
Minutes

Board of Natural Resources Meeting

April 7, 2020
Webinar, Olympia, Washington

BOARD MEMBERS PRESENT

The Honorable Hilary Franz, Washington State Commissioner of Public Lands

The Honorable Bill Peach, Commissioner, Clallam 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

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 All Board members introduced themselves. Chair Franz noted there was a quorum for the
5 meeting.

6

7 WEBINAR FORMAT BRIEFING

8 Ms. Anderson provided an overview of conducting the meeting via Webinar.

9

10 APPROVAL OF MINUTES

11 Chair Franz called for approval of the minutes for the March 3, 2020 Regular Board of Natural
12 Resources Meeting.

13

14 MOTION: Dean Wright moved to approve the minutes.

15

16 SECOND: Mr. Cahill seconded the motion.

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18 ACTION: The motion carried unanimously.

19

20 PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST

21 Miguel Perez-Gibson, Forest Policy Advisor, WEC, spoke about their interest in having a role
22 in drafting a carbon policy for the state, and also shared that they are interested in how the Board
23 responds to the management of the timber sale program. He reminded the Board that they can

1 vary the sustained yield down by 25%, noting the market shift. He also shared WEC's interest in
2 how the Department will implement the ITP for the MM LTCS.

3
4 **Dan Chaplik, Superintendent of the Sultan School District**, expressed support for the Middle
5 May timber sale.

6
7 **Beverly Parsons, citizen of Hansville, WA, and member of KEC**, spoke about the policies the
8 Department is operating under, and shared that they are decades old. She voiced concerns that
9 deforestation has an immense impact and that the Board should think about regeneration.

10
11 **Bill Turner, Washington Log Procurement Manager for Sierra Pacific Industries**,
12 expressed his disappointment with the delay of the Middle May timber sale.

13
14 **Margaret Tuft**, spoke about the policies the Department operates under, adding that they are
15 outdated. She would like the Department to consider thinning instead of clear cutting, and to also
16 explore options to generate revenue.

17
18 **Matt Comisky, Washington Manager for the American Forest Resource Council**, expressed
19 his disappointment that the Middle May timber sale is not included in the timber sales packet, as
20 anticipated.

21
22 He stated that in previous comments he has addressed the multiple-use act and its requirement
23 that the beneficiaries must be compensated when recreation negatively impacts the revenue
24 generation of trust lands.

25
26 He also touched on another topic that had been raised. Washington State Parks acknowledgment
27 of the various management objectives of the landowners around Wallace Falls State Park,
28 including the management of working forests. Recreation, both motorized and non-motorized, is
29 not mutually exclusive with active forest management. They can and do co-exist in a variety of
30 landscapes around Washington State. In the case of Middle May, Trust Lands managed by DNR
31 can provide a varied recreational experience from Wallace Falls and other lands in the vicinity.
32 But this must not come at the expense of the beneficiaries.

33
34 He summarized that DNR has conducted extensive public outreach, sought the input of various
35 stakeholders, including those opposed to this sale and management in this vicinity, and complied
36 with the HCP, State Forest Practices Act, and completed an extended SEPA process with the
37 recent release of the Notice of Final Determination. We encourage the Department and this
38 Board to move Middle May forward.

39
40 **Doug Cooper, Vice-President of Resources Hampton Lumber**, spoke about the law the
41 Governor signed on March 25 that established legislation that recognizes the essential role that
42 the State's forestry industry and working forests play in removing greenhouse gases from the
43 atmosphere.

44
45 **Ed Bowen**, spoke about the Foot Trail timber sales and the continued issue with the easement
46 with the Forest Service and the pending cost share agreement. He also spoke about the timber
47 sale approved at the December 3, 2019 meeting and how it will be implemented.

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

2 **Sam Chesley, resident of Goldbar, WA**, thanked staff for setting up the Webinar and for
3 continuing to allow public comment. He expressed appreciation for the delay of the Middle May
4 timber sale, and the hopes of a new management plan for the Reiter Forest. He shared the threat
5 of reduced tourism economy is very real and that the citizens of Goldbar rely on this income to
6 survive.

7
8 **Reed Blanchard**, expressed his appreciation of the Webinar. He asked that the Board delay the
9 City Skidder timber sale, due to an incomplete application.

