

# Oklahoma Conservation Commission

## Strategic Plan for Fiscal Years 2011 – 2016



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October 1, 2010

## Executive Summary

Life on earth is supported by three basic resources: soil, water and air. How well we live tomorrow rests upon how carefully we manage and use these natural resources today. The Oklahoma Conservation Commission is charged with administering programs and services that conserve, protect and restore two of the three -- soil and water. The Conservation Commission administers its programs and services through Oklahoma's 87 local conservation districts. Coupled with USDA's Natural Resources Conservation Service, the Commission and Conservation Districts form Oklahoma's Conservation Partnership, an environmental protection program delivery system as effective today as it was in the days following the Dust Bowl. Land conservation, flood prevention, restoration and protection of water quality, preservation of working farms and ranches, wildlife protection and enhancement of stream riparian corridors are outcomes of the Conservation Commission's strategic plan. These outcomes will improve the quality of life for current and future generations.

This strategic plan represents an efficient and effective plan that is sensitive to current needs, existing trends and anticipated conditions. The two goals of the Oklahoma Conservation Commission's strategic plan --- advancing natural resource stewardship and strengthening Oklahoma's grassroots natural resources conservation delivery system --- build upon one other. To advance the stewardship of Oklahoma's natural resources in a tough economic climate, we must maintain the strength of conservation districts and the Commission by increasing efficiency, sharing resources and streamlining operations. Maintaining critical agency functions through the current fiscal downturn is vital, so that this agency, with help from our partners, will continue to advance the conservation of the state's soil and water resources.

Renewable productivity of the state's working lands, and thus the assurance of a dependable and plentiful food supply are visibly enhanced with conservation cost share. Clean water, necessary for personal wellbeing, industry and future economic growth, is promoted and protected through priority watershed programs. Flood damage to both urban and rural infrastructure is demonstrably reduced through maintenance and rehabilitation of Oklahoma's 2,100 upstream flood control dams. Reclaiming the eyesores of damaged land, whether in the Tar Creek Superfund Area or as a result of unenlightened past mining methods, will make this state more livable. These areas of environmental protection work hand in hand with the Governor's natural resources goals and are the heart and soul of the Conservation Commission's mission "to conserve, protect and restore Oklahoma's natural resources working in collaboration with conservation districts and other partners, on behalf of the citizens of Oklahoma."

The accomplishment of the agency's mission occurs within the context of several business environment considerations that were assessed through the strategic planning process. While the state's economy has been severely impacted by the national recession, it is generally relatively stable because of its unique dependence on the combination of oil, manufacturing and agriculture. However, for the present, the agency and districts must adjust to a nearly 20 percent decline in general revenue appropriations with additional cuts possible in FY 2012. In addition, the agriculture economy is notably volatile, making farmer and rancher participation in soil and water conservation variable. Notably, there are increasing pressures to regulate nonpoint source pollution of surface and ground water with the potential to add additional financial burdens to

agriculture producers. It is also important to note the lopsided investment of monies to address point source pollution compared to nonpoint source pollution. In excess of \$500 million of public funds have been spent in Oklahoma since 1972 to improve point source water treatment facilities. Similar investments must be made to successfully address nonpoint source pollution and ensure high quality water for our citizens.

The Commission's historic customer and support base has been rural and agricultural Oklahoma. Future indications are that population will continue to shift away from rural Oklahoma. Full time farmers and ranchers are becoming fewer. At the same time, the number of part time farmers and ranchers is increasing. Population shifts and trends in turn affect the composition of our customer base. The conservation districts' and the Commission's methods of marketing programs and services must evolve to meet this growing trend. The message of land conservation, flood prevention, preserving water quality, preservation of working farms and ranches, protecting wildlife and enhancing natural areas are significant to both rural and urban Oklahoma.

The most noticeable business trend within the conservation community is the steady decline in the number of employees within the USDA Natural Resources Conservation Service workforce, coupled now with a similar decline of employee numbers in conservation districts and the Commission. Historically, the Commission and conservation districts have been dependent on NRCS technical expertise in a variety of areas. Over the past decade the Commission and districts have developed limited technical expertise. While our fundamental mission of delivering technical, financial, and educational assistance to private landowners remains the same, by whom and how those services are delivered has become more complicated. The need for additional technical ability from districts and the Commission will continue to grow.

Many state and federal agencies with responsibilities for natural resources compete for the same financial and human resources. However, the same agencies that we often view as our competitors, the Oklahoma Water Resources Board, Department of Environmental Quality, Department of Agriculture, Food and Forestry and Department of Mines are also our partners. The Conservation Commission's overriding goal is to improve Oklahoma's renewable natural resources; therefore we choose to work collaboratively with sister agencies and other partners in order to maximize efficiency and effectiveness.

