
Minutes

Board of Natural Resources Meeting

April 2, 2024

Webinar/Natural Resources Building, Olympia, Washington

BOARD MEMBERS PRESENT

The Honorable Hilary Franz, Washington State Commissioner of Public Lands

The Honorable Lisa Janicki, Commissioner, Skagit County

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

Wendy Powers, Dean, College of Agricultural, Human, and Natural Resource Sciences,

Washington State University

CALL TO ORDER

Chair Hilary Franz called the meeting to order at 9:05 a.m.

Board members provided self-introduction. A meeting quorum was confirmed.

WEBINAR/SAFETY BRIEFING

Kelli Pinchak, Board Coordinator, outlined how to view and participate in the combined webinar and in-person meeting.

APPROVAL OF MINUTES – March 5, 2024 - *Action*

MOTION: Commissioner Janicki moved to approve the minutes of March 5, 2024 as presented.

SECOND: Mr. Cahill seconded the motion.

ACTION: The motion carried unanimously.

PUBLIC COMMENTS

Robert Mitchell conveyed hope that the logging industry views reduced timber sales as a sign of reduced volumes to come. He questioned whether the timber industry would negotiate some insurance in the form of a land endowment fund in response to reduced volumes. He also feels

1 guilty because he dispersed camped in Capitol State Forest. He questioned the existence of the
2 policy prohibiting something as natural and innocent as sleeping outside. He offered his free
3 labor to clean up vandalism to change the policy to enable dispersed camping in Capitol State
4 Forest. He was not the only one as he saw many others but they do not attend meetings to speak
5 up. He referred to an email regarding timber sale Stairway to Hemlock that sold for 139%
6 above the minimum bid. Q Harvard timber sale sold for 688% above the minimum bid. He
7 assumes crews know their jobs, but buyers seem to be missing something. The Lyre River
8 Campground is an example of cedars and firs growing close with intertwined roots. Information
9 is available about competitive exclusion stages. He asked whether models can predict young
10 trees growing in such close proximity as the older growth trees in the Lyre River Campground.
11

12 **Julie Puhich, resident of south Thurston County**, commented on a recent hike in woods near
13 Porter in Grays Harbor County to a timber unit named Misty designated for timber auction. She
14 shared a photo of children and conveyed how the lands are held in trust for the children and for
15 their children. She recently spent time gathering and hauling trash from two remote beaches
16 north of Taholah. The trash of plastics, rope, floats, bottles, and Styrofoam buried in driftwood
17 and sand degrading into tiny particles eventually ends up in human bodies. Given the scope of
18 the problem and the ongoing necessity for clean-ups, many people could decide that the effort
19 is futile. Although there are a variety of answers to that question none of the volunteers chose
20 to look away. No one is resigned to living in a world where it does not matter what is done. It
21 is important for the community to believe that conserving all that remains of legacy forests
22 matters. She is hopeful the Board is also in the camp of those who live as though what they do
23 personally also matters.
24

25 **Lee First, Twin Harbors**, questioned the removal of several timber sales from the timber
26 proposal. She asked whether the removal would also apply to Misty, Freedom, Jackie Paper,
27 Honey, and other timber units. She hiked to many of the units and after passing through locked
28 gates she encountered endless miles of dark tree plantations, dark with no understory or species
29 diversity. She asked whether tree plantations were sufficient to fulfill DNR's fiduciary
30 responsibility to Grays Harbor and Pacific counties. She does not oppose logging but is
31 opposed to logging the last tiny remnants of structurally complex, older forests. The Chehalis
32 and Willapa watersheds are home to some of the most destructive logging practices in the state.
33 The Willapa watershed is in crisis with only .021% of old growth forests remaining while DNR
34 plans to log 30% of those forests by 2028. Last year, rain-fed watersheds broke all records for
35 low instream flows. Older forests are needed to maintain groundwater flows if there is any
36 chance to preserve healthy streams flows for aquatic species. Act now to save older forests and
37 to preserve instream flows for biodiversity, carbon sequestration, and for the ecosystem services
38 they provide. Our future depends on it.
39

40 **Joshua Wright, Legacy Forests Defense Coalition**, cited his encouragement of DNR
41 removing six legacy forest timber sales from the sales packet. He applauds the action and is
42 encouraged but hopes DNR is doing the right thing and working to implement an old forest
43 policy that includes all maturation 1 forests. He is also worried DNR is simply trying to find a
44 justification for logging forests as legal cover for the action. The Habitat Conservation Plan
45 (HCP) speaks to DNR's obligation to provide 10% to 15% older forests in each planning unit
46 by 2096 and wonders why DNR has not preserved forests and why lawsuits are prompting the

1 action. The best answer he believes is because no one at DNR would be working at the
2 Department in 2096 or be held accountable for the shortfall. The Board and DNR benefit from
3 logging. The Board is comprised of members representing beneficiaries. DNR is structured to
4 earn funds from timber sales while managing state resources. All parties in leadership positions
5 are benefitting from logging. The Board should be diversified with tribal and environmental
6 interests. Until that occurs, he is concerned the action is only a pause to enable legal strategy.
7 He is hopeful DNR is taking the right action, as time will tell.
8

9 **Kyle Krakow** spoke of relief for the removal of six timber sales originally scheduled for
10 approval. The decision likely had less to do with some big change of heart and more to do with
11 DNR's mounting legal trouble. In any case, the 220-foot tall trees in Power Station will remain
12 standing, vibrant old growth cedars can grow even older, and marbled murrelets nesting near
13 Salt and Pepper are spared the threat of chain saws for now. This momentary relief says much
14 about just how destructive DNR logging practices are. He questioned the low bar and how the
15 Board could even entertain the idea of Stilly Revisited when the unit is located down river from
16 the Oso landslide that killed 43 people. He questioned how clearcutting of Washington's oldest
17 forests is even an option during a climate crisis of all times. Cut them fast enough and the last
18 remaining legacy forests disappear along with any burden of conservation, which could not be
19 more reckless. No one is demanding the impossible nor expects the Board to resurrect old
20 growth trees overnight or fix the climate; however, the ask is to stop making a bad situation
21 worse and adhere to polices on older forest targets. Until that happens, DNR and the Board
22 will continue to be culpable for every precious acre of legacy forest lost.
23

