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POLICY FOR SUSTAINABLE FORESTS

(Formerly the Forest Resource Plan)

Board of Natural Resources Policy Alternatives Discussion

December 7, 2004

ABLE OF CONTENTS	
INDEX TO FOREST RESOURCE PLAN POLICIES	3
PLAN PURPOSE AND POLICY OBJECTIVES	4
ECONOMIC PERFORMANCE	5
Financial Diversification	5
Financial Assumptions	
Recalculation of the Sustainable Harvest Level	
Definition of Sustainability for the Sustainable Harvest Calculation	
Land Classifications	
FOREST ECOSYSTEM HEALTH AND PRODUCTIVITY	11
Forest Health	
Wildfire and Catastrophic Loss Prevention	
Genetic Resource	
Special Ecological Features	
Older Forests and Old Growth	
Watershed Systems	
Riparian Management Zones	
Wetlands	
SOCIAL AND CULTURAL BENEFITS	24
	0.4
Public Access and Recreation	
Cultural Resources	
Local Economic Vitality	
Local Economic Vitality	
IMPLEMENTATION	31
Forest Land Planning	
General Silvicultural Strategy	
Forest Land Transactions	
Roads	
Acquiring Rights of WayGranting Rights of Way	
Research	
External Relationships	
SEPA Review	
Implementing, Reporting and Modifying the Plan	

INDEX TO FOREST RESOURCE PLAN POLICIES

Policy	Addressed on Page
No. 1: Federal Grant Land Base	36
No. 2: Forest Board Land Base	36
No. 3: Land Classifications	
No. 4: Sustainable, Even-Flow Harvest	
No. 5: Harvest Levels Based on Volume	
No. 6: Western Washington Ownership Groups	9
No. 7: Eastern Washington Ownership Groups	
No. 8: Special Forest Products	
No. 9: Forest Health	
No. 10: Fire Protection	13
No. 11: Managing On-Base Lands	32 & 35
No. 12: Review of Financial Assumptions	
No. 13: Special Ecological Features	
No. 14: Old Growth Research Areas	16
No. 15: The Genetic Resource	14
No. 16: Landscape Planning	31
No. 17: Soliciting Information	41
No. 18: SEPA Review	42
No. 19: Watershed Analysis	21
No. 20: Riparian Management Zones	22
No. 21: Wetlands	23
No. 22: Wildlife Habitat	19
No. 23: Endangered Species	19
No. 24: Identifying Historic Sites	27
No. 25: Providing Public Access	24
No. 26: Granting Public Rights of Way	39
No. 27: Acquiring Rights of Way	38
No. 28: Developing and Maintaining Roads	37
No. 29: Recreation on State Forest Lands	
No. 30: Silviculture Activities	
No. 31: Harvest and Reforestation Methods	33 & 35
No. 32: Green-up of Harvest Units	29
No. 33: Control of Competing Vegetation	
No. 34: Fertilizing, Thinning, and Pruning	34 & 35
No. 35: Public Involvement	
No. 36: Implementing the Plan	43
No. 37: Monitoring the Plan	
No. 38: Modifying the Plan	
No. 39: Consistency with Other Plans	43
No. 40: Research	40

PLAN PURPOSE AND POLICY OBJECTIVES

Plan Purpose

Consistent with the fiduciary standards governing trust management, conserve and enhance the natural systems and resources of state forests to produce long-term, sustainable income, environmental and other benefits for all the people of Washington.

Policy Objectives

- 1. Meet all federal and state laws, including the trust obligations and the contractual commitments of the *Habitat Conservation Plan*.
- 2. Balance trust income, environmental protection, and other social benefits from four perspectives: the prudent person doctrine; undivided loyalty to and impartiality among the trust beneficiaries; intergenerational equity; and not foreclosing future options.
- 3. Ensure policies are succinct, relevant and easily understood by the public and department employees.
- 4. Seek productive partnerships that help the department achieve policy objectives.
- 5. Use professional judgment, best available science and sound field forestry to achieve excellence in public stewardship.
- 6. Pursue outcome-based management within a flexible framework.
- 7. Promote active, innovative and sustainable stewardship on as much of the forested land base as possible.
- 8. Identify trust lands that provide special ecological, social, or cultural benefits that are incompatible with active management, and look for opportunities to protect such areas through creative partnerships and funding mechanisms with appropriate compensation to the trusts.
- 9. Capture existing and future economic opportunities for the beneficiaries from the forest land base by being prudent, innovative and creative.
- 10. Monitor and periodically report to the Board of Natural Resources on the implementation and outcomes of Board of Natural Resources' approved policies.

ECONOMIC PERFORMANCE

Financial Diversification

Diversification is an important consideration in meeting the department's financial obligations to the trust beneficiaries. Financial diversification as a policy subject deals with the forest asset class, including both forest products marketing and sales and income from non-timber products and services. Diversification among trust asset classes (forestry, agriculture, commercial real estate) to improve economic performance is guided by the department's *Asset Stewardship Plan* and is not addressed in this document.

Alternative 1 (No Action):

Alternative 1 reflects what the department recognized in 1992 as an increasing demand for special forest products and the potential for environmental impacts and increased revenue opportunities. Maintaining this policy commits the department to continue a special forest products program. Special forest products represent one element of financial diversification. While this policy by itself meets Policy Objective 9 to some degree, it falls short as an overall approach to financial diversification.

Forest Resource Plan Policy No. 8, Special Forest Products: "The department will encourage and promote the sale of special forest products where appropriate and will market them in a manner consistent with the overall policies of this plan."

Alternative 2:

Alternative 2 generally represents current financial diversification efforts within the forest asset class. Alternative 2 would direct the department to continue the current practice of offering a mix of forest products timed to take advantage of seasonal market fluctuations to improve revenue generation. The department would focus primarily on regional markets under Alternative 2. The department would continue to market non-timber related commodities, like special forest products, when they improve overall financial performance. The department would increasingly use contract harvesting as one method to improve financial performance through marketing and sales of forest products. The department will monitor changing land values and land use trends surrounding forested state trust lands to make informed forest land allocation and management decisions. Under Alternative 2, Forest Resource Plan Policy No. 8 would expire. Alternative 2 would focus on diversification primarily within the forest products arena. While Alternative 2 represents a higher degree of innovation and creativity than Alternative 1, and as suggested by Policy Objective 9, it still falls short by not recognizing the economic potential of ecological and social benefits that flow from forested state trust lands.

- a. The department will identify and offer a mix of forest products to take advantage of existing markets and market value fluctuations.
- b. The department will evaluate and capture financial opportunities through production, marketing and sales of both timber related and non-timbered related commodities.

c. The department will continually evaluate land use patterns and changing land values to guide decisions about trust asset management and allocation.

Alternative 3:

Alternative 3 includes all of the components of Alternative 2. Additionally, the department would anticipate future demand for ecological and social benefits and would seek to position itself to take advantage of that demand on behalf of the trust beneficiaries. Although these benefits may not have immediate revenue potential, they would appear likely to have significant future revenue potential and offer an opportunity to improve the overall financial performance of the forested trust lands. Examples include recreation, tourism, water quantity and quality, and carbon sequestration. Under Alternative 3, Forest Resource Plan Policy No. 8 would expire. Alternative 3 represents the highest degree of innovation and creativity by directing the department to anticipate or develop future economic markets for ecological and social benefits and position itself to take advantage of those markets. Alternative 3 is more speculative in nature than the other alternatives in terms of financial diversification and may not meet the prudence standard, as stated in Policy Objective 2.

- a. All components of Alternative 2.
- Anticipating increased future demand, the department will actively pursue, evaluate, and develop new economic opportunities related to the ecological and social benefits that flow from forested state trust lands.

Alternative 4 (Department's Preferred):

Alternative 4 includes all of the components of Alternative 2. Additionally, the department would expand its marketing efforts to national and international markets. The department would increase its efforts to capture additional revenue through leasing of forestland for other uses such as energy generation and communication sites, when there is a clear opportunity to improve the net revenue from forest lands. The department would continue to evaluate different marketing and sales strategies, beyond contract harvesting, to improve overall financial performance of the forest lands. The department would participate in research related to economic and financial trends to identify partnerships and/or additional opportunities to improve financial performance through diversification. Under Alternative 4, Forest Resource Plan Policy No. 8 would expire. Alternative 4 recognizes that forested state trust lands offer unique products in the worldwide market, such as low elevation Douglas-fir. Alternative 4 provides for a higher degree of innovation and creativity as suggested in Policy Objective 9 by improving economic performance through diversification in the forest products arena. It also prudently seeks sources of income with immediate net revenue potential from forest land related to non-forest products or ecological and social benefits, such as recreation and tourism. This alternative best meets Policy Objective 2.

- a. All components of Alternative 2.
- b. The department will actively expand its efforts to identify, develop and target new national and global markets for forest products.

- c. The department will continually seek opportunities to creatively market and sell forest products to improve overall financial performance.
- d. When there is a clear opportunity to improve the net revenue from forest lands, the department will actively pursue economic opportunities related to ecological and social benefits that flow from forested state trust lands.
- e. The department will pursue additional forecasting services and research related to economic and financial trends to identify additional diversification opportunities.

Financial Assumptions

Forest investments are based on various financial assumptions. Assumptions about prices, costs, interest rates and other financial factors reflect national and regional economic conditions, as well as anticipated changes in forest product markets. The department makes certain assumptions as it uses various investment models to guide decisions related to silvicultural investments; capital investments, such as roads; forest land investments; and other investment decisions.

The nature and timeliness of reviews and updates of financial assumptions are critical to making sound investment decisions on behalf of the trusts.

Alternative 1 (No Action):

Alternative 1 directs the department to review its financial assumptions each year. Economic situations may change more or less frequently than every year. Adjustments to financial assumptions driven by general economic trends may be more effective than annual adjustments.

Forest Resource Plan Policy No. 12, Annual Review of Financial Assumptions: "The department will review and adjust annually its financial assumptions used in management decisions."

Alternative 2:

Under Alternative 2, the department would track financial trends and periodically adjust its financial assumptions when general economic situations dictate, rather than simply every year. Review and adjustment would be driven by economic trends, not by a period of time. Under Alternative 2, *Forest Resource Plan* Policy No. 12 would expire. Alternative 2 places the emphasis for adjustments of financial assumptions on general economic trends.

The department will review financial assumptions on a periodic basis and make adjustments when general economic situations dictate.

<u>Alternative 3 (Department's Preferred)</u>:

Alternative 3 includes all of the components of Alternative 2. Additionally, the department would develop and utilize a state uplands coordinated approach for reviewing and adjusting financial assumptions to be used for analyzing investment decisions related to

managing forested state trust lands. Alternative 3 would provide better consistency within the department related to investment analysis and financial assumptions.

- a. All components of Alternative 2.
- b. The department will utilize a comprehensive approach to periodically review and update the financial assumptions used in forest management decisions.

