

Consolidation Report
for the
Division of Parks and Recreation
and the
Unit of Trails and Waterways

Department of Natural Resources
February, 1987

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BACKGROUND

In its January 1984 report to the Legislature, the Department of Administration (DOA) made four recommendations concerning the Department of Natural Resources (DNR's) Division of Parks and its Unit of Trails and Waterways. In July of that year, the DNR responded to those recommendations in an implementation report to the Legislature. Three of the four recommendations focused on improved communications between the field and central office relative to budget and program decisions. These recommendations were directed at both the Division of Parks and the Unit of Trails and Waterways. The recommendations were analyzed and actions were taken to comply with them.

The fourth recommendation was to merge the Division of Parks with the Unit of Trails and Waterways. Following that recommendation, the 1984 Legislature included language in the State Departments Appropriation Act:

"The commissioner of natural resources shall present to the legislature by January 1, 1986, a plan for consolidating the trails and waterways unit and the parks and recreation division."

In response to the recommendation and the legislation, DNR began an evaluation of merger alternatives. The DNR formed a merger team to review the DOA report and analyze alternative merged structures. Through careful study of the Department of Administration Report, twelve distinct issues were seen by the merger team. Those issues were:

1. Responsibilities for recreation programs are spread throughout the Department.
2. Span of control of the regional park supervisors is too broad--they do not have time to adequately plan, supervise and monitor field activities.
3. Regional park supervisors do not have staff to assist them with administrative and general operations work.

4. Regional supervisors and park managers fail to receive timely, accurate budget and program information from the central office.
5. Administrative demands on park managers have increased. Central office and regional supervisors have not provided adequate guidance, assistance and training.
6. Trails and Waterways development and management has improved since its transfer from Parks and Recreation in 1979.
7. Regional Trails and Waterways coordinators do not have sufficient staff.
8. Regional Administrators have authority to assign staff and equipment from other disciplines.
9. Trails and Waterways workload is becoming too great to simply borrow staff from other disciplines.
10. Better utilization and increased sharing of parks staff is possible.
11. Regional Trails and Waterways coordinators have two bosses (e.g., Regional Administrators Unit Director of Trails and Waterways).
12. Insufficient program and budgetary authority has been delegated to Regional Trails and Waterways Coordinators for them to effectively manage field operations.

To further guide the team, Department management developed a standard set of criteria by which to evaluate each merger alternative. Those criteria were:

Service to the Public - The DNR is a public service agency. It is essential that any organizational change be reviewed in light of its effect on that service. Will the public be better served?

Natural Resource Management - It is the mission of DNR to protect and provide for the wise use of Minnesota's natural resources. Any change in organization needs to be evaluated for its impact to the state's natural resource management capabilities.

Cost Savings - The responsibility of any public agency is to operate not only effectively but also efficiently. It is important to analyze any proposed organizational change in terms of the dollars saved or expended.

Impact to Employees - Organizations are only as good as the individuals who work for them. Those individuals deserve respect. Organizational changes must be analyzed for impacts to employees. What will happen to career opportunities?

Flexibility to Respond to Trends - The ability to respond to trends is a subset of both service to the public and natural resource management. How will organizational changes affect the agency's ability to respond to alterations in the environment or in the users' needs?

Improved Interactions With Local Units of Government - This criteria is particularly important to DNR. DNR must maintain good working relations with local units of government. Any organizational change must be reviewed for how it affects those relations. Will suggested changes affect interactions with local units of government?

Organizational Soundness - Any organizational alternative designed must be examined for the theoretical soundness of its structure. Concepts such as span of control, communication channels, delegated authority and scope of authority must be reviewed.

In an initial exercise the merger team developed fourteen merger alternatives. These alternatives varied from a total merger, which would include merging both field and central office, to a "no merger" concept. The fourteen alternatives were then grouped into 4 categories and each alternative was evaluated against the others in the group. Through this process, four alternatives were selected

from the 14 and recommended for more intense review. Those four alternatives were evaluated against both DOA issues and the DNR criteria.

After an intense review of each alternative against the DOA issues, the DNR merger team decided that no alternative, by itself, successfully addressed the issues. Furthermore, the team came to the conclusion that a merger was not the appropriate technique to resolve the issues identified by DOA. It was felt that the DOA issues were more practically addressed by methods which were discrete from merger alternatives. As a result, these methods and their impacts have been discussed in a separate section of this report titled "Findings". The Department did, however, continue an evaluation of merger as a means of improving the agency using the criteria established by management as review guide.

Following months of analysis, the merger team made its recommendation to the Commissioner of the Department of Natural Resources to use in his decision formulation.

CONCLUSION

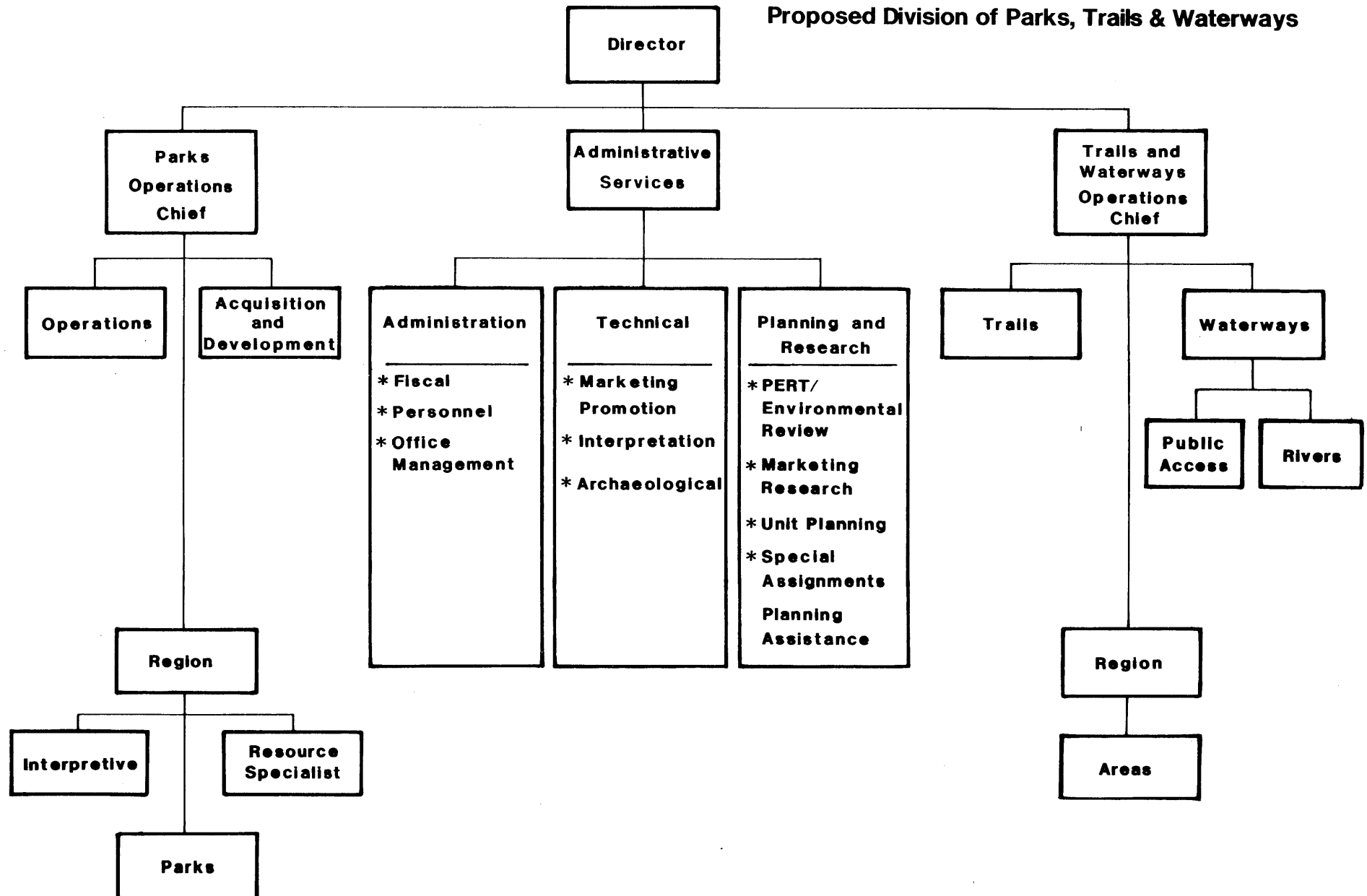
After months of internal analysis and discussion with external consultants (Touche Ross Inc.) and interest groups (e.g., Minnesota United Snowmobilers Association; Minnesota Sport Fishing Congress), the Commissioner of the Department of Natural Resources recommends that no merger take place. Studies have shown that merger will not resolve the issues raised by DOA nor will it result in savings of staff or dollars and may, to the contrary, be detrimental to the Department's service to the public.

