
Minutes

Board of Natural Resources Meeting

June 2, 2015

Natural Resources Building, Olympia, Washington

BOARD MEMBERS PRESENT

The Honorable Peter Goldmark, Washington State Commissioner of Public Lands

JT Austin, Designee for the Honorable Jay Inslee, Washington State Governor

The Honorable Jim McEntire, Commissioner, Clallam County

Thomas H. DeLuca, Director, School of Environmental and Forest Sciences, University of Washington

Ron C. Mittelhammer, Dean, College of Agricultural, Human, and Natural Resource Sciences,
Washington State University

BOARD MEMBERS ABSENT

The Honorable Randy Dorn, Superintendent of Public Instruction

1 CALL TO ORDER

2 Chair Goldmark called the meeting to order at 9:00 AM. All Board members introduced
3 themselves. Chair Goldmark noted there was a quorum for the meeting.

5 SAFETY REVIEW

6 Ms. Vansot gave a safety overview and instruction on evacuating the building in case of an
7 emergency.

9 APPROVAL OF MINUTES

10 Chair Goldmark called for approval of the minutes for the May 5, 2015 Regular Board of Natural
11 Resources Meeting.

13 MOTION: Dean Mittelhammer moved to approve the minutes.

15 SECOND: Ms. Austin seconded the motion.

17 ACTION: The motion was approved unanimously.

19 PUBLIC COMMENTS FOR TIMBER SALE ACTION ITEMS

20 Inessa Pearce, citizen, expressed her concerns about the Moonbeam and Singletary Timber sales.

21 Ms. Pearce stated that both timber sales will hurt recreational enterprises and local businesses.

1 She urged the Board to stop timber harvest in Sky Valley and to place the property into the trust
2 land management list.

3
4 Steve Courtney, Timber Procurement Manager representing Interfor's Northwest mills, reminded
5 the Board of the statewide timber sale volume. He stated that they were not the promised
6 sustainable harvest level of 550 MBF for Western Washington. Mr. Courtney asked the Board to
7 act appropriately to move timber sale offerings up to the sustainable harvest level.

8
9 Nate Root, Senior Procurement Manager representing Murphy Company, spoke about the timber
10 sales program. He remarked that in FY15, the offered timber volume was 488,457 MBF, which
11 is a shortfall of 39,363 MBF from the FY15 program target of 527,000 MBF. Mr. Root
12 expressed that the Murphy Company depends on the harvest from the trust lands to sustain their
13 employees.

14
15 **TIMBER SALES (Action Items)**

16 **Proposed Timber Sales for July 2015| 3 handouts, including the presentation**

17 Tom Shay, Product Sales & Leasing Division

18
19 Mr. Shay presented the results of the May auctions to the Board. The Department offered 10
20 sales totaling 42.7 MMBF in May. Of those, 8 sales sold and one sort sale is pending with 1 sort
21 being reoffered on June 10th. The sold sales totaled \$11.7 million for an average of \$324 per
22 MBF.

23
24 Mr. Shay remarked there was a good per MBF result from auctions and bidder interest remains
25 strong, possibly indicating markets are beginning a gentle rebound.

26
27 Dean Mittelhammer asked about overbids and remarked that maybe values are being
28 underestimated. Mr. Shay responded that a shotgun approach is used to appraise all sales in the
29 state, which is tough since some sales are in areas of higher competition while others are in areas
30 with only 1 or 2 bidders. An overall overbid of 35% seems high, but the amount of competition
31 remains high, which is good. It is also hard to explain why one purchaser bids much higher than
32 others on individual sales because we do not know what that specific purchaser saw that we
33 didn't.

34
35 Chair Goldmark added that this is the value of a public auction.

36
37 The proposed July sales were then presented to the board.

38
39 The Department proposed to offer 2 sales in July, both in Northeast Region, totaling 6.9 MMBF.
40 The appraised value of these sales is \$1.4 million for an average of \$201/MBF.

41
42 Mr. Shay asked for approval of the proposed July sales.

43
44 **MOTION:** Commissioner McEntire moved to approve the proposed July 2015 sales.

45
46 **SECOND:** Dean Mittelhammer seconded the motion.