Recalculation of the Sustainable Harvest Level

No alternatives are being considered for this policy due to recent actions by the Board of Natural Resources. This policy was adopted by the Board of Natural Resources on September 8, 2004:

PO14-A CIRCUMSTANCES TRIGGERING THE NEED FOR A RECALCULATION OF THE SUSTAINABLE HARVEST LEVEL

DISCUSSION

State law requires that the department shall manage the state-owned lands under its jurisdiction, which are primarily valuable for the purpose of growing forest crops on a sustained yield basis. "To this end, the Department shall periodically adjust the acreages designated for inclusion in the sustained yield management program and calculate a sustainable harvest level." (RCW 79.10.320) State law also defines sustainable harvest level as, "Sustainable harvest level means the volume of timber scheduled for sale from state-owned lands during a planning decade as calculated by the department and approved by the board." (RCW 79.10.300(5))

The legislature envisioned that the sustainable harvest level is likely to need adjustment from time to time, based on the quantity, quality, growth, and availability of the timber resource on state lands. At the time the statute was enacted, the suitable time period was thought to be one decade, with the average annual sustainable harvest level remaining constant during the decade.

Currently, the factors affecting a stable long-term sustainable harvest calculation remain dynamic. Regulatory requirements are in flux, and information about the resource base continues to improve. In addition, new more powerful and flexible computer models have emerged, making it feasible to adjust the harvest level as circumstance change. At the same time, the fundamental trust obligations and statutory requirements continue to be the foundation of policy.

POLICY

The department, with board approval, will recalculate the statewide sustainable harvest level, for board adoption no less frequently than every ten years.

The department will adjust the calculation and recommend adoption by the board when the department determines changing circumstances within the planning decade suggest that an adjusted harvest level would be prudent. Such circumstances may include major changes in legal requirements, significant new

policy direction from the board, new information about the resource base available for harvest, or changes in technology.

Definition of Sustainability for the Sustainable Harvest Calculation

No alternatives are being considered for this policy due to recent actions by the Board of Natural Resources. This policy was adopted for Western Washington by the Board of Natural Resources on September 8, 2004:

Western Washington:

PO14-B DEFINITION OF SUSTAINABILITY FOR THE SUSTAINABLE HARVEST CALCULATION

DISCUSSION

State law defines "sustained yield" as "management of the forest to provide harvesting on a continuing basis without major prolonged curtailment or cessation of harvest." (RCW 79.10.310) A common law duty of the state as trustee is to not favor either present or future trust beneficiaries over each other. Sustained yield management helps accomplish this duty.

Within that broad statutory direction, various interpretations of sustained yield management are possible. Differences in interpretation may relate to the size of areas subject to separate calculations of sustainable yield of timber, for example, either the state trust ownership as a whole or smaller areas; the degree of variability of timber harvest over time; and the aspect of forest management to be the primary focus of sustainability, such as area or volume of timber harvested or retained, or revenue earned.

In the past, the department has divided the forest land base into separate sustainable harvest units based on county boundaries, the department's administrative regions, and several separately treated areas. In addition, the department has set the variability of harvest over time based on a non-declining even-flow objective. The department has calculated sustainable yield based on timber volume. The Board of Natural Resources has expressed a desire for a more flexible system as the basis for the sustainable harvest calculation.

(Lands formerly know as Forest Board Transfer and Forest Board Purchase are now defined in RCW 79.02.010(10) as "State Forest Lands." For purposes of this policy, former Forest Board Transfer lands will be called "State Forest Trust Lands," and former Forest Board Purchase Lands will be called "State Forest Purchase Lands.")

POLICY

For Western Washington the department will calculate, and the Board will adopt, a separate long-term decadal sustainable harvest level, expressed as mean annual timber volume for a planning decade, for twenty distinct sustainable harvest units, as follows: Each of the seventeen county beneficiaries of State Forest Trust lands separately, and all of the federally granted trusts and State Forest Purchase lands

in Western Washington together, with the exception that the Olympic Experimental State Forest and the Capitol State Forest shall each have a separate calculation regardless of trust.

In order to ensure intergenerational equity among beneficiaries, within each sustainable harvest unit, the department shall calculate an estimated multi-decade harvest level such that the mean annual timber volume for any decade should not vary up or down more than 25% from the level of the preceding decade, except that all State Forest Trust lands outside Capital State Forest and Olympic Experimental State Forest shall be treated as a single sustainable harvest unit for purposes of achieving the allowable variation between decadal timber harvest levels. In order to take advantage of shorter term operational or market opportunities, the harvest level for any year within the planning decade may also fluctuate up to 25% plus or minus from the mean annual harvest level adopted by the Board, as long as the decadal mean is sustained over the decade.

Subject to all applicable legal and policy direction, the department will analyze the financial characteristics of forest stands in order to optimize the economic value of forest stands and timber production over time, in calculating the sustainable harvest level, in planning and scheduling timber harvests, in making investments in forest growth, and in searching for the least-cost methods of achieving other forest management objectives.

Eastern Washington:

No alternatives are being considered for this policy. For Eastern Washington, the *Forest Resource Plan* Policy No. 7 will continue until such time that it is reviewed as part of an Eastern Washington sustainable harvest calculation:

Forest Resource Plan Policy No. 7, Eastern Washington Ownership Groups: "The department will establish sustained, even-flow harvest levels within specified ownership groups in Eastern Washington, as follows:

- Yakima River
- Klickitat
- Highlands and South Okanogan
- Arcadia
- North Columbia"

Land Classifications

Historically, the department has classified forested state trust lands into two general categories: "on-base" and "off-base." On-base lands were those forested trust lands considered capable of producing timber revenue and they were included in the department's long-range timber harvest plans. Off-base lands were considered those trust lands that typically could not produce another timber crop within 80 years of harvest, as well as properties which harvesting had been deferred due to the potential risk to public resources. In addition, forest land that was deemed too small, isolated, difficult to access, or removed from the harvest base to meet some other specific need or objective was included in the "off-base" category. Historically, off-base lands were not included in a sustainable harvest calculation.

Alternative 1 (No Action):

Alternative 1 continues designating forested state trust lands as either "off-base" or "on-base" for the purposes of identifying forest lands capable of producing merchantable timber within 80 years for harvesting and for determining what lands are included in the sustainable harvest calculation. However, Alternative 1 is no longer consistent with how the department has classified lands for the sustainable harvest calculation.

Forest Resource Plan Policy No. 3, Land Classifications: "The department intends to designate those lands and timber resources that are unavailable for harvest as "off-base." All deferrals will be included in this category."

Alternative 2 (Department's Preferred):

Alternative 2 recognizes that forested state trust lands are managed to meet multiple objectives that are economic, ecological or social in nature and are set by federal and state law, including the *Habitat Conservation Plan* and Board of Natural Resources policy. Many of these objectives have evolved since adoption of the *Forest Resource Plan*. All forested state trust lands contribute or have the potential to contribute to one or more of these objectives. The sustainable harvest calculation model analyzes the capability of forest lands and associated forest stands to meet department objectives and assigns silvicultural regimes across broad landscapes to meet these objectives over space and time.

The majority of forested state trust lands have been included in the 2004 Western Washington sustainable harvest calculation to determine their role in meeting Board objectives. It is anticipated that a similar approach will be used for the upcoming Eastern Washington sustainable harvest calculation. Some of these lands play an important role in meeting ecological objectives in their current condition and are not available for harvest during the next decade or longer. These lands, classified as "off-base" under Alternative 1, are classified as deferrals in the sustainable harvest calculation and, while not currently available for harvest, are included in the calculation. For example, old-growth research areas help meet older forest targets for *Habitat Conservation Plan* planning units, but are not available for harvest. Other examples of lands in this category are recreation sites and gene pool reserves.

The department will designate those lands and timber resources that are unavailable for harvest. All deferrals, including short and long term, will be included in this designation.

FOREST ECOSYSTEM HEALTH AND PRODUCTIVITY

Forest Health

A functioning, healthy forest ecosystem has many components, one of which is the forest stand itself. In addition to maintaining other key elements of the forest ecosystem, maintaining healthy stand conditions keeps the forests productive. What constitutes a healthy forest varies for different locations within the state. Ecoregions, associated plant communities, and natural vegetative series are the bases for identifying appropriate species and stocking levels. Productive, healthy forests directly provide many economic, ecological and social benefits to the

trusts and to all the people of Washington. The department utilizes a number of silvicultural activities, including prescribed fire, to keep forests healthy and resistant to insects, disease and catastrophic fire. The two major components of maintaining forest health are:

- Prevention of damage by maintaining appropriate species composition/age and stocking levels; and
- Treatment of insects, noxious weeds, disease, and animal damage, when their impacts are excessive.

Alternative 1 (No Action):

Alternative 1 is designed to limit unacceptable damage to trust assets and to produce healthy forests. It recognizes that some level of insects and disease are a natural part of a healthy forest ecosystem. This level does not result in significant economic loss, although direct control with pesticides and biological treatment is occasionally necessary to protect trust assets. While Alternative 1 allows the application of longer-term solutions to forest health problems, such as addressing inappropriate species composition and/or stocking levels, it doesn't emphasize it.

Forest Resource Plan Policy No. 9, Forest Health: "The department will incorporate forest health practices into the management of state forest land to bring about a net benefit through the reduction or prevention of significant forest resource losses from insects, diseases, animals and other similar threats to trust assets."

Alternative 2 (Department's Preferred):

Alternative 2 includes all of the components of Alternative 1 and builds on them by emphasizing development of long-term landscape strategies to address the fundamental causes of forest health problems. Alternative 2 also encourages the department to work closely with the scientific community as new approaches to forest health issues are developed. Alternative 2 better meets Policy Objectives 4, 5, and 7 by encouraging active management of as much of the land base as possible to prevent significant forest health problems.

- a. All components of Alternative 1.
- b. The department will emphasize developing landscape strategies at an appropriate scale to address the forest health issues of overstocking and/or inappropriate species composition. Using vegetative series, the goal is to adjust stand composition to favor species best adapted to the site.
- c. The department will work closely with the scientific community to incorporate new effective forest health approaches.

Wildfire and Catastrophic Loss Prevention

One of the department's primary fiduciary responsibilities is to protect trust assets from loss due to catastrophic wildfire or other factors such as wind, insects, and disease. Prevention of wildfire helps protect the economic, ecological, and social features of forested state trust lands and assures progress toward meeting trust objectives. Wildfire and other catastrophic loss

prevention involves identifying, planning, and implementing prevention efforts, sometimes with adjacent landowners, to minimize impacts on forested state trust lands. It also involves fuel reduction on forested state trust lands. Overall, healthier forests are less likely to experience catastrophic losses.

Alternative 1 (No Action):

Alternative 1 directs the department to initiate supplemental protection measures to reduce losses from wildfire when the costs of these practices are less than the cost of leaving the resources at risk. Alternative 1 does not support the active management needed to meet Policy Objective 7 as well as Alternative 3.

Forest Resource Plan Policy No. 10, Fire Protection: "The department will supplement the state's fire protection program to bring about a net benefit through the reduction of significant resource losses from wildfire on department-managed land."

Alternative 2:

Alternative 2 states that no additional policy guidance is needed related to wildfire prevention and catastrophic loss. The department would continue its efforts in planning and working with other landowners to prevent significant loss to the trusts from wildfire. Alternative 2 does not communicate to department employees or the public the importance of protecting trust assets from catastrophic wildfire or the importance of active management to reduce loss due to wildfire.

