

A Meeting of the
MONTANA HERITAGE COMMISSION

September 18, 2014
Rehearsal Hall, Virginia City, 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

Philip Maechling, Jason Davis, Ellen Baumler for Bruce Whittenburg, Bill Beck, David Hoffman, Bill Howell
Shera Konen, Timothy Lehman, Matthew Marcinek, Jennifer Pelej

Commissioners Absent

Marilyn Ross, Barbie Durham, Cyndy Andrus, Andy Poole

Staff Members Present

Elijah Allen, Executive Director; Dianne Carey, Administrative Assistant, Garrett Norcott

Interested Persons

John Ellingsen, Janet Allestad, Bill Koch

Call to Order

The Montana Heritage Commission was called to order by Chair Howell at 9:05 am. Due to the number of new members appointed to the commission, Bill Howell asked that everyone introduce themselves. The newest members are Matthew Marcinek, proxy for the Director of Fish Wildlife and Parks, and Jennifer Pelej, proxy for the Director of Commerce.

Public Comments

Janet thanked the commission and Elijah for his efforts with the Legislature, and welcomed the new members of the commission. John Ellingsen mentioned they will be attending the History Conference in the afternoon. He thanked Elijah for a successful summer. Bill Koch, from the Virginia City Players explained his history in Virginia City and that he's noticed a steady increase in revenue each year. BK Enterprises is considering opening the Opera House earlier next year with a smaller company to keep visitors in town. Elijah complimented Bill for his success in making the Opera House profitable in a such a short time.

Approval of June 2014 Minutes

A motion was made to approve the minutes as written, seconded. Motion carried.

Financial Report

Elijah reported traffic was substantially up and most of the concessionaires reported an increase in revenue. This has radiated through the town. The Montana Heritage Commission seasonal revenue increased 11.6% over last year to date. At our fiscal year end, our allocated \$400,000 in bed tax has stayed the same. The vehicle tax, a voluntary tax paid by the public when they register their vehicles, continues to grow. We are grateful to the people of Montana for their support with the vehicle tax. We were given a grant from the Office of Tourism for various preservation projects in Virginia City and Helena. Private donations totaled \$72,000. Bill Beck inquired about drawing the interest on short term investments. Philip Maechling asked about July and August financials. Elijah will send that forward.

Elijah gave an explanation of what the line items in our budget represented. We were under approved in our operating budget. The Town of Virginia City water bill has doubled and we are working with them to curb these costs and are hoping for a decrease next year. We are gradually increasing our profits to carry us to fiscal year end each year. David Hoffman asked where preservation expenses were represented in the budget and verified with Elijah that Reeder's Alley expenses were mixed in with VC/NC expenses.

Director's Report

The largest hurdle is educating more people about Virginia City. The Montana Heritage Commission has 42 relationships with business in Virginia City and Reeder's Alley. Elijah thanked the local businesses for their support of the Montana Heritage Commission. Bill Howell noted that 3-4 years ago, you would not have seen that level of support. There were close to 500,000 visitors to our area this season. Revenue has continued to increase each year with a 59% increase in overall revenue since 2012. Elijah noted that our convention center in Reeder's Alley is a perfect venue for meetings and weddings. We have made repairs to Daylight Village for housing which has helped concessionaires tremendously. Once all units are repaired, we will have 34 units total available. Our buildings on Wallace Street are the most visible to the public. Our volunteers, AmeriCorps and Elder Hostel, are a valuable asset to the commission, but especially our Living History volunteers to which we give Dan Thyer much credit and thanks.

Philip asked about the exhibits on Wallace Street as to whether they required building permits. David Hoffman asked about structural alterations. John Ellingsen said that if the replacement is material in-kind, then no permit is required. Philip noted that legally the state trumps the town regarding building permit regulations. You do not have to go through a full blown zoning process to make repairs.

On the Biennial Report, we are celebrating our 150th anniversary. Elijah credited John Ellingsen for the state's purchase of the Bovey properties back in 1997. We value these properties and have a large amount of historic buildings and artifacts. With regard to our concessionaires, we are increasing the terms on our contracts. Philip Maechling asked what happens when the concessionaire goes out of business. Elijah answered they are still on contract, but with permission from the commission, they can sublet.

