

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 08/15)

Fiscal Year 2016-17	Business Unit 3540	Department Forestry and Fire Protection	Priority No.
Budget Request Name 3540-403-BCP-DP-2016-MR		Program 2465 FIRE PROTECTION	Subprogram 2465019 FIRE CONTROL

Budget Request Description
 Exclusive Use Helicopters

Budget Request Summary

The Department of Forestry and Fire Protection (CAL FIRE) requests \$10.4 million General Fund one-time in Fiscal Year 2016-17 for Exclusive Use helicopter contracts and ground crew temporary help position authority. These resources will supplement CAL FIRE's existing fleet on fire incidents as necessary during emergency operations throughout the State of California.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed
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Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
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For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance.

FSR SPR Project No. Date:

If proposal affects another department, does other department concur with proposal? Yes No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By	Date	Reviewed By	Date
Department Director <i>[Signature]</i>	Date 5/10/16	Agency Secretary <i>[Signature]</i>	Date 5-10-16

Department of Finance Use Only

Additional Review: Capital Outlay ITCU FSCU OSAE CALSTARS Dept. of Technology

BCP Type: Policy Workload Budget per Government Code 13308.05

PPBA	Original Signed by Amanda Martin	Date submitted to the Legislature 5-13-16
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BCP Fiscal Detail Sheet

BCP Title: Drought - Exclusive Use Helicopters

DP Name: 3540-403-BCP-DP-2016-MR

Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Positions - Temporary	0.0	22.0	0.0	0.0	0.0	0.0
Total Positions	0.0	22.0	0.0	0.0	0.0	0.0
Salaries and Wages						
Earnings - Temporary Help	0	704	0	0	0	0
Overtime/Other	0	14	0	0	0	0
Total Salaries and Wages	\$0	\$718	\$0	\$0	\$0	\$0
Total Staff Benefits	0	521	0	0	0	0
Total Personal Services	\$0	\$1,239	\$0	\$0	\$0	\$0
Operating Expenses and Equipment						
5301 - General Expense	0	837	0	0	0	0
5340 - Consulting and Professional Services - External	0	8,365	0	0	0	0
Total Operating Expenses and Equipment	\$0	\$9,202	\$0	\$0	\$0	\$0
Total Budget Request	\$0	\$10,441	\$0	\$0	\$0	\$0
Fund Summary						
Fund Source - State Operations						
0001 - General Fund	0	10,441	0	0	0	0
Total State Operations Expenditures	\$0	\$10,441	\$0	\$0	\$0	\$0
Total All Funds	\$0	\$10,441	\$0	\$0	\$0	\$0
Program Summary						
Program Funding						
2465019 - Fire Control	0	10,441	0	0	0	0
Total All Programs	\$0	\$10,441	\$0	\$0	\$0	\$0

Personal Services Details

Positions	Salary Information			CY	BY	BY+1	BY+2	BY+3	BY+4
	Min	Mid	Max						
OT00 - Overtime (Eff. 07-01-2016)(LT 06-30-2017)				0.0	0.0	0.0	0.0	0.0	0.0
TH00 - Temporary Help (Eff. 07-01-2016)(LT 06-30-2017)				0.0	22.0	0.0	0.0	0.0	0.0
Total Positions				0.0	22.0	0.0	0.0	0.0	0.0
Salaries and Wages	CY	BY	BY+1	BY+2	BY+3	BY+4			
OT00 - Overtime (Eff. 07-01-2016)(LT 06-30-2017)	0	14	0	0	0	0			
TH00 - Temporary Help (Eff. 07-01-2016)(LT 06-30-2017)	0	704	0	0	0	0			
Total Salaries and Wages	\$0	\$718	\$0	\$0	\$0	\$0			
Staff Benefits									
5150350 - Health Insurance	0	121	0	0	0	0			
5150450 - Medicare Taxation	0	10	0	0	0	0			
5150600 - Retirement - General	0	278	0	0	0	0			
5150700 - Unemployment Insurance	0	65	0	0	0	0			
5150800 - Workers' Compensation	0	47	0	0	0	0			
Total Staff Benefits	\$0	\$521	\$0	\$0	\$0	\$0			
Total Personal Services	\$0	\$1,239	\$0	\$0	\$0	\$0			

Analysis of Problem

A. Budget Request Summary

The Department of Forestry and Fire Protection (CAL FIRE) requests \$10.4 million General Fund one-time in Fiscal Year (FY) 2016-17 for Exclusive Use helicopter contracts and ground crew temporary help position authority. These resources will supplement CAL FIRE's existing fleet on fire incidents as necessary during emergency operations throughout the State of California.

