
Minutes

Board of Natural Resources Meeting

October 1, 2024

Webinar, Natural Resources Building, Olympia, Washington

BOARD MEMBERS PRESENT

The Honorable Hilary Franz, Washington State Commissioner of Public Lands

The Honorable Chris Reykdal, Superintendent of Public Instruction

The Honorable Lisa Janicki, Commissioner, Skagit County

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

Clare Ryan, Acting Director, School of Environmental and Forest Sciences, University of Washington

Wendy Powers, Dean, College of Agricultural, Human, and Natural Resource Sciences,
Washington State University

CALL TO ORDER

Chair Hilary Franz called the meeting to order at 9:07 a.m.

Board members provided self-introduction. A meeting quorum was confirmed.

WEBINAR/SAFETY BRIEFING

Kelli Pinchak, Board Coordinator, outlined how to view and participate in the combined webinar and in-person meeting.

APPROVAL OF MINUTES – September 4, 2024 - *Action*

MOTION: Superintendent Reykdal moved to approve the minutes as published.

SECOND: Commissioner Janicki seconded the motion.

ACTION: The motion carried unanimously.

PUBLIC COMMENTS

Sharon Trask, Mason County Commissioner, spoke in support of the Next Contestant timber sale located in Mason County. The Department likely received numerous emails requesting a halt of the timber sale. Halting the timber sale would result in real consequences.

1 The forest products industry supports nearly 1,000 jobs in the county. The small timber sale
2 would generate at least \$2 million for the Common School Trust and millions more to support
3 jobs and economic activities in the local community. The Policy for Sustainable Forests
4 recognizes the importance of local economic vitality and specifically identifies the important
5 relationship between trust objectives and the local community. Last week, DNR Scientist Dr.
6 Donato provided a presentation to the Washington State Association of Counties (WSAC)
7 Timber Caucus on forest succession and old growth. Other DNR employees have provided
8 presentations on forest restoration and it is clear the Department has incredibly
9 knowledgeable and dedicated employees. WSAC and the Timber Counties Caucus have
10 engaged in many issues with DNR for decades since before the adoption of the Habitat
11 Conservation Plan (HCP). The Board should approve the Next Contestant timber sale and
12 other proposed timber sales.

13
14 **Matt Comisky, American Forest Resource Council (AFRC)**, reported AFRC represents a
15 majority of purchasers of DNR timber as well as some counties and taxing districts. He
16 thanked field employees for their work to implement the HCP, Forest Practice regulations,
17 and prepare proposals for HCP-compliant timber sales to meet the needs of customers and
18 purchasers and generate revenue for beneficiaries. He cited some concerns surrounding the
19 Chair Report on the eastside arrearage and data used to establish the target since the last
20 Eastside Sustainable Harvest Calculation (SHC) expired in 2006. The arrearage in the
21 presentation cites 2015 to 2024. Determining the baseline is critical. Some of the reasons for
22 the arrearage address the impacts of forest health treatments in the Klickitat area for forest
23 health, beetle infestations, and impacts on the Northern spotted owl. AFRC looks forward to
24 working with the Department moving forward on both the Eastside and Westside SHCs to
25 create a product that can be supported by all parties.

26
27 **Ed Bowen, resident of Clallam County**, expressed disappointment for the approval of the
28 Trust Land Transfer last month, which lacked any discussion by the Board. He also does not
29 believe the Governor's representative was a party to the decision. The action will haunt him
30 for some time as his comments were not addressed and staff did not address his questions
31 since the last Board meeting. The timber arrearage is a continual debt to him as a citizen
32 because junior taxing districts are responsible to taxpayers. One of the misnomers within a
33 presentation speaks to Clallam County as the county with the largest amount of state forest
34 transfer trust land that is also embedded with the Olympic Experimental State Forest (OESF)
35 and not separated to highlight the arrearage for Clallam County or for Jefferson County. The
36 presentation includes misinformation, as Clallam County is not well represented in the
37 presentation materials.

38
39 **Heath Heikkila** spoke on behalf of companies producing Washington climate-friendly wood
40 products. Recent discussions on school funding and the difficult situation many school
41 districts are experiencing were documented by the Mount Baker School District in a letter to
42 Whatcom County. On average, the school district received \$1.2 million per year in timber
43 revenue from county trust lands from 2015 through 2022. Last year, the school district
44 received \$107,000 or 10% of the 10-year average directly due to actions by Whatcom County
45 to pull timber sales including a request for inclusion under the Climate Commitment Act
46 (CCA) funding program, despite promises to the school district. A similar situation is

1 occurring in Thurston County with Olympia School District, Tumwater School District,
2 Rochester School District, and the Griffith School District experiencing significant reduction
3 in revenue ranging from \$2.9 million for the Olympia School District to \$1.5 million for the
4 Rochester School District. All school districts have communicated with the Thurston County
5 Board of County Commissioners requesting timber sales move forward and stressing the
6 importance of timber revenue. However, nothing has moved forward. The Board should
7 consider junior taxing districts when rendering decisions. The sales moving forward were
8 contemplated during the 2019 amendment and as recently as 2021 when the U.S. Fish and
9 Wildlife Service agreed the Department was on track to meet its older forest targets as it
10 implements the HCP and that it could move forward with the sales of acres that have been
11 released.

12
13 **Robert Mitchell** cited comments from the last meeting by Connie Beauvais with the Port of
14 Port Angeles stating how county trust lands are not managed for all people. He questioned
15 the statement asking why Thurston County could not manage its public trust lands for all
16 people if voters are conveying to counties that they want to discount forests less than DNR.
17 He questioned why DNR should stand in the way especially if 49 voters were able to place
18 candidate Upthegrove on the ballot. Perhaps the Board should move to extend the comment
19 period again since at least 49 voters have been commenting against logging over the last
20 several years. The Board could learn something about politics by listening to voters instead
21 of DNR's tone-deaf employees. He spoke to DNR's Trust Land Transfer Program and
22 suggested an alternative of investing trust land transfer funds to provide more predictable
23 distribution rather than taxing a parcel. Additionally, arrearage should be cited to include the
24 context of revenues. The sales report indicates revenues have increased 37% over projections.
25 If revenues are higher than projected and volume is lower, he questioned why counties
26 continue to complain. If DNR is a business, revenues should be front and center. He thanked
27 small forest owners who attended the Schism timber sale forest walk. His takeaway is that
28 they fear the public wants to protect all remaining forests while the public fears they want to
29 log all remaining forests. He commented on the possibility of renegotiating a new sustainable
30 harvest with a lower discount rate than in the past and working with the industry to reduce the
31 number of harvests.

32
33 **Ed Martin, Western Forest Products**, said the company employs over 200 people
34 producing high quality forest products from high quality logs. He thanked the Board for
35 approval of the entire timber sales package last month and for supporting a healthy state. He
36 asked for the approval of the proposed timber sales package. Approximately 50% of trust
37 lands are set aside permanently. Many who testify purport just the opposite as 50% of DNR
38 lands are permanently protected representing a great legacy. The other 50% of lands are
39 managed to provide benefits to the people of Washington, such as selling forest products to
40 support schools, libraries, and emergency services – all the elements critical to healthy
41 communities. Selling forest products to create a wide range of jobs to support workers and
42 families of DNR staff, contractors, mill workers, and service industries continues the great
43 legacy. Selling forest products under the long-term stewardship found within the country's
44 most robust HCP instead of outsourcing wood product needs to other countries continues the
45 great legacy. Selling forest products that enable choice of a carbon-friendly renewable
46 resource instead of polluting steel or concrete continues the great legacy. So many great

1 things come from DNR trust lands that are managed today and for a future legacy. As
2 managers of Washington's legacy forests it is important to continue the proud and thoughtful
3 legacy by approving the proposed timber sales packet.
4

5 **Connie Beauvais, Port of Port Angeles** said she serves as a Port Commissioner and Chair of
6 the Clallam County taxing district's Revenue Advisory Committee. As the Board considers
7 the report on westside arrearage, the Board should consider how each type of land was setup
8 and the real impacts to each trust. The OESF was established to meet certain goals. If land
9 treatments have not been completed as planned, the Board should question why and how it
10 could be remedied. Capitol State Forest lands were purchased by the Legislature to be
11 managed by DNR as a timber-producing forest to provide revenue to support schools,
12 universities, and the state capital, and to serve as a recreation destination. Different from all
13 other lands are the county forest trust lands, which were conveyed in accordance with laws to
14 the state to be managed by the Forest Board and the Board of Natural Resources to support
15 local public services. DNR employees are appreciated for the work over the last several
16 years; however, it is disappointing to see Clallam County falling behind in another decadal
17 harvest. As the future is contemplated for sustainability in perpetuity, there are holes in future
18 generations of sustainable harvesting and revenue to county taxing districts. The decade was
19 short because of the HCP. Not only has time been lost, a large number of acres have been
20 encumbered not just for habitat conservation, but also to offset impacts to several other
21 counties. The harvest plan has not been achieved with tremendous impacts on county services
22 with the loss of good paying jobs in the timber industry affecting decades and generations.
23 The Board should move forward with information from the report and contemplate how to
24 reverse the arrearage in Clallam County.
25