Our collections tend to be overlooked. Elijah invited the commission to visit our website and become more familiar with the collections listed on our database which is accessible through our website. Our living history program is unmatched. Our business development and marketing goal is reaching toward every Montana family. Our main source of tourism is from Yellowstone and Glacier.

We strongly believe in recognizing our partners and donors, whether monetary or in personal time. Bill Beck said that in the Flathead school system, the 8th graders receive a history education. The majority of students know little about American history and practically nothing about Montana history. Bill offered his time to reach the school system to promote and encourage families to come here and learn. He would like to see kids get involved as they are the future of Montana. Bill suggested more promoting in the northern portion of Montana and feels that it should be a more of a one-on-one type of promotion. Elijah said we will be increasing our efforts towards the schools. The Travel Channel just finished filming in Nevada City on Henry Plummer, Monumental Mysteries. VCNC is not just a state treasure, but a national one.

Old Business

A. Land Sales

There is an issue with the land for sale to Madison County as it is in the Montana Historical Society's name. We are waiting on a Quit Claim deed to sign the properties over so we can complete the sale of approved properties to Madison County. Philip Maechling asked if we should request a quit claim deed for all properties. There is hesitation due to the filing fee cost. Philip noted it costs more to prepare the document than it is to file. Philip suggested that we include all deeds listed with the MT Historical Society in one filing. David Hoffman sees no problem processing multiple deeds at one time.

A Motion was made that is the opinion of the board that the MT Historical Society initiate the process of transferring the properties to the Montana Heritage Commission. Motion seconded by Shera Konen. Motion carried. David Hoffman asked if the commission is an entity who can pull title to land. It is the opinion of Commerce Legal, Garrett Norcott, that we can. Shera Konan asked if there would be any resistance to this transfer. Philip stated that as long as there is no determined historic value, there should be none. Jennifer Pelej abstained from her vote.

B. Discussion of 1st Priority in Strategic Plan

Philip said the Strategic Plan was passed historically as a living document and is currently the plan of the day. The preservation problem is the largest and the buildings are the first task at hand. Collections are not going anywhere unless stolen or burned. Suggested changes were made to the language in the Strategic Plan that will be implemented.

To establish priorities, we have to ask which buildings are considered a liability, which are revenue opportunities, which are endangered, etc. This is represented in Objective 1.1 of the plan under Strategies. Jason Davis noted the commission needs direction as to the ranking of the priorities. Elijah said we do need to include an emergency plan which will replace 1.1.3. The commission would like to review Fish Wildlife and Parks emergency plan especially in light of the flash flood last

year. Develop an emergency structure management plan with the towns of Virginia City and Helena, and Madison and Lewis and Clark Counties. Need an action to complete 4 to 5 building projects per year based on cost.

We will only accept artifacts that are relevant to Virginia or Nevada Cities. Establish a schedule to enter artifact data into the electronic database.

A motion was made to revise the Strategic Plan as drafted for review and approval at the next commission meeting. Motion was seconded. Motion carried.

New Business

A. EQC & Legislative Update

Elijah said SJR4 is a study the EQC has made over the last couple of years. It is geared toward removing some of the more cumbersome language. Bill Howell noted we were not originally on favorable ground with the EQC. Once the committee visited, their view point of Virginia and Nevada Cities changed. We presently have a good relationship with the committee and the EQC supports our requested changes on the general fund, and our interest only trust fund accounts. SJR4 removes the funding language so that we may be eligible for general fund monies. Senator Keane deserves many thanks for his efforts in securing a unanimous vote. Philip Maechling added the committee recognized the support of DOC to the commission and the broadness of their assistance. In regards to bed tax, there is movement to increase our allotment, but it is still up in the air. Bill Beck said it will have to be reviewed by appropriations and the state budget director.

Public Comment

No public comment.

The next commission meeting will be held December 12, 2014 at the Reeder's Alley conference room in Helena, Montana.

Adjournment

Meeting adjourned at 1:53 P.M.