
Minutes

Board of Natural Resources Meeting

January 3, 2017

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 – *via conference call*

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

Elizabeth Van Volkenburgh, Interim Director, School of Environmental and Forest Sciences, University of Washington

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 and Superintendent Dorn participating via phone.

7 SAFETY REVIEW

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

11 APPROVAL OF MINUTES

12 Chair Goldmark called for approval of the minutes for the December 6, 2016 Regular Board of
13 Natural Resources Meeting.

14
15 MOTION: Dean Mittelhammer moved to approve the minutes.

16
17 SECOND: Commissioner Peach seconded the motion.

18
19 ACTION: The motion was approved unanimously.

21 PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST

22 Russ Pfeiffer-Hoyt, Chair of the Washington State School Directors' Association Trust Land
23 Task Force, thanked Commissioner Goldmark for his years of service.

1
2 Peter Goldman, Director of the WFLC, thanked Commissioner Goldmark for his years of service
3 to the Department and to the Board of Natural Resources.
4

5 Cheryl Heywood, Timberland Regional Library Director, thanked Commissioner Goldmark for
6 his years of service to the State.
7

8 Ann Forest Burns, Vice President for AFRC, thanked Commissioner Goldmark and
9 Superintendent Dorn for their years of service.
10

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

12 Russ Russ Pfeiffer-Hoyt, Chair of the Washington State School Directors' Association Trust
13 Land Task Force, spoke in favor of the Singletary Timber Sale and the importance of the revenue
14 to the State and local schools.
15

16 Peter Goldman, Director of the WFLC, representing Alpine Lakes Protection Society, Pilchuck
17 Audubon and friends of Skykomish Valley, asked the Board to defer approval of the Singletary
18 Timber Sale and urged the Board to give the County more time to work out the process.
19

20 Bill Turner, Timber Manager for Sierra Pacific Industries, thanked Commissioner Goldmark and
21 Superintendent Dorn for their years of service. Mr. Turner spoke in favor of the Singletary
22 Timber Sale and urged the Board to approve the packet as presented.
23

24 Doug Cooper, Vice President of Resources for Hampton Lumber Mills, spoke in favor of the
25 Singletary Timber Sale and also thanked Commissioner Goldmark and Superintendent Dorn for
26 their years of service.
27

28 Chair Goldmark convened an Executive Session to brief the Board on a potential litigation at
29 9:22 AM and reconvened the Regular Board Meeting at 9:31 AM.
30

31 **TIMBER SALES (Action Item)**

32 **Proposed Timber Sales for February 2017 | 3 handouts, including the presentation**

33 Darin Cramer and Tom Shay, Product Sales & Leasing Division
34 Brock Milliern, Conservation, Recreation, and Transactions Division
35 Angus Brodie, Interim Deputy Supervisor for State Uplands
36

37 Mr. Shay presented the results of the December auctions to the Board. The Department offered 9
38 sales totaling 33.8 mmbf in December. All sales sold, totaling \$12.9 million for an average of
39 \$383 per mbf, with 3 bidders per sale on average.
40

41 Mr. Cramer then began a presentation on the Singletary timber sale, specifically a timeline of the
42 process to bring the sale forward and a better idea of the landscape surrounding the proposed
43 sale. The first slide showed the sale map for the Singletary sale, where Mr. Cramer discussed
44 sale specific details (acres). Work on the Singletary sale began in 2009 and the sale layout work
45 was completed in 2013. The initial Forest Practice Application (FPA), as well as the SEPA, were
46 submitted in early 2014. Comments regarding concerns with the proposed sale were received
47 from Snohomish County following the FPA and SEPA process. The beneficiary of the sale

1 (100%) and the Department spent approximately a year reviewing the sale with stakeholders
2 following those comments.

3
4 In 2015 Snohomish County asked to forgo revenue from the sale rather than have the sale go
5 forward. The Department could find no legal mechanism by which to do that. Following this, the
6 county withdrew their concerns over the sale. During this same period, it was discovered a
7 bridge installation to access the proposed sale would require a shoreline permit from Snohomish
8 County. Documents were submitted for a shoreline permit in 2015, and approved in mid-2016.
9 The proposed sale was first brought to the Board in October, but was withdrawn following
10 requests from concerned parties to have more time to review and comment on the sale.

