

INDEX

November 6, 2009
Board of Forestry Meeting Minutes

<u>Item #</u>		<u>Page #</u>
A.	Work Plan 0, IBI 5, Minutes of the September 9, 2009 meeting.....	3
B.	Work Plan 2, IBI 4, Common School Forest Land Deed Corrections.....	3
C.	Work Plan 0, IBI 1, Request for Public Hearing on Formation of a Rangeland Protection Association (Gateway, Oregon).....	3
1.	Work Plan 0, IBI 6, State Forester and Board Member Comments.....	4
1A.	Work Plan 0, IBI 6, Public Comments	4
2.	Work Plan 1, IBI 4, 2010-2011 Priority Set of Issues for Board Work.....	6
3.	Work Plan 1, IBI 4, Draft Objectives for the 2011 Update of the <i>Forestry Program for Oregon</i>	8
4.	Work Plan 0, IBI 2, Draft Rules for Forestland Classification	10
5.	Work Plan 1, IBI 5, Principles and Guidance to the Department of Forestry for 2011 Legislative Concept Development	10
6.	Work Plan 1, IBI 5, Principles and Guidance to the Department of Forestry for 2011-13 Agency Request Budget Development	12
7.	Work Plan 2, IBI 10, Discussion of Board interpretation of ORS 530 – Greatest Permanent Value and Forest Trust Land Advisory Committee Comments.....	13

Items listed in order heard.

Attachments below are available on the web at <http://oregon.gov/ODF/Board>

- (1) Handout, Clarification of Eight Issues to Address in FMP Amendment Process, Agenda Item 1
- (2) Presentation, 2010 -2011 Priority Set of Issues for Board Work, Agenda Item 2
- (3) Presentation, Draft Objectives for the 2011 Update of the *Forestry Program for Oregon*, Agenda Item 3
- (4) Presentation, Greatest Permanent Value and Planning Rules, Agenda Item 7
- (5) Handout, Greatest Permanent Value Meeting Matrix, Agenda Item 7
- (6) Public Comment, Paul Levesque, Agenda Item 7
- (7) Public Comment, Association of Northwest Steelheaders, Agenda Item 7
- (8) Public Comment, Northwest Guides & Anglers Association, Agenda Item 7
- (9) Public Comment, Sierra Club Members, Agenda Item 7

OREGON STATE BOARD OF FORESTRY
November 6, 2009 Meeting Minutes

In accordance with the provisions of ORS 526.016, a meeting of the Oregon Board of Forestry was held on November 6, 2009 at the Oregon Department of Forestry, Tillamook District Office, 5005 Third Street, Tillamook, Oregon.

Chair Blackwell called the public meeting to order at 8:00 a.m.

Board Members Present:

John Blackwell, Chair
Jennifer Phillippi

Larry Giustina
Cal Mukomoto

Peter Hayes
Bill Hutchison

Absent:

Steve Wilson

Others Present:

Duane Cole, Clatsop County
Ian Fergusson, NW Steelheaders
Wayne Giesy, Hull-Oakes
Jeff Hickman, Sierra Club
Chuck Hurliman, Council of Forest Trust Land Counties
Chris Jarmer, Oregon Forest Industries Council
Tim Josi, Council of Forest Trust Land Counties
Rod Krahmer, Oregon Department of Fish and Wildlife
Paul Levesque, Council of Forest Trust Lane Counties
Mike Nutto, Sierra Club
Cassandra Profita, The Daily Astorian
Gil Riddell, Council of Forest Trust Land Counties
Patricia Roberts, Clatsop County Commissioner
Joyce Sherman, NW Steelheaders
Gary Springer, Starker Forests
Rex Storm, Associated Oregon Loggers
Bob Van Dyke, Wild Salmon Center
Chuck Willer, Coast Range Association
John Wooley

Marvin Brown, State Forester
Sabrina Perez, Board Support
Mary Schmelz, Board Support
Rob Nichols, Agency Affairs
David Morman, Resources Planning
Travis Medema, Protection
Mark Fouts, Information Technology

Clark Seely, Chief, Admin Services
Paul Bell, Chief, Protection
Jim Paul, Chief, Private Forests
Nancy Hirsch, Chief, State Forests
Mike Cafferata, State Forests
Bob Young, Protection

CONSENT AGENDA: The Consent Agenda was approved in one block, A through C.

