

Fort Bayard Historic District

Final Business Plan – Executive Summary

July 2016





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CHAPTER ONE - EXECUTIVE SUMMARY

1.1 PROJECT OVERVIEW

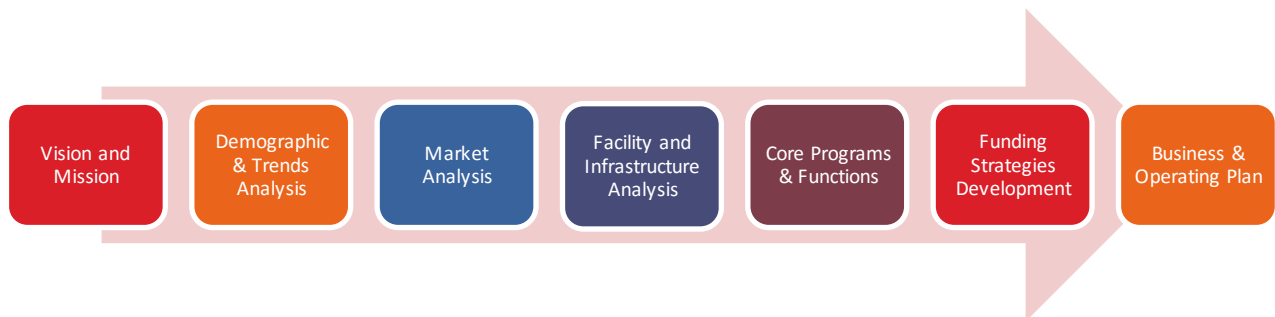
The Village of Santa Clara has previously engaged Silver Architects to develop a conceptualization of a Living Heritage Park Plan for Fort Bayard National Historical Site. The campus is a 468-acre Pershing-era Fort, complete with its own water system fed by 19 natural springs and surrounded by Forest lands. It is located outside the Village of Santa Clara off Hwy 180 and north of Hwy 152 in the state of New Mexico. Until 2010, the Fort was occupied by staff and residents of a state run long-term care facility for veterans, the scenic and historically significant property is now vacant.

The State of New Mexico took control of Fort Bayard in 1965. The adjoining military cemetery became a National Cemetery on July 5, 1976 and has undergone major improvements. A number of Black Cavalry troops were stationed at Fort Bayard in its early history were honored at the dedication and instillation of the Buffalo Soldier Memorial in 1992. In 2001, the fort became a Historic District and on March 19, 2004 Fort Bayard was designated a National Historic Landmark.

The Village of Santa Clara is seeking a business plan that focuses on the complete campus that highlights the best ways to maximize the use of the property as a Living Heritage Park. The property contains 69 structures that are in need of repair and deteriorating rapidly, the 145,000 square foot hospital built in 1922 is now undergoing demolition by the State of New Mexico.

1.2 PROJECT PROCESS

PROS Consulting, LLC was hired in the fall of 2015 to develop the Business Plan for the future of Fort Bayard. The process of developing the Business Plan followed a logical planning path, as described below:



The intent of performing the Business Plan is to evaluate the opportunities for Fort Bayard. The staff involved in this Business Plan worked diligently to provide the Consulting Team the necessary information to assess the master plan as well as providing their time to explain the potential approaches in managing of the park. The following sections provide an overview of the Business Plan developed for Fort Bayard.

1.3 DEMOGRAPHIC ANALYSIS SUMMARY

The 200 mile service area of the Fort Bayard's population is projected to grow slightly. This growth (0.71%) is slightly below that of national averages (1% annually) over the next fifteen years. It is anticipated that the unique makeup of the Fort Bayard's service area population will change in that it is expected to age slightly and become increasingly diverse in that the Hispanic/Latino population will grow by 17% in the next 15 years.

With income levels below that of State and National averages, it will be important to provide offerings focused on a value for money proposition while offering a good quality product with exceptional customer service.



1.4 OUTDOOR RECREATION TRENDS SUMMARY

It is critically important for to understand the national participation trends in recreation activities. In doing so, the Village can gain general insight into the lifecycles of recreation offerings (emerging, stable and declining) and thereby anticipate potential changes in need and demand for the programs and activities of the service area. Locally, participation in outdoor recreation is relatively strong and indicate an opportunity to provide these facilities at Fort Bayard.

1.5 COMMUNITY ENGAGEMENT AND NEEDS ANALYSIS

The Consulting Team utilized an iterative approach in gathering community input for the purposes of defining the need of uses and corresponding assets and amenities for Historic Fort Bayard. This included a review of previous community engagement processes as well as a comprehensive process specific to the redevelopment of Fort Bayard.

To establish the desire of the community’s needs for Fort Bayard, the Consulting Team engaged the Grant County residents utilizing several methods. These methods included:

- Five Stakeholder Interviews -
- Ten Focus Groups
- Three Community Workshops

In addition to the community engagement methods listed previously, the Consulting Team analyzed the previously noted demographic and trend information, other studies including the State of New Mexico’s *Preserving the Enchantment, Sustaining New Mexico’s Cultural Heritage, 2012-16* plan and sought guidance from Grant County and the Village of Santa Clara staff throughout the process.

The following summarizes the analysis of need for the redevelopment of Historic Fort Bayard.

NEED	PRIORITY
HISTORICAL INTERPRETATIVE PROGRAMS AND SERVICES	HIGH
MAJOR TENANT/PARTNER	HIGH
CAMPGROUND	HIGH
SPECIAL EVENTS	HIGH
INDOOR FACILITY RENTALS (THEATER)	HIGH
PRESERVATION OF OPEN SPACE	HIGH
MULTI-USE TRAILS	HIGH
ARCHERY RANGE	HIGH
EQUESTRIAN USE	MEDIUM
ENVIRONMENTAL INTERPRETATIVE PROGRAMS AND SERVICES	MEDIUM
AGRICULTURAL USE	MEDIUM
TEMPORARY LODGING	MEDIUM
YOUTH CONSERVATION CORP SERVICES	MEDIUM
HOTEL/BED & BREAKFAST	LOW
RESTAURANT	LOW
LOW COST STORAGE FACILITIES	LOW
GOLF	LOW
ATHLETIC FIELDS	LOW
RETIREMENT COMMUNITY	LOW