24 **Ed Bowen, Clallam County**, referred to the Chair Report and the lack of a Western Sustainable
25 Harvest Calculation (SHC) with only three months remaining in the current SHC. He is hopeful
26 the new SHC does not take four years to create as it did during the last cycle. As noted on page
27 6 of the Chair Report, three RCWs are referenced with one RCW referencing the need for
28 emphasis on conducting an end of decade arrearage analysis. He requested information on the
29 status of the analysis and believes arrearage is the main problem with the SHC. DNR started
30 the year with timber volume mostly on cycle with the SHC volume in the original plan offered
31 and sold. The next three quarters reflect that even with the current plan it would not be possible
32 to achieve the volume with only three months remaining in the cycle. With three timber sales
33 for consideration, it is unlikely it will make up for the arrearage the county is experiencing.
34

35 **Donna Albert, resident of Montesano**, referred to the few remaining scraps of legacy forests
36 in the Willapa Hills and other areas in Grays Harbor County. The About Time timber sale was
37 sold before a judge could rule that DNR did not comply with the HCP. A subsequent lawsuit
38 was dismissed by the judge because the unit was logged. Mm Mm Good near About Time has
39 been auctioned for harvest although the SEPA Determination of Non-Significance (DNS) did
40 not consider future generations. Her comments submitted on the DNS cited the RCW that
41 speaks to the need for future generations to be considered. The Department's reviewer
42 indicated the comment cited a NEPA requirement and did not recognize the requirement within
43 the RCW. The judge ruled in the lawsuit that DNR is not complying with SEPA as not all
44 analysis is completed on each unit prior to logging. Stop the harvest of Mm Mm Good and
45 About Time. Legacy forests are priceless and cannot be replaced. Future generations must be
46 considered as required by SEPA. A billion dollars will not restore the forests.

1
2 **Sherri Dysart, resident of Mason County,** reported she is boardmember of Mason County
3 Climate Justice. She thanked Superintendent Reykdal for taking the time to visit Unit 1 of the
4 Next Contestant timber sale on March 26, 2024. Although the sale is not currently included for
5 auction, she is hopeful it is never offered. As a guest, she had the opportunity with many
6 Skokomish tribal members to meet with Superintendent Reykdal and discuss the importance of
7 the forest to the tribe and to their ancestors and future generations. She was struck by many
8 things that were shared from the heart of tribal members. One woman indicated that it would
9 be good to have a tribal member at the decision table. Indeed, if the Board wants to discuss the
10 trustees of the land, the current makeup of the Board lacks a crucial element of a representative
11 of the original stewards of the land. The makeup of the Board is a legislative mandate and she
12 is hopeful the mandate could be revised soon as it would represent a small step in rewriting an
13 egregious wrong. She also hopes other members of the Board visit timber sales scheduled for
14 auction to afford a personal encounter with forests considered for slaughter.

15
16 **Lynn Fitz-Hugh** said she was relieved to see the removal of six legacy forest parcels from the
17 meeting docket. The removal is because of a lawsuit where the judge ruled DNR's process of
18 SEPA review was not legal. DNR's process for measuring environmental dangers in a given
19 parcel is inaccurate. Last week, Mr. Emmons visited the Thurston County Board of County
20 Commissioners. During the discussion Mr. Emmons indicated DNR is cutting older parcels at
21 the direction of the Board under the SHC. She asked the Board if it believes it is directing such
22 action. The truth is the SHC is supposed to be completed every 10 years. It has been 15 years
23 with no new one for Western Washington anytime soon. The goals were established before the
24 dangers of climate change were commonly understood, the role of logging, and certainly before
25 any member served on the Board. During the meeting, Brandon Mueller also acknowledged
26 that DNR does not switch to logging other plantation parcels because it requires more acres of
27 younger trees to achieve the same board feet requiring more staff and money. DNR is on a
28 trajectory to turn Capitol State Forest into a plantation by 2026. She questioned how DNR
29 plans to meet its goals.

30
31 **Jim Oliver** commented on a tragic issue affecting residents of the Cowlitz River watershed, an
32 ecological disaster that could have been easily avoided. The Double Haul timber sale was a
33 248-parcel located on steep slopes uphill of the Merrill Lake Natural Resources Conservation
34 Area (NRCA) in Cowlitz County. The Merrill Lake NRCA features some of the last old growth
35 forests in southwest Washington. The lake is renowned for trout populations and is frequently
36 used by anglers. The general ecological management lands comprising the Double Haul sale
37 have a history of unstable slopes characterized by sloughing and landslides with at least two
38 prior landslides in the area in 1996 and another in the unit during the first half of the 20th century.
39 Harvesting of the Double Haul sale was completed in fall of 2023 and affected the slope stability
40 of the landscape almost immediately. The area identified as unstable at the edge of Unit 5 slid
41 twice, first on November 8, 2023 and again on December 13, 2023. Debris from the slides
42 traveled over 1,000 feet down slope washing out the forest road and causing significant damage
43 to the Merrill Lake Campground along the lakeshore. Sediment and debris from the slides
44 directly impacted fish bearing streams, blew out culverts, and indirectly impacted the lake. The
45 risk of a landslide is a result of timber harvest on unstable slopes in Units 5 and 6 was well
46 known. The public raised concerns through SEPA comment letters from Cascade Forest

1 Conservancy, Washington Forest Law Center, and others at the January 2021 BNR meeting
2 prior to approval. Internal DNR emails and required ecological assessment obtained from a
3 public disclosure request make clear DNR staff were aware of unstable slopes and the risk of
4 damaging the NRCA as early as 2020 including concerns raised by DNR staff in the Natural
5 Areas Program. This tragedy could have been avoided.
6

