

Columbia River Gorge Commission				
	2013-15 Actual	2015-17 Legislatively Approved*	2017-19 Current Service Level	2017-19 Governor's Budget
General Fund	884,527	920,291	962,919	1,106,478
Other Funds	-	-	-	-
Total Funds	884,527	920,291	962,919	1,106,478

* Includes Emergency Board and administrative actions through December 2016.

Program Description

The Columbia River Gorge Commission (CRGC) was authorized by the 1986 Columbia River Gorge National Scenic Area Act and created as a regional agency through an interstate compact between Oregon and Washington. The Commission was established to implement the National Scenic Area Act's purposes of protecting and enhancing the scenic, cultural, recreational, and natural resources of the Gorge while encouraging compatible growth within existing urban areas of the Gorge region and allowing future economic growth. The Commission acts as the primary regional planning agency for the Columbia River Gorge and is responsible for developing and implementing policy for land use and resource protection on non-federal lands in the National Scenic Area.

The Commission consists of 13 appointed members - six appointed by local governments (one each from the six Gorge counties in Oregon and Washington), six appointed by the states of Oregon and Washington (three each by each state's Governor), and one ex officio member appointed by the U.S. Secretary of Agriculture (generally filled by the manager of the U.S. Forest Services National Scenic Area office). The Commission hires an Executive Director and has an office in White Salmon, Washington.

CSL Summary and Issues

By the interstate compact, Oregon and Washington are to equally share the operating costs of the Commission. The Commission's budget consists of two programs - Joint Expenses and Commissioner Expenses. Only the Joint Expenses program is required to be equally funded by the two states. The Current Service Level (CSL) budget for the Commission is generally only changed in the Oregon process for standard inflation (which is 3.4% for 2017-19) and any adjustments to the State Government Service Charge. For the 2017-19 CSL, the Joint Expenses program was increased by \$30,142 for standard inflation. In addition, a one-time expenditure of \$6,000 for Oregon's share of a required audit was eliminated from the CSL. One potential issue with this CSL approach is that the Oregon budget does not include any positions (the Commission employees are Washington employees), but Oregon pays for half of the position costs which are budgeted as professional services. The professional services category generally only receives the standard inflation amount. Since personal services costs tend to increase at a higher rate than standard inflation, an exceptional inflation increase is included for professional services of \$36,881 since it is almost certain that Washington costs for the Commission employees will be higher than standard inflation and will need to be matched by

the Oregon professional services payment. More work between the two budget offices of Oregon and Washington will be required once Washington personal services increases are finalized. The Commissioner Expense program CSL was increased by \$314 from the 2015-17 legislatively approved level, primarily due to standard inflation for services and supplies. The total 2017-19 CSL of \$976,628 is an increase of 6.1% from the 2015-17 legislatively approved level.

Policy Issues

An adjustment to the Commission's budget was made by the Emergency Board in May 2016. This adjustment was an increase of \$5,000 General Fund and a decrease of \$5,000 Other Funds. It was determined that for purposes of equally funding the Joint Expenses program, the Washington budget was using the \$5,000 Other Funds expenditure limitation as part of the total Joint Expenses program budget. This limitation was a historical artifact and had no revenue associated with it; the Other Funds had been provided in case the Commission received gifts, grants, or donations. Since any revenue from these sources would necessarily be expended on the Washington side of the budget, this expenditure limitation was eliminated and replaced with General Fund by the Emergency Board in order to keep the Joint Expenses program matched with the Washington level of funding. This \$5,000 amount is not included in the CSL and will need to be added in a policy package during the 2017 session.

