

Minutes of the Game, Fish, and Parks Commission
May 7-8, 2015

Chairman Cooper called the meeting to order at 1 p.m. MDT at the Creekside Lodge in Custer State Park. Commissioners John Cooper, Cathy Peterson, Duane Sather, Barry Jensen, Jim Spies, Gary Jensen, W. Scott Phillips, and H. Paul Dennert were present. Department Secretary Kelly R. Hepler was present along with approximately sixty public, staff, and media.

Chairman Cooper indicated that the management plan schedule was to be added to the agenda under Wildlife information items.

DIVISION OF ADMINISTRATION

Approve Minutes

Chairman Cooper called for additions or corrections to the April 1-2, 2015, minutes or a motion for approval.

Motion by Gary Jensen with second by Peterson TO APPROVE THE APRIL 1-2, 2015, MINUTES AS PRESENTED. Motion carried unanimously.

Additional Salary Days

Chairman Cooper called for additional salary days, Peterson requested two days, and Gary Jensen requested one.

Motion by Spies with second by Barry Jensen TO APPROVE THE ADDITIONAL SALARY DAYS AS REQUESTED. Motion carried unanimously.

License list requests

Director Chris Petersen presented a license list request from the South Dakota Wildlife Federation for the 2014 non-resident small game license holders at the reduced fee. This is an annual request and would be used to send a survey asking about fees paid for hunting access in South Dakota, preserves, and more.

Petersen presented a list request from Rinehart Taxidermy Inc. for a list of licensed taxidermists to mail a supply catalog. This is a full fee request.

Motion by Barry Jensen with second by Dennert TO APPROVE THE BOTH LICENSE LIST REQUESTS AS PRESENTED. Motion carried unanimously.

PROPOSALS

Non-resident waterfowl licenses

Director Tony Leif gave a PowerPoint Presentation of the recommendations from the work group provided to the Commission at the April meeting. Leif indicated all the recommendations were listed on the proposal action sheet with noted opposition from work group members. Chief Kirschenmann shared internal staff discussion indicating most of the comments received thus far were about the northeast portion of the state

and this area was identified as the pressure point in the state. The work group recommended changes could help with the pressure in that area. Brookings, Lake, and Kingsbury Counties may see increased hunters. The northcentral six-county area may see additional non-resident hunters due to the reallocation of licenses not sold in central South Dakota. Private lands in central South Dakota would have little impact with licenses still available to hunters for this area. The additional three-day non-resident licenses would add additional pressure in an already high concentration area of hunters. From the standpoint of removing the non-resident restriction during the September goose season in the southeast, the increase in hunting pressure is anticipated to be negligible. Bennett County would see negligible change of hunters.

Director Leif shared that youth hunting was a high concern of the work group and the Department recommends one hundred two-day non-resident youth license and a need to establish a fee for this license. Leif indicated that if the Commission accepted the work group recommendations there is a need to modify a rule to allow for the movement of some the unsold licenses from one area to another.

Discussion ensued about additional non-resident licenses and youth licenses and the opportunity to amend the work group recommendations, the process for public comment, and that amendments can be considered at the June meeting.

Work Group Recommendations:

1. Add Spink County to current 9-county northeast SD license unit.
2. Retain the allocation of 500 3-day licenses for the NE SD license unit.
3. Allocate 2,000 10-day licenses for the NE SD license unit.
4. Allocate 1,750 10-day licenses for the unit comprised of that part of the state not included in the NE SD and SE SD license units.
5. Remove Potter County from the central SD 3-day license unit.
6. Create a new NR license unit in northcentral SD that would include Campbell, Walworth, Potter, Faulk, Edmunds and McPherson counties.
7. Allocate 250 3-day licenses to this new unit in north central SD that would be transferred from the central SD hunting unit.
8. Reduce the license allocation for the central SD hunting unit to 1200 licenses.
9. Transfer 50 3-day licenses from the central SD unit to the existing 5-county unit in southeastern SD along the Missouri River.
10. Absorb the current Bennett County 10-day license into the unit comprised of that part of the state not included in the NE and SE units.
11. Remove the restriction in SE SD on nonresidents hunting during the September Canada goose hunting season.
12. Create 100 NR youth waterfowl licenses (25 season-long licenses in the SE SD unit and 75 10-day licenses valid in the rest of the state).

Department Recommendations

1. Create 100 nonresident youth licenses that are valid for the youth waterfowl hunting season.
2. Establish the fee for any nonresident youth waterfowl license (Under 16 years of age) at \$10.
3. Amend 41:06:16:11.01 by removing allowances for unsold licenses to be transferred between units.

Motion by Sather with second by Dennert TO APPROVE FOR PROPOSAL THE TWELVE RECOMMENDATIONS OF THE WORK GROUP AND THREE DEPARTMENT RECOMMENDATIONS FOR PUBLIC COMMENT (above). Roll call vote: Dennert-yes; Barry Jensen-yes; Gary Jensen-no; Peterson-yes; Phillips-yes; Sather-yes; Spies-no; Cooper-yes. Motion carried with six yes votes and two no votes.

Special Canada goose

Chief Tom Kirschenmann presented recommended changes to special Canada goose. This is a late season beginning the second week of November and a public meeting was held with 7-8 people attending with only one person not supporting the change of eliminating the Special Canada goose season and moving Bennett County into Unit 2 of the goose season.

