

DRAFT Board of Forestry Meeting Minutes

July 20, 2016

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Items listed in order heard.

Complete audio recordings from the meeting and attachments listed below are available on the web at www.oregonforestry.gov

- (1) Handout, [Brett Brownscombe FFWG Workplan](#) Agenda Item 3
- (2) Presentation, [Riparian Rules Analysis/SSBT Rulemaking](#), Agenda Items 4
- (3) Handout, [Mary Scurlock on OSPC Input on Unresolved Riparian Rule Issues](#), Agenda Item 4
- (4) Presentation, [Forest Practices Act Rule-Making for Bald Eagles](#) Agenda Item 5
- (5) Presentation, [Forest Practices Act Rule-Making for Bald Eagles continued](#), Agenda Item 5
- (6) Handout, [Charlie Bruce on Bald Eagles](#), Agenda Item 5
- (7) Handout, [Jim James on Bald Eagles](#), Agenda Item 5
- (8) Presentation, [Matt Stuber from United States Fish and Wildlife Service](#), Agenda Item 5
- (9) Presentation, [Marbled Murrelet](#), Agenda Item 6
- (10) Handout, [Petition from Nick Cady on Marbled Murrelet](#), Agenda Item 6
- (11) Handout, [2017-2019 Agency Request Budget](#), Agenda Item 9
- (12) Handout, [Governor Letter Draft](#), Agenda Item 9
- (13) Presentation, [State Forests](#), Agenda Item 10
- (14) Handout, [Seth Barnes on State Forests](#), Agenda Item 10

In accordance with the provisions of ORS 526.016, a meeting of the Oregon Board of Forestry was held on July 20, 2016 at the Oregon Department of Forestry, Salem Headquarters Office, 2600 State Street, Salem, Oregon 97310.

Chair Imeson called the public meeting to order at 9:00 a.m.

Board Members Present:

Sybil Ackerman-Munson
Nils Christoffersen
Cindy Deacon Williams

Tom Imeson
Mike Rose

Absent:

Tom Insko

CONSENT AGENDA:

Listen to [audio MP3](#) – (1:30 minutes)

Board Member Mike Rose motioned for approval of the consent agenda. Board Member Cindy Deacon Williams seconded the motion. Voting in favor of the motion: Mike Rose, Tom Insko, Nils Christoffersen, Sybil Ackerman-Munson, Cindy Deacon Williams, and Tom Imeson, against: none. With Board consensus, Items B through D were approved.

B. GREATER PINE VALLEY RPA FORMATION

Approved the inclusion of rangeland in portions of northeast Baker County into a rangeland protection association and direct the Department to assist with the formation of the Greater Pine Valley Rangeland Protection Association, pursuant to ORS 477.320.

C. FIRE PROGRAM REVIEW COMMITTEE FINAL REPORT

Accepted 2015-2016 Fire Program Review Committee Report to the State Forester.

D. FINAL ORDER: ATR SERVICES, INC. & ROSE LOGGING, INC.

Adopted proposed order submitted by ALJ Bignon as the Board's final order.

ACTION AND INFORMATION:

1. STATE FORESTER AND BOARD MEMBER COMMENTS

Listen to [audio MP3](#) – (1:20-13:37 minutes – 6.4 MB)

State Forester Decker recognized Jenna Nelson as new Board Support Specialist. A big thank you to Mary Schmeltz, Stacy Miller, and Sabrina Perez for their work.

Notable recognition to Ken Armstrong, the Public Affairs Team, and Social Media Specialist Bobbi Doan for getting the word out.

State Forester Decker offered additional comments on matters of:

- State forester recruitment process, looking to get someone hired around the September meeting,
- Fire season lack of fires compared to the last few years,

- Recognized Federal fire partners and local fire partners readiness appreciation for capacity and a strong sense of readiness,
- Reported Kristen Leonard, the Governor’s chief of staff, offered a thank you for preparation for readiness of fire season from ODF.

Board Member Cindy Deacon Williams had comment on spending a day out in the field with stewardship foresters in Medford and the Assistant District Forester and was able to see what it was like out on the ground. She saw good partnership with local landowners and was walked through the online notification system. Two surprises she ran into included back door conversion for marijuana grows at five different sites they saw and second that the Forest Practices Act doesn’t have a way to address guidance for domestic springs that often provide water. This is an issue of domestic water rights and water supply for homes. In this case the spring wasn’t on their property, but there didn’t seem to be guidance on how to protect that spring. The response to that problem doesn’t seem to be consistent nor does it seem to have an adequate solution. State Forester Decker offered a follow up on this issue with Peter Daugherty at a later time.

