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September 8 and 9, 2009

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Items listed in order heard.

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

1. “A Fork in the Road”, The Oregonian, Agenda Item 1
2. Public Comment – Wayne Giesy/Dick Posekany, Agenda Item 1A
3. Public Comment – Joe Keating, Agenda Item 1A
4. Public Comment – Ted Lorensen, Agenda Item 1A
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7. Revised State Forests Work Plan, Agenda Item 2
8. State Forests Work Plan Matrix, Agenda Item 2
9. Draft Timeline – OAR revision, Agenda Item 2
10. Revised NW FMP Language Adjustment Matrix, Agenda Item 2A
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12. Staff Presentation, Agenda Item 2A
13. Public Comment – Russell Bassett, Agenda Item 2A
14. Public Comment – Carolyn Eady, Agenda Item 2A
15. Public Comment - Debbie Schlenoff, Agenda Item 2A
16. Staff Presentation, Agenda Item 3
17. Staff Presentation, Agenda Item 4
18. Public Comment – Day Owen, Agenda Item 4
19. Written Comment – Roger Hart, Agenda Item 4
20. Written Comment – John Sundquist, Agenda Item 4
21. Written Comment – Marilyn Cohen, Agenda Item 4
22. Staff Presentation, Agenda Item 5
23. Staff Presentation, Agenda Item 6

OREGON STATE BOARD OF FORESTRY

September 8 and 9, 2009 Minutes

In accordance with the provisions of ORS 526.016, meetings of the Oregon Board of Forestry were held on September 8 and 9, 2009 at the Oregon Gardens, 895 West Main Street, Silverton, Oregon.

Chair Blackwell called the September 9 meeting to order at 8:13 a.m.

Board Members Present:

John Blackwell, Chair	Larry Giustina	Peter Hayes	Steve Wilson
Jennifer Phillippi	Cal Mukumoto	Bill Hutchison	

Others present:

Russell Bassett, Native Fish Society
Samantha Chirillo, Cascadia's Ecosystem Alliance and Cascadia Climate Network
Carolyn Eady
Ian Ferguson, Assn. of Northwest Steelheaders
Donald Fontenot, Sierra Club
Dan and Maya Gee
Wayne Giesy, Hull-Oakes
Lauren Gill, Sierra Club
David Hampton, Hampton Affiliates
Shaun Harking, SW Regional Committee
Jeff Hickman, Sierra Club
J. Humphrey, Sierra Club
Chris Jarmer, Oregon Forest Industries Council
Tim Josi, Tillamook County Commissioner
Joe Keating, Oregon Wildlife Federation
Eron King
Rod Kraemer, Oregon Department of Fish and Wildlife
Ted Lolesen
Ian Mauluski, Sierra Club
Mike Nutto, Sierra Club
Day Owen, The Pitchfork Rebellion
Brian Pasko, Sierra Club
Dick Posekany, Frank Lumber Co.
Randy Prince
Meryl Redisch, Audubon Society
Gil Riddell, Council of Forest Trust Land Counties
Ralph Saperstein, Boise Cascade
May Scurlock, Pacific Rivers Council
Joyce Sherman, Northwest Steelheaders
Gary Springer, Starker Forests
Rex Storm, Associated Oregon Loggers
Bob Van Dyk, Wild Salmon Center
Tom Wolf, Trout Unlimited
Marvin Brown, State Forester
Gayle Birch, Board Support
Dan Postrel, Agency Affairs
Jeff Foreman
Rod Nichols
Mary Schmelz
Kevin Weeks
Clark Seely, Associate State Forester
Scott Severson
Jim Paul, Chief, Private Forests Division
Peter Daugherty, Deputy Chief
Marganne Allen
David Morman, Forest Resources Planning
Paul Bell, Chief, Protection Div.

Mike Bordelon, NWOA Director
Doug Decker
Tom Savage
Ron Zilli

Nancy Hirsch, Chief, State Forests Div.
Mike Cafferata, Deputy Chief
Liz Dent
Rob Nall

September 8, 2009: The Board hosted the Dynamic Forest Ecosystem Workshop, facilitated by staff from the Institute of Natural Resources, Oregon State University, and staff from the Oregon Forest Resources Institute. Three break-out sessions were held: Fire Management; Private Forests; and State Forests. The groups' comments and policy recommendations will be incorporated into the Institute of Natural Resources final report, expected in late 2009.

September 9, 2009

Consent Agenda: The consent agenda was approved in one block, A through C.

A. ADMINISTRATIVE WORK PLAN 0, IBI 5 - MINUTES – JULY 31, 2009

The minutes of the July 31, 2009 meeting in Sutherlin are approved.

B. STRATEGIC PLANNING, IMPLEMENTATION AND MONITORING WORK PLAN 1, IBI 2 – MEASURE PROGRESS, 2009 Board Governance Performance Self-Evaluation Final Report

The 2009 Board Governance Performance Self-Evaluation Final Report is approved by the Board as the conclusion of the 2009 self-evaluation process.

C. STRATEGIC PLANNING, IMPLEMENTATION AND MONITORING WORK PLAN 1, IBI 5 – OVERSEE OUTCOMES, Annual Performance Progress Report for Fiscal Year 2008-09

Review of the Department's Annual Performance Progress Report for FY 2008-09, based upon the Department's twenty-two legislatively-approved 2007-09 biennium key performance measures.

Information only – no decision.

ACTION AND INFORMATION:

1. ADMINISTRATIVE WORK PLAN 0 – IBI 6, STATE FORESTER AND BOARD MEMBER COMMENTS

State Forester's Comments

Commenting on an article in *The Oregonian*, September 8, 2009, regarding “greatest permanent value” (Attachment 1), State Forester Marvin Brown noted that the suite of social, economic and environmental values were interdependent and interrelated. He stated his hope was to build a process where a diverse board would focus its discussions on the interrelationships, and deliver the full suite of values to the optimal level possible. Understanding how the benefits relate to each other must be understood in order to achieve the optimum distribution of balances.

