Oregon Board of Forestry – Public Meeting and Community Social

Wednesday, September 6, and Thursday, September 7, 2023

September 6, Wednesday – Hybrid Public Meeting 8 a.m. – 3 p.m.
The Board will meet for their regular public business meeting at the ODF Headquarters, Tillamook Room - 2600 State St, Salem, OR, 97310

September 6, Wednesday – Board Social 4 p.m. – 6 p.m.

The Board will meet with the Natural Resource State Boards and Commission leaders, agency leaders, and members of the public in person and on location. Salem Convention Center, Willamette Foyer on 2nd floor – 200 Commercial Street SE, Salem, Oregon 97301. This will be an informal meet and greet event for State of Oregon Natural Resource leaders.

September 7, Thursday – Hybrid Public Meeting 8 a.m. – 2:15 p.m.
The Board will meet for their regular public business meeting at the ODF Headquarters, Tillamook Room - 2600 State St, Salem, OR, 97310

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1:15 – 1:30 **6.** **Forest Trust Land Advisory Committee Testimony** …… David Yamamoto
The FTLAC is a statutorily established committee that advises the Board on State Forests policy. This is an information item.

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1:30 – 3:00 **7.** **Forest Management Plan, Adaptive Management Plan, and Performance Measures Update**….. Ron Zilli, ... Jennifer McAdoo, Tyson Wepprich and Nick Palazzotto
The department will present the draft Forest Management Plan for the management of Western Oregon State Forest lands, and associated draft Adaptive Management Plan and potential performance measures. This is an informational item.

3:00 Meeting Day One adjourned

September 7th Public Meeting

Action and Information

8:01 – 10:00 **8.** **State Forester and Board Member Comments**
A. Public Comments [for information items on agenda and topics not on agenda-see page 3].....Online sign-up

10:00 – 10:15 Morning break

10:15 – 11:15 **9.** **Chair's Proposed Resolution on the draft Western Oregon State Forests Habitat Conservation Plan** ……. ……Chair Kelly and Mike Wilson
The Board and department will discuss a proposed resolution to make changes to the draft Habitat Conservation Plan. The Board will deliberate on the proposed resolution.

11:15 – 12:00 **10.** ***Forestry Program for Oregon Planning Work Session** ……Board and Executive Team
A contracted facilitator will oversee a work session with the Board and Executive agency leadership to further the development of the Forestry Program for Oregon (FPFO) strategic plan goals. This is an information item.

12:00 – 12:30 Lunch

12:30 – 2:00 **10.** ***Forestry Program for Oregon Planning Work Session Continued**

2:00 – 2:15 **11.** **Board Meeting Wrap-Up** …… Chair Kelly and Board Members

2:15 Meeting Day Two adjourned

The times listed on the agenda are approximate. At the discretion of the chair, the time and order of agenda items—including the addition of an afternoon break—may change to maintain the meeting flow. The board will hear public testimony [*excluding marked items] and engage in discussion before proceeding to the next item. * A single asterisk preceding the item number marks a work session, and public testimony/comment will not be accepted.

BOARD WORK PLANS: Board of Forestry (Board) Work Plans result from the board's identification of priority issues. Each item represents the commitment of time by the Board of Forestry and Department of Forestry staff that needs to be fully understood and appropriately planned. Board Work Plans form the basis for establishing Board of Forestry meeting agendas. The latest versions of these plans can be found on the Board's website at: https://www.oregon.gov/odf/Board/Pages/AboutBOF.aspx

PUBLIC TESTIMONY: The Board of Forestry places great value on information received from the public. The Board will only hold public testimony at the meeting for decision items. The Board accepts written comments on all agenda items except consent agenda and Work Session items [see explanation below]. Those wishing to testify or present information to the Board are encouraged to:

- Provide written summaries of lengthy, detailed information.
- Remember that the value of your comments is in the substance, not length.
- For coordinated comments to the Board, endorse rather than repeat the testimony of others.
- To ensure the Board will have an opportunity to review and consider your testimony before the meeting, please send comments no later than 72 hours before the meeting date. If submitted after this window of time the testimony will be entered into the public record but may not be viewed by the Board until after the meeting.
- For in-person meetings, sign in at the information table in the meeting room when you arrive. For virtual meetings, follow the signup instructions provided in the meeting agenda.

Written comments for public testimony provide a valuable reference and may be submitted before, during, or up to two weeks after the meeting for consideration by the Board. Please submit a copy to boardofforestry@odf.oregon.gov, and written comments received will be distributed to the Board. Oral or written comments may be summarized, audio-recorded, and filed as a record. Audio files and video links of the Board's meetings are posted within two weeks after the meeting at https://www.oregon.gov/odf/Board/Pages/BOFMeetings.aspx

The Board cannot accept comments on consent agenda items or a topic for which a public hearing has been held and the comment period has closed. If you wish to provide oral comments to the Board, you must follow the instructions and deadlines outlined on the Board's meeting webpage. If experiencing technical issues or require accommodations, contact the Board Support Office at (503) 945-7210 or email at BoardofForestry@odf.oregon.gov.

Two to three minutes will be allotted for each individual to provide their comments. Those requesting additional time for testimony should contact the Board Support office at least three days before the meeting. The maximum amount of time for all public testimony for agenda items with a Board decision will be thirty minutes.

WORK SESSIONS: Certain agenda topics may be marked with an asterisk indicating a "Work Session" item. Work Sessions provide the Board opportunity to receive information and/or make decisions after considering previous public comments and staff recommendations. No new public comment will be taken. However, the Board may choose to ask questions of the audience to clarify issues raised.

- During consideration of contested civil penalty cases, the Board will entertain oral arguments only if Board members have questions relating to the information presented.
- Relating to the adoption of Oregon Administrative Rules: Under Oregon's Administrative Procedures Act, the Board can only consider those comments received by the established deadline as listed on the Notice of Rulemaking form. Additional input can only be accepted if the comment period is formally extended (ORS 183.335).

GENERAL INFORMATION: For regularly scheduled meetings, the Board's agenda is posted on the web at www.oregonforestry.gov two weeks before the meeting date. During that time, circumstances may dictate a revision to the agenda, either in the sequence of items to be addressed or in the time of day the item is to be presented. The Board will make every attempt to follow its published schedule and requests your indulgence when that is not possible.

To provide the broadest range of services, lead-time is needed to make the necessary arrangements for offsite locations. If special materials, services, or assistance is required, such as a sign language interpreter, assistive listening device, or large print material, please contact our Public Affairs Office at least seven working days before the meeting via telephone at 503-945-7200 or fax at 503-945-7212.

Use of all tobacco products in state-owned buildings and on adjacent grounds is prohibited.

STAFF REPORT

Agenda Item No:	A
Work Plan:	Administrative
Topic:	Financial Dashboard
Presentation Title:	Department Financial Report for June, July, and August 2023
Date of Presentation:	September 6, 2023
Contact Information:	James Short, Assistant Director for Administration (503) 945-7275, james.short@odf.oregon.gov

SUMMARY AND CONTEXT

An executive financial report and summary will be submitted monthly to ensure the Board of Forestry (Board) has up-to-date information for oversight of the Department's financial condition. This report will include the financial and budgetary status of the Department as well as other ancillary topics as appropriate.

BACKGROUND AND ANALYSIS

This consent item is transparent publishing of the Department's transmittal of monthly financial reports to the Board of Forestry. While executive-level in nature, the financial report provides information on various topics that are either germane, or have direct impacts on the financial status of the agency, or other administrative functions of the organization during any given month.

This financial report will continue to evolve. As the Department's reporting ability matures and insights into its operational and administrative work improve, this financial report will reflect those improvements. These improvements could include operational or process improvements or introducing new systems and technologies that enhance the Department's administrative capabilities. In addition, Board input will be factored in as the report evolves.

NEXT STEPS

The Board will receive the Department's Financial Report the third week of every month, whether a Board meeting is occurring or not. This will allow the Department to report on the previous month while allowing for the fiscal month closing process to conclude.

ATTACHMENTS

1) Department of Forestry Financial Report for June 2023
2) Department of Forestry Financial Report for July 2023
3) Department of Forestry Financial Report for August 2023 (available before meeting)

Oregon
Tina Kotek, Governor

Department of Forestry
State Forester's Office
2600 State St
Salem, OR 97310-0340
503-945-7200
www.oregon.gov/ODF

July 3, 2023

Sen. Elizabeth Steiner, Co-Chair
Rep. Tawna Sanchez, Co-Chair
Joint Committee on Ways and Means
900 Court St. NE, H-178
Salem, OR 97301

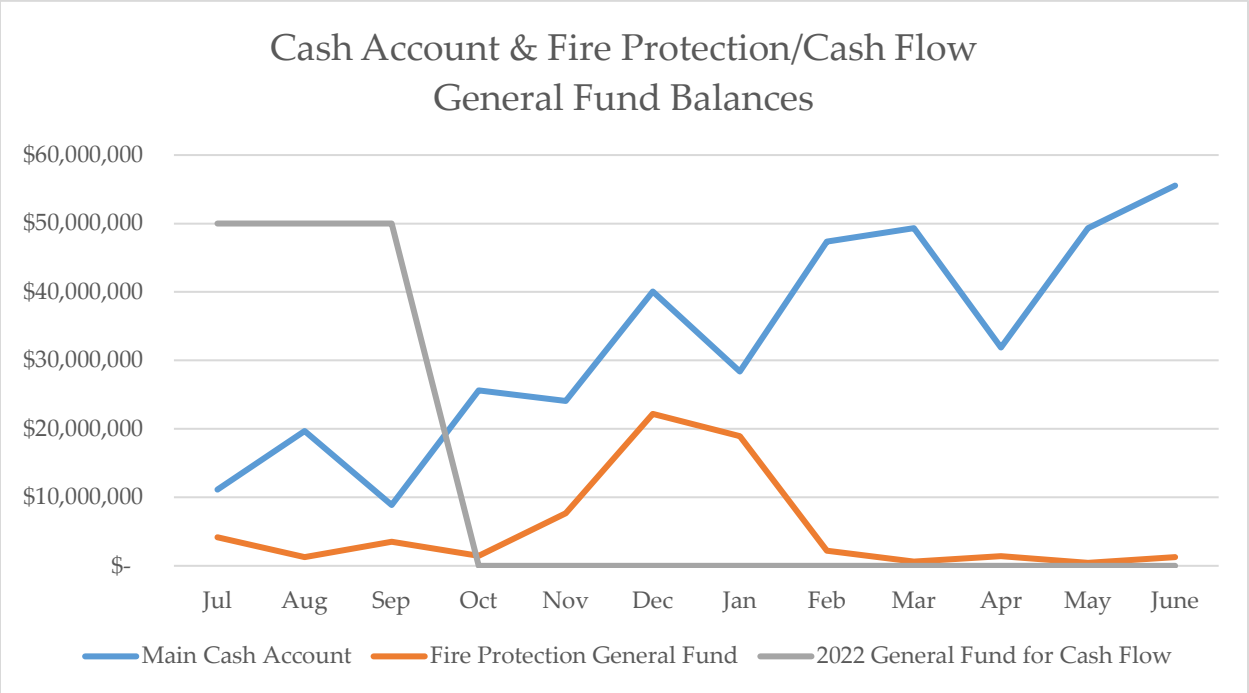
Re: Oregon Department of Forestry (ODF)—Monthly financial condition report

Dear Co-Chairs,

Cash and General Fund Balances

As of June 27, ODF's principal cash account balance was $55.5 million, and the Protection Division, General Fund appropriation balance, was $1.3 million (Figure 1). Between May and June, the cash account balance had a net increase of $6.2 million, and the Protection Division, General Fund balance, had a net gain of $858,000.

Figure 1 - Cash Account and Fire Protection/Cash Flow General Fund Balances as of Jun. 27, 2023



Financial Projections

Net financial activity for May 2023 resulted in a net increase of $13.2 million to the department's end-of-month cash balance (Table 1). The net increase was primarily attributable to a $10.8 million FEMA-Public Assistance grant reimbursement for the 2020 South Obenchain fire.

The projected available General Fund balance for June 2023 only includes some expenditures that may be posted to the 2021–23 biennium. This balance will be refined over the next few months as the department completes the fiscal year-end close activities. Furthermore, since the Governor's Office has not approved the department's 2023–25 biennium budget, the available General Fund projected for July 2023 is unavailable.

Table 1 - Financial Projections through Jun. 20, 2023 (in thousands)

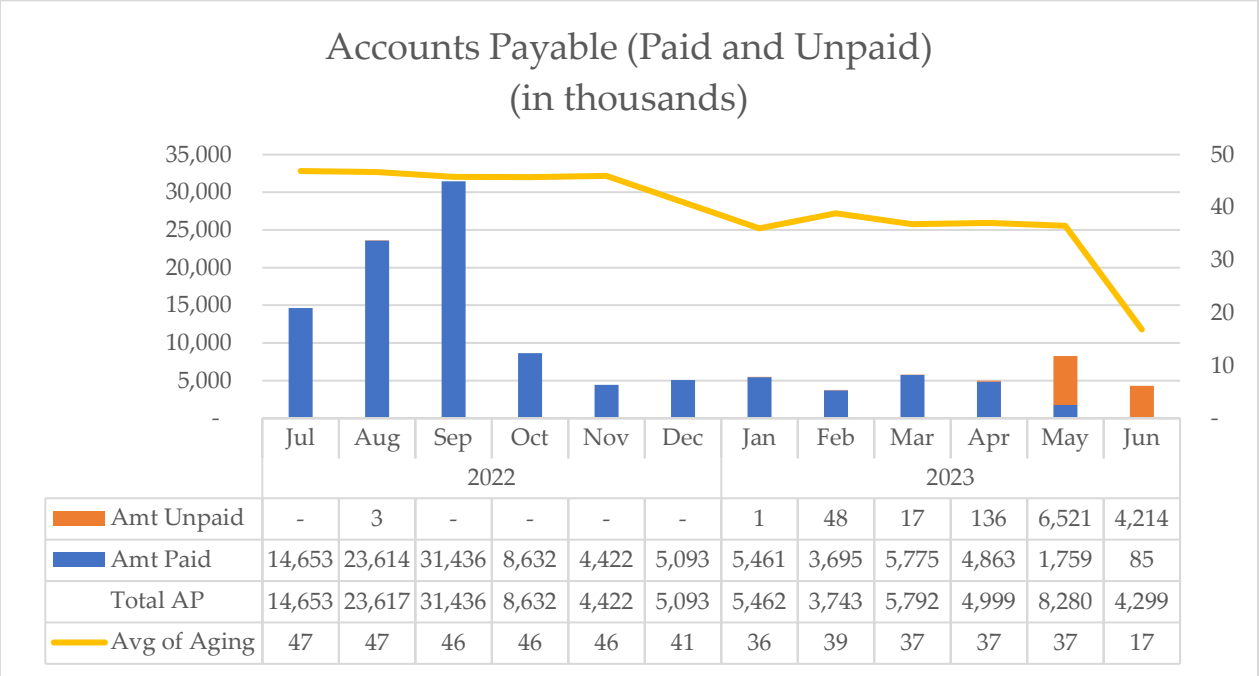
	23-May		23-Jun	23-Jul
	Projection	Actual	Projection	Projection
Total Revenue	$34,119	$29,881	$31,596	$16,186
Total Expenditures	($20,896)	($17,212)	($19,135)	($18,553)
Net Total Exp/Rev	$13,223	$12,669	$12,461	($2,367)
Beginning Cash Balance	$53,945	$53,945	$70,139	$82,600
End of Month Cash Balance*	$67,168	$70,139	$82,600	$80,233
Less: Dedicated Funds	($21,473)	($20,865)	($21,149)	($21,736)
End of Month Main Cash Balance	$45,695	$49,274	$61,451	$58,497
Available GF Appr	$12,814	$19,276	$12,918	N/A
Available Resources	$58,508	$68,550	$74,369	$58,497

* Includes reconciliation for non-cash revenue and expenditure transactions.

Accounts Payable

Department-wide expenditure activity increased from April to May as costs associated with fire season 2023 preparations started to post to OregonBuys (Figure 2).

Figure 2 - Accounts Payable as of Jun. 27, 2023



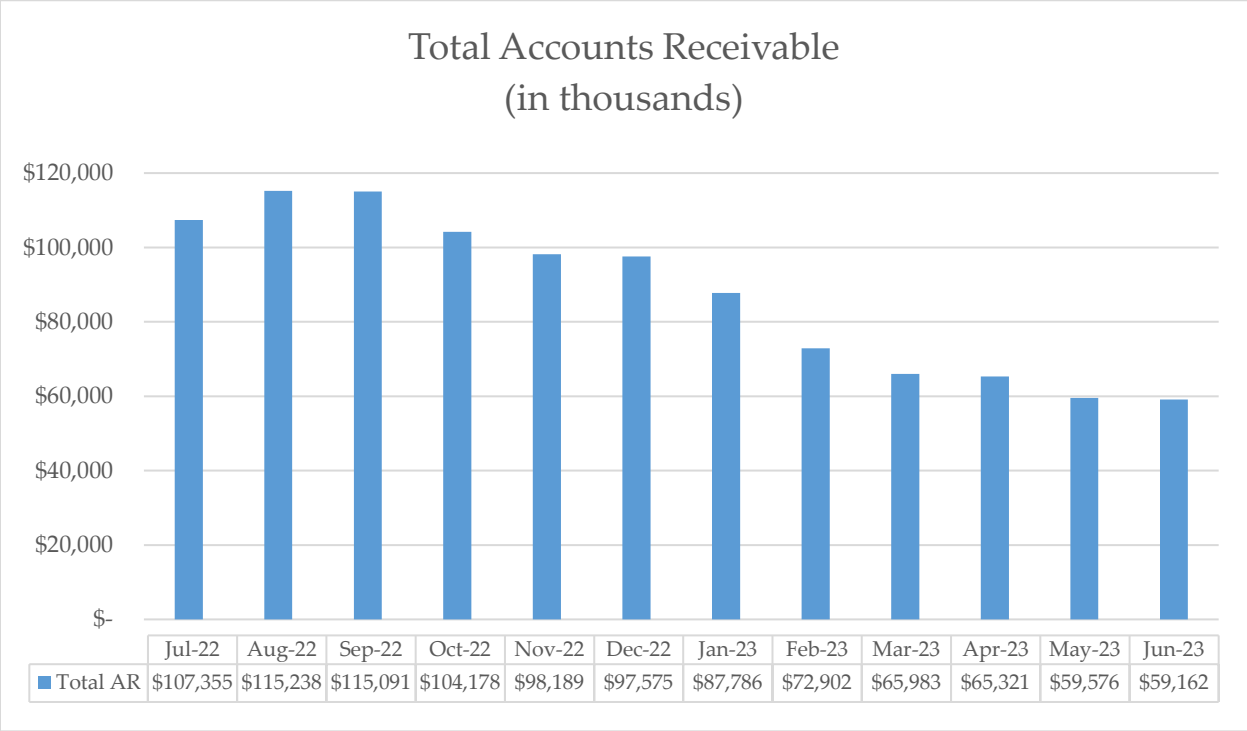
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
	2022						2023					
Amt Unpaid	-	3	-	-	-	-	1	48	17	136	6,521	4,214
Amt Paid	14,653	23,614	31,436	8,632	4,422	5,093	5,461	3,695	5,775	4,863	1,759	85
Total AP	14,653	23,617	31,436	8,632	4,422	5,093	5,462	3,743	5,792	4,999	8,280	4,299
Avg of Aging	47	47	46	46	46	41	36	39	37	37	37	17

Accounts Receivable

Between May and June, there was a net decrease of $414,000 in the total accounts receivable balance (Figure 3).

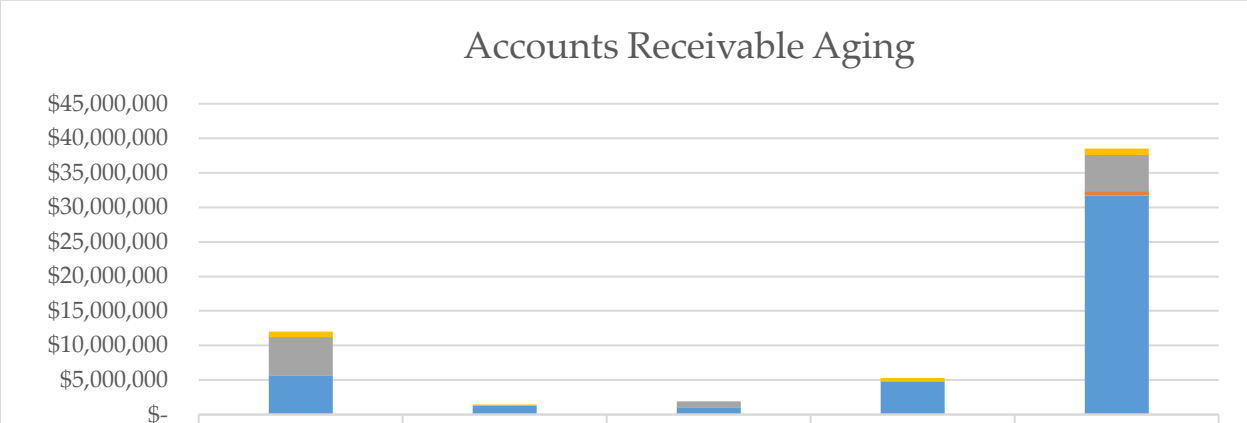
Accounts aged over 120 days equate to $38.5 million, or 65.1%, of the total balances owed to ODF (Figure 4). Of these aged accounts, the majority are due from FEMA ($24.1 million), federal partners ($7.6 million), and private parties for cost recovery ($5 million).

Figure 3 – Total Accounts Receivable as of Jun. 23, 2023



	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Total AR	$107,355	$115,238	$115,091	$104,178	$98,189	$97,575	$87,786	$72,902	$65,983	$65,321	$59,576	$59,162

Figure 4 – Accounts Receivable Aging as of Jun. 23, 2023



	0 to 30 Days	31 to 60 Days	61 to 90 Days	91 to 120 Days	Over 120 Days
State	$773,547	$163,983	$-	$462,906	$895,746
Private	$5,556,381	$8,637	$900,180	$19,854	$5,247,994
Local Govt	$3,856	$-	$4,401	$420	$665,537
Federal	$5,663,998	$1,288,036	$1,020,198	$4,803,117	$31,683,045
Total	$11,997,782	$1,460,656	$1,924,779	$5,286,297	$38,492,321

Fire Costs

The department recovers some fire costs through two FEMA grants programs; however, not all fire costs are recovered through FEMA. Fire costs may also be collected via cost-share agreements, cooperative agreements, and private-party cost recovery. All cost recovery types are included in the numbers provided in Table 2.

Table 2 – Gross Fire Cost Summary (red indicates estimates – in millions) as of Jun. 22, 2023

Gross Fire Cost Summary							
Fire Season	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**Total**
Fire Costs	61.35	108.09	33.66	139.85	148.77	50.86	542.58
Currently Invoiced	(0.29)	(0.22)	(0.18)	(24.09)	(8.53)	(6.13)	(39.44)
Outstanding to Invoice	(0.00)	(0.49)	(0.47)	(2.12)	(28.44)	(22.29)	(53.81)

FEMA-Public Assistance (PA) grants are awarded to the Oregon Department of Emergency Management (ODEM), which, in turn, passes the funds through to ODF. FEMA-FMAG grants are awarded directly to ODF, and the department has immediate access to the funds once obligated.

FEMA grant applications submitted

As of Jun. 27, 52 grant applications totaling $32.1 million have been submitted to FEMA, $25.7 million (38 grants) of which were FEMA-PA grants. FEMA has obligated all 38 FEMA-PA grant applications pending ODEM audit/review and distribution to ODF.

The 12 grant applications totaling $6.5 million submitted through the FEMA-FMAG program are in various stages of FEMA review: four ($158,000) have been obligated, one ($81,000) is pending FEMA final review and nine ($6.2 million) are in the initial FEMA review stage.

FEMA grant applications not yet submitted

An additional $1.8 million in estimated FEMA-PA and FMAG grant applications (18) have yet to be submitted to FEMA. The 13 FEMA-FMAG applications associated with administrative costs ($1.1 million) cannot be forwarded to FEMA until all ODF and sub-recipient grants have been obligated by FEMA.

The remaining five FEMA-PA grant applications ($698,000) associated with estimated suppression costs will be submitted to FEMA after completing all cost-share reconciliations.

MGO Update

The department continues to engage with Macias, Gini & O'Connell (MGO) on improvements to our cash flow projection tools providing valuable external expertise and insight into our financial accounting practices. Internally, work has focused on completing deliverables associated with our internal policy organization as defined in the department's Implementation Management Plan v5. In the coming months, the department will collaborate with MGO on an update to MGO's third interim assessment review providing an overall evaluation of risks mitigated and their completion status. The department and MGO will continue to perform subsequent studies and reporting to the Board of Forestry through 2023.

Sincerely,

Cal Mukumoto
Oregon State Forester

c:
Legislative Fiscal Office
Chief Financial Officer
Oregon State Treasury
Board of Forestry
Governor's Office

Oregon
Tina Kotek, Governor

Department of Forestry
State Forester's Office
2600 State St
Salem, OR 97310-0340
503-945-7200
www.oregon.gov/ODF

August 1, 2023

Sen. Elizabeth Steiner, Co-Chair
Rep. Tawna Sanchez, Co-Chair
Joint Committee on Ways and Means
900 Court St. NE, H-178
Salem, OR 97301

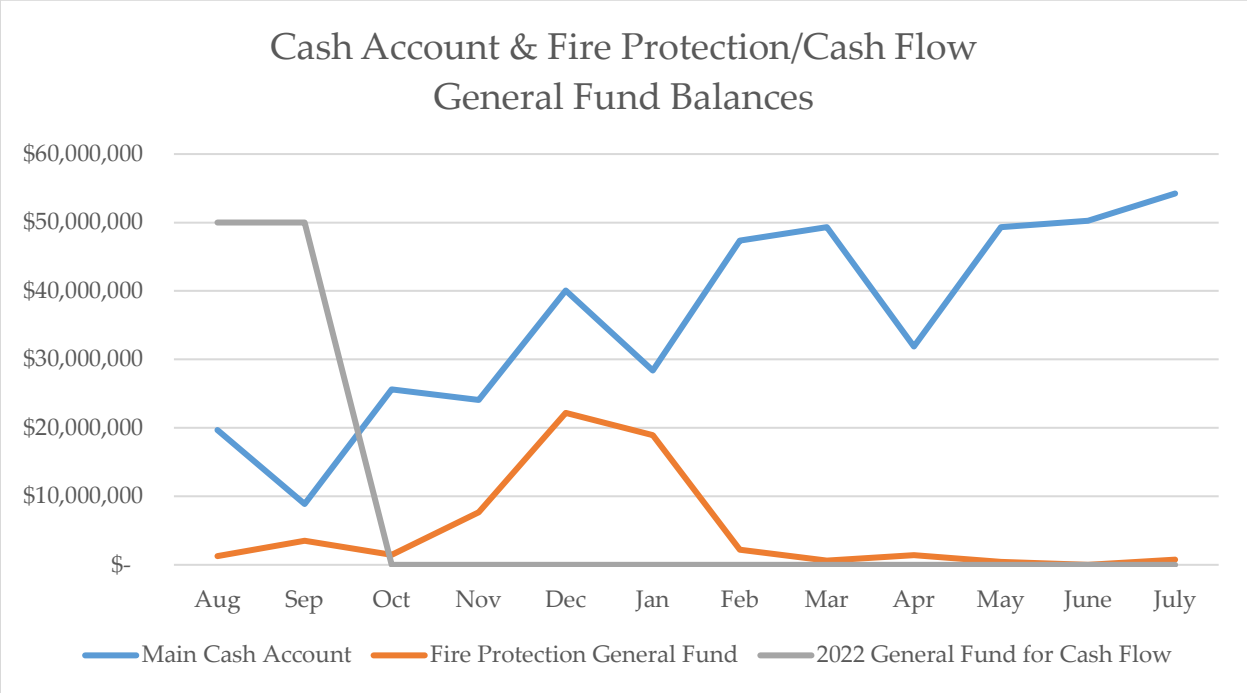
Re: Oregon Department of Forestry (ODF)—Monthly financial condition report

Dear Co-Chairs,

Cash and General Fund Balances

As of July 20, ODF's main cash account balance was $54.2 million, and the Protection Division General Fund appropriation balance was $741,000 (Figure 1). Between June and July, the cash account balance had a net increase of $4 million and the Protection Division General Fund balance had a net increase of $741,000.

Figure 1 - Cash Account and Fire Protection/Cash Flow General Fund Balances as of Jul. 20, 2023



Financial Projections

The revenue and expenditure activity for June 2023 resulted in a net increase of $22 million; however, since much of the revenue activity was related to non-cash transactions the net activity did not result in an equivalent increase to the department's end of month cash balance (Table 1).

The actual available General Fund balance for June 2023 does not include all expenditures that may be posted to the 2021–23 biennium. This balance will be further refined over the next few months as the department completes the fiscal year end close activities. Furthermore, since the department's 2023–25 biennium budget has not been approved by the Governor's Office, the available General Fund projected for July and August 2023 is listed as unavailable.

