Meeting Objectives:
1. Hear status reports from the Working Groups.
2. Provide feedback to the working groups and provide further refinement and guidance with an eye towards completing this effort for June 6.

Welcome and Introduction of Committee Members and Staff and Others........ Ross Holloway
Introductions of committee members, staff and attending members of the public were made. A full list of meeting attendees is attached.

Julie Olsen-Fink, DPSST Fire Certification Director, welcomed the group to the facility, provided background on the department and expressed appreciation of the group’s efforts congruent with DPSST’s mission and values.

Opening Comments ........................................... FPRC Co-Chairs
Committee Co-Chairs Doug Grafe, Nancy Hirsch and Ken Cummings recognized and appreciated the committee’s patience and flexibility in the rescheduling of the March 14 meeting to this current date. This committee meeting is the third of four. The plan for the day is to have the work groups present key issues and findings in an effort to move towards recommendations and further guidance from the committee by the final meeting on June 6.

Presentation: Trending Toward More Complex Fire Conditions .......... Andrew Yost, Ph.D., ODF Forest Ecologist
This presentation illustrated the evolution of what is referred to as the “new-normal fire environment” using baseline, current and future, climate “normals” to model large wildfire suitability in the region’s future. The study informs the reality and future trends of increased fire on the landscape and helps provide the framework and scope for the working groups’ efforts. Doug Grafe closed the presentation with slides showing three decades of Oregon’s fire perimeters validating the predictive modeling for the past decade and provided historical context as to what this means for ODF fire protection.

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Sustainable Large-Fire Funding ........................................... Tim Keith, Dave Lorenz
This work group met on March 1 to continue refining the range of options for large fire funding, including a self-insurance model and/or an alternate structure to the current private insurance. Three primary principles were identified:

- Maintain equity at the 10-year average of net large fire cost ($20 million)
- Provide certainty of public funds for large fire suppression costs
- Share risk with an insurance policy to minimize significant fluctuations in net large fire costs to Oregon
The work group recommends:

1. **Creating a trust fund** that is constitutionally protected, which pays the 50 percent public share of the first $20 million of large fire costs, as well as the $30 million share to cover the existing catastrophic insurance policy deductible. Needs to build certainty of funding when large fire costs exceed $20 million, with a maximum limit of 150 percent of the total annual public share exposure with a cap of $60 million.

2. **Continuing to purchase catastrophic insurance policy**, and continue to evaluate the value/applicability of insurance coverages, deductibles, and rates. Currently, Lloyds of London wishes to continue business with ODF and is offering ODF this year an insurance option of a $25 million policy with a $50 million deductible. It was noted that the catastrophic insurance deductible is not static. As ODF experiences future back-to-back low-intensity fire seasons, the underwriters should come back with increasingly favorable policy options.

3. **To consider parametric insurance policies.** This option would target coverage for the $30 million gap in the current insurance deductible at $10 million threshold-based tiers that are triggered based on predetermined criteria. This option could be more attractive to a larger number of insurance carriers, as it reduces the inherent risk associated with all-or-nothing policies. This option is still being fleshed out and pricing hopefully will be available by the next Large Fire Funding work group meeting.

4. **Works in progress include:**
   - Evaluation of diminishing BLM contributions to the Oregon Forest Land Protection Fund, in large part due to decreased harvests on BLM lands and increased large fire cost exposure from BLM lands in the recent past.
   - Unmanaged lands and whether it may make sense to have an increased assessment associated with these types of lands, which may pose a greater fire risk. The work group acknowledges it would be difficult to identify what was fair and equitable across land types.

**Committee discussion and comments:**

**Trust Fund**

- The question was asked whether the BLM contract assessment of $7 million would go into the fund. It was clarified that most of the contract monies go directly to the supporting district budgets. The acreage assessment component could be considered but it is a fairly small number, sitting around $125,000. Further clarification on the assessment breakouts and their full utilization was mentioned as a possible follow-up task for the work group.
- Broad discussion ensued on structure of a Trust Fund, including a cap, governance options, potential uses of the fund and the establishment of the fund as constitutional or statutory with a “super majority” to keep the fund secure. It was mentioned that there is no need for a super majority unless the fund is constitutional. The question arose if the trust fund could be used to support all-risk events (natural disasters) outside of fire during low fire years?
- It was clarified that it would be more of an auxiliary fund concept once the dollars breached $30 million.
- Sen. Hansel offered to carry the Trust Fund concept with recognition that a constitutional fund would not likely be supported in the Legislature.
- The Committee directed the work group to continue refining the proposal for a statutorily created trust fund that has a level of certainty, long term, with diversified and sustainable funding streams.
- Additional sources of revenue/funding streams for consideration:
  - Lodging tax receipts
  - Higher hazard assessments
  - GF portion of cost collections
  - Unspent severity dollars
  - Tax on fireworks
  - Fishing license surcharge
  - Timber harvest (State Forests)/Timber sale receipts
Catastrophic Insurance Policy

