

A Meeting of the  
**MONTANA HERITAGE COMMISSION**

June 14-15, 2013  
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**

Bill Howell, Barbie Durham, Bob Lawson, Philip Maechling, Andy Poole, Ellen Baumler for Bruce Whittenberg

**Commissioners Absent**

Marilyn Ross, Colin Mathews, Jerry Walker, Timothy Lehman, Cyndy Andrus

**Staff Members Present**

Elijah Allen, Business Development Manager; Dianne Carey, Administrative Assistant; Taylor Schultz, Administrative Specialist

**Interested Persons**

Russ Hamilton, John Ellingsen, Bill Bennett , Bill Koch, Janet Allested, Kirk Belding, Garrett Norcott, and Bonnie Martello

**Call to Order**

The Montana Heritage Commission was called to order by Vice Chair Howell at 9:00 am.

**Approval of March 15, 2013 Minutes**

Corrections to the March minutes were requested by Bob Lawson. **Bob Lawson made a motion to approve the minutes with corrections. Motion carried.**

**Public Comment**

Bill Koch reported on increased attendance on the Opera House and thanked the Commission for Elijah's efforts in advertising. Mentioned the Governor's visit and how important his presence was. Janet Allested wanted to say thank you for Elijah's hiring her as a seasonal for the weekends. She has heard many positive comments from visitors. Russ Hamilton said they are seeing more Montanans coming than in prior years. John Ellingsen spoke about the successful opening weekend and wanted to thank Dan Thyer and all commission staff. Kirk Belding said this is the first year it appears we have a handle on promotions and that it is the biggest year to date. Feels the new marketing scheme has helped tremendously. Feels the awareness will help in preservation efforts. Bill Koch expressed that a search is needed for a person to repair the music

machines. Elijah advised Kate Slawski will be learning from Mike Edwards on how to maintain the machines. John Ellingsen is also willing to work with anyone on staff interested in learning to repair the machines.

## **New Business**

### **1. Madison County Commissioners Land Transaction**

Dave Shultz, Commissioner of District One, and Jim Hart, made a request regarding the property adjacent to courthouse. The county would like to purchase this Commission property for a parking lot. Dave presented the detailed architectural plans to build a new Annex building with the commission property in the back of the building needed for parking. Ellen Baumler asked for clarification on moving the old archives from the current location to the new one. Dave noted that in the current Courthouse, they have a legal obligation to have an elevator. Current old Courthouse is not ADA accessible. Andy Poole thanked Dave for the overview and inquired about the financing of the new building. Jim Hart assured the county has been saving money for this project. Late fall is the projected time for bidding the project and groundbreaking in the spring.

Elijah met with SHPO and addressed the possibility of lumping this with the other land sales. Barbie Durham attested to the fact that this space is much needed. Barbie feels this parking would be utilized by tourists/visitors as well. Philip noted the principles in creating a new building in historic districts. Law Enforcement will remain in the courthouse as well as court services. Barbie made a motion to move forward with the sale of the property. Andy seconded. Property will be appraised at the time of sale. Bob Lawson asked about the sale process and what is the legal responsibility as to the amount. Is it appraised value or less? Bill noted we take the request to the Land Board for the sale and sale price. Legal will also be looking into it. Bob Lawson asked if there is a statute of limitations on public hearings used for the disposal of state property and wondered why this property was not addressed with the other properties. Bill Howell advised that due to the possible future use by the county; it was not put up for sale at the time of the other properties.

Andy Poole clarified that the county is looking to purchase lots 1-12 and would like to look at the statutory steps to sell this property and to proceed in the proper fashion. Philip proposed a land exchange to speed up the process. Garrett Norcott from Legal suggested a long term lease to get the process moving faster. Dave Shultz noted in closing, that the sale would be a cleaner and final method.. Andy Poole shared that there are hoops the Commission has to jump through to proceed with the sale but would like to see it go forward. Philip asked about an archaeological assessment on the site.

### **2. Chere Juisto – Montana Preservation Alliance Proposal**

Chere Juisto could not attend the meeting.

