
Minutes

Board of Natural Resources Meeting

November 20, 2019

Natural Resources Building, Olympia, Washington

BOARD MEMBERS PRESENT

The Honorable Hilary Franz, Washington State Commissioner of Public Lands

The Honorable Chris Reykdal, Superintendent of Public Instruction

Jim Cahill, Designee for the Honorable Jay Inslee, Washington State Governor

Dan Brown, Director, School of Environmental and Forest Sciences, University of Washington – *via conference call*

The Honorable Bill Peach, Commissioner, Clallam County - *via conference call*

ABSENT

André-Denis Wright, Dean, College of Agricultural, Human, and Natural Resource Sciences, Washington State University

1 **CALL TO ORDER**

2 Chair Franz called the meeting to order at 9:00 AM.

3

4 Board members introduced themselves.

5

6 **SAFETY REVIEW**

7 A safety overview and instruction on evacuating the building in case of an emergency was
8 presented to the audience.

9

10 **CHAIR REPORT – WORK SESSION**

11 **Marbled Murrelet Long-term Conservation Strategy and Sustainable Harvest Calculation**

12 Angus Brodie, Deputy Supervisor for State Uplands

13

14 Mr. Brodie began the chair report by asking other DNR staff present to introduce themselves.
15 They were Andy Hayes, Forest Resources Division Manager; Mike Buffo, Forest Resources
16 Assistant Division Manager for Informatics; and Kristen Ohlson-Kiehn, Forest Resources
17 Assistant Division Manager for Projects and Planning.

18

19 Mr. Brodie explained to the Board that the meeting would be a workshop style in which Board
20 members ask questions around the decisions staff will be bringing to the Board on December 3.

1 Before starting the presentation, Chair Franz asked for verification that the two Board members
2 on the telephone could hear, and asked that staff be mindful to allow questions from these
3 members after each slide in the presentation.

4
5 Both Board members attending via telephone verified that they could hear the meeting.

6
7 Mr. Brodie proceeded, explaining that the purpose of the meeting was to walk through the
8 decisions DNR staff will be presenting to the Board in December. These decisions represent
9 approximately 6 years of work with the Board. Mr. Brodie reminded the Board that they had
10 received presentations summarizing a large amount of material over the past three regular
11 meetings. This meeting will focus on two policy decisions.

12
13 The first is the decision on the Marbled Murrelet Long-term Conservation Strategy. This
14 decision is expected to be in place for 50 years. That does not mean it is unchangeable. It may be
15 changed as a result of adaptive management, for example. But it is durable and intended to be in
16 place for 50 years.

17
18 There are two aspects for the Board to consider about which strategy the agency should adopt for
19 the marbled murrelet: the staff-recommended 1997 HCP Amendment or another alternative. The
20 staff recommendation is an alternative that was developed based on Board direction and U.S.
21 Fish and Wildlife Service (USFWS) has issued an Incidental Take Permit for this alternative.
22 The Board may also select another alternative that would require applying for a different
23 Incidental Take Permit.

24
25 The second policy decision in for the Sustainable Harvest Calculation. Based on past Board
26 direction, the decision on a marbled murrelet strategy is preferred prior to a decision on the
27 sustainable harvest level, therefore the sustainable harvest level is second in the sequence.

28
29 Mr. Brodie reminded the Board that there were two additional considerations the Board wanted
30 to contemplate: how to deal with arrearage from the previous decade and how to deal with
31 riparian harvest in the current decade.

32
33 The presentation started with a discussion of the marbled murrelet and the three reasons why the
34 Board needs to make a decision:

- 35 1. DNR has an obligation under the 1997 Habitat Conservation Plan: Not enough was
36 known about marbled murrelets or their use of DNR-managed lands in 1997 to form a
37 long-term strategy, therefore DNR committed to do so at a later date.
- 38 2. To provide long-term certainty to DNR's timber harvest program: the proposed long-term
39 strategy identifies where conservation will occur and where timber harvest can occur
40 therefore provides long-term certainty for the timber harvest program. This is similar to
41 the northern spotted owl conservation strategy.
- 42 3. To make a significant contribution to marbled murrelets: Developing a plan that
43 conserves habitat now and in the future will make a significant contribution to marbled
44 murrelets

