


Introduction

Report to the Board of Natural Resources

In November 2004, the Board of Natural Resources (Board) directed the Department of Natural Resources (DNR) to report annually on the results of implementing the Lake Whatcom Landscape Management Pilot Project. This report is in response to that request.

Legislative Direction

State law, 2000 Washington Laws Chapter 205 (E2SSB 6731), directed the Department of Natural Resources to create “the Lake Whatcom landscape management pilot project” on approximately 15,000 acres of state forest trust land located in the Lake Whatcom watershed area. Two of the major purposes of the legislation were to protect water quality in the Lake Whatcom watershed and to address slope stability issues associated with past and prospective forest management. The pilot project was required to include riparian management zones for all streams; prohibition of new road construction on unstable slopes; careful regulation of timber harvest and road construction on potentially unstable slopes; development of a road management plan; and development of a specific timber harvest model for the watershed.

Board of Natural Resources Direction

On January 30, 2004 DNR released the Final Environmental Impact Statement (FEIS) for the Lake Whatcom Landscape Plan. On November 2, 2004 the Board of Natural Resources (Board) passed Resolution No. 1141 authorizing DNR to implement the plan. The purpose of the plan is to present a set of management strategies which provide environmental protection on DNR-managed lands (consistent with E2SSB 6731), while also preserving the economic vitality of those same lands for the long-term benefit of the trust beneficiaries. The Board expressed concerns over the balance of costs and benefits of implementing the plan, in relation to the State’s fiduciary responsibilities to manage for the trust beneficiaries. The Board also stated concerns about the equity of locally enjoyed benefits at the expense of statewide trusts that must pay for the increased management costs. The Board directed DNR to present a report to the Legislature detailing, “the findings as to the benefits and costs associated with the implementation of this pilot

project” That report, dated December 2004, was distributed to the Legislature. (see appendix).

Section 6 of Board Resolution No. 1141 directs the DNR to:

“... annually report to the Board of Natural Resources on the results of implementation of the Lake Whatcom Landscape Management Pilot Project. Said reports shall identify new information and implementation costs. The annual report also shall include an analysis of the management of the Lake Whatcom Landscape Management Plan Pilot Project in relation to the Sustainable Harvest and associated Forest Resource Plan (adoption pending), and in comparison to management of the remaining trust lands under DNR jurisdiction. Reports are required not later than July 1, 2005 and by July 1 of each subsequent year through 2011, unless otherwise directed by the Board of Natural Resources (see Section 8). Copies of said reports shall be delivered to the appropriate committees of the Legislature, so as to inform the Legislature regarding the status of this pilot project.”

This report is in response to the Board’s request.

Implementation of the Lake Whatcom Landscape Plan

Interjurisdictional Committee

In February, 2005, consistent with legislative and Board direction (Section 4 of Resolution 1141), the Commissioner of Public Lands appointed a five-member Interjurisdictional Committee (IJC) to review site-specific activities in the watershed, and make recommendations to DNR. Nominees for the committee were submitted to the Commissioner of Public Lands by the local government jurisdictions – City of Bellingham Mayor Mark Asmundson, Whatcom County Executive Pete Kremen, and General Manager James Neher on behalf of the Lake Whatcom Water and Sewer District Commissioners – and by DNR’s Northwest Region Manager, Bill Wallace.

All five committee members appointed reside in Whatcom County. The IJC members are: Steve Fox, Bellingham; Curt Veldhuisen, Bellingham; Richard (Dick) Whitmore, Bellingham; Aubrey Stargell, Maple Falls; and Tom Westergreen, Sumas. A DNR press release dated February 3, 2005 provides a short background of each committee member and an “Interjurisdictional Committee Charter” dated February 10, 2005 sets forth the responsibilities of the committee (see appendix). Steve Fox is the chairperson of the committee.

At the January 2007 IJC meeting DNR staff provided a schedule of planned management activities on state forestlands around Lake Whatcom for calendar year 2007 (see appendix for schedule and map). As of the writing of this report, the IJC has met with DNR staff four times this year to discuss plans for site-specific activities. They have conducted six field visits, four of those with DNR staff and two without, and provided written recommendations on ten planned DNR management activities and one private proposal on DNR managed land. These include:

- Road Maintenance and Abandonment Plans for Galbraith Mountain, Beaver Creek, Lake Creek and Alger Mountain;
- The Look North and White Chanterelle Timber Sales;
- The South Stewart and South Stewart Clean Pre-commercial Thinning Units;
- Hand cutting of competing vegetation in the Parkside Units 1 and 2 and
- Road reconstruction of an easement road by Bloedel Timberlands.