B. Background/History

On January 17, 2014, with California facing water shortfalls in the driest calendar year in recorded State history, Governor Edmund G. Brown Jr. declared a State of Emergency and directed State officials to take all necessary actions to prepare for these drought conditions. The Drought Declaration authorized CAL FIRE to hire additional seasonal firefighters to suppress wildfires and take other needed actions to protect public safety during this time of elevated fire risk. On October 30, 2015, the Governor issued a State of Emergency Proclamation on the tree mortality epidemic, which built on an April 2014 Executive Order to redouble the State's drought response, including provisions to expedite the removal of dead and dying hazardous trees.

The Tree Mortality Task Force was established to carry-out the Governor's October 30, 2015, State of Emergency Proclamation. The Tree Mortality Task Force is comprised of State and federal agencies, local governments, utilities, and various stakeholders. The Tree Mortality Task Force coordinates emergency protective actions, and monitors ongoing conditions to assist in addressing the tree mortality resulting from four years of unprecedented drought and the resulting bark beetle infestations across large regions of the State.

Public Resources Code §713 and §714 make CAL FIRE responsible for wildfire prevention and suppression of the State's forest, range, and brush land resources within the 31 million acres of State Responsibility Area (SRA). The 31 million acres of SRA are a watershed and ecological public value benefit. Wildfires pose a serious threat to these public values and the preservation of public health and safety, along with serious impacts to fish, wildlife, and State and local water supplies. Last year alone, California experienced some of the most devastating wildfires in State's history. Impacts from wildfires will continue and intensify as California is now in its fifth year of drought.

CAL FIRE's helicopters provide a vital service to the public. The helicopters are strategically located at 10 helitack bases spread across the State. They can respond rapidly to wildland fires and search and rescue missions. CAL FIRE's Aviation Program attempts to maintain a 20 minute response time to fires, enabling effective initial attack. The response of these helicopters reduces loss of life, injuries, property damage, and environmental impacts of wildland fires.

C. State Level Considerations

This proposal is consistent with the goals and objectives of the Department's 2012 Strategic Plan.

Goal: Recognize and scale to changing budgetary, fiscal, and regulatory conditions.

Objective: Implement a systematic way to establish program budgetary baselines and deliverables and to measure the impact of change.

Goal: Foster a culture that emphasizes and enhances employee health and safety.

Objective: Expand safety communications across all programs.

Objective: Seek actions that maintain and enhance the safety and health of CAL FIRE employees and those of partner agencies, as well as the public.

This proposal is also consistent with the Department's 2010 Fire Plans.

Analysis of Problem

Goal #6: Determine the level of fire suppression resources necessary to protect the values and assets at risk identified during planning processes.

Goal #6 (Objective F): Improve policies and strategies to minimize injuries or loss of life to the public and emergency responders during emergency response activities throughout the state.

Goal #6 (Objective G): Ensure all firefighters are provided the appropriate training, equipment, and facilities necessary to successfully and safely meet the increasingly complicated and challenging fire and emergency response environment.

D. Justification

CAL FIRE requests a total of \$10.4 million General Fund one-time funding for Exclusive Use helicopters starting July 1, 2016, and remaining in place until November 30, 2016. CAL FIRE is requesting one-time funding of \$8.3 million to contract for three Exclusive Use helicopters to augment the current fleet, two medium helicopters similar to the existing CAL FIRE Super Huey, and one large helicopter with water dropping capacity of 700 gallons or more and crew capacity of 15 or more. In addition, CAL FIRE is requesting one-time funding of \$2.1 million for 22.0 temporary positions, including 8.0 Fire Captains, 2.0 Fire Apparatus Engineers, and 12.0 Fire Fighter Is, to staff one medium helicopter, and provide supervisory and support personnel for one medium and one large helicopter, through November 30, 2016. These aircraft would be immediately available for use on demand.

CAL FIRE has identified increased risk of wildfire, which coincides with areas affected by tree mortality. These aircraft will assist CAL FIRE in maintaining rapid initial attack capability in these drought stricken areas. Having these additional aircraft and crews will enable firefighters to more rapidly access fires that will now, as a result of increased tree mortality, be burning hotter and faster than in the past. Without the ability to cover predicted gaps in helicopter resources, CAL FIRE may not be able to fulfill its statutory obligation and protect the watershed and ecological public value benefits derived from the 31 million acres of SRA, and preserve public health and safety. Not being able to add additional resources may result in longer, larger, and more damaging fires that will directly impact the environment and its ecosystems, listed and endangered species, the water supply, public health, the safety and shelter of individuals in the path of the fire, local economies, and the State's General Fund.

