
Minutes
Board of Natural Resources Meeting
January 17, 2023
Webinar/In-Person, Olympia, Washington

BOARD MEMBERS PRESENT

The Honorable Hilary Franz, Chair & Washington State Commissioner of Public Lands

The Honorable Chris Reykdal, Superintendent of Public Instruction

The Honorable Lisa Janicki, Commissioner, Skagit County

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

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

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

CALL TO ORDER

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

Boardmembers provided self-introduction. A meeting quorum was confirmed.

Chair Franz welcomed Skagit County Commissioner Lisa Janicki, replacing
Commissioner Bill Peach.

Commissioner Janicki thanked Commissioner Peach for his service to the counties.
Commissioner Janicki reported she spent 30 years as the Chief Financial Officer for a
variety of family businesses. Her son is a fourth generation owner of a timber logging
company. She looks forward to serving on the Board.

WEBINAR/SAFETY BRIEFING

Ms. Tami Kellogg, Board Coordinator, provided an overview for viewing and
participating in a combined webinar and in-person meeting.

APPROVAL OF MINUTES – December 6, 2022

Chair Franz requested a motion to approve the minutes of the December 6, 2022 regular
Board of Natural Resources meeting.

MOTION: Superintendent Reykdal moved to approve the minutes.

SECOND: Mr. Cahill seconded the motion.

ACTION: The motion carried unanimously.

1 **LIGHTNING TALK - Information**
2 **Engineer Review of Timber Sales**
3 **Ryan Skerbeck, Civil Engineer 3, Forest Resilience**
4

5 Mr. Skerbeck provided an overview of the role of engineers in timber sales. Engineers
6 are assigned sales areas and complete logging feasibility reviews with foresters. The
7 review includes topography and haul route assessments. Fieldwork includes road
8 inspections, new road layouts, crossing surveys, and crossing design review with other
9 state agencies. Engineers are responsible for completing road plans using different
10 software and mapping programs. A timber sales road plan and accompanying documents
11 are internally reviewed, refined when needed, and finalized for inclusion within the
12 timber sales packet. Following completion of timber sales, engineers work with road
13 builders to decommission or abandon timber roads as prescribed by regulations.
14

15 Mr. Cahill asked about the definition of a water bar. Mr. Skerbeck explained that a water
16 bar is a road construction feature used to prevent erosion and flooding along timber roads
17 by diverting surface water off roads.
18

19 Commissioner Janicki asked whether the road layout design process includes any
20 opportunities to improve roads for public access by recreationalists following a timber
21 sale. Mr. Skerbeck advised that public access is often considered during the timber sale
22 process by using timber sales funds to repair mainline roads or access those sales. Larger
23 projects are funded differently and completed by public works. Most sales include road
24 grading and spot patching on mainline roads used to access timber sales.
25

26 **PUBLIC COMMENTS**

27 **Robert Mitchell** welcomed Commissioner Janicki and urged her and Dr. Powers, as new
28 Boardmembers, not to bow to peer pressure by approving timber sales. He urged
29 listening to the people and voting on the right side of history. He cited timber sales that
30 should not be approved and the revenue potential of financial marketing investments
31 especially as DNR is a commodity producer. He spoke to how public lands improve
32 mental health and questioned sustainable harvest claims as many of the forests are being
33 logged without comparable replacement. DNR is causing mental illness by closing
34 access to public lands. The actions by loggers are causing the loss of Washington forests.
35

36 **Brian Karnes, Cascade Hardwood Group**, welcomed Commissioner Janicki. The
37 company employs 221 people at two facilities in Washington. Hardwood logs from
38 timber sales comprise 20% of the company's timber volume. Timber sales supply raw
39 materials requiring planning, scheduling, and sufficient flow for the company to remain
40 efficient and competitive. The shortfall in volume over the last year and early this year is
41 concerning and will result in a shortfall in 2023. No information has been shared by
42 DNR on plans to make up the volume lost during last fiscal year or this year. Another
43 concern is the end of the alder and cedar salvage pilot program. Because it took over a
44 year to hire the program manager, the position should be extended because the program
45 demonstrated the value and volume that can be added to the timber sales program. The
46 company is concerned about the carbon project as it is likely lands will be set-aside
47 permanently despite a 40-year lease. Trust beneficiaries and the timber industry cannot
48 afford to have any additional lands set-aside permanently.

1 **Matt Comisky, American Forest Resource Council (AFRC)**, welcomed Commissioner
2 Janicki. He acknowledged with appreciation the increase in detail staff provided during
3 recent presentations, which should continue at each meeting. In July 2022, the sales plan
4 for FY 23 compared to the January 2023 sale plan reflects a delta of approximately 43
5 mmbf of timber in Western Washington. It is difficult to track changes in volume
6 forecasts. As the Sustainable Harvest Calculation (SHC) moves forward, the real
7 arrearage numbers are uncertain. Based on rumors from one region, the Federal Trust
8 and its regions may experience a timber shortfall as high as 120 mmbf. He urged DNR to
9 compile and present accurate data to the public.