In accordance with his interpretation of the law, however, the Commissioner of the Department of Natural Resources has developed a plan that if implemented would merge the Division of Parks and Recreation with the Unit of Trails and Waterways. If mandated, the implementation of this plan would result in a merged structure (Figure 1) which is similar to that recommended in the Department of Administration report. The Division of Parks and Recreation and the Unit of Trails and Waterways would be combined into a new single unit of outdoor recreation. The new division's central office would be divided into three units: State Parks, Trails and Waterways and Support Services. The new division would be titled the "Division of Parks, Trails and Waterways".

DNR's plan contains one variation from the DOA recommendation. The Department would retain two regional supervisors, one responsible for park activities and one responsible for trails and waterways activities. This would be done to maintain the current level of service to the public. The Department sees it important to keep field managers focused and easily available to the local public.

Furthermore, the Department recommends that additional staff be added to both the Division of Parks and the Unit of Trails and Waterways. This recommendation is made whether merger is mandated or not. It is based on the issues raised by DOA concerning field staff shortages in both Parks and Trails and Waterways. This recommendation is explained in detail in the section of this report titled "Findings".

**Department of Natural Resources
Proposed Division of Parks, Trails & Waterways**



(Figure 1)

FINDINGS

In examining the alternatives for merger, the Department evaluated each against the issues raised by the Department of Administration (DOA) in its study. The Department found that none of the alternatives addressed the most fundamental issue raised by DOA. That issue was insufficient staff. DOA had found the Division of Parks inadequately staffed at the regional level to handle the administrative workload. The Unit of Trails and Waterways with its small staff (21 full-time and 88 seasonals) was determined by DOA to be understaffed not only in administration but also in field labor. DOA credited Trails and Waterways and Regional Administration with doing a good job of borrowing staff time from other units but commented that the workload had reached a point where borrowing staff was no longer a satisfactory answer. DOA assumed that combining Parks and Trails staff through a merger would eliminate the need to borrow staff.

Following intense review of merger alternatives, the Department disagreed with DOA's assumption. The Department's merger team found the staffing issue to be more acute than initially recognized by DOA. While the Department is sure that there are random cases of inefficient use of time, it is equally as sure that this inefficiency cannot be generalized to the level assumed by DOA. During a 1984 internal audit of Division of Parks budget expenditures, it was found that the Division of Parks had lost in excess of 80,000 annual person hours of labor since 1980. Since that audit, labor hours have been reinstated through appropriation increases and shifting of funds from maintenance and repairs into seasonal service salaries. This, however, is a short term solution because deferring maintenance and repair results in later, costly rehabilitation. Despite this strategy, labor hours are barely sufficient and parks has been forced to reduce the park season. As a result, there is no excess park staff time available for Trails and Waterways activities. In addition, the expanded enforcement of the Fair Labor Standards Act ("Garcia ruling") on overtime and compensatory time has further exacerbated the problem. The ruling, as it affects labor positions, has reduced management's options for efficiently providing labor services in peak periods.

Trails and Waterways is an exceptionally small unit with only 2 to 3 full-time positions in each region. These few positions are responsible for acquisition and development of thousands of miles of trails, hundreds of access sites, and hundreds of miles of recreational rivers. Contracted compensation increases have affected Trails and Waterways buying power just as it has Parks. The result is no slack in labor hours available particularly in Trails and Waterways.

After hours of discussion and evaluation, the merger team felt that the only way to address the issues raised concerning insufficient staff was to request additional staff. This approach seemed necessary given the severity of the issue and the inability to squeeze more time out of an already squeezed staff. The recommendation for additional staff called for adding a regional staff assistant to assist the Parks regional supervisor in each of the six regions. It also asked for 10 full-time positions to be added in Trails and Waterways as field positions. These individuals would be stationed across the state to supervise new Trails and Waterways geographic subregional units (Figure 2). All Trails and Waterways activities within these new subregional units would be the responsibility of the assigned area person. This additional staff would allow Trails and Waterways to independently carry out its assigned responsibilities and alleviate the pressure which is currently placed on other disciplines to do the Trails and Waterways field work.

The concept of adding staff is seen as the most effective resolution technique for DOA issues numbers 2, 3, 7 and 10. The rationale for this and the other methods developed by DNR to address each specific DOA issue are as follows:

DOA Issue

1. Responsibilities for recreation programs are spread throughout the Department.

DNR Response

The consideration of a merger alternative for two of the DNR units involved in recreation begins to address this issue. It must be recognized, however, that this is just a beginning. The Department's Divisions of Forestry and Fish and Wildlife are also involved in recreation. Furthermore, having wide-ranging recreational programs spread across various units of the Department is not necessarily bad. Given the depth and breath of many of these programs (i.e., hunting, fishing, boating, camping, myriad trail uses) it would be impossible to manage them in a single division. Given the size and locations of the effort, management would become an agency level endeavor with program oriented divisions. This is precisely what exists today in DNR. The Department's Assistant Commissioner for Operations is responsible for the coordination of all recreation functions and chairs an interdisciplinary "Outdoor Recreation Coordinating Committee.