They currently are reviewing part of the Apple Pie Timber Sale that has a very small portion of the harvest area within the Lake Whatcom Landscape boundary.

The review of DNR management proposals by the IJC continues to function smoothly. The IJC members have conducted a careful review and provided

detailed comments on each proposal within agreed on time frames. There has been clear communication and a willingness to discuss issues and provide helpful recommendations.

Sharing Plans for Site-Specific Activities with Community

In January 2007, DNR staff presented a schedule of planned management activities for calendar year 2007 on state forestland around Lake Whatcom with the Lake Whatcom Management Committee (which consists of the Whatcom County Executive, Mayor of Bellingham and the General Manager of the Lake Whatcom Water and Sewer District). This information, which includes both a schedule and map of the planned activities, is also available for review on the DNR website. Detailed plans for specific activities are included with the state lands SEPA documents and Forest Practices Applications. IJC recommendations and DNR's response are also included with the respective SEPA documents. As part of an annual meeting with representatives from the Lummi and Nooksack Tribes, DNR has shared site-specific plans in the Tribes' areas of interests, including the Lake Whatcom area.

Status of 2006 Planned Management Activities

DNR planned, designed and reviewed with the IJC nine management activities in 2006. These activities are consistent with the strategies contained in the Lake Whatcom Landscape Plan and were designed with consideration, and in most cases inclusion, of the IJC recommendations. Implementation of seven of those activities is either completed or in progress. The current status of each of these activities is listed below.

- **Waterwisp Timber Sale** – Auctioned in October 2006 for \$1,585,480. Proceeds support the Whatcom and Skagit State Forest Transfer trusts. Harvesting is expected in 2007.
- **Cain's View Timber Sale** – Postponed pending completion of occupancy surveys of Marbled Murrelet habitat that was identified during the field design.
- **Road Maintenance and Abandonment Plans for Lake Louise, Cub Creek West, Blue Canyon and Mirror Lake road management blocks** – All implementation work is completed.
- **Hilltop 1 Pre-commercial thinning** – Work completed in 2006.
- **Lookout Mountain 1 hand cutting of competing vegetation** – Work completed in 2006.
- **Road Construction by Bonneville Power Administration** – BPA awaiting funding to complete the project

A tenth management activity was initially planned but not completed. It involved pre-commercial thinning of the “BP Bow Tie Unit”. Further evaluation of the site determined it was not needed at this time and it was therefore not designed or reviewed by the IJC.

Summary of Site-Specific Activities in 2007

DNR is currently on schedule to accomplish the list of planned management activities for 2007 presented to the IJC in January – (see appendix for the schedule and map) except as noted below. These activities are consistent with the strategies contained in the Lake Whatcom Landscape Plan and are being designed with consideration, and in most cases inclusion, of the IJC recommendations. Site specific activities planned for 2007 are:

- Auction of the **White Chanterelle Timber Sale** in January 2008 and the **Look North Timber Sale** in February 2008. These sales total approximately 3.4 million board feet and will benefit the Whatcom State Forest Transfer and Common School Trusts.
- Implementation of the **Galbraith Mountain, Beaver Creek and Lake Creek Road Maintenance and Abandonment Plans** has been completed and work on the **Alger Mountain North** and **Sultan Hill** road management areas will be completed in the fall of 2007.
- Pre-commercially thinning the **South Stewart and South Stewart Clean** units in the summer of 2007.
- Hand cutting of competing vegetation on the **Parkside 1 and 2** unit in the summer of 2007.

Hand cutting of competing vegetation on the **Powerband, Five Bucks and Carpenter 460 Unit 3** is included on the 2007 General Plans schedule but further evaluation of these stands indicates this activity is not necessary at this time.