7 **Ed Chadd** suggested it is time to ask the agency to get ahead of the courts and pause workups
8 of timber sales of mature, structurally complex, carbon dense forests by applying a broad
9 definition of those terms at this time until the agency has met two benchmarks. The first is the
10 ability to describe the full impacts of individual timber sales with respect to climate change
11 incorporating both impacts to carbon fluxes and contributions to other impacts that climate
12 change will bring, such as challenges to water resources, wildfire risks, and biodiversity loss.
13 The second is to have a plan to meet the older forests targets of 10% to 15% of each planning
14 unit described in the HCP and multiple other documents. Both of these instruments need to be
15 based on the best science, which should be identified by an independent panel of experts. Many
16 community members have called for those measures for years and the legal liability the agency
17 is incurring for business as usual has become increasingly apparent. Until then, agency
18 decisions and operations will continue to be chaotic characterized by planned, postponed,
19 remanded, or cancelled sales encountering a huge amount of wasted agency time and frustrated
20 clients and beneficiaries. A way out of this morass requires the Board's leadership, the agency
21 director, and close collaboration with state and federal representatives. Initially, leadership
22 needs to begin with the Board.
23

24 **Bryan Pelach, Washington Conservation Action**, referred to the Double Haul sale in Cowlitz
25 County and a letter submitted to the Board co-signed by other parties including Washington
26 Conservation Northwest, The Center for Responsible Forestry, Cascade Forest Conservancy,
27 Sierra Club of Washington, and Vancouver Audubon Society. The Double Haul sale included
28 logging of unstable slopes upland of Merrill Lake Natural Resource Conservation Area. Unit
29 5 of the sale was identified as a significant risk for a landslide after harvest due to slope
30 instability. The property immediately upslope from Unit 5 experienced a landslide in 1996 with
31 evidence of another slide earlier in the 20th century. DNR was aware of the risk and could have
32 avoided the outcome by choosing not to log Unit 5, a small portion of the sale. By choosing
33 not to log only 22 unstable acres of the 248-acre sale, DNR could have prevented damage to
34 the Merrill Lake Natural Area, the campground, and the fish bearing stream downslope. The
35 ecological damage and the loss of public access caused by the landslide are the greater cost than
36 the value of the timber sold from Unit 5. DNR is not required to maximize revenue through
37 timber harvest and has the authority to manage for multiple benefits to include leaving stands
38 with geologic hazards. It is hoped the Double Haul sale is an opportunity to learn and to avoid
39 similar landslides from harvests on unstable slopes in the future. DNR can do so by conducting
40 deeper geologic analysis when needed and greater consideration of the impacts of climate
41 change and non-timber values within the forthcoming SHC.
42

43 **Julianne Gale** thanked the Board for delaying and hopefully cancelling the auction of legacy
44 forests slated for sale, particularly Next Contestant. She thanked Superintendent Reykdal for
45 visiting the site of Next Contestant and meeting with Mason County Climate Justice members
46 and many Skokomish tribal members concerned about the timber sale. Any legacy timber sale

1 scheduled for Mason County should include a visit by the Board to ensure everyone has the
2 same information and to help build stronger relationships with the community and for
3 community voices to be heard to provide the Board with information. She invited the Board to
4 visit timber sales in progress because she could not imagine voting on a sale she had never seen.
5 When there is confusion or disagreement, there are benefits through in-depth conversations and
6 in-person visits on the land.
7

8 **Rod Fleck** said the Olympic Region appears to be on target to meet its SHC for the decade or
9 within 30 mmbf. He acknowledged the hard work the achievement represents and to DNR and
10 local beneficiaries for their efforts. It is worth noting as someone who is approaching retirement
11 a special shout-out and thanks to Drew Rosenbaum who as the Assistant Regional Manager
12 who has worked for decades in the region and for his dedication, candor, openness, and his
13 commitment that are greatly appreciated and are reflected in that milestone. One area of
14 growing concern is challenges associated with timber stands removed for one purpose and
15 returned when the issues are resolved, such as the marbled murrelet strategy. Stands are once
16 again challenged. Essentially, stands are swept up in the phraseology of timber sales that are
17 permitted by the HCP to be sold. The stands are not just maturation 1 but also maturation 2
18 stands that are impacting junior taxing districts. The Board has a duty to follow the obligations
19 of the beneficiaries that are hospitals, schools, ports, and libraries essential to rural communities
20 that mitigate urban growth.
21

22 **Nina Sarmiento, resident of Port Angeles**, said she has spent time in mature forest sales near
23 her, particularly Salt and Pepper and Power Station. She echoed prior comments by Mr. Wright
24 and Mr. Krakow on the need for DNR to change management of public lands. Today, climate
25 change must be at the forefront of management strategies. It also is important not to ignore the
26 studies and evidence revealing logging impacts to geology and hydrology. Studies, such as the
27 Nooksack Indian Tribe Climate Change Project reflect how clearcut watersheds reduce summer
28 stream flows when compared to intact forests. Lessons from the Double Haul timber sale
29 should be clear. The cost of road construction to reach those units in the Double Haul timber
30 sale and the cost to repair the damage to roads and the campground from the landslides will
31 exceed the value of the timber harvested from those units. When prioritizing timber harvest
32 revenue, not only does the public and trust lose, but future generations also lose. Climate
33 change will cause more landslides and decreased water supply. DNR needs a paradigm shift to
34 focus on restoring flow regimes and enhancing watershed hydrologic function. Water supply
35 should not be considered a forest product and DNR must reform the SHC to reflect reality. The
36 Board should continue to defer all carbon dense, structurally complex forest harvests because
37 they are a climate solution.
38

39 **Paul Butler, resident of Thurston County**, reported he attended the meeting between DNR
40 staff and Thurston County Board of County Commissioners to discuss ways to protect what
41 little remains of older forests in the Thurston County portion of Capitol State Forest. Although
42 the dialogue was cordial and well intentioned, there was no agreement on a path forward.
43 Thurston County has been trying for over a year to protect its few remaining areas of older
44 forest without success. At one point, protection appeared possible for some stands as part of
45 the 2,000 acre that were set-aside using Climate Commitment Act funds to purchase
46 replacement lands. DNR indicated the metric for inclusion was based on connectivity.