DOA Issue

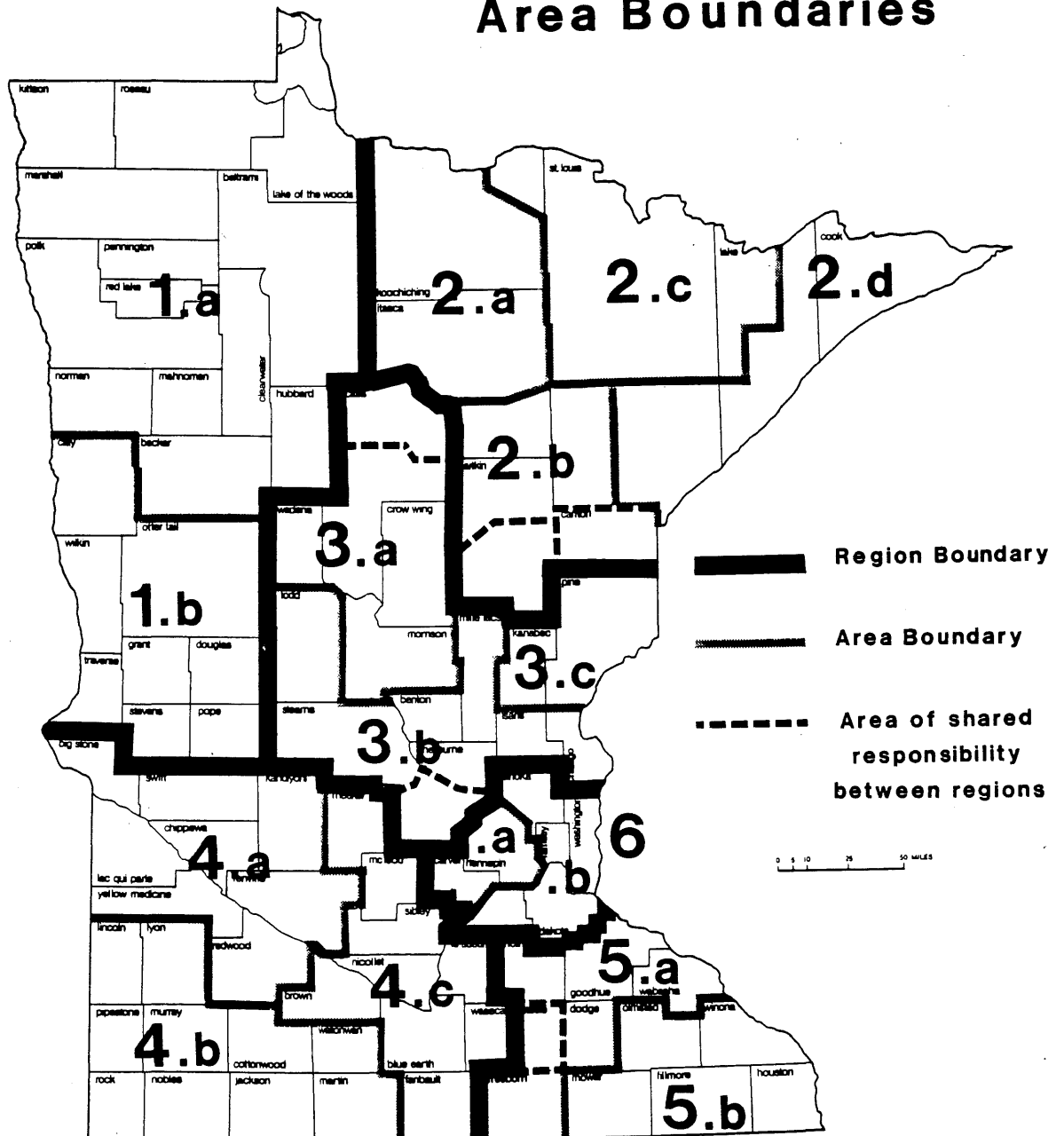
2. Span of control of the regional park supervisors is too broad--they do not have time to adequately plan, supervise and monitor field activities.

DNR Response

This issue would be addressed by the addition of 6 regional park staff assistants. These individuals could assist in a number of the functions currently done by the regional park supervisor. This assistance will allow that supervisor to better handle the current span of control. The following are the anticipated responsibilities of the regional staff assistants:

- a. Act as liaison between regional manager and park managers to assure that the division's park policies and programs are implemented properly.
- b. Monitor budget expenditures by park and inform the regional manager of problems.

Proposed Trails and Waterways Area Boundaries



(Figure 2)

- c. Act as a field representative for the regional manager in park inspections and help to identify maintenance and development project needs.
- d. Aid regional managers and park managers in carrying out force account projects, solving procurement problems, writing regional bids, and resolving personnel problems.
- e. Provide training to park managers in administration, maintenance procedures and public relations.
- f. Help park managers with promotion and public responsiveness programs.

DOA Issue

- 3. Regional park supervisors do not have staff to assist them with administrative and general operations work.

DNR Response

Same as 2.

DOA Issue

- 4. Regional supervisors and park managers fail to receive timely accurate budget and program information from the central office.

DNR Response

This issue has been addressed since the DOA study was completed. Parks hired a new business manager who focused on information dissemination and reorganized the business office. Additionally, Parks has undergone extensive automation of its administrative systems. Parks has added a Management Information System coordinator and is automating its cost

accounting system. All of these actions are geared to improve the flow of administrative information.

DOA Issue

5. Administrative demands on park managers have increased. Central office and regional supervisors have not provided adequate guidance, assistance and training.

DNR Response

Again, as described in issue #4, the refocusing of the business office will improve the availability of administrative training and assistance to park managers. Training classes on the automated cost accounting system have already been given.

DOA Issue

6. Trails and Waterways development and management has improved since its transfer in 1979.

DNR Response

These improvements have occurred as the result of creating a separate organizational unit to focus on Trails and Waterways programs. The accelerated infusion of capital and commitment of competent staff have given this program life. This simply acknowledges the fact that what exists today works.

DOA Issue

7. Regional Trails and Waterways coordinators do not have sufficient staff. They need: Laborers, administrative assistants, natural resource management staff, naturalist and interpretive staff.

DNR Response

The addition of field staff to Trails and Waterways and the creation of 16 subregional areas will correct the problem. Currently, below the regional Trails and Waterways staff there are only 9 permanent field employees responsible for all water access, trails and waterways facilities in 6 regions of the state. Other disciplines have been called upon regularly by the Regional Administrator to provide needed assistance. This has taken time from the primary duties of DNR wildlife, forestry and enforcement staff. It is expected that with the implementation of the area concept, the use of personnel from other divisions could be minimized.

The following are the anticipated responsibilities of the Trails and Waterways area supervisors.