10
11 **Rod Fleck, City of Forks**, congratulated Commissioner Janicki on her appointment to
12 the Board. He is somewhat bewildered as to the Board's inability to resolve the matter in
13 an equitably beneficial effort for beneficiaries. The Board and Department will need to
14 have better standing inventory and data as it moves forward to determine the SHC. It has
15 been an ongoing issue in Clallam County for the last 10 years. Better data would result in
16 better modeling for both timber growth and harvest, as well as for ecological assessments
17 of critical habitat. He is hopeful DNR will move forward with efforts to increase stand
18 inventory data by ground truthing information rather than relying on modeling and
19 extrapolations from previous efforts many years/decades ago. He renewed his request for
20 the Board to take an affirmative role by voting to engage in active oversight of the
21 proposed carbon market endeavor.

22
23 **Doug Cooper, Hampton Lumber**, reported on the importance of the timber sales
24 program to the ongoing success of Hampton's operations in the communities of
25 Darrington, Morton, and Randall and to the socioeconomic health of those communities.
26 He cited the Board's stunning rejection of the recommended settlement agreement during
27 the December meeting that would have improved the accuracy and precision of land-
28 based inventory and its management, improve the next SHC, and more importantly, end
29 litigation. The Board offered no explanation leaving many with serious questions. He
30 thanked staff for the upcoming timber sales presentation daylighting selected statistics
31 contributing to the year-to-date failure to offer planned timber volume for sale. Fiscal
32 year 2022 arrears took approximately 129 mmbf. During the period reported, average
33 stumpage price of \$419 per mbf in fiscal year 2022 is falling to a forecasted \$350 per mbf
34 in fiscal year 2024 representing a loss of revenue to the Department and beneficiaries.
35 The Board must engage with Department leadership to address the problem. He
36 recognized the work of various forest and natural resource-related advisory committees
37 supporting the engagement and decision-making responsibilities of county councils and
38 commissions. The complexity of forest management is recognized and utilizing available
39 community-based expertise is the right choice. A letter from the Whatcom County
40 Council speaks to the Department's pending carbon project. The project is an excellent
41 example of a work product by those committees.

42
43 **Sarah Gardam, resident of Whatcom County**, commented on the importance of the
44 public not believing misinformation and misleading rhetoric by big timber, which is
45 attempting to silence those defending the last remaining older forests in Western
46 Washington lowlands. Some timber representatives and others opposing legacy forest
47 conservation efforts cite imprecise claims about job losses in rural communities. Legacy
48 forest advocates are asking to conserve a tiny fraction of forestland available for logging

1 in Washington or less than 5% of the 3 million acres of state trust lands managed by
2 DNR for timber sales. It is inaccurate to claim conserving legacy forests causes high job
3 losses in rural communities. The bulk of timber harvesting in Washington is on privately
4 owned forestland. Timber industry executives are the primary cause of timber job losses
5 in rural communities over the last several decades because of decisions to cut labor costs
6 by mechanizing the logging process and exporting lumber overseas to avoid the expense
7 of more labor-intensive processing. Timber executives do not want rural Washingtonians
8 to realize the timber industry actually harms local communities rather than sustaining
9 them. Research conducted by the National Research Council and Bureau of Land
10 Management suggest timber-related activities correlate with social problems including
11 poverty, crime, lower education, poor healthcare, and death. It is time to invest in rural
12 communities by creating better paying and safer jobs.

13
14 **Connie Beauvais, Commissioner, Port of Port Angeles**, commented on the risk facing
15 Olympic Peninsula communities. More than 30 years ago, most public land on the
16 Olympic Peninsula was set-aside for the Northern Spotted owl with the promise of
17 remaining land actively managed to support communities. That promise was broken. In
18 recent years, half of DNR state trust lands in Western Washington were set-aside for
19 endangered species and other purposes with a promise of remaining land actively
20 managed to support communities. That promise has been broken as well. At its core is a
21 thinly veiled attempt to stop timber harvesting on the Peninsula's public lands despite
22 over 1 million acres of public forestland set-aside. Despite claims on how carbon leases
23 replaces lost timber revenues, the market for voluntary carbon offsets is currently only
24 providing 10% of what beneficiaries would receive from timber sales. DNR is betting on
25 a highly speculative market at the expense of jobs, education, and public services in rural
26 communities. Carbon credits will not decrease pollution; it enables entities to pay for
27 polluting. Placing credits into DNR carbon reserves will only benefit Seattle and other
28 urban areas because industries can continue emitting greenhouse gas emissions through
29 buying and selling carbon offsets. The best solution for mitigating climate change and
30 supporting rural communities is protecting working forests. The carbon program will not
31 benefit rural communities but will only make the rich richer and the poor poorer.