1 Mr. Brodie reviewed a timeline of Board work, including a 2017 Board Tour in southwest
2 Washington. Board members that have joined since that tour have all also been to the same sites.
3 It was during the 2017 tour that DNR staff were given direction by the Board for developing the
4 long-term strategy alternative and there has been no change in that direction since that time.
5

6 There were three main components to the direction given:

- 7 1. Minimize impacts to marbled murrelets
- 8 2. Offset impacts and address uncertainty
- 9 3. Reduce disproportionate financial impacts

10 The proposed amendment minimizes impacts by protecting occupied sites, capturing existing
11 habitat in conservation areas, and metering habitat in strategic locations.
12

13 Mr. Cahill asked for an explanation of how the timeframe for habitat metering was determined.
14 Mr. Brodie explained that the Board did not provide a timeframe but gave direction to minimize
15 short-term impacts by preventing the murrelet population from falling below a baseline level. He
16 explained that several timeframes were analyzed and 10 years was found to prevent a drop below
17 baseline.
18

19 Chair Franz provided clarification about the model and assumptions in the model about tree
20 growth and the role of DNR-managed lands in relation to federal lands.
21

22 Mr. Hayes spoke about the Endangered Species Act perspective, and how the U.S. Fish and
23 Wildlife Service evaluates impacts of taking, including habitat quality and timing.
24

25 Mr. Cahill asked whether an assumption could be made that there are not additional benefits
26 under different timeframes. Mr. Brodie answered that there are additional benefits to marbled
27 murrelets under different timeframes but these incurred higher costs to beneficiaries. He went on
28 to explain that the Endangered Species Act standard is to avoid jeopardizing the continuing
29 existence of the species in the wild.
30

31 Dr. Brown asked about how DNR evaluated the sensitivity of the population viability analysis
32 when making decisions about metering along with balancing impacts to both the trusts and the
33 species. Knowing the model is not perfect, as pointed out by constituents, how did DNR make a
34 decision in the face of uncertainty?
35

36 Mr. Brodie replied that the model is a pseudo-population viability analysis that was performed at
37 two scales and that it is a simulation model with 10,000 simulations for each scale. This allows
38 an analysis of risk. Mr. Buffo added that, for metering, the model treats all alternatives analyzed
39 with the same assumption that a change in habitat over time occurs only on DNR-managed lands,
40 allowing analysis based on DNR activities.
41

42 Dr. Brown asked what percentile of the model simulations run above or below the baseline to
43 determine the timeframe for metering. Mr. Buffo answered that the median line of simulations
44 was used for comparison, therefore the 50th percentile.
45

1 Dr. Brown replied that there could be questions about whether this percentile meets the Board's
2 guidance because there is only a 50 percent probability the population will not go below
3 baseline. The metering timeframe would be longer if it were based on a 95 percent probability.
4

5 Dr. Brown then asked how many/which percentile of the model runs were above or below the
6 baseline.
7

8 Mr. Buffo replied that median line is used as the baseline comparison. A discussion ensued about
9 whether using the median, or 50th percentile, met the Board's direction regarding going below
10 baseline, and that the 95th percentile could have been used.
11

12 Mr. Brodie explained one example from the population viability analysis, the enhancement
13 analysis showing the effect of management on DNR-managed lands. Dr. Brown noted that the
14 charts "bottom out" at twenty years and asked whether this was a reflection of metering? Mr.
15 Brodie replied that metering is modeled during the first 10 years and that maintains the
16 population above baseline.
17

18 Chair Franz asked for clarification about how adaptive management could affect the long-term
19 strategy in the future. Mr. Brodie replied that DNR could make adjustments within the bounds of
20 the 1997 HCP (as amended) but reminded the group that the HCP is not a species recovery plan.
21 The HCP allows DNR management within the existing incidental take permit. Any changes that
22 would change the level of take would be a major HCP amendment that would require
23 environmental analysis.
24

25 Chair Franz asked whether there is a model assumption that all murrelet habitat available for
26 harvest is harvested at one time. Mr. Buffo replied that there is an assumption that the metered
27 habitat would be harvested during the second decade of the long-term conservation strategy.
28

