



**BAXTER STATE PARK AUTHORITY MEETING MINUTES
KIDNEY POND CAMPGROUND, BAXTER STATE PARK
OCTOBER 10, 2014
10:00 A.M.**

ATTENDEES:

BSPA MEMBERS: Doug Denico, Director MFS; Janet Mills, AG; Chandler Woodcock, Commissioner IF&W (arrived late).

BSP STAFF: Jensen Bissell, Jean Hoekwater, Ben Woodard, Eben Sypitkowski, Christine Theriault, Morgan Taylor, Dean Levasseur, Diane Freelove.

BSP ADVISORY MEMBERS: Rick Bray, Brian Noyes, Anne Huntington

GUESTS: Aaron Megquire, Charlotte Woodcock, Henry Kennedy, Nancy Kennedy, Mike Daley.

Denico called the meeting to order at 10:10 am. He welcomed all to the meeting and asked for introductions through the room.

MAY MEETING MINUTES

Denico presented the draft 5/23/14 meeting minutes. **Mills moved the minutes be approved, Denico seconded. The minutes were approved by unanimous vote.**

Denico noted that Commissioner Woodcock had been unexpectedly delayed and would be arriving later. Agenda items would be taken out of order to important items until after Commissioner Woodcock arrived, if possible.

FY16/17 BIENNIAL BUDGET

BSP Business Manager Christine Theriault provided an overview on the development of the FY16/17 biennial budget. Theriault reviewed the revenue lines for the budget including the spending from Park endowments and the application of donation funds from the Baxter Park Wilderness Trust. Theriault then broadly reviewed the expenditure lines including anticipated increases in health insurance and retirement costs and planning for continued infrastructure improvement projects.

Mills asked about the nature of spending for line 5310/Other Services under Information Technology. Theriault explained that she believed it was related to ancillary cell phone and connection cost for OIT.

There being no more discussion, **Mills moved the FY16/17 Biennial Budget be approved, Denico seconded. The minutes were approved by unanimous vote.**

DONATION REPORT

Bissell referred the Authority to the enclosed report of donations for the previous 6 months. The report details the amounts received for donations, including two quarterly payments from the Baxter Park Wilderness Trust totaling \$467,000 which are folded into the Park's operating budget as well as \$622.87 in individual donations which are held in the Park's donation account. Bissell also reviewed the expenditures from the donation account totaling \$8,364.45 and including search and rescue equipment, a wood splitter and plants for geese control at Kidney Pond Campground.

TRAIL FREE ZONES

Denico asked Bissell to discuss the Trail Free Zones item on the agenda. Bissell explained that in order to provide a more comprehensive basis for further trail development in the Park, large areas without existing trails had been designated as Trail Free Zones in the Park Management Plan. The zone designation would require Authority consent to build any trails within the 64,000 acres designated as trail free zones. Bissell described the zones on a large map and noted that two zones, the Traveler Mtns zone and the Turner Mtns zone were only separated by a small sliver of land following the thread of Wassataquoik Stream from Russell Pond to the eastern boundary of the Park. This sliver was maintained to provide

access for a planned continuation of hiking trail from Twin Ponds to the Wassataquoik Stream Leantos. The trail was one of two trails planned to improve the opportunities for multi-day backcountry loops in the Park without the repeated use of one trail. Bissell explained that plans for the extension of the Twin Ponds trail had been suspended for an indefinite period in response to the proposal for a national park along the Park's east boundary and the recognition of unintended consequences that might result from the establishment of a hiking trail access in this area. Bissell proposed that the Turner Mtn and Traveler Mtn Trail Free Zones be merged into one zone. This would not preclude the future establishment of a trail through the zones, but any trail establishment would require a request to the Authority to change the zone designation. Denico and Mills concurred that they agreed and understood the proposal. **Mills moved that the proposal to merge the two zones be accepted. Denico seconded and the vote was unanimous.**

