

Texas Forest Service

**Compact with The Texas A&M University System
FY 2008 – 2009**

MISSION

Texas Forest Service provides statewide leadership to assure the state's trees, forests and related natural resources are protected and sustained for the benefit of all.

VISION

The Texas Forest Service will be successful in achieving its mission when Texas has

- ★ healthy, sustainable forests and their social, environmental and economic benefits being valued by landowners, policy makers and the general public across multiple ownerships and jurisdictions.
- ★ economic prosperity through the protection, wise use and enhancement of the state's forests and related natural resources.

CEO STATEMENT

Texas Forest Service (TFS) is becoming the premier state forestry agency in the nation and is committed to excellence in the generation, dissemination and application of knowledge to enhance the health of society through serving people and sustaining natural resources.

While the agency's mission has always focused on conserving Texas trees and forests, how we accomplish this amidst increasing external pressures (such as disappearance of forest industry and rapidly increasing population into forested areas) is the challenge. A few years ago, *conserving the forest landscape* meant engaging in a massive statewide reforestation initiative. Now, *conserving and protecting working forest landscapes* means finding creative, revenue-generating options and funding that encourage private and family forest landowners to keep their land in forests, which will result in a reduction in the rate of conversion to other-non-forested uses.

Thus, TFS is working to expand the state's forest products and services industry. Identified opportunities for economic development include emerging uses of growing biomass for bioenergy, higher quality wood products and the development of market-based trading of ecosystem service assets such as carbon storage and water quality credits. These incentives will provide a much-needed boost to the East Texas economy, while providing private landowners additional reasons to conserve their forests. Such outcomes will benefit all Texas residents.

TFS rural and urban programs will focus on seeking new business opportunities for Texas. However, they also place a priority on the high demand to educate traditional and newly-emerging owner groups and urban populations about how to care for and take advantage of the economic and environmental benefits of trees and forests. Important to System internal and external customers, unconventional relationships are becoming instrumental in the agency's ability to take a lead role in drafting the USDA Forest Service's State and Private Forestry Redesign Initiative and the 2008 Farm Bill. The Redesign approach is a national effort to proactively address forestry challenges on a scale and in a way that optimizes public benefits from trees, both now and for the future. As 2007 Past Chair of the National Association of State Foresters, I served as Co-Chair with the USDA Forest Service's Deputy

Chief Washington Office for State and Private Forestry to work with 50 State Foresters on the Redesign Initiative Board.

TFS coordinates all major wildland and forest fire response and all other non-forest risk hazard and management incidents across the state. The Texas Wildfire Protection Plan and Texas All-Risk Plan are recognized as national models for rural and urban interface protection. In 2006, TFS responded to 4,000 fires that consumed a record 1.5 million acres, took 19 lives, destroyed over 1,000 structures (\$500 million in property losses) and killed 10,000 head of milk and meat producing live stock.

Through collaborative and innovative programs such as Vehicle Liability Insurance, Helping Hands, Fire Safe and Federal Excess Personal Property programs, TFS provides major support to volunteer fire departments in Texas for 2,800 small communities (1,800 departments and 40,000 volunteer firefighters).

With the increase in the state funded Rural Volunteer Fire Department Assistance Program from \$15 million to \$30 million per year by the 80th Legislature, TFS will be able to significantly increase assistance to local fire departments and firefighters each year, thus enhancing their capacity for rapid, initial response.

TFS provides year round firefighting, fire prevention, risk reduction and incident command system expertise and leadership training for federal, state and local emergency responders. The agency's nationally recognized Type II incident management team responds to significant events at the request of the Governor's Division of Emergency Management and similar agencies in other states. To meet the continuing and increasing emergency response demands on personnel, TFS will staff the team with more nationally qualified personnel and develop career paths for team members.