32
33 **Ed Martin, Western Forest Products**, pointed out that 49% of state trust lands are
34 permanently removed from active forest management with the remaining a rich long-term
35 legacy of generating forest products everyone uses. The company produces cross arms
36 from older forest timber originating from DNR timber sales. Cross arms are the essential
37 utility component on each power pole and are used to deliver green energy via a carbon
38 friendly product to all Washingtonians. Healthy communities, local jobs, and everyday
39 goods utilizing a renewable product are the legacy DNR trust land forests have delivered
40 for decades. The company is concerned about maintaining that rich legacy by putting up
41 sufficient timber sales to include older forests to meet the annual target levels. Today,
42 the Board presentation will highlight how FY 2023 will not achieve the target as
43 identified at the beginning of the year. It is priority for the Board to review and ask
44 questions and support DNR in achieving the program targets by ensuring the monthly
45 timber sale presentation includes the forecast. Timber sales have been completed and are
46 ready for the Board's consideration and approval but are withheld purely for political
47 calculations. Forest product manufacturers, workers, small businesses, and trust

1 beneficiaries exist via the DNR timber sales program and they need urgent attention and
2 support.

3
4 **Ed Bowen, Clallam County**, commented on the failure of the U.S. Forest Service to
5 replace a bridge that ended up costing the county and junior taxing districts over
6 \$400,000 to replace. He mentioned the failure of the 1968 road land agreement between
7 DNR and U.S. Forest Service regarding ongoing costs. The local water district submitted
8 for funds from the American Recovery Act in excess of \$100,000 to pay additional costs
9 to use the bridge. He is disappointed the Board is not addressing the SHC. Operable
10 areas need to be addressed. It is ironic that the presentation includes a discussion on
11 staffing. He has often posed questions concerning administration of program-specific
12 programs, such as land transfer and timber sales, and the differences in regions, and the
13 level of impact of State Forest Trust transfers in terms of scale on the amount of county
14 lands.

15
16 **Paul Butler** commented on his request to the Board over the last 18 months to protect the
17 little remaining older and mature forests in Western Washington. While progress has
18 occurred in protecting forests through the carbon initiative, thousands of acres continue to
19 be offered for timber sales. He recently read the *Tree Lion* about the last forest in the
20 future of life on earth. While the focus is on boreal forests, some universal truths
21 enumerated by the author Ben Rollins apply to all forest ecosystems. Global climate
22 change is baked in and there is nothing humans can do to stop it. How species respond
23 including human, will determine the future of life on earth. Remnants of 80 to 120-year
24 old forests play a key role as the devastated landscapes naturally regenerated while
25 maintaining complexity in terms of generic, biological, and ecological outcomes. Those
26 forests are closer in age to timber plantations ready to harvest. Tree farms lack diversity
27 and complexity and may not be viable unless management is quickly changed. Older and
28 mature forests have proved to be resilient and should be protected to provide carbon
29 sequestration. Careful monitoring of distributed diverse older forests would provide data
30 critical to understanding climatic changes underway.

31
32 **Julie Ratner** urged listening to the expert on proforestation, Dr. William Moormah from
33 TUFTS, who said preserving existing mature forests is more effective, immediate, and
34 low-cost for solving global warming. Dr. Ramirez and over 100 conservation groups
35 support Biden's Federal Rule to protect legacy forests from logging for superior climate
36 and biodiversity benefits. As policymakers, the Board needs to acknowledge that
37 proforestation, the practice of leaving forests undisturbed is the easiest natural climate
38 solution to maximize carbon storage and sequestration. If DNR is committed to curbing
39 the climate crisis then it should lead the way in the state by following the U.S. Forest
40 Service decision to withdraw the sale of older Willamette Natural Forest in Oregon.
41 DNR should commit to leading the state to achieve its climate goals and remove all
42 legacy forests auctions including auctions planned during the quarter. Withdraw
43 unharvested sold parcels from 2022 and stop cherry picking. There are plenty of other
44 non-legacy parcels to sell. It is important to manage this precious land with integrity and
45 not agree with the motions offered later. In tandem with the practice of proforestation, it
46 is in the public interest.

1 **Daniel Harm** cited abundant information on the history of the timber industry, a heavily
2 researched stack of industry publications fabricating falsehoods that justify the
3 liquidation of irreplaceable resources. Ancient ecosystems once destroyed and converted
4 into artificial tree farms do not grow back and it is not difficult to weave through all the
5 misinformation presented on timber industry websites including timber companies owned
6 by new Boardmembers. When reading Boardmember citations, it is fascinating from an
7 academic sense, as some of the citations actually support conserving older forests. The
8 timber industry has liquidated 90% of the old growth forest and 150 years later they are
9 complaining about unfairness. Commissioner Franz was previously a member of
10 Conservation Northwest. Conservation Northwest has joined forces with the legacy
11 forest movement and developed models on how to manage state forests that protects all
12 legacy forests, increases harvest volume, and protects timber-dependent rural
13 communities, mills, and timber jobs that have not been replaced by machines,
14 automation, and profit margin cuts benefitting a selected few. He urged Commissioner
15 Franz to return to her roots and take advantage of the wealth, brilliance, and passion of
16 the entourage of non-profits giving free labor to create a path toward protecting the last
17 remnants of native ecosystems remaining in the regional biosphere.