SAR DATABASE REVIEW

Bissell presented a series of charts detailing information gleaned from a significant database of search and rescue information developed over the summer through the volunteer effort of Chris Welter. Chris was steered to the Park through the Dr. Steve Diaz, Medical Director for the Park. After working with senior Park staff to develop the database and criteria for entering incident information, Welter spent several weeks over the course of the summer entering information for nearly 800 incidents spanning the period from 1992 to 2014. The database provides an opportunity to look objectively at the etiology of Park SAR incidents and to effectively track and address important trends in BSP SAR incidents. Bissell presented a series of charts depicting some of the important information provided by the database effort. Bissell will be posting this information on the Park website. Bissell extended thanks to Chris Welter and BSP Chief Ranger Ben Woodard for their work in this important effort.

ABOL TRAIL RELOCATION PROJECT

Denico asked Bissell to present on this item. Bissell referred to two large sheet prints depicting a proposed relocation of the section of the Abol Trail that uses the active slide route. In the spring of 2014, significant movement of soil and rocks from the upper portion of the Abol Slide to the trail segments below resulted in elevated hazards on the trail to hikers. The Park responded by closing the trail. A ridge to the west of the slide area was reconned during the summer and no impediments to trail construction were noted. Subsequent efforts resulted in a flagged trail location for the lower half of the relocation on the ridge line. The upper half – mostly open terrain with low to no vegetation is not flagged, but can be flagged with a day or two of effort.

Bissell discussed the specifics of the relocation plan. The Abol Trail is 2.8 miles in length and extends from Abol Campground to Thoreau Spring on the Tableland. The relocation replaces about 5,100' of the active slide area with a new 7,100' section of trail on the ridge to the west of the slide.

Trail construction logistics include roughly 30 weeks of Maine Conservation Corp crew contracted for a total cost of approximately \$102,000. The Park is hopeful that the relocated section of trail could be open before the end of the 2015 summer hiking season.

The new section would be approximately 50% longer than the replaced section but carry an average grade of 27% versus 38% on the slide. The new trail would provide a firmer and safer treadway compared to the loose rock and gravel of the slide. Further movement of material on the Abol Slide is a continuing possibility. The new section of trail on the ridge would be very stable and unlikely to have any type of significant material movement downslope.

The Abol Slide would remain available as a bushwhack trail with Park staff providing consistent information regarding the additional risk and responsibility of using the slide path as a route to the Tableland.

Mills and Denico provided supportive comments regarding the relocation and the improved public safety. Denico thanked Bissell for the presentation.

ENDOWMENT FUND UPDATE

(Commissioner Woodcock now in attendance). Denico asked Investment Committee Chair Brian Noyes to open the item. Noyes began with by describing the strength of the relationship between the Investment Committee and Park management. Noyes stated that this strength is supported by the Park's consideration of the endowments on as a "resource-based" rather than a "needs-based" on the Investment Committee's current work. Noyes stated that the endowment was in complete compliance with the investment policy. Noyes also stated that the endowment was now at a record high market value of approximately \$74,000,000, up from \$70,000,000 at the start of the year. The endowment has benefited from four years of recovery after the severe downturn of 2009 and Noyes offered the suggestion that a market correction of 10-12% would not be surprising at this point. Noyes discussed the committee's recent decision to move away from hedge funds as a risk protection measure in the portfolio. This decision was influenced strongly by the Park's budgeting and the fund management through the extreme volatility of the 2008-2011 period. This period demonstrated that the Park and the endowment can withstand significant volatility without significantly hampering the operation of the Park.

Noyes then handed the floor to Bank of New York- Mellon Investment Manager Mike Daley. Daley thanked the Authority for the invitation to make his first-ever visit to Kidney Pond and Baxter State Park. Daley confirmed that the endowment is being managed in conformance with the investment policy. Current strategies have the endowment overweight in equities and underweight in bonds. Daley described that any significant change in asset allocation is discussed with the investment committee prior to implementation.