The most significant and essential challenge for the next two years will be to bring the agency in line with available financial resources. For the past several years the TFS has felt obligated to the people of Texas to provide critically demanded forestry and emergency response services, but in doing so it has been impossible to maintain basic organizational infrastructure. Documentation from contracted consultants and our own internal monitoring demonstrates:

- ★ An annual force to budget and expend available reserves
- ★ Essential vehicle replacement is \$ 2,140,000 behind schedule
- ★ Essential fire suppression tractor replacement is \$ 3,560,000 behind schedule
- ★ Essential office maintenance is \$ 4,130,000 behind schedule
- ★ Wildfire and emergency response funding is only one fourth of actual needs to provide basic protection

Texas Forest Service regularly spends 2-10 times its annual protection budget on fire suppression and all-risk emergency response. This deficit spending is always eventually repaid by FEMA and the Texas Legislature, but unfortunately this only pays for the past, rarely providing funds to maintain existing capacity, or develop a level of sustained base critical to meeting the State of Texas obligation to adequately protect its 23 million residents.

Priority #1:

Conserve and protect working forest landscapes and enhance benefits associated with trees and forests.

Priority #1 Objective #1:

Conserve working forest landscapes and their benefits by reducing the rate of conversion to other, non-forested uses.

Strategies:

- ★ Complete statewide assessment of forest resources by utilizing data collected by TFS Forest Inventory and Spatial Analysis Programs (4th Q FY'08)
- ★ Complete first-ever comprehensive statewide forest resource response plan through interpretation of results from statewide assessment (4th Q FY'09)
- ★ Conduct study and produce final report to the Texas legislative leadership, in collaboration with Texas Department of Agriculture, to determine the volume of woody biomass available for use in generating renewable energy (HB 1090, 80th Legislative Session) (2nd Q FY'09)
- ★ Increase quality and relevance of technical assistance to family forest owners in Texas by providing new and critical professional development to TFS staff in Sustainability programs (1st Q FY'09)
- ★ Plan and facilitate professional development workshops for key technical assistance providers in other federal, state, and private organizations using the new "Changing Roles" curriculum (4th Q FY'09)

Performance Measures:

- Complete Family Forest owner survey of Texas owners and produce education and awareness materials based on the results (4th Q FY'09)
- Expand first-ever Texas Forest Expo held October 2007 in the greater Houston area to other metropolitan areas around the state to reach new family forest owners (4th Q FY'09)

Budget Impact and/or Resources Required:

- USDA Forest Service Grants for new federal initiatives (matching grants): FY'08 \$475,000 FY'09 \$600,000
- Continued reductions in federal budgets combined with the static state appropriations could have significant impacts on the resources required to accomplish the state matching funds to this objective. As a whole, Forest Resource Development & Sustainable Forestry is funded 40% by state appropriations, 50% federal grants, and 10% locally generated funds

Challenges to Success:

- Recent divestitures of millions of forest industry acres have increased the threat of forest land conversion significantly but TFS plans to build relationships with new landowners
- Common geo-spatial reporting between state, regional, and national programs is needed to accurately track accomplishments across boundaries but participation in the USDA “Redesign Initiative” will allow TFS to build capacity and access relevant national data

Collaboration/Support Needed

Internal:

- System components such as Spatial Sciences Laboratory, Institute of Renewable Natural Resources, Real Estate Center, Bush School, AgriLife Extension and AgriLife Research to collaborate on issues regarding land management, trends, and policy

External:

- State and national forestry organizations such as Texas Forestry Association, National Association of State Foresters and Society of American Foresters to expand on relationships with current and traditional partners and landowners
- Conservation organizations such as Texas Land Trust Council to build relationships with new landowners and partners
- State and national government such as Texas Parks and Wildlife and USDA Forest Service to access relevant state and national trends and data

Priority #1 Objective #2:

Enhance and promote the suite of public and private quality of life benefits associated with trees and forests. These benefits include increasing renewable materials (bioenergy, building materials, paper products), promoting economic attributes (employment, enhanced property values, reduced heating and cooling costs), and contributing to social values (drinking water filtration, reduced flood risk and impact, clean air and water, buffering of climate change, open space protection, fish and wildlife habitat, outdoor recreation, and more conservation education).