1. Repeal 41:06:16:08. Special Canada goose hunting unit established – Limited permits – Application.
2. Place Bennett County into Unit 2 of the regular goose hunting season.

Motion by Barry Jensen with second by Peterson TO PROPOSE CHANGES TO THE WATERFOWL HUNTING SEASON - SPECIAL CANADA GOOSE HUNTING SEASON AS RECOMMENDED. Motion carried unanimously.

East River Deer Hunting Season

Andy Lindbloom presented the deer management and research update prior to Department recommendations. The information is later in these minutes.

Chief Tom Kirschenmann and Chad Switzer presented the season dates, open area, licenses, requirements, and restrictions followed by recommendations. License and tag allocations by unit with recommended changes were included.

1. Offer 250 less one-tag licenses and 1,050 more two-tag licenses (2,100 tags) compared to 2014.
2. Establish Unit ERD-07B as an antlerless deer unit within Yankton County described as that portion of Yankton County south of SD Highway 50 and west of US Highway 81 (see map).

Motion by Peterson with second by Sather TO PROPOSE CHANGES TO THE EAST RIVER DEER HUNTING SEASON AS RECOMMENDED. Motion carried unanimously.

Following discussion on the West River Deer Hunting Season the following action was taken.

Motion by Dennert with second by Phillips TO REOPEN THE EAST RIVER DEER HUNTING SEASON PROPOSALS. Motion carried unanimously.

Motion by Barry Jensen with second by Gary Jensen TO AMEND THE PROPOSED CHANGES TO EAST RIVER DEER HUNTING SEASON TO INCLUDE THE REMOVAL OF THE DATES AND LICENSES VALID FOR THE NINE DAYS BEGINNING ON THE SATURDAY AFTER CHRISTMAS. Motion carried unanimously.

1. Offer 250 less one-tag licenses and 1,050 more two-tag licenses (2,100 tags) compared to 2014.
2. Establish Unit ERD-07B as an antlerless deer unit within Yankton County described as that portion of Yankton County south of SD Highway 50 and west of US Highway 81 (see map).
3. Remove the dates and licenses for the nine consecutive days beginning the Saturday after Christmas.

Motion by Phillips with second by Dennert TO APPROVE THE AMENDED PROPOSED CHANGES TO EAST RIVER DEER HUNTING SEASON. Motion carried unanimously.

West River Deer Hunting Season

Switzer presented the season dates, open area, licenses, and requirements and recommendations with the harvest and success rates for the past five years. Kirschenmann handed out a sheet showing the season dates for specific units and how they align with the regular west river season; the intention is to align the season dates with the adjacent tribal season. Discussion began on the extended season and that included the history of the season and reasons for it.

1. Adjust resident license numbers by decreasing one-tag licenses by 250 compared to 2014.
2. Adjust nonresident license numbers by decreasing one-tag licenses by 20 compared to 2014.
3. Adjust the season dates for Unit WRD-30A (Gregory County) and Unit WRD-50A (Mellette County) as described: The season in these units are open for four consecutive days beginning on the Saturday 19 days prior to Thanksgiving first Saturday of November and for seven consecutive days beginning on the Monday three days prior to Thanksgiving after the third Saturday of November.
4. Adjust the season dates for Unit WRD-20A (Corson County), WRD-24A (Dewey County), and WRD-64A (Ziebach County) from being open for 23 consecutive days beginning on the first Saturday of November to the regular season dates of 16 consecutive days beginning on the Saturday twelve days prior to Thanksgiving.
5. Change county name of Unit WRD-65A from Shannon County to Oglala Lakota County.
6. Remove the dates and licenses for the nine consecutive days beginning the Saturday after Christmas.

Motion by Phillips with second by Barry Jensen TO PROPOSE CHANGES TO THE WEST RIVER DEER HUNTING SEASON AS LISTED ABOVE. Motion carried unanimously.

Black Hills Deer Hunting Season

Switzer presented the season dates, open area, licenses, requirements, and restrictions along with harvest and success rates for the Black Hills Deer Hunting Season. The recommended change is to increase the number of licenses about seventeen percent.

Offer 500 more resident "Any Whitetail" deer licenses and 40 more nonresident "Any Whitetail" deer licenses.

Custer State Park Deer Hunting Season

Chad Switzer presented the season dates, licenses, requirements, and restrictions for the Custer State Park Deer Hunting Season along with harvest and success information. There were no recommended changes to the season and no action was required or taken.

Refuge Deer Hunting Season

Switzer presented the season dates, licenses, requirements, and restrictions for the National Wildlife Refuge Deer Hunting Season along with harvest and hunter success rates. The recommended changes were to offer additional licenses and adjust season dates. Discussion included the December season dates at Sand Lake National Wildlife Refuge.

1. Open Unit RFD-SL4 and offer 20 more resident and 2 more nonresident "any deer" licenses and 10 more resident and 1 more nonresident "any antlerless deer" licenses for Sand Lake NWR.
2. Adjust the season dates for Waubay NWR as follows:
 - Unit RFD-WA1 is open for 8 consecutive days beginning eight days prior to the beginning of East River deer hunting season.
 - Unit RFD-WA2 is open for 8 consecutive days beginning on the day following the end of the Unit RFD-WA1 season.
 - Unit RFD-WA3 is open for 7 consecutive days beginning on the day following the end of the Unit RFD-WA2 season.
3. Remove the dates and licenses valid for the nine consecutive days beginning the Saturday after Christmas.