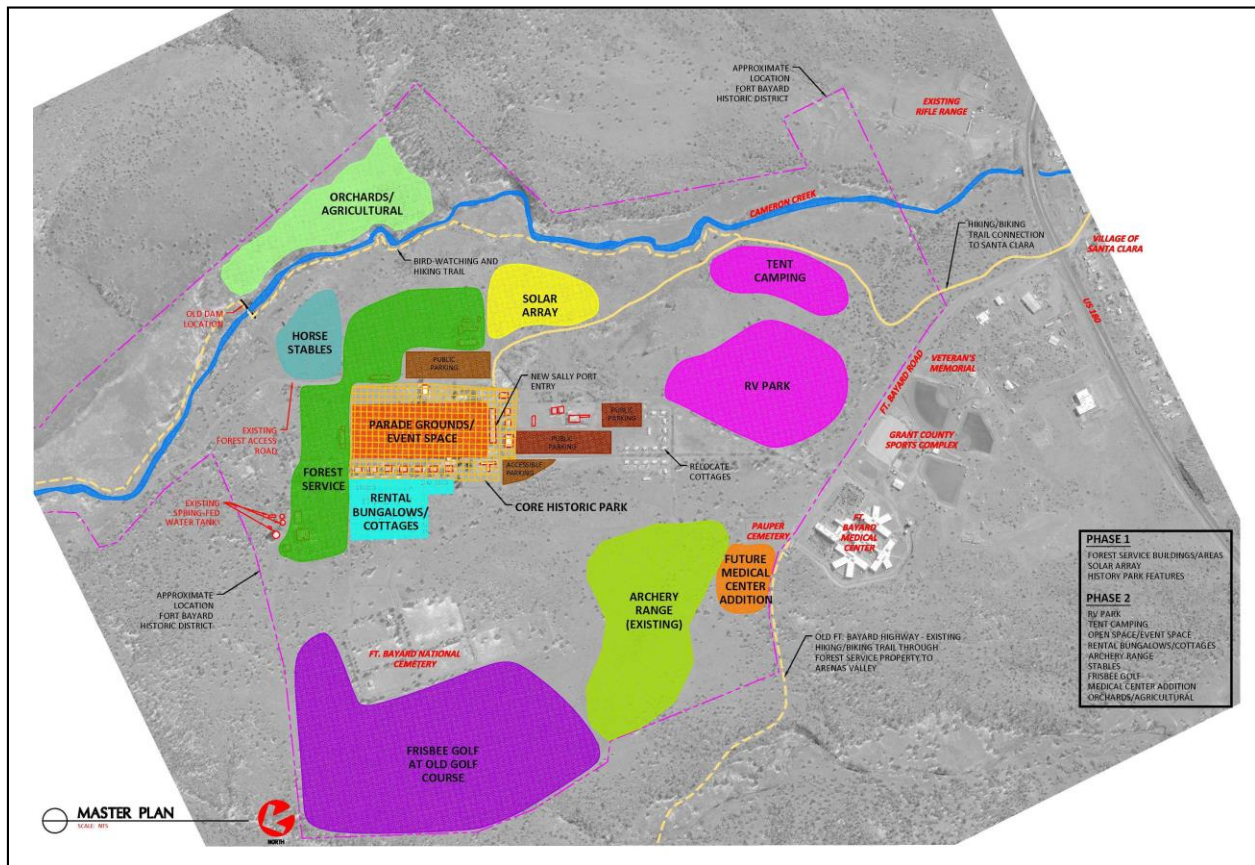
1.6 US FOREST SERVICE – FORT BAYARD PARTNERSHIP OPPORTUNITY

The Gila National Forest is managed by the USFS Supervisor’s Office which is located in 26,592 square feet of leased space at 3005 E Camino del Bosque in Silver City, New Mexico. During the business planning process, the Consulting Team approached the USFS regarding a possible partnership at Fort Bayard. Through a series of meetings, it was quickly realized that seldom does a site provide such perfect balance for the tenant as well as the surrounding community. Fort Bayard is a charming property with the potential to energize the community and functionally and efficiently serve as the headquarters for the Gila National Forest operations. A letter of intent from the US Forest Service to the Village of Santa Clara to enter into a lease agreement for the utilization of buildings at Fort Bayard for Forest Service operations can be found in Appendix A.

1.7 FORT BAYARD MASTER PLAN

1.7.1 CONCEPTUAL MASTER PLAN MAP

The following graphic details the preferred master plan concept for the Historic Fort Bayard.





