



Oregon

Theodore R. Kulongoski, Governor

Department of State Lands

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The State Land Board met in regular session on December 8, 2009, in the Land Board Room of the State Lands Building, 775 Summer Street NE, Salem, Oregon 97301-1279.

State Land Board

Present were:

Theodore R. Kulongoski
Governor

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Governor

Kate Brown

Secretary of State

Ben Westlund

State Treasurer

Kate Brown
Secretary of State

Land Board Assistants

Michael Carrier

Governor's Office

Barry Pack

Secretary of State's Office

Michael Selvaggio

State Treasurer's Office

Ben Westlund
State Treasurer

Staff

Louise Solliday

Julie Curtis

Lorna Stafford

Steve Purchase

Nancy Pustis

John Lilly

DOJ

Mark Schumock

Governor Kulongoski called the meeting to order at 10:05 a.m. The topics discussed and the results of those discussions are listed as follows. Further details of the discussions may be obtained in the transcript of the meeting available at the Department of State Lands, 775 Summer Street NE, Suite 100, Salem, Oregon 97301-1279 or by calling 503-986-5224.

Consent Agenda

1. Request for approval of the minutes of the October 13, 2009 State Land Board meeting.
2. Request for approval of the addition of 1,714.15 acres known as the Wood/Beech Tract of the Nature Conservancy's Table Rocks Preserve, to the Oregon Register of Natural Heritage Resources.
3. Request for approval of a permanent easement to the Oregon Department of Transportation for a bridge over the Coquille River in Coos County.
4. Request for approval of the direct sale of a 1.16-acre isolated parcel of land in Marion County to Douglas Phelps.
5. Request for approval of a land exchange with Giustina Resources and subsequently, the approval of the classification of the newly acquired property and the sale of individual lots located on one of the parcels.



6. Request for adoption of administrative rules governing the establishment of, and uses within marine reserves/marine protected areas.

Director Solliday reviewed the consent agenda. Regarding item number two, she noted that the property would be the one-hundredth property added to the Register, if approved.

With regard to item number six, Director Solliday discussed changes that were made to the proposed rules as a result of comments received during the public comment period. One change was an adjustment to the boundary for the Red Fish Rocks Marine Reserve because of concerns about enforceability, and a second was the addition of language to recognize tribal rights for hunting and gathering.

Secretary Brown asked if it would be possible to revise the rules in the future should the need arise to accommodate the laying of cable on the seafloor within these areas.

Director Solliday stated that the rules could be amended in the future through the rulemaking process. She also noted that a temporary rule could be adopted if the need is urgent.

Secretary Brown asked for confirmation that the public review process was a collaborative one.

Director Solliday answered that the process was collaborative. She said the designation process conducted by the Ocean Policy Advisory Council (OPAC) took some time to work through, but once that was completed, implementing the necessary rules was straightforward.

Secretary Brown moved to approve the consent agenda. Treasurer Westlund seconded the motion. The consent agenda was approved.

Governor Kulonogoski recognized former Secretary of State Bill Bradbury for his efforts to establish marine reserves in Oregon and thanked the three state agencies (State Lands, Fish and Wildlife and State Parks) that worked together on the rulemaking process.

Informational Agenda

7. Future management of the Elliott State Forest.

Jim Young, District Forester for the Department of Forestry's Coos District provided an overview of the current management of the Elliott State Forest and options available to the Board for future management.

The following panelists were selected to provide the Board with information from various perspectives.

Federal Services

Kim Kratz, National Marine Fisheries Services, discussed the issues the National Marine Fisheries Service (NMFS) has with the proposed Habitat Conservation Plan (HCP), which include stream temperature and in-stream wood delivery. He stated that there was a scientific disagreement between NMFS and the Department of Forestry on these issues.

Paul Henson, U.S. Fish and Wildlife Service asked the Board to consider alternative revenue sources such as the sale of carbon credits and incorporating them into the plan.

Conservation

Mary Scurlock, Pacific Rivers Council, reiterated the concerns of NMFS and added that her organization has concerns regarding thinning in riparian areas. She stated that using the Forest Practices Act as a model should not be taken into consideration. She believes the forest should be managed to a higher standard.

Francis Eatherington, Umpqua Watersheds, Inc., discussed preservation of habitat in the forest and urged the Board to consider alternative revenue sources such as the sale of carbon credits.

Noah Greenwald, Center for Biological Diversity, discussed issues such as tree size, habitat fragmentation due to clear cutting and water sedimentation from roads and logging. He also talked about greenhouse gas emissions that are generated from logging and urged the Board to explore the sale of carbon credits.

Industry

Bob Ragon, Douglas Timber Operators, recommended a take-avoidance strategy as the best option for the Board to adopt. He presented the Board with information and data in support of his opinion.

Jim Dudley, Roseburg Forest Products, reiterated Mr. Ragon's support of take-avoidance and walked the Board through the process on how it is accomplished in the private sector.

Tim Vredenburg, Coquille Indian Tribe, explained that the Coquille Indian Tribe supports the public school system in Oregon and has chosen to send their children to public schools rather than isolating them from the community by creating tribal schools. He urged the Board to pursue alternative revenue sources for the Elliott.

Other Interested Parties

Douglas County Commissioner Susan Morgan discussed the economic conditions in Southern Oregon. The timber industry supports many families in the area. She

provided demographic data to the Board for their consideration as they move to a decision on how to manage the forest.

Chuck Bennett, Confederation of Oregon School Administrators, discussed support for the Common School Fund and the importance of managing the fund for the long-term to provide a reliable source of funding for public schools.

John Charles and Eric Fruits, Cascade Policy Institute, presented information in support of selling the Elliott State Forest.

Jon Souder, Coos Watershed Association, suggested managing the forest in the same manner as pension funds are managed. He also suggested the Oregon Solutions process and the Oregon Consensus Program at Portland State University as avenues for resolving the issues associated with the HCP approval process.

The Board members expressed their frustration with how long the process has taken. Discussions with the federal agency representatives focused on finding solutions to resolve the issues that are preventing approval of the plan.

8. Other.

John Lilly, Asset Manager for the Department, was presented with a retirement gift. John worked for the Department for seventeen years and has worked for the State of Oregon for thirty-six. He was presented with a book of Oregon landscape photography.

The meeting was adjourned at 12:01 p.m.

Theodore R. Kulongoski, Governor

Louise Solliday, Director