

## **Oregon Roundtable on Sustainable Forests Meeting Summary**

**9:00 to 3:00p.m. October 25, 2010**  
**Tillamook Conference Room, Oregon Department of Forestry**  
**Salem, OR**

Meeting summaries for the Roundtable characterize the meeting discussion but do not document every comment made. Presentation materials and web links to important documents are usually posted on the Oregon Roundtable webpage on the Oregon Department of Forestry website,

<http://www.oregon.gov/ODF/indicators/roundtable.shtml>.

### **Introductions and Agenda**

Brief introductions were made, Roundtable progress to date was summarized, “parking lot” issues from previous meetings were listed, and the agenda for the day was reviewed. Additional volunteer participation in the Roundtable Leadership Group was encouraged. Attachment A provides the participant list.

List of “parking lot” issues identified at previous meetings include:

- Definition of forest – May 12, 2010 meeting.
- Need policy goal for indicator “E”, i.e. need for a statewide Plant and Animal Conservation Policy – September 30, 2010 meeting.

### **Review of Reports on Oregon Indicators of Sustainable Forest Management A.c., E.b., and E.c.**

Based on the discussion of these indicators at the September 30 Roundtable meeting and after the results of the online surveys were compiled, staff prepared draft reports describing the key findings for Indicators A.c.: *Compliance with forestry regulations*, E.b.: *Extent of area by forest cover type in protected area categories*, and E.c.: *Forest plant and animal species at risk*. The Leadership Group reviewed and commented on the initial draft and staff redrafted the reports based on those comments. These draft reports were then distributed to Roundtable participants prior to the October 25 meeting.

The following concerns and suggestions for improving the indicator report evaluations were expressed by October 25 Roundtable participants.

#### **Indicator A.c.:**

- Further discussions are needed with the BLM and Forest Service on a meaningful metric for compliance on federal forest lands that can be reported consistently and on a statewide basis.
- The indicator report needs to be clearer on the time frames for reported compliance

information. The information is becoming increasingly dated.

- The indicator report would benefit from an expanded discussion on the scale and impacts of Private Forests Program budget reductions.
- There was agreement to change the Trend rating for the indicator from “No change, uncertain” to “Uncertain.”
- The fourth bullet on page 1 of the report should be clarified and made more specific, e.g. What is likely to happen in the next two or three years and why?
- The indicator report evaluation should include a statement of support for renewed Forest Practices Act compliance monitoring.
- In addition to on-the-ground, operational compliance monitoring, consider also tracking agency compliance with required administrative processes.
- The indicator purpose for federal lands needs to be clarified. Do we want to track agency compliance with plans or completed on-the-ground project compliance?
- A concern was expressed that federal agencies are not meeting planning targets and that sufficient projects were not being implemented. A related concern was also expressed that federal contracting processes were not resulting in enough contract awards to local contractors or residents.

**Indicator E.b.:**

- No additional Roundtable comments.

**Indicator E.c.:**

- For all evaluation summaries, staff is directed to paraphrase the substantive comments received through post-meeting Survey Monkey polling similar to what is already being done with meeting comment summaries. Use quotation marks when direct quotes are intended. Without context, some verbatim comment language could be considered inflammatory.
- There was agreement with the staff recommendation to change the Condition rating to “Poor.”
- The trend remains “Mixed” but, as with “Condition” ratings, more specific criteria needed to establish when a trend would be considered “Improving” or “Deteriorating.”
- It will always be a concern if there are species at risk. Of more interest to policy-makers and the public will be the trend information. Are things getting better or worse? Describe which categories are improving and which are deteriorating.
- There was concern about use of the five-tiered risk ranking. For some species at risk, like the northern spotted owl, we have access to much more detailed, rigorous information that may indicate a change in trend long before there is a change in rank. Can this more detailed data be incorporated into the indicator when it exists?
- There was a concern that administrative reporting requirements of the Department of Forestry on sensitive resource sites and species at risk are not being met and that such would be valuable in informing this indicator. The evaluation report should reflect that.

Department of Forestry staff will now finalize the initial Roundtable reports for these three indicators and post them on the Roundtable webpage and the respective indicator web pages.

