visitor services has had a increase in earned revenue through marketing efforts and he needed to clarify if the Office of Tourism grant was through a reimbursement program he wanted to have a full year to go off before finalizing the approved budget which he presented for approval. Cyndy would like to see more up to date information on the budget as the information in the packets are close to one month old do to mailing the packets out 2-3 weeks before the MHC commission meeting and she requested the up to date figures be available as of the day the MHC commission meets. Cyndy would like to discuss a change in the language of the bylaws regarding the budget at the next Commission meeting. Bruce Whittenberg asked if the budget included the estimated revenue to which the answer was yes. **Andy Poole made a motion that we adopt the budget we have now which is \$1,202,415. Barbie Durham seconded. Motion carried.**

#### **Amy Sullivan, Montana History Foundation Financials (Steam Engine Reallocation)**

Amy noted the Montana History Foundation gave donors options to re-designate their donations. We currently have \$28,000 for little train \$6,694 for the static display of the Baldwin steam locomotive, and \$7,000 for painting railroad cars. Tom Donnelly donated an additional \$2,500. The railroad cars can also be defined as a static display. Elijah thanked Amy for all her hard work. The McFarland family is looking to hand over the management of the curatorial center to the Montana Heritage Commission.

#### **Next History App Demonstration – David Strohmaier**

David gave a demonstration on cultural historic tourism. The goal is to orient the visitors to our areas. The tourists who focus on history spend more and travel longer. They are more educated in the aspects of history. The young are more technology savvy. Smart phone use has surpassed the use of telephones. Social media is another method we could gain by tapping into. Nextexithistory is a mobile app to access quality content about history and sites. In downloading the app we get a thumbnail of the site where the user can obtain more detailed information. Costs are upfront and not on an annual basis. Content is scalable and updateable unlike interpretive signs which can wear down and are not updateable. This is an international app scope wise. The website is [www.nextexithistory.com](http://www.nextexithistory.com).

## **Old Business**

### **1. EQC Meeting Update**

The next EQC meeting is January 9<sup>th</sup>, 2014. An agenda will be posted on their website. A demonstration of the collections website may be performed for the members as suggested by Leanne Kurtz, Legislative analyst. She also said that the Montana Heritage Commission has the support of the 4 member workgroup on restructuring current funding sources with statute changes. Cyndy Andrus noted that commissioners could view the meeting online. Chere Juisto of Montana Preservation Alliance said she attended the last meeting and that it struck her that the working group took a deep interest in the properties of the Heritage Commission. Chere also gave an overview of the current state of their museum assessment.

### **2. Reeder's Alley – Bob Lawson**

Bob Lawson was unable to attend due to weather and road conditions. Philip Maechling asked if a building by building analysis was performed prior to the state's ownership. Currently, there is no knowledge of such an analysis. Chere mentioned Jeff Tiberi might have information on this.

On February 15, Living History volunteers will be at Winterfest in Bozeman. Marilyn encouraged Commissioners to attend. The Nevada City solar light project is completed and will enable us to give more night time reenactments. Marilyn noted there is a change in the Virginia City Town Council. The new members are friends of the Commission.

## **Cake Ceremony Grand Opening of Reeder's Alley Interpretive and Convention Center**

Marilyn gave an introduction on the new convention center. This center is a spot available to the public for meetings, weddings, etc. Marilyn Ross introduced Pat Bodecker. It was her inspiration, along with a few friends that are responsible for saving Reeder's Alley from urban renewal. Marilyn also introduced Amy Sullivan from the Montana History Foundation and thanked her for all she's contributed to the Commission. She also thanked Chere Juisto from MPA for her assistance in RA. Thanks were also given to Pam from the Office of Tourism for their partnership with the grant for the restoration of the interpretive center. Thanks to staff of the Department of Commerce for their guidance, and Pete Brown of SHPO for his assistance. Marilyn introduced commissioners to the visitors and Ray Shaw to thank him for his tireless work with the legislature.

