



MORNING SESSION 3

Wildfire Response

Purpose

In January 2019, Governor Kate Brown tasked to the Council on Wildfire Response to review Oregon's current model for wildfire prevention, preparedness and response, analyzing whether or not the current model is sustainable given our increasing wildfire risks.

Goal 3: Respond Safely & Effectively to Wildfire

Element	Course of Action	Prioritization
ODF Financing Facility	Significant Correction	HIGHEST
Expansion of Protected Areas	Moderate Correction	VERY HIGH
“Militia System”	Maintain	HIGH
State-Federal Interagency Performance	Moderate Correction	HIGH
Large Wildfire Suppression Insurance	Maintain	HIGH
Bureau of Land Management Contract	Maintain	VERY HIGH
Risk Management: USFS & ODF-Protected Lands	To be discussed	To be discussed
State Suppression Capacity	Significant Correction	VERY HIGH
Federal Suppression Capacity	Moderate Correction	HIGH
RFPA Suppression Capacity	Maintain	HIGH

ODF Financing Facility
- Summary -

- Recommendation #**
- **ODF should explore and implement structural and systems changes to expedite and standardize processing of financial transactions associated with wildfire. ODF should retain an independent contractor for this purpose.**
 - **Together with the Department of Administrative Services, the Legislative Fiscal Office and the Treasurer’s Office, ODF should evaluate options for a financial structure for managing seasonal borrowing costs to support wildfire response.**
 - **On both these projects, ODF should work under the direction of the newly-created Forestry Financial Oversight Team**

Legislation	Pending outcomes of financing facility evaluation
State Investment: Personnel	Pending outcomes of organizational and systems review
State Investment: Equipment	Pending outcomes of organizational and systems review
Total Budget Effect	Pending outcomes of organizational and systems review
Governance	Coordination between ODF, DAS, LFO and Treasurer’s Office
Reference	None
Prioritization	HIGHEST

Summary

As outlined in a letter from Governor Kate Brown dated October 19, 2019:

The Oregon Department of Forestry carries the responsibility to fight wildfires across most of the state. Longer, more intense, and more expensive wildfire seasons coupled with a decentralized financial and accounting structure at the Department have created cash flow management challenges. ODF believes it has over \$100 million in outstanding accounts receivable, some dating back to the 2013 fire season. Of this amount, over \$46 million has yet to be invoiced. The Department has focused resources on this issue since the close of the 2019 legislative session, and as a result, 2013 and 2014 fire season costs have been reconciled. However, it is imperative that the remaining accounting backlog be cleared expeditiously.

Prioritization is **HIGHEST**.

Please see Suppression Committee Report for additional information.

Expansion of Protected Areas - Summary -

- Recommendation #**
- **State to require all lands to fall within a wildfire response jurisdiction, and for all jurisdictions to meet/exceed a baseline-level of protection.**
 - **Baseline definitions to be established through collaboration with state, counties and municipalities.**
 - **State to provide needed resources.**

Legislation	Amend {need name: current legislation in the Rangeland Statutes} to establish jurisdiction for all lands currently unprotected (e.g., croplands).
State Investment: Personnel	2 FTE (1 ODF, 1 OSFM)
State Investment: Equipment	Severity aviation resources
Total Budget Effect	\$x million per biennium
Governance	State, counties and municipalities to jointly define adequate protection levels
Reference	Suppression Committee Report
Prioritization	VERY HIGH

Summary

Under the Business-As-Usual scenario, over 1 million acres (1.6%) of Oregon will remain outside wildfire jurisdictions (“unprotected lands”) and lands will remain “under-protected”. These ownerships lack immediate access to statewide “severity” resources under the Conflagration Act, as well as systems for mutual aid agreements in the event of fire. Predictably, during fire events, the benefits of immediate initial attack are lost, causing the fires to grow far more deadly and costly.

The State does provide protection, reactively, but often under extreme conditions. Worsening matters, a ripple effect ensues, as suppression resources are siphoned from across the state, often during peak wildfire season. As new fires start, firefighters may be in position for initial attack, in time, but lack the needed resources to proceed.