- a. Administer and coordinate the acquisition, development, operation and maintenance of trails and water recreation facilities in accordance with program workplans.
- b. Assist the Regional Trails and Waterways Coordinator in determining allocation for the Grant-in-aid (GIA) program and monitoring GIA trail maintenance and construction through establishing a close working relationship with the local units of government and the local clubs.
- c. Interview, hire, train, assign, evaluate, discipline, suspend, transfer and/or discharge personnel, or oversee contracts for labor.
- d. Supervise and promote public responsiveness activities.
- e. Assist the Regional Trails and Waterways Coordinator in the formulating of budget requests and advise in the planning and policy setting of the divisions, upon request.
- f. The area supervisor is charged with implementing Trails and Waterways programs. He/she is directly responsible to the Regional Trails and

Waterways Coordinator. The area supervisor must coordinate with other divisional field representatives, bureaus, departments, local units of government, advisory groups and the general public.

DOA Issue

8. Regional Administrators have authority to assign staff and equipment from other disciplines - positives: has enabled the department to operate public accesses with little additional staff; negatives: coordination is difficult and time consuming; there is difficulty in enforcing work schedules and standards without direct control; staff time is taken from other disciplines; there is considerable resistance from other disciplines to requests for increased assistance.

DNR Response

As Trails and Waterways adopts its area concept (described above), the area supervisor will become responsible for seasonal staff and schedules. Trails regional coordinators and the new area positions would be totally responsible for all seasonal staff and the overseeing of all contracts. The Regional Administrator would continue to play a managerial role in optimizing the use of Department equipment and personnel and would be available to mediate conflicting discipline perspectives.

DOA Issue

9. Trails and Waterways workload is becoming too great to simply borrow staff from other disciplines.

DNR Response

Same as #7 and #8

DOA Issue

10. Better utilization and increased sharing of parks staff is possible.

DNR Response

As previously discussed, Parks and Recreation is operating with minimal labor hours available. Parks' season has been shortened and park work has been reprioritized. It must also be remembered that the peak seasonal work for parks and trail activities coincide. The Department does not think that increased sharing of parks staff is possible; if it is required, public service within state parks will suffer.

DOA Issue

11. Regional Trails and Waterways coordinators have two bosses. Regional Administrators and the Special Assistant to the Commissioner report little communication and interaction between them on strategic or operational planning, budget preparation and program supervision.

DNR Response

The Department will address this issue through improved role clarification for both the Regional Administrator and the Director of the Trails and Waterways Unit. What is seen as a "two-boss" issue is a common matrix structure with line authority from the Regional Administrator and program staff direction from the Director of the Unit.

DOA Issue

12. Insufficient program and budgetary authority has been delegated to Regional Trails and Waterways Coordinators for them to effectively manage field operations.

DNR Response

The Department has reviewed this issue and feels that what may have been viewed as insufficient delegation of authority is, in fact, programmatic constraints in dividing dedicated dollars across six geographic regions. Regional desires must be tempered with statewide priorities, and dollars must be properly allocated. Actions have been undertaken, however, to improve information flow and thus enhance the regional coordinator's discretion.

Following the review of merger alternatives against DOA issues, the Department began an evaluation of the merged structures with the DNR-established criteria. In this evaluation the Department discovered that a merger might actually create problems. Of particular concern was the size and scope of the new unit that would be created. The team questioned the ability of a single director to adequately handle the controversy that is standard and fair in managing parks, trails and public water access sites. The public and their elected representatives have come to expect efficient and personalized service from the director. It is not possible for one person to provide the level of service that two have provided in the past. Additionally, in a merged situation all work authorizations and prioritizations, budgets and other administrative activities would need to flow through the same channels for decision. Because of sheer volume it is quite likely that both decisions and work would be consequently slowed. Both Parks and Trails are recognized for quality and timely service. The Department believed that a merger would harm that service record. The private sector in recent years has found that "bigger is not necessarily better". In fact, they have found the contrary: the more lean and focused a unit, the more effective.

The Department concluded that a no merger/status quo alternative was better than any of the merged structures. This conclusion recognizes the functional distinctiveness, scope and future of the Trails and Waterways programs. The provision of scattered sites and linear recreation is distinct from the operations of a park. Parks are dedicated tracts of land designed to provide resource protection and wise use. They are destinations in themselves for which Department staff have on-site control and user interaction. Many of the public

access sites and trails offered by Trails and Waterways are not self-contained destinations but instead channels available for reaching destinations. Because these sites are linear or scattered, management is quite different than park management. There is much less people contact and, instead, more contracting of work and more off-site management.

Today the scope of the Trails and Waterways program is great, serving 1.5 million anglers, approximately 600,000 canoeists and boaters, 1 million snowmobilers, 400,000 cross-country skiers and 2.6 million bicyclists. In reviewing use statistics the merger team found that the user occasions provided by Trails and Waterways and Parks have grown in recent years and are projected by Statewide Comprehensive Outdoor Recreation Plan (SCORP) to continue moderate growth until 1995. (See SCORP tables in Appendix). At this same time, new programs such as All-Terrain Vehicles (ATVs), fishing piers and shore access programs are coming on line.

Much of the funding available for the Trails and Waterways programs has become dedicated and is expected to remain stable in the future. This funding includes a dedicated snowmobile account (\$2.6 million in 1986) and a dedicated water recreation account (\$2.5 million in 1986). These two accounts represent 77% of the Trails and Waterways budget and both seem very stable sources of income. Additionally, another source of funding (the federal Wallop-Breaux Trust Fund) is becoming available for water recreation. This may result in an additional \$415,000 per year to the water access effort. Other dedicated accounts such as the ATV, the cross country ski, Legislative Commission on Minnesota's Resources (LCMR) and Resource 2000 are more uncertain, but currently these represent only 13% of the budget.

Concerns over the impacts to public responsiveness and the lack of any resultant cost savings, plus Trails and Waterways' program distinctiveness, scope and projected future all pointed the Department to recommend against merger.

PLAN FOR MERGER

If a merger is mandated to the Department, the Commissioner would recommend an organizational structure similar to the Department's Division of Fish and Wildlife. This structure merges the two units while still recognizing their different stages in organization life and minimizes the disruption to staff and service. The "Fish and Wildlife" alternative (Figure 1) is basically what was suggested by DOA.

Further, the DNR recommends that additional staff be added and the "area" concept be employed for the Trails and Waterways Section. This would allow line supervision of Trails and Waterways field staff to come from the central office and make it parallel to Park's structure. Otherwise, the director would have direct control over part of the field staff (parks) and be forced to work through the Regional Administrator to supervise the other part (trails and waterways). It is also suggested that six positions be added to the Division of Parks to address the regional administrative staff issue raised by DOA.

Rationale

The DNR evaluated fourteen structural alternatives against the criteria it had established. While the current organization proved superior to any merged structure, one merged alternative ranked consistently higher than the rest. This was the "Fish and Wildlife" alternative which merged the two units yet maintained program integrity in both the field and the central office. The following is a summary of the Department's findings organized by the DNR evaluation criteria.

Improved Service to the Public

In evaluating merger alternatives against service to the public, two considerations stood out. The first was that the current organizations are providing very effective and efficient service. It is well recognized by user groups, the Legislature and the DOA, that Trails and Waterways programs have flourished under the present structure.