No additional guidance is needed in the *Policy for Sustainable Forests* with relation to wildfire and catastrophic loss prevention.

Alternative 3 (Department's Preferred):

Alternative 3 includes all of the components of Alternative 1. Additionally, Alternative 3 more clearly links department efforts to maintain healthy forests with the added benefit of preventing catastrophic wildfire loss through fuel reduction. It also reinforces the dual benefits of such strategies to the trusts and all the people of Washington. In addition, Alternative 3 states that salvage of timber damaged through catastrophic events is important. Alternative 3 best meets Policy Objectives 2, 5, 6, and 7.

- a. All components of Alternative 1.
- b. The department will incorporate wildfire and other catastrophic loss prevention strategies, including development of fire-resistant stands, into its management of forested state trust lands. Forest stands that have been materially damaged by fire, wind, insects or diseases will be salvaged when such actions are in the best economic and ecological interests of the trusts. The objective is to reduce or prevent significant forest resource losses to the trusts and to all the people of Washington.

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Genetic Resource

The genetic makeup of tree populations is a key factor affecting forest health and productivity. Within a tree species, genetically controlled physiological characteristics vary from one location to another. These are created by an organism's adaptive response to differing environmental conditions. Understanding a species probable genetic adaptation to its environment is one of the key considerations in managing forests. Also important to forest health and productivity is genetic diversity in the long-term. Maintaining genetic diversity allows populations to adapt in response to changing environmental conditions, such as new diseases or different climates. The department recognizes the importance of maintaining and protecting genetic resources. The department considers the gene pool reserves to be one of the trust assets that it protects. These reserves are deferred from harvest to ensure that native genetic material, adapted to local conditions, will be available in the future.

Alternative 1 (No Action and Department's Preferred):

Alternative 1 ensures that the genetic resource is adequately represented and protected on forested state trust lands and does not rely on other department lands or other governmental or private landowners to protect and ensure availability of genetic material on behalf of the trusts. Alternative 1 best meets Policy Objective 2.

Forest Resource Plan Policy No. 15, The Genetic Resource: "The department will protect and enhance a diverse gene pool of native trees on state forest lands to ensure well-adapted future, commercial forests."

Alternative 2:

Alternative 2 relies on other department lands, governmental, or private landowners as a source for genetic material to meet trust needs. Gene pools that are not wellrepresented on these other ownerships would be maintained and protected on forested state trust lands. Alternative 2 does not meet the intent of Policy Objective 2 as well as Alternative 1, because the reliance is on other landowners.

The department will maintain, protect and enhance gene pools of native trees on forested state trust lands to supplement gene pools protected and accessible on other department lands or other ownerships.

Alternative 3:

Alternative 3 seeks to ensure genetic diversity in the face of catastrophic events. This provides a higher level of insurance and protection, but may be in excess of what is needed to meet trust needs.

The department will, in addition to maintaining existing gene pools, increase the number of gene pools of native trees on forested state trust lands to ensure gene pool diversity in the face of catastrophic events.

Special Ecological Features

Special ecological features on forested state trust lands are those species, plant communities, ecosystems and other natural features that need special management consideration for their long-term survival. These features may be priorities for inclusion within the statewide system of special lands, including Natural Area Preserves and Natural Resources Conservation Areas. These features or considerations would include conservation concerns such as rare species, rare ecosystem types, and widespread ecosystem types that are threatened in some manner or those naturally occurring features for which there is no representation, or inadequate representation, within the natural areas system. The department's Natural Heritage Program maintains an inventory of special ecological features across the state of Washington.

Alternative 1 (No Action):

Alternative 1 requires the department to identify forested state trust lands with special ecological features, and seek legislation and funding to remove these lands from trust ownership. In the past, funds appropriated by the legislature for this purpose have enabled the department to set aside properties as Natural Area Preserves or Natural Resources Conservation Areas, or to transfer ownership to other appropriate agencies. These funds, about \$400 million since the late 1980s, were included as part of the department's approved budget by the legislature. Separate legislative action has not been required. Alternative 1 meets the intent of Policy Objective 8.

Forest Resource Plan Policy No. 13, Special Ecological Features: "The department will identify state forest lands with special ecological features that fill critical gaps in ecosystem diversity, and it will seek legislation and funding to remove these lands from trust ownership."

Alternative 2 (Department's Preferred):

Alternative 2 includes all of the components of Alternative 1. Additionally, it clarifies that the focus is generally on features of regional or statewide significance, many of which are identified by the Natural Heritage Program. It further recognizes that the department utilizes a variety of strategies, including funding from the legislature, to meet the intent of Policy Objective 8.

- a. All components of Alternative 1.
- b. When in the best interest of the trusts, the department will identify forested state trust lands with special ecological features of regional or statewide significance that fill critical gaps in ecosystem diversity. The department will protect such areas through disposal, retention, creative partnerships or other available funding mechanisms.

Older Forests and Old Growth

Western Washington:

Older forests, which include old-growth stands, are structurally complex and can be in one of three stand development stages: Botanical Diversity, Niche Diversification, or Fully Functional. Structural conditions include the number and size of live trees, standing dead trees (snags), and

down woody debris. Describing older and old-growth forests in terms of structural conditions allows for an improved description of a forest's ecological condition, because forest stand structure is related to ecological functioning. The stages referred to are adapted from three principal sources: Brown (1985), Carey et al. (1996), and Johnson and O'Neil (2001).

Old-growth stands are in the Niche Diversification or Fully Functional stages of stand development. Moreover, the ecological value of old-growth stands increases with stand size. Old-growth stands 80 acres and larger tend to provide more ecological function than those smaller than 80 acres. The Old-Growth Definition Task Group (1986) indicated that stands of less than 80 acres are fully influenced by edge conditions, and should not be expected to provide interior forest conditions.

The *Habitat Conservation Plan* has stand structure targets related to both older and old-growth forests for Western Washington. The *Habitat Conservation Plan* targets 25 to 35 percent of each westside planning unit, except the Olympic Experimental State Forest (OESF) for older forest structure, including 10 to 15 percent in old-growth structure. In addition to their ecological significance, Western Washington old-growth stands may have cultural and social significance. Single or small clumps of large, old trees are also found across forested state trust lands in Western Washington.

Alternative 1 (No Action):

Alternative 1 continues to defer from harvest 12 old-growth stands in Western Washington for potential research purposes. These 12 old-growth research areas are more than 80 acres in size and represent about 2,000 acres.

The 1992 deferral of 15,000 acres in the Olympic Experimental State Forest (OESF) would continue until 2007, at which time management decisions will be made. Alternative 1 does not adequately address management and disposition of old-growth stands that exist outside of old-growth research sites.

- a. Forest Resource Plan Policy No. 14, Old Growth Research Area Deferrals: "During this planning period, the department will continue to defer from harvest certain old growth research stands in Western Washington to maintain the ability to acquire information on ecological relationships which may affect intensive timber management."
- b. The department will continue deferral of 15,000 acres of mature forest in the Olympic Experimental State Forest until 2007.

Alternative 2:

Alternative 2 permanently protects all old-growth stands outside of the Olympic Experimental State Forests (OESF). Compensation for the trusts would be sought where appropriate. Those old-growth stands that are within the OESF may be subject to experimental application of silvicultural techniques, if consistent with OESF objectives. The purpose of the OESF is to experiment with harvest and regeneration methods to enhance habitat characteristics and commodities production. Under Alternative 2, the 12 existing old-growth research areas would be permanently protected. Small clumps of large, old trees and individual large, old trees will be the focus in complying with the department's *Habitat Conservation Plan* objectives of protecting structurally unique

trees. Old-growth stands and older forest stands and trees which are socially or culturally significant, would be considered for transfer from trust status with compensation, when in the trust's best interest. Alternative 2 meets Policy Objective 8.

- a. Outside of the Olympic Experimental State Forest (OESF), the department will protect all old-growth stands with compensation to the trusts where appropriate:
 - The department will protect all old-growth research areas as discussed in Forest Resource Plan Policy No. 14; and
 - The department will focus on retention of single or small clumps of large, old trees to meet leave tree requirements of the *Habitat Conservation Plan*.
- b. Inside the OESF, the department will conduct research in old-growth stands to meet the objectives of the OESF:
 - The department will continue deferral of 15,000 acres of mature forest in the OESF until 2007.
- c. When in the best interest of the trusts, the department will transfer oldgrowth stands and older forest stands and trees having high social or cultural values out of trust status when appropriate compensation is secured.

Alternative 3 (Preferred Alternative):

Alternative 3 differs from Alternative 2 in that old-growth stands would not automatically be deferred from harvest or permanently protected. Under Alternative 3, old-growth stands will be evaluated for their contribution to trust objectives, including Habitat Conservation Plan targets for older forest and old-growth structures. Management decisions would then be made based on this evaluation. Old-growth stands 80 acres and larger would be the focus for retention to meet Habitat Conservation Plan targets. Under Alternative 4, the 12 existing old-growth research areas would be retained and deferred from harvest. Old-growth stands smaller than 80 acres would be evaluated for their contribution to Habitat Conservation Plan targets and management decisions will be made based on that evaluation. Under Alternative 3, some old-growth stands may be made available for harvest activities at some point in time, when and where they do not contribute to attainment of ecological objectives or are in excess of acreage needed to meet Habitat Conservation Plan targets. Small clumps of large, old trees and individual large, old trees will be the focus in complying with the department's Habitat Conservation *Plan* objectives of protecting structurally unique trees. Old-growth stands and older forest stands and trees which are socially or culturally significant would be considered for transfer from trust status with compensation, when in the trust's best interest. Alternative 3 meets Policy Objectives 2 and 7.

- a. Outside the Olympic Experimental State Forest (OESF), the department will actively manage old-growth stands to meet trust objectives, including *Habitat Conservation Plan* targets:
 - The department will focus on retention of existing old-growth stands 80 acres and larger in meeting *Habitat Conservation Plan* targets for older forest structures in Western Washington;
 - The department will retain all old-growth research areas as discussed in Forest Resource Plan Policy No. 14;

Page 17 of 44

1	 The department will continue deferral of 15,000 acres of mature
2	forest in the OESF until 2007; and
3	The department will focus on retention of single or small clumps
4	of large, old trees to meet leave tree requirements of the Habitat
5	Conservation Plan.
6	 Inside the OESF, the department will conduct research in old-growth
7	stands to meet the objectives of the OESF.
8	c. When in the best interest of the trusts, the department will transfer old-
9	growth stands, and older forest stands and trees having high social or
10	cultural values, out of trust status when appropriate compensation is
11	secured.
12	

Criteria	Older Forests	Old Growth
Stand Structure	Niche Diversification, Fully Functional or Botanical Diversity.	Niche Diversification or Fully Functional.
Major Ecological Functions	Provides habitats that are relatively scarce in most landscapes. Provides habitat for both Endangered Species Act listed species and other species of concern. Such stands may be the core to building larger stand aggregations to meet <i>Habitat Conservation Plan</i> requirements.	Provides interior habitats that are relativel scarce in most landscapes. Due to the edge effect factor, habitat at the edge of stand serves fewer functions. Stand size is a significant factor in edge effect's impact on interior habitat. Provides habitat for both Endangered Species Act listed species and other species of concern.
HCP Commitment	Over time, the Habitat Conservation Plan planning unit landscape targets are: • 25-35% older forests: • With the requirement that within the overall Habitat Conservation Plan planning unit that old growth is 10-15%. • The 10-15% is part of the 25-35%.	Over time, the <i>Habitat Conservation Plan</i> planning unit landscape targets are: • 10-15% old growth.
Stand Size	No minimum size.	≥ 80 acres.
Management	Outside of the Olympic Experimental State Forest (OESF), such stands would be evaluated for their landscape contribution to <i>Habitat Conservation Plan</i> targets. When the targets are met, older forest stands that are in excess of the targets may be actively managed.	Outside of the Olympic Experimental Stat Forest (OESF), such stands would be retained until such time that <i>Habitat Conservation Plan</i> landscape targets are met. When the targets are met, old-growt stands that are in excess of the targets may be actively managed.
Social, Ecological or Cultural Factors	If there are significant factors, such stands could be transferred out of trust status if the resultant landscapes can still be effectively managed to meet trust and <i>Habitat Conservation Plan</i> objectives. Transfer would require trust compensation.	If there are significant factors, such stand- could be transferred out of trust status if the resultant landscapes can still be effectively managed to meet trust and Habitat Conservation Plan objectives. Transfer would require trust compensation.
Age	Not a determinant factor in a structure-based definition.	Not a determinant factor in a structure-based definition.