In a lower-wildfire era, such risks under a Business-As-Usual scenario may have been tolerable but, as evidenced by the 2018 Substation Fire (where a tractor operator was killed trying to protect a neighbor’s property) and other wheat field fires in Oregon, current realities dictate a modernization of the State’s approach to jurisdiction. Fortunately, the Rangeland Fire Protection Associations offer an effective template. Together with counties and cities, ODF and OSFM can define adequate protection levels across the state, and collaborate regarding plans and resources. For a relatively modest commitment of State resources, communities across Oregon can achieve greater safety and protection of resources. Hence, the prioritization is VERY HIGH.

Please see Suppression Committee Report for additional information.

Expansion of Protected Areas - Detailed Analysis -

Defining the Issue

Problem Statement

- Should the State continue or adjust wildfire protection jurisdictions, and baseline protections, in response to increased wildfire in unprotected and under-protected lands?

Current Situation: Wildfire Jurisdictions

- Over 1 million acres (1.6%) of Oregon are unprotected and additional lands are under-protected. Suppression capacity and practices are highly variable. Under-protected and unprotected lands lack immediate access to statewide “severity” resources.
- Critical initial attack is often insufficient, allowing fires to expand in size and danger-level before adequate resources arrive. Larger fires require more resources, which must be drawn from around the state during peak fire season.

Recent Trends: Wildfire in Unprotected and Under-Protected Lands

- The July 2018 Substation Fire consumed nearly 80,000 acres outside The Dalles. The area was “under-protected” and so air assets and other resources were not immediately available. Tractor operator John Ruby was killed trying to protect a neighbor’s land. Farmers suffered severe crop losses.
- From the Suppression Committee Report: “In recent years, fire on under or unprotected lands have increased in frequency and size. ODF and OSFM respond with wildland and structural fire resources, but these agencies are not currently funded or staffed to meet the increased demands.”
- “Due to topography and other factors, aviation resources are often the most effective means to fight fires on (these) lands; unfortunately aviation resources are limited and not always accessible...”

Business-As-Usual Forecast

- Forecasts for hotter, drier and longer fire seasons, with potential for greater lightning, pose particular threats for unprotected and under-protected lands, which are concentrated east of the Cascades.
- A reasonable BAU forecast would predict continued increases in wildfire activity, and ineffective initial attack. The consequences would be further threats to human safety, and economic loss. Overall fire suppression across the state would continue to suffer, as resources are siphoned from elsewhere.

Policy Options Available to State

- Business-As-Usual.
- More Active State Role. Direct agency oversight.
- Less Active State Role. Broaden and upgrade RFP model. (preferred choice)

Overview of Policy Under Consideration

- Legislation
- 2 additional FTE (1 ODF, 1 OSFM) - \$ budget
- Severity Resources - \$ budget
- State agencies to work with counties and municipalities to define baseline standards, and interagency work plans.

Anticipated Uplift

- Direct reduction of undesired wildfire in unprotected and under-protected lands.
- Improved reduction of undesired wildfire across the state.
- Primary Council Objectives Achieved
 - All Council Objectives would be advanced, as undesired wildfire would be reduced across the state.
 - Human Safety (improved training for landowners, local communities)
 - Human Health (reduced smoke)
 - Current Business (agriculture and tourism)
 - Vibrant Communities (health, economy)
 - Public Finance (reduced large fire costs, tax base)
- Uplift Score (4)
- Uplift Certainty (4). Depends on frequency of fire in unprotected and under-protected lands.

Anticipated Costs

- Direct cost of implementation \$x million per biennium
- Cost Score (4)
- Cost Certainty (4)

Timeline

- Establishing baseline across the state could be completed by mid-year 2020
- Achieving baseline standards could be done within 12 months (fire season 2021)
- Benefits from severity investments would be realized for the 2020 fire season
- Benefit duration: sustained with ongoing maintenance and capex
- Timeline Score (4)

Implementation Certainty

- Overall degree of certainty (4)
- Drivers
 - Building upon success of RFP model increases confidence

- Coordination between state, county and local agencies key to execution

Magnitude of Impact

Additionality relative to overall wildfire risk in Oregon (4)

Overall Priority

Highest

Supporting Resources Required

- Public engagement / training
- Resource requests would mostly plug-into existing systems and structure.

