

DEPARTMENT OF NATURAL RESOURCES

FOREST PRACTICES DIVISION 1111 WASHINGTON STREET OLYMPIA, WA 98504-7012

360-902-1400 FPD@DNR.WA.GOV WWW.DNR.WA.GOV

August 31, 2018

TO:

Forest Practice Board members

FROM:

Joe Shramek, Forest Practices Division Mana

SUBJECT:

July - August 2018 progress on developing water typing rule materials and

validation study design for the Forest Practices Board

This memo summarizes work conducted in July and August 2018 to assist the Forest Practices Board (FPB) in its consideration of adopting a permanent water typing rule. This memo complements updates provided to the FPB at the August 8, 2018 regular meeting. Staff is working to implement FPB decisions made at the February 14, May 9 and August 8, 2018 meetings. Work is underway to provide information prior to the May 8, 2019 meeting to help the FPB decide whether to initiate formal rulemaking.

Oversight of this project is being provided by Assistant Division Manager Marc Engel, who is serving as DNR's point-of-contact for TFW caucus representatives interested in, or engaged with, the work.

Related to this effort is a separate FPB-directed project, overseen by Adaptive Management Program Administrator (AMPA) Hans Berge, to develop a potential habitat break (PHB) validation study design for the FPB's consideration. The AMPA is working to provide the study design, including completed independent scientific peer review (ISPR), at the Board's November 2018 meeting.

The overall plan includes development of four major, inter-related components:

- Administrative rule
- Preliminary cost-benefit analysis, including economic analysis on small business
- State Environmental Policy Act analysis
- Board manual technical guidance (Section 23)

Status of water typing rulemaking work accomplished in July-August 2018:

Administrative rule

• There were no stakeholder meetings to review draft language during this time period. Following direction provided at the FPB's August 8th meeting, staff will meet in September with the tribes and industrial landowner caucuses to verify that their respective PHB options are correctly identified. When this has been completed, DNR will

schedule additional meetings with stakeholder representatives for September and October 2018.

Preliminary cost-benefit analysis, including economic analysis on small business

- The economist advisory working group met on July 31st and August 28th. The group agreed to a charter and continued to focus on the elements to be evaluated in the cost benefit analysis. The working group plans to meet every six weeks through December 2018.
- DNR is procuring contracted technical economist services to assist in the cost-benefit analysis. Two bids were received and DNR conducted interviews in August. The contract is expected to executed by September 14, 2018. The contractor will work under the lead of DNR's economists, with overall supervision provided by Marc Engel.
- Needed "end of fish" data were provided to DNR in July 2018 through the expert PHB science panel. DNR intends to have the resulting GIS analysis finished by mid-September 2018 and ready to be provided to the economist contractor for its analytical work.

State Environmental Policy Act analysis

- DNR anticipates initiating the preliminary SEPA analysis in September 2018 after receipt of information that will come from the early cost-benefit analytical comparisons of PHB options. The actual SEPA checklist will be finalized and made available for comment once the Board issues a CR-102, which is anticipated to occur in May 2019.
- General sharing of the pre-checklist environmental information may occur in October 2018.

Board manual technical guidance (Section 23)

- The board manual guidance stakeholder group met on July 3rd and 24th to review and discuss draft guidance.
- Efforts are underway to develop guidance about the "anadromous fish floor" (AFF).

Status of PHB validation study design work accomplished in July-August 2018:

At the May 9, 2018 meeting, the FPB approved funding to conduct a "proof-of-concept" pilot study to be used to inform the validation study. Conduct of the validation study is anticipated to span a number of years.

Pilot study

The purpose of the PHB Pilot study is to evaluate elements of the study design and determine if they will work across a complexity of sites in eastern and western Washington. The field portion of the pilot study has been completed at sites in both eastern (14 sites) and western (16 sites) Washington, and the data are currently being analyzed by the project team. The results of the pilot study will be presented to the Board at the November 14, 2018 meeting.

Validation Study Design

The study design is in review at ISPR and, following approval, will be presented to the Board at its November 14, 2018 meeting. If any changes to the PHB study occur as a result of the pilot study, they will be presented to the Board.

As always, please feel free to contact me if you have questions or would like to discuss any aspect in more detail.

Marc Engel, DNR Forest Practices Assistant Division Manager for Policy and Services
Hans Berge, DNR Adaptive Management Program Administrator
Donelle Mahan, DNR Forest Practices Assistant Division Manager for Operations