29 Mr. Hayes clarified that the analytical framework for the long-term strategy assumes that the
30 habitat DNR is requesting take for is harvested at the start of the analysis period. Under the
31 population viability analysis this habitat is held for longer, however this does not qualify as
32 mitigation.
33

34 Superintendent Reykdal asked whether the model underestimates habitat. Mr. Buffo replied that
35 the population viability analysis assumes habitat on non-DNR-managed land is static and that,
36 under all EIS alternatives except H, all harvest of habitat occurs in the first decade while habitat
37 is metered under alternative H.
38

39 Chair Franz pointed out that these are model assumptions and do not take into account the reality
40 of when trees are harvested. Dr. Brown asked for clarification and Mr. Buffo explained that in
41 the population viability analysis, the assumption for alternatives A through G is that habitat is
42 harvested in the first ten years and under alternative H harvest of habitat occurs in the second ten
43 years. In reality, harvest of habitat will likely take longer.
44

45 Mr. Hayes explained that the model assumptions are purposefully conservative. Dr. Brown
46 expressed concern over the 50th percentile being conservative, stating that the 95th percentile
47 would be conservative.

1
2 Superintendent Reykdal asked two questions: 1) what are the other modeling assumptions and
3 2) who monitors the murrelet population to see if it is on track to recover?
4

5 Responding to the second question first, Mr. Brodie replied that USFWS has responsibility for
6 monitoring populations. DNR monitors the habitat on DNR-managed lands.
7

8 Mr. Reykdal followed up by asking who has responsibility if the population does not respond as
9 modeled. Mr. Brodie responded by comparing this question to the current status of northern
10 spotted owls. Under the 1997 HCP, DNR provides demographic support for spotted owls on
11 federal lands, and following an initial decline, owl populations were expected to increase as
12 habitat developed for them. Since the HCP was adopted, however, barred owls have become an
13 issue for spotted owls. USFWS has not asked DNR to change the 1997 HCP however, because
14 the commitment in the HCP is to provide habitat. Similarly, the murrelet long-term strategy is
15 committing to provide habitat in specific locations.
16

17 Commissioner Peach asked for clarification that this is a habitat management plan not a
18 population management plan. Take of the species is calculated on an assumption that harvest of
19 habitat (take) occurs in the first 10 years, which is extremely conservative. He then asked why
20 there is a need for metering and whether there had been a financial analysis on metering.
21

22 Mr. Brodie replied that metering was included based on the direction from the Board in 2017 and
23 because of the Endangered Species Act requirement to avoid jeopardizing the species. When
24 DNR and USFWS began discussions in 2012 or 2013, population decline was an issue and
25 metering helps to address this issue.
26

27 Responding to Superintendent Reykdal's question regarding model assumptions, there is
28 variability in the model around breeding probability in terms of the number of breeding birds and
29 nest success. There is also variability around dispersal rates. Harvest locality is not a factor in the
30 model.
31

32 Dr. Brown asked whether all 10,000 iterations on the model used the same harvest locations. Mr.
33 Buffo explained that the model tracks the amount and location of habitat and identifies where
34 acres of weighted habitat are over time. Mr. Brodie added that it is not a spatial model. The
35 model does, however, incorporate spatial effects/edge effects which is constant within an
36 alternative throughout the 10,000 iterations.
37

38 Commissioner Peach then reiterated his question about the financial impacts of metering. Mr.
39 Buffo explained that metering is not expected to affect harvest levels overall. Because the long-
40 term conservation strategy and the sustainable harvest calculation are on different timeframes,
41 metering would occur over two different decades in the sustainable harvest calculation, and
42 would not limit the entire sustainable harvest level for a given decade. Mr. Brodie added that
43 looking at the overall performance of the estate, metering does not have an effect on the harvest
44 level at the sustainable harvest unit level. There may be impacts at the junior taxing district level,
45 however this has not been analyzed.
46

1 Chair Franz reminded the group that there was still a question of other conservative assumptions
2 made in developing the long-term strategy. Mr. Hayes referred the group to Appendix C of the
3 HCP amendment, specifically table C5 that addresses uncertainties. One example is treating all
4 P-stage as habitat. Besides the known occupied sites, P-stage is treated as though it is potentially
5 occupied. Another example is how the analytical framework treats all occupied sites by giving it
6 a value of one (values all occupied sites equally) regardless of the underlying P-stage of the
7 habitat. Some occupied sites are actually lower quality habitat that will develop into higher
8 quality over time, but since it has a P-stage of one and that won't change, the increase in habitat
9 quality does not count as mitigation.

