

Parks & Recreation Division: State Parks & Trails FY23



**Presented by:
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Subcommittee on Agriculture &
Rural Development / Natural
Resources

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State Parks & Recreation Opportunities



- 103 diverse state parks and recreation areas
- 140 state forest campgrounds
- Hosted approximately 35 million state park visitors in 2021



- Over 1.4 million camp nights in 2021, an increase of 25% from 2019 and 37% from 2020
- Over 300,000 acres managed for outdoor recreation



State Parks & Recreation Opportunities



- 19 state-owned harbors and 63 grant-in-aid harbors
- 1,228 public boating access sites, of which, 1,045 are administered by the DNR and 183 by grant-in-aid partnerships
- Over 13,553 miles of designated trails, including motorized and non-motorized trails
- 111 ORV and snowmobile clubs and sponsors
- Over 2,600 miles of rail trails



Reflections on 2021

What we observed:

- Resilient and dedicated frontline staff
 - Visitation was up 30%, but staffing levels were down 30% (difficulties hiring short-term workers and filling vacancies)
- Significant increase in new users
- Recreation Passports increased 10.3%
- Camping and lodging net nights increased 37%
- Satisfaction rate of 93% based on state park camper survey
- Harbor nights increased 10%
- ORV license and trail permit sales up 9% and 10%, respectively
- Snowmobile permit sales up 4%

FY 2023 Proposed Investments – State Park Operations



Objective: Keep state parks clean, safe, and operating efficiently by:

- Adding rangers and increasing hours for seasonal staff
- Improving recruitment and retention of short-term workers through increased pay (\$3.6 million)
- Increasing funding for contracted service, material, and supply needs, such as:
 - Solid waste removal and recycling
 - Operational and repair supplies
 - Utilities
 - Resale items - ice, firewood, etc. (\$1 million)
- Aligning spending authority with increased contracted vendor costs, including:
 - Increased reservations booked in Central Reservation System (\$1 million)



Investment: \$12 million and 40.8 FTEs, including 35.5 FTEs for frontline staff that serve visitors

- \$10.5 million Park Improvement Fund
- \$1.5 million other state restricted funds

FY 2023 Proposed Investments – State Trail Operations



Objective: Improve state trail experiences by:

- Awarding more grants for ORV trail maintenance equipment/projects due to a 9% increase in ORV license sales and 10% increase in ORV trail permit sales
- Increasing support for ORV enforcement
- Adding trail rangers and increasing hours for seasonal staff to improve trail maintenance and operations



Investment: \$3.1 million and 13.1 FTEs

- \$2.3 million ORV Trail Improvement Fund
- \$800K other state restricted

Concessions, Vendors and Outside Facilities

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Why Do We Have Them?

To enrich the visitor experience by partnering with local small businesses, outside organizations

Examples of concessions:

- Park stores - souvenirs/kayak, bike, and other rentals
- Food concessions
- ORV concession
- Water playgrounds
- Downhill ski operation
- Brew Pub at Tahquamenon
- Michigan History Center gift shops

Statutory Authority

Natural Resources and Environmental Protection Act, Act 451 of 1994



Excerpt from Section 74103:

The Department may...e) Provide the granting of concessions to a person within the boundaries of a state park. In granting a concession, the Department shall provide that each concession is awarded at least every 7 years based on extension, renegotiation, or competitive bidding.

Excerpt from Section 503(15):

The Department may lease lands owned or controlled by the Department or may grant concessions on lands owned or controlled by the Department to any person for any purpose that the Department determines to be necessary to implement this part. In granting a concession, the Department shall provide that each concession is awarded at least every 7 years based on extension, renegotiation, or competitive bidding. However, if the Department determines that a concession requires a capital investment in which reasonable financing or amortization necessitates a longer term, the Department may grant a concession for up to a 15-year term. A concession granted under this subsection shall require, unless the Department authorizes otherwise, that all buildings and equipment shall be removed at the end of the concession's term.



Bid Process

- 1) Bid documents are prepared for the service we are seeking to provide
- 2) Advertise, including a pre-bid meeting
- 3) Hold bid opening at advertised time
- 4) Bid evaluation by panel
- 5) Contract award



Concession Facts

- 76 concession contracts are currently in place
- 95% of concession contracts are with Michigan-owned businesses
- FY 2021 revenue from concessions, leases, and operating agreements totaled \$2,195,176



Concession Highlights

- Water parks: Located in three state parks
- Alternative lodging: Vendor-purchased lodging added to 5 parks
- Interlochen State Park Concession: Contract awarded to vendor (Simple Adventures) in 2021, invested \$7,500 in upgrades, revenue increased 45%
- Fort Custer Recreation Area: Contract awarded to vendor (Simple Adventures) in 2021, invested \$3,500 in upgrades, revenue increased 20%



Detailed Concession Information

www.michigan.gov/StateParkConcession

Michigan.gov

DNR COVID-19 RESPONSE

KEY TOPICS

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Concessions

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Concessions

BUSINESS OPPORTUNITIES IN STATE PARKS AND HARBORS



Questions