New Information and Analysis

New information and implementation costs

Board Resolution No. 1141, Section 6, directs DNR to “identify new information and implementation costs” during implementation of the Lake Whatcom Landscape Plan. The following section provides a summary of management activities completed and planned, revenue generated and management costs incurred during the first two and one half years (thru April, 2007) of implementation activities following adoption of the Landscape Plan by the Board of Natural Resources in November, 2004. This information provides a current look at costs and benefits of management in the planning area to assist the BNR to comprehensively evaluate the pilot project as provided in the resolution.

Summary of Management Activities

DNR has been implementing the Landscape Plan for two and one half years since its adoption in November, 2004. The following information provides a summary of management activities accomplished and planned to date. Maps showing completed and planned Management Activities and Road Maintenance and Abandonment Plans for 2005 thru 2007 can be found in the appendix.

Timber Sale Accomplishments: DNR has slightly exceeded the projected harvest level from the Lake Whatcom Landscape Plan Final Environmental Impact Statement (FEIS) for the first two years of implementation and is expected to do so again in FY-2008. It should be noted that this harvest level is below the level calculated in the western Washington sustainable harvest model adopted by the BNR in September 2004. DNR is integrating this new harvest level from the Lake Whatcom Landscape Plan into the 2007 sustainable harvest adjustment.

Harvest Volume

Average Annual Sold Volume FY-2006 & 2007	Planned Volume FY-2008	Average Annual Harvest Volume (Lake Whatcom FEIS, Nov. 2004)	Average Annual Harvest Volume (Sustainable Harvest Calculation, Sept. 2004)
3,475 mbf	3,420 mbf	3,356 mbf	6,457 mbf

Silviculture Accomplishments: In the decade prior to adoption of the Landscape Plan very little harvesting occurred on DNR managed land within the planning area. Therefore, there has been little need for silvicultural treatments since most stands are in a free to grow status. Silviculture activity is expected to increase in the future as active management continues under the Landscape Plan. Acres of completed and currently planned activities are summarized below.

Silviculture Activities

	Reforestation	Vegetation Management (hand cutting, acres)	Pre-commercial Thinning (acres)
Completed 2005-2006	119 acres	31 acres	5 acres
Planned 2007		50 acres	11 acres

Road Maintenance and Abandonment Plan Accomplishments: The following road management strategy was adopted as part of the Landscape Plan; "All identified road maintenance and abandonment work will be completed within 4 years of Board of Natural Resources approval of the landscape plan." DNR is on schedule to accomplish all work and meet this

strategy within the 4 year time frame. 78% of the road network has been completed and 96% will be completed by the end of 2007. Only 3 miles of road will remain to be assessed and treated in 2008. The current status of work completed and planned is summarized in the following table.

Road Maintenance and Abandonment Activities

	Maintained Miles	Abandoned Miles	Orphan Miles, No Action Taken	Orphan Miles, Treated	Total Road Miles
Completed 2005 - 2006	27.02	1.21	28.26	0.5	59.99
Planned 2007	7.28	1.88	9.72		18.88
Total Miles	34.3	3.09	37.98	0.5	75.87

Summary of Revenue

Since adoption of the Landscape Plan in November, 2004 two timber sales, North Olson and Waterwisp, have been sold within the planning area. Only 69% of the Waterwisp Timber Sale was within the planning area so the revenue reported below reflects that percentage of the total sale value. These two timber sales sold for an average stumpage of \$410/mbf. In addition, annual rent has been received from communication site leases within the planning area. Revenue generated from these management activities is summarized below.

Revenue

Timber Sales	\$2,848,666.61
Communication Site Rent	\$349,608.43
Total Revenue (Nov. 2004- April 2007)	\$3,198,275.04

Summary of Management Costs

Since adoption of the Landscape Plan, DNR has been tracking the costs of management within the planning area. These costs have been identified as regular costs associated with land management activities, and additional costs incurred as a result of provisions of the landscape plan or the BNR resolution directing implementation of the plan. The following table provides a summary of management costs incurred during two and one half years of implementation from November, 2004, when the plan was adopted, thru April, 2007.

Management Costs

	Timber Sales	Silviculture	Road Management	Other	Total
Regular costs	\$91,200	\$1,500	\$225,000	\$6,000	\$323,700
Additional costs	\$35,200	\$200	\$115,000	\$6,000	\$156,400
Total (Nov. 2004-April 2007)	\$126,400	\$1,700	\$340,000	\$12,000	\$480,100

It should be noted that the significant amount of road management costs are due to the commitment to complete all necessary road maintenance and abandonment work within the first four years after adoption of the plan. As noted above, this work is now 78% complete. Absent this commitment these costs would have been spread over a longer time period, up through the year 2014. Road management costs are expected to significantly decrease in 2008 and later years.

