

EMERGENCY FIRE COST COMMITTEE

September 2, 2025

In accordance with the provisions of ORS 477.455, a meeting of the Emergency Fire Cost Committee (EFCC) was held virtually via TEAMS on Tuesday, September 2, 2025.

Committee Members Present

Brennan Garrelts, Chair

Kathryn VanNatta

John Davis

[Note: Eric Kranzush excused]

Others Present

Nancy Hirsch, EFCC Administrator

Lorna Hobbs, EFCC Finance Coordinator

Kate Skinner, Interim State Forester

Kyle Williams, Deputy Director of Fire Operations

Michael Curran, Protection Division Chief

Ole Buch, District Forester, ODF

Mike Cafferata, OSWA

Jim Carnegie

John Deegan, Unit Forester, ODF

Sami Edge, The Oregonian

Sione Filimoehala, Policy & Budget Analyst, DAS

Megan Frizzell, Administrative Specialist, ODF

Matt Fumasi, District Forester, ODF

Dan Goody, District Forester, ODF

Ron Graham, Deputy Chief of Fire Protection, ODF

Randy Hereford, Starker Forests

KOIN TV

Robbie Lefebvre, Assistant to the Area Director, ODF

Peggy Lynch, Oregon League of Women Voters

Kevin McLaughlin, Administrative Specialist, ODF

Keil Nairns, Cost Recovery Specialist, ODF

Pat Skrip, District Manager, DFPA

Emily Sorce, Executive Support Specialist, ODF

Nils Storksens, Staff Forester, CFPA

Ann Walker

Chad Washington, Oregon Forest Industries Council

Tracy Wrolson, Protection Finance Unit Mgr., ODF

Curtis Yocum, Forest Manager, ODF

ITEM 1: CALL TO ORDER AND CHAIR COMMENTS

Chair Garrelts called the meeting to order at 10:02 a.m. on Tuesday, September 2, 2025. In addition to Chair Garrelts, committee members Kathryn VanNatta and John Davis were in attendance for a quorum. Eric Kranzush was excused. A quorum being present, Chair Garrelts opened the meeting.

Chair Garrelts verified that all attendees were identified. He stated that all members had received meeting materials in advance and are available on the Department of Forestry's website. Any additional documents provided at the meeting will be posted to the website as soon as possible following the meeting.

Chair Garrelts commented on the passage of HB 3940 and the future of the EFCC. He said there will be important changes in the committee's structure and in its fiduciary responsibilities. The new law shifts the committee's focus from large fire to preparedness, which means that over the coming year, the committee's work will center on developing policies and rules needed to support this new direction.

The first step is to establish the new committee. Since HB 3940 passed, Chair Garrelts has been working closely with ODF leadership and the Chair of the Board of Forestry, Jim Kelly, to prepare a slate of appointments for the board's consideration at their meeting on September 3rd.

Chair Garrelts provided a brief overview of the statutory requirements as it relates to committee membership as outlined in HB 3940. The committee will now include six members: 5 voting members who will have staggered terms ranging from one to four years for the first initial term and one non-voting member from the Board of Forestry. Membership must include individuals who are being assessed for fire protection within a forest protection district. The committee make up will include two representatives from large forest landowners, one representative from small forest landowners, one representative of a grazing landowner, and one member at-large that represents one of the groups previously mentioned. The terms for each – large, small and grazing landowner – are defined in statute. Additionally, the committee will have a representative from the Board of Forestry, and all three forest regions in the state need to have representation on the committee. The members that will be proposed to the Board of Forestry include Kathryn, John, Eric, myself, and the addition of a grazing representative, who is Bobby Corey from the Pendleton area. Chari Garrelts noted that, if the board confirms these appointments, we can begin scheduling meetings for the newly formed EFCC in October to start implementation of HB 3940 working with ODF staff to set the new vision and role for the EFCC.