18
19 **Jessica Randall, Jefferson County**, remarked that attempts to save the few remaining
20 structurally complex and naturally generated forests have been disregarded. Last year,
21 50% of timber auctions approved contained legacy forests. However, legacy forests
22 represent only 5% of all DNR holdings. She cited specific forests of concern. Last week,
23 a meeting was held with the legislator representing District 24 who revealed that a veneer
24 mill processes 30-inch Douglas fir trees, which represents a tree nearly 150 years old.
25 The state's oldest forests are being logged for veneer. A win-win would transition to a
26 more sustainable material, such as bamboo before all legacy forests are destroyed. The
27 Pennywise Forest in Jefferson County was harvested over the holidays. The final move
28 by Sierra Pacific was logging most of the leave trees, which is illegal. The company tried
29 to hide evidence and scrap off paint marking them as a leave tree. Many of the trees were
30 four feet in diameter. At the very least, DNR should prevent contractors from
31 overharvesting to prevent that type of illegal activity.

32
33 **Beverly Parsons, Kitsap County**, welcomed Commissioner Janicki. Ms. Parsons spoke
34 in support of preserving all legacy forests on DNR managed lands. She urged members
35 representing universities and K-12 students to poll their students as to whether they
36 believe it is important for the Board to support preserving legacy forests. Students are the
37 most important constituency. She asked members to reflect on how much they are
38 focused on the adults and the roles they are currently playing in the timber industry or as
39 stockholders in timber industry companies. Those choices are being made at the expense
40 of the next generations.

41
42 **Lynn Fitz-Hugh** remarked that consistently, speakers have asked for decisions to be
43 rendered based upon the most recent science. A new study published in the peer review
44 journal, *Forest and Global Change*, presents the nation's first assessment of carbon
45 stored in larger trees and mature forests in 11 national forests across the country. Old
46 science believes trees perform little drawdown once they reach maturity. Most recent
47 science reveals older trees are doing significant work. The study develops an approach to
48 resolve the issue by connecting forest stand age and tree size using information in

1 existing databases. The paper also defines “maturity” by reference to age at peak carbon
2 capture for forest types. Key findings include the minimum age at which forests can be
3 considered mature according to peak carbon capture ranged from 35 to 75 years
4 dependent on regions and forest types. Seventy-three percent of carbon stored is in larger
5 trees and 60% is in unprotected larger trees in forest stands. Forest stands with the
6 greatest carbon stored on an annual carbon accumulation were mainly located in the
7 Pacific Northwest. Since the Pacific Northwest has the greatest carbon drawdown in the
8 nation, older trees continue to be logged with blatant disregard to climate change. For all
9 those reasons, she objects to the 1,096 acres of Hopscotch being cut down, Kitty Kat with
10 an average age of 94 years, and Wahkiakum with an average of 92 years. Scientists
11 indicate the necessity of reducing emissions to zero by 2030. The state cannot afford to
12 remove those workhorses of sequestration for a few percentages of annual budgets.

13
14 **Peter Goldman, Washington Forest Law Center**, welcomed Boardmember Janicki.
15 He urged the Board and the Board’s attorney to consider when Boardmember Janicki
16 must recuse herself from certain aspects of the Board’s deliberations and decision-
17 making process. Skagit County has three pending lawsuits against DNR comprised of a
18 breach of trust in Whatcom County, a challenge to the 2019 SHC and long-term
19 conservation strategy in Thurston County, and an omnibus challenge to DNR’s carbon
20 leasing program in Thurston County. He is not implying any future ethical violations but
21 wants to assure the public that Boardmember Janicki will not participate in any
22 discussion, briefing, or decision involving those pending cases. While there may be
23 concerns as to how DNR rolled out the carbon initiative, entities and counties challenging
24 DNR’s ability to lease some of its forests representing .05% for carbon sequestration is
25 going to be recorded in history as one of the most egregious arguments of public policy.
26 Given the urgency of climate change and the decision in *Conservation Northwest vs.*
27 *Franz* it is impossible to fathom a sound policy argument that DNR should not have the
28 authority to lease some of its forests for carbon sequestration instead of cutting them
29 down. DNR made headlines in April 2022 about the program and it is hoped the agency
30 will approach the Legislature and confirm that it has the authority to move forward with
31 the carbon project.