Motion by Dennert with second by Barry Jensen TO PROPOSE CHANGES TO THE NATIONAL WILDLIFE REFUGE DEER HUNTING SEASON AS LISTED ABOVE. Motion carried unanimously.

Archery Deer Hunting Season

Chad Switzer presented the season dates, open areas, licenses, requirements, and restrictions along with harvest and success information for the Archery Deer Hunting Season.

1. For Unit ARD-LM1, provide an exception that would allow hunters possessing an access permit to archery hunt Adams Homestead and Nature Preserve Area.
2. Increase the number of "antlerless whitetail deer" archery access permits from 0 to 20 for the Adams Homestead and Nature Preserve.

Motion by Barry Jensen with second by Spies TO PROPOSE CHANGES TO ARCHERY DEER HUNTING SEASON AS RECOMMENDED. Motion carried unanimously.

Application for license

Switzer presented a change to Application for License to allow for an access permit at Newton Hills State Park.

Amend 41:06:02:17 as described below:

Access permits required for specific West River deer hunting units and public lands. Any resident or nonresident deer hunter possessing an archery, muzzleloader, youth, or mentor deer license shall obtain and possess a free access permit to hunt West River deer units 24B, 27L, and 35L. Any resident or nonresident deer hunter possessing an archery deer license shall obtain and possess a free access permit to hunt Newton Hills State Park. Unlimited access permits may be issued for each management unit and each free access permit shall be unit specific.

Motion by Gary Jensen with second by Peterson TO PROPOSE CHANGES TO APPLICATION FOR LICENSE AS RECOMMENDED. Motion carried unanimously.

Muzzleloader Deer Hunting Season

Chad Switzer presented the season dates, open area, licenses, requirements, and restrictions along with harvest data and success rates for the Muzzleloader Deer Hunting Season. There were no recommended changes and no action was required or taken.

Youth Deer Hunting Season

Switzer presented the season dates, open area, licenses, requirements, and restrictions along with harvest data and hunter success rates. There were no recommended changes and no action was required or taken.

Chad Switzer provided information showing the rule and a map indicating there will be no free antlerless landowner licenses for 2015.

Furbearer seasons

Keith Fisk presented the season dates and open area for skunk, opossum, jackrabbit, fox, raccoon, badger, mink, weasel, beaver trapping and hunting, and muskrat hunting and trapping seasons. The harvest information for raccoon, beaver, muskrat, mink, and weasel were included. There were no recommended changes to any of the seasons and no action was required or taken. Fisk indicated this will begin the multi-year season setting process for these seasons and they are scheduled for review in 2017. The bobcat season will be reviewed at the August meeting.

Crossbow requirements

Andy Alban presented a recommended change to Persons with Disabilities that would allow telescopic sights and lighted sight pins to be used by crossbow permittees. These permits are a lifetime permit that needs to be renewed every four years; and currently, there are about 1,200 permits issued. Arden Peterson indicated that most crossbows are manufactured with scopes.

Amend 41:09:12:02 (Crossbow and bolt specifications) to allow telescopic sights and lighted sight pins to be used by crossbow permittees.

Motion by Gary Jensen with second by Spies TO PROPOSE CHANGES TO PERSONS WITH DISABILITIES AS RECOMMENDED. Motion carried unanimously.

Boat lighting requirements

Alban presented a recommended change to Motorboats and Watercraft to allow an exception for law enforcement officers to operate a watercraft after dark without lights, in certain circumstances, similar to a motor vehicle.

Add a provision to 41:04:05:18 that would exempt law enforcement officers from boat lighting requirements if certain criteria are met.

Motion by Dennert with second by Phillips TO PROPOSE CHANGES TO MOTORBOATS AND WATERCRAFT AS RECOMMENDED. Motion carried unanimously.

OPEN FORUM

Pete Kopel of Rapid City, SD, said it became evident the he does not know everything he needs to know on the non-resident waterfowl issue. He believes the real determinant is birds and wetland, and that guides and new non-resident license

opportunity will lessen opportunity for South Dakota residents. He feels that there is adequate opportunity to non-resident hunters who hunt waterfowl and sees no reason to increase their opportunity.

Chris Hesla representing the South Dakota Wildlife Federation referenced the deal made sixteen years ago for hunters to have access for public hunting in central South Dakota. The licenses today were only referred to as unsold and should not be called that as they are designated to central South Dakota and they should not be moved and this is going back on a deal that was cut. He believes any solution should be benefiting residents.

Terry Mayes of Rapid City, SD, reminded everyone that the recommendations were not 100 percent agreed upon by all work group members. A minority of the work group members wanted a 5-10 percent decrease of licenses and some of the northeast licenses moved back to Missouri river area, youth licenses could be expanded, and he wants something done to keep the Legislature out of this process.

Jeff Olson of Rapid City, SD, representing the Black Hills Sportsmen's Club, stated that management plans are needed and that habitat, habitat, and habitat is important. He encouraged GFP to work with National Forest Service to develop the fish management plan and that habitat is important on these streams, he believes there is no need to study it. The waterfowl rules currently in place are good and it has taken a lot of time to get where we are today and urges no change as it is a good plan. He stated his support for the additional property at the Outdoor Campus West and glad to see the purchase.