A. MINUTES – SEPTEMBER 9, 2009 BOARD MEETING

Approved by consent.

The minutes of the September 9, 2009 Board meeting are approved.

B. STATE FORESTS WORK PLAN 2, IBI 4 – LAND ACQUISITIONS, EXCHANGES, AND DECERTIFICATION

Common School Forest Land Deed Corrections

Requested Board approval to correct the deed records on 13 Common School Forest Land parcels totaling 154.31 acres in Coos and Douglas counties.

Approved by consent.

The Board approved the conveyance by deed of the 13 parcels to the State of Oregon, acting by and through its State Land Board on behalf of the Oregon Department of State Lands to be designated as Common School Forest Lands.

C. ADMINISTRATIVE WORK PLAN 0, IBI 1 – ADMINISTRATIVE PROCESSES

Request for Public Hearing on Formation of a Rangeland Protection Association (Gateway, Oregon)

Requested Board approval to proceed with a public hearing on the subject of providing protection from fire for rangelands in the vicinity of Gateway, Oregon.

Approved by consent.

The Board approved the landowner's request to hold a public hearing on the subject of providing protection from fire for rangelands in the vicinity of Gateway, Oregon.

ACTION AND INFORMATION:

1. STATE FORESTER AND BOARD MEMBER COMMENTS

State Forester Marvin Brown, called upon Paul Bell to report on the 2009 fire season.

Paul Bell, Associate State Forester and Chief of Fire Protection Division, reported on current expenditures and fire season activity to date, noting the Legislative Budget Note that instructs the Department to report to the Legislative Session in February 2010 on the amount of dollars that were expended against the Oregon Forestland Protection Fund and the Special Purpose Appropriation Fund.

Marvin Brown reported on recent budget activities as the Legislative Fiscal Office recently instructed the Department to plan for additional five and ten percent reductions should they be necessary. Extensive planning efforts led the Department to identify a plan addressing the additional reductions. If further reductions are required, impacts would affect the Protection program, Private Forests program, and Administrative programs, limiting the ability to implement some statutory requirements in the private forests program and reducing the initial attack capacity within fire by up to twenty percent.

Mr. Brown commented on recent discussions surrounding potential improvement to the Department's budget structure, including the complicated management of the budget and ongoing communications related to. Representative Peter Buckley, Co-Chair of the Joint Committee on Ways & Means, has agreed to lead a group of legislators seeking improvement to the complicated process and potential solutions.

Larry Giustina, inquired on current activities with the Elliott State Forest and State Land Board meetings regarding management of the Elliott forest.

Nancy Hirsch, Chief of State Forests Division, responded noting that the next State Land Board meeting would be held on December 9 with an update provided to the Board in January 2010 regarding the status.

Chair Blackwell expressed appreciation for the work that Ecotrust went through to host the Board field tour on November 5 and encouraged the Department to draft a letter on behalf of the Board to Spencer Beebe thanking him and staff for their work in hosting the tour and pledging support to continue working with them.

Bill Hutchison agreed in appreciation and noting Ecotrust as adjacent landowners in the watershed.

Peter Hayes additionally commented suggesting the Board receive an update on the status of the relationship cooperation six months to a year down the road and has a way to follow up on items learned during Board tours.

Mr. Blackwell suggested the letter include an invitation for Ecotrust to provide an update to Forestry in the future on the degree of cooperation.

Jennifer Phillippi agreed noting the status updates would be beneficial noting the future work of Ecotrust regarding carbon sales and ecosystem services.

Bill Hutchison provided an informational handout to the Board, *Clarification of Eight Issues to Address in FMP Amendment Process*, (Attachment 1), an attempt to amplify the eight concerns discussed during the September Board meeting and further clarify meanings in detail. Mr. Hutchison expressed interest in effectively considering the concerns before making a decision on the amendment process.

Chair Blackwell described his perceived responsibility of holding the State Forester accountable for the work of the Department, the Board as having high level policy responsibilities regarding that work, and encouraged the Board to maintain interest at the higher level as opposed to the details and course of Staff implementation. Mr. Blackwell noted that the Board adopted the eight concerns and would hold the Department accountable; however, discouraged further qualification of each bulleted item in detail.