Eastern Washington:

To be determined.

Wildlife Habitat

An important trust objective is the conservation of upland, riparian, and aquatic wildlife species, including fish and their habitats, species listed as threatened and endangered, and non-listed species. The *Habitat Conservation Plan* enables the department to meet the requirements of the federal Endangered Species Act by setting wildlife habitat objectives for 1.6 million of the 2.1 million acres of forested state trust lands. The *Habitat Conservation Plan* is a long-term management plan to conserve not only currently threatened and endangered species, but also to help avoid the future listing of additional species.

In addition to providing habitat for identified listed and unlisted species, implementation of the *Habitat Conservation Plan* is also expected to provide habitat conditions that, over time, have the capacity to sustain native wildlife populations and communities. Wildlife objectives for areas outside the *Habitat Conservation Plan* planning units are set through a combination of federal and state laws, voluntary agreements with other agencies and organizations, and Board of Natural Resources' policy.

Alternative 1 (No Action):

Alternative 1 commits the department to providing wildlife habitat conditions which have the capacity to sustain native wildlife populations or communities. Where insufficient forested state trust lands exist to meet this commitment, Alternative 1 directs the department to develop agreements with adjoining landowners. The *Habitat Conservation Plan* and the use of voluntary agreements, both within and outside *Habitat Conservation Plan* planning units, have set wildlife objectives help meet this commitment.

- a. Forest Resource Plan Policy No. 22, Wildlife Habitat: "The department will provide wildlife habitat conditions which have the capacity to sustain native wildlife populations or communities. The department will develop wildlife habitat objectives based upon habitat availability and function, species status and species vulnerability, and trust obligations. Where there are apparent conflicts between meeting the wildlife habitat and trust management objectives, the department will seek balanced solutions and policies."
- b. Forest Resource Plan Policy No. 23, Endangered Species: "The department will meet the requirements of federal and state laws and other legal requirements that protect endangered, threatened and sensitive species and their habitats. In addition, the department will voluntarily participate in efforts to recover and restore endangered and threatened species to the extent that such participation is consistent with trust obligations."

Alternative 2:

Alternative 2 recognizes that the department will, in addition to meeting federal and state requirements for wildlife habitat conservation, including compliance with the *Habitat*

Page 19 of 44

Conservation Plan, continue to voluntarily participate in efforts to recover and restore endangered and threatened species to the extent such participation is consistent with trust objectives. Alternative 2 goes beyond Alternative 1 by also directing the department to participate with other agencies and organizations on issues related to non-listed species and habitats, when consistent with trust objectives. Alternative 2 directs the department to contribute to habitat conditions to sustain native wildlife populations or communities when compatible with trust objectives (including compensation when appropriate), and when compliance with the Habitat Conservation Plan and other laws and agreements are insufficient to meet this goal. Under Alternative 2, Forest Resource Plan Policy No. 22 would be modified and Forest Resource Plan Policy No. 23 would continue. Alternative 2 does not meet the intent of Policy Objective 2 as well as the other alternatives.

- a. Forest Resource Plan Policy No. 23, Endangered Species: "The department will meet the requirements of federal and state laws and other legal requirements that protect endangered, threatened and sensitive species and their habitats. In addition, the department will voluntarily participate in efforts to recover and restore endangered and threatened species to the extent that such participation is consistent with trust obligations."
- b. When consistent with trust objectives, including compensation when appropriate, the department will voluntarily participate with federal and state agencies, and other organizations or governments on initiatives related to non-listed species and habitats.
- c. When compatible with trust objectives, the department will provide wildlife habitat conditions that contribute to sustaining native wildlife populations or communities.

Alternative 3 (Department's Preferred):

Alternative 3 states that management of forested state trust lands will meet the requirements of federal and state laws, including compliance with the *Habitat Conservation Plan*. The department will also voluntarily participate with other organizations or governments in efforts to recover and restore federally listed threatened and endangered species. When consistent with trust objectives, the department will also participate in issues related to non-federally listed species and habitats. Under Alternative 3, *Forest Resource Plan* Policy No. 22 would expire and *Forest Resource Plan* Policy No. 23 would be modified. Alternative 3 best meets Policy Objectives 1 and 2.

- a. The department will meet the requirements of federal and state laws and contractual requirements that protect endangered, threatened and sensitive species and their habitats.
- b. The department will voluntarily participate with federal and state agencies and other organizations or governments, in efforts to recover and restore federally listed threatened and endangered species and on initiatives related to non-federally listed species and habitats, when consistent with trust objectives.

Watershed Systems

Forested watersheds managed by the department are an important resource for the state of Washington. They are water sources for municipal water supplies, irrigation, and stream and subsurface flows throughout the state. Forested watersheds also provide quality habitat for aquatic organisms, along with recreational opportunities. The condition of the forest in these watersheds has a significant influence on the quality and quantity of the resource. The nature of the forest cover can also influence the timing and magnitude of peak water flows. Therefore, how the forest is managed is of critical importance.

The department addresses the potential forest management influences by complying with all current laws, rules, and contractual obligations. Almost all department forest management activities are reviewed under the State Environmental Policy Act (SEPA). These reviews consider the influences on water quantity, timing, and quality, including their cumulative effects. All forest management activities are also subject to the state Forest Practices Rules. One of the purposes of these rules is to administer the Federal Clean Water Act in the state of Washington. Under these rules, best management practices are prescribed to protect water quality. Water quantity is also addressed to some extent. The state Forest Practices Rules also provide methods for addressing cumulative effects through watershed analysis. While this is not mandatory, the state lands programs have participated in several watershed analyses sponsored by the Forest Practices Program and other landowners.

Additionally, in Western Washington, the department's *Habitat Conservation Plan* includes a riparian management strategy that prescribes methods to protect water quality and, to some extent, moderate influences on stream hydrographs. In many cases, the *Habitat Conservation Plan* prescribes more protective methods than the state Forest Practices Rules.

Alternative 1 (No Action):

Alternative 1 does not recognize that there are multiple ways to address the impacts of department activities on watershed systems and, although unintended, has been interpreted as a commitment to rely on the regulatory watershed analysis process to analyze cumulative effects.

Forest Resource Plan Policy No. 19, Watershed Analysis: "The department will analyze by watershed the effects of past, present and reasonably foreseeable future activities on water quality and quantity, and it will modify operations to control risks to public resources and trust interests."

Alternative 2:

Alternative 2 suggests that compliance with state law and the *Habitat Conservation Plan* is adequate to address the cumulative effects of department activities on watershed systems and no additional policy direction is needed. Alternative 2 may not meet the intent of Policy Objective 5 as well as Alternative 3.

The *Habitat Conservation Plan* and existing laws governing cumulative effects analysis and watershed protection, such as the Forest Practices Act, the state Forest Practices Rules, the Hydraulics Act, and the Clean Water Act, will appropriately protect key watershed resources and systems.

Page 21 of 44

<u>Alternative 3 (Department's Preferred)</u>:

Alternative 3 recognizes that there are multiple ways to assess impacts of department activities on watershed systems, including cooperation in regulatory watershed analyses when initiated by other landowners or the state's Forest Practices Program. In addition to meeting all legal requirements, Alternative 3 further directs the department to utilize its forest land planning processes to analyze cumulative effects where there may be potential impacts to watershed systems. Alternative 3 best meets Policy Objective 5.

- a. The department may cooperate in a watershed analysis when initiated by other landowners in a watershed or by the state's Forest Practices Program.
- b. The department will analyze cumulative effects of department activities on watershed systems as part of its forest land planning process, where appropriate.

Riparian Management Zones

Riparian areas are areas where land and water meet along stream and lake margins. Riparian areas include stream banks, adjacent floodplains, wetlands, and associated riparian plant communities.

Riparian areas are important for wildlife and for protecting water quality. The interaction between aquatic and terrestrial ecosystems and the extensive edges where riparian areas adjoin upland habitats promote high riparian and aquatic wildlife diversity and are a critical source of biodiversity.

Alternative 1 (No Action):

Alternative 1 was adopted to protect important environmental resources associated with streams and riparian areas prior to the development of the *Habitat Conservation Plan* and existing state Forest Practices Rules.

Forest Resource Plan Policy No. 20, Riparian Management Zones: "The department will establish riparian management zones along Type 1-4 waters and when necessary along Type 5 waters. The department will focus its efforts on protecting key non timber resources, such as water quality, fish, wildlife habitat and sensitive plant species."

Alternative 2 (Department's Preferred):

Alternative 2 assumes that compliance with state law and state Forest Practices Rules and the *Habitat Conservation Plan* meets or exceeds Alternative 1 and is adequate to address riparian management zones statewide.

The *Habitat Conservation Plan* and existing laws governing riparian protection, such as the Forest Practices Act, the state Forest Practices Rules, the Hydraulics Act, and the Clean Water Act, will appropriately protect key non-timber resources, such as water quality, fish, wildlife habitat and sensitive plant species.

Page 22 of 44

Wetlands

Wetlands are defined by state Forest Practices Rules (WAC 222-16-010) as:

"... those areas that are inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions, such as swamps, bogs, fens, and similar areas. This includes wetlands created, restored, or enhanced as part of a mitigation procedure. This does not include constructed wetlands or the following surface waters of the state intentionally constructed from wetland sites: irrigation and drainage ditches, grass lined swales, canals, agricultural detention facilities, farm ponds, and landscape amenities."

The state Forest Practices Rules define wetland functions to "include the protection of water quality and quantity, providing fish and wildlife habitat, and the production of timber."

Protection of wetland acreage and function is an integral part of the *Habitat Conservation Plan's* riparian strategy.

