
Minutes
Board of Natural Resources Meeting
May 4, 2021
“Webinar”, Olympia, Washington

BOARD MEMBERS PRESENT

The Honorable Hilary Franz, Washington State Commissioner of Public Lands

The Honorable Bill Peach, Commissioner, Clallam County

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

BOARD MEMBERS ABSENT

The Honorable Chris Reykdal, Superintendent of Public Instruction

1 **CALL TO ORDER**

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

3

4 Board members introduced themselves. A meeting quorum was attained.

5

6 **WEBINAR FORMAT BRIEFING**

7 Ms. Tami Kellogg provided an overview for participating in a Webinar meeting.

8

9 **APPROVAL OF MINUTES**

10 Chair Franz called for approval of the minutes for the April 6, 2021 Regular Board of Natural
11 Resources meeting.

12

13 MOTION: Commissioner Peach moved to approve the minutes.

14

15 SECOND: Dean Wright seconded the motion.

16

17 ACTION: The motion carried unanimously.

18

19 **LIGHTNING TALK**

20 **Webster Forest Nursery**

21 Brian Morris, Webster Forest Nursery Program Manager

22

23 Mr. Morris reported DNR’s Webster Forest Nursery supplies trees for state trust lands, other
24 public owners and municipalities, and private landowners.

1 Mr. Morris shared a video of the Webster Forest Nursery Program. The nursery has produced
2 over 900 million seedlings of both bare root and greenhouse production trees. The nursery
3 produces both one and two-year old trees for planting. The nursery state-of-the-art climate
4 control monitors and adjusts the growing environment of greenhouses. Seed trials narrow the
5 germination window to speed up the rate of seed germination to shorten the growing window and
6 reduce utility costs.

7
8 Mr. Morris commented on how the last season during the pandemic was extremely difficult for
9 employees who worked onsite throughout the production and harvest season from December to
10 May. This year's harvest season was the quickest harvest process in 10 years with no COVID-
11 related issues onsite because of dedicated staff members.

12
13 Webster Forest Nursery moved to its current location in 1957. Existing infrastructure is aging
14 and complex with many moving parts to include large buildings employing heating and cooling
15 cycles. The next biennium budget includes capital funds for scoping infrastructure
16 improvements to ensure the program meets reforestation needs of the state. The demand for
17 seedlings is high with the program actively working to improve operations to meet the
18 reforestation challenges of Western United States. The nursery ships trees to Oregon and
19 throughout the state of Washington.

20
21 Mr. Morris addressed questions about the demand for seedlings caused by the recent wildfires in
22 the Pacific Northwest. Collaborating with other government agencies to produce trees either in
23 offsite facilities or by other methods could provide some opportunities to increase the number of
24 seedlings. The program also provides support to other public and private nurseries experiencing
25 technical challenges. Those opportunities will continue to expand through technical assistance
26 and sharing of knowledge. The Webster Forest Nursery Program hosts the Nursery Growers
27 Association meeting during the summer of private and public nursery representatives. Producing
28 higher quality trees reduces the need to plant more trees per acre to achieve the same
29 reforestation goals. Webster Forest Nursery greenhouses are full each year and staff is exploring
30 ways to increase production by producing higher quality trees to enable DNR to reforest more
31 acres within existing resources.

32
33 Angus Brodie, Deputy Supervisor, State Uplands, added that staff are considering ways to
34 increase surge capacity at the nurseries. A number of other nurseries have become redundant
35 because of reduced needs, such as the U.S. Forest Service nurseries, which can be explored to
36 increase capacity to address needs during wildfires. Investment is another option to increase
37 capacity. Webster Forest Nursery infrastructure is aging and is beyond its normal lifespan.
38 DNR is seeking funding to replace much of the infrastructure with assistance from both the state
39 and federal government. He invited the Board to participate in a tour of the Webster Forest
40 Nursery.

41
42 Commissioner Peach referred to the importance of protecting seed sources and asked about
43 DNR's process to ensure protection of seed source. Mr. Morris replied that staff is working to
44 develop seed orchards across the state for various species to aid in seed collection efforts.
45 Successful seed collection is dependent upon a biological timescale, weather, and other factors.

1 Chair Franz announced the departure of Dean Wright to assume his new position at the
2 University of Oklahoma. She conveyed her appreciation for his work, leadership, commitment,
3 and engagement on the Board, as well as the opportunity for her to work directly with him at the
4 university along with students and faculty at a higher level than ever before.

5
6 Dean Wright thanked Chair Franz for her leadership on the Board, to DNR staff, and fellow
7 Boardmembers. Expressing it was a pleasure serving with the Board over the last three years.
8 His decision to leave is bittersweet as his team at the university is a fantastic group of people.
9 He will serve as the Senior Vice President & Provost at the University of Oklahoma effective
10 July 1, 2021. He thanked the public for their interest and support of the state of Washington.

11
12 The Board extended congratulations to Dean Wright.

