
Minutes

Board of Natural Resources Meeting

June 6, 2017

Natural Resources Building, 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

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

Elizabeth Van Volkenburgh, Interim Director, School of Environmental and Forest Sciences, University of Washington – *via conference call*

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

1 CALL TO ORDER

2 Chair Franz called the meeting to order at 9:00 AM.

3
4 All Board members introduced themselves. Chair Franz noted there was a quorum for the
5 meeting.

6 SAFETY REVIEW

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

10 APPROVAL OF MINUTES

11 Chair Franz called for approval of the minutes for the May 2, 2017 Regular Board of Natural
12 Resources meeting and the May 19, 2017 Special Board of Natural Resources meeting.

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14
15 MOTION: Dean Mittelhammer made separate motions to approve the minutes from the May
16 2, 2017 Regular Meeting and the May 19, 2017 Special Meeting.

17
18 SECOND: Ms. Austin seconded each motion.

19
20 ACTION: The each motion was approved unanimously.

1 **PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST**

2 **Marcie Golde, Olympic Forest Coalition;** spoke to the decisions to be made regarding the
3 marbled murrelet long term conservation strategy (MMLTCS) and sustainable harvest
4 calculation (SHC) adding that in addition to the enormity of this decision there is a moral
5 decision to be made and urged the Board to consider alternatives recommended by outside
6 parties.

7 **Mike McGlenn, Blanchard Mountain Advisory Committee;** spoke to recreation in Whatcom
8 County and the impact of the MMLTCS on recreation, noting there is no legal access for
9 motorized and non-motorized recreation.

10 **Eric Brown, Whatcom Mountain Bike Coalition, Baker to Bellingham Recreation**
11 **Committee;** spoke to the MMLTCS future impacts to recreation. Adding there is a need for legal
12 access to recreation lands in Whatcom County.

13 **Cheryl Heywood, Director Timberland Regional Library;** spoke to timber revenue that is
14 needed for this junior taxing district beneficiary to continue to provide library services;

15 **Peter Goldman, WFLC;** spoke to MMLTCS and arrearage, encouraging the Board to use
16 experts from outside the system and to seek external solutions. He noted the solutions proposed
17 are not a win/win for all parties.

18 **Rod Fleck, City Attorney for Forks;** spoke to the recent effort on Rural Economic
19 Development and his appreciation of this effort. He also noted the need for the volume promised
20 for his community.

21
22 **PUBLIC COMMENTS FOR TIMBER SALE ACTION ITEMS**

23 There were no comments.

24
25 **TIMBER SALES (Action Item)**

26 **Proposed Timber Sales for July 2017 | 3 handouts, including the presentation**

27 **Tom Shay, Assistant Division Manager for Timber Sales, Product Sales & Leasing Division**

28
29 The results of the May 2017 auctions were presented to the Board by Mr. Shay. The Department
30 offered 18 sales totaling 84.2 mmbf. All sales sold totaling \$26.5 million for an average of \$315
31 per mbf with 2.7 bidders per sale on average. Mr. Shay noted the market conditions remain
32 strong. Mr. Shay also noted that previously unsold sales will be coming forward for auction in
33 the upcoming months.

34
35 Mr. Shay asked for questions on the May 2017 results.

36
37 Commissioner Peach asked if the Department will continue with this amount of sales per month
38 as what was offered in May (18 sales). Mr. Shay responded that unlike previous years, June will
39 be a light sale month with only 8 being offered and, as with previous years, July through
40 September will be light months as far as the amount of sales offered.

41
42 Mr. Shay then reported on current fiscal year sale statistics. The Department has sold 125 sales
43 totaling 516 mmbf through May for a total value of \$172.5 million. He stated that with what is
44 poised to sell in June, the Department will have sold around 540 to 541 mmbf of volume in fiscal
45 year 2017.

1 Commissioner Peach noted the Department's annual cut was slated to be 497 mmbf compared to
2 the 540 mmbf referenced by Mr. Shay and that arrearage for fiscal year 2017 would be zero.
3 Mr. Shay clarified the volume shown for the 497 mmbf number does not include forest
4 improvement treatment (FIT) volume (20 mmbf) or volume carried forward from previous fiscal
5 years (21 mmbf) which accounts for the difference.

6
7 Commissioner Peach also asked how recent changes to the tariff on Canadian lumber imports
8 have affected Department prices. Mr. Shay answered that it is currently hard to say. Exports from
9 both Canada and America have been reduced lately and that the tariff should help domestic
10 prices. Mr. Shay also noted that price forecasts predict the fall of 2017 as trending higher and the
11 Department is focusing on offering sales in that time period.

12
13 Mr. Shay then presented proposed sales to be offered in July 2017 to the Board. Mr. Shay
14 remarked that prices were lower for these sales due to species composition having a higher
15 component of white woods such as western hemlock. Mr. Shay asked the Board for questions.
16 There were none.

17
18 Mr. Shay asked for approval of the proposed sales as presented.

19
20 MOTION: Commissioner Peach moved to approve the proposed sales.

21
22 SECOND: Dean Mittelhammer seconded the motion.