Table 1 - Financial Projections through Jul. 17, 2023 (in thousands)

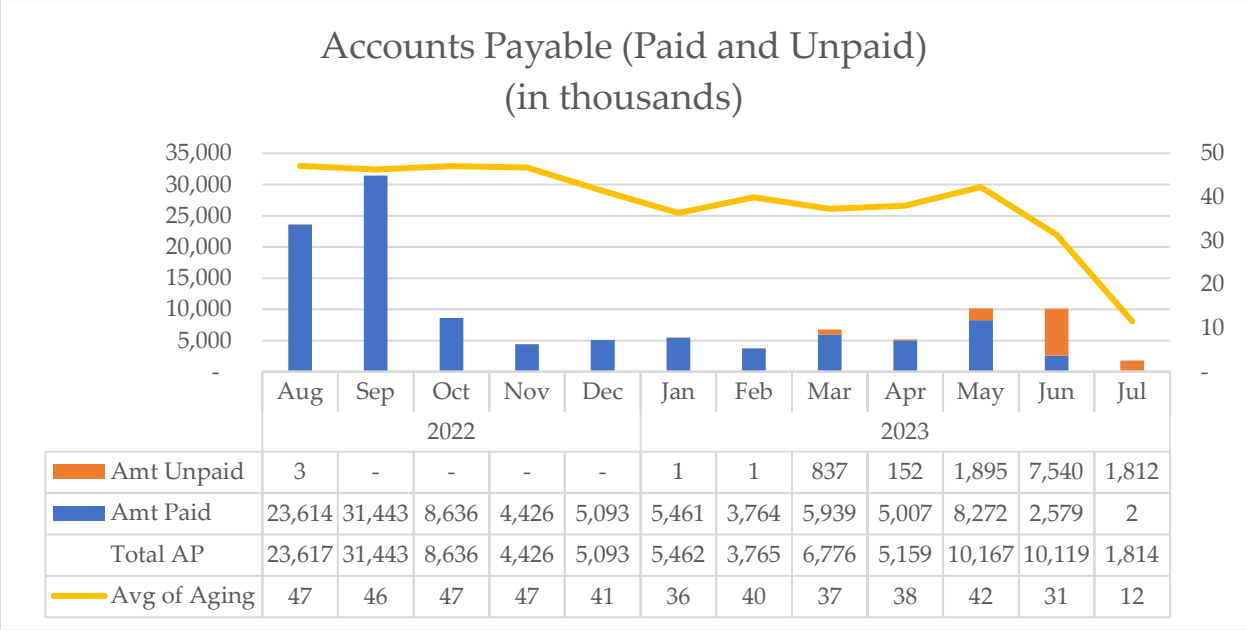
	23-Jun		23-Jul	23-Aug
	Projection	**Actual**	**Projection**	**Projection**
Total Revenue	$31,596	$41,980	$20,496	$32,425
Total Expenditures	($19,135)	($19,935)	($18,830)	($20,119)
Net Total Exp/Rev	$12,461	$22,046	$1,666	$12,306
Beginning Cash Balance	$70,139	$70,139	$73,122	$74,788
End of Month Cash Balance*	$82,600	$73,122	$74,788	$87,095
Less: Dedicated Funds	($21,149)	($21,193)	($21,751)	($22,078)
End of Month Main Cash Balance	$61,451	$51,929	$53,037	$65,016
Available GF Appr	$12,918	$13,708	N/A	N/A
Available Resources	$74,369	$65,637	$53,037	$65,016

* Includes reconciliation for non-cash revenue and expenditure transactions.

Accounts Payable

Department-wide expenditure activity increased during May and June as costs associated with fire season 2023 started to post to OregonBuys (Figure 2). The Financial Services Program is prioritizing all financial activity associated with goods and services received on or before June 30 for fiscal year end reporting and the 2021–23 biennium closeout.

Figure 2 - Accounts Payable as of Jul. 20, 2023



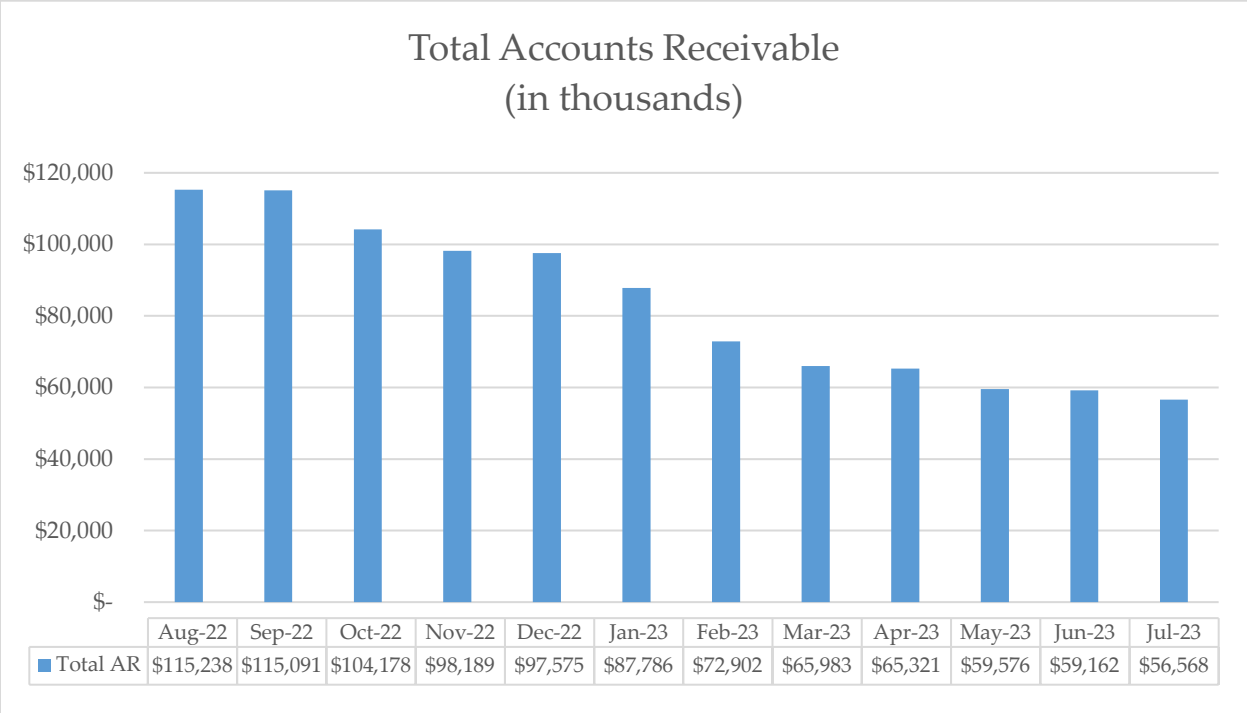
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
	2022					2023						
Amt Unpaid	3	-	-	-	-	1	1	837	152	1,895	7,540	1,812
Amt Paid	23,614	31,443	8,636	4,426	5,093	5,461	3,764	5,939	5,007	8,272	2,579	2
Total AP	23,617	31,443	8,636	4,426	5,093	5,462	3,765	6,776	5,159	10,167	10,119	1,814
Avg of Aging	47	46	47	47	41	36	40	37	38	42	31	12

Accounts Receivable

Between June and July, there was a net decrease of $2.6 million in the total accounts receivable balance (Figure 3).

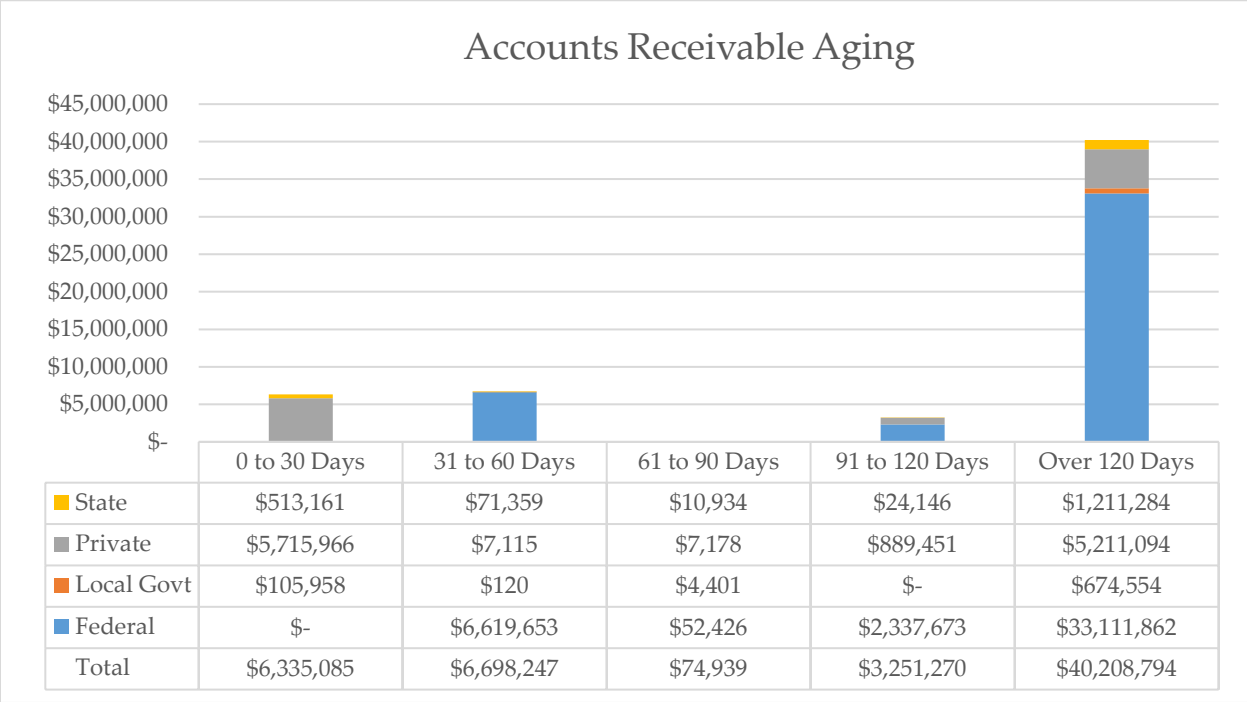
Accounts aged over 120 days equate to $40.2 million, or 71.1%, of the total balances owed to ODF (Figure 4). Of these aged accounts, the majority are due from FEMA ($24.9 million), federal partners ($8.2 million), and private parties for cost recovery ($5 million).

Figure 3 – Total Accounts Receivable as of Jul. 17, 2023



	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23
Total AR	$115,238	$115,091	$104,178	$98,189	$97,575	$87,786	$72,902	$65,983	$65,321	$59,576	$59,162	$56,568

Figure 4 – Accounts Receivable Aging as of Jul. 17, 2023



	0 to 30 Days	31 to 60 Days	61 to 90 Days	91 to 120 Days	Over 120 Days
State	$513,161	$71,359	$10,934	$24,146	$1,211,284
Private	$5,715,966	$7,115	$7,178	$889,451	$5,211,094
Local Govt	$105,958	$120	$4,401	$-	$674,554
Federal	$-	$6,619,653	$52,426	$2,337,673	$33,111,862
Total	$6,335,085	$6,698,247	$74,939	$3,251,270	$40,208,794

Fire Costs

The department recovers some fire costs through two FEMA grants programs; however, not all fire costs are recovered through FEMA. Fire costs may also be collected via cost share agreements, cooperative agreements, and/or private party cost recovery. All cost recovery types are included in the numbers provided in Table 2.

Table 2 – Gross Fire Cost Summary (red indicates estimates – in millions) as of Jul. 17, 2023

Gross Fire Cost Summary							
Fire Season	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**Total**
Fire Costs	61.35	108.09	33.66	139.85	148.81	51.61	543.37
Currently Invoiced	(0.16)	(0.21)	(0.18)	(24.29)	(8.65)	(6.36)	(39.85)
Outstanding to Invoice	(0.00)	(0.49)	(0.47)	(2.08)	(28.32)	(21.97)	(53.33)

FEMA-Public Assistance (PA) grants are awarded to Oregon Department of Emergency Management (ODEM) who, in turn, passes the funds through to ODF. FEMA-FMAG grants are awarded directly to ODF, and the department has immediate access to the funds once obligated.

FEMA grant applications submitted

As of Jul. 17, 48 grant applications totaling $30 million have been submitted to FEMA, $24.6 million (39 grants) of which were FEMA-PA grants. All 39 FEMA-PA grant applications have been obligated by FEMA and are pending ODEM audit/review and distribution to ODF.

The 8 grant applications totaling $5.4 million submitted through the FEMA-FMAG program are in various stages of FEMA review: one ($81,000) is pending FEMA final review and seven ($5.3 million) are in the initial FEMA review stage.

FEMA grant applications not yet submitted

An additional $2.8 million in estimated FEMA-PA and FMAG grant applications (18) have yet to be submitted to FEMA. The 13 FEMA-FMAG applications associated with administrative costs ($1.1 million) cannot be submitted to FEMA until all ODF and subrecipient grants have been obligated by FEMA.

The remaining five FEMA-PA grant applications ($1.7 million) associated with estimated suppression costs will be submitted to FEMA after all cost-share reconciliations have been completed.

MGO Update

The department is continuing to engage with Macias, Gini & O'Connell (MGO) on improvements to our cash flow projection tools providing valuable external expertise and insight into our financial accounting practices. To support our continued collaboration needs, the department has extended the work order agreement with MGO through the end of 2023. Internally, work has shifted from a focus on internal policy organization to re-evaluating deliverables and potential alternatives in our approach to implementing the information technology recommendations defined in the department's Implementation Management Plan v5. In coming months the department will collaborate with MGO on an update to MGO's third interim assessment review providing an overall evaluation of risks mitigated and their completion status. The department and MGO will continue to perform subsequent reviews and reporting to the Board of Forestry through 2023.

Sincerely,

Cal Mukumoto
Oregon State Forester

c:
Legislative Fiscal Office
Chief Financial Office
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Oregon
Tina Kotek, Governor

Department of Forestry
State Forester's Office
2600 State St
Salem, OR 97310-0340
503-945-7200
www.oregon.gov/ODF

August 30, 2023

Sen. Elizabeth Steiner, Co-Chair
Rep. Tawna Sanchez, Co-Chair
Joint Committee on Ways and Means
900 Court St. NE, H-178
Salem, OR 97301

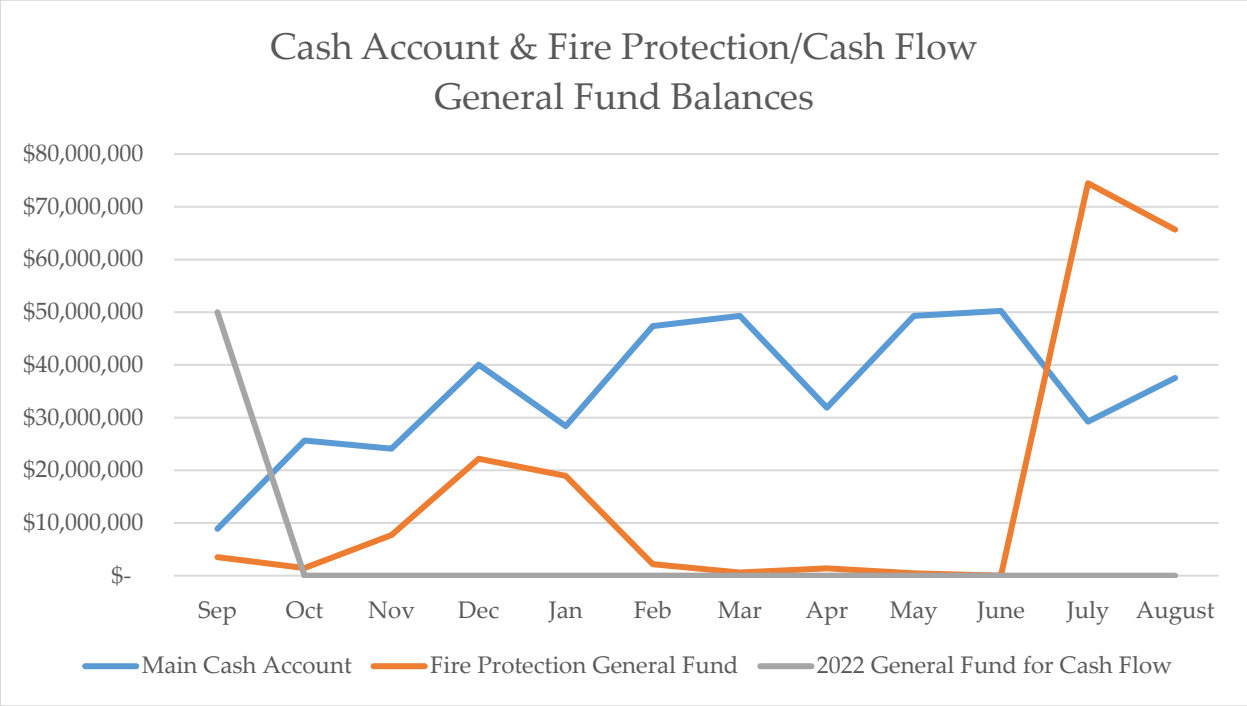
Re: Oregon Department of Forestry (ODF)—Monthly financial condition report

Dear Co-Chairs,

Cash and General Fund Balances

As of Aug. 25, ODF's main cash account balance was $37.5 million, and the 2023-25 Protection Division General Fund appropriation balance was $65.7 million (Figure 1). Between July and August, the cash account balance had a net increase of $8.3 million and the Protection Division General Fund balance had a net decrease of $8.8 million.

Figure 1 - Cash Account and Fire Protection/Cash Flow General Fund Balances as of Aug. 25, 2023



Financial Projections

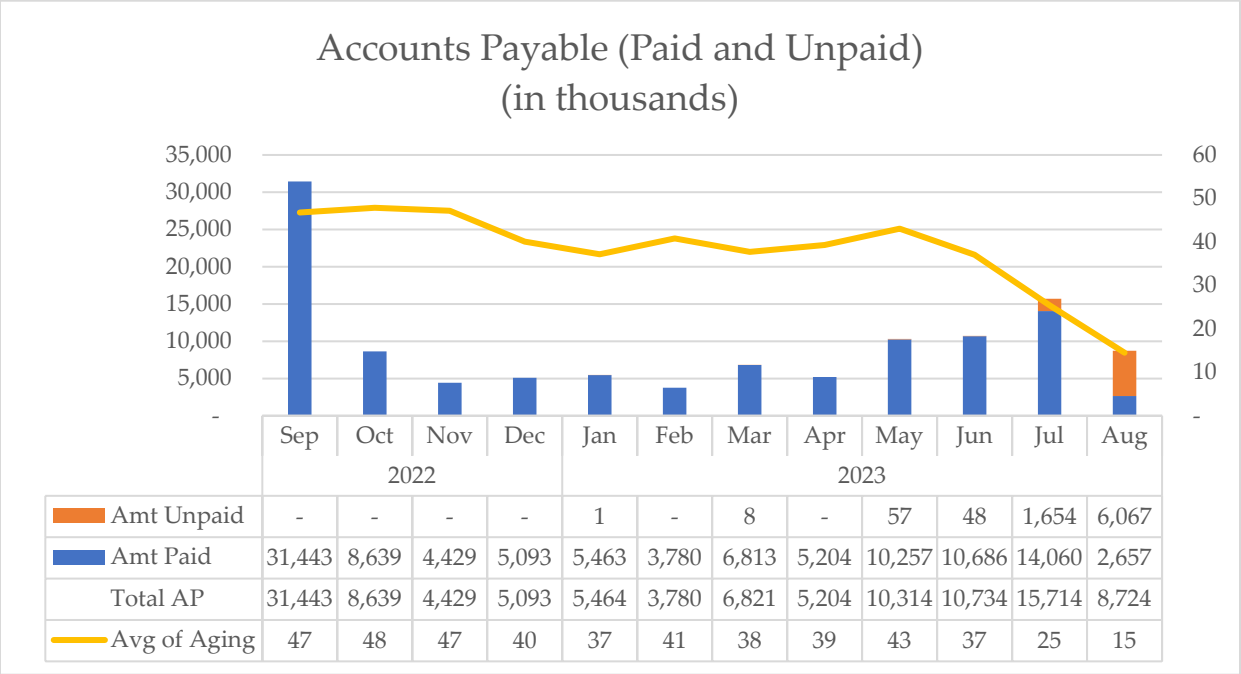
Each of the previous monthly financial condition reports included financial projections compared to actuals associated with the last fiscal month close. Unfortunately, due to fiscal year end processes, July fiscal month close data is not yet available.

During fiscal year end, an extra reporting period is added to the calendar to allow accounting professionals to record year end entries for financial reporting (e.g., financial statement accruals, journal entries for debt, etc.). This extra reporting period is referred to as Month 13. To accommodate Month 13, July fiscal month will close on September 1. As a result, the next monthly financial condition report will include financial projections compared to actuals for the fiscal months of July and August accompanied by highlights from each reporting period.

Accounts Payable

Department-wide expenditure activity continued to increase between June and July due to costs associated with fire season 2023 (Figure 2). With new fire business processes in place, payment teams have been entering fire-related invoices into OregonBuys timelier than in years past. This process improvement contributes to paying vendors faster for fire season support and spreads the cash flow requirements of the department out over several months as opposed to all at once.

Figure 2 - Accounts Payable as of Aug. 25, 2023



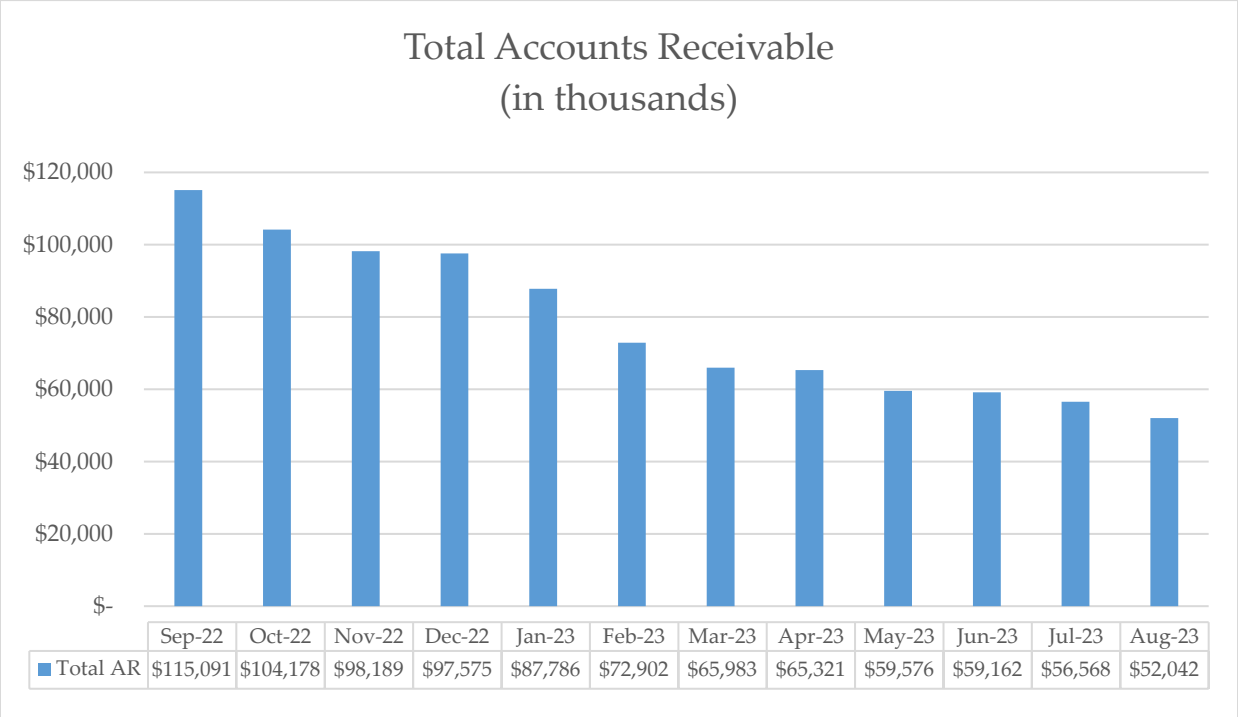
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
	2022				2023							
Amt Unpaid	-	-	-	-	1	-	8	-	57	48	1,654	6,067
Amt Paid	31,443	8,639	4,429	5,093	5,463	3,780	6,813	5,204	10,257	10,686	14,060	2,657
Total AP	31,443	8,639	4,429	5,093	5,464	3,780	6,821	5,204	10,314	10,734	15,714	8,724
Avg of Aging	47	48	47	40	37	41	38	39	43	37	25	15

Accounts Receivable

Between July and August, there was a net decrease of $4.5 million in the total accounts receivable balance (Figure 3).

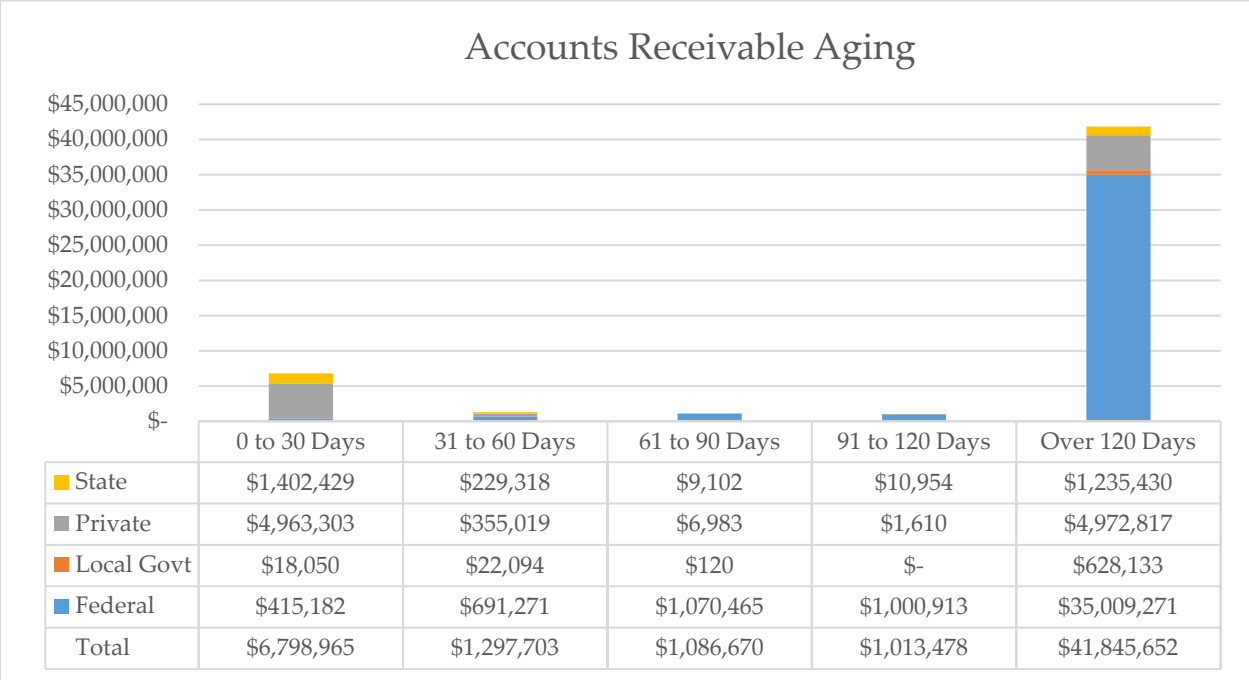
Accounts aged over 120 days equate to $41.8 million, or 80.4%, of the total balances owed to ODF (Figure 4). Of these aged accounts, the majority are due from FEMA ($24.9 million), federal partners ($10.1 million), and private parties for cost recovery ($4.7 million).

Figure 3 – Total Accounts Receivable as of Aug. 21, 2023



	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
Total AR	$115,091	$104,178	$98,189	$97,575	$87,786	$72,902	$65,983	$65,321	$59,576	$59,162	$56,568	$52,042

Figure 4 – Accounts Receivable Aging as of Aug. 21, 2023



	0 to 30 Days	31 to 60 Days	61 to 90 Days	91 to 120 Days	Over 120 Days
State	$1,402,429	$229,318	$9,102	$10,954	$1,235,430
Private	$4,963,303	$355,019	$6,983	$1,610	$4,972,817
Local Govt	$18,050	$22,094	$120	$-	$628,133
Federal	$415,182	$691,271	$1,070,465	$1,000,913	$35,009,271
Total	$6,798,965	$1,297,703	$1,086,670	$1,013,478	$41,845,652

Fire Costs

Table 2 – Gross Fire Cost Summary (red indicates estimates – in millions) as of Aug. 21, 2023

Gross Fire Cost Summary							
Fire Season	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**Total**
Fire Costs	61.35	108.12	33.66	139.85	148.81	52.24	544.03
Currently Invoiced	(0.16)	(0.21)	(0.18)	(22.87)	(4.78)	(7.35)	(35.55)
Outstanding to Invoice	(0.00)	(0.49)	(0.47)	(2.08)	(17.27)	(20.64)	(40.95)

The department recovers some fire costs through two FEMA grants programs; however, not all fire costs are recovered through FEMA. Fire costs may also be collected via cost share agreements, cooperative agreements, and/or private party cost recovery. All cost recovery types are included in the numbers provided in Table 2.

FEMA-Public Assistance (PA) grants are awarded to Oregon Department of Emergency Management (ODEM) who, in turn, passes the funds through to ODF. FEMA-Fire Management Assistance grants (FMAG) are awarded directly to ODF, and the department has immediate access to the funds once obligated.

FEMA grant applications submitted

As of Aug. 25, 46 grant applications totaling $24.2 million have been submitted to FEMA, $23.1 million (39 grants) of which were FEMA-PA grants. All 39 FEMA-PA grant applications have been obligated by FEMA and are pending ODEM audit/review and distribution to ODF.

The 7 grant applications totaling $1.1 million submitted through the FEMA-FMAG program are in the initial FEMA review stage.

FEMA grant applications not yet submitted

An additional $2.8 million in estimated FEMA-PA and FMAG grant applications (18) have yet to be submitted to FEMA. The 13 FEMA-FMAG applications associated with administrative costs ($1.1 million) cannot be submitted to FEMA until all ODF and subrecipient grants have been obligated by FEMA.

