
Minutes

Board of Natural Resources Meeting

March 1, 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

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

Ron C. Mittelhammer, 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

CALL TO ORDER

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

2
3
4 All Board members introduced themselves. Chair Goldmark noted there was a quorum for the
5 meeting.

SAFETY REVIEW

6
7
8 Ms. Vansot gave a safety overview and instruction on evacuating the building in case of an
9 emergency.

APPROVAL OF MINUTES

10
11 Chair Goldmark called for approval of the minutes for the February 2, 2016 Regular Board of
12 Natural Resources Meeting.

13
14
15 **MOTION:** Dean Mittelhammer moved to approve the minutes.

16
17 **SECOND:** Commissioner Peach seconded the motion.

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

PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST

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21
22 Ann Forest Burns, Vice President of the American Forest Resource Council (AFRC), spoke
23 about post fire harvesting. Ms. Burns stated that AFRC is seeking to intervene on DNR's side in

1 the West Fork Fire Salvage Sale litigation. She asked the Board to consider carbon sequestration
2 and its role in climate change. She remarked that they are confident in DNR's staff taking the
3 appropriate steps during post-disturbance harvesting, and urged the Board to trust their expertise.
4

5 Marlene Pfeifer, School Director from Ellensburg, representing the beneficiaries, stated her
6 interest in the policies.
7

8 **PUBLIC COMMENTS FOR TIMBER SALE ACTION ITEMS**

9 Doug Cooper, representing Hampton Affiliates, spoke about timber supply. Mr. Cooper
10 reminded the Board members of the fiscal year sale plan and stated the numbers are below the
11 projected targeted volume. Mr. Cooper noted that the arrearage continues to grow and urged the
12 Board to consider maximum productivity out of the lands.
13

14 **TIMBER SALES (Action Item)**

15 **Proposed Timber Sales for April 2016, 3 handouts, including the presentation**

16 Tom Shay, Product Sales & Leasing Division
17

18 Mr. Shay presented the results of the February 2016 auction to the Board. The Department
19 offered 11 sales totaling 60.2 mmbf in February. All sales sold, totaling \$19.7 million for an
20 average of \$327 per mbf.
21

22 Mr. Shay noted that two sorts did not sell. Mr. Shay stated the Department was assessing options
23 for those sorts and they will likely be reoffered at a later date. Mr. Shay also noted that bidder
24 interest remained good and prices were steady.
25

26 Mr. Shay then presented the proposed April 2016 sales to the Board.
27

28 In response to a public comment, Mr. Shay stated the Department is on track with its fiscal year
29 2016 volume, but he is unsure of the status of individual region deliverables at this time.
30

31 Mr. Shay asked if any board members would be interested in knowing the status of individual
32 region volume deliverables. Director Deluca remarked that he would be interested in that
33 information.
34

35 **MOTION:** Director Deluca moved to approve the sales proposed for April 2016.
36

37 **SECOND:** Commissioner Peach seconded the motion.
38

39 **ACTION:** The motion was approved unanimously.
40

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

42 Pat Carter, Log Procurement Manager, representing Interfor, opposed the Lake Cushman Trust
43 Land Transfer. Mr. Carter stated that while the goals of the TLT program are laudable in
44 providing a one-time compensation to the Common School Trust, he believes it ignores the
45 economic contribution of actively managing these forest landscapes.
46

47 **LAND TRANSACTION (Action Items)**

1 **Lake Cushman Inter-Trust Exchange, File No. 86-093099; Resolution 1481**

2 Bob Winslow, Conservation, Recreation, and Transactions Division

3
4 Mr. Winslow gave an overview of the Lake Cushman Inter-Trust Exchange properties located in
5 Mason and Thurston counties. Parcel A is located in Mason County near Lake Cushman and is
6 70.21 acres in size. Parcel A will change from Charitable, Educational, Penal and Reformatory
7 Institution (CEP&RI) Trust to Common School Trust in the exchange. The trees in Parcel A are
8 60-70 years in age and the soil is Site Class 3 and 4. Parcel B is located in Thurston County in
9 the center of Capitol State Forest and is 77.2 acres in size. Parcel B will change from Common
10 School Trust to CEP&RI Trust. The trees are 50 to 70 years in age and the soil is Site Class 3
11 and 4.

12
13 Mr. Winslow stated that the appraised value for Parcel A and B were equivalent and the value
14 was \$698,000. The timber value and land values for the properties were very similar. He noted
15 that at the public hearing there were no attendees and no written testimony was provided during
16 the written comment period.

