#### Minutes

### **Board of Natural Resources Meeting**

February 1, 2022 Webinar, Olympia, Washington

### **BOARD MEMBERS PRESENT**

The Honorable Hilary Franz, Washington State Commissioner of Public Lands

The Honorable Bill Peach, Commissioner, Clallam County

The Honorable Chris Reykdal, Superintendent of Public Instruction

Jim Cahill, Designee for the Honorable Jay Inslee, Washington State Governor

Dan Brown, Director, School of Environmental and Forest Sciences, University of Washington

Dr. Richard Koenig, Interim Dean, College of Agricultural, Human, and Natural Resource Sciences,

Washington State University

### CALL TO ORDER

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Chair Hilary Franz called the meeting to order at 9:00 a.m.

Board members present provided self-introduction. A meeting quorum was attained.

### WEBINAR FORMAT BRIEFING

Ms. Tami Kellogg, Board Coordinator, provided an overview for viewing and participating in a webinar meeting.

Angus Brodie, Deputy Supervisor for State Uplands, advised the Board of a meeting format change limiting public comments to two minutes per speaker for a public comment period not exceeding 60 minutes to provide a balance for public comments and the Board's work.

### APPROVAL OF MINUTES

15 Commissioner Franz called for approval of the minutes for the January 4, 2022 Regular Board of Natural Resources meeting.

18 MOTION: Dr. Brown moved to approve the minutes.

1920 SECOND: Commissioner Peach seconded the motion.

2122 ACTION: The motion carried unanimously.

# 24 LIGHTNING TALK

25 Forest Certification

26 Allen Estep, Assistant Division Manager, Forest Resources Division.

Mr. Estep briefed the Board on forest certification of DNR managed forest trust lands. Certified forests are grown to an approved set of standards to demonstrate adherence to environmentally, responsible, socially beneficially, and economically viable management practices promoting sustainable forestry. Certification is a voluntary and non-regulatory approach to receive third party recognition for sustainable forest management. The global forest products marketplace recognizes and endorses multiple forest certification standards. DNR is certified by the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC). SFI is a non-profit organization certifying forests and wood products in Canada and the United States with international endorsements by other certification programs. The SFI program is based on the premise of responsible environmental behavior and sound business decisions coexisting. FSC is a non-profit organization promoting responsible management of the world's working forests. FSC certifies forests and wood products internationally with national representation.

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Mr. Estep displayed an aerial map of DNR forest trust lands. All 2.4 million acres of DNR managed forest state trust lands are certified by SFI and 176,000 acres in the South Puget HCP Planning Unit are certified by FSC. DNR managed forests have been certified under the SFI standard since 2004 in Western Washington and statewide since 2006 and under the FSC standard since 2007. DNR certified land to SFI first because it is a common certification for some of the agency's purchasers, and at the time, FSC required a certified management plan. DNR delayed certification until the South Puget Forest Land Plan was completed before pursuing FSC certification in 2007.

Certified forests are grown to an approved set of standards to demonstrate adherence to environmental, social, and economically viable management practices. Both the SFI and FSC forest management standards encourage integration of perpetual growing and harvesting of trees with strong measures to protect wildlife, plants, soil, water, and air quality.

 Mr. Estep described details of SFI and FSC standards. Both standards require adherence to a set of principles and objectives. The SFI forest management standard includes 13 principles and 17 objectives. The objectives include performance measures and indicators for measuring DNR forests. Forest management decisions need to consider a suite of objectives that are appropriately responsive to the unprecedented changes to the forest caused by climate change. These include management for wildfire risk, maintaining landscape diversity for wildlife and recreation, maintaining growing forests for removing carbon from the atmosphere, and providing a sustainable resource for rural communities that rely on forest-based economies. FSC developed a set of 10 principles and 57 criteria of forest management standards applicable to FSC certified forests around the world. The criteria include indicators, of which DNR is measured against. Auditors have deemed DNR meets both sets of standards through the agency's existing HCP policies and State Forest Practices Rules at the stand and landscape levels.

Certification under each standard includes an inspection audit of forest management activities by an independent accredited third party to verify achievement of specified forest management principles. If the forest unit complies with the specific standard, the landowner receives a certificate of conformance ensuring responsible forestry is practiced. Both standards encourage integration of perpetual growing and harvesting of trees with strong measures to protect wildlife, plants, soil, water, and air quality. Both standards provide a seal of approval certifying forests are

well managed. Certification enables DNR to increase its customer base and provide choices to the consumer. Each certification requires an annual audit of both a documentation review and field tours. FSC audits are conducted annually in the South Puget Sound Region and SFI audits are conducted annually in two different regions each year.

