



Solutions Table Meeting Notes

August 29, 2018, 9:00-3:30, Port Townsend WA

The Solutions Table met for the third time on August 29, 2018 at Fort Worden in Port Townsend, WA. All members except for Hilary Franz (Commissioner of Public Lands) were present and participated. Ted Sturdevant served as alternate for Commissioner Franz. Agenda items included the following.

- Update on work to date and confirmation of Solutions Table mission statement
- Developing a framework for discussion of potential solutions
- Brainstorming potential solutions and determining which to work on first
- Update on HB 2285 including upcoming draft report
- Public comment

Solutions Table members discussed their work and progress so far and confirmed the following mission statement: “Design achievable, implementable solutions that are in addition to whatever outcomes transpire from ongoing Board of Natural Resources decision processes related to the marbled murrelet, and which lead to: improved survival and recovery potential for the marbled murrelet; additional stable and sustainable revenue to beneficiaries; and growth of timber-related jobs in rural communities through for example enhanced forest management, sustainable harvest, and value-added in-state timber processing.” They again affirmed that the Solutions Table process is separate from the ongoing BNR decision processes and would be oriented towards “more” in all three areas rather than trying to “make up” or “mitigate” the specifics of eventual BNR decisions. They also confirmed that Solutions Table members would continue to engage, and advocate for their individual interests, in the BNR decision processes. No specific comments or discussion were offered on the operating agreements and these will be confirmed (or revised as needed) at a subsequent meeting.

Solutions Table members discussed the utility of a framework for discussing potential solutions. This was discussed not as a strict criteria-driven assessment framework, but rather a way to help Solutions Table members organize their thoughts and conversations about potential solutions and ensure all topics of interest are covered in discussions. They described the following framework elements.

- Murrelet survival and recovery potential (plus/minus/neutral)
- Additional sustainable and stable revenue to beneficiaries (plus/minus/neutral)
- Growth of timber-related jobs in rural communities (plus/minus/neutral)
- Feasibility/implementability (considering such things as legal and administrative requirements, level of support, confidence in success, and political support; also described as “straight face test”) (plus/minus/neutral)
- Cost (high/really high/medium/low) and who pays

- Timing, considering how quickly benefits are delivered, whether the solution is ready to go, and the timing relative to legislative session
- Does it fill a gap in knowledge or understanding (yes/no)
- Can it be evaluated/monitored for adaptive management (yes/no)
- How durable is it/ how long will it last/ what maintenance is required how often to sustain benefits

Solutions Table members observed and agreed that some of the framework elements are oriented toward understanding what a potential solution might do or achieve and other are oriented toward describing what a potential solution is and what might be needed to implement it. They also discussed that some framework elements, particularly feasibility/implementability were less defined than others and could mean different things to different people. They talked about using the framework elements to help guide discussions to ensure these differences are surfaced and talked about. One member suggested one logical way to categorize solutions into four categories – field work, forestry, acquisition, and supply agreements. Solutions Table members will test and continue to refine the framework in future conversations about individual potential solutions. The framework was not explicitly tested at the meeting.

Solutions Table members turned their attention to potential solutions. Each member wrote ideas for potential solutions on sticky cards. They each described their ideas / potential solutions as they placed the cards on the wall. The cards were then loosely organized by the facilitator to place like or related ideas together. (This organization is not final and will evolve as Solutions Table members continue to discuss and refine their ideas.) This resulted in the following list.

- Ideas to improve the value per volume of wood harvest, including:
 - Sort sales
 - Contract logging
 - More value-added processing eg, smaller-scale manufacturing, heat treating hemlock, tax incentives for wood use / processing, cross-laminated timber production and use.
- Increase volume and value from hardwood production and processing.
 - Hardwood use fair
 - [Also ideas under riparian and small-forest landowner]
- Value carbon or other ecosystem services (e.g., water?) to enhance trust income and pay for new acquisitions.
- Develop an oversight group for Olympic Experimental State Forest.
- Program pre-commercial and commercial in a more timely fashion.
- Accelerate creation of Marbled Murrelet habitat in set asides
 - Study existing age enhancing thinning projects (eg TNC) and partner for enhancing Marbled Murrelet habitat
 - Accelerate optimal habitat for Marbled Murrelet in low-value P-Stage stands located within special habitat areas of the Marbled Murrelet LTCs
- Accelerate gains in number of suitable trees, reaching the benefits of option F, while only adding new net conservation acres of option B
 - Develop suitable trees on 583,000 acres of existing conservation land
 - Artificial nesting platforms
 - Increase epiphytes in upper story of older conifers (drones)
- Riparian-related ideas
 - Utilize organizations like CMER (Cooperative Monitoring Evaluation and Research) for more extensive monitoring of streams.