### **3. Virginia City Preservation Alliance Land Transaction**

Bill Bennet spoke on behalf of the VCPA. They are planning to create a monument by the Hangman's Building to memorialize the Boveys. The Commission owns 8 feet between the concrete and their property. They are requesting use of this property as landscaping for the memorial. Elijah spoke about

our necessary reasons for putting our monument at the Depot and that he would like the Commission to be credited as working in partnership with the VCPA. Elijah wants to promote a team atmosphere between the Commission and the VCPA. Philip asked about an irrigation system for the shrubbery and what plant materials are planned. John Ellingsen also noted that archaeology could be in order for this site. Janet Allested has a degree in horticulture and offered her services for landscaping on the portion of Commission property. **Barbie made a motion that the Commission allow the VCPA landscape the commission's property next to the hangman's building. Philip Maechling seconded and requested a written commitment of native plants and/or trees. Motion carried.**

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

Elijah thanked the town for their participation in opening weekend and in their welcoming the Governor with his participation in our opening weekend. Elijah felt the Governor was surprised and pleased with what he saw and learned about Virginia City. The Governor and his family were appreciative with the welcome they received by the town. Elijah feels this visit was important for Virginia City's future. Barbie Durham commended Elijah and his attention to detail with opening day festivities.

Elijah Allen introduced Taylor Schultz as an Administrative Specialist with the Montana Heritage Commission. Elijah has received compliments on her service to the Commission. She will be grant writing, fundraising, corporate sponsorships and other assigned duties.

We have worked hard getting the Bovey Visitor Center set up. Charles Bovey is revered by the local residents. Elijah showed videos produced by Speakeasy Studios to be played in the Bovey Visitor Center and by scanning a QR code image on the interpretive sign about Charles A and Sue Ford Bovey.

### **Financial Report**

Elijah reported that two years ago we were running a deficit and a year ago we were bankrupt. This past year, we ran a profit operating with one half the staff. We have to take into consideration there is a permanent Opt-Out feature in upcoming years for the park fees with the vehicle tax. Bill Howell disagrees this will affect our monies. Andy Poole feels a great number of people will continue to pay due to the value they receive from it. Elijah feels we should prepare for the worst and we should not rely on it. Bob Lawson noted projections from Bill Hoffman and based on our current budget figures, this will continue to drop. This year, we did not have to borrow from Commerce to operate to the end of the fiscal year. We are receiving approximately \$30,000 from Virginia City concessionaires and rental properties. Our income from a few of our concessionaires is based on a percentage of revenue. Andy Poole questioned how we verified the revenue reported from those concessionaires and said that if audited, we would have to respond to that question. Bill Howell explained that choosing one to audit each year could keep all concessionaires honest. Andy Poole advised checking the tax revenue reporting would give us the correct picture.

Bob Lawson expressed concern about the dates and figures on the budget report being accurate and up to date and the transparency in line item transfers. Elijah said it's hard to predict when and where we will need

to move monies to cover emergency costs. Elijah would like to wait on budget projections and adoption of a new budget until after the close of the fiscal year. Bob Lawson would like the budget to reflect upcoming expenses for Reeder's Alley repairs separately from Virginia and Nevada City repair needs. Elijah Allen and Andy Poole will be meeting on our budget amongst other topics.

Philip Maechling found a document when Paul Reichart was Executive director on how to approach the legislature on revising existing statutes and rules regarding the Commission receiving funding.

Elijah reported that the Montana History Foundation fund for the train is up to \$48,000. Bob Lawson requested an accounting for the trust fund for the sale of personal properties established in statute and would like to see those figures reported in future budget reports.

Philip Maechling asked what would we like to do with #12. Elijah recommends we proceed with the ultrasound as we are approaching the amount needed. Philip requested this issue be on the September agenda. Garret suggested we raise funds with specialty plates for #12 at \$40-\$50 per plate.

## Old Business

### 1. Marketing

Elijah noted the importance of marketing. No marketing, no customers, no revenue. Who is the target market? Its families. Who in the family do you go after? The Mom's. Elijah provided a new marketing and performance plan. Elijah approached the producer of the Office of Tourism Strategic Plan to keep us consistent in our goals. We need to do a much better job in marketing to the under 60 age groups. Elijah is a proponent for percentage of revenue. We can't be simply a landlord. We have to start thinking on business development. Last year we took over the River of Gold. This year we need to pursue more in school tours. The potential revenue is \$50,000 - \$100,000. We have enjoyed seeing the kids enjoy themselves and we have received much feedback in the kids encouraging their parents to bring them back. We are looking into leasing a van to bring families from Yellowstone to Virginia City. Elijah showed our television commercials to the Commission so they could see where some of the marketing money is used. Elijah gave a breakdown of costs with the different media outlets. He showed an example of our brochures and that we have and will continue to place large numbers of our brochures in the hotels. We created the Virginia City app and feels ecommerce is exploding. Elijah would like to see the interpretive plan established on ecommerce.