Kyle Hauck of Belle Fourche, SD, requested Commission consideration of "no" allocation to move the three-day license from one unit to a different unit. He would like to see Fall River and Butte counties added to a late season unit as there is opportunity in these counties.

Lowell Schmitz of Rapid City, SD, shared about his brief career history that it ended in 2012 indicating he had an opportunity to plead his case and few hours later the media had reported that he lost his job. He hired an attorney and entered into the appeals process and it has been three years and has not had his day in court. He wants to know when he will get it. Cooper recommended Schmitz continue to work with his attorney and Bureau of Human Resources. Schmitz understands and still wants his day in court and will see this process through.

Ev Hoyt of Rapid City, SD, stated the last fifteen months he has been involved with the focus group for the Black Hills Management Plan for Lakes and Streams and requested the Commission defer action on the plan today. He has seen the abbreviated version of comments and handed out a map showing major reservoirs indicating the lakes were that were not included in the plan and believes these should be included. He mentioned the petition to add other species into these lakes and that there are three other cold water lakes in the Black Hills that they should be managed as the unique cold water resources that they are.

Hoyt handed out his comments and information from the U.S. Forest Service Environmental Assessment of Byway Lakes Enhancement Project noting that the recreation impact indicated that of the 1.8 million visitors to Custer State Park 33% fish at the lakes. Hoyt shared that The Black Hills National Forest indicates that of the 1.2 million visitors 36% come to fish. Hoyt has seen all drafts of the management plan and

believes they are getting closer, and with changes made last week, and he would like to have time to review them. Hoyt referenced his letter to Hepler about uniqueness of management in west river lakes and streams having both cold and warm water fisheries and other wildlife. He stated that the Missouri River has a dedicated staff to manage the river and suggested the coldwater fisheries in the Black Hills be managed with their own staff.

Hans Steffenson of Rapid City, SD, stated that he has been involved in process for the Black Hills Management Plan for Lakes and Streams. He is excited for the implementation of the plans and looking forward to review recent changes. The coldwater fisheries are unique for wild trout opportunities and supports the concentration of habitat for the wild fish on Rapid and Spearfish Creeks. He stated the plan has a lot in it to start the process of habitat improvement. Wild trout fishing has become concentrated and habitat denigration is due to high flow events. The trout have been resilient in these watersheds and there is a need to have focus on habitat in order for the wild trout to thrive in these watersheds in both drought years and good years.

Tom Slowey of Rocky Mountain Elk Foundation (RMEF) thanked the Commission and the Department for the opportunity to have Black Hills elk tag drawing today. The RMEF volunteers work hard to get sales for that tag. A drawing was held for the four prizes and that revenue generated will be used for elk habitat in the Black Hills.

Award Presentations:

Secretary Hepler handed out longevity awards. Director Leif recognized GFP staff and presented the Teamwork Award to the eighteen members who worked on the Elk Management Plan. Leif named the team members and presented a medallion to them. Leif provided an overview of the development of the plan stating the team produced a high quality product for the Department.

DIVISION OF WILDLIFE

Outdoor Campus West property addition

Director Leif presented information for the purchase of 6.64 acres from Harney Lumber Company adjacent to the Rapid City Outdoor Campus West. The property is to be used for facility and public parking and that Parks and Wildlife Foundation, state, and federal funds will be used to make this purchase. Leif requested favorable consideration of Resolution 15-03 to facilitate the purchase.

Motion by Peterson with second by Gary Jensen TO APPROVE RESOLUTION 15-03 AS PRESENTED (Attachment A). Motion carried unanimously.

Adopt the Black Hills fisheries management plans

Geno Adams gave a PowerPoint Presentation that included reviewing the process used to develop the Fisheries Management Plan for Black Hills Reservoirs and Stream which included a focus group, and public and staff input and comments. Adams stated implementation of the plan is key and a work plan is being developed. The draft plans were handed out for Commission review and consideration at the next meeting.

Deer management and research

Andy Lindbloom gave a PowerPoint Presentation that included age ratios, population and aerial surveys, the different seasons, and their 2014 harvest and success rate information. Lindbloom included in-house research projects and management objectives, fawn annual survival, habitat loss, public impact, weather events, and disease information.

Sportsmen Against Hunger was moved to the June meeting.

AIS rule implementation and out reach

AIS Coordinator Mike Smith gave a PowerPoint Presentation that contained information on the task force meeting, participants, basic information about AIS, review of the 2008 Plan, and open discussion that included prevention, resources, and staffing. Smith showed examples of the signage currently being installed at boat ramps to remind boaters of the new regulations.

Communications Manager Emily Kiel provided a sample of rack cards distributed to all license agents, bait shops, and many more places to education and inform the public and watercraft users of the new regulations.

Assistant Director Arden Petersen provided update on the enforcement of the new regulations and ongoing efforts by Conservation Officers to answer the many questions from anglers regarding the transportation of bait and fish away from waters when done fishing.

Fish spawning was moved to the June meeting.

Avian Influenza

Chief Tom Kirschenmann provided an update on the Avian Influenza indicating GFP continues to assist by sending in bird samples from the projects currently in place. At this time, there seems to be no impact in South Dakota on wild birds; however, pheasant farms and preserves are nervous about impacts to the supply of pheasants.