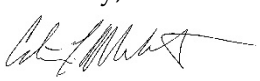
The remaining five FEMA-PA grant applications ($1.7 million) associated with estimated suppression costs will be submitted to FEMA after all cost-share reconciliations have been completed.

MGO Update

The department is continuing to engage with Macias, Gini & O'Connell (MGO) on improvements to our business processes. To support our continued collaboration needs, the department has extended the work order agreement with MGO through the end of 2023.

Internally, work has shifted from a focus on internal policy organization to re-evaluating deliverables and potential alternatives in our approach to implementing the information technology recommendations defined in the department's Implementation Management Plan v5. In coming months the department will collaborate with MGO on an update to MGO's third interim assessment review providing an overall evaluation of risks mitigated and their completion status. The department and MGO will continue to perform subsequent reviews and reporting to the Board of Forestry through 2023.

Sincerely,



Cal Mukumoto
Oregon State Forester

c:

Legislative Fiscal Office
Chief Financial Office
Oregon State Treasury
Board of Forestry
Governor's Office

STAFF REPORT

Agenda Item No:	B
Work Plan Title:	Forest Resources Division
Topic:	Annual topic, Regional Forest Practices Committee
Presentation Title:	Regional Forest Practices Committee Appointments and Reappointments
Date of Presentation:	September 6, 2023
Contact Information:	Nick Hennemann, Deputy Chief – Forest Practices & Monitoring, Forest Resources Division Nick.Hennemann@odf.oregon.gov

SUMMARY

The purpose of this agenda item is to recommend the appointment of three new members and the re-appointment of six existing members to the Regional Forest Practice Committees.

CONTEXT

ORS 527.650 requires the Board of Forestry to establish a forest practice committee for each forest region. Each committee shall consist of nine members, most of whom must reside in the region. Members of each committee shall be qualified by education or experience in natural resource management, and not less than two-thirds of the members of each committee shall be private landowners, private timber owners, or authorized representatives of such landowners or timber owners who regularly engage in operations.

ORS 527.660 states "[E]ach forest practice committee shall review proposed forest practice rules in order to assist the board in developing rules appropriate to the forest conditions within its region." Regional committees have provided a forum for the public; at each meeting members of the public may participate and offer information and suggestions. The Forest Resources Division Deputy Chief serves as the secretary for all three committees.

BACKGROUND

The last committee member appointments occurred last September. The committee positions have staggered terms so each year one-third of the committee members' terms end. This approach ensures the continuity of committee work. The department contacted committee members whose terms expire in 2023, about their interest in continued service. Six members wished to continue serving: two members from Northwest, two from Southwest, and two from Eastern Oregon Regional committees. Additionally, there were six vacancies across the regions from previous members that resigned: one in Northwest, two in Southwest, and three in Eastern Oregon Regional committees. To fill those vacancies, the department and committee chairs searched for qualified nominees with diverse backgrounds. Based on these criteria the department is recommending the following appointments:

- Eric Kranzush for Northwest.
- Paul Oester for Eastern.
- Jeremy Grose for Eastern.

See attachment 1 for biographies. The search is underway for nominees to fill the remaining three vacancies: two on the Southwest Oregon Regional Committee to fill terms ending in 2024 and 2026 after resignations in May 2023 and July 2023, respectively, and one on the Eastern Oregon Regional Committee to fill a term ending in 2025 after a members resignation in July 2023. The full roster for each committee is in Attachment 2.

The recommendation shows current and new members for appointment and their term expiration dates as well as the vacancies noted. The terms are set to maintain the staggered term approach.

RECOMMENDATION

The department recommends the Board make the following six reappointments and three new appointments:

Northwest Oregon Region:	Term expires September
Randy Silbernagel (p)	2026
Jill Bell	2026
Eric Kranzush	2026
Southwest Oregon Region:	
Dana Kjos (Chair)	2026
VACANT	2026
Darin McMichael	2026
VACANT	2024
Eastern Oregon Region:	
Chris Johnson	2026
Todd Kurtz	2026
Jeremy Grose	2026
Paul Oester (p)	2024
VACANT	2025

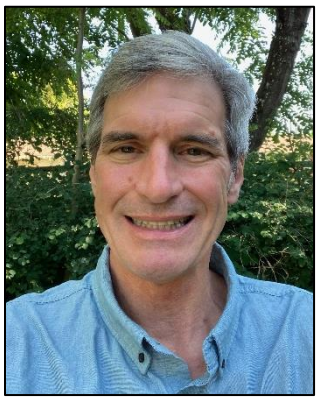
(p) Public Member

ATTACHMENTS

(1) Biographies for new appointments
(2) Committee rosters

Biographies for new Regional Forest Practice Committee members

Northwest Appointments

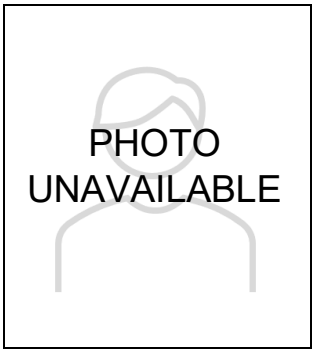


Biography for Randy Silbernagel

Appointed September 1998. He graduated from Oregon State University with a degree in forest engineering in 1982. His career started at Freres Lumber Co., Inc. (Lyons, OR) supervising cutting, logging and reforestation contractors. In 1986 he started supervising road construction, maintenance and engineering work before retiring from Freres in 2017. Over the years, he has also served on numerous ODF committees: Headquarters Services Budget Committee, Fire Program Review Committee, Fire Protection Strategic Investments Committee and on two Forest Protective Association boards.

Biography for Jill Bell

Appointed September 2022. Jill is a native Oregonian who was born and raised in the timber community of Philomath. She has a Bachelor of Science in Forest Engineering and a Master of Business Administration, both from Oregon State University. Jill has been employed at Weyerhaeuser since 2003 and has had the privilege of working in various locations across the State of Oregon. Her early career was as a forest engineer and harvest manager, giving her a solid background in understanding and implementing the Oregon Forest Practices Act. Today Jill is an Area Manager of a 130,000 acre operating area in the Oregon Cascades. In her spare time, Jill enjoys volunteering with non-profit organizations focused on forestry education, including Oregon Women in Timber and Future Natural Resource Leaders. Additionally, she serves on various industry boards and associations. Jill is also an active Toastmaster and enjoys growing in her leadership and communication skills.



Biography for Eric Kranzush

Eric Kranzush is a Forest Manager at Giustina Land & Timber Co. in Eugene, Oregon. Since graduating from the Oregon State University College of Forestry in 2001 with a Bachelor of Science degree in forest management, Eric has been involved in every aspect of company operations, from seed orchard management to timber harvesting. Eric was the recipient of the Oregon Society of American Foresters, "Forester of the Year Award" in 2007 and the National Society of American Foresters presented him with their "National Young Forester Leadership Award" in 2012. In 2014, Eric earned his MBA from the University of Oregon Lundquist College of Business. Currently, he oversees commercial thinning and final harvest logging operations on company lands.

Southwest Appointments

Biography for Dana Kjos

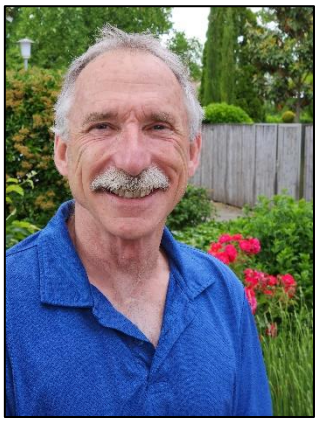
Appointed September 1994. Dana is a life-long Oregonian. Dana earned a B.S. in forest management from Oregon State University in 1991. After graduation, he began work as an Inventory Forester for International Paper Company in Reedsport, followed by three years on their forestry staff in Veneta. In 1995, Dana moved back to Reedsport, working as a logging supervisor, again for International Paper Company. Following the purchase of the International Paper Company lands by Roseburg Lumber Company, Dana became an employee of Roseburg Lumber Company, continuing in his current position as Logging Supervisor. Recently, Dana finished a four-year term on the Elkton School Board.

PHOTO UNAVAILABLE

Biography for Darin McMichael

Appointed September 2019. Darin graduated from Oregon State University in 1997 with a degree in forestry. In 2000 he started with family-owned C&D Lumber Co in Riddle, Oregon as a silviculture forester & log buyer. In 2013 he took on the role of Timberlands Manager for the family's Silver Butte Timber Co that oversees 45,000 acres. Darin is an active Board member with the Douglas Forest Protective Association, the Rogue Forest Protective Association, and the Partnership of the Umpqua Rivers.

Eastern Appointments

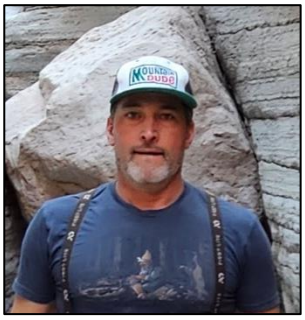


Biography for Chris Johnson

Appointed September 2014. Chris graduated Oregon State University in 1992 with a degree in forest management. After graduating, Chris started as a cruiser for Crown Pacific in Gilchrist, OR where eventually became an area forester. Chris stayed with the tree farm when Interfor acquired the mill in Gilchrist in 2005 and was ultimately promoted to a Federal/State Timber Sale Appraiser and Administrator with Interfor. Chris left Interfor in May of 2013 to work as a contract marker and cruiser for the Forest Service, primarily in Region 1 with a few jobs on the Mt Hood National Forest. Chris worked as a side rod for Quicksilver Contracting in Tumalo, Oregon and is currently the Timberland Manager for CascadeTimberlands (Oregon), LLC.

Biography for Todd Kurtz

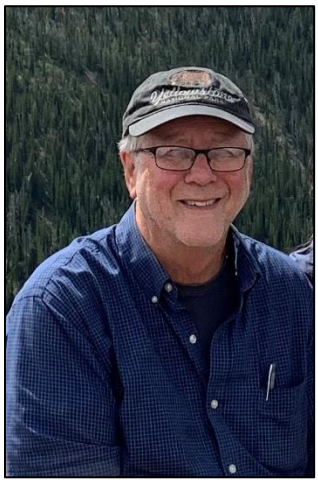
Appointed September 2022. Todd Kurtz is the Silviculture Area Manager for Manulife Investment Management Forest Management in La Grande, Oregon. Todd leads the layout and reforestation operations. Todd has worked for Manulife (formerly Hancock) since 2010 serving as a Reforestation Forester, Silviculture Forester, Logging Contract Administrator and Senior Forester. During his career in the woods, Todd has also worked for the United States Forest Service in Heppner, OR and as a logger for C&C Logging in Kelso, WA. Todd earned a bachelor's degree in economics with a minor in environmental science resource management from the University of Washington and an M.B.A. degree from Eastern Oregon University. Todd has lived in La Grande since 2013.



Biography for Jeremy Grose

Jeremy is a Senior Forester with Green Diamond. He has over twenty years' experience in forestry and earned his Bachelor of Science degree in forest products at University of Idaho. Jeremy started his forestry career in seasonal positions and has since worked in many roles including Project Manager, Unit Forester, Inventory Forester, and Procurement Forester for companies across the industry. Member of Rocky Mtn Elk Foundation, Backcountry Hunters and Anglers, Society of American Foresters, South Gifford Pinchot Collaborative, and Hood River Stew Crew.

Eastern Appointments Continued



Biography for Paul Oester

Paul's professional experience was with the OSU Forestry and Natural Resources Extension program (1979 to 2017). In this role he delivered educational programs for woodland owners, loggers, natural resource professionals, youth and the general public, which included classes, workshops, tours, demonstrations and meetings. Part of this work involved producing newsletters, slide presentations, publications, handouts, news releases and videos, as well as working cooperatively with woodland owner associations, agencies, private landowners, NGO's and companies. Applied research and demonstrations were used to address local needs. While in LaGrande, he provided local management direction for management of the Oberteuffer Research and Education Forest (113 acres) with input from OSU's College of Forestry Research Forests staff. Some of the activities included maintaining fences and roads, weed control, precommercial thinning, planting, pruning and commercial thinning. Society of American Foresters member since 1977. Lifetime member, Association of Natural Resources Extension Professionals.

CURRENT REGIONAL FOREST PRACTICE COMMITTEE MEMBERSHIP

September 2023

NORTHWEST OREGON REGION

Member Name	Current Term Began	Current Term Expires	Recommended New Expiration
Mike Barnes (Chair)	09/2022	09/2025	
Randy Silbernagel (p)	**09/2020**	**09/2023**	**09/2026**
Jill Bell	**09/2022**	**09/2023**	**09/2026**
Eric Kranzush (NEW)		**09/2023**	**09/2026**
Aaron Zweber	09/2022	09/2024	
Jon Stewart	09/2021	09/2024	
Gregory "Wade" Stringham	09/2021	09/2024	
Tally Patton (p)	09/2022	09/2025	
Candace Bonner (p)	09/2022	09/2025	

SOUTHWEST OREGON REGION

Member Name	Current Term Began	Current Term Expires	Recommended New Expiration
Dana Kjos (Chair)	**09/2020**	**09/2023**	**09/2026**
[VACANT]		**09/2023**	**09/2026**
Darin McMichael	**09/2020**	**09/2023**	**09/2026**
Mikaela Gosney	09/2021	09/2024	
Erik Culley	09/2021	09/2024	
[VACANT]		09/2024	
Chris Arnold	09/2022	09/2025	
Garrett Kleiner	09/2022	09/2025	
Michael Scott	09/2022	09/2025	

EASTERN OREGON REGION

Member Name	Current Term Began	Current Term Expires	Recommended New Expiration
Bob Messinger (Chair)(p)	09/2021	09/2024	
Chris Johnson	**09/2020**	**09/2023**	**09/2026**
Todd Kurtz	**09/2022**	**09/2023**	**09/2026**
Jeremy Grose (NEW)		**09/2023**	**09/2026**
Elwayne Henderson	09/2021	09/2024	
Paul Oester (NEW)(p)		**09/2024**	**09/2024**
Paul Jones	09/2022	09/2025	
Bobby Douglas	09/2022	09/2025	
[VACANT]		09/2025	

(p) Denotes public member

Agenda Item No.:	C
Work Plan:	Agency Administration Work Plan
Topic:	Appointment to Emergency Fire Cost Committee
Presentation Title:	Appointment of Kathryn VanNatta
Date Presented to Board:	September 6, 2023
Contact Information:	James Short, Chief Financial Officer 503-302-8478, james.short@odf.oregon.gov Nancy Hirsch, Emergency Fire Cost Committee Administrator 503-881-5255, Nancy.Hirsch@odf.oregon.gov

SUMMARY

The purpose of this agenda item is to recommend the appointment of one candidate to a position on the Emergency Fire Cost Committee (EFCC).

BACKGROUND

Oregon Revised Statute (ORS) 477.440 directs that the Board *shall appoint an Emergency Fire Cost Committee consisting of four members, who shall be forest landowners or representatives of forest landowners whose forestland is being assessed for forest fire protection within a forest protection district. At least one member shall be selected from each forest region of the state. Members of the Emergency Fire Cost Committee shall be appointed by the board for four-year terms.* In addition to the statute, the EFCC approved a membership policy (Attachment 1) at its March 7, 2023, meeting. The policy states: *It is the policy of the Emergency Fire Cost Committee (EFCC) to follow the statutory requirements related to committee membership and to ensure an inclusive nomination and vetting process that results in the most qualified people serving on the committee.*

ORS 477.445 gives authority to the Emergency Fire Cost Committee (EFCC) to *supervise and control the distribution of funds from the Oregon Forest Land Protection Fund*. The Oregon Forest Land Protection Fund (OFLPF), established by ORS 477.750, is used to equalize (reimburse) emergency fire suppression costs expended in protecting forestland statewide by forest protection districts, both state and association. The annual expenditure limit of the OFLPF is $13.5 million which includes up to $10 million for emergency fire suppression costs, up to $3 million for statewide severity resources, with the remaining available for administration/operating costs and up to a fifty-percent contribution towards any annual premium for catastrophic suppression cost insurance policy. If there is any unspent authority the EFCC may consider strategic investments in the state's complete and coordinated fire protection system.

Due to Steve Cafferata choosing not to be considered for reappointment, the EFCC has one vacancy. The EFCC and State Forester recognized Steve for his twelve-plus years of service at the March EFCC meeting. Since that time Chair Garrelts, with support from the administrator, implemented the EFCC membership policy throughout the recent solicitation process. Communication and coordination occurred between the Chair and ODF executives regarding the final candidates and this recommendation. Kathryn VanNatta will represent all Oregon small woodland landowners. She is a small forest landowner, and she belongs to the Northwest Oregon Forest Protective Association. Kathryn VanNatta's brief biography is in attachment 3.

RECOMMENDATION

The Department recommends the Board make the following appointment:

Appoint Kathryn VanNatta to the Emergency Fire Cost Committee with a term expiring at the end of September 2027.

ATTACHMENTS

1. Emergency Fire Cost Committee Membership Policy
2. Emergency Fire Cost Committee Membership
3. Biography Kathryn VanNatta

Emergency Fire Cost Committee Membership Policy

POLICY STATEMENT

It is the policy of the Emergency Fire Cost Committee (EFCC) to follow the statutory requirements related to committee membership and to ensure an inclusive nomination and vetting process that results in the most qualified people serving on the committee.

AUTHORITY

ORS 477.440 Emergency Fire Cost Committee; members; terms; vacancies

DEFINITIONS

Board means the Oregon Board of Forestry.

Committee means the Emergency Fire Cost Committee

Forest Regions mean forest practice regions that include eastern, northwest and southwest Oregon.

RESPONSIBILITIES

The Board shall appoint an Emergency Fire Cost Committee.

The Committee shall elect one of its members as the chairperson.

Committee Chairperson:

- Leads the recruitment with assistance from the EFCC administrator.
- Coordinates with the Oregon Department of Forestry executive leadership to make a recommendation to the Board.

Committee Administrator prepares Board staff report for committee appointments.

STANDARDS

Board: appoints four committee members for four-year terms.

<u>Committee chairperson</u>

Statutory requirements

- Chairperson shall hold office for a period determined by the committee.
- Whenever the office of chairperson of the committee becomes vacant, the committee at its next regular or special meeting shall elect one of its members to fill the vacancy.

Committee membership

Statutory requirements

- Members shall be forest landowners or representatives of forest landowners whose forestland is being assessed for forest fire protection within a forest protection district.
- At least one member shall be selected from each forest region of the state.
- Members shall serve at the pleasure of the board.

Minimum experience

- Experience/participation on a forest protective association.
- Knowledge of wildfire policy and operations.
- Knowledge of forest management (on a large or small scale).
- Demonstratable insight into Oregon's complete and coordinated fire protection system.

Representation

- One member must represent a large, publicly owned private forestland landowner.
- One member must be an Oregon resident – small woodland landowner.
- Other members may include large or small forest landowner or rural resident.

Membership preferences that may be applied

- Experience serving on a forest protection association board and/or budget committee.
- Forest landowner or representatives of an Oregon-based forest landowner company.

Membership recruitment and application

- Notification of recruitments will include outreach to: Oregon's Forest Protective Associations (FPAs), Oregon Department of Forestry District Foresters and FPA District Managers, Oregon Forest Industries Council (OFIC), Oregon Small Woodlands Association (OSWA), Oregon Forest Protective Association (OFPA), Oregon Tree Farm System, Committee for Family Forestlands (CFF) and other trade associations as determined.
- EFCC Chair shall send formal solicitation letter to chairs, presidents, etc. of the entities listed above.
- Applicants shall submit a resume demonstrating they meet statutory requirements, minimum experiences, and representation requirements.

EXCEPTIONS, EXEMPTIONS, and CONDITIONS

- When filling a member vacancy, if there are no qualifying candidates that meet the representation requirements related to either a large, private forestland landowner and/or a small woodland landowner, the membership may not meet the requirement for one-term.

EMERGENCY FIRE COST COMMITTEE MEMBERSHIP
September 2023

	First Term Began	Current Term Began	Term Expires
Brennan Garrelts, Chair	1/20	1/20	1/24
Chris Johnson	7/18	9/22	9/26
Erik Lease	9/21	9/21	9/25
Kathryn VanNatta	**9/23**		**9/27**

*****Position recommended for appointment is in **bold**. The appointment term would end September of 2027.

Current members

Brennan Garrelts, Chair
Southwest Region
Coos, Douglas, and Southwest Oregon Forest Protective Associations
Vice President, Lone Rock Timber Co.

Chris Johnson
Eastern Region
Eastern Oregon, Walker-Range and Klamath-Lake Forest Protective Associations
Executive Director of Operations, Shanda Asset Management LLC

Erik Lease
Northwest Region
Northwest Oregon Forest Protective Association
Director of Silviculture & Regeneration for Western Timberlands, Weyerhaeuser

Kathryn VanNatta biography

Kathryn VanNatta is a board member and budget committee member of the Northwest Oregon Forest Protective Association. She represents a small woodland landowner through Roman V Ranch, LLC (The VanNatta family's forestland) and Tie Cabin Tree Farm. Kathryn is a native fifth-generation Oregonian and a small woodland owner since 1985, residing in Hillsboro. She is a member of the Oregon Small Woodland's Association, Oregon Tree Farm System, and Oregon Farm Bureau Federation. Kathryn is the corporate managing partner of Roman V Ranch, LLC, and manager/owner-in-training of VanNatta Brothers Logging. She also formerly served as a regulatory affairs director and lobbyist for Oregon's pulp and paper industry's association. Most days you can find her teaching sewing, gardening or on the tree farm.

Agenda Item No.:	D
Work Plan:	Forest Resources
Topic:	Committee Appointments
Presentation Title:	Committee for Family Forestlands Appointment
Date of Presentation:	September 6, 2023
Contact Information:	Mike Kroon, Forest Resources Deputy Chief 503-400-4815 mike.e.kroon@odf.oregon.gov

SUMMARY

This agenda item includes an update on the appointment for members of the Committee for Forestlands (CFF). One nomination has been submitted to fill the NW Landowner Representative position (David Bugni).

CONTEXT

The CFF, a standing committee to the Board, provides advice to the Board and the State Forester on methods to help improve the vitality of family forestlands, including improving owners' ability to manage and market their timber and other forest products. The CFF continues to evaluate the impact of policy and regulatory changes on family forestland owners.

BACKGROUND AND ANALYSIS

CFF members serve three-year appointments that generally run from July through June (Attachment 1). There are seven voting members, including four family forestland owners, one forest industry representative, one conservation community representative, and one citizen-at-large. The CFF currently has six ex-officio members representing Oregon State University College of Forestry, the State Forester, Oregon Forest Resources Institute, public land managers, logging/forestry consulting interests, and small forestland owner groups.

Currently, the CFF NW Landowner Representative position is vacant, due to the departure of Scott Hayes on June 30th, 2023.

RECOMMENDATION

The Department recommends the appointment of David Bugni as the NW Landowner Representative member of the CFF. His biography is noted in Attachment 2.

ATTACHMENTS

(1) CFF Voting Members Appointment Schedule
(2) New Member Nomination Biography

Proposed Committee for Family Forestlands
Voting Members Appointment Schedule

September 6th, 2023

Proposed schedule for CFF members' appointments / reappointments. New Voting Members, Chair and Vice Chair to be appointed by the Board of Forestry.

Voting Member	Appointed	2023	2024	2025	2026
Citizen at Large **Wendy Gerlach** (Chair)	2020				June 30 X
Conservation Community **Kaola Swanson** (Vice Chair)	2019			June 30 X	
Forest Industry **Eric Kranzush**	2023				June 30
Southern Oregon Area **Gary Jensen**	2021		June 30		
Landowner at Large **Kate McMichael**	2021		June 30		
Eastern Oregon Area **Maurizio Valerio**	2021		June 30		
Northwest Oregon Area **David Bugni**	2023				June 30

X = have or will have served two terms, not eligible for reappointment, and a new member must be nominated.

David Bugni

David Bugni graduated from Oregon State University with a BS in Civil Engineering (1983) and a MS in Structural Engineering and Mechanics from the University of California, Berkeley (1984). David began his OSU studies in forest science then forest engineering prior to transferring to civil engineering in his senior year. He practiced structural engineering for over 30 years, owning his own business from 1996 - 2016 until retiring in 2016.

The Bugni family has been small woodland owners for 32 years on 101 acres in rural Estacada, Oregon. David and his wife have two grown children. David wrote the family's forest management plan in 2013 (updated in 2023). The family was the 2020 Clackamas County Woodland Farmer of the Year and the 2021 State of Oregon Outstanding Tree Farmer of the Year. (They are currently being considered for Western Region Outstanding Tree Farmer of the Year, with a decision expected later this year.) The Bugni's last commercial logging project, by contract, was a 20-acre thinning of 50 year old timber in 2014. Additionally, the Bugni family was awarded the joint ODF/ODFW "Fish & Wildlife Steward Award – Forest Lands" for 2019 for the Northwest Oregon region, Non-Industrial Forestlands category. In 2021, David received the Partnership Award from the Pacific Northwest Region of the US Forest Service for "example-setting land stewardship and outreach in aquatic restoration." David is also a Master Woodland Manager (OSU Extension Service).

David currently serves on the board of the Clackamas County Farm Forestry Association (Secretary/Treasurer), is the Board Chair of the Clackamas River Basin Council, a member of the Clackamas Stewardship Partners, a member of the Clackamas County Climate Action Task Force, the President of the Friends of the Estacada Public Library and the past chair of the Estacada School Board (term ended in 2005). David is active on the Governmental Affairs Team of the Oregon Small Woodlands Association (OSWA) and is a board member of the Oregon Tree Farm System. In 2022 he also served on the OSWA Riparian sub-committee that assisted ODF during the drafting of rules for the Private Forest Accord and is currently a member of the ODF Adaptive Management Program Committee (AMPC).

The Bugni family has been active for many years in voluntary riparian area improvements and fish habitat restoration activities within, and adjacent to, the creek (a medium, type SSBT) that flows through their property and has been successful in receiving over $500,000 in grants in support of such work on their property and adjacent neighbors' lands. In late 2021, David wrote a $294,000 grant to the ODF Small Forestland Grant (SFG) program and was subsequently awarded funds for extensive fuels reduction work within his community under funding from SB 762. This project, "The George Community Fuels Reduction" treated about 120 acres across seven adjacent forestland owners' properties to reduce fuel loads through a combination of precommercial thinning, masticating, chipping, pruning and invasive weed control. In 2022, David was awarded a $286,000 ODFW-funded grant to remove and replace a culvert on nearby property, which was a barrier to fish passage on Little Eagle Creek, with a new, much larger culvert that is in conformance with the design requirements of the Private Forest Accord.

When David is not participating in these activities, he is often found walking through the family's property enjoying the beauty of the surrounding forestland.

STAFF REPORT

Agenda Item No.:	E
Work Plan:	Forest Resources Division
Topic:	Implementing Legislative Direction
Presentation Title:	Adaptive Management Program Update
Date of Presentation:	September 6, 2023
Contact Information:	Forest Resources Division, Oregon Department of Forestry Nick Hennemann, Deputy Chief, Nick.Hennemann@odf.oregon.gov Megan Cogswell, Adaptive Management, Training and Enforcement Manager, Megan.L.Cogswell@odf.oregon.gov Terry Frueh, Adaptive Management Program Coordinator, Terry.Frueh@odf.oregon.gov

SUMMARY

The department provides this update to the Board on the Adaptive Management Program. The program work includes supporting the committee and developing the contract with Oregon State University's Institute for Natural Resources (INR) to house the Independent Research and Science Team (IRST). This report includes a budget for the board's consideration. This is a decision item.

CONTEXT

The legislature directed the board to set up an Adaptive Management Program. The program will help inform rulemaking and support the programmatic habitat conservation plan (HCP) application, and subsequent incidental take permit. The legislature set up the program to use the best available science to assess whether the Forest Practices Act rules effectively protect the HCP's covered species.

BACKGROUND

In February 2020, conservation and forest industry groups offered to revise the Forest Practices Act and administrative rules through a memorandum of understanding to include mediated discussions, known as the Private Forest Accord (PFA). The bill set the timeline and topics for making changes to the Forest Practices Act and rules from which the Board could apply for an HCP. The PFA concluded in late 2021. In March 2022, the legislature adopted the PFA recommendations through Senate Bills 1501 and 1502, and House Bill 4055. Senate Bill 1501 incorporated by reference the Private Forest Accord Report dated February 2, 2022. The PFA Report further detailed the recommended changes to the Act and rules and a pathway for an HCP. A key part of the rules is the Adaptive Management Program (AMP).

ANALYSIS

Since the Board passed the AMP rules[1] on October 26, 2022, the following program-related work has happened:

[1] Division 603 of chapter 629.

- The legislature appropriated one-time funds of $4 million for the program.
- The department started developing an agreement for INR to house the IRST per rule[2].
- The board appointed the Adaptive Management Program Committee (AMPC). ODF has supported the following AMPC work:
    - Oriented committee members to their roles, responsibilities, and the AMPC's required tasks[3];
    - Developed an AMPC charter and list of initial research topics[4];
    - Elected co-chairs[5];
    - Nominated IRST members[6]; and,
    - Started developing the first research questions for the IRST[7] to start scoping.
- Staff have developed other business processes to support the Program, including integrating the AMP into the HCP.

The department and INR developed the following budget for the Program, for the Board's approval per OAR 629-603-0130(2):

Table 1. Biennial budget for the Adaptive Management Program.

Item	2-year Budget
IRST housing agency (INR)	$ 695,814
Participation grants for the AMPC, IRST	$ 625,920
IRST research projects	$ 2,663,266
Program administrative expenses	$ 15,000

RECOMMENDATION

The department recommends that the Board approve the Adaptive Management Program budget in Table 1.