10
11 Ms. Ohlson-Kiehn provided a third example of existing conservation. There is no mitigation
12 credit given for maintaining existing habitat; only for when non-habitat develops into P-stage or
13 the P-stage value of a stand increases.

14
15 Mr. Cahill asked what the average P-stage value is of an occupied site. Ms. Ohlson-Kiehn replied
16 that it is 0.36.

17
18 Mr. Brodie referred the group to slide 7 of the presentation and added that another method of
19 offsetting uncertainty in the long-term strategy is buffering occupied sites. He then went on to
20 explain that the final item of Board direction for developing the amendment was to reduce
21 disproportionate financial impacts to trusts, as identified in the draft environmental impact
22 statement (EIS).

23
24 Moving on to slide 8 in the presentation, Mr. Brodie explained how the HCP amendment meets
25 the Board's direction. He explained that the amendment minimizes impacts to marbled murrelets
26 by protecting all occupied sites; placing existing habitat in 20 Special Habitat Areas; and
27 metering harvest of habitat outside of conservation areas in strategic locations. He went on to
28 explain that the amendment addresses uncertainty by placing 100-meter buffers on occupied
29 sites, placing conservation in strategic locations, and increasing interior forest. Lastly, he
30 explained that the amendment reduces disproportionate impacts to trusts by reducing the amount
31 of conservation in the most impacted counties and trusts (Clallam, Pacific, and Wahkiakum
32 Counties and University Trust), noting that impacts cannot be eliminated. DNR also looked
33 beyond impacts to Counties and analyzed impacts to junior taxing districts. It was not possible to
34 provide analysis of revenue, however, and the analysis instead considered operable acres.

35
36 Mr. Brodie explained that, due to their size, some of the trust counties do not disburse trust
37 revenue directly to junior taxing districts. These are Wahkiakum and Skamania Counties. It was
38 pointed out that the amount of operable acres in Wahkiakum County increases under the
39 amendment.

40
41 Mr. Brodie explained that at the start of the amendment period, there are 207,000 acres of
42 existing habitat. The amendment conserves approximately 168,000 acres (81 percent) and allows
43 harvest of approximately 39,000 acres. After 50 years, the amount of habitat is expected to
44 increase to 270,000 acres. Mr. Buffo referred the group to Tables A5 (habitat acres by special
45 habitat area) and A6 (habitat acres by strategic location) in the amendment.

1 Moving on to slide 9 in the presentation, which talks about the incidental take permit, Mr. Hayes
2 pointed out that the goal of the amendment is to get a permit for DNR's activities. The permit
3 DNR received for the amendment allows DNR to move forward with incidental take of
4 threatened or endangered species. The incidental take permit allows implementation of the
5 amendment and includes additional conditions, primarily about reporting. The permit is
6 accompanied by a biological opinion, which is a USFWS document that analyzes the impacts of
7 the proposal (amendment). USFWS also provided their Endangered Species Act section 10
8 findings, determining that the amendment meets the necessary requirements, and a record of
9 decision, which documents the NEPA analysis and decision.

10
11 The biological opinion supports USFWS' decision-making process and DNR had no input into
12 this document.

13
14 Commissioner Peach commented that he had read the biological opinion and was unclear about
15 the distinction between the terms "suitable habitat" and "potential habitat". He also expressed
16 concern that the biological opinion did not discuss P-stage.

17
18 Ms. Ohlson-Kiehn explained that the effects analysis in the EIS used P-stage and that both
19 potential habitat and suitable habitat were terms used in the interim strategy.

