

Purpose and Content

- ▲ This document provides an update on the activities and recommendations of the TTN Gold Program Development Committee to the Ontario Trails Council Board
- ▲ This document contains the following sections:
 - Background
 - Status
 - Outlook
 - Authorization

Background: TTN Business Plan

- ▲ At the 2007 OTC AGM the membership approved the Trillium Trail Network Business Plan.
- ▲ Within the TTN Business Plan, shared TTN programs will be developed within and between three industry sectors identified as follows:
 - **Blue** sector – will comprise TDMOs developing and/or maintaining water (and land used for portage) trails for travel primarily by canoes, kayaks and other self-powered vehicles;
 - **Green** sector – will comprise TDMOs developing and/or maintaining land-based trails free of cost to permitted users where motorized uses are not typically permitted; and
 - **Gold** sector – will comprise TDMOs developing and/or maintaining land-based trails requiring a mandatory use fee and primarily used for assisted travel by ATV, motorcycle, snowmobile, horseback, dog sled and bicycle.

Background: Gold Program Development Committee

- ▲ On May 11, 2007, the OTC Board approved the following motions:
- That the Trillium Trail Network Gold Trail use permit working group report discussion document dated April 2007 and the OTC TTN gold permit working group meeting notes dated May 3, 2007 be accepted in principle as guiding framework documents for development of the TTN Gold Program.
 - That Cindy Cassidy, Wayne Daub and Ron Purchase be confirmed for a period of one year as the “TTN Gold Program Development Committee”. This committee will consult with primary stakeholders and provide recommendations to the OTC board or it’s designated on Gold Program Implementation consistent with the approved framework documents.
- (OTC President and Executive Director are ex officio members)

Background: Key Concepts

- ▲ Landowners and their agents, whether private or public, increasingly require that the recreational trails they allow on their property be fully managed. This is particularly the case for trails where motorized use is permitted. We expect this trend to continue to grow threatening access for some user types.
- ▲ A managed trail is one where the responsibility and liability for trail operation is transferred from the landowner typically to a not-for-profit organization that commits to provide trail management services often including insurance, risk control, signage, patrol, water control, water crossings, and trespass control. The Ontario Trails Council refers to trail management groups as Trail Development and Maintenance Organizations – or TDMOs.

Background: Key Concepts

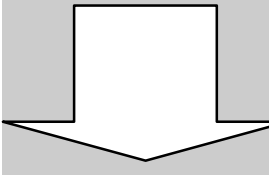
- ▲ The permitted uses of managed trails are established based first on the requirements of the landowner and second by the values of the TDMO that obtains the permission of the land owner. Both groups consider, but are not bound by, the opinions of individual users and user groups on how trails should be managed.
- ▲ The OTC Gold Program is best viewed as a “product group” within which TDMOs who manage trails with motorized use fees can develop shared programs and services identified as mutually beneficial.

Background: Gold Permit as a Priority

- ▲ A common Gold Trail Permit is one of the products and services to be offered within the overall Gold Program.

- ▲ Implementing the Gold Trail Permit was identified by the Committee as a priority for the following reasons:
 - The urgent need for primary sustainable revenues for participating TDMOs.
 - The need to establish a core funding program that can attract investment by government and sponsors.
 - The need for program revenues at the Provincial Association level.
 - The need for program revenue for Gold Program development.
 - The high level of current interest by many TDMOs in user fees.
 - The potential for a competing ATV Ontario provincial permit.

Background: Menu of Fixed Retail Prices

TDMO Authorized Trail Use	Annual	Weekly	Daily	
All Terrain Vehicle	\$140.00	\$75.00	\$20.00	ATV Permit includes all other authorized uses. 
Horseback Riding	\$75.00	\$25.00	\$7.50	
Dog Sledding	\$75.00	\$25.00	\$7.50	
Bicycle	\$50.00	\$20.00	\$5.00	
Nordic Skiing	\$35.00	\$15.00	\$3.50	
Other Uses	Locally determined, no reciprocity.			