1
2 ACTION: The motion was approved unanimously.
3

4 **PUBLIC COMMENTS FOR SURVEY MAP RECORDING FEE INCREASE ACTION**
5 **ITEMS**

6 None.
7

8 **SURVEY MAP RECORDING FEE INCREASE (Action Items)**

9 Pat Beehler, DNR Land Survey Manager
10

11 Mr. Beehler presented the historical background of the surcharge fee for recording survey maps.
12 He explained how the fees collected by the county Auditor are remitted to the Surveys & Maps
13 Account in the state General Fund. The money in the Surveys & Maps Account is appropriated
14 to the Department by the legislature to support the Public Land Survey Office (PLSO) in their
15 mission to collect and index survey records on a statewide basis. The records are made available
16 through an on-line subscription service, staff research assistance and a public information
17 counter.
18

19 Mr. Beehler explained the Washington Administrative Code (WAC) approval process and the
20 role of the Board to set the fee as provided in RCW 58.24.070, to authorize raising the recording
21 fee surcharge from the current \$46 to a new fee of \$64, and to amend WAC 332-150-050 to
22 reflect the change.
23

24 Mr. Beehler recommended approval of Resolution 1468.
25

26 MOTION: Director DeLuca moved to approve Resolution 1468.
27

28 SECOND: Dean Mittelhammer seconded the motion.
29

30 ACTION: The motion was approved unanimously.
31

32 **PUBLIC COMMENTS FOR TEANAWAY MANAGEMENT PLAN ACTION ITEMS**

33 None.
34

35 **TEANAWAY MANAGEMENT PLAN (Action Items)**

36 Matthew Randazzo, Senior Advisor to the Commissioner of Public Lands and Teanaway

37 Community Forest Policy Supervisor

38 Mike Livingston, Washington Department of Fish & Wildlife (WDFW) Region Manager
39

40 Mr. Randazzo and Mr. Livingston made a joint presentation regarding the Teanaway Community
41 Forest Management Plan. The Teanaway Community Forest is a 50,000 acre property acquired
42 in 2013 for roughly \$100 million to become the state's first community forest. It is managed by
43 an equal partnership between DNR and WDFW, whereby DNR owns the land and WDFW holds
44 a robust conservation easement on the property that gives them equal decision-making authority.
45

46 The Washington State Legislature directed the Department of Natural Resources to appoint a
47 Teanaway Community Forest Advisory Committee that would deliver a management plan to the

1 Board of Natural Resources by June 30, 2015. In 2014, the two agencies jointly announced an
2 advisory committee that included representation by members of: Yakama Nation, the
3 Washington State Department of Ecology, the Kittitas County Board of Commissioners, Kittitas
4 County Farm Bureau, Kittitas Chamber of Commerce, The Wilderness Society, Trout Unlimited,
5 Back Country Horsemen of Washington, Evergreen Mountain Bike Alliance, Yakima Basin
6 Integrated Plan Board, the Kittitas County Field and Stream Club, the Friends of the Teanaway,
7 Washington Trails Association, Washington State Snowmobile Association, Washington Off-
8 Highway Vehicle Association, the Mountains to Sound Greenway Trust, and Forterra, among
9 others.

10
11 In early 2015, DNR and WDFW completed the Teanaway Community Forest Management Plan
12 with the assistance and advice of the Teanaway Community Forest Advisory Committee. The
13 Advisory Committee had contributed hundreds of hours of volunteer time to inform the writing
14 of the plan. The Advisory Committee voted unanimously in support of the adoption of the plan
15 and referred it to the Board of Natural Resources for final approval.

16
17 Mr. Randazzo and Mr. Livingston presented the completed Teanaway Community Forest
18 Management Plan to the Board of Natural Resources on behalf of both agencies and the
19 Teanaway Community Advisory Committee. They reviewed how the plan commits to restore
20 the watershed and forest habitat, protect public access and support recreational opportunities,
21 secure water availability, promote community partnerships, and ensure a responsible law
22 enforcement presence. Both agencies recommended the adoption of the plan.

23
24 Director DeLuca asked if appropriate baseline metrics were in place to ensure a successful
25 implementation of the plan, and Mr. Livingston explained that the Department of Ecology
26 provided funds to ensure baseline metrics and implementation standards were in place from the
27 start.

28
29 Director DeLuca asked about the forest health and fire risk to the forest, and Mr. Randazzo
30 responded that the area was of extremely high risk to both because it borders a 25,000 acre area
31 of serious forest health issues on U.S. Forest Service-managed land.