Strategies:

- ★ Increase availability and diversity of markets for forest owners in Texas by attracting new forest industries to Texas (4th Q FY09)
- ★ Increase the awareness and value of urban and community forests and quality of life benefits from trees and forests by conducting regional and local urban forest inventories and management plans (4th Q FY'08)
- ★ Increase the integration of existing tree and forest cover into the infrastructure of rapidly expanding communities and regions by creating educational forums for community leaders, decision-makers, natural resource professionals, and emergency responders (1st Q FY'09)

Performance Measures:

- Become recognized as the first state agency to become a carbon market verifier by the Chicago Climate Exchange (2nd Q FY'08)
- Attract a new forest products mill to East Texas (4th Q FY'09)
- Coordinate and deliver two regional Emerging Communities Forums (3rd Q FY'09)

Budget Impact and/or Resources Required:

- USDA Forest Service Grants for new federal initiatives (matching grants): FY'08 \$301,300 FY'09 \$392,80
- Programmatic budgets for this objective are provided by state appropriations, grants from the USDA Forest Service, and locally generated state matching funds to this objective. As a whole, Forest Resource Development & Sustainable Forestry is funded 40% by state appropriations, 50% federal grants, and 10% locally generated funds

Challenges to Success:

- City level administration buy-in and cooperation when entering community forestry program initiatives can be addressed as TFS urban and rural foresters are professionally developed to participate on planning committees and economic development panels
- Lack of state tax/financial incentives compared to other southern states will require our TFS forest economic and taxation programs to further educate and communicate with stakeholders and policy leaders

Collaboration/Support Needed

Internal:

- System components such as Spatial Sciences Laboratory, Institute of Renewable Natural Resources, Real Estate Center, Bush School, AgriLife Extension and AgriLife Research to collaborate on issues regarding land management, trends, and policy

External:

- State and national natural resources management and policy organizations such as Texas Committee on Environmental Quality and General Land Office to provide regulatory guidance
- Local and national foundations focused on environmental education and natural resources conservation to build coalitions with stakeholders

Priority #2:

Enhance the protection of lives, property and natural resources of Texans from harm resulting from wildland fires, disease, insects and nonnative invasive species and natural or man-caused disasters through increased collaboration efforts between the FRD and FRP Divisions and implementation of the Texas Wildfire Protection Plan (TWPP).

Priority #2 Objective #1:

Protect the state from the damaging effects of wildland fires.

Strategies:

- ★ Develop a TWPP funding strategy and plan to seek funding for the TWPP by the 81st Legislature utilizing data from the southern wildfire risk assessment and established partnerships with fire departments and other cooperators across the state (2nd Q FY'08)
- ★ Increase public awareness of wildfire issues at the local and state levels through the development of a Wildfire Education campaign (3rd Q FY'08)
- ★ Improve the agency interaction with stakeholders at the local and state level by restructuring the Rural Fire Advisory Council (RFAC) to provide a more representative sample of emergency responders and community stakeholders (4th Q FY'08)

Performance Measures:

- Develop a TWPP funding strategy and plan (2nd Q FY'08)
- Realign the FRP Division to more closely match the operational structure of the TWPP (2nd Q FY'08)

Budget Impact and/or Resources Required:

- Currently, the TFS emergency response budget totals \$7.7 million, with 162 of the agency's 369 personnel included in emergency response operations. To fully implement the Texas Wildfire Protection Plan will require an additional \$20.4 million and an additional 263 firefighters
- TFS (and those activated for deployment by TFS) respond at the direction of the Governor's Division of Emergency Management and need a state appropriated contingency fund to support this state mandated emergency response activity

Challenges to Success:

- Changes in land use/vegetation, population growth, and changing climate/weather cycles create an ever-increasing risk to the citizens of Texas as disasters are measured in human impact (injuries, fatalities, evacuations, and homes lost). With the majority of the wildfires in the state occurring from human-causes, public education efforts in fire prevention and risk reduction can have a significant impact in reducing wildfire occurrence and losses.