1A. PUBLIC COMMENTS
None.

Listen to [audio MP3](#) – (31 minutes – 14.6 MB)

2. GOOD NEIGHBOR AUTHORITY, INTERAGENCY COOPERATION AND FIRE SEASON PREPAREDNESS

An update presentation by Jim Pena, Regional Forester, United States Forest Service (USFS).

Information Only.

Fire season outlook indicates a cooler and moister July and then a warm up in August. SE Oregon may have a higher than normal fire potential through August. In response they are providing severity funding and staffing for readiness. Completed preparedness reviews and executive simulation was held in May as part of GAC. Lessons from last year included a substantial fire season with the men who lost their lives along with lessons on the intensity of the fires. In response they have been hosting Life First engagements with fire fighters and partners to recognize the progress in risk management and where they have more work to do. They have completed most of these Life First Engagements. Now they are working to identify unnecessary exposure during incidents, aggressively implementing tactics that have a high probability of success to protect public values and recognize when tactics will have no effect.

Thanks was given to Oregon Department of Forestry for the willingness to work together to prepare for fire. The USFS is now trying to move forward on prescribed burning objectives for fuels treatment in the agencies. This will be a focus for them going forward.

Nationally recognized collaboration within the state for Federal Land Management for Natural Forests is happening right now to achieve management goals, but there needs to be a strategy to address risk and resilience. Fire suppression is necessary, but there is a need to address an increase in landscape resiliency. They support the conclusions of 2016 fire review to continue to create a collective assessment of risk and a shared integrated vision of forest restoration across the state.

Managing resilience is working the three objectives of the Cohesive Strategy to restore and maintain resilient landscapes, forests, and habitats, to develop fire adapted communities, and respond to

wildfire safely, effectively, and efficiently. This also means creating an environment that encourages innovation and inclusiveness. This way they can adapt to the effects of climate by getting projects implemented that result in ecological, social and economic resilience.

Some things they are working on in collaboration include insect and disease situations such as working with Fremont Winema National Forest agreements and using the good neighbor authority on restoration projects. They have so far planned and implemented about 57% of the forest in insect and disease areas. This increases the capability of the forest and shows ability to work in high priority areas to show collaboratively successful projects. They will be using the Farm Bill authority CE for Timber sale and Good Neighbor authority to take it through implementation and administration. They will also be using the Federal Authorities to Increase landscape level projects that are committed to improving the pace and scale of the projects. They have a huge scale to deal with, so volunteers have become essential. Overall they are making a lot of progress with these programs.

Board Question: What is the greatest benefit from the investments in the region six to date and where do you see are the challenges to address for FFRP, and what are the ripest opportunities with the good neighbor authority?

Benefits to date include significant help with increased capacity and ramp up to the higher output level for fuels treatment, timber production, staffing, preparedness and collaboration. It has also become a model of how the states can work together in a positive way.

Challenges they are facing include funding and lack of capacity for the amount of work that needs to be done. There need to be a higher level of benchmark of accomplishments moving forward. Recognizing that fuels treatment is important, but also watershed issues, fish accessibility, transportation concerns, public access, and restoration activities. Fire funding issues need to also be addressed.

Looking at budget and planning, and they are project ready, but they have had to make assessments on priority. Federal Forest program has helped with the layout piece and to add capacity. This program becomes a recruitment retention tool for ODF as well.

Board Question: As planning ramps up how are we doing with consultation? That seems to be a bottleneck for us, is that true across the region?

Jim Pena: All of them seem to have same kind of funding challenges that we do. We may have to help them with funding, and figuring out what level of additional funding will make a difference.

Board Question: What is the extent to which the resiliency work is looking at the aquatic and watershed resiliency?

Jim Pena: The funding is not always there, but is leveraged in partner funding. OWEB is part of this along with the rocky mountain elk foundation. There is still a shortfall, but the tribal contribution is significant with aquatic resiliency.

