

STATE OF COLORADO

OFFICE OF THE EXECUTIVE DIRECTOR

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November 28, 2011

TO: Senator Gail Schwartz, Chair
Senate Agriculture, Natural Resources and Energy Committee

Representative Jerry Sonnenberg, Chair
House Agriculture, Livestock and Natural Resources Committee

FR: Mike King, Executive Director

RE: Parks and Wildlife Merger – Progress Report

John W. Hickenlooper
Governor

Mike King
Executive Director

As you know, Senate Bill 11-208 merged the former divisions of Wildlife, and Parks and Outdoor Recreation to create a new Division of Parks and Wildlife. While the agencies and the associated policy-setting boards (State Parks Board and Colorado Wildlife Commission) were merged in name on July 1, 2011, SB 11-208 calls for the development of an implementation plan that:

- Addresses outstanding issues;
- Identifies increased efficiencies and cost savings that may be realized from the merger;
- Consolidates operations of the two agencies allocating costs over time and within existing budget levels, utilizing savings to finance the consolidation;
- Takes into account the reaffirmation of assent to the Pittman-Robertson and Dingell-Johnson Acts; and
- Includes recommendations for restructuring the merged board, including proposals for its name, size, terms, geographical and issue representation, and membership qualifications. Restructuring must consider an eleven-member board.

Following is an update on the progress on our transition to a fully merged agency and the development of the required implementation plan.

Selection of a Division Director

Shortly after passage of the bill, the Department of Natural Resources began the process to select the agency Director. Candidates' qualifications were evaluated by assessing, among other things, their experience in natural resources policy and management, organizational management and administration, program evaluation, customer service, and public-private partnerships. In addition, candidates participated in extensive interviews conducted by panels of stakeholders and employees.

Rick Cables, former U.S. Forest Service Regional Forester, was appointed as Director of the new agency on July 18.

Efficiencies, Cost Savings and Consolidation

The Department of Natural Resources is committed to an employee-driven process, supplemented by input from stakeholders and the public, to develop a plan for implementing the merger. To that end, a 12-member Transition Team comprised of six employees from the former Division of Parks and Outdoor Recreation and six from the former Division of Wildlife is charged with developing a comprehensive plan to merge the two agencies and create the new Division of Parks and Wildlife. The plan will identify ways to accomplish three primary objectives: 1) eliminate unnecessary duplication, 2) identify the means to achieve the greatest possible efficiencies in the delivery of products and services, and 3) identify strategies to enhance the effectiveness of programs and operations while fulfilling the new joint mission.

The Transition Team is relying heavily on alternatives and recommendations developed by 10 individual employee Work Groups that align with major, shared “core functions” within both agencies. These “core functions” include: Biologists/Scientists, Capital Development, Customer Service, Field Operations, Financial Services, Invasive Species, Property Evaluation, Public Information/Branding/ Marketing, Volunteers/Education/Interpretation, and Water/Real Estate. In addition to fulfilling its primary charge, the Transition Team also assisted the employee work groups by managing the process, providing resources where needed, and challenging Work Group members to be comprehensive, forward-thinking, and creative in their work.

Final Work Group reports were presented to the Transition Team, agency employees and managers, and the public on October 11. Included in the reports were recommended alternatives that would, among other things: consolidate work units performing similar functions thus eliminating duplicate supervisory/managerial positions; leverage existing knowledge and expertise across a broader range of activities; consolidate databases; initiate long-term evaluation of capital assets; standardize and streamline administrative processes; and enhance customer service. Some alternatives identified by the Work Groups include savings and enhancement in the short-term, while others will require several years to fully evaluate and implement.

The Transition Team is currently reviewing the work group reports and developing a draft of the comprehensive implementation plan. The first draft will be presented to the Parks and Wildlife Commission in early January 2012.

Public Input

The Transition Team is also responsible for soliciting input and feedback from employees, senior managers, stakeholders, and the public. This ongoing exchange is critical to the success of the transition process and the merger, with input specifically sought on a new legislative declaration, a working mission statement, composition of the permanent Parks and Wildlife Board, and alternatives to achieve both cost savings and service enhancements. The Department has reviewed all of the input received and provided a summary to the Transition Team, agency leadership, and the Parks and Wildlife Commission. This summary has also been posted on the Department of Natural Resources web site.

In addition to soliciting written responses to requests for input, the Parks and Wildlife Commission has provided opportunities for comment at each of its monthly meetings. To bolster outreach, additional public meetings were recently held around the state to further explore perspectives on the composition of the permanent board. These opportunities for input will continue throughout the transition process.

Assent to Pittman-Robertson and Dingell-Johnson

At the outset of the merger, DNR initiated communication with the U.S. Fish and Wildlife Service (USFWS) to ensure consolidation will not result in diversion of license fees. Under the Pittman-Robertson and Dingell-Johnson Acts, which provide over \$20 million annually in federal funding to the state, Colorado’s hunting and fishing license revenue must be expended only for a wildlife purpose and be controlled by the wildlife agency. Expenditures to the contrary are deemed a “diversion” and would jeopardize future such federal funding.

Wildlife and parks funds continue to be kept strictly segregated in the new combined agency. In August, a method for allocating shared costs (e.g. Parks and Wildlife Commission expenses) to appropriate wildlife and parks funds was presented for USFWS staff review. The proposal was well-received, and ongoing discussions with USFWS will continue to refine that process.

Ongoing Agency Operation

While development of the implementation plan is underway, Director Cables is moving forward with operational changes to effect the merger. Senior managers are now co-located in the downtown Denver office, and the Director has pulled together a group of senior managers representing both parks and wildlife operations to assist him in the ongoing management of the merged agency. This group has quickly evolved into a high-functioning team and has established a set of guiding principles that will provide the foundation for management in the future.

The Director also worked to develop a single agency logo to symbolize a unified division. The logo was recently released for use agency-wide, and is attached for your information.

Recommendations for 2012 Legislation

For the last four months, the Parks and Wildlife Commission has discussed the recommendations it will make to the Department for 2012 legislation, including the legislative declaration and working mission statement for the merged agency, and the name and composition of the permanent board. In August, the merged board voted to support renaming the permanent body a “Commission” in the 2012 bill. This was the first step in unifying the two groups. The legislative declaration and working mission statement being considered by the Commission would combine the previous declarations/missions of the former agencies, supplemented by an emphasis on education, outreach, and stewardship. With regard to board composition, the Commission is considering a proposal for an eleven-member body, drawn from residents of the five geographic regions used for appointments to the Wildlife Commission. The current proposal has the Commission comprised of members who are sportsmen/sportswomen, agricultural landowners, outdoor recreation specialists, county commissioners, and/or individuals with non-consumptive wildlife interests. Three at-large and two ex-officio, non-voting members would also be included. The Commission’s final recommendations on these matters will be the result of extensive dialogue among existing members and consideration of public and employee input.

We anticipate that the Department’s recommendations for statutory changes in the forthcoming February 29, 2012 report will be limited to the composition of the new Parks and Wildlife Commission and a new legislative declaration for the merged agency. While these topics may be accompanied by recommendations for additional purely “house-keeping” changes, we do not anticipate that the Department will make recommendations on major operational, program, or policy matters.

Next Steps

The Parks and Wildlife Commission will finalize its recommendations for the legislative declaration, working mission statement, and board composition in December. The Transition Team will solicit additional public and employee input and will present its first full draft of the implementation plan to the Commission in January, with a final version of the plan delivered to the legislature no later than February 29, 2012.