NEXT STEPS

The department will coordinate with INR for IRST to complete work per this budget.

ATTACHMENT

None.

[2] OAR 629-603-0450.
[3] Sections 33-39, chapter 33, Oregon Laws 2022 and OAR chapter 629, division 603, respectively.
[4] OAR 629-603-0200(2)(a).
[5] OAR 629-603-0300(2).
[6] Section 37(3), chapter 33, Oregon Laws 2022.
[7] OAR 629-603-0200(3).

STAFF REPORT

Agenda Item No.:	F
Work Plan:	Administrative
Topic:	Key Performance Measures
Presentation Title:	Annual Performance Progress Report 2023
Date of Presentation:	September 6, 2023
Contact Information:	Sabrina Perez, Senior Strategy Manager (503) 945-7311, sabrina.perez@odf.oregon.gov

SUMMARY

The purpose of this agenda item is to provide the Board of Forestry with the Department of Forestry's (ODF) Annual Performance Progress Report for 2023 based on the agency's legislatively approved biennial key performance measures.

CONTEXT

Through the biennial budgeting process, each state agency in Oregon is required to develop key performance measures consistent with joint direction from the Legislative Fiscal Office (LFO) and the Department of Administrative Service's Chief Financial Office (CFO). Key performance measures proposed by state agencies must be approved by the Legislature along with their respective agency budgets. ODF is required to submit an Annual Performance Progress Report to LFO and CFO each year, reporting on the agency's key performance measures.

RECOMMENDATION

This is an informational item.

NEXT STEPS

ODF's Annual Performance Progress Report will be submitted to LFO and CFO before the October 2, 2023, deadline. If the Board desires modifications to the measures, the biennial budgeting process requires agencies to be prepared to work with LFO and CFO Budget Analysts on proposed changes in March 2024 and complete the request by April 30, 2024.

ATTACHMENT

(1) Oregon Department of Forestry, Annual Performance Progress Report, Reporting Year 2023

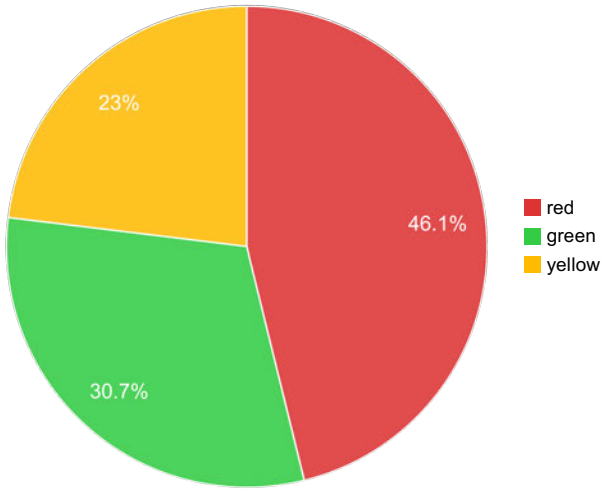
Department of Forestry

Annual Performance Progress Report

Reporting Year 2023

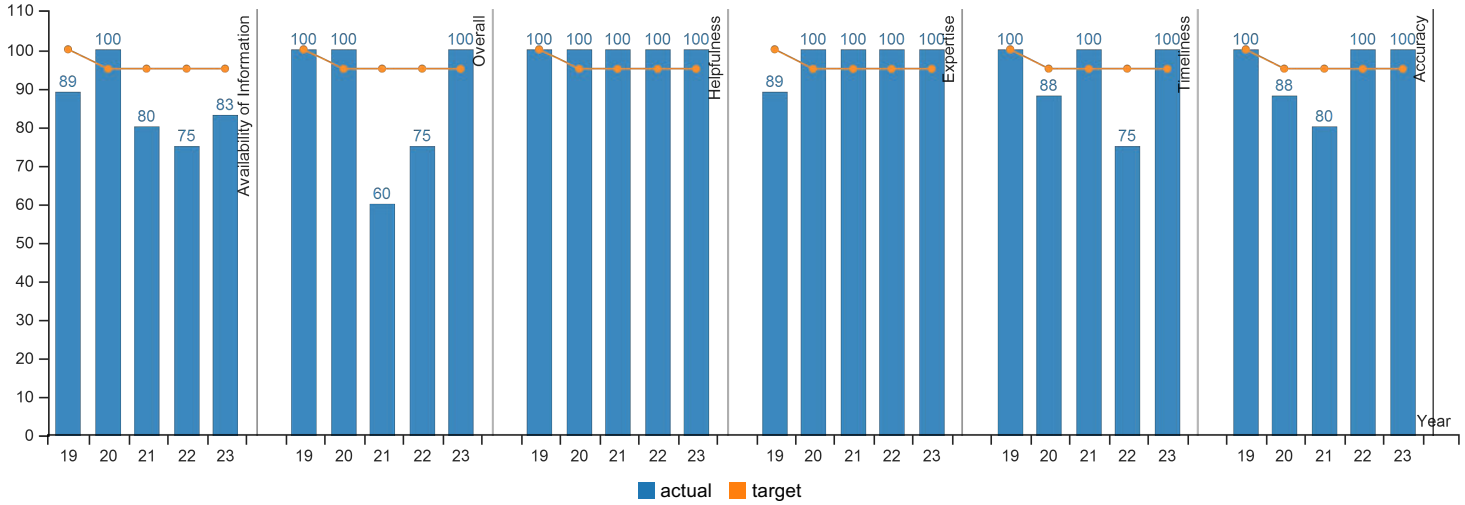
Published: 8/15/2023 11:26:33 AM

KPM #	Approved Key Performance Measures (KPMs)
1	CUSTOMER SERVICE TO COUNTY 'GOVERNMENTS AND FOREST LANDOWNERS - Percent of Oregon's forested counties and forest protective associations rating that ODF programs collectively provide "good" or "excellent" customer service: overall, timeliness, accuracy, helpfulness, expertise, availability of information.
2	BOARD OF FORESTRY PERFORMANCE - Percent of total best practices met by the Board of Forestry.
3	FOREST PRACTICES ACT COMPLIANCE - Percent of forest operations that are in compliance with the Forest Practices Act
4	URBAN AND COMMUNITY FOREST MANAGEMENT - Percent of Oregon cities actively managing their urban and community forest resources.
5	STATE FORESTS TOTAL REVENUE - Percent increase in total revenue produced by State Forests
6	AIR QUALITY PROTECTION - Total number of smoke intrusions into designated areas per total number of units burned.
7	PERCENTAGE OF PRIVATE FORESTLAND MANAGED AT OR ABOVE FOREST PRACTICES ACT STANDARDS. - Percentage of industrial private forestlands managed under an approved certification system, stewardship agreement, or other approved management plan including wildlife habitat conservation and management plans
8	FOREST STREAM WATER QUALITY - Percent of monitored stream sites associated predominately with forestland with significantly increasing trends in water quality.
9	VOLUNTARY PUBLIC AND PRIVATE INVESTMENTS MADE TO CREATE HEALTHY FORESTS - Cumulative public and private forest landowner investments made in voluntary projects for the Oregon Plan for Salmon and Watersheds or for the Oregon Conservation Strategy.
10	STATE FORESTS NORTH COAST HABITAT - Complex forest structure as a percent of the State Forests landscape.
11	FIRE SUPPRESSION EFFECTIVENESS - Percent of wildland forest fires under ODF jurisdiction controlled at 10 acres or less.
12	PREVENTION OF HUMAN-CAUSED WILDLAND FOREST FIRES - Number of Oregon residents per human-caused wildland forest fires. (population expressed in thousands of residents) This metric measures the ability to maintain or reduce the number of human-caused wildfires as the population of Oregon increases. An upward trend indicates a positive result.
13	DAMAGE TO OREGON FORESTS FROM INSECTS, DISEASES, AND OTHER AGENTS - Percent of forest lands without significant damage mortality as assessed by aerial surveys.



Performance Summary	Green	Yellow	Red
	= Target to -5%	= Target -5% to -15%	= Target > -15%
Summary Stats:	30.77%	23.08%	46.15%

KPM #1	CUSTOMER SERVICE TO COUNTY 'GOVERNMENTS AND FOREST LANDOWNERS - Percent of Oregon's forested counties and forest protective associations rating that ODF programs collectively provide "good" or "excellent" customer service: overall, timeliness, accuracy, helpfulness, expertise, availability of information.
	Data Collection Period: Jan 01 - Dec 31



Report Year	2019	2020	2021	2022	2023
Availability of Information					
Actual	89%	100%	80%	75%	83%
Target	100%	95%	95%	95%	95%
Overall					
Actual	100%	100%	60%	75%	100%
Target	100%	95%	95%	95%	95%
Helpfulness					
Actual	100%	100%	100%	100%	100%
Target	100%	95%	95%	95%	95%
Expertise					
Actual	89%	100%	100%	100%	100%
Target	100%	95%	95%	95%	95%
Timeliness					
Actual	100%	88%	100%	75%	100%
Target	100%	95%	95%	95%	95%
Accuracy					
Actual	100%	88%	80%	100%	100%
Target	100%	95%	95%	95%	95%

How Are We Doing

The Department of Forestry strives to exceed expectations in service to Oregon's forested counties and forest protective associations. Results from this year's survey indicate that while Department employees have demonstrated local success in building strong relationships within our communities and providing service to Oregonians, the complex sociopolitical environment surrounding State Forest land management continues to challenge our ability to meet expectations in service to all.

Factors Affecting Results

Our department’s mission is to serve the people of Oregon by protecting, managing, and promoting stewardship of Oregon’s forests to enhance environmental, economic, and community sustainability. One of our core values is excellent, efficient, and effective service.

Sentiments shared this year indicated that our employees are knowledgeable, responsive, and helpful in providing timely information, even amongst challenges of an unknown shifting policy environment; our fire response was characterized as excellent, attuned to local conditions in the communities served, and professional in our partnerships; employees are going above and beyond what is asked of them; and our field staff are consistently available for questions and communication needs.

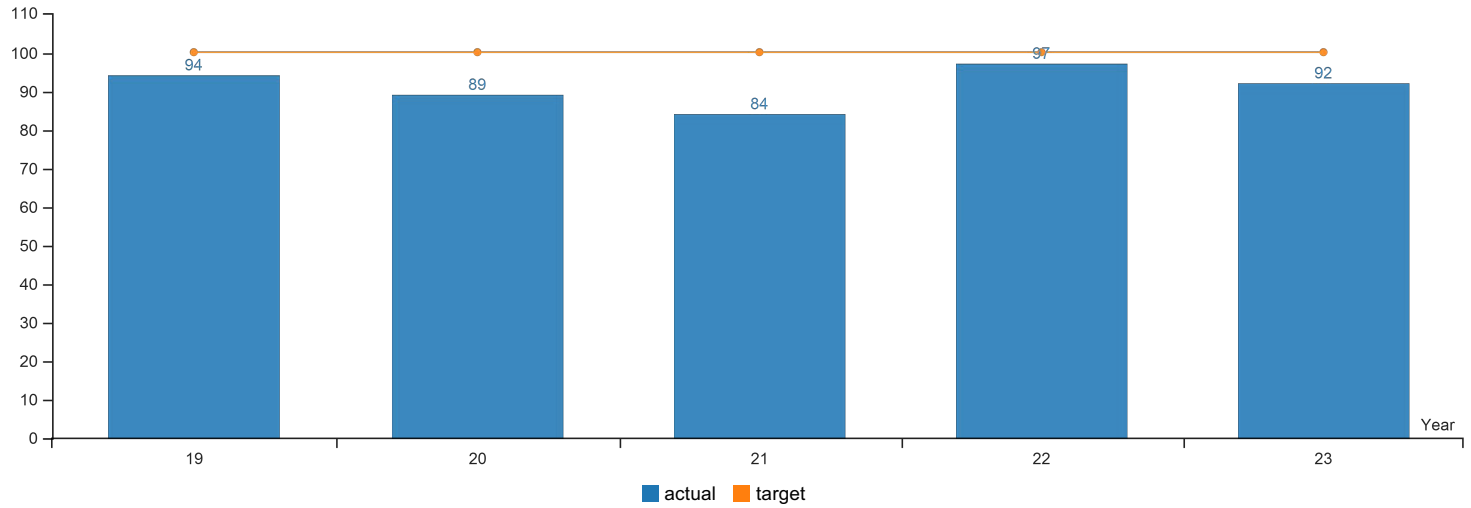
The positive results of this performance measure directly correlate to the investments made between Department staff and county commissioners, county officials, forest protective associations and forest landowners to build effective working relationships across all jurisdictions and forestry programs.

Feedback shared from our respondents included suggestions to collaborate with Oregon Department of Fish and Wildlife on fish or wildlife issues; to focus more resources on preparing defensible space with interested landowners; to ensure factual information is provided for decision-making relative to state forests planning; and general improvements to our agency website and resources provided.

Some of the comments received were a direct reflection of concerns expressed in management of State Forest lands, related frustrations in the development of a Habitat Conservation Plan and concerns that the department is not financially sustainable in its current structure, greatly impacting the counties. State Forests were intended to be managed for economic, environmental, and social values, providing a sustainable harvest while balancing conservation, scenic, recreational, and other factors included in the Greatest Permanent Value, serving Oregonians and Forest Trust Land counties over the long-term. Maintaining balance across these sociopolitical factors is complex and the tensions embedded within this landscape are reflected in the feedback received during this year’s evaluation of the performance measure.

KPM #2	BOARD OF FORESTRY PERFORMANCE - Percent of total best practices met by the Board of Forestry.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2019	2020	2021	2022	2023
Oregon Board of Forestry Governance					
Actual	94%	89%	84%	97%	92%
Target	100%	100%	100%	100%	100%

How Are We Doing

The Board of Forestry concluded the annual board governance performance evaluation with common agreement in meeting 92 percent of the standard best-practices criteria. Results of the evaluation suggest that current board members see the board functioning in a satisfactory manner across the majority of best practices in governance; however, slight disagreement in a few criterion ratings affected the Board's ability to meet their performance measure target of 100 percent for 2023.

Factors Affecting Results

All seven board members serving in the 2022 calendar period completed the evaluation. The Board found common agreement in reaching 92 percent of their best practices as compared to the prior year's evaluation of 97 percent.

The Board found common agreement in meeting best practices of governance in areas of:

- defined performance expectations for the State Forester and recent evaluation,
- review of the agency's annual key performance measures, as well as key financial information and audit findings as they are released,
- agency adherence to accounting rules and financial controls,
- board members responsibly serving as public representatives, coordinating with other public agencies and boards where statutory authority overlaps, attending appropriate training and technical information sessions, utilizing outreach and engagement of stakeholders and special interest committees, and annually evaluating their adherence to best practices in governance.

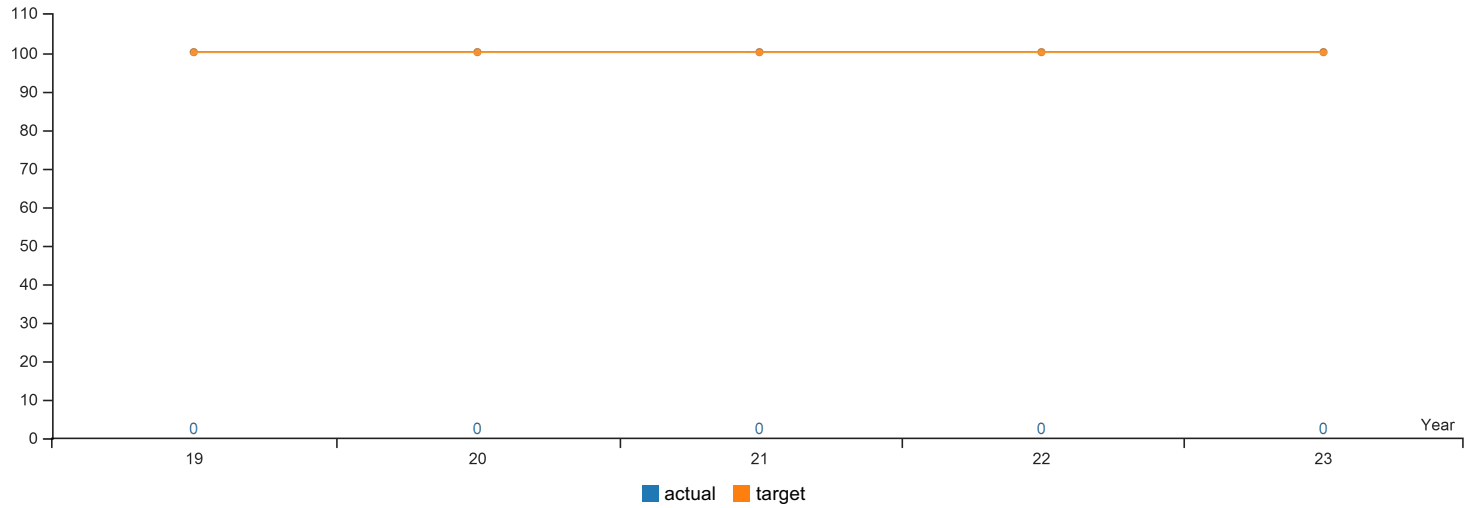
Areas for further improvement include:

- completion of the Board's strategic plan in the *Forestry Program for Oregon* with current agency mission, high-level goals, and defined strategic initiatives and priorities,
- increasing communication with the Board surrounding complex or significant operational-level decisions and communication strategies associated with those efforts,
- commitment of the Board to attend the rural community board meetings and field tours,
- increasing coordination with partnering agencies, continuing to hear from a broad range of diverse perspectives and information sources, reliance, and use of the best available science,
- enhancing the detail of financial information provided, and the interrelated financial impact associated with key policy decisions before the Board; including, overall financial risk to the agency and challenges within the biennial budgeting process, and
- securing stable funding for management of state forests and the counties supported by state lands, and the highly variable cost of wildfire funding.

Overall, the Board had positive reflections on their effectiveness as a board with recognition for the significant volume of complex issues requiring their attention and continuing room for improvement.

KPM #3	FOREST PRACTICES ACT COMPLIANCE - Percent of forest operations that are in compliance with the Forest Practices Act
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2019	2020	2021	2022	2023
Percent of Operations in Compliance with Oregon's Forest Practices Act					
Actual					
Target	100%	100%	100%	100%	100%

How Are We Doing

The Oregon Forest Practices Act (FPA) outlines standards of practice for forest operations on non-federal and non-tribal lands in Oregon. The FPA is administered by the Oregon Department of Forestry's (ODF) Forest Resources Division. Within the Forest Resources Division, the Monitoring Unit is tasked with developing studies on landowner compliance with the FPA rules at statewide scale.

A statewide study of Forest Practices Act compliance was conducted from 2013-2018. Results of the study were provided in Key Performance Measures reporting. In 2019, concerns for some of the statistical processes employed in the study were raised. The Monitoring Unit contracted with Mt. Hood Environmental (MHE) to review statistical elements of the 2013-2018 Forest Practices Act Compliance Study and make recommendations for improvement. The Monitoring Unit and MHE completed the review of processes and provided a report to the Board of Forestry in which individual elements of previous work were considered and discussed. MHE provided recommendations related to study design, data collection methods, and analysis, which will be implemented by ODF in future compliance monitoring studies.

The ODF Monitoring Unit completed a pilot study in 2022 that evaluated compliance with the FPA rules for reforestation. The primary goal of the reforestation pilot study was to assess compliance rates with a subset of rules in the Reforestation Division (610) of the Forest Practices Rules. ODF selected a statistically robust sample of harvest units, which were assessed for compliance at the individual reforestation rule level. The study used a statewide sample only covering the Private Industrial (PI) landowner type. Questions addressed included: 1) What percentage of clearcut units were replanted to acceptable stocking levels (OAR 629-610-0020)? 2) What percentage of units had reforestation completed within the specified time (2 years from harvest) (OAR 629-610-0040(3))? 3) What percentage of clearcut units were restocked with acceptable species (OAR 629-610-0050)?

More recently, ODF issued an RFP to contract with a statistician to assist with the current and future compliance monitoring study design, protocol, and data analysis. After receiving one RFP submission, the ODF Monitoring Unit, again contracted with MHE. MHE evaluated the reforestation pilot study methods and provided feedback. The pilot study found 97% compliance with the two-year replanting requirement (OAR 629-610-0040(3)) among private industrial landowners. Mount Hood Environmental also provided additional recommendations on sample sizes and data collection methods for ODF's 2023 Reforestation Study.

Using the lessons learned from the pilot study and MHE feedback, the Monitoring Unit will begin the Reforestation compliance audit data collection in late 2023. Rules under review will include one or more of the following: OAR 629-610-0040(3), OAR 629-610-0050, OAR 629-610-0040(4). Results will be reported in consultation with MHE and included in future KPM reporting.

In December of 2022, the ODF Monitoring Unit began reaching out to existing and new stakeholders with the goal of reconvening the ODF Compliance Monitoring Program Committee (CMPC). Stakeholders with knowledge of the FPA rules representing varied interests were invited to participate, including industrial and family timberland owners, environmental organizations, and other state agencies such as the Oregon Department of Environmental Quality. The new CMP committee began meeting in February 2023.

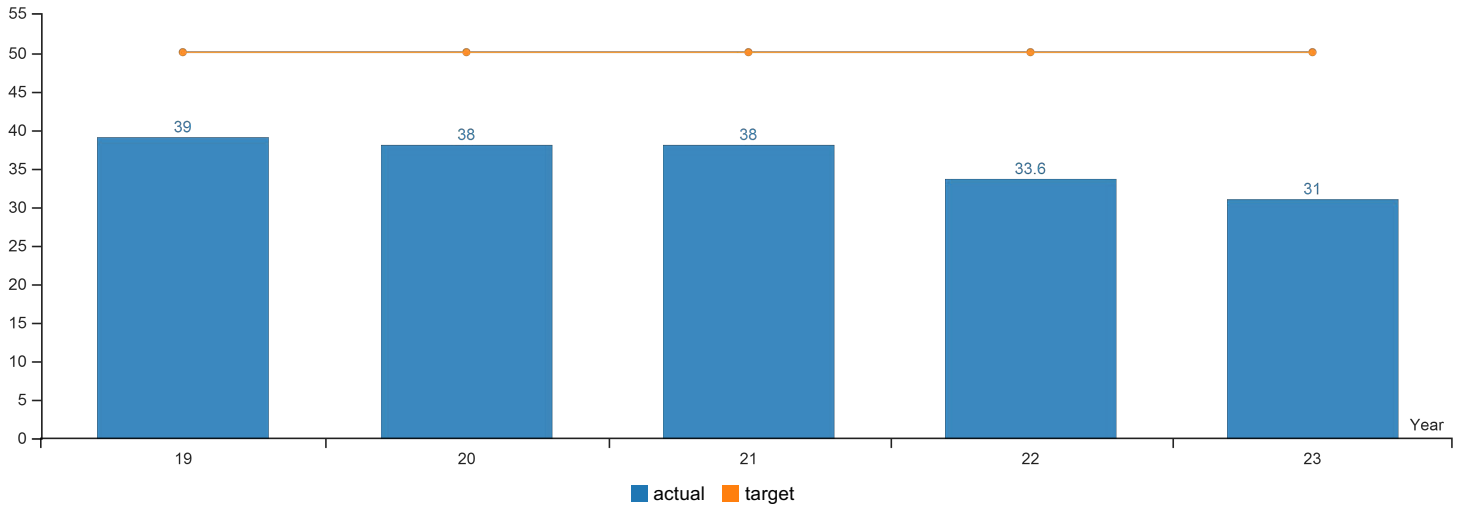
Factors Affecting Results

In 2022, the Governor's mediated discussions on forest policy were memorialized in the Private Forest Accord Report, which laid the foundation of legislation (Senate Bill 1501, 1502 & House Bill 4055). That legislation directed the Department of Forestry to make substantial changes in standards of practice for forest operations on non-Federal forestlands and provided regulatory assurance for landowners. In October 2022, the Board of Forestry adopted new and revised Forest Practices Act (FPA) rules that included a new rule division on Compliance Monitoring Program that described the framework and monitoring priorities. The ODF Monitoring Unit will prioritize rules related to biological and aquatic resources, including the following: Division 625 Forest Road Construction and Maintenance rules; Division 630 Harvesting rules for steep slopes; Division 643 Water Protection Rules: Vegetation Along Streams rules. Other rules may be included at the direction of the Board of Forestry.

The adopted rules will improve the ODF Compliance Monitoring Program audits. Under OAR 629-605-0150 (10a, b) landowners will need to notify the State Forester of completed activities for which they have submitted notifications. In addition, OAR 629-678-0100 (7,8) landowners will need to allow ODF staff and/or contractors access to their completed operations to conduct a compliance assessment. These new rules directly address MHE's 2021 recommendations: #3 (Quantify the Population) and # 4 (account for non-response bias). Important to note, the ODF Reforestation Study falls under the 2023 FPA rules where participation is voluntary, and notification of completion is not required.

KPM #4	URBAN AND COMMUNITY FOREST MANAGEMENT - Percent of Oregon cities actively managing their urban and community forest resources.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2019	2020	2021	2022	2023
Percent of Oregon cities actively managing their urban and community forest resources					
Actual	39%	38%	38%	33.60%	31%
Target	50%	50%	50%	50%	50%

How Are We Doing

The mission of the Urban & Community Forestry (UCF) Program is to help all Oregonians improve their quality of life by promoting community investment in our state's urban forests. UCF Program staff assist communities of all sizes by sharing a wide range of technical, educational, and organizational "Best Management Practices" through onsite visits and training, webinars, newsletters, email, and video conferencing. When funding is available, the UCF Program also provides grants and financial assistance to cities and community groups to help them build organizational capacity and support local UCF planning, maintenance, and training efforts.

KPM #4 tracks the percentage of Oregon cities and county subdivisions that are deemed to be actively managing their urban and community forests, based on their attainment of at least two out of four management criteria. The 4 management criteria that we track are whether cities/communities have (1) trained UF professionals on staff, such as an International Society of Arboriculture-certified arborist or tree worker; (2) a tree ordinance; (3) a tree board or advisory committee; and (4) an inventory-based urban forest management plan. According to the most recent federally reported data, the percentage of cities meeting two or more of these UCF management criteria – indicating they are pro-actively managing their urban forests -- has dropped slightly to 31 percent from 33.6 percent in 2022 (from 81 to 79 cities/communities). From a population perspective, these 79 cities/communities comprise 73% of the total population residing in Oregon's incorporated cities and county subdivisions (2020 Census data). This means that 73% of Oregonians live in cities/communities that are intentionally managing their urban and community forests.

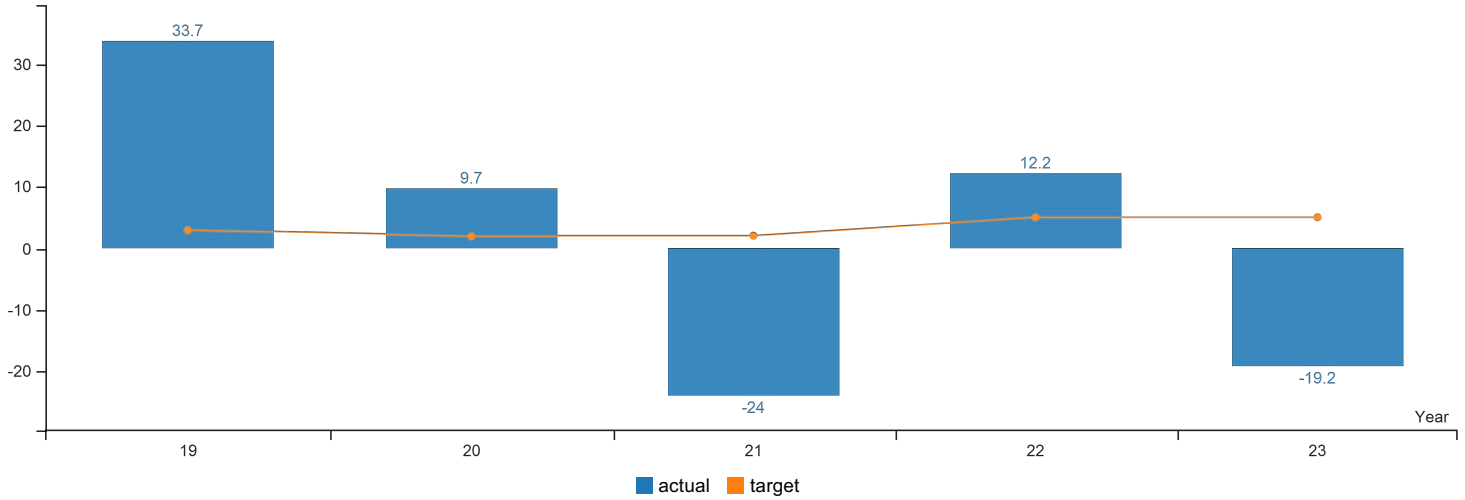
Factors Affecting Results

Over time, we expect to see fluctuations in cities' abilities to meet the 4 UCF management criteria listed above, based on changing budgets and economic conditions, staffing and volunteer capacity, and community priorities.

2022 was a year of transition for the UCF Program. Following the retirements of the team's two long-standing staff members, ODF successfully hired a new UCF Program Manager in June, and a new Community Assistance Forester in December. Two weeks after the new manager's start date, emerald ash borer (EAB), the most destructive and costly invasive forest pest in US history, was detected in Forest Grove. Since that time, at least 1/3 of the UCF team's efforts have been focused on coordinating an EAB response and recovery plan, aligning statewide partnerships, applying for and administering federal grants, and working to build awareness, financial support, and response capacity at the state level. With the assistance of temporary program staff, the UCF program was able to continue most of its "business as usual", and despite having staffing limitations throughout most of the year, the UCF Program still provided over 250 assists to private citizens, schools, colleges, and other public entities throughout the state.