Listen to [audio MP3](#) – (22 minutes – 10.7 MB) (audio 3)

3. FEDERAL FORESTS SUBCOMMITTEE DISCUSSION

Information Only. Received an update from Brett Brownscombe on the Federal Forest Working Group (FFWG) and 2017 work plan as convened by the Governor’s Natural Resource Office.

The Board introduces the federal forest subcommittee, who last met on May 9th. They met to reinitiate the subcommittee discussion on a specific role for the board to support the increase in pace, scale, and quality of restoration of management of federal forests in Oregon. The subcommittee recognized its need to define its role relative to its existence of the Federal Forest working group staffed by Oregon solutions. A couple of ideas emerged from these discussions. These ideas include improvement of coordination communication and alignment with the federal forest working group and to assist in translating and advocating key issues and policies upward through governmental structures and also down with the collaborative process. This is why we included an update from Brett Brownscombe on their opportunities to work with the board subcommittee.

Other issues include designing and hosting a process to gather feedback on the Federal Forest restoration program and ways to improve it. Also for the board to be more active about the federal aspects of the program review.

Brett Brownscombe's role is with the Federal Forest Work Group to create solutions to forest function health in a multi stakeholder way to promote Forest Function Health, remove financial barriers, and find ways to be successful. Brett indicated that the Governor Brown is looking at ways for the state to engage and advance active management and look at economic and ecological goals with the Forest Management Plan. He also touched on issues related to the draft work plan for the FFWG.

Attachment 1: FFWG working Plan from Brett Brownscombe

The FFWG focused on 4 ideas:

- 1) Advise the prioritization and implementation of the Oregon federal forest health partnership model.
- 2) Provide recommendations to the USFS and the State regarding federal initiatives, programs, and efforts connected to achieving the FFWG's Purpose and Vision.
- 3) Enhance the effectiveness of collaborative approaches to federal forest management.
- 4) Track and advance timely completion of all aspects of forest restoration.

There is still a need to continue to monitor where the Federal Forest Health program is going and the dashboard following economic, social, and ecological trends. The Dashboard is to address public discussion on these issues.

Board Question: What is the time frame for the FFWG for feedback for the Work plan draft?

Brett Brownscombe: By September we will need the feedback and information put together.

Bill Kluting provided public comment on woody Biomass. He comments that in 2015 there was 6.1 million tons of wood pellets exported. Oregon was not part of this. In his opinion we could be more ahead on forest restoration if Oregon was part of this market. Wood Biomass... what do we do with it? We have tried funding through Department of Energy through pellet processing machines and grants, we could have created hundreds of job for Federal Forest restoration for our State Lands. Our Department of Energy (DOE) didn't get this funding. Wood biomass is really expensive but we didn't get the money from DOE because of windmills and solar, but he stresses that the funding is not too late.

Listen to [audio MP3](#) – (65 minutes – 30.7 MB)

4. RIPARIAN RULES/SSBT RULEMAKING UPDATE- PETER DAUGHERTY AND ANGIE LANE

An informational update on the Riparian Rule/ Salmon-Steelhead Bull trout (SSBT) Rulemaking advisory Committee process.

[Attachment 2: Slideshow on Riparian Rules and SSBT](#)

Issues still to look at:

- Oregon Department of Fish and Wildlife's Fish Habitat database and how that relates to determination and location of SSBT;
- The meaning and criteria for well-distributed throughout the riparian management area;
- Equity relief;
- Issues with Board direction that "all other rules apply;"
- Rule language structure within the Forest Practices Act (FPA); and,
- Draft Economic Impact Analysis and Statement of Need and Fiscal Impact.

Committee recommendations:

- For both small and medium SSBT streams, any tree in the RMA that meets the wildlife tree requirements can count as a wildlife tree. And, up to 50 percent of required wildlife trees can count towards meeting basal area requirements.
- Define/identify SSBT streams as a subset of small and medium fish-bearing streams.
- Starting Regulatory Layer and Programmatic Updates.
- Short-term (case-by-case) Updates.
 - Focused on correcting inconsistencies between the ODF fish layers and new SSBT layer.
 - Rule language outlines default options and opportunity to resurvey.
- Approach for extending standards *within the immediate harvest unit above the end of mapped SSBT streams*, along the main stem of fish-bearing streams.
- Approach for extending standards ..., along *the main stem of fish-bearing streams*.
- Defining well distributed throughout the RMA:
- All other current rules that apply to Small and Medium Type F streams not changed by BOF decision continue to apply.
- All other current rules ... continue to apply.
 - Site-specific plans for alternate practices: are still an option.
 - Basal area credit: new rule will be a 1:1 credit for placing large wood.
 - Vary the width of riparian area: RMA width can be below the requirement as long as standard are met on average.
- Different buffer widths for north vs. south sided buffers for streams with a general valley azimuth within 30° east-west.
- *Definition / verification of a parcel*, and definition, determination of encumbrance, and equity relief.

