

Date: August 15, 2014

To: Brian E. Bailey, Director
Indiana State Budget Agency

From: Cameron F. Clark, Director
Indiana Department of Natural Resources

Subject: 2015 – 2017 Biennium Agency Overview

It is my pleasure to submit our FY2016 and FY2017 budget request for consideration by the Indiana General Assembly and the State Budget Committee. The Indiana Department of Natural Resources (IDNR) has had and continues to have many great accomplishments in the current biennium; all while providing excellent service to our customers. The information contained in this overview demonstrates the diversity of within IDNR, as well as highlight the agency's accomplishments and program performance for FY2013 and FY2014.

Key Performance Indicators

IDNR has four key agency performance indicators: **people served**, **revenue generated by licenses sold by the Division of Fish & Wildlife**, **permitting efficiency** and **non-federal revenue earned versus non-federal expenses**. The indicators are reported by the respective divisions, and then rolled up into a target number for the agency.

People served is defined as the number of people who buy a hunting or fishing license, or visit a state park or outdoor recreation property.

Licenses sold consist of the total number of licenses sold by the Division of Fish & Wildlife for hunting, fishing and trapping.

Permitting efficiency is defined as the number of permits processed within a goal time period. The goal time period is usually established in the Indiana Code, Indiana Administrative Rule, or is set by a best practice standard to issue a permit in a certain time frame. Many of IDNR's regulatory divisions report data for this indicator.

Revenue earned versus expenses shows the level of self-sufficiency that IDNR has maintained over the fiscal year.

IDNR has over 100 programs and subprograms, many of which have a recreation, resource protection and/or public safety component. We also place a great deal of emphasis on our permitting, inspection, and licensing programs. Below is a list of the IDNR divisions, and a brief summary of responsibilities performed under each division.

Division Overview

Entomology and Plant Pathology

Protect Indiana's agricultural commodities and exports from injurious, new or not widely disseminated plant and pests by certifying, licensing, permitting, and regulating nursery production and exportation.

Fish & Wildlife

Manage Indiana's fish and wildlife for present and future generations, balancing ecological, recreational, and economic benefits. The fisheries section monitors and researches fish populations and aquatic habitats in Indiana's freshwater lakes, streams, and rivers. In addition, the Fish & Wildlife division operates several state fish hatcheries that provide a source of additional fish for stocking purposes statewide. The wildlife section is responsible for managing 163,000 acres of wildlife habitat on 30 Fish & Wildlife Areas (FWA), providing technical and financial resources for wildlife habitat improvements on private lands, and conducting wildlife surveys and research. The wildlife diversity section is responsible for the conservation and management of over 750 species of nongame and endangered wildlife. The lake and river enhancement section provides financial and technical resources to address nutrient and sediment problems in publicly accessible lakes and rivers.

Forestry

Promote and practice good stewardship of natural, recreational, and cultural resources on Indiana's public and private forestlands. Programs include management of state forests and state recreation areas, cooperative forest management, tree seedling nurseries, wildfire prevention and protection, forest resource information and conservation education, forest health and protection, community and urban forestry and forestry related federal grant management, and timber buyer licensing.

Historic Preservation and Archaeology

Promote preservation of the state's historical, architectural and archaeological resources through education, environmental review, permitting, and certification.

Land Acquisition

Buy land from willing sellers to protect Indiana's rich natural heritage for wildlife habitat and recreation so that land is preserved and enhanced for current and future generations. Programs include the Indiana Heritage Trust and Bicentennial Nature Trust.

Law Enforcement

Enforce state laws and promulgated rules, which relate to the management and protection of Indiana's natural resources. Administer statewide outdoor education safety programs.

Nature Preserves

Acquire, dedicate, manage, and maintain Indiana nature preserves by working cooperatively with partners. Provide safe and appropriate public access. Control invasive species. Maintain Indiana Natural Heritage database, endangered plant list, natural areas inventory, and provide information on rare species to partners, agencies, and the public to enable effective conservation and appropriate economic development.