- There is a dramatic decrease in trained firefighters and fire fighting equipment due to forest industry divesting their land holdings in Texas. TFS is incorporating larger-sized dozers into its fleet replacement program to help offset the loss of the larger forest industry fleet. Additionally, TFS has identified necessary tactical changes in fire suppression strategies for agency firefighters and local fire departments to help reduce the increased life-safety risks associated with the loss of these responders. These tactical changes are being incorporated into agency wildfire training programs in the affected area.
- Volunteer fire departments experience significant personnel turn-over each four years. In addition, many volunteer ranks are on the decline due to various reasons – more family activities, an aging volunteer base in a physically demanding field, decreases in “volunteerism” in physically demanding or life threatening roles and increasing travel distance from home to employment area. As a result, TFS could see an increase in requests for assistance. To better support the building of local wildfire response capabilities and better prepare local responders the TFS is placing an increased priority on training grants for local, regional and state courses. Increased grant support for new vehicles and equipment will also assist by replacing aged equipment and reducing time spent on repairs.

Collaboration/Support Needed

Internal:

- TAMU Spatial Science Lab for automated risk assessment products (drought indices and fire danger)
- Texas Cooperative Extension for dissemination of fire prevention messages, high fire danger warnings and other public information messages and alerts
- Texas Engineering Extension Service (TEEX) for increased training opportunities for local firefighters particularly at the local and regional schools.

External:

- Fire Departments, as well as local law enforcement, county emergency management coordinators, emergency medical services (EMS), public health and public works departments
- Federal and state emergency response agencies

Priority #2 Objective #2:

Enhance our ability to serve as the state's Incident Management agency as mandated by the Governor's Office to respond to all significant natural and man-caused disasters occurring within Texas.

Strategies:

- ★ Enhance the TFS Lone Star State Incident Management Team's (LSSIMT) ability to respond to significant disasters by developing nationally qualified personnel and career paths for team members and developing incident management career paths for 100% of the LSSIMT members (4th Q FY'08)
- ★ Complete the formation and development of Regional Incident Management Teams (RIMT) staffed with local responders as directed by Governor Rick Perry's Executive Order 57 through including the complete formation of five RIMT's (4th Q FY'08) and the formation of three additional RIMT's (4th Q FY'09) including training, certification, and inter-local agreements

Performance Measures:

- The LSSIMT shall reach and maintain a 90% level of nationally qualified personnel (4th Q FY'09)
- Complete the formation of five RIMT's (4th Q FY'08) and formation of the final three RIMT's (4th Q FY'08)

Budget Impact and/or Resources Required:

- Career paths and required training for LSSIMT members can be incorporated into existing employee development programs and training opportunities with few additional costs to the agency
- To acquire national certification requires mandatory experience and performance requirements, much of which can only be obtained through emergency assignments in or out of state. When possible, the TFS will make LSSIMT members available for developmental assignments through the national response system. Costs associated with these deployments are paid by the agency requesting assistance
- Under the direction of the Governor's Division of Emergency Management, TFS has led the formation and training of Regional Incident Management Teams (IMTs) staffed with local responders. The initial formation of these Regional Teams is funded with a Homeland Security Grant of \$500,000 from the Governor's Division of Emergency Management. Funding is in effect through FY08
- For the Incident Management Teams to be fully capable of deployment by the state, some essential equipment and supplies will be needed. A source of funding will also be needed to provide reimbursement of salaries and related expense to local jurisdictions while their personnel are on state assignment. TFS is pursuing an additional Homeland Security grant of \$1,236,000 to provide essential equipment and base funding for program maintenance and to support minor mobilizations. Funding for additional mobilizations or significant use of the RIMT's will have to be provided through the Governor's Division of Emergency Management as mobilizations occur

Challenges to Success:

- Full funding of the TWPP is needed to allow TFS to continue to build the LSSIMT's capabilities well into the future and TFS is working with partners to promote this plan
- Per instructions from the Governor's Division of Emergency Management, the RIMT's are being developed and staffed utilizing responders from local jurisdictions such as the Amarillo Fire Department to the Harris County Office of Emergency Management. In order to mobilize these personnel for state requests, the local jurisdiction must be reimbursed for their personnel and equipment costs incurred during mobilization. A clear system for reimbursing these costs needs to be established from GDEM, through the TFS to the local jurisdiction
- The RIMT's will be utilized as needed, but must be maintained year-round. Therefore TFS can work to build enthusiasm and participation as personnel in local jurisdictions must be maintained regardless of the level of use