32
33 Chair Goldmark stated that because the landscape was heavily managed prior to DNR's purchase
34 the Department is very dependent on legislative funding to carry out the work.

35
36 Commissioner McEntire commented that he wished that the partnership, collaboration, and
37 problem-solving skills demonstrated by the Advisory Committee could be exported to the rest of
38 the state.

39
40 Mr. Randazzo and Mr. Livingston recommended approval of the Teanaway Management Plan.

41
42 MOTION: Commissioner McEntire moved to approve the Teanaway Management Plan.

43
44 SECOND: Dean Mittelhammer seconded the motion.

45
46 ACTION: The motion was approved unanimously.

1 **PUBLIC COMMENTS FOR LAND TRANSACTION ACTION ITEMS**

2 Kevin Tyler, representing Clark County Environmental Services, spoke in support of the trust
3 land transfer program and Spud Mountain land transaction. Mr. Tyler thanked the Board,
4 Commissioner Goldmark and all of DNR staff for their hard work on behalf of the citizens of the
5 state and Clark County.
6

7 **LAND TRANSACTION (Action Items)**

8 **Spud Mountain Inter-Trust Exchange No. 86-090899; Resolution 1453**

9 Bob Winslow, Conservation, Recreation, and Transactions Division
10

11 Mr. Winslow presented the Spud Mountain Inter-Trust Exchange to the Board. The properties
12 are located in Clark County. Parcel A is located approximately 11 miles northeast of Camas and
13 is 163.27 acres in size. Parcel A would change from State Forest Land Trust to Common School
14 Trust in the exchange, trees are second growth conifer that are 45-60 years old, and the soils are
15 site class 2. Parcel B is 173 acres in size and located in the southern portion of the Yacolt State
16 Forest. Parcel B would change from State Forest Land Trust to Common School Trust in the
17 exchange and the second growth conifer trees are merchantable age timber and young forest
18 reproduction.
19

20 The appraised total value for Parcel A is \$1,695,000 which is comprised of \$755,000 of timber
21 value and \$940,000 of land value. Parcel B is equivalent in value to Parcel A with a total value
22 of \$1,710,000 which is comprised of \$1,534,000 of timber value and \$176,000 of land value.
23 Parcel B has a higher timber value than Parcel A but a lower land value.
24

25 At the public hearing held in Camas on April 8, 2015, DNR received testimony from one person
26 in support of the exchange. DNR later received one written comment in support of the exchange.
27

28 **Spud Mountain Trust Land Transfer; No. 02-090368; Resolution 1454**

29 Bob Winslow, Conservation, Recreation, and Transactions Division
30

31 Mr. Winslow gave a brief overview of the status of the Trust Land Transfer (TLT) projects for
32 the 2013-2015 biennium that occurred before the discussion of the Spud Mountain TLT project.
33 The 13 TLT projects acted upon by the Board of Natural Resources through the biennium
34 conserved approximately 6,295 acres. The Department anticipates transferring over \$44,000,000
35 to the Common School Construction Account (over 81% of the appropriation) and just under
36 \$10,000,000 to the Real Property Replacement Account.
37

38 The Spud Mountain Trust Land Transfer (TLT) property is located in Clark County about 11
39 miles northeast of Camas, Washington. This property is 157.29 acres in size and designated as
40 Common School Trust. This property will be transferred to Clark County Department of
41 Environmental Services and will have a perpetual deed restriction limiting future uses of the
42 property to recreation, open space or wildlife habitat. DNR is retaining ownership of an 80'
43 wide strip of property along the L-1000 road for access into the southern end of the Yacolt State
44 Forest.
45

1 The overall property value is \$1,695,000 which includes \$755,000 of timber value and \$940,000
2 of land value. The timber value will be distributed to the Common School Construction
3 Account. The land value will be transferred to the Real Property Replacement Account.
4

5 Mr. Winslow recommended approval of Resolution 1453 and 1454.
6

7 MOTION: Dean Mittelhammer moved to approve Resolution 1453 and 1454.
8

9 SECOND: Commissioner McEntire seconded the motion.
10

11 ACTION: The motion was approved unanimously.
12

13 **Columbia Falls Trust Land Transfer; No. 02-090362; Resolution 1455**

14 Bob Winslow, Conservation, Recreation, and Transactions Division

15 Mr. Winslow presented the Columbia Falls Trust Land Transfer (TLT) to the Board. The
16 property is located in Skamania County about 3 miles west of Skamania, Washington. The
17 property is 39.86 acres in size and designated as Common School Trust. The property will be
18 transferred to the Columbia Falls Natural Area Preserve and be perpetually conserved and
19 managed for natural area purposes.
20