ITEM 2: APPROVAL OF THE MINUTES OF THE JUNE 3, 2025 MEETING *[Decision Item]*

Chair Garrelts asked for a motion to approve the minutes of the June 3, 2025, EFCC meeting. Committee member John Davis made a motion to approve the minutes, and committee member Kathryn VanNatta seconded the motion. All were in favor, and none opposed. The motion passed unanimously.

Chair Garrelts closed agenda item number two.

ITEM 3: FIRE SEASON REPORT *[Information Item]*

Fire Protection Division Chief Michael Curran provided information regarding the 2024 fire season. He discussed the good amount of snowpack going into spring taking the state out of drought for the first time in seven or eight years, but then the lack of rain beginning in April changed things quickly.

Chief Curran discussed some of the fires around the state. To date, four ODF Complex Incident Management Teams (CIMT) were deployed, the first one being the Rowena fire in early June. Fifty-six primary structures and ninety outbuildings were lost, which is not typical for that time of year.

In early July there were two ODF CIMT deployments. The first one being the Grizzly Complex that was caused by a very small yet efficient thunderstorm that came up through SW Oregon into South Central Oregon and resulted in seventy-two fires in the SW Oregon District alone. However, there were only a little over 800 acres burned from that lightning event, which is a testament to the local initial attack that occurred by district staff. The ODF CIMT focus was on managing the logistics and resources given the large geographic area of these fires. Additionally, the team managed the Board Shanty fire at the same time, which is one of the toughest spots in that district. This fire was kept to under 450 acres. The other team deployment in early July was to the Elk, Shmore and Hagelstein fires on the Klamath Lake District.

Then there was a five-week lull in large fire activity in the state, which was a very welcome relief for not only team members, but district staff as well. And, then in mid-August the Flat Fire occurred about three miles northeast of the town of Sisters. This was a wind-driven fire that was caught at a little over fifteen miles in length. Over 890 structures were evacuated, but only four primary structures were lost. The team was expected to return home by the end of the week.

There have been five fires that qualified for FEMA Fire Management Assistance Grants (FMAG). Two of which were ODF fires and the other three were outside ODF districts.

Chief Curran brought up an initial attack success story in the Southwest Oregon District. It was in the Upper Applegate area southwest of Jacksonville in the same area where a fire just over 1,000 acres burned last summer. The fire was caught at 453 acres by district staff with the assistance of severity assets and additional staff that were brought on earlier than in previous years.

Chief Curran noted that with the Grizzly Complex lightning storm consisting of 1,300 lightning strikes, the Southern and Eastern Oregon Areas responded to over 100 new fire starts, both lightning and human caused. Aggressive initial attack kept most of those starts contained to an average of about 1/2 an acre up to six acres. Another lightning event on July 7th and 8th brought 600 lightning strikes in Southwest Oregon and Northern California resulting in over 72 new confirmed fires with a handful of those being stopped at 1/10 of an acre to six acres. Then there was about a week to a week and a half of monsoonal influenced lightning after a week of extreme heat that brought a string of ignitions from the California border all the way up to the west side of the Cascades, in the Douglas County and Klamath area as well. Most of those, minus a handful, were on federal land and caught at initial attack by district staff.

Next, Chief Curran discussed support from state and compact partners. This season, the department imported seventy-six resources either through the NW Compact or state to state agreements. These agreements contribute to successful fire suppression efforts, and the department is continuing to seek more of these agreements with other states.

Chief Curran noted that an additional \$2,000,000 for severity was approved by the legislature which enabled the department to bring on resources earlier in the fire season including two air attack platforms with the goal of building an air attack program. These are supervisory positions that coordinate all air efforts which are needed due to the increased aircraft that are part of the severity program. This program has proved instrumental for ODF not only in air attack but also flying detection flights as well. ODF has been able to share these resources with federal partners to help fly hours that are part of the aviation contracts. In addition, three ten-person hand crews were brought on for the season which helped tremendously with initial attack. These crews have worked in all areas of the state and have seen a lot of fires this summer.