Leadership development program was moved to the June meeting.

License sales report included in book

Management Plan Schedule (added agenda item)

Director Leif shared that recommendations from the Wildlife Management Review included writing management plans and the Elk Management Plan was recently completed. Leif indicated several plans are scheduled to be revised, and there currently is no deer management plan. There is concern about the overlap of staffing in developing the deer plan and revising the mountain lion plan. Leif indicated the Commission will likely be asked to extend the current mountain lion plan at the June meeting to allow staff to focus on drafting the deer management plan.

Chairman Cooper called for a recess at 5:52 p.m. with meeting to resume at 8 a.m. the next morning. The meeting resumed at 8:00 a.m. with all Commissioners present. Secretary Hepler was present along with thirty public, staff, and media.

DIVISION OF PARKS AND RECREATION

The Custer State Park Resorts bonding project and the Custer State Park Visitor Center Film report were presented before consideration of Resolution 15-04.

SD Building Authority Custer State Park Bonding Resolution

Chris Petersen provided a slide showing the bond rates Game, Fish, and Parks have been able to utilize on projects and that the taxable and non-taxable rates are nearly the same the last few months. The South Dakota Bonding Authority is ready to take advantage of these rates. Petersen presented Special Resolution 15-04 for Commission consideration to authorize the Department Secretary and the Commission Chairman to execute, acknowledge, and deliver the Thirteenth Lease Supplement to the South Dakota Building Authority that will provide funding of the Custer State Parks Resorts improvement project and the Custer State Park Visitor Center Film Project.

Motion by Peterson with second by Spies TO ADOPT SPECIAL RESOLUTION NO. 15-04 AS PRESENTED (Appendix B). Motion carried unanimously.

Angostura Concession Amendment

Concession Manager Sean Blanchette introduced Ryan Alcorn and Jay Leasure of the U.S. Bureau of Reclamation (BOR), Angostura Recreation Area Manager Willy Collignon, and Angostura Resort Manager Mick Heying. Parks, resort, and BOR staff have been cooperatively developing a plan to improve the Breakers Beachside Food Service at the resort. The 2013 concession agreement required \$75,000 in upgrades to the existing Breakers to include deck repairs, new kitchen equipment, insect repellent equipment, and new tables and chairs with a deadline of January 1, 2014. The concessionaire has not yet completed the required investment but has instead proposed a complete replacement of Breakers at an estimated cost of \$325,000. Blanchette provided photos of the existing structure and schematics of the proposed replacement structure. The Department has agreed to provide utility infrastructure to the building with an amortized reimbursement for the costs from the concessionaire over time. The concession agreement amendment includes requirements for construction including a deadline of May 1, 2016; the addition of an annual utility installation assessment payment; a formal authorization of licenses beer, wine, and alcohol sales in the new Breakers; and a formal allowance of Video Lottery in state approved locations in Breakers with the final authorization subject to BOR approval.

Motion by Barry Jensen with second by Dennert TO ADOPT THE FIRST AMENDMENT TO CONCESSION AGREEMENT ANGOSTURA RECREATION AREA AS PRESENTED (Appendix C). Motion carried unanimously.

Custer State Park Resort Bonding project

Director Doug Hofer introduced Jim Bruget of Perspective Architecture and Andy Scull of Scull Construction. Bruget provided a PowerPoint Presentation showing the design of resort improvements and new cabins for Custer State Park Resorts that will be financed by the CSP bonding project authorized by the 2015 Legislature. Scull showed site plans for the CSP Visitor Center and indicated site preparation has begun.

Custer State Park Visitor Center Film

Director Hofer shared that the CSP Visitor Center film contract was awarded to Aperture Films to produce a four-season, twenty-minute film for Custer State Park with filming to begin as early as next week. The film will include the buffalo calving season and the Buffalo Roundup this fall. Hofer stated funding for the film is part of the bonding project authorized by the 2015 Legislature.

Parks Revenue and Camping Reservations

Assistant Director Bob Schneider presented the January thru April 2015 Revenue report showing a revenue increase thus far this year of 13% with 12% of the increase occurring in camping reservations. Schneider stated that campers are making more reservations online as it is more convenient and it is economical for the Parks Division.

Chairman Cooper reminded Commissioners about the WAFWA Conference in July and requested a motion to adjourn.

Motion by Petersen with second by Barry Jensen to adjourn the meeting. Motion carried and meeting adjourned at 9:47 a.m.

Governor Daugaard recognized and personally thanked Lloyd Paulson and his family for their recent, generous contribution of \$1 million dollars for the Custer State Park Visitor Center Project. Governor Daugaard noted and recognized the other \$1 million contributions from the James and Eloise Elmen Foundation and the Helmsley Charitable Trust that will ensure the Custer State Park Visitor Center will be a world-class place for people from around the world to come and visit. The Governor also recognized contributions for the new Custer State Park Visitor Center from the James D. Neiman Family, Regency CSP Ventures Limited Partnership, SD Parks and Wildlife Foundation, Crazy Horse Memorial Foundation, Black Hills Corporation Foundation, Scull Construction Services Inc., and Rocky Mountain Elk Foundation.