32
33 **Miguel Perez-Gibson, Washington Conservation Action**, reported Washington
34 Environmental Council and Washington Conservation Action voters’ are now unified as
35 one organization. He joins others in extending congratulations to Skagit County
36 Commissioner Janicki on her appointment to the Board of Natural Resources. He hopes
37 that while serving as a member of the Board, Boardmember Janicki will encourage and
38 support an innovative and forward-looking approach to managing multiple values and
39 objectives, and managing a forever trust with an eye toward the trustee principle of
40 intergenerational equity and consideration of the existential climate crisis, as witnessed
41 during the month along the West Coast. The organization looks forward to the SHC and
42 DNR conserving new carbon sequestration and storage policies, longer rotations, and
43 new ways of considering discount rates as per the Board’s Resolution 1591, which states
44 how DNR must manage lands in light of the legally required perpetual time scale, multi-
45 objective optimizations, and incorporate outcomes beyond revenue maximization. The
46 Board should consider the relationship of capital management with sustainability with
47 respect to intergenerational equity and the requirement of undivided loyalty to the trust.
48

1 **Kevin Tyler, Clark County Public Works, Parks and Lands Division**, spoke to the
2 pending action on the Hantwick Inter-trust Exchange and Reconveyance. He thanked the
3 Board and DNR staff for working collaboratively with the county to transfer the property
4 for the last four years. A popular county trail traverses through the property with an
5 easement held by DNR. Transferring the property will bring the trail into county
6 ownership and benefit the community in Clark County by adding to the East Fork Lewis
7 River Greenway. The transfer is consistent with the county's Parks, Recreation, and
8 Open Space Plan and the Natural Areas Acquisition Plan and will be managed as a
9 county natural area.

10
11 **Eirik Steinhoff** welcomed Boardmember Janicki. He quoted Jennifer Belcher's cover
12 letter for the Habitat Conservation Plan published by DNR in September 1997. He was
13 heartened to learn the Legislature was considering a proposal to name the Natural
14 Resources Building after Jennifer Belcher. Within the last sentence of the cover letter,
15 Ms. Belcher wrote that with the assistance from wildlife experts, DNR silviculture
16 experts, trust beneficiaries, and the public, she believes the Washington State Department
17 of Natural Resources developed an HCP that will keep trust state lands at the forefront of
18 excellence in forestland management. At the same time, the HCP will provide certainty,
19 stability, and flexibility to both the trusts and wildlife. Mr. Steinhoff said he is not seeing
20 much of that flexibility on behalf of wildlife instead he is seeing endless volumes of
21 timber removed from naturally regenerated structurally complex carbon dense legacy
22 forests. The Board should not approve the sales of four proposals involving Kitty Kat,
23 Caddis Sorts, Hopscotch, and Fir Reals Sorts. Hopscotch in particular, is egregious given
24 that the Board of Thurston County Commissioners requested DNR no longer cut legacy
25 forest on Thurston County land.

26
27 **Joshua Wright, resident of Mason County**, said the eastern area of Mason County has
28 virtually no protected areas. He recently learned of the likely approval of the Sherwood
29 timber sale of some of the last remaining natural legacy forests. He represents Mason
30 County Climate Justice, a grassroots group. The Board has heard from members of the
31 timber industry who indicate rural communities do not want areas protected; however,
32 the opposite is true in Mason County. There is a great deal of dismay over the removal of
33 legacy forests. The Sherwood timber sale would destroy one of the last natural corridors
34 along Sherwood Creek. Many comments from timber representatives represent
35 misinformation. One timber company requesting the continued logging of legacy forests
36 is Western Forest Products, one of the largest contributors to logging old growth forests
37 of trees that are 1,000 years old in Canada. He is hopeful the Board will not approve the
38 Sherwood sale and listen to the majority of the public that have testified.

39
40 **Linda Lorenz, resident Clark County**, spoke in support of the inter-trust exchange of
41 Hantwick. The trail is accessible to users with many abilities and is home to bald eagles
42 and Pileated woodpeckers. The east fork of the Lewis River is a wild steelhead gene
43 bank. When she learned of a timber sale four years ago for a portion along the trail, she
44 realized the importance of preserving the asset. Working together it is possible to protect
45 important areas. She encouraged the Board's approval of the inter-trust exchange.

46
47 **Jerry Bonagofsky, Washington Contract Loggers Association (WCLA)**, welcomed
48 Boardmember Janicki. The 21 timber counties could not have rendered a better choice.