1A. PUBLIC COMMENTS

Wayne Giesy, family forestland owner, and **Dick Posekany**, Frank Lumber Co., Inc., urged the Board to immediately increase the harvest of State timber to help create jobs and benefit the economy of Oregon (Attachment 2).

Joe Keating, Oregon Wildlife Federation, addressed the make-up of the Board. He stated there was a built-in conflict of interest between the interests of the timber industry and the State as a whole. He marked a picture sheet of Board members with a “T” indicating timber influence (Attachment 3). He stated that a first priority should be balancing the Board itself.

Ian Ferguson, Association of Northwest Steelheaders, expressed support for a balanced approach to State forest management - management that was sustainable, restorative and produced multiple benefits for all Oregonians. The Association of Northwest Steelheaders supports the current Salmon Anchor Habitat strategy, and urges extension beyond the expiration date; current protection must not be weakened. Regarding the Forest Management Plan revisions, Mr. Ferguson urged the Board to conduct a peer review of the complex science behind the impact analyses, noting there was a clear risk of harm to salmon and steelhead habitat. The Association of Northwest Steelheaders also did not support any revision of the greatest permanent value OAR. Timber production should not be emphasized over other values. In closing, Mr. Ferguson asked the Board to address the Petition for Reconsideration, filed July 31, 2009.

Addressing the Board's Dynamic Forest Ecosystems Project, **Ted Lorensen**, retired Assistant State Forester, urged the Board to examine core scientific concepts, and redefine old principles. For example, the definition of “disturbance” should reflect a new paradigm where dynamic process events do not disrupt, but rather sustain many ecosystems and/or their components (Attachment 4). He urged the Board to bring a broader range of academic perspectives and expertise to bear on the topic of Dynamic Forest Ecosystems.

Mary Scurlock, Pacific Rivers Council, presented testimony based upon Pacific Rivers Council Staff Scientist Gary Carnefix's participation in the July 30, 2009 Board

of Forestry tour of the Hinkle Creek Paired Watershed Study. Ms. Scurlock identified two main points of the testimony: to emphasize the strict limits that the Hinkle Creek study imposed on any valid scientific inference that could potentially be drawn from the study; and, to raise serious concerns that the limits to valid inference were not respected in some public comments during the tour. Ms. Scurlock urged the Board to insist that all scientific information be communicated straightforwardly and without bias, and to ask Dean Hal Salwasser, OSU College of Forestry, to explain how he reconciles his public statements on the July 30 tour with the study results reported during the tour (Attachment 5).

2. STATE FORESTS WORK PLAN 2, IBI 6 – REVIEW, ADJUST, APPROVE WORK PLAN – Update to Board Work Plan

[revised State Forests Work Plan – Attachment 6]

Nancy Hirsch, Chief, State Forests Division began by addressing the State Forests budget reductions. She provided context by describing historic revenues and costs, and the framework for the reductions provided by the Board in 2001 (Attachment 6). The State Forests Division total costs in FY 2008 were \$28 million; for FY 2010, the budget is \$18 million. Mike Cafferata, Deputy Chief noted that prior to July 1, 2009, the State Forests Division in Salem employed 41 people; currently, the Salem staff is now 28 employees and similar reductions have been made in field staff.

Mr. Cafferata described the Division's goals for its workforce, forest management, business services and public awareness. Work will continue in support of the Board. Currently, the department plans to support the forest management plan revisions; the Gilchrist acquisition, support for the Elliott State Forest management plans, and working toward recreation goals. This is dependent on the Board work plan and priority setting through that work plan. He also identified reductions and work that would not be accomplished: monitoring will be severely reduced; stand level inventory would not be performed; the Tillamook Forest Center staff and hours have been reduced; staff has been reduced in all programs and areas; silvicultural investments have also been reduced; watershed assessments would not be performed.

Responding to Jennifer Phillippi's question, Mr. Cafferata stated that the consequences of delay and monitoring reductions were not fully known. Many improvements have been made to the inventory. As funds become available, projects would be reevaluated and prioritized. Ms. Hirsch added that work will continue to ensure that the right investments are made from a strategic perspective.

Peter Hayes asked staff to provide more detail on the reduced silvicultural investments, both in the meaning and the consequences. Mr. Cafferata reported that pre-commercial thinning and fertilization work would not be performed. Regarding reforestation, Mr. Cafferata reviewed the direction provided to field staff. Ms. Hirsch added that the fiscal year budget for 2010 did not include specific funding for any monitoring projects, although some funding was retained for research cooperatives and the RipStream project, led by the Private Forests Division. The Trask Watershed Study and work will continue on that project in FY 2010.

Larry Giustina asked if the Board should address rainy day funds, to keep investment dollars for downturns in the economy, or catastrophic events. Marvin Brown responded prior to the last 18 months, there was a comfortable balance in the Forest Development Fund account. There is a legitimate question over the size of that balance over time, and whether there can be designations for longer term projects. Ms. Hirsch added that discussions have taken place with the Forest Trust Land Advisory Committee regarding the appropriate fund balance. Staff will follow up with the Forest Trust Land Advisory Committee and determine where to incorporate the discussion into the biennial budget process.

Following the Board's discussion, Mike Cafferata presented a revised version of the State Forests Work Plan (Attachment 7) and a revised work plan matrix (Attachment 8). Mr. Cafferata summarized the current intermediate Board issues (IBI) and the recommended approach for moving forward.

Bill Hutchison noted that the performance measures were the vehicle through which the Board could evaluate progress toward achieving the goals within the Forest Management Plan. As stated in the agenda item, the Department was moving from science-based implementation monitoring and evaluation, to a concept of adaptive management. Adaptive management must be based on monitoring and evaluation. With reduced capability in monitoring and evaluation, Mr. Hutchison asked if adaptive management could be grounded in sufficient science, monitoring, and results.

Peter Hayes added that a lot of reliance was being placed on adaptive management. Monitoring was a key ingredient that was essential to making adaptive management successful.

Mr. Cafferata responded that the Department was continuing to participate in cooperative research efforts and in projects such as RipStream and the Trask River Study.

