



**DEPARTMENT OF
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RESOURCES**

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MEMORANDUM

April 25, 2022

TO: Forest Practices Board

FROM: Saboor Jawad, Adaptive Management Program Administrator (AMPA) *asJ*
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SUBJECT: Net Gains Options for TFW Policy and Update on Implementation of SAO-Recommendations

In January 2021, the Office of the Washington State Auditor (SAO) completed a performance audit of the Forest Practices Adaptive Management Program (AMP)¹. The audit provided 13 recommendations for improving program performance. The report referred eleven of these recommendations to the Forest Practices Board. In May 2021, the Board approved staff suggested relative priorities among the recommendations in the form of a response plan.

The plan committed TFW Policy and the AMP Administrator to present to the Board at their May 2022 meeting a list of net gains options for SAO Recommendation #5. Based on recommendations from a TFW Policy Workgroup and the AMPA, the committee is currently deliberating on further developing the following as net gains options for the TFW Policy Committee:

1- **Adopt a Multi-Criteria Decision Making Model**

Under this option, TFW Policy would consider recommending the adoption of a multi-criteria decision making model. The Structured Decision Making Model (SDM) is one such model that Policy could consider adopting. Adopting a decision making model appears feasible because it wouldn't require changing rules. Amending Board Manual Section 22 (BM-22), however, would be required.

¹ [Performance Audit of the Adaptive Management Program](#)

2- Clarify Process for Outside Science

TFW Policy would deliberate on the role of outside science in the AMP. An amended BM Section 22 may emerge as a recommendation to the FPB. Amendments would clarify when and under what conditions outside science could or should be considered in the AMP. Any proposed changes to the program's Proposal Initiation process may require rule changes.

3- Set Clear AMP Priorities

TFW Policy would review the current project prioritization process. The Master Project Schedule (MPS) development process would get clarified and included in BM-22. Additionally, Policy would discuss using SDM to prioritize projects or assign default priorities to groups of AMP projects such as rule effectiveness studies, or projects that meet clean water assurances.

4- Review Dispute Resolution Timelines

TFW Policy would discuss and review the adequacy of current dispute timelines. Discussions could lead to recommendations to lengthen dispute resolution timelines in either stage 1 or 2. Recommended changes may require both rule changes and a review of conformity with the 2012 settlement agreement.

5- Initiate Dialogue with CMER

TFW Policy would request that the FPB initiate a series of dialogues with CMER on AMP reform and efficiency. Topics may include CMER membership, process improvements and other relevant topics. Consensus recommendations to FPB may emerge out of this dialogue.

6- Develop Guidance Manual for TFW Policy

Policy would develop or conclude the development of a detailed guidance manual for TFW Policy Committee.

Once deliberations are over at TFW Policy - and if a consensus recommendation emerges - an options paper will be delivered to the Board. Each option listed above may require amendments to BM-22, administrative rule making or both.

In May 2021, the Board also directed the AMPA to provide status reports to the Board at six month intervals. In Tables 1-3 of the attachment to this memo, I am providing an update to the Board on the status of each action item related to all SAO recommendations.

Attachments:

- Progress on Implementation of SAO Recommendations

Progress on Implementation of SAO Recommendations

Table 1: Recommendations to be considered and acted upon by caucus principals that may be aided by third-party neutral assistance focusing on conflict transformation

Focus Area	Action Item	SAO Rec #	Status	Update
Decision making process	1) Review decision making model: 2) Require participation by caucus principals	1 and 2	On track to be completed during this biennium	DNR requested \$75,000 in a legislative funding decision package for consideration in the 2022 supplemental operating budget. Request covered the cost of a facilitated caucus principals' meetings. No new funds were allocated in supplemental operating budget proviso. Notwithstanding, two rounds of TFW Principals meetings have been held, with DNR paying for the facilitator

Table 2: Recommendations involving changes to AMP processes to be evaluated mainly through the appropriate AMP committees

Focus Area	Action Item	SAO Rec #	Status	Update
Decision making process	Adopt decision criteria for determining actions that will occur depending on project results before those results have been found	6	On track to meet the November 2022 deadline	CMER work group was formed in October 2021. The work is on track to prepare an options paper in collaboration with TFW Policy Workgroup on SAO Recommendations
Decision making process	Implement a “net gains” approach to each proposal, project, and decision that benefits more than one caucus by considering packages of projects instead of individual projects	5	On track	TFW Policy workgroup was formed and worked with AMPA on a list of 6 net gains options. Board will receive an update in May 2022. Implementation timeline will vary based on the complexity of each option.

Table 3: Recommendations that are administrative in nature to be evaluated primarily by Board and AMP staff and brought to the Board for decision and action

Focus Area	Action Item	SAO Rec #	Status	Update
Decision making process	Update language in the board manual to reflect WAC which says dispute resolution is required when consensus cannot be achieved within the Science or Policy committees.	3	Completed	Board Manual 22 has been updated. Board staff presented revisions to the Board in February 2022 and obtained the Board's approval

Decision making process	<p>The board should set a trigger for dispute resolution. It should work with the Adaptive Management Program Administrator and the chairs of the committees to determine the appropriate amount of time:</p> <ol style="list-style-type: none"> 1- Identify and recommend to the Board schedule or process based triggers for invoking dispute resolution 2- Add line item for dispute resolution in the Master Project Schedule 3- Establish on-call contracts for dispute resolution for Policy Committee 4- Establish on-call contracts for a CMER technical arbitration panel 5- Establish on-call statistical assistance contract for CMER 	4	<p>2 through 5 are complete or near completion</p> <p>1 is on track to be completed</p>	<p>Board staff are developing draft mark-up language for Board Manual Section 22. Board staff will present revisions for Board decision in August 2022</p>
Transparency and Accountability	<ol style="list-style-type: none"> 1) Tracking system for life cycle of projects 2) Public facing dashboard 	10,11	<p>On track</p> <p>Can be completed with existing resources this biennium</p>	<p>AMP staff have started work on a project tracking system and on introducing cost and schedule metrics for continuous monitoring of projects.</p> <p>DNR requested \$185,000 in a funding decision package as one-time cost for these items.</p> <p>The legislature did not provide funds in the 2022 supplemental operating budget. A request is before the Board to approve use of existing resources to accomplish these tasks.</p>
Transparency and accountability	<p>Complete biennial fiscal and performance audits of the AMP every two years</p>	9	<p>Planned</p>	<p>Board and AMP staff will develop recommendations for the Board on how to get the audits done on-time and regularly. Options and staff recommendations are being developed and will be presented to the Board for decision at their November 2022 meeting.</p>
Transparency and accountability	<p>Peer review science program every 5 years</p>	7	<p>Planned</p>	<p>Board staff are developing mark-up draft language requiring 5 year review for part 6.1 of Board Manual Section 22. Draft language will be presented for Board decision in August 2022.</p> <p>AMP staff prepared a draft scope of work for the science review</p> <p>DNR requested \$280,000 in a funding decision package. The legislature did not provide funding in the 2022 supplemental operating budget</p>

Decision making process	Onboarding and training for new members	8	Planned	<p>Board staff are working on a draft mark-up language for Board Manual Section 22 that would require training for new AMP participants DNR requested \$140,000 as a one-time cost of creating and implementing on-boarding training for participants in the AMP</p> <p>The legislature did not provide funding in the 2022 supplemental operating budget.</p>