Jennifer Phillippi expressed her interest in the concerns as items to consider, but more as sideboards within the amendment review and discouraged delay in the overall amendment process.

Larry Giustina acknowledged the concerns and their consideration but noted that the Board can't arrive at a definitive resolution for each concern and promoted the need for adaptive management in the future.

Peter Hayes suggested the Board focus on the overall goal of giving Staff the clarity they need to move forward with the amendment process while considering the details as the work progresses.

Marvin Brown responded regarding the need to move forward noting the tremendous amount of analysis and information previously brought before the Board and assured that the Department would prepare a response to the eight points detailing the plans to address each point.

Nancy Hirsch further clarified this response as information to be provided in upcoming January agenda topics with an updated Board Work Plan and summary of the Department's plan to address the eight points.

Chair Blackwell further confirmed that while the Board had not formally considered or acted upon the bullets contained in the handout he suggested the information not go unnoticed during January meeting topics.

1A. PUBLIC COMMENTS

There were no public comments.

2. STRATEGIC PLANNING, IMPLEMENTATION, AND MONITORING
WORK PLAN 1, IBI 4 – DEVELOP AND IMPLEMENT BOARD WORK
PLANS TO ACHIEVE THE FORESTRY PROGRAM FOR OREGON GOALS
AND STATUTORY RESPONSIBILITIES

2010-2011 Priority Set of Issues for Board Work

David Morman, Director of the Forest Resources Planning Program presented the staff recommendations on procedures for Oregon Board of Forestry strategic planning, implementation and monitoring and the Department of Forestry Leadership Team's recommendations for a priority set of issues for Board work in 2010 and 2011.

Mr. Morman referenced the procedures document noting its purpose is to structure future Board meeting agendas in a manner that considers the various cycles required for strategic planning, budget development, and legislative concepts while also identifying who is responsible for initiating topics for Board decision-making within the Department.

Larry Giustina encouraged the procedures to utilize an adaptive management approach and cautioned to be alert to changes as they occur.

Peter Hayes acknowledged the effort put forth by the Department to create order and process but also cautioned to be flexible with the ability to adapt to current needs as they arise.

Cal Mukomoto commended the Department on the planning efforts and suggested the procedures document contain measureable outcomes or Board Products associated with each meeting topic.

Mr. Morman utilized a PowerPoint (Attachment 2) to present the potential topics recommended from the Leadership Team for the Board to focus on within their work plans in 2010 and 2011.

Regarding the potential topics for the Board Strategic Planning, Implementation, and Monitoring Work Plan:

Mr. Giustina commented that a common theme found in the topics is funding and his priority would be to strategically address the funding issues.

Bill Hutchison expressed his priorities as budget and the *Forestry Program for Oregon* and encouraged specific outcomes and deliverables associated with each work plan topic.

Peter Hayes suggested applying the following filters to all work plans: 1.) consistency of resources and strategies for use; 2.) climate change, adaptation, and mitigation; 3.) ecosystem services; 4.) research and monitoring; and 5.) forest regulations.

Chair Blackwell acknowledged the filter points, however cautioned on the necessity for a budgetary screening.

Regarding the potential topics for the State Forests Work Plan:

Mr. Hayes requested the third bullet focus on the review aspect with a potential revision as opposed to the review and revise statement.

Mr. Giustina requested the addition of budgeting and financial aspects.

Jennifer Phillippi questioned the intent to reaffirm the vision for recreation.

After discussion, Mr. Blackwell requested the word “reaffirm” be replaced with “revisit.”

Regarding the potential topics for the Forest Vitality Work Plan:

No comments.

Regarding the potential topics for the Urban Outreach Work Plan:

No comments.

Regarding the potential topics for the Dynamic Forest Work Plan:

Ms. Phillippi expressed concern that with the planned closure of this Work Plan the concept could get lost and not resurface within other work plans.

Regarding the potential topics for the Private Forests Work Plan:

Mr. Hayes addressed the question of necessary statute or rule changes with the request to change the topic to assess the adequacy of current regulations.

Regarding the potential topics for the Wildfire Risk Management Work Plan:

Mr. Hutchison questioned whether the work would provide for weighing in on the calculus for liability regarding prescribed burning for hazardous fuels reductions.

Protection from Fire Division Chief, Paul Bell, described the intent and referred to Agenda Item 4 for further detail.

