
Minutes

Board of Natural Resources Meeting

July 5, 2016

Natural Resources Building, Olympia, Washington

BOARD MEMBERS PRESENT

The Honorable Peter Goldmark, Washington State Commissioner of Public Lands

The Honorable Bill Peach, Commissioner, Clallam County

The Honorable Randy Dorn, Superintendent of Public Instruction

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

JT Austin, Designee for the Honorable Jay Inslee, Washington State Governor – *via conference call*

BOARD MEMBERS ABSENT

Ron C. Mittelhammer, Dean, College of Agricultural, Human, and Natural Resource Sciences,
Washington State University

1 CALL TO ORDER

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

3
4 All Board members introduced themselves. Chair Goldmark noted there was a quorum for the
5 meeting with Ms. Austin participating via phone.

6 SAFETY REVIEW

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

10 APPROVAL OF MINUTES

11 Chair Goldmark called for approval of the minutes for the June 7, 2016 Regular Board of Natural
12 Resources Meeting.

13
14
15 MOTION: Commissioner Peach moved to approve the minutes.

16
17 SECOND: Director DeLuca seconded the motion.

18
19 ACTION: The motion was approved unanimously.

20 PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST

21 Port Commissioner Connie Beauvais, Port of Port Angeles, requested the Board to address
22 timber arrearages in Clallam County. Commissioner Beauvais stated that it is the Board's
23

1 fiduciary responsibility to manage DNR trust lands to maximize the revenue for the trust
2 beneficiaries.

3
4 Elden Hillaire, Chairman of the Natural Resources and Fisheries Commission of the Lummi
5 Nation, spoke about his concerns regarding the Harbor Line Commission in Port of Bellingham
6 and their request to increase the lines as if affects their treaty rights to harvest.

7
8 Robin Wilson Sr., representing Lummi Nation, echoed Mr. Hillaire's comments.

9
10 **PUBLIC COMMENTS FOR TIMBER SALE ACTION ITEMS**

11 None.

12
13 **TIMBER SALES (Action Item)**

14 **Proposed Timber Sales for August & September 2016 4 handouts, including the**
15 **presentation**

16 Tom Shay, Product Sales & Leasing Division

17
18 Mr. Shay presented the results of the June 2016 auction to the Board. The Department offered 18
19 sales totaling 89.9 mmbf in June. Of those, 15 sales sold totaling \$17.7 million for an average of
20 \$232 per mbf. Mr. Shay noted that three sales received no bids, one of which has been
21 repackaged and will be offered in July. Mr. Shay also noted that bidder interest, at an average of
22 two per sale, was lower than recent months. The lower number of bidders was more a function of
23 the number of sales being offered and the location of some of the sales; some sales had as many
24 as 6 bidders while others had only one.

25
26 Chair Goldmark asked for the total volume sold for fiscal year 2016. Mr. Shay responded that
27 the final number as approved for auction was right around 575 mmbf for fiscal year 2016.

28
29 Mr. Shay then presented the August and September 2016 sales to the Board. Mr. Shay noted that
30 the Department was 28% ahead of where volumes were at this same time one year ago.

31
32 Chair Goldmark asked what percent the first quarter volume represented of the total fiscal year
33 2016 volume. Mr. Shay did not have an immediate response, but planned to follow up later.

34
35 Director DeLuca commented that the per mbf prices look better in September than they did in
36 June. Mr. Shay responded that the quality of sales, lower road costs, lower harvesting costs, and
37 increased market values all contributed to higher values in September.

38
39 Commissioner Peach noted that there are more sales coming up with higher components of
40 Douglas fir, and asked if the Department was making attempts to capture current markets.
41 Mr. Shay answered that the Department tries to capture markets when possible, but has few
42 opportunities based on the amount of time it takes to set up and process sales. If the Department
43 is offering sales during their prime market, it is typically lucky.

44
45 Chair Goldmark asked for an overall market update. Mr. Shay commented that the market is
46 continuing to climb for the foreseeable months.

1 Mr. Shay asked for approval of the August and September 2016 sales as presented.

2
3 MOTION: Director DeLuca moved to approve the sales proposed for August and September
4 2016.

5
6 SECOND: Commissioner Peach seconded the motion.

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8 ACTION: The motion was approved unanimously.

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10 **PUBLIC COMMENTS FOR BGN ACTION ITEMS**

11 None.

12
13 Chair Goldmark adjourned the Board of Natural Resources Meeting and convened the Board on
14 Geographic Names.

15
16 **BOARD ON GEOGRAPHIC NAMES ACTION ITEMS| 1 Handout**

17 Kyle Blum, Deputy Supervisor for State Uplands

18
19 Mr. Blum presented the following proposals, recommended by the Committee on Geographic
20 Names, for consideration to the Board on Geographic Names:

21
22 **Name Proposals: Hix Bay, Shaner Creek**

23 MOTION: Commissioner Peach moved to approve.

24 SECOND: Director DeLuca seconded the motion.

25 ACTION: The motion was approved unanimously

26 Mr. Blum then presented an update to the Committee on Geographic Names Policies and
27 Procedures to the Board and asked for their approval.

28
29 MOTION: Commissioner Peach moved to approve.