13 14 **PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST**

15 **Alexander Harris, resident of South Fork Nooksack River Valley**, commented about the shift
16 of the department's management of second growth forests over the age of 60 years and a change
17 in Marbled Murrelet strategy that could expose forests to potential harvest in the next several
18 years. His concern centers on the Oyster timber harvest of over 100 acres of even-aged clearcut
19 harvest in the Lake Whatcom watershed. He urged DNR to be more nuanced in harvesting in
20 places of ecological and hydrologic sensitivity.

21
22 **Cindy Kelly, S'Klallam Indian Reservation**, congratulated Dean Wright on his new journey
23 and thanked staff for the Trust Land Performance Assessment meeting. As a Port Angeles
24 School Board Director and member of the Washington State School Directors Trust Lands
25 Committee, she appreciates DNR's continued dedication to trust beneficiaries and decision-
26 making. As a representative of a beneficiary of trust lands, she looks forward to working
27 together on behalf of students and the future.

28
29 **Steve Cole, Everett, Washington**, addressed comments shared during the last Board meeting
30 about the lack of public comments on proposed timber sales. He cited the process he would
31 undertake to comment on a sale that includes visiting the sale unit, which likely would require
32 him to purchase a Discover Pass to access DNR lands. He would likely encounter a locked gate
33 requiring him to hike or bike to the site of the sale unit. He questioned how the public comment
34 process facilitates the public's opportunity to comment on a project. He cited a number of
35 proposed May timber sales and identified their locations from locked gates. The public cannot
36 comment on what they cannot see. He asked for DNR to make public lands more accessible to
37 the public.

38
39 **Andy Zahn, Toutle, Washington**, expressed support of Jennifer Belcher and Peter Goldmark's
40 plan to halt all commercial harvest of forests west of the Cascades. He cited how carbon storage
41 improves the ecological health of forests, benefits endangered species, and boosts rural
42 economies as state forests would shift from industrial uses to outdoor recreation, a more
43 sustainable source of economic growth. DNR should move swiftly to suspend all logging on
44 state lands west of the Cascades and enact a moratorium to assess that course of action.

45
46 **Ed Bowen, Clallam County**, referred to the Webster Nursery Program and the possibility of
47 DNR collaborating with Olympic National Park to support production of trees as the park has a

1 great nursery in Clallam County that served its purpose for restoration of a river system. DNR
2 could gain some value by utilizing the nursery. Many trust lands interface with the Olympic
3 National Park and the national forest. The nursery could address the interface zones between the
4 three forests. DNR should explore the Matt Albright Nursery for a potential partnership.
5

6 **Cheryl Bowen, Timberland Regional Library (TRL)**, reported the library system serves the
7 counties of Lewis, Mason, Thurston, Pacific, and Grays Harbor with 27 full-service library
8 locations. As a beneficiary of trust lands, TRL relies on timber revenue to provide library
9 services. In the 1990s, TRL received \$6 million each year in timber revenue. Today, the amount
10 is between \$1.6 million and \$1.9 million each year. She cited the numerous services provided by
11 TRL spanning early childhood development, workforce development, and life-long learning.
12 The year of the pandemic was like no other and required TRL to provide a range of library
13 services in a safe and accessible environment. She invited everyone to visit TRL.org to learn
14 about TRL services and programs.
15

16 **Beverly Parsons, Kitsap County**, thanked DNR for conducting a webinar on the Trust Land
17 Performance Assessment Report. She cited the report's lack of consideration of business models
18 based on infrastructure of networks and partnerships that are becoming prevalent in the business
19 world. The models generate different ideas and new business models by utilizing today's visual
20 networking and AI technology. DNR should explore working with counties housing state forest
21 transfer lands to test different methods of structuring trust land management that includes more
22 local decision-making and economic opportunities. Ideas presented in the Ecosystem Services
23 Report are just a glimpse of opportunities on how DNR could serve beneficiaries in new ways.
24 She encouraged another webinar focusing only on the Ecosystem Services Report to explore
25 ideas.
26

27 **Rod Fleck, Forks, WA**, conveyed concerns about the Belcher/Goldmark proposal and the
28 Structurally Complex Forest Rule petition and how the proposals continue to demand more
29 conservation efforts without considering the impact to local rural taxing districts. DNR and
30 appointed members need to reiterate and advocate rigorously for DNR's mission to ensure an
31 economic return to the beneficiaries while meeting all ecological obligations and providing
32 secondary benefits of recreation and visual viewscapes.
33

34 **Miranda Mellis, resident near Capitol State Forest in Olympia**, expressed concerns with a
35 recent clearcut near her home and how climate change might increase heavy rains creating
36 landslide hazards. She is concerned about new planned clearcuts and asked whether DNR could
37 refrain from contributing to deforestation through clearcutting understanding the world is
38 experiencing a climate crisis. Clearcutting should only occur to protect forests from wildfire.
39

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

41 **Andy Zahn, Toutle, WA**, addressed concerns about the proposed Merrell Lake timber sale and
42 the damage it would do to the scenic qualities of the lake, an important and popular access
43 corridor to Mt. St. Helen's National Volcanic Monument. He objected to the Dutch VRH Thin
44 RMZ auctioned sale after learning about the sale because it would damage the scenic viewshed
45 of Spirit Lake Highway. The sale should be cancelled immediately. The area surrounding Mt.
46 St. Helen's National Volcanic Monument should be granted formal protection as a Natural
47 Resource Conservation Area.