The current production and internal environment at the Oklahoma Conservation Commission is one of an agency with a programmatic "can do" attitude. At the same time the agency recognizes the reality of limited human and financial resources. We have enjoyed success in developing and implementing new and innovative programs to address critical resource needs while still maintaining important traditional program functions. The strategic planning process has helped us identify structural changes needed to better address and focus the agency's attention to accomplishing our mission. It has also helped identify those areas needing a more prolonged period of study before further adjustments are made.

Two fundamental challenges will face this agency and her partners in the next five years: How do we ensure the continued benefits of flood protection from 2,100 aging dams and how do we continue to delivery conservation at a record pace all in the face of declining revenue to support the people delivering the dollars? Last year the Commission and its partners delivered \$40 million state and over \$100 million USDA funds for conservation. OSU analysis indicates conservation dollars multiply local economic activity at least 1.5 times. Dams must be

properly maintained so that the flood prevention benefits provided don't turn into threats to life and property. It is unreasonable to pass up federal dollars offered at the rate of two dollars for every state dollar in order to rebuild and rehabilitate dams turned high hazard by unrestrained housing development below the dam. Nor does it make sense to miss out on 4:1 federal to state funding to restore riparian buffers that in turn protect the quality of Oklahoma stream water.

This document outlines our best ongoing thoughts to assure conservation does not slip into the twilight under the current financial stress; that instead, it will continue as a viable conduit for the wellbeing of all Oklahomans, present and future. We stand with the same resolve as past conservationists, meeting challenges and overcoming, making the difficult choices so that the worthy mission, "Conserving, Protecting and Restoring Oklahoma's Natural Resources working in collaboration with the Conservation Districts and other Partners, on behalf of the citizens of Oklahoma" remains effective and functional.

My sincere appreciation goes to the Commissioners who govern this agency, the dedicated men and women in Conservation Districts, the Commission and NRCS. These are the people whose hard work, stewardship ethic and bold initiative enable Oklahoma to set the conservation standard for the nation.

A handwritten signature in cursive script, reading "Mike Thralls". The signature is fluid and stylized, with the first name "Mike" and last name "Thralls" clearly legible.

Mike Thralls  
Executive Director  
Oklahoma Conservation Commission



# OCC Strategic Plan

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## **Introduction**

Pursuant to Section 45.3 of Title 62, the Conservation Commission prepared an updated strategic plan for FY-2011 through FY-2016 per the Office of State Finance (OSF) instructions.

The Conservation Commission provides its services and programs through a delivery system that involves 62 agency employees, 87 local conservation district offices (subdivisions of state government), 435 conservation district directors, 160 local conservation district employees and over 300 employees of USDA's Natural Resources Conservation Service. This strategic plan update takes into account this unique partnership for delivering conservation programs and services.

Our goals, performance measures and action plans are focused on improving the efficiency and effectiveness of our agency and strengthening our commitment to improving the quality of life of Oklahomans.

## **Mission Statement**

**The mission of the Oklahoma Conservation Commission (OCC) is to conserve, protect and restore Oklahoma's natural resources working in collaboration with the Conservation Districts and other Partners, on behalf of the citizens of Oklahoma.**

The OCC will fulfill its mission by providing:

- Tools, training and support
- Finances, legal assistance and information, technical expertise, programs, data, policies, rules, criteria, training, equipment, and people
- Leadership;
- Guidance, priorities, direction, goals and objectives, voice, accountability, coordination, feedback and dialogue
- Planning and assessment
- Public information
- Protection: human health and safety, abandoned mine lands (AML) safety, water quality (WQ), flooding, soils, wildlife, environment
- Restoration
- Education
- Liaison services between federal and state agencies and conservation districts

The OCC will fulfill its mission on behalf of the following:

- |                                     |                            |
|-------------------------------------|----------------------------|
| • Citizens of Oklahoma              | • Private Organizations    |
| • Conservation Districts            | • Flora and Fauna          |
| • OCC Staff and Commissioners       | • Educational Institutions |
| • Local, State and Federal Agencies | • Congress                 |
| • State Legislature                 | • Tribes                   |
| • General Public                    |                            |

## **VISION STATEMENT**

***Responsible care for Oklahoma's natural resources.***

# **Values and Behaviors**

## **Rules of Conduct**

Personal accountability and responsibility are two core values that are seen as critical for the employees as well as the governing body of the Oklahoma Conservation Commission. Those characteristics serve as the basis for the strength of our Agency. These values, coupled with integrity, give rise to the type of behavior we desire in our business environment. The values and behaviors that are important to an organization must start on a personal, individual level for each member of the organization. When the conduct of our employees in our daily operations adheres to these values we project the image we all desire ...that of an efficient professional organization which values its human resources, demands excellence and can stand on its reputation, track record and work product at every level.

