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April 26, 2007 Board of Forestry Meeting Minutes

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Items listed in order heard

The attachments listed below are available on the web @ <http://egov.oregon.gov/ODF/Board>

Attachments

- (1) Questionnaire - State Forester 360 Degree Evaluation for 2006, Agenda Item 7
- (2) Presentation – Perspectives on Oregon’s Land Use Planning Program and the Forestry Sector, Matt Donegan, Agenda Item 4
- (3) Handout – Revised Work Plan #5 Objectives & Flow Chart, Agenda Item 5
- (4) Presentation – Biomass Energy and Biofuels, Agenda Item 6

OREGON STATE BOARD OF FORESTRY
April 26, 2007 Meeting Minutes

In accordance with the provisions of ORS 526.016, a meeting of the Oregon Board of Forestry was held at the Salbasgeon Suites and Conference Center, 1730 NW 9th Street, Corvallis, Oregon. Chair Hobbs called the public meeting to order at 8:03 a.m.

Board Members Present:

Steve Hobbs, Chair Larry Giustina Diane Snyder
Jennifer Phillippi Barbara Craig Chris Heffernan

Absent:

Bill Hutchison

Others Present:

Patti Case, Green Diamond
Mike Cloughesy, Oregon Forest Resources Institute
Wayne Giesy
Joseph Laurance, Douglas County Commissioner
Leslie Lehmann, Oregon Forest Resources Institute
Gary Springer, Starker Forests
Rex Storm, Associated Oregon Loggers
Bob Van Dyk, Wild Salmon Center
Marvin Brown, State Forester
Clark Seely, Associate State Forester
Gayle Birch, Board Support
Dan Postrel, Agency Affairs
Rob Nichols
Clark Seely, Associate State Forester
Jim Paul, ASF Forest Mgt.
Rosemary Mannix
Ted Lorensen, ASF Resources
David Morman, Forest Resources
Joe Misek
Mike Cafferata, Private Forests
Marganne Allen
Jennifer Weikel

Consent Agenda:

A. **MINUTES –MARCH 7, 2007 BOARD MEETING**

Approved by consent.

The minutes of the March 7, 2007 Board meeting are approved.

B. FOREST REGULATION – ISSUE 6, OBJECTIVE 4 – EFFICIENT IMPLEMENTATION OF THE FOREST PRACTICES ACT

Information item – Annual Private Forests Research and Monitoring Update.

C. FOREST REGULATION – ISSUE 6, OBJECTIVE 1 – PUBLIC BENEFITS FROM PRIVATE FORESTS

Information item - Update on legislative actions.

Action and Information:

1. STATE FORESTER AND BOARD MEMBER COMMENTS

State Forester Marvin Brown gave a brief report on legislative committee actions.

1A. PUBLIC COMMENTS

No comments

2. FORESTRY PROGRAM FOR OREGON IMPLEMENTATION – ISSUE 1 OBJECTIVE 4 – ADAPTIVE MANAGEMENT TOOLS

2007 Board Governance Performance – Self Evaluation Initiation

Clark Seely, Associate State Forester described the annual governance performance self-evaluation process. Chair Steve Hobbs and Board members Barbara Craig and Larry Giustina, tailored and fine tuned the Board's specific approach for 2007. Using the generic template, the subcommittee tailored the 15 standard best practices criteria to meet the Board's specific needs and interests, and added one additional criteria relating to public involvement and communications. The target for the performance measure ("Percent of total best practices met by the Board") will be 100%.

The Board will begin the process by conducting the collective evaluation at its June 6, 2007 meeting.

With consensus of the Board, Chair Hobbs ordered:

The ad hoc subcommittee recommendations for the 2007 Board Governance Self-Evaluation for both form and process as outlined in the agenda item are approved.

3. FORESTRY PROGRAM FOR OREGON IMPLEMENTATION – ISSUE 1
OBJECTIVE 4 – ADAPTIVE MANAGEMENT TOOLS

2007 Issue Scan

Clark Seely, Associate State Forester, and Dan Postrel, Agency Affairs Program Director described the revised process for conducting the Board's periodic issues scan for 2007. Changes were made to allow more time for public input and to utilize the Board's web page to a greater extent. The solicitation process will begin on June 1, 2007.

Information item.

7. PROPOSED PROCESS FOR STATE FORESTER'S ANNUAL
PERFORMANCE REVIEW

Chair Hobbs described the proposed process for the State Forester's annual performance review which will include a self-assessment report from the State Forester and input from individuals outside the Board (Attachment 1).

Following a brief discussion, and with Board consensus, Chair Hobbs ordered:

The process describing the Annual Review of the State Forester is adopted.

4. FOREST VITALITY – ISSUE 3 AND
OUTREACH TO URBAN POPULATIONS – ISSUE 4

Ted Lorensen, Assistant State Forester Resource Policy Division, and Jim Paul, Assistant State Forester Forest Management Division, described the forest development and fragmentation challenges in Oregon. Development and economic pressures on private lands are driving parcelization and/or conversion of forestland to other uses, and threatening industrial forestland close to expanding population centers and working family forests.