Costs to prepare and administer timber sales in the Lake Whatcom planning area were compared to costs for similar work outside the planning area within the Baker District. This comparison found that there is not a significant difference in total cost/thousand board feet even when considering the extra costs necessary to implement the landscape plan. In fact, the average cost/thousand board feet of sold volume is actually slightly less in the planning area than within the rest of the district. This is likely due to the type of timber sales produced to date. All prepared volume within the planning area has been regeneration sales while within the rest of the district there is a significant component of thinning sales. The lower volume thinning sales result in higher average cost/thousand board feet. This comparison will likely be more useful after a longer cost comparison time period is available in the planning area.

Community Interest

After two and one half years of active management, community interest in DNR activities remains high.

DNR staff continues to annually provide a broad overview of planned and ongoing activities to the Lake Whatcom Management Committee. This committee has shown a keen interest in monitoring forest management activities to ensure DNR management is dovetailing with their ongoing efforts to maintain and improve water quality.

The review of proposed management activities by the Lake Whatcom Interjurisdictional Committee continues to be a very useful technical review process. Their careful review of each proposed activity provides a level of assurance to the broader community that the strategies in the Landscape Plan

are being implemented and adhered to. A very positive and professional working relationship has been developed between this committee and DNR staff.

DNR staff encounters a wide variety of community members, including casual recreationists, adjacent landowners and members of organized recreation groups while conducting management activities. DNR has been proactive about explaining planned activities to neighbors and interested parties. No letters of concern or SEPA comments about specific proposals have been received over the past two and one half years.

Appendix

These appendices are in this file and/or on this webpage in the 2006 Lake Whatcom Landscape Pilot Project Report to the Board of Natural Resources

General Plans – 2007 Activities

Map – 2007 Implementation Map

Map – Management Activities 2005 – 2007

Map – Road Maintenance and Abandonment Plans 2005 - 2007

Report to Legislature, Lake Whatcom Landscape Pilot Project, December 2004. Includes:

**Engrossed Second Substitute Senate Bill 6731
Board Resolution No. 1141**

Interjurisdictional Committee Charter

Press Release on Interjurisdictional Committee

**Lake Whatcom Landscape Planning Area
General Plans - 2007 Activities**

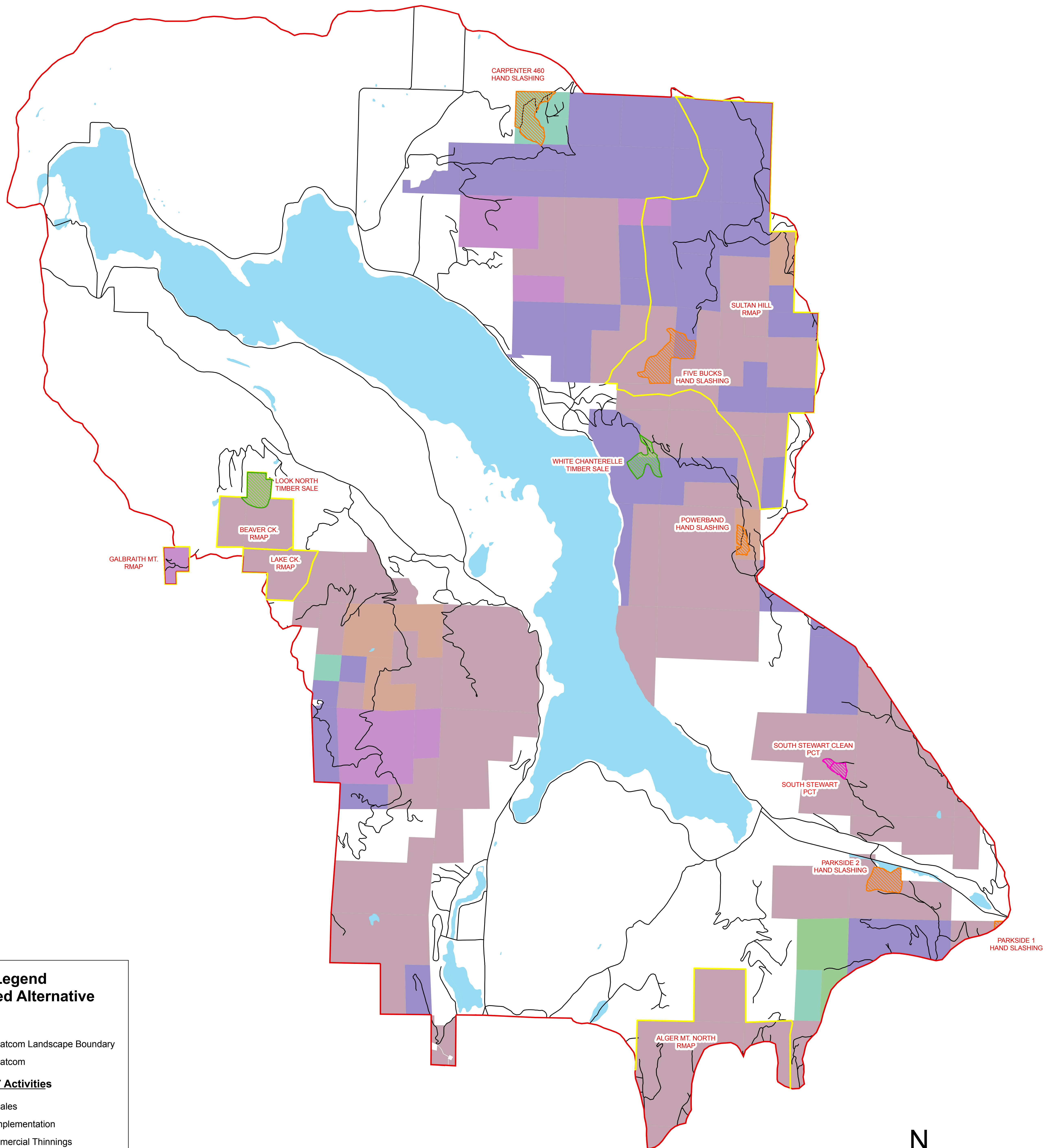
ACTIVITY	IJC* REVIEW	IMPLEMENTATION	LOCATION**	COMMENTS
<u>Timber Sales</u>				
Look North	April	2008	Sec. 1, T37N R3E	Regeneration Harvest
White Chanterelle	May	2008	Sec. 4, T37N R4E	Regeneration Harvest
<u>Road Maintenance & Abandonment Plans</u>				
Galbraith Mountain	February	2007	Sec 11, T37N R3E	
Beaver Creek	February	2007	Sec 12, T37N R3E	
Lake Creek	February	2007	Sec 12, T37N R3E	
Alger Mountain North	March	2007	SE1/4 T37N R4E and NE1/4 T36N R4E	
Sultan Hill	June	2007	SE1/4 T38N R4E	
<u>Silviculture</u>				
<u>Pre-commercial Thinning</u>				
South Stewart	January	2007	Sec. 23, T37N R4E	
South Stewart Clean	January	2007	Sec. 23, T37N R4E	
<u>Hand Cutting of Competing Vegetation</u>				
Powerband	March	2007	Sec. 10 T37N R4E	
Five Bucks	March	2007	Sec. 33 & 34 T38N R4E	
Parkside 1	March	2007	Sec. 31 T37N R5E	
Parkside 2	March	2007	Sec. 25 T37N R4E	
Carpenter 460 Unit 3	March	2007	Sec. 20 T38N R4E	
<u>Other</u>				
Road Construction	February	2007	Sec. 2, T36N R4E	Bloedel Timberlands easement, reconstruction of existing road