We expect our employees as well as our governing body to function with loyalty to our mission as well as reflect the leadership necessary for its success. Our staff will support leadership and our governing body by providing honest, accurate and timely information based on best professional judgment and delivered with respect and courtesy. We will strive to maintain positive, productive, professional relationships even at times when we agree to disagree.

Our staff will treat coworkers and clients with courtesy and respect. Our staff will make timeliness, communication, and quality of work products a priority. We acknowledge a wide spread workforce with varying levels of intensity in daily supervision. We acknowledge the increase in program responsibilities that have preceded and exceeded an appropriate increase in human resources. Based on the core values and behaviors mentioned above we will focus our efforts and look within our resources for creative strategies to manage human and financial resources to reach our objectives. In the face of adversity we will remember those core values and rules of conduct which will enable us to weather the storm and remain true to our mission.

Effective incorporation of these core values will create an agency image counter to the negative image sometimes attributed to state government and the bureaucracy. Such a positive image by a state agency that honors responsibility, accountability, honesty and effective communication will enhance the ability to accomplish our mission.

## Long-term Goals

1. Advance the stewardship of Oklahoma's natural resources to improve the quality of life for current and future generations.
  2. Strengthen Oklahoma's grass roots natural resources conservation delivery system by increasing efficiency, sharing resources and streamlining operations over the next 5 years.
- 

## OCC Key Performance Measures

And

## Agency Wide Action Plans

**Goal 1: Advance the stewardship of Oklahoma's natural resources to improve the quality of life for current and future generations.**

### KPM 1: Soil Quality

Description: Sustain or improve soil quality by increasing and diversifying the number of participants implementing best management practices through the state locally led cost share program.

Unit of Measure: # of participants – 700/yr

	Actual		Budget		Estimated
FY – 2009	787	FY – 2011	900	FY – 2012	900
FY – 2010	859				



Agency-wide Action Plans	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Provide at least \$1 million each year in state appropriated funding for the state Locally Led Cost Share Program.	X	X	X	X	X	X
Administer the LLCSP in a user-friendly, efficient and effective manner that encourages district participation. Rules – Guidelines – Training – Assistance	X	X	X	X	X	X
Collaborate with NRCS to provide technical assistance and training to CD's for certifying design and implementation of conservation practices according to NRCS standards and specification.	X	X	X	X	X	X
Collaborate with NRCS, ARS, and OSU to identify criteria and develop process for measuring soil quality.	X	X	X			

## KPM 2: Water Quality

Description: The OCC will reduce NPS loading to streams and rivers statewide:

Units of Measure: Stream segment/Waterbody pairs removed from the 303(d) list for nonpoint source-related causes and published in EPA accepted success summaries

	Actual		Budget		Estimated
FY – 2009	4 successes	FY – 2010	5 successes	FY – 2011	5 successes
				FY – 2012	5 successes
				FY – 2013	5 successes

Agency-wide Action Plans	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Monitor water quality, habitat, and biology in at least 250 streams in the State during a five year period through a rotating program.	X	X	X	X	X	X
Estimate Annual NPS pollutant (sediment, nitrogen and phosphorus) loading reductions to Oklahoma waterbodies for reporting in the EPA Grants Reporting and Tracking System	X	X	X	X	X	X
Implement, demonstrate, and educate to remedy water quality problems associated with NPS pollution in watersheds each year, depending on resources and current needs in the priority watersheds.	X	X	X	X	X	X

Provide training for watershed coordinators and advisory group members on current methods and technologies in watershed management through seminars, symposiums, and various other training sessions.	X	X	X	X	X	X
Follow-up monitor and evaluate performance of each implementation project.	X	X	X	X	X	X
Continue to coordinate the State of Oklahoma's NPS Working Group to advise and assist in planning NPS programs to control NPS pollution through 2015.	X	X	X	X	X	X
The NPS Program will contribute to federally mandated State planning requirements including NPS components to UWA, 303(d) list, EQIP planning.	X	X	X	X	X	X
The NPS Program will contribute to and assist with the Oklahoma Water Resources Board's development of biological criteria, nutrient criteria and sediment criteria as related to water quality standards.	X	X	X	X	X	X
The NPS program will include NPS watershed planning and technical assistance to conservation districts and other entities.	X	X	X	X	X	X
Coordinate and conduct training programs, sample collection, and quality assurance activities for Blue Thumb volunteers involved in sampling stream and ground waters of the State.	X	X	X	X	X	X
Provide educational tools and technical assistance to volunteers and the conservation districts in which programs exist in order to increase the effectiveness of Blue Thumb activities in these districts.	X	X	X	X	X	X
Continually seek new volunteers as well as new partners to support Blue Thumb programs in additional Conservation Districts throughout the State.	X	X	X	X	X	X
Collaborate with NRCS, OSU, and other partners to promote initiatives which protect water quality and improve soil quality by sequestering carbon in the soil column	X	X	X	X	X	X

### KPM 3: Wetlands

Description: The OCC will promote a net gain of wetlands in Oklahoma.

