

Forest Trust Land Advisory Committee Meeting
Department of Forestry
2600 State Street, Salem Oregon
Tillamook Room
July 8, 2016
DRAFT

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; Faye Stewart, Lane County Commissioner; Tony Hyde, Columbia County Commissioner; Will Tucker, Linn County Commissioner (*not present at voting*)

Present Department Staff: Doug Decker, State Forester; Nancy Hirsch, Deputy State Forester; Liz Dent, State Forests Division Chief; Andy White, NW Oregon Area Director; Mary Schmelz, Public Affairs Specialist; Ron Zilli, State Forests Field and Policy Manager; Mike Wilson, Policy Analyst, State Forests, Satish Upadhyay, Administrative Division Chief; Barb Moore, Assistant District Forester, Tillamook; Mike Totey, West Oregon District Forester; Peter Daugherty, Private Forests Division Chief

Present Others:

Seth Barnes, OFIC; Tom Imeson, Board of Forestry Chair; Mark Rasmussen, Mason Bruce and Girard; John Lindsey, Linn County Commissioner; Gil Riddell, Executive Director CFTLC; Kristina McNitt, OFIC; Bob Rees, North Coast State Forest Coalition; Senator Betsy Johnson; Brett Brownscombe, Governor's Natural Resource Advisor; John Sweet, Coos County Commissioner; Doug Cooper, Hampton Tree Farms; Jim McCauley, Washington County Manager

Chair Comments and Public Comment

Approval of May 26, 2016 minutes

Motion to approve: Commissioner Hyde. Second: Commissioner Stewart. All in Favor. Minutes approved.

Public Comment

No public comment.

State Forests Budget Reduction for FY 17

The State Forests program implemented a \$1 million 2017 fiscal year budget reduction. Liz Dent, State Forests Division Chief, said the cuts are temporary and not sustainable. The Forest Development Fund (FDF) is estimated to reach zero by 2020; this fiscal year reduction may push that outcome further into the future. However, Ms. Dent said, the potential transfer of the Elliott State Forest and the costs associated with the Linn County lawsuit have changed the financial environment since the 2017 budget reductions were outlined; a larger deficit may be the result. Repercussions of the deficit are workforce capacity issues, inability to increase investments in core activities, some reforestation and pre-commercial thinning activities may be deferred, and technology updates and an additional management position at the Tillamook Forest Center may need to be deferred.

Ms. Dent remarked that further budgeting and business improvements are planned with a midterm goal to flatten the downward trend and a long-term goal to increase the FDF balance. Ms. Dent said that she hoped 2018 would paint a better budget picture but that the State Forest Division anticipates there will be another reduction.

Recreation, Education and Interpretation Policy Option Package (REI POP)

This \$5.6 million POP is for the current service level; it will not increase capacity. 75% of the request is from General Funds and 25% of the request is from other funding; this request is recognition of a public service currently covered by timber receipts.

Senator Johnson responded that the division made a policy choice that this set of activities is more important than items in the 2017 \$1 million budget cut. She asked whether this work is duplicative of Parks work and why ODF is cutting back on pre-commercial thinning but preserving trail maintenance.

State Forester Decker responded that when HB 2501 passed the Parks and Recreation Commission and the Board of Forestry integrated recreation with the land manager because it made sense. Mr. Decker said within the GPV rule the Department of Forestry is asked to do this type of work. Senator Johnson responded that she didn't know whether the General Fund and Lottery should be called upon to fix agencies' problems, though acknowledged the need for public safety for fire and other safety issues.

Board Chair Tom Imeson remarked that recreation is part of how GPV is interpreted. He said that a long term resolution to revenue problems needs to be found.

Commissioner Stewart said that Senator Johnson made a good point regarding having conversations with other agencies, such as Parks, DMV, and ODFW, which all have UTV's and ATV's on forest roads; additionally people are hunting and fishing using forests and forest roads. Liz Dent responded that ODF meets regularly with ODFW to discuss the intersection with hunting and works closely with Parks for funding to cover ATV usage.

Mr. Brownscombe said that the increases in recreation are not necessarily driven by hunters but by recreationists. He said that ODFW is working with hunters and fishers who would prefer not to see fee increases, and that like ODF, ODFW is re-evaluating its business model. Mr. Brownscombe further said that it is good to approach this without holding one need, such as public safety and increased recreation demands, hostage to another need, such as state forest management.

Chair Josi commented that the FTLAC has been trying to get the FMP "opened up" for years. He remarked that with the State Forests Division in a budget deficit funding the POP is something like rewarding bad behavior. He said the legislature should ask 1) can you afford this POP, and 2) what responsibility will the department have to fix the FMP?

Chair Josi asked the committee to develop testimony about the POP for the July 20 Board of Forestry meeting. After discussion, the committee agreed upon the following testimony:

Motion Commissioner Stewart: The FLTAC is not opposed to this specific State Forests request, but if the request isn't funded forest management isn't compromised. Second: Commissioner Hyde

At this time there were not enough FTLAC members present to approve the motion. Gil Riddell reached Commissioner Craig Pope via telephone later and read the motion to him. Mr. Riddell reported that Commissioner Pope was in favor of the motion. Ayes: 4 Nays: 0 All in favor. Motion carries.