### **Presentations and Discussions on Indicators B.a., B.d., and B.b.**

*The Leadership Group has developed nine indicator evaluation questions to guide Roundtable discussions on the Indicators of Sustainable Forest Management. Discussion points raised on the three indicators reviewed during October 25 meeting are assigned to the nine questions. Listed below is the staff's and Leadership Group's summary of the comments from the October 25 meeting. Roundtable participants asked clarifying questions, discussed its strengths and weaknesses, and generated ideas for improvements.*

*Everyone may not agree with the assignments and the Roundtable participants are encouraged to make alternative assignments or use the comments as makes sense to them as they consider the nine questions.*

*A short summary report for each indicator will be generated to summarize the draft Roundtable responses to the nine questions and list any additional observations, recommendations, or conclusions that the Roundtable chooses to offer. This report will be available for Roundtable participant review and comment prior to and at the next Roundtable meeting.*

*It is anticipated that the Roundtable will proceed with discussions on each of the indicators and will then discuss the body of indicators as a whole – looking for common themes and synthesizing conclusions about the indicators project.*

*Statements in **Bold** type are points of emphasis and possible points of agreement that appeared to emerge during the meeting.*

### **Indicator B.a.: Forest-related revenues supporting state and local government public services**

Gary Lettman (ODF) presented the indicator report, referencing information posted online at: <http://www.oregon.gov/ODF/indicators/indicatorBa.shtml>

*a. Is the purpose and intent for the indicator clear?*

- Some questioned whether the indicator informs the "fair, balanced, and efficient" economic and social outputs that are central to Goal B.
- Secure Rural Schools funding does not really equate to a forest benefit.
- Generally, the **participants believe the purpose and intent are clear.**

*b. Is the protocol for indicator data collection clear and technically sound?*

- **The indicator needs an additional protocol in place to establish how “Condition” and “Trend” ratings will be determined.**
- **To the extent it has been developed, the protocol is clear and sound, but with the understanding that two new metrics have yet to be implemented. The metrics are satisfactory but we are lacking data for two metrics – recreation and personal income.**
- The protocol should clarify if revenues are adjusted for inflation.

*c. Are indicator data being reported at the appropriate spatial and temporal scales?*

- **A statewide reporting scale is appropriate but breaking the data down to the county level is also desired.** The data would show many counties without Secure Rural Schools funding support are faring worse under current conditions. Such information could lead to different conclusions regarding the indicator trend.

*d. Has the Department appropriately assessed the quality of the indicator information?*

- Yes, the Department has appropriately assessed the quality of the indicator information, but with the understanding that two new metrics have yet to be implemented.

*e. Has the Department appropriately assessed the conditions measured by the indicator?*

- The indicator report should be clearer that conditions at county and other sub-state scales may be highly variable.
- Need a protocol for establishing condition and trend ratings. Consider looking at recent past (2 or 3 years) and use for trend assessment.
- A \$100,000,000 drop from 2007 should not be considered a “Good” condition.
- When half of the revenues are welfare payments rather than real revenues it is difficult to call the condition “Good.” No local jobs are creating economic activity and government revenues.
- **The participants agreed the “Condition” rating should be changed to “Mixed.”**

*f. Has the Department appropriately assessed the current trend measured by the indicator, when compared to the Desired Trend Statement?*

- **The participants agreed the “Trend” rating should be changed to “Deteriorating.”**

*g. Can a case be made that other technical information should be considered as a supplement or an alternative to the information already provided for the indicator?*

- Some participants were interested in tracking revenue from non-timber forest products. Staff explained current limitations in doing so and that possible methods are still being explored. The amount of such revenues is expected to be relatively small.
- There was also interest in tracking forest-related state parks revenue, if it is available. The amount of such revenues is expected to be relatively small.
- **The participants agreed with the staff recommendation to add metrics for revenues from recreation and personal income.**
- ODFW hunting and fishing revenue information is available but currently unable to tease out forest sector contributions.
- OFRI is looking at future periodic reporting of economic contributions from forest sector that should be tied to the indicators.

*h. Do you believe there is an adequate level of institutional commitment and resources allocated for continued full implementation and reporting of this indicator into the future?*

- **Generally, yes there is a currently adequate level of institutional commitment and resources allocated for continued full implementation and reporting of this indicator.** Additional resources may be needed to track desired additional metrics and there are serious concerns that future ODF or other agency budgets will not be adequate to support the work.

*i. What improvements would you like to see in future reporting for the indicator?*

- The participants agreed with the staff recommendation to add metrics for revenues from recreation and personal income.

### **Indicator B.d.: Forest products sector vitality**

Gary Lettman (ODF) presented the indicator report, referencing information that is an update to previously posted online at:

<http://www.oregon.gov/ODF/indicators/indicatorBd.shtml>

*a. Is the purpose and intent for the indicator clear?*

- Forest products sector vitality is hard to measure. What does "vitality" really mean? Some believe it means there are economic returns to forest landowners sufficient to invest in forest management and mill owners receive sufficient revenue to invest in production facilities.
- Be clearer on what make forest products "vital."
- Clarify what is meant by "primary" and "secondary" producers.