26 **Bill Turner, Sierra Pacific Industries**, reported in addition to four sawmills in the state, the
27 company operates four biomass energy plants to produce energy for the lumber mills and
28 green power to power all plants and an additional 20,000 homes in the state. He encouraged
29 the Board to approve the proposed timber sales package. Field employees have worked hard
30 to ensure the sales are compliant with all Board direction followed including the SHC, HCP,
31 and the Policy on Sustainable Forests. Timber sales are Sustainable Forestry Initiative
32 compliant and Forest Stewardship Council compliant. The presentation on the SHC cites
33 arrearage of 661 mmbf for both sides of the state. He encouraged the Board to ensure timber
34 sales are returned to the program as soon as possible. Those timber sales are part of the
35 market and affect all purchasers and beneficiaries. He questioned the information within the
36 presentation that speaks to one reason for the arrearage as "changes in how the forest
37 inventory is determined." Previously, DNR conducted physical inventorying of forestlands,
38 which provided a sustainable way to check the model on growth by having perpetual plots on
39 the ground, which has since moved to remote sensing inventorying. Mr. Turner encouraged
40 the Board to resume the program of physical inventorying.
41

42 **Russ Pfeiffer-Hoyt, Mount Baker School Board in Whatcom County**, spoke on behalf of
43 the Mount Baker School District, which is the largest local beneficiary of state forest revenue
44 in Whatcom County. The revenue is important for the school district to fulfill its mission of
45 providing education for all children in the school district. The Little Lilly timber sale would
46 provide approximately \$282,000 to the school district at the minimum bid price. The revenue

1 is important to the school district today as the district is experiencing a budget deficit and is
2 operating under binding conditions from the Office of the Superintendent of Public
3 Instruction (OSPI). Pauses in state forest timber sales are a major reason for the budget
4 deficit with the district normally averaging \$1.2 million per year in timber revenue. Last year,
5 timber revenue to the district dropped to \$107,000 or less than 10% of the average revenue the
6 district previously received because of pauses in timber sales. The district reduced 23
7 teachers and support staff resulting in larger class sizes and stress on staff and students. The
8 Little Lilly timber sale would provide 40% of the total revenue for this year's planned timber
9 sales for Mount Baker School District. The sale is located on land designated for revenue
10 production through timber management and harvest. The sale has undergone extensive
11 review by DNR employees. The district supports approval of the Little Lilly timber sale.
12

13 **Jerry Bonagofsky, Washington Contract Loggers Association (WCLA)** reported WCLA
14 represents logging, loggers, construction, and log hauling companies. Members like DNR
15 trust beneficiaries rely on timber sales to support their organizations. A stable, reliable, and
16 predictable timber sale program is critical to maintain the infrastructure of the industry and
17 the workforce. The Department's planned volume for FY 2025 is currently 581 mmbf for the
18 westside and 65 mmbf for the eastside. The figures are a welcome increase in westside
19 volume compared to FY 2024 timber sales. He cited the upcoming arrearage report and the
20 Board's discussion. He thanked staff for the incredible amount of work completed to present
21 compliant timber sales to the Board for approval. The sales meet all regulatory requirements
22 including policies approved by the Board.
23

24 **Court Stanley, Washington State Association of Counties**, said he has worked for and has
25 been a member of a board of private forestry companies for over 40 years. Each company is
26 responsible for providing a competitive return to current and future shareholder through
27 sustainable actions and ensuring forests provide income as well as benefits to rural
28 communities. The boards of companies hold management accountable to fulfill the fiduciary
29 responsibility to shareholders. He also served as a member of the Forest Practices Board, a
30 regulatory board charged with establishing regulations for private landowners. The Board of
31 Natural Resources is a fiduciary board charged with overseeing long-term revenue to trust
32 beneficiaries. There is little difference between companies with fiduciary responsibilities and
33 DNR. DNR has managed forestland including older second growth forests for several
34 generations for foresters. The forests are an integral part of the SHC. Foregoing the financial
35 benefit by not harvesting working forests for trust beneficiaries should not be a consideration
36 for DNR anymore than it would be for private companies. It is the Board's responsibility to
37 ensure DNR management is optimizing long-term revenue to current and future beneficiaries.
38

39 **Jamie Hilary** reported his company owns and manages 66 acres in Western Washington. He
40 serves as the chair for the Skagit County Forest Advisory Board. The group provides
41 recommendations to Skagit County Commissioners on forest-related issues affecting families
42 and communities in Skagit County. Members represent over 300 years of combined
43 professional, industrial experience in silviculture, road building, harvest operations, land use
44 and exchanges, environmental stewardship, manufacturing, and marketing. He has 36 years
45 of experience in the industry and recently watched an historic sawmill close because of the
46 lack of available timber. The Board should move forward with the SHC and correct mounting

1 arrearages. Each reduction in timber supplies, compounds the effects on the revenue provided
2 by timber sales as the industry shrinks with narrower margins and the portfolio of potential
3 customers shrink along with potential revenue for the trusts. The same situation is also
4 experienced by private timberland owners through changes in decision-making. For those in
5 opposition to timber sales, it is important to consider the impacts on beneficiaries, particularly
6 schools that are under financial pressure. Real natural resource-based tangible products, such
7 as forest products are necessary and a valuable component for the state's economic and
8 environmental health. He commended staff for their ongoing work on behalf of the trusts and
9 the vetting process they complete to advance a timber sale. The process is extensive and
10 environmentally sound as any in the world. He thanked the Board for approving proposed
11 and future timber sales.

12
13 **Lisa Olsen, Pacific County Commissioner**, commented on the consistent testimony during
14 meetings objecting to harvesting of timber sales under the state trust responsibility of DNR.
15 As a manager of state trust lands, DNR has the legal fiduciary responsibility to utilize the
16 corpus of the trust to benefit fire districts, school districts, port districts, hospital districts,
17 libraries, and county services, such as roads and other essential county services. Jobs in the
18 community rely on timber sales not only in the industry but also in the districts supported by
19 timber sales. For those who no longer want forests harvested and replanted, they need to
20 determine another way to fund taxing districts that support all essential services that everyone
21 expects and depends on. DNR is upholding its responsibilities outlined under state and
22 federal laws and should be allowed to continue until such time as the law changes. The
23 Department should be allowed to perform its duties through good forest practices and not
24 politics. She believes in the system, as healthy timber stands are wondrous and beautiful sites
25 with good soils and temperature climate of Western Washington that are prime growing areas
26 for merchantable timber used for building homes and many other products. She encouraged
27 the Board to approve the timber sales for Pacific County.

28
29 **Tom Lannen, Skamania County**, said the county is one of the most dependent beneficiaries
30 of state forest trust lands. The county has approximately 40,000 acres with half covered by
31 protections for the Northern spotted owl. Over the last decade, the remaining 20,000 acres
32 delivered an average annual receipt of \$1.8 million. The revenue supports the operating
33 budget and accounts for 10% of the county's budget. Revenues also fund 18 county jobs.
34 The county also is home to 800,000 acres of the Gifford Pinchot National Forest comprising
35 approximately 8% of the county's land base. In the 90s, forests provided revenues equivalent
36 to \$24 million in today's dollars. Today, forests produce no revenue with reductions in
37 county staff by 35% in the last 12 years. Management of DNR trust lands is critical. Of the
38 original six mills in the county, only one mill remains successful and dependent upon half of
39 DNR sales in the local area. The mill is the largest family-wage employer in the county.
40 Responsible and sustainable management of DNR lands not only impact the county's budget
41 but the overall strength of the economy and local schools. Any reductions in the SHC would
42 be catastrophic to the county.