Oil & Gas

Administer Indiana's Oil & Gas Act regulating petroleum exploration and production operations including: well spacing, exploration, permitting, drilling, completion, production, and abandonment operations, underground injection of fluids for enhanced oil recovery or for production fluid disposal, and the underground storage of natural gas or other petroleum products in underground formations.

Outdoor Recreation

Prepare the Statewide Comprehensive Outdoor Recreation Plan, manage streams and trails throughout the state, and administer recreational grant programs, including: the federal Land and Water Conservation Fund, the Recreational Trails Program, the Shooting Range Program, Wabash River Heritage Corridor, Hometown Indiana, the State Trails Grant Program, and Lilly Trail Grants.

Parks & Reservoirs

Manage and interpret Indiana's unique natural, wildlife, and cultural resources by utilizing the principles of multiple use and preservation, while sustaining these resources for current and future generations. The division manages 24 state parks, 8 reservoirs (7 developed by the U.S. Army Corps of Engineers, and 1 developed as a state water project), and 1 forest.

Reclamation

Protect Indiana citizens, property, and environmental resources from the adverse effects of active coal mine operations through the regulatory program, and restore abandoned coal mine land to productivity through the restoration program.

Water

Administer programs focused on professional surface and ground water resource management. To accomplish this task, staff manages a wide variety of water resource related programs including dam safety, floodplain management, permitting, significant water withdrawals, surface and ground water assessment, and water use.

Accomplishments over the 2013-2015 Biennium

IDNR has had many noteworthy accomplishments in the current biennium. The agency continues to utilize a mixture of state, federal, and private contributions to undertake a variety of projects ranging from collaborating with several partners to continue the Ford Hoosier Outdoor Experience, which annually attracts over 20,000 outdoor enthusiasts, to implementing the Bicentennial Nature Trust grant program, which will celebrate the 200th year anniversary of the state by acquiring property for conservation.

Several additional accomplishments are highlighted below:

- Indiana Dunes State Park designed and constructed a radial bird tower with an ADA ramp, utilizing multiple grants, to attract bird watching enthusiasts to the park. Much of the construction was completed by park staff, and 20,000 board feet of white oak was donated for the bird tower by the Division of Forestry.
- A new visitor center will be constructed in 2014/2015 at the Goose Pond Fish & Wildlife property in Greene County. Bids have been received to construct a 6,000 square foot visitor

center and SE Regional office building with associated site and utility work. The location will be a destination for bird-watchers and wildlife enthusiasts.

