

## STAFF REPORT

Agenda Item No.:	8
Work Plan:	Protection Work Plan
Topic:	Fire Program Review & Secretary of State (SOS) Audit Implementation and Workforce Planning
Presentation Title:	Agency Initiative: 2019-2021 Agency Biennial Budget Request
Date of Presentation:	June 6, 2018
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### SUMMMARY

Oregon is experiencing increased severity, complexity and duration of its fire seasons, which has challenged ODF's ability to respond to the wildfire workload and sustain its other core businesses while proactively protecting Oregonians, forests and communities from wildfire. In response to this challenge, ODF has developed an agency initiative for possible inclusion in the 2019-2021 Agency Request Budget. The Agency Initiative is focused on the sustainability of all agency programs, serving current demands from our customers, addressing the increased workload related to extended attack and large fires and supporting the business needs of the agency in order to serve all Oregonians.

The Agency Initiative proposes \$12 million in positions (55 FTE) across all Agency programs as a top priority (Attachment 1). Specifically, it provides administrative, human resources, public affairs and financial capacity (9 FTE) to address the increase in administrative workload from wildfire. It adds foresters (10 FTE) to maintain our ability to manage State Forests during fire season and increase Federal forest resilience by developing timber sales under the Good Neighbor Authority. It adds wildland urban interface foresters (14 FTE) to reduce the impacts of wildfire in Oregon's wildland urban interface and assist in post-fire recovery. It adds fire specialists (22 FTE) in finance, prevention, training, aviation, as well as crew managers for Department of Correction fire crews. The initiative also proposes \$13.4 million in protection system investments, including one-time funding for a multi-mission aircraft, with forward-looking, infrared technology; a comprehensive training and strategic workforce planning program; additional severity resources such as contract crews, helitack, and next generation air tanker; and an Agency initial-attack crew (Attachment 2). The total request is \$25.4 million: \$24.4 million of General Fund, approximately \$600,000 of Federal Funds and \$400,000 of Other Funds.

### CONTEXT

Following the 2013-2015 fire seasons, two parallel review processes were initiated to address the challenges of an increasingly complex wildfire condition across Oregon's landscape:

- **The 2016 Secretary of State Performance (SOS) Audit** offered a third-party review of the agency's ability to sustain its multiple missions, where an increased demand for the fire protection effort has been required from the entire agency. (Attachment 3)

- **The 2015-2016 Fire Program Review** was coordinated with all agency partners through a transparent process including legislators, governor's office, forest landowners, and cooperators to reach for continuous improvement in Oregon's complete and coordinated fire protection system. (Attachment 4)

These efforts aligned with recommendations to work towards a more sustainable organization, one that can deliver a highly functioning wildfire protection system for Oregon into the future. The Department has fully embraced the recommendations from each of these final reports. This information, along with the experience of the 2017 fire season, has reinforced the need for the agency to continue efforts on these recommendations.

## **BACKGROUND AND ANALYSIS**

Five of the last six fire seasons have changed the ten-year average in terms of wildfire complexities, costs, losses and overall demands on Oregon's wildfire protection system. Fire protection demands have taxed all ODF programs in preparing for and responding to wildfires. Due to ODF's militia (all-hands-on-deck) approach to fighting fire, this strain has created significant challenges and is impacting agency core business functions in Fire, State Forest, Private Forest, Federal Forests and Agency Administration. The demands on ODF's Incident Management Teams (IMT's) continue to increase, outpacing the department's ability to staff, train, and recruit members, thus reducing ODF's ability to respond to large complex incidents. Wildfire impacts to all Oregonians, forests and communities, continue to rise, affecting all parts of the state. In response to these challenges and recommendations from the 2016 Secretary of State Performance Audit and the 2015-2016 Fire Program Review, ODF has developed an Agency Initiative for possible inclusion in the agency's 2019 -2021 request budget.

### Agency Initiative Development To-date:

- *October BOF Retreat:* Early consideration for an Agency Initiative was discussed and ultimately introduced in January as part of the Protection's Work plan, Item 1 - Fire Program Review & Secretary of State (SOS) Audit Implementation and Workforce Planning
- *January BOF:* State Forester announced Doug Grafe's assignment as the Agency Initiative Coordinator and his immediate work to frame up an Agency-wide Initiative for Board consideration.
- *February Legislative Session:* State Forester Daugherty and Doug Grafe visited with Legislative leadership and the Governor's Office to communicate the agency's intent to develop an initiative through the biennial budget process to address the agency's sustainability and the increasing demands on fire seasons.
- *March, April and May - Landowner/Stakeholder/Cooperator Outreach:* A series of outreach meetings were held, and are ongoing to help shape the Agency Initiative.
- *April 25 BOF Meeting:* Staff presented the initial Agency Initiative framework as an informational item.

## **RECOMMENDATION**

*Action requested from the Board:* Acknowledge receipt of the Agency Initiative proposal for final Board consideration for inclusion in the 2019 – 2021 Agency Request budget at the July 24 Board meeting.

## **NEXT STEPS**

- The Agency will continue its outreach to stakeholders, partners and cooperators to maintain engagement as this budget process evolves.
- Executive branch agencies with wildfire emergency response duties, will continue to discuss a collective response to the challenging fire seasons as this topic moves through the Governor’s budget development process.
- At the July 24 Board meeting, the Board will consider the Agency Initiative proposal for inclusion in the 2019-2021 Agency Request Budget.

## **ATTACHMENTS**

1. ODF Agency Initiative – 55 FTE Capacity Request
2. Agency Initiative Framework
3. 2016 Secretary of State Performance Audit – “Oregon Department of Forestry: Actions Needed to Address Strain on Workforce and Programs from Wildfires”
4. 2015-2016 Fire Program Review Committee – Final Report