1
2 **Peter Goldman, Washington Forest Law Center**, conveyed best wishes to Dean Wright on his
3 upcoming move to Oklahoma. He questioned DNR's process for evaluating the goals for
4 meeting old structural forest targets and shared concerns surrounding the Elochomotive Sorts
5 timber sale. He supports previous communications about the question on whether Unit 2 of the
6 Elochomotive Sorts sale should not be approved by the Board, because he believes DNR's
7 method for calculation of areas of protection is inaccurate. The planning unit will not achieve
8 the 10%-15% goal of old structural forest targets. He asked DNR to place Unit 2 on abeyance
9 until the conclusion of DNR's program is resolved.

10
11 **Ed Bowen, Clallam County**, noted the lack of timber sales in the county, state forest transfers,
12 and any other form of auctions available within the proposed timber sales. Clallam County
13 continues to retain at least 93,000 acres of state forest transfer lands that are not efficiently
14 managed for the department's fiduciary responsibility. He commented on his concerns of DNR's
15 appraisals as sales represent a significant percentage of sales over the minimum bid. DNR's
16 fiduciary responsibility for a county junior taxing district are not well represented in the
17 proposed timber sales for May.

18
19 **Matt Comisky, American Forestry Resource Council**, thanked DNR for hosting the webinar
20 on the Trust Land Performance Assessment and to DNR staff for continued work to present
21 timber sales that benefit beneficiaries, jobs for rural communities, and the wood products
22 industry. His concerns surround the ever-changing definition of old forests. DNR has repeatedly
23 conveyed how the Marbled Murrelet and Habitat Conservation Plan will bring certainty of
24 revenue and supply for the marketplace. He noted the importance of due diligence to ensure
25 DNR is operating within the policy and guidelines. He thanked Dean Wright for his service on
26 the Board and wished him well as he assumes his new position in Oklahoma.

27
28 **TIMBER SALES (Action Item)**
29 **Auction Results for April 2021 and Proposed Timber Sales for June 2021| 3 handouts,**
30 **including the presentation**

31 Koshare Eagle, Assistant Division Manager, Product Sales & Leasing Division

32
33 Ms. Eagle presented the results of the April 2021 auctions. The Department offered eight sales
34 totaling 40.1 mmbf for \$8.8 million at \$22 mbf. All sales sold totaled \$15.0 million for an
35 average of \$378 per mbf with 2.0 bidders per sale on average. Additionally, the auction included
36 one unsold timber sale from 2019. Ms. Eagle invited questions from the Board.

37
38 The Board offered no questions.

39
40 Ms. Eagle presented 10 sales proposed for future auction totaling 38.8 mmbf at an estimated
41 value of \$16.8 million or \$433 mbf. Three of the sales are sort sales and the dollar amounts do
42 not include harvesting prices. Approval of the proposed sales is requested to enable DNR to hire
43 a harvester with the auctions to occur at a later date. One sale in the proposal was previously
44 approved for the South Puget Region and received no bids in November 2020. However, since
45 180 days have elapsed, the proposal is presented for the approval.

46
47 Ms. Eagle invited questions on the proposal.

1
2 Mr. Cahill inquired about the timber sale in question. Ms. Eagle reported the Crow Bait timber
3 sale received no bids in November 2020 because a snow event prevented purchasers from
4 assessing the sale area.

5
6 Mr. Cahill commented that appraisal prices appear to have increased. He asked whether DNR
7 has changed practices on minimum bids based on the current market. Ms. Eagle explained that
8 three of the sales are sort sales and because of unknown costs associated with the harvester for
9 harvesting and hauling, the amounts as stated are delivered values. Staff conduct an appraisal
10 meeting each month following timber sales to assess prices during the sales, information from
11 log surveys, and other wood product information collected by the chief appraiser. Lumber prices
12 are significantly higher at this time and demand for lumber has also increased significantly. The
13 United States continues to import a significant amount of lumber to meet current demand.

14
15 Commissioner Peach asked whether the flow of timber sales would continue to remain steady
16 during a strong lumber market. Ms. Eagle shared that fieldwork for the current proposal was
17 completed six to eight months ago in order to complete the paperwork and required reviews.
18 The sales presented to the Board have been included in the plan for the last several years. The
19 plan for the next two fiscal years will be presented to the Board in July. The Department plans
20 for an overall steady flow with slightly lower Q1 and Q4 results while acknowledging the last
21 several months have been higher than anticipated.

22
23 Ms. Eagle requested approval of the proposed sales as presented.

24
25 MOTION: Commissioner Peach moved to approve the proposed sales.

26
27 SECOND: Dean Wright seconded the motion.

28
29 ACTION: The motion was approved unanimously.

