
Minutes

Special Board of Natural Resources Meeting

October 17, 2016

Natural Resources Building, Olympia, Washington

BOARD MEMBERS PRESENT

The Honorable Peter Goldmark, Washington State Commissioner of Public Lands

The Honorable Bill Peach, Commissioner, Clallam County

The Honorable Randy Dorn, Superintendent of Public Instruction

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

Thomas H. DeLuca, Director, School of Environmental and Forest Sciences, University of Washington –
via conference call

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

CALL TO ORDER

1 Chair Goldmark called the meeting to order at 9:00 AM.

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4 All Board members introduced themselves. Chair Goldmark noted there was a quorum for the
5 meeting with Director DeLuca participating via phone.

6
7 Chair Goldmark remarked that the Board is very determined to continue its work with the long-
8 term conservation strategy and the sustainable harvest calculation.

SAFETY REVIEW

9
10 Ms. Vansot gave a safety overview and instruction on evacuating the building in case of an
11 emergency.
12
13

PUBLIC COMMENTS FOR CHAIR REPORT

14 Brian Garrett, representing the Port Angeles Business Association, spoke about the duty of the
15 Department regarding the arrearage and the 92 MMBF not harvested in Clallam County. Mr.
16 Garrett asked the Board to report on the timber sales volume not harvested in the riparian areas
17 and explain the reason why.
18
19

20 Randy Bartelt, Log Buyer with Port Angeles Harwood and Commissioner with the Washington
21 Hardwood Commission, spoke about the past decadal arrearage as it related to the riparian zones
22 and its effect on their mills. Mr. Bartelt urged the Board to select a scenario that maximizes
23 harvest within the riparian management areas.
24

1 Joe Monks, Vice Chairman of the Washington Hardwoods Commission, spoke about the impacts
2 of riparian harvest on the Sustainable Harvest Calculation. Mr. Monks asked about the two
3 harvest options DNR staff provided. He questioned if they meet the intent of the riparian
4 management expectations of the HCP and if they align with the fiduciary obligation for the
5 Department to the trust beneficiaries.

6
7 John Anderson, employee of Northwest Hardwoods, spoke about the riparian harvest. Mr.
8 Anderson stated that Northwest Hardwood is dependent on DNR timber volume. He encouraged
9 the Board to do active management in the riparian areas.

10
11 Mary Bond, representing the Seattle Audubon, asked the Board to consider enacted buffers for
12 the marbled murrelets as they consider the sustainable harvest calculation, and asked the Board
13 to plan now for the increasing impacts climate change will have on riparian areas in our state
14 forest.

15
16 Arianne Jaco, representing the Washington Environmental Council, spoke about the Sustainable
17 Harvest Calculation (SHC). The Sustainable Harvest Calculation should be conservative to
18 reflect the riparian logging limitations. Ms. Jaco recommended that the Board consider an
19 alternative that features no logging in riparian buffers and the minimal economic benefit in
20 harvesting in riparian buffers.

21 **CHAIR REPORT**

22 **Marbled Murrelet Long-term Conservation Strategy**

23 Kyle Blum, Deputy Supervisor for State Uplands

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25
26 The topic of Mr. Blum's presentation was scenario volumes for riparian thinning options, similar
27 to what he has previously done with arrearage and marbled murrelet options. He once again
28 began by reiterating the Board's trust mandate.

29
30 For context, Mr. Blum noted that the Department has only harvested approximately 10% of what
31 was projected for riparian harvest in the past 10-year period. He showed that harvests have been
32 on an upward trend in recent years however, following the economic downturn that had occurred
33 shortly after the Riparian Forest Restoration Strategy adoption.

34
35 Riparian harvest levels are closely tied to costs. Mr. Blum shared the costs that went into the
36 model. Direct and indirect costs were slightly higher for riparian thinnings than either variable
37 retention harvests or non-riparian thinnings, due to extra field work that's required in setup and
38 compliance.

39
40 Mr. Blum then described the riparian scenarios under consideration. First he made clear that
41 riparian management for OESF follows the recent OESF Land Plan for both scenarios. For the
42 rest of the planning area, two variations were analyzed. One option allowed the model to harvest
43 1% of the number of acres of upland harvest. The second option allowed the model to harvest
44 10% of riparian land base.