Respectfully submitted,

Kelly R. Hepler, Department Secretary

Attachment A

RESOLUTION 15 - 03

WHEREAS, the Department of Game, Fish, and Parks (GFP) has expressed an interest in acquiring real property presently owned by Harney Lumber Company (HLC PROPERTY), located adjacent to the GFP regional office facility within the city limits of Rapid City, South Dakota, and described as:

Lot 1 of Tract E of the SE $\frac{1}{4}$ NW $\frac{1}{4}$, Meadowwood Subdivision, in Section 33 of Township 2 North, Range 7 East of the BHM, Pennington County, South Dakota, and

Lots 4-7 of Tract B of the SW $\frac{1}{4}$ NW $\frac{1}{4}$, Meadowwood Subdivision, in Section 33 of Township 2 North, Range 7 East of the BHM, Pennington County, South Dakota; and

WHEREAS, the HLC PROPERTY would be acquired at a price of \$306,586.00 to be utilized by the Wildlife Division for Administrative purposes; and

WHEREAS, SDCL 41-4-1.1 requires that before GFP acquires and purchases property, GFP must notify owners of land located adjacent to the property sought to be acquired by publishing notice of the same once in each legal newspaper of the county in which the property to be purchased is located; and

WHEREAS, GFP has published the required legal notice at least thirty (30) days prior to the date of action by the Commission authorizing the intended purchases, which notice included the time and location of the meeting at which Commission action is expected and by giving notice of instructions for presenting oral and written comments to the Commission; and

WHEREAS, the Commission has reviewed any and all comments that may have been received relative to the intended purchase and after consideration of the same, the Commission approves the acquisition of the HLC PROPERTY for Administrative purposes;

NOW, THEREFORE, BE IT RESOLVED, that GFP is authorized to complete negotiations for the acquisition of the HLC PROPERTY at a total price of \$306,586.00, and execute and consummate an agreement with the Harney Lumber Company, which is acceptable to GFP to acquire the HLC PROPERTY for administrative uses.

SPECIAL RESOLUTION NO. 15-04

REQUESTING THE SOUTH DAKOTA BUILDING AUTHORITY TO ISSUE CERTAIN TAXABLE REVENUE BONDS, AND AUTHORIZING THE EXECUTION OF A THIRTEENTH LEASE SUPPLEMENT TO THE LEASE DATED FEBRUARY 1, 1984, WITH THE SOUTH DAKOTA BUILDING AUTHORITY, TO PROVIDE FOR CERTAIN INFRASTRUCTURE AND OTHER IMPROVEMENTS TO FACILITIES AT CUSTER STATE PARK AND RELATED CAPITAL EXPENDITURES.

Senate Bill No. 50, enacted during the 2015 Session of the South Dakota Legislature (“SB 50”), provides that up to \$11,500,000 of revenue bonds may be issued by the South Dakota Building Authority, at the request of the Department of Game, Fish and Parks (the “Department”), to finance the construction, reconstruction, renovation, and modernization of certain state park facilities and infrastructure at Custer State Park described therein, together with related capital expenditures, including the costs of developing a film for the visitor center promoting Custer State Park (collectively, the “Project”), which bonds may be issued either as tax-exempt or as taxable bonds, as appropriate. The Department desires to request the Authority to issue the bonds authorized by SB 50 (the “Bonds”).

In order to provide for the financing of the Project through the issuance of Bonds, the South Dakota Building Authority has requested that the Department execute a Thirteenth Lease Supplement to the Lease dated February 1, 1984, providing for the lease to the Department of the Project to be financed with proceeds of the Bonds.

The form of the proposed Lease Supplement is attached hereto and provision is made for the determination of rents under the formula heretofore established by the Authority and heretofore accepted by the Department. The Authority anticipates sale of the Revenue Bonds and, therefore, requests the execution of the Thirteenth Lease Supplement.

THEREFORE, Be It and It Is Hereby Resolved by the Game, Fish and Parks Commission of the State of South Dakota as follows:

Pursuant to Section 7 of SB 50, that the Department of Game, Fish and Parks hereby requests the South Dakota Building Authority to issue Bonds to finance the Project, and directs that the Bonds be issued as taxable revenue bonds, inasmuch as the Department has determined that it is not possible to finance the Project using the proceeds of tax-exempt bonds.

That the Commission Chair and Department Secretary be and they are hereby authorized to execute, acknowledge and deliver in the name and on behalf of the Department the Thirteenth Lease Supplement between the Department and the South Dakota Building Authority to provide for the financing of the Project through the issuance of the Bonds.

All prior resolutions and other acts or proceedings of this Commission which are in any way inconsistent with the terms of this Resolution are hereby amended to the extent necessary to give full force and effect to this Resolution.

Adopted and approved this _____ day of _____, 2015.

GAME, FISH AND PARKS COMMISSION

BY _____
Chair

ATTEST:

Secretary, Department of Game, Fish and Parks

LEGAL125663615.3

Appendix C
**FIRST AMENDMENT TO CONCESSION AGREEMENT
ANGOSTURA RECREATION AREA**

This FIRST AMENDMENT TO CONCESSION AGREEMENT ANGOSTURA RECREATION AREA is entered in to between the South Dakota Department of Game, Fish and Parks, hereinafter referred to as the (“Department”) and Angostura Resort Management, hereinafter referred to as (“Concessionaire”). This amendment is subject to the Regulations promulgated by the Game, Fish and Parks Commission identified as ARSD Article 41:13 Park Concession Leases effective October 17, 2005, (“the Rules”) and to all terms and conditions of Management Agreement No. R12MU60085, memorandum of understanding, hereinafter referred to as “MOU” and any amendments thereto or replacement contracts between the Department of Game, Fish and Parks and the U.S. Bureau of Reclamation (“Reclamation”), and in accordance with Reclamation Manual Policy and Directive and Standards, Concessions Management by Non Federal Partners. The Concessionaire has been provided a copy of ARSD Article 41:13, effective date October 17, 2005, and the MOU between the Department and Reclamation.