43
44 **Paul Butler** reported he is a small forest landowner in rural Thurston County. Those who
45 want to turn older and mature forests into more plantations claim that the science says logging
46 them would reduce greenhouse gas contributions. Proponents of harvesting those stands

1 commonly refer to a 2006 IPCC Report to justify their stance. According to a peer-reviewed
2 article published in 2019 in the journal, *Environmental Research Letters*, the 2006 report used
3 flawed methods for calculating emissions. Greenhouse gas reduction targets require
4 accounting for all forest sectors emissions. The major problem with the older IPCC Report
5 approach is its inability to quantify sources of carbon pollution accurately from operations on
6 land, loading, transportation, milling, and distribution of products, to say nothing of the
7 ecosystem processes primarily taking place in the soil. The 2019 peer-reviewed study reflects
8 that of the 10 billion + metric tons of carbon dioxide equivalent removed from West Coast
9 forests since 1990, only 81% have been returned to the atmosphere or deposited in landfills.
10 For those truly caring about the science, reduction in greenhouse gas emissions on state lands
11 should come from longer rotations and preserving remaining legacy forests. Older forests are
12 in their prime for carbon sequestration. A newly harvested plantation takes several hundred
13 years to achieve the per acre carbon levels of existing mature forests.
14

15 **Lee First** urged the Board to deny approval of Jackie Paper timber sale located near Porter in
16 the Chehalis watershed. Today, the Chehalis River near Doty is falling at 26 cubic feet per
17 second, which is considerably below the mean flow. In Rochester, the river is flowing at 200
18 cubic feet per second. Gibson and Cedar Creeks both flow into the Chehalis River and both
19 are critical sources of cold water during summer droughts. She asked the Board to
20 accompany her on a field trip to observe a river going dry. The harvest would fragment one
21 of the largest remaining sections of native forest in the Chehalis basin and log steep landslide
22 prone slopes in close proximity to the main stem of the river. The Board should deny
23 approval of the Intent timber sale for the Willapa River, a rain fed watershed experiencing the
24 same dire conditions. The Willapa River near Raymond was flowing at less than half of the
25 mean flow. The fact sheet for the Intent timber sale indicates snags and down wood are
26 common throughout the unit, which is another reason why the sale in a rain fed watershed
27 should be halted. Snags and down wood soak up water and release it slowly when it is needed
28 the most. Clearcutting old forests have disproportionally negative impacts on stream and
29 river hydrology. Older forests are indispensable for maintaining water quality in rain fed
30 watersheds and help prevent floods. Land use impacts from over harvesting and climate
31 change have already damaged fish and wildlife populations in those watersheds. So many
32 legacy forests are in the queue in the next two months. The Board should vote against the
33 sales because a pause is needed.
34

35 **Joshua Wright** said logging is the state's second largest source of greenhouse gas emissions.
36 There is no such thing as a climate-friendly clearcut. He objected to Sharon Trask's
37 testimony regarding the Next Contestant timber sale. The timber sale is not located in her
38 district or within her trust. The fact that so many have testified from Mason County about the
39 timber sale while she chooses to support the donors is quite appalling. If DNR has undivided
40 loyalty to trust beneficiaries, the Department should not approve the Next Contestant timber
41 sale and listen to the representative of the beneficiary. He objected to the Jackie Paper timber
42 sale, which would log part of the largest section of legacy forest in the entire Chehalis basin
43 outside of the Olympic National Forest. The site is home to occupied marbled murrelet nest
44 sites and would log on steep slopes in a 110-year old forest. He objects to the Intense timber
45 sale in Pacific County as it is not located on trust lands that would benefit the county nor is
46 the Jackie Paper timber sale on trust lands in Grays Harbor County that would only benefit

1 Common School, University of Washington, and the Prison Trusts. The fact that DNR has
2 received much backlash for logging forests and is lining up those in support of its forest
3 industry is horrible.
4

5 **Patricia Case, resident of Mason County**, urged the Board to move forward with the timber
6 sales carefully prepared and presented for consideration especially the Next Contestant timber
7 sale that would deliver a needed \$2 million for schools in the community. She was raised in
8 Mason County, is retired, and is speaking on behalf of forests and forestry. It is difficult to
9 listen to activists who believe they know what is best for forests. She has lived and worked
10 around professional forest managers all her life. An average of three years is necessary to
11 prepare a timber sale consulting fistfuls of rigorous regulations from forest and fish laws to
12 the state's HCP and setting aside special places and unique habitat to protect streams, soils,
13 wetlands, slopes, recreation, and viewsheds only to have activists who have spent a minute in
14 the forests crying for preservation. In the world of living things there is no such thing as to
15 preserve. Living unmanaged forests grow old and die emitting carbon rather than storing it
16 and making them twice as likely to burn before they decay. Instead, it is important to provide
17 jobs in rural communities by harvesting those stands while healthy and manufacturing carbon
18 storing wood for affordable housing and replanting the forest to enable new trees to sequester
19 twice the carbon from the atmosphere.
20

21 **Lynn Fitz-Hugh** referred to the Jackie Paper and Intent timber sales in Chehalis and Willapa
22 representing some of the largest remaining legacy forests in those counties. Next Contestant,
23 better named Last Contestant, represents a sale from Mason County that residents have been
24 asking the Board not to approve for over a year. Most notably, the beneficiary of the soon to
25 be Last Contestant is Common Schools. Superintendent Reykdal has asked that the area not
26 be logged. It is becoming a disturbing pattern even to approve a sale when the beneficiary
27 requests otherwise. Thurston County has opposed timber sales and is currently on a pause
28 until it delivers a report to the Board. She believes Thurston County Commissioners have
29 developed a workable plan for saving legacy forests while keeping junior taxing districts
30 whole. She is hopeful the Board has an open mind as well as considering the wants of a
31 beneficiary. She finds it disturbing that members of DNR have been reaching out to junior
32 taxing districts to rile them up and cause dissension at the same time as the plan was under
33 development. It does appear to be a collaborative way for the county and DNR to determine a
34 path forward together. As for creating a new SHC, she asked that previous arrearages should
35 be discarded as the Department has achieved substantial profit as outlined in the goals. The
36 Board is required to account for climate change in new goals, which was not previously
37 calculated. Protests over the last several years were likely because previous goals did not
38 reflect the reality of climate change.
39

40 **Julianne Gale, resident of Mason County**, urged voting against the Next Contestant timber
41 sale located on School Trust land with 70% of the funding allocated to a statewide school
42 construction fund with 30% of that amount allocated to DNR. The statewide school
43 construction fund is comprised of many other funding sources with timber revenue
44 contributing only 8% and less than 2% of school construction funding overall. Mason County
45 allocates approximately three times what is received from school construction funds. From
46 2015 to 2021, DNR trust lands in Mason County delivered a negative 75% return on

1 investment for Mason County residents. Residents lost 597 acres of forest and contributed
2 \$9.2 million in timber revenue to School Trust funds while only receiving \$2.3 million over
3 seven years of investment. The process is unacceptable and it is not factual to indicate School
4 Trust land funding goes to teacher salaries, bus drivers, or other expenses besides school
5 construction. Schools need funding; however, inaccuracies contributed to that source of
6 funding are unacceptable. It is also unacceptable that the dozen Snohomish tribal members
7 submitting SEPA comments through Mason County Climate Justice did not receive a reply.
8 The only reply received by the organization did not address most of the concerns including
9 cumulative impacts.

10
11 **Janine L.** reminded everyone that the tiny portion of the last remaining elder forests in the
12 state is the legacy to be protected. DNR has promised to protect those forests. The fate of
13 some forests is contained in the leases the Board is voting on with little more regard than a
14 checkmark off a list. The loss of the last 100 years of commercializing and clearing out
15 sanctuary forests of 300- to 500-year old fir, 400- to 800-year old hemlock, and 500- to 1,000-
16 year old cedar is not spoken to the Board, it is not simply arrearage dollars in harvest. Even
17 now, at the end of this antiquity of life on earth, most members refuse to be bothered with the
18 true magnitude of their decisions. She grieves for the losses and citizens feel the missing
19 oxygen and shade, the carbon they would be storing, homes for creatures, and their majestic
20 beauty. The planet is reacting to their missing presence and everyone knows of the looming
21 climate emergency because humans have angered the earth. On the human front, ripping out
22 precious complex forests is worked on largely by a white male workforce; however, the
23 monoculture reforestation of a single marketable species planted after the ground is poisoned
24 from all other plant growth is done largely by an immigrant Latino workforce who experience
25 occupational hazards and job-related illness and injury two to three times the rate of the
26 average US worker and nine times the rate of job-related fatalities according to a University
27 of Washington Health Sciences Report. She asked about the protection of those workers and
28 their health and well-being. Today is an important day - it is a day the Board could make a
29 difference.