KPM #5	STATE FORESTS TOTAL REVENUE - Percent increase in total revenue produced by State Forests
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2019	2020	2021	2022	2023
Percent increase in revenue produced by State Forests compared to the previous year					
Actual	33.70%	9.70%	-24%	12.20%	-19.20%
Target	3%	2%	2%	5%	5%

How Are We Doing

The FY 2022 data show a 19.2 percent decrease in total revenues from the previous year, down to $98,198,706. The amount of revenue distributed to counties decreased 13.5 percent from the previous year, $71,454,915 to $61,816,688. This KPM focuses on the percent change in total revenue produced from the sale of timber from State Forests. The Oregon Department of Forestry is committed to sustainable management of these lands. Harvest levels that contribute to the revenue flow for this measure are set annually by the Division at the direction of the State Forester.

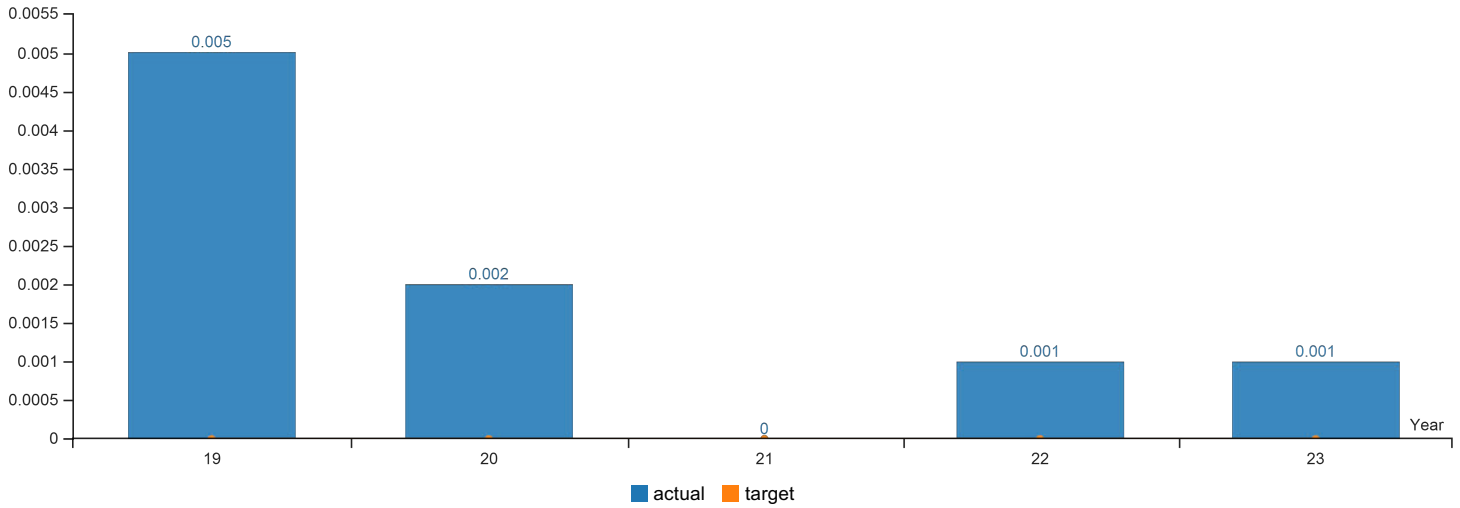
The KPM targets establish an objective for management activities to predictably generate revenue for the State.

Factors Affecting Results

The major factor affecting FY 2022 decrease in timber sale revenue was harvest volumes (208.7 MMbf) were 21% lower than FY 2021. Actual year-to-year harvest fluctuations are largely due to timber sale purchaser decisions on when to harvest during the contract period, which spans multiple years. FY2022 timber sale revenue was 6.1 percent lower than the 10-year average of $104,596,213.

KPM #6	AIR QUALITY PROTECTION - Total number of smoke intrusions into designated areas per total number of units burned.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = negative result*



Report Year	2019	2020	2021	2022	2023
Total number of smoke intrusions into designated areas per total number of units burned					
Actual	0.005	0.002	0	0.001	0.001
Target	0	0	0	0	0

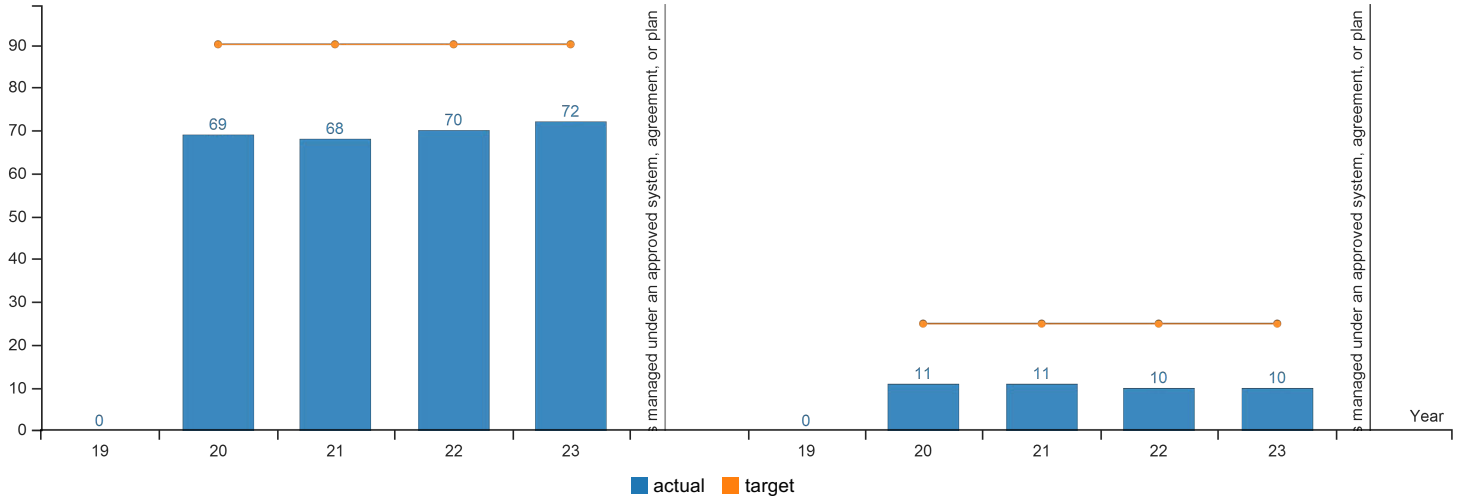
How Are We Doing

The Smoke Management Program is doing a good job of protecting Oregon's air quality while, at the same time, allowing forest landowners to dispose of unwanted accumulations of forest fuel. One intrusion occurred from 2148 units burned. The intrusion definition changed in 2019 to allow for some smoke to enter Smoke Sensitive Receptor Areas at a level that remained below 75 percent of the National Ambient Air Quality Standards. This change will allow for the increase in prescribed burning to eventually reduce the size and damage created by catastrophic wildfire.

Factors Affecting Results

In addition to restoration burning, hazard-fuel reduction, weather variations, and economic market conditions can also influence the outcome, by substantially increasing or decreasing the number of units available for burning. In 2022 heightened wildfire risk, due to persistent drought conditions, had a direct effect in reduction of the number of units burned, relative to the long-term average. The smoke intrusions that were recorded in 2022 was a result of burning done in the “Medford/Talent” area, that combined with an illegal private landowner burn producing smoke impacts to sections of the Medford, Talent, OR SSRA.

KPM #7	PERCENTAGE OF PRIVATE FORESTLAND MANAGED AT OR ABOVE FOREST PRACTICES ACT STANDARDS. - Percentage of industrial private forestlands managed under an approved certification system, stewardship agreement, or other approved management plan including wildlife habitat conservation and management plans
	Data Collection Period: Jul 01 - Jun 30



Report Year	2019	2020	2021	2022	2023
a. Percentage of total industrial private forestlands managed under an approved system, agreement, or plan					
Actual		69%	68%	70%	72%
Target		90%	90%	90%	90%
b. Percentage of non-industrial private forestlands managed under an approved system, agreement, or plan					
Actual		11%	11%	10%	10%
Target		25%	25%	25%	25%

How Are We Doing

Key Performance Measure #7 was modified during the 2019 Legislative Session to report as a percentage of forestland compared to previously reporting on acreage. With previously set legislative targets reporting by acres, prior year acreage data has been omitted from this report table. Results for the 2019 reporting year are reflected in the following narrative. The legislatively approved target for this measure in 2023 is 90 percent of industrial private forestlands and 25 percent of non-industrial private forestlands managed under an approved system, agreement, or plan.

a. Three certification systems operate in Oregon. The American Tree Farm System (ATFS) provides certification endorsed by the Programme for the Endorsement of Forest Certification schemes (PEFC). The PEFC is an international, independent, non-profit, non-governmental organization, founded in 1999, which promotes sustainably managed forests through independent third-party certification. Forest Stewardship Council (FSC) U.S. provides certification verified by Accreditation Services International, an independent accreditation body offering international, third-party accreditation for voluntary certification schemes. The Sustainable Forestry Initiative (SFI) provides certification endorsed by the PEFC.

The Department of Forestry (ODF) approves and monitors management plans, under the USDA-Forest Service's State and Private Forestry Program and enters into Stewardship Agreements (ORS 541.423) with forestland owners, who agree to manage beyond FPA standards.

ODF requested information on acres of industrial private forestland certified or approved under each system, and 72 percent (4.6 of the 6.5 million acres) of industrial private forestlands are managed under an approved certification system or stewardship agreement, as summarized below:

• Sustainable Forestry Initiative, Inc.	3,957,343 acres
• American Tree Farm System	508,315 acres
• Forest Stewardship Council U.S.	150,328 acres
• ODF Stewardship Agreements	29,395 acres
• **Total**	**4,645,381 acres**

b. ODF requested information on acres of non-industrial private forestland certified or approved under each system and 10 percent (0.4 of the 3.7 million acres) of non-industrial private forestlands are managed under an approved certification system, stewardship agreement, or forest management plan, as summarized below:

• ODF; USDA-FS Forest Stewardship Plan[1]	108,066 acres
• ODF Stewardship Agreements	3,131 acres
• American Tree Farm System	218,348 acres
• Forest Stewardship Council U.S.	28,634 acres
• **Total**	**358,179 acres**

[1] The Forest Stewardship Plan reported acres are down from last year's reporting. Although the program acres may fluctuate some due to various factors, this overall decline was predictable given the multi-year trend. The outlook is also for future reduction in the number of plans developed each year due to the steadily declining amount of funds that are awarded to the state from the USDA-FS through the FSP program. If the current planning level is to be maintained or increased over the next few years, it will need to be supported either through one-time funding or the leveraging of other federal programs.

Factors Affecting Results

a. Along with forestry-related agencies and organizations, the marketplace encourages forest certification. Forestland owners wanting to sell timber increasingly find that milling facilities are requiring their log supply come from certified forests. This market access requirement is motivating landowners to obtain certification from recognized third-party systems. Industrial forestland owners generally have the capacity to develop procedures to maintain certification.

Domestically and internationally, voluntary forest certification systems are used as a mechanism to recognize forest products originating from lands meeting specific management and harvesting requirements. Certification involves observation of management and harvesting requirements and is validated through third-party review. Costs are incurred by landowners to certify lands. In turn, certified forest products can access certain markets, which are otherwise closed and/or differentiated from uncertified competing goods. Regardless of certification status, all of Oregon's private and state forestlands are subject to the requirements of the Oregon Forest Practices Act and comprehensive land use plans and as such, are held to standards that in many respects are like those of certification systems.

In 2018, Oregon achieved certification with the American Society for Testing and Materials (ASTM standard on forest certification systems D7612-10 for wood grown and harvested under the Oregon Forest Practices Act and compliance of subject wood to the 2012 and 2015 International Code Council (ICC International Green Construction Code (IgCC. The recognition from ASTM will provide opportunities for private and state forestlands to access additional markets for their forest products.

In 2019, the KPM was modified to reflect the percentage of industrial and non-industrial acres whose land is under an approved certification or management system. The percentage is based upon the total acres of forestland in either the industrial or non-industrial classification. This revised reporting measure may improve understanding of the overall importance of this measure.

b. Along with forestry-related agencies and organizations, the marketplace encourages forest certification. Forestland owners wanting to sell timber increasingly find that milling facilities are requiring their log supply come from certified forests. This market access requirement is motivating landowners to develop management plans, since forest certification systems require forest management planning.

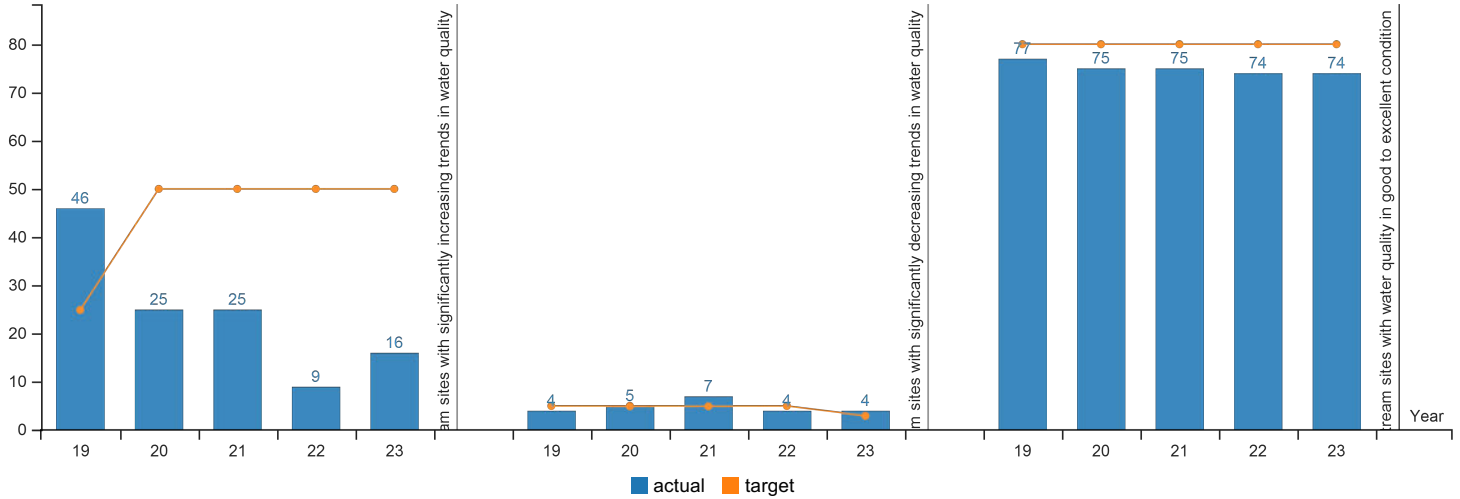
Non-industrial forestland owners often need assistance in developing inventory data and management documentation needed for certification. The cost of certification may represent a barrier for smaller ownerships. Approximately 133 thousand owners hold forestland between 1 and 9 acres in size, accounting for 328,000 acres of forests. Another 27 thousand owners have forestland holdings between 10 and 99 acres in size, accounting for 887,000 acres of family forests. The large number of owners with small holdings creates a significant challenge to achieving certification on all non-industrial forestlands.

To increase certification on non-industrial forestlands, ODF needs to provide additional technical and financial assistance to landowners for development of management plans and procedures. ODF does not receive any state support for this effort and relies solely on federal funding to conduct this work. ODF works with multiple organizations to promote the development of forest management plans and the mutual recognition of approved plans.

In 2019, the KPM was modified to reflect the percentage of industrial and non-industrial acres whose land is under an approved certification or management system. The percentage is based upon the total acres of forestland in either the industrial or non-industrial classification. This revised reporting measure may improve understanding of the overall importance of this measure. NOTE: Collection dates varied for KPM 7 as follows:

- SFI and America Tree Farm data collected - June 30, 2023
- FSC data collected - June 2023
- ODF; USDA-FS Forest Stewardship Plan data collected - June 2023

KPM #8	FOREST STREAM WATER QUALITY - Percent of monitored stream sites associated predominately with forestland with significantly increasing trends in water quality.
	Data Collection Period: Oct 01 - Sep 30



Report Year	2019	2020	2021	2022	2023
a. Percent of monitored forested stream sites with significantly increasing trends in water quality					
Actual	46%	25%	25%	9%	16%
Target	25%	50%	50%	50%	50%
b. Percent of monitored forested stream sites with significantly decreasing trends in water quality					
Actual	4%	5%	7%	4%	4%
Target	5%	5%	5%	5%	3%
c. Percent of monitored forested stream sites with water quality in good to excellent condition					
Actual	77%	75%	75%	74%	74%
Target	80%	80%	80%	80%	80%

How Are We Doing

a. In 2022, 16% percent of monitored forest stream sites showed increasing trends in water quality. While the percent of forested streams with increasing trends in water quality has remained higher than all other land uses (14% of all land uses show increasing trends in water quality) the target for monitored forest streams was not attained this year. However, most forested stream sites continue to remain in the good to excellent category (74%). The number of streams with good to excellent water quality remains steady for over the past 6 years. No increasing or decreasing trend was observed on 81 percent of monitored forest stream sites.

The performance is based on the Oregon Water Quality Index (OWQI). The OWQI describes general stream water quality status and trends. The OWQI also shows the general effectiveness of water quality management activities. No industry standards exist. However, 2022 data for agricultural lands in Oregon indicate 5 percent of monitored agricultural stream sites with increasing trends in water quality. Statewide data for 2022 for all land uses, including agricultural and forest lands, indicate 8 percent of monitored stream sites with increasing trends in water quality.

b. In 2022, two monitored sample points (4 percent) showed significantly decreasing trends in water quality. Compared to last year this is the same number of monitored sampled points that indicate significantly decreasing trends in water quality and represents no change in overall water quality trends. This year the target was met as it was in 2021. It is important to note that about half of the

ambient sites statewide, and a large majority (74%) of forest monitoring sites continue to have "good" or "excellent" water quality and that has remained consistent over the last eleven years. No increasing or decreasing trend was observed on nearly 81 percent of monitored forest stream sites.

The performance is based on the Oregon Water Quality Index (OWQI). The OWQI describes general stream water quality status and trends. The OWQI also shows the general effectiveness of water quality management activities. No industry standards exist. However, 2022 data for mixed land use in Oregon indicate 4 monitored stream sites showing a decreasing trend in water quality. Statewide, data for 2022 for all land uses, including agricultural and forest lands indicate 18 monitored stream sites (11 percent) with decreasing trends in water quality, which is overall no change in 2022 to overall stream water quality in Oregon.

c. In 2022, 74 percent of monitored forest stream sites showed "good" to "excellent" water quality, which is just slightly below the target of 80 percent. Except for the past 5 years, monitored sites on forestland met or exceeded the target (which increased in 2018) every year since 2009 when this measure was established. About half of the ambient sites statewide continue to have "good" to "excellent" water quality and that has remained consistent over the last ten years. 2022 is the first year that none of the monitored sites in forest land use have a status of very poor.

The performance is based on the Oregon Water Quality Index (OWQI). The OWQI describes general stream water quality status and trends. The OWQI also shows the general effectiveness of water quality management activities. No industry standards exist. However, 2022 data for agricultural lands in Oregon indicate about 24 percent of monitored agricultural stream sites with water quality in good to excellent condition. Statewide data for 2022 for all land uses, including agricultural and forest lands indicate about 49 percent of monitored stream sites with water quality in good to excellent condition. These comparisons demonstrate that maintaining forestlands in forest use is an effective and efficient way to maintain water quality.

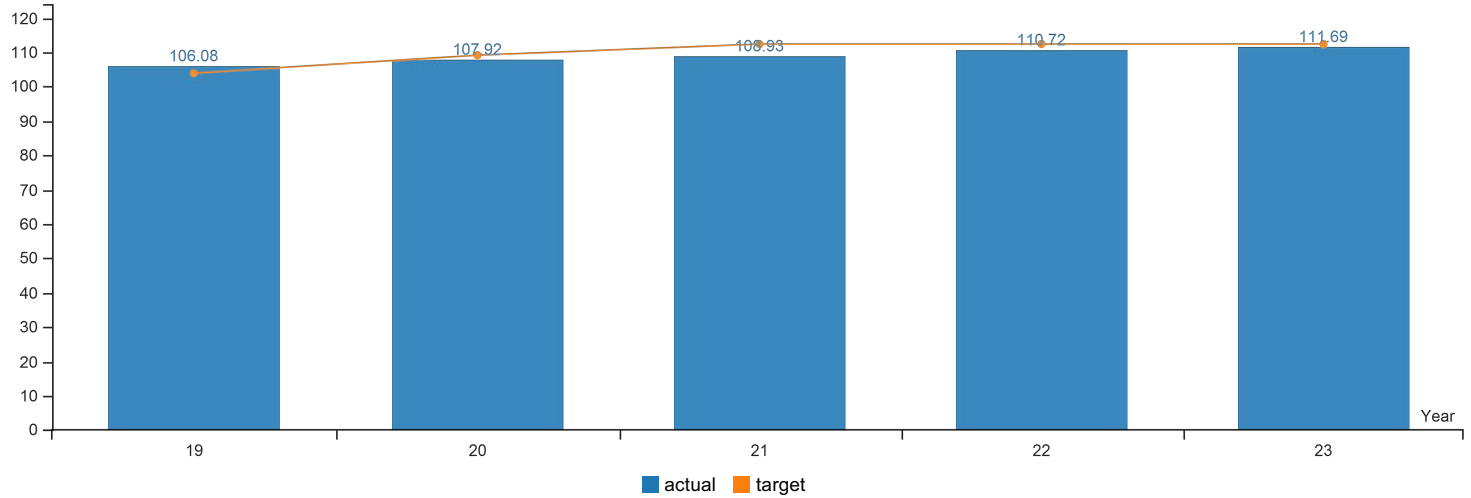
Factors Affecting Results

Additionally, statewide targets were revised in 2019. Where sites show significant improvement that is not affected by point source discharges, such improvements may be attributed to the following: reduced levels of non-point source activity, increased education about water quality impacts, and watershed restoration efforts. Underlying all these factors are stream flow conditions as Oregon transitions between drought and wet years, changes in stream flows may indirectly affect observed water quality. A variety of activities occurring on forestlands, including forest management (timber harvesting and road construction/use), fire suppression, recreation, and livestock grazing may impact soil and water resources. Disturbances that trigger large erosion events can produce important changes in aquatic conditions. These episodic changes are critical in maintaining aquatic habitat over time, even though they may temporarily decrease water quality.

Disclaimer: The OWQI used in this KPM is one of many tools to understand Oregon water quality conditions statewide. The ambient network is not a randomly selected, statistically valid sample of water quality conditions statewide. Sampling sites were selected to reflect the integrated effects of land use and point source discharges upstream of them. The data is representative of just the sampling site and does not represent the water quality conditions of other locations in the same basin or of the whole river (DEQ, 2019).

KPM #9	VOLUNTARY PUBLIC AND PRIVATE INVESTMENTS MADE TO CREATE HEALTHY FORESTS - Cumulative public and private forest landowner investments made in voluntary projects for the Oregon Plan for Salmon and Watersheds or for the Oregon Conservation Strategy.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2019	2020	2021	2022	2023
Private forestland owner investment in Oregon Plan habitat restoration projects - $ in millions					
Actual	$106.08	$107.92	$108.93	$110.72	$111.69
Target	$104.06	$109.25	$112.50	$112.50	$112.50

How Are We Doing

Private forestland owners have made significant investments in improving water quality and fish habitat. Reported cumulative investments for 2022 was $111.69 million compared to a target of $112.5 million. The 2022 accomplishment level represents the fourth year out of seven, that cumulative private investments in Oregon Plan for Salmon and Watersheds (Oregon Plan) did not meet the target. In 2022, private forestland owners invested $0.97 million which continues to show the high level of contribution private forestland owners provide to improve water quality and fish habitat through voluntary restoration measures. The Department had expected the rate of expenditures to decline over time as more projects were completed and opportunities for restoration decreased. The great recession caused a steep drop in investment, corresponding with the decline in timber harvest during that time. However, during 2013-2022 period, restoration activities are increasing (compared to the 2003-2012 period) based on the reported average annual contributions of approximately $1.6 million average investment per year for this period. Currently, data is not available for investments under the Conservation Strategy.

Private forestland owners are the major contributor to the Oregon Plan accomplishments, providing over 80 percent of reported private land accomplishments. Oregon is unique among western states in its focus on voluntary measures, which work in concert with regulatory approaches to achieve additional habitat protection and restoration.

Voluntary restoration activities by landowners, combined with continued regulatory compliance, provide a foundation for the success of the Oregon Plan in protecting and restoring water quality and fish habitat on forestland. The Oregon Conservation Strategy provides an analogous voluntary framework for restoration of all habitat types. The Conservation Strategy emphasizes proactively conserving declining species and habitats to reduce the possibility of future federal or state listings. The strategy presents issues and opportunities and recommends voluntary actions that will improve the efficiency and effectiveness of conservation in Oregon. The Department revised its stewardship agreement program to improve efficacy of encouraging forestland owners to self- regulate to meet

and exceed applicable regulatory requirements and achieve conservation, restoration and improvement of fish and wildlife habitat and water quality. The Department continues to implement a programmatic Safe Harbor Agreement for Northern Spotted Owls to provide regulatory certainty and encourage voluntary enhancement of owl habitat for landowners who choose to participate. In 2019, the stewardship agreement tool had increased interest and resulted in nearly 32,000 acres enrolled because of a new agreement with one large landowner in Northwest Oregon who focused on aquatic and terrestrial conservation strategies for listed threatened and endangered species.

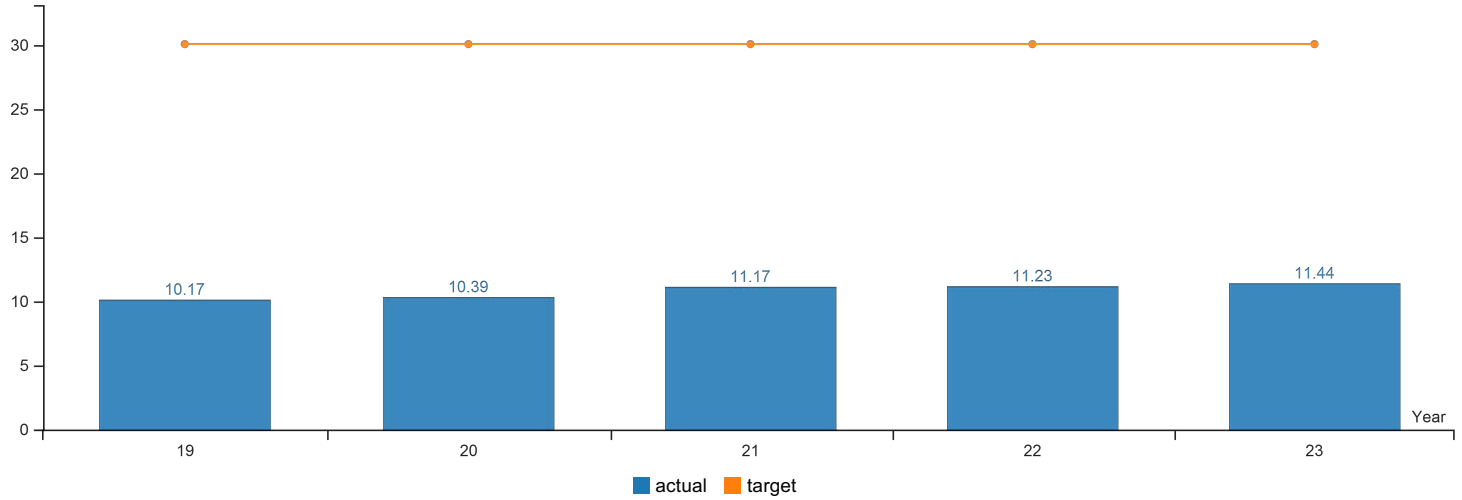
Factors Affecting Results

The Oregon Plan has been successful because of the strong forestland owner community who work with watershed councils and the Department to achieve restoration and protection goals for natural resources. There continues to be broad support for voluntary measures coupled with regulatory mandates. ODF Stewardship Foresters provide education and technical assistance to landowners in support of restoration activities. The previous economic downturn in the late 2000's significantly affected the housing market and corresponding demand for wood products. Economic conditions have improved since 2012 resulting in steady investments and contributions to watershed restoration efforts. Moving forward, the Department is implementing a revised regulatory and landowner assistance program associated with approved legislation and adoption of more protective administrative rules for forest operations near streams and other sensitive sites. This legislation will provide additional resources to help implement programs including the Oregon Plan. The Oregon Plan funding supports coordination with watershed councils and other groups that encourage restoration.

The Department is aware that reporting and implementation of voluntary restoration projects is not occurring at a high enough percentage to capture a comprehensive view or encourage additional investments by private forestland owners.

KPM #10	STATE FORESTS NORTH COAST HABITAT - Complex forest structure as a percent of the State Forests landscape.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2019	2020	2021	2022	2023
Complex structure as a percent of the State Forests landscape					
Actual	10.17%	10.39%	11.17%	11.23%	11.44%
Target	30%	30%	30%	30%	30%

How Are We Doing

The amount of complex structure on State Forests demonstrates a steady or slightly increasing trend since 2018. The decrease from 2017 to 2018 was largely a result of a change in how the amount of complex structure is estimated. When considered by District, the fiscal year 2022 data show that 17.00% of Astoria district, 10.12% of Forest Grove district, and 9.00% of Tillamook district are in complex forest structure.