30
31 **PUBLIC COMMENTS FOR CHAIR REPORT**

32 **Alexander Harris, resident of South Fork Nooksack River Valley**, referred to his prior
33 comments on DNR lands in the Lake Whatcom watershed. He described conservation efforts in
34 the watershed serving over 100,000 people with water quality continuing to diminish over time.
35 One of the limited solutions to improve water quality is limiting development. Another solution
36 under the control of DNR is discontinuing even-aged harvesting in the watershed basin. He
37 described why the proposal would not be radical. Forestry is a complicated process that needs to
38 consider the cumulative impacts of numerous harvests over years. DNR plans to harvest over
39 1,005 acres in the Lake Whatcom watershed in future years. DNR should consider meeting
40 economic goals by selective harvesting; ecological forestry methods; longer rotations; and
41 maintaining some hydrologic and ecologic resilience.

42
43 **Robert Mitchell** advocated for DNR to diversify its revenues by considering derivatives in
44 lumber futures similar to public utility companies using derivatives to hedge price risks.
45 Derivatives are a standard way for institutions to hedge revenues. DNR should have a derivative
46 strategy that would offset price volatility. He explained how the department could use timber
47 holdings as collateral for revolving credit. Another option for DNR is to sell carbon credits

1 similar to the model Tesla uses by selling regulatory carbon credits. DNR should consider a
2 public crowd-sourced green hedge fund backed by DNR. He advocated for DNR to open gates
3 to DNR lands for more public access.
4

5 **Andy Zahn, resident of Toutle**, conveyed support for permanent and formal protections for
6 193,000 acres of old growth and 221,000 acres of older trees on DNR lands to include a sizable
7 buffer zone to protect forests from pollution, run-off, and strong winds.
8

9 **Miguel Perez-Gibson, Washington Environmental Council**, cited the history of old growth
10 forests on the Olympic Peninsula. Over 100 years ago, the peninsula was one vast forest
11 covering tens of thousands of acres of cedar, hemlock, and fir. In the 1960s, the trust was
12 granted 300,000 acres of forestland within the peninsula. Sustainable timber management is not
13 the same as sustainable forest management, which is what the public wants. In the early 1990s,
14 Forest Practices passed an emergency rule to protect habitat around northern spotted owl nest
15 sites. In the best interests of the trust, DNR developed an all-species HCP to reduce risks of
16 violating the Endangered Species Act (ESA). WEC is seeking clarification of the acres of
17 existing old growth and older forests. The Sustainable Harvest calculation EIS indicates there
18 may be 88,000 acres of potential old growth on managed lands and only 60% of those acres
19 demonstrating a high potential to be old growth.
20

21 **Ed Bowen, Clallam County**, referred to information in the presentation on Weighted Old
22 Growth Habitat Index (WOGHI). WOGHI is a deferment that has not been updated for some
23 time. DNR's presentation and the term of "likelihood" which essentially equates to a continued
24 hypothetical situation has not been his experience, as he believes a logging deferment is a bad
25 idea mostly because WOGHI is never validated until after the sale package is developed. DNR
26 should implement a better validation of the logging model. He questioned whether the
27 validations result in adjustments to the model for that particular sale region for future
28 management of the landscape. He believes that the activity is not occurring and is one area DNR
29 could improve.
30

31 **Stephen Kropp** referred to the Trust Performance Assessment Report. His primary concern is
32 that non-market benefits are used to buttress the assumption that trust assets should be treated
33 subject to the constraints placed on the department by the HCP and Forest Practices Rules. He
34 was hoping for an analysis of alternatives that would include a range of ways to manage and
35 prioritize different age classes for harvest and how the effects would affect the reliability of
36 revenue and other non-market benefits. The forestry state model is not perfect as it includes
37 many assumptions and is based on imperfect data. As emphasized by the industry, the
38 department should consider uncertainty and build uncertainty within the decision matrix. A
39 whole range of optimal solutions exists by accounting for the many uncertainties that enable the
40 department to account for non-market benefits. Additionally, carbon sequestration and
41 ecological potential values should be included as independent objectives. Contrary to DNR's
42 claim, the public was not given an opportunity to participate in the two-year planning process
43 with decisions often rendered behind closed doors. He advocated for involving the public during
44 the planning process rather than during the SEPA review process.
45

46 **Matt Comisky, American Forestry Resource Council**, thanked DNR staff for the
47 comprehensive compilation of the history, policies, and guidance around old forests and old

1 growth management. The subject is not new and has involved a robust public engagement and
2 much work and effort dating back to the Old Growth Commission and the development of the
3 HCP. The HCP provides trade-offs that result in outcomes not everyone supports. His concerns
4 surround the use of some terminology. In some documents, old growth is finitely defined while
5 other documents lack the same definition. He recommended DNR should be very specific in the
6 use of words and terms to avoid creating unintended confusion and misunderstandings as the
7 department works through various issues. He noted the lack of references to the U.S. Fish and
8 Wildlife Service, which has the largest risk of failure if the older forestry policy process is not
9 pursued accurately.

10
11 **Rod Fleck, City of Forks**, said his concerns are older forests, which were of focus in the petition
12 filed on April 1, 2021 by a group within the Environmental Caucus. Information within the CFR
13 petition address concerns of trees that are older and taller. The new standard for conservation is
14 tall old trees. He cited several dates of timber sales that included information on maximum tree
15 height with the fixation on tall trees as the new standard for what the Board should conserve. No
16 acreage or habitat data were provided. It appears the next step is an effort to discuss options
17 moving forward as those prior promises of certainty were ephemeral at best and have not been
18 defended, supported, or argued for in the materials provided to the Board.