Starting in 1979, with the infusion of qualified staff and accelerated financial resources, the needs of trail, public access and canoe and boating route users have been very well addressed. Thousands of miles of trail have been constructed, hundreds of water accesses have been renovated or built and hundreds of miles of rivers have been enhanced for recreational use. Today the scope of the Trails and Waterways program is great, serving 1.5 million anglers, approximately 600,000 canoeists and boaters, 1 million snowmobilers, 400,000 cross-country skiers and 2.6 million bicyclists. In reviewing use statistics the merger team found that the user occasions provided by both Trails and Waterways and Parks have grown in recent years and are projected by SCORP (See SCORP tables in Appendix) to continue moderate growth through 1995. At this same time, new programs are coming on line (e.g., providing recreational opportunities for all-terrain-vehicle enthusiasts and developing fishing piers and shore access).

While trails and waterways projects have often been embroiled in controversy during the seven-year history of the Trails and Waterways Unit, rarely has the efficiency or the effectiveness of the organization been criticized. Clearly, the organization as it exists today is providing excellent service to the public.

Much of the funding available for the Trails and Waterways programs has become dedicated and is expected to either remain relatively stable or experience moderate growth in the future. This funding includes a dedicated snowmobile account (\$2.6 million in 1986) and a dedicated water recreation account (\$2.5 million in 1986). These two accounts represent 77% of the Trails and Waterways budget and both seem to be very reliable sources of income. Additionally, another source of funding, the federal Wallop-Breaux Trust Fund, is becoming available for water recreation. This could mean an additional \$450,000 per year to the water access effort. Other dedicated accounts such as the all-terrain-vehicle (ATV), the cross country ski, LCMR and the capital budget are more uncertain, but they currently represent only 13% of the budget.

The successes of the distinct trails and waterways unit plus the degree of dedicated funding dictate that program integrity be maintained in any merged

organizational alternative. The "Fish and Wildlife" model maintains that integrity in its section concept. Programmatic integrity can be maintained while sharing support services.

A second consideration is that any merged structure will result in a single director's position. A single director will not physically have the time to devote to the varied interest groups (i.e., camping clubs, private campground owners, riparian land owners, snowmobilers, anglers, cross country skiers, ATV riders, bicyclists and horseback riding clubs) that two directors have currently. The following are lists of some issues addressed in 1984 by the Director of the Division of Parks and Recreation and the head of the Trails and Waterways Unit. These lists point out the director's extensive involvement in external affairs.

Parks and Recreation Issues Requiring
Director's Involvement During 1984

I. Legislation

- a. Park boundary changes
- b. Park fees
- c. State and local tax on campgrounds
- d. Fort Snelling lease extension
- e. Zippel Bay - local funding authority
- f. Minnesota Department of Transportation County State Aid Highway legislation
- g. Park budget (\$26 million)

II. Organizations

- a. Minnesota Council of Parks (6 meetings)
- b. Fort Snelling Advisory Committee (4 meetings)
- c. Itasca Advisory Committee (2 meetings)
- d. Mille Lacs Kathio Advisory Committee (2 meetings)
- e. 35 park advisory groups

- f. Minnesota Association of Private Campground Operators annual meeting and work with lobbyists
- g. National Association of State Park Directors (annual and board meetings)

Trails and Waterways Major Issues Requiring the
Special Assistant's (Director's) Involvement During 1984

A. Legislation

- a. Biennial Budget of Trails and Waterways
- b. Special legislation regarding Trails and Waterways activities
- c. Cross Country Ski Problems and Dedicated Funding
- d. Re-establishment of Snowmobile Registration
- e. All-Terrain Vehicles Legislation

B. Water Access

- a. Christmas Lake (Eminent Domain)
- b. Lake Minnetonka (Task Force, Eminent Domain and Community Relations)
- c. Lake Minnetonka Conservation District Relations
- d. Boom Site on St. Croix River
- e. Lake Superior Agate Bay Shoreline Development and Access
- f. Washington Lake (Eminent Domain)
- g. CORE Fishing Pier Program and Policy
- h. Wallop-Breaux Federal Funding of Access Program
- i. Little Long Lake (Eminent Domain)
- j. DNR's Fishing Pier Program Policy

C. Trails

- a. Construction Contracts (Hinckley Fire Trail \$945,000, Root River \$307,000, Minnesota Valley \$231,000, Taconite \$300,000, International Falls to Tower \$250,000).

- b. Luce Line Trail (Disposal of land and mitigation with National Park Service and citizen groups)
- c. Indian Rights (Heartland Trail)
- d. Liability Lawsuits (3)
- e. International Falls to Tower demands by special interest groups
- f. Surplus Land Sales - Sakatah, Heartland and Minnesota Boundary
- g. Abandoned Railroad Acquisition and Negotiations

Both Directors also must personally handle a large number of phone calls that demand access to the top person. An additional problem is field inspection of each facility. A Director must be familiar with every facility in order to respond to questions from the Legislature and the public.

To mitigate this issue of a single director, the "Fish and Wildlife" alternative uses two operations chiefs, one in charge of parks operations and the other in charge of trails and waterways operations. These chiefs will provide top level assistance in covering the wide array of external responsibilities. This will allow continued dedicated service to the numerous interest groups.

In addition, the "Fish and Wildlife" merger alternative creates a single technical services unit. The combined technical unit has the potential for improving the marketing efforts of both units, thereby increasing service to the public. Trails has been working in the area of market research, and Parks has focused on promotion. Together they can offer a more comprehensive range of marketing services--with special focus on understanding and meeting user needs.

Improved Natural Resource Management

The "Fish and Wildlife" structure, with the addition of a Trails and Waterways operation chief, will aid in improved natural resource management. Because this position will not be as heavily involved in the external responsibilities as the current unit director, there will be greater opportunity for internal program management and enhancement. Under this alternative, a combined technical services unit will contain both planning and natural resource management functions. It is expected that this will allow both units a wider range of

services to enhance natural resource management. Additionally, there will be opportunities to increase resource management in the facilities of Trails and Waterways through the shared use of Parks resource managers. It must be noted, however, that while combining the current staffs may increase the range of services offered to each unit, it will not increase the amount of service derived from a fixed number of employees.

Cost Savings

Each alternative was evaluated for potential cost savings and against its cost of implementation and operation. The implementation of the "Fish and Wildlife" alternative will not result in any cost savings. Both parks and trail and waterways have extremely small staffs, considering the number and size of the recreation units they develop and manage. The size of the staff appears even smaller and their responsibility even larger when the intensity of public relations and the often controversial nature of site development and operation are considered. The DOA study recommended additional field staff for both units. Both units are already operating at an efficient level, so there does not appear to be opportunity to reduce costs by combining the staffs of the two units. Parks are operating with minimal staff, yet have kept all parks open and maintained program levels. Trails and Waterways operates entire regions with two or three full time personnel. For these reasons, it is difficult to detect where costs might be saved by merging these two understaffed units, regardless of how they are restructured.