11
12 Mr. Cramer then showed maps of the area surrounding the proposed Singletary. The maps
13 displayed approximately 10,000 acres of trust land in the vicinity. This same area was included
14 in the Reiter Hills Recreation Plan. The lands are all primarily County trust lands. The next slide
15 displayed timber harvest activities from the past 10 years (10 sales) in the area. These sales
16 generated approximately 11.3 million dollars in revenue.

17
18 Mr. Milliern then began a presentation regarding recreation in the vicinity of the proposed
19 Singletary sale, as well on DNR managed lands in general. In 2010, DNR completed a recreation
20 plan which included contributions a 15-member advisory committee in order to provide
21 recreational access in the Reiter Foothills area. Since the plan, DNR has built roughly 20 miles of
22 motorized trails and 3 miles of non-motorized. This trail construction included the installation of
23 multiple bridges, including one within Wallace Falls State Park. The Department has also been
24 working alongside State Parks in order to better facilitate and coordinate future trail construction.

25
26 Mr. Milliern then showed a map of trails constructed near and within the proposed Singletary
27 sale, noting trails are typically built after sale activities, but an expiring grant warranted the trail
28 construction happen prior to harvest activities. Mr. Milliern expressed concerns that not moving
29 the proposed Singletary sale forward would actually hinder the Department's ability to complete
30 recreational goals in the vicinity. This is partly because it is more expensive to bring in
31 equipment and supplies to build trails where there are no existing roads; the proposed sale would
32 build roads in the area to reduce these costs.

33
34 Mr. Milliern then discussed recreation on other DNR managed lands, showing images of trails,
35 some existing within recently harvested areas. These areas include Tiger Mountain State Forest
36 and Raging River State Forest, where approximately 20 miles of mountain bike trails have been
37 constructed within a working forest. Mr. Milliern closed by noting the Reiter Hills advisory
38 committee finalized their plans with an understanding that the forests in the Reiter Foothills
39 would remain working forests in order to create a forest road infrastructure to facilitate recreation
40 enhancement activities.

41
42 Mr. Brodie asked the Board for questions regarding the proposed Singletary timber sale.

43
44 Dean Mittelhammer asked for clarification regarding the position of Snohomish County
45 regarding the proposed sale.

1 Mr. Brodie answered that he had spoken to the Snohomish County Executive's office in
2 December 2016 to receive an update about the County's stance on reconveyance of lands in the
3 Singletary vicinity. The County informed Mr. Brodie they were not interested in pursuing
4 reconveyance.

5
6 Ms. Austin asked whether any representatives from Snohomish County were present at the
7 meeting. Mr. Brodie responded that none were present to his knowledge.

8
9 Mr. Shay then presented proposed sales to be offered in February to the Board. Mr. Shay
10 mentioned two sales previously offered will also be offered in February; however, this is
11 incorrect as these two sales are scheduled to be reoffered in January 2017.

12
13 Mr. Shay asked for approval of the proposed sales as presented.

14
15 MOTION: Commissioner Peach moved to approve the proposed sales.

16
17 SECOND: Dean Mittelhammer seconded the motion.

18
19 ACTION: The motion was approved unanimously.

20
21 **PUBLIC COMMENTS FOR LAND TRANSACTION ACTION ITEMS**

22 Mark White, Natural Resource Manager representing the Chehalis Tribe, spoke in support of the
23 Oxbow Transaction.

24
25 Clay Sprague, Division Manager representing Washington Department of Fish and Wildlife,
26 urged the Board to approve the Stemilt 2 Direct Transfer.

27
28 Michelle Culver, representing the Washington Department of Fish and Wildlife, spoke about her
29 concerns regarding the Oxbow transaction and recommended a delay in the transfer.

30
31 **LAND TRANSACTION (Action Items)**

32 **Mitchell Hill Acquisition, No. 08-094144; Resolution 1492**

33 Dave Gordon, Recreation, and Transactions Division

34
35 Mr. Gordon presented the Mitchell Hill Trust Purchase located in King County. The 31-acre
36 addition to DNR Mitchell Hill block, in partnership with King County, will allow DNR to
37 acquire land and forest value. The County acquires development rights and holds conservation
38 easement, and future acquisitions will connect to lands and buffer state lands. The timber is a
39 mix of red cedar, hemlock, and Douglas fir, all about age 70, and it has a total of 482 MBF on 29
40 acres.

41
42 Mr. Gordon then provided an overview of the benefits of the purchase and stated the purchase
43 price for trust interest is \$280,000, the development value purchased by King County is
44 \$595,000 and the total property value is \$875,000.