19
20 **Jim Stoffer, Sequim School Board Director**, thanked Dean Wright for his service to DNR. As
21 a participant in the Trust Land Performance Assessment meetings, there was positive outreach to
22 all beneficiaries and stakeholders. Some comments have spoken to the need for more public
23 outreach and availability. Outreach has been available through a variety of different venues to
24 include DNR. He thanked DNR staff for their continued efforts and encouraged DNR to
25 continue focusing on the fiduciary responsibility to beneficiaries that include schools and other
26 junior taxing districts. He asked all parties to be conscious of that responsibility. He thanked
27 DNR and the Board for their efforts on the work for broadband funding in support of schools.

28 29 **CHAIR REPORT**

30 **Older Forests Policy Overview**

31 Angus Brodie, Deputy Supervisor, State Uplands, and Andy Hayes, Forest Resources Division
32 Manager, Older Forests Policy Chair Report.

33
34 Mr. Brodie and Mr. Hayes presented an overview of the Older Forests Policy. The presentation
35 provided information on the purpose of DNR managed trust lands, a brief framing of the
36 discussion on policies, description on the development of the policies, and next steps.

37
38 DNR manages 2.9 million acres of trust lands of which \$200 million in gross revenue is
39 generated each year. Approximately 2.1 million acres of trust land are forested and produce
40 most of the revenue. DNR also manages other types of lands that generate revenue. Trust lands
41 are public and encumber unique, legal, and fiduciary responsibilities for compliance by DNR.
42 DNR is obligated by law to generate revenue and other benefits for each trust in perpetuity, as
43 well as maintain undivided loyalty to beneficiaries. DNR recognizes some stakeholders have
44 different interpretations of the department's mandate and responsibilities to the trusts. Despite
45 an active legal challenge questioning the scope of trust responsibilities, DNR continues to work
46 under the existing legal framework. DNR is responsible to the following eight major trusts: K-
47 12 Common School; Normal School; Scientific School; Capital Building; University; Charitable,

1 Educational, Penal and Reformatory Institutions; Agricultural School; and State Forestlands. In
2 fiscal year 2020, DNR generated gross revenues of \$230 million of which \$168 million was
3 distributed to the trusts to fund school construction, local government services (libraries, fire
4 stations, and hospitals), and many rural communities.

5
6 DNR's existing policy framework for the management and protection of old growth and older
7 forests recognizes the significance of wildlife and biodiversity; forest health; carbon storage; and
8 timber sales. The question often asked is why DNR harvests older growth forests. The answer is
9 framed within the purpose of the lands managed by DNR on behalf of the trusts. Any policy
10 adopted is within the frame of the best interests of the trusts.

11
12 Mr. Brodie described the difference between old forests and old growth forests. Old growth
13 forests are icons and include untouched forested habitat and huge iconic trees, large snags, and
14 downed wood with multilayered canopies and high diversification of tree sizes. Older forests are
15 mature forests transitioning between younger and old growth forests dominated by larger trees
16 with some level of structural complexity. Older forests are younger than old growth and can
17 include human intervention in the past and present. Universally accepted definitions do not exist
18 for old growth or older forests.

19
20 Mr. Brodie displayed a table of the current distribution of old growth and older forests in the
21 state by various land ownerships. The data is from the U.S. Forest Service. Both definitions are
22 based on indexes of structural characteristics rather than age. The definitions are different from
23 DNR's definitions. Old growth forests account for approximately 18% of the forested land base
24 in Western Washington. Older forests have coverage of approximately 32%. Over the last
25 thousand years at any one time, old growth forests ranged between 30% and 70% of the forested
26 area. The current level of 18% is outside the historic range. Over the last 170 years, a general
27 decline occurred in old growth forests significantly slowing in recent times with the
28 implementation of the Northwest Forest Plan and various habitat conservation plans across the
29 region.

30
31 Mr. Brodie reviewed a historical context summary of key federal and state actions affecting
32 forest management. With the listing of the northern spotted owl as a threatened and endangered
33 species under the ESA in 1990, DNR faced a situation of extensively surveying all lands before
34 any timber harvests. By 1996, DNR identified approximately 300,000 acres of potential northern
35 spotted owl habitat scattered across managed lands in Western Washington. Surveying and
36 managing created significant uncertainty and costs to the department impacting trust
37 beneficiaries. To address the issue, DNR developed and adopted the Habitat Conservation Plan
38 (HCP) under Section 10 of the ESA to comply with the ESA requirements. The conservation
39 approach of the HCP was generally a landscape approach with a goal of balancing the impacts of
40 forest management activity on existing habitat with mitigation for protecting existing habitat and
41 growing future habitat in strategically important locations. DNR committed to developing and
42 maintaining approximately 250,000 acres of habitat in a landscape of 500,000 acres. Most
43 existing older forests were captured within the strategies but not all, requiring trade-offs between
44 more habitats in strategic locations over time rather than scattered on a site-specific basis.