Mr. Estep reviewed details of the documentation review and field visits of an audit. Following certification, chain of custody is the tracking mechanism for products from the certified forest to the consumer. It is a process enabling businesses to participate in the forest certification system and provides opportunities to the business and its customers. Chain of custody is the process by which the source of a forest product is verified. Chain of custody must be maintained at each step of the product for the end product to be considered certified. DNR is only involved in the forestry portion of the chain of custody and identifies which certification is applicable to a harvest unit in its marketing and provides delivery documentation for timber leaving a DNR timber sale. Maintaining forest certification assists DNR in focusing on sustainability by having an independent audit of agency policies and practices annually.

Mr. Estep invited the Board to visit the webpage which links the annual third party audit reports. He invited questions from the Board.

Dr. Brown asked whether the agency has received any market value from certification. Mr. Estep advised that the agency surveyed purchasers but was unable to identify if there is a direct increase in bids; however, purchasers value the agency's certification within their business model. The intent is to help purchasers increase business opportunities while also increasing the agency's bidder pool.

Dr. Brown asked whether the areas certified by FSC have affected the bidder pool or market behavior. Mr. Estep replied that some FSC certified companies purchase timber within the area of certification. It is difficult to ascertain if those companies are utilizing the certification as part of its end product or for potential opportunities in the future.

Dean Koenig asked whether DNR has offered recent non-certified timber sales, and if so, whether there is an iterative process to certify proposed timber sales. Mr. Estep explained that both certifications are audited annually and all timber sales are certified.

Dean Koenig asked whether the SFI objective for climate smart farming is a zero-net target or a different goal because of the climate crisis. Mr. Estep said the objective is not prescriptive and is applicable to the agency's program recognizing the values of carbon and climate change resiliency. DNR completed a plan for climate resilience and a carbon inventory to demonstrate how the agency is achieving those objectives. The target is not a prescriptive quantitative target.

### **PUBLIC COMMENTS**

Devon Cummiskey spoke in opposition of DNR's proposal to clearcut logging of mature unplanted forests on public state lands as the planet is at a tipping point of climate change.
Within six months, Whatcom County experienced the hottest temperature ever recorded and within the surrounding areas may people lost their lives to heat waves and floods. As a former resident of Alaska, that state has experienced terrifying and extreme climate fluctuations. Last month, temperatures ranged from 16 to 67 degrees Fahrenheit, a summer high in her childhood.

As a nineteen year-old, she has witnessed more changes in the climate than older generations have experienced in their lifetime. It is crucial to stop unsustainable resource extractions and decrease carbon output now. Unplanted forests are vital in the fight against climate change as they sequester carbon, absorb heat and water, and protect watersheds. Those forests are different than the tree plantations created in the wake of logging that comprises most of Western Washington's forests.

James Loucky commented that he visited the Upper Rutsatz with high school students from Intergenerational High School in Whatcom County. It was wonderful to visit the area and view the end of the Van Zandt Dike, which drains into the middle and north forks of the Nooksack River. Although the area is relatively small, it is located on top of a mountain. During recent flooding, he recognized the importance of viewing the area through the lens of a river rather than from a straight line or property line perspective. He suggested a similar process is necessary as recently conveyed by local officials on the importance of considering the totality of mountains and river systems. The area is a critical piece of land and although it is small, it is a matter of principle. It is not time during climate change to cut down legacy forests, especially in places as critical as the Upper Rutsatz area.

 Mike Town, representing the Sierra Club, shared his perspective of DNR timber sales containing legacy trees by summarizing the process, which is repeated and has been ongoing for several months. The results of those sales have increased carbon dioxide, DNR's reputation takes a hit because of how it speaks to the issue, and more citizen activists continue to participate in the process and testify to the Board. He suggested stopping the cycle and immediately restricting sales containing legacy trees.