Alternative 1 (No Action):

Alternative 1 creates a no net loss standard. Alternative 1 recognizes that some temporary loss of function may occur in the course of forest management activities, but requires the department to restore the wetlands or acquire a sufficient amount of new wetlands to avoid overall, net loss of naturally-occurring wetlands on forested state trust lands. Alternative 1 emphasizes avoiding the loss of wetlands and allows for mitigation, if loss occurs. If mitigation is necessary, preference is given to on-site and in-kind replacement of acreage and function. Alternative 1 focuses on naturally occurring wetlands, suggesting that "artificially created" wetlands are not subject to Alternative 1. This focus may not meet the intent of the *Habitat Conservation Plan*, does not reflect the requirements of the current state Forest Practices Rules and does not meet Policy Objective 1.

Forest Resource Plan Policy No. 21, Wetlands: "The department will allow no overall net loss of naturally occurring wetland acreage and function."

Alternative 2 (Department's Preferred):

Alternative 2 creates a more extensive no net loss standard. Alternative 2 applies to wetlands as defined in the state Forest Practices Rules, specifically including wetlands created inadvertently through past forest management activities that meet the state Forest Practices Rules definition. Alternative 2 recognizes that some loss of function may occur in the course of forest management activities and it requires the department to restore or replace the wetlands, requiring no overall net loss of wetlands on forested state trust lands. This policy emphasizes avoiding the loss of wetlands and allows for mitigation, if loss occurs. If mitigation is necessary, preference will be given to on-site and in-kind replacement of acreage and function. Alternative 2 better meets the intent of the *Habitat Conservation Plan*, is consistent with current state Forest Practices Rules, and Policy Objective 1.

The department will allow no net loss of acreage and function of wetlands as defined by state Forest Practices Rules.

SOCIAL AND CULTURAL BENEFITS

Public Access and Recreation

The department provides public access opportunities on forested state trust lands as directed by the Multiple Use Concept (RCW 79.10.100), as long as these opportunities are consistent with trust objectives. Every year, an estimated 9 million visits are made to trust lands by hikers, hunters, trail riders, campers and others who enjoy recreating outdoors on state-owned lands. Public expectations of trust lands are not limited to their value as recreational lands. There are substantial public expectations for scenic views, aesthetics, and recreation, which may not always be compatible with department activities.

Alternative 1 (No Action):

Alternative 1 commits the department to provide public access and recreation as required by the Multiple Use Concept, when compatible with the policies in the *Forest Resource Plan*. Alternative 1 states that the department may, in some circumstances, control access and recreation when necessary to accomplish specific management objectives, protect public safety, or to control environmental impacts. Alternative 1 does not provide adequate guidance related to compatibility with trust objectives, given current or future demands for public access and recreation on forested state trust lands.

- a. Forest Resource Plan Policy No. 25, Providing Public Access: "The department will provide public access for multiple uses on state forest lands. In certain circumstances the department will control vehicular or other access, but only where necessary to accomplish specific management objectives. Public access may be closed, restricted or limited to protect public safety; to prevent theft, vandalism and garbage dumping; to protect soils, water quality, plants and animals; or to meet other objectives identified in the plan."
- b. Forest Resource Plan Policy No. 29, Recreation on State Forest Lands: "The department will allow recreation on state forest land when compatible with the objectives of the Forest Resource Plan. As part of its efforts, the department will continue to comply with the Statewide Comprehensive Outdoor Recreation Plan."

Alternative 2:

Alternative 2 specifies the requirement for adequate non-trust funding and other support for public access and recreation to ensure safety and compatibility with trust objectives, including environmental stewardship. Alternative 2 describes the actions the department will take, unless directed otherwise by legislative action, to ensure safety and compatibility with trust objectives, when adequate funding or other resources are not available. Alternative 2 states that trust dollars will be expended to protect trust assets from any impacts of public access and recreation, including enforcement of Alternative 2. Forest Resource Plan Policy Nos. 25 and 29 would be modified and replaced under Alternative 2 meets Policy Objectives 1, 2 and 4.

- a. The department will provide public access for multiple uses on forested state trust lands when there is adequate and appropriate financial and/or other support to ensure positive and safe experiences for the public, and to minimize ecological and economic impacts to the trusts.
- b. The department will close, restrict or limit public access when necessary to accomplish specific management objectives, such as:
 - To protect public, employee, and department contractor safety;
 - To prevent theft, vandalism, garbage dumping, and other illegal activities;
 - To protect soils, water quality, plants and animals, and other elements of the forest environment; or
 - To meet other objectives.
- c. The department will expend prudent levels of trust dollars to control the impacts of public access and illegal activities to meet trust objectives and protect trust assets.

Alternative 3:

Alternative 3 directs the department to seek additional funding to ensure compatibility of current levels of public access and recreation with trust objectives. Under Alternative 3, the department will generally not seek to accommodate higher levels of public use than what is currently available. Rather, the department will focus on securing enough funding to ensure that existing levels of public access and recreation are safe and compatible with trust objectives. Alternative 3 describes the actions the department may take to ensure safety and compatibility with trust objectives, including environmental stewardship when adequate funding or other resources are not available. The emphasis on "may close" is intended to give the department more flexibility to work with the public to resolve public access and use issues. Alternative 3 states that trust dollars will be expended to protect trust assets from any impacts associated with this level of public access and recreation. Alternative 3 also meets Policy Objectives 1, 2 and 4 and provides more flexibility to the department to resolve public access and use issues than Alternative 2.

- a. In order to accommodate current levels of public access and recreation, the department will pursue additional methods of generating financial and/or other support needed to meet public demand for access and use and ensure compatibility with trust objectives, including compensation where prudent.
- b. The department may close, restrict or limit public access when necessary to accomplish specific management objectives, such as:
 - To protect public, employee, and department contractor safety;
 - To prevent theft, vandalism, garbage dumping, and other illegal activities;
 - To protect soils, water quality, plants and animals, and other elements of the forest environment; or
 - To meet other objectives.
- c. The department will expend prudent levels of trust dollars to control the impacts of public access and illegal activities to meet trust objectives and protect trust assets.

Alternative 4:

Alternative 4 directs the department to seek additional funding to accommodate current and future demand for public access and recreation. Alternative 4 describes the actions the department may take to ensure safety and compatibility with trust objectives when adequate funding or other resources are not available. Additional trust dollars would be invested under Alternative 4 to not only control the impacts of public access and recreation, but to help garner support by the public for department activities through providing increased opportunities for public access and recreation. Alternative 4 meets Policy Objectives 1, 2 and 4, but does not meet Policy Objective 2 as well as Alternative 3.

- a. In order to accommodate increased demand for public access and recreation, the department will pursue additional methods of generating financial and/or support needed to meet public demand for access and use and ensure compatibility with trust objectives, including compensation where prudent.
- b. The department may close, restrict or limit public access when necessary to accomplish specific management objectives such as:
 - To protect public, employee, and department contractor safety;
 - To prevent theft, vandalism, garbage dumping, and other illegal activities:
 - To protect soils, water quality, plants and animals, and other elements of the forest environment; or
 - To meet other objectives.
- c. In addition to controlling the impacts of public access and illegal activities, the department may expend trust dollars to facilitate public access and recreation when in the long-term best interest of the trusts.

Alternative 5 (Department's Preferred):

Alternative 5 specifies the requirement for adequate non-trust funding and other support for public access and recreation to ensure safety and compatibility with trust objectives. Alternative 5 describes the actions the department may take to ensure safety and compatibility with trust objectives when adequate funding or other resources are not available. Under Alternative 5, the department will generally not seek to accommodate higher levels of public use than what is currently available, but focus on securing enough funding to ensure that existing levels of public access and recreation are safe and compatible with trust objectives. Alternative 5 states that trust dollars will be expended to protect trust assets from any impacts associated with this level of public access and recreation. Alternative 5 meets Policy Objective 1 and meets Policy Objectives 2 and 4 better than the other alternatives.

- a. The department will provide public access for multiple uses on forested state trust lands when there is adequate and appropriate financial and/or other support to ensure positive and safe experiences for the public, and to minimize ecological and economic impacts to the trusts.
- b. The department may close, restrict or limit public access when necessary to accomplish specific management objectives, such as:
 - To protect public, employee, and department contractor safety;
 Page 26 of 44

- To prevent theft, vandalism, garbage dumping, and other illegal activities:
- To protect soils, water quality, plants and animals, and other elements of the forest environment; or
- To meet other objectives.
- c. In order to accommodate current levels of public access and recreation, the department will pursue additional methods of generating financial and/or other support needed to meet public demand for access and use and ensure compatibility with trust objectives, including compensation where prudent.
- d. The department will expend prudent levels of trust dollars to control the impacts of public access and illegal activities to meet trust objectives and protect trust assets.

Cultural Resources

Timber harvest and associated road building activities can have various impacts on cultural resources and their functions. For archaeological and historic sites, these activities can result in physical damage or destruction with a loss of cultural, scientific and historic values. For traditional cultural properties, these activities can result in physical damage or destruction, as well as a loss of privacy, isolation, and perceived purity. On the other hand, forest management can change species composition than can favor tribally utilized resources. For example, timber harvesting, like the traditional burning of forests, can encourage the growth of berry-producing species and provide forage for game animals. Cedar growth is also promoted on many trust lands by the removal of competing tree species. Forest roads can also enable tribal elders to more easily access traditional use areas.

Many Tribes maintain an extensive listing of cultural resource properties within ceded lands and usual and accustomed areas. It may be tribal policy to not share this information. Since these sites are not listed in the Washington State Inventory of Historic Places, they are not recorded for state land management purposes. However, the Office of Archaeology and Historic Preservation maintains information on more than 20,000 archaeological sites and more than 100,000 historic properties.

The department recognizes the significance of cultural properties, current cultural uses, and historic and archaeological sites. The department also acknowledges the importance of government-to-government communications with the Tribes, as well as communications with other interested stakeholders.

Alternative 1 (No Action):

Alternative 1 directs the department to establish a program for identifying and protecting historic and archeological places on forested state trust lands. Alternative 1 is limited, because it doesn't address traditional cultural properties and current cultural uses. Alternative 1 meets Policy Objective 1 by complying with state law.

Forest Resource Plan Policy No. 24, Identifying Historic Sites: "The department will establish a program to identify and inventory historic and archaeological sites and protect them at a level which, at a minimum, meets regulatory requirements."

Page 27 of 44

Alternative 2 (Department's Preferred):

Alternative 2 directs the department to maintain its existing program for identifying and protecting historic and archaeological sites. Alternative 2 directs the department to actively communicate and collaborate with the Tribes on issues related to tribal access, traditional cultural properties, and current cultural use. Alternative 2 also directs the department to work with other interested stakeholders on issues related to non-tribal cultural uses, historic and archaeological sites. Alternative 2 recognizes that on occasion, it may be in the best interest of the trusts to consider transferring ownership of trust lands with significant cultural resources, when compensation to the trusts is secured. Alternative 2 meets Policy Objectives 1, 2, 4 and 8.

- a. The department will maintain a program to protect significant historic and archaeological sites.
- b. The department will actively communicate and collaborate with the Tribes and other interested stakeholders to address culturally significant areas.
- c. When in the best interest of the trusts, the department will consider transfer of ownership of historic, archaeological and culturally significant areas when compensation to the trusts is secured.