- State investment to improve scientific review and analysis of non-terrestrial factors impacting Marbled Murrelet.
- Inventory-related ideas
 - Inventory of trees and occupied sites.
 - Understand habitat over multiple ownerships
- Management for forest fires
- Small Forest Land Owner-related ideas
 - Incentivize small woodland harvests and conservation through education and technical support program.
 - Enhance/improve small forestland requirements for Designated Forest land tax classification for commercial timber harvest
 - Improve small forest landowner participation to increase access to volume/production (legislative/budget).
- Acquisition and land-swap related ideas
 - Sell urban land holdings that have already been converted to buy more land.
 - Acquire agricultural and transitional lands for timber production (and water quality protection re estuaries)
 - Acquire agriculture lands (non-productive, willing seller) and convert to working forests
- Work with US Forest Service to place equal (or more) acres in active commercial forest production to offset conservation set asides.
- Facilitate strategic land swaps between encumbered state trust lands and national forests in Western WA
- Ideas related to increasing trust lands:
 - Add to DNR trust land base for more harvest/volume opportunities. Purchase private timber lands as they come up for sale
 - Create a stable fund for land acquisition to increase feasibility of bigger DNR land base
 - Legislation reforming the trust lands transfer program requiring no-net-loss of trust lands
- Adopt Department-wide plan to increase riparian thinning
- Incorporate riparian management zones as a solution or part of a solution; significant acreage and older trees; could landowner participation = value; selective hardwood removal to enhance corridors; provides large acreage of ok Marbled Murrelet habitat; increases edge effect and swamps predators; use of RMZ near smaller blocks could enhance block as marbled Murrelet habitat; and RMZ are everywhere so provide diffuse solution.
- Silviculture-related ideas
 - Reduce rotation age
 - Understand and improve mechanical and labor
 - Improved stock for planting
 - Maximize intensive management on existing “unencumbered” state trust lands
 - Higher volume of trees on smaller parcels
 - Tie any proposed management fee increase to performance and specific outcomes (volume, revenue, monitoring)
- Maximize revenue producing activity on other trust lands as an offset to losses on encumbered lands as a specific and deliberate strategy.
- Give DNR more modern asset management tools.
- Create a local option sales tax specific to qualifying rural counties that can be charged to non-residents to offset impacts.
- Develop permanent endowments for trust beneficiaries to offset loss of payments.
- Unitary pooled trust.
- Expand pooled trust concepts for predictable volume and revenue.
- Recreation fees / willingness to pay (voluntary)

- Ideas related to consolidation:
 - A tool for DNR to purchase more timberlands from private sector, keeping habitat acres in one block not in every sections of that trust. (Money would work.)
 - Consolidate scattered DNR ownership, create management efficiency.
 - Expand trust land transfer program

Due to time, there was not much discussion of the potential solutions although members did as some clarifying questions. As much as possible, these clarifications were added to the sticky cards. One discussion focused on ideas related to enhancing or creating marbled murrelet habitat, and it was clarified that there are both silviculture-related ideas designed to accelerate development of forest characteristics conducive to Marbled Murrelet nesting and ideas related to more active interventions (platforms, increase in epiphytes) designed to encourage successful nesting. The Solutions Table discussed focusing the discussion around understanding of the number of “suitable trees” for nesting as an alternative (or a complement) to areas of suitable habitat. This issue was not resolved and remains under discussion. The Solutions Table also discussed the ideas related to pooled or unitary trusts. Some Solutions Table members were very uncomfortable with these ideas and thought their potential unintended consequences made them inappropriate for further consideration. Solutions Table members discussed the need to fully vet all the solutions and to look carefully at any solution to ensure unintended / adverse consequences could be avoided. The Solutions Table discussed that the list of potential solutions is only an initial list, and that being on the list doesn’t guarantee that any potential solution will move forward in any way. Different Solutions Table members described different levels of comfort with other potential solutions – coming together around the idea that different potential solutions likely were troubling to different parties for various reasons. After discussion, no solutions were removed from the list.