Needed Decisions:

- Relief may be available if the additional encumbered area due to Type SSBT classification is XX% or more of the total ownership of any parcel.

- The department has proposed allowing the current no cut and variable retention prescription options, with the RMA width reduced by 10 feet.

Next Steps will be to work on recommendation for Equity relief, get the RRAC subcommittee to finalize the proposed rule language, at the September Board meeting to address the proposed rule language and FIS for approval, file a proposed rule in September, and have the proposed rules and FIS published in October, and lastly hold hearings in November and December.

Board comments and questions included a need for reformation of the information presented, which Peter Daugherty confirmed that the information has already been separated and will be sent out to the board. Questions were also asked about the voting and decision order for this issue.

Public comment:

Mary Scurlock, riparian rules committee member, provided public comment and written testimony ([Attachment 3](#)) presenting an expansion on Peter Daugherty's report.

First that the participation was successful due to the scope and clarity on what the board was trying to do. There is one issue left, which includes how the policies have been defined which includes equity relief, which has to do with encumbrance on the landowners, not on how many get the relief. Mary Scurlock was concerned about the number of stream miles, and looking at alternatives for offering relief as well as someone who has additional stream miles. 50/70 was recommended by the board. Wanted to flag two issues, draft rules will end at an artificial barrier, which she feels is inconsistent with regulatory standards that should apply. She also brought up a concern on the blanket allowance of pre commercial thinning which in areas specifically designed to create shade is concerning.

Seth Barns, representing the Oregon Forest and Industries council, provided public comment on the Riparian Rules and SSBT Rulemaking. He wanted to flag one issue with SSBT and how that layer is very complex and the system is convoluted, but there are details in it that need to be discussed and engaged along the line.

Board questions: In regards to the SSBT layer, how do we define the upper extent of that layer? Can you check into other states such as Canada in order to look for models on how that can get defined? Would it be useful to see how other agencies feel that way too? Discussion ensues on looking into a natural barrier ends.

Listen to [audio MP3](#) – (60 minutes – 28.4 MB)

5. SPECIFIED RESOURCE SITES RULEMAKING FOR BALD EAGLES

The board will consider if continued protection is warranted under the FPA for bald eagle foraging perch, winter roosting and nesting sites. If protection is warranted, the board will consider protection requirements.

The bald eagle is no longer listed as a threatened species, the Board of Forestry (Board) must determine if continued protection under the Forest Practices Act (FPA) is warranted, and if so, promulgate rules under the appropriate rule section. The department is seeking a decision by the Board on whether protection is still warranted under the FPA for bald eagle foraging perch, winter roosting and nesting sites. If the Board determines that protection is still warranted, the department is seeking a decision regarding the protection requirements for new rules.

Covered: Summary of Technical Report Content

United States Fish and Wildlife Service (USFWS) presentation on Bald and Golden Eagle Protection Act

The department recommends that the Board direct the Department to initiate rulemaking to:

- 1) Continue protection for bald eagle nest sites and develop modified rules for nest sites under OAR 629-665-0100 including maintaining a 330 foot habitat buffers around nesting trees, protect sites from disturbance by restricting operations within 660 feet and use of aircraft within 1000 feet of an active nest site during the critical use period, allow exceptions to the FPA rules for eagle nesting sites if the landowner holds a permit under the Bald and Golden Eagle Protection Act and, allow for abandonment of nesting sites if surveys document no use after five years.
- 2) Rescind FPA rules for Bald Eagle Roosting Sites (OAR 629-665-0230) and Bald Eagle Foraging Perches (OAR 629-665-0240).
- 3) Utilize the Regional Forest Practice Committees in an advisory role for the rulemaking process.