1 Unfortunately for the county, the pattern of harvests in Capitol State Forests generated by DNR
2 foresters over the years has led to fragmentation that meant only small isolated patches of older
3 forest remain. No acres were selected for inclusion in the 2,000 acres. Although the problems
4 remain, DNR's lack of an older forests policy leads to confusion and uncertainty. Although he
5 is pleased when sales of older forests are withdrawn, he recognizes that trust beneficiaries are
6 not receiving the funding they depend on. If Commissioner Franz had followed through with
7 a moratorium on logging older forests while the old forest policy was being developed, much
8 of this uncertainty could have been avoided. As a small forest landowner, he supports a viable
9 wood products industry. On state lands, however, timber sales should be restricted to existing
10 plantations until an older forests policy is in place. There is sufficient volume of appropriately
11 aged timber to fund the trust while waiting.
12

13 **Nicole Ng-A-Qui** commented that she is listening to the comments from people essentially
14 begging the Board to save forests and cannot help but feel the words are ignored as the Board
15 has listened to the same comments for many years but continue to approve cutting, which is
16 devastating. As a forester and an arborist, she appreciates the need to use trees; however, it is
17 not necessary to destroy everything. The state is on track to destroy everything with the way
18 cutting is occurring. The Board needs to stop and change the way of doing forestry. It is
19 necessary to preserve some of older forests as trees are supposed to live for 2,000 years.
20 Keeping trees in a juvenile stage increases fire frequency as stands are 80 years old or younger.
21 The Board needs to listen to people who have been pleading to save forests or the remains of
22 forests. Forests are important for the future and should be preserved.
23

24 **Matt Comisky, American Forest Resource Council**, said since January of this year, three
25 sawmills have closed or curtailed operations in Oregon. Two facilities in western Montana
26 have closed and the State of Montana released a news article about concerns as to how the state
27 is going to address forest health amid the continued closures as the state is expecting notification
28 of least one or two more sawmills in the Pacific Northwest closing imminently. There is a need
29 for infrastructure to meet forest health goals whether in Washington on the westside or eastside,
30 Montana, Idaho, or Oregon as the reality is a tree problem and in many places there are too
31 many trees. The Eastside SHC is critical to develop and he is looking forward to an update
32 later in the meeting but stressed the importance of engagement by the Department in the process
33 to ensure it is transparent and open. In Western Washington, volume is short by 150 mmbf of
34 the 465 mmbf target or roughly equal to 1,500 jobs and enough volume to operate two modern
35 sawmills for a year. There is some nuance in the HCP and although the 10% to 15% is in the
36 HCP, it specifies if the metrics are applied there is an expectation of the outcome, but no
37 obligation in the HCP to achieve 10% to 15%. It is a small nuance that requires an
38 understanding of HCP regulations. Additionally, the SHC was approved in 2019 for the
39 planning year 2015. Many of the members on the Board were members when the SHC was
40 approved in December 2019. Finally, Cabbage Patch is costing the Olympia School District
41 \$597,000.
42

43 **Heath Heikkila** addressed the recent decision of a King County Superior Court judge related
44 to DNR's proposed Wishbone timber sale of a "legacy" forest. The decision broadly only
45 considered short-term harvest related admissions and completely ignored ample evidence about
46 carbon sequestration and storage benefits of DNR's sustainable timber management at the

1 landscape level rather than considering the overwhelming international evidence about carbon
2 mitigation benefits of sustainable forest management as recognized by the Intergovernmental
3 Panel on Climate Change (IPCC) and others. This elected judge seemed more interested in
4 garnering newspaper headlines, which was achieved today in the *Seattle Times*. Any carbon
5 analysis must consider leakage and substitution. He questioned whether it is really a climate
6 solution to import wood products from countries with weak environmental standards or using
7 more concrete and steel. Recent results of carbon accounting show that DNR's timber harvest
8 has a greater carbon mitigation benefit than simply walking away from forests when
9 considering leakage and substitution. This is exactly why the IPCC makes its
10 recommendations. He is hopeful the judgment is reversed on appeal because if not, it sets a
11 very dangerous precedent that would extend far beyond DNR's timber sales. The same narrow
12 ruling by the judge could be applied to other state projects. He questioned how Sound Transit's
13 construction of its light rail system could be considered a massive source of carbon emissions
14 rather than an effort to reduce carbon emissions by eliminating cars from the road.

15
16 **Miguel Perez-Gibson, Washington Conservation Action**, referred to information provided
17 to the Board on the Double Haul timber sale landslide. The sale is a good case study for
18 examining the use of the precautionary principle. The Department has heard from other interest
19 groups and a DNR employee that the sale would likely result in a landslide. He corrected
20 previous comments about SHC planning units as he was mistaken in part with respect to his
21 reporting. The region's are on target for each planning unit. The SHC for 2014 through 2024
22 was adopted by the Board in 2019, halfway through the decade. The regions were harvesting
23 for five years without an approved sustainable harvest yield target. As a result, when the
24 4,653,685,000 mmbf SHC was adopted, regions exceeded a sustained level of 68 mmbf in some
25 planning units and under-harvested 11 mmbf in others. However, at the end of the last decade,
26 a 382 mmbf arrearage was calculated while at the end of this decade the assumption is another
27 200 mmbf arrearage. It is not possible to continue rolling the number forward as statute
28 provisions are not cumulative. The need is for a more accurate SHC.