30
31 **Sally Keely** urged the Board to remove Little Lilly from auction permanently. Little Lilly is a
32 90-acre proposed sale straddling the Van Zandt Dike containing one of the last remaining
33 mature forests in the middle fork of the Nooksack River watershed. The rare forest contains
34 stands of 150-year-old Douglas fir and Western red cedar with some over five feet in
35 diameter. Children in the Mount Baker School District deserve to breathe in Little Lilly in
36 their future. Less obsolete ways of funding schools exist than to clearcut precious old growth.
37 The planet is in a climate emergency and structurally complex mature forests are the best
38 natural climate defense. Those forests mitigate climate chaos through natural carbon
39 sequestration and are more resilient to wildfire, regulate water flow, and naturally reduce soil
40 erosion. Her daughter works for the state performing restoration of public lands. She shared
41 the difficulties of replanting on land that has been clearcut as the soil is resistant to replanting.
42 They described wildlife desperately trying to make homes in slash piles with no shade, no
43 canopy, and no undergrowth. The Board should not permit less bio-diverse forests to become
44 clearcut wastelands and place a pause on all timber sales containing mature forests while the
45 state and counties work toward a longer-term plan for those increasingly rare places.
46 Commissioner Franz invited counties to play a larger role in co-managing their state trust

1 lands with DNR. Whatcom County recently convened its Forest Resiliency Task Force. Take
2 Little Lilly off the auction block and let the task force do its work to propose a new
3 framework for collaborative forest management.
4

5 **Nina Sarmiento, resident of Port Angeles**, said she is joining her peers in advocating for the
6 protection of the state’s last remaining legacy forests. Junior taxing districts have an
7 entitlement complex that the timber industry gladly exploits to turn the last few gems of older
8 forests into industrial tree plantations. Junior taxing districts should not let the billion-dollar
9 industry play them, as they know that they do not care about the community’s children. It is
10 time to step into the 21st century and find other funding sources. A study in the Journal of
11 Ecological Management last year proposed a need to maintain a maximum gap of 15 meters
12 between trees to maintain carbon sharing and sequestering network that trees maintain
13 underground. Anything less is functionally and biologically a clearcut because the
14 connections between trees are lost and all microbial and fungal biodiversity eventually die and
15 the soil must start from zero. The idea of successive thinning would create more and better
16 jobs. Successive thinning is true ecological forestry that garners ecosystem services
17 compensation through the decrease in harvest because ecosystem services are valuable.
18 Unfortunately, anyone who proposes successive thinning instead of clearcutting is
19 automatically labeled anti-forestry. She urged against approving legacy timber sales.
20

21 **Julie Ratner** commented that the Thurston County Commissioners have developed a plan on
22 how to make junior taxing district partners whole without cutting legacy forests. Many other
23 solutions are available to fund rural communities, schools, and libraries by harvesting
24 plantation tree farms. The timber industry and DNR are cherry picking complex ecosystems
25 to the detriment of the population. The parcels Intent and Jackie Paper are being sold and are
26 the last ones in the counties. Generations will never have a local option to experience legacy
27 forests and will only see sad, scary witchy plantation forests, which are not forests. Legacy
28 lands in the Next Contestant timber sale in Mason County and Little Lilly in Whatcom are an
29 unnecessary travesty for generations. Only 3% remains statewide and only 4.25% remain in
30 Capitol State Forest. Scientists, academics, environmentalists, foresters, and the public are
31 asking for the protection of “peanuts” within the Department’s entire holdings. It is insane to
32 believe historic harvesting processes in place for many decades are sustainable. It is clear the
33 Board is pushing through the last remaining parcels prior to the next Lands Commissioner
34 assuming office. Even though her monthly testimonies for three years have been ignored, she
35 continues to give voice for the rights of the natural world. Historic maps of logging reflect
36 the same practices other states have suffered through from more logging, more flooding, and
37 more mudslides.
38

39 **Miguel Perez-Gibson, Washington Conservation Action**, provided clarifying information
40 about Trust 42 to help resolve Thurston County harvest issues. When timber-cutting rights to
41 parcels on Forest Board purchased land were deeded to the federal grant land trust, the loan
42 was retired. Timber cutting rights do not expire until 2070. DNR is mandated to determine
43 no later than 2030 the number of remaining parcels for harvest. It was anticipated that by
44 2030, most parcels would have been harvested. The federal government would have the
45 option of purchasing the remaining timber cutting rights at that time. The Board has options
46 to address Thurston County’s concerns with clearcutting of timber rights in older forests. For

1 example, RCW 79.65.120 authorizes timber-cutting rights from the Forest Board purchased
2 lands. The Board could quick claim those timber rights to other Forest Board purchased
3 blocks and the federal trust could determine the rate the timber cutting rights could be
4 extracted and require greater tree retention as opposed to clearcutting. Given the value of
5 timber cutting rights that were equal to the loan and given 34 years of tree growth, the value
6 in the federal trust would have received millions of dollars in excess of the original value
7 transferred. Other options could be explored by the Board to address the concerns
8 surrounding Trust 42. The authorizing statute was for Forest Board purchased lands and not
9 necessarily Capitol State Forest lands.

10
11 **Dave Sweitzer, Washington Hardwoods Commission**, reported the Commission was
12 established by the Legislature in 1991 to promote the hardwood industry. Sustainable harvest
13 calculations are supposed to be completed every 10 years to reflect the harvest levels that
14 sustain the growing inventory of trees. The harvest levels are seldom, if ever, achieved,
15 which creates an arrearage which is not adequately addressed. In terms of hardwoods
16 specifically, a 2013 study by the University of Washington revealed that Western Washington
17 has 31 billion board feet of hardwoods with 16% or 5 billion board feet located on state lands.
18 Hardwoods only comprise 4% of the total harvest on state lands or under 20 mmbf. Under the
19 concept of sustainable forestry, the total hardwood growing stock will increase every year
20 after harvesting 40 mmbf per year. The bottom line is the need for more logs and the state has
21 the trees. The Board should support staff on recommended sales especially if they include a
22 hardwood component. Harvesting trees helps the economy and increases long-term carbon
23 storage.

24
25 **Nicole Martel** said she cares for the forest, wildlife, and the planet and is a member of a
26 growing collection of people who are realizing what is happening and how important forests
27 and trees are alive and not as a crop or a resource for commercial purposes. She does not
28 understand why DNR is going against its own commitment under the HCP and the
29 Sustainable Forest Policy to restore 10% to 15% of planning units to old growth conditions.
30 It does not appear to be too much to ask. DNR has not achieved the goal and will not be able
31 to accomplish it in the required time if the Department continues to offer mature timber sales.
32 Many people are concerned as to why the Department and the timber industry are targeting
33 the few remaining mature forests when there are plenty of plantation sites to log to meet
34 financial obligations. There is strong ecological and scientific evidence to protect trees,
35 especially those over 80 years old and structurally diverse forests. This holds true for wildfire
36 mitigation as well as since natural intact ecosystem forests hold more moisture and densities
37 making them much more resilient to fire than the dry conditions of logged, thinned, or
38 plantation areas. Cutting any mature forests is extremely irresponsible as there is only a small
39 percent remaining. The misinformation that is being released is extreme and speaks to the
40 conflict of interest for receiving money for land and timber. These are the concerns and facts
41 that many people are waking up too and want government organizations to do the same.
42 However, the response has been sophisticated justifications and excuses blocking any efforts
43 for honest discussion or collaboration to find and implement a viable alternative, which she
44 learned the Department already has. People's priorities are changing and evolving as citizens
45 in counties are asking for the protection of remaining forests. The Board should do the right
46 thing and stop the timber sales.

1
2 **SUSTAINABLE HARVEST CALCULATION**

3 **Arrearage Report**

4 **Michael Kearney, Product Sales and Leasing Division Manager**

5 Mr. Kearney presented the report on Eastside and Westside arrearages for the 2015 to 2024
6 decade. The briefing reviewed statutory authority for arrearage, DNR policy on arrearage,
7 and Eastside and Westside arrearage numbers.

8
9 Under RCW 79.10.300(1), "Arrearage" means the summation of the annual sustainable
10 harvest timber volume since July 1, 1979, less the sum of timber sales contract default volume
11 and timber sales volume deficit since July 1, 1979. Based on RCW 79.10.330, if an arrearage
12 exists at the end of any planning decade, the Department shall conduct an analysis of
13 alternatives to determine the course of action regarding the arrearage which provides the
14 greatest return to the trusts based upon economic conditions then existing and forecast, as well
15 as impacts on the environment of harvesting the additional timber. The Department shall
16 offer for sale the arrearage in addition to the sustainable harvest level adopted by the Board of
17 Natural Resources for the next planning decade if the analysis determined doing so will
18 provide the greatest return to the trusts.