### 2. Donations-Criteria for Honorary Recognition

Elijah felt in prior years we have not done the best job thanking donors. We have created a donor wall and a display thanking and recognizing various levels of donors to the Commission. With the Montana History Foundation the standard of recognition is \$250,000 or 50 years of service to Virginia City. There are 6 donors within that range at this time. **Philip Maechling made a motion to adopt that standard of recognition. Motion carried.**

### 3. Report on Inventory/Collections

The Commission is still under review by the EQC. We have a completed inventory, however it is not organized or up to today's standards. We do not want to send the message that we've not made

progress. Elijah feels we will be more organized and accessible online with artifacts categorized by building next year. We have agreed to contract with MPA to assist us with collections. We have a consulting intern from Columbia University working with MPA to evaluate and assist with collections. Elijah feels we need to see what we can produce with contractors versus hiring additional staff such as a Cultural Resource Manager. Philip Maechling is concerned with having a spokesperson on staff to advise what we are doing in the realm of preservation and to make the call on our needs. Philip would like to see a Cultural Resource Manager back on staff. Ellen Baumler would like to see MPA focus on one aspect of their proposal. Ellen doesn't think they can meet all the goals of their proposal within the two year timeframe. Philip feels the need for a preservation person available for the work to be performed by Chere. Barbie Durham would like to see what MPA would be able to accomplish. **Barbie Durham made a motion that we proceed with the contract with MPA and Scott Carpenter. Philip requested a revised scope of work. Motion carried.**

#### 4. Report on Insurance

Elijah spoke with Risk Management on our current insurance and was told we can reduce our insurance costs by \$15,000. Elijah would like to reduce coverage on buildings that are not of historic significance. We are still looking at covering our artifacts. **Andy Poole made a motion to reduce the insurance coverage by Risk Management. Motion carried.**

Bob Lawson asked where we were on our internet presence. Elijah feels the contractor missed the mark on what was needed on the visitmt.com site. We would like to mirror the presence that Fish Wildlife and Parks has there. Elijah is working toward seeing that come to fruition.

Bob Lawson asked for an update on Reeder's Alley and what progress we are making. Elijah reported on the current leasing status, along with the property maintenance. With the large maintenance projects, we don't have the funding to address major issues. Ellen Baumler has brought several groups to tour the Pioneer Cabin and requested that large tags on small collections be less intrusive. Ellen is receiving a lot of comments and complaints on that. Bob Lawson asked about the progress on the historic signs on the highways. Russ Hamilton spoke about the future of the Nevada City Hotel and Cabins and what repairs/maintenance issues might be looming.

## **Public Comment**

John Ellingsen again thanked the Commission for all Elijah and the Commission has done.

Returning to the land sale topic: Garrett asked if that land is historical or not. If historical the ARMS rules need to be followed, if not, then they don't. The form of action would be to form a committee to review the historic significance of the property. Elijah has said that according to SHPO, this property is not a red flag zone of significance. This property is of low significance historically and archaeologically. Andy Poole would like to form a committee to determine if the property is of historic significance or not and proceed from there. Andy recommends that once a determination is made, we have a telephone conference to expedite the process. Elijah would like to put a contingency toward the sale, that the county must perform an archaeological assessment on the property before any permanent changes are made to the property.

**Andy Poole made a motion that we form a committee and have a public hearing on the sale of the property for the county. Barbie Durham, Andy Poole, Ellen Baumler, Bill Howell, Philip Maechling and Elijah Allen will be on the Sales Committee. Motion seconded and carried.**

## **Adjournment**

Meeting adjourned at 2:45. Meeting will not continue on Saturday as there will not be enough Commissioners for a quorum. A date for the next Commission meeting in September was not set.