Unit of Measure: Net wetland acres gained

	Actual		Budget		Estimated
FY – 2009	200	FY – 2010	200	FY – 2011	200
				FY – 2012	200
				FY – 2013	200

Agency-wide Action Plans	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Coordinate the state wetlands working group to facilitate a cooperative working effort amongst agencies, bring additional resources to bear on wetlands conservation efforts, and provide an opportunity for information exchange in an effort to develop the State's Wetlands Program consistent with EPA's guidance including wetlands monitoring, measurement of gains and losses, etc.	X	X	X	X	X	X
Increase wetland restoration efforts through landowner education and implementation projects.	X	X	X	X	X	X
Provide common sense wetlands information and technical assistance to conservation districts and Oklahoma citizens.	X	X	X	X	X	X

### KPM 4: Reduce Flooding

Description: The potential for flooding will be reduced by operating, maintaining or rehabilitating the 2,107 small watershed flood control structures throughout the state.

Unit of Measure: # of structures – 2,107/year

	Actual		Budget		Estimated
		FY – 2009	2,105	FY – 2010	2,105
				FY – 2011	2,107
				FY – 2012	2,107

Agency-wide Action Plans	FY 2011	FY 2012	FY 20013	FY 2014	FY 20115	FY 2016
Assist 15 CD's per year with the rehabilitation process.	X	X	X	X	X	X
Develop system, processes and tools for engaging and assisting CD's with rehabilitation projects. Education – Assistance – Public Affairs media packet – Gov't. Affairs strategy	X	X	X	X	X	X
Conduct two (2) Rehabilitation Program seminars per year for CD's.	X	X	X	X	X	X
Conduct O&M workshops at least every third year for CD's.	X	X	X	X	X	X
Provide at least \$1.2 million in state appropriated funds for the 35% local sponsor cost share required for the federal Watershed Rehabilitation Program.	X	X	X	X	X	X
Provide at least \$750,000 in state appropriated funds to CD's for O&M.	X	X	X	X	X	X
Provide technical assistance with operations and maintenance (O&M) to the 68 CD's with structures.	X	X	X	X	X	X

## KPM 5: Reclaim Scarred Lands

Description: OCC, working with conservation districts and other units of government, will reclaim abandoned mine sites that are hazardous to the public and/or degrading the environment.

Unit of Measure: # of projects and acres reclaimed

	Actual		Budget		Estimated
FY – 2009	3 – 180	FY – 2011	4 – 114	FY – 2012	3 – 165
FY – 2010	3 – 541			FY – 2013	4 – 150
				FY – 2014	4 – 150

Agency-wide Action Plans	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Administer between \$1.75 to \$5 million each year in the Federally funded abandoned mine land (AML) reclamation programs.	X	X	X	X	X	X
Collaborate with the Office of Surface Mining, U.S. Army Corps of Engineers, and other state and federal agencies in the oversight of the reclamation programs.	X	X	X	X	X	X
Design reclamation projects utilizing both the Oklahoma Conservation Commission staff and the private sector.	X	X	X	X	X	X
Permits approved by the Department of Environmental Quality	X	X	X	X	X	X
Respond to all AML emergencies within 24 hours of notification that a potential emergency exists.	X	X	X	X	X	X
Using the most cost effective methods, provide temporary and permanent vegetation on completed reclamation projects utilizing conservation districts and/or the private sector.	X	X	X	X	X	X
Field investigation of potential AML projects in Rogers, Tulsa, and Wagoner Counties.			X			
Field investigation of potential AML projects.				X	X	X

## KPM 6: Conservation Education

Description: Increase the knowledge and awareness of Oklahoma's natural resources and improve the natural resource decision making process of Oklahoma's citizens through conservation education efforts.