Chief Curran noted that with the passing of House Bill 3940, beginning July 1st, large fire will solely be funded by the General Fund. As of August 25th, gross fire costs totaled \$97 million, and the state's responsibility, after other agency and FEMA reimbursements, totals \$43 million. His presentation included a graph that showed fire costs for this year were on par with costs over the past seven to eight fire seasons.

Chief Curran reported that the department is at 95% of keeping fires at 10 acres or less, which is a little short of the key performance measure of 98%. He noted that, based on the 10-year average, there has been an increase in the number of fires the department responded to. There have been increases in both human-caused and lightning caused fires this year. He also noted that although there was increased lightning this season, it was more wet than dry, as was the case last year. This resulted in fewer acres burned.

Chief Curran provided a weather outlook for September, October, and November. Above average temperatures are expected going into Fall, but average to above average for seasonal precipitation. He noted that previous forecasts were showing increased large fire activity for the northwest U.S. through September going into October. Now, it is just the far northwest corner of the U.S. showing large fire potential with the remaining areas with average potential.

Chief Curran commented that although there's been a lack of large fires in the state, it doesn't mean there's not a lot of good work going on. Districts are responding to new starts every single day and doing really good work putting them out while they're small.

Chair Garrelts expressed his appreciation and acknowledged the excellent work of district staff in keeping fires small. Committee members John Davis and Kathryn VanNatta also expressed their appreciation. Committee member Davis said he hoped the lull in fires provided staff with some rest because September could be a long one. Committee member VanNatta noted that as the committee shifts the focus to preparedness, she is looking forward to working on challenges with earlier fires, hotter fires and the wildland urban interface.

Chair Garrelts closed agenda item number three.

ITEM 4: IMPLEMENTATION OF HB 3940 *[Information Item]*

Chair Garrelts asked Deputy Director of Fire Operations Kyle Williams to provide information and lead a discussion regarding the implementation of House Bill 3940.

Deputy Williams noted that since the legislative session ended two months ago, ODF staff have been working through adopted legislation affecting the agency while at the same time supporting fire season efforts. He expressed his appreciation for the strategic investments provided by the committee and said they are a phenomenal asset to the complete and coordinated system and in keeping fires small. He said HB 3940 is a step forward in the effort to provide for more stable funding.

Deputy Williams discussed four key foundational elements to the bill and thanked everyone who was part of the effort to get the legislation passed.

Sustainable funding for the three tenants of the cohesive strategy - adequate response, community preparedness and landscape resilience. Long-term, dedicated funding was provided for landscape resiliency and community preparedness. He said this is a significant step forward for Oregon and not many states can say they have a plan to fund mitigation

efforts in wildland spaces on an ongoing basis. He thanked staff, the legislature and the Governor's office for their support in getting HB 3940 passed.

ODF funding modifications were made that not only changed how to fund districts and large fire but also changed the focus of landowner investments and the EFCC's role from large fire to preparedness, where it is most effective in keeping fires small. Deputy Williams said the key success between ODF and the ratepayers has always been the partnership that pushes everyone to be better at their job.

Funding for Rural Fire Protection Districts and Forestland Classification was included in HB 3940.

Loans from Treasury are available to help ODF and OSFM with cash flow challenges. Deputy Williams said there is no need in the near-term to pursue a loan, but the authority is there, if needed. He added that positive acknowledgement from the legislature would still be needed.

Deputy Williams walked through a table of the funding provided by HB 3940, HB 5006, and the agency's budget bill.

For the severity program, the agency asked for \$28 million and received \$24 million for the biennium, which is an increase from the previous biennial budget of \$2 million annually. Deputy Williams noted that this money will fund resources such as the air attack platforms and hand crews Chief Curran mentioned earlier. OSFM received \$6 million of the \$8 million requested for immediate response and prepositioning.