* IJC is the Lake Whatcom Landscape Plan Interjurisdictional Committee

** Also see 2007 Implementation Map for site locations

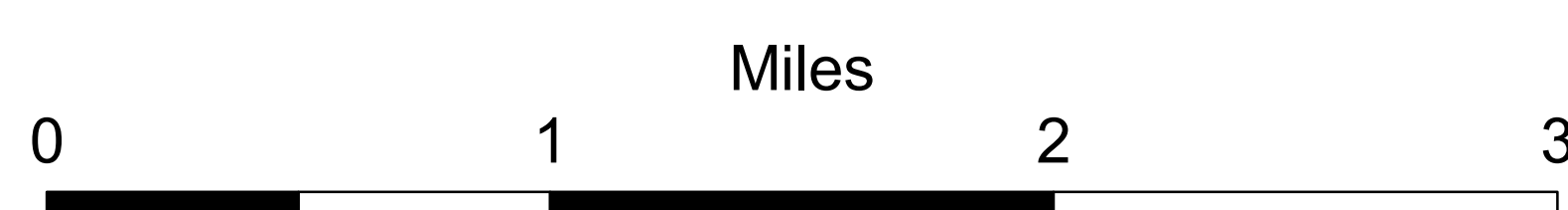
2007 Implementation Map

Lake Whatcom Landscape Plan



Legend Preferred Alternative

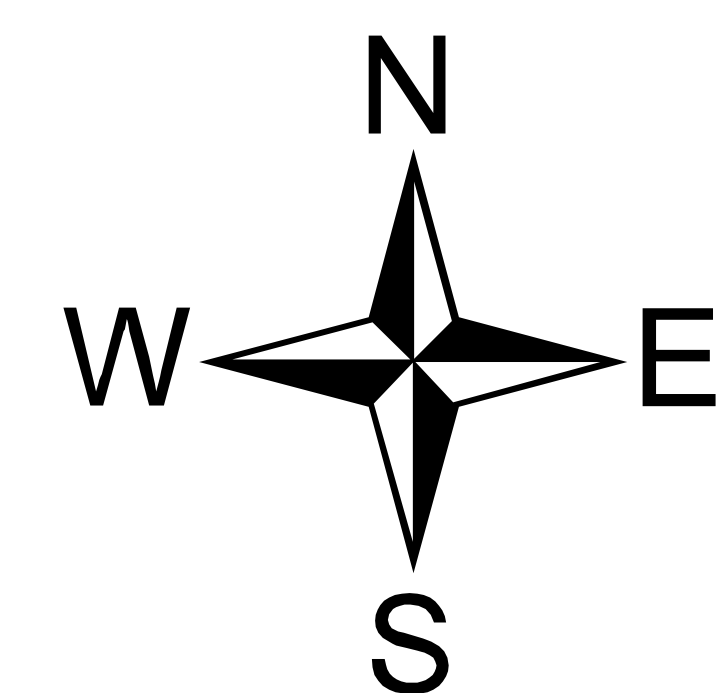
- Roads
- Lake Whatcom Landscape Boundary
- Lake Whatcom
- Planned 2007 Activities**
- Timber Sales
- RMAP Implementation
- Pre-Commercial Thinnings
- Hand Cutting of Competing Vegetation
- Surface Lands**
- Common School (3)
- Agricultural School (4)
- Scientific School (10)
- Normal School (8)
- University - Transferred (5)
- University - Original (11)
- CEP and RI (6)
- Capitol Grant (7)
- State Forest Board Transfer (1)
- State Forest Board Purchase (2)
- NAP / NRCA (74 / 75)
- Other DNR-Managed Lands



Disclaimer: Extreme care was used during the compilation of this map to ensure accuracy. However, due to changes in ownership and the need to rely on outside sources of information, there are no warranties which accompany this material.