19
20 The 2019 Board Policy on Arrearage states that before the Board of Natural Resources
21 approves a decadal sustainable harvest level, the Department will determine whether an
22 arrearage exists for the prior decade. A decadal arrearage exists if the actual timber volume
23 sold and not defaulted for the decade is less than the sustainable harvest level for that decade.
24 If a decadal arrearage exists, the Department will conduct an analysis.

25
26 The analysis should:

- 27
- 28 • Determine how much of the shortfall in volume is actually available for sale.
 - 29 • Identify the shortfall volume available for sale by the sustainable harvest units used in
30 the sustainable harvest calculation.
 - 31 • Consider the economic and environmental impacts of alternative courses of action to
address sale of the additional timber in the following decade.

32 The Board will consider the analysis and adopt a course of action to address the decadal
33 arrearage that is in the best interest of the trusts.

34
35 The 1996 Eastside SHC was based on sustainable harvest units of:

- 36
- 37 ○ Klickitat
 - 38 ○ Yakima River
 - 39 ○ Highlands / South Okanogan
 - 40 ○ North Columbia
 - Arcadia

41 Some challenges with the 1996 harvest target included an adjustment of the 1988 calculation
42 based on adoption of the HCP in 1996, major changes in laws, policies, and land plans, large
43 land transfers since 1996, major changes in inventory technology and natural disturbance.
44 Changes in laws, policies and plans included adoption of Amendment No. 1 to the
45 Department's HCP in 2004, Administrative Amendment to the Northern Spotted Owl

1 Conservation Strategy for the Klickitat HCP planning unit, revisions to the 1996 Lynx Habitat
2 Management Plan for DNR managed lands in 2006, adoption of the 2006 Policy for
3 Sustainable Forests, issuance of a forest health hazard warning for portions of Klickitat,
4 Okanogan, and Yakima Counties in 2012 by the Commissioner of Public Lands as required
5 by RCW 76.06, passage of Engrossed Second Substitute House Bill 1711 in 2017 requiring
6 the Department to prioritize forest health treatments on state trust lands over the next 20
7 years, and creation of a Forest Health Revolving Account to fund treatment costs.
8

9 In Eastern Washington, the land base includes multiple large trust land transfers and
10 exchanges. DNR acquired approximately 200,000 acres and disposed of approximately
11 136,000 acres. Changes in the inventory are difficult to quantify because of changes
12 occurring since 1996 in economic viability, changes in laws, policies, and land plans, changes
13 in land base due to land transfers, changes in forest inventory due to wildfire and other
14 disturbances, and changes in how forest inventory is determined. Large wildfires on forested
15 state trust lands in 2014 and 2015 resulted in the highest burned acreage of forestlands on
16 record with 25,000 and 51,000 acres burned during those events. The adoption of a new
17 inventory system by DNR in 2015 using remote sensing forest resource inventory system
18 provided much broader inventory coverage than available in the 1988 and 1998 calculations.
19

20 Mr. Kearney shared a graphic of 2015-2024 harvest targets in thousands of board feet for each
21 sustainable harvest unit as established in 1996 and actual harvest volumes. For the Northeast
22 region, the Arcadia sustainable harvest unit has a large surplus while North Columbia had a
23 small surplus with remaining units experiencing arrearage. Another graph depicted columns
24 of Harvested MBF, SHC Target MBF, Difference in MBF, and Arrearage for each planning
25 unit. Actual arrearage is 216,173 mmbf for the Eastside.
26

27 Superintendent Reykdal commented that the policy is universal regardless of the trust, which
28 is nonsensical as state forest trusts have a direct relationship between the county or
29 jurisdiction in a harvest while the Common School trust beneficiary is the Legislature with no
30 relationship between the harvest and the actual local school district receiving any of the
31 revenue for school construction. He asked whether the Board has any options to consider the
32 concept of receiving no net opportunity for Common School than state forests. Mr. Kearney
33 replied that the policy is complicated as sustainable harvest units are based on a geographical
34 area in the Eastside arrearage, which is different for the Westside.
35

36 Duane Emmons added that in Eastern Washington, sustainable harvest units were developed
37 based on growth in forests and loss through natural disturbances and other land actions to
38 establish a biological capacity of the forest that was calculated within each sustainable harvest
39 unit. The intent was not over-harvesting in one area and under-harvesting in another area to
40 achieve a balance because severely overharvesting in one area results in the depletion of that
41 area. Harvesting is based on sustainability within each harvest unit. However, in Western
42 Washington, each county has a sustainable harvest calculation. The federal trust lost Western
43 Washington as one single sustainable harvest unit with each region allocated a sustainable
44 harvest target to ensure all federal trust land was not overly harvested in one particular region.
45

46 Superintendent Reykdal asked whether the Board should anticipate a staff recommendation

1 adding arrearages to those units experiencing an arrearage while other units experiencing a
2 surplus would not be targeted, such as Arcadia. Mr. Emmons responded that since the
3 Eastside SHC has not been updated since the 1990s, the recommendation could include not
4 considering an arrearage calculation as so much of the land base has changed. However, the
5 statute dictates the Department must account for arrearage.

6
7 Chair Franz noted that there have been substantial changes in the landscape caused by
8 wildfires that it has created a new context in Eastern Washington in terms of considering
9 different ways to keep forests healthy to help ensure a long-term sustainable harvest
10 calculation and long-term sustainability of the environment.

11
12 Mr. Kearney said the next SHC for the Eastside would be based on inventory and current
13 objectives for forest management in those areas. Arrearage figures reflect some areas where
14 the harvest was significantly under the target. Some of those areas are where modeling might
15 not have been as accurate in terms of management today. Some of the difference may be
16 attributed to large-scale wildfires and overcutting in some areas to reduce wildfire risk.

17
18 Mr. Kearney said many factors contributed to the Eastside arrearage with multiple complex
19 factors that interact making it nearly impossible to quantify how the factors led to an
20 arrearage. Some of the largest factors for the Klickitat and Yakima River sustainable harvest
21 units are economic declines in mill infrastructure and timber markets in central Washington
22 affecting the viability of the Department's timber sales program in those areas. Lacking mill
23 infrastructure makes harvesting impossible. While the declines in the timber economy has
24 occurred since the 1990s, the area was particularly affected by the Great Recession of 2008
25 and while the creation of the Forest Health Revolving Account seeks to address some of the
26 issues, it does not completely mitigate the lack of forestry infrastructure in some areas.
27 Additionally, changes in laws, policies, and land plans added more constraints to the
28 landscape and, in some cases, reduced the amount of operable lands or changed the
29 management objectives of the lands. One example is the passage of House Bill 1711 for
30 prioritizing forest health treatments. Lastly, natural disturbances of wildfire, beetle
31 infestations, and other health issues affected overall inventory.

32
33 Commissioner Janicki referred to a public comment that spoke to the benefits of physical
34 inventorying versus remote sensing inventory. She asked how current inventorying has
35 changed and if physical inventorying is realistic. Mr. Kearney said inventorying will be part
36 of the future discussion as the Eastside SHC is developed in terms of remote inventory
37 sensing in comparison to plot inventorying used in the 1988 calculation.

38
39 Mr. Emmons added that since the SHC has not been completed since the late 1980s for the
40 Eastside, much technology has changed in addition to inventorying methods with technology
41 increasing in sophistication.

42
43 Chair Franz said the Department successfully pursued some legislation to secure funding to
44 pursue physical inventorying largely in Western Washington to validate the effectiveness of
45 remote sensing. An update to the Board can be scheduled at a future meeting.