Regarding the potential topics for the Invasive Species Work Plan:

No comments.

Regarding the potential topics for future Work Plans:

No comments.

Mr. Morman requested approval of the procedures document with the proposed inclusion of Board expectations and outcomes and the approval of the priority set of issue with the specific changes. Next steps include a letter in response to the 2009 Issue Scan that includes the Board priorities to complete communications. The work plans and future agendas would be updated to reflect the priorities.

With Board consensus, Chair Blackwell ordered:

The proposed Procedures for Oregon Board of Forestry Strategic Planning, Implementation and Monitoring, are to be modified based on Board discussion and returned for Board approval.

The proposed Department of Forestry Leadership Team Recommended Priority Set of Issues for Board of Forestry Work for Calendar Years 2010 and 2011 are to be modified based on Board discussion and returned for Board approval.

3. **STRATEGIC PLANNING, IMPLEMENTATION, AND MONITORING
WORK PLAN 1, IBI 1 – BUILD SUPPORT FOR SUSTAINABLE FOREST
MANAGEMENT AND INCREASE RECOGNITION OF BOARD’S ROLE IN
LEADING OREGON IN FOREST POLICY FORUMS**

Draft Objectives for the 2011 Update of the *Forestry Program for Oregon*

David Morman, Director of the Forest Resources Planning Program, summarized the Department's intent for the Board to begin discussions surrounding the draft objectives recommended by the Department's Leadership Team and revise them as necessary to assist in drafting efforts of the 2011 update to the *Forestry Program for Oregon*. The Department would like to return in the spring of 2010 with a draft *Forestry Program for Oregon* document for the Board to approve prior to public review with additional information detailing the proposed public involvement process.

Mr. Morman utilized a PowerPoint (Attachment 3), to present the draft objectives to the Board while referencing the agenda item attachment for further expansion and detail. The objectives are focused on measurable outcomes the Board wants to achieve and promote.

Chair Blackwell questioned whether the goals were overly ambitious, the ability to execute, whether the Department can afford to implement, and if they are consistent with the authority of the Board.

Mr. Morman responded noting the objectives were similar to those adopted in 2003. A new characteristic of the revised *Forestry Program for Oregon* will be 2-year

revisions to the objectives and frequent opportunities to revisit them to better align with the Department's capacity and Board Work Plans.

Cal Mukomoto expressed gratitude that the efforts were on the same path as the 2003 document and questioned whether the objectives of the goals could be accomplished.

Marvin Brown discussed the limitations of the Department in accomplishing every objective while noting the use and value in defining boundaries for the Department's abilities.

In detailed review of the objectives, Larry Giustina expressed concern that the use and production of wood products was not clearly stated within the goals noting the inclusion within Value Statement 7 but the lack of inclusion within the Goal statements.

Jennifer Phillippi further supported the inclusion of wood products within the Goal statements.

Mr. Blackwell noted the Board's support for inclusion of wood products.

Peter Hayes offered several specific edits to the Goals and Objectives as follows:

- Goal C, Objective 6 to include mitigation;
- Goal D to be more holistic to include overall land health as opposed to soil and water;
- Goal D, Objective 6 to include aquatic ecosystems as opposed to fish;
- Goal D, New Objective 9 specifying the Board's promotion of building and sharing an application of new and useful knowledge across barriers;
- Goal E, Objective 2 to focus more on what is to be done;
- Goal E, Objective 4 to to be clear that private forests should be held to the same standards as other private land uses;
- Goal G to include carbon balance;
- Goal G, New Objective 8 specifying the Board's promotion of research and innovation that reduces fossil fuel dependencies and overall energy uses of Oregon's forest sector for overall reduction in carbon foot print.

Mr. Morman discussed the next steps for the Board's review of the objectives including review and approval of a second draft set of objectives in January followed by development of a public review draft of the *Forestry Program for Oregon* for Board approval later in 2010.

With Board consensus, Chair Blackwell ordered:

The Department is directed to provide an additional review of the draft objectives of the 2011 *Forestry Program for Oregon* at the January 2010 Board meeting.

Additional revisions to the objectives prior to January are to be sent directly to David Morman.

