

Forest Trust Land Advisory Committee Meeting
Department of Forestry
2600 State Street, Salem Oregon
Tillamook Room
October 30, 2015

Pursuant to notice made by press release to newspapers of general and local circulation throughout the state and distributed to persons on the mailing list of the committee and the members of the committee, a regular meeting of the Forest Trust Land Advisory Committee (FTLAC) was held at the Department of Forestry in Salem, Oregon.

Present Committee Members: Tim Josi, Tillamook County Commissioner, Chair; Craig Pope, Polk County Commissioner, Vice Chair; Faye Stewart, Lane County Commissioner; Bill Baertlein, Tillamook County Commissioner; Lianne Thompson for Scott Lee, Clatsop County Commissioner

Present Department Staff: Nancy Hirsch, Deputy State Forester; Liz Dent State Forests Division Chief; Brian Pew, State Forests Deputy Chief; Tara Sell, Public Affairs; Dave Lorenz, Southern Oregon Area Director; Andy White, NW Oregon Area Director; Ed Deblander, Asset Manager; Barb Moore, Tillamook Assistant District Forester

Present Others:

Senator Betsy Johnson; Brett Brownscombe, Governor's Natural Resource Advisor; Guido Rahr, Wild Salmon Center; Bob Van Dyk, Wild Salmon Center and North Coast Coalition; Rex Storm, Associated Oregon Loggers; Kristina McNitt, Oregon Forest Industries Council; Seth Barnes, Oregon Forest Industries Council; Mark Rasmussen, Mason Bruce and Girard; John Lindsey, Linn County Commissioner; Tom Wolf, Oregon Council of Trout Unlimited; Dave Ivanoff, Hampton Lumber, Gil Riddel, Executive Director CFTLC; Will Tucker, Linn County Commissioner; Dave Ivanoff, Hampton Lumber; Doug Thompson; Jim McCauley, Washington County; Brandon Cooke (spelling unknown)

FTLAC Chair and Vice Chair comments

Chair Josi stated that the subcommittee is not making difficult modeling decisions needed regarding the Forest Management Plan (FMP). The current modeling indicates that the department is modeling the forest as a unit rather than district by district. The current outcomes indicate that Tillamook County will do poorly for the first five years; then Clatsop County will do poorly, and then the state forests program will return to being in a deficit around 2045. He invited Co-Chair Pope and Deputy Division Chief Hirsch to provide comments.

Nancy Hirsch said she attended a recent state forests program conference and shared that the unit has a broad group of professionals dedicated to serving Oregon. She said agency executives will attend interim legislative days in November, particularly to answer questions to the interim Emergency Preparedness Committee relating to fire season and funding requests. The House Agriculture and Natural Resource Committee will receive a report on post-fire challenges and an update on the federal forests program.

Public Comments

Guido Rahr, Wild Salmon Center, asked the FTLAC to reconsider proposals to move from the current plan to the 70/30 approach because the 70/30 approach jeopardizes resources. He asked to renew diversified funding efforts so that there won't be constant pressure for increased logging in the Tillamook and Clatsop forests. He said that these forests are an island of relatively healthy forests, with healthy salmon runs, is a chance to get ahead of the Endangered Species Act, and that the 70/30

approach will increase the risk of landslides. Revenues and protection are not an “either/or” and people’s expectations about forests are changing – it’s not just about revenue, but other values such as old growth forests. Mr. Rahr recommended getting an HCP.

Bob Van Dyk, Wild Salmon Center and North Coast Coalition, shared a presentation, highlighting that goals for conservation had been lowered over the years, causing concerns. He said that high value conservation areas were created in 2012 amounting to 20% of the forest. Mr. Van Dyk shared maps comparing areas that are currently open to clear-cutting, thinning and high value conservation areas, then overlaid a new layer with the conservation zone in the 70/30 plan. He said that in the 70/30 approach far too much landscape in conservation areas would move to industrial forestry, and no area moves from industry into conservation. He requested that the FTLAC not support the 70/30 approach and that the FTLAC continue to support the twin goals of increased revenue and conservation.

Rex Storm, Associated Oregon Loggers, said that the FTLAC is important to county economies and the forest sector respects the FTLAC partnership in rural counties. The availability of a reliable increased state forest timber supply is important to NW Oregon forest sector economies. He thanked the FTLAC for considering a plan that would provide greater revenue as well as other forest amenities.