*b. Is the protocol for indicator data collection clear and technically sound?*

- Some participants thought the protocol was adequate while others were doubtful (the logic seemed flawed).
- Missing pieces may be data on the volume of lumber and plywood produced.
- The indicator must do more than measure market trends. A vital forest products sector will do well in good markets and in bad markets.
- **The indicator data currently seem to be a bunch of pieces that are not integrated. We may not have the model right yet to draw conclusions.**
- Tie the metrics more closely to the desired trend statement.
- It is not clear how exports are handled. We don't know how much is currently being exported due to a lack of data on either volume or value.
- Consider capacity and production as a metrics of sector vitality. Can we determine what ration of production to capacity triggers more capital investment?
- **The protocol needs to have criteria added for how changes in “Trend” ratings will be determined.**

*c. Are indicator data being reported at the appropriate spatial and temporal scales?*

- **The data are inconsistently reported. There are delays in reporting and the reports are dated.**
- **Consider separate analyses for eastern and western Oregon. Other regional breakdowns could also be helpful.**

*d. Has the Department appropriately assessed the quality of the indicator information?*

- **The participants agreed with the “Partial” rating for “Information Quality.”**

*e. Has the Department appropriately assessed the conditions measured by the indicator?*

- **The participants agreed with the “Poor” rating for “Condition.”**

*f. Has the Department appropriately assessed the current trend measured by the indicator, when compared to the Desired Trend Statement?*

- **The reports for all indicators should be clearer that “Trend” ratings are a measure of the recent past and not a prediction about the future.**

*g. Can a case be made that other technical information should be considered as a supplement or an alternative to the information already provided for the indicator?*

- **Several other sources of technical information were identified, however – the broadest agreement was that development of a more creative model protocol**

**that is better able to capture “vitality” would be beneficial.** Some possible sources of technical information that could contribute are listed in the bullets.

- Add a metric on forestland profitability/viability based on the “millshed study” included in the Oregon 2010 statewide forest assessment. This analysis would be one way to quantify the effects of changes in energy prices.
- The indicator needs to consider the costs of production, including energy prices.
- Consider substituting 2003 Montreal Process Indicator 32: *Value of wood and non-wood commodity production as a percentage of Gross Domestic Product.*
- Can we track annual profitability, stumpage value harvested, and production costs?
- Log price trends are not a leading indicator and in the recent past did not reflect that the sector had already gone over an economic cliff.
- Consider adding employment hours.
- Are new or developing parts of industry sector being considered, such as biomass?

*h. Do you believe there is an adequate level of institutional commitment and resources allocated for continued full implementation and reporting of this indicator into the future?*

- Generally, yes there is an adequate level of institutional commitment and resources allocated for continued full implementation and reporting of this indicator. But additional resources may be needed to track desired additional metrics and there is a serious concern that future ODF or other agency budgets will not be adequate to support the work.

*i. What improvements would you like to see in future reporting for the indicator?*

- See “g” above. Several suggestions for improving the indicator were discussed.

### **Indicator B.b.: Forest-related employment and wages**

Gary Lettman (ODF) presented the indicator report, referencing information that is an update to previously posted online at:

<http://www.oregon.gov/ODF/indicators/indicatorBb.shtml>

*a. Is the purpose and intent for the indicator clear?*

- The incorrect text was used in the indicator report for why this indicator is important. Replace with the correct text.
- Clarify the intent and purpose.

*b. Is the protocol for indicator data collection clear and technically sound?*

- Be clear on whether the data will be reported annually or quarterly.
- The protocol is clear but it is apparent that the protocol is continuing to be revised.
- The report includes a qualitative statement about wages but there is not data to

support it.

*c. Are indicator data being reported at the appropriate spatial and temporal scales?*

- County-level reporting is more common and some participants thought it would improve the use of this indicator.
- Staff is working on 2009 data now.
- **Consider separate reporting for eastern and western Oregon.**

*d. Has the Department appropriately assessed the quality of the indicator information?*

- “Information Quality” is currently “Partial” with the lack of compensation information. But that should be available within a month. Complete information will not modify condition and trends conclusions.