Mr. Hutchison noted that a core adaptive principle could be identified as adequate resources to adapt. He suggested the Board and Department brainstorm about "Plan B" to accomplish the mission within the limited funding paradigm.

Responding to Jennifer Phillippi's comment regarding IBI 3, Ms. Hirsch stated that the pilot project showed that Systematic Evidence Review (SER) could be a method used in forest management. Reference to SER as a management tool will be incorporated into IBI 2.

Mike Cafferata responded to Mr. Hutchison's question regarding ecosystem services and recreation, stating IBI 8 - Recreation was designed to address desired future conditions. He acknowledged there were interrelationships between recreation and ecosystem services.

Bill Hutchison commented that there was an indicator for recreation which included ecosystem services that noted the statewide data was inadequate. He suggested addressing the issue and moving forward in a cost-effective manner.

Nancy Hirsch focused on IBI 10 - Review and Revision of OAR chapter 629 division 35 (page 14 of Attachment 6), and provided a draft timeline of the rule process

(Attachment 9). It was important that staff received Board agreement and direction related to the pace, scale and scope of the work. Early public involvement is planned, as well as conversations between the Board and the Forest Trust Land Advisory Committee. She suggested that in some forums, a third party facilitator would be beneficial to the process. Actual changes, resulting from rule revision, would not be seen until fiscal year 2012.

Larry Giustina suggested referring to the *revised 2001* Forest Management Plan, as the Board has moved from Habitat Conservation Plan strategies to Species of Concern strategies. The complete 2001 Forest Management Plan (FMP) must be formally reviewed in 2011. Ms. Hirsch added the goal of performance measure development was to review the FMP performance, which is accomplished on a biennial basis. She added the FMP received ongoing reviews, as the Board was committed to continuous improvement. As information is received that could affect overall Forest Management Plan policy, staff will continue to bring that information to the Board.

Steve Wilson asked staff to describe the alternative timeline if the April 2011 target was not met. Ms. Hirsch noted the administrative procedures process to revise the FMP OAR was a deliberate process, and the Board and staff were on target to meet those timelines. The April 2010 target for planning rule concepts can be met by staff with the Board's agreement with the outlined process.

Jennifer Phillippi asked staff to provide a package of legal advice received from 1995 forward, to ensure that the revised rule would be legally defensible. Marvin Brown commented there was a lot of legal history regarding the interpretation of the statutes. He suggested that **staff summarize and compile the advice** received to this point.

Peter Hayes observed that while the Board relies on input from people across the State, the Board must also have a serious discussion. He listed items to be included in the timeline:

- Process to look at how the pieces fit together in a frank, open-minded way.
- Hold a substantial, quality Board discussion of the issues.
- Staff work on rule concepts must be based on the Board's discussion.
- Process must connect with Oregonians. Some of the Board's choices in the last six months have eroded public trust and confidence.

Nancy Hirsch stated that the Board may need to hold an additional meeting or workshop focused on State Forests' issues between December 2009 and March 2010.

Steve Wilson commented that it would be difficult to determine if the Board's discussion was *thorough* enough. Jennifer Phillippi added that a breadth of quality staff recommendations would allow for better Board discussion.

Chair Blackwell noted the Board should schedule time to discuss its conclusions following public input.

Following staff's presentation, Chair Blackwell called for public testimony.

Samantha Chirillo, on behalf of Cascadia Ecosystem Advocates, Cascadia Rising Tide, and Cascade Climate Network urged the Board to evaluate the

consequences of moving away from science-based management. The investment graph showed that overhead and logging was outpacing monitoring, which reduces the Board's accountability. An increase in clearcutting in the Tillamook State Forest and maintaining current cut levels on the Elliott State Forest, with no permanent reserves and without substantively addressing climate change, was a security threat. Carbon storage of the coastal forests could be increased two-three times from the current level by changing management practices.

Randy Prince, encouraged the Board to take full account of the pace of events that change things affecting forestry in Oregon. He urged the Board to plan for a forest that was more stable in the United State's and world markets.

Jeff Hickman, Sierra Club, invited Board members to join in the Wilson River Clean-up in the Tillamook State Forest on September 26, 2009. Mr. Hickman encouraged the Board to restore watershed health using the best available science. The Sierra Club did not support the Department's recommendation to fast-track changes to the Forest Management Plan. A peer review is needed and climate change must be considered; the FMP will degrade many watersheds. The effects of increased logging in light of global warming must be addressed. Mr. Hickman did not support revising the Greatest Permanent Value rule, as it contained the appropriate mix of emphasis on timber and other values. He urged the Board to reevaluate the value of recreation on the Clatsop and Tillamook State Forests. Mr. Hickman suggested the value of fishing, shell fishing, hunting and wildlife viewing was \$63.4 million. He also requested the Board address the Petition for Reconsideration introduced in July 2009.

Following public testimony, Chair Blackwell asked the State Forester to state the Department's recommendation: **The Department recommends the Board approve the State Forests Work Plan.** He asked if there was a need for specific amendments, or if Board members were comfortable that their comments would be adequately reflected.

Bill Hutchison provided a list of suggested improvements and recommended that the concerns be embedded in the work plan:

As the FMP amendment process proceeds through final rulemaking, the Board shall review the following concerns:

1. How reduced budgets will impact:
 - a. The implementation of the goals and priorities of the revised FMP and SOC plan; and,
 - b. The implementation of adaptive management strategies with respect to the Clatsop and Tillamook State Forests.
2. Provisions for timely evaluation and adjustment of performance measures based on, among other factors, ODF's November 2008 Performance Measure Report.
3. How ODF can capture the economic and ecological benefits of ecosystem services and forest certification within the revised FMP.
4. The need for a scientific review, which provides a basis to evaluate the efficacy of the revised FMP, the SAH strategy upon its sunset, and the SOC plan and strategies, including the adaptive management process.

added by Jennifer Phillippi: in addition to the scientific review, a review of the social and economic effects of the revised FMP and the Species of Concern Strategy

5. Completion of Stand Level inventories, particularly on the Tillamook State Forest.
6. The importance of maintaining, enhancing and restoring habitat as detailed in the FMP on the forest and watershed level.