Funding was approved for landowner rate adjustments to offset changes to the harvest tax, minimum and improved lot surcharge, and administrative/headquarter services charges. \$9 million was appropriated to provide rate relief over two biennia.

The agency requested \$8 million for aviation, wildfire detection and technology improvements and received \$4 million.

OSFM requested \$12 million and received \$6 million for upstaffing grants, which provide additional firefighters at the local fire service level.

Funding for OSFM's engine program and fire mutual aid were not included in the agency's budget but were addressed in other ways to keep them whole.

For mitigation funding, ODF asked for \$20 million for landscape resiliency on an ongoing basis. The agency received \$21 million through two sources: 1) dedicated funding from the nicotine tax; and 2) twenty percent of the interest from the rainy-day fund moving forward. In addition, a one-time appropriation of \$7 million through the Christmas tree bill was approved to provide funding until the dedicated revenues come in. Deputy Williams noted that this is a mix of known revenues and anticipated or estimated revenues. He added that staff are working to make sure that the program is built to maximize how those dollars are spent. An additional \$5 million was approved for ODF's small forestland grant program.

OSFM received \$42 million for the Community Risk Reduction Program that includes a one-time payment of \$13 million and estimated dedicated revenues of \$9.6 million from the nicotine tax and \$9.4 million in revenues from the rainy-day fund.

Some other funding was provided to the Department of Environmental Quality for Community Smoke Response Plans and supports prescribed fire. The Oregon Conservation Corps, which does great work through their youth programs, received \$5 million of \$10 million requested.

In terms of the \$150 million allocated for large fire, Deputy Williams noted that approval from the Emergency Board will be required, and agencies will need to carry the costs up front. Deputy Williams said the first opportunity to go before the Emergency Board will be in February. He said more work is needed to address agencies' cashflow issues. He also mentioned that the legislation directed these funds for "natural disasters" rather than "emergency response" so other agencies could possibly request funds from the appropriation, as well.

Deputy Williams discussed actions needed to implement HB 3940. As soon as the legislative session ended, the agency focused first on updating and certifying landowner rates for billing in November. The agency met the deadline of July 15th to send letters out notifying counties of the rate reductions because of funds received by the legislature.

The next step is to address fiscal year 2027 (FY27) budgets. Money from the OFLPF will now go toward district budgets, rather than large fire, which will determine the base rates that will go out in July 2026. The counties were notified of the

increase in surcharges, and the agency anticipates revenues from the increased harvest tax will be received in January 2026. Both revenue sources will go into the OFLPF to fund district budgets. The role of the EFCC in overseeing dollars, and how those dollars will flow from the OFLPF to district budgets still needs to be determined.

Deputy Williams said there is an internal workgroup currently working on changes to the budget structure. He noted that landowner dollars are treated in a very specific way in state government budgets, known as other funds, and to make sure that they are appropriately tracked, staff need to understand the decision space and flexibility. In addition, a meeting is scheduled for the end of the month with ODF and EFCC staff regarding district budget development.

Changes to administrative rules and policies will also need to be addressed to define the EFCC's role. Deputy Williams said he was excited about the fire program growing through the partnership between ODF and landowners. He said it is a rare and unique partnership across state government which benefits from the expertise provided by landowners.

Deputy Williams said he sees the EFCC in an "Advisory Board" role that would help districts identify priorities, review district budgeting on a statewide level, and review previous and future investments and challenges. He also sees an opportunity for the committee to provide input into the development of policy option packages (POPs) in the future. He feels the committee will have a much tighter relationship with the agency, especially with addition of a Board of Forestry member on the committee.

Deputy Williams said it will take some time to sort things out. He has looked at other states and mentioned that the State of Washington has similar landowner engagement. He mentioned ODF's Headquarter Services Committee that currently has landowner members on it and reviews where dollars are going and what's important. The EFCC will have a role in this process, as well.

