
Minutes

Board of Natural Resources Meeting

January 7, 2014
Natural Resources Building, Olympia, Washington

BOARD MEMBERS PRESENT

The Honorable Peter Goldmark, Washington State Commissioner of Public Lands

The Honorable F. Lee Grose, Commissioner, Lewis County

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

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

BOARD MEMBERS ABSENT

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

The Honorable Randy Dorn, Superintendent of Public Instruction

1 **CALL TO ORDER**

2 Chair Goldmark called the meeting to order at 9:00 AM. All board members introduced
3 themselves. Chair Goldmark noted there is a quorum for this meeting, with Dean Mittelhammer
4 participating via conference call.

5
6 **SAFETY REVIEW**

7 Ms. Vansot gave a safety overview and instruction on evacuating the building in case of an
8 emergency for the audience and board members.

9
10 **APPROVAL OF MINUTES**

11 Chair Goldmark called for approval of the minutes for the December 3, 2013 Regular Board of
12 Natural Resources Meeting.

13
14 **MOTION:** Commissioner Grose moved to approve the minutes from the December 3, 2013
15 meeting.

16
17 **SECOND:** Director DeLuca seconded the motion.

18
19 **ACTION:** The motion was approved unanimously.

20
21 **PUBLIC COMMENTS FOR TIMBER SALE ACTION ITEMS**

1 No comments

2

3 **TIMBER SALES (Action Item)**

4 **Proposed Timber Sales for February 2014| 3 Handouts, including the presentation**

5 Paul Bialkowsky, Product Sales & Leasing Division

6

7 The results of the December auctions were presented to the board by Mr. Bialkowsky. The
8 Department offered 9 sales totaling 27.4 mmbf in December. Of those offered, all 9 were sold
9 totaling \$11.2 million, for an average of \$408/mbf.

10

11 Mr. Bialkowsky remarked that bidder interest remains high with some sales receiving 5 or 6 bids
12 and an average of 3.7 bidders per sale. He noted that strengthening lumber and log prices are a
13 result of continued export demand, and that the export market is providing a strong floor to log
14 prices.

15

16 Commissioner Grose inquired about the asterisk on the sale results labeled "FSC". Mr.
17 Bialkowsky explained that all department timber sales are certified under the Sustainable
18 Forestry Initiative certification standard and sales in the South Puget Planning Area are also
19 certified under the Forest Stewardship Council standard, and the asterisk denotes these sales.

20

21 The proposed February sales were then presented to the board. The department proposes to offer
22 11 sales in February, totaling 51.0 mmbf. The appraised value of these sales is \$14.6 million, for
23 an average of \$286/mbf.

24

25 Mr. Bialkowsky asked for approval of the proposed February 2014 sales.

26

27 MOTION: Commissioner Grose moved to approve the proposed February 2014 sales.

28

29 SECOND: Dean Mittelhammer seconded the motion.

30

31 ACTION: The motion was approved unanimously.

32

33 **PUBLIC COMMENTS FOR BGN ACTION ITEMS**

34 Ms. Stephanie Martin, representing the Maka Tribe, commented on the spelling of the Tsoo-Yess
35 River and its associated landmarks. Ms. Martin stated that the Maka Tribe would like the
36 spelling to be consistent with the language that is within the 1855 treaty and the true Maka name.

37

38 Chair Goldmark adjourned the Board of Natural Resources Meeting and he convened the Board
39 on Geographic Names.

40

41 **BOARD ON GEOGRAPHIC NAMES ACTION ITEMS| 1 Handout**

42 Caleb Maki, Executive Secretary, Board on Geographic Names

43

44 Mr. Maki presented the following proposals, recommended by the Committee on Geographic
45 Names, for consideration to the Board on Geographic Names:

46

47 **Name Proposal: Ev Henry Point, Jacobson Creek, and Tsoo-Yess River**

48 MOTION: Commissioner Grose moved to approve.

1 SECOND: Dean Mittelhammer seconded the motion.

2 ACTION: The motion was approved unanimously.

3

4 **Name Change: Sooes to Tsoo-Yess, Tsoo-Yess Beach, and Tsoo-Yess Peak**

5

6 Mr. Maki requested approval for a “No Opinion”.

7

8 MOTION: Director DeLuca moved to approve a “No Opinion”.

9 SECOND: Commissioner Grose seconded the motion.

10 ACTION: The motion was approved unanimously.

11

12 Chair Goldmark adjourned the Board on Geographic Names and re-convened the Board of
13 Natural Resources Meeting.

14

15 **PUBLIC COMMENTS FOR LAND TRANSACTION ACTION ITEMS**

16 No comments

17

18 **LAND TRANSACTIONS (Action Item) | 1 Handout**

19 **Fossil Creek Acquisition, File No. 08-0900546, Resolution 1419**

20 Julie Sandberg, Assistant Division Manager, Conservation, Recreation and Transactions Division

21

22 Ms. Sandberg presented the proposed 834-acre purchase of forestland in Wahkiakum County
23 adjacent to the western edge of the Skamokawa Block. She explained that the seller is Mid-
24 Valley Resources, affiliated with the Hampton Corporation. The negotiated purchase price of
25 \$2.19 million includes a requirement that the state be provided with \$26,000 towards remaining
26 RMAP obligations that could not be completed due to weather conditions. Ms. Sandberg stated
27 that the seller had worked diligently to complete nearly \$100,000 in RMAP work, and now is
28 contributing financially to the remaining work. She described the property characteristics of
29 predominately Site Class II with most of the acreage at 0-30 years age class. There is a rock
30 resource on the property that will provide value to future region timber sales. She stated that this
31 acquisition contributes to the timber asset base, is adjacent to existing trust land, and provides a
32 rock resource.