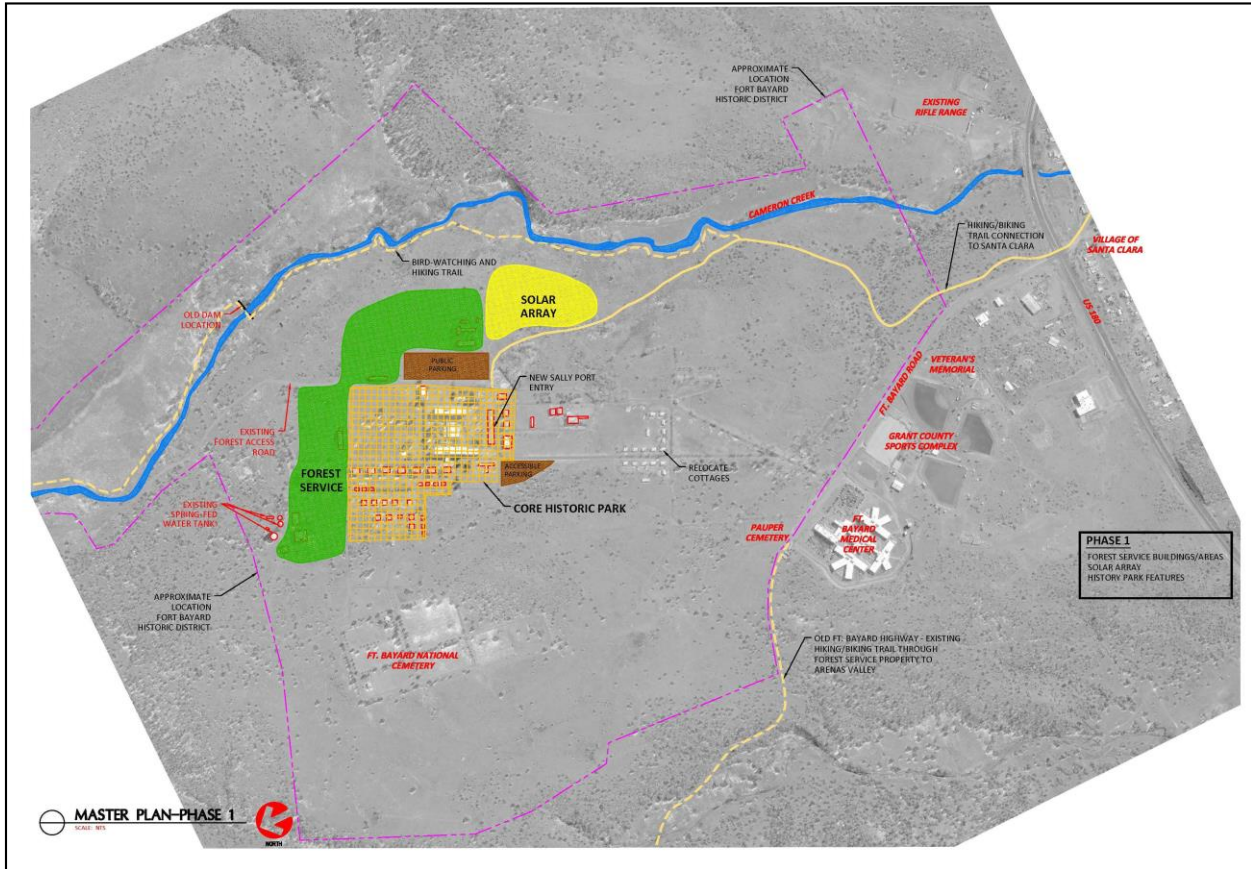
1.7.2 CONCEPTUAL MASTER PLAN MATRIX

The following matrix quantifies the elements included in the conceptual master plan

Fort Bayard Site		
Site Improvements		
<i>FACILITY/AMENITY</i>	<i>Unit</i>	<i>Quantity</i>
Administration Building	<i>SF</i>	5100
Nurses Quarters	<i>SF</i>	9000
Nurses Matron Building	<i>SF</i>	900
Nurses Recreation Building	<i>SF</i>	2250
Shop 1	<i>SF</i>	6000
Shop 2	<i>SF</i>	4339
Shop 3	<i>SF</i>	3250
Theater	<i>SF</i>	4287
Museum	<i>SF</i>	3450
Sally Port/Restroom Building	<i>SF</i>	8469
Staging Area	<i>AC</i>	1
Event Area	<i>AC</i>	13.35
Forest Service Parking	<i>EACH</i>	188
Small Houses	<i>SF</i>	750
Officers Quarters	<i>SF</i>	7695
Marriage Quarters A	<i>SF</i>	1150
Marriage Quarters B	<i>SF</i>	1092
Duplexes	<i>SF</i>	3311
Quonset Hut/Gym	<i>SF</i>	3529
Steam Plant	<i>SF</i>	4675
Laundry	<i>SF</i>	6850
Primitive/Tent Camping	<i>AC</i>	8
RV Park	<i>AC</i>	26
Archery Range	<i>AC</i>	35
Solar Array	<i>AC</i>	10
Orchards	<i>AC</i>	20
Disc Golf	<i>AC</i>	4
Walking Trails	<i>MILES</i>	2
Public Parking	<i>EACH</i>	580

1.7.3 PHASE ONE - CONCEPTUAL MAP

The following improvements are recommended for phase one of the redevelopment of Fort Bayard.



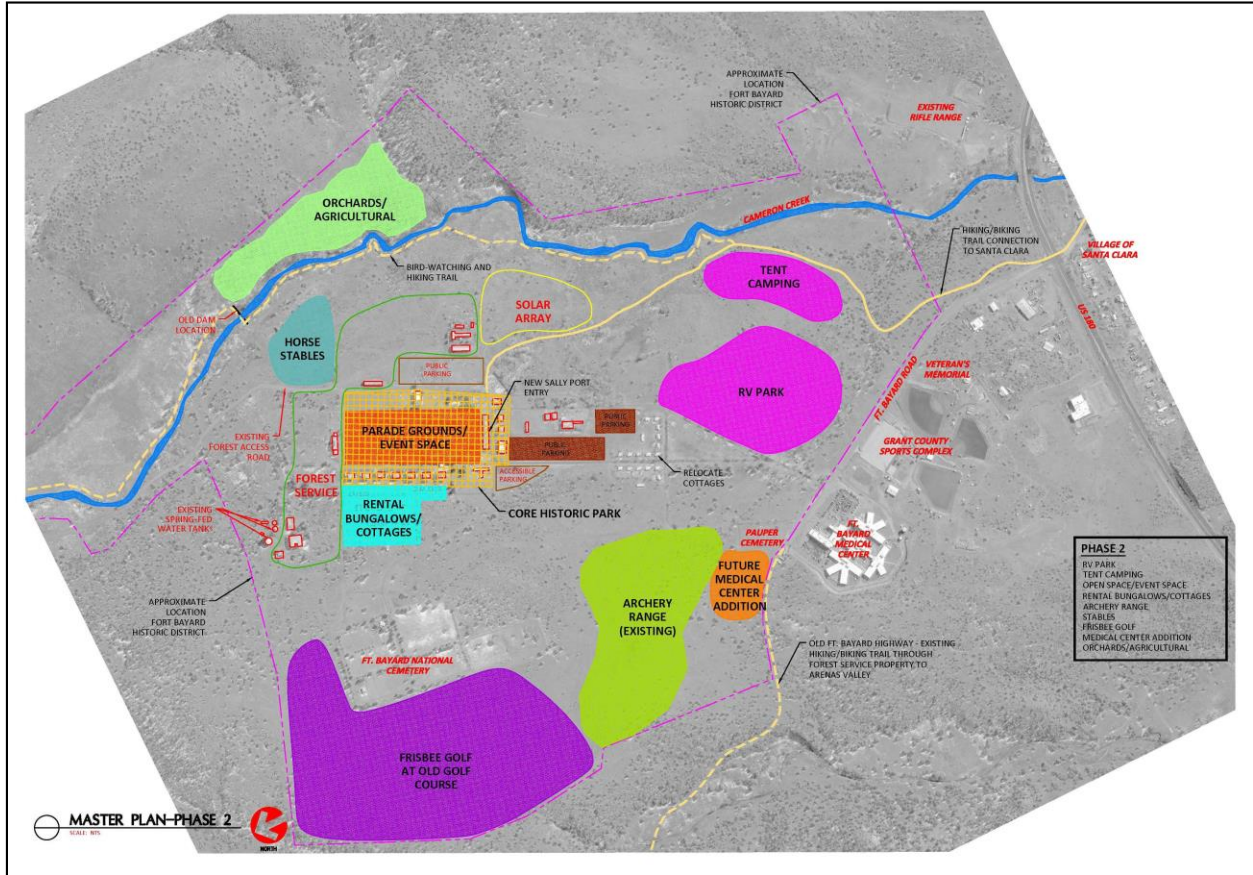
1.7.4 PHASE ONE - FACILITY/AMENITY MATRIX

Fort Bayard Site		
Site Improvements		
FACILITY/AMENITY	Unit	Quantity
Administration Building	SF	5100
Nurses Quarters	SF	9000
Nurses Matron Building	SF	900
Nurses Recreation Building	SF	2250
Shop 1	SF	6000
Shop 2	SF	4339
Shop 3	SF	3250
Theater	SF	4287
Museum	SF	3450
Sally Port/Restroom Building	SF	8469
Staging Area	AC	1
Event Area	AC	13.35
Forest Service Parking	EACH	188



1.7.5 PHASE TWO - CONCEPTUAL MAP

The following improvements are recommended for phase two of the redevelopment of Fort Bayard.