Unit of Measure: # of clients reached – 65,000/yr

	Actual		Budget		Estimated
FY – 2009	67,146	FY – 2011	65,000	FY – 2011	65,000
FY – 2010	61,270				



Agency-wide Action Plans	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Coordinate conservation education activities among OCC's divisions to eliminate duplication of effort and increase cooperation, coordination and networking among divisions.	X	X	X	X	X	X
Coordinate conservation education activities among state agencies as mandated in Title 27A-Section 1-3-101(F)(8) in order to eliminate duplication of effort and increase cooperation, coordination and networking among agencies.	X	X	X	X	X	X
Coordinate and conduct training programs for formal and non-formal educators on the soil, water and wetland resources in the state.	X	X	X	X	X	X
Provide educational tools and technical assistance to conservation districts in order to increase the effectiveness of district education efforts.	X	X	X	X	X	X

**Goal 2: Strengthen Oklahoma's grass roots natural resources conservation delivery system by increasing efficiency, sharing resources and streamlining operations over the next 5 years.**

### **KPM 1: Organizational Development**

Description: Identify, better utilize and pursue the human and financial resources needed to improve the efficiency and effectiveness of conservation districts and the agency.

Unit of Measure: Percent (%) of Strategic Plan actions accomplished / year.

	Actual		Budget		Estimated
FY – 2009		FY – 2011	90%	FY – 2012	92%
FY – 2010				FY – 2013	93%
				FY – 2014	94%
				FY – 2015	95%
				FY – 2016	95%

Agency-wide Action Plans	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Implement study to explore pros/cons of district employees becoming state employees.	X	X	X	X	X	X
Provide training and professional development opportunities to increase employee retention rates in conservation districts and the Commission.	X	X	X	X	X	X
Increase the training and leadership development opportunities available to district directors.	X	X	X	X	X	X
Increase diversity of conservation district boards by identifying and implementing improved methods of recruitment.	X	X	X	X	X	X
Improve financial management capabilities of conservation districts through mandatory training of district directors and employees.	X	X	X	X	X	X
Utilize strategic planning in the day to day operations of the agency. Review performance and make revisions as agency tasks are completed and/or agency responsibilities change.	X	X	X	X	X	X
Develop and/or improve the resources available to employees. These resources to include personnel handbook, affirmative action, employee performance evaluation, and technology.	X	X	X	X	X	X
Strengthen the existing workforce by engaging leadership development, professional development, participation in professional organizations, continued training and cross training within the agency and conservation districts.	X	X	X	X	X	X
Improve and address the workplace environment as needs and responsibilities change.	X	X	X	X	X	X
Work with legislature to identify and update Oklahoma Statutes that have an effect on OCC and conservation districts by removing agency statutory responsibilities to administer unfunded mandates.	X	X	X	X	X	X

## KPM 2: Communications

Description: Improve communications with the general public, conservation districts and commission staff.

Unit of Measure: Number of People Reached

	Actual		Budget		Estimated
		FY – 2009	750,000	FY – 2010	750,000
				FY – 2011	750,000
				FY – 2012	750,000

Agency-wide Action Plans	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Facilitate the production of opinion/editorials on conservation and distribute them to state newspapers	X	X	X	X	X	X
Produce news releases on conservation activities and projects for use by conservation districts with their local newspapers and produce monthly agency newsletter to facilitate communication with districts, district directors and interested public.	X	X	X	X	X	X
Continually improve the agency's web site by adding current news features on conservation projects and activities.	X	X	X	X	X	X
Collaborate with tribal groups and participate in tribal conferences to disseminate information about conservation programs, services and resources.	X	X	X	X	X	X
Continually improve e-mail communications with conservation districts by upgrading computer hardware and software and providing training for employees.	X	X	X	X	X	X
Improve communication between the Commission and districts by increasing Commission staff presence at district board meetings and district functions.	X	X	X	X	X	X

Improve internal communications among staff by holding monthly principal staff meetings, quarterly full staff meetings, division field days, conducting joint division staff meetings, and continually upgrading the agency e-mail system.	X	X	X	X	X	X
Maintain open communications with principal conservation partners (NRCS and OACD) through a monthly teleconference and through formal and informal discussions and meetings between management teams.	X	X	X	X	X	X

### KPM 3: Partnerships

Description: Enhance and expand partnerships with federal, state, local and private entities.

Unit of measure: Dollars

Success will be measured by the amount of new dollars, human resources, equipment and technology that are contributed by existing and new partners for use by the Commission and conservation districts in advancing our mission.