The Board added additional items to this list during discussion of Item 2A:

7. Board consensus to ensure Board discussion and direction following advisory committee input on rule concepts
8. Understand the consequences and benefits (environmental, economic, and social) of having the goal, as currently expressed in the target for Performance Measure 6, apply to all 30% of the landscape not just the 20%. The target currently says, “within the percent of the landscape providing complex structure, achieve the following: develop and maintain complex structure in those areas where it is anticipated to result in the greatest benefits to both aquatic and terrestrial species of concern.”

As to each concern above and to prompt the Board’s review, the Board requests that ODF advise the Board as to how and when review of these concerns can best be accomplished (for example, through additional or amended, Work Plan IBIs or periodic status reports).

Chair Blackwell clarified Mr. Hutchison’s intent: **Should the Board approve the State Forests Work Plan, and as that Plan moves toward final rulemaking, the Board shall review the concerns described.** Chair Blackwell called upon the State Forester for a response.

Marvin Brown stated the list was helpful, and that the Work Plan could be improved to ensure that the touch points were met. He recommended the **Board approve the State Forests Work Plan, with the understanding that through a future consent agenda item, staff would report on where the points were in the Work Plan, or how the Plan was revised to reflect the issues.**

Larry Giustina urged the Board to keep in mind the fiscal and time constraints on staff. The analysis would take time and money. Mr. Hutchison noted that the Board could not go forward without the answers.

Steve Wilson stated the list provided the opportunity for review and supported it. Peter Hayes was assured that item 3 above included issues of carbon and climate change.

With Bill Hutchison’s amendment and Jennifer Phillippi’s addition, Chair Blackwell asked for the Board’s approval of the State Forests Work Plan. The Board gave its unanimous approval.

2A. STATE FORESTS WORK PLAN 2, IBI 6 – IMPROVE NORTHWEST FOREST MANAGEMENT PLAN TO ACHIEVE DESIRED OUTCOMES – Revised Northwest and Southwest Forest Management Plans

Mike Cafferata, Deputy Chief, State Forests Division and Barbara Lee, Policy and Planning Specialist reviewed the proposed changes to the Northwest and Southwest Forest Management Plans (NW and SW FMP). Copies of the revised NW FMP matrix (Attachment 9), the SW FMP matrix (Attachment 10), and the staff presentation (Attachment 11) were provided.

Staff proposed replacing language associated with the Habitat Conservation Plan with Species of Concern Strategies, and to reflect a revised range of 30-50% complex structure, from 40-60%, to provide a greater mix of benefits that better represents Greatest Permanent Value.

Bill Hutchison asked how the percentages were measured, specifically asking if riparian areas were included. Mr. Cafferata confirmed that the basis of measurement was the same. He added that when a riparian area ran through a stand that was considered layered or complex, it would be counted as part of that acreage. When the riparian area was a stand alone strip that ran between two stands types, the area would not count.

Jennifer Phillippi noted the Board had asked staff to include riparian and inaccessible areas as the Board looked for increased revenue opportunities.

Marvin Brown commented that within the last few years, there was more specificity in location of complex structure stands, which would be locked into the performance of the model. As part of that, staff was directed to be strategic about the creation of the landscape and to count the acreage of the riparian and inaccessible areas. The analysis has been structured to achieve 20% in 20 years, and to clearly delineate that in the landscape design.

Peter Hayes stated that if the move was from 40-60% down to 30-50%, that 30% should be those lands that have the greatest potential to provide the desired ecological outcomes. Lands that may not be productive from a timber point of view should be designated within that 30%. In lieu of making a motion, Mr. Hayes agreed that the issue should be added to the list of suggested improvements provided by Bill Hutchison in Agenda Item 2. **Mr. Hayes recommended that staff provide information that would help the Board understand what the trade-offs would be of designating the most ecologically significant 30% versus 20%.** Nancy Hirsch agreed.

Nancy Hirsch commented that the achievement of 20% complex structure in 20 years was a target established during the development of the series of targets across all 9 performance measures. The Districts have already drawn up plans for that 20% - the best habitat to benefit species, particularly species of concern. The additional 10% will be drawn based upon the landscape design principles. The work to date locked in that 20%; the model allowed the remaining 10% to play out on the landscape, which will require further landscape design refinement.

Marvin Brown reviewed the Department's recommendation to proceed with formal rule making that would modify the existing Forest Management Plan. The

substance of the modifications was outlined in the agenda item. Additionally, Mr. Hayes' suggested review item would be addressed in the State Forests Work Plan, and would require additional model runs. The timeframe will be outlined and shared with the Board.

Following staff's presentation, Chair Blackwell called for public testimony.

Russell Bassett, Native Fish Society challenged the Board to live up to its mission of supporting sustainable forestry and its vision of healthy forests (Attachment 13).

Carolyn Eady, resident of Seaside listed a number of unintended consequences that could occur with the major shift in forest management, and provided recommendations for the Board's consideration (Attachment 14). She urged the Board to consider the inequity among the Districts' contribution to increased harvest levels.

Bob Van Dyk, Wild Salmon Center urged the Board to move forward incrementally to improve strategically on both harvest and habitat values. The Board's abrupt increase in timber harvest, due in part to Legislative pressure, was discouraging to the Wild Salmon Center. The message was not to spend time with the Board of Forestry, but to "badger" the Legislature to pressure the Board and Department. The Board must re-establish itself in the public's eyes as one that would put forward its own independent, balanced vision of the management of the State's forests that can stand pressure from the Legislature. The Wild Salmon Center would like to see the Salmon Anchor Habitat maintained and evaluated for strategic benefits, to have peer review of the revised FMP, and to see climate change concerns addressed.

Tom Wolf, Trout Unlimited restated opposition to changes in the Forest Management Plan. Proposed changes could dump huge amounts of sediment into streams that could have major impacts on the fall Chinook, and on water quality. He urged the Board to evaluate the needs of fish, water and people.