Aesthetics

Department activities can alter the visual nature of forest stands and forested landscapes. These visual changes can be local in nature, such as views from a recreational trail or an individual residence; regional, such as foreground and background views from a county road or state highway, or a background view to cities and towns; or statewide, such as the Mountains-to-Sound Greenway, or the Columbia River Gorge.

The "visibility" of forestry operations is influenced by factors including the position and distance of the viewpoint from the activity, the topography of the land, the type of operation and the intensity and/or concentration of activities, what is revealed or hidden as a result of the activity, and how long the activity is in view. The observer's background and personal values influence whether the reaction to the visual impact is positive, neutral or negative.

Alternative 1 (No Action):

Alternative 1 limits the visual impacts of even-aged timber harvesting by limiting the size of harvest areas and by controlling and dispersing harvests over time. Even-aged timber harvesting involves cutting most of the trees on a particular site at one time to produce stands that are of the same relative age. Alternative 1 limits these harvest areas to a maximum of 100 acres in size. It also prohibits harvesting within 300 feet of another harvest area, if the combined acreage of the areas exceeds 100 acres. Alternative 1 is also referred to as "green-up", because it requires the department to have visible trees, at least four feet in height, before an adjacent stand can be harvested. Alternative 1 applies this policy to all even-aged harvests, regardless of their visibility or the nature of the visual impact. Alternative 1 does not promote flexibility or recognize methods to mitigate for visual impacts as a result of harvest methods, arrangement of leave trees, or presence of riparian and wetland buffers. Alternative 1 does not meet Policy Objectives 2, 5 or 6 as well as Alternative 2.

Forest Resource Plan Policy No. 32, Green-up of Harvest Units: "The department will reduce the impacts of clearcutting and certain even-aged silvicultural systems by generally limiting the size of harvest areas to a maximum of 100 acres, requiring "green-up" of adjacent areas before harvesting timber and employing other techniques to blend harvested areas into the landscape."

Alternative 2:

Alternative 2 eliminates the 100-acre restriction on even-aged harvest size and the green-up requirements in *Forest Resource Plan* Policy No. 32. It relies on other strategies to mitigate for visual impacts of the department's management activities. Alternative 2 eliminates the *Forest Resource Plan* policy before analyzing and implementing a suitable alternative mitigation strategy and does not meet Policy Objective 5 as well as Alternative 4.

- a. The department will consider the visual impacts of management activities and design appropriate mitigation strategies based on whether the impacts are of local, regional, or statewide significance.
- b. For local visual impacts, the department will generally mitigate visual impacts through design and application of other land management requirements. For regional and statewide visual impacts, the department will generally mitigate impacts with strategies developed through a forest land planning process that includes a cost benefit analysis.

Alternative 3:

Alternative 3 specifies a case-by-case approach and provides no guidance as to methods to mitigate for visual impacts based on level of significance: local, regional, or statewide. Alternative 3 may not result in adequate mitigation in some cases, or it may provide more than is necessary to address the impacts in other cases. Alternative 3 does not meet Policy Objective 2 as well as Alternative 4.

The department will mitigate visual impacts as needed for local, regional or statewide aesthetic issues, recognizing that there may be different strategies, depending on the scope and scale of the issue.

Alternative 4 (Department's Preferred):

Alternative 4 provides a site-specific approach to aesthetic management and a range of methods to address visual impacts. Alternative 4 integrates other management requirements, such as leave trees, riparian and wetland buffers, and protection of unstable slopes into site-specific aesthetic management. Alternative 4 maintains minimum harvest size limitations and "green-up" requirements, as stated in *Forest Resource Plan* Policy No. 32, unless alternatives are proposed and analyzed through a forest land planning process that mitigate visual impacts equally or better than *Forest Resource Plan* Policy No. 32, at which time, the requirements of *Forest Resource Plan* Policy No. 32 are eliminated. Alternative 4 best meets Policy Objectives 2, 5, and 6.

- a. The department will consider the visual impacts of management activities and design appropriate mitigation strategies based on whether the impacts are of local, regional, or statewide significance.
- b. For local visual impacts, the department will generally mitigate visual impacts through design and application of other land management requirements. For regional and statewide visual impacts, the department will generally mitigate impacts with strategies developed through a forest land planning process that includes a cost benefit analysis.
- c. Prior to development of other strategies to address visual impacts, the department will reduce the impacts of regeneration harvesting and certain even-aged silvicultural systems by generally limiting the size of even-aged harvest areas to a maximum of 100 acres and requiring "green-up" of adjacent areas before even-aged harvesting.

Local Economic Vitality

Meeting the trusts' economic and ecological objectives results in social benefits, in addition to revenue for the trust beneficiaries. Management of forested state trust lands also provides clean water, wildlife habitat, forests for recreation, and dollars and jobs for local economies. Forested state trust lands near local communities supply jobs in the forest products industry, both in the woods and in local mills that process timber from forested state trust lands. Some niche industries are also dependent on minor forest products from forested state trust lands. In addition, forested state trust lands often attract recreationalists who spend money in local communities. These products and uses of forested state trust lands contribute to local economic vitality, which can also be affected by location and timing of management activities and access to state lands.

Alternative 1 (No Action):

Alternative 1 provides no direction with regard to local economic vitality. Currently, the contribution to local economies as a result of land management activities is not a formal consideration by the department, but happens concurrently with management on behalf of the trusts. Compared to Alternatives 2 and 3, Alternative 1 does not adequately meet Policy Objectives 2 and 4.

No current policy direction.

Alternative 2:

Alternative 2 directs the department to support local economic vitality when doing so is compatible with, or contributes to, attainment of trust objectives. Alternative 2 requires the department to work with local economic interests during department forest land planning. Alternative 2 better meets Policy Objectives 2 and 4 than Alternative 1, but commits the department to formally consider local economic impacts of its land management decisions and activities.

a. The department will actively support local economic vitality as part of its management of forested state trust lands when it is compatible with or contributes to the attainment of trust objectives.

Page 30 of 44

b. The department will work with local economic interests as part of its forest management planning processes.

<u>Alternative 3 (Department's Preferred)</u>:

Alternative 3 recognizes the relationship between the department's management activities and local economic vitality and suggests that the department may be influenced by the local economic needs in its decision making, when this is compatible with meeting trust objectives. Alternative 2 better meets Policy Objectives 2 and 4 than Alternative 1, and it provides more flexibility to the department than Alternative 2.

The department may consider the relationship between local economic vitality and forest management activities and may take actions in support of local economic vitality when they are compatible with or directly support trust objectives.

IMPLEMENTATION

Forest Land Planning

The purpose of forest land planning is to produce a schedule of activities that links strategic policy goals with operational activities. The department has always believed that a dynamic planning process will accommodate management needs, changing rules, and public concerns. The outcome of forest land planning is to document and model forest management strategies to demonstrate where and what types of activities will most likely meet the department's strategic objectives.

Forest land planning is the process the department will use to implement Board of Natural Resources policies, as well as meet the objectives of the *Habitat Conservation Plan*, and ensure compliance with federal and state law. This process will identify local, regional and statewide issues to be considered in implementing Board policy. Forest land planning will produce information that will be used to communicate, coordinate and seek input from the public, the Tribes and key stakeholders. Planning will inform, direct and provide guidance to the department's field operations.

Alternative 1 (No Action):

Alternative 1 is based on a process of developing management objectives for a block of land at a landscape, watershed, or ecological unit scale. The size of these planning units has ranged from a few hundred to a few thousand acres or more. The purpose of landscape planning has been to translate the general policies of the *Forest Resource Plan* into specific activities for the field. Alternative 1 focuses on developing management objectives through a public process, consistent with Board policy for individual landscapes.

Forest Resource Plan Policy No. 16, Landscape Planning: "The department will develop plans by setting management objectives for timber and nontimber resources for specified landscapes consistent with the Forest Resource Plan."

Alternative 2 (Department's Preferred):

Alternative 2 establishes a standard planning framework to guide the range of activities on forested state trust lands. Alternative 2 enlarges the geographic planning scale to *Habitat Conservation Plan* planning units. However, different scales may be used if there is a need to address unique issues. Alternative 2 focuses on developing strategies through a public process to implement Board policy and meet management objectives. Alternative 2 recognizes that these plans will be developed as time and resources allow and will integrate, as appropriate, other existing departmental landscape plans. Alternative 2 best meets Policy Objectives 3, 4, and 5.

- a. The department will develop forest land plans at the *Habitat*Conservation Plan planning unit scale in implementing Board of Natural Resources policy. Different scales may be used to address unique circumstances.
- b. For areas outside the *Habitat Conservation Plan*, the department will develop forest land plans at a scale similar to *Habitat Conservation Plan* planning units in implementing Board of Natural Resources policy. Different scales may be used to address unique circumstances.
- c. The department will utilize the State Environmental Policy Act (SEPA) process to develop strategies that consider local, regional and statewide interests and concerns and to communicate department objectives.
- d. The department will prioritize and develop new forest land plans over a period of time. The preparation will be based on available resources and budget.
- e. The department will evaluate existing departmental plans on a case-bycase basis and integrate them with new forest land plans as appropriate.

General Silvicultural Strategy

This policy subject has been separated into two sections: Western Washington and Eastern Washington. Alternatives have been identified for each section in order to more easily clarify the policy choices.

Western Washington:

PO14-C

This policy was adopted for Western Washington by the Board of Natural Resources on September 8, 2004, as part of the decision making on recalculation of the sustainable harvest level. It canceled Forest Resource Plan Policy Nos. 11 and 30 for Western Washington only.

Alternative 1 (No Action):

GENERAL SILVICULTURAL STRATEGY APPLIED TO THE TIMBER RESOURCE BASE AVAILABLE FOR SUSTAINABLE HARVEST IN WESTERN WASHINGTON

DISCUSSION

The department defines silviculture as the art and science of cultivating forests to achieve objectives. The department uses a flexible, site-by-site approach for evaluating and implementing silvicultural treatments, based on site specific, rotational or long term analysis incorporating return on investment, variable biological conditions, and physical limitations. Site-specific silvicultural prescriptions include intensive activities such as improved planting stock, site preparation, fertilization, and thinning, as budgets allow at the time prescribed activities come due. Innovative silvicultural treatments may be used to create, develop, enhance, or maintain forest biodiversity and health. For example, the objective of the "biodiversity pathways" approach to silviculture, presented by Carey et al (1996) is for simultaneous increases in production of both habitat and income. This approach may be used to create complex, multi-aged stand structures that sustain key forest stand elements to replicate vital ecological functions at the stand and landscape levels.

All silviculture strategies are applied within a context of specific stand-level or larger area objectives to achieve long-term sustainable flow of forest products, services and other relevant values. Stands whose progress toward objectives is below potential are generally chosen for management intervention. Stands selected for regeneration harvests include but are not limited to those that have a low possibility for a positive response to partial harvest regimes.

POLICY

The department will follow legal requirements in maintaining the greatest possible portion of the trust forest lands as on-base.

The department will provide professional management of forestlands through active stewardship of on-base lands. Active management of the land base will be carried out as an integral part of the department's fiduciary responsibilities to achieve, on a landscape basis, a combination of forest structures that over time provide for broad and balanced economic, ecological and social benefits. The department will use intensive and innovative silviculture to guide the desired progression of stand development to simultaneously produce trust revenue and create structural diversity across the landscape.