21 The property is located within the Columbia River Gorge National Scenic Area (Special
22 Management Area designation) and residential development is prohibited on the property. The
23 property has steep slopes and cliffs, no roads or legal access, poor soils and is surrounded on four
24 sides by United States Forest Service ownership. The trees on the property are not economical to
25 harvest due to Gorge restrictions, topography, poor access and low volume.
26

27 The property has good conservation values which include a State Threatened Plant (Howell's
28 Daisy), a high quality plant community and quality wildlife habitat (cliffs, talus).
29 The overall property value is \$68,000 which is entirely land value. The land value will be
30 transferred to the Real Property Replacement Account.
31

32 Mr. Winslow recommended approval of Resolution 1455.
33

34 MOTION: Director DeLuca moved to approve Resolution 1455.
35

36 SECOND: Commissioner McEntire seconded the motion.
37

38 ACTION: The motion was approved unanimously.
39

40 **Pasco Acquisition; No. 08-092641; Resolution 1456**

41 **Pasco Inter-Trust Exchange; No. 86-092675; Resolution 1457**

42 **Pasco 16 Disposition; No. 02-092580-02-092588; Resolution 1458-66**

43 Jed Herman, Conservation, Recreation, and Transactions Division
44

45 Mr. Herman presented the proposed Pasco Kahlotus Road Purchase and the Pasco 16 sale.
46 The Department proposed purchasing 1,246 acres of irrigated agricultural property known as the
47 'Pasco Kahlotus Road' property, located near the confluence of the Columbia and Snake Rivers

1 just east of the city of Pasco. Acquisition of these acres enables the sale of 230 acres of
2 agricultural property located in an area of Pasco surrounded by recent residential and commercial
3 development known as the 'Pasco 16' property.

4
5 The benefits of the purchase and sale were explained. The Common School trust will acquire
6 productive agriculture property that will produce revenue immediately. The Common School
7 trust disposes of property that the legislature and the city of Pasco intends to develop and is no
8 longer appropriate for DNR to manage. Water rights from both properties may be transferred to
9 other properties to improve productivity and trust revenue elsewhere.

10
11 The purchase price of the Pasco Kahlotus Road property is \$25,000,000. The minimum bid
12 (appraised price) for the Pasco 16 property segregated into 9 individual lots totals \$9,266,000.
13 A land bank exchange will be completed to transfer the existing Common School trust status
14 from the Pasco 16 property to the newly acquired Pasco Kahlotus Road property enabling the
15 Pasco 16 public auction with no net loss of Common School trust asset.

16
17 Mr. Herman recommended approval of Resolutions 1456 through 1466 encompassing the
18 purchase of Pasco Kahlotus Road property, the land bank exchange and the sale of the 9 lots
19 making up the Pasco 16 property.

20
21 MOTION: Commissioner McEntire moved to approve Resolution 1456-1466.

22
23 SECOND: Ms. Austin seconded the motion.

24
25 ACTION: The motion was approved unanimously.

26
27 **PUBLIC COMMENTS FOR CHAIR REPORT**

28 David Marshall, representing Sierra Industries, requested the Board to confirm that an arrearage
29 exists and establish the amount of the arrearage. He urged the Board to direct DNR to follow the
30 procedures outlined in the RCW 79.10.330 and to conduct the analysis of alternatives required
31 by the statute separate from the current sustainable harvest calculation. Mr. Marshall added that
32 the non-deferred trust land transfers should not be considered as volume to satisfy the arrearage.

33
34 Carol Johnson, Executive Director of the North Olympic Timber Action Committee, urged the
35 Board to determine a new sustainable harvest calculation and add the arrearage to regain the
36 timber harvest from the first decade. She requested the Board to update the sustainable harvest
37 calculation model with new data to obtain a sustainable harvest calculation number and then
38 consider the marbled murrelet strategy and climate change.

39
40 Connie Beauvais, citizen, spoke about her concerns regarding the lack of a reliable sustainable
41 harvest in Clallam County. Ms. Beauvais urged the Board to look at Clallam County alone and
42 the arrearage volume that is owed to the county. She requested the Board to add the current
43 arrearage to the next sustainable harvest calculation as they move forward.