23
24 ACTION: The motion was approved unanimously.

25
26 **PUBLIC COMMENTS FOR CHAIR REPORT**

27 **Annie Robbins, Small Forest Land Owner and Teacher**; spoke to conditions of the Hood
28 Canal Schools and how timber revenue is needed. She asked the Board to fulfill their fiduciary
29 duty to the schools.

30 **Jim Stoffer, Sequim School Board, WSSDA Trust Land Task Force**; spoke to the need for
31 revenue from trust lands for the school districts.

32 **Mike McGlenn, Blanchard Mountain Advisory Committee**; spoke to the DEIS for the
33 MMLTCS noting approximately a ¼ of the recreation lands will be dedicated to marbled
34 murrelet conservation and how the season for nesting conflicts with the peak time for recreation,
35 trail maintenance, and logging in the community. He suggests taking into consideration the past
36 and future recreation efforts in the community.

37 **Eric Brown, Whatcom Mountain Bike Coalition**; spoke to the MMLTCS and the lack of input
38 from recreation groups in the draft environmental impact statement (DEIS) as well as the impact
39 to the local recreation groups and the community in general. He shared concerns that illegal
40 recreation use will increase due to loss of lands as indicated in Alternative F.

41 **Connie Beauvais, Port Commissioner, Clallam County**; spoke to arrearage in Clallam County
42 and the lost revenue of approximately 17.2 million dollars to the school districts, hospital
43 districts, and other beneficiaries. She stated the County will take steps, including lawsuit, to
44 ensure the right alternative is selected.

45 **Carol Johnson, NOTAC**; spoke to the MMLTCS and shared concerns with the lands selected
46 and the impacts to the beneficiaries. She shared reports stating there are worse impacts to the

1 marbled murrelet while it is at sea. She stated it is the responsibility of the Board to be aware of
2 the cost of the MMLTCS to the beneficiaries.

3 **Penny Baker, WDFW**; spoke to the MMLTCS and the conservation of the bird. She asked the
4 Board to continue engaging in conversation with WDFW and other stakeholders to select an
5 alternative that is best for all parties.

6 **Seth Shteir, Seattle Audubon**; spoke to the MMLTCS and asked the Board to delay making a
7 decision on the preferred alternative and conduct the due diligence on the conservation
8 alternative produced by the Marbled Murrelet Coalition.

9 **Ariane Jaco, WEC**; spoke to MMLTCS and the parallel history of the passenger pigeon adding
10 the pigeon is extinct due to lack of suitable habitat for the pigeon to survive. Ms. Jaco asked the
11 Board to consider science first and direct DNR to analyze new solutions for rural communities
12 relying on timber revenue.

13 **Peter Goldman – WFLC**; spoke to the upcoming Chair Report and commented on 2 technical
14 points in the upcoming presentation. He asked the Board to consider all alternatives when
15 selecting a preferred alternative.

16 **Ron Schneider, representing High Cascade, Skamania County**; spoke to the decline of the
17 timber industry due to MMLTCS, lack of revenue and the impacts to the local rural community.

18 **Tom Bannon, Skamania County Commissioner**; spoke to MMLTCS and echoed the
19 comments made by Mr. Schneider.

20 **Kari Fagerness – Skamania County Economic Development Council**; spoke to MMLTCS
21 and the impacts to the local community.

22 **Shawn Cantrell, Executive Director for Defenders of Wildlife, Washington**; spoke to the
23 preferred alternative of the MMLTCS and asked the Board take their time to select the one that is
24 best for all.

25 **Linda Murtfelds, resident of Seattle and Ashford**; spoke to MMLTCS and asked the Board to
26 convene a high level task force to select policy solutions that benefit all parties with a focus on
27 the best alternative for the marbled murrelet.

28 **Rod Fleck, Attorney for the City of Forks**; spoke to the upcoming chair report and shared
29 concerns with revised statements and arrearage.

30 **Miguel Perez-Gibson, WEC**; spoke to the MMLTCS and the terms working forest and deferred
31 forests. He referenced the Policy for Sustainable Forests (PSF) and noted the challenges of
32 managing the forest for multiple purposes.

33 34 **CHAIR REPORT**

35 **Marbled Murrelet Long-term Conservation Strategy and Sustainable Harvest Calculation |** 36 **1 Handout**

37 **Angus Brodie, Deputy Supervisor for State Uplands**

38 **Andy Hayes, Division Manager Forest Resources**

39
40 Mr. Brodie and Mr. Hayes gave this month's chair report on the subject of the Marbled Murrelet
41 Long-Term Conservation Strategy and the Sustainable Harvest Calculation. They began by
42 sharing a timeline for the adoption of alternatives, stretching to November 2018. Then they also
43 offered a framework for considering the task of picking a preferred alternative.

44
45 Mr. Hayes then presented background on the marbled murrelet and the development of the
46 murrelet alternatives. He gave an overview of the range wide population, including estimated
47 numbers in Washington and on state lands. Maps with densities and detections were also shown.

1 Mr. Hayes emphasized that there seems to be a lack of habitat specifically in Southwest
2 Washington, where there is a lack of federal land, and he spoke of other background factors that
3 are behind the population decline.