The department will target over time 10 to 15 percent of each Western Washington Habitat Conservation Plan Planning Unit for old forests based on structural characteristics. In meeting these targets, Old Growth Research Areas will continue to be deferred and existing old growth (as defined by the Habitat Conservation Plan) and older stands will be a priority focus in developing the Habitat Conservation Plan Planning Unit targets.

The following are policies from the *Forest Resource Plan* that relate to silviculture, but were not directly addressed as part of the Board decisions on September 8, 2004:

a. Forest Resource Plan Policy No. 31, Harvest and Reforestation Methods: "The department will select the harvest method which produces the best mix of current and long-term income, achieves

Page 33 of 44

- reforestation objectives and integrates non-timber resource objectives identified in the Forest Resource Plan. Reforestation objectives must ensure adequate restocking, produce acceptable benefits to the trusts and protect public resources."
- b. Forest Resource Plan Policy No. 33, Control of Competing Vegetation: "To prevent domination of crop trees by other vegetation, the department will select from these methods for controlling competing vegetation:
 - No treatment.
 - Non-herbicide.
 - Ground-applied herbicide.
 - Aerial-applied herbicide.

The department will consider the no treatment method first and then move sequentially down the list. The department will select the first method on the list which is both effective and produces an acceptable return on investment. A method lower on the list may be used only if it substantially outperforms other methods."

c. Forest Resource Plan Policy No. 34, Fertilizing, Thinning and Pruning: "The department will use fertilization, thinning and pruning on stands which will respond and produce an acceptable rate of return on investment."

Alternative 2 (Department's Preferred):

Alternative 2 modifies Policy PO14-C that was adopted by the Board of Natural Resources on September 8, 2004, by removing the policy statement related to old forests and old-growth research areas, because this subject area is addressed by the old-growth policy subject in this document. Alternative 2 recognizes that the subjects addressed in the *Forest Resources Plan* Policy Nos. 31, 33 and 34 are silvicultural "methods" or "techniques" rather than policy statements. They specify harvest and reforestation methods; control of competing vegetation; and fertilizing, thinning and pruning as necessary to achieve a combination of forest structures over time, as well as to provide for balanced economic, ecological and social benefits. Alternative 2 directs the department to use intensive and innovative silviculture to achieve desired stand objectives in Western Washington. Alternative 2 would replace *Forest Resource Plan* Policy Nos. 31, 33 and 34. This alternative best meets Policy Objectives 5, 7 and 9.

- a. The department will follow legal requirements in maintaining the greatest possible portion of the trust forest lands as on-base.
- b. The department will provide professional management of forestlands through active stewardship of on-base lands. Active management of the land base will be carried out as an integral part of the department's fiduciary responsibilities to achieve, on a landscape basis, a combination of forest structures that over time provide for broad and balanced economic, ecological and social benefits. The department will use intensive and innovative silviculture to guide the desired progression of stand development to simultaneously produce trust revenue and create structural diversity across the landscape.

Eastern Washington:

Alternative 1 (No Action):

Alternative 1 represents all of the *Forest Resource Plan* policies that still apply to Eastern Washington.

- a. Forest Resource Plan Policy No. 11, Managing On-Base Lands: "The department will manage on-base forest lands at different levels of intensity depending on biological productivity and economic potential. Investment decisions will be made according to expected returns.
- b. Forest Resource Plan Policy No. 30, Silviculture Activities: The department will plan and implement silvicultural activities to meet trust responsibilities. In cases warranting special attention, the department will accept a reduction in current income or return on investment when the department determines it is necessary to provide extra protection for soil, water, wildlife, fish habitat and other public resources.
- c. Forest Resource Plan Policy No. 31, Harvest and Reforestation Methods: "The department will select the harvest method which produces the best mix of current and long-term income, achieves reforestation objectives and integrates non-timber resource objectives identified in the Forest Resource Plan. Reforestation objectives must ensure adequate restocking, produce acceptable benefits to the trusts and protect public resources."
- d. Forest Resource Plan Policy No. 33, Control of Competing Vegetation: "To prevent domination of crop trees by other vegetation, the department will select from these methods for controlling competing vegetation:
 - No treatment.
 - Non-herbicide.
 - Ground-applied herbicide.
 - Aerial-applied herbicide.

The department will consider the no treatment method first and then move sequentially down the list. The department will select the first method on the list which is both effective and produces an acceptable return on investment. A method lower on the list may be used only if it substantially outperforms other methods."

e. Forest Resource Plan Policy No. 34, Fertilizing, Thinning and Pruning: "The department will use fertilization, thinning and pruning on stands which will respond and produce an acceptable rate of return on investment."

Alternative 2 (Department's Preferred):

Under Alternative 2, Forest Resource Plan Policy Nos. 11 and 30 would expire. This alternative provides the same direction for Eastern Washington as Western Washington related to silviculture as was adopted by the Board of Natural Resources on September 8, 2004.

In addition, Alternative 2 discontinues *Forest Resource Plan* Policy Nos. 31, 33, and 34. Alternative 2 recognizes that the subjects addressed in the *Forest Resources Plan* Policy Nos. 31, 33 and 34 are silvicultural "methods" or "techniques" rather than policy statements. They specify harvest and reforestation methods; control of competing vegetation; and fertilizing, thinning and pruning as necessary to achieve a combination of forest structures over time, as well as to provide for balanced economic, ecological and social benefits. Alternative 2 directs the department to use intensive and innovative silviculture to achieve desired stand objectives in Eastern Washington. Alternative 2 best meets Policy Objectives 5, 6, 7, and 9.

- a. The department will follow legal requirements in maintaining the greatest possible portion of the trust forest lands as on-base.
- b. The department will provide professional management of forestlands through active stewardship of on-base lands. Active management of the land base will be carried out as an integral part of the department's fiduciary responsibilities to achieve, on a landscape basis, a combination of forest structures that over time provide for broad and balanced economic, ecological and social benefits. The department will use intensive and innovative silviculture to guide the desired progression of stand development to simultaneously produce trust revenue and create structural diversity across the landscape.

Forest Land Transactions

Forest land transactions are a primary mechanism for achieving Board of Natural Resources policy and trust objectives. They include selling, purchasing, and exchanging lands; acquiring and granting rights of way and easements; and potentially include conservation easements. Transactions are critical for improving the performance of the forest trust asset by: upgrading its productive capacity and reducing management costs; improving the department's ability to meet ecological objectives; protecting special ecological features; and engaging in strategically beneficial interactions and strengthening relationships with external public and private parties. The department's *Asset Stewardship Plan* provides overall guidance for land transactions, including forest land transactions.

Alternative 1 (No Action):

Alternative 1 reflects current practice and is consistent with guidance in the *Asset Stewardship Plan*.

- a. Forest Resource Plan Policy No. 1, Federal Grant Land Base: "The department will maintain a diversified base of Federal Grant lands, including nonforest properties. In deciding whether to sell, exchange or acquire lands, the department will balance current economic returns and trust benefits with future economic returns and trust benefits."
- b. Forest Resource Plan Policy No. 2, Forest Board Land Base: "The department will perpetuate a productive forest base of Forest Board lands. In deciding whether to exchange lands, the department will assess whether timber harvesting is impractical on these properties and, if so, will attempt to replace them with productive forest lands."

<u>Alternative 2 (Department's Preferred)</u>:

Alternative 2 recommends no policy in the *Policy for Sustainable Forests* related to forest land transactions, as policy direction is already provided in the *Asset Stewardship Plan*.

Rely on overall *Asset Stewardship Plan* strategies to guide transactions related to forested state trust lands. No policy is needed in the *Policy for Sustainable Forests*.

Roads

Roads on forested state trust lands are a trust asset. Roads are used to facilitate cost-effective management of the trust asset. Roads also increase the value of the asset. The road system provides a variety of social benefits, including recreational access and access to private forest lands and residences. Roads, if not properly managed, can also increase costs and risks by damaging the environment or providing opportunities for illegal activities on forested state trust lands.

Alternative 1 (No Action):

Alternative 1 essentially directs the department to plan, build, construct, control, maintain, and decommission roads to support agency proprietary activities in compliance with state law, and Board of Natural Resources policy. Since 1997, it also directly relates to the *Habitat Conservation Plan* commitments. Alternative 1 focuses on reducing the total amount of roads through coordination and cooperation with other landowners; using the most cost-efficient road construction and maintenance methods that meet applicable laws, contractual requirements, and Board policy; controlling adverse environmental impacts of roads, including road closures; and building and maintaining roads to meet or exceed safety standards for the uses intended, including public use. Alternative 1 meets Policy Objectives 1, 2 and 5.

Forest Resource Plan Policy No. 28, Developing and Maintaining Roads: "The department will develop and maintain a road system which integrates management needs and controls effects on the forest environment."

Alternative 2:

Alternative 2 primarily focuses on meeting trust economic and ecological objectives. Alternative 2 relies on compliance with federal and state laws, state Forest Practices Rules, the Clean Water Act, as well as contractual commitments, such as the *Habitat Conservation Plan*, to control the environmental impacts of the road system on forested state trust lands. Alternative 2 does not significantly address the issue of road density or public access. Alternative 2 meets Policy Objective 1, but does not meet Policy Objectives 2 or 4 as well as Alternative 4.

a. The department will develop and maintain roads to meet trust objectives, including enhancing the asset value.

b. The department will, in developing and maintaining roads, rely on the requirements of the *Habitat Conservation Plan* and state Forest Practices Rules to minimize adverse environmental impacts.

Alternative 3:

Alternative 3 includes all of the components of Alternative 2, but specifically adds the commitment by the department to minimize the road network. This would require an active effort to do long-range forest land planning to ensure the minimum road network needed to meet trust objectives. Alternative 3 also commits the department to a more aggressive program of abandoning or decommissioning roads to minimize environmental impacts and reduce road-associated costs. Alternative 3 meets Policy Objective 1, but does not meet Policy Objectives 2 or 4 as well as Alternative 4.

- a. All components of Alternative 2.
- b. The department will, to the greatest extent possible, minimize roads on forested state trust lands while still meeting the needs of the trusts.

Alternative 4 (Department's Preferred):

Alternative 4 includes all of the components of Alternative 3. It focuses on keeping as much of the department-managed road network open to the public as possible, when properly funded and/or supported. Alternative 4 will commit the department to manage public use activities and pursue additional public use funding or support to minimize the economic and environmental impacts to the trust beneficiaries. Alternative 4 best meets Policy Objectives 2 and 4.

- a. All components of Alternative 3.
- b. The department will look for opportunities to keep roads open and maintained to a standard that allows for public access and recreation when there is adequate and appropriate financial and/or other support to ensure positive and safe experiences for the public, and minimizes environmental and economic impacts to the trusts.

Acquiring Rights of Way

The department acquires land and rights of way across private and other public lands to facilitate management and to increase the value of the trust assets. The department acquires these rights of ways by gift, purchase, exchange, condemnation, or road use agreements. Acquiring rights of way is addressed in other department policies, as well as the *Forest Resource Plan* policy.

Alternative 1 (No Action):

Acquiring rights of way is already addressed in other department policies, making this policy redundant.