Solutions Table members then worked in small groups made up of representatives of the different interests to identify which potential solutions to explore first. Each group had five votes. (DNR did not participate in this part of the exercise.) After voting, Solutions Table members discussed each of the potential solutions that received votes to clarify and work towards a clear next step. The results of this exercise are as follows.

- Ideas to improve the value per volume of wood harvest: Sort sales; Contract logging; More value-added processing eg, smaller-scale manufacturing, heat treating hemlock, tax incentives for wood use / processing; cross-laminated timber production and use AND Value carbon or other ecosystem services (e.g., water?) to enhance trust income and pay for new acquisitions
 - Discussion and next steps.
 - Jim will provide Information on an upcoming “alder field day” focused on increasing value will be provided.
 - Facilitators will work with Patricia, Lisa, Paula and DNR to organize a conference call (or other method) to provide more information on how valuing ecosystem services and carbon-related ideas might work was suggested.

- Pilot projects were mentioned as a possibility, but no specific next step was determined.
- Ideas related to accelerating creation of Marbled Murrelet habitat in set asides (Study existing age enhancing thinning projects (eg TNC) and partner for enhancing Marbled Murrelet habitat; Accelerate optimal habitat for Marbled Murrelet in low-value P-Stage stands located within special habitat areas of the Marbled Murrelet Long-Term Conservation Strategy) AND ideas related to accelerating gains in number of suitable trees, reaching the benefits of option F, while only adding new net conservation acres of option B (Develop suitable trees on 567,000 (formerly 583,000 acres of existing conservation land; Artificial nesting platforms; Increase epiphytes in upper story of older conifers (drones)
 - Discussion and next steps:
 - Facilitators will work with DNR and/or other experts to compile and provide information on what has been studied and is known about what works for enhancing nesting sites.
 - Facilitators will work with DNR and/or other experts to compile and provide information on the scale and locations of potential opportunities to enhance habitat / trees / nesting sites and describe what resources would be necessary to work on enhancements.
- Ideas related to silviculture: reduce rotation age; understand and improve mechanical and labor; improved stock for planting; maximize intensive management on existing “unencumbered” state trust lands; higher volume of trees on smaller parcels; tie any proposed management fee increase to performance and specific outcomes (volume, revenue, monitoring).
 - Discussion and next steps: Facilitators will work with DNR (and others?) to answer the question “what can you do to maximize production on the land base?” This should look at the number of unencumbered acres, the prescription for each, and how to maximize production.
- Small Forest Land Owner-related ideas: Incentivize small woodland harvests and conservation through education and technical support program; Enhance/improve small forestland requirements for Designated Forest land tax classification for commercial timber harvest; Improve small forest landowner participation to increase access to volume/production (legislative/budget).
 - Discussion and next steps: Facilitators will work with DNR (and others?) to understand what the potential impact of work with small forest land owners could be in terms of habitat and volume, including how much land is currently in this classification, what is currently being done for small forest landowners, and what could be done in terms of assistance, education, and/or tax or other incentives.
- Inventory-related ideas: Inventory of trees and occupied sites; Understand habitat over multiple ownerships.
 - Discussion and next steps. Facilitators will work with DNR (and others?) to prepare and distribute an updated on what is known now and how recent the data are is needed to include a discussion on the ongoing DNR asset audit, what it will provide, and how these inventory-related ideas might relate.
- Give DNR more modern asset management tools.
 - Discussion and next steps: Facilitators will work with DNR to explore and provide information on what it would be to use more modern asset management tools to develop and implement a deliberate strategy to increase revenue.
- Ideas related to consolidation: A tool for DNR to purchase more timberlands from private sector, keeping habitat acres in one block not in every sections of that trust. (Money would work.); Consolidate scattered DNR ownership, create management efficiency; Expand trust land transfer program.