- Concern was raised over a perception that the agency is seeking guidance on some topics, while it appears to have already made and implemented decisions on other topics without feedback from the outside-agency members. It was clarified that ODF is moving forward with its regular business practices, which includes obtaining large fire insurance, and that the committee and its members, as well as the Board of Forestry, are being kept abreast of the progress. The goal of the Large Fire Funding work group and ultimately the FPRC, is to consider options and implementation plans for the 2017 season and beyond. This led to a discussion around ODF’s sustainability and funding during tight budget times, and how that topic is directly tied to the current Secretary of State audit (audit report to be published June/July 2016).
- Insurance renewal timeframe for the catastrophic insurance policy is currently April 1 to April 1 from year to year and is currently in final stages of process for the 2016 fire season.
- The Committee supported the continued purchase of an insurance policy, specifically Rep. Whisnant suggested that this policy has been highly beneficial historically and appears to be a good investment for the future.

Sustainable Fire Organization........................................................................................................Doug Grafe, Brian Pew

The work group met on Feb. 2 to continue refining sustainability topics resulting from identified key issues. The original list of considerations was narrowed from approximately 70 to closer to 30. Topics have been organized into two “buckets”:

- Policy Option Packages (POPs), including capacity, training, equipment & technology and severity funding
- Administrative/Business Practices

Work Group Discussion Topics:
1. Adding Position Capacity

   Aviation Capacity:
   - To help ensure that aviation contracts are being administered completely and all safety guidelines/protocols are in place, attainable and actively being followed. It was clarified that when the work group speaks of “safety standards” the focus is the safety of firefighters when working with aircraft.
   - With aircraft being added in the Severity Program over the past several years it is critical to consider capacity needs to manage the inherent added workload.

   Training Coordinator Capacity:
   - Currently have one training coordinator position.
   - The need for increased wildfire training to a broader audience has been widely recognized as an effective way to expand Oregon’s wildfire response capacity.

   Fire Management and Seasonal Firefighter Capacity:
   - Need to consider extending months of employment for seasonal firefighters, which is not a “one size fits all” for every district/unit.
   - To build more well-rounded firefighters with higher qualifications to lead or manage fires. Without these critical fire management positions, no amount of entry-level firefighters can be effective.

   Fire Business Capacity:
   - Operational business of paying increasingly complex fire bills, coordinating audits, FEMA recoveries and fire business on incidents.
     - How is business done now, and is it possible to identify inefficiencies and readjust or realign business practices? Can we better align audits to achieve more effective practices?
Consider the best option for addressing FEMA workloads; interagency shifts that would allow for use of topic experts, limited duration lead workers or a position/state function that would be the FEMA knowledge expert and could be used across multiple agencies as needs arise.

Prevention Coordinator Capacity:
- Currently have one prevention coordinator position.
- Are current prevention policies/practices sufficient, outdated or lacking in capacity?

During the capacity discussion the committee noted the following:
* When requesting added capacity in the form of positions, there needs to be strong justification. Bring data that show where the shortfalls are occurring and how an added position will be specifically designed to address those shortfalls. What would the job descriptions look like?

* What are estimated costs for a sustainable organization change? Would it be easier for legislators to support an idea that comes with an outline of what a position would realistically cost? Clarify if the work group is asking for one or 10 new positions, as the recommendations still seem too general. Clarify the difference in pricing between covering firefighting needs through agency positions or through the use of contractors.

2. Fire Intelligence/Technology and Data Enhancements
- Does the agency have the tools available to detect fires early, coordinate efficient responses, and continue to monitor and respond quickly to maintain control over evolving fire situations?
- Remote communication has some gaps, and solutions are needed, linked directly to safety.
- The Fire Cache system has proved valuable in the past but will require upgrades to maintain its effectiveness. These upgrades need to be identified and planned for long term.

3. Contract Reviews and Pre-Season Contracts
- How to leverage contracted resources more effectively on the ground and get them to the fires more quickly? Current process is confusing and often does not align with private sector. Is there a way to better match state practices with those of the contractors?
- To aid in increasing capacity, need to consider the use of local landowners, rural fire departments and establish a more diversified or extensive use of contractors. This would include a training component to increase ODF’s ability to work outside the agency.