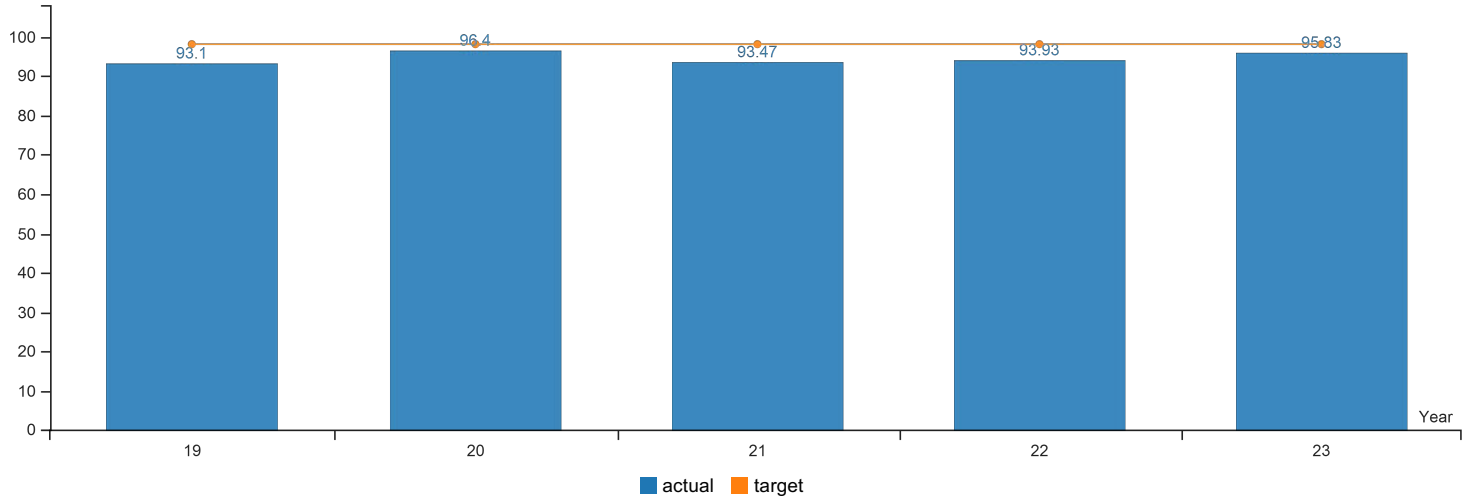
Factors Affecting Results

Complex forest structure develops very slowly, and it is anticipated to take decades to achieve the range of 30 to 50% complex structure now described in the forest management plans. ODF's Stand Level Inventory (SLI) system is not designed to report on year-to-year difference but rather reflect our updated understanding of the landscape.

The year-to-year changes in complex structure are the result of updates to SLI data as well as active management designed to enhance the development of complex forest structure over time.

KPM #11	FIRE SUPPRESSION EFFECTIVENESS - Percent of wildland forest fires under ODF jurisdiction controlled at 10 acres or less.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2019	2020	2021	2022	2023
Percent of wildland forest fires controlled at 10 acres or less					
Actual	93.10%	96.40%	93.47%	93.93%	95.83%
Target	98%	98%	98%	98%	98%

How Are We Doing

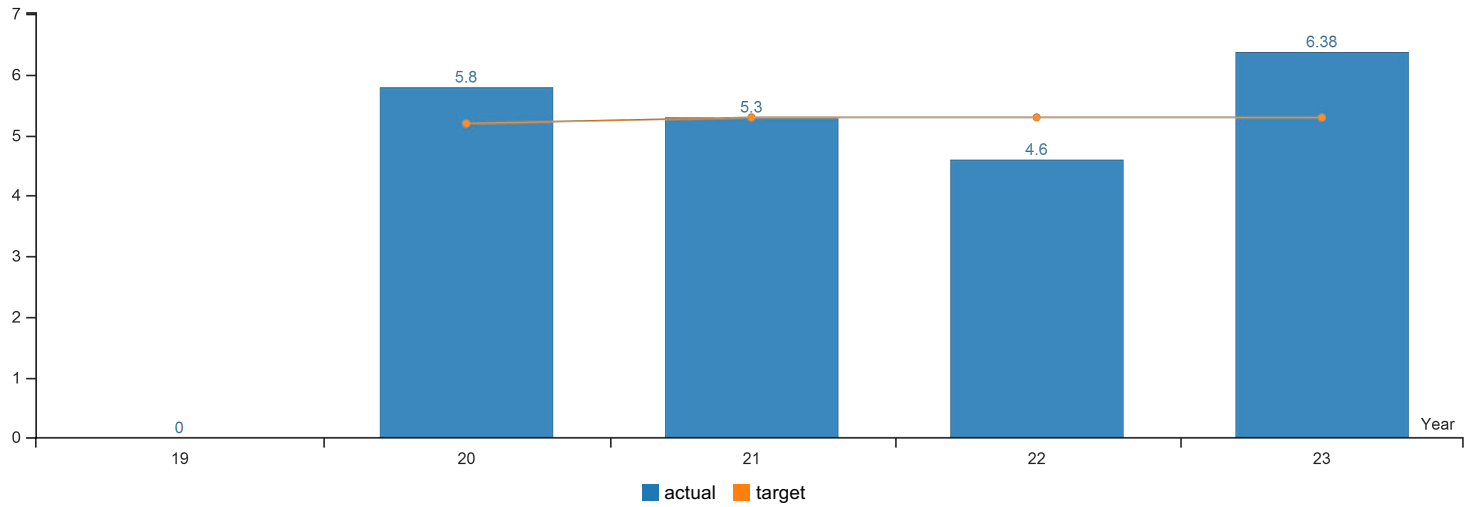
The Department was not able to meet the target of suppressing 98 percent of all wildfires at ten acres or less in size for the 2022 fire season. We were 2.17% under target at 95.83%.

Factors Affecting Results

Influencing factors: Early 2022 weather outlooks indicated an above average fire season in Oregon, requiring early preparation and heightened preparedness. Passage of landmark legislation in 2021, Senate Bill 762, allowed for seasonal firefighters to be hired earlier, and additional resources were activated to be at the ready for increased initial attack response and for the potential of large fires. Despite the early significant fire potential outlooks and continuing drought, spring rains covered much of the state into June, delaying the major onset of the fire season. In late June and into July, thunderstorms passed over Oregon, and trace but measurable precipitation temporarily relieved some areas under drought conditions. Fire activity in early 2022 was below average from April through July, and the actual start of fire season was delayed in several districts. However, August brought excessive heat warnings and thunderstorms and ODF braced for mass dry lightning ignitions. ODF recorded 159 lightning fires from a total of 11,337 strikes across the state. The first early August lightning storm rolled over southwest Oregon resulting in two complexes consisting of 43 and 23 separate fires during a five-day period. Early detection and aggressive initial attack kept all 66 fires from becoming large costly incidents. In mid-August, the Double Creek fire in northeast Oregon was detected at 1 acre by the ODF Multi-Mission Aircraft, and SB762-supported pre-positioned aircraft were deployed in a cost-share agreement with the USFS. The fire burned 171,532 acres, but only 9,986 acres, less than 6%, burned on ODF-protected lands. The Rum Creek fire in southwest Oregon was detected early by ODF detection cameras. The BLM Western Oregon Agreement/Operating Plan applied to this fire that burned 21,347 acres, with only 2,873 acres, or 13% burned on ODF-protected lands. In September, The Van Meter lightning fire burned 2,639 acres, with 1,162 acres, or 44% burned on ODF-protected lands. In the north Cascades foothills, the Milo McIver fire threatened the state park and 550 homes in the wildland urban interface and qualified for a FEMA Fire Management Assistance Grant. Fast dispatch and response with pre-positioned aircraft minimized damage to the state park and kept the fire to only 34 acres. Support from the Oregon Legislature, early detection with innovative tools such as detection cameras and multi-mission aircraft, and initial attack success kept 95.83% of ODF fires at less than 10 acres.

KPM #12	PREVENTION OF HUMAN-CAUSED WILDLAND FOREST FIRES - Number of Oregon residents per human-caused wildland forest fires. (population expressed in thousands of residents) This metric measures the ability to maintain or reduce the number of human-caused wildfires as the population of Oregon increases. An upward trend indicates a positive result.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2019	2020	2021	2022	2023
Number of Oregon residents per human-caused wildland fire					
Actual		5.800	5.300	4.600	6.380
Target		5.200	5.300	5.300	5.300

How Are We Doing

Key Performance Measure #12 was modified during the 2019 Legislative Session to report as a number of Oregon residents per human-caused wildfire compared to previously reporting the number of human-caused wildfires per 100,000 Oregon residents. With previously set legislative targets reporting on the number of fires, prior year data has been omitted from the report table. Results for the 2022 reporting year are reflected in the following narrative. The legislatively approved target for this measure in 2022 is 5.3 thousand Oregon residents per human-caused wildfire (population expressed in thousands of residents).

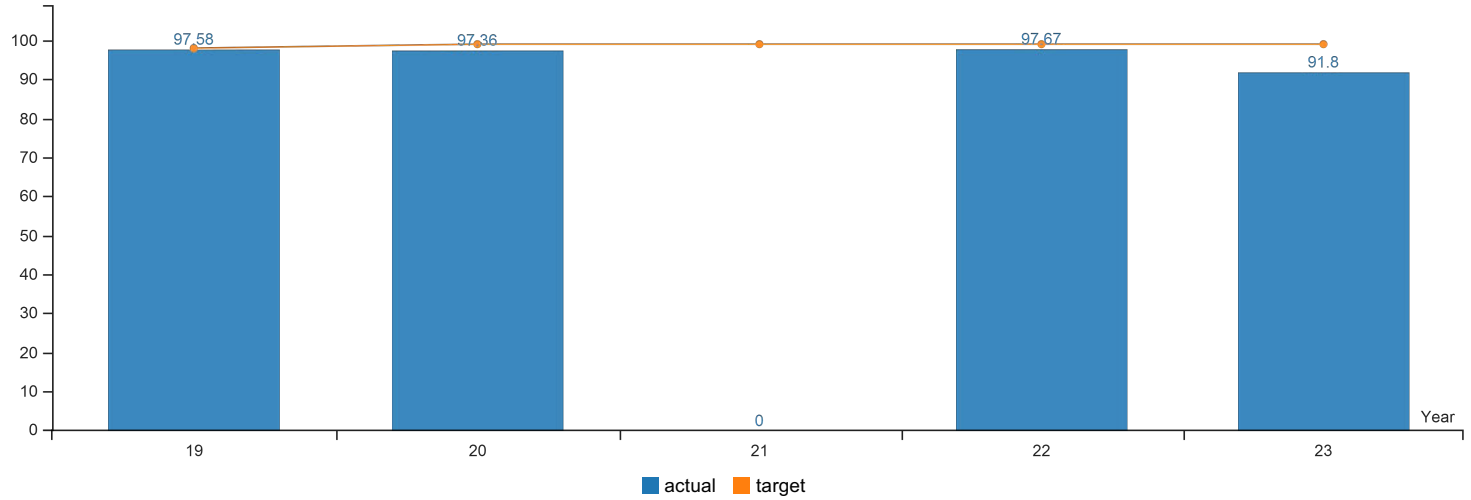
The fire prevention program continues to examine new and effective approaches to prevent human-caused wildland fires. There were 671 human-caused wildland fires in 2022. With Oregon's population in 2022 totaling 4,281,251 the resulting fire prevention rate of 6.38 thousand Oregon residents per human-caused wildland forest fire exceeded the target. The 10-year average of human-caused wildland fires is 768 fires annually.

Factors Affecting Results

Steady increase in Oregon's population and the use of forestland for recreation as well as increasing rural residential home sites are key components for these results. Heavily populated areas of the state, where weather and fuel conditions are aided by public activities, such as debris burning, equipment use, and forest recreation, drive the data.

KPM #13	DAMAGE TO OREGON FORESTS FROM INSECTS, DISEASES, AND OTHER AGENTS - Percent of forest lands without significant damage mortality as assessed by aerial surveys.
	Data Collection Period: May 01 - Oct 31

** Upward Trend = positive result*



Report Year	2019	2020	2021	2022	2023
Percent of Oregon forestlands without significant damage from insects, diseases and other agents					
Actual	97.58%	97.36%		97.67%	91.80%
Target	98%	99%	99%	99%	99%

How Are We Doing

The percent of Oregon forestlands without significant damage from insects, diseases and other agents has held steady the last few years but is again below recent KPM targets, which have increased over the years. The ongoing statewide drought continues to reduce the resilience of our forests to additional stressors, and we will likely see the percent of Oregon forestlands without significant damage hold steady or decrease over time as our forestlands continue to be stressed by drought.

In 2022, despite aircraft and staffing shortages we completed the entirety of our annual statewide aerial survey. We conducted ground checks in known problem areas and areas damaged by disturbance events such as recent storms, wildfire and chronic drought. From aerial and ground surveys it was clear that the trend from the last decade continues, and most tree mortality detected has been due to a combination of climate change impacts and secondary attack by bark beetles. Most significant was the record breaking 1 million acres with true fir mortality from ongoing hot droughts and unmanaged root disease. The 2021 heat dome and continuing drought trend has contributed to reduced resilience and dieback for most of our tree species across the state, despite lower temperatures and higher precipitation in our final year of a La Niña cycle.

Cooperative statewide trapping surveys and monitoring for invasive spongy moth (previously gypsy moth) detected seven moths across several Willamette Valley and coastal counties which will be trapped again in 2023 to isolate proposed insecticidal eradication areas. Emerald ash borer was detected for the first time in a western state in June 2022 in Forest Grove. This detection initiated a multiagency effort on slowing the spread as outlined the Oregon Emerald Ash Borer Readiness & Response Plan.

Efforts to quarantine and slow the spread of Sudden Oak Death, an exotic disease affecting tanoak, have been ongoing along the southwestern coast of Oregon. In 2022, SOD monitoring included 60 stream bait sites, 469 acres of ground transect surveys, and interpretation of 379,000 acres of aerial imagery. The new clonal lineage of Sudden Oak Death (NA2) that was detected outside Port Orford in 2021 was treated within 300-600 foot buffer areas.

Factors Affecting Results

Over the last decade, an average of over 1 million acres of forest lands have been designated as having been significantly affected by insects, diseases, and other damaging agents during aerial surveys. Thousands more acres are unhealthy and under-producing due to being overstocked, planted with off-site species, exposed to environmental stresses such as drought, and stagnating from the suppression of natural fire cycles. These acres are becoming increasingly susceptible to damage by environmental stressors, insects and diseases. While the statewide aerial survey data provides valuable information about key forest damaging agents, aerial surveys are just an estimate and are not able to evaluate the impact of many forest diseases, nor indicate the current or future risk of forests to damage by environmental stressors, insects and diseases. In Oregon, thousands of acres of forests need active management to reduce the risk of insect outbreaks and catastrophic wildfires to produce resilient and sustainable forests. A century of fire suppression and inconsistent forest management has resulted in thousands of acres of Oregon's forests becoming overstocked and unhealthy. In addition, changing climatic conditions that contribute to drought directly cause damage or increase susceptibility to insects and disease. Thinning stands to reduce competition, promote tree health and vigor, and increase age and species diversity, have been shown to reduce the risk associated with many damaging insects and diseases. Federal bark beetle mitigation grants, administered by the Department's stewardship foresters, provide cost share funds to landowners to implement activities to improve forest health and increase stand resistance to bark beetles. Federal National Fire Plan funds also provide cost-share to landowners to improve forest health and prevent damage within the wildland-urban interface. However, as limited funds are available each year, the total acres of private forest lands treated annually is relatively limited and is unlikely to affect overall statewide trends. Additionally, statewide targets were revised in 2020.

Agenda Item No.:	G
Work Plan:	Administrative
Topic:	Macias, Gini & O'Connell (MGO) Recommendations
Presentation Title:	MGO Implementation Management Plan Progress
Date of Presentation:	September 6, 2023
Contact Information:	Sabrina Perez, Senior Strategy Manager (503) 945-7311 sabrina.perez@odf.oregon.gov

SUMMARY

The department is providing an update on the progress towards implementation of Macias, Gini, and O'Connell (MGO) recommendations.

CONTEXT

Previously, the department presented the results of an independent external review of the agency's financial management structure and processes related to wildfire costs as conducted by MGO and an accompanying Implementation Management Plan from the department developed to address the recommendations. Subsequent presentations have included progressive updates of the department's completion status, MGO's evaluation and assessment of the department's progress, and recognition of the direct technical assistance MGO is providing the department to support implementation.

BACKGROUND

In late 2019, the former Governor, Kate Brown established the Forestry Financial Oversight Team to support the Department of Forestry in the financial management of increasingly complex and expensive wildfire season costs. The Team pursued two primary tasks: 1) hire an independent contractor to provide recommendations for structural changes to expedite and standardize the processing of financial transactions associated with wildfire costs, and 2) evaluate options for a financial structure and cash flow management system that recognizes the reality of seasonal borrowing to support wildfire response.

Macias, Gini, & O'Connell LLP (MGO), a CPA and advisory firm, was hired by the Department of Administrative Services to perform a review and assessment of the Department of Forestry's (ODF) fire finance operations, including accounts receivable, accounts payable, and district fire budgeting. Once this work was completed, MGO presented a final report to the Joint Committee on Ways & Means, Subcommittee on Natural Resources, on May 5, 2021. MGO's report highlighted 28 observations and recommendations in five areas of concern: budgeting, financial resources, information technology, oversight, and policies and procedures. Within this report were management responses from ODF executive leadership, developed through collaboration with leadership throughout the organization. These responses proposed plans of action to mitigate the risks identified by MGO and initiated efforts to define sequenced implementation to operationalize the recommendations.

From preliminary work with MGO, and further development upon receipt of the final report, ODF developed a comprehensive Implementation Management Plan consisting of key deliverables and actions necessary for the agency to mitigate risk, implement structural changes, and refine financial processes to reflect the reality of increasingly large wildfires. It is anticipated this plan will have multiple iterations as each recommendation progresses through a lifecycle of cascading refinement in planning, and milestone achievements are accomplished. The first version of this comprehensive plan was presented to the Board in June 2021, with updated versions shared in September, January 2022, April, and November. A final iteration of the plan is in development as the department works to close out the remaining recommendations.

Legislative Funding

Additional funding was provided to ODF last biennium through its 2021-23 Legislatively Adopted Budget to support implementation of the recommendations. These investments were critical to the agency in establishing added permanent financial and technical capacity and providing the ability to contract with MGO for technical support, oversight, and reporting.

Organizational Response to Investments

In response to these investments and others made across the organization by the Legislature, the department led an internal effort to realign strategic and operational structures to enable the department to be more strategic, proactive, efficient, and effective in its work. As State Forester Cal Mukumoto transitioned into his role as the agency director and continued to engage the department's executive team in this overarching realignment effort, additional structure changes, process improvement initiatives, and agency performance reviews have been incorporated into the department's cohesive management strategy.

External Services and Support

The department secured an agreement with change management consultant, Olympic Performance, Inc., which positioned the agency to ensure appropriate support was available for staff during implementation of MGO Recommendation #20 where the fire finance positions were transferred from the Protection Division to Agency Administration. The transitioning process for that business unit is complete.

The department also secured a work order contract with Macias, Gini, and O'Connell (MGO) and MGO joined the department in formal presentations to the Board of Forestry and the Oregon Legislature, Joint Committee on Ways & Means. Further services provided under the contract have included ongoing assessments of ODF's implementation efforts, identification of improvements or gaps in desired outcomes of the MGO report and the implementation management plan, recommendations to adjust deliverables or timelines of the project in alignment with priorities identified by MGO, progress monitoring and reporting both internally and externally, collaborative consultation on the context of MGO recommendations, and direct technical assistance on implementation deliverables as requested by ODF. Most recently, MGO has been reviewing work products provided by ODF Financial Services to assist in improving cash flow projection tools and financial accounting practices. The contract with MGO was extended through the end of calendar year 2023 to ensure adequate evaluation of all 28 recommendations and timely opportunity to collaborate on post-implementation monitoring activities.

Implementation Progress

Internally, work continues wrapping up our internal policy development and organization along with re-evaluating deliverables and potential alternatives in our approach to implementing the information technology recommendations originally defined in the department's Implementation Management Plan v5. The technology recommendations are now being integrated into the department's emerging technology governance strategy and processes for steering technology systems and resource investments. In MGO's last assessment review, MGO confirmed full implementation of nine recommendations with the risks lowered, substantial completion of six more recommendations with risk ratings lowered, another six recommendations that were deemed in progress, and seven that were not formally reviewed. Work has since been initiated or completed across all remaining recommendations.

RECOMMENDATION

This is an informational item.

NEXT STEPS

In the coming months, the department will collaborate with MGO on a final assessment of the department's implementation of all 28 recommendations and return to the board with a final report.

State Forester, Board Member, and Public Comments

Agenda Item No.:	2
Work Plan:	Forest Resources Division
Topic:	Board of Forestry Updates
Presentation Title:	Committee for Family Forestlands Annual Report
Date of Presentation:	September 6, 2023
Contact Information:	Wendy Gerlach CFF Chair wendy@wgerlachlaw.com. Mike Kroon, Forest Resources Deputy Chief 503-400-4815 mike.e.kroon@odf.oregon.gov

SUMMARY

The purpose of this agenda item is to provide a report on the Committee for Family Forestlands (CFF), discuss progress on key issues, and make recommendations on policy topics affecting family forestland.

CONTEXT

The CFF, a standing committee of the Oregon Board of Forestry, provides advice to the Board of Forestry and the State Forester on methods to help improve the vitality of family forestlands, including improving owners' ability to manage and market their timber and other forest products. The Committee for Family Forestlands continues to evaluate the impact of policy and regulatory changes on family forestland owners.

BACKGROUND AND ANALYSIS

Over the past year, the Committee focused on the objectives/issues identified in their 2022-2023 work plan. The annual report informs the Board of the committee's progress in addressing issues affecting family forestland (Attachment 1).

RECOMMENDATION

The Committee for Family Forestland recommends the Board accept the CFF annual report.

ATTACHMENT

(1) Committee for Family Forestlands Annual Report to the Board Fiscal Year 2022-2023

Committee for Family Forestlands Annual Report to the Board
Fiscal Year 2022-2023

Annual Report presented to the Board of Forestry September 6, 2023
By Wendy Gerlach, Chair, Committee for Family Forestlands

The Committee for Family Forestlands ("CFF") is a standing committee established by the Oregon Board of Forestry to assist and advise the State Forester and the Board on issues relevant to some 70,000 family forestland owners in the state, including advice on the formulation of policy and potential effects of changes in forest policy on those lands.

The CFF is pleased to provide a report of its activities over the past year (July 2022– July 2023). Those activities include the CFF's gaining understanding of issues addressed by the Board through briefing by Oregon Department of Forestry ("ODF") staff and others. Ben Deumling of the Board has also joined numerous CFF meetings to provide updates about Board work. In sharing perspectives, providing input, and giving advice to the Board and State Forester, the CFF remains mindful of its statutory purpose and charter, as well as of the objectives of the Board and ODF, including those reflected in the Forestry Program for Oregon, the Oregon Indicators of Sustainable Forest Management, and the Climate Change and Carbon Plan.

The CFF hopes that the Board will consider the CFF a resource to the Board and ODF in their work,and looks forward to continued work together.

CFF 2022-2023 voting members:

Wendy Gerlach, Chair (Citizen at Large)
Barrett Brown/Scott Hayes (Northwest Oregon Family Forestland Owner)
Gary Jensen (Southern Oregon Family Forestland Owner)
Maurizio Valerio (Eastern Oregon Family Forestland Owner)
Kate McMichael (Landowner At Large)
Kaola Swanson, Vice-Chair (Conservation Community Representative)
Mark Vroman (Industry Representative)

CFF 2022-2023 ex-officio members:

The CFF benefits from the time and expertise of the CFF ex-officio members, and thanks them for their input. Ex-officio members are:

- Amanda Sullivan-Astor for Associated Oregon Loggers (AOL)
- Rick Zenn for Oregon Small Woodlands Association (OSWA)
- Glenn Ahrens for Oregon State University College of Forestry, OSU Extension Forestry and Natural Resources Program (OSU)
- Julie Woodward for Oregon Forest Resources Institute (OFRI)

CFF 2022-2023 ODF staff support; Board support:

CFF members acknowledge the support and reports received from ODF and the Board generally, and specifically from:

- Forest Resources Division staff
- Protection Division staff
- Planning Branch staff
- State Forester Mukumoto
- Board Chair Kelly
- Board Members

The committee extends special thanks to ODF staff supporting the CFF, currently Mike Kroon and Heather Hendersen, who have provided suggestions, guidance, and administrative support to make CFF meetings productive. In addition, we thank Board Member Ben Deumling for attending CFF meetings and acting as a liaison to the Board. This has provided the opportunity for the CFF to provide informal input to Ben, and the Board, in the course of those meetings, and has also alerted the CFF to other ways in which to engage with ongoing Board and ODF projects.

Chair's Introduction

This has been a busy year for our committee as it has been for the Board of Forestry. Changes during the year include the departure of Barrett Brown as the Northwest landowner representative in January of 2023, and the departure of Mark Vroman (Hampton Family Forests) in June as he reached his term limit. New members included Scott Hayes, briefly succeeding Barrett Brown before resigning, and newly nominated Northwest landowner representative David Bugni. Eric Kranzush (Giustina Land & Timber Co.) joined the CFF as the industry representative in June of 2023. The committee thanks Barrett and Mark for their long tenures on the CFF and looks forward to working with Eric and David (pending David's appointment). The CFF also resumed having in-person (with virtual option) meetings, so many of us met each other in person for the first time this year.

The CFF also switched to a quarterly meeting schedule to match the Board's new schedule (which explains our annual report being shifted from July to September). As the Board considers the purpose and function of all its committees, we are similarly engaged in identifying how we can provide assistance to the Board and ODF and share information out to the small landowner community across Oregon. As we emphasized in last year's annual report, our goal, consistent with our charter, is threefold: (1) informing ourselves about Board and ODF activities, (2) keeping our communities informed, and (3) being proactive in our relationship with the Board and providing timely input to the Board, State Forester, and ODF. We welcome questions and opportunities for input, especially on the priority issues listed below.

This year's Annual Report includes, for the first time, a report of the Forest Legacy and Stewardship Program Working Group. As a reminder, this group was, in 2020, reorganized as a working group under CFF.[1] The Forest Legacy and Stewardship Program Working Group's report is located in the appendix. The CFF was, during the course of the year, briefed by ODF staff about the Forest Legacy Program and its opportunities for landowners. The CFF encourages the Board of Forestry and Oregon Department of Forestry to pursue

[1] The charter of the Forest Legacy and Stewardship Program Working Group states, "The Forest Legacy Program is a conservation program that supports the protection of privately owned forestlands through conservation easements or land purchases. Protection of private forests through the FLP maintains public benefits, including opportunities to hunt, fish, and camp, clean and abundant drinking water, habitat for fish and wildlife, and timber, fuel wood, and other forest products."

expansion and maximization of programs oriented at maintaining forestland, in particular, the opportunities with acquisition and easements using the Forest Legacy program.

2022-2023 Priority Issues

The CFF's priorities overlap with those of the Board and its work plan but include special considerations impacting small forestland owners. These priorities have remained fairly constant in recent years. They include:

- Private Forest Accord: changes to the Forest Practices Act and creation of the Small Forestland Owner Office; landowner incentive programs, including the tax credit, SFSH funding, etc.; determination of disproportionate impact on small forestland owners (eligibility and mitigation options).
- Technical assistance: availability of technical assistance, the need for increased ODF stewardship forester presence in local communities, and the need for help in accessing ODF and other technical assistance and/or funding programs.
- Wildland Urban Interface: mapping, new rules, fire practices, avoiding fragmentation/conversion of WUI forestlands.
- Fire: prevention, recovery, funding, and reforestation.
- Seedling availability: access to seedlings by small landowners in the marketplace and through other distribution programs; availability of diverse seedling varieties.
- Workforce issues: availability of labor for reforestation, fire mitigation esp. thinning, etc.; workforce expansion and skills development; special issues of small landowners in labor markets.
- Eastern Oregon specific needs: the above issues—especially fire, reforestation, seedlings, and workforce—have specific aspects unique to eastside forests.
- Climate change: impact of climate change on forest management, reforestation, forest practices generally, alternative forest management, water, carbon sequestration/storage.
- Forestry Plan for Oregon: attention to the Board's strategic and long-term goals, with particular interest in avoiding conversion of forestlands to other uses and ensuring that our forests are present for future generations.

Detail on Priority Issues and Accomplishments

Private Forest Accord

The CFF has received regular ODF staff briefings on the implementation of the Private Forest Accord, starting with 2022 briefings on the resulting changes to the Forest Practices Act rules. CFF response to these rules included: (i) recognition of the work that timber and conservation participants did to reach agreement, (ii) appreciation of the Adaptive Management approach, (iii) the need for clarity about where landowners can get answers to their questions, (iv) the need for training and outreach about stream classifications, including a standard mapping tool, (v) the importance of ODF outreach to landowners about new enforcement rules, and, overall, (vi) the need to support small forestland owners in their developing management plans that meet the requirements of the Accord.

CFF members are concerned about the disproportionate impact of the Private Forest Accord/revised Forest Practices Act rules on small forest landowners, noting that small forestland owners own a high percentage of stream-adjacent land affected by the new riparian buffer requirements. While this is key habitat for Habitat Conservation Plan covered species, it is also a significant proportion of property for some small forestland owners. CFF members have been consistent in expressing their concern about this impact throughout the rule-making process, including providing input to Ben Deumling and requesting and receiving consistent briefings on the progress of the PFA authors toward more complete disproportionate impact rules and the concomitant legislation. CFF comments have focused on the roles of personal agency and economic viability for small

landowners, especially in the context of an aging landowner base concerned about what might become of their forestland in the future. (For example, will their heirs be able to afford maintaining the property as forest or will they be more likely to sell the property or convert to other uses?).