In the Fish and Wildlife alternative, however, the combination of the technical service group, particularly the administrative functions, may result in some long term efficiencies. Parks is in the process of developing an automated cost accounting system which will dramatically enhance cost information. That information, and the accountability it will provide, should allow management in both programs to govern expenditures effectively. This should hold expenditures down over the long term.

Impacts to Employees

Of all the merger alternatives, the "Fish and Wildlife" structure is the least disruptive to employees. The classifications and reportability of most positions will not be impacted by the merger. The Director position, Trails and Waterways Operation Chief and Manager of Administrative Services would need to be reviewed for appropriate classification as would some of the positions in the administrative services unit whose job content and/or reportability significantly change.

Flexibility for Addressing Recreational Trends

This criteria is the most difficult to apply in evaluating alternatives. It is difficult to know whether the merged division would be more--or less--flexible in responding to recreational trends. The combination of the two units results in a larger organization which has more human and financial resources available to respond to emerging trends. It must be remembered, however, that a large percentage of the resources are constrained through dedication.

A larger organization could be just that--a larger organization with more bureaucracy to overcome in responding to trends. The "Fish and Wildlife" alternative, however, retains a program structure and, as such, should provide a responsive environment. Likewise, the merged technical services unit, with its combined marketing capability, may provide better recognition of emerging trends and increase the lead time for the division. This increased lead time should result in improved responsiveness.

Improved Relations With Local Units of Government

The Department believes it is important to keep field managers focused and available to local units in their respective areas. The "Fish and Wildlife" alternative maintains regional supervisors both in Parks and in Trails and Waterways. Citizens or representatives from local units can continue to quickly locate personnel responsible for a given program area.

Organizational Soundness

Each structural alternative was evaluated for its soundness as an organizational design. Alternatives that required the regional supervisors to report to the director were considered not sound because of the workload created. Given the public nature of recreational programs, the expectation that the director also function as operations supervisor was considered impractical. Likewise, alternatives with a single operations chief or a single regional supervisor were considered unreasonable because of the excessive spans of control. In fact, DOA had already criticized the regional parks supervisors' spans of control as being too large in a number of regions.

The "Fish and Wildlife" alternative is quite sound. The span of control issue remains for some regional park supervisors but all other reportability seems quite workable. (If regional assistants were added to work with the regional park managers, the span of control problems would be eased.) All staff and line functions are appropriately connected through single supervision (i.e., within each program, the staff and line heads report to the same person to ensure coordination).

Another major consideration in any merger is the stage of organizational life each unit has achieved. The Parks and Recreation Division, established in 1935, has moved much further along the organizational life cycle, and thus focuses more on operations and maintenance rather than development. The Trails and Waterways Unit, established in 1979, is still acquiring and developing an infrastructure and services to meet the needs of various and often relatively new, user groups. As a result of these different stages of organizational life, as well as their respective size and program scope, each unit is organized differently. Parks is organized in a functional manner with operations, development, and technical services. Trails is organized programmatically with trails, water access and canoe and boating route programs. Neither unit can immediately shift to the organizational format of the other.

Instead, a new structure must recognize the value of the current organizations. Parks, with its functional structure, has done an excellent job of keeping the central office small and the vertical chain of command short to allow better responsiveness in a statewide organization. Through its program structure, the

Trails and Waterways Unit has produced strong accountability and allowed substantial job enhancement for its relatively young staff. Forcing either unit to mold itself like the other seems inappropriate and ineffective. The "Fish and Wildlife" alternative does not require this molding. Instead, it builds upon the strengths of the current structures.

Merger Phases

Merger requires phasing and proper timing. Within the next few years, various programs within the Unit of Trails and Waterways will be moving out of accelerated development and into more of an operational mode. The unit has calculated this transition and projected it programmatically as follows.

Water Access: develop approximately 250 more sites, taking 6 to 8 years

Trails: develop 300 more miles of state trail, taking 6 years; develop and possibly delete some unit trails taking 8 years

River Recreation: develop 4 to 5 new rivers and another 130 sites across all designated rivers, taking at least 6 years.

As this shift in emphasis takes place, it will be easier for the two groups to function as a single division.

Other factors must be taken into account in designing precisely how and when each phase would be carried. These include the effects on service to the public; costs; strategic planning; and budget and personnel management. These are some of the considerations that were used when the "Fish and Wildlife" structure was originally evaluated and selected as the best merger alternative.

The Department has considered the previously mentioned criteria and has already taken some actions to improve the coordination and effectiveness of the two units. If requested, the Department would complete the following approach of phased actions.

PHASE I. CONSOLIDATION OF EXTERNAL IMAGE

Phase I is designed to help the general public become familiar with a single Division of Parks, Trails and Waterways. To accomplish this, the Department has already created a single information center in its St. Paul office. This center combines the information for both units. Additionally, operators are available to answer questions on either discipline. This begins to present the image of a single unit to the public. (The information center goes even further, however, since it allows for a unified Departmental image across all disciplines.) In the field, printed information about parks is carried at all trail facilities and vice versa. Professional field staff from each unit have been informed about the services of the other and are prepared to address a wide range of questions from the public.

Another step in Phase I was locating Parks and Trails central office staff adjacent to one another on the third floor of the St. Paul Office. As the public comes in to meet with staff, they become familiar with finding staff from either unit in the same location.

Through working agreements and eventual complete merger, the planning and marketing functions of the two units could be shared. Since January 1986, both units have been sharing staff time and technical expertise for both marketing and interpretative research and planning. As development and operations call for planning and public participation, citizens would begin working with the same staff whether they are discussing a park, trail or water access in their area. It should be noted, however, that neither unit has sufficient staff dedicated to planning at this time.

PHASE II. CONSOLIDATION OF STRATEGIC DIRECTION

Phase II is designed to unify the statewide long-range direction of both units. In the 1984 Governor's Action Plan, the two units combined their statewide strategic issues and mutually prioritized them. This gave external reviewers an opportunity to react to a coordinated approach to the long term provision of

recreation service. This has been done again in 1986 in the Department's Directions for Natural Resources document.

As described in Phase I, the planning functions for both units would be shared. The first step would be a memorandum of understanding which would detail the procedures for sharing the skills of staff and the standards for developing a common approach to planning in both units. As strategic plans are completed, statewide priorities would be developed for operational, capital and equipment budgets.

PHASE III. CONSOLIDATION OF SUPPORT SERVICES

In Phase III the fiscal and personnel management functions would be combined. The first step would be to share the cost accounting system which has been developed by the Division of Parks. This system allows for detailed accounting of expenditures and would provide management from both units with the financial information needed to effectively manage. The next step would be to consolidate the two business offices and provide financial and personnel services to both units.

Additionally, as this would be accomplished, employees of both units will become familiar with a single set of administrative guidelines and services. This gradual familiarization would insure that the final phase, merger of all operations, would be a success.

Training opportunities would be combined for both units with courses being offered to employees of either unit. This combined training not only allows for efficient provision of training opportunities but also would facilitate team building in the combined unit.

In Phase III, job opportunities must be opened to allow easy migration from one unit to the other. A work group would be established to examine job responsibilities in both units, to find common knowledge and skills areas and to recommend integrated career paths.