1 WCLA represents logging, log trucking, and log road construction companies. Many
2 WCLA member companies similar to trust beneficiaries rely on DNR's timber sales
3 program to support their organizations. He emphasized how the timber program is
4 critical to maintain the infrastructure of the industry and provides support for family-
5 wage jobs and generates revenue for rural communities and trust beneficiaries.
6

7 **ELECTION OF CHAIR AND VICE-CHAIR**

8 Commissioner Franz invited nominations/election for Chair.
9

10 MOTION: Superintendent Reykdal moved, seconded by Commissioner Janicki, to
11 nominate and elect Commissioner Franz to serve as Chair of the Board of
12 Natural Resources.
13

14 MOTION: The motion was approved unanimously.
15

16 Chair Franz invited nominations/election for Vice-Chair.
17

18 MOTION: Superintendent Reykdal moved, seconded by Commissioner Mr. Cahill, to
19 nominate and elect Dan Brown to serve as Vice-Chair of the Board of
20 Natural Resources
21

22 MOTION: The motion was approved unanimously.
23

24 **TIMBER SALES - Action**

25 **Auction Results for December 2022, Quarterly Update, Proposed Timber Sales for** 26 **February 2023**

27 **Joe Koontz, Assistant Division Manager of Timber Sales, Product Sales & Leasing** 28 **Division** 29

30 Mr. Koontz reported in December 2022, the Department offered seven sales totaling 30
31 mmbf. Seven sales sold totaling \$13.3 million for an average of \$441 per mbf. Bidding
32 continues to remain high with an average of 3.9 bidders per sale. Mr. Koontz invited
33 questions.
34

35 Chair Franz commended staff for efforts to generate a high number of bidders.
36

37 Mr. Koontz provided an update on timber sales staffing per the Board's previous request.
38 He reviewed the current situation with recruitment of employees across all state agencies.
39 Turnover rates within government agencies have increased from a five-year average of
40 14.8% to 20.3% in fiscal year 2023. The trend is tracking with national trends. The
41 agency has experienced a similar trend, which has created recruiting challenges in a tight
42 labor market amplified by the pandemic. The current vacancy rate of 15% has improved
43 in recent months in the timber sales program, but the number of current staff with less
44 than a year of experience represents 23% of all filled positions. Unfortunately, high
45 vacancy rates have affected the ability to meet deliverable timber sale targets and some
46 regions are disproportionately impacted. Full staffing within the timber sales program
47 statewide is 217 FTEs. The Department currently has 184 positions filled with 34
48 positions vacant and 49 newly hired employees. A focused effort on continued

1 recruitment, promotion, and an aggressive training regime for new employees are the key
2 elements necessary to maintain the timber sales program.

3
4 Mr. Koontz invited questions.

5
6 Commissioner Janicki asked whether the graph reflecting 62% timber sales staff as fully
7 trained was correct. Mr. Koontz affirmed the figures were accurate.

8
9 Superintendent Reykdal asked about the current pathway for individuals interested
10 working in those positions in terms of educational and training opportunities. Mr.
11 Koontz said pathways have been established with some local community colleges and
12 universities offering programs. The University of Idaho and Oregon State University
13 continue to offer programs, but the level of students has gradually decreased from prior
14 years.

15
16 Commissioner Franz noted that the trend would likely continue without some changes.
17 House Bill 1168 includes two significant components to help plan for the future. The
18 first is a K-12 education program in natural resources and another is workforce
19 development in conjunction with a number of agencies and the Legislature to expand the
20 number of interested individuals. Salaries continue to be challenging because previously,
21 government salaries supported employees and families in both the urban and rural areas.
22 As the increase in housing costs has occurred across the state, agency salaries are less
23 competitive than the private sector or other industries that are competing directly for
24 employees. The Department is pursuing housing development opportunities by
25 developing workforce housing on DNR lands for employees, as well as for other
26 residents in local communities.

27
28 Mr. Koontz added that the agency has also encountered regional differences in both
29 staffing and housing issues. The agency's intern program is a good tool for adding
30 students to programs within the agency.

31
32 Mr. Koontz presented the status of timber sales for the current fiscal year. Timber sales
33 are dynamic in nature and it is not uncommon to experience changing target volumes
34 between quarters and fiscal years. A substantial amount of planned volume shifted from
35 the second quarter to the fourth quarter because of operational issues, staffing, and
36 administrative matters. The forecast for the third quarter with the addition of a reoffered
37 timber sale places the agency near the target volume. Approximately 12% of the sales
38 shift is related to administrative reasons such as legal issues, SEPA review, or neighbor
39 issues involving right-of-ways. Approximately 39% of the volume involved older forests
40 that were delayed. Staff is preparing the units for permitting and SEPA processes.

41
42 Approximately 36% of the volume shortfall was because of operational factors such as
43 weather, technical delays, or late surveys. The remaining shortfall is attributed to the
44 lack of staffing to complete timber sales for the Board's approval.

45
46 Mr. Koontz reviewed fiscal year arrearage and noted the current shortfall of 34 mmbf is
47 attributed to administrative, staffing, and operational circumstances. The forecast reflects

1 a 5% reduction of the planned volume equating to approximately 34 mmbf of arrearage
2 forecasted for 2023.

3
4 Commissioner Janicki asked for information on the status of the forecast for the SHC
5 ending in FY 2024. Mr. Koontz affirmed staff would provide actual figures from 2015
6 through 2022.