In addition, the CFF has followed changes over the past year in the Forest Resources Division, including buildout of the Forest Resources Division to include Small Forestland Owner Office. The CFF has received briefings about ODF staff training and community outreach about new rules and practices. The CFF has also heard from ODF staff about landowner assistance programs including the forest conservation tax credit (under the Private Forest Accord), Forest Legacy, and Seedling Coordination programs. As mentioned in last year's CFF report, the CFF is well-placed to review and provide input on developments in this area. A specific CFF suggestion is that the Small Forestland Owner Office become a useful resource "hub" for landowners, providing links to the full range of information, requirements and programs related to small forestland ownership, not just programs created by the Private Forest Accord. The CFF has also discussed the importance of linking (on the website and elsewhere) information provided by ODF about Small Forestland Owner Assistance with complimentary information and programs offered by the OSU Forestry & Natural Resources Extension and other forestry resource and education partners.

Technical Assistance, ODF Website Development, and Outreach

CFF discussions have noted recent changes in ODF structure and, as a positive development, the increased number of Field Foresters/Addition of SFO foresters. Members have consistently emphasized that there is no substitute for local Field/SFO foresters who are accessible and present for local communities.

There is also a strong need for coordination of various programs and funding assistance. As mentioned above, the CFF sees the potential of The Small Forestland Owner Office and the buildout of the ODF website in meeting this need. CFF members reviewed the website in development stages and provided, in an informal "beta user" role, input to ODF staff. Comments on the website included (i) appreciation of the useful one-pager factsheets, (ii) the need for cross-linking of various programs, resources, agencies, etc., and (iii) that templates of program applications, tax credit forms, required written plans, and similar example documents will be of great use to landowners. It was also suggested that website content include examples of how changed management practices under the Private Forest Accord would look on the ground.

Wildland/Urban Interface

CFF members and many small forestland owners are located in the WUI. The CFF spent less time in the past year on WUI issues due to the revision of the mapping system and risk categories, but wildfire risk mapping is of major interest to the CFF community. The CFF is committed to remaining engaged on these issues, which will become even more critical due to the overlap of changes in the Forest Practices Act, insurance availability, and aging of the current landowner cohort. Continuing to recognize and highlight the potential impacts of these "overlaps" is inextricable from the goal of supporting small forestland owners in maintaining their forests as forests and avoiding land conversion, especially in areas with high conversion pressure.

Fire

The CFF was briefed by ODF on fire prevention, fighting, recovery, and mitigation. Small forestland owners continue to experience the impact of past severe fire seasons, including ongoing reforestation struggles, hazard trees, and other impacts of the 2020 fires, while preparing for resilience in the face of future fires. Members of the CFF participated in the SB 762 Small Forestland Grant Program. The SB 762 Small Forestland Grant Program cycle of 2022 provided essential support to the small forestland owner community, and continued support of this program is needed. The CFF is pleased with the SB 762 grant program continuing, as funded by the 2023 legislative session.

Seedling Availability

The CFF has worked on seedling availability for small forestland owners for many years, including collaboration with OSU, the ODF Forest Resources Division, and seedling providers. The Small Forestland Owner Office did include a limited duration seedling coordinator, which position which no longer is funded after June 2023. The CFF considers the seedling program staffing important and would like to see a permanent ODF staff position dedicated to this work. In addition, the Seedling Workgroup created in 2020 and CFF ex-officio member organizations are continuing to work on collaborative solutions to improve on past funding models that have, at times, resulted in mismatch of supply and demand. The CFF seeks to elevate the critical ongoing need for a reliable supply of seedlings, in appropriate species, at a price range viable for small landowners across the state. The committee notes that seedling challenges link to water and labor scarcity, as well.

Workforce Issues

Workforce issues are impacting all sectors and small forestland owners continue to be challenged in finding labor. This is a limiting factor in reforestation, fire prevention and mitigation, and all aspects of landowner work. Suggestions for improvement include the pooling of small landowner labor and equipment contracts to allow small landowners to better compete in the general market. CFF discussions have noted the challenges and opportunities that new programs and management practices present to forest-based communities. There is an ongoing need to recruit and retain new people in the labor pool, and to support the workforce in developing the skills needed for changing forest practices. The CFF has been supportive of potential new programs to provide workforce development in the forest sector, including training relating to new forest practice rules and to the impact of drought, fire, and climate change.

Eastern Oregon Specific Needs

Throughout CFF discussions and recommendations, CFF members remain aware that eastside forests have specific needs around the various priority issues identified by CFF. These include fire (including potential prescriptive burning, as more appropriate for eastside forests), reforestation (seedling availability and species mix), outreach and technical assistance in dispersed communities, workforce shortages, and drought related to climate change.

Climate Change

CFF members have named climate change as a key priority, including programs for reforestation and resilience. The CFF heard from Catherine McDonald of the Oregon Climate Action Commission at its June 2023 meeting and has also been briefed by ODF on its 2021Climate Change and Carbon Plan. The various priorities of the CFF listed above overlap with and will continue to be driven in part by climate change, especially as to reforestation and seedling availability. Eastern Oregon is in particular need of Field/SFO foresters who understand the specific needs of these forests under the pressure of climate change. Committee discussion, over the year, included the comments that ODF programs should include research and education focused on climate change adaptation strategies, and that planning for the integration and ongoing support of future generations is key to this effort.

Forestry Program for Oregon

The CFF has been following the plan for revision of the Forestry Program for Oregon. The CFF is particularly interested in strategies to avoid conversion of forestland to other uses and the Board's assessment of landowner objectives, including the varied goals of Small Forestland Owners (as those goals have been reported by past studies, including the National Woodland Owner Survey for Oregon). The CFF is available to provide input on the FPFO from a small landowner perspective, the topic being squarely within the CFF's charter goal of advising the Board on topics including "maintenance and enhancement of the positive contributions that family

forestland owners make to Oregon's vitality, including timber availability and the protection and enhancement of watersheds and fish and wildlife habitat." The Committee is aware of the work that the Board is doing to update the FPFO and would like to be actively engaged in the process.

2023-2024 Work Plan

The CFF will continue to track topics before the BOF that are of interest to family forestland owners and continue working on the other items of interest noted in this report. The CFF looks forward to opportunities to advise the Board and State Forester on CFF priority issues. Natural areas for CFF input include the Small Forestland Owner Office development, related ODF website buildout, and the Forestry Plan for Oregon's small landowner components. Climate smart forestry will look different for small forest landowners, and small forestland owners want to be part of those conversations. Avoiding conversion of forestland is a priority of the CFF and the CFF will be able to provide insight about conversion pressures experienced by small forestland owners. Engagement of younger generations, as future woodland owners, as stewards, and as members of the forest sector workforce are and will continue to be important aspects of keeping our forests as forests. Finally, the CFF will likely continue to comment on the importance of landowner education, incentives, and technical assistance, and the critical role of regional stewardship foresters.

As the Board continues to evaluate the role and function of its committees, the CFF stands ready to provide input about how it can be used efficiently and how it can contribute. As the Board moves forward with the Forestry Plan for Oregon, and its background investigation of the varied goals and management practices of small landowners, CFF encourages the Board to reach out to the CFF to add input and understanding to information the Board has received through general outreach. No one knows better than small forestland owners how they feel about and care for their forests!

Appendix: CFF Forest Legacy and Stewardship Program Working Group Report

The Cooperative Forestry Assistance Act of 1978 (Act, 16 U.S.C. 2103A), as amended, empowered the USDA Forest Service to partner with state forestry agencies to provide technical and financial assistance to private forest landowners. The Act stipulates that each State Forester or equivalent state official must establish a State Forest Stewardship Coordinating Committee. The Forest Legacy and Stewardship Program Working Group (Working Group) is organized under the Committee for Family Forestlands (CFF) and acknowledged as the body that serves as the State Forest Stewardship Coordinating Committee.

The Forest Legacy Program (FLP) in Oregon aims to safeguard the state's rich natural heritage and ensure the lasting protection of its forest lands. As a collaborative effort between the U.S. Forest Service (USFS) and the Oregon Department of Forestry (ODF), this program seeks to strategically acquire and conserve ecologically significant forest lands in perpetuity. The Forest Legacy and Stewardship Program Working Group is a key part of the annual project application selection process for the Forest Legacy Program.

The Working Group is tasked with providing formal review and recommendations to ODF staff on matters related to the Forest Stewardship and Forest Legacy Programs with primary areas of responsibilities including the following:

- Review and rank annual applications submitted to the Forest Legacy and Community Forestry Programs;
- Review and provide feedback on proposed changes to the implementation of the Forest Stewardship Program or related landowner assistance programs;
- Review and provide feedback on proposed revisions to Oregon's Forest Management Planning System (aka, Uniform Plan);
- Review and provide feedback regarding updates and revisions to the State Forest Action Plan; and
- Provide advice and support in maintaining the partnerships necessary for statewide implementation of these programs, including appropriate outreach and training.

The Working Group's primary areas of responsibilities correlate with ODF work that fluctuates in frequency and volume therefore the Working Group is convened on an as needed basis and completes review work outside of meetings. During fiscal year 2022-2023, the Working Group convened in August 2022 where they provided feedback and recommendations regarding three FLP projects that were being considered for the FLP 2024 fiscal year cycle.

Thus far, in the 2023-2024 fiscal year the Working Group has already met twice. In July 2023 the Working Group was presented with three new project proposal and two resubmissions for projects in the FLP 2025 cycle. In August 2023 the Working Group met to rank these projects and consider recommendations to the State Forester. This work will be shared with the State Forester and inform decision making. Projects approved by the State Forester will move forward to the USFS FLP ranking process in September 2023.

the long road of wildfire recovery

one landowner's journey | year 3

Kate McMichael | Elk Ridge Tree Farm | Vida, OR

Kubota

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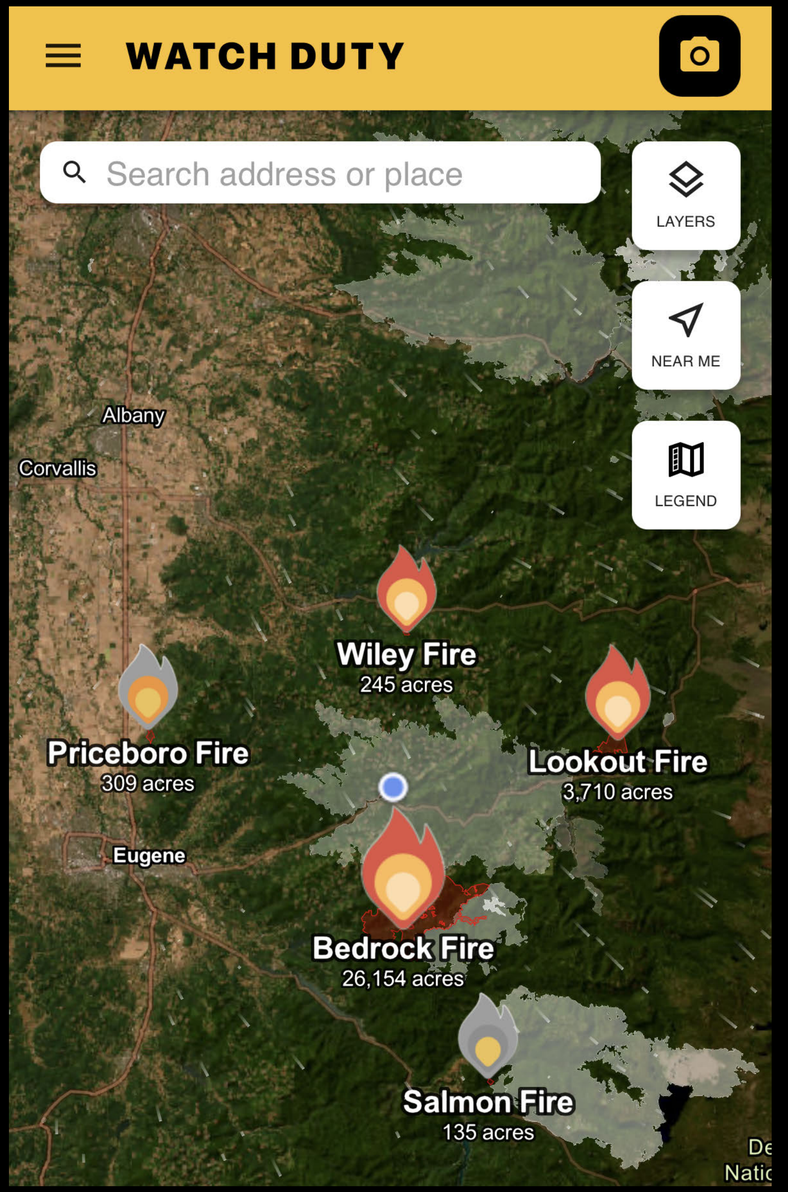
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Priceboro Fire
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Lookout Fire
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Eugene
Bedrock Fire
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Salmon Fire
135 acres

WOOD
WATER
CERTIFIED
TREE
FARM
AMERICAN TREE FARM SYSTEM
RECREATION
WILDLIFE

Proud Member
LANE COUNTY
SMALL WOODLANDS Association
TOYOTA
TEMPERLITE
TECH

WOOD
WATER
CERTIFIED
TREE
FARM
RECREATION
WILDLIFE

STAFF REPORT

Agenda Item No.:	3
Topic:	Auditor Introduction
Date of Presentation:	September 6, 2023
Contact Information:	Jessica Butler, ODF Chief Audit Executive 503-930-2383, jessica.butler@odf.oregon.gov

SUMMARY

The Board of Forestry will meet the department's new Internal Auditor, Jessica Butler. Staff will provide a brief report describing the Oregon Department of Forestry (ODF) Internal Audit function, as well as planned progress for the department. This will include an explanation of the interface between the Department, Internal Audit Committee, State Forester, and the Board.

RECOMMENDATION

This is an information item.

STAFF REPORT

Agenda Item No.:	4
Work Plan:	Fire Protection
Topic:	Ongoing Topic; Fire Season Update
Presentation Title:	2023 Fire Season Update
Date of Presentation:	September 6, 2023
Contact Information:	Mike Shaw, Chief – Fire Protection Division 503-945-7204, Michael.H.Shaw@odf.oregon.gov Ron Graham, Deputy Chief of Operations- Fire Protection Division 503-945-7271, Ron.Graham@odf.oregon.gov

SUMMARY

Oregon revised statutes define the Department's Fire Protection policy, which requires a complete and coordinated system. This system relies on the partnership between the Department and forest landowners with a commitment to ongoing communication and collaboration with many other state and federal agencies. Fire management leaders from the Department will provide a briefing on some of the ongoing coordination and an up-to-date fire season status report during this agenda item.

Agenda Item No.:	5
Topic:	2023 Session Legislative Update
Date of Presentation:	September 6, 2023
Contact Information:	Ryan Gordon, ODF Planning Branch Director 503-945-7393, ryan.p.gordon@odf.oregon.gov Derrick Wheeler, ODF Legislative Coordinator 971-375-1258, Derrick.Wheeler@odf.oregon.gov

SUMMARY

The purpose of this agenda item is to provide a brief overview of the 2023 Legislative. session. The following summary is not all-inclusive of legislative matters affecting Oregonians or state agencies but is intended to be a succinct view of bills the agency tracked through the session and are most impactful to Oregon Department of Forestry processes. This is an informational item.

BACKGROUND AND ANALYSIS

The agency prepared for legislative bill review, analysis, and testimony preparation by hiring a new legislative coordinator and designating bill managers for each division and program. Internal training and coordination session was held in early January. Our agency utilizes the BillTracker software program, provided by the Department of Administrative Services for all state agencies to track bills and conduct bill analysis.

The agency reviewed and prioritized the 2,970 bills throughout the Session and closely tracked 757 bills. Engaging in weekly meetings with natural resource agencies and all executive branch agencies for information gathering and coordination on bills that affected multiple agencies were essential for staying connected during the fast pace of the session.

This Legislative Session (Session) was historic because the most extended legislator walkout in Oregon's history threatened to derail the entire Session. Within the two final weeks, a deal was reached between the Democrats and Republicans to resume passing bills and budgets at incredible speed, making up for the six weeks of Legislative inaction.

The Oregon Department of Forestry (ODF) had a relatively successful session. The agency's budget bill passed with an increase to Current Service Levels. The Harvest Tax was increased to reflect new spending commitments from the Private Forest Accord and passed without issue. The agency's key policy bill, Senate Bill (SB) 80 passed. This was a broad wildfire bill intended to fix ODF's wildfire mapping efforts and add key wildfire prevention measures like prescribed fire. However, the landowner offset for Forest Protection Assessments was not renewed in this Legislative Session, which was intended to soften the rate increases to landowners as a result of increased wildfire services from 2021's SB 762.

Attachment one summarizes the agency's priority bills that were passed or pending at the end of the Session and their status. In addition, the Legislative Policy and Research office (LPRO) updated its website to allow a bill search by topics of interest, those with public hearings,

and the outcome of the bill. The Session summaries can be found at the following link, https://www.oregonlegislature.gov/lpro/Pages/summary-of-legislation.aspx. The key themes from the 2023 Legislative Session were tracked by the agency and included in this report.

Wildfire: SB 80 is a bill representing comprehensive adjustments to SB 762 from the 2021 Legislative Session. This bill changes the five statewide wildfire risk classes outlined in SB 762 to three statewide wildfire hazard classes for the Wildfire Hazard Map. Notice for hazard zone assignment is given only to property owners whose property is assigned to an extreme or high hazard zone within the wildland-urban interface. The statewide map is to be completed and released expeditiously. To broaden community input, county commissioners and their staff will meet with the Oregon Department of Forestry (ODF) in eight in-person meetings throughout the state. The bill allocates $350,000 to ODF and $846,173 to the Higher Education Coordinating Commission (HECC) for their respective hazard mapping efforts.

Additionally, SB 80 creates provisions for financial assistance and in support of defensible space projects, allowing nonprofits and faith-based organizations to establish emergency clean air and wildfire spaces. Previously only governmental organizations had this ability. The Department of Consumer and Business Services (DCBS) will establish the Wildfire Home Preparedness Program and $3 million is allocated to the Office of the State Fire Marshal (OSFM) for the Community Risk Reduction Fund.

SB 80 establishes a Landscape Resiliency Fund for wildfire prevention efforts, which will fund proactive landscape fuels reduction treatments and active forest management. Lastly, the bill creates the Prescribed Fire Liability Pilot Program and allocates $5 million into a Liability Fund. Establishing this liability program is necessary to address the most fundamental obstacle to conducting proactive prescribed fire treatments, such as the fiscal responsibility associated with prescribed burns that may escape control lines. This program sunsets in 2028, and $242,037 is allotted to ODF for the Prescribed Fire Liability Pilot Program.

Insurance: Senate Bill 82 is intended to mitigate the cost and cancellation of homeowners insurance related to wildfire and to specifically mandate that ODF's Wildfire Hazard Map cannot be used as a basis to cancel or decline the renewal of homeowner insurance coverage. The bill also requires that an insurer that cancels, decides not to renew, or increases a premium for a homeowner insurance policy for a reason that is related to wildfire risk send a notice that includes the property-specific characteristics related to wildfire risk which resulted in the insurer's decision. This includes any wildfire risk mitigation actions the insured can take to meaningfully reduce wildfire risk to improve the insurability of the property. Additionally, the bill requires the insurer to allow the insured at least 24 months to repair, rebuild, or replace damaged or lost property if the damage or loss was directly related to a fire that was the subject of an order under the Emergency Conflagration Act.

Forests: House Bill 2161 modifies the Forest Conservation Tax Credit initially established under the Private Forest Accord. The Forest Conservation Tax Credit is available to small forestland owners who elect to manage at the standard practice rather than the small forestland owner minimum option. The bill enables small forestland owners meeting specific criteria to receive 125% of the tax credit value. To be eligible, the small forestland owner must be "significantly disproportionately impacted" as defined in the ODF administrative rule and have a federally

adjusted gross income of not more than 125% of the Oregon median household income, as averaged over the three previous tax years.

Senate Bill 872 requires ODF to endeavor to increase partnerships with federal agencies by expanding activities under the Good Neighbor Authority Agreement for the purpose of protecting lands and communities within the wildland-urban interface from fire on federal lands. This bill is seen as a resolution to continue ODF's investments with Federal partners to reduce fire originating on Federal lands.

Tribal: House Bill 2737 Authorizes state agencies to sell, lease, or donate state real property or interest in real property to eligible Indian tribes, and permits agencies to convey mineral and geothermal resource rights to Indian tribes when real property or interest in real property is transferred.

House Bill 3173 creates a 15-member Task Force on Tribal Consultation to identify and clarify the requirements of state agencies to engage in tribal consultation. The task force is to report to the Legislative Assembly by September 15, 2024. The results of this Task Force could fundamentally change ODF's operations in Tribal engagement and will be monitored closely.

Energy and Environment: House Bill 3409 was an omnibus Climate Resiliency Package. This bill contains several climate resiliency initiatives, only those involving ODF are covered here.

- Under the Community Green Infrastructure Grant Program, ODF must acquire and maintain a statewide tree canopy assessment tool and assist public bodies, tribal governments, watershed councils, and community-based organizations with planning for, responding to and recovering from damage leading to loss of tree canopy. ODF is also charged with providing technical assistance to the Department of Land Conservation and Development.
- Annually funds from the Natural and Working Lands Fund will be distributed to other accounts including a newly established Forestry Natural Climate Solutions Fund. ODF is to use funds in this account to establish and implement programs that provide incentives and technical support for the adoption of practices that support natural climate solutions.
- The State Department of Energy and the Oregon Climate Action Commission will coordinate with ODF and other state agencies to establish and maintain a net biological carbon sequestration and storage baseline, activity-based metrics and community impact metrics for natural and working lands to support the establishment of biological carbon sequestration goals for Oregon's natural and working lands by January 1, 2025.
- Additionally, the College of Forestry at OSU will be conducting research to establish fuel pathways for low carbon fuels derived from woody biomass residues from forestry operations in collaboration with ODF and the Department of Environmental Quality.
- The bill also gave the State Forester the authority to establish a forestry renewable woody biomass conversion program.

Board of Forestry: A few bills passed related to the Board's operations including, Senate Bill 11 which mandates all public meetings conducted by state board or commissions within the executive department via telephone or electronic means are to be recorded and promptly published online,

accessible at no charge to the public. House Bill 3028 applies to State of Oregon employees who are appointed to serve on state boards or commissions under ORS 292.495, outlining 21-day notice to the employer by the employee, allowable leave use, unlawful employment practices, and protections for the employee including addressing alleged employer violations.

Statewide Enterprise Bills: House Bill 3550 requires state agencies purchasing light-duty vehicles after January 1, 2025, to acquire only zero-emission vehicles, except in cases where such a vehicle is not feasible for the use intended for the vehicle. This bill builds from 2021's House Bill 2027 which implemented new zero-emission vehicle standards for light-duty vehicles while retaining an exclusion for fire vehicles. House Bill 3550 specifically removed the fire vehicle exception from the previous law. Going forward ODF will have to document and prove the need for an exception from the zero-emission mandate though DAS will work to make this necessary process manageable.

Harvest Tax: Approximately seven harvest tax bills were in motion this session. Ultimately, House Bill (HB) 2087 was chosen as the vehicle for the Harvest Tax. Three of these bills, notably HB 3019, aimed to alter the allotment of revenue that the Oregon Forest Resource Institute received from the Harvest Tax. None of the OFRI bills passed.

HB 2087 extends three components of the harvest tax for two years that would otherwise expire at the end of the 2023 calendar year. These components fund a portion of the activities of the OSU Forest Research Laboratory, a portion of the administration of the Forest Practices Act by the Oregon Department of Forestry, and professional forestry education at OSU. The bill adjusts the rate pertaining to the administration of the Forest Practices Act, changing the rate of per thousand board feet from $2.0702 to $2.5346 cents. The changed rate is required to support up to 40 percent of the budgeted expenditures for the administration of the Act.

Agency Budget: The details of our agency budget bills will be outlined in attachment 2, while legislative actions can be found in Senate Bill 5020 for the 2023-25 biennial budget, Senate Bill 5006 for 2023-25 Capital Construction Projects, Senate Bill 5005 for 2023-25 Bond Authorizations, Senate Bills 5506 and 5045 for 2023-25 E-Board Budget Reconciliation, and Senate Bill 1049 for 2023-25 Program Change adjustments.

HB 5020 is the base budget bill for the Oregon Department of Forestry. The bill increases the total funds budget from the 2023 Current Service Level of $543,624,280 and 1,039.21 FTE to a new level of $557,170,181 and 1,053.27 FTE. Some key provisions include:

Forest Resource Division: Private Forests Accord Development – Package 106

- A one-time $6.67 million General Fund appropriation is provided for the Small Forestland owner Investment in Stream Habitat Program (SFISH).
- A one-time $4 million General Fund appropriation is provided for activities of the Adaptive Management Program Committee (AMPC).
- On-going support for prior budgetary decisions related to the Private Forest Accord is included in a $1.3 million General Fund appropriation. This adjustment to the current service level is for program and position-associated service and supplies costs.

Continuation of Funding for Fire Severity Resources – Package 110

- Establishes a Special Purpose Appropriation of $14 Million in the Emergency Board Fund to provide critical supplemental firefighting mobile resources—primarily contract air tankers and helicopters—positioned where and when fire danger is the highest.

Sudden Oak Death – Package 804

- This package provides a one-time General Fund appropriation of $1.7 Million to the Department of Forestry for the Sudden Oak Death containment and eradication program.

Forest Resources Analyst Adjustments Highlights – Package 090

- One-time funding for landscape resiliency projects to reduce wildfire risk for the 2023–25 biennium at $10 million General Fund.
- One-time funding for the Small Forestland Grant Program to support small forestland owners in reducing wildfire risk is continued at $2.5 million General Fund.
- A one-time General Fund appropriation of $6 million is established to support work related to the Private Forest Accord that was authorized and funded in the prior biennium but was not able to be completed.

ATTACHMENTS

(1) 2023 Legislative Session – ODF End of Session Priority Bill Status Report
(2) 2023-2025 Legislative Adopted Budget - ODF End of Session Summary

Custom Report

Report Date: August 21, 2023

Bill Number	Last Action	Status
HB 2087	08/15/23 - Chapter 491, (2023 Laws): Effective date September 24, 2023.	Passed
Relating to forest products harvest taxation; prescribing an effective date; and providing for revenue raising that requires approval by a three-fifths majority.		
Extends biennial privilege taxes on merchantable forest products harvested on forestlands.		
HB 2112	05/16/23 - Chapter 35, (2023 Laws): Effective date January 1, 2024.	Passed
Relating to public records.		
Updates definitions and terminology used in public records law pertaining to records retention.		
HB 2161	07/26/23 - Chapter 300, (2023 Laws): Effective date January 1, 2024.	Passed
Relating to forestry.		
Makes certain changes to calculation of small forestland owner tax credit.		
HB 2531	08/04/23 - Chapter 410, (2023 Laws): Effective date September 24, 2023.	Passed
Relating to fluorescent lamps; and prescribing an effective date.		
Prohibits sale or distribution in this state of new screw- or bayonet-base type compact fluorescent lamps on or after January 1, 2024.		
HB 2737	08/04/23 - Chapter 415, (2023 Laws): Effective date January 1, 2024.	Passed
Relating to transfers of state property.		
Allows agencies to sell, lease or donate agency's real property or interests in real property to eligible Indian tribes notwithstanding ordinary transfer procedures.		
HB 3058	05/23/23 - Chapter 86, (2023 Laws): Effective date May 16, 2023.	Passed
Relating to airport infrastructure resilience; and declaring an emergency.		
Directs Oregon Department of Aviation to conduct study developing plan for strategic investment for airports in this state and to report to appropriate interim committee of Legislative Assembly no later than January 1, 2024.		
HB 3059	08/04/23 - Chapter 427, (2023 Laws): Effective date July 27, 2023.	Passed
Relating to emergency management; and declaring an emergency.		
Establishes Oregon Disaster Response Assistance Matching Fund.		
HB 3173	08/15/23 - Chapter 531, (2023 Laws): Effective date September 24, 2023.	Passed
Relating to tribal consultation; and prescribing an effective date.		
Establishes Task Force on Tribal Consultation and specifies task force membership.		
HB 3179	07/26/23 - Chapter 336, (2023 Laws): Effective date January 1, 2024.	Passed
Relating to the permitting of renewable energy facilities.		
Modifies definition of "renewable energy facility" for purposes of county permitting process for solar photovoltaic power generation facility.		
HB 3409	08/04/23 - Chapter 442, (2023 Laws): Effective date July 27, 2023.	Passed
Relating to climate; and declaring an emergency.		
Requires State Department of Energy to report on rate of heat pump technology adoption and to collaborate with designated state agencies to reduce barriers to home energy efficiency and resilience.		
HB 3550	08/15/23 - Chapter 553, (2023 Laws): Effective date January 1, 2024.	Passed
Relating to energy use standards for state agencies.		
Requires state agency that purchases or leases light-duty vehicle on and after January 1, 2025, to purchase only zero-emission vehicle unless state agency finds that zero-emission vehicle is not feasible for specific use state agency has for light-duty vehicle.		