10
11 **Beverly Parsons**, spoke about the City Skidder timber sale and reinforced the comments of Reed
12 Blanchard. She also stated that she feels there was a lack of opportunity for public comment.

13
14 **Margaret Tuft**, shared her opposition of the City Skidder timber sale and requested a delay in
15 consideration for approval.

16
17 **Stephen Kropp**, spoke about the timber sale program and shared concerns with City Skidder
18 and Iconic Sorts.

19
20 **Matt Comisky, Washington Manager, AFRC**, shared the appreciation and gratitude of AFRC
21 members for the efforts that the product sales team has proactively taken to this point.

22
23 **Doug Cooper, Vice-President of Resources, Hampton Lumber**, spoke about the Middle May
24 timber sale, and thanked the staff for the hard work they have done.

25
26 **Lisa Hurt**, spoke about Climate Resiliency Plan and shared that it appears to focus more on
27 income. She stated that the Department should stop clear cutting and look into sustainable
28 forestry and other opportunities to generate revenue.

29
30 **TIMBER SALES (Action Item)**

31 **Proposed Timber Sales for May 2020 | 3 handouts, including the presentation**

32 Patrick Ferguson, Product Sales & Leasing Division

33
34 The results of the March 2020 auctions were presented to the Board by Mr. Ferguson. The
35 Department offered 14 sales totaling 61.2 mmbf. Of those, 9 sales sold totaling \$14.0 million for
36 an average of \$318 per mbf with 2.3 bidders per sale on average.

37
38 Mr. Ferguson asked for questions.

39
40 Mr. Cahill asked how Covid-19 may have affected sales.

41
42 Mr. Ferguson shared that it is hard to tell, but sales did have multiple bidders. He added that
43 there is interest in the unsold sales, but purchasers were unable to get on board with the appraised
44 prices. Mr. Ferguson noted that the prices from the March survey were down and some mills are
45 experiencing curtailments and small closures. Issues are being seen, but there is still interest and
46 a need for wood.

47

1 Mr. Ferguson then presented a graph showing planned, offered, and sold volume for each quarter
2 of fiscal year 20. Mr. Ferguson noted that the FY20 reoffers cause the sum of all the volumes to
3 be greater than the planned 512 mmbf.

4
5 Commissioner Franz asked for questions.

6
7 Commissioner Peach asked if the monthly flow of volume would be steady from now until the
8 end of the calendar year.

9
10 Mr. Ferguson explained that the Department is trying to adhere to the original plan, adding that
11 the 4th quarter volume shown is a bit higher than originally planned. The following fiscal year is
12 planned for a similar trend as the one shown, with lower volume in the 1st quarter followed by
13 most of the volume in the 2nd and 3rd quarter. Mr. Ferguson added that the Department is
14 actively reviewing the flow of sales to align with market trends.

15
16 Mr. Ferguson shared a graph of planned, offered, and sold volume remaining from fiscal year 19,
17 noting that one fiscal year 19 sale is planned to be reoffered in fiscal year 21. Mr. Ferguson
18 asked for questions.

19
20 Commissioner Peach asked for clarification that the anticipated arrearage for fiscal year 19 is
21 zero.

22
23 Mr. Ferguson confirmed that the intent is to sell all the fiscal year 19 volume.

24
25 Mr. Ferguson then presented proposed sales to be offered in May 2020 to the Board.

26
27 Mr. Ferguson asked for approval of the proposed sales as presented.

28
29 Commissioner Franz asked for questions. There were none.

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31 MOTION: Commissioner Peach moved to approve the proposed sales.

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33 SECOND: Dean Wright seconded the motion.

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35 ACTION: The motion carried unanimously.

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37 Meeting adjourned at 10:11 AM.

Approved this 7th day of July, 2020.

DocuSigned by:

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Hilary S. Franz, Washington State Commissioner of Public Lands

Approved via Webinar

Jim Cahill, Designee for Governor Jay Inslee

Absent

Chris Reykdal, Superintendent of Public Instruction

Approved via Webinar

Bill Peach, Commissioner, Clallam County


Approved via Webinar

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:


Tami Kellogg, Board Coordinator