Key Assumptions

- Local citizen involvement in RFPA-type model

DRAFT

Organizational Model to Flex with Wildfire Fluctuations - Summary -

- Recommendation #**
- Continue “militia” organizational approach at ODF (all staff prioritize suppression during fire season)
 - New employees undergo training in core areas of responsibility, in addition to suppression responsibilities

Legislation	None
State Investment: Personnel	None
State Investment: Equipment	None
Total Budget Effect	None
Governance	None
Reference	N/A
Prioritization	HIGH

Summary

The Wildfire Council was asked to evaluate systems for sufficiency and sustainability, including ODF’s “militia” approach to wildfire suppression (all staff prioritize suppression during fire season). The core issue is how best to design a sustainable organization, given significant year-to-year variability in wildfire activity. As the graphs in the “Call to Action” section demonstrate, over the past decade alone, wildfire on ODF-protected lands has fallen below 5000 acres in one year (2011) and risen above 105,000 acres just two years later (2013). The militia model allows suppression capacity to flex in response to such fluctuations, and therefore remains appropriate.

Should annual variability dampen, and Oregon experience sustained, heightened wildfire activity each year, the militia system would no longer prove effective, as non-suppression work would suffer. This scenario would be very costly to Oregonians, should ODF undertake additional fuel reduction work, as is also recommended by the Council. In such a case, each summer that fuel reduction lags, as resources are siphoned away due to suppression demands, Oregon loses ground in hazardous fuel accumulation. It is therefore recommended that ODF leadership continue to monitor the demands of the militia system on all non-suppression personnel, and the impacts to non-suppression agency objectives.

Please see Suppression Committee Report for additional information.

State-Federal Interagency Performance
- Summary -

- Recommendation #**
- **ODF and OSFM to jointly develop an “expectations document” to improve State-Federal interagency performance, with particular attention to Incident Management Teams.**

Legislation	None
State Investment:	None
Personnel	
State Investment:	None
Equipment	
Total Budget Effect	None
Governance	State and federal agency collaboration
Reference	Suppression Committee Report
Prioritization	HIGH

Summary

Unified Command is a term used to describe joint decision-making authority between state and federal agencies. As the Suppression Committee report states, “Coordination, education and collaboration are especially critical when Unified Command is established. Miscommunication during fire response has the potential to impact operations on the ground, increasing firefighter and public safety risks...”

Interagency collaboration is challenged by the different laws and policies governing state and federal agencies. Given the high stakes involved with real-time wildfire decisions, the Council recommends that all steps be taken to continuously improve interagency performance. These include steps outlined in the Suppression Committee Report: the creation of an expectation document to be delivered to all Incident Management Teams operating in Oregon; cross-sharing of agency missions, authorities and priorities; and written reviews of Incident Management Teams’ performances.

Please see Suppression Committee Report for additional information.

Large Wildfire Suppression Cost Insurance - Summary -

- Recommendation #**
- **ODF should renew its existing policy with Lloyd’s of London**
 - **ODF should continue to monitor insurance markets and to weigh the benefits and costs of third-party insurance vs self-insurance**

Legislation	None
State Investment:	None
Personnel	
State Investment:	None
Equipment	
Total Budget Effect	\$3.5 million annual premium (continuation of existing policy)
Governance	N/A
Reference	Suppression Committee Report
Prioritization	HIGH

Summary

As stated in the Suppression Committee Report,

“For well over 40 years, ODF and landowners have chosen to purchase insurance through underwriters at Lloyd’s of London to help offset suppression costs related to large fires. This insurance covers costs borne by all ODF jurisdictional fires during severe wildfire years. Over the decades, the insurance premiums and deductible coverage point have increased significantly.”

Under Business-As-Usual, ODF would continue its longstanding policy. Over the policy lifetime there have been several adjustments to payout limits and deductibles. During 2005-2012, the deductible stabilized at \$25 million. Following severe fire seasons from 2013-2015, the deductible was raised to \$50 million. Between 2013-2014, payouts totaled \$47 million, with no subsequent claims made. With insurance expertise on the main Wildfire Council, as well as ex-officio Council membership, an internal review was conducted that concluded the current policy is fairly priced and should be continued.