20
21 Commissioner Peach pointed out that the record of decision used the term "habitat" and it is
22 unclear what this is referring to. Mr. Brodie responded that staff would look into this and get
23 clarification. He then explained that for future implementation and monitoring, habitat would be
24 defined using P-stage.

25
26 Mr. Cahill asked about the funding requirement and what it referred to. Mr. Brodie explained
27 that it referred to multiple factors in the amendment, including implementation (delineation of
28 special habitat areas, training etc.), monitoring and reporting, and continuation of the adaptive
29 management program.

30
31 Mr. Hayes added that the HCP is primarily about monitoring. The marbled murrelet long-term
32 strategy is fairly passive and does not contain a large restoration component. Most of the funding
33 would be for the research and monitoring program described in the HCP.

34
35 Moving on to slide 10 in the presentation, Mr. Brodie explained the reasons DNR staff think the
36 Board should adopt the amendment. The reasons include that it meets the stated need, purpose,
37 and objective of a long-term strategy, it is in the best interest of the trusts, and it provides
38 conservation benefits for marbled murrelets in the long-term.

39
40 He went on to say the amendment gives long-term certainty for the trusts because it maintains
41 the productive capacity of the land and identifies where conservation will be located. Also, as
42 documented by USFWS, the amendment meets the Endangered Species Act.

43
44 Mr. Brodie explained that the amendment is passive because it conserves areas with very little
45 management. The exception to this is special habitat areas within northern spotted owl
46 management areas where DNR has multiple objectives. In these areas, the amendment allows
47 thinning for northern spotted owl habitat but only in existing non-habitat. This is expected to

1 support marbled murrelets in the long-term. The amendment does provide for management
2 flexibility in non-conservation areas and some activities are also allowed in conservation areas,
3 such as some yarding. These areas are not strictly no-touch but are largely not managed,
4 allowing an increase in interior forest and avoiding introducing edge and predators. This
5 provides certainty because DNR can manage around the conservation areas.
6

7 Financial information will be discussed more under the sustainable harvest calculation, however
8 the results depend on what plans are compared. The amendment provides an improvement over
9 the interim strategy and over past sustainable harvest calculations. Adaptive management also
10 provides additional certainty compared to the interim strategy. Continuing under the current
11 management would be problematic because DNR has been holding all lands that would be
12 conserved under any EIS alternative. A decision would remove barriers and provide operational
13 certainty.
14

15 Chair Franz adjourned for a five minute break.
16

17 Following the break, the discussion turned to the sustainable harvest calculation. Mr. Brodie
18 began by explaining that the proposal that would be put before the Board is for fiscal years 2015
19 to 2024. It is currently fiscal year 2020 therefore it is six years into the planning period with four
20 years left for implementation and to make any needed adjustments. This is the reason there is
21 urgency around the decision.
22

23 The decision is required due to both statute (RCW 79.10.300-304) and the *Policy for Sustainable*
24 *Forests* adopted by the Board in 2006. A decision is also important for giving direction for
25 implementation to the Regions for deliverables. Currently, the past calculation is being used, so
26 there will be adjustments once a decision is made.
27

28 Mr. Brodie pointed out that slide 13 in the presentation represents the work that has occurred
29 toward developing a preferred alternative. He then began a discussion on arrearage.
30

31 Arrearage is defined as the amount of harvest in the last decade compared to the planned amount
32 of harvest. For the last decade, the arrearage was 462 MMBF. Statute (RCW 79.10.330) directs
33 an analysis of arrearage and development of alternative courses of action. DNR conducted an
34 analysis with alternatives exploring different options and the Board then decided on a direction.
35

36 Moving on to slide 17, Mr. Brodie recapped the Board's direction. First was to address impacts
37 to beneficiaries in those sustainable harvest units with a harvest shortfall. Next was to consider
38 the volume that was transacted either through Trust land Transfer or reconveyance. He explained
39 that not all volume transacted or reconveyed during the previous sustainable harvest decade
40 needed to be accounted for in the arrearage because a portion of it was planned in the previous
41 sustainable harvest calculation. Based on following this direction, the total arrearage across
42 sustainable harvest units is 382MMBF.
43