WHEREAS, The Department and the Concessionaire entered into a Concession Agreement on January 22, 2013, and;

WHEREAS, the Concession Agreement included development requirements of the Concessionaire to provide upgrades to the existing Breakers beach side food service facility in the amount of no less than \$75,000 by no later than January 1, 2014; and

WHEREAS, the required project has not yet been completed by the Concessionaire; and

WHEREAS, the Concessionaire has proposed and the Department is agreeable to a modified development plan in lieu of the original required upgrades which includes a complete replacement of the existing Breakers food service facility estimated at a cost of \$250,000; and

WHEREAS, The Department and Concessionaire are agreeable to the Department’s installation of utility infrastructure as part of the development plan in exchange for an adjustment to Concessionaire’s Franchise Fees; and

WHEREAS, the Department and Concessionaire desire to set forth all requirements relative to the construction of the new facility; the disposition of the existing facility; establishment of Possessory Interest in the new facility; as well as authorize additional services relative to the new Breakers facility.

NOW THEREFORE, it is agreed to by the parties to amend the Concession Lease agreement as follows:

1. Section 5, "Capital Development and Improvement", subsection (a), shall be deleted in its entirety and replaced by the following:
 - (a) Concessionaire is required to provide the new Breakers facility at its own expense. The Construction of the new Breakers facility shall be subject to the following terms:
 - i. Concessionaire shall not proceed with the construction of the new Breakers facility without first obtaining the prior written approval of the Department, which is subject to all Reclamation reviews. Project approval shall not be unreasonably withheld by the Department.
 - ii. The floor plan provided by Dream Design dated April 22, 2015, attached hereto as "Exhibit A" and made a part hereof by this reference shall be used to determine the dimensions of construction. Any material deviations or modifications to this plan must be submitted to the Department for approval prior to construction.
 - iii. The new Breakers facility shall be designed to meet all applicable federal, state and local health, safety and handicap accessibility codes, ordinances, laws and regulations.
 - iv. Final site location of the building is subject to Department approval.
 - v. The quality of materials used and workmanship in the construction of the new Breakers facility shall meet or exceed that of existing buildings within the Resort.
 - vi. All exterior finish materials and colors are subject to Department approval.
 - vii. The construction of the new Breakers facility shall be complete and the building operational by no later than May 1, 2016.
 - viii. The Department will provide all water, sewer, and electrical supply connections to within five feet (5') of the new Breakers facility.
 - ix. The Concessionaire will be responsible for connecting to the Department provided utility stubs provided per section (a.)viii. above.

- x. The facilities provided pursuant to this Amendment shall be subject to all fees, terms and conditions of the Concession Agreement and as amended herein.
- xi. Upon completion, the new Breakers facility will be designated as a “Concessionaire Facility” at which time Exhibit A-2 of the Concession Agreement shall be modified to reflect such designation.
- xii. Concessionaire shall remove the existing Breakers building and associated storage shed from the Resort area and restore the site to a condition satisfactory to the Department by no later than May 1, 2016.

2. Section 10, “Fees” is hereby deleted and replaced with the following:

Section 10. Fees

Franchise Fees: Concessionaire shall pay to the Department a franchise fee during each year of the Agreement term which shall be a sum of money equal to the following:

- (a) Five and one half percent (5.5%) of all Gross Receipts less those from the rental of boat slips attached to State owned structures; and
- (b) Thirty five (35%) of Gross Receipts from the rental of boat slips attached to State owned structures; and
- (c) Three cents (\$0.03) per gallon of gasoline sold.

Payments shall be made no later than January 30th, for the final quarter of the preceding calendar year; July 30th, for the first two quarters of the current calendar year; and October 30th for the third quarter of the current calendar year and shall be accompanied by accounting records as described in Section 9(c). Payments to the Department by Concessionaire not received on or before the due date shall be considered to be in arrears and subject to an interest payment equivalent to one and one-half percent (1.5%) per month of the unpaid amount which shall be added to the following month’s remittance.

Sewer System Assessment Fees: An annual fee of \$880.00 must be assessed to each lot renter in Summersun and Horsehead trailer areas for the amortization of the central sewer system bonding package sponsored by the Department at time of execution of this Agreement. The annual assessment payment shall be collected by the Concessionaire and submitted to the Department with Franchise Fees due on July 30th of each calendar year, provided, however, that Concessionaire shall not be liable to compensate the Department for unpaid wastewater assessment fees when the correlating individual lot lease is

terminated and the Concessionaire provides the Department with documented proof of such termination.