- Notes:
1. Off Road Motorcycles, Off Road Trucks, and other use types may be added after further discussion and study.
 2. Exemptions for non-recreational use and landowners to be clarified.
 3. Current permit systems are grandfathered into the program not modified by it as the OTC does not have local or regional authority to do so.

Background: Revenue Apportionment

▲ **Each dollar of revenue generated through the sale of a TTN Gold Permit will be apportioned within the authorized uses it was sold for as follows:**

- The majority (~70%) of revenue stays with the **Selling TDMO** for immediate trail development and maintenance support.
- A minor portion (~10%) of revenue will be applied to a **Revenue Sharing Fund** which participant TDMOs can access based on need.
- A minor portion (~10%) of revenue will be applied to **Gold Programs and Services** which can be accessed by all participant organizations.
- A minor portion (~10%) of revenue will be applied to **Individual Use Segment Programs and Services** which can be accessed by individual use types only through provincial associations.

Background: Current Committee Activities

▲ TTN Gold Program Development Committee activity remains focused on the following tasks:

- 1. Consultation with Primary Stakeholders.**
- 2. Establishing reciprocal recognition by the carriers of existing EOTA and OFATV insurance policies.**
- 3. Preliminary design considerations for the Gold Permit consumer product.**
- 4. Preliminary content for the Gold Program.**
- 5. Preliminary working budgets in consideration of the above.**

Status: Current Committee Priorities

1) Stakeholder Consultation

- The committee exchanged written briefs with two primary stakeholders: OFTR and OF4WD.
- Concerns appear to be primarily with the lack of detail pertaining to the management principles for Gold Trails.
- In the absence of such detail, the committee provided information on its assessment of the current business environment within the Gold Program would be developed.
- The committee also recommended that off-road motorcycles and trucks be included in the menu of common fees and has provided its rationale as clearly as it can. There is no agreement at this point to make that change.
- Reconciling TDMO needs and User Group wishes will continue to be considered during Gold Program development.

Status: Current Committee Priorities

▲ 2) Insurance Reciprocity

- The cost of providing adequate general liability insurance coverage for trail operations has been identified as a major challenge by many TDMOs.
- Providing an affordable insurance option for TDMOs is a key Gold Program element. The Gold Permit is the mechanism to generate the required resources. The chicken an egg dilemma is obvious.
- Both OFATV and EOTA have existing insurance programs. Establishing immediate reciprocal recognition under the respective insurance programs provides the breathing room necessary to establish and grow the Gold Program.

Status: Current Committee Priorities

3) Gold Permit

- The committee has begun discussions on the development of the Gold Permit consumer product and administration process drawing on best practices of established program for administrative processes.

4) Gold Program

- A preliminary TTN Program Manual outline has been developed.
- The committee recommends that the ATV Tourism Product Model be adopted for Gold Program use.

5) Gold Program Budget

- While some work has been done on budgeting, it remains at the exploratory level.

Outlook: Recommended Near Term Action Plan

Top Three Immediate Priorities

1. Finalize the reciprocal insurance arrangement between OFATV and EOTA.
2. Initiate communication program announcing the commencement of the Gold Permit Program.
3. Finalize the Gold Permit consumer product, identify a vendor, secure printing costs, and place order.

Priorities prior to full functioning

4. Finalize Gold Permit administrative processes including formal agreements with Participating TDMOs.
5. Distribute Gold Permits to Participating TDMOs.
6. Report progress and recommend next steps to the OTC Board.

Arising from OTC Board Oct 26, 2007

- ▲ **Four courses of action were approved by the OTC Board:**
- ▲ That the issues of the TTN are OTC level concerns;
- ▲ That the Gold Permit Group keep functioning, with the core permit operators as lead hands;
- ▲ That a formal report on recommendations related to insurance be forwarded by the committee, utilizing resources available through the MHP Risk Management Program; and,
- ▲ That both use of independent counsel concerning network reciprocity, and the pursuit of MHP OTCC legislative review recommendations continue, as negotiated through Tim West.