Samantha Chirillo, on behalf of Cascadia Ecosystem Advocates, Cascadia Rising Tide, and Cascade Climate Network stated that moving away from science-based decision making would make the future of the forests less certain. The science on the impacts of logging and forest biomass extraction on waterways, and forest and waterway resilience, in the face of global warming must be evaluated. She chided Cal Mukumoto for siding with Board members that make a profit from clearcutting by voting in favor of increasing timber harvest and reducing complexity on the Tillamook State Forest. She stated that it was a not a new and improved method of forest management, rather more of the same profit motivated, delusional paradigm. She also urged the Board to respond to the July 2009 Petition for Reconsideration.

Randy Prince commented on how changing environmental conditions affect fire protection. He stated the best thing to do, to get fires in line with nature, was to increase complexity.

Written comment was received from **Debbie Schlenoff**, Lane County Audubon Society opposing the revisions to the FMP, and pesticide use on forest lands (Attachment 15).

Following public testimony, Chair Blackwell called for Board discussion.

Jennifer Phillippi expressed concern that the flexible definition of structure based management was narrowing, and becoming embedded in a more defined way in the Species of Concern strategy. She asked if structure based management currently meant that there would be areas of long rotation and other areas of intensive management, or trying to do all things on all acres. Mike Cafferata responded the landscape would be managed to maintain a certain set of structures; not every acre must cycle through every structure class.

Bill Hutchison asked when, in the timeline, Board members would provide comments on the final proposed rule revision. Marvin Brown responded that the results of public input would be presented to the Board for inclusion in its decision process. The Board would have the opportunity throughout the process to provide input.

Mr. Hutchison expressed apprehension that the work accomplished was comprehensive and complete in the short time available. He recommended deferring action to November for time to assimilate the effects of concerns and public comment. He supported improvement of the economic performance of the forests, in part to ensure that the Board could move forward on a consensus basis. There was a need to maintain momentum; the amendment in April 2010 should reflect a 6 year work product that can withstand scrutiny and the test of time.

Jennifer Phillippi was concerned that the Board was not discussing all of the values to be balanced by the Greatest Permanent Value rule.

Peter Hayes commented that the FMP must be modified and those modifications should lead to improved economic outputs. He expressed concern that Greatest Permanent Value would not be met with the proposed revisions. There was an explicit responsibility to produce revenue and an implicit responsibility to maintain and enhance the productive capacity to ensure long term productivity and social well-being.

Cal Mukumoto asked if progress would be affected and if there was a downside to deferring action until November when the Department could show how the amendments were addressed. Marvin Brown responded there was a public concern about the Board not making decisions, and recommended the Board move forward.

Larry Giustina stated that the revisions have the ability to meet the current definition of Greatest Permanent Value and supported moving forward to rulemaking.

Noting that consensus could not be reached, Chair Blackwell called for a motion and second.

MOTION: Steve Wilson moved that the Department's recommendation to proceed to rulemaking be approved.

SECOND: Larry Giustina seconded the motion.

In favor: Chair Blackwell, Jennifer Phillippi, Steve Wilson and Larry Giustina

Opposed: Cal Mukumoto, Peter Hayes and Bill Hutchison

DECISION: The Board is providing preliminary approval of the draft revised Northwest and southwest Forest Management Plans, and directs the State Forester to proceed to rulemaking in accordance with the Administrative Procedures Act to amend OAR 629-035-0105.

Following the lunch break, Chair Blackwell reopened Agenda Item 2A to clarify the Board's intent.

Bill Hutchison remarked that should the Board decide changes to the amendment were needed, delay should come at the end of the process. He asked that in **November, staff outline how the Board's concerns would be integrated.**

In the interest of consensus, speaking with one voice, and for the greater good, Bill Hutchison, Cal Mukumoto, and Peter Hayes expressed support for the Department's recommendation if the list of concerns would be integrated into the Board's and Department's work.

With support of the Board, Chair Blackwell ordered the record show the Board reached consensus on the Department's recommendation.

Following the meeting Staff prepared the following summary of Board direction:

As the FMP amendment process proceeds through final rule making, the Department shall address and the Board shall review the following concerns:

1. How reduced budgets will impact:
 - a. The implementation of the goals and priorities of the revised FMP and SOC plan; and,
 - b. The implementation of adaptive management strategies with respect to the Clatsop and Tillamook State Forests.
2. Provision for timely evaluation and adjustment of performance measures based on, among other factors, Department's November 2008 PM Report.
3. How Department can capture the economic and ecological benefits of ecosystem services and forest certification within the revised FMP.
4. The need for scientific, economic, and social reviews which provides a basis to evaluate the efficacy of the revised FMP, the SAH strategy upon its sunset, and the SOC plan and strategies, including the adaptive management process.
5. Completion of Stand Level inventories, particularly on the Tillamook State Forest.
6. Clarity on the scope of the Board's obligation to maintain, enhance and restore habitat on the forest and watershed level in relation to the FMP.
7. Board consensus to ensure Board discussion and direction following advisory committee input on rule concepts.

8. **Understand the consequences and benefits (environmental, economic, and social) of having the goal, as currently expressed in the target for Performance Measure 6, apply to all 30% of the landscape not just the 20%. The target currently says, “within the percent of the landscape providing complex structure, achieve the following: develop and maintain complex structure in those areas where it is anticipated to result in the greatest benefits to both aquatic and terrestrial species of concern.”**

3. STRATEGIC PLANNING, IMPLEMENTATION AND MONITORING WORK PLAN 1, IBI 2 – MEASURE PROGRESS, Update of the Oregon Indicators of Sustainable Forest Management

David Morman, Forest Resources Planning Program Director highlighted five indicators with results available for the first time: forest ecosystems services contributions to society; forest products sector vitality; water quality of forest streams; biological integrity of forest streams; and, ability to measure and report on all other Oregon sustainable forest management indicators (Attachment 16).