1 Mr. Emmons noted that the Department established more traditional fixed inventory plots
2 across the land base in some areas. Remote sensing inventorying is not strictly limited to
3 remote sensing as the Department has identified validation plots to ensure the model can
4 identify physical characteristics of the land. The accuracy rate of validation plots is
5 approximately 91%. Staff has not finalized the analysis of the other fixed based plots. It
6 speaks to the question of the expense to close the gap between 3% and 7% for accuracy.
7

8 Mr. Kearney reviewed Westside arrearage. In Western Washington, the Policy for
9 Sustainable Forests defines 20 sustainable harvest units of the OESF, Capitol Forest, 17
10 timber counties, and federal trusts and state forest purchase.
11

12 Mr. Kearney displayed a graphic of Westside Sustainable Harvest Unit Performance
13 reflecting actual net million board feet harvest and the target million board feet harvest by
14 each harvest unit. Another graph identified columns of Sustainable Harvest Unit MBF,
15 Riparian MBF, Net MBF, Target MBF, Delta MBF, and Arrearage for each planning unit.
16

17 Superintendent Reykdal inquired about the description of federal trusts. Mr. Kearney
18 explained that federal trusts are all trusts granted to the state by the federal government upon
19 entrance to the Union. Additional lands were granted for universities, correctional and
20 reformatory institutions, State Capitol Building Trust and others served by statewide funds.
21

22 Mr. Kearney reviewed the defaulted contract volume. As the amount is small, the volume
23 was not included in one of the graphs. No defaulted contracts resulted in arrearage on the
24 Westside. Six contracts defaulted or were fully or partially rescinded by the Department
25 totaling 3.3 mmbf. In four of the sales, the volume was resold in whole or in part of 8.7 mmbf
26 of default involving Lewis, Snohomish, Thurston, and federal trusts.
27

28 Some reasons for the arrearage include:

- 29 • OESF (-149 mmbf) largely due to the 1-1 rule from 2006 SHC settlement agreement
30 and staffing in the Coast District
- 31 • Capital Forest (-58 mmbf); Clallam, Jefferson, King, Snohomish, Whatcom (-93
32 mmbf) due to litigation, older forests, 2,000 acre project, and carbon project
- 33 • Skamania, Wahkiakum (-28 mmbf) due to the 2019 final decision on Marbled
34 Murrelet

35 Following some discussion on the formatting within the graphic depicting arrearage amounts
36 attributed to planning units, the Board offered no additional comments.
37

38 **TIMBER SALES - Action**

39 **Auction Results for September 2024, FY2025 Update, & Proposed Timber Sales for** 40 **November 2024**

41 **Michael Sly, Acting Assistant Division Manager for Product Sales and Leasing Division**

42 Mr. Sly presented auction results for September 2024 timber sales.
43

44 In September, six timber sales were offered representing 22.8 mmbf of timber totaling \$8.2
45 million generated for distribution to trust beneficiaries. The average stumpage price for the
46 sales was \$358 per mbf with an average of four bids per sale.

1
2 Mr. Sly reviewed the status of FY 2025 planned timber volume. The graphic depicted the
3 current plan for auction volume, forecasted volume for the remainder of the year, and sold
4 volume. Three timber sales were unsold during the year.
5

6 Proposed sales for November 2024 include nine timber sales totaling 48.4 mmbf with a
7 minimum appraised delivered value of \$13.9 million. The expected delivered price minimum
8 is \$287 per mbf based on the appraisal. Of the nine sales in Western Washington, 1,849 gross
9 acres were reviewed for harvest. Following field inspections by agency specialists,
10 approximately 38% of the acreage was conserved to protect potential unstable slopes, cultural
11 resources, riparian areas, and a minimum of eight leave trees per acre. The total conserved
12 acreage is 701 acres leaving a net harvest area of 1,148 acres or 62% of the gross proposed
13 acres.
14

15 Mr. Sly shared a pie chart of the estimated percentage of revenue by trust generated from the
16 timber sales.
17

18 Mr. Sly reviewed details of several timber sales. The Next Contestant timber sale is located
19 nine miles northwest of Hoodspport. The sale includes five VRH units within the Hood Canal
20 State Forest in the Straits HCP Planning Unit. Staff evaluated 133 acres for harvest. After
21 identifying areas of conservation, staff identified 92 acres for harvest leaving 41 acres in long-
22 term forest cover or 31% of the original evaluated acres. Douglas fir in the sale carry one of
23 the highest stumpage evaluations during the month. Staff identified 1,375 mbf of high-quality
24 volume and 188 mbf of utility poles. Regional staff completed excellent work to identify high
25 quality logs within the timber sale and properly noted the volume on the timber cruise report
26 to alert potential purchasers. The Douglas fir stumpage value is \$458 mbf with overall sales
27 stumpage appraised at \$478 mbf due to species composition and associated delivered log
28 price differences between Douglas fir and red cedar. The timber sale is located east of Lake
29 Cushman within the Saddle Mountain Block of the Hood Canal District.
30

31 Mr. Sly shared a map of the area with a layer estimating age based on origin year from
32 imaging collected in 2019 and 2020. For DNR lands only, staff completed, sold, and
33 harvested areas that have occurred since that time. Based on DNR policy, no proposed net
34 individual timber sale units over 100 acres in size can be proposed with a few exceptions for
35 salvage and forest health. In the development of each timber sale, foresters are required to
36 evaluate the larger area associated with the timber sale and consider green-up. Mr. Sly cited
37 green-up as a forestry term used and defined in WAC 222-30-025 *Even-aged harvest—Size
38 and timing*. The WAC defines green-up as trees that have survived on site a minimum of five
39 growing seasons or, if not, have reached an average height of four feet. Green-up considers
40 the proposed unit size and any adjacent stand that shares 10 percent of the same perimeter if
41 the acres being proposed in the unit plus adjacent stands failing to meet green-up
42 requirements are collectively larger than 100 acres. WACs and policies have created a
43 massive web of complexity that foresters and DNR must navigate while planning timber sales
44 today and in the future.
45

46 Superintendent Reykdal asked about the goal the policy is trying to achieve. Mr. Sly said the

1 goal is to meet both visual goals and conservation goals. Forest Practice Rules cover 120 to
2 220 acres for private landowners with DNR afforded another layer that reduces the amount to
3 100 acres. The main purpose is to avoid harvesting one area too much and too often.
4

5 Superintendent Reykdal asked whether the set-aside includes the information on the age of the
6 trees. Mr. Sly advised of the lack of data at this time, but that the Hood Canal District
7 includes approximately 35,000 acres of forest with DNR offering approximately three timber
8 sales each year between 100 and 300 acres or 2.6% of the total acres harvested each year.

9 Superintendent Reykdal remarked that the stand is comprised of much older timber. Mr. Sly
10 said the land is eligible for harvest under current policies. The landscape includes some older
11 trees; however the unit includes some 1910 trees in Units 3 and 5 with most other trees aged
12 from 1920 and beyond.
13

14 Superintendent Reykdal said he had an opportunity to visit the area. When he visits timber
15 sites, he typically views a balance DNR is seeking; however, the same did not apply to this
16 particular timber unit. He finds it difficult to believe the Department met the threshold. The
17 area also serves as traditional gathering areas for tribal leaders and elders. The timber unit
18 would benefit Common School Trust of 100-year old trees with funds forwarded to the
19 wealthiest parts of the state with the county receiving none of the revenue and limited funds
20 for school construction as the sale is for operating revenue for the Common School Trust.
21

22 Mr. Kearney added that the area managed by DNR was acquired in a land exchange from a
23 private landowner. The area was previously managed as industrial timber lands prior to
24 DNR's acquisition. The lands were managed differently than DNR's management under the
25 HCP.
26

27 Chair Franz commented on the need for the Legislature to resolve how schools are funded.
28 The Legislature has a responsibility on how DNR apportions revenue to avoid wealthier
29 school districts continually receiving access to those funds.
30

31 Superintendent Reykdal responded that the Legislature made some progress seven years ago
32 on the operating side; however, in terms of capital, little progress has occurred. The
33 fundamental model pulls funds from rural communities and allocates those revenues to the
34 wealthiest communities as capital funds.
35

36 Commissioner Janicki agreed a justice issue exists, as many of the smaller communities are
37 unable to pass bonds or receive funding. She offered to advocate for the issue with more
38 public input. Various maps of the area depict differences in ways the land is managed by
39 DNR, private industry, and by the forest service. Active management is important. Some of
40 the units are small of only three acres while others are 30 acres or more. Her interpretation of
41 sustainable harvest means sustainable forestry in terms of what forests need to remain healthy
42 in perpetuity. Although revenue is an important component, it is unsettling when staff speaks
43 to evening out revenues every year, as it is a secondary component. The volume needs to be
44 removed to prevent forest fires to ensure a healthy and bug-free forest. Climate change is
45 creating dying trees and it is necessary to lay out units so that forests are retained sustainable
46 into perpetuity.