4. Severity
- The severity program was highlighted as a successful and integral component of the fire protection system, and additional investments could be considered.

Committee discussion and comments
- The question was asked whether the agency has pursued downsizing in appropriate areas, with a point being made that once a program outside of Protection experiences a reduction, a ripple effect is felt that can extend back to Protection.
- Concern was also raised that this work group may have too narrow of a focus; that it excludes concerns of sustainability that have fallen outside of the discussions so far. Examples of topics that are not being covered, but still thought to be critical, are the 6 percent PERS pickup and whether districts are accurately being compensated when they send personnel out of district on a fire. It was noted that the funding is key for future investment considerations, and not just immediate funding issues but also what biennium in which a recommendation could feasibly be implemented. The committee asked the work group to continue working on linking the recommendations and concepts back to how they fit in with the idea of a sustainable organization by the June 6 meeting. It was mentioned that the work group is actively having discussions around how to better use the “dollars”; or how to create efficiencies among existing processes and policies.
• These topics will be considered beyond the 2017 biennium, and it will most likely take years to consider them and move forward on certain pieces. For the short term, the committee asked the work group to take time to prioritize the presented topics. Are there some recommendations that should be tackled sooner, in view of other pieces that could fit in later on?
• Initial-attack enhancements that combine pre-planning and highly strategic prevention were recognized as important considerations for investments.
• Aviation management capacity and coordination were recognized as important considerations for investments.
• Increased training was recognized as an important area to consider, including exploring “All Hazard” cross-training. Many exist (OEM, OSFM, OHA, et al), but a lack of coordination exists among the various entities. Even within a statewide coordinated system, is it clear who makes the “go/no-go” call and who is next in line in the chain of command?
• Other state natural resource agency employees trained for specific fire-related jobs, such as aviation management: This would help mitigate the complete drawdown that can occur within ODF during fire season. This includes potential job description changes within the other agencies that would provide the leverage for using these positions during periods of critical fire needs. This is considered a long-term and legislatively based priority.
• Acquire technology that has a centralized standard and improved detection capability that can be maintained in the districts.
• Come back to June meeting with position pricing for any recommendations for capacity.
• It was asked whether private landowners would be considered for sharing in administrative costs. This is covered at the base level when the local 12 districts do their individual budgets. Locally, the Associations/Districts determine what is adequate for protection for their specific district, and from that a fee or rate is generated.

Policy Options Working Group ................................................................. Bob Young, Chad Davis
• This Work Group met on March 3 to begin formulating concepts from key issues identified at the Dec. 1 and Jan. 21 committee meetings and by the work group members. The work group’s objectives are:
  o Help inform policy options to mitigate increasingly complex wildfire conditions in Oregon by identifying core issues driving complex fire conditions.
  o Consider initiatives and make recommendations towards an implementation plan that aligns local, state and federal partners towards a cohesive wildland fire management strategy in Oregon that achieves the above objective.
• Topics were organized into two buckets:
  o Wildland Urban Interface (WUI)
  o Fuels Reduction/Mitigation Programs “Landscape Resilience”
    ▪ Fire Prevention was originally identified as a topic for this group, but was moved to the Sustainable Organization work group
• Three entities that can potentially take action on work group policy recommendations include:
  o The State Legislature – Ex: Consider developing an ODF Policy Option Package to sustain the Federal Forest Health Program.
  o The Board of Forestry - Ex: Continue the board’s voice via the Federal Forest Subcommittee on the need for solutions to increase the pace and scale of restoration, amplifying the importance of active management along the boundary of public/private lands.
  o The agency itself – Ex: Encourage the Smoke Management Advisory Committee to explore potential solutions to optimizing burn days; engage ODF Public Affairs and other land management partners in a public campaign regarding the use of prescribed fire.

Committee discussion and comments
• The Wildland/Urban Interface and ODF’s role along and in it: Does ODF have it right? Need to look at structural/wildfire response.
The WUI, and the unimplemented portions of SB 360, may need to be revisited. Is the state receiving an adequate amount of revenue to do the job?

Who should be providing fire protection in the WUI?

Forestland Classification: This process is currently about halfway completed. Would this finished process allow for varying surcharge rates based upon classification types?

Data Needs: Request made for data or further analysis of risk transfer in WUI. Outlining what data would need to be gathered to move forward on the above topics also seen as an important piece to enable moving forward on developing concrete recommendations for June’s meeting.