Mr. Morman noted that for carbon sequestration, water quality and passive use, the data on supply and demand conditions and trends was insufficient for indicator reporting. There was some information on recreation, and the condition could be classified as “good”, with reservations. Overall, statewide recreation data was inadequate. While use estimates were reliable and accurate for national forests and state parks by location, estimates for other public and private lands were sparse or not known.

Bill Hutchison remarked that it was unacceptable to receive the same report, year after year, on the inability to quantify on ecosystem services values. He strongly urged the Department to make every effort to fill the vacuum.

David Morman noted that the issues related to ecosystem services were not unique to Oregon. Those that see the value of ecosystem services continue trying to quantify the values; fundamental research questions remain unanswered.

Larry Giustina asked if public information related to conservation easements was available. Marvin Brown noted that the value of conservation easements would be reflected in the sale price. He added that another effort, in which all natural resource agencies will participate, called “Counting on the Environment”, was a common website for conservation projects in an effort to understand the ecological value.

Peter Hayes noted that decisions on conditions and trends were based on objective data, and asked how the determinations were made. Mr. Morman responded that assessments to date were made by professional judgment by Department of Forestry and other state agency staff. This may change if an Oregon Roundtable on Sustainable Forest Management is formed and is willing to take on this role. Once additional condition and trend information is available and the indicators can be viewed in an integrated manner, Mr. Morman suggested policy discussions begin on policy targets for the various indicators.

Mr. Hayes urged caution when establishing geographic units for indicator reporting, especially when gathering information for plants and animals at risk (Indicator E.c). He asked that staff provide clarity on how the judgments were made for this

indicator and seriously explore the need to report species at risk evaluations at appropriate and meaningful sub-state scales.

Marvin Brown noted the existing *Forestry Program for Oregon* had a set of goals and a list of actions. The Department's ability to strategically address those actions was not very focused. As the Department moves toward a regular reporting on a standard set of indicators, the Board and the public will have a better way to measure progress toward those goals and actions.

With Board consensus, the Department's recommendation was approved:

The indicators will be used to evaluate Oregon's progress in achieving the goals of the *Forestry Program for Oregon*, and in the development of objectives for the draft 2011 *Forestry Program for Oregon*. The indicators will also be used in updating Board work plans.

4. STRATEGIC PLANNING, IMPLEMENTATION AND MONITORING
WORK PLAN 1, IBI 3- SOLICIT FEEDBACK
2009 Board of Forestry Issue Scan

David Morman, Forest Resources Planning Program Director presented the results of the Board's 2009 Issue Scan. The public comments were reviewed by the Board appointed work group and by staff. Mr. Morman summarized the work group and staff recommendations for the Board's consideration. The intent of the issue scan process was to solicit public comments on forestry issues and transmit those issues to the Board in an unfiltered manner (Attachment 17).

As in 2007, a substantial number of comments in the 2009 issue scan addressed the topic of pesticide use on forest lands. A significant number of comments were received regarding perceived conflicts of interest within the current Board of Forestry configuration and on the importance of maintaining a diverse mix of native tree species in Oregon's forests. Many comments were highly localized to Lane County.

Mr. Morman reviewed the key recommendations from the work group and the common themes of forest pesticide use. The work group recommended the Board and Department develop responses to the pesticide issues that have been raised, and to support those agency responses. He noted that given the localized, organized nature of the comments received on forest pesticides, the Board may wish to learn more about the extent and substance of public concerns about forest pesticide use around the State. Additionally, further clarification of the relationship established by a 1995 Memorandum of Agreement between the Board of Forestry and Department of Agriculture on the interagency approach regarding pesticide regulation in the State, would be helpful.

Noting that the pesticide issue had previously been before the Board, Larry Giustina reminded Board members that action had been deferred to the newly formed Governor's Task Force. It was now time to acknowledge the issue and move forward, addressing it through interagency action.

Peter Hayes commented the Board should begin to think creatively about how to hear from more Oregonians, and how to address strong, but localized responses.

Jointly, with Larry Giustina, Peter Hayes offered the following summary of Board conversations over the last 18 months, focusing on the aspects of topics for which the Board has direct responsibility. Should the Board endorse the summary, Mr. Hayes recommended that the Board direct staff to advise the Board where to best connect with work plans to ensure follow-through.

1. The Board has responsibilities related to pesticide use.
2. It is important to be mindful of what responsibilities we do have and do not have.
3. To fulfill responsibilities we need knowledge and it must be reasonably complete and up-to-date.
4. Staying current is complicated by divided responsibilities between State and Federal agencies.
5. We are not as current as we need to be.
6. We are committed to becoming current – either by working in cooperation with other agencies, or, if need be, doing the work within the Department, with support from willing, capable experts.
7. Results, in terms of updated knowledge, both now and into the future, are necessary. There is flexibility in how we get there; getting results is non-negotiable.

Chair Blackwell called for endorsement of the summary; with Board consensus, the summary was so endorsed and staff is directed to advise the Board where to best connect with work plans to ensure follow-through.

Chair Blackwell asked how much emphasis Mr. Giustina or Mr. Hayes would put on the work group's comments such as decreased confidence in the Board, leadership questioned, etc. Mr. Giustina stated that work group members realized it was the Board's responsibility to address the pesticide issue.

Peter Hayes added the Board must reach closure on topics, have the conclusions on the record and in a work plan. In order for Oregonian's to understand more about forests, and become more involved, the Board may want to consider video streaming of Board meetings.

Following the staff presentation, Chair Blackwell called for public comment.

Day Owen, The Pitchfork Rebellion requested that the Board take three actions and provided background information related to each request (Attachment 18). He asked for a written response to each request.

1. Assign a staff person to work with the Pitchfork Rebellion on a citizen-initiated administrative rule change in regard to buffer zone expansion around forest waterways.
2. Write a letter to the Governor and the Legislature advocating an end to financial conflict of interest on the Board of Forestry.

3. Direct staff to make more of an effort to have all Board of Forestry related work groups be truly balanced and to include more environmentalists and forest dwellers who are concerned about current forest practices.

Eron King stated that aerial and ground spraying was occurring in areas that drained into protected fish-bearing streams and near schools. She urged additional regulation of pesticide use, if not a complete ban.

Donald Fontenot, Oregon Chapter of the Sierra Club addressed the issue scan and how it related to the Board's decisions. He commented that the idea that the Board was lacking credibility began with the move from a consensus-based Board to a majority-rules Board, and that the Board was timber biased. He remarked that since the Board's meeting in Klamath Falls in November 2007, the minutes of the Board's meetings did not accurately reflect what was actually said. He urged the Board to broadcast the Board's meetings.

Maya Gee commented on the dangers of pesticide exposure. **Dan Gee** noted that in 2007 and 2009, the top issues were pesticide buffers. He urged the Board to not cancel the 2011 issue scan as proposed by staff, and to work on getting more Oregonians involved and heard. He also recommended that work begin with the Department of Agriculture, the Department of Parks and Recreation, or the Department of Environmental Quality to test waters for pesticide and fertilizer residues, specifically Type N streams that feed the Type F (fish bearing) streams, and to work for establishment of buffer zones to protect humans.

Bob Van Dyk, Forest Grove resident and Issue Scan Work Group Member addressed issues identified in the 2009 Issue Scan.

- Board's credibility problem
- Perception of decreased confidence in the Board
- Lack of public trust
 - Lack of action on Ecosystem Services
 - Lack of action on climate change and carbon sequestration
 - Lack of action on forest certification
 - Lack of follow-through on pesticide issues
- The Board has not led Oregon in an innovative and creative way in forest management.
- The Board membership has failed to hold the Department accountable and to follow-through. He noted that perhaps the consensus process was a constraint in moving forward proactively.

Mr. Van Dyk closed stating it was time for deep and critical reflection on the part of the Board.

Samantha Chirillo, Cascadia's Ecosystem Advocates endorsed the three requests made earlier by the Pitchfork Rebellion. She expressed concern that when the Board reached consensus on Agenda Item 2A, concerns expressed had dissolved. She was also dismayed that the Board failed to respond to the Petition for Reconsideration. While the Board has acknowledged its silence regarding the pesticide issue, she stated the Board must take action; rhetoric was not enough. Cascadia's Ecosystem Advocates would not tolerate human rights violations. If the next planned issue scan was cancelled,

she stated that she would not have any confidence that the Board would address the issues raised.

Written comments were received from **Roger Hart**, a Seal Rock resident asking the Board to initiate a program to monitor for toxins in outwash entering sensitive salmon habitat immediately after major storm runoff events (Attachment 19).

Written comments were received from **John Sundquist**, a Coburg resident urging the Board to reduce human and environmental damage from timber management practices, specifically timberland pesticide treatments. He remarked that modern scientific understanding of forestland and watershed management was undercut and contradicted by management practices encouraged by state law, especially the Forest Practices Act (Attachment 20).

Written comments were received from **Marilyn Cohen**, a Eugene resident urging the Board to adopt a policy that banned aerial spraying of pesticides in the urban/forest interface, created adequate buffers around residences, schools, parks, hospitals, etc., to protect against pesticide drift, and to require the use of the least harmful method of controlling weeds and pests (Attachment 21).

Written comments were received from **Debbie Schlenoff**, Lane County Audubon requesting the Board seek reduction in the use of pesticide/herbicide application and encouraging the use of non-chemical pest and weed control (Attachment 15).

Following public testimony, Chair Blackwell called for Board discussion of the 2009 Issue Scan.

Bill Hutchison opened the discussion of the Board's effectiveness and responsiveness. He suggested the Board develop a mechanism that assists with institutional memory. He suggested the State Forester might follow through by reporting on the actions taken between meetings of the Board. In lieu of broadcasting meetings, the Department might redouble its efforts to ensure the website was current.

Regarding pesticides, Peter Hayes commented that as the issue was not being addressed by the State overall, it called for a larger level fix. The current delegation of authority should be examined and changed if necessary.

Addressing the issue from the process perspective, Marvin Brown commented that the Board's direction to the Department was institutionalized in the work plans. With such a complex suite of issues, the Board must be disciplined and systematic. The Board has limited time to fulfill its responsibilities; the Department has a limited capacity for bringing information forward. He added that there were a series of discoveries and discussions that would be appropriate for the Board to have. He asked the Board to allow the Department to set that out within a work plan; the Board would identify the key pieces of information needed for an informed discussion.

Responding to Mr. Hutchison's question regarding climate change, Mr. Brown noted the issue had sweeping consequences across all lands. It made sense to build that work into the Private Forests Work Plan.

Following the Board's discussion, David Morman noted that the key performance measure report, indicator report, and the issue scan report on the day's agenda resulted from the Strategic Planning, Implementation, and Monitoring Work Plan 1. He stated that the recommendation to pause the Issue Scan process in 2011 was to focus the public's attention on the broader, long term *Forestry Program for Oregon* conversation.

Steve Wilson responded to those that testified about pesticide use stating his family had been seriously affected by aerial spraying. Personally, he was an advocate for non-use of chemical spraying. Although he did not work in the wood products industry, he did represent people in the industry. He provided the perspective of those that did not have a voice.

Bill Hutchison suggested that instead of making the decision to cancel the 2011 Issue Scan that the Department return to the Board in 2010 to report on the actions taken regarding issues identified in 2009. At that point, the Board would make its decision on whether to cancel the 2011 Issue Scan, or combine it with the 2011 *Forestry Program for Oregon* development.

With Board consensus, it was ordered:

Staff will return to the Board in 2010 to report on the actions taken regarding the issues identified in the 2009 Issue Scan. The Board will then make its decision to cancel the 2011 Issue Scan, or combine it with the 2011 *Forestry Program for Oregon* discussion.

5. STRATEGIC PLANNING, IMPLEMENTATION AND MONITORING WORK PLAN 1, IBI 5 – REPORT ON IMPLEMENTATION AND EFFECTIVENESS MONITORING, Update on Private Forests Riparian Function and Stream Temperature (RipStream) Project.