Tom Wolf, Oregon Council of Trout Unlimited, echoed comments of Wild Salmon Center saying the 70/30 was not enough, and he preferred it were closer to 50/50. On a personal note he shared his family history, which included five generations of loggers. He said that it is important to consider how the Tillamook forest provides recreation and potentially drinking water to Oregonians who live in the Portland area (particularly Washington County). He asked the FTLAC to reconsider their stance supporting the 70/30 approach. He said that it would be beneficial to work with the legislature to look at ways to diversify funding for the Department of Forestry.

Seth Barnes, OFIC, said it is not timber harvests versus recreation because he recreates in areas where harvesting has occurred. He said 70/30 would provide over 200,000 acres that would be older forest structure and diversified, including buffers to encourage healthy fish runs. He said he supported the recommendations that came from the Technical Expert Review Group (TERG) at Oct 19, 2015 FMP subcommittee meeting: 1) changing the inventory and growth model starting line by 12 to 15 percent, which is a large margin; 2) and data plots that inform that certain trees can be grown faster (making growth projections low). He shared a letter which went into further detail about policy issues and TERG modeling.

Commissioner Thompson mentioned that her constituents had concerns about herbicides, recreation, and drinking water. Mr. Barnes responded (that herbicides), when used in a safe manner, are a productive tool. Ms. Thompson said this is an emotional issue that will continue to need to be addressed so that people are reassured.

Dave Ivanoff, Hampton Lumber, stated that the current FMP predicted revenue levels that were roughly twice of what materialized, therefore proving not be economically or socially viable. He said that he developed the original zoned approach, which has evolved into the 70/30 plan, with the idea of managing 70% of the land recognizing important conservation contributions within that 70%, and that the remaining 30% will be managed primarily for conservation. He said he is convinced that sustainable harvest is possible on state forestland using the 70/30 approach, and the approach would result in 320 mil board feet harvested annually, 100 mil board feet more volume than currently harvested, and \$35 million in additional revenue. He requested that the FTLAC emphasize to the department and board

that modeling (growth and yield, which he said are currently underrepresented) must be accurate so that an optimized model of timber production can be displayed. He further said that the model be without policy constraints and that the board make policy choices (rather than the department making policy choices). In his opinion the 70/30 approach is a solution all are seeking, resulting in abundant timber outputs, enhanced conservation, creation of a conservation fund, and improved social and economic benefits for rural communities.

Brett Brownscombe, Governor's Natural Resource Advisor

Mr. Brownscombe stated that the relationship with counties is very important and he wants to work closely with them. At the last Board of Forestry meeting he raised the issue on behalf of the Governor about how the current revenue distribution approach could help with outcomes around the FMP. He clarified that he intended to recognize that different counties are situated differently and there are different issues outside of the "big three" districts (in northwest Oregon). He clarified that he wasn't trying to be prescriptive, but rather to examine how revenue distribution can help to achieve outcomes. He said he thought there was an opportunity to enhance forest products and have conservation gains.

Chair Josi said the counties would like to explore departures from evenflow, and that Board Chair Imeson, Doug Decker, and Gary Springer agreed to consider modeling a departure from evenflow.

Elliott State Forest update, Liz Dent and Brian Pew

Ms. Dent gave a background of the challenges of managing the Elliott State Forest and an overview of the DSL Elliott transfer concept. Purchase proposals have criteria including 1) the purchase will be at fair market value; 2) acquisition is for the entire forest; 3) the proposal allows the following commitments: a) access to property for recreation on at least 50% of the acres; b) management would provide, over the next 10 years, 40 timber associated jobs; c) 25 % of older stands, by acreage, be retained; d) riparian management areas would be 120 feet on each stream side for streams with salmon, steelhead, or bull trout. The agency is closely tracking the purchase process with an awareness that currently agency resources are limited.

Brian Pew mentioned that district staff is working on:

- An informational exchange with DSL
- Curtailing the timber sales on the Elliott per DSL guidance. There will be four active CSL sales with contract deadlines ending in 2017.
- The agency plans to keep and manage 9,000 acres of Board of Forestry lands; two sales are upcoming in the next year and a half.

