

## Basic Tenets for Strategic Investing with OFLPF Funds

- The Strategic Investments option of the Oregon Forest Land Protection Fund shall not be viewed as a source of surplus funds available for “grants”. Expenditures from the OFLPF for this purpose are completely optional. Individuals and organizations should not be encouraged to submit proposals merely because of the presence of this option.
- Rather, all proposals should be based primarily on an identified problem, opportunity, or potential opportunity (in the case of new/experimental technologies or methods) to meaningfully reduce the risk to the OFLPF. The point is that the problem/opportunity is driving the request not the availability of money.
- A proposal may be rejected if it is determined that it is a District (or Protection Division) responsibility already. In other words, Strategic Investments are not an opportunity for budget shifting. These funds are to be used to promote measures that are not likely to otherwise happen without such support.
- Each proposal should adequately identify the problem, opportunity, or potential opportunity that initiated the proposal and present a convincing case for how the proposed investment will meaningfully reduce the risk to the OFLPF. Thoughtful analysis using historical and/or other data is often requisite and is highly encouraged.
- District level proposals should have local FPA support; Area level requests should have the support of the FPAs within the Area; and Division level requests should have the support of the OFIC Protection Committee and the Oregon Small Woodlands Association. In most cases, this will likely be a requirement for the proposal to qualify for consideration.
- Significant weight should be given to proposals that have substantial additional financial (and/or in-kind) support. This is a measure of how important others view the proposal.
- If a proposal results in significant operational savings to a district, a no-interest loan-type concept could be considered (assuming legal approval). This would provide access to capital now in order to achieve savings (and potentially many other benefits) in the future without creating funding inequities between districts. Rather than calling this type of investment a “loan”, it should be perceived as the OFLPF making an investment that will result in dividends being returned to the fund.
- Challenge investments should be considered. These would be investments for the portion of the request that relates to lowering costs to the OFLPF if the remaining funds can be raised by the requesting district, area or division. If the remaining funds cannot be raised the OFLPF funds will be returned to the fund. The OFLPF challenge amount will be based on a percentage, agreed on by the EFCC, of the Total Project Cost rather than a percentage of the amount requested.
- Regardless of available (and/or “earmarked”) funds, only proposals that the EFCC thinks will meaningfully reduce the risk to the OFLPF should be approved. For example, if there are multiple proposals and none score high enough to convince the EFCC that there is a reasonable likelihood of meeting this primary objective, then no proposals should be funded.
- Under no circumstance should any proposal(s) be approved for the primary purpose of preventing the year-end unencumbered OFLPF balance from exceeding an assessment rate threshold.

# EVALUATION SCORING GUIDE and Timeline

## Strategic Investments Scoring Guide

**Criteria Rating: 0-3**

**Weighting: 1-3**

**1. Potential ROI/Payback (supported by analysis); WEIGHT: 3**

3=Probable payback in 1-5 years

2=Probable payback in 1-10 years

1=Probable payback in more than 10 years

0=Payback is unlikely within ten years and/or not main purpose of investment

**2. Probability and Magnitude of Reduction in Exposure to OFLPF (based on supporting analysis); WEIGHT: 3**

3=Addresses a root cause of large fire costs with either high probability of success or large reduction in exposure (over \$1 million.)

2=Addresses a root cause with high probability of success but with a lesser reduction in exposure (under \$1 million.)

1=Probability of success in reducing fund exposure is problematic.

0=Does not address a root cause of large fire costs.

**3. FPA Support; WEIGHT 3**

3=Forest Protective Associations impacted by the proposal fully understand the proposal, the financial implications, and support it, as shown by letters/e-mails/phone calls to EFCC members.

2=Forest Protective Associations impacted by the proposal are aware of the proposal and support it. Letter of support submitted by FPA President.

1=FPA Presidents of associations impacted by proposal are aware of the proposal when asked.

0=FPA Presidents are unaware of proposal or show no indication of support.

**4. District Budget Responsibility; WEIGHT 3**

3=Project is clearly not a responsibility of districts impacted by the proposal.

2=Project is needed by the districts impacted and they are contributing a significant amount of the cost but need help to fully implement the project.