30 SECOND: Director DeLuca seconded the motion.

31 ACTION: The motion was approved unanimously

32 Chair Goldmark adjourned the Board on Geographic Names and reconvened the Board of
33 Natural Resources.

34
35 **PUBLIC COMMENTS FOR LAND TRANSACTION ACTION ITEMS**

36 None.

37
38 **LAND TRANSACTION (Action Items)**

39 **Walville 80 Land Acquisition, File No. 08-093893; Resolution 1485**

40 Dave Gordon, Conservation, Recreation, and Transactions Division

41
42 Mr. Gordon presented the Walville 80 Proposed Trust Acquisition to the Board. The 80 acre
43 property is located in Pacific County about 4 miles West of Pe Ell. It is primary Site Class I with
44 25 year old Douglas-fir and Red Alder.

1 The acquisition will benefit the Common School Trust Account, add productive forestland to the
2 trust land base in Pacific County, block up existing state forestland in prime timber county and
3 retain quality working forests.

4
5 Mr. Gordon recommended approval of Resolution 1485.

6
7 MOTION: Director DeLuca moved to approve Resolution 1485.

8
9 SECOND: Commissioner Peach seconded the motion.

10
11 ACTION: The motion was approved unanimously.

12
13 **PUBLIC COMMENTS FOR CHAIR REPORT**

14 Ann Forest Burns, Vice President for AFRC, stated that while alternative F provides the Board
15 with a useful comparison to other alternatives it is not a viable option for adoption by the Board.
16 Ms. Burns remarked that the Board must take into account the impact to the trusts and choose an
17 alternative which fulfills the Board's fiduciary obligations.

18
19 **CHAIR REPORT**

20 **Marbled Murrelet Long-term Conservation Strategy**

21 Kyle Blum, Deputy Supervisor for State Uplands

22
23 Mr. Blum began by sharing the schedule of upcoming Board meeting topic items. The July 27th
24 Special Board meeting will bring forward marbled murrelet alternatives as ran through the
25 sustainable harvest calculation model. In addition to presenting those harvest volume outputs,
26 Mr. Blum's idea is to bring forward the sensitivity analysis and bookends that were also asked
27 for. The August 11th Special Board Meeting will focus on different arrearage and riparian policy
28 choices for the sustainable harvest calculation. Mr. Blum anticipates the Board will direct the
29 focus of the September and October meetings. Both the sustainable harvest calculation EIS and
30 the marbled murrelet EIS are on track to be released this year.

31
32 Mr. Blum then made two corrections to the June BNR presentation. First off, the percentage of
33 the land base in a soft edge condition was set at 36%. The correct value is 26%. Mr. Blum
34 showed a table and graph to illustrate the change that has in the adjusted calculations of take and
35 mitigation. It resulted in a slight decrease in take and a slight increase in mitigation.

36
37 The second correction regarded his response to a question asking why Alternative F has more
38 acres in occupied site buffers than Alternatives C, D, and E. In June, Mr. Blum incorrectly
39 answered that the reason had to do with 150m buffers in Alternative F. The real reason is that for
40 occupied sites in the OESF that are 200 acres or larger, alternatives C, D, and E only use 50m
41 buffers. Alternative F uses 100m buffers across the board.


42
43 Mr. Blum went on to present a chart showing decade zero raw habitat loss by alternative and
44 habitat quality (low quality \leq P-stage of .36, high quality \geq P-Stage of .47). Noticeably, very
45 little high quality habitat is being harvested.

1 The next chart showed raw habitat growth over time. Initial harvests lead to an early net loss of
2 habitat, but by the end of the planning period all alternatives had grown habitat in excess of the
3 original starting point.
4
5 The next slide was a repeat from the June presentation. In adjusted acres, it showed that in 50
6 years there will be more habitat than there is today, regardless of the chosen alternative.
7
8 The slide after showed the changes in habitat quality over 5 decades. Mr. Blum highlighted that
9 over time the Long-term Forest Cover (LTFC) changes from predominately non-habitat to
10 predominately habitat. The amount of low quality and high quality habitat both increase over
11 time.
12
13 Next, Mr. Blum showed a slide to illustrate the geographic distribution of LTFC by planning
14 unit. The graph showed changes in LTFC between alternatives, relative to Alternative A. Mr.
15 Blum walked through some of the relative changes between alternatives and planning units.
16
17 Mr. Blum then showed the Board three slides from Dr. Peery's presentation, all of which had
18 already been shown. Mr. Blum wanted to re-emphasize that the model is more useful in
19 understanding the relative differences of the alternatives, and less useful in, and not intended for,
20 predicting the long term fate of the marbled murrelet.
21
22 Meeting adjourned at 10:13 AM.

Approved this 6th day of September, 2016



Peter Goldmark, Washington State Commissioner of Public Lands

absent
JT Austin, Designee for Governor Jay Inslee


Randy Dorn, Superintendent of Public Instruction


Bill Peach, Commissioner, Clallam County

via conference call
Ron Mittelhammer, Dean, College of Agricultural, Human, and Natural Resource Sciences,
Washington State University


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

Attest:


Sarah Vansot, Board Coordinator