PHASE IV. CONSOLIDATION (MERGER) OF ALL PROGRAM OPERATIONS

Phase IV is the final step in complete merger of the two units as all program operations are merged. A single director would be designated and the trails and parks operations chiefs would be named. At that time the line authority for the trails and waterways regional supervisor would be transferred from the regional administrators to the trails and waterways operations chief. This is how reportability in Parks currently takes place and would allow a balanced approach to line authority. The Regional Administrators would remain involved through regional work planning, equipment management and capital budget decisions, as well as provision of administrative support services.

APPENDIX

FIGURE 4-S.18

Minnesota Outdoor Recreation Survey Projected Instate Recreation by Residents Winter

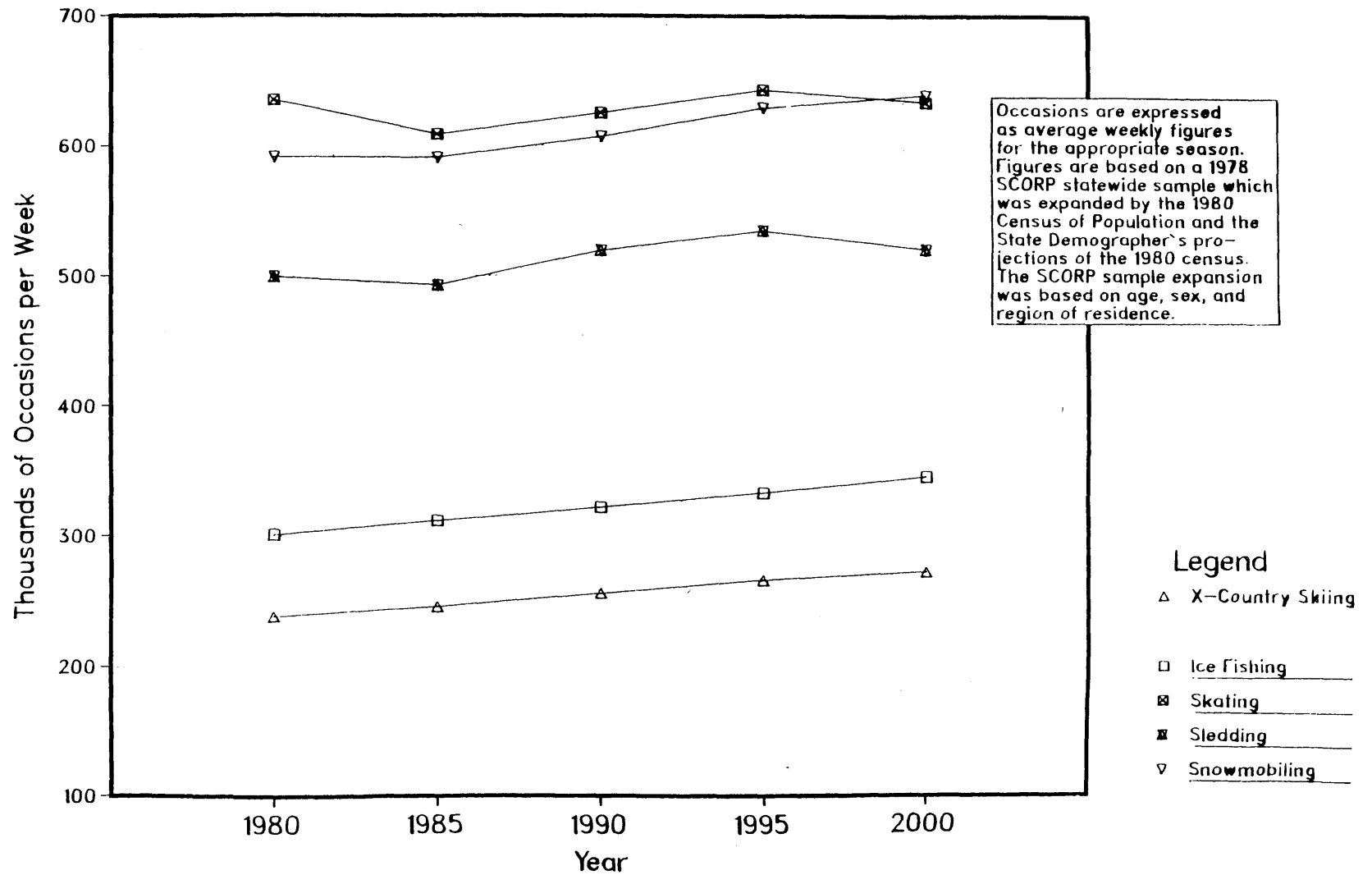
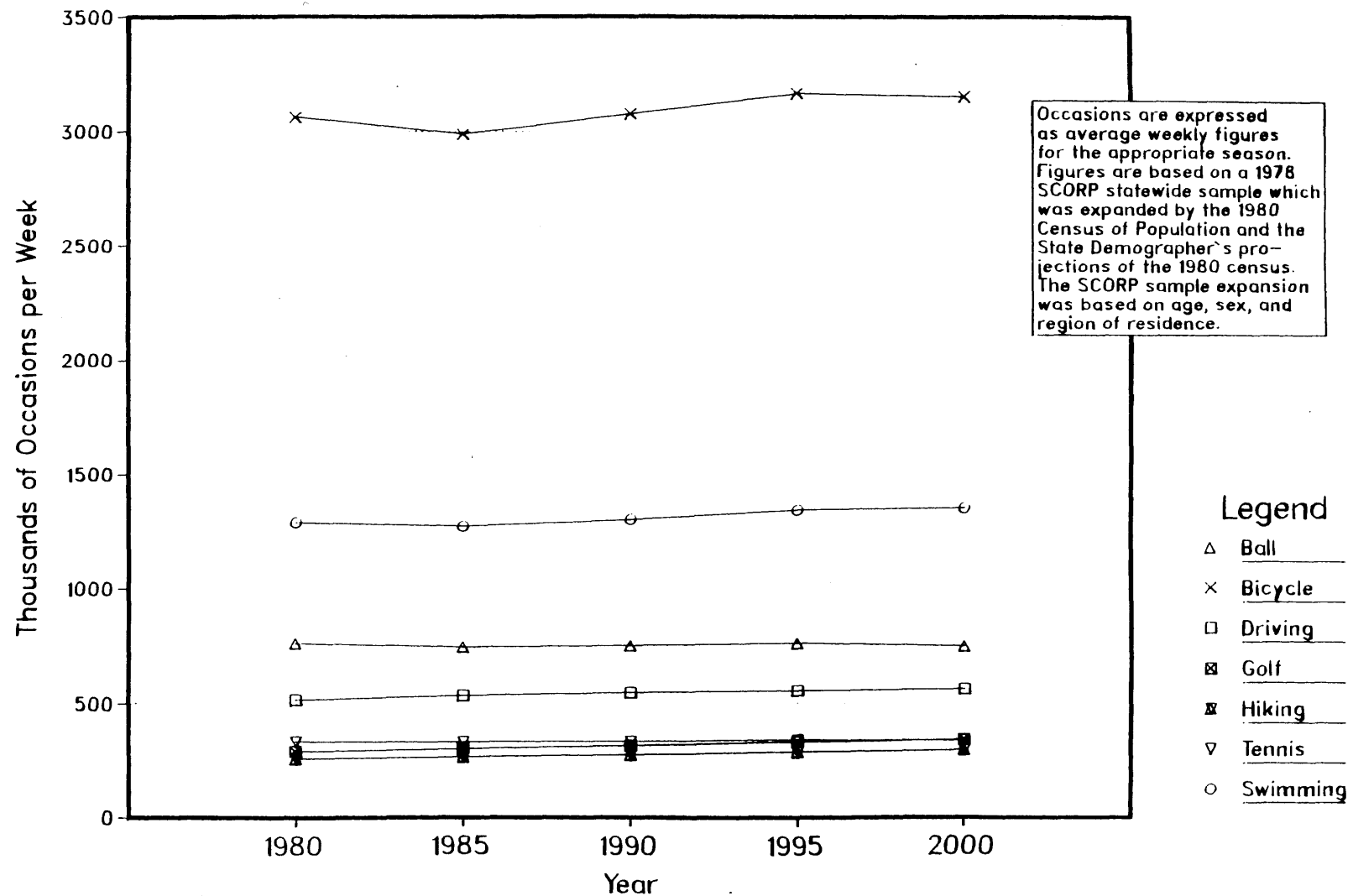