Peter Goldman, Washington Forest Law Center, commented that credible forest certification can and should be an incentive and a financial reward for conducting exemplary forest management - management that best sequesters carbon and water, biologically conserves old legacy forests, and produces forest products. Mr. Estep implied that SFI and FSC forest certification systems are the same, similar to Coke and Pepsi. As a 25-year practitioner of applying science and legal details to SFI versus FSC, choosing between FSC and SFI is not a Coke Pepsi-like choice. FSC is a forestry system with explicit prescriptions on how to conduct truly environmentally-friendly and sustainable forestry practices. In contrast, SFI is vague with no standards for management principles and certifies virtually any lawful industrial forestry practice. He suggested asking any major forest landowner whether SFI requires them to do anything different on the ground. He believes the answer would be "no." He asked the Board not to approve the Pivot timber sale as the Board is allowing DNR to rewrite and essentially blow off its commitment to goals for achieving and maintaining 10% to 15% of its forests in an old structural complex condition. It is biologically and legally ludicrous for DNR to argue that it can cut down 100-year old forests today and meet DNR's older structural forest goals based on a promise of re-growing forests by 2070. He asked the Board to direct DNR to stop presenting sales containing structurally complex older forests.

Alexander Harris, resident of rural Whatcom County, said he is presently in the location of the Upper Rutsatz timber sale where old structurally complex forests are located. With snow falling all morning he can hear the north and south forks of the Nooksack River off in the distance and is looking at trees easily exceeding four feet in diameter lacking any blue spray

paint, which are planned to be harvested. Dozens of trees of cedar, hemlock, and Douglas fir are easily over 100 years old based on the old growth assessment and in the SEPA Checklist prepared by DNR for the sale. DNR estimates the stand originated in 1890 and recently decided to suspend the sale. It took many months for DNR to locate the discrepancy. DNR has committed to suspend timber sales containing forests predating 1900. He asked Commissioner Franz and the Board to develop a plan for handling structurally complex legacy forests. Climate change demands a new approach to forest management.

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Beverly Parsons, resident of Hansville, said she is speaking on behalf of Mother Earth and the rights of forests to live and thrive. She questioned why DNR is killing and destroying forests. Forests in their wholeness keep life alive. She asked the Board to pause the destruction of the very lungs of earth until the Board has spoken with others on how the agency is damaging the core cycles of life itself. She asked for consideration of the whole life of a complex forest. Time is lacking on the planet for forests to start at zero.

Brady Dier, Washington Public Employees Association (WPEA), works as a forester for DNR but is not speaking on behalf of the agency. During prior meetings, critics and others commenting about the work his colleagues perform insinuated they were representing the views of DNR staff. WPEA and its sibling union, Washington Federation of State Employees, are the exclusive representatives of DNR's foresters, biologists, and other natural resource professionals. Outreach and widespread engagement is critical in the management of state trust lands, but there has been routine disparagement and disengagement of working class voices and organized labor. Abandoning timber harvests on state lands directly threatens the livelihood of DNR staff and those working in the forest products industry. Suggestions that workers can retrain for a different career forgets the historical example of the dislocated timber worker program, which many regard as a failure. If there is to be a just transition to a more sustainable economy then the material interests of the working class must be front and center. He and others are on the literal frontlines of climate change each fire season. All employees are proud of the work they accomplish. The HCP represents how the agency has gone beyond the law to do its part. Loggers are proud of the work they complete on trust lands because of those safeguards. Comparing trust lands to how most forests are managed in the state and beyond such as clearcutting old growth in Alaska and British Columbia, southern plantations, or forests in Siberia makes it clear that DNR practices sustainable timber management. He asked not to discount the interests of working class people moving forward.

Brel Froebe, resident of Bellingham, thanked DNR for suspending the Rutsatz timber sale and listening to hundreds of people who spoke against clearcutting a legacy forest with a remnant of old growth trees bordering the Nooksack River watershed. For some reason, the timber sale completed the regulatory process with a determination of existing trees older than 1900. He is grateful DNR listened to the public when it spoke out in defense of the ecologically significant legacy forest. He thanked the Board for its thoughtful discussion on the old forest policy. The Board discussed 10,000 unprotected acres of forests 120 years or older. The age of 120 years was suggested by Superintendent Reykdal and Commissioner Franz. He agreed with Commissioner Franz's comments that identifying a specific age involves assessment of the ecological function an older forest provides, which is essential in the context of climate change as choosing an arbitrary age is inadequate in the context of climate change, biodiversity, and watershed health. He urged the Board to create an older forest policy based on forests that are

unplanted and naturally regenerated to enable the best chance of creating more forests of old growth characteristics. Approximately 80,000 acres remain of unprotected older forests on DNR managed lands or less than 5% of the total forested lands managed by DNR. No one arguing for the protection of older forests is arguing against logging. The argument is for the protection of a small sliver of forest land that has huge ecological benefits for the state. Research reveals naturally regenerating forests in the Pacific Northwest sequester more carbon than any other forests in the world. He asked the Board to look beyond short-term economic gains and make an older forests policy that benefits future generations.