44 The Board also asked DNR to develop a policy on arrearage. This is described in a handout and
45 in the final EIS. It has also been distributed to stakeholders and interested parties. DNR will be
46 asking the Board if this meets expectations or if there is more work to be done.
47

1 Slide 18 shows the arrearage by sustainable harvest unit. Slide 19 contains a quote from the
2 Board (November 2017) directing DNR staff to develop an arrearage policy. Slide 20 contains a
3 summary of the proposed policy developed in response to the board's direction. Staff will be
4 asking the Board for a decision on this proposal in December, however the Board may elect to
5 postpone this and make a separate decision later.
6

7 Commissioner Peach offered two thoughts. First was to say that the way that the arrearage is
8 dealt with in the proposal doesn't create a short-term high level of activity. This affects DNR's
9 management accounts, seeing that there are problems a couple of years out. Short-term access to
10 the arrearage would give DNR the ability to operate and develop strategies for the future. Second
11 was that looking at the criteria for metering, there will be an impact to the junior taxing districts
12 over the next 10 to 20 years. Therefore, both the beneficiaries and DNR would benefit from the
13 arrearage cash flow.
14

15 Chair Franz then asked if staff could talk about the concept of rolling the arrearage into the
16 sustainable harvest calculation.
17

18 Mr. Brodie responded that the current proposal has identified an arrearage of 382 MMBF by
19 sustainable harvest unit and operations will attempt to meet this. He asked Commissioner Peach
20 to clarify whether he was saying that there is no short-term direction to harvest the arrearage in
21 the next 1, 2, or 4 years but rather to achieve it over the decade. Commissioner Peach said yes,
22 and mentioned the process of supplementing needed cash flow through a legislative request or an
23 increase in management fees instead.
24

25 Mr. Brodie replied that DNR has not analyzed harvesting the arrearage in one year but since the
26 department has been operating at approximately 450 MMBF over recent years, it should be
27 possible to harvest the arrearage by the end of the decade.
28

29 Mr. Buffo added that some sustainable harvest units would need to operate at a higher level than
30 they currently do, and others at a lower level.
31

32 Chair Franz pointed out that there are only 4 years left in the planning decade and asked if DNR
33 could harvest the arrearage over the time remaining.
34

35 Mr. Brodie replied that there are two ways to approach this. One is to say that since the arrearage
36 is 382 MMBF over a decade, it has already been harvested. The second, and the way staff
37 believe the Board intended, is to harvest the arrearage in addition to the sustainable harvest level
38 for the decade.
39

40 Chair Franz agreed it was the second and commented that before the Board makes a decision on
41 this, they need to know if it is possible to achieve.
42

43 Mr. Brodie replied that staff have not looked at all of the risks yet, but will look at harvest by
44 sustainable harvest unit to date to check progress.
45

46 Chair Franz commented that in 2017, the Board direction was to harvest the sustainable harvest
47 level plus the arrearage. The challenge is that now there are only four years remaining so the

1 Board needs to understand the department’s ability to achieve this without a change in FTEs
2 (full-time employees). If this can’t be done with current staffing, the Board needs to understand
3 how close the harvest would be to the level and the amount of funding that would be needed to
4 add FTEs to get it done.

5
6 Mr. Brodie suggested the need to look beyond the current decade into the next.

7
8 Chair Franz agreed that if DNR went to the legislature they may bridge the gap short-term then
9 swing back for the next four decades.

10
11 Mr. Brodie then moved on to slide 21, recommendations on arrearage by sustainable harvest
12 unit. This is the arrearage level the Board will be asked to approve on December 3.

13
14 Superintendent Reykdal asked why the level for OESF was so high. Why so much was not
15 harvested last decade and is it possible to get half the arrearage from OESF?

16
17 Mr. Brodie explained that there was a year during the past decade that DNR sold a very low
18 amount of timber from the OESF due to the combination of an injunction on the 2004 sustainable
19 harvest level making some sales no longer valid, the conditions of the settlement agreement once
20 reached, and the financial downturn.