Forest Resource Plan Policy No. 27, Acquiring Rights of Way: "The department acquire right of way across private or other public lands to department-managed forest land when this access is needed to increase

Page 38 of 44

the value of trust assets or for management purposes. The department will acquire these rights of way by gift, purchase, exchange, condemnation or road use agreement. Permanent, public access rights are preferred."

Alternative 2 (Department's Preferred):

Alternative 2 recommends no policy in the *Policy for Sustainable Forests* related to acquiring rights of way, because this subject is already addressed in other department policies.

Rely on other department policies to guide acquisition of rights of way to forested state trust lands. No policy is needed in the *Policy for Sustainable Forests*.

Granting Rights of Way

The department recognizes that other entities may need rights of way across forested state trust lands. Permanent and temporary rights of way include grants or easements for utility, domestic use, timber haul and other purposes. Granting rights of way across forested state trust lands is addressed by other department policies, as well as the *Forest Resource Plan* policy.

Alternative 1 (No Action):

Granting rights of way is already addressed in other department policies, making this policy redundant.

Forest Resource Plan Policy No. 26, Granting Public Rights of Way: "The department will grant rights of way to private individuals or entities when there is an opportunity for enhancing trust assets and when any detriments are offset."

Alternative 2 (Department's Preferred):

Alternative 2 recommends no policy in the *Policy for Sustainable Forests* related to granting rights of way, because this subject is already addressed in other department policies.

Rely on other department policies to guide granting of rights of way across forested state trust lands. No policy is needed in the *Policy for Sustainable Forests*.

Research

The department engages and participates in a broad range of scientific research. This research supports department land management programs and meets the research commitments of the *Habitat Conservation Plan*. The department participates in a variety of research cooperatives with other agencies and organizations. The department employs scientists in a range of disciplines necessary to meet research and management needs, including forest ecology, silviculture, economics, hydrology, fisheries, wildlife biology and others.

Alternative 1 (No Action):

Alternative 1 emphasizes research of a practical nature that is focused on efforts to increase the department's effectiveness as a manager of forested state trust lands. Alternative 1 focuses on department-conducted research, does not include the research role of the Olympic Experimental State Forest (OESF), and does not recognize the value of research cooperatives as an effective way to meet department research needs. Alternative 1 does not meet the intent of Policy Objective 4 as well as the other alternatives.

Forest Resource Plan Policy No. 40, Research: "The department will conduct applied research to monitor and evaluate silvicultural activities, test current practices and, where appropriate, initiate a process for change. The research will focus on issues relating to protection and conservation as well as forest production."

Alternative 2:

Alternative 2 includes all of the components of Alternative 1. Alternative 2 recognizes that the Olympic Experimental State Forest (OESF) was created to allow the department flexibility to conduct management and research activities ecologically appropriate to the OESF. The purpose is to build new knowledge relevant to trust management objectives and species conservation. The OESF intends to find field-tested solutions to forest management issues related specifically to integrating production and conservation. Alternative 2 also recognizes the value of research cooperatives and the importance of a positive cost-benefit ratio in directing research on behalf of the trusts. Alternative 2 better meets the intent of Policy Objective 4.

- a. All components of Alternative 1.
- b. The Olympic Experimental State Forest (OESF) will be the focus of department research and experimentation efforts to meet the commitments of the *Habitat Conservation Plan*. The purpose is to build new knowledge relevant to trust management and species conservation.
- c. The department will emphasize its participation in research cooperatives, meeting the research commitments of the *Habitat Conservation Plan*, and conducting research when there is a positive cost-benefit ratio to the trusts.

Alternative 3:

Alternative 3 includes all of the components of Alternative 2. In addition, Alternative 3 recognizes the importance of keeping department staff current with the latest scientific findings and methods, including technology, to better meet trust objectives. Alternative 3 meets the intent of Policy Objective 5.

- a. All components of Alternative 2.
- b. The department will endeavor to stay abreast of and use the best available science.

c. The department will research and evaluate new methods of forestry, silvicultural strategies, and changes in technology for benefits to protection and conservation, as well as forest production.

Alternative 4 (Department's Preferred):

Alternative 4 continues *Forest Resource Plan* Policy No. 40. It recognizes the role of the Olympic Experimental State Forest (OESF) in research, and the importance of research cooperatives in helping meet research needs, and the importance of staying current with the latest scientific findings, methods, and technology. Alternative 4 best meets Policy Objectives 1, 4, and 5.

- a. The department will conduct applied research to evaluate silvicultural activities, test current practices and, where appropriate, initiate a process for change. The research will focus on issues related to natural resource protection and conservation, as well as the sustained production of forest products.
- b. The Olympic Experimental State Forest (OESF) will be the focus of department research and experimentation efforts to meet the commitments of the *Habitat Conservation Plan*. The purpose is to build new knowledge relevant to trust management and species conservation.
- c. The department will emphasize its participation in research cooperatives, meeting the research commitments of the *Habitat Conservation Plan*, and conducting research when there is a positive cost-benefit ratio to the trusts.
- d. The department will endeavor to stay abreast of and use the best available science.

External Relationships

As the manager of 2.1 million acres of forested state trust land, the department is a neighbor to thousands of citizens, businesses, and other forest land owners. The department recognizes the importance of providing information to the public and interested stakeholders. The department values agency transparency and openness. The department is well-positioned to offer and promote environmental education. Forested state trust lands can provide social benefits by serving both as a laboratory and an outdoor classroom with little or no cost.

Alternative 1 (No Action):

Alternative 1 directs solicitation of comments from stakeholders when preparing landscape level objectives as part of a landscape planning process and as part of implementing and revising the policies in the *Forest Resource Plan*. Alternative 1 does not meet the intent of Policy Objective 4 as well as Alternative 2.

a. Forest Resource Plan Policy No. 17, Soliciting Information: "The department will solicit comments from interested parties, including local neighborhoods, tribes and government agencies when preparing landscape-level objectives."

b. Forest Resource Plan Policy No. 35, Public Involvement: "The department will solicit comment from the public, tribes and government agencies when implementing the Forest Resource Plan and when revising policies contained in the document."

Alternative 2 (Department's Preferred):

Alternative 2 reflects current department practices of active communication, collaboration and partnering with other agencies, stakeholders and the public. Alternative 2 recognizes the importance of establishing and maintaining positive external relationships for sharing information, obtaining input on department initiatives and planning, and resolving issues. Alternative 2 best meets Policy Objective 4.

The department will proactively communicate, collaborate, and partner with Tribes; trust beneficiaries; local, state and federal governments; stakeholders; and user groups in carrying out department activities, including environmental education.

SEPA Review

The department complies with the State Environmental Policy Act (SEPA) (RCW 43.21C), which requires state agencies to review potential actions that may have a probable, significant adverse impact on the environment. By meeting SEPA objectives, the department ensures timely analysis and mitigation of environmental impacts prior to department activities, including project planning and implementation.

Alternative 1 (No Action):

Alternative 1 states that the department will comply with the State Environmental Policy Act (SEPA).

Forest Resource Plan Policy No. 18, SEPA Review: "The department will conduct a SEPA review when subsequent plans and activities constitute a non-exempt agency action under the act."

Alternative 2 (Department's Preferred):

Alternative 2 recognizes that the department is required to comply with state law. No policy statement is needed in the *Policy for Sustainable Forests*.

The department will comply with all the requirements of the State Environmental Policy Act (SEPA) in carrying out non-exempt actions. No additional policy direction is needed in the *Policy for Sustainable Forests*.

Implementing, Reporting and Modifying the Plan

The department has the responsibility to fully implement the *Policy for Sustainable Forests*. In addition, ensuring Board of Natural Resources policies remain current requires ongoing monitoring and reporting on implementation. The information gathered through this process will allow review and update of Board policies in response to changing circumstances, and inform

the public on progress made toward implementing Board policy. Annual reporting on the implementation of the sustainable harvest policies will be included in this process.

Alternative 1 (No Action):

Alternative 1 states that the department will attempt to meet the key elements of each policy within budget constraints. Alternative 1 requires the department to monitor implementation of the *Policy for Sustainable Forests* to ensure implementation and effectiveness of the policies. Alternative 1 commits the department to seek permission from the Board to modify policies when necessary and appropriate based on changes in law, scientific knowledge, public opinion, or new management direction. Alternative 1 directs the department to recommend any actions needed to reconcile conflicting policy direction as a result of other management and policy plans to the Board. Alternative 1 meets Policy Objective 10, but is not as succinct as Alternatives 2 and 3.

- a. Forest Resource Plan Policy No. 36, Implementing the Forest Resource Plan: "The department will attempt, within budget constraints, to meet the key elements in each of the policies described in this Plan."
- b. Forest Resource Plan Policy No. 37, Monitoring the Forest Resource Plan: "The department will monitor the Forest Resource Plan's implementation to determine whether its policies are being executed efficiently and to measure the success of the plan in meeting its objectives."
- c. Forest Resource Plan Policy No. 38, Modifying the Forest Resource Plan: "The department will seek permission from the Board of Natural Resources to modify certain portions of the Forest Resource Plan if changes in law, scientific practice, major public attitudes or new management directions require a different course of action not compatible with the policies contained in the plan."
- d. Forest Resource Plan Policy No. 39, Consistency: "The department will review its other management and policy plans and will compare those with the Forest Resource Plan. Where policies overlap and where there is apparent conflict in direction, the department will determine precedence and suggest changes to the Board of Natural Resources for resolving these differences."

Alternative 2:

Alternative 2 directs the department to employ a structured monitoring and annual reporting program to the Board of Natural Resources on the effectiveness and efficiency of the policies and their implementation. Alternative 2 directs the department to recommend changes to policy as needed due to changes in law, scientific knowledge or other circumstances. These could include changing budget and staffing resources that would affect implementation of policies. Alternative 2 assumes a ten-year life to the plan with substantive review and update every ten years, potentially coinciding with recalculation of the sustainable harvest level. Alternative 2 meets Policy Objective 10, but is less flexible than Alternative 3.

- a. The department will employ a structured monitoring and annual reporting program to the Board of Natural Resources on implementation of the policies in the *Policy for Sustainable Forests*.
- b. As needed, the department will recommend changes in policy to the Board of Natural Resources due to changes in law, scientific knowledge, new information, or other circumstances.
- c. At ten-year intervals, the department will perform a substantive review and update of the *Policy for Sustainable Forests*. Each review and update will be for a ten year period.

Alternative 3 (Department's Preferred):

Alternative 3 is the same as Alternative 2, with one exception. Alternative 3 assumes periodic updates based on annual monitoring and reporting to keep the policies current, as well as substantive reviews at five-year intervals. Under Alternative 3, the *Policy for Sustainable Forests* is dynamic, with changes being recommended as needed and with no sunset or expiration date. Alternative 3 best meets Policy Objective 6 and 10.

- a. The department will employ a structured monitoring and annual reporting program to the Board of Natural Resources on implementation of the policies in the *Policy for Sustainable Forests*.
- b. As needed, the department will recommend changes in policy to the Board of Natural Resources due to changes in law, scientific knowledge, new information, or other circumstances.
- c. At five year intervals, the department will perform a substantive review of the *Policy for Sustainable Forests*. The *Policy for Sustainable Forests* will have no expiration date.