ACTION: Direct the Department to initiate rulemaking to:

- 1) Continue protection for bald eagle nest sites and develop modified rules for nest sites under OAR 629-665-0100 (Species Using Sensitive Bird Nesting, Roosting and Watering Sites), including the following parameters:
 - Maintain a 330 foot habitat buffers around nesting trees,
 - Protect sites from disturbance by restricting operations within 660 feet and use of aircraft within 1000 feet of an active nest site during the critical use period,
 - Allow exceptions to the FPA rules for eagle nesting sites if the landowner holds a permit under the Bald and Golden Eagle Protection Act and,
 - Allow for abandonment of nesting sites if surveys document no use after five years.
- 2) Rescind FPA rules for Bald Eagle Roosting Sites (OAR 629-665-0230) and Bald Eagle Foraging Perches (OAR 629-665-0240).
- 3) Utilize the Regional Forest Practice Committees in an advisory role for the rulemaking process.

[Attachment 4](#) Powerpoint

The Board asks about 5 years vs. the 20 years for the nest protection. If a nest has been inactive for 5 years the chances of a Bald Eagle using it is significantly reduced.

Bald Eagles: Current Protections, Status, and Management: Matthew Stuber. United States Fish and Wildlife Service (USFWS)

[Attachment 5](#) Powerpoint

The Board asks about recommendation on the table for them.

Jennifer Weikel address the decision to be made today:

- 1) Continue protection for bald eagle nest sites and develop modified rules for nest sites under OAR 629-665-0100 (Species Using Sensitive Bird Nesting, Roosting and Watering Sites), including the following parameters. To maintain a 330 foot habitat buffer around nesting trees,

protect sites from disturbance by restricting operations within 660 feet, and use of aircraft within 1000 feet of an active nest site during the critical use period. It also allows exceptions to the FPA rules for eagle nesting sites if the landowner holds a permit under the Bald and Golden Eagle Protection Act and, for abandonment of nesting sites if surveys document no use after five years.

- 2) Rescind FPA rules for Bald Eagle Roosting Sites (OAR 629-665-0230) and Bald Eagle Foraging Perches (OAR 629-665-0240).
- 3) Utilize the Regional Forest Practice Committees in an advisory role for the rulemaking process.

Charlie Bruce provided public comment and written testimony ([Attachment 6](#)) presenting input into the roosting sites. He suggests that they add some language about roosting sites and encourages ODFW to collect future data to help private landowners.

Jim James, the Executive Director of Oregon Small Woodlands Association, provided public comment and written testimony ([Attachment 7](#)) and a recommendation of a slight alternative to the decision that the new rules be voluntary not regulatory. Impresses upon the board that this would minimize the impact the burden on the Oregon Department of Forestry.

The board asks the United States Fish and Wildlife Service what the availability they have to help people with the eagle act.

[Attachment 8](#): Presentation from United States Fish and Wildlife Service (USFWS)

Matthew Stuber from USFWS says they mostly address eagle act through online services, they work with other agencies to try to create a field presence. Take permits are voluntary, no law has been violated if the nests are not disturbed.

Discussion with the board on federal laws in place with the Eagle act and how we may mirror that in our own policies.

Peter Daughtery does verify that this decision would be an additional burden to the agency.

Jennifer Weikel recommends to consider the option to add in the large eagle roosting areas into the decision.

The Board suggested that even if people follow what we do adopt, they are still responsible for the Eagle Act. More discussion ensued.

Motion from Mike Rose, Nils Christensen seconded the motion to vote on the decision.

5/5 vote in favor of the motion. Motion passed.

Decision:

- 1) **Continue protection for bald eagle nest sites and develop modified rules for nest sites under OAR 629-665-0100 including maintaining a 330 foot habitat buffers around nesting trees, protect sites from disturbance by restricting operations within 660 feet and use of aircraft within 1000 feet of an active nest site during the critical use period, allow exceptions to the FPA rules for eagle nesting sites if the landowner holds a permit under the Bald and Golden Eagle Protection Act and, allow for abandonment of nesting sites if surveys document no use after five years.**

- 2) **Rescind FPA rules for Bald Eagle Roosting Sites (OAR 629-665-0230) and Bald Eagle Foraging Perches (OAR 629-665-0240).**
- 3) **Utilize the Regional Forest Practice Committees in an advisory role for the rulemaking process.**

Listen to [audio MP3](#) – (8 minutes – 3.9 MB)

6. **2016 FIRE SEASON UPDATE**

Information Only.