1.7.6 PHASE TWO - FACILITY/AMENITY MATRIX

Fort Bayard Site		
Site Improvements		
FACILITY/AMENITY	Unit	Quantity
Small Houses	SF	750
Officers Quarters	SF	7695
Marriage Quarters A	SF	1150
Marriage Quarters B	SF	1092
Duplexes	SF	3311
Quonset Hut/Gym	SF	3529
Steam Plant	SF	4675
Laundry	SF	6850
Primitive/Tent Camping	AC	8
RV Park	AC	26
Archery Range	AC	35
Solar Array	AC	10
Orchards	AC	20
Disc Golf	AC	4
Walking Trails	MILES	2
Public Parking	EACH	580

1.8 CAPITAL IMPROVEMENTS

1.8.1 INFRASTRUCTURE SUMMARY – OPINION OF PROBABLE COST

Fort Bayard Site			
Opinion of Probable Project Costs			
	TOTAL PHA SE 1	TOTAL PHA SE 2	TOTAL PROJECT COSTS
<i>Cost</i>			
Water System Upgrades (within campus)	\$472,000	\$608,000	\$1,080,000
Sewer System Upgrades	\$438,000	\$271,000	\$709,000
Streets, Curb & Gutter/Sidewalk Repairs, Drainage Repairs	\$273,000	\$175,000	\$448,000
Forest Service Parking (188 spaces), including secure parking areas	\$581,600	\$0	\$581,600
Public Parking (1 paved ADA lot, 3 base course lots, 1158 spaces)	\$752,200	\$556,000	\$1,308,200
Total	\$2,516,800	\$1,610,000	\$4,126,800

NOTES:
 1. Construction Costs include archaeological monitoring, new utility mains, new service line connections, mobilization, new valves, new manholes as necessary, pavement patching, and NMGRF.
 2. Costs do not include upgrades to spring-fed water system from the springs to the tanks, as this would
 3. Design Services include survey, engineering, grant administration, bid administration, construction observation and NMGRF.

1.8.1 FACILITY RECOMMENDATIONS

	RECOMMENDATIONS	PHASE
FACILITY/AMENITY		
Administration Building	<i>Repurpose for Forest Service Use</i>	<i>One</i>
Nurses Quarters	<i>Repurpose for Forest Service Use</i>	<i>One</i>
Nurses Matron Building	<i>Repurpose for Forest Service Use</i>	<i>One</i>
Nurses Recreation Building	<i>Repurpose for Forest Service Use</i>	<i>One</i>
Shop 1	<i>Repurpose for Forest Service Use</i>	<i>One</i>
Shop 2	<i>Repurpose for Forest Service Use</i>	<i>One</i>
Shop 3	<i>Renovate for Maintenance Services</i>	<i>One</i>
Theater	<i>Renovate for Multi-Purpose Uses</i>	<i>One</i>
Museum	<i>Renovate for Historical Interpretation</i>	<i>One</i>
Sally Port/Restroom Building	<i>Renovate for Historical Interpretation</i>	<i>One</i>
Officers Quarters	<i>Renovate for Historical Interpretation</i>	<i>Two</i>
Small Houses (16)	<i>Demolish 3; Relocate or sell 13</i>	<i>Two</i>
Marriage Quarters A	<i>Stabilize for Historical Interpretation</i>	<i>Two</i>
Marriage Quarters B	<i>Stabilize for Historical Interpretation</i>	<i>Two</i>
Duplexes	<i>Stabilize for Historical Interpretation</i>	<i>Two</i>
Quonset Hut/Gym	<i>Demolish/Replace for Forest Service</i>	<i>Two</i>
Steam Plant	<i>Demolish</i>	<i>Two</i>
Laundry	<i>Repurpose for Commercial Use</i>	<i>Two</i>



1.8.2 FACILITY IMPROVEMENT SUMMARY – OPINION OF PROBABLE COST

Fort Bayard Site				
Opinion of Probable Project Costs				
	RECOMMENDATIONS	PHASE 1 DESIGN AND CONSTRUCTION COSTS	PHASE 2 DESIGN AND CONSTRUCTION COSTS	TOTAL DESIGN AND CONSTRUCTION COSTS
FACILITY/AMENITY		<i>Qty</i>	<i>Qty</i>	<i>Qty</i>
Administration Building	<i>Repurpose for Forest Service Use</i>	\$826,200		\$826,200
Nurses Quarters	<i>Repurpose for Forest Service Use</i>	\$1,458,000		\$1,458,000
Nurses Matron Building	<i>Repurpose for Forest Service Use</i>	\$145,800		\$145,800
Nurses Recreation Building	<i>Repurpose for Forest Service Use</i>	\$64,500		\$64,500
Shop 1	<i>Repurpose for Forest Service Use</i>	\$972,000		\$972,000
Shop 2	<i>Repurpose for Forest Service Use</i>	\$702,918		\$702,918
Shop 3	<i>Renovate for Maintenance Services</i>	\$526,500		\$526,500
Theater	<i>Renovate for Multi-Purpose Uses</i>	\$694,494		\$694,494
Museum	<i>Renovate for Historical Interpretation</i>	\$558,900		\$558,900
Sally Port/Restroom Building	<i>Renovate for Historical Interpretation</i>	\$1,371,978		\$1,371,978
PHASE 1 SUBTOTAL				\$7,321,290
Officers Quarters	<i>Renovate for Historical Interpretation</i>		\$8,172,090	\$8,172,090
Small Houses	<i>Demolish 3; Relocate or sell 13</i>		\$1,809,000	\$1,809,000
Marriage Quarters A	<i>Stabilize for Historical Interpretation</i>		\$11,500	\$11,500
Marriage Quarters B	<i>Stabilize for Historical Interpretation</i>		\$10,092	\$10,092
Duplexes	<i>Stabilize for Historical Interpretation</i>		\$3,311	\$3,311
Quonset Hut/Gym	<i>Demolish/Replace for Forest Service</i>		\$571,698	\$571,698
Steam Plant	<i>Demolish</i>		\$250,000	\$250,000
Laundry	<i>Repurpose for Commercial Use</i>		\$1,109,700	\$1,109,700
PHASE 2 SUBTOTAL				\$11,937,391
GRAND TOTAL				\$19,258,681

NOTES:
1. Construction Costs DO NOT include archaeological monitoring
2. Costs do not include upgrades to spring-fed water system from the springs to the tanks, as this would be addressed by the owner of the springs/water rights.
3. Design Services include survey, engineering, grant administration, bid administration, construction observation and NMGR.