Bill Turner, Sierra Pacific Industries, cited the company's facilities in the state. The DNR timber sales program is vitally important not just to the company but to the communities. When DNR withdraws timber sales planned for more than a year, it creates impact far beyond the loss of stumpage value. The Upper Rutsatz timber sale in Whatcom County is the most recent example. With the withdrawal of the sale, DNR's withdrawal of sales total eight during the fiscal year is approximately 12% of the 2022 fiscal year timber sale program. All lands are included in the HCP and certification systems. With the passage of marbled murrelet long-term conservation strategy in 2019, the Board deliberated and released all acres for timber sales. He questioned why the agency did not follow the Board's direction when it adopted the long-term conservation strategy. The Board and DNR should offer timber sales that have been postponed.

Carly Lloyd, Student, Western Washington University, spoke in opposition of DNR's proposal to clearcut logging of mature unplanted forests on public state lands. She recently moved to Washington and has fallen love with the wilderness of the Pacific Northwest. She visited the legacy Rutsatz area and was overcome by the diversity of trees and plants. She supports pausing of the sale and hopes the Board will elect to save the forest permanently. She asked the Board to adopt a moratorium for all DNR managed timber sales of naturally regenerated forests prior to 1945.

Andy Zahn, resident of rural Southwest Washington, asked the Board to recognize and act on the urgent need to reform how forests are managed. While the Board has taken some small steps for reforming DNR's older forest policies, more action is needed. All legacy forests naturally generated prior to 1945 must be set-aside and protected by a permanent moratorium on logging. Setting aside those remaining forests would not significantly impact DNR's ability to provide timber revenue to stakeholders. The Board should cancel all sales of legacy forests as they sequester more carbon, are more resistant to wildfires, provide better habitat for endangered species, and do more to reduce regional drought and extreme temperatures in timber plantations. Protecting legacy forests would be beneficial to the environment and to communities at negligible financial cost.

Court Stanley, representing the Washington State Association of Counties, spoke to forestry issues impacting counties. The counties published a report on financial and economic impacts of marbled murrelet conservation strategies on lands managed by DNR in August 2021. The report detailed significant financial cost to a few rural counties because of DNR's obligation to comply with the Endangered Species Act (ESA). The economic burden of ESA compliance when it affects public land should be borne by everyone and not just a few counties dependent on DNR revenue. It is important to discuss mechanisms to share costs across the state rather than having individual communities and counties pay the bill benefitting the entire state. Any further

reduction in harvesting on state DNR land would have a compounding effect on rural communities including the millions of acres of small forest landowners dependent on loggers and the mills that purchase DNR timber. The threat of conversion is real and it is important rural economies do not suffer any more than they have already. Many of those communities have a lower per capita income than in other regions and can least afford the reductions. Sustainability has three legs of environment, financial, and social. Much focus is placed on environmental and financial while sustainability is ignored for rural communities. DNR in partnership with private companies, colleges, and citizens has a responsibility to balance those three legs of the stool.

Dakota Rash spoke to the existential crisis threatening the vision of a happy livable future and unfortunately how old growth forests are logged with no solid plan on how to retain a sufficient number to help save the environment. An analogy of the situation is seeing a cliff and hitting the gas or perhaps sabotaging the brakes. It is possible to do better and transform by suspending current actions and discounting the science produced by those who seek to profit from cutting timber. It is not that difficult to differentiate by following the money. It is important to save existing forests. He encouraged the Board to eliminate entrenched thinking that working forests are only those that provide monetary gain. Forests provide the ability to have a livable and enjoyable future in the state by sequestering carbon and holding soil. The best forests are ecologically diverse and complex old growth forests. In return, they need to live. Although he has confidence that it will occur, it is important to start now.

Daniel Harm said he lives near the Upper Rutsatz parcel. A major part of the global trajectory is about moving towards a higher level of necessary collaboration if there is any chance of overcoming the climate crisis. The beauty of pausing any life's challenging moments is that it allows reflection, synthesis, and a more thorough understanding of the challenge at hand. Shortterm revenue gain from clearcutting native older forests in this climate crisis needs to be reassessed, especially considering that most of the public are not aware of what is occurring. Most people do not realize DNR has a diverse assembly of some of the most brilliant minds in ecology to assist the Department. An economically viable solution that genuinely protects older forests is possible. The legacy forests movement is just beginning and new tools and new resources are available to create new models. Now is the time for change and to set new precedents and new policies. Looking at the larger economic equation of the future utilizing older native forests for habitat, carbon storage, and water storage is monetarily worth more than short-term revenue gain from clearcutting native older forests. Considering the delicate social chain of financial dependence on timber extraction built by an outdated model, the state has the wealth and the innovative intelligence to navigate necessary change. It is everyone's responsibility to move forward and create a new model that respects the power of older forests.

