Annual Report on the Administration of Colorado Parks and Wildlife
February 2013

To:
Joint House Agriculture, Livestock and Natural Resources Committee
Senate Agriculture, Natural Resources and Energy Committee

I. Executive Summary

On June 6, 2011, Governor Hickenlooper signed Senate Bill 11-208 into law, merging the Division of Parks and Outdoor Recreation and the Division of Wildlife into the Division of Parks and Wildlife, referred to herein as Colorado Parks and Wildlife or CPW. On June 4, 2012, House Bill 12-1317 was signed into law to finalize the merger of the Divisions and to create the Parks and Wildlife Commission. A primary goal of the merger was to create more efficient and effective services through economies of scale and use of shared resources while creating a more comprehensive outdoor recreation mission for the agency. Since then, a great deal of work has been undertaken to plan and implement the merger.

At this point in time, annual savings of 22 FTE and $1.7 million have been realized as a result of the merger.

During the past year, the Division has focused on achieving efficiencies through functional and personnel reorganization. This has included the consolidation of work units performing similar functions with duplicate supervisory and managerial positions in administration, region management, budgeting, accounting, public information and other areas. For example, prior to the merger there were two division directors; now there is one. Similarly, the new organization structure includes only one Chief Financial Officer instead of two, four regional managers instead of seven, one Chief of Law Enforcement rather than two and one Chief Engineer instead of two.

In the future, the Division will achieve additional efficiencies as a result of the merger through standardizing and streamlining processes, consolidating databases, eliminating or reducing administrative facilities by co-locating offices, capturing economies of scale, re-purposing some properties to align management with the most appropriate use, and other strategies that will integrate the two former agencies to the greatest extent feasible.

II. Statutory Requirements:

Among the requirements of H.B. 12-1317 is the delivery to the Legislature of an annual report, more fully described below:

C.R.S. 33-9-106 (2)
"Beginning in 2013 AND NOTWITHSTANDING SECTION 24-1-136 (11), C.R.S., the executive director shall report annually to the joint house agriculture, livestock, and natural resources committee and the senate agriculture, natural resources, and energy committee, or any successor committees, regarding the administration of the division, including an evaluation of division resources and their utilization and an identification of opportunities for efficiencies. Each such report must summarize stakeholder

outreach conducted during the prior year and must also identify disposition of assets and cost savings, both planned and realized, since the previous year, including savings pertaining to personnel, equipment, services, and provisioning."

III. Historical Context

Prior to the merger, the former Division of Wildlife implemented a series of budget reductions to address declining revenues. One-time reductions in capital expenditures of $15.7 million and $11.5 million were made in FY 09-10 and FY 10-11, respectively.

During the several years prior to the merger, State Parks had also taken aggressive steps to address reductions in revenue. As recently as FY 08-09, State Parks received $6.7 million in General Funds, but by FY 11-12, this had dropped to zero. To adapt, Parks took the following steps: eliminated 5 percent of its permanent positions and 10% of its seasonal employees; increased fees for daily passes, camping reservations and boat registration; significantly reduced administrative costs; cut services at Bonny Lake State Park during the winter months; and redirected certain funds to cover operating shortfalls. State Parks also considered repurposing or closing four parks, but the move proved to be unnecessary as the result of the merger.

On July 1, 2011, Colorado Parks and Wildlife was created from the merger of Colorado State Parks and the Colorado Division of Wildlife. From July through February 2012, the agency developed a Merger Implementation Plan, which was approved by the Parks and Wildlife Commission on February 9, 2012.