29
30 **Doug Cooper, Hampton Lumber**, reported on his retirement from Hampton Lumber at the
31 end of the month. He is grateful for the opportunity to represent the Hampton family,
32 employees, and contractors who have worked to grow, harvest, and manufacture wood products
33 that everyone depends on. Hampton's sawmills and the communities they support are
34 dependent upon DNR's timber harvest as a critical component of the log supply necessary to
35 produce products and sustain healthy communities. Department staff provides lightning talks
36 and presentations detailing management practices and policy compliance. At the last two Board
37 meetings, Part 1 and Part 2 of the State of State Lands Report were presented. Later, staff will
38 reveal the true state of State Lands. Oversight and leadership is lacking within the Department
39 to execute on the planned fiscal year 2024 westside sustainable harvest that finances the
40 Department and beneficiaries and is at the core of the financial and social viability of many
41 rural communities and businesses. There is an apparent elimination of planned sales volume
42 of 95 mmbf from the March report and 174 mmbf from the initial 2024 plan presented in July
43 2023. That represents a failure to generate over \$74 million in revenue while the Department
44 asks the Legislature to purchase forestland without any financial or management plan for the
45 property. The reduction in timber sales is not the result of Board direction as there is time for
46 the Board and the Department to take action to address the change in the timber sales plan and

1 the trajectory of the Department.
2

3 **Bill Turner, Sierra Pacific Industries**, reported the company is located in four areas of the
4 state employing nearly 1,000 people to produce wood products needed by the nation and
5 internationally. Today, climate and the carbon issue are forefront. The company produces
6 green energy from the sawdust and bark from logs to generate 48 mega watts between two
7 biomass generation plants producing energy utilizing wood products. The IPCC recommends
8 using more wood products from sustainably managed forests. DNR sustainably manages lands
9 not only through the SHC but also by third party certifications of Sustainable Forestry Initiative
10 and Forest Stewardship Council. DNR does good work. Wood is the best building product for
11 the climate as acknowledged by the IPCC. The Food and Agricultural Organization of the
12 United Nations promotes the use of wood. Expectations worldwide indicate wood use will
13 nearly double by 2060, which will require sustainable practices.
14

15 **Ashley Short** spoke on behalf of Cascade Forest Conservancy, a non-profit organization based
16 in southwest Washington. The organization reviews and engages with timber sales on public
17 state and federal lands. In 2021, the organization provided comments on a SEPA review for
18 the Double Haul timber sale. Of particular concern was the potential of slope failures located
19 upland from the Merrill Lake NRCA. The concern turned out to be reasonable given two slides
20 occurred last year post-harvest. Unfortunately, risky harvest decisions, such as Double Haul
21 are not a one-time occurrence as DNR and the Board decision-making structure has a pattern
22 of taking high risks when laying out sales. For example, both the Rapid Creek and Fruitful
23 timber sales both have unstable slope issues, which were addressed during the SEPA comment
24 period in January. Specifically in Rapid Creek, the plan is to harvest approximately 4.5 acres
25 of the relic glacial deep-seated landslide and its associated upslope groundwater recharge area.
26 From the organization's perspective, it does not appear DNR considers the concerns seriously
27 regarding the Fruitful comments as DNR responded that they followed the rules. The
28 organization did receive a response to the comments submitted for the Rapid Creek timber sale.
29 This lack of critical engagement with comments and concerns raised in the decision-making
30 process is concerning to the organization and appears to lead to excessively risky decisions.
31 The Board is encouraged to direct DNR to better account for risks moving forward and consider
32 the concerns when calculating new SHC levels.
33

34 **Jerry Bonagofsky, Washington Contractor Loggers Association (WCLA)**, said WCLA
35 represents logging, log road construction, and log hauling companies. Many WCLA members
36 similar to trust beneficiaries rely on DNR's timber sale to support their organizations. He
37 emphasized that a stable, reliable, and predictable timber sales program is critical to maintain
38 the infrastructure of the industry and the workforce while providing both family wage jobs and
39 generating revenue and economic activity in rural communities. The Board will be asked to
40 approve only three timber sales totaling 9.5 mmbf in contrast to April 2023 when the Board
41 approved eight sales totaling 42.9 mmbf. At the July 2023 Board meeting, the FY 2024
42 westside volume was listed at 489 mmbf. In the pending timber sale presentation, the current
43 westside harvest is listed at 315 mmbf, a reduction of 174 mmbf from the beginning of the fiscal
44 year. It has been obvious that there will be a massive arrearage in this planning decade, which
45 means less work for members and their crews. Once infrastructure is lost, it likely lost forever.
46

1 **Sarah Gardam, resident of Blaine**, said she is speaking for the forest rather than for any group
2 or organization. She was thrilled to learn DNR canceled six timber sales scheduled for approval
3 for auction this month. If DNR is heeding real science or years of appeals from the people of
4 Washington, it is truly a cause for rejoicing and gratitude. If on the other hand, sale
5 cancellations are merely an attempt by DNR to cut its losses while waiting for a court decision
6 on whether the agency has violated its policies, then shame on DNR for continuing to gaslight
7 the Board and the public with games of pretend. If DNR is pretending that it can hit the older
8 forests targets while mowing down thousands of acres of the last remaining mature forests on
9 public lands in the lowland regions, please stop as the word is out and nobody believes it
10 anymore because of the numbers and the impossibility of DNR meeting its targets. Once mature
11 forests are gone, there is no way to hold the agency accountable. She questioned whether the
12 agency plans to create a mature older forests policy to protect the remaining older forests.
13 Should the agency refuse to do so, the choice is whether the Board holds the agency
14 accountable.