45
46 Mr. Gordon concluded by asking the Board to approve Resolution 1492.

1 MOTION: Commissioner Peach moved to approve Resolution 1492.

2
3 SECOND: Dean Mittelhammer seconded the motion.

4
5 ACTION: The motion was approved unanimously.

6
7 **Stemilt 2 Direct Transfer, No. 02-093070; Resolution 1493**

8 Bob Winslow, Recreation, and Transactions Division

9
10 Mr. Winslow presented to the Board the Stemilt 2 transfer property located in Chelan County, 10
11 miles south of Wenatchee. The property consists of 2 sections of Common School Trust land
12 that are proposed for transfer to the State of Washington Department of Fish and Wildlife. The
13 properties total 1,275 acres, are located between 2,800' and 3,800' elevation, and have had prior
14 timber harvests on the properties. There has been public interest in the landscape, and the
15 Stemilt Partnership identified wildlife, recreation, water and agriculture as being important to
16 local residents. Elk utilize the landscape and migrate both west and east of these parcels. The
17 property is the beginning of a 90 mile groomed winter trail system.

18
19 Mr. Winslow stated the property does not have any existing water rights, and water rights in this
20 basin have been fully allocated in the past. The property contains limited potential for cherry
21 orchard development on 400 acres, but water rights would need to be purchased and transported
22 from the Columbia River to the property. The appraised and negotiated value of the property is
23 \$1,950,000 and the sale proceeds would be deposited into the Real Property Replacement
24 Account for the benefit of the Common School Trust. The transaction and the easement grant to
25 Wheeler Ridge are both exempt from SEPA.

26
27 Mr. Winslow recommended approval of Resolution 1493.

28
29 MOTION: Dean Mittelhammer moved to approve Resolution 1493.

30
31 SECOND: Commissioner Peach seconded the motion.

32
33 ACTION: The motion was approved unanimously.

34
35 **Chehalis Oxbow Direct Transfer, No. 02-093017; Resolution 1494**

36 Bob Winslow, Recreation, and Transactions Division

37
38 Mr. Winslow presented to the Board the Chehalis Oxbow transfer property located in Grays
39 Harbor County, 10 miles southwest from Rochester. The property consists of three parcels of
40 Common School Trust land that are proposed for transfer to the Confederated Tribes of the
41 Chehalis River. The properties total 30 acres, are located within the 100 year floodplain of the
42 Chehalis River, and north of the abandoned railroad grade. The parcels are adjacent to the
43 Chehalis Tribal ownership of the abandoned railroad grade. The Chehalis River has meandered
44 frequently in the past, and the State parcel acreage has changed from river erosion and deposition
45 actions. The property does not have any roads present, the trees are located in the forest
46 practices riparian area which is not harvestable, and the only legal access to the property is by
47 boat.

1
2 The Chehalis Tribe desires to acquire the parcel and add the land to their reservation. The tribe
3 owns the abandoned railroad grade on the south side of the Chehalis River and has been
4 acquiring lands in this area located north of the railroad grade. The appraised value of the
5 property is \$30,000 and the transfer funds would be placed into the Real Property Replacement
6 Account for the benefit of the Common School Trust.
7

8 Commissioner Peach asked whether the ownership of the bed of the Chehalis River would
9 change with the transaction. Mr. Winslow answered that the ownership of the aquatic lands (bed
10 and shorelands would not change with the transaction as they were excluded in the legal
11 description). A question was asked about the boundary of the Chehalis Reservation. Mr.
12 Winslow answered that the original southern boundary in 1864 was the Chehalis River, but the
13 river has since meandered and the tribe has been purchasing additional lands and petitioning the
14 US Government for expansions of their reservation boundary.
15

16 Dean Mittelhammer asked if there would be any harm to DNR in delaying the transaction vote
17 for a few months to better understand the issues associated with the reservation boundary and the
18 legal rights regarding the river. Mr. Winslow answered that the aquatic ownership was
19 specifically excluded in the conveyance, and the determination of aquatic ownership likely could
20 only be determined in a federal court due to the complexities with laws relating to the Chehalis
21 Reservation and Washington Territorial ownership and US Government laws. Mr. Winslow
22 stated that he felt a delay of a few months likely would not produce any new information or any
23 better clarity regarding the river ownership issues. Mr. Winslow stated that if someone currently
24 has the legal right to travel down the river in a boat they would continue to have that same right
25 after this transaction.
26