A policy issue that the Commission will be dealing with during the 2017-19 biennium is the issue of oil and coal trains transporting product through the Columbia River Gorge. The recent derailment of an oil train in Mosier, Oregon is an example of the danger to residents and to the environment of train traffic along the Columbia River. The Commission released a Coal and Oil Transport Resolution on June 23, 2016. <http://www.gorgecommission.org/initiative/coal-and-oil-transport-resolution>

Another issue facing the 2017-19 budget is the Commission's interest in increasing staff to restore levels back to historic highs (and beyond). The Commission contracted for an Administrative Assessment by the Center for Public Service at Portland State University and the Daniel J. Evans School of Public Affairs at the University of Washington to identify steps to restore the functionality of the agency and to rebuild the Commission's regional planning capacity. This assessment claims that to fulfill its mandatory and ancillary responsibilities under the Act and compact require a minimum staffing level of 25.00 FTE and a total annual budget of \$3.6 million. The Commission currently has a staff of 6.00 FTE and an annual budget of \$920,000.

As an initial step toward the proposed restoration of functionality, the Commission's agency request budget includes three policy option packages:

1. Package 101 – Oregon Commissioner Expenses – \$13,709 General Fund – provides additional resources to allow the Oregon Commissioners an equivalent ability to the Washington Commissioners for daily compensation and travel expenses for attending Commission meetings. The Commission currently meets once a month and has a 5-member Executive Committee that also meets

once a month. Standard inflation increases for services and supplies for Commissioner Expenses has not kept pace with the increase in costs for travel and attending meetings.

2. Package 102 – Succession Planning – \$65,000 General Fund – provides resources to fill an authorized but vacant Administrative Secretary position. The Commission’s current Administrative Analyst has been filling both the administrative and budget functions for the agency and is expected to retire within the 2017-19 biennium. The additional funding from both states would allow for the hiring of a second administrative position for purposes of succession planning and to address the additional workload from enhanced Commission activity.
3. Package 103 – Vital Signs Indicators and Treaty Tribe Engagement – \$250,000 – provides resources to further develop and implement the Vital Sign Indicators project for monitoring and evaluation the health of the Columbia River Gorge National Scenic Area to assure the purposes of the 1986 Act are being effectively implemented. The Act requires the Management Plan for the Gorge be reviewed and updated no less than every ten years. The proposal would include resources for one full-time Vital Sign Indicators Senior Planner and one full-time Tribal Liaison/Vital Signs Indicators Planner to work with the four Treaty Tribes in the Gorge.

Other Significant Issues and Current Discussions

Audit Reports – a financial audit of the Commission was released on January 22, 2016. No significant findings were reported. The report can be found on the Secretary of State website:

Report No. 2016-06

Columbia River Gorge Commission: July 1, 2014 through June 30, 2015

<http://sos.oregon.gov/audits/documents/2016-06.pdf>

Report No. 2017-03

Columbia River Gorge Commission: July 1, 2015 through June 30, 2016

<http://sos.oregon.gov/audits/Documents/2017-03.pdf>

Potential Reduction Options: the agency identified reduction options equivalent to 15% of the current service level in three 5% increments (all of these would result in an equivalent reduction for the Washington budget):

1. First 5% - \$48,831 - reduce professional services and services and supplies by a combined \$13,859 (included in the Governor’s budget); reduce professional services by \$22,972 by reducing travel, IT support, facility and equipment maintenance, and training; reduce professional services by \$12,000 by eliminating legal services to coordinate between the Oregon and Washington AGs.
2. Second 5% - \$48,831 - reduce professional services by \$10,000 by eliminating all non-essential travel; reduce professional services by \$38,831 by reducing contracts and stopping work on current projects such as the review and amendment of the National Scenic Area Management Plan.

- Third 5% - \$48,832 - reduce professional services by \$46,610 by reducing Executive Director, Legal Counsel, and Administrative Analyst positions each to 0.85 FTE; reduce services and supplies by \$2,222 by reducing telephone expenses through the elimination of cell phones for the Executive Director, Legal Counsel, and Planners.

It may be possible to reduce the exceptional inflation provided in the Joint Expenses program in the calculation of the CSL and use this reduction to fund an increase for Commissioner Expenses on the Oregon side of the Commission’s budget. The exceptional inflation amount was calculated on historical information and it is likely that the Washington personal services increase for the 2017-19 budget will be lower than this calculation.

The Governor’s budget includes an additional \$125,000 for one position included in the Vital Signs Indicator policy option package.