44
45 Matt Comisky, Washington Manager for AFRC, urged the Board to live up to the commitment
46 made to the beneficiaries back in 2004 and suggested the Board and DNR staff move forward
47 expeditiously with the arrearage. Mr. Comisky asked the Board to direct staff to account for the

1 finite volume number, the geographic location, and the development of alternatives to analyze
2 the greatest return to the trust.

3
4 Commissioner Dan Cothren, Chair, Board of Wahkiakum County, spoke about the value of
5 timber revenue to the county. Commissioner Cothren stated that we need to continue to provide
6 revenue to the counties to sustain the social programs for our constituents.

7
8 Ann Forest Burns, Vice President of AFRC, asked the Board to make changes to the draft
9 sustainable harvest calculation purpose and need statement. Ms. Burn urged the Board to delete
10 the arrearage language from the draft and provided the Board with suggested changes.

11
12 Russ Pfeiffer-Hoyt, Chair of the Washington State School Directors' Association Trust Land
13 Task Force, thanked the Board for establishing a process to consider the arrearage. He stated
14 that when they supported the management fee increase it was to support the cost that would
15 allow for a higher sustainable harvest level and therefore a greater return to the trust. Mr.
16 Pfeiffer-Hoyt urged the board to use the same process as the arrearage when weighing options
17 that will determine the sustainable harvest level.

18
19 Kevin Schmelzlen, with the Marbled Murrelet Survival Project, urged the Board to ensure that
20 none of the proposed alternatives take any action that will directly harm the existing marbled
21 murrelet population. Mr. Schmelzlen urged the Board to give DNR the mandate to follow the
22 HCP and not allow any logging on any occupied sites.

23
24 Linda Murtfeldt, representing the Seattle Audubon, spoke about the marbled murrelet habitat and
25 the benefits of the long-term conservation strategy.

26
27 Carolyn Browie, representing the Marbled Murrelet Survival Project, thanked DNR for advocacy
28 of programs designed to the fund to the trust beneficiaries while contributing to the survival of
29 endangered species.

30
31 Chair Goldmark called for a break at 10:43 AM and reconvened the Regular Board of Natural
32 Resources at 10:54 AM.

33
34 **CHAIR REPORT**

35 **Marbled Murrelet and Sustainable Harvest Calculation Update**

36 Kyle Blum, Deputy Supervisor for State Uplands

37
38 Mr. Blum provided an update on the Marbled Murrelet Long-term Conservation Strategy by
39 stating that work is ongoing for the biological implications.

40
41 **CHAIR REPORT ACTION ITEM**

42 **Sustainable Harvest Calculation**

43 Kyle Blum, Deputy Supervisor for State Uplands

44
45 Mr. Blum stated that the purpose of the presentation is to approve the current draft staff proposal
46 of the purpose and need statement.

1 Mr. Blum summarized the staff recommended changes that were presented at the May BNR
2 meeting. He presented all of the recommended language changes to the proposal, purpose, need,
3 and objectives.

4
5 Mr. Blum responded to a question raised by JT Austin at the previous BNR meeting asking how
6 staff will analyze climate change in the environmental analysis. Mr. Blum stated that staff are
7 developing analysis methods expected to address the following three questions related to climate
8 change:

- 9 • How might climate change potentially impact the environment?
- 10 • How do the Environmental Impact Statement (EIS) alternatives influence climate
11 change?
- 12 • How might climate change impact the EIS alternatives?

13 Mr. Blum asked the Board members whether they had any recommendations for changes to the
14 purpose and need document.

15
16 Commissioner McEntire stated that this is the sustainable harvest calculation purpose statement,
17 not the arrearage purpose statement. He would like to see some change to reflect that.

18
19 Dean Mittelhammer recommended striking the wording “determine a course of action for the
20 arrearage from the 2004 to 2014 fiscal year planning decade” from the purpose statement. Dean
21 Mittelhammer stated that leaving the arrearage information in the need statement of the
22 document is warranted because the arrearage analysis is required, and the two are interrelated for
23 environmental analysis. All of the Board members present were in agreement to remove the
24 wording.

25
26 No changes were suggested to the need statement of the document.

27
28 Commissioner McEntire made a suggestion to change the word “consider” to “integrate” in the
29 first bulleted objective. He stated that this would strengthen and reflect the interrelated nature of
30 all of the planning efforts. All Board members present agreed with the change.