**Doug Cooper, Hampton Lumber**, cited the location of Hampton lumber mills within the communities of Darrington, Morton, and Randall operating from a supply of timber from DNR managed lands and critical to the ongoing success of those mills. He cited the Board's January meeting where staff presented information on compliance with the policy framework and requirements related to older forests. Staff presented data covering the projected acres by age class of forested lands managed under the Habitat Conservation Plan. Following those presentations, the Board engaged in discussions on the scope of existing and potential future policy choices for management of DNR lands. Individually and collectively, the Board recognized and acknowledged its obligation to the trust mandate by providing revenue to

beneficiaries through a sustainable harvest, the role of management and investment to improve forest productivity health and restoration, the critical importance of DNR timber harvest volume to the economic health of rural communities, maintenance of existing infrastructure, and the contribution of DNR forest land rotational timber harvests in the manufacture of wood products to achieve the maximum benefit of carbon sequestration and storage. Any reduction in timber harvest volume in the state would result in an equivalent harvest somewhere else in the world to meet demand with no net benefit of mitigating climate change and likely at some cost. The population of the state is growing and so are the demands for housing and recreation. Maintaining hard working forest lands supports meeting those demands. Despite those acknowledgments, the Board expressed interest in considering policy changes that would result in deferral of harvest in favor of certain low value cover markets and further removal of acres from the operable land base. He urged the Board to remain committed to the policies that achieve the primary obligations of the trust responsibility.

Rob Lewis requested pausing Unit 2 of the Bessie Sorts timber sale. During a visit to the site, he recognized how different it is from the tree plantations surrounding the area. Though the plantations were thick with trees, little was visible of habitat or food. Yet, in Bessie, food and habitat proliferated in all directions. The biodiversity crisis is about cutting places like Bessie and converting them to tree plantations. According to Greenpeace, the so-called Sustainable Forestry Initiative (SFI) is a classic example of false advertising misleading both businesses and consumers. The Sierra Club advises that any company associating its brand with SFI is complicit in destroying forests and misleading the public. He questioned the argument that timber harvesting is good for carbon sequestration because it traps carbon in wood; however, 45% of the carbon remains in limbs, stumps, and roots. Approximately 25% more is lost during milling. A 2014 study reflects how as typical trees grow, carbon capacity continues to accelerate throughout its life. The argument that older forests objectives will be achieved in the future, such as 2090, is meaningless because biodiversity and climate crisis is occurring now.

Mark Falcone conveyed appreciation for temporarily halting the Rutsatz timber sale. His concerns are similar to other speaker's concerns, as well as why forests are being harvested in areas benefitting the state rather than just providing lumber. He struggles with the amount of older forests missed during an assessment because it is problematic when four to five-foot diameter trees are not being marked appropriately and have not been identified. His concerns surround whether DNR is representing his interests appropriately with respect to how the Department is responding to the climate crisis.

Greg Barkmann, resident of Thurston County, reported he is a member of the Legacy Forest Project and supports the approach of suspending certain sales until further evaluation to identify potential legacy forests. He believes there is an urgent need to protect existing legacy forests and expand them whenever possible. The Board should not consider a bundle of parcels jointly but examine each sale individually and seek information on the potential of each parcel transitioning to a legacy forest or containing legacy trees. If the parcel is identified as a potential legacy, the Board should not vote to approve the sale. If the Department has not examined the potential, the Board should not approve the sale and continue voting against sales until the current legacy issue is resolved by the Department to enable immediate and effective protection of legacy forests with minimal effect on the flow of revenue to trustees. It would also demonstrate to the public and to the Department that the Board wants a successful sustainable forest policy.

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Heath Heikkila thanked the Board for its service and questioned the source of lumber if the state no longer produces lumber. In 2019, the U.S. demand for lumber was 47 million board feet with 30% of that amount imported despite having the best growing forests in the world. Lumber was imported from Russia, Chile, Germany, and Sweden. Many of those countries practice illegal logging, such as Russia. The Department has allocated 50% of the land and 60% of the lumber volume for conservation. There is no better place to produce forest products responsibly than in Washington State. If not, lumber will be imported from Russia or concrete and steel will increase in use, which will impact climate change. Finally, the dueling science on climate change can be confusing. The International Panel on Climate Change issued a statement that the sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks while producing an annual sustained yield of timber, fiber, or energy from the forest will generate the longest sustained mitigation benefit.