15
16 **RECESS TO EXECUTIVE SESSION**

17 **Chair Franz recessed the regular meeting at 10:07 a.m. to an executive session to discuss**
18 **anticipated litigation, pending litigation, or any other matter suitable under RCW**
19 **42.30.110 for approximately 20 minutes. No action will be taken during executive session.**
20

21 **Mr. Johnson announced the extension of the executive session from 10:26 a.m. to 10:55**
22 **a.m. to remote attendees.**

23
24 **Ms. Pinchak announced the extension of the executive session from 10:26 a.m. to 10:55**
25 **a.m. to in person attendees.**

26
27 **Mr. Johnson announced the extension of the executive session from 10:55 a.m. to 11 a.m.**
28 **to remote attendees.**

29
30 **Ms. Pinchak announced the extension of the executive session from 10:55 a.m. to 11 a.m.**
31 **to in person attendees.**

32
33 **Chair Franz reconvened the meeting at 11:09 a.m.**

34
35 **TIMBER SALES – Action**

36 **Auction Results for March 2024, FY 24 Update, & Proposed Timber Sales for May 2024**
37 **Padraic Callahan, Acting Assistant Division Manager, Timber Sales and Michael**
38 **Kearney, Product Sales and Leasing Division Manager**

39 Mr. Callahan presented the results of March timber sales. Nine sales were offered totaling 39.4
40 mmbf for \$11.6 million for an average of \$294 per mbf with an average of 2.9 bidders per sale.

41
42 Mr. Cahill questioned the difference in the appraised amount versus actual sales. Mr. Callahan
43 explained that the appraisal is based on the best estimate on markets that likely would
44 participate as well as avoiding a price too high where potential purchasers refrain from bidding.
45 The expectation is that the competitive process typically results in a market value higher than
46 the estimate as the estimate is based on a conservative estimate.

1
2 Mr. Callahan reviewed the status of third quarter Fiscal Year 24 planned timber volume of the
3 current plan for auction volume, forecasted volume for the remainder of the year, sold volume,
4 fiscal year 24 reoffered volume, and timber sales reoffered from previous fiscal year.
5

6 The Board offered no questions or comments on the third quarter report.
7

8 Proposed timber sales for May 2024 total three sales of approximately 39.5 mmbf at an
9 appraised minimum delivered value of \$1.3 million or \$138 per mbf. A large component of the
10 sales package includes thinning, which is more expensive to process, as well as a large
11 proportion of white wood, which tends to be of reduced value compared to Douglas fir or cedar.
12

13 Within the three westside sales, 715 acres were evaluated for timber harvesting with
14 approximately 22% of original acres preserved to protect riparian areas, unstable slopes,
15 cultural resources, and the required leave trees representing 156 acres leaving a harvest area of
16 559 acres.
17

18 Mr. Callahan reviewed details of the three timber sites and the distribution of timber revenue
19 by trust.
20

21 With no questions from the Board, Mr. Callahan requested approval of the proposed May timber
22 sales.
23

24 MOTION: Commissioner Janicki moved to approve the May timber sales as presented.
25

26 SECOND: Dr. Brown seconded the motion.
27

28 ACTION: The motion carried unanimously.
29

30 CHAIR REPORT – *Informational*

31 Sustainable Harvest Calculation Update

32 Duane Emmons, Assistant Deputy Supervisor, State Uplands

33 Mr. Emmons updated the Board on the status of the Eastside Sustainable Harvest Calculation.
34

35 The last update addressed the need to complete more scoping to review an older procedure that
36 requires DNR to manage for spotted owl circles in addition to management under the HCP in
37 certain areas in Eastern Washington covered under the HCP creating conflict with forest health
38 treatments to maintain healthy habitat. Staff initiated a new round of scoping. During the EIS
39 process, the scoping process enables the public and other agencies to comment on the scope of
40 the Department's Eastside SHC project, which assists staff in identifying key issues and
41 concerns. The second round of scoping has been completed. The scoping notice requested
42 comments on various aspects of SEPA. DNR received comments for ensuring the review
43 included environmental justice assessments and consideration. The Healthy Environment for
44 All (HEAL) Act requires significant agency actions to include environmental justice
45 assessments. The recent scoping is likely the first large-scale project statewide to include
46 environmental justice assessment.

1
2 Overall comments received during the scoping period covered similar themes of comments
3 received in 2021. Some additional topics included not expending resources on completion of
4 an arrearage analysis for the Eastern Washington SHC because the SHC was last established in
5 the late 90s, inclusion of some specific wildlife species, consideration of climate and carbon
6 analysis for the EIS and financial analysis, consideration of alternatives to maximize present
7 value, forest health and forest resilience goals, funding, and treatments for forest health. Other
8 comments addressed risk of wildfire, criteria for treatments, post-wildfire reforestation, and
9 reducing fuel loads.

10
11 Mr. Emmons reviewed the purpose, need, and objectives identified during the development of
12 the range of alternatives for the EIS. The purpose is to recalculate a sustainable harvest level
13 consistent with DNR's policies including the Policy for Sustainable Forests, the 1997 HCP,
14 applicable local, state, and federal laws, and to evaluate the environmental impacts of revising
15 or rescinding the 1999 procedure (PR 14-004-120) related to managing spotted owl habitat in
16 Eastern Washington HCP units in order to bring Northern spotted owl habitat conservation
17 practices into alignment with the HCP landscape level conservation strategies, and forest health
18 and catastrophe loss prevention strategies and policies.