31
32 Dean Mittelhammer raised an edit one presenter suggested to the second bulleted objective. The
33 suggested edit is to insert the language “information concerning the prior decadal arrearage and
34 its causes.”

35
36 Mr. Blum stated that the intent behind this edit was to indicate that, like the OESF land plan, this
37 Board would complete the arrearage process separate and ahead of the sustainable harvest
38 calculation and the marbled murrelet long-term conservation strategy.

39
40 Dean Mittelhammer stated that he thinks the wording is more general and recommended
41 inserting it to accomplish the purpose of understanding the difference in the amount of the
42 arrearage and the amount of arrearage we can reasonably put on the market. All Board members
43 present agreed with the change.

44
45 Mr. Blum recommended approval of Resolution 1467.

1 MOTION: Commissioner McEntire moved to approve Resolution 1467.

2
3 SECOND: Dean Mittelhammer seconded the motion.

4
5 ACTION: The motion was approved unanimously.

6
7 **PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST**

8 Peter Goldman, Director of the WFLC and Council for the Sierra Club, Seattle Audubon, and
9 OFCO, spoke about the Carlton Complex salvage timber sale. Mr. Goldman expressed that the
10 Carlton Complex timber sale was never brought forth to the Board, instead DNR approved the
11 sale under the Forest Improvement Treatment (FIT) sale. He urged the Board to request DNR to
12 report to the Board on its legal policies for bypassing the Board on this timber sale, and for the
13 Board to develop standards governing when and whether DNR can permit such salvage timber
14 sales.

15
16 Lisa Remlinger, citizen accompanying Mr. Goldman, presented the Board with a video of the 1.5
17 mile downstream in Unit 4 of the Carlton Complex timber sale to demonstrate how the soils were
18 unable to absorb the water.

19
20 Maria Ruth, member of the Black Hills Audubon Society and author of a non-fiction Marbled
21 Murrelet book, expressed her concerns about the marbled murrelet long-term conservation
22 strategy. Ms. Ruth urged the Board to support marbled murrelet conservation for a win-win
23 approach for the murrelet, the habitat, and the community.

24
25 Rex Hutchins, Vice President on the School Board for Willapa Valley School and Fire
26 Commissioner for Pacific County Fire District #3, thanked the Board for the revenue generated
27 for Pacific County and the smaller districts.

28
29 Art Wang, President of Tahoma Audubon Society, spoke about the marbled murrelet, and while
30 they want the Board to do things based on science, he also noted the importance of
31 acknowledging the possibility of the economic impacts.

32
33 Jon Pincelli, citizen, stated that he continues to object timber sale, 90790. Mr. Pincelli urged the
34 Board to complete the marbled murrelet long-term conservation strategy.

35
36 Linda Murtfeldt, representing the Seattle Audubon, spoke about the different ways to raise
37 money to change the paradigm for funding of essential services.

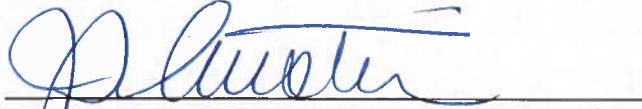
38
39 Chair Goldmark convened an Executive Session to brief the Board on litigation at 11:58 AM and
40 reconvened the Regular Board Meeting at 12:15 AM.

41
42 Meeting adjourned at 12:16 AM

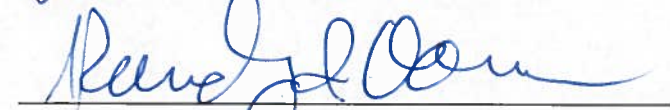
Approved this 7th day of July, 2015



Peter Goldmark, Washington State Commissioner of Public Lands



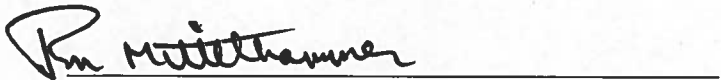
JT Austin, Designee for Governor Jay Inslee



Randy Dorn, Superintendent of Public Instruction



Jim McEntire, Commissioner, Clallam County



Ron Mittelhammer, Dean, College of Agricultural, Human, and Natural Resource Sciences,
Washington State University

via conference call

Thomas H. DeLuca, Director, School of Environmental and Forest Sciences,
University of Washington

Attest:



Sarah Vansot, Board Coordinator