Contract for Third Party Review of the Division's Inventory Estimates and Growth and Yield Modeling

Mike Wilson, Policy Analyst State Forests Division, shared background about the process, saying that the agency has wanted to revamp its inventory system because the inventory and data is dated, which creates problems since this data is used for modeling. The division created a vision to reduce conflicts in inventory and bring more harmony between operational inventory and modeling inventory. The Technical Expert Review Group (TERG) considered specifics around modeling and growth and yield, however agency staff needed further technical assistance with complex biometrical statistics, an assessment of the information system and development of a continuous improvement plan to improve the technology used by the State Forests Division. The RFP was advertised but only one proposal was

received, so the solicitation was canceled and the scope of the RFP was reduced to focus only on growth and yield technical assistance. The department received two proposals for that RFP which was awarded to ESSA Technologies. Mr. Wilson said that ESSA Technologies has worked with the department on peer reviews before and they bring a strong team that is good to work with. The deadline for their report is October 31, 2016.

Senator Johnson asked several questions and stated some concerns:

- Low confidence in the modeling is concerning
- How can the State Forests Division manage anything without data to inform?
- Who was on the selection committee to choose the contractor? Why did ESSA, a BC company, get this contract? What's the prevention against bias and is there no one in Oregon that could do this work?
- What was the scope of ESSA's last contract? Was it the same and was it fulfilled?
- How much money has been spent on ESSA contracts?
- Senator Johnson asked to be involved in the next stakeholder process in the future.

State Forester Decker responded that ODF's procurement process is objective with clear grading and scoring criteria. Mr. Decker said that all agencies follow this process for procuring services. He offered to address Senator Johnson's concerns to inform her in more detail about the procurement process.

Ms. Dent responded that ODF has worked with ESSA on two contracts and most of the scientists involved in that work were from Oregon. The first contract evaluated six forest management plan alternatives. That contract was completed and presented to the board. The second evaluation would have focused on the final plan alternative but was canceled when the FMP process was suspended.

Ms. Dent remarked that she is confident in the process used to evaluate proposals and confident in the company chosen (ESSA). She further said that this issue was identified as a high priority by the TERG and stakeholders.

Senator Johnson commented that this is important work for making future decisions but she wants assurances that there is not an imbedded bias that will create concerns about objectivity. Mr. Brownscombe responded that the Governor's Office will make sure this is not a biased process.

Mr. Wilson remarked that the questions asked were core questions raised by the TERG that included a lot of good input from stakeholders.

Seth Barnes commented that he thought the TERG process was cut short and asked if there was consideration that the TERG could be used in this process. Ms. Dent said that check points will be built into the process so that stakeholders and the public can interface.

Update on Petition to Initiate Rulemaking to Protect Existing Marbled Murrelet Sites

On June 21, 2016 the board received a petition to initiate rulemaking and identify resource sites to establish an inventory and protect existing marbled murrelet sites. This topic will be presented at the July 20, 2016 board meeting.

Peter Daugherty, Private Forests Division Chief, overviewed objectives and measures the board refers to that relate to these strategies, such as voluntary measures and incentives, being committed to protecting species, and that private forestlands will be held to the same standards for native species and habitat conservation as all other lands.

He said that overall strategies in Oregon are changing to reflect a species by species approach to resource protection as opposed to a more holistic landscape approach, which may not be most effective or efficient

to achieve specified resource site protection goals. The board has scheduled a policy review to determine how to best achieve Goal E. in the FPFO (the best conservation of diverse plant and animal communities).

The petitioners, Cascadia Wildland, The Center for Biological Diversity, Coast Range Forest Watch, Oregon Wild, The Audubon Society of Portland, and The Oregon Chapter of the Sierra Club, are asking that the board adopt a new rule that marbled murrelets be protected on private lands. A corresponding petition was sent to ODFW to uplift the murrelet (on the state endangered species list) from threatened to endangered.

Timeframes: The board must respond within 90 days to consider or deny initiating rulemaking. September 18, 2016 marks the 90 day period. The board will make a decision at the September 7, 2016 meeting.

Though this relates to Private Forests, State Forests could be impacted if the murrelet is listed as endangered because State Forests would then have to create a conservation plan for murrelets on state forestlands.

Astoria, Tillamook Forest Grove and Coos Implementation Plan (IP) Revisions Summary

NWOA Director Andy White explained that implementation plans are adaptive as adjustments are made and information changes. Highlighted changes in 2017 IP's were:

- Partial cut ranges: Depending upon the district the low end range went from the 300 acres to zero acres. This is because some years there aren't good opportunities for partial thinning.
- There's some new information that prompted a re-alignment in T&E areas with DFC and older forest structure.
- New inventory: Areas changed to better reflect what is on the ground.
- Administrative/GIS cleanup to match with mapping lines and changed designated areas.
- The above changes didn't change harvest levels.

Formulate FTLAC Testimony for July 20 Board of Forestry Meeting

Commissioner Josi will not be available for the July 20 board meeting. Commissioner Stewart agreed to work with Gil Riddell to draft testimony (using the earlier motion for the REI POP).

Commissioner Josi asked that the below be added to the agenda for the August 26 FTLAC meeting:

- Department POP's
- Trask and Alsea studies and their results
- Past study with ODFW on the Wilson River and possibly Trask River

Meeting adjourned at 12:10 p.m.