17
18 **Lake Cushman Trust Land Transfer, File No. 02-091700; Resolution 1482**

19 Bob Winslow, Conservation, Recreation, and Transactions Division

20
21 Mr. Winslow gave a brief overview of the status of the Trust Land Transfer (TLT) projects for
22 the 2015-2017 biennium. There are five legislatively funded TLT projects proposed for this
23 biennium and the Lake Cushman TLT project is the second project presented this biennium to
24 the Board.

25
26 The Lake Cushman Trust Land Transfer (TLT) property is located in Mason County about 12
27 miles northwest of Hoodspout, Washington. The property is 70 acres in size and adjacent to City
28 of Tacoma Public Utility property on the south and west sides. The property will be transferred
29 to the City of Tacoma Public Utilities and will have a perpetual deed restriction limiting future
30 uses of the property to recreation, open space or wildlife habitat. The Lake Cushman property in
31 this area is managed by the city for power, wildlife habitat and recreation. There is extensive
32 recreation on lands surrounding Lake Cushman, as this is one of the main entrances into Olympic
33 National Park and Olympic National Forest.

34
35 The overall property value is \$698,000 and \$642,000 will be transferred into the Common
36 School Construction Account and \$56,000 will be transferred into the Real Property
37 Replacement Account for the benefit of future Common School Trust purchases.

38
39 Chair Goldmark asked about the USFS road control and whether homes or cabins could be
40 constructed. Mr. Winslow answered that the USFS appears to be willing to allow cabin
41 construction along the USFS road, but due to USFS ownership and control of this portion of the
42 road, the legal access to properties along this USFS road can change through time.

43
44 Dean DeLuca asked about the appraisal process. Mr. Winslow answered that the valuation of
45 this property was determined by the appraiser to be maximized (Highest and Best Use) through a
46 Class 3 Forest Practice timber harvest application with maximum timber harvest, but which

1 would impose a temporary moratorium on home site construction. The ability to purchase forest
2 replacement trust lands in the marketplace at forest land values was also discussed.
3

4 Chair Goldmark added that the proximity of water cannot be put into consideration when the
5 landscape goes into conservation status.
6

7 In response to a public comment, Chair Goldmark asked Deputy Supervisor Kyle Blum a
8 question about the amount of resources going into the real property replacement account. Mr.
9 Blum answered that an adjustment has been made in the appraisal process, or better known as the
10 State Forest Replacement Program, so the money that comes to the Department is more
11 reflective of what we can buy the land for. He added that the Department has put increase
12 security on the proposals that come forward to the Board.
13

14 Mr. Winslow recommended approval of Resolution 1481 and 1482.
15

16 MOTION: Director DeLuca moved to approve Resolution 1481 and 1482.
17

18 SECOND: Commissioner Peach seconded the motion.
19

20 ACTION: The motion was approved unanimously.
21

22 PUBLIC COMMENTS FOR CHAIR REPORT

23 Kevin Schmelzlen, with the Marbled Murrelet Survival Project, spoke about the marbled
24 murrelet long-term conservation strategy and where the funds come from. He asked the Board to
25 look at innovative solutions to provide revenue to the beneficiaries and not depend on timber
26 harvest only.
27

28 CHAIR REPORT

29 Marbled Murrelet Long-term Conservation Strategy Update

30 Kyle Blum, Deputy Supervisor for State Uplands
31

32 Mr. Blum provided a brief overview of upcoming information that will be presented to the
33 Board.
34

35 For the sustainable harvest calculation we will bring information about the policies that will be
36 incorporated into the sustainable harvest level calculation. The marbled murrelet long-term
37 conservation strategy will be presenting information about management rules, analytical
38 framework outputs, and Dr. Zach Peery's analysis.
39

40 Commissioner Peach stated that for the financial analysis he would like to include a detailed
41 analysis by beneficiary for each county to understand the impacts. Mr. Blum stated that the
42 Department is intending to complete a breakdown for the analysis.
43

44 Superintendent Dorn asked what the timeline will be for the projects. Mr. Blum stated that
45 environmental impact statements for both Sustainable Harvest Calculation and Marbled Murrelet
46 Long-term Conservation Strategy are anticipated in fall 2016.
47

- 1 Director DeLuca asked for the timeline for Dr. Zach Peery's analysis. Mr. Blum stated that he
- 2 plans to present Dr. Peery's analysis in late summer or early fall.
- 3
- 4 Chair Goldmark convened an Executive Session to brief the Board on a potential litigation at
- 5 9:59 AM and reconvened the Regular Board Meeting at 10:18 AM.
- 6
- 7 Meeting adjourned at 10:18 AM.

Approved this 5th day of April, 2016



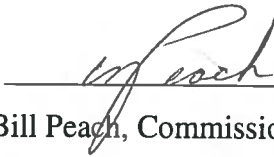
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Thomas H. DeLuca, Director, School of Environmental and Forest Sciences,
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Attest:



Sarah Vansot, Board Coordinator