Fire Season, this year up through Akawana fire up to June 16th we did see drought conditions. We have recently had a reprieve since then. June 7 we had 90 degrees for four straight days. Lightning event happened after that and it looked like August conditions for us. We were expecting a challenging fire season. After 48 hours we were able to attack the fire and get it under control. We have a good reprieve and we are in a good place right now. In about a week we will be running into another good solid month in August of more high fire conditions again. All fire in all districts will be in fire season as of July 21st, 2016. The severity program is now in place. Focus is on aviation assets and a spread out starting time for the assets we have. We have grossed 3.6 million dollars so far. Financially we are in a good place and readiness is there.

Listen to [audio MP3](#)– (26 minutes – 12.2 MB)

7. **MARBLED MURRELET RULEMAKING PETITION**

Information Only.

[Attachment 9](#): Slideshow

The Board Suggested that at this time the riparian rulemaking is the main focus and its impacts. Suggested making a decision on this petition today instead of waiting to put the focus back on the riparian rulemaking.

Attachment 10: Petition from Nick Cady

Petitioners request is to collect and analyze the best available information, conduct a resource site inventory adopt rules to protect resource sites, and develop a process to identify new sites in the future. The petitioners propose the addition of a new rule, with specific rule language provided.

Motion by Sybil Ackerman and seconded by Mike Rose to make a decision on the petition at this meeting.

Public comment:

Heath Curtiss: Agrees with the current topic (watershed council) and continuing to work in good faith to completion of industry rules.

Bill Kluting provided public comment and is concerned about the resources that have been spent on this issue with ODF.

The Board comments that there is a need to do an inventory to indicate that resource sites should be designated. Petition is warranted, but more that the press of other business is the reason to denial. There is a concern that the denial will not be viewed as the merits of the petition, so it is requested that be taken into account when writing up the formal denial of the petition.

The understanding for the recommendation from the Board is that we will deny the petition on the basis of the Board's current work plan, the fact that the specified resource sites is on the work plan agenda and will be addressed at a later time. So if that is the intent of the reason of the denial, then Peter Daugherty will work with the Department of Justice to draft correctly a written statement for the Board Chair to sign and send to the petitioners within the time frame of the 90 days.

Peter Daugherty comments that this includes a specified resource policy review that would look at what is the best approach. We will not show that the denial had anything to do with the merits of the petition.

Final Decision: Proposal denied 4 for denial of the petition. One abstain.

Listen to [audio MP3](#) – (7 minutes – 3.5 MB)

8. **STATE FORESTS' TOPICS: FOREST TRUST LAND ADVISORY COMMITTEE – (FTLAC) TESTIMONY – Tim Josi**

Information Only.

Commissioner Josi has a long standing relationship with forestry and works in Lane County. Mr. Josi oversees about 50,000 acres that the department manages for them. Timber Industry produces a large part of their budget. He comments on his concern about the skeleton staff of Oregon Department of Forestry.

First input item is the policy option package to Governor Brown in legislature regarding funding for recreation education, and interpretation of the 5.6 million dollar request. FTLAC is supportive of that request, but looks to have the other funding to help support their management plan.

Second they had Senator Johnson talk about what the thought they had on the policy option package items that were going to go before the governor. They are planning on looking over those and anticipate being able to make comment on them.

Third Commissioner Josi received an update on the contract on division's inventory estimates and growth modeling. If a committee is formed FTLAC would like to be included in that stakeholder panel.

Listen to [audio MP3](#) – (17 minutes – 7.9 MB)

9. **2017-19 BIENNIAL BUDGET APPROVAL**

The board will consider and approve the Agency Request Budget for the 2017-19 biennium for submission to the Department of Administrative Services.

[Attachment 11](#)

The purposes of the update was to seek review and approval of budget, allowing us to move it on to Department of Administrative Services, and the sending of a transmittal letter to the Governor in the conjunction with the budget.

Pending Board approval, the Department will formally submit the 2017-19 Agency Request Budget to the Governor on or before September 1, 2016. The Governor and her budget analysts will then analyze the request and make changes based on the Governor's priorities which will be constrained by the projected amount of available General Fund resources.

The Board and Department can anticipate at least two decisions to be made the Governor. They are:

- In order to achieve a balanced budget, the Governor may require the Board and Department to undertake a certain level of General Fund budget reductions.
- The Governor may choose not to fund all proposed policy enhancements packages put forth by the Board and Department in the Agency Request Budget.