Denico asked about the recent (last several months) performance of the endowment. Daley confirmed that August, September and October to date have been down months, but that the management of the endowment is focused on long-term gains and not short term strategies. Mills asked for an explanation of

the Special Opportunities asset class. Daley explained that early components of this class including Global REITS, Managed Futures and Absolute Return Fund have been dropped. These instruments provided a smoothing of volatility and down-side protection to the portfolio, but the experiences gained through the severe market downturn of 2008-2009 indicated that the Park does not need this protection sufficient to justify the cost of these instruments. The only current instrument in the Special Opportunities class is private equity. Daley explained that private equity funds are privately traded equities that historically have provided significantly higher returns than publicly traded equity. Mills asked about the BNYMellon Private Equity Fund. Daley explained that instrument is a "Fund of Funds" grouping a number of separate private equity offerings into one fund to diversify the investment and lower the risk. There being no further questions, Denico thanked Noyes and Daley for the update. In response to time constraints and previous commitments, Daley and Noyes left the meeting.

CAMP KIEVE

Henry Kennedy, Executive Director of Kieve-Wavus Education Inc., and Nancy Kennedy (no relation), Director of Wavus, rose to speak to the Authority about the recent decision to revoke the privileges of Kieve-Wavus to enter Baxter State Park until September 15, 2015.

Both Kennedys spoke at length about the recognition of issues at Kieve Wavus and their commitment to changes to improve safety and behavior of K-W camp groups in the Park. Mills asked several questions about instances in the Park including the summons of an oversize Kieve hiking group, the return of another oversize Wavus hiking group from Chimney Pond to Roaring Brook, the eviction of a Kieve group from Trout Brook Farm in response to destruction of Park wildlife and inappropriate behavior. Mills also questioned the Kennedy's about several canoeing incidents on Webster Stream, Telos Cut and a serious incident outside the Park on the East Branch of the Penobscot River that resulted in a serious injury to a camper when a canoeing group went over the "Hulling Machine" – a class V drop requiring a mandatory portage. Woodcock expressed his serious concern that Kieve-Wavus would place leadership and a camper group on a river with dangerously inadequate training or information. Discussion continued with the Kennedys reasserting their intentions to address the concerns. The Authority thanked the Kennedys for traveling to the meeting to offer their thoughts.

ADMINISTRATIVE AND OPERATIONS UPDATE

Bissell provided an update on Park activities over the summer season including attendance, trail relocation projects, infrastructure replacement projects including the replacement of the bridge abutments for the Kidney Pond Bridge, retirements and departures from the Park, the Park Facebook page, and the recent visit from Bill Murphy of Wild Nephin in Ireland. Bissell also mentioned the likelihood of a record-breaking year for Appalachian Trail hiker numbers in the Park. These high numbers, while applauded by the ATC, are concerning to the Park staff in

consideration of AT hiker needs, expectations, lodging availability and other concerns. The release in 2015 of a movie about the AT has the potential to increase numbers even more. The Park will work to address these concerns to the ATC this winter.

BSP RULES

Mills asked about the Rules item not yet addressed. Bissell described the Park's wish to consider a change in Rule 5.5 regarding bicycle use in the Park. The Lynx road has provided public access to Park visitors from the Trout Brook Crossing Area since 2006. Bicycles have been prohibited from using forest management roads in the Scientific Forest Management Area (SFMA) in consideration of the potential conflicts between bicycle use and logging truck use on narrow roads. As management of the SFMA has developed, it is apparent that there will be periods of a year or more when harvesting will not take place on the SFMA road system south of Webster Stream. With only very occasional pick-up and car traffic on the SFMA road system, the safety of the SFMA roads is the same as the Park Tote Road. Bissell plans to work on specific text to allow the use of bicycles on the SFMA road system unless restricted due to harvesting activities. He will present this text to the Authority for approval at a later meeting.

OTHER BUSINESS

Denico asked for comments from the attendees. There being none, Mills motioned to adjourn. Denico declared the meeting adjourned to lunch at approximately 1:15pm. Bissell invited everyone to lunch which was ready in the adjoining room.

Doug Denico
Director MFS

Chandler Woodcock
Commissioner IF&W

Janet T. Mills
Attorney General