Custom Report

Report Date: August 21, 2023

Bill Number	Last Action	Status
HB 5005	08/21/23 - Chapter 596, (2023 Laws): Effective date August 4, 2023.	Passed
Relating to state financial administration; and declaring an emergency.		
Establishes amounts authorized for issuance of general obligation bonds, revenue bonds, certificates of participation and other financing agreements for biennium.		
HB 5006	08/21/23 - Chapter 597, (2023 Laws): Effective date August 4, 2023.	Passed
Relating to state financial administration; and declaring an emergency.		
Limits for six-year period beginning July 1, 2023, payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by various state agencies for capital construction.		
HB 5020	08/04/23 - Chapter 453, (2023 Laws): Effective date July 27, 2023.	Passed
Relating to the financial administration of the State Forestry Department; and declaring an emergency.		
Appropriates moneys from General Fund to State Forestry Department for certain biennial expenses.		
HB 5045	05/08/23 - Chapter 21, (2023 Laws): Effective date April 6, 2023.	Passed
Relating to state financial administration; and declaring an emergency.		
Modifies certain appropriations from General Fund to specified state agencies and Emergency Board for biennium ending June 30, 2023.		
SB 80	08/04/23 - Governor signed.	Passed
Relating to wildfire; and declaring an emergency.		
Makes certain changes related to statewide wildfire hazard map.		
SB 692	06/14/23 - Effective date, January 1, 2024.	Passed
Relating to investigations of workplace discrimination at state agencies.		
Directs state agencies to use information system maintained by Oregon Department of Administrative Services to track internal investigations conducted by state agency regarding allegations of workplace discrimination and harassment concerning employees of state agency.		
SB 864	05/16/23 - Effective date, January 1, 2024.	Passed
Relating to voluntarily fighting fire.		
Provides that person who voluntarily fights wildfire on private forestland is not civilly liable for injury to person or property resulting from good faith performance of firefighting efforts.		
SB 872	06/15/23 - Effective date, January 1, 2024.	Passed
Relating to the prevention of wildfire in federal forests.		
Instructs State Forestry Department to endeavor to partner with federal agencies to undertake certain activities in federal forests related to fire prevention and request that federal agencies fund portions of activities.		
SB 5506	08/04/23 - Governor signed with line-item veto.	Passed
Relating to state financial administration; and declaring an emergency.		
Appropriates moneys from General Fund to Emergency Board for allocations during biennium.		
SB 5543	05/06/23 - Effective date, April 6, 2023.	Passed
Relating to state financial administration; and declaring an emergency.		
Modifies purposes and amounts authorized for issuance of general obligation bonds in 2021-2023 biennium.		

Oregon Department of Forestry

2023-25 Legislatively Adopted Budget

	2021-23 Legislatively Adopted Budget	2021-23 Legislatively Approved Budget	2023-25 Current Service Level	2023-25 Agency Request Budget	2023-25 Legislatively Adopted Budget
General Fund	$167,377,154	$230,245,653	$161,851,833	$226,663,537	$167,803,283
Lottery Fund	$2,564,210	$2,564,210	$2,557,080	$2,557,080	$2,557,080
Other Funds	$310,849,227	$397,503,110	$335,376,852	$372,310,300	$361,175,877
Federal Funds	$41,395,153	$41,779,100	$43,838,515	$48,599,636	$45,278,229
Total Funds	$522,185,744	$672,092,073	$543,624,280	$650,130,553	$576,814,469
Positions	1,335	1,393	1,371	1,434	1,393
Full-Time Equivalent	1,006.07	1,027.03	1,039.21	1,096.77	1,056.02

Leg Adopted Budget Highlights – Policy Option Packages (HB 5020)

Forest Resources: Private Forests Accord support – Package 106

This policy option package adds support for the Private Forests Accord, including a $6.67M GF investment in Stream Habitat Program (SFISH), $4M one-time GF funding for Adaptive Management Program Committee (AMPC), and $1.65M for on-going support.

Fiscal Impact: $12,190,940 General Fund, $140,000 Other Funds

Forest Resources: Federal Forests Restoration Program Infrastructure – Package 108

This policy option package expands the Federal Forests Restoration workforce, including a small fund shift. This program moved from being a stand-alone program to joining the Forest Resources program.

Fiscal Impact: ($548,382) General Fund, $6,507,094 Other Funds, and $1,561,200 Federal Funds, 17.09 FTE, 18 Position Counts

Leg Adopted Budget Highlights – LFO Packages (HB 5020)

Forest Resources: Analyst Adjustments – Package 090

This analyst package adjusts one-time funding for landscape resiliency projects to reduce wildfire risk, removing $20M of 21-23 funding but adding back $10M. It also removes $5M of Small Woodland Grant funding from 21-23 funding, while adding $2.5M for Small Forestland Grants. Lastly it adds $6M supporting the Private Forests Accord.

Fiscal Impact: ($6,500,000) General Fund

Leg Adopted Budget Highlights – LFO Packages (HB 5020)

Agency Administration, Fire Protection, State Forests, Forest Resources and Planning Branch: Agencywide Position Actions – Package 803

This analyst package makes agency-wide adjustments for reclassifications, reorganizations including creating a separate Planning Branch, and funding allocations. The net result across all Divisions and fund types is a reduction in overall expenditures of $619,956 and the elimination of 3 positions.

Fiscal Impact: ($1,141,827) General Fund and $609,708 Other Funds, ($87,837) Federal Funds, (2.99) FTE, (3) Position Counts

Forest Resources: Sudden Oak Death – Package 804

This analyst package provides one-time GF funding for Sudden Oak Death containment and eradication efforts.

Fiscal Impact: $1,700,000 General Fund

Leg Adopted Budget Highlights – Additional Budget Bills

Capital Construction & Debt Service: Deferred Maintenance – SB 5006

This package provides $2M in General Obligation bonds for the building of an airplane hanger in Salem , $1.5M to replace a fire cache building in Klamath Falls, and extends the previously authorized funds for the Toledo office construction.

Fiscal Impact: $3,500,000 Other Funds

Fire Protection and Planning Branch: Wildfire Hazard Mapping and Prescribed Fire Liability Pilot Program – SB 80

This package revises existing statutes regarding statewide wildfire hazard mapping in the Forest Resources program, and establishes a Prescribed Fire Liability Pilot program in the Planning Branch. NOTE: The wildfire hazard mapping was intended to be included in the Fire Program, but the budget bill placed it in the Forest Resources program.

Fiscal Impact: $592,037 General Fund , 1.00 FTE, and 1 Position Count

Forest Resources: Community Infrastructure Grant Program – HB 3409

This package provides position-related funding for the creation of a Community Infrastructure Grant program, adding 2 positions to be Phased In starting in January of 2024. It authorized the transfer of funding to the Motor Pool program for two vehicles for these positions.

Fiscal Impact: $516,248 General Fund, $90,000 Other Funds, 1.75 FTE, 2 Position Counts

Agencywide: DAS End of Session Adjustments – SB 5506

Leg Adopted Budget Highlights – Additional Budget Bills

This package is the end of session Department of Administrative Services (DAS) State Government Service Charges (SGSC) adjustment to DAS charges to the agency.

Fiscal Impact: ($485,406) General Fund, $1,570,134 Other Funds, and ($33,649) Federal Funds

Debt Service: Toledo Phase 2, Klamath Fire Cache, Salem Hanger and Aircraft Debt Service & Cost of Issuance – SB 5506

This package provides increase of Other Funds expenditure limitation for the Department's Agency Administration Division, to pay issuance costs for bonds that will be issued during the 2023-25 biennium. General Fund for the Debt Service program was increased and Other Funds expenditure limitation is increased for debt service related to these projects.

Fiscal Impact: $1,497,551 General Fund and $1,446,315 Other Funds

Fire Protection: Removal of Fire Insurance funding – SB 5506

Because the Department will not longer be purchasing Catastrophic Fire Insurance, funding for this expense is being removed from the program's budget.

Fiscal Impact: ($1,869,713) General Fund

Capital Construction: Aircraft Purchase – SB 5506

This package authority to issue Q Bonds to purchase a fire fighting aircraft.

Fiscal Impact: $12,000,000 Other Funds

STAFF REPORT

Agenda Item No.:	6
Topic:	Forest Trust Land Advisory Committee
Presentation Title:	FTLAC Testimony to the Board of Forestry
Date of Presentation:	September 6, 2023
Contact Information:	David Yamamoto, FTLAC Chair and Tillamook County Commissioner John Sweet, FTLAC Vice-Chair and Coos County Commissioner

On behalf of the Forest Trust Land Advisory Committee (FTLAC), comments and additional information may be provided on State Forest Lands business.

Agenda Item No.:	7
Work Plan:	State Forests Work Plan
Topic:	State Forests Management
Presentation Title:	Western Oregon State Forests Draft Forest Management Plan
Date of Presentation:	September 6, 2023
Contact Information:	Ron Zilli, Deputy State Forests Division Chief (503) 741-1098 Ron.F.Zilli@odf.oregon.gov Tyson Wepprich, Adaptive Management Specialist Tyson.M.Wepprich@odf.oregon.gov Nick Palazzotto, Resource Support Unit Manager (503) 945-7366, Nick.Palazzotto@odf.oregon.gov

CONTEXT

Forest Management Plans provide the overarching management direction for State Forests. These plans are developed pursuant to Oregon Administrative Rule and are adopted by the Board of Forestry to codify the Board's finding that management direction meets Greatest Permanent Value (OAR 629-035-0030).

FMP Development

In October 2020, the Board of Forestry (Board) directed the Division to develop a draft Western Oregon State Forests Management Plan (FMP) that would use the draft Western Oregon State Forests Habitat Conservation Plan (HCP) as its mechanism for compliance with the federal Endangered Species Act (ESA). The FMP (Attachment 1) provides an overall high-level forest management approach and goals and strategies for a broad spectrum of forest resources. The HCP provides biological goals and objectives specifically for covered species to ensure compliance with the federal Endangered Species Act. The HCP establishes long-term (70-year) commitments to conservation and provides long-term assurances that forest management will continue under a set of agreed upon conservation measures throughout the life of the HCP. The draft FMP is needed to articulate the complete integrated forest management approach for state forest lands in western Oregon. Together, the FMP, HCP, and other policies guide Implementation Plans, which specify management activity targets to be accomplished over a planning horizon of approximately 10 years.

The Division presented the draft FMP goals and strategies for Board consideration in November 2021 and March 2022 respectively.

Process

Activities since the March 2022 Board meeting:

- Goals and strategies revised according to public and other interested party feedback, including the Board.
- Goals and strategies streamlined by staff resource specialists.
- Project Leadership Group alignment on management approach to clarify how the FMP, HCP, and other operational policies work together to deliver Greatest Permanent Value.
- Internal reviews and revision based on District field staff review.
- Science review and revision of all FMP chapters, with special attention to climate resilience and mitigation, and diversity, equity, and inclusion.

Engagement

FMP engagement activities since the last Board meeting on March 9, 2022, are summarized in the FMP Appendix A. They include:

- State Agency Meetings – approximately monthly through August 2023
- Meetings Open to the Public – 2 meetings
- Forest Trust Land Advisory Committee – 3 meetings
- State Forests Advisory Committee – 4 meetings

Tribal Sovereign Nations Coordination

Oregon Department of Forestry (ODF) recognizes that the Tribes have applied their management practices across the landscape that ODF currently manages since time immemorial. ODF values this rich traditional ecological knowledge and seeks to incorporate Tribal perspectives and management practices into the stewardship of State Forests. To date, the State Forests Division has hosted six Tribal workgroup meetings, open to the nine federally recognized Tribes of Oregon, to develop the Cultural Resources Goals and Strategies for the FMP. Collaboration is ongoing and the Division will continue working with Tribal Partners in the Government-to-Government forum to integrate their interests in ODF's planning and implementation processes at every level.

Draft Adaptive Management Plan and Performance Measures

The draft FMP under consideration by the Board is implemented under an adaptive management framework in which the monitoring of outcomes enables learning and improvement of management strategies. To this end, an Adaptive Management Plan (AMP) will accompany the FMP as stated in the implementation guidelines in the FMP.

The draft AMP (Attachment 2) offers direction and administration for (1) facilitating decision analysis and adaptive management; (2) designing monitoring; (3) reporting monitoring results, analyses, and decisions; and (4) identifying and integrating information and decision needs within state forest lands. The need for an AMP comes from the expanded scope of this FMP that includes adaptive management as a key tenet of its management approach, a companion HCP with extensive monitoring requirements, and a commitment to accountability to the Board and all Oregonians. Monitoring, reporting, and decision-making support will be continuously updated in the AMP and reported in a more nimble and integrative manner that enables timely management responses to new information.

A new set of performance measures will also accompany the FMP (Attachment 3). Performance measures are a select set of metrics that the Board will use to evaluate management outcomes with respect to the objectives and intent expressed through the FMP guiding principles, management approach, and goals. The ten performance measures listed below have component metrics that will be monitored and reported under the process described in the AMP. While performance measures do not encompass all aspects of the Division's monitoring and reporting, their purpose is to provide an up-to-date dashboard for the Board and others to track management outcomes and commitments readily across a broad range of ecosystem services provided by State Forests

Quantifiable targets and acceptable ranges designated by the Board for performance measures' components can indicate whether FMP strategies are working as intended to provide Greatest Permanent Value (GPV). Targets are intended to inform the Board, the Division, and others of potential over- and under-performance but are not considered as

hard constraints on management activities in isolation. The Division is tasked with considering all the goals and strategies, addressing trade-offs, and meeting GPV when implementing the FMP and responding to performance measures.

Performance Measures (arranged alphabetically)

- Adaptive Capacity of Forests
- Aquatic Habitat
- Carbon Storage
- Community Engagement and Public Support
- Division Finances
- Economic Opportunities
- Financial Support for Counties
- Harvest and Inventory
- Recreation, Education, and Interpretation Opportunities
- Terrestrial Habitat

RECOMMENDATION

Information only.

NEXT STEPS

Over the next several months, the Division will:

1. Continue working with the Board to revise the FMP per Board direction.
2. Continue working on modeling a range of temporal and spatial timber harvest scenarios that could be achieved by implementing the FMP. Timber volume and value, carbon storage, and other outcomes from this modeling will be presented to the Board in late fall 2023, with a more detailed socioeconomic analysis of those scenario outcomes to follow.
3. Revise the draft AMP and performance measures in response to feedback and to maintain alignment with the draft FMP and draft HCP. It is anticipated that modeled outcomes of FMP scenarios presented to the Board will include relative comparisons of these performance measures to aid in their decision-making.

Provided that the HCP policy work is on schedule, the FMP will be brought back to the Board to begin the process of adopting the FMP in early 2024.

ATTACHMENTS

(1) Draft FMP (link to document, available online at https://www.oregon.gov/odf/board/documents/fmp-hcp/western-oregon-state-forests-management-plan-draft-july2023.pdf)
(2) Draft Adaptive Management Plan
(3) Draft Performance Measures

Item seven, attachment one is available on the Oregon Department of Forestry webpage, https://www.oregon.gov/odf/board/documents/fmp-hcp/western-oregon-state-forests-management-plan-draft-july2023.pdf

The title of the document is *Western Oregon State Forests Management Plan, Draft July 2023*

Adaptive Management Plan for State Forests Management

Accompanying the Draft Western Oregon State Forest Management Plan

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Section 1: Vision for the Adaptive Management Plan

1a. Adaptive Management Plan Vision

The Oregon Department of Forestry (ODF) manages state forests to achieve Greatest Permanent Value (GPV) through the Western Oregon State Forest Management Plan (FMP). The FMP goals and strategies balance trade-offs to achieve specific GPV benefits – such as providing wildlife habitat, growing resilient forests, storing carbon for climate change mitigation, providing reliable revenue to counties, supporting economic opportunities, and ensuring access for recreation. The forest resource assessment and scientific assumptions used to develop the FMP goals and strategies will change over time, which is why ODF uses adaptive management to monitor resource changes and adjust FMP implementation accordingly. Accompanying the FMP, the Adaptive Management Plan (AMP) provides an expanded roadmap for the processes of monitoring, reporting, and decision support services that aid FMP implementation. The need for an AMP comes from the expanded scope of the draft FMP that includes adaptive management as a key tenet of its management approach, a companion Habitat Conservation Plan (HCP) with expanded monitoring requirements, and a commitment to accountability to the Oregon Board of Forestry (Board) and all Oregonians. With the AMP, monitoring, reporting, and decision support work will be continuously updated and shared in a more nimble and integrative manner than the hierarchy of the FMP, Implementation Plans, and Operations Plans. The AMP shares information from monitoring across plans to report management outcomes more efficiently and ensure that state forests provide GPV.

1b. Adaptive Management Plan Goals

The AMP will be:

- *Transparent*. Interested parties and ODF staff can easily access current work plans and planning documents for decision-making processes and anticipated timelines for delivering results.
- *Understood*. Interested parties and ODF staff know about the AMP and understand its mission and purpose.
- *Effective*. ODF manages state forests to achieve Greatest Permanent Value and can make changes to management practices based on new information.
- *Inclusive*. The AMP integrates interested parties and ODF staff into its processes and incorporates their feedback.
- *Efficient and timely*. The AMP focuses on informing planning and management via developing monitoring efforts that deliver useable results as quickly as possible.
- *Responsive*. When ODF detects issues through monitoring, it works to address management problems creatively, transparently, and effectively.
- *Valued*. Interested parties and ODF staff recognize the benefit that AMP products provide to state forests management and all Oregonians.
- *Reliable*. Decision analysis and monitoring design use the best available science to produce reliable outcomes.

Section 2: Overview of Adaptive Management Plan

2a. Definition of Adaptive Management

One jargon-free definition of adaptive management is "learning by doing and adapting what one does based on what is learned" (Williams et al. 2009). In rule, adaptive management for the FMP means "the process of implementing plans in a scientifically based, systematically structured approach that tests and monitors assumptions and predictions in management plans and uses the resulting information to improve the plans or management practices used to implement them" (OAR 629-035-0000(2)). The FMP Guidelines describe how the planned implementation of adaptive management fits within this definition, which is expanded below.

The State Forests Division (Division) will use adaptive management as a tool within a broader decision-making framework (FMP 4.3.1). The reason for placing "adaptive management" under the umbrella of decision-making is because the term has many definitions in the scientific literature and in more informal usage. For example, in the HCP adaptive management "is a decision-making process used to examine alternative strategies (e.g., conservation actions) to meet the biological goals and objectives, and, if necessary, adjust future management actions based on new information" (WOSF HCP 2022). The OAR and HCP definitions are relatively broad and compatible, but others define adaptive management more narrowly as a specific tool for "recurrent decisions in which uncertainty impedes the choices of action and learning during early decisions can improve later decisions" (Hemming et al. 2022). The Federal Services' HCP Handbook illustrates the different tools available for changing management at different levels of scientific uncertainty and agreement on management objectives (Figure 1, USFWS and NOAA Fisheries (2016)). The AMP is using the broad definition of adaptive management from OAR and the HCP, which encompasses adaptive management (in a narrow sense) and other tools.

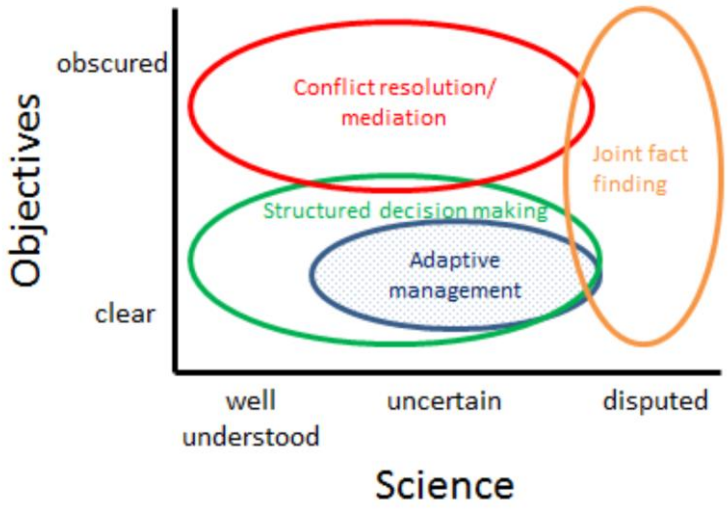

Figure 1: Different tools in a decision-making framework that may include adaptive management in a narrow sense (USFWS and NOAA Fisheries 2016).

2b. Key Tools

The AMP relies primarily on an integrated set of three learning-based tools to achieve its goals: adaptive management, structured decision making (SDM), and adaptive monitoring (FMP 4.3.1). These tools are reviewed in more detail in Appendix 1 for ODF staff desiring a technical background.

1) *Adaptive management*, in a narrow sense, enables managers to make a management decision despite having imperfect information. It reduces the uncertainty by purposefully tracking the outcomes of that decision to better inform the decision at the next iteration.

2) *Structured decision making* is a "collaborative and facilitated application of multiple objective decision making and group deliberation methods to environmental management and public policy problems" (Gregory et al. 2012). In other words, SDM is a process for enabling decision makers to make informed high-stakes decisions where the outcomes involve trade-offs between multiple objectives. Facilitators may work with interested parties, including ODF staff, to develop decision alternatives and examine trade-offs among the alternatives to creatively arrive at the best suite of alternatives for a decision-maker to consider.

3) *Adaptive monitoring* is an approach to designing monitoring that (a) addresses well-defined and tractable questions that are specified in advance of the program, (b) is underpinned by a rigorous statistical design, (c) is based on a conceptual model of factors believed to affect the components of interest, and (d) is driven by a practical need for the information (Lindenmayer and Likens 2009). The adaptive monitoring approach in the AMP embodies this approach by focusing on two goals: accurately estimating each metric and learning about the systems that affect these values.

2c. Key Functions

The AMP offers direction and administration for (a) facilitating decision analysis with SDM, (b) designing monitoring, (c) reporting monitoring and SDM results and analyses, and (d) supporting other information and decision needs within the Division (green box, Figure 2).

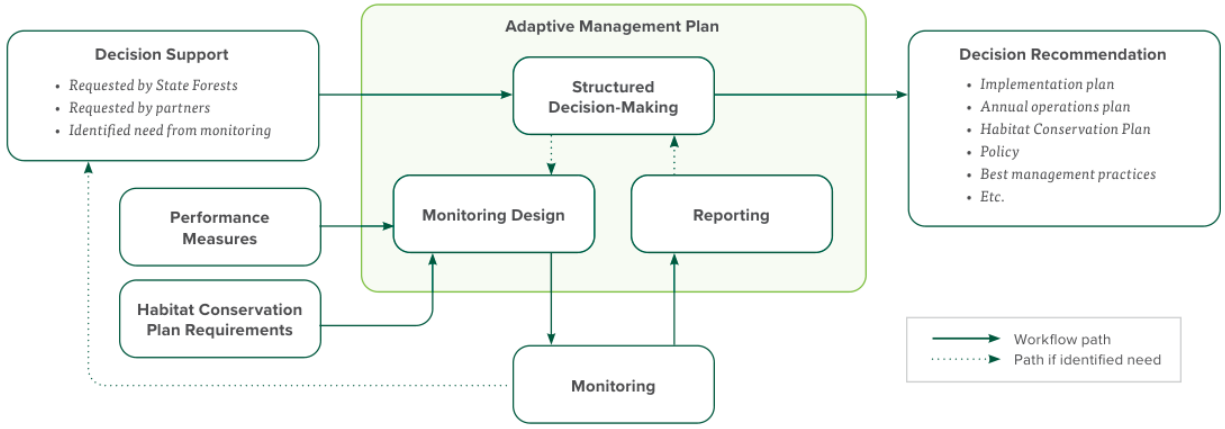

Figure 2. Diagram of the key functions and workflow of the Adaptive Management Plan relative to the Division's monitoring and decision support needs.

The following list shows the inputs and outputs of the AMP from Figure 2 with the corresponding sections of the AMP. Outputs will have different reporting requirements that are included in their respective AMP sections.

- The AMP will design monitoring for several Division initiatives with *reporting metrics* and *quantifiable targets* (Section 4).
- *Performance measures* are a select set of reporting metrics elevated for the Board to assess the outcomes of the FMP across GPV components (Section 5).
- The HCP has monitoring requirements and an adaptive management process to enact with input from the permit-issuing Federal Services (Section 6).
- If monitoring results indicate that undesirable conditions exist, *decision support* may be triggered (dashed arrow, Figure 2), leading to either an SDM process or directly to management changes (Section 7).
- *Decision recommendations* will be offered at the appropriate level of the Division's planning, depending on the scope and scale of the management decision (Section 8).
- The Division or partners can request decision support for a management question (Section 9). The AMP develops and facilitates the SDM process.

2d. Relation to other Plans and Policies

The Board provides overall policy direction during FMP development (top row, Figure 3), which culminates in a finding by the Board that the FMP meets GPV prior to the adoption of the FMP as Oregon Administrative Rule (OAR). The FMP includes guiding principles, goals, and strategies. FMP goals are statements of what the State Forester intends to achieve for each forest resource within the planning area consistent with the GPV rule (OAR 629-035-0020). Strategies describe how the State Forester will manage the forest resources in the planning area to achieve the goals articulated in the plan. The AMP develops monitoring for the Board's performance measures that allows them to review the progress of the FMP implementation.

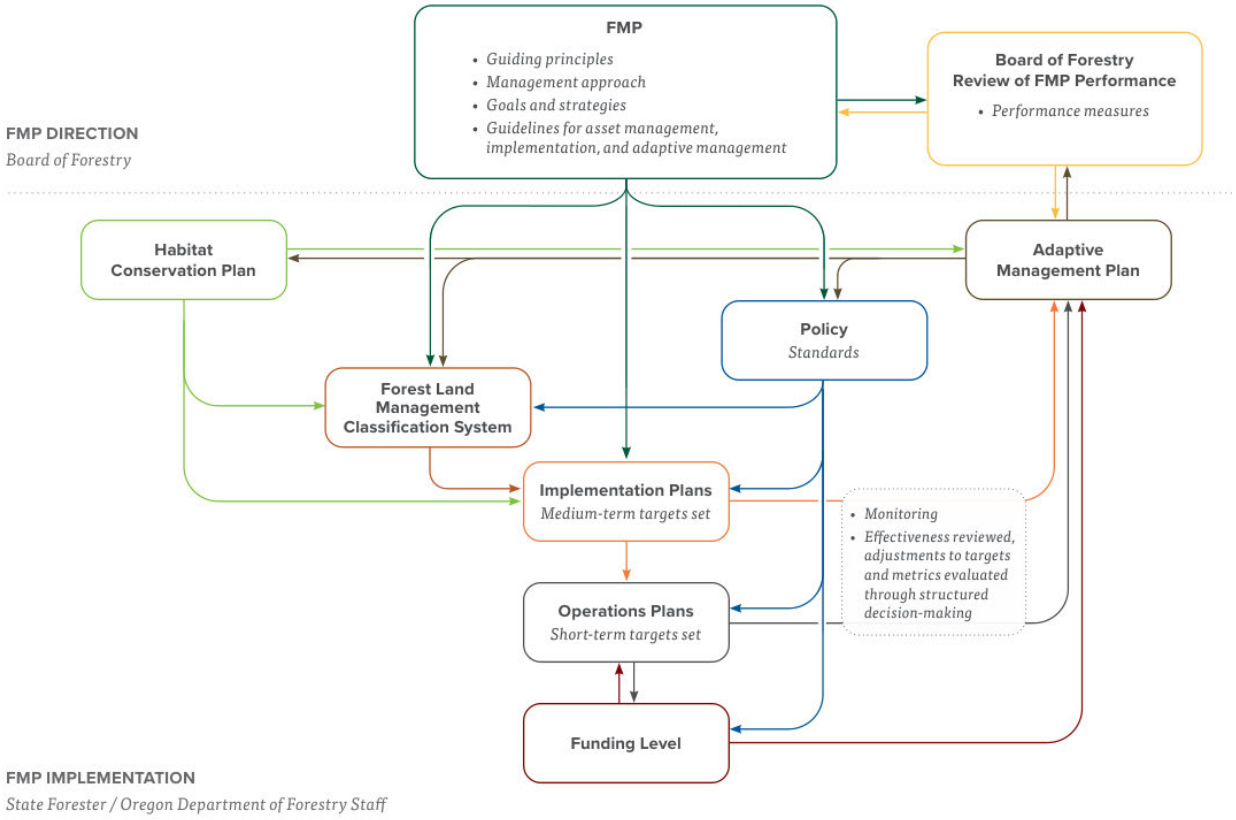

Figure 3. Diagram of the Division's plans and connections to the Adaptive Management Plan. Reproduced from the Western Oregon State Forest Management Plan Figure 4-1.

The AMP contributes to many aspects of FMP implementation (below dotted line, Figure 3). The FMP directs medium-term strategic Implementation Plans, which in turn direct short-term Operations Plans. The AMP evaluates monitoring results and provides a feedback loop during the planning process. The Division makes strategic changes to management with Implementation Plans, which could include changes to targets for existing reporting metrics or investments in new monitoring to address adaptive management questions.

For some management decisions the AMP will not be involved, such as harvest levels set during the Implementation Plan with an existing process for public and Tribal comment, model forecasting, setting targets, and monitoring outcomes. For AMP-associated monitoring, projects will be developed for inclusion in Implementation Plans with medium-term goals and quantifiable targets. All AMP-associated monitoring (reporting metrics and quantifiable targets) will be tracked in Appendix 2. The Operations Plans will include the specific monitoring by District each year, with details on the lead staff, methods, results, reporting, and timeline collated in Appendix 4.

The AMP develops and reports on HCP monitoring and adaptive management efforts in cooperation with the HCP Administrator in the Division and the Federal Services that grant the Incidental Take Permit (see Section 6). It is likely that monitoring projects and reporting for the HCP will require much of the capacity of the adaptive management program in the first several years after adoption.

To a lesser degree, monitoring and decision-support in the AMP may also be used in adjusting state forests management through policy standards, such as best management practices, or the Forest Land Management Classification System designating the use of an areas of state forests. For example, these changes could be initiated if targets are not met, if the Board requests a policy review, or if the Division initiates decision support for a management problem.

Funding levels determine the financial resources available to implement operations and monitoring. One key function of