7
8 Dr. Brown asked whether older forest deferrals are contributing to arrearage. Mr. Koontz
9 explained that deferrals are contributing to arrearage and reflected as an operational issue.

10
11 Dr. Brown asked about the status of deferrals and whether staff is seeking Board
12 direction on next steps. Mr. Koontz advised that staff received approval to move forward
13 on deferred sales. Staff is incorporating those deferrals within the timber sales program
14 with some additional work required such as SEPA, Forest Practice Applications, etc.

15
16 Mr. Koontz presented the nine proposed sales for February totaling 44.9 mmbf with an
17 estimated value of \$15.2 million and a delivered value of \$337 per mbf. Four sales are
18 located in the Pacific Cascade Region, two are located in Northwest and South Puget
19 Sound Regions, and one is located in the Olympic Region.

20
21 Commissioner Franz invited questions.

22
23 Superintendent Reykdal requested clarification on the distribution of the sales for State
24 Forest Board Transfer. Mr. Koontz explained that the proposed distribution is
25 approximately \$4.1 million.

26
27 Duane Emmons, Assistant Deputy for State Uplands, explained that the trust for State
28 Forest Board Transfer is for county trust lands DNR holds in trust and manages. County
29 trust lands include both the county and junior taxing districts. Common School Trusts
30 and the State Forest Board Transfer Trust are the largest by area and typically receive
31 most of the revenue from timber sales.

32
33 Commissioner Janicki reported on a contact from a Thurston County Commissioner who
34 was concerned about a timber sale near Summit Lake. She asked whether the Hopscotch
35 sale includes the Summit Lake area of concern. Mr. Koontz replied that the Summit
36 Lake timber sale is the Delica sale, which is not included in the proposed sales.

37
38 Mr. Koontz reported staff recommends approval of the sales for the best interest of the
39 beneficiaries and the State.

40
41 Commissioner Franz requested consideration of a motion to approve the proposed sales.

42
43 MOTION: Commissioner Janicki moved to approve the proposed sales as presented.

44
45 SECOND: Dean Powers seconded the motion.

46
47 ACTION: The motion was approved unanimously.

48

1 **LAND TRANSACTIONS - Action**
2 **Hantwick Inter-trust Exchange, 86-100469, Resolution 1596**
3 **Hantwick Reconveyance, 02-100476, Resolution 1597**
4 **Deb Whitney, Project Manager, Land Transactions Program**
5

6 Ms. Whitney reported the proposed inter-trust exchange and reconveyance are for
7 property located in Clark County. She displayed a map of the four parcels involved in
8 the transactions located northeast of the City of Battleground in Clark County. Another
9 map reflected DNR managed Common School Trust property and lands owned by Clark
10 County. Parcel A is located on Common School Trust property with an in-holding
11 owned by Clark County. The Moulton Falls Trail extends across Parcel A entirely, which
12 is frequently used by the community. When planning timber harvests, DNR receives
13 substantial comments from the community requesting preservation of the trail and
14 surrounding forests. Clark County requested reconveyance of the property to manage as
15 a public park. Under RCW 79.22.300, counties may request reconveyance of State
16 Forest Transfer Trust lands for public park purposes. Because Parcel A is Common
17 School Trust land, it must be transferred to State Forest Transfer Trust through an inter-
18 trust exchange whereby Parcel A is exchanged for equal value of State Forest Transfer
19 Trust property. The inter-trust exchange proposal exchanges 80 acres of Common
20 School Trust Parcel A for 202 acres of equal value of State Forest Transfer Trust lands
21 comprised of Parcels B-1, B-2, and B-3 in Clark County.
22

23 Prior to the inter-trust exchange, Parcel A was Common School Trust and Parcel B-1, B-
24 2, and B-3 were State Forest Transfer Trusts. Following the exchange, Parcel A will be
25 State Forest Transfer Trust property and eligible for reconveyance to the county. Parcels
26 B-1, B-2, and B-3 convert to Common School Trusts and managed for timber revenue for
27 the trusts.
28

29 A public hearing for the inter-trust exchange was conducted on June 28, 2022 in the City
30 of Battleground. Eighteen comments were received in support of the proposals. Parcel A
31 is stocked with over 50 year old Douglas fir trees in mostly site classes 2 and 3. The
32 Moulton Falls Trail crosses from the west to east boundaries. The appraised value for
33 Common School Trust Parcel A is \$189,100 in land value and \$735,900 in timber value
34 for a total of \$925,000. State Forest Transfer Trust Parcels B-1, B-2, and B-3 include 5
35 to 21-year old Douglas fir trees of mostly site classes 2 and 3. The Moulton Falls Trail
36 crosses one of the parcels. The trail is a primitive single-track trail used for hiking. The
37 parcel has been previously harvested and DNR anticipates future harvesting of the parcel.
38 The appraised value of the State Forest Transfer Trust parcels is \$667,500 in land value
39 and \$257,500 in timber value for a total value of \$925,000. The Common School Trust
40 will gain 121.75 acres to be managed for future trust revenue. The State Forest Transfer
41 Trust will be positioned for reconveyance at the request of its beneficiary, Clark County.
42