The Exclusive Use helicopter contracts and ground crew increase CAL FIRE's operational efficiency compared to Call When Needed helicopters, which are not required to be immediately available during emergencies. The lack of dedicated, immediately available air resources creates a greater threat to public safety, life, property, and the watershed and its ecosystems. In addition, the total impact to the General Fund would be greater if CAL FIRE had to entirely rely on Call When Needed helicopters. CAL FIRE anticipates a higher hourly rate for Call When Needed helicopters compared to Exclusive Use helicopters, and for which CAL FIRE will be charged for actual flight time. A Call When Needed helicopter flying seven hours would result in seven hours of hourly rate charge, whereas CAL FIRE would be charged for four flight hours per day for an Exclusive Use medium helicopter or three flight hours per day for a large helicopter. On a 200 flight hour analysis, Call When Needed helicopters cost 1.5 times more than Exclusive Use helicopters and CAL FIRE would receive fewer flight hours. Lastly, CAL FIRE cannot guarantee the availability of necessary aviation assets when called upon during fire season. This in turn will put lives, property, and resources at-risk.

Over the past several years, California has been in an unprecedented drought, resulting in millions of dead and dying trees and brush. Despite the winter storms bringing significant measurable amounts of rain, the consistency of these storms, and the overall amounts of precipitation delivered, is not enough to counteract the cumulative impact of four years of drought on parched vegetation. Additionally, the Southern Sierra did not receive the higher amounts of rainfall that the Northern parts of California benefitted from. The rain has produced a healthy grass crop for California, and there is a wildfire risk because these fine fuels, as they dry out, provide an expeditious fuel source, especially with dead or stressed brush and trees in close proximity.

Analysis of Problem

The impacts of longer, warmer summers and compounding effects from the multi-year drought has significantly dried larger fuels, making them more susceptible to fire earlier in, and later into, the year, resulting in explosive fire growth at dangerous spread rates. Some of the fires last summer moved so quickly, that communities were quickly overwhelmed, and the initial focus for first responders became saving lives.

The new grass, coupled with the increase of dead brush and trees loading from the drought, will also continue as an expeditious fuel source as the State dries out, and transitions into summer and through fall. The fine fuels and the dead fuel loading will increase the susceptibility of the fuel bed for ignitions, thus increasing the potential for large and damaging fires. This will continue as the State transitions into fall and then early winter, particularly for Southern California, where the dry fuels will be combined with dry Santa Ana winds. Last year, during the dry months of summer and fall, almost 100% of spot embers ignited, causing rapid fire spread. CAL FIRE does not anticipate a change in the current year.

In relation to vegetation (fuels) moisture content, the amount of rainfall is less important than the overall duration. Hard and fast rains runoff quickly and minimize soil and fuel absorption, and warm days or wind events following rain will leave soils dry. Additionally, because the soils have been so dry, rains are soaking into the water table and are not able to change vegetation moisture levels. Fuel moistures continue to be at historic low levels. Slow soaking rains in the spring would help improve soil and fuel moisture during the time of year when fuels absorb moisture. Winter is the dormant period for brush and trees and is when vegetation actually slows down the amount of moisture absorbed from the soil. Consequently, the amount of rainfall received in winter may not significantly improve the overall moisture of vegetation through the summer and fall.

The effects of the drought have impacted vegetation statewide. Even after a normal rainy season the dead vegetation from past drought will dry out. Due to the large amount of moisture that a tree can store, it can take up to three years to completely die, as seen in Fresno County. The amount of diseased or infected trees, increased dead fuels such as brush and trees, and below average fuel moisture- weakened trees that can fall down easier during wind and snow storms, increases the fuel loading. The latest United States Forest Service aerial survey estimated over 29 million trees have died as a result of the drought and the effects of bark beetle infestation, up from 3.3 million in 2014. In addition, living but dry vegetation also can be a fast fuel source for fire.

These dead and dying trees, as well as drought stressed vegetation, create an environment more readily susceptible to dangerous and destructive wildfires, as evidenced in 2015 in Lake and Calaveras counties. The conditions caused by diseased or infected trees will continue until such time as the tree burns, decomposes, or is removed. Even with one or more years of normal precipitation, it will likely take years to slow down the massive tree mortality and bark beetle infestation and provide normal levels of moisture in living plant and trees. In the meantime, dry vegetation will continue to create a fire hazard.