1=Project is needed by the district but they are unwilling to support it with significant dollars, or they prioritize it lower than other district-funded projects.

0=Project is needed by the district and they would like others to fund it.

**5. Other or Matching Funding (District, Federal, General Fund, other agencies, etc.)**

**WEIGHT 2**

3=One third to one half matching funds

2=20%-33% matching funds

1=10%-20% matching funds

0=Less than 10% matching funds

**6. On-Going Cost/Commitment to Support; WEIGHT 2**

3=Incremental costs to district are part of normal operations or minimal increase

2=Impacted districts are fully committed to supporting the incremental costs as indicated by both Association President and District Forester.

1=Incremental costs are low to the districts but not part of normal operations.

0=Support costs and commitment not adequately addressed.

**7. Employs New Technology (Not likely to be tried without strategic investment support); WEIGHT 2**

3=New technology that could have potential across the State to reduce large fire costs with good probability of success.

2=New technology that has potential for use across the State but has lower probability of success in reducing large fire costs.

1=New technology that may not have broad application or has low probability of success

0=Old technology

**8. Potential to Expand Benefits to or Share with other Districts/Area/State-wide; WEIGHT 2**

3=Statewide impact to reduce large fire costs.

2=Area-wide impact to reduce large fire costs.

1-District-only impact to reduce large fire costs.

0=Benefits likely to be very local or short-term in reducing large fire costs.

**Timeline**

**Project Proposals from the Districts will be submitted after vetting with Forest Protection Associations to the appropriate Area. Each area is responsible for prioritizing their respective project proposals and submitting them to the Deputy Division Chief by 5:00 P.M. on October 31. Area projects need to be vetted with all Forest Protective Associations in the Area. Statewide projects need vetting with Forest Protective Associations across the State.**

**Projects will be reviewed by the Division and summarized and submitted with all applications and supporting information to the Emergency Fire Cost Committee at the January meeting.**

**Projects will be reviewed by the Emergency Fire Cost Committee with the goal of making decisions at the March meeting.**

**STRATEGIC INVESTMENT PROPOSAL | CRITERIA EVALUATION WORKSHEET**

2022 - EFCC Special Meeting Sept. 29		S.I. Proposal #1A		S.I. Proposal #1B		S.I. Proposal #2		S.I. Proposal #3		S.I. Proposal #4		S.I. Proposal #5		S.I. Proposal #6		S.I. Proposal #7		S.I. Proposal #8	
Summary A	PROJECT NAME	Klamath Lake District Bly Guard Station		Klamath Lake District Chiloquin Guard Station		Southwest District Detection Center Modular		West Oregon District - Toledo Facility Relocation		Easter Oregon Area Detection Cameras - Northeast, Central Oregon & Klamath-Lake		Coos Forest Protective Association: Menasha Microwave		Easter Oregon Area Type3 Incident Support Trailers - Northeast, Central and Klamath-Lake		Central Oregon District - Grapple Dozer		Douglas Forest Protective Association - Fire Web Licenses	
	Amount Requested	\$300,000		\$125,000		\$100,000		\$250,000		\$450,000		\$100,000		\$225,500		\$40,000		\$72,000	
Total scores averaged and ranked.	Total Project Cost	\$355,000		\$1,170,279		\$475,000		\$5,563,500		\$528,000		\$250,000		\$238,500		\$115,000		\$72,000	
	EFCC Share	85%		11%		21%		4%		85%		40%		95%		35%		100%	
ATTRIBUTES		All		All		Detection		All		Detection		Detection		Suppression		Suppression		Suppression	
1. Prevention, Detection, or Suppression		District		District		Districts		District		Districts		District		Districts & Area		District		District	
2. District, Area, or Statewide Application/Benefit		District		District		Districts		District		Districts		District		Districts & Area		District		District	
Criteria Weight (1-3)	Criteria Rating (0-3)	Score (Product of Rating and Weight)	Criteria Rating (0-3)	Score (Product of Rating and Weight)	Criteria Rating (0-3)	Score (Product of Rating and Weight)	Criteria Rating (0-3)	Score (Product of Rating and Weight)	Criteria Rating (0-3)	Score (Product of Rating and Weight)	Criteria Rating (0-3)	Score (Product of Rating and Weight)	Criteria Rating (0-3)	Score (Product of Rating and Weight)	Criteria Rating (0-3)	Score (Product of Rating and Weight)	Criteria Rating (0-3)	Score (Product of Rating and Weight)	
	AREA REQUESTING	EOA		EOA		SOA		NWO		EOA		SOA		EOA		EOA		SOA	
AREA PRIORITY RANKING	1		1		1		1		2		2		3		4		3		
EFCC Member Ranking:		Total Scores:		22		21		24		21		22		26		23		30	
Member	38		42		42		24		42		41		34		47		21		
Member	31		44		40		40		47		48		23		48		40		
Member	27		34		28		28		42		39		35		29		41		
Average	29.50		35.25		33.50		28.25		38.25		38.50		28.75		38.50		32.00		
Overall Ranking	7		4		5		9		3		1		8		1		6		
Strategic Investment Funds Required	\$ 300,000		\$ 125,000		\$ 100,000		\$ 250,000		\$ 450,000		\$ 100,000		\$ 225,500		\$ 40,000		\$ 72,000		
Accumulative Strat. Investm. Funds	\$1,147,223		\$675,223		\$775,223		\$1,622,723		\$550,223		\$100,000		\$1,372,723		\$40,000		\$847,223		
	1a		1b		2		3		4		5		6		7		8		