45
46 The scenario harvest levels for the two scenarios showed very little difference. A slight
47 difference in decades 3, 4, and 5 was present. Mr. Blum explained the small difference by

1 showing the actual number of acres harvested. Despite the 10% of Riparian Land Base option
2 allowing approximately 35,000 additional acres for thinning, the model only chose to harvest
3 approximately 10,000 additional acres.

4
5 Because the model chose not to harvest the full allowable limit, a third model run was completed
6 that forced the model to harvest the full 10% of the riparian land base. That run showed that for
7 both decade 1 and for the entire 10 decade period, directing the model to harvest the entire
8 allowable level, the NPV went down. Over the 10 decade period, total volume harvested also
9 went down. One reason for this is because the Department can only do one entry into a riparian
10 area before the stand meets or is on a trajectory to meet desired future conditions. During the
11 initial scenario run it postponed some harvests until areas had grown more and were optimized
12 for harvest. Forcing the model to harvest sooner reduced the efficiency.

13
14 Mr. Blum then summarized the three scenario presentations that he had presented over the last
15 few months. For each variable he shared the range between its scenarios. Between the marbled
16 murrelet scenarios there was a range of 98 mmbf/year, 21 mmbf/year between the arrearage
17 scenarios, and 5 mmbf/year between the riparian scenarios.

18
19 Dean Mittelhammer restated, to clarify, that the take away from the presentation was that
20 maximizing the 10% of riparian land base did not seem like a reasonable option, due to the lower
21 volume and lower NPV it produced. Mr. Blum agreed, but added that the numbers are so closely
22 tied with cost and NPV assumptions that some may want to dig further into the model before
23 agreeing.

24
25 Dean Mittelhammer then asked Mr. Blum when, now that they've seen these variables separated,
26 they would see all these moving parts put together. Mr. Blum responded that by possibly
27 December the SHC alternatives could be presented which show the interaction between the
28 variables. If the Board would like additional combinations of interactions, Mr. Blum stated that
29 staff could generate and provide them.


30
31 Superintendent Dorn asked about the projection of the hardwood industry market. Mr. Blum was
32 unable to respond specifically, but noted that the Department has been planting more hardwoods
33 because the demand seems to be there.

34
35 Dean Mittelhammer then asked about evaluating alternatives at the trust level. Mr. Blum
36 reemphasized that the Board's obligation is to make a decision in the best interest of each of the
37 beneficiaries they are responsible for. Dean Mittelhammer noted that optimizing the return to
38 each beneficiary might not be possible. Director DeLuca added that it is not required to optimize
39 the decision for each beneficiary, only to be beneficial. Mr. Blum reminded everyone that the
40 HCP was not equally beneficial for every beneficiary, but that it was determined that the
41 adoption was better for everyone, relative to not adopting it.

42
43 Chair Goldmark asked about November and future timelines. Mr. Blum stated that the DEISs
44 will be released on December 2 and undergo a 90 day public comment period. Comments will be
45 gathered, and the Department will respond to those comments. A final EIS will then need to be
46 crafted. The board will then need to pick their preferred course of action. It is at the Board's

1 discretion when they want to pick their preferred course of action. Mr. Blum has kept November
2 open, and asked the Board for what they would like to see.
3
4 Dean Mittlehammer asked about quantifiably articulating what it means to be in the best interest
5 of the beneficiaries, and let the model use that as a tool to help inform the decision. Mr. Blum
6 referenced the Policy for Sustainable Forests as a place where an attempt has been made to
7 define those terms.
8
9 Chair Goldmark asked to see assumptions behind NPV, and NPV for the marbled murrelet
10 scenarios at the November meeting. The Board agreed with this request.
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12 Meeting adjourned at 10:07 AM.

Approved this 10th day of December, 2016



Peter Goldmark, Washington State Commissioner of Public Lands

present

JT Austin, Designee for Governor Jay Inslee

via conference call

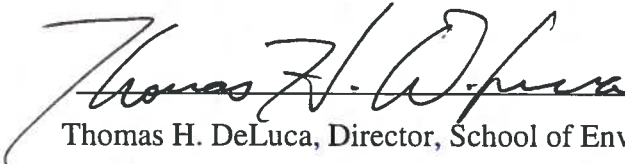
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Thomas H. DeLuca, Director, School of Environmental and Forest Sciences,
University of Washington

Attest:



Sarah Vansot, Board Coordinator