43 The next step following approval of the inter-trust exchange is reconveyance. Parcel A
44 will be reconveyed to Clark County as State Forest Transfer Trust property.
45

46 In response to comments by Superintendent Reykdal regarding other trails within Parcel
47 B-2, Chair Franz explained that the Moulton Falls Trail was of interest by the community
48 to turn the area into a park. DNR properties encompass thousands of miles of trails

1 within timberland throughout the state. Parcel A is adjacent to an area utilized as a public
2 park.

3
4 MOTION: Commissioner Janicki moved to approve Resolution 1596; Hantwick
5 Inter-trust Exchange 86-100469, and Resolution 1597; Hantwick
6 Reconveyance 02-100476.

7
8 SECOND: Dr. Brown seconded the motion.

9
10 ACTION: The motion was approved unanimously.

11
12 **BOARD ON GEOGRAPHIC NAMES - Action**

13 **Reeds Bay – Spelling Correction**

14 **Wenaha Peak – Name Proposal**

15 **Noskelikuu – Name Proposal**

16 **Sq' wanana – Name Proposal**

17 **Condon Mountain – Name Proposal**

18 **Aalvic Wahtum – Name Proposal**

19 **Pataniks Pushtye – Name Proposal**

20 **Timla Wapykt – Name Proposal**

21 **Shluxiksikswana – Name Proposal**

22 **Sngilt Creek – Name Proposal**

23 **Sara Palmer, Chair, Washington State Committee on Geographic Names**

24
25 Ms. Palmer reported the proposal represents work in process for over a year. In
26 November 2022, Secretary of the Interior Deb Haaland issued Secretarial Order 3404
27 formally identifying the term “squaw” as derogatory towards Indigenous women. The
28 State of Washington priorities included tribal engagement and consultation on desired
29 outcomes with an emphasis of preserving Indigenous people on the landscape, especially
30 the heritage of Indigenous women on the landscape. The proposal represents nine new
31 names resulting from the renaming process in cooperation with Washington State Tribes
32 and one spelling correction.

33
34 Ms. Palmer reviewed the geographic region for each name. Several more names are still
35 in process based on proposals from two tribes. The proposal represents the majority of
36 work as directed by the Department of Interior. She acknowledged the efforts of
37 committee members, staff to the committee, and colleagues at the tribes.

38
39 The Board thanked Ms. Palmer and the committee for its work.

40
41 MOTION: Dr. Brown moved to approve the proposal for name changes and one
42 spelling correction as presented:

- 43 • Reeds Bay – Spelling Correction
- 44 • Wenaha Peak – Name Proposal
- 45 • Noskelikuu – Name Proposal
- 46 • Sq' wanana – Name Proposal
- 47 • Condon Mountain – Name Proposal

- 1 • Aalvic Wahtum – Name Proposal
- 2 • Pataniks Pushtye – Name Proposal
- 3 • Timla Wapykt – Name Proposal
- 4 • Shluxiksikswana – Name Proposal
- 5 • Sngilt Creek – Name Proposal

6 **SECOND:** Superintendent Reykdal seconded the motion.

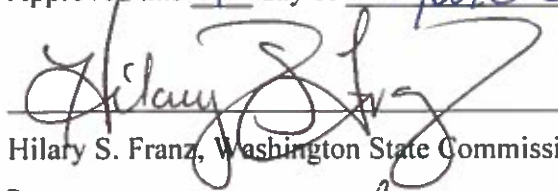
7
8 **ACTION:** The motion was approved unanimously.

9
10 **ADJOURNMENT**

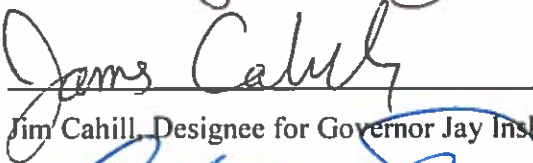
11 With there being no further business, Chair Franz adjourned the meeting at 10:55 a.m.

12

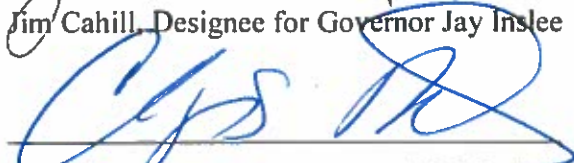
Approved this 7 day of March, 2023



Hilary S. Franz, Washington State Commissioner of Public Lands



Jim Cahill, Designee for Governor Jay Inslee



Chris Reykdal, Superintendent of Public Instruction



Lisa Janicki, Commissioner, Skagit County

approved via webinar

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