45
46 Mr. Brodie described the landscape management activities under the HCP. The combined four
47 HCP strategies with an active forest management program is expected to ensure a range of

1 forested habitats over the next 100 years. The expectation of a range of forested conditions is
2 described and explained in the Multispecies Conservation Strategy for Unlisted Species in the
3 western planning unit of the State Lands HCP. The strategies of Riparian, northern spotted Owl,
4 Marbled Murrelet, and Unlisted Species after 100 years of implementation is an expected range
5 of habitat types described in the plan. Each habitat type supports a range of represented species.
6 The habitat types are associated with the ecological development of forests or stand development
7 stages. They serve as the descriptions of forest conditions based upon stand structures, such as
8 the size; height of trees; canopy gaps; presence of dead trees; snags; and the distribution of trees
9 species and sizes. The 100-year projections were generated from modeling HCP strategies and
10 forest management activities (harvesting and DNR's 1996 Sustainable Harvest model).

11
12 The immediate outcome of the HCP was zoning of landscapes to be conserved under the plan
13 and areas available for harvest and regeneration harvests. Mr. Brodie reviewed tables depicting
14 Acres Available for Harvest and Conserved under the HCP Strategies and HCP Planning Units
15 within the Range of the northern spotted owl.

16
17 In 2004, DNR adopted the Sustainable Harvest Level. Since the 1980s, evolving interest has
18 increased in sustainable forest management with a strong basis of ecology, economics, social,
19 and cultural sciences. Many distinguished researchers were leading studies on ecosystem-based
20 management. They provided a framework for sustainable forest management. The foundation
21 of ecosystem-based forest management is the interrelationships of biodiversity, function, and
22 structure, which is used to assist in silviculture decision-making. During the 2004 Sustainable
23 Harvest calculation, DNR developed the stand development system for its inventory and for
24 modeling process. DNR adopted an adaptive system presented in 2003 within the Draft
25 Environmental Impact Statement (DEIS). Based on public feedback, the system was refined for
26 the final EIS released in 2004. The change from an age-based system to a forest structure-based
27 process led the department to render a series of decisions that included actively managing as
28 much of the land as possible and switching from clearcutting as a practice to variable retention
29 harvesting based on site conditions. That process ended in the development of a preferred
30 alternative to develop more structurally complex forests in Western Washington and reaffirmed
31 the 1997 HCP expectation of each planning unit achieving older forest of 10% to 15% in the next
32 100 years.

33
34 Mr. Brodie reviewed the Board Decision on Older Forests in 2004 in Resolution 1134
35 establishing the General Silviculture Strategy of using innovative silviculture to foster stand
36 development that simultaneously produces trust revenue and creates structural diversity across
37 the landscape. The strategy targets 10-15% of each HCP Planning Unit for old forest based on
38 structural characteristics. To meet targets, Old Growth Research Areas will continue to be
39 deferred and existing old growth (HCP definition) and older stands will be a priority focus in
40 developing HCP planning unit targets. The Board reaffirmed the HCP multispecies approach
41 and did not constrain the management of all forests outside the specific HCP Conservation
42 Management Strategies.

43
44 Mr. Hayes reported during the same timeframe, legislation was passed on the management and
45 protection of old growth forests. In 1988, the Commission on Old Growth Alternatives for
46 Washington's Forest Trust Lands was created by former Commissioner of Public Lands Brian
47 Boyle creating the protection of 15,000 acres of old growth in the Olympic Peninsula and the

1 establishment of the Olympic Experimental State Forest (OESF). In the early 1990s, DNR
2 developed the Forest Resources Plan to embody policies for management of state lands, which
3 included a policy on old growth followed by the adoption of the HCP providing for the
4 protection of habitat areas benefitting threatened endangered species. In 2004, the Legislature
5 commissioned a study within a budget proviso directing DNR to establish a panel of scientists to
6 develop a definition of old growth forest stands in Washington State based on best available
7 science, as well as create an inventory of old growth forest stands on state lands with maps and
8 tables with the number of acres and provide a report to the Legislature.

9
10 DNR assembled a panel of scientists comprised of Dr. Jerry F. Franklin (UW), Dr. Thomas Spies
11 (USDA FS), and Dr. Robert Van Pelt (UW) to define and inventory old growth. The panel
12 defined old growth by defining the quantitative characteristics of old growth stands building on
13 the work completed by a scientist in western Oregon that reviewed key elements of:

- 14
- 15 • Number of large trees
- 16 • Number of large snags
- 17 • Volume of down woody debris
- 18 • Tree size diversity
- 19 • Stand age

20 The panel used the information to create the Weighted Old Growth Habitat Index (WOGHI).
21 The panel applied WOGHI to the state lands inventory to identify areas of high or medium
22 likelihood of being old growth. The results of the inventory were published in a table. The
23 index identified an inventory of over 88,000 acres of old forests that had a medium to high
24 probability of being old growth. The bulk of the areas is located in the OESF.

25
26 A field guide was developed for DNR field staff. During reviews of potential timber sales, staff
27 utilized WOGHI as an early screen to identify old growth stands in an activity area followed by
28 additional fieldwork and further investigations using the field guide to identify any stands within
29 proposed timber sales that were qualified as old growth.