1.8.3 VISIONARY RECREATION/COMMUNITY USE IMPROVEMENTS

As noted previously, additional capital improvements are recommended to enhance utilization of the Historic Fort Bayard beyond those related to the site’s infrastructure and existing facilities.

1.8.3.1 PARKING

Three types of parking improvements are recommended for Historic Fort Bayard:

- Exclusive and secured parking for USFS operations
- Improved accessible parking for the general public
- Unimproved parking for special events

1.8.3.2 SPECIAL EVENT SPACE

These improvements will enhance the site’s opportunity to host local and regional special events including but not limited to: Historical re-enactments, music festivals, food festivals, outdoor movie series, hot air balloon festivals, and athletic events such as bicycling road races, 5K races.

1.8.3.3 RV AND TENT CAMPING CAMPGROUND

It is expected that a future campground at Historic Fort Bayard would be developed and operated by a private operator.

1.8.3.4 DISC GOLF

A nine-hole disc golf course is recommended on the site of the former golf course at Fort Bayard. It is expected that this will be constructed and maintained by volunteers. This would provide outdoor recreational opportunities for the community as well as visitors to Grant County, in particular campers.

1.8.3.5 SOLAR ARRAY

The Historic Fort Bayard site lends itself to a potential solar array in partnership with PNM.

1.8.3.6 ARCHERY RANGE

Improvements to the existing archery range would provide outdoor recreational opportunities for the community as well as visitors to Grant County, in particular campers.

1.8.3.7 TRAILS

Trails are the number one requested recreational amenity in the country. And the development of a soft surface trail system that connects to the Gila National Forest would provide both recreational and outdoor exercise opportunities for the community and visitors. It is expected that trail improvements would be done in partnership with volunteers and the USFS

1.8.3.8 ORCHARDS

The redevelopment of the orchards will provide the community outdoor environmental learning opportunities.

1.8.3.9 OPINION OF PROBABLE COSTS INCURRED BY VILLAGE OF SANTA CLARA FOR VISIONARY RECREATION/COMMUNITY USE IMPROVEMENTS

Fort Bayard Site			
Visionary Site Improvement			
	PHASE 1 DESIGN AND CONSTRUCTION COSTS	PHASE 2 DESIGN AND CONSTRUCTION COSTS	TOTAL DESIGN AND CONSTRUCTION COSTS
<i>FACILITY/AMENITY</i>	<i>Qty</i>	<i>Qty</i>	<i>Qty</i>
Staging Area	\$75,600		\$75,600
Event Area	\$10,800		\$10,800
PHASE 1 SUBTOTAL	\$86,400		\$86,400
*RV Park		\$0	\$0
*Archery Range		\$0	\$0
*Solar Array		\$0	\$0
*Primitive/Tent Camping		\$0	\$0
*Orchards		\$0	\$0
*Golf/Disc Golf		\$0	\$0
Walking Trails		\$182,019	\$182,019
PHASE 2 SUBTOTAL		\$182,019	\$182,019
TOTAL			\$268,419

NOTES:
 * Denotes that capital investment would be made through private-public or nonprofit-public partnership
 1. Construction Costs DO NOT include archaeological monitoring.
 2. Costs do not include upgrades to spring-fed water system from the springs to the tanks, as this would be addressed by the owner of the springs/water rights.
 3. Design Services include survey, engineering, grant administration, bid administration, construction observation and NMGRT.



1.8.4 CAPITAL IMPROVEMENT FINANCIAL SUMMARY

Fort Bayard Site	
Site Improvements	
TOTAL DESIGN AND CONSTRUCTION COSTS	
PHASE 1 SUBTOTAL	\$10,024,490
PHASE 2 SUBTOTAL	\$13,729,410
GRAND TOTAL	\$23,753,900

NOTES:

- Costs do not include upgrades to spring-fed water system from the springs to the tanks, as this would be addressed by the owner of the springs/water rights.
- Design Services include survey, engineering, grant administration, bid administration, construction observation and NMGRT.

1.9 FINANCIAL SUSTAINABILITY

Though the Village of Santa Clara has been very successful in achieving financial sustainability as shown in Appendix B, the following sustainability principles have been developed to assist the Village with creating long term sustainability at Fort Bayard.

1.9.1 INTRODUCTION

In order to professionally manage the public or private business elements of Fort Bayard, the park and recreation staff must be proficient in specific areas of emphasis. These areas include:

- Fundraising
- Understanding and nurturing partnering
- Government Finance
- Cost Recovery
- Enterprise Management
- Operational Management

1.9.2 TOPICS OF IMPORTANCE

1.9.2.1 FUNDRAISING

- Utilize the Fort Bayard Historic Preservation Society to raise funding to enhance Fort Bayard operations and amenities.
- Identify philanthropists in the community to encourage support as an investment through a nonprofit or friends group. The benefit of these relationships will support users that do not have the ability to pay for services.

1.9.2.2 PARTNERING

- It needs to be understood that private or not-for-profit group cannot make money from Fort Bayard without the agreement incorporated into the use that a share of the gross revenue is to be distributed to Fort Bayard. The distribution must recover the true costs of delivering the facilities to the user. Desired revenue needs to be based on an operating pro-forma from the event when using the park and recreation facilities.
- Consider privatizing services to a desired level with excellent outside organizations when the nonprofit organization do not have the capital dollars to develop, operate and maintain the facility or service.
- Have working, signed agreements with all types of partners to include (public/private, public/not for profit and public/public partners). This requires separate operational policies for each type of partnership.
- Do not partner with any single group unless direct and indirect costs desired in that operation have been determined. Understand the equitable investment the partner or partners need to commit to when establishing the relationship.
- All partnerships must have working agreements with measureable outcomes. They are to be reviewed at least every two years.
- Ask the private sector to develop team building days such as cleanup and fixup days at Fort Bayard. This strategy builds community support and will enhance Fort Bayard to a much higher level in a short period of time. The relationship also promotes a selling point to the corporate partner when communicating their value in the community.
- Determine sponsorship opportunities and levels of sponsorships for Fort Bayard every five years. Use a private sponsorship contractor who knows the value of sponsorships. Distribute a percentage of the total amount raised to the contractor instead of doing it with in-house staff.