1
2 Mr. Cahill questioned whether any tribes submitted letters outlining any concerns with the
3 proposed timber sale. Mr. Kearney said the comments received during the SEPA review were
4 from several tribal members. The region outreached to the tribe following receipt of the
5 comments to verify if the tribe had concerns with the sale. At that time, staff did not receive
6 any negative feedback from the tribe. Mr. Sly added that a comment during the public
7 comment period spoke to staff not responding to tribal comments. The issues surrounding the
8 comments were from individual tribal members submitting comments through a form letter.
9 Staff responded to the original form letter as well as reaching out to the tribe.
10

11 Mr. Sly reported the next sale is the Jeckle timber sale comprised of three VRH units, two
12 VDT units, and three associated right-of-way (R/W) units within the Elbe Hills State Forest.
13 Staff evaluated 334 acres for harvest and identified 212 acres for harvest leaving 122 acres in
14 long-term forest cover or 37% of the unit originally evaluated. Unit 3 will be thinned from a
15 relative density of 69 to a desired density of 48. The sale is located within the Elbe Hills
16 Spotted Owl Management Unit (SOMU) and the objective for the VDT units is to develop
17 higher quality northern spotted owl (NSO) dispersal habitat. Structure would also be created
18 in the form of snag creation and down woody debris in Ecological Enhancement Sites
19 adjacent to Unit 4. Additionally, hardwood conversion in the unit would retain long-lived
20 conifer trees and the unit would be replanted with Douglas firs. The sale includes ecological
21 enhancement activities.
22

23 The Jackie Paper timber sale is located two miles west of Porter of four VRH units in the
24 Lewis District of the South Coast HCP Planning Unit. Staff evaluated 187 acres for harvest
25 and identified 92 acres for harvest leaving 95 acres in long-term forest cover or 51% of the
26 area originally evaluated. Unit 2 includes large structurally unique trees identified for
27 protection within the unit. The timber sale proposes road construction within the buffer zone
28 of occupied marbled murrelet habitat. The least impactful to marbled murrelet while allowing
29 harvest of the western finger of Unit 1 is building a new road rather than reopening and
30 improving an existing road located in the core occupied zone. In lieu of re-establishing 2,060
31 feet of orphaned road which would result in 1.6 acres of right-of-way harvest and 1700 feet of
32 reconstruction within the core of an occupied site; the sale proposes to build 1,450 feet of new
33 road and reconstruct 265 feet of existing road in the inner and outer buffer zone of the
34 occupied site, resulting in 1.7 acres of harvest for right-of-way (Unit 3 ROW). To facilitate
35 harvest of state trust lands, 1 cable landing will be constructed on the edge and partially inside
36 the buffer zone. Harvest engineering analysis utilizing Skyline XL indicated no feasible
37 alternative. Additionally, the sale proposes to maintain the right-of-way of the LC-5000
38 within the buffer zone and a fringe of marbled murrelet core zone. The work includes 2,000
39 feet of road maintenance and 600 feet of daylighting (removing trees directly adjacent to the
40 road). Daylighting removes only the smaller, younger trees and retains the older cohort. All
41 operations within the core zone and the buffer zone would be limited by the timing
42 restrictions of two hours after sunrise to two hours before sunset from April 1 through
43 September 23 during the critical nesting season of the marbled murrelet. The sale also
44 includes replacement of a fish barrier culvert because of frequent beaver activity.
45 Improvements include a larger culvert, culvert armoring, proper realignment with the channel,
46 and appropriate depth of installation. Purchaser of the sale will be required to replace the

1 culvert prior to initiating harvest operations.

2
3 The Clutch timber sale is located 11 miles southeast of Granite Falls consisting of four VRH
4 units in the Cascade District of the North Puget HCP Planning Unit. Staff evaluated 220 acres
5 for harvest and identified 149 acres for harvests retaining 71 acres in long-term forest cover or
6 32% of the area originally evaluated. An old growth assessment was triggered for the sale
7 because of the presence of high probability. During the assessment, a 10.6-acre old growth
8 polygon was identified well outside the proposed timber sale area. Although located outside
9 the timber sale boundary, the discovery reflects changes in DNR's knowledge of older forests
10 on the landscape. Prior to the discovery of the old growth, it likely would not have been
11 included in the 10% landscape assessment of older forests presented in the past as the site was
12 never mapped or known entirely to DNR. As the area has been field verified and mapped, the
13 entire site will be accounted for in the 10% assessment moving forward. Under DNR policy,
14 the old growth stand as delineated will be recorded and deferred from harvest and protected
15 from future harvest activities.

16
17 The Little Lilly timber sale is located 22 miles northeast of Sedro Woolley consisting of four
18 VRH units and four right-of-way units in the Baker District of the North Puget Planning Unit.
19 Staff evaluated 139 acres and identified 89 acres for harvest leaving 50 acres in long-term
20 forest cover or 36% of the area originally evaluated. Unit 1 species composition consists
21 almost entirely of commercially thinned Douglas fir dominating the overstory with an
22 abundance of advanced hemlock regeneration in the understory. Three old growth
23 assessments were completed across multiple units. During the assessments, results indicated
24 an area of pre-1850 timber in Unit 2. The area was excluded from the sale area. Adjacent to
25 Unit 3 within the Type 4 stream buffer is a small cluster of remnant trees excluded from the
26 sale area. During the assessment of Unit 4, coring data revealed the stand origin at
27 approximately 1858; however, the stand reflected the least amount of structure likely due to
28 the lack of disturbance. With the lack of structure and the highest ring count equating to an
29 origin date of 1858, the stand was included in the proposed harvest boundary for Unit 4.
30 Units 1 through 4 are all keyed to Maturation 1 stage of development.

31
32 Superintendent Reykdal questioned the factors the regional team considers to pull in the
33 boundary line when old growth is identified so close to the boundaries as it appears much old
34 growth is located to the northeast outside of the harvest unit and some old growth is located
35 within the northeast boundary line. Mr. Sly replied that the assessment identifies where old
36 growth starts and ends. The line is placed based on that assessment.

37
38 Chris Hankey, Northwest Region District Manager, explained that within the northeast area of
39 the region, a very large, occupied site and buffer for marble murrelet exists north of the
40 planned timber sale. Many of the boundaries were adjusted because of the occupied site to
41 include an established old growth polygon that was discovered along with riparian
42 management zones. Within those areas, remnant trees are present throughout old growth
43 extending throughout the area. Staff did not delineate larger old growth polygons because
44 they are located in protected areas.

45
46 Superintendent Reykdal said he considered tree height based on the metric staff provided as

1 there appears to be old growth within the polygon. He asked whether they would also be
2 protected. Ms. Hankey said tree height is not the only indication of old growth. DNR
3 foresters are experienced in identifying and marking for retention not just legacy trees, but
4 other trees that serve multiple wildlife functions when considering long-term management of
5 the landscape. Trees of unique structures or of a certain size are marked for retention.
6

7 Mr. Sly added that the sale also includes a 60-inch no harvest diameter restriction in the
8 timber sale contract as well.
9

10 Mr. Cahill asked whether the inclusion of Unit 4 was because the assessment citing a lack of
11 structure and the highest ring count equating to an origin date of 1858 was because the stand
12 was less than five acres. Mr. Sly replied that there were some trees with an origin date of
13 1850s that lacked structure. Many of the trees were selected as leave trees to include all
14 remnant trees.
15

16 With no further questions from the Board, Mr. Sly requested approved of the proposed timber
17 sales as presented.
18

19 MOTION: Superintendent Reykdal moved to approve the November timber sales as
20 proposed.
21

22 MOTION: Commissioner Janicki seconded the motion.
23

24 MOTION: Superintendent Reykdal moved to amend the motion excluding the Next
25 Contestant timber sale as a standalone sale for consideration. *The motion died*
26 *due to the lack of a second.*
27

28 ACTION: Motion carried. Superintendent Reykdal abstained.
29

30 *Chair Franz recessed the meeting at 11:27 a.m. for a break. Chair Franz reconvened the*
31 *meeting at 11:43 a.m. A meeting quorum was confirmed.*
32

33 **LAND TRANSACTIONS – Action**

34 **Fredrickson South Direct Transfer, 02-104216, Resolution 1641**

35 **Martin McElliott, Project Manager, Acquisition & Divestures Section, Strategic** 36 **Planning Office**

37 Chair Franz reported on efforts by staff to identify transitional lands often zoned Urban or
38 Residential that are important for local governments to meet responsibilities for providing
39 critical housing. Through the work of agency staff, the goal has been to consider lands that
40 might be better suited for another agency, such as Habitat for Humanity or a Housing
41 Authority and complete transactions to enable the construction of housing or using lands to
42 lease for housing enabling easier home ownership while also funding schools and
43 communities. She thanked members of the transactions team for working diligently on the
44 Fredrickson proposal.
45

46 *Chair Franz left the meeting.*

1
2 Mr. McElliott presented the Fredrickson South direct transfer request. The property is located
3 in Pierce County in a Mixed-Use zone. The property is located several miles south of
4 Highway 12 and west of the City of Graham. The parcel was acquired by another owner who
5 had no heirs in 1953. Originally, the parcel was supposed to be auctioned as it has little
6 timber value since the property was harvested in the early 2000s. During the due diligence
7 review prior to the auction, Pierce County Community Development approached DNR to
8 purchase the property. DNR removed the property from the auction and subsequently formed
9 two lots, Fredrickson North and Fredrickson South, through a lot segregation. The Board
10 approved auctioning the Fredrickson North parcel and the Fredrickson South parcel was
11 appraised. The property is zoned Residential Mixed Use and is appraised at \$998,000.
12