30
31 In 2006, DNR adopted the Policy for Sustainable Forests replacing the former Forest Resource
32 Plan. The document defined the new policy framework for land management and administration
33 of trust land forests. Following a review of other policies that were not examined during the
34 2004 development of the Sustainable Harvest Calculation, the Board approved new policies
35 within a new document, the Board Policy Guidance for Management and Administration of DNR
36 managed forest lands. A new policy on old growth was included.

37
38 The Board evaluated Western Washington old growth policy differences among four alternatives
39 considered in the Policy for Sustainable Forests FEIS. Following deliberations, the Board
40 selected the preferred alternative based on best available science favoring a structure-based
41 approach. The preferred alternative directed DNR to:

- 42
- 43 • Defer from harvest 5+ acres old-growth stands
- 44 • Defer from harvest pre-1850 natural origin
- 45 • Defer most structurally complex of stand development

- 1 • Retain large, structurally unique trees
- 2 • Olympic Experimental State Forest: research operations in old-growth are allowed
- 3 • Seek opportunities to transfer old growth and areas of large trees out of trust status (with
- 4 full trust compensation)
- 5 • Added the Policy on Silviculture Strategy of targeting 10-15% for “older” forests

6 Mr. Cahill asked about the policy on the silviculture strategy of working to achieve the target of
7 10-15% older forests. Mr. Brodie explained that the policy includes a number of elements. Each
8 element is translated into a set of procedures, guidelines, training, and operations that are used by
9 foresters to guide them on individual decisions. Foresters in the field receive a target of a
10 specific amount of board feet of timber from a sale over a period of time that are translated to
11 annual targets of board feet to be removed by each individual sustainable harvest unit.
12 Individual timber sales are designed based on a set of procedures dependent upon landscape
13 objectives for the unit.

14
15 Director Brown inquired as to the difference of 10-15% being the expected outcome yet the
16 information presented refers to 10-15% as a target. He asked about the differences between the
17 two definitions of an expected outcome and a target. Mr. Brodie advised that there is no
18 discernible difference between the two as staff is targeting within 100 years to achieve 10% to
19 15% of older forest across the landscape. The intent is an objective or goal and is not considered
20 a constraint on today’s management of the landscape. The development of the older forest
21 policy in 2004 did not impose a constraint for protecting all older forests on the production land
22 base. The intent was to encourage management as much of the land base as possible and in
23 particular, those areas that would be managed for long-term forest cover. However, within those
24 areas, there are younger stands that could be manipulated and managed through silviculture
25 techniques to create older forest structures.

26
27 Director Brown asked how the process aligns with the adopted Marbled Murrelet strategy that
28 identified special habitat areas, which will presumably contribute to the 10% to 15% inventory.

29
30 Mr. Hayes reported DNR developed strategies focused on developing conservation in particular
31 areas while recognizing that other areas may have the physical characteristics of habitat today
32 that might not be the best location in the landscape over the long-term. As part of balancing
33 priorities and responsibilities and the conservation efforts for endangered species and the types
34 of affected landscapes that engender conservation for the Marbled Murrelet over time, different
35 landscapes will be created in the future than currently exist today. The strategy across the HCP
36 envisions that some areas will be dedicated to build habitat while other areas deemphasize
37 conservation and would be managed as production forestry. The process is part of the dynamic
38 of a landscape approach by identifying areas where efforts will be concentrated.

39
40 Mr. Hayes reviewed the Marbled Murrelet long-term conservation strategy and efforts completed
41 between 2006 through 2019. Staff continued work on the Marbled Murrelet long-term
42 conservation strategy by implementing the interim strategy, which identified stands that might
43 eventually serve a role in the long-term strategy. A Marbled Murrelet science team was
44 assembled to develop a science report in 2008 used by DNR and U.S. Fish and Wildlife Service
45 to build the basis of the analytical framework and supporting sciences and analyses. DNR
46 negotiated with U.S. Fish and Wildlife Service and completed three rounds of EISs and public

1 outreach. Throughout at that process DNR withheld significant acres of older forests from
2 harvest plans to preserve future options for the Board's future decision on a long-term strategy
3 for Marbled Murrelet. The 2019 decision completed an HCP by defining the critical fourth
4 conservation strategy for Marbled Murrelets. The Board defined alternatives that were analyzed
5 and refined during the three rounds of EISs based on science and key principles defined by the
6 Board resulting in the selection of the preferred alternative and the adoption of the final strategy
7 permitted by U.S. Fish and Wildlife Service. The landscape conservation approach resulted in a
8 more resilient landscape for Marbled Murrelet habitat over the long-term. Areas were identified
9 for long-term conservation that currently did not meet habitat criteria and others were released
10 for management that included structural complexity that would benefit murrelets requiring some
11 trade-off decisions by the Board.