Judith Akins said she lives near Lake Whatcom in Bellingham. She voiced opposition to logging legacy forests and is concerned about logging around Lake Whatcom as she walks frequently along the trail of the north shore with steep cliffs and clear cuts above the trail. The trail is frequently closed following heavy rains because of landslides. She is concerned about runoff from streams, the Nooksack River, and Lake Whatcom. Sediment can be deposited with harmful phosphates and other pollutants that warm streams and kill salmon. Protecting legacy forests can enhance the resilience of watersheds, fisheries, communities, and reduce climate change while preserving the natural heritage of the area for future generations. She opposes placing time limits on logging activity as the report on Definition and Inventory of Old Growth Forests on DNR-Managed State Lands released in June 2005 states that although stand age is often used to identify old-growth forest; it is actually the level of structural development that is critical to ecological function. The state should mange for biodiversity, habitat, recreation, and many other benefits and save legacy forests, especially Bessie Sorts. There are sufficient tree plantations to cut. Saving forest remnants is critical to preserve the natural, genetic, and biological diversity of the region and to improve the resilience of forests to climate change. It is not necessary to cease all timber harvesting on state-managed lands to achieve positive outcomes for biodiversity and trust beneficiaries.

Jillian Froebe said her comments are reflective of previous comments and are influenced by the reality of the climate crisis, as well as the call for the state to be a leader in protecting legacy forests, eliminating all clearcutting, protecting wildlife habitat, recreation opportunities, and carbon storage side by side with sustainable timber production. Many of the previous speakers are not advocating for the cessation of lumber production but rather are requesting a vote and approach. As a follow-up to the pause on the Upper Rutsatz timber sale, the Board should adopt a permanent moratorium for all DNR-managed timber sales in all older forests to enable the Board to work with staff to assess how the Department can meet its obligations to trust beneficiaries while also complying with commitments to protect old and mature forests on state land. Scientific research has found that timber plantations on the westside are more prone to uncharacteristically severe wildfire when compared to naturally regenerated forests.

Jim Stoffer, Director, Sequim School Board, representing the WSSDA Trust Lands Advisory Committee, thanked the Board for its collaboration and partnership on behalf of the 1.2 million students in schools. Several bills before the Legislature support learning, educational support, and safety for students.

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John Talbert, Center for Sustainable Economy, said the organization's partners have filed letters of opposition to the proposed March timber sales because climate impacts were not considered despite the timber sales likely generating significant quantities of greenhouse gas emissions and making the land more vulnerable to the effects of climate change. The letters include extensive citations to methods and sources of information available to DNR to complete a rigorous analysis of climate impacts on a timber sale basis accounting for three major types of impacts. He described the three major impacts and suggested it was irresponsible for the Board to continue to ignore climate impacts. The Board should withdraw the Determinations of Non-Significance for the cited timber sales and pursue work developing climate-smart alternatives to the projects.

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Lee Milner, resident of Whatcom County, said he has been involved in environmental issues since 1977 and worked with the University of Idaho on drought and electric issues in 1997. He is surprised that Lake Whatcom, providing drinking water to 100,000 people, has not been mentioned as it has been defined as an impaired water supply. He is concerned about the drinking water for the population and has applied for a position on the Lake Whatcom Water Quality Advisory Board. He supports the resources and positions on logging as it can change the dynamics of logging. He is familiar with Commissioner Franz's environmental support and is hopeful the Board will change the dynamics and limit logging.

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Mary Jean Ryan, resident of Jefferson County, urged the Board to enact a strong, older forest policy and base it on good independent science. The Board should halt any further sales of legacy forests until a new policy is implemented to include Bessie Sorts, Upper Rutsatz, and many others mentioned previously. The Board should define older forests by ecological function and not just stand age. Any science-based definition must consider multiple dimensions of forest ecological functions including watershed impacts. Using only age-based definitions risks clearcutting structurally complex forests. She referred to the discussion of mature forests in the 2005 report on Old Growth Definitions authored by highly respected forest scientists. The Board should also be guided by Commissioner Franz's perspective on the issue as stated in the March 21, 2021 newspaper article on older forests policy.