27 Mr. Winslow asked for approval of Resolution 1494.
28

29 MOTION: Commissioner Peach moved to approve Resolution 1494.
30

31 SECOND: Interim Director Van Volkenburgh seconded the motion.
32

33 ACTION: The motion was approved with one opposition by Dean Mittelhammer.
34

35 **North Fork Green Exchange Settlement; Resolution 1495 & 1496**

36 Michelle Burbidge, Recreation, and Transactions Division
37

38 Ms. Burbidge presented the North Fork Green Exchange Settlement in Lewis County to the
39 Board. The property is 5.09 acres (0.75 acres affected) located in Lewis County, 2 miles
40 northwest of Packwood. Ms. Burbidge provided a brief history, stating that in 2009 it was
41 included in a large land exchange between DNR and Plum Creek. Contamination was found as a
42 result of the waste site.
43

44 Ms. Burbidge then gave an overview of the Settlement Agreement: three entities entered into
45 settlement without litigation, the small parcel will be conveyed to DNR from Plum Creek, then
46 from DNR to Lewis County. She added that Lewis County will maintain the site as a

1 conservation lot, and any future potential remediation costs will be incurred equally between
2 DNR and Lewis County.

3
4 Ms. Burbidge recommended approval of Resolution 1495 & 1496.

5
6 MOTION: Commissioner Peach moved to approve Resolution 1495 & 1496.

7
8 SECOND: Dean Mittelhammer seconded the motion.

9
10 ACTION: The motion was approved unanimously.

11
12 **PUBLIC COMMENTS FOR CHAIR REPORT**

13 Maria Ruth, citizen, thanked the Board for their work and expressed her concerns about the
14 marbled murrelets.

15
16 Matt Comisky, Washington Manager for AFRC, thanked Commissioner Goldmark and
17 Superintendent Dorn for their years of service to the State and the Board of Natural Resources,
18 and spoke about his concerns about the draft EIS for the marbled murrelets.

19
20 **CHAIR REPORT**

21 **Marbled Murrelet Long-term Conservation Strategy and Sustainable Harvest Calculation**

22 Angus Brodie, Interim Deputy Supervisor for State Uplands

23
24 Mr. Brodie provided the Board with a brief update on the Marbled Murrelet Long-term
25 Conservation Strategy (MMLTCS) and the Sustainable Harvest Calculation (SHC). Mr. Brodie
26 stated that the draft EIS's for both projects are available. There will be a 90 day public comment
27 period through at least March 9, 2017, extended due to a delay in the MMLTCS DEIS posting to
28 the Federal Register.

29
30 Mr. Brodie then reminded the Board that there will be four public meetings in which information
31 for the MMLTCS and SHC will be presented, including two webinars. He also detailed the
32 process in which the public can submit their comments. He then recognized and thanked DNR
33 and USFWS staff who worked on the EISs, noting that it took a tremendous amount of work,
34 research, analyses, and presentations.


35
36 Mr. Brodie concluded by providing the next steps in the development of publishing a final EIS.

37
38 Chair Goldmark expressed his gratitude, and thanked Angus and all staff who worked on the
39 DEISs.

40
41 Dean Mittelhammer concluded the meeting by thanking Commissioner Goldmark for his
42 leadership and years of service on the Board, and presented him with a plaque.

43
44 Meeting adjourned at 10:46 AM.

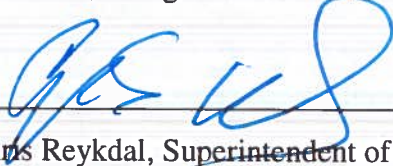
Approved this 7th day of February, 2017



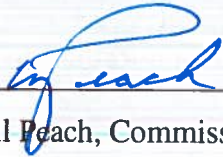
Hilary Franz, Washington State Commissioner of Public Lands

present

JT Austin, Designee for Governor Jay Inslee



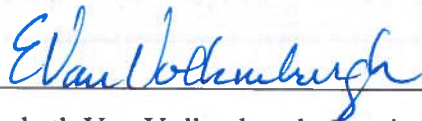
Chris Reykdal, Superintendent of Public Instruction



Bill Beach, Commissioner, Clallam County

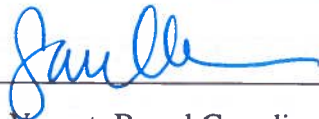
via conference call

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



Elizabeth Van Volkenburgh, Interim Director, School of Environmental and Forest Sciences,
University of Washington

Attest:



Sarah Vansot, Board Coordinator