He said he wants to keep development of budgets at the district level where the districts build their budgets with their local landowner boards, and the Board of Forestry approves them. But the EFCC will have a statewide perspective that will be important moving forward.

He reiterated that next steps will be implementing OFLPF dollars into the district-based budget and EFCC policy and rule writing completed by July 1, 2026.

Chair Garrelts thanked Deputy Williams for his presentation and asked if State Forester or Chief Curran wanted to speak to this agenda item.

Interim State Forester Kate Skinner added that the Board of Forestry will announce at their meeting tomorrow that Heath Curtiss will be the Board of Forestry representative on the EFCC. He is with Hampton Lumber and has been a member of the board for one-and-a-half to two years. She also mentioned that EFCC staff, Nancy Hirsch and Lorna Hobbs, will be reporting to the Protection Division instead of the Business Services Division effective September 1st.

Chair Garrelts expressed his appreciation to the agency for quickly working to implement legislation and providing guidance and strategic vision on where the committee can be valuable to the organization. He discussed the excellent public-private partnership the committee has had with ODF in the past with large fire, and sees that continuing, just with a change in focus. He sees the committee as a voice for districts to ODF leadership, the Board of Forestry and even the legislature.

Chair Garrelts asked if other committee members had questions or comments.

Committee member Kathryn VanNatta acknowledged the work done to date and noted that other agencies have also started rulemaking following the legislative session, but they don't fight fire at the same time. She expressed her appreciation to staff. She also wanted to note that every acre that burns really matters to small landowners and appreciates the efforts in keeping fires small.

Committee member John Davis thanked Deputy Williams for his presentation outlining the legislation and next steps. He also thanked staff working on the implementation. He hoped the rest of the season would be quiet so this work can continue without delay.

Chair Garrelts closed agenda item number four.

ITEM 5: EFCC ADMINISTRATOR REPORT *[Information Item]*

EFCC Administrator, Nancy Hirsch, thanked ODF staff for the updates and committee members for their comments. She said that she and Lorna are working to identify tasks that need to be completed under the committee's previous responsibilities, including auditing FEMA fires from fire season 2024; preparing the audit report, which is planned to be presented to the new committee sometime next year; working with ODF to reconcile the OFLPF with the goal of having some years completed by January; and ensuring files are organized appropriately and documents filed correctly to ensure a good historical record. They have also been doing some leg work, thinking about House Bill 3940 implementation and have rolled up their sleeves and are ready to move forward.

Chair Garrelts closed agenda item five and asked anyone wanting to provide public comments, to please prepare to speak. He then asked for closing comments from committee members before moving on.

Committee Member John Davis asked how mitigation dollars will be allocated. Will geographic areas be prioritized based on recurring fire activity? He brought up Bly Mountain in Klamath County as an example. Millions of dollars have been spent on large fires in that area in the last five to seven years. He suggested priority areas be identified rather than people just sending in grant applications.

Chair Garrelts said this is a topic the new committee can discuss to see where there is a nexus to the committee and these efforts.

ITEM 6: PUBLIC COMMENT / GOOD OF THE ORDER

The floor was opened for public comment. No public comment was given. Chair Garrelts closed agenda item six.

Prior to closing the meeting, Chair Garrelts announced that at this point in the meeting he would typically announce the next scheduled meeting of the committee, however with the passage of House Bill 3940 the EFCC is no longer statutorily required to meet the day before Board of Forestry meetings. The committee is on pause until House Bill 3940's effective date of September 27th. After that date, notification will be sent out announcing the next meeting date. Chair Garrelts said he expects there may be a need to meet more frequently than the required quarterly meetings and/or hold longer meetings in the upcoming year to provide adequate time to address the scope of work that is before the committee.

There being no further business before the committee and no additional comments, Chair Garrelts adjourned the meeting at 10:59 a.m.

Minutes drafted by: Lorna Hobbs

Minutes reviewed by: Nancy Hirsch