19
20 The need to recalculate a sustainable harvest level is because RCW 79.10.320 requires DNR to
21 manage state-owned lands under its jurisdiction, which are primarily valuable for the purpose
22 of growing forest crops on a sustained yield basis insofar as compatible with other statutory
23 directives. To this end, the Department shall periodically adjust the acreages designated for
24 inclusion in the sustained yield management program and calculate a sustainable harvest level.
25 The RCW is reflected in the Policy for Sustainable Forests and in the policy for recalculation
26 of the sustainable harvest level with a specific requirement to recalculate the statewide
27 sustainable harvest level for Board of Natural Resources adopted no less frequently than every
28 10 years. RCW 79.10.330 states that if an arrearage exists at the end of any planning decade,
29 the Department shall conduct an analysis of alternatives to determine the course of action
30 regarding the arrearage, which provides the greatest return to the trusts based on economic
31 conditions then existing and forecasts, as well as impacts on the environment of harvesting the
32 additional timber. The Department shall offer for sale, the arrearage in addition to the
33 sustainable harvest level adopted by the Board of Natural Resources for the next planning
34 decade if the analysis determined that doing so would provide the greatest return to the trusts.
35 RCW 79.10.520 requires the Department to reduce wildfire hazards and losses from wildfire;
36 reduce insect infestation and disease; and achieve cumulative impact of improved forest health
37 and resilience at a landscape scale. The intent of the RCW is reflected in the Policy for
38 Sustainable Forests on forest health and the Policy on Catastrophe Loss Prevention. Procedure
39 14.004.120 limits the Department's ability to effectively manage for those forest health
40 catastrophic losses, which is why the Department is seeking repeal of the procedure.

41
42 The objectives include:

- 43 • Incorporate new information into the model to calculate the new SHC
- 44 • Consider climate change and analyze climate change impacts and benefits of the
- 45 alternatives
- 46 • Support forest health treatment strategies and plans

- Ensure alternatives are reasonable, feasible, and consistent with DNR's trust management obligations, existing policies, HCP and Amendments, and applicable laws

All action alternatives considered for analysis in the EIS must help DNR fulfill the objectives to meet the purpose and need of the proposal.

Mr. Emmons invited comments on the purpose, need, and objectives as the Department plans to use those statements in the 2024 scoping notice for development of the action alternatives.

Mr. Emmons added that staff is nearing completion of Phase 1 of the project. He reviewed tasks completed to date. Work is underway to finalize a problem statement for the Eastside project and identify all tasks and critical dependencies for the complex project. The problem statement will be presented to the Board at a future meeting.

During Phase 2, staff plans to engage with the Board on topics to assist in development of a range of alternatives for analysis under the EIS. Some topics include the objective function sustainable harvest units for Eastern Washington, arrearage and discount rates for modeling, and engaging the Sustainable Harvest Technical Advisory Committee (TAC) to receive technical guidance on topics. Staff is finalizing the growth and yield data and forest state model, as well as completing a number of validation contracts (third-party independent contractors).

During Phase 3, the Department's model outputs will assist in conducting the environmental impact analysis for various environmental elements for eventual publication of a Draft Environmental Impact Statement (EIS), financial analysis, and socioeconomic impacts analysis.

During Phase 4, staff will respond to comments received on the DEIS and revise the DEIS based on Board and public input, publish a final EIS with a preferred alternative, and update financial and socioeconomic analyses. The Board will be engaged to establish a sustainable harvest level decision for the next planning decade.

Mr. Cahill inquired about the timeline for the Board's discussions on alternatives development. Mr. Emmons responded that the timing would be late summer or early fall as staff is working on the earlier stages of finalizing the problem statement. The Board and staff will engage to develop alternative management scenarios for analysis.

Superintendent Reykdal asked staff to reach consensus from different interest groups on appropriate discount rates before the Board begins working on the issues to avoid ongoing debates. Mr. Emmons affirmed staff plans to review and discuss the discount rate and different methodologies for a discount rate for Eastern Washington.

Chair Franz added that the TAC would also be reviewing the discount rate, which was not included in the prior SHC.

Commissioner Janicki expressed appreciation of presentation and the checklist as it is helpful. She noted that the prior completion forecast for the Western SHC appears to be extended. Mr. Emmons explained that lessons learned from the previous SHC stressed the importance to document all inputs to the model, document a decision on a discount rate, document the

1 questions the model is intended to solve to ensure there is a body of historical references for
2 review in the future as to how and why specific decisions were rendered. Those steps take
3 additional time.
4

5 **LAND TRANSACTIONS – Action**

6 **Eglon Trust Land Transfer, Amendment to Resolution 1631, Resolution 1631A**
7 **Martin McElliott, Exchange Project Manager, Strategic Planning Office**

8 Mr. McElliott requested an amendment to Resolution 1631 to correct the dollar amounts for
9 each trust. No other changes are proposed to the resolution.
10

11 The Eglon TLT is located in Kitsap County of five parcels totaling 705.80 acres of Common
12 School Trust properties and 481.01 acres of University Trust land. The appraised value of the
13 parcels is \$8,813,360. The initial presentation inadvertently transposed \$2.9 million and \$5.8
14 million reflecting that the value per acre was skewed at approximately \$25 million per acre on
15 one and \$3,700 an acre on the other, which is proposed for correction by the amendment.
16

17 With no questions from the Board, Mr. McElliott requested approval of Resolution 1631A,
18 Eglon Trust Land Transfer, as presented.
19

20 MOTION: Mr. Cahill moved to approve Resolution 1631A, amending Eglon Trust Land
21 Transfer, Resolution 1631.
22

23 SECOND: Commissioner Janicki seconded the motion.
24

25 ACTION: The motion carried unanimously.
26

27 **Devil's Lake Trust Land Transfer, 02-104162, Resolution 1632**

28 **Martin McElliott, Exchange Project Manager, Strategic Planning Office**

29 The Devils Lake TLT property is located in Jefferson County south of the town of Quilcene
30 and westerly of the West Quilcene Bay Beach. The property is approximately 443.04 acres in
31 size and is mainly forest site class 3 and 4 soil. The Devils Lake TLT property is located within
32 the 2016 expanded boundary of the Devils Lake Natural Resources Conservation Area
33 (NRCA). The TLT will permanently protect one mile of scenic forested shoreline and steep
34 slopes along Hood Canal, serving as wildlife habitat containing older forests, and home to a
35 globally imperiled rare forest plant community which remains in good condition. Most of the
36 property has limited timber harvest potential due to large amounts of steep, potentially unstable
37 slopes, and the occurrence of the rare forest plant association, which DNR is required to protect
38 under agency and SFI standards.
39