33

34 Ms. Sandberg asked for approval of Resolution 1419.

35

36 MOTION: Commissioner Grose moved to approve Resolution 1419.

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38 SECOND: Director DeLuca seconded the motion.

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40 ACTION: The motion was approved unanimously.

41

42 **CHAIR REPORTS (Action Item) | 1 Handout**

43 **State of the State Lands Report FY 2013**

44 Kyle Blum, Deputy Supervisor for State Uplands

45

1 Mr. Blum provided the annual update on the state of the state lands, which include forest
2 management, leasing program and transactions. He reviewed how the department invests in
3 forest stands, shipping 5.7 million seedlings to regions for reforesting trust lands and 1.5 million
4 seedlings sold to the public, valued at \$527k. It is worth noting that DNR did a lot of work
5 experimenting with growing larger seedlings, and although work is already being done to grow
6 larger seedlings, we are working at growing them even larger, giving them a robust more
7 competitive start. Mr. Blum added that silviculture activities for FY 13 were funded. For PCT,
8 we did a little more than 23,000 acres of pre-commercial thinning. That is double the decadal
9 average; a lot of which was Jobs Bill money with the management fund increase approved by the
10 board. He added that site preparation acres were up, and as time goes on we are looking at seeing
11 site preparation continue to increase, and hopefully reduce vegetation management.

12
13 Director DeLuca asked about the nature of the site preparation and whether it is a mechanical site
14 preparation or herbicide treatment. Mr. Blum specified that it is both, but was mostly herbicide
15 treatment.

16
17 Mr. Blum shared that DNR has completed measurement of 10 genetics test sites that will guide
18 the establishment of future seed orchard blocks. These sites are located across a wide range of
19 environments, and help us identify seed sources that show stable performance across these
20 environments.

21
22 Mr. Blum informed the board of the timber volume sold in FY13, detailing that sustainable
23 harvest on State Trust Lands in Western Washington calculated and approved in 2004 and
24 adjusted in 2007 to 5.5 billion board feet for the decade. He presented the Western Washington
25 Sustainable Harvest Units from FY05-FY13 (9 years) sold sales and percent of projected
26 sustainable harvest, noting that Skamania and OESF are under the ideal 90% level target and
27 Clark and Cowlitz counties are above the target.

28
29 Commissioner Grose asked if we are doing anything to make up for both Skamania and
30 Wahkiakum counties in FY14, and Mr. Blum stated that he will get back to the board regarding
31 total projected targets.

32
33 Mr. Blum informed the board of the average stumpage value, stating that prices peaked in FY
34 2006 at the height of the housing bubble: \$370/mbf and with the collapse of the housing market
35 and the onset of the Great Recession, prices bottomed in FY2009: \$171/mbf. A continued
36 recovery in U.S. housing markets, along with recovery in demand from China, has led to an
37 increase in stumpage values for FY 13: \$333/mbf. Focusing on last year, volume remaining
38 under contract has increased slightly from 547/mmbf in FY12 to 576 in FY13.

39
40 For planning efforts, Mr. Blum spoke about the Olympic Experimental State Forest HCP
41 planning unit, OESF research & monitoring strategy, marbled murrelet conservation strategy,
42 and the 2014 sustainable harvest calculation. He then spoke of RMAPS, and DNR's obligation
43 to complete all RMAP work by October 2016. During the 13-15 legislative session the Forest
44 Road program received \$5 million in capital money for RMAP projects. This money, along with
45 a planned increase in the ARRF fee, will help insure we meet the deadline.

1 Chair Goldmark added that other industrial landowners have requested a 5-year extension, while
2 the state is continuing its commitment to meet the October 2016 date.

3
4 Commissioner Grose stated that it is a little disconcerting having to jump through many hoops
5 with DFW to fulfill commitments set forth by DFW, often times costing a huge expense.

6
7 Mr. Blum closed the presentation with revenue gained by our leasing program and highlights of
8 noteworthy land transactions, stating that the biggest transaction in the state's history is not
9 referenced on the slide, but will be presented at next year's annual review for FY14.

10
11 **PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST**

12 Miguel Perez-Gibson, Washington Environmental Council, stated that the council received
13 photos and information from public citizens through the Olympic Forest Coalition that
14 documents a DNR timber sale in what appears to be old growth forest stands and old forest
15 structure. Mr. Perez-Gibson asked that the board review habitat identification procedures and
16 how actual requirements of the HCP for spotted owl habitat are being met, and to review the
17 actual field practices of the old growth policy.

18
19 Marcy J. Golde, Olympic Forest Coalition Board Member, presented the board with photos of
20 what was identified as old growth, requesting that the harvest of Stumpy's Ride, possibly
21 containing old growth stand and certainly old growth trees, be halted immediately to protect the
22 remaining trees.

23
24 Meeting adjourned at 10:14 AM

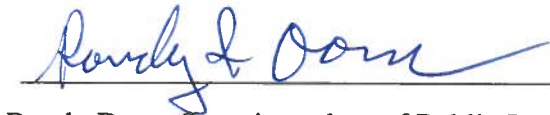
Approved this 4th day of February, 2014



Peter Goldmark, Washington State Commissioner of Public Lands



JT Austin, Designee for Governor Jay Inslee




Randy Dorn, Superintendent of Public Instruction



F. Lee Grose, Commissioner, Lewis County

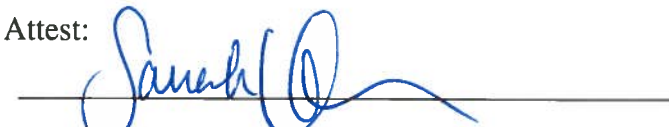


Ron Mittelhammer, Interim Dean, College of Agricultural, Human, and Natural Resource Sciences,
Washington State University



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

Attest:



Sarah Vansot, Board Coordinator