E. Outcomes and Accountability

An increase in operational efficiency may result in fewer acres burned, potentially leading to the avoidance of the following negative impacts:

1. Short-term and long-term public health impacts from the decrease in carbon monoxide and particulate release.
2. Smaller quantities of soil and ash released into streams through wind and water erosion could improve watershed habitat.
3. Reliable, quality water for State and local water projects could decrease the possibility of flooding and landslides.

Analysis of Problem

4. The cost of rehabilitating damaged lands with erosion controls, tree planting, and infrastructure repairs may decrease.

F. Analysis of All Feasible Alternatives

Alternative 1: Approve \$10.4 million General Fund one-time in FY 2016-17 for Exclusive Use helicopter contracts and ground crew temporary help position authority. These resources will supplement CAL FIRE's existing fleet on fire incidents as necessary during emergency operations throughout the State of California.

Costs

- \$10.4 million.

Advantage

- During fires, short-term and long-term public health benefits could result from the decrease in carbon monoxide and particulate release; smaller quantities of soil and ash released into streams through wind and water erosion could improve watershed habitat; reliable, quality water for State and local water projects could decrease the possibility of flooding and landslides; and the cost of rehabilitating damaged lands with erosion controls, tree planting, and infrastructure repairs may decrease.
- Exclusive Use helicopters daily rate includes up to three flight hours for medium helicopters and four flight hours for a large helicopter, limiting costs incurred to the Emergency Fund for flight hours (i.e. the hourly rate) beyond the three and four hours.

Disadvantage

- Requires additional General Fund that could be made available for a higher priority and/or non-public safety purpose.

Alternative 2: Approve funding for three Call When Needed helicopters, which does not include ground crew for the large helicopter.

Costs

- See detail below.

Advantage

- To the extent Call When Needed helicopters are available during fires, short-term and long-term public health benefits could result from the decrease in carbon monoxide and particulate release; smaller quantities of soil and ash released into streams through wind and water erosion could improve watershed habitat; reliable, quality water for State and local water projects could decrease the possibility of flooding and landslides; and the cost of rehabilitating damaged lands with erosion controls, tree planting, and infrastructure repairs may decrease.

Disadvantage

- Call When Needed helicopters daily rate is almost twice as much as the Exclusive Use helicopters daily rate, resulting in the potential for higher Emergency Fund costs.
- Does not increase efficiencies and the ability to meet CAL FIRE's mission if Call When Needed helicopters are not available when needed. If not available, this will put lives, property, and resources at-risk.

- If Call When Needed helicopters become available after they are needed, the fire will have passed the previous control line and prolonged fire activity may occur, negating the first advantage.

G. Implementation Plan

After the release of the May Revision and pending enactment of the Budget Act of 2016, CAL FIRE intends to obtain the requested \$8.3 million contracted resources through the authority granted in AB 92 (Chapter 2, Statutes of 2015) for an exemption from competitive bidding and contracting given the length of time it would take to initiate a new procurement and/or process a Non-Competitive Bid request. The exemption would include the requested \$8.3 million daily rate and the flight hour rate, which would be encumbered and expensed to the Emergency Fund. An exemption would avoid negative impacts on human health and safety, including providing or improving availability of food, water, or shelter; fish and wildlife resources; and, the ability to provide water to people/communities affected by the drought.

The immediate availability of these helicopters to augment the Department's fleet of aircraft will assist in the effort to keep 95% of all fires at 10 acres or less. The ground crew will need to start on June 1, 2016, so they can complete one week classroom helicopter training and then spend the remaining three weeks completing on-the-job curriculum based mandatory ground crew training. FY 2015-16 Emergency Fund costs of approximately \$233,000 will be incurred for the ground crew salaries and wages and associated operating costs for the month of June 2016, and will be reported in the fourth quarter Emergency Fund report.

H. Supplemental Information

See details above related to a pending contract.

I. Recommendation

Alternative 1: Approve \$10.4 million General Fund in FY 2016-17 for Exclusive Use helicopter contracts and ground crew temporary help position authority. These resources will supplement CAL FIRE's existing fleet on fire incidents as necessary during emergency operations throughout the State of California. The Exclusive Use helicopters would avoid negative impacts on human health and safety, including providing or improving availability of food, water, or shelter; fish and wildlife resources; and, the ability to provide water to people/communities affected by the drought.