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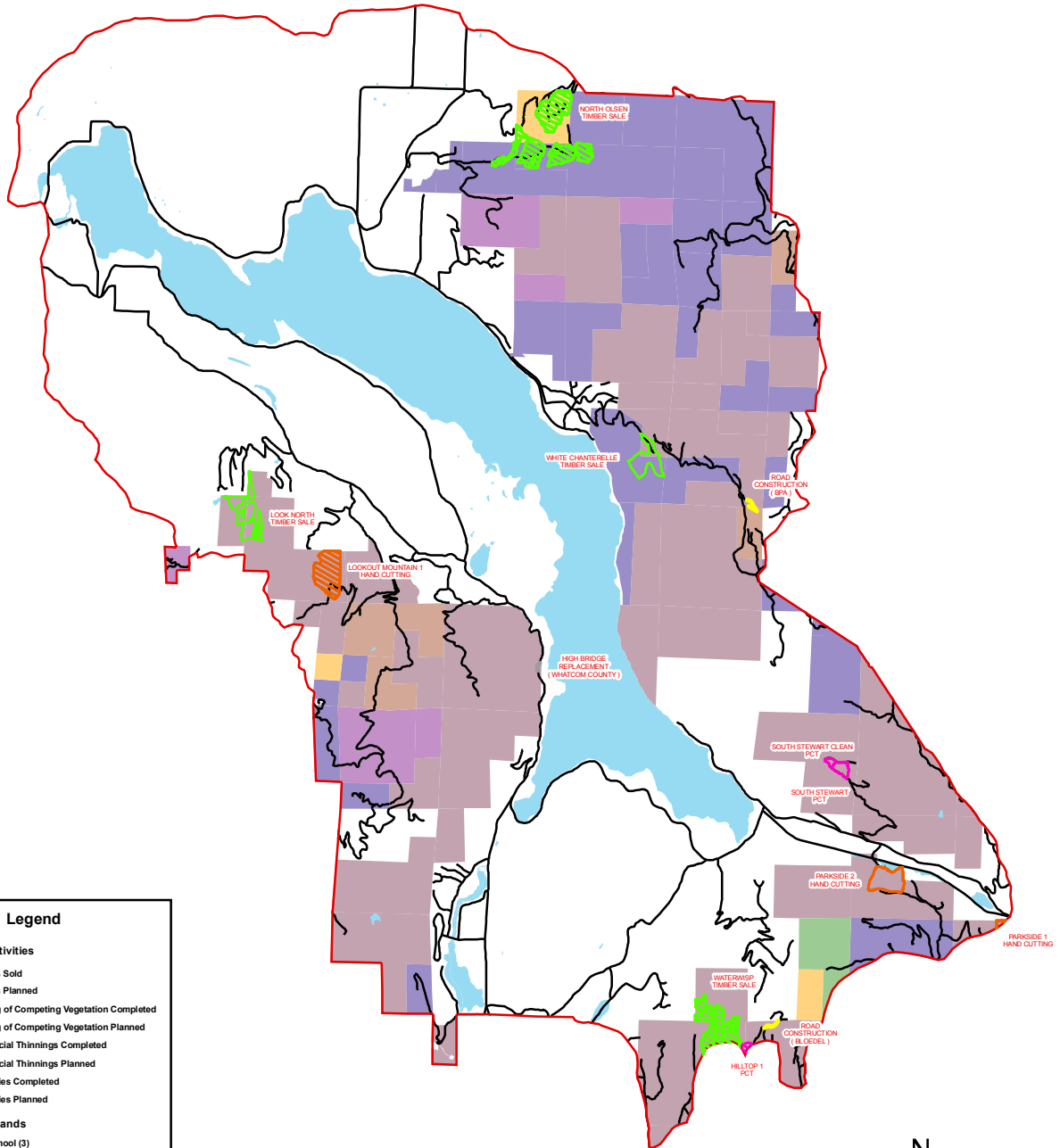
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WASHINGTON STATE DEPARTMENT OF
Natural Resources
 Doug Sutherland - Commissioner of Public Lands

MANAGEMENT ACTIVITIES 2005 - 2007

Lake Whatcom Landscape Plan



Legend

Management Activities

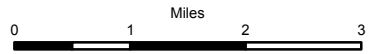
- Timber Sales Sold
- Timber Sales Planned
- Hand Cutting of Competing Vegetation Completed
- Hand Cutting of Competing Vegetation Planned
- Pre-Commercial Thinnings Completed
- Pre-Commercial Thinnings Planned
- Other Activities Completed
- Other Activities Planned

DNR-Managed Lands

- Common School (3)
- Agricultural School (4)
- Scientific School (10)
- Normal School (8)
- University - Transferred (5)
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- CEP and RI (6)
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Other

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- Lake Whatcom Landscape Boundary
- Lake Whatcom