Prioritization is **HIGH**.

Please see Suppression Committee Report for additional information.

O&C Contract with Bureau of Land Management
- Summary -

- Recommendation #**
- **The State, via the Governor’s office, the federal delegation and the Wildfire Council, should continue to advocate that the Bureau of Land Management continue its agreement with ODF for fire protection and suppression services on all Oregon & California (O&C) lands.**

Legislation	None
State Investment:	None
Personnel	
State Investment:	None
Equipment	
Total Budget Effect	None
Governance	Continued partnership between BLM and ODF
Reference	Suppression Committee Report
Prioritization	VERY HIGH

Summary

As stated in the Suppression Committee Report,

“The BLM and ODF have worked together for decades to protect a patchwork of lands in western Oregon known as the O&C lands. The BLM is proposing cost containment measures that would remove some lands from the current agreement, historically protected by ODF. Removing O&C lands from the protection system would create thousands of miles of additional suppression jurisdictional boundaries, increasing exposure and costs, and adding overall wildfire protection complexity.”

With forecasts for greater fire activity, the complexity of suppression, and related costs and risks to human safety, are likely to increase as well. The O & C lands consist of approximately 2.2 million acres stretching north to south across much of western Oregon. Withdrawing these lands from ODF jurisdiction would further amplify suppression complexity, and exacerbate challenges already stemming from protecting the fragmented ownership in western Oregon. If a partnership did not already exist between ODF and BLM, one would be desired and pursued. Its loss would be a major setback.

Prioritization is **VERY HIGH**.

Please see Suppression Committee Report for additional information.

O&C Contract with Bureau of Land Management
- Summary -

This section is under development.

DRAFT

State Suppression Capacity
- Summary -

This section is under development.

DRAFT

Federal Suppression Capacity
- Summary -

- Recommendation #**
- **Request resolution from State Legislature to the Undersecretary of Agriculture, the Chief of the US Forest Service and the Director of the Bureau of Land Management seeking additional severity / preparedness funding dedicated to Oregon.**

Legislation	None
State Investment: Personnel	None
State Investment: Equipment	None
Total Budget Effect	None
Governance	None
Reference	Suppression Committee Report
Prioritization	HIGH

Summary

As with state agencies, federal agencies deploy centralized suppression resources on an as-needed basis. In the case of federal agencies, centralized resources cover several states across the fire-prone western US.

From the Suppression Committee Report.

“Increased fire season severity and complexity across the western states results in reduced resource availability in Oregon. Heavy tankers, helicopters, smoke jumpers and crews are in the highest demand and therefore the most limited. Without adequate funding for additional resources, demand will continue to outpace the supply of funding, endangering Oregon communities, firefighters and natural resources.”

With 92-93% of burned acres in Oregon occurring on federal land, the need for effective initial response and dedicated federal resources is paramount to firefighter and public safety, and the protection of ecological, social and economic values. Federal funds can leverage existing State funds to augment initial attack resources during peak fire season.

Prioritization is **HIGH**.

Please see Suppression Committee Report for additional information.

RFPAs Suppression Capacity - Summary -

- Recommendation #**
- Continue current funding levels for existing Rangeland Fire Protection Associations (RFPAs).
 - Increase ODF funding and capacity to strengthen RFPA program and expand to other lands as appropriate.

Legislation	None
State Investment: Personnel	#
State Investment: Equipment	None
Total Budget Effect	\$#
Governance	None
Reference	Suppression Committee Report
Prioritization	HIGH

Summary

From the Suppression Committee Report:

“The Rangeland Fire Protection Associations (RFPAs) operate as independent associations of landowners that provide their own local wildfire protection. ODF supports the associations...”

“RFPAs have demonstrated enormous success combating and suppressing wildfires across Oregon’s rangelands.”

Of particular importance is the role RFPAs play safeguarding livestock forage, protecting homes and communities in eastern Oregon, and conserving sage grouse habitat. RFPAs have proven a very successful model and investment should continue and grow as needed.

Prioritization is **HIGH**.

Please see Suppression Committee Report for additional information.