Since then, the Division has proceeded to implement the merger plan. In February, 2012 a high level organizational structure was defined for the new agency. This included decisions about the number of administrative regions in the Division, the administrative regional boundaries, the delineation of roles and responsibilities between "Headquarters" and regions, the locations of regional offices, and the number of principal branches within the headquarters structure. In April, 2012 a written set of guiding principles and roles and responsibilities statements were adopted, to guide the detailed organizational restructuring of the entire Division. In September 2012, a fully fleshed out organization structure, covering each of the Division's approximately 900 positions, was adopted. The Division is now in the process of making personnel appointments to positions within this new structure. All personnel appointments to fill the new structure are expected to be completed by July, 2013. Between now and July, 2013 numerous administrative processes will be standardized (replacing what used to be separate and different processes in the two former agencies with a single process). By July, 2013 budgets and finances are expected to be integrated into single systems. Finally, throughout this process, attention has been paid to insuring that the specific funding sources of the former agencies remain segregated, can be transparently accounted for, and are limited to uses allowed by statute.

IV. Realized Savings and Efficiencies of Merged Division Resources

A summary of some primary cost savings and efficiencies that have already been realized as part of the Parks and Wildlife merger include:

A. CPW has eliminated 22 permanent positions, resulting in annual savings of $1.7 million beginning in FY 13-14. These positions were deemed duplicate or redundant under the new organizational structure for the combined CPW. The reductions were accomplished without layoffs, relying on attrition and normal staff turnover. A complete list of the specific positions eliminated and the cost savings associated with each has been transmitted to the Joint Budget Committee, in the form of a proposed budget reduction for FY 13-14.

B. As a result of HB12-1317, the Parks and Wildlife Commission was also reorganized in 2012 to reduce its membership by three commissioners, from fourteen to eleven. This yields further annual savings in per diem, lodging, mileage, printing and associated costs. Merging the Parks Board and the Wildlife Commission also reduced the number of annual meetings from a total of 18 to 24 Board and Commission meetings to a maximum of 12 meetings each year. (Note: eleven PWC meetings are scheduled in 2013.)

C. The newly combined CPW includes over 200 commissioned law enforcement officers and hundreds of personnel who work in the "field" and are in daily contact with customers and constituents. It is important that these employees be readily and consistently recognizable by the public as CPW employees. Prior to the merger, the uniforms in use in the two agencies were not identical. New uniform standards have been adopted, including clothing, patches, hats, and badges. In some cases this required replacement of existing uniform items. The selection of the new uniform standards, and the implementation of the new standards, was approached with the intent of minimizing costs. For example, shirts were re-patched instead of being replaced and the new standards drew on existing uniforms to minimize the degree of replacement required. Other minor start-up costs include updating signs at major administrative offices, and updating web-sites and selected publications. One-time transition costs for uniform components, badges and patches amounted to about $225,000.

D. No assets have been disposed as a result of the merger.

V. Planned Savings and Efficiencies of Merged Division Resources

The following are plans and opportunities for savings and efficiencies that CPW is actively pursuing. These will continue to be a focus in the coming years.

A. Both the Division of Parks and Outdoor Recreation and the Division of Wildlife had established distinct rule-making procedures. The merger of the two to become the Division of Parks and Wildlife and the creation of the Parks and Wildlife Commission required that these rule-making processes be reconciled and integrated. During 2012, CPW combined the regulatory processes of the two previous agencies into one process managed by a single Regulations Manager under the Research, Policy and Planning Assistant Director. A consistent and reliable review schedule that allows for regular and timely regulatory changes has been established. In January 2013, the Parks and Wildlife Commission approved a proposal from CPW managers to streamline and combine the two divisions' former rule-making policies. The new process features a two-step process for most regulatory changes, including consent agenda approval for non-controversial and administrative issues and an extension of the former wildlife citizen petition process to parks issues. The new commission process meets or exceeds all APA requirements, while streamlining the regulatory process and creating a more efficient system.

B. Currently, CPW is reviewing all policies and directives of the former Parks and Wildlife divisions for integration into a single set of policies and directives that reflect the requirements of the new agency. Some policies, such as the Uniform, Media Relations and Colorado Open Records Act have been completed or are in review. Division staff is currently analyzing all others for overlap, duplication, relevance and the potential for modification to better serve the needs of the new agency.

C. The Division is analyzing opportunities to consolidate facilities to eliminate duplication while best serving customers.

