

<b>Columbia River Gorge Commission</b>					
	<b>2015-17 Actual</b>	<b>2017-19 Legislatively Adopted</b>	<b>2017-19 Legislatively Approved *</b>	<b>2019-21 Current Service Level</b>	<b>2019-21 Governor's Budget</b>
General Fund	920,288	992,000	1,010,000	1,032,043	1,366,856
<b>Total Funds</b>	<b>920,288</b>	<b>992,000</b>	<b>1,010,000</b>	<b>1,032,043</b>	<b>1,366,856</b>
* Includes Emergency Board and administrative actions through December 2018.					

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 3.8% for 2019-21) and any adjustments to the State Government Service Charge (SGSC). For the 2019-21 CSL, the Joint Expenses program was increased by \$39,431 for standard inflation and SGSC changes. 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 generally available for non-state employee personnel costs (contract providers). For the 2019-21 CSL development this rate is 4.2% and is usually applied to the professional services line in the budget. This was not done in the agency request budget. Since it is almost certain that Washington costs for the Commission employees will be higher than standard inflation, adjustments will likely be needed so the Oregon professional services payment will match the Washington personal services costs. 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 \$612 from the 2017-19 legislatively approved level, primarily due to standard inflation for services and supplies. The total 2019-21 CSL of \$1,032,043 is an increase of 2.2% from the 2017-19 legislatively approved level.

It has also become apparent that the State of Washington does not attempt to only match the Joint Expenses program and actually looks at the total Oregon appropriation for the Commission. Therefore, for simplification, Oregon will target the total for purposes of matching Washington's level of funding for Commission operating expenses.

### Policy Issues

An adjustment to the Commission's budget was made by the Emergency Board in September 2018. This adjustment was an increase of \$18,000 General Fund to match budgetary changes made by Washington during the 2018 session. Oregon was unable to make this adjustment during its 2018 session, which led to a Commission request for the increase from the Emergency Board at its May 2018 meeting. That meeting was cancelled, however, and the requested amount was provided at the September 2018 meeting of the Board. This adjustment is not included in the current CSL calculation and will need to be included during the 2019 session as a Legislative Fiscal Office analyst policy option package.

Another issue facing the 2019-21 budget is the Commission's continuing interest in increasing staff to restore levels back to historic highs (and beyond) in order to complete required planning and review. The Commission established four priorities for the 2019-21 biennium as part of its required plan update process: 1) integrated planning for regional recreation; 2) urban area boundary revisions policy; 3) supporting economic vitality; and 4) measuring success in meeting the purposes of the National Scenic Area Act. The Commission is required by the Act to review, revise, and implement a Management Plan for the Columbia River Gorge National Scenic Area no less than every five years and no more than every ten years. The last plan was adopted in 2004; work on the new plan started in 2016 and is planned to be completed during the 2019-21 biennium. The agency has received no additional staff to address this review and is asking for additional resources in its agency request budget. The Commission is currently authorized to have 7.00 FTE (Washington employees), down from 10.00 FTE in 2009.

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

1. Package 101 – Vital Sign Indicators Land Use Planner – \$90,000 General Fund/Oregon share – funding is for a dedicated land use planner position to develop and implement the “Vital Sign Indicators” project; the project is designed to monitor and track measurable indicators to ascertain if the agency is effectively implementing the Management Plan. This package would add the funding for one additional FTE. ***This package was included in the Oregon Governor's budget.***

2. Package 102 – Public Records Coordinator and IT Support – \$82,000 General Fund/Oregon share – funding is for one position that would provide public records management to be in compliance with Washington and Oregon public records retention, indexing, and disclosure laws. The position would also be used to provide in-house information management and technology services instead of the current contracting out to a private sector provider for services related to agency hardware and software maintenance and IT security. This package would add the funding for one additional FTE. ***This package was not included in the Oregon Governor’s budget.***
3. Package 103 – Community and Landowner Outreach Planner – \$90,000 General Fund/Oregon share – funding is for one position with expertise in landowner engagement, community outreach, and communications to lead the public process for the agency and to design and publish the “Gorge 2020”: Ten-Year Management Plan and the “Building in the Scenic Area” handbook. This package would add funding for one additional FTE. ***This package was not included in the Oregon Governor’s budget.***
4. Package 104 – IT Equipment/Data Management Systems Upgrade – \$20,000 General Fund/Oregon share – funding is to replace staff computers that are beyond warranty and to replace a large format plotter that is used to make maps and other large format materials for public meetings. Funds would also be used to replace an out-of-date database system with an upgraded system to track development reviews and link those reviews with GIS data for the National Scenic Area. ***This package was included in the Oregon Governor’s budget at \$15,400 General Fund.***

The total of requested policy packages for the Commission is \$282,000 General Fund/Oregon share, which is a 27.3% increase over the current 2019-21 current service level.

In addition, the Oregon Governor’s budget included an investment of \$212,500 General Fund that was not requested by the agency for Oregon’s share of the cost of an Access Database Replacement project. This Information Technology project has a total cost for the 2019-21 biennium of \$425,000 and would be implemented through the purchase of an industry standard, customizable, off the shelf cloud-based (SaaS) workflow license with enough seats for all Commission planners and staff. The agency plans to work with Salesforce.com to execute the purchase and replacement project.

The Oregon Governor’s 2019-21 budget for the Commission is a 35.3% increase over the 2017-19 legislatively approved budget and is a 32.4% increase over the current service level.

#### Other Significant Issues and Background

Audit Reports – a financial audit of the Commission was released in January 2018. No significant findings were reported. The report can be found on the Secretary of State website:

#### **Report No. 2018-02**

**Columbia River Gorge Commission: July 1, 2016 through June 30, 2017**

Potential Reduction Options: the agency identified reduction options equivalent to 10% of the current service level in five increments (all of these would result in an equivalent reduction for the Washington budget):

1. First 2.5% - \$25,801 - reduce travel, services and supplies, and other services; eliminates all outside support services including IT support, facility and equipment maintenance, communications maintenance, commissioner/employee training, and other core services.
2. Second 1.4% - \$14,449 - reduce contracts; reduces ability to contract for any needed service including technical assistance and other support for local communities.
3. Third 1.1% - \$11,352 - eliminate legal services and State Attorney General services; eliminates ability to coordinate between the Attorney Generals of the two states on legal issues; day-to-day legal needs and litigation services would be maintained with in-house attorney staff.
4. Fourth 4.0% - \$41,282 - eliminate contracts; stop work on current projects such as regional recreation planning, regional urban area policy, regional monitoring, and bi-state coordination on rail transport policy.
5. Fifth 1.0% - \$10,320 - eliminate non-essential travel; eliminates face-to-face discussions with local governments, Tribes, state and federal agencies, citizens, and, in some cases, with commissioners.