*e. Has the Department appropriately assessed the conditions measured by the indicator?*

- **The participants agreed with the “Poor” rating for “Condition.”**
- **It is unclear what criteria will be used to trigger changes in the “Condition” rating. What if jobs go down and wages go up?**

*f. Has the Department appropriately assessed the current trend measured by the indicator, when compared to the Desired Trend Statement?*

- **The participants agreed with the “Deteriorating” rating for “Trend.”**

*g. Can a case be made that other technical information should be considered as a supplement or an alternative to the information already provided for the indicator?*

- Look at available USDA data as an alternate rich set of information on rural economies.
- How are “cottage artisan industries” considered?
- Look at forests labor contractors data submitted to Department of Employment.

*h. Do you believe there is an adequate level of institutional commitment and resources allocated for continued full implementation and reporting of this indicator into the future?*

- **Generally, yes there is an adequate level of institutional commitment and resources allocated for continued full implementation and reporting of this indicator. But additional resources may be needed to track desired additional metrics and there is a serious concern that future ODF or other agency budgets will not be adequate to support the work.**

i. *What improvements would you like to see in future reporting for the indicator?*

- Clarify to what extent public sector employment and wages are included in the data.
- Clarify definitions of “direct”, “indirect”, and “induced.” Waiting for information on compensation.  
How is the employment of foreign workers addressed?

## Next Steps

- The Leadership Group will have a conference call to debrief and plan next steps.
- Initial Roundtable evaluations for Indicators A.c.: *Compliance with forestry regulations*, E.b.: *Extent of area by forest cover type in protected area categories*, and E.c.: *Forest plant and animal species at risk* will be finalized and posted online.
- All the participants at today’s meeting are encouraged to complete the online survey with the nine questions for Indicators B.a., B.b., and B.d.
- Staff will draft preliminary Indicator B.a., B.b., and B.d Roundtable evaluation reports based on the input from today’s meeting and the survey results. The draft reports will be reviewed by the Leadership Group and then with the rest of the Roundtable at the November 22 meeting.
- **The next meeting of the Roundtable will be on Monday, November 22, at Oregon Department of Forestry headquarters in Salem.** Current plans are to focus on an evaluation of Indicator C.b.: *Timber harvest trends compared to planned and projected harvest levels and the potential to grow timber*. The rest of the meeting will be devoted to a Roundtable discussion of the draft 2011 *Forestry Program for Oregon* available for public review and comment through December 31, 2010.
- The Department of Forestry and the Pacific Northwest Research Station are working to schedule two evening public meetings for public discussions on:
  - Sustainable forest management concepts
  - The *Forestry Program for Oregon*
  - Oregon’s Indicators of Sustainable Forest Management
  - The Oregon Roundtable on Sustainable Forests
  - USDA Forest Service research efforts addressing sustainable forestry
 The first meeting will be held on November 18 at Central Oregon Community College in Bend. The second meeting has not yet been scheduled, but plans are for an early December meeting in Medford.
- The Leadership Group will discuss plans for meetings in 2011 to complete the initial evaluations of the indicators. ODF staff recommends a January Roundtable meeting evaluating Indicators:
  - D.c.: *Biological integrity of forest streams*
  - F.a.: *Tree mortality from insects, diseases, and other damaging agents*, and
  - F.b.: *Invasive species trends on forestlands*
- After that, what would be left for a first discussion and evaluation are Indicators:
  - A.b. *Sustainable forest management knowledge*
  - B.c. *Forest ecosystem services contributions to society*
  - A.a. *Ability to measure and report on all other Oregon sustainable forest management indicators* -- This indicator could provide the beginning of the

indicator integration discussion that has been asked for at several previous meetings and we could then also begin to consider responses from the technical experts to the Roundtable's indicator report evaluations.

- It remains uncertain what, if anything, we will have to report on two indicators in the short term:
  - D.c. *Forest road risks to soil and water resources*
  - F.c. *Forest fuel conditions and trends related to wildfire risks*

## **Attachment A - Participants**

Paul Barnum, Oregon Forest Resources Institute  
Steve Calish, USDI Bureau of Land Management  
Karla Kay Edwards, Cascade Policy Institute  
Chris Jarmer, Oregon Forest Industries Council  
Bill Kluting, Carpenters Industrial Council  
Rod Kraemer, Oregon Department of Fish and Wildlife  
Rick Loew, Affiliated Timber Investment Conversion Advisors, Inc. (Via Phone)  
Robert Lundblad  
John Poppino  
Keith Reynolds, PNW Research Station  
Dillon Sanders, Inbound, LLC  
Josh Seeds, Oregon Department of Environmental Quality  
Rex Storm, Associated Oregon Loggers

Oregon Department of Forestry Staff: David Morman, Gary Lettman, Cathy Clem

Mediator: Mike Schnee