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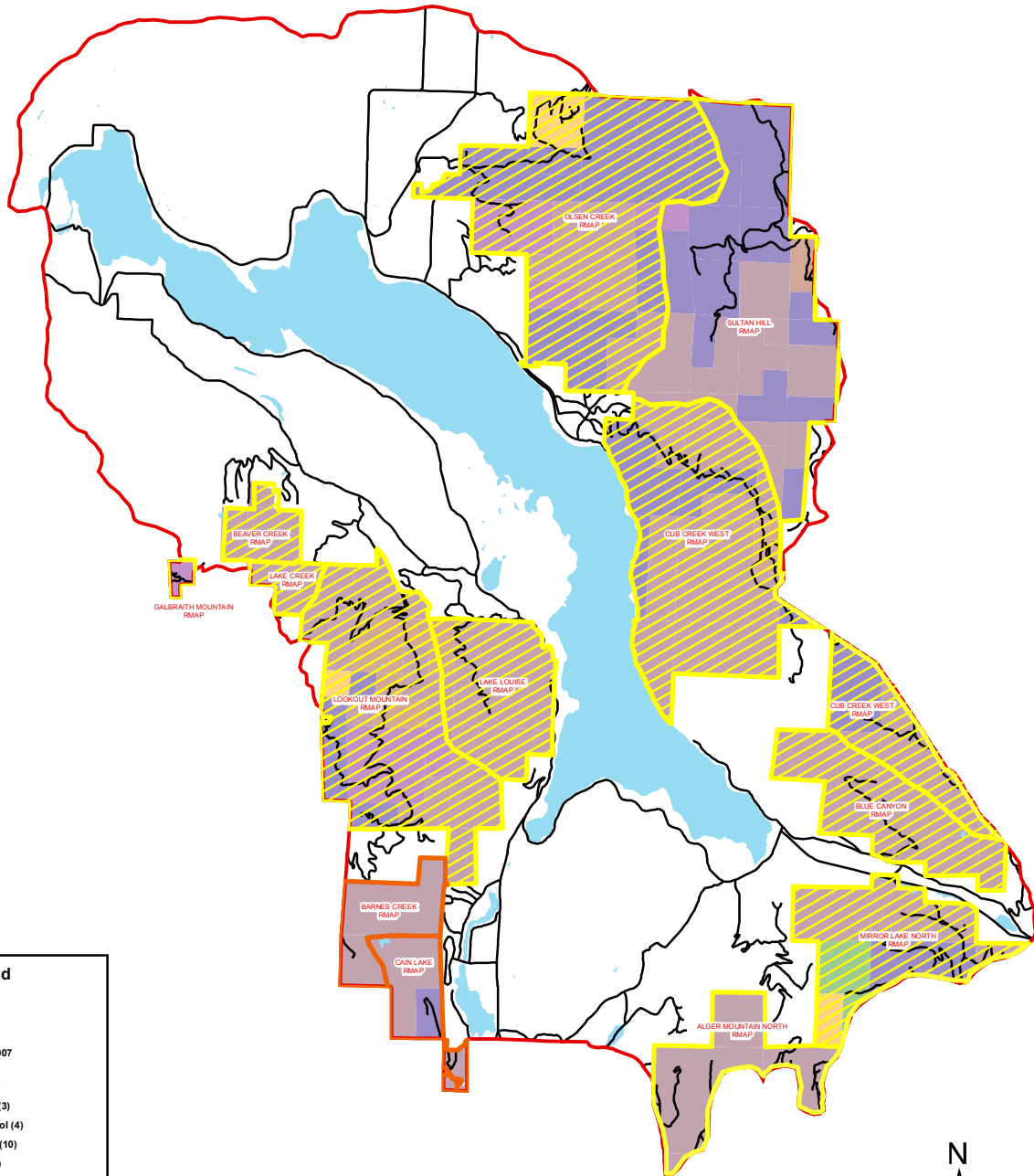
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ROAD MAINTENANCE AND ABANDONMENT PLANS 2005 - 2007

Lake Whatcom Landscape Plan















Legend

RMAP Activities

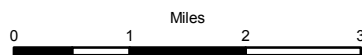
-  RMAP Completed
-  RMAP Planned 2007

DNR-Managed Lands

-  Common School (3)
-  Agricultural School (4)
-  Scientific School (10)
-  Normal School (8)
-  University - Transferred (5)
-  University - Original (11)
-  CEP and RI (6)
-  Capitol Grant (7)
-  State Forest Board Transfer (1)
-  State Forest Board Purchase (2)
-  NAP / NRCA (74 / 75)
-  Other DNR-Managed Lands

Other

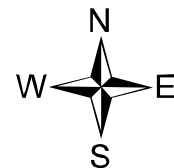
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