The Department will continue to update the Board during regularly scheduled meetings or more frequently as necessary on any and all changes initiated by the Governor to the Department's Agency Request Budget. The Department will also continue to work closely with stakeholders on key budget issues.

[Attachment 12](#): Governor Letter of Budget approval

Public comment:

Dillan Kruse, policy director at Sustainable Northwest, provided public comment supporting the new budget, and looking to reduce risk of wildfire and needs of natural resources and forestlands. This program is set up for leveraging millions of dollars of Federal investments that would otherwise not be captured by the state. Sustainable Northwest would like you to support the investments in the Federal Forest Resource program in this budget in your request.

The Board asks some general fund money questions. Discussion on this and clarification.

ACTION: Approved the 2017-2019 Agency Request Budget with the addition of the Board of Forestry transmittal letter by September 1st – Cindy Williams made the movement to approve the budget Nil Christensen seconded the uniform vote.

Listen to [audio MP3](#) – (41 minutes – 19 MB)

10. UPDATE ON STATE FORESTS' PRIORITIES

Information Only.

[Attachment 13](#): State Forests Presentation

State Forests program wants to change the trend of the budget into a stable balance and have it turn into an increasing balance eventually. First steps were to tackle the \$1 million reduction. They looked to assess the impact on short term goals going forward. They did achieve the goal of the \$1 million reduction. Impacts of this change so far is that it has been keeping vacancies vacant, increased workload on existing employees, and decreased professional investments on employees and training opportunities. Young stand management may be also be affected by this change. In order to meet budget goals they

triated the needs so that the stands were not lost, but it is just a deferment and still needs to be addressed. The Tillamook Forest Center is also having implications. Technical platforms are ten years old at the Forest Center, and there is a need to update them, but now this will be put on hold. Multiple projects will need to get put on hold for now. Same with road work. These are short term impacts. Oregon Department of Forestry is now in the process of tracking and evaluating if this is being effective. Looks like there will be another reduction in FY 18.

State Lands are now looking at ways to increase revenue and adapt business changes and improvements. More updates to come in September.

The Board asks about deferment on young forest management. Are we on track with this?

Liz Dent indicates we are on track right now, but in terms of investments moving forward we will need to implement some decisions on prioritization on those investments.

Ron Zilly, Field operations manager for State Forest, is looking at landscape design modifications which is setting a framework for the modifications happening in State Forests. Forest inventory is a factor and is being looked at as well.

Liz Dent summarized that the info is the budget cuts, anticipation of more of those in FY 18 than the ones that happened in FY 17. We will need more flexibility in continuing to improve and deliver on the management plan. This will include reducing expenditures, increase revenue, and continuing to find solutions. The overall goal is working to deliver on greatest permanent value.

Public Comment:

Seth Barnes, with the Oregon Forest and Industries Council, provided public comment and written testimony ([Attachment 14](#)) stressing that the goal is to build confidence around the table and is concerned about producing confidence in the numbers and the only way to achieve that process, is to integrate the Technical Expert Review Group (TERG) work in collaboration with ESSA work.

Board of Forestry Chair: "I would like to thank the members of the public for joining us today.

The Board will now enter Executive Session pursuant to ORS 192.660(2)(h), for the purpose of conferring with legal counsel regarding the Board's rights and duties related to current litigation or litigation likely to be filed.

No decision will be made in Executive Session.

Representatives of the news media are specifically directed not to report on any of the deliberations during this Executive Session, except to state the general subject of the session as announced.

At the end of the executive session, the Board meeting will adjourn."

11. EXECUTIVE SESSION

Chair Imeson called the meeting to order and proceeded with the formal Executive Session announcement.

The Board of Forestry entered into Executive Session for the purpose of consulting with legal counsel regarding the Board's legal rights and duties in regards to current litigation or litigation likely to be filed [ORS 192.6600(2)(h).

No decisions were made during Executive Session.

The Board exited the Executive Session. With no further business before the Board, Chair Imeson adjourned the public meeting at 4:30 p.m.

Respectfully submitted,

/s/ Doug Decker

A handwritten signature in black ink, appearing to read 'Doug Decker', is written over a horizontal line. The signature is stylized and cursive.

Doug Decker, State Forester and
Secretary to the Board

JN