D. An 'Integrated Parks and Wildlife System' for managing the sale of licenses, permits, and registrations will improve customer service (e.g. one-stop shopping) while reducing costs. Prior to the merger, State Parks was planning to invest a considerable sum to implement its own Point of Sale System; such a system was already in place at the Division of Wildlife. That system is being replaced and will handle the sale of both parks and wildlife products. Due to the increased volume of transactions, the cost per transaction for wildlife products will also be reduced from what it would otherwise be. This system will also provide better customer information for CPW, which will provide more opportunities for public outreach.

E. A targeted assessment is planned of CPW properties (Parks and State Wildlife Areas). This will include assessments of properties that could make better parks vs. wildlife areas, sites that could house offices, etc.

F. The Division has streamlined the Impact Assistance Grant program this year. CPW pays impact assistance grants to counties to offset the taxes that would have been paid if the land remained in private sector ownership. Before the merger of Parks and Wildlife, the Counties had to apply to Parks separately from Wildlife. The process has now been merged, with a single, new, individualized web grant application page for each county that has most fields pre-populated to make the application process for parks and wildlife grants as efficient as possible.

G. Prior to the merger, each agency maintained a number of like-kind databases (such as law enforcement violation databases, budget databases, etc.). Over time these will be integrated, which should result in reduced maintenance costs.

H. Prior to the merger, each agency had its own GIS system. Over time these will be integrated, resulting in improved species management, natural resource/habitat management and natural areas work.

I. Cost-sharing of fleet and heavy equipment offers opportunities for cost savings, particularly in areas where parks and state wildlife areas are nearby and each utilize heavy equipment.

J. A new, merged web site and social media outreach are being developed using current best practices to create a more effective communications platform for outreach and better information service for customers.

K. The former Divisions' two successful volunteer programs are being integrated into a coordinated, effective approach.

L. Since the merger, former wildlife and parks staff have integrated the review process for trail grant applications. Previously, wildlife staff reviewed and commented on trail grant applications by submitting comments to the State Trails Committee. Now wildlife managers assist with the preliminary review of applications so that CPW provides one recommendation to the State Trails Committee regarding each grant application.

M. The former DOW focused on habitat protection and management through a number of programmatic efforts. The former State Parks developed a conscientious stewardship approach toward natural resources. The new agency has expanded its focus to address broad natural resource management issues, building on the best practices of both former agencies.

N. The merger is already showing signs that CPW can more effectively understand how changing demographics and other factors affect the delivery of services to our customers across Colorado (and beyond). Rather than two distinct agencies attracting a customer market that overlapped much of the time, CPW can now take an integrated approach that leverages the strengths and expertise of both former agencies.

VI. Summary of Stakeholder Outreach

On July 1, 2011, the Division of Parks and Outdoor Recreation and the Division of Wildlife merged to create the new Division of Parks and Wildlife, while the State Parks Board and the Colorado Wildlife Commission was combined to become the interim Parks and Wildlife Commission. The Parks and Wildlife Commission and the Executive Director of the Department of Natural Resources explored alternatives to complete the merger including alternatives for a unified agency mission, alternatives to define the composition of the future permanent Parks and Wildlife Commission, and alternatives to achieve full consolidation of the two divisions. This process was accompanied by a focused public outreach effort by the Department of Natural Resources to identify alternatives and provide interested internal and external stakeholders the opportunity to submit input on them.

A three-step method was used to define alternatives and select a preferred alternative.
During the summer of 2011, members of the CPW Transition Team, representing various facets of the new agency, oversaw the work of 10 employee working groups which developed, created and provided reports with merger recommendations in the areas of Biology and Science; Capital Development; Customer Service; Field Operations; Financial Services; Invasive Species; Marketing, Branding, and Public Information; Property Evaluation; Volunteers, Education, Interpretation; Water and Real Estate.

Draft and final work group reports were presented to the Parks and Wildlife Commission at workshops during the fall of 2011, each of which also provided an opportunity for public comment. These reports were then used by the Transition Team to create a comprehensive merger plan, which was presented to and approved by the Commission in February 2012, again with public input.