	Actual		Budget		Estimated
FY – 2009		FY – 2011	\$6 million	FY – 2012	\$6 million
FY – 2010				FY – 2013	\$6 million
				FY – 2014	\$6 million
				FY – 2015	\$6 million
				FY – 2016	\$6 million

Agency-wide Action Plans	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Aggressively work with key federal partners (NRCS, EPA and OSM) to maximize federal conservation funds coming to the state and seek out other federal partners (e.g. tribes and USFWS) to identify and secure new federal conservation funds.	X	X	X	X	X	X
Actively participate in state efforts to reduce duplication and improve efficiency. Maintain a presence in the following groups: Environmental Education	X	X	X	X	X	X

Coordinating Committee, the Geographic Information Systems Council, the Non-point Source Working Group, the Wetlands Working Group, and the State Water Quality Monitoring Council.						
Explore ways of partnering with and accessing local governmental resources including county commissioners, municipal governments, conservancy districts and school districts.	X	X	X	X	X	X
Explore ways of partnering with and accessing resources from businesses, non-profits, and associations.	X	X	X	X	X	X
Pursue funding opportunities with new and existing partners both public and private.	X	X	X	X	X	X
Develop strategy to upgrade conservation district equipment.	X	X	X	X	X	X



# **Business Environment Assessment**

There are eight dimensions of the business environment within which the Oklahoma Conservation Commission functions that were assessed by the agency. Each is described below.

## **Economy**

The state's economy over the past two years has taken a significant downturn mirroring the economic recession in the nation. Consequently, state tax revenue has declined resulting in reduced general revenue appropriations to the agency. For the past two fiscal years agency management has made cuts in operations and personnel. Fortunately the negative impacts have been buffered by an increase in federal program funds coming to the Commission. For example, the Commission is currently managing over 20 million dollars of federal funds from the American Recovery and Reinvestment Act of 2009. While these and other federal program funds have helped to make up for a portion of lost state appropriations, they will not be available in future years. Without a major recovery of the state economy and increased state tax revenue and appropriations to pre-recession levels, the agency will be forced to make significant budget cuts during the period covered by this strategic plan.

The most critical sector of the state's economy that impacts the Commission is agriculture. The Commission and Conservation Districts' primary customer group is farmers and ranchers. Their ability to participate in conservation cost-share programs or invest in conservation practices is directly impacted by the strength of the agriculture economy. Conservation cost-share programs administered by OCC and our federal partners the NRCS, are critical to preserving working farms and ranches, land conservation, preserving water quality, protecting wildlife and enhancing natural areas for the benefit of all citizens.

## **Social/Political/Demographics**

Population Shifts - Our historic customer and support base has been rural and agricultural Oklahoma. The population and economic shift away from rural Oklahoma and agriculture will be reflected by a similar shift in political power. The state legislature will increasingly consist of a larger number of urban and suburban legislators.

Lifestyle Changes, Affluence Levels, and Education Levels - With steadily increasing amounts of leisure time there is a growing demand for outdoor recreational opportunities. Quality of life issues are receiving more attention. The conservation work performed by the Commission and Conservation Districts can have a major impact on quality of life issues (water quality, air quality, wildlife habitat, public health and safety). The public's demand for outdoor recreational opportunities and clean water will likely drive future funding needs for conservation programs.

As the educational level of Oklahoma's population rises there will likely be higher expectations for environmental protection and natural resource conservation. The Commission faces the

challenge of being able to attract and maintain a highly educated workforce with a wide range of expertise. We are challenged to attract expertise in soils, water quality, engineering, reclamation, public administration, human resources, computer technology, and risk management to name a few. Salary levels for Commission and Conservation District employees lag far behind comparable federal and private sector employees in similar jobs.

## **Government and Regulatory**

Many Commission programs are linked directly to federal programs and funding: the Water Quality Program is limited by Federal Clean Water Act funding; the Abandoned Mine Land Program is limited by the U.S. Department of Interior Office of Surface Mining funding, and the Conservation Programs Division's Rehabilitation of Upstream Flood Control Structures is limited by USDA Natural Resources Conservation Service funding. The levels of federal funding can change dramatically from year to year based on the nation's economy and political decisions, thus impacting the Commission's ability to perform.

The agency's Water Quality Division programs could be significantly impacted by regulatory changes in the nonpoint source pollution management arena. Should EPA move towards a stronger regulatory approach to nonpoint source pollution, it would fundamentally alter the agency's historic approach of working with landowners in a voluntary manner.

## **Competition**

The Conservation Commission's competitors are primarily in the public sector. Many state and federal agencies with responsibilities for natural resources compete for the same financial and human resources. However, the same agencies that we often view as our competitors, such as Oklahoma Water Resources Board, Department of Environmental Quality, Department of Agriculture, Food and Forestry, and the Department of Mines to name a few, are also our partners. The Conservation Commission's ultimate goal is to improve Oklahoma's renewable natural resources; therefore it chooses to work in the many areas of its responsibility using a collaborative model as opposed to a competitive one.