40 The Devils Lake area has long been recognized as an important conservation priority by several
41 conservation organizations, and the proposed Natural Area expansion in 2016 received broad
42 support at two DNR public hearings, including support from Jefferson County Commissioners,
43 conservation groups, shellfish businesses, citizens, and landowners in the area. The property
44 would be transferred into the Devils Lake NRCA and managed as such.
45

46 The appraised land value is \$950,000 with timber appraised at \$4,630,000 for a total valuation

1 of \$5,580,000. Benefits of the TLT include divestiture of property inefficient to manage for
2 timber harvest income, enabling replacement of the asset with property of greater potential for
3 income production, transfers the property to an agency steward for identified biological,
4 ecological, and social values, facilitates repositioning of a trust asset, and proceeds would be
5 used to purchase replacement property for the Common School Trust.
6

7 Chair Franz invited a motion to approve the proposal.
8

9 MOTION: Mr. Cahill moved to approve Resolution 1632, Devil's Lake Trust Land
10 Transfer, 02-104162
11

12 SECOND: Dean Powers seconded the motion.
13

14 ACTION: The motion carried unanimously.
15

16 **Central Washington Exchange, 86-106106, Resolution 1633**

17 **Alex Penhallegon, Project Manager, Land Transactions**

18 Mr. Penhallegon reported the Central Washington Land Bank Exchange involves four DNR
19 properties located in Okanogan, Lincoln, and Clark counties. The exchange transfers state
20 ownership designations between the Land Bank and the Common School Trust. The property
21 known as Okanogan Parcel W would be transferred into the Land Bank from trust status to
22 facilitate a public auction later this year. Okanogan Parcel H and Jones Creek properties are
23 currently in Land Bank and would convert to Common School Trust. The Crab Creek parcel
24 would become Land Bank so DNR can complete a direct transfer to the homesite tenant who
25 owns multiple improvements on the property as an equivalent-valued exchange with the
26 Common School Trust properties valued at \$94,600, and the Land Bank properties valued at
27 \$94,600.
28

29 DNR staff held a public hearing for the exchange on February 2, 2024, and did not receive any
30 public testimony.
31

32 Commissioner Janicki referred to Parcel H and asked why the previous placement of the parcel
33 as Common School Trust that was subsequently transferred to Land Bank is proposed for
34 transfer to Common School Trust. Mr. Penhallegon explained that the initial transfer several
35 years ago was because of a neighboring landowner who conveyed interest in purchasing the
36 parcel. Subsequently, the transfer was approved to facilitate a direct transfer and auction at that
37 time. However, the landowner withdrew interest in purchasing the parcel.
38

39 Robin Hammill, Assistant Manager, Acquisition and Divestitures Program, added that in
40 addition, the property included a grazing lease. The Department received communication from
41 the leasee of a willingness to terminate the lease. Subsequently, the leasee requested the
42 Department not cancel the lease and the Department determined the best course was to retain
43 and return the property to the trust as a cancellation of a grazing lease results in a payment of a
44 penalty by DNR. If the parcel is not scheduled for auction in the near term, the property should
45 be returned as the parcel is holding funds needed for purchase of other properties.
46

1 Commissioner Janicki inquired about the status of access of a road to a house. Mr. Penhallegon
2 advised that the Department lacks legal access on the private road. The property owner has
3 legal access across DNR property.
4

5 Bob Winslow, Senior Project Manager, Strategic Planning Office addressed the issue of legal
6 access. The road is private and DNR lacks legal access, which was the reason for initially
7 selling the property. For a variety of reasons, the agency was unable to sell the property, as it
8 was not in the best interests of the trust, as well as the issue of an 80-year tenant and a desire
9 not to create disruption. In 1889, the Department received 3 million acres of land and not one
10 property included an easement. The Department continues to work diligently to obtain
11 easements through time; however, many trust lands continue to lack legal access creating
12 frustration in light of the growth of population creating fragments of different ownerships
13 requiring multiple easements when only one easement was initially required. It has been an
14 ongoing issue and is one reason DNR consolidates forestlands in Western Washington to ensure
15 legal access.
16

17 Superintendent Reykdal commented on the positive benefits of Common School Trust, as the
18 lands are not associated with school districts, as the trust provides the ability for the Department
19 to move properties when necessary by avoiding impacts to counties during transactions. The
20 funds in the trust can be spent on school capital construction. The Department should be
21 considering in the long-term the flexibility Common School Trust affords the Department to
22 transact because transactions are not specific to a jurisdiction. It provides a different
23 opportunity than other trusts because most trusts are tied to a jurisdiction with revenues
24 remaining in that jurisdiction. Common School Trust is a statewide concept and more
25 transactions should be pursued when it makes sense for the Department.
26

27 Chair Franz invited a motion to approve the proposal.
28

29 MOTION: Mr. Cahill moved to approve Resolution 1633, Central Washington Exchange,
30 86-106106
31

32 SECOND: Commissioner Janicki seconded the motion.
33

34 ACTION: The motion carried unanimously.
35

36 **ADJOURNMENT**

37 With there being no further business, Chair Franz adjourned the meeting at 12:02 p.m.
38
39
40
41


Approved this 14th day of May, 2024



Hilary St. Franz, Washington State Commissioner of Public Lands


Jim Cahill, Designee for Governor Jay Inslee

Absent
Chris Reykdal, Superintendent of Public Instruction


Lisa Janicki, Commissioner, Skagit County


Dr. Wendy Powers, Dean, College of Agricultural, Human, and Natural Resource Sciences,
Washington State University


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

Attest:


Tami Kellogg, Board Coordinator

Prepared by Valerie L. Gow, Recording Secretary/President
Puget Sound Meeting Services, psmsoly@earthlink.net