4. **ADMINISTRATIVE WORK PLAN 0, IBI 2 – GOVERNANCE**

Draft Rules for Forestland Classification

Travis Medema, Deputy Chief for the Fire Protection Division, and Robert Young, Workforce Capacity & Policy Manager, presented draft administrative Forestland Classification Rules and a summarized background on the Department's efforts towards review of the Forestland Classification system including final deliverables from the Forestland Classification Steering Committee. The Department's recommendations were for the Board to move forward with permanent rulemaking for the Forestland Classification Rules to include OAR 629-045-0001 through 0010.

With Board consensus, Chair Blackwell ordered:

The State Forester is directed to begin the formal rulemaking process for the Forestland Classification Rules to include OAR 629-045-0001 through 0010.

5. **STRATEGIC PLANNING, IMPLEMENTATION AND MONITORING WORK PLAN 1, IBI 5 – STRENGTHEN LINKS TO FORESTRY WORK OUTCOMES**

Principles and Guidance to the Department of Forestry for 2011 Legislative Concept Development

Clark Seely, Administrative Services Division Chief, substituted for Dan Postrel, Agency Affairs Director, for presentation of the agenda topic. Mr. Seely described the legislative concept development process, as it begins with the crafting of guiding principles and presentation of an initial list of high-level concepts for Board consideration.

Mr. Seely presented the four guiding principles for 2011 legislative concept development to the Board referencing the staff report for further details.

Peter Hayes suggested an additional guiding principle related to the identification, development, and capitalization of logical opportunities for collaboration with both public and private entities.

Mr. Seely further discussed the initial eight concepts for consideration created as a result of Department program level work and Leadership Team efforts.

Paul Bell, Associate State Forester and Chief of Fire Protection Division, commented on the Protection from Fire concepts and clarified the Department's lack of personnel capacity to implement all three concepts requesting the Board's prioritization.

Nancy Hirsch, Chief of State Forests Division, commented on the State Forests concept noting interest in expanding the legislative concept to include ecosystem services in addition to promoting wind resource development.

Chair Blackwell encouraged building partnerships with outside entities towards similar legislative concepts and goals as moving towards the next legislative session.

Marvin Brown noted the Department's extensive outreach efforts to make connections and form supportive working relationships with other entities.

Jim Paul, Chief of Private Forests Division, commented and expanded on the three Private Forests concepts noting on the broad application of market-based incentives and potential conservation easements, the transfer of development rights and pilot program with the Department of Land Conservation Development, and potential revisions to the Forest Practices Act in response to recent and future budget reductions.

Chair Blackwell questioned the current reductions and their effect within the Private Forests Division and specifically how they impact administration of the Forest Practices Act.

Mr. Paul responded noting current efforts within the Private Forest Division in preparation of operating plans with District staff and able to present a summary to the Board at the March meeting.

Peter Hayes questioned the Department on the development of a vision that would guide Private Forests along with legislative concepts.

Mr. Paul commented on the overall impacts of budget reductions limiting the visioning work the Division could effectively engage in and characterized the legislative concepts as a reactive approach to the budgetary constraints that could realistically be implemented.

Peter Hayes encouraged forest certification within the market-based incentives.

Mr. Seely commented on additional concepts that could be considered and moved forward that wouldn't require any legal or statutory changes to accomplish to recast the Department's budget structure.

Mr. Seely summarized the Department's recommendation for the Board to continue review and discussions surrounding the proposed guiding principles and potential concepts at the January and March Board meetings, and to provide direction on changes, additions or deletions as they move forward towards the 2011 legislative session.

6. STRATEGIC PLANNING, IMPLEMENTATION AND MONITORING
WORK PLAN 1, IBI 5 – STRENGTHEN LINKS TO FORESTRY WORK
OUTCOMES

Principles and Guidance to the Department of Forestry for 2011-2013 Agency
Request Budget Development

Clark Seely, Administrative Services Division Chief, described the budget development process, as it begins with the crafting of guiding principles and focus areas for Board consideration. The Department's Leadership Team worked through an assessment of the budget and funding elements both internally and externally to determine primary strengths, weaknesses, opportunities, and threats anticipated to exist between now and 2013.

Mr. Seely described the Guiding Principles as a tool for identifying sideboards within the Department the agency can utilize specifically focused on budget content as well as the overall budget process.

Bill Hutchison commended the principles with added interest in option eight that encourages new ways of thinking for revenue generation, providing services, and stakeholder outreach and involvement.

