



Solutions Table Meeting Notes

October 18-19, 2018, Ellsworth Creek Preserve and Raymond, WA

The Solutions Table met for the fourth time on October 18 and 19 in southwest Washington. On October 18, The Nature Conservancy hosted a tour of the Ellsworth Creek Preserve. All members except for Travis Joseph (AFRC), Brian Sims (WSSDA), Jim Sayce (Pacific County Economic Development), Paul Jewell (Washington Association of Counties), and Dan Cothran (Wahkiakum County Commissioner) were present and participated. On October 19, the Solutions Table met in Raymond. All members except for Travis Joseph (AFRC) and Jim Sayce (Pacific County Economic Development) were present and participated. Agenda items on the 19th included the following.

- Checking in on progress to date
- Potential opportunities related to habitat acceleration
- Potential opportunities related to increasing value
- 2019 legislative session and possibility of recommendations
- Public comment

October 18

The Nature Conservancy hosted a tour of the Ellsworth Creek Preserve, which is adjacent to the Willapa National Wildlife Refuge. The preserve is nearly 8,000 acres and is in a mix of forest growth situations, with some old growth and documented marbled murrelet nesting and presence. TNC manages the Ellsworth preserve to accelerate emergence of forest structure for murrelet habitat and study the effects of restoration silviculture. This involves different types of commercial thinning and logging in forest stands. Kyle Smith and David Rolph from TNC described the work at Ellsworth and Solutions Table members visited three treatment sites, including one site adjacent to murrelet nesting habitat. The US Fish and Wildlife Service Willapa National Wildlife Refuge staff works with TNC to design the forest treatments to maximize benefits to murrelet and to minimize potential adverse effects from disturbance. Ongoing operations at the Ellsworth Creek preserve are self supporting within TNC, meaning that revenue from the forest treatments fully funds TNC's efforts including forest roads and preserve administration. At one point, logging at Ellsworth made TNC one of the largest employers in Pacific County.

October 19

The Solutions Table began with a brief discussion of their work to date. Key achievements so far include: beginning the process of understanding one another's perspectives ("walking in each other's shoes"), developing a mission statement and operating agreements, developing an initial working list of ideas/potential solutions (this list may be refined and added to throughout the Solutions Table process), and identifying some ideas/potential solutions to begin discussing first.

Solutions Table members reiterated that ideally solutions would benefit two or more interests at the same time, but that they also would need to be open to packages of solutions that were more specifically focused on an individual interest, but taken together, addressed all three. Several ideas were briefly discussed to add to the list. These ideas were not discussed in any detail and, as with other ideas on the list, their addition to the list means they have been suggested for consideration, not that any decisions have been made about them.

- Consider dedicating the revenue from the common school trust to rural schools as a statement of connectivity between forest practices and the health of rural communities (this wouldn't change the total amount of money to each school district, only shift the source).
- Add consideration of the market status to DNR timber sales, and time sales to best take advantage of markets.
- Ensure DNR has modern land portfolio management tools.

Habitat Acceleration

Solutions Table members turned their attention to discussion of ideas related to habitat acceleration. Will Ritchie, US Fish and Wildlife Service Willapa National Wildlife Refuge Biologist, and David Rolph from TNC provided expertise to help with Solutions Table discussions. The discussion began with Solutions Table members noting what they most notice or took away from the Ellsworth Creek tour. Observations included:

- You can have a large piece of land where the primary purpose is to benefit marbled murrelet but where you also generate jobs and revenue.
- Helpful that the different approaches to restoration silviculture/ thinning are being carefully tracked and monitored so we can learn about what works and adjust into the future. Good to see demonstrated that there are things we can do to benefit everyone.
- The number of jobs created and the opportunities and benefits for skilled forest workers. The fact that because harvest takes place in the winter (when many other landowners are not working in the forest because of weather), jobs are available at times when they are particularly needed.
- The way that sort sales and market timing increased revenue (it also increased management burden).
- Overall economics of the work and that the labor-intensive approach to thinning did not preclude generating revenue, and it increased jobs.
- Overall creativity of the approach.
- The high-quality of the forest roads. (TNC confirmed they invest a lot in high-quality roads and that some road construction in some places on the preserve is partially funded through grants.)
- In places where treatments are done you get some level of stacked benefits.

Solutions Table members asked how much revenue TNC generates per year at Ellsworth. The amount varies depending on the amount of logging. Some years there is no logging, and the preserve is funded through the reserve account. (The reserve account holds revenue from logging at Ellsworth.) Other years revenue can be as high as \$500,000.

Solutions Table members asked if the type of restoration silviculture and thinning done at Ellsworth to accelerate emergence of murrelet habitat has been shown to work. It is believed

that this work will benefit murrelets in a number of ways including: the thinning can help remaining trees and branches develop faster, increasing forest structure more quickly; by introducing light and space, it can promote more rapid and increased layering and understory in the forest; by letting in more light, it can increase epiphyte production; and, it can create flight paths and improve murrelet access to suitable sites. These are newer approaches and while they have been being tried and are being studied over the past five to ten years, because forest systems are slow growing, results will take time to fully understand. TNC is planning to resurvey Ellsworth to understand how the activities it has undertaken have affected the forest and murrelet populations when funding for the monitoring efforts is available. Solutions Table members asked if timber workers could be trained to carry out the monitoring. Both Dave Rolfs and Will Ritchie indicated that should be a possibility given timber workers familiarity with forest systems and the fact that there are established protocols. Dave Rolfs also clarified that TNC undertook the preservation at Ellsworth for multiple reasons including significant benefits to salmon recovery, and that TNC would have been unlikely to purchase the preserve solely for murrelet benefit.