## **Technology**

Communication is and will continue to be a vital key in enabling the Conservation Commission to fulfill its mission of conserving, protecting and restoring Oklahoma's natural resources. The Commission will maintain an up to date awareness of and position itself to take advantage of current and future technological advances in communicating its mission to its customers through a strategic partnership with Conservation Districts and the Natural Resource Conservation Service (NRCS).

It will be necessary for the Commission to stay abreast of technological changes in computer systems, office machine systems, electronic networking, data capture systems and software (enterprise management, computer-aided design, geographic information system and natural resource management). OCC will take advantage of software environments that are constantly

evolving into more robust and user friendly systems allowing focus on using technology to accomplish a task rather than conforming users to time consuming and inefficient software processes.

There are several areas within the agency where the application of GIS and GPS technologies would greatly improve the ability to capture and manage natural resource data. The application of GIS and GPS technology at the Conservation District level will be expanded. Impediments to this have been a lack of funding for equipment and training as well as having qualified people in technical job classifications in the districts who can apply these technologies to local conservation and natural resource management issues.

The Commission has a number of employees who are eager to adopt new technologies for accomplishing tasks related to their work assignments. The agency has made a significant investment in new computers, servers and updated software which will enhance productivity.

It is necessary to upgrade the training and technical ability of Conservation District employees in order to address natural resource management issues and to improve the use of GIS and GPS technology. The Commission will work to improve coordination with NRCS in providing computer and high-speed internet support for Conservation Districts and the technology tools that will enable them to have a local website for citizens to access information about issues of local concern.

## **Markets and Customers**

There is an increasing clientele of landowners who are part-time or hobby farmers living on the urban-rural interface. Historically, our customers were traditional farmers and ranchers who knew the types of programs and services Conservation Districts provided. Today, many of Oklahoma's landowners are part-time farmers, small lot/ranchette, or absentee landowners. Our methods of marketing programs and services must adjust to meet this growing trend. The Commission and Conservation Districts will also have to find ways to communicate the value of our programs to urban/suburban legislators (water quality, recreation, wildlife habitat, quality of life issues) to be successful in this changing environment.

## **Industry Trends and Best Practices**

One of the major industry trends in the conservation community is the steady decline in the number of employees within the USDA Natural Resources Conservation Service workforce, our primary federal partner. Historically, the Commission and Conservation Districts have been dependent on NRCS technical expertise in a variety of areas. Over the past decade the Commission and Conservation Districts have developed technical expertise in a variety of areas that now match or exceed that of our federal partner. While the partnership's fundamental mission of delivering technical, financial, and educational assistance to private landowners remains the same, who and how those services are delivered is increasingly a state or local function.

In a review of conservation programs in other states, we found states with larger and more stable funding for conservation cost-share programs. Many states also made much more technical

assistance available through Conservation Districts. In addition, we found innovative or different methods of organizing Conservation Districts. Some states have fewer, larger Conservation Districts, while others have smaller more numerous districts. In some states all Conservation District Directors are elected on the general ballot. One state conducts interviews with all prospective directors. Conservation Districts in some states have taxing authority.

## **Production and Internal Environment**

The current production and internal environment at the Conservation Commission is one of an agency with a programmatic “can do” attitude in spite of limited human and financial resources. The agency has enjoyed success in developing and implementing new and innovative programs to address critical resource needs while maintaining important traditional program areas. The price of success has been the neglect of other areas such as vehicle and equipment maintenance and replacement, adequate staffing for newly mandated program responsibilities, and adequate work space to house agency staff. In the long term these issues effect production.

Investments in information technology hardware and software resources at the state office level have resulted in needed capability upgrades. Efforts continue to insure investment in hardware and software benefit both district and agency productivity. Information technology field resources are not uniformly distributed and include outdated less efficient technology.

We recognize a need for improvement in budgeting and financial analysis. We recognize the demand for increasingly sophisticated technical employees at the state and field levels. We acknowledge the necessity to provide our existing workforce with both technical and employee support to cope effectively with the current internal environment while maintaining productivity. We recognize the need to adequately compensate district and state employees.