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Matt Comisky, American Forest Resource Council, acknowledged DNR professional field staff for working to provide certainty to the beneficiaries and their customers. However, in terms of policy, certainty is promised but rarely occurs except for ignoring the undivided loyalty and other trust manager obligations of the Department and the Board. He cited actions and planning processes completed by the Department that were to provide certainty but did not; rather, the only certainty is the continual reduction to beneficiaries and their customers and constant further removals from management and revenues for the beneficiaries. In terms of the prior conversation on certification, he is aware the Department is working on an economic analysis of the impact of Superintendent Reykdal's proposal to remove 120-year old timber from

management. The Department inability to answer whether it receives any premium for any 45

- certified wood during sales is troubling to him as the Department often completes poor economic 1
- impact analysis in terms of understanding customers and its beneficiaries that it serves. 2
- 3 Miguel Perez-Gibson, Washington Environmental Council, acknowledged Mr. Estep for the
- 4 presentation on the forest certification. As stated, the South Puget Sound unit is the only
- landscape FSC certified. To understand why DNR employs two certification systems, one 5
- 6 journalist asked who is peddling pulp fiction in the SFI certification. SFI was launched in 1995
- 7 as a voluntary code for members of the American Forest Paper Association. In 1993, the FSC
- 8 certification standard was developed by the World Wildlife Fund. FSC emphasizes the outcomes
- in the forest while SFI emphasizes plans or programs that may or may not lead to outcomes in 9
- the forest. He attended one of the founding meetings in England in the late 1990s when DNR 10
- 11 adopted the HCP and contracted with a scientific certification systems to determine whether over
- a million acres of state forest land under the HCP would qualify for certification. Although the 12
- 13 answer affirmed the possibility, a change in DNR administration did not present a request to the
- Board for approval. He asked the Board to explore the option of FSC certification for the 14
- 15 remaining HCP management units.
- 16 Susan Kane-Ronning, resident of Bellingham, reported she helped create and served as the
- first president of People for Lake Whatcom and authored the application for Lake Whatcom to 17
- be listed on the 303(d) list of the Clean Water Act (Impaired Waters and Total Maximum Daily 18
- Loads (TMDLs). She participated in the lawsuit against Water District 10 for sewage overflows 19
- into Lake Whatcom. The settlement resulted in the purchase of the Stimpson Reserve. Despite 20
- mandated remediation, Lake Whatcom's water quality, serving as the region's drinking water 21
- supply, continues to deteriorate. Basin 3 holds 96% of the lake's water and would be impacted 22
- 23 by the Bessie timber sale. Basin 3 is contributing increased levels of phosphorus into Lake
- Whatcom. Studies reveal clearcuts release increased phosphorus, nitrogen, and suspended solids 24
- into tributaries and water bodies. Phosphorus loading increases excess plant and bacterial 25
- 26 growth and decreases dissolved oxygen creating dead zones in the lake. Lake Whatcom is
- dependent on the health of its tributaries. Logging above impacts tributaries and lakes especially 27 28
- in steep areas, such as the Bessie Sorts. An archaic article in the 1889 State Constitution requires
- 29 DNR to log 2.4 million acres of school trust forests to help pay construction costs for K-12
- schools and universities. Most of the money for school construction now comes from local 30
- bonds. In fact, at the January meeting, Superintendent Reykdal cited that if there is insufficient 31
- 32 movement to identify alternative funding sources, he would seek other sources of funding from
- the Legislature. The profit gained by the timber companies is not negligible nor is the amount 33 34
  - DNR receives for its bureaucratic management fee.

#### 36 TIMBER SALES (Action)

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- Auction Results for January 2022 & Proposed Timber Sales for March 2022 37
- Tom Heller, Acting Assistant Division Manager, Product Sales & Leasing Division 38 39
- 40 Mr. Heller shared that the timber market has improved for logs as reflected in timber sales for 41 January.
- 43 Mr. Heller presented the results of the January auctions. The Department offered ten sales with
- 44 all sales selling totaling 46 mmbf. Sales totaled 20.2 million for an average of \$430 per mbf with
- 45 three bidders per sale on average. Two sales were withdrawn and are being reoffered in

February. The sales are located in the South Puget Sound Region impacted by the recent snowstorm and severe winter weather at the end of December.

Mr. Heller invited questions from the Board. Members offered no questions or comments.

Mr. Heller displayed a graphic of the proposed seven timber sales in March totaling 34.5 mmbf at an appraised minimum bid of \$12.1 million for an average of \$340 million per mmbf representing a significantly higher amount than the January bids.

Mr. Heller invited questions from the Board. No comments or questions were offered.

Commissioner Franz requested approval of the proposed sales.