- Bonds were refinanced through the Indiana Finance Authority (IFA) that is providing a funding source for several projects, to include the installation of multiple duplex cabins at Brown County State Park.
- DNR recently installed a fence barrier for the invasive Asian Carp on the south side of Fort Wayne at Eagle Marsh to assist in preventing flow from the Wabash watershed to overflow into the Lake Erie watershed. Preventing the Asian Carp from migrating to the Lake Erie watershed is a critical importance, but the overall goal is to keep all aquatic nuisances from migrating from one watershed to the other.
- A new aquatic center was opened in July 2013 at Prophetstown State Park. The aquatic center has a zero-entry area with several play features and is near an existing campground and adjacent to a future campground as designated in the property's master plan. It has been greatly received by the community and a very popular destination.
- Indiana Dunes State Park installed an Algaewheel Sewage Treatment System. The advantages of this treatment system over a conventional sewage treatment system include requiring 50%-75% less energy to operate and it releases almost no carbon dioxide into the atmosphere. Instead, it releases oxygen as a result of the photosynthesis of the algae and generates 95% less solid waste as a byproduct, and it has less mechanical equipment needing regular maintenance. The construction was completed in 2013 and is in the second season of operation.
- The Division of Forestry released a new tree inventory designed to better inform Indiana residents how State Forest are used. The Continuous Forestry Inventory (CFI) is based on a sample of plots located throughout our State Forest. The information will be used to compare future inventory studies.
- Indiana State Forests continue to be recognized by both the Sustainable Forestry Initiative and Forest Stewardship Council as meeting rigorous national standards of well managed forests.
- The Division of Forestry increased its offering of rental cabins and overnight lodging. Additions include a renovated Covered Bridge Retreat Lodge in Parke and Montgomery counties, a restored and updated 1930's Lodge located in Morgan-Monroe State Forest and opened several rent-a-camp cabins at Greene-Sullivan State Forest.
- The Division of Nature Preserves acquired all or part of 29 natural areas as part of the Indiana Natural Heritage Trust. These acquisitions were in partnership with other agencies and organizations especially the Governor's Healthy Rivers Initiative and Bicentennial Nature Trust.
- The first dog park in an Indiana State Park was dedicated in honor of DNR Law Enforcement K-9 teams. Annual pass sales and park usage continues to increase as the development of the park approaches completion.
- Governor Pence announced a new State designation that will focus on large landscape non-traditional land conservation. These new areas are called Conservation Areas and represents unique public/private partnership with multi-disciplined resources management. The first of these was announced in October of 2013 with the Bicentennial Commission. It is called Bicentennial Legacy Conservation Area.
- The Division of Reclamation earned the federal 2014 Abandoned Mine Land Reclamation Award for work at the Mill Creek Highwall in Pike County from the Department of the Interior's Office of Surface Mining (OSM). The project removed a dangerous highwall adjacent to a county road about a half mile north of Augusta. In addition to eliminating a

public safety hazard, the project is a first in Indiana because the State negotiated with a nearby, active coal mine.

- The National Park Service presented its first ever National Cultural Resources Stewardship and Partnership Award to the Division of Historic Preservation and Archaeology. The award recognizes the Division's 35-year effort to systematically survey and document historic buildings and structures in all 92 Indiana counties. Cultural resource surveys are required by the National Historic Preservation Act of 1966, and Indiana is the first state to complete such a survey of its historic resources.
- Indiana Dunes State Park received approval from the Natural Resources Commission to enter negotiations with a potential concessionaire for a restaurant, snack bar and service area in the Pavilion.
- The Trine State Recreation Area was opened to the public. The purchase and development of this site is a highly visible example of a public/private partnership to promote outdoor recreation, conserve land and preserve water quality.

Special Initiatives

IDNR's budget submission includes three special initiatives:

- 1) a request to allocate an additional \$1.5m of General Fund dollars to the Law Enforcement Division while lowering the Fish and Wildlife legal fund allocation in the same amount of \$1.5m to reduce the stress on the Fish and Wildlife legal fund;
- 2) a request to increase the operating appropriation of the Division of Forestry in the amount of \$800k contingent upon the approval of numerous revenue generating efforts and;
- 3) a request to increase the operating appropriation of the Division of State Parks in the amount of \$1.3m contingent upon the approval of numerous revenue generating efforts.

Objectives for the next Biennium

During the current biennium, IDNR has reviewed programs and related business practices to reduce operational costs yet provide services required by law and those services our customers expect. We continue to hold public meetings, conduct surveys, and listen to public opinion. It is important our customers understand the purpose and benefits of IDNR. We will continue to seek out new partners, sponsorships, donations, volunteerism, and/or other forms of support from individuals, foundations, corporations, non-profit organizations, and other entities to enhance our existing programs and to provide the best possible quality in our future programming. We will also continue to review our organizational structure in order to obtain increased efficiencies and streamline processes.

Thank you for your continued support of the IDNR. I look forward to working with the Indiana General Assembly and the staff of the State Budget Agency as you consider IDNR's budget request for the 2016-2017 biennium.

Respectfully,

Cameron F. Clark, Director
Indiana Department of Natural Resources