## Financial Performance

As reported in the previous five year agency strategic plan the Conservation Commission experienced a significant increase in expenditures in the ten-year period from FY 1995 to FY 2004 (\$9.6 million to \$16.3 million). In the six fiscal years since FY 2004 agency expenditures continued to increase totaling over 26 million in FY 2010. As FY 2011 begins the Conservation Commission is now managing over 80 million dollars worth of authorized conservation program funding. During the previous five years two state funding initiatives occurred which significantly increased program funding for conservation. First, the legislature designated annual revenue from the gross production tax on oil to go into a Conservation Infrastructure Revolving Fund to support several conservation programs. These programs include the rehabilitation of upstream flood control dams, and a conservation cost share program to address water quality and other soil and water conservation issues. Just over two million dollars has been deposited into this fund on an annual basis. The second initiative was the authorization and sale of a 25 million dollar conservation bond. Proceeds from the bond are being used to address issues in five areas: provide state match for the rehabilitation of upstream flood control dams, provide funds for the operation, maintenance and repair of upstream flood control dams; provide funds for a local cost-share program to repair conservation practices damaged by flood events; address flood damage in the Sugar Creek watershed in Caddo County; and address flooding issues in the City of Kingfisher. The conservation bond represents the largest single state commitment to conservation in the agency's history.

The previous five year period also saw a remarkable increase in federal conservation program dollars coming to the agency. The Commission entered into a partnership with USDA and their Conservation Reserve Enhancement Program to address water quality issues in the Illinois River and Eucha-Spavinaw watersheds in northeast Oklahoma. This is a 20 million dollar program of which the federal government is providing 80% of the funding. In 2009 with the passage of the federal American Recovery and Reinvestment Act (ARRA) an additional 20 million dollars of conservation program funds are now being managed by the Commission. The agency has received ARRA funding from the Natural Resources Conservation Service, EPA, and the U.S. Fish and Wildlife Service. Currently the Commission is also managing a seven million dollar FEMA project in Caddo County. In addition to these special funding and program initiatives, the agency continues to manage significant programs for nonpoint source water quality, abandoned mine land reclamation, high hazard dam protection. We anticipate that overall agency expenditures will continue to spike upward at least during the next two to three years as we utilize these existing federal program dollars. While expenditures from federal funds have increased significantly, the agency has experienced a decline in state general revenue appropriations the past two years. Without the influx of federal program dollars the Commission would have had to have made significant cuts in agency and conservation district personnel and operations. While the increasing federal program dollars and the conservation bond funds have allowed the agency to address some significant natural resource issues, it has placed a strain on personnel to be able to effectively and efficiently deliver the programs.

When the federal program funding declines and the conservation bond funds are expended, we anticipate a real challenge obtaining the annual funding to meet the continuing conservation needs of the state. Beginning in FY 2013 the agency will need from two to three million dollars



annually to address ongoing operation and maintenance of the state's 2105 upstream flood control dams. During the current three year cycle ending in FY 2012 we are spending 7.8 million dollars of bond funds on watershed operation and maintenance. Conservation districts have documented over 22 million dollars of current operation and maintenance needs. In addition to the operation and maintenance needs the Commission will have a continuing need for state funds to match federal funds to rehabilitate high hazard upstream flood control dams. Currently bond funds and funds from the Conservation Infrastructure Revolving Fund are used as match for this program. When authorization for the Conservation Infrastructure Revolving Fund ends in on July 1, 2014 the agency will have no source for match. We estimate an annual need of \$6,000,000 for the rehabilitation program after FY2012 . The Commission as the lead state agency for EPA's nonpoint source water quality program must provide state match in order to access federal funds. In FY 2011 the agency has budgeted just under one million dollars to match EPA water quality grant funds as well as USDA's Conservation Reserve Enhancement Program. This funding comes from the Conservation Infrastructure Revolving Fund. Going forward we anticipate a minimum annual need for water quality match of from one million to one and a half million dollars. The agency currently utilizes the Conservation Infrastructure Revolving Fund for the locally led conservation cost-share program. This program allows conservation districts to fund practices to address natural resource priorities in their district. Going forward we would like to maintain a minimum of one million dollars annually for this cost-share program. The agency also uses the locally led cost-share program expenditures as match for EPA water quality grants. Over the next five years one of our most critical strategic goals is to secure adequate base funding for the programs outlined above. We will be seeking re-authorization of funding for the Conservation Infrastructure Revolving Fund as one important source of revenue. However, to meet the base needs for these programs will require identifying other sources of state funds.

The Commission recognizes that increases in state general appropriations to our agency are unlikely in the near term. While we have tried to buffer the loss of state funds by managing additional federal programs, much of these program funds will end over the next two to three years. To prepare for this eventuality we have initiated a streamlining process to help us maintain the personnel needed for our conservation delivery system. We have established a workgroup that is identifying further efficiencies and developing incentives for conservation districts to consolidate or better share resources. We have reduced the number of full-time conservation district and Commission employees. The challenges ahead are daunting as we try to deliver more and more conservation program dollars with a shrinking work force. We recognize that there may come a time when the state will have to turn back federal conservation dollars because we will not have the human resource infrastructure to deliver the programs. However, the agency is committed to implementing all the efficiencies we can in an effort to maximize the conservation work we put on the ground.