Following is a summary of the projects ranked according to each member's score (1 thru 9) and then those rankings are averaged across all members.

Summary B

	Emergency Fire Cost Committee				Summary B	
	Member	Member	Member	Member	Average	Rank
	Rank	Rank	Rank	Rank	Rank	Score
SI #1A	8	6	8	6	7.00	8
SI #1B	4	8	5	2	4.75	6
SI #2	5	4	7	2	4.50	4
SI #3	5	8	7	8	7.00	8
SI #4	3	6	1	2	3.00	3
SI #5	1	2	3	5	2.75	2
SI #6	9	5	4	7	6.25	7
SI #7	1	1	6	1	2.25	1
SI #8	5	2	2	9	4.50	4

Summary A (FROM ABOVE)	
Rank	Score
7	
4	
5	
9	
3	
1	
8	
1	
6	

October 7, 2022

Cal Mukumoto, State Forester  
2600 State Street  
Salem, OR 97310

SUBJECT: Emergency Fire Cost Committee Strategic Investments

Dear Cal,

The Emergency Fire Cost Committee (EFCC) voted unanimously at a Special EFCC meeting on September 29, 2022 to allocate \$1,412,000 from the Oregon Forest Land Protection Fund (OFLPF) towards seven Oregon Department of Forestry and Forest Protective Association proposals to improve Oregon's complete and coordinated fire protection system. These funded proposals included:

- Three detection cameras and a microwave dish to establish full functionality of a camera
- Two guard stations (Bly and Chiloquin) to assure rapid response to fires
- One grappler dozer for rapid response to fires
- Fire web licensing to continue a pilot project testing for efficiency improvements in dispatch
- Three Type 3, incident management team support trailers to have fire supplies readily available
- A contribution towards a detection module center that will ensure capacity for monitoring cameras

As you know, strategic investments were a part of the Wildfire Protection Act (WPA) that passed during the 2013 legislative session. Since the passage of the WPA, the EFCC has experienced two fiscal years that allowed for strategic investments, meaning overall other expenses were under our \$13.5 million cap. To-date, including the recent investments, the EFCC has invested \$2,893,096 toward a variety of improvements – all towards minimizing costs to landowners and the GF and the losses that impact landowners and all Oregonians.

The EFCC remains a committed partner in the complete and coordinated fire protection system. We appreciate the leadership of your staff and forest protective associations members that brought forward investments that improve the system. Feel free to contact me if you have any questions.

Sincerely,



Brennan Garrelts, Chair  
Emergency Fire Cost Committee

cc: EFCC members  
Mike Shaw, Fire Protection Division Chief  
Bill Herber, Administrative Division, Deputy Director  
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