1.9.2.3 GOVERNMENT FINANCE

- Know the value of Fort Bayard's assets. What stage those assets are in their life cycle is critical to understand. This practice allows for the determination of where capital improvements need to be committed to and helps to establish the cost benefit of those improvements to the system.
- Find dedicated funding sources that can be counted on annually to support operational and capital needs.
- Utilize agencies in Grant County and the State of New Mexico to pursue grants, establish effective partnerships and to create earned income. Develop business plans with staff managing revenue producing facilities to maximize earned income capability.
- Set up business enterprise systems for revenue producing facilities and programs.
- Develop a cost benefit analysis prior to developing all capital improvement projects to determine the creation of the amenity is financially feasible.
- Develop an annual revenue plan for Fort Bayard.
- Review current financing options sometimes create big savings. Agencies need to have access to inexpensive capital and refinance if necessary to free up needed debt service capabilities.



- Understand the real details of “Capital.” What are the carrying costs of land, facilities, and equipment? Do not burden the agency with capital projects that cost the agency more to own than the value of the land holding.

1.9.2.4 COST RECOVERY

- Budget 3-5% of the total operating budget to support and maintain existing capital improvements and assets.
- Replace revenue-producing equipment every 5-15 years to keep the user experience relevant and competitive.
- Include staff on all design decisions. Ensure that landscape designers and facility architects to outline the maintenance costs on all improved aspects of Fort Bayard to ensure the design is aligned with organizational maintenance operating budget.
- Establish land leases for concession operations to aid operational costs of the park.
- Know costs (direct and indirect) to deliver program services, maintain parks, trails and facilities, to determine true costs of services on a unit cost basis.
- Develop business plans on program services or facility operated by the agency that cost more than \$100,000 a year with a goal to deliver a cost recovery goal.

1.9.2.5 ENTERPRISE MANAGEMENT

- Set up business enterprise systems for revenue producing facilities and programs.
- Design facilities for efficiency, productivity to produce revenue that will offset operational costs at a predetermined cost recovery goal.
- Bid services every three years when costs are higher than the private sector to keep organization costs competitive in the market place.
- Develop an annual revenue plan for Fort Bayard.
- Find dedicated funding sources that can be counted on annually.
- Create an annual depreciation line item of 3-5% of the operating budget to support existing capital improvements at Fort Bayard
- After Fort Bayard is redeveloped, calculate the appropriate amount of operational funding to ensure these facilities will be maintained once developed. This will keep undue pressure away from the agency budget. Staff needs to develop an operational impact cost for each capital improvement developed for the park.
- Budget 3-5% of the total operating budget for marketing and branding of revenue producing facilities. Signage is not included in this “line item” as this asset is considered to be an upfront capital investment
- Price services to the 80% of users who can pay versus the 20% who are unable to pay.
- Do not give any group in the community a larger than necessary discount because of their age, occupation, military service etc. All citizens are valuable and need to be treated the same. Understand the size of the market for core programs and facilities and how much of the market your agency controls. Is there opportunity to penetrate the market further?

- Continually conduct market analyses to align offerings in Fort Bayard with the greatest needs of potential users of the park. In doing so, investments – both capital and operational – will be positioned to achieve the greatest economic return.
- Inform users and partners of the true costs to operate a given function so they appreciate the value placed into the facility or service. This strategy will help to reduce entitlement.
- Track user analytics to understand who and how often the system is being used by patrons.
- Understand concession management, what it takes to make it worth the time and investment to provide the service versus an outside contractor. Don't allow special interest groups have exclusive rights to concession operations without paying the agency some level of gross revenue.

1.9.2.6 OPERATIONAL MANAGEMENT

- Manage by standards and track costs to implement each type of standard.
- Train staff, regularly on business principles, cost recovery, cost of service and customer service.
- Understand the size of the market for core programs and facilities and how much of the market the agency controls.
- Know the demographics of users to determine their needs and capability of supporting programs and capital costs.
- Track population trends to determine how demographic changes will affect the agency and park in the future.
- Agencies need to know how to properly “right size.” Have a flexible workforce so that there is little or no carrying costs when the peak seasons are over. Know true direct and indirect costs to deliver program services, maintain parks, trails and facilities.
- Hold staff accountable to cost recovery goals for programs, facilities and elements in parks with revenue to support those services.
- Employ the right people for the right job, for the right pay, to achieve the right outcome and benefit to the agency. Learn and apply the correct function and desired productivity of key positions.
- Train staff to understand the management strategies of their supervisors as one way to prepare them for positions at the next level of responsibility.
- Understand all available revenue sources used by agencies within the region, state or on a national level that applies best to Fort Bayard operations. Know the terminology and how to implement them into the system.
- Develop a cost benefit analysis on all capital improvements prior to development to determine if it is worth the financial and operational commitment to the agency.

1.9.3 FUNDING AND REVENUE OPPORTUNITIES

Agencies across the United States today have learned to develop a clear understanding of how to manage revenue options to support services at Fort Bayard on the limited availability of tax dollars. Fort Bayard should not rely on taxes as their sole revenue option but have developed new sources of revenue options to help support capital and operational needs.



A growing number of agencies have developed policies on pricing of services, cost recovery rates and partnership agreements for programs and facilities provided to the community. They also have developed strong partnerships that are fair and equitable in the delivery of services based on whom receives the service, for what purpose, for what benefit and for what costs. In addition, agencies have learned to use facilities, amenities, programs and events to create economic development as it applies to maintaining property values through increased maintenance, adding facilities and events at Fort Bayard that create hotel room nights and increase expenditures in restaurants and retail areas. They have learned to recognize that people will drive into their community for good facilities and for special events if presented correctly and are well managed.

The Consulting Team has outlined several options for Fort Bayard to consider. In any event, it is the conviction of PROS that some, if not all, of these sources should be considered as an option to support the operational needs of Fort Bayard.

1.10 OPERATIONAL FINANCIAL SUMMARY – PHASE ONE

The initial development of the business plan study places a focus on developing a clear set of assumptions. The end product determines the operating costs and revenue streams for each phase of improvement to Fort Bayard over the first five years.

1.10.1 PHASE ONE ASSUMPTIONS

The consulting team utilized the following set of assumptions to create a financial model for phase one of the redevelopment of Fort Bayard.