14 MOTION: Commissioner Peach moved to approve the proposed sales.

SECOND: Dean Koenig seconded the motion.

ACTION: The motion was approved unanimously.

## DREDGED MANAGEMENT MATERIALS PROGRAM (Action)

Dredge Material Disposal Fee Modification Rulemaking, Resolution #1587

Tom Gorman, Interim Aquatic Resources Division Manager, Aquatic Resources Division

Mr. Gorman presented proposed updates to Washington Administrative Code 332-30-166, modifying fees charged for dredge material management.

The Aquatic Resources Division initiated the rulemaking process in early 2021. Over the last year, Division staff met with a number of interested stakeholders, conducted outreach, and developed the proposal shared with the Board in January. Staff recommends adoption of the proposed fee increase and minor language changes as reviewed by the Board.

Mr. Gorman shared a table outlining the current fee schedule. To cover program costs, DNR is directed by the RCW to establish a rule for fees and adjust fees as necessary to cover the costs of the program. Current disposal fees are 45¢ per cubic yard for disposal in Puget Sound and 10¢ per cubic yard for disposal in Grays Harbor. Fees do not cover current program costs and have not increased since 1995.

During the rulemaking process, two comments were submitted. One comment requested increasing the fee in phases and capping the increase. The second comment supported the rule and increasing the fees sufficiently to cover future costs. Staff recommends increasing the fees effective July 1, 2022 to 75¢ per cubic yard for Puget Sound and 15¢ per cubic yard for Grays Harbor until June 30, 2025 with an increase of 95¢ per cubic yard for Puget Sound and 20¢ per cubic yard in Grays Harbor effective July 1, 2025. DNR staff also proposes minor changes to existing rule language to clarify obsolete language and improve consistency with current practices. The proposed changes are not substantive. Staff is seeking the Board's approval of Resolution #1587. Mr. Gorman invited questions.

With no questions or comments from the Board, Commissioner Franz requested consideration of a motion.

MOTION: Commissioner Peach moved to approve Resolution #1587, Dredge Material

Disposal Fee Modification as presented.

SECOND: Mr. Cahill seconded the motion.

ACTION: The motion was approved unanimously.

Mr. Brodie provided an update on the status of analysis initiated on existing forests older than the 1990s. Staff has completed 80% of the analysis and should be prepared to present the results at the March meeting. The analysis focuses on confirming an estimate of acres affected across the land base, evaluation of land and timber, potential outcomes from any policy decisions for removing lands, impacts to the short-term sustainable harvest and potential impacts over the longer term, and calculation on carbon potential of the forests and its value in the carbon market. The final element of the analysis is evaluating potential infrastructure impacts.

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Mr. Brodie responded to questions from the Board and explained that the analysis would include an examination of regional impacts based on any policy decision(s) and potential alternative harvest methodologies. Unfortunately, information on potential impacts to junior taxing districts would not be available by March except the analysis would reflect impacts by county.

Commissioner Peach asked whether information could be provided on how the rule on seed trees compares with leave trees as required in management plans. It may be possible for some stands to regenerate with larger trees. He is essentially seeking alternatives to plantation management through natural reseeding. Mr. Brodie advised that information on current rules could be provided to meet regeneration requirements. However, the current rule is a requirement to leave a specific number of trees per acre (193 trees) within a specific period after harvesting is completed. The Department must stipulate whether the remaining trees are through replanting or through natural regeneration. More details on the process and other research can be provided to the Board. He described how the term "plantation" is broadly interpreted and varies across the international landscape. DNR's approach to replanting is hand planting a variety of native species.

Mr. Brodie advised of a presentation scheduled at the March meeting on the State of the State Lands Report – Part 1.

### **ADJOURNMENT**

Chair Franz adjourned the meeting at 10:45 a.m.

Approved this 1st day of March , 2022
Felost
Hilary S. Franz, Washington State Commissioner of Public Lands
Approved via webinar
Jim Cahill, Designee for Governor Jay Inslee
Approved via webinar
Chris Reykdal, Superintendent of Public Instruction
Approved via webinar
Bill Peach, Commissioner, Clallam County
Approved via webinar
Dr. Richard Koenig, Interim Dean, College of Agricultural, Human, and Natural Resource Sciences,
Washington State University
Approved via webinar
Dan Brown, Director, School of Environmental and Forest Sciences,
University of Washington
Attest:
Tami Kellogg
Tami Kellogg, Board Coordinator

Prepared by Valerie L. Gow, Puget Sound Meeting Services, psmsoly@earthlink.net