The ownership structure of privately-owned forests is changing from traditional family and industrial owners to a range of ownership categories with a different set of expectations and interests. At the same time, declining timberland values and an expanding population have increased development pressures on Oregon's forests. While the *number* of individual and residential forestland owners has increased, landowner *expertise* is declining.

More resources are allocated to address areas where residential values conflict with forest management. Reforestation has become increasingly difficult where land conversion or sales modify ownership behaviors and interests.

Matt Donegan, Forest Capital Partners, LLC presented the perspective of an industrial owner on Oregon's land use planning program and offered a policy framework for preserving working forests (Attachment 2). Topics discussed included current markets and landowner incentives, timber commodity price trends, stumpage prices, opportunities and threats to forest and manufacturing technology, and non-timber trends.

Mr. Donegan answered questions relating to genetically modified tree species, plantation wood, the role of subsidy programs, mill capacity, research and development funding, global competition, forest certification, ownership patterns and land exchanges. In closing, he offered observations and describing opportunities for Oregon as it confronts forest fragmentation, land conversion and climate change.

With consensus of the Board, Chair Hobbs adopted the Department's recommendations:

The Board supports the Department's budget proposal for the Community Forestry Initiative and Senate Bill 98 Working Forests for Higher Education. The Department is directed to work to develop stable and appropriate sources of funding for the Community Forestry Initiative.

The Department is directed to work with interests to develop new policies, and landowner and institutional strategies and programs, that add value for keeping forestlands working for Oregon.

The Board will review and consider policy changes that allow the Department to address forest operations within residential emphasis forest areas, and encourages the Department to continue this conversation with others.

5. **DYNAMIC FOREST ECOSYSTEMS – ISSUE 5**
OBJECTIVES 1, 2 AND 3

David Morman, Forest Resources Planning Program Director described the proposed modifications to the Board's Dynamic Forest Ecosystems Work Plan, Issue 5 (Attachment 3). The three proposed objectives and products will link the Work Plan to products resulting from the *Forestry Program for Oregon* Implementation Work Plan and with other processes. The revised Work Plan provides a pathway to incorporate scientific information on dynamic forest ecosystems into future forest policies and programs.

Key products from the Dynamic Forest Ecosystems Work Plan include:

- Up to six case study papers, each evaluating how a particular existing natural resource law or set of laws, policies, or regulations that were

designed to address a set of forest ecosystem elements has, or has not, incorporated an adequate understanding of ecosystem functions and dynamics.

- A one-day public symposium on multi-scale forest ecosystem dynamics.
- Oregon Forest Assessment Project and Interagency Mapping and Analysis Project research results and management tools by which to quantify short-term and long-term ecosystem risks from potential future forest management and policy choices.
- A one-day public symposium on Oregon forest conditions and trends, organized around the 2003 *Forestry Program for Oregon* strategies and the Oregon Indicators of Sustainable Forest Management.

Chair Hobbs observed that it would be important to engage state and federal regulatory agencies in the discussion in order to integrate the idea of adaptive management and dynamic forest ecosystems into policies and programs.

Following a brief discussion of the proposed case studies, timelines and Board input, with Board consensus, Chair Hobbs ordered:

The revised Dynamic Forest Ecosystems Work Plan is adopted.

6. **FOREST VITALITY – ISSUE 3, OBJECTIVE 4– PROMOTE INCENTIVES FOR SOUND SUSTAINABLE FOREST HEALTH RESTORATION PRACTICES**

Biomass Energy and Biofuels from Oregon’s Forests

Mike Cloughesy, Oregon Forest Resources Institute discussed the findings and recommendations of the Oregon Forest Resources Institute (OFRI) report, *Biomass Energy and Biofuels from Oregon’s Forest*. The report identified the opportunities, environmental benefits and constraints of harvesting woody biomass, and provided recommendations.

Joe Misek, Forest Resources Planning Program highlighted elements of the Forest Biomass Working Group (FBWG) Report, and described the status of Forest Biomass legislation under consideration (presentation – Attachment 4).

The FBWG met throughout 2006 and presented its findings in January 2007 at the Oregon Woody Biomass Conference, and in January and March 2007 to the state’s Renewable Energy Work Group. The Renewable Energy Work Group endorsed the key state and federal findings articulated in the FBWG report.

Diane Snyder noted the transportation credit could ultimately harm the installation of small facilities. The benefit of smaller facilities would be greater over time, yet the subsidy may bias the product toward larger plants. She urged the Board to focus implementation on structure, scale and ownership for community benefit.

Following clarifying questions and answers, and with Board consensus, Chair Hobbs ordered:

The Board joins the Renewable Energy Work Group in endorsing the key federal and state actions identified within the Forest Biomass Working Group report and directs the Department to implement the recommendations, focusing on structure, scale and ownership for community benefit.

There being no further business before the Board, Chair Hobbs adjourned the meeting at 2:52 p.m.

On Friday and Saturday, April 27 and 28, 2007 the Board participated in the Committee for Family Forestlands Symposium *Looking Forward II: Oregon's Families and Their Forestlands – What's at Stake?* The Symposium was held on the campus of Oregon State University, at the LaSells Stewart Center, Corvallis.

Respectfully submitted,

Marvin Brown, State Forester and
Secretary to the Board

GB