Larry Giustina encouraged the Department to look outward towards Oregonian's public citizens for their support and direction in budgetary focus within the forest products industry and management of state lands that could also provide insight into the Department's overall restructuring that would lead to a higher efficiency.

Peter Hayes reiterated the importance of principle eight with an added prioritization that looks for revenue options that decrease vulnerability to economic fluctuations. Mr. Hayes also noted an opportunity of concern that some Oregonians could be more supportive of forestry and encouraged public outreach efforts to maintain the legacy of the department and earn public trust and respect.

Cal Mukomoto commended the Department's efforts noting the list of principles and focus areas as all-inclusive and appearing to address where the Department should be with core-business functions and where the Department would want to be. Mr. Mukomoto supported the principles with an increased focus on communication needs.

Jennifer Phillippi commented on the strategic planning efforts that allowed the Board to review legislative concepts and budgeting at the same meeting. Ms. Phillippi encouraged the internal assessment to address the Department's role in Oregon's forests.

Mr. Seely, in closing, described next steps in the process as further evaluation and revising within the agency, framing of questions for stakeholder engagement, and further Board consideration and prioritization in the spring of 2010.

7. STATE FORESTS WORK PLAN 2, IBI 10 – REVIEW AND REVISE OAR 629-035-0020, -0030

Discuss Board interpretation of ORS 530 - Greatest Permanent Value

Marvin Brown, State Forester, provided background information on the statutory language under Oregon Revised Statute 530 (ORS 530) and the administrative rules that further define what the Board intends to implement in support of the statute. The current administrative rule requires review every ten years. Over the years the Department has received legal opinions from the Department of Justice to help interpret the intent of ORS 530. Overall, it seems agreed that Board of Forestry lands must return revenue to the counties and that other uses are permitted, with the caution that the more other uses serve to reduce revenue to the counties, the more likely it is that such a decision could be successfully challenged.

Nancy Hirsch, Chief of State Forests Division, further clarified details of the Department's recommendations related to the administrative rule review process utilizing a PowerPoint presentation (Attachment 4) including formation and charter of the Public Advisory Committee containing representation from a broad range of citizens, confederated tribes, counties, environmentalists, forest industry, Department of Fish and Wildlife, and recreationists.

Ms. Hirsch referenced a meeting matrix (Attachment 5) that provided a timeline of upcoming Board of Forestry, Forest Trust Land Advisory Committee, and Public Advisory Committee meetings focused on collaboration of efforts related to the rule review.

Tim Josi, Chairman of the Forest Trust Land Advisory Committee, introduced Paul Levesque, Chief of Staff for the Tillamook County Board of Commissioners, Policy Analyst for Tillamook County and historian of forest trust land counties, to provide a presentation on the history of the greatest permanent value rule revisions and how they affected Tillamook County over time. Paul Levesque referenced a handout titled, *The Purpose of State Forest Trust Lands* (Attachment 6), during his presentation.

Ian Fergusson, member of the Board of Directors of the Association of Northwest Steelheaders, provided written comment and testimony (Attachment 7) regarding the greatest permanent value revisions and the connections between land use and healthy fish habitat.

Following public comments, the Board engaged in discussion of the administrative rule review process with Ms. Hirsch reaffirming the collaboration opportunities intended and the timelines as they are planned.

Following discussion, and with Board consensus, Chair Blackwell ordered:

The State Forester is to proceed with review of current administrative rules Section 629, Division 35, as directed in June, including consultation with the

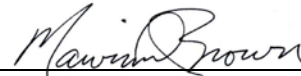
Forest Trust Land Advisory Committee and public input through the use of a public advisory committee, with a focus on promoting the most desired set of forest benefits and evaluation regarding rule processes in efficient decision-making.

With no further business before the Board, Chair Blackwell adjourned the public meeting at 2:54 p.m.

Additional written comments regarding the greatest permanent value revisions intended for Board consideration, were submitted to the Board's public comments contact, Sabrina Perez, shortly after the meeting adjourned (Attachment 8) and via e-mail (Attachment 9). The comments were forwarded to the Board and have been included with the Board minutes.

Respectfully submitted,

/s/ Marvin Brown



Marvin Brown, State Forester and
Secretary to the Board

SP

Approved by the Board at its January 6, 2010 meeting.