## **State Historic Preservation Office – Pete Brown (Programmatic Agreement)**

Pete's job is to establish agreements. The agreement between SHPO and MHC was established in 2010. It covers all properties owned by MHC in Virginia City/Nevada City and Reeder's Alley. The agreement outlines when they have to review things and when not to. They review when MHC is planning a project where historic preservation standards need to be adhered to. The goal is to freeze and layer history in time. RA is a more open ended approach where there are different standards of rehabilitation by the Secretary of the Interior. Most of MHC properties fall under state heritage property (over 50 yrs). A lot of the buildings in both Reeder's Alley and Virginia City are listed in the National Register of Historic Places. We have national historic landmark designations which are the cream of the crop. We need to consider the State Antiquities Act and the Save America's Treasures grant. It is clear that a lot of the preservation work is repetitive, straight forward and no

need for SHPO to rehash the how to do functions that staff already versed in. The programmatic agreement provides for such leeway. Pete would like to keep our lines of communication open. Archaeological resources are considered for the national register. This includes items recovered during ground disturbance, but not such items as glass and nails. SHPO stressed the need for additional staff with historic preservation expertise. Elijah Allen clarified that without funding we would not be able to hire additional staff. Elijah asked that if we have another reduction in workforce where we would have to cut the preservation crew, would that agreement be void? Pete Brown responded that if it becomes clear we are going to lose staff, we would have to amend the agreement to reflect the situation.

The agreement does not cover an archaeologist on contract. Cyndy asked for information on the additional staffing shortfalls. A lead historic preservationist, at least 3 journeymen carpenters, a treatment plan, and onsite archaeologist with a master's degree or higher, plus an archaeology plan. If we have additional revenue it is SHPO's recommendation that an archaeologist is the most important person to hire. Ground disturbance is a key component to be dealt with.

Philip Maechling noted there are qualified people who can fill both needs as well as manage the preservation function. Philip doesn't think we can currently have more than two preservationists and that we basically can't adhere to the programmatic agreement as it stands. We need to amend that agreement and get more onsite help from SHPO. SHPO could come in advance or when the work is being done to monitor the situation. MHC could reimburse their travel. Philip would like to see a cooperative agreement between MHC, Fish, Wildlife and Parks (FWP) and SHPO.

Marilyn Ross asked about arrested decay, which is basic stabilization. The fear is that with no funding, buildings may no longer be safe for tourists or to operate a business out of. If we can't do that, what is the resolution? Pete Brown said SHPO can provide a small amount of assistance. They would not stand in our way to resolve a public safety issue. Jerry Walker of FWP said they have had two long time maintenance personnel in 25 years for Bannack State Park. Hiring a historic architect to do a building by building assessment for significant buildings is an option. This goes a long way in determining what needs to be done. Tim Lehman asked if we could get a copy of the assessments that have been done by the commission.

Leanne Kurtz said the EQC can make recommendations on bed tax percentages and license fee designations but not actual funding. Bruce Whittenberg commented that we need to go full steam ahead in getting the programmatic agreement rewritten. Virginia City is a proven attraction that needs to be taken care of. Jerry Walker said we need to get back to concept of prioritizing the buildings, starting with a top 10. Elijah said there is an aspect of what buildings will produce revenue versus putting money into a building that will not. Cyndy Andrus suggested this would help with budget justifications.

### **Madison County Land Transaction/Recommendation of Sales Committee**

Executive Committee met at 12:05 pm to receive the recommendation of the Sales Committee. Executive Committee decided to proceed with the public notice and hearing process specified in the rules of the

commission for the sale of Lots 1-12, Block 256, Virginia City Montana as recommended by the Sales Committee on December 12, 2013. Executive Committee adjourned at 12.15 pm.

Andy Poole reviewed his revised Real Property Sales report. We have to notice this public meeting. After that, the commission will vote on whether to proceed with the sale prior to going before the land board. Meeting is scheduled for Friday, January 10 at 1:00 p.m. at the Rehearsal Hall to give the public a forum for comment.

**Cyndy Andrus made a motion to accept the recommendation of the executive committee with regard to the real property sales in Virginia City. Motion carried.**

### **Public Comment**

Andy said that in going through this process, the rules for the commission are hard to follow and understand. Of the current adopted rules, about 2/3 are not required by the statute. At our next meeting, Andy would like to have a discussion about simplifying the administrative rules of the commission, and to make proposed changes.

Chere Juisto introduced her volunteer and shared the plans for the previous Stonehouse restoration.

The next EQC meeting following the one in January is March 19-20, 2014. The next commission meeting will be Thursday, March 13, 2014 at 9:00 A.M. in the Rehearsal Hall in Virginia City.

### **Adjournment**

Meeting adjourned at 2:43 P.M.