21
22 Superintendent Reykdal then asked about the list of sustainable harvest units and why both
23 Capitol Forest and Thurston County were listed. He also asked about OESF and overlap with
24 Jefferson County. Mr. Brodie explained that although Capitol Forest is in Thurston County, they
25 are separate sustainable harvest units. He then went on to explain that, for the sustainable harvest
26 calculation, the federally granted trusts are lumped into one sustainable harvest unit and the state
27 forest purchase lands are included in this one Westside sustainable harvest unit, however Capitol
28 Forest and OESF are excluded and are individual sustainable harvest units. The state forest
29 transfer lands, which are one trust, are divided into county sustainable harvest units so that
30 revenue to each county can be tracked.

31
32 Superintendent Reykdal asked if that meant there is alignment of where the money is going to go
33 and Mr. Brodie said that was correct.

34
35 Chair Franz said that the OESF is an obvious outlier and the Board could consider impacts to
36 particular trusts.

37
38 Next, Mr. Brodie began the discussion on riparian harvest. A question the Board has been
39 working on is whether to include riparian harvest in the sustainable harvest level or not. Staff has
40 presented on why it is difficult to do and why there was arrearage associated with riparian
41 harvest in the past.

42
43 In 2017, the Board provided direction to base riparian harvests on their ecological value, to not
44 include riparian harvest in the sustainable harvest level, and to count the volume from riparian
45 harvests toward volume targets. Mr. Brodie explained how this direction, depicted on slide 25,
46 was changed based on the November 5, 2019 Board meeting discussion. This change is to not

1 count riparian harvest volume toward the harvest volume target but instead to track and report
2 riparian volume separately from the sustainable harvest volume.

3
4 Chair Franz reminded the Board members that this had been discussed at the November 5, 2019
5 meeting, stating that now is the time for questions, comments, or concerns.

6
7 Superintendent Reykdal stated he was comfortable with this approach. He stated a past concern
8 to either have riparian harvest included in the calculation and count it toward targets or not have
9 it in the calculation and not count it toward targets, but not mix and match.

10
11 Dr. Brown concurred that it made sense.

12
13 Commissioner Peach commented that the 1997 HCP has a requirement that the applicant fund
14 the terms of the HCP and put staff on the ground in riparian areas. Mr. Brodie asked for
15 clarification about whether this meant a requirement to do activities in riparian areas or to fund
16 activities. Commissioner Peach responded that he sees an opportunity to request funding from
17 the legislature for this work.

18
19 Mr. Brodie then went on to explain that the decision that will be coming to the Board is around
20 arrearage and riparian harvest. This is assuming the Board has made a decision on the marbled
21 murrelet long-term conservation strategy that will, in turn, determine the sustainable harvest
22 level. If the assumptions made to date hold true, the new sustainable harvest level will be 4
23 billion, 272 million board feet for the decade, with an additional 382 million board feet of
24 harvest arrearage

25
26 Chair Franz asked, given that the decade is more than half over, at what level has DNR been
27 operating? Mr. Brodie explained that because DNR is still working under the former decade's
28 sustainable harvest level, the goal is 550 MMBF, but the harvest level has actually been around
29 450 MMBF. This means the new level would be slightly higher than what is currently occurring.

30
31 Commissioner Peach asked whether this means DNR has been accumulating an arrearage over
32 the past five years. Mr. Brodie responded that this would be the case if the harvest level remains
33 at 550 MMBF. If the Board adopts a level of 427 MMBF for the decade then no arrearage has
34 accrued. This is part of why there is urgency around making the decision, to have both a harvest
35 level and avoid arrearage.

36
37 DNR has two obligations for the decade. One, to harvest the arrearage and, two, to distribute the
38 remainder of the harvest (427 MMBF). Refer to slide 27 for a breakdown of these volumes.

39
40 Mr. Cahill asked that, given there are only four years remaining in the decade, is there a pattern
41 in the arrearage in terms of which counties or where mills are located that could be identified and
42 adjustments made?

43
44 Mr. Brodie said staff could look at that and bring it back in December. He explained that the
45 levels presented are the solutions provided by the model given the policy constraints and the
46 level of arrearage from the previous decade.