- Primary utilization of site for Phase One:
 - USFS Supervisor Office operations – 30,000 sq. ft.
 - Historical interpretation programs and services provided by Fort Bayard Historical Society
- Lease income will equal approximately \$600,000 annually and will serve as the primary source of revenue for phase one.
 - USFS lease of space – 30,000 sq. ft. @ \$20 per sq. ft.
- Three full-time employees will be required to provide maintenance and custodial services for the spaces leased
- Grounds and landscaping services will be provided by Conservation Legacy Foundation and part-time staff.

1.10.2 PHASE ONE PRO FORMA

The following pro forma and revenue models reflect the phased-in approach of improvements to Fort Bayard and reflect the progressive introduction of operating functions.

Pro Forma Revenues & Expenditures						
Fort Bayard - Phase One						
BASELINE: REVENUES AND EXPENDITURES						
Revenues	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Rentals and Sales	\$610,000.00	\$646,600.00	\$685,396.00	\$726,519.76	\$770,110.95	\$816,317.60
Total	\$610,000.00	\$646,600.00	\$685,396.00	\$726,519.76	\$770,110.95	\$816,317.60
Expenditures	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Rentals and Sales	\$212,212.50	\$213,582.50	\$214,993.80	\$216,447.65	\$217,945.33	\$219,488.16
Total	\$212,212.50	\$213,582.50	\$214,993.80	\$216,447.65	\$217,945.33	\$219,488.16
Net Operating Income	\$397,787.50	\$433,017.50	\$470,402.20	\$510,072.11	\$552,165.62	\$596,829.44
Total Cost Recovery	287%	303%	319%	336%	353%	372%

1.11 OPERATIONAL FINANCIAL SUMMARY - PHASE TWO

It is expected that the implementation of phase two of the redevelopment of Fort Bayard would occur no earlier than the year 2025. The ability to accurately forecast the revenue and expenditure projections of the elements included in phase two is problematic and challenging.

For purposes of providing some financial information of these visionary elements of the redevelopment of Fort Bayard, the Consulting Team offers the following projections for a handful of the elements:

1.11.1 PRIVATELY DEVELOPED AND OPERATED CAMPGROUND PRO FORMA

Pro Forma						
Fort Bayard Campground						
BASELINE: REVENUES AND EXPENDITURES						
Revenues	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Campground	\$37,150.00	\$38,264.50	\$39,412.44	\$40,594.81	\$41,812.65	\$43,067.03
Total	\$37,150.00	\$38,264.50	\$39,412.44	\$40,594.81	\$41,812.65	\$43,067.03
Expenditures	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Contract Management (10% of revenue)	\$3,715.00	\$3,826.45	\$3,941.24	\$4,059.48	\$4,181.27	\$4,306.70
Total	\$3,715.00	\$3,826.45	\$3,941.24	\$4,059.48	\$4,181.27	\$4,306.70
Total Cost Recovery	1000.00%	1000%	1000%	1000%	1000%	1000%



1.11.2 PRIVATELY DEVELOPED AND OPERATED ARCHERY RANGE PRO FORMA

Fort Bayard - Archery Range						
BASELINE: REVENUES AND EXPENDITURES						
Revenues	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Archery Range Revenue	\$3,000.00	\$3,240.00	\$3,499.20	\$3,779.14	\$4,081.47	\$4,407.98
Total	\$3,000.00	\$3,240.00	\$3,499.20	\$3,779.14	\$4,081.47	\$4,407.98
Expenditures	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Contract Administration	\$300.00	\$309.00	\$318.27	\$327.82	\$337.65	\$347.78
Total	\$300.00	\$309.00	\$318.27	\$327.82	\$337.65	\$347.78
Total Cost Recovery	1000%	1049%	1099%	1153%	1209%	1267%

1.11.3L EVENTS AND THEATER RENTALS PRO FORMA

Pro Forma Revenues & Expenditures						
Fort Bayard Special Events and Theater Rentals						
BASELINE: REVENUES AND EXPENDITURES						
Revenues	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Core Revenue	\$47,500.00	\$48,450.00	\$49,419.00	\$50,407.38	\$51,415.53	\$52,443.84
Total	\$47,500.00	\$48,450.00	\$49,419.00	\$50,407.38	\$51,415.53	\$52,443.84
Expenditures	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Operations & Maintenance	\$35,062.50	\$35,763.75	\$36,479.03	\$37,208.61	\$37,952.78	\$38,711.83
Total	\$35,062.50	\$35,763.75	\$36,479.03	\$37,208.61	\$37,952.78	\$38,711.83
Annual Net Gain	\$12,437.50	\$12,686.25	\$12,939.98	\$13,198.77	\$13,462.75	\$13,732.00
Total Cost Recovery	135%	135%	135%	135%	135%	135%

1.11.4 SUMMARY OF PHASE TWO

Pro Forma Revenues & Expenditures						
Fort Bayard Phase Two Summary						
BASELINE: REVENUES AND EXPENDITURES						
Revenues	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Core Revenue	\$87,650.00	\$90,279.50	\$92,987.89	\$95,777.52	\$98,650.85	\$101,610.37
Total	\$87,650.00	\$90,279.50	\$92,987.89	\$95,777.52	\$98,650.85	\$101,610.37
Expenditures	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Operations & Maintenance	\$39,077.50	\$40,249.83	\$41,457.32	\$42,701.04	\$43,982.07	\$45,301.53
Total	\$39,077.50	\$40,249.83	\$41,457.32	\$42,701.04	\$43,982.07	\$45,301.53
Annual Net Gain	\$48,572.50	\$50,029.68	\$51,530.57	\$53,076.48	\$54,668.78	\$56,308.84
Total Cost Recovery	224%	224%	224%	224%	224%	224%

1.12 CONCLUSION

The redevelopment of Fort Bayard marks another milestone in the history of Southwest New Mexico in the Village of Santa Clara – where the community came together to develop a long range vision for the future development and management of the National Historic Landmark. The resulting business plan is designed to address the opportunities of Fort Bayard that effect not only the historical, cultural and biological resources, but public enjoyment of the historic site as well. The purpose of this business plan is to develop a shared set of objectives, policies, and goals that meet the needs of Fort Bayard and have the strength and clarity to direct utilization, growth and management appropriately.

These objectives, policies, and goals were developed from a process that encouraged public involvement through public workshops, interviews of stakeholders and focus groups, input from staff, ad hoc, participants and executive committees. This strategically planned program provided a flexible, yet foundational plan or “road map”, for future decision making to streamline the process and assist in implementation. This business plan and its many parts, have the ability to provide all the tools required to make Fort Bayard a World Class historic amenity. The management of Fort Bayard will play a large role in the success of the parks identity, connectivity, and education.