12
13 Mr. Hayes reviewed the outcome of the process of the adoption of the long-term strategy
14 replacing the interim strategy that protected 33,000 acres of occupied sites. DNR held
15 reclassified habitat in other areas identified in the EIS alternatives to preserve policy options for
16 the Board. The final amendment focused on the policy for sustainable forests and other existing
17 HCP strategies resulting in approximately 567,000 acres of existing conservation for long-term
18 forest cover and conservation for Marbled Murrelet of 604,000 acres. It protected and buffered
19 all occupied sites on state lands (21,000 acres) and created 20 special habitat areas dedicated to
20 creating mature Marbled Murrelet habitat. Over 18,000 acres of special habitat areas were
21 created in Southwest Washington where few federal lands are available to support populations.
22 The plan released for harvest, 38,000 acres held while the HCP amendment was finalized. Of
23 those released acres, 5,000 acres will be retained during the decade of the plan. The final
24 conservation strategy completed the comprehensive landscape approach for development of the
25 HCP. The plan will be implemented for 100 years and speaks to achieving the vision for
26 distribution of stand structures across the landscape to provide for imperiled species.

27
28 Mr. Hayes summarized the outcome of the landscape approach:

- 29 • Trust Lands are managed for long-term revenue
- 30 • Old growth is identified and protected from harvest
- 31 • HCP landscape conservation protects species, habitat, and biodiversity
- 32 • Policy framework creates landscapes with substantial structurally complex forests
- 33 • HCP approved amendment reinforces landscape conservation and releases older forests
34 not essential to conservation goals
- 35

36 Staff believe the approach will create a landscape with significant older forest structure including
37 the remaining remnants of old growth on DNR lands.

38
39 Director Brown asked whether it is possible to map the anticipated location of the 10% to 15%
40 old growth within the strategy. Mr. Hayes affirmed staff has the ability to map the information.
41 The Board will receive the information at the next briefing.

42
43 Mr. Hayes invited questions. The Board offered no further questions.

44
45 Mr. Hayes reviewed the next steps following the first briefing on the department's policy
46 framework and the foundation for meeting old growth and older forest goals today. Over the

1 next several months, the Board will receive an overview of the result of the policies and efforts,
2 as well as some results from monitoring activities over the first 25 years of the HCP based on
3 stand structure. Other information will include details on analysis completed to project the
4 effectiveness of strategies to achieve future desired outcomes. Other opportunities will be
5 available to discuss options moving forward or improve existing processes.
6

7 Commissioner Peach asked for additional information on Weighted Old Growth Habitat Index
8 (WOGHI) and how it is applied to identify old growth, as well as policy and procedures that rely
9 on WOGHI. Mr. Brodie advised that staff would invite the lead scientist to walk through the
10 field evaluation process.
11

12 Director Brown asked whether the expectation of applying the WOGHI screening tool and the
13 field assessment to identify a stand of five acres or more meeting the conditions of structurally
14 complex as defined would result in the exclusion of that stand from a timber sale. Mr. Brodie
15 advised that it is the intent of the tool and the field assessment. Staff will share some examples
16 of different stands that were assessed and the number of assessments completed since the
17 enactment of the tool to include the acreage affected.
18

19 Mr. Cahill thanked staff for the in-depth presentation and expressed interest in some of the same
20 issues. In terms of the structurally complex criteria there appears to be a lack of discussion about
21 climate change within the policy. He asked how climate and sequestration connect with the
22 policy and suggested including that information during future presentations. Mr. Brodie
23 confirmed the request to provide information on the role of climate change within the policies as
24 well as discussions on the contribution of long-term forest cover and the HCP's role in providing
25 sequestration of carbon.
26

27 Dean Wright thanked Mr. Brodie and Mr. Hayes for the presentation as it will serve a good
28 source of information for his successor. He also supports consideration of climate change and
29 carbon sequestration moving forward.
30

31 Director Brown referred to the commentary on the question of carbon in the forest. The old
32 growth policy was developed prior to 2004 and the department should have considered climate
33 and carbon at that time, which has now become clear that both are more urgent to consider.
34 However, the issue is much broader and should be broader to include the source of wood used in
35 the state. The location of wood sources will affect the amount of carbon released into the
36 atmosphere and whether it is harvested sustainably or imported, as those are important
37 considerations. He would prefer not restricting the conversation to considering the local
38 landscape but also consider the lifecycle system of products produced from the forest and ways
39 those systems impact carbon and climate change.
40

41 Chair Franz added that a number of climate-related initiatives are underway. One is the
42 completion of a carbon inventory for the entire state. DNR worked to ensure passage of
43 legislation for funding the Department's inventory of many different elements of forest lands.
44 Part of the old growth policy discussion will include a number of the elements the department is
45 working on as part of the larger conversation with the Board.
46

47 Chair Franz thanked Dean Wright for his service and wished him well in his new position.

- 1
- 2 **ADJOURNMNET**
- 3 Chair Franz adjourned the meeting at 11:57 a.m.

1

Approved this 1st day of June, 2021

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

Approved via Webinar

Chris Reykdal, Superintendent of Public Instruction

Approved via Webinar

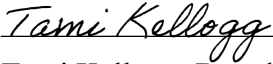
Bill Peach, Commissioner, Clallam County

Absent

Richard T. Koenig, Interim 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

Prepared by Puget Sound Meeting Services, psmsoly@earthlink.net