FIGURE 4-S.17

Minnesota Outdoor Recreation Survey Projected Instate Recreation by Residents Summer



Minnesota Outdoor Recreation Survey Projected Instate Recreation by Residents Summer

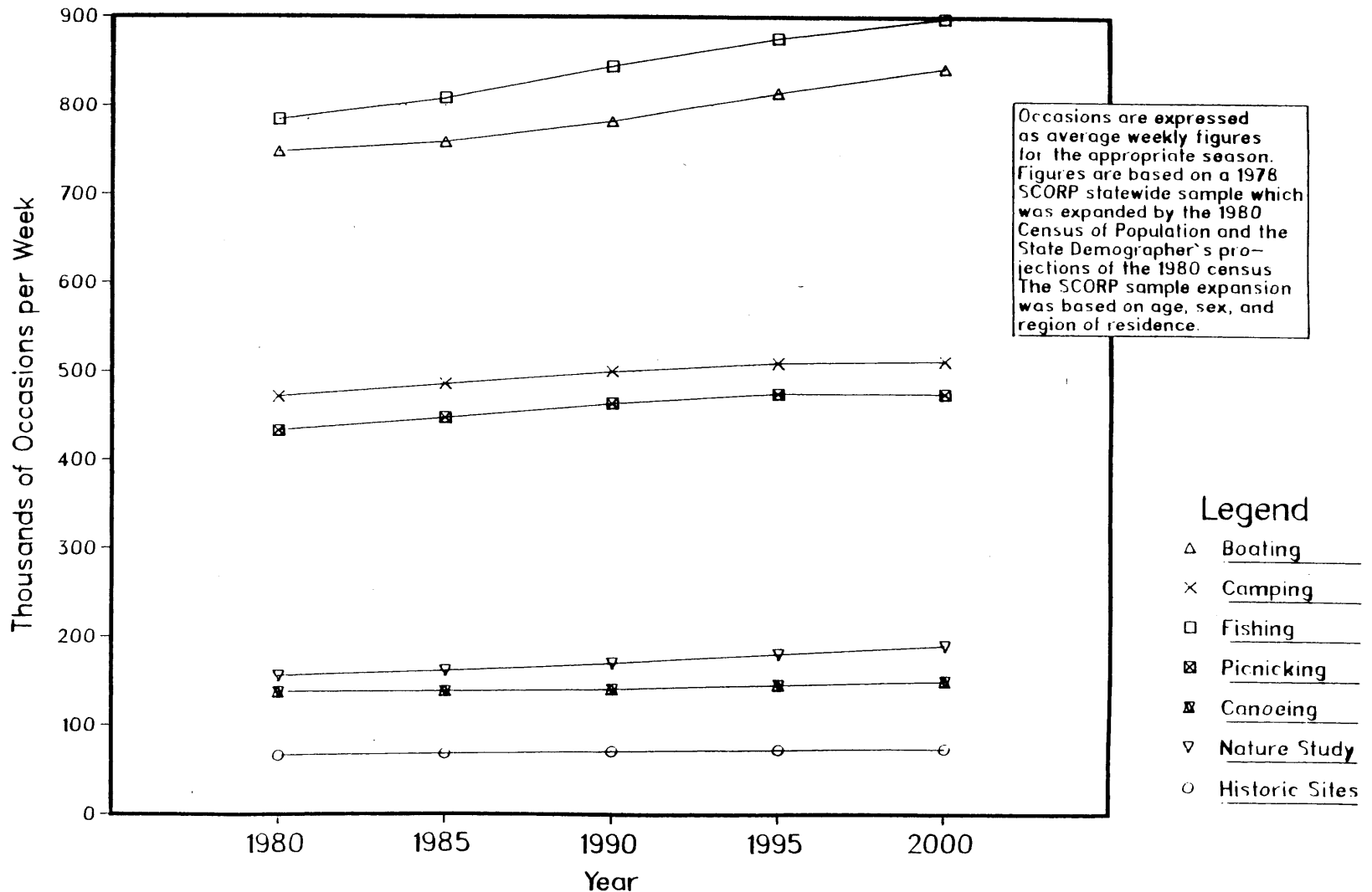


Table 4-S.04
Projected Nonresident Activity Participation^a
1978-1995

(participation figures are average weekly occasions)

	Participation 1978	Participation Change 1978-1995	Percent Change 1978-1995 ^b
Summer Activity			
Fishing	467,097	66,374	14.2
Boating	201,404	25,377	12.6
Camping	266,171	20,273	7.6
Visiting Historic Sites	143,060	16,938	11.8
Bird Watching/Nature Study	52,233	12,776	24.5
Swimming	214,925	10,230	4.8
Hiking	87,327	9,623	11.0
Picnicking	84,365	6,884	8.2
Canoeing	95,780	5,910	6.2
Driving for Pleasure	36,440	5,080	13.9
Golf	16,364	3,116	19.0
Bicycling	19,482	3,059	15.7
Trailbiking/Four-Wheeling	12,296	1,903	15.5
Trap/Skeet Shooting	4,452	758	17.0
Horseback Riding	1,981	-46	-2.3
Tennis	13,440	-89	-.7
Backpacking	29,075	-3,364	-11.6
Orienteering	25,112	-6,943	-27.6

^aSource: Minnesota Department of Natural Resources, Office of Planning, State Comprehensive Outdoor Recreation Plan.

^bPercent-change figures are based on a surrogate group of touring residents, and are used to calculate participation change in column 2 from 1978 participation in column 1. See text for further explanation.