Solutions Table members were interested and energized by how restoration forestry approaches might provide multiple benefits for timber-related jobs, timber value and volume, murrelet habitat, and revenue to beneficiaries. They discussed needing an analysis of where (locations, numbers of acres) these approaches might be applied in the affected counties and what benefits might be seen in terms of jobs, revenue, and murrelet habitat and comparing those outcomes to what would be affected under the traditional approach. The hypothesis is that by applying restoration forestry appropriately, DNR could generate jobs and revenue in areas that are not planned for harvest (i.e., inside the Long-Term Forest Cover), while at the same time improving habitat for murrelet in those places. Similarly, it may be that applying restoration forestry appropriately in some areas currently planned for harvest could generate a similar (or greater) number of jobs and amount of revenue than under the traditional approach. More information is needed to evaluate these ideas. The idea would be to place the habitat acceleration work in the communities where it could most make a difference in terms of rural jobs and revenue to beneficiaries, as well as for murrelet. DNR committed to working on an analysis to inform Solutions Table discussions.

Solutions Table members asked whether restoration silviculture is included in the draft plans under discussion with the US Fish and Wildlife Service. DNR explained that to date, USFWS has expressed concern about disturbance to murrelets from restoration silviculture, and that the current drafts do not specifically address restoration silviculture to accelerate habitat development. The Solutions Table was concerned about this and discussed writing comments on the RDEIS to suggest restoration silviculture in appropriate places (i.e., outside the buffer zone around occupied sites, outside the nesting window). DNR suggested that it should first explore the issue within the Agency and with USFWS and report back.

Nesting Platforms and Epiphytes

The Solutions Table then began to discuss other ideas / potential solutions in the habitat acceleration category. With respect to artificial nesting platforms, Will Ritchie explained that there are many challenges associated with artificial nesting platforms including – creating a platform that effectively mimics a natural nesting site, attracting birds to the platforms, placing enough platforms to make a difference, and monitoring to understand efficacy. The Solutions

Table discussed this idea further and generally discussed that it might be a candidate to advance for further study, however were overall less interested in it than the better understood habitat acceleration management activities. The Solutions Table also discussed epiphytes. Will Ritchie explained that epiphytes are helpful to murrelets because they help branches appear larger and may increase their suitability for nesting. Epiphytes might be grown in laboratories or greenhouses for out planting in suitable trees. Challenges include growing the epiphytes and the mechanism for out planting. The Solutions Table remained somewhat interested in epiphyte out planting as part of a habitat acceleration study. The Solutions Table also discussed monitoring and experimenting with habitat acceleration techniques, and more generally, how trial and adaptive management should be incorporated into any effort.

Revenue for Beneficiaries

Solutions Table members representing counties asked when discussions were going to turn towards increasing revenue to beneficiaries. They reiterated that the impacts to counties are real and are already being felt under the interim strategy – and that real action is needed to address this. Solutions Table members acknowledged and embraced this need and decided to focus the December meeting on ideas/ potential solutions related to beneficiary revenue, including: ideas emerging from the Encumbered Lands group, ideas related to land acquisition and land swaps (growing the land base), land portfolio management, maximizing value from harvest actions, and other ideas. Dan Cothran and Brian Sims briefly discussed the Encumbered Lands group work and the ongoing discussions between county and school beneficiaries oriented towards finding an approach that adds value to both the counties and the schools. There may be suggested actions emerging from this conversation that could be taken up by the Solutions Table.

Contract Logging/Sort Sales

Kristen Ohlson-Kiehn (DNR) briefly described the DNR program for contract logging/ sort sales. Under this program, DNR contracts for the harvest directly with loggers, the timber products are sorted into different categories, and DNR sells these “sorts” directly to mills. Potential advantages of this program is that it can generate, on average, 10 percent more revenue per sale and turn the revenue around quickly. Constraints include higher administrative and compliance workload for DNR. In addition, not all market conditions are conducive to making contract logging more profitable – it works in some places but will not work in all places. DNR is authorized to use contract logging for up to 20 percent of annual timber sales volume but usually uses it for only 8-13 percent of timber sales volume. The Solutions Table remains very interested in contract logging and sort sales where they would be successful to increase revenue to beneficiaries. DNR will determine what where contract logging might be helpful in the affected counties and what additional resources it would take for the Agency to increase contract logging up to 20 percent.