4
5 Chair Franz asked if the same analysis research study has been conducted on federal lands. Mr.
6 Hayes replied that this map includes the detections on federal lands.

7
8 Commissioner Peach asked if a survey has been done on National Park lands. Mr. Brodie replied
9 that is unknown. Commissioner Peach then asked for this information to be brought back to the
10 Board.

11
12 Mr. Hayes went on to state when USFWS and DNR worked on developing the alternatives, they
13 considered these three characteristics shared by effective habitat: they are strategically located,
14 are in continuous blocks, and contain limited disturbance.

15
16 Mr. Hayes ran through the need, purpose, and objectives behind the development of the
17 MMLTCS.

18 Mr. Hayes named each objective:

- 19 • Generate revenue
- 20 • Habitat in strategic locations
- 21 • Sustainable forest management practices
- 22 • Operational flexibility
- 23 • Implementation certainty

24 Then, continuing background information, Mr. Hayes went over the building blocks of the
25 alternatives, including the definition of Long-Term Forest Cover. He then walked through each
26 of the specific conservation components that were considered in the alternatives, including their
27 benefits, possible concerns, and issues raised in public comment.

28
29 Ms. Austin asked for clarification about the 583 thousand acres versus the 213 thousand acres of
30 the existing habitat for marbled murrelet habitat on the landscape. Mr. Brodie responded that the
31 213 thousand number represents the existing amount of habitat in the planning area on DNR-
32 managed land. He stated the 583 thousand acres is the area of DNR-managed lands that is in an
33 existing conservation strategy with an objective to maintain forest cover. Maintaining forest
34 cover means that DNR is not planning to practice variable retention harvests or clear cutting, but
35 is instead dedicated to grow forests for a long period of time.

36
37 Mr. Hayes reviewed the alternatives A – F showing how the components are combined for each.
38 Lastly, he shared a graph showing marbled murrelet specific conservation acres for those
39 alternatives next to six additional proposed alternatives that were received during the public
40 comment period.

41
42 Mr. Brodie then provided background information on arrearage and riparian harvests. He
43 provided context and possible causes for shortfalls in the previous planning period, as well as
44 options that are being considered for this planning decade.

1 Ms. Austin asked about the up listing of the marbled murrelet by the WDFW in December and if
2 that is a factor that influences our planning effort. Mr. Brodie replied that DNR's purpose is to
3 acquire an incidental take permit under the federal Endangered Species Act and while the state
4 status is important, it is not the purpose of this process.

5
6 Dean Mittelhammer asked about the assumptions about enhanced survivability and if we would
7 actually see this happen. Mr. Brodie responded that the assumption built into the Enhancement
8 Analysis, an increased survival rate, is to demonstrate the relative differences between the
9 alternatives of increased availability of nesting habitat on the population. What might lead to the
10 increase in survival rate could be a result of increased nest success, decreased predation and
11 improved marine conditions. Mr. Brodie stated he will work to get a complete answer to this
12 question for the following board meeting.

13
14 Dean Mittelhammer left the meeting.

15
16 Mr. Brodie then walked the Board through criteria that could be used for choosing an option
17 from the three categories: marbled murrelet, arrearage, and riparian. For the marbled murrelet
18 option, he discussed three criteria: meet issuance criteria, provide a significant contribution, and
19 be in the best interest of the trust. For arrearage and riparian, one criteria was presented: be in the
20 best interest of the trust. To determine what is in the best interest of the trust, Mr. Brodie walked
21 through six components one by one, discussing each individually and showing examples of
22 possible metrics or information that could be used for making a decision.

23
24 Chair Franz indicated to the Board that she was asking staff to get feedback from Board
25 members on the stated timeline, noting it may result in a possible delay. Chair Franz indicated
26 she thought there was a need for additional solutions that were outside of the Board's authority,
27 such as more habitat conservation or rural economic assistance to impacted communities. She is
28 asking her staff to pull together a broad stakeholders group to gain a larger win across the
29 multiple interests. Superintendent Reykdal agreed with this proposal. He also thanked staff on
30 their ability to share information on this complex issue. Ms. Austin stated her support of a citizen
31 advisory panel, indicating that we need to remember the people along with the bird, and make
32 sure the full economic impact of our decisions is understood. Commissioner Peach also
33 expressed his support for the additional process, however, he reminded the Board that it had a
34 responsibility to deliberate and decide on the Board's important policy issues.

35
36 Mr. Brodie then ran through the decision making timeline once again before concluding their
37 presentation.

38
39 Meeting adjourned at 12:22 PM.

Approved this 5th day of July, 2017


Hilary Franz, Washington State Commissioner of Public Lands

approved via conference call

JT Austin, Designee for Governor Jay Inslee


Chris Reykdal, Superintendent of Public Instruction


Bill Peach, Commissioner, Clallam County

approved via conference call

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

Absent

Elizabeth Van Volkenburgh, Interim Director, School of Environmental and Forest Sciences,
University of Washington

Attest:



Tami Kellogg, Board Coordinator