- Discussion and next steps: Facilitators to work with DNR to compile and provide information on where parcels may not be provided their intended value because they are isolated from other parcels with the same goal and possible next steps to remedy.
- Ideas related to increasing trust lands: Add to DNR trust land base for more harvest/volume opportunities. Purchase private timber lands as they come up for sale; Create a stable fund for land acquisition to increase feasibility of bigger DNR land base; Legislation reforming the trust lands transfer program requiring no-net-loss of trust lands.
 - Discussion and next steps: Facilitators will work with DNR (and others?) to prepare and provide an update on what the encumbered lands working group is working towards and what it would take to achieve the projects they've identified. This should include consideration of how much money is needed and where funding might come from.

Solutions Table members looked at the potential solutions that were up voted and observed that the two issues when had the most energetic discussion earlier in the meeting (concepts related to pooled trusts and riparian) did not receive votes. They noted that these issues still need research and follow up to understand whether they might be productive for Solutions Table discussions.

They also noted the absence of any truly innovative alternative funding mechanisms for trust beneficiaries, and described this as a gap in the potential solutions. One Solutions Table member noted that a potential solution from the July meeting (direct funding for essential services for counties) hadn't been added to the wall for consideration. This was an oversight. Additional ideas from the July Solutions Table meeting that were unintentionally not included on the wall during the August meeting will be added to the list of potential solutions for future consideration. These included: learning from other multi-benefit, incentive-based programs targeted at land owners (the Conservation Reserves Enhancement Program was mentioned); learning from work in other states (the Oregon sustainable harvest process was mentioned); addressing non-supply related factors that may suppress timber-related jobs (unemployment insurance for seasonal workers was mentioned); and alternative funding mechanisms for local government financial security and essential services.

DNR provided an update House Bill 2285 and the Solutions Table. An draft initial report is due in September 2018. The initial report will describe the work of the Solutions Table to date and outline DNR's plans and methods for the economic analysis. Solutions Table members will be provided a draft for fatal flaw review early next week – the turnaround time will be short.

Public comment was offered by five commenters. Comments included: support for discussion of value-added provided it includes the understanding that simply adding value is not a substitute for harvest, but still requires trees to be cut; requests that Solutions Table members use care in their words and respect the dignity of timber workers; observation that the Solutions Table is to come up with ideas to mitigate impacts associated with the LTCS for Marbled Murrelet and those impacts would begin to be felt as early as next year, important to look at the assignment given in HB 2285 and complete it; flag of concern on the discussion of the trust lands transfer program and the complexity and importance of squaring different impacts to different junior taxing districts when land is transferred; an observation that restrictions on harvest in unoccupied habitat has day-to-day impacts on residents in terms of both livability and essential services and a

suggestion to advocate for reforms to the Endangered Species Act; and thanks to Solutions Table members for their work and openness and offering encouragement to continue.

The next Solutions Table meeting will be scheduled for early to mid October. Solutions Table members discussed ideas for the next meeting location and expressed desire for some time together in the woods. Forks was discussed as a future meeting location, and there was also discussion of finding more central locations for Solutions Table meetings; Olympia, Centralia, and the Kitsap Peninsula were mentioned.

Revised draft prepared by facilitator after discussion at 7/6/18 Solutions Table meeting; accepted by the Solutions table on 8/29.

Revised Draft Mission

Design achievable, implementable solutions that are in addition to whatever outcomes transpire from ongoing Board of Natural Resources decision processes related to the marbled murrelet, and which lead to: improved survival and recovery potential for the marbled murrelet; additional stable and sustainable revenue to beneficiaries; and growth of timber-related jobs in rural communities through for example enhanced forest management, sustainable harvest, and value-added in-state timber processing.

Draft Operating Agreements (unchanged from 7/6 version)

- The Solutions Table is examining available information and looking for win-win-win opportunities.
- The Solutions Table does not replace existing ongoing decision processes; members will continue to advocate for their interests in those processes. The Solutions Table is separate from these other processes.
- Participants are respectful of one another and of each other's ideas.
- Each person acknowledges and values each other person's knowledge, experience, and expertise; participants expect to learn from one another.
- Participants welcome openness and the opportunity to hear the old hurts and surface disagreements; they do not take old hurts or disagreements personally; they seek to understand.
- The Solutions Table is a safe space for creative ideas to be surfaced and discussed in an atmosphere of trust and exploration as a group and without fear of repercussions.
- The facilitator is a neutral third party.