Ecosystem Services and Carbon

Paula Swedeen kicked off a conversation about ecosystems services and carbon. Paula and other representatives from the environmental community are interested in exploring whether credits for ecosystem services and/or carbon sequestration might be a way to generate revenue for beneficiaries from lands set aside for murrelet habitat. Solutions Table members are interested in exploring this possibility. DNR described that they are already exploring forest carbon because it is an emerging direction for which it wants to be ready to take advantage. They can provide an update on their efforts and the potential amount and timing of revenue at a future Solutions Table meeting if that would be helpful. Solutions Table members acknowledged that ecosystem

services and carbon credit would not directly address interests around timber volume; however, they could potential create a revenue stream from murrelet habitat land where revenue was not otherwise anticipated.

2019 Legislative Session

The Solutions Table discussed whether and how they might come together around recommendations for the upcoming legislative session. Solutions Table members had a mix of perspectives on this. Some felt that discussions are not far enough along to enable recommendations; others, while acknowledging that it is still early in the process, expressed more interest in identifying recommendations. Solutions Table members who were in favor of developing recommendations suggested that there might be some smaller ideas that could realize early benefits. They suggested looking for ideas that are sufficiently far along that they could realistically happen, where there is some ongoing momentum, and around which Solutions Table members could converge. Support for outcomes from the Encumbered Lands group was mentioned as a possibility, as was better portfolio management tools for DNR, funding to study effects of existing habitat acceleration projects (such as Ellsworth), and accelerating (where appropriate) contract logging. At the end, all Solutions Table members were willing to engage in another discussion to identify if recommendations could emerge. DNR will identify ideas / potential solutions from the list that could be good candidates. Other Solutions Table members were also asked to bring forward ideas that seem like good candidates for this report.

Public Comment

Three members of the public offered comments. One commenter used the Clallam Bay timber block in Clallam County and fire district 5 (one of the junior taxing districts) to illustrate the real challenges facing junior taxing districts facing reduced revenue from set asides for murrelet in their areas. Significant portions of the Clallam Bay Block may be set aside for murrelet and the question was asked: how to keep junior taxing districts whole in light of the specific impacts of these set asides on specific land bases and junior taxing districts. Another commenter discussed changes in timber harvest volumes from DNR lands from 1966 to 2017 and encouraged the Solutions Table to think big about solving problems before them and not to underestimate the power or opportunity in diverse interests coming together to make change. A final commenter noted that as the Solutions Table gets more into the details of ideas/potential solutions, they may need considerable additional expertise in things like (for example) forest markets, timber harvest, junior taxing districts and how revenue gets to beneficiaries, logging, and other areas. This expertise will be important to the Solutions Table's ability to develop ideas that can really make a difference on the ground. One person who could not be at the meeting provided written comments, which are attached.

Next Meetings

The next Solutions Table meeting will be by conference call and will focus on the draft Economic Analysis associated with HB 2285, it will be scheduled for early November. The next in-person Solutions Table meeting will be scheduled for early December and will be in Olympia. Discussion will focus on ideas related to improving the amount and stability of revenue to beneficiaries. In addition, there will be a discussion of ideas from this meeting, and on recommendations the Solutions Table might want to make going into the 2019 legislative session.

WDNR – Solutions Table on Marbled Murrelet Committee

My Public Comments to the Solutions Table Committee Meeting 19 October 2018

I would ask the committee to consider and attempt to come up with a solution to address what appears to be an unidentified economic impact to my county: Road system within designated unoccupied habitat determined to be essential for Marbled Murrelet recovery actions.

Along with what the committee might identify in such techniques as your previous meeting “Post-it Notes on the wall” exercise, I would like to suggest the inclusion of the following road system issue. I have identified this issue on a local Clallam County scale but haven’t seen discussed in the Marbled Murrelet ESA delisting process.

Of the areas of trust lands that are currently deferred from harvest for the purpose of Marbled Murrelet the topic of road infrastructure within those deferred “zones” is not openly identified who will be the “responsible financial party” for either the continued maintenance or abandonment (thinking RMAP principals) of such road networks **within the zone**. Who pays for these roads with the current Murrelet deferments and into any amendment of the HCP for Marbled Murrelet? Likely the presumption will be a reduction in the harvest revenues distributed to my county. If captured under the 25% state administrative “fee” applied to sales in the basin, remember this too will be an encumbrance on my county because the allowance is UP TO 25% for administration of the program, and road maintenance for encumbered lands where no fiduciary benefit occurs by tapping the revenues off lands that aren’t encumbered when not a choice made by the beneficiary.

There are also roads that fit this scenario that in addition also provide trust management access through the zone to adjacent and basin-reach State Forest Transfer trust lands and would very likely be impacted with such a financial responsibility in considering road abandonment (think about buffer zones and a newly introduced “Security Forest” designation that is in conflict with a road or road use activity presence to be able to get to those trust lands outside the zone). And also think about if new roads would need to be constructed but incur a higher cost because of the desire to keep the road out of the zone results in a solution that routes the road in a more difficult or expensive manner; the added burden of that cost.

A solution needs to be developed that addresses an unforeseen added expense to my county, or you might call it an unfunded mandate for another “benefit” especially when it comes to unoccupied habitat. Please be careful if the immediate response is the county and its junior beneficiaries shares the ESA responsibility; just what level of financial responsibility does it share alone?

Thank you,

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