1 Dr. Brown asked if the total volume harvested from 2015 to 2019 is known. Mr. Brodie said that
2 it is available by sustainable harvest unit, although not in the materials brought today.

3
4 Mr. Cahill suggested that if there are areas where there is consistent arrearage, the Board could
5 focus on polices or management strategies in these areas to avoid future arrearage.

6
7 Chair Franz reminded the Board that there is a whole list of model input. It would help if the
8 Board understood the elements that generate the numbers presented. Mr. Brodie responded that
9 yes, the model can be explained but there are constraints around the Board making any changes
10 to the model or to policies at this point because it would be outside of the scope of what was
11 analyzed. When the scope was set in 2012, the decision was made to not make changes to policy.
12 The SEPA document is based on that scope and the model parameters were defined accordingly.
13 This is shared to avoid setting expectations that the Board could make model changes on the fly.

14
15 Chair Franz reminded the group that arrearage and riparian harvest are the two policy elements
16 the Board decided to address in the current process. There are management and operational
17 elements that can be addressed through implementation. It is in the context of looking forward
18 for five decades and potential future arrearage that the Board can consider because it is outside of
19 the current decision.

20
21 Mr. Hayes added there are two things to remember: 1) the work does not end at the decision,
22 there is still implementation and staff will be involving the Board in this process, and 2) certain
23 things learned during this process about managing the land base that can be considered as part of
24 a broader action.

25
26 Mr. Brodie moved on the slide 28, which summarizes the decision around the sustainable harvest
27 calculation and then slide 29 which describes the next steps in the process. He said that added to
28 what is in the slide, which is decisions on both the marbled murrelet long-term conservation
29 strategy and the sustainable harvest level, would be to bring back information about the harvest
30 by sustainable harvest unit to date and what the implementation challenges are.

31
32 Commissioner Peach asked that an item be added to the December meeting agenda, specifically
33 a discussion about postponing the decisions on the marbled murrelet and sustainable harvest until
34 the Board has had time to assess the questions raised today in addition to considering two ideas
35 presented in the FEIS for mitigation around encumbered lands and the solutions table.
36 Commissioner Peach supports looking to the legislature for support in resolving impacts to the
37 beneficiaries, stating that he would be bringing a motion to allow the Board to consider this
38 course of action.

39
40 Dr. Brown asked for clarification about whether the motion would discuss approaching the
41 legislature or something else.

42
43 Commissioner Peach replied that it would be to extend decision-making until the short
44 legislature session is over in March to provide opportunities for a conversation with the
45 legislature to see if the mitigation measures might be considered.

1 Superintendent Reykdal asked whether the arrearage and the sustainable harvest level are the
2 same decision; two parts of one decision. Mr. Brodie replied yes, they have not been broken into
3 separate decisions but they could be one. There are four decisions: 1) the marbled murrelet long-
4 term strategy, 2) arrearage, 3) riparian harvest, and then 4) the sustainable harvest level
5

6 Mr. Reykdal responded that in terms of Commissioner Peach's proposal, he agrees there is value
7 in having all recognize the disproportionate impacts and develop a proposal for the legislature,
8 however he does not think there is a need to wait, that it can be done in parallel.
9

10 Chair Franz stated that the department has been working on a proposal for the legislature for
11 either this year or next. This can be discussed at the December 3 meeting. Encumbered lands in
12 particular is already part of DNR's proposal. Part of the discussion could be how the Board
13 members can be supportive in their own positions.
14

15 Meeting adjourned at 11:52 AM.

Approved this 2nd day of June, 2020.

DocuSigned by:
Hilary S. Franz
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Hilary S. Franz, Washington State Commissioner of Public Lands

Approved via Webinar
Jim Cahill, Designee for Governor Jay Inslee

Chris Reykdal, Superintendent of Public Instruction

Approved via Webinar
Bill Peach, Commissioner, Clallam County

André-Denis Wright, Dean, College of Agricultural, Human, and Natural Resource Sciences,
Washington State University

Approved via Webinar
Dan Brown, Director, School of Environmental and Forest Sciences,
University of Washington

Attest:

DocuSigned by:
Tami Kellogg
8792B0ACD6FE459...
Tami Kellogg, Board Coordinator