Collaboration/Support Needed

Internal:

- TEEX for emergency management training for paid local jurisdictions and volunteers

External:

- Division of Emergency Management and Texas Department of Homeland Security
- Professional associations representing emergency management, EMS, fire, law enforcement, public health and public works, which comprise some of the state's regional incident management teams and other state government agencies

Priority #2 Objective #3:

Protect forests, community trees and related natural resources from harm by reducing threats to forest health and productivity associated with wildfire, disease, insects and nonnative invasive species.

Strategies:

- ★ Expand Community Wildfire Protection Plans (CWPP) Program statewide through the Wildfire Education Campaign (4th Q FY'09)
- ★ Increase the amount of acreage treated under the Southern Pine Beetle (SPB) Prevention Program within 5 miles of USDA Forest Service properties (high hazard) through furthering partnerships with USDA Forest Service and TFS Forest Pest Control Programs (4th Q FY'09)
- ★ Provide early detection and rapid response to eradicate or control forest insect and disease pathogens and invasive species by the implementation of a Citizen's Scientists program (4th Q FY'09)

Performance Measures:

- Increase number of Community Wildfire Protection Plans by 25 (4th Q FY'09)
- Increase number of acres treated under the SPB Prevention Program in East Texas by 5,000 acres (4th Q FY'09)

Budget Impact and/or Resources Required:

- USDA Forest Service Grants for new federal initiatives (matching grants): FY'08 \$550,800 FY'09 \$550,800
- Programmatic budgets for this objective are provided by state appropriations, grants from the USDA Forest Service, and locally generated state matching funds to this objective. As a whole, Forest Resource Development & Sustainable Forestry is funded 40% by state appropriations, 50% federal grants, and 10% locally generated funds

Challenges to Success:

- Insect and disease outbreaks and their treatments depend upon various factors, including pest activity and environmental conditions. However, TFS can use predictive services to prioritize event likelihood and adjust resources accordingly
- Prevention and control of pest outbreaks is dependent on availability of contractors and availability of markets for insect or disease killed trees. Through outreach and education within TFS economic development programs, TFS may be able to educate potential contractors to redirect their resources in order to take advantage of emerging markets

Collaboration/Support Needed

Internal:

- TFS foresters and TFS resource specialists to utilize their expertise in these specialty fields of forestry
- AgriLife Extension to facilitate technology transfer to landowners

External:

- US Forest Service federal funding for the SPB Prevention Project (including cost shares)
- US Forest Service federal funding for the Invasive Species Project
- Landowners willing to participate in the programs to demonstrate technical assistance and treatment success to other landowners

Priority #3:

Increase effectiveness of TFS programs through improved resources, planning and compliance.

Priority #3 Objective #1:

Strengthen financial condition of agency and improve compliance with System policies and priorities.

Strategies:

- ★ Improve financial health of the agency by:
 - Reducing use of reserves to support annual operating budget (4th Q FY'09)
 - Containing FY2008 and FY2009 administrative costs at or below current levels
 - Increasing agency reserves (4th Q FY'09)
 - Increasing FY2008 revenue from land income (sales, ROWs, easements, etc.)
 - Securing appropriation of increased VFD Assistance Fund revenue to support Texas Wildfire Protection Plan (4th Q FY'08)
- ★ Improve FY2008 HUB performance by identifying and implementing new strategies for improving agency utilization of HUB vendors
- ★ Improve agency planning and accountability by:
 - Implementing Compact with The Texas A&M University System (4th Q FY'08)
 - Developing new agency Strategic Plan by (1st Q FY'09)
- ★ Improve compliance with System Policies and Regulations by fully addressing findings in System Internal Audit Reports in a timely manner during FY2008

Performance Measures:

- Increase Composite Financial Index to be >1 (4th Q FY'08)
- Achieve A&M System approved HUB goal of 15% for FY2008
- Reduce dollar amount of reserves used to support FY2009 operating budget by \$300,000
- Increase land income to \$300,000 (4th Q FY'08)
- Increase total dollar amount of agency reserves by 5% (4th Q FY'09)

Budget Impact and/or Resources Required:

- Funding for this priority is provided through locally generated funds, state appropriations and indirect cost recovery on grants
- A combination of revenue increases and expense reductions will be needed to improve the agency's overall financial condition.
- Total estimated funding associated with strategies is \$16 million

Challenges to Success:

- Additional support/assistance needed at System and State levels in resolving impediments to achieving HUB goals

Collaboration/Support Needed
Internal: A&M System Offices

External: None

Priority #3 Objective #2:

Hire and develop employees to meet the increased and changing needs of the agency; strive to provide each one with challenging and fulfilling employment

Strategies:

- ★ Enhance and expand the TFS leadership program in order to accelerate the development of leadership skills of selected TFS employees (4th Q FY'08)
- ★ Implement the career path task book concept for all employees in positions with defined career paths (4th Q FY'09)
- ★ Implement an interdepartmental leadership working team (4th Q FY'08)
- ★ Develop the process to identify the leadership program participants (4th Q FY'08)
- ★ Implement the enhanced leadership program (4th Q FY'08)
- ★ Conduct three regional (West, Central, East) Employee Forums to include members of management (4th Q FY'09)
- ★ Fully implement career path task books for East Texas employees in defined career path positions (4th Q FY'08)
- ★ Fully implement career path task books for remainder of employees in defined career path positions (4th Q FY'09)

Performance Measures:

- Exceed prior results in employees' positive perceptions of agency Internal Communication and Team/Supervisor Effectiveness constructs as measured in the Survey of Organization Excellence (to be conducted March 2008)
- Decrease employee turnover rate

Budget Impact and/or Resources Required:

- Funding for this priority is provided through locally generated funds, state appropriations and indirect cost recovery on grants and will be covered within the annual operating budget

Challenges to Success:

- Circumstances beyond TFS control such as state emergency incidents or participation of staff during national incidents such as fire, hurricanes, or homeland defense could delay full implementation of evaluations or task book completion but process could resume following the incident
- Inadequate funding to support merit and pay plan increases needed for fair and adequate compensation and to recognize/retain top employees

Collaboration/Support Needed

Internal:

- None

External:

- Utilize proven professional society development programs (Society of American Foresters Leadership Academy, International Society of Arboriculture, national leadership schools and fire training opportunities)

Priority #3 Objective #3:

Develop and maintain an effective level of institutional infrastructure that utilizes up to date technology

Strategies:

- ★ Continue the review and analysis of each office/facility location; implement closures and consolidations where feasible in FY2008 and FY2009
- ★ Fully implement Facilities Master Plan, Vehicle Replacement Plan and Dozer Replacement Plan (4th Q FY'09)

Performance Measures:

- Number of small (1-2 person) offices reviewed, closed and/or consolidated
- Dollar value of items implemented in the Facilities Master Plan, Vehicle Replacement Plan and Dozer Replacement Plan

Budget Impact and/or Resources Required:

- Funding for this priority is partially provided through locally generated funds, state appropriations and indirect cost recovery on grants
- Full implementation of the Facilities Master Plan, Vehicle Replacement Plan and Dozer Replacement Plan will require a substantial PUF allocation

Challenges to Success:

- Agency capital needs have greatly exceeded PUF allocations in recent years
- Recent unwritten policy of A&M System to retain land income of member institutions

Collaboration/Support Needed:

Internal: A&M System Leadership

External: None

Compact Review and Approval

Date: November 14, 2007

TAMUS Member: Texas Forest Service

Signature: [ORIGINAL SIGNED BY]

TAMUS Member CEO: James B. Hull
Director, Texas Forest Service

Signature: [ORIGINAL SIGNED BY]

TAMUS Vice Chancellor: Dr. Elsa Murano
Vice Chancellor of Agriculture,
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TAMUS Chancellor: Michael D. McKinney
Chancellor, The Texas A&M University System