- Fuels Reduction/Mitigation Programs:
  - Legislature gave $5 million in lottery dollars to community programs for the 2015-17 biennium to continue work in the Federal Forest Health program. This is outside the context of the work group, but the outcomes of this investment will be reported back to the Federal government.
  - ODF currently brings in $2-3 million in federal funds for prevention/mitigation programs, but there is still ample room for growth, as well as the ability for monies to be used outside of prevention and mitigation in operational realms.
  - Can the pace and scale of restoration be increased? Consider creating or revamping policy so that this option is pursued more aggressively.
  - BLM use of stewardship contracting authority could take intentions of SM 1357, as well as a trust fund concept, further.
  - Sustaining “collaborative” activities and fire resilience among the O&C lands was also brought up as a topic that could create roadblocks if not considered thoughtfully and thoroughly.
  - Good-neighbor authority is an authorization tool for federal funds given to the USDA and BLM. Recently ODF, the USFS and ODFW signed a good neighbor agreement; work group has arranged a meeting to do something similar with the BLM. Committee sees this as a critical option to pursue.

Public Comments

- Consider use of committed retired personnel to train current employees in key functions as a way for ODF to meet future training needs and overcome shortfalls.
- Remember other values – It was suggested that conservation interests are inadequately represented on the committee.
- Look at cooperative prescribed burning, among state, federal and private landowners to help achieve pace and scale.
- The committee was reminded that other agencies are looking at alternative funding sources as well.
- Biomass/renewal energy from wood – potential to link to forest health restoration.
- Consider state equipment agreements similar to VIPR (Virtual Incident Procurement), and/or more state training around VIPR to help reduce the time and energy expended in setting up contractors in the program, with the aim to make it available statewide across agencies.
- Look to use contractor capabilities not currently being tapped.
- USFS offered support and assistance for a risk transfer analysis statewide.
- USFS willing to explore cooperative prescribed fire work.

Wrap Up
The Co-Chairs expressed appreciation for the energy and collective efforts of the committee to take on the challenge of helping ODF develop a strategic initiative towards greater sustainability of its fire organization and its approach to large fire funding, while at the same time addressing related policy considerations across all programs for the future.

The last meeting of the committee is scheduled for June 6, 2016, at which final work group reports and committee feedback will advance ODF’s efforts towards the strategic initiative of agency sustainability.
Complete lists of each work group’s key issues, and the resulting concepts/themes and background information, can be found at: [www.oregon.gov/ODF/Board/Pages/FireProgramReview.aspx](http://www.oregon.gov/ODF/Board/Pages/FireProgramReview.aspx).

There being no further business, the meeting adjourned at 2:45 p.m.
2015 Fire Program Review Committee Meeting
April 05, 2016
Dept. of Public Safety Standards and Training
Hall of Heroes
4190 Aumsville Hwy, Salem, Oregon

List of Attendees

Committee Members
Doug Grafe, Fire Program Review Committee Chair
Nancy Hirsch, Fire Program Review Committee Co-Chair
Ken Cummings, Fire Program Review Committee Co-Chair
Tim Keith, Sustainable Large Fire Funding Work Group Co-Chair
Dave Lorenz, Sustainable Large Fire Funding Work Group Co-Chair
Brian Pew, Sustainable Organization Work Group Co-Chair
Chad Davis, Wildfire Policy Work Group Co-Chair
Bob Young, Wildfire Policy Work Group Co-Chair
Brett Brownscombe, Governor’s Office
Senator Betsy Johnson
Senator Bill Hansell
Representative Kathleen Taylor
Representative Gene Whisnant
Ross Holloway, Fire Program Review Committee Facilitator
Jim Walker, Oregon State Fire Marshal
Cathleen Connolly, CFO
Matt Stayner, LFO
Roger Beyer, Oregon Small Woodlands Assoc.
Amanda Rich, The Nature Conservancy
Mike Haske, Bureau of Land Management
Phil Adams, Landowner Representative

Others
Amelia Eveland – Secretary of State
Randy Hereford-Starker Forests
Gary Springer – Board of Forestry
Roger Johnson – OR Fire Chief’s Assoc.
Adam Meyer – Oregon Conservation Network
Meg Mitchell – US Forest Service
Greg Miller – Weyerhaeuser
Linc Cannon -OFIC
Todd Scharff – DAS Risk Mgmt.
Jamie Paul – FPRC Project Manager
Bea Noyes – ODF Core Team
Tracy Guenther-ODF Core Team
Chrystal Bader-ODF Core Team
Taylor Anderson – The Bulletin
Dillon Sanders -
Dolores Torres -
Rosie Usoltseff -
Alex Usoltseff -
Deborah Miley -