The Fort Bayard will serve as the crown jewel the Village of Santa Clara that links the visitors to the past and the great outdoors. The community recognizes these opportunities and has envisioned a cohesive plan to redevelop Fort Bayard into an iconic and vibrant public amenity.





APPENDIX A - US FOREST SERVICE LETTER OF INTENT



United States
Department of
Agriculture

Forest
Service

Gila National Forest
Supervisor's Office
Voice: 575.388.8201
Fax: 575.388.8204

3095 E. Camino Del Bosque
Silver City, NM 88061
Internet: www.fs.usda.gov/gila

Date: July 25, 2016

Village of Santa Clara, NM
c/o Richard Bauch, Mayor
105 N Bayard, P.O. Box 316
Santa Clara, NM 88026

Dear Mayor Bauch,

I am writing this letter to support the proposed "Historic Preservation by Forest Service Occupancy" initiative the Village of Santa Clara has been under-taking in regards to the Ft. Bayard campus, located just north of your community. Our future occupancy of one or more of the historic buildings on the Ft. Bayard campus meets current objectives of the Forest Service as well as satisfies the Historic Preservation Program of the General Services Administration (GSA) which is the agency that would ultimately manage the leasing arrangement.

Current objectives of the current Forest Service Strategic Plan are to 'Deliver Benefits to the Public-by Strengthening Communities', and to 'Excel as a High-Performing Agency-by Attracting and Recruiting Top Employees'. I believe the setting of the campus, as well as the features of the historic buildings we have toured thus far, would greatly increase the morale and welfare of our employees. To date, employee response to our tours at Ft. Bayard have been overwhelmingly positive.

Ft. Bayard is adjacent to the Gila National Forest boundary and we currently have an administrative site, trailhead, helicopter pad, and service stock corrals located just north of the campus. Such a location would lend itself to immediately connecting our employees and our visiting public to the forest.

I applaud the Village of Santa Clara's efforts to help restore historic Ft. Bayard and thank you for including the Gila National Forest in your studies to make Ft. Bayard a viable and sustainable part of your community. I wholeheartedly support this endeavor.

Sincerely,

Adam Mendonca
Forest Supervisor
Gila National Forest



Caring for the Land and Serving People

100% Recycled Paper



APPENDIX B - VILLAGE OF SANTA CLARA FINANCIAL SUSTAINABILITY

Village of Santa Clara Grants Awarded 2010-2016				
Name of Project	Purpose of Project	Granting Agency	Grant Amount Awarded	Project Status
Fire Station10-C-RS-I-03-G-16	Build a new Public Safety Building/Fire Station	CDGB Federal	\$396,873.00	Complete 2012
Public Safety Building	Build new Fire Station	State Appropriations/ Capital Outlay	\$161,370.00	Complete 2012
Buss stop Shelter	To Purchase a shelter for the bus stop	Freeport McMoran	\$9,580.00	Complete 2012
City wide clean up events	Make Santa Clara beautiful	NM Tourism Dept./ Clean and Beautiful	\$1,000.00	Complete 2012
Cops Grant	Hire and train a cadet officer	U.S. Department of Justice Federal	\$62,260.22	Complete 2013
Bayard Street	Design of Bayard Street (Main Street)	NM DOT LGRF State	\$40,000.00	Complete 2013
Well Head	Cover and secure Well Heads	ONRT Office of Natural Resources Trustee	\$109,124.00	Complete 2013
City wide clean up events	Make Santa Clara beautiful	NM Tourism Dept./ Clean and Beautiful	\$1,500.00	Complete 2014
Bayard Street	Design of Bayard Street (Main Street)	NM DOT LGRF State	\$40,000.00	Complete 2013
Cameron Creek Crossing	Repair low water crossing	NM DOT LGRF State	\$40,000.00	Complete 2015
Gravity/Sewer Improvments	Repair and retain sewer line across Cameron Creek	ONRT Office of Natural Resources Trustee	\$316,002.00	Complete 2015
Public Safety Building	Complete Fire Station	State Appropriations/ Capital Outlay	\$180,000.00	Complete 2015
Water and Waste Water Projects	Connect those within the City Limits to city sewer	USDA	\$1,265,170.00	Complete 2015
City wide clean up events	Make Santa Clara beautiful	NM Tourism Dept./ Clean and Beautiful	\$1,500.00	Complete 2015
Fire Hydrant /install SCADA System	fire hydrant replacement	Colonias State	\$243,193.00	Complete 2016
City wide clean up events	Make Santa Clara beautiful	NM Tourism Dept./ Clean and Beautiful	\$2,000.00	Complete 2016
Welcome to Santa Clara	Make and Install Welcome Signs	PNM Community	\$10,000.00	in progress
Emergency Connection Silver City	Connections to Silver City water System	Colonias State	\$628,153.00	in progress
Water system Improve ments	Rewire wells	State Appropriations/ Capital Outlay	\$174,000.00	in progress
HWY 152 Loop	Loop water system to provide water to hospital	Colonias State	\$788,000.00	in progress
Design for Bellm Street	Phase 1 to reapiir Bellm Street	NM DOT MAP	\$68,189.00	in progress
Low water safety gates	Safety gates to close low water crossings	NM DOT Federal Funds	\$177,000.00	in progress
Chip Seal	Chip seal City Streets	NM DOT	\$40,000.00	in progress
Maintenance Building	enclose maintenance building	State Appropriations/ Capital Outlay	\$150,000.00	in progress
SCADA, Radio read mters, Solar	complete SCADA, install Raido meters, Solar Wells	DWSRLF Federal	\$750,000.00	in progress
Bayard Street Improvements	Side walks and Lighting	CDGB Federal	\$500,000.00	in progress
Splash park	Furnishings for Splash Park	Freeport McMoran	\$45,100.00	in progress
Fort Bayard	Identify old foundations old Fort Bayard	YCC State of NM	\$36,285.00	in progress
Armory rec. room	Playground Equipment for Armory	PNM Community	\$20,000.00	in progress
Crumb rubber Splash Park, Viola Stone	Install crumb rubber at Splash park/Viola stone	NMED RAID Grant	\$231,000.00	in progress
Fog Seal rubberized Asphalt	rubberized asphalt over new chip seal	NMED RAID Grant	\$56,000.00	in progress
City Fasade	Fasade improvements	NM Resiliency Alliance NMMS	\$5,000.00	in progress
Chip Seal	Chip seal City Streets	NM DOT	\$40,000.00	in progress
Bellm Street Improvements	Phase II repair Bellm	NM DOT MAP	\$200,000.00	in progress
Effluent reuse project	PER for effluent reuse	AWSA	\$100,000.00	in progress
TOTAL AMOUNT AWARDED			\$6,888,299.22	