13 The main benefit of the transfer is divestiture of a property not suited for forest management
14 because of its small size and isolated location. The property is surrounded by residential
15 homes and commercial property to the north. Pierce County Community Development will
16 use the property for much needed affordable housing of 28 lots. Proceeds from the sale would
17 be deposited to the Real Property Replacement Account.
18

19 Mr. McElliott invited questions. With no questions from the Board, staff requests approval of
20 Resolution 1641.
21

22 MOTION: Mr. Cahill moved to approve Resolution 1641, Fredrickson South Direct
23 Transfer, 02-104216 as presented.
24

25 MOTION: Superintendent Reykdal seconded the motion.

26 ACTION: The motion carried unanimously.
27

28 **Sullivan Creek Trespass, T3-100550, Resolution 1642**

29 **Deb Whitney, Project Manager, Acquisitions & Divestitures Section, Strategic Planning** 30 **Office**

31 Ms. Whitney reported the Sullivan Creek Trespass property is located approximately 14 miles
32 southeast of Twisp and 13 miles southwest of Omak in Okanogan County. The 2.36-acre
33 property is proposed for direct transfer to Ronald and Sandy Morris to resolve trespass
34 encroachments on State Common School Trust land as allowed in RCW 79.17.200(2)(c).
35

36 Trespassing encroachments include a fence, portions of the purchaser's house, shop,
37 agricultural garage, garden shed, and septic area. A portion of the house, garden shed, and the
38 fence were built in the 1970s, prior to the purchaser acquiring the property in 2002. Believing
39 the fence was in the correct location, the purchaser expanded the house in 2008 as approved
40 by the Spokane County Planning Department. The Purchasers were informed about the
41 trespass in 2017 and were upset, but eventually agreed to resolve the trespass by purchasing
42 the property.
43

44 The appraised fair market value of the property (purchase price) is \$14,000, which will be
45 used to purchase replacement property for the Common School Trust. The purchasers also
46 paid for the administrative costs associated with the transaction. The purchasers signed a

1 purchase and sale agreement for the appraised amount.

2
3 Based on no questions, Ms. Whitney requested approval of Resolution 1642.

4
5 MOTION: Superintendent Reykdal moved to approve Resolution 1642, Sullivan Creek
6 Trespass, T3-100550, as presented.

7
8 MOTION: Dean Powers seconded the motion.

9
10 ACTION: The motion carried unanimously.

11
12 **CHAIR REPORTS**

13 **Recreation Permit Fee Briefing**

14 **Kristen Ohlson-Kiehn, Division Manager, Recreation and Conservation Division**

15 **Brody Coval, Recreation Policy Manager, Recreation and Conservation Division**

16 Ms. Ohlson-Kiehn and Mr. Coval briefed the Board on two updates to the Recreation
17 Program involving the Outdoor Access and Responsible Recreation Program ((OARR)
18 planning process and an introduction to the Recreation Permit Fee project.

19
20 Staff is preparing to release a draft Strategic Plan to the public for public comment on October
21 21, 2024. Public meetings are scheduled during the public comment period to learn about the
22 plan and have questions answered. One in-person meeting is scheduled in Lacey in addition
23 to two virtual meetings. All participants involved in the process will receive a two-week
24 advance notice on the specific dates of the public meetings.

25
26 Staff plans to brief the Board at its November meeting to provide an overview of the Strategic
27 Plan. Although the plan is a draft, staff has implemented some of actions.

28
29 Mr. Coval briefed members on the agency's new Recreation Permit Fee project. The project
30 is an action in the Draft OARR Strategic Plan.

31
32 The project is a new fee schedule subject to the Board's approval. The Board will receive a
33 proposal for consideration early next year.

34
35 DNR Rule, WAC 332-52-205, directs that recreation permits are required for organized
36 events and commercial purposes on DNR managed land that are greater than 25 people or is
37 commercial in nature. State Parks issues special activity permits. The new permit is DNR's
38 version of the activity permits issued by State Parks. Currently, DNR has no policy for
39 recreation permits. A recent local mountain bike event organizer applied for a permit to hold
40 a race on DNR land outside of Darrington. The permit was granted by DNR and
41 approximately 175 participants paid a \$125 entrance fee to participate in the event. The event
42 raised \$20,000 in participation fees but DNR received no funds to cover management costs.
43 Though permits cover a broad spectrum of uses, they all require some level of DNR staff time
44 to process and manage. DNR processes an average of 100 permits each year and currently
45 has no policy for processing or managing recreation permits, which has resulted in
46 inconsistent and opaque permitting environments across all six regions, creating frustrations

1 to applicants, the public, and staff. The root of the issue stems from the lack of funding. The
2 Recreation Program has no dedicated funding source for staff to process permits and manage
3 special events.
4

5 At DNR's request, the Legislature enacted changes to Washington's Recreational Immunity
6 Statute enabling the Agency to implement the recreation permit WAC while meeting the
7 needs of the recreation community. The Recreational Immunity statute stipulates that if a
8 public or private landowner in Washington allows recreation on its land without charging a
9 fee, the entity is immune from certain liabilities. Several exemptions are included in the
10 WAC for what is not considered a fee. DNR pursued similar exemptions as other agencies
11 during the 2024 legislative session. The bill added processing fees for DNR's recreation
12 permits to the list of costs not considered a fee. The amendment reduces DNR's legal risk by
13 enabling the agency to charge fees and maintain immunity as granted by the statute. The bill
14 passed unanimously and was signed by the Governor in March 2024.
15

16 The project was initiated to develop a permit fee process. The purpose is to charge an
17 application fee for recreation permits to recover management costs associated with the event.
18 Staff is beginning to work on codifying the rule that recreation permits may be subject to a fee
19 followed by establishing a recreation permit schedule. Funds received from application fees
20 would recover program management costs. The funds would not fund any of the trusts. The
21 project will develop internal policies and procedures for recreation permit application
22 processing and management for a consistent and transparent permitting process and to provide
23 staff with the resources to manage the uses. The project relies on input from tribal partners,
24 other state land management agencies, representatives from recreation advocacy groups,
25 outdoor educators, search and rescue organizations, State of Washington Tourism Office, and
26 others. Stakeholder engagement will be ongoing throughout the project and will inform
27 components of the three deliverables and implementation strategy. The project includes
28 several interconnected work streams. In the next several months, agency staff will begin
29 efforts on the rulemaking process and in early 2025 the Board will receive a briefing on the
30 progress of the project and any requests requiring action by the Board. Staff will develop
31 internal guidance documents with a goal for implementation in 2025.
32

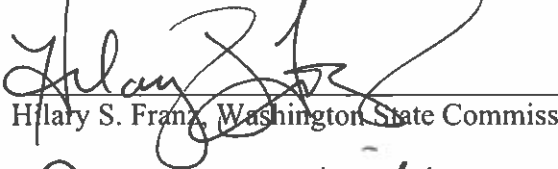
33 Mr. Coval invited questions. Several members spoke in support of the proposal
34

35 **ADJOURNMENT**

36 Vice Chair Janicki spoke to her concerns during public comments of some speakers
37 conveying some mean messages to staff, which was inappropriate. Work completed by staff
38 is directed by the Commissioner of Public Lands and the Board through various planning
39 activities that receive public input. To personalize some of the comments speaks to the
40 ugliness of what is occurring at the federal level. DNR employees should be immune from
41 that kind of pushback from the public especially during a Board meeting. All members of the
42 Board support and are appreciative of the amount of work completed by staff as well as the
43 increasing volume of preparation materials and time staff expends to ensure the Board is
44 prepared for each meeting.
45

46 With there being no further business, Vice Chair Janicki adjourned the meeting at 12:10 p.m.

Approved this 5 day of November, 2024



Hillary S. Franz, Washington State Commissioner of Public Lands




Jim Cahill, Designee for Governor Jay Inslee

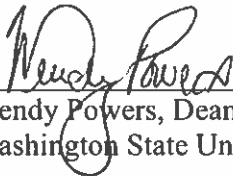
Chris Reykdal, Superintendent of Public Instruction



Lisa Janicki, Commissioner, Skagit County



Clare Ryan, Acting Director, School of Environmental and Forest Sciences,
University of Washington



Wendy Powers, Dean, College of Agricultural, Human, and Natural Resource Sciences,
Washington State University



Tami Kellogg, Board Coordinator