Breakers Utility Installation Assessment Payment: The Concessionaire shall pay to the Department an annual amortized fee as reimbursement for the costs of construction of Department installed utility infrastructure for the Breakers facility. The annual payment amount shall not exceed \$5,500 per year. Assessment payments shall be submitted to the Department with Franchise Fees due on July 30th of each calendar year and shall continue until the Department has been fully reimbursed for the costs of construction of the utility infrastructure.

3. Section 3 , “Accommodations, Facilities and Services”, subsection (b) under the heading “Additional Authorized Accommodations, Facilities and Services” shall be amended to add the following:
 8. Licensed on-sale beer, wine and liquor sales at Breakers

4. At such time the Department receives written authorization from Reclamation for the installation of Video Lottery, Section 3 , “Accommodations, Facilities and Services”, subsection (b) under the heading “Additional Authorized Accommodations, Facilities and Services” shall be amended to add the following:
 9. Video Lottery in Department approved locations only

5. Except as amended herein, the terms and conditions of the concession lease agreement dated January 22, 2013, shall continue to remain in full force and effect.

Dated this _____ day of _____ 2015

DEPARTMENT OF GAME, FISH AND PARKS

BY: _____
Douglas Hofer, Director
Division of Parks and Recreation

CONCESSIONAIRE

BY: _____
Gilbert Moyle, President
Angostura Resort Management, Inc.

APPROVAL

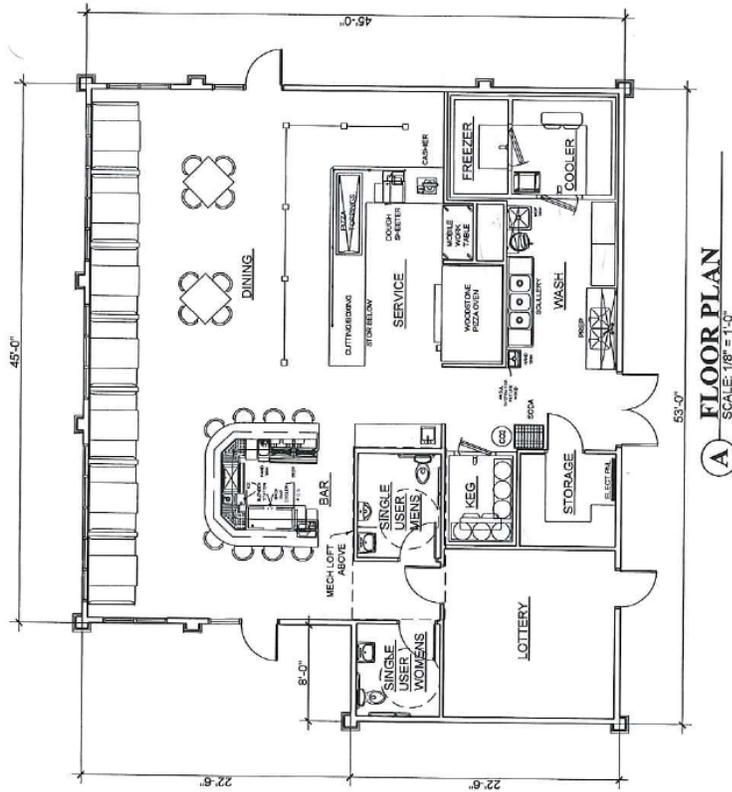
IN WITNESS THEREOF, and having the authority to do so, I approve the above and foregoing amendment to the Concession Lease and terms contained therein this ____ day of _____, 2015 pursuant to the authority granted to the undersigned.

US BUREAU OF RECLAMATION

BY _____

(Designate office and title)

Exhibit A
FIRST AMENDMENT TO CONCESSION AGREEMENT
ANGOSTURA RECREATION AREA



A FLOOR PLAN
 SCALE: 1/8" = 1'-0"

Dave Stafford Architecture 809 South Street, Ste 203 Rapid City, SD 57701 Phone: 605.343.1111 F: davestafford@msbconcrete.com	BREAKERS ANGSTURA RESERVOIR		A-1
	FLOOR PLAN		
	DRN BY: DS/JR	DATE: APRIL 22, 2015	

Minutes of the Game, Fish, and Parks Commission Governance Meeting
May 7, 2015

Chairman Cooper called the Governance meeting to order at 8:04 a.m. MDT at the Creekside Lodge in Custer State Park, Custer, South Dakota. Commissioners John Cooper, Cathy Peterson, Jim Spies, Barry Jensen, Gary Jensen, Duane Sather, H. Paul Dennert, and W. Scott Phillips were present. Secretary Kelly Hepler was present along with the Division of Parks and Recreation Director Doug Hofer, Division of Wildlife Director Tony Leif, Director of Administration Chris Petersen, Staff Attorney Richard Neill, and Executive Secretary Debra Ascher.

The purpose of the governance meeting was to discuss administrative issues and began with updates in per diem rates beginning July 1, 2015. Discussion items included petitions for rule changes and petitions received with signatures from the public and the action they require; Open Forum verses Public Hearing; phone calls for the public comment record; Commissioner assignments to committees and work groups; and Commissioner involvement in fundraising efforts of the Parks and Wildlife Foundation.

Attorney Neill provided a PowerPoint Presentation on the public meeting laws and legislation that was introduced during the 2015 Legislative Session.

Other discussion included license list requests within SDCL and the budget planning process.

The Governance meeting concluded at 11:40 a.m.

Respectfully submitted,

Kelly R. Hepler, Department Secretary