Commissioner Tucker expressed concern that sale planning is being postponed because it could impact future sales. Mr. Pew clarified that department is not the decision maker, but rather DSL.

Forest Management Plan update, Liz Dent, Brian Pew, Mark Rasmussen

The subcommittee directed the department model a 70/30 approach across the Tillamook, Forest Grove, Astoria, North Cascade, West Oregon, and Western Lane districts. Modeling 30% in conservation was done across all six districts, not 30% within each district. Modeling to achieve financial viability was run for the October 19 subcommittee meeting.

Mr. Pew said the department provided preliminary draft results to the subcommittee; he made it clear that the models need to be further refined before they are operational. The model is showing that financial viability can be achieved for 20 years, and then deficit spending will occur because budgets will

increase faster than stumpage values. Projections beyond 20 years cannot be done, but trends can be seen.

An issue with this model run was that it was choosing harvest areas that were financially robust and staying away from lands that need to be rehabilitated. In reality there are areas in the landscape that would benefit from logging at a loss today to improve future forest health. There was a common theme from TERG: the agency is conservative with inventory and growth because it is hesitant to overpromise.

Mr. Josi said that the department is justified being conservative, but could be constraining itself by not allowing more harvest early on. Mr. Pew responded that “conservative” is a relative term and department experts continue to work with industry experts. There was discussion about adaptive management; Ms. Dent commented that adaptive management is an important component within the FMP. She discussed the conservation emphasis areas which are about 28% of the planning area. Some specific direction from the subcommittee:

- Review the outcome of green tree retention strategy; the bottom line from the preliminary analysis is that over time the number would be reduced.
- Riparian buffers – the analysis reflected that FMP buffers are expensive, they are effective at achieving functions such as wood recruitment and stream temperature, and that increases in riparian protection are probably best invested along fish bearing streams.

October 19, 2015 subcommittee meeting recommendations to the department:

- Further analyze the 70/30 model
- Analyze the third zone (conservation, production, and a *third zone* to address 18% of landscape that might be managed for other conservation benefits)
- Model a Forest Practices Act approach
- Model a current FMP approach

Mark Rasmussen, Mason, Bruce, & Girard and TERG member, summarized his presentation from the October 19 meeting. He said TERG had not met with the planning team since October, that the TERG is still scratching the surface of this model but have discussed the need for better documentation of assumptions, how to portray conservation benefits, and why the model is showing less inventory than what department data reflects.

FTLAC Board of Forestry Testimony

Commissioner Thompson said her colleagues in Clatsop County asked that she bring this direction to the FTLAC: Clatsop County is interested in a balanced approach to bring greatest permanent value, is concerned about maps, will include taxing districts in a workshop to have more unity, and intends to be a more informed, balanced, and robust participant.

Chair Josi said he will work with Mark Rasmussen and Gil Riddell to develop testimony addressing the need for more accurate modeling.

Vice Chair Pope asked the FTLAC to consider a vote to ratify endorsement of the 70/30 approach. He asked the department to offer a recommendation about what to say to the board. Commissioner Baertlein said he supported the 70/30 plan, though is concerned if a large portion of the 30% comes out of Tillamook County.

Chair Josi asked if the FTLAC supported the 70/30 approach. Commissioner Lindsey was concerned that certain counties would get hit hard, that designations are long-term, that 30% in a sense is being taken off of the top of the revenue, and that the 70/30 percentage may actually be 50/50. Ms. Dent responded that the subcommittee directed that the 30% needs to be managed with a goal for old growth. The 18% (third zone) does not necessarily have that goal. Chair Josi said that the difference between the 70/30 plan and the current FMP is a delta of 18%, and that he didn't agree with the board that it should be a separate modeling effort, but rather part of the 70%, that he doesn't agree with managing 30% for old growth, and that he opposes creating Threatened and Endangered areas because they will spread.

Commissioner Thompson said that she is not ready yet to say Clatsop County is for or against the 70/30 plan; adequate data from the modeling is needed to inform the decision.

Regarding board testimony relating to the Elliott, Chair Josi said it will likely be drafted to reflect that the agency "be careful about marrying up with a white elephant".

CFTLAC annual meeting, Tim Josi

Some related agenda items at the November 18, 2015 annual CFTLAC meeting:

- Reports from the department and Mark Rasmussen
- FMP revision update

Meeting adjourned at 12:30 p.m.