Peter Daugherty, Deputy Chief, Private Forest Division, Jeremy Groom, Private Forests Program Monitoring Coordinator and Liz Dent, State Forests Aquatic and Riparian Specialist provided an update, and presented the initial findings from an on-going long-term, riparian function and stream temperature (RipStream) monitoring project. The project supports the Forest Practices Act's purpose of ensuring that forest operations meet State water quality standards adopted under the Clean Water Act and implemented by the Department of Environmental Quality. The report summarized initial analysis of post-harvest stream temperature compliance rates. The results spoke to all sites, taken together, not the performance of individual stream sites.

Liz Dent provided background information on the RipStream project, which focused on small and medium fish bearing streams; spatial and temporal controls were built in. Riparian function, shade and stream temperature were evaluated at all sites. Through a sequence of projects, the Department was now prepared to answer questions related to a multitude of functions.

Jeremy Groom summarized the findings of the RipStream project (Attachment 22). The water quality standards of concern were the biologically based numeric criteria

(strict threshold – raised above 16 or 18 degrees Celsius) and the protecting cold water standard (PCW, warmed by more than 0.3 degrees Celsius). The results indicated that RipStream sites largely met the biologically-based numeric Criteria. However, timber harvests to the minimum FPA riparian protection standards along Private Medium and Small Type F streams exceed the PCW at a greater frequency than would be expected by chance, where the probability of exceeding the PCW (i.e. greater than a 0.3°C temperature increase) on Private treatment reaches was 40%. The Department found no evidence to suggest that timber harvests on State lands exceed the PCW more frequently than expected under natural background conditions.

The findings are limited to consideration of the regulatory perspectives of stream temperature. While designed to rigorously address regulatory questions and adhere to regulation specifications, the findings do not address questions regarding hydrological function or fish habitat alteration. The findings do not address the magnitude or persistence of temperature effect or changes in stream temperature as the stream re-enters canopy cover in the downstream reach.

Responding to Mr. Giustina’s question, Mr. Groom stated that there were some very intensive vegetation sampling plots in the treatment and control reaches. There was also information on stream gradient, stream aspect, and channels.

Information – no decision.

6. PRIVATE FORESTS WORK PLAN 6, IBI 0 – WORK PLAN DEVELOPMENT, Updated Private Forests Issue Paper

Peter Daugherty, Deputy Chief, Private Forests Division reviewed the 10 revised policy objectives for private forestlands and the Committee for Family Forestland’s recommendations regarding those objectives (Attachment 23). Policy objective 6 addressed some of the concerns that were raised regarding the lack of ability to measure ecosystem services. Mr. Daugherty added that ecosystem markets were an agency issue, not a program level issue.

Jim Paul, Chief, Private Forests Division noted that the policy objectives would direct Board work and staff work. With the Board’s endorsement, staff would begin operating under policy objectives, in addition to incorporation into the *Forestry Program for Oregon* update process. The policy objectives could influence the next version of the Private Forests Work Plan.

Mr. Daugherty reported that the pesticide issue was related to policy objective 1, keeping working forests working. It could also be addressed in policy objective 2, by looking at ways to effectively fund an interagency program for monitoring and support of the multiple agency issue of pesticide regulation. The issue could also fall under revised policy objective 3, if non-regulatory methods are chosen.

Regarding Mr. Hayes’ question of the meaning of “promote” and the Department’s role in revised policy objective 7, Mr. Paul responded the Board could delegate that discretion to the Department to make decisions based upon available

resources, or the Board could be very explicit. Currently, the intent was on the side of Department discretion; there has not been a commitment to a high leadership role. Mr. Hayes stated that he would like to see a heightened level of the Board's engagement.

Revised policy objective 8 reflected a conscience attempt to favor non-regulatory approaches. Mr. Daugherty acknowledged a reduced capacity to verify and assist voluntary efforts. Cal Mukumoto added that fragmentation was partially due to the high cost of forestry. Responding to Jennifer Phillippi's question regarding reliance on existing standards, Mr. Daugherty stated that such issues would be brought to the Board for policy consideration and clarification. **It was recommended that the words "existing" be stricken from policy objective 8.**

Mr. Daugherty reviewed the Committee for Family Forestlands (CFF) recommendations for consideration (pages 4-5, Attachment 23).

The Board agreed to accept the CFF recommendation for revision of policy objective 5:

Place a high priority on long-term strategic investments to support Oregon's forest industry to ensure that Oregon maintains the flexibility necessary to achieve a competitive advantage and a diversity of forest products and new markets like forest biomass for energy production. Oregon should continue to be a net exporter of wood products and make a significant contribution toward meeting the nation's wood product needs.

Mr. Daugherty agreed to incorporate the CFF revisions into the objective as revised by the Board. The CFF revisions were completed prior to suggested revisions by the Board.

The CFF proposed two additional policy objectives, which were considered by the Board. Mr. Daugherty suggested the **two be added as sub-objectives under policy objective 2; the Board agreed, with the removal of subjective statements through editing by the Committee for Family Forestlands.**

Revisiting the pesticide issue, Mr. Daugherty offered to re-package material presented to the 1995 Board of Forestry regarding forest regulations. Marvin Brown suggested that staff prepare a "pathway for discussion", that would include discussions with the Department of Agriculture.

Regarding **policy objective 7**, Jennifer Phillippi recommended revising the last to read:


The policy should also specify whether private forestlands would be held to an equal or higher standard as compared to other **private** land uses.

Mr. Giustina asked for a report of the amount of notifications. Mr. Daugherty noted the number was down. With reduced staffing, the challenge will be when the market begins to rebound.

Mr. Daugherty noted the Board's suggestions and recommendations will be incorporated.

There being no further business before the Board, Chair Blackwell adjourned the public meeting at 5:13 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Marvin Brown".

Marvin Brown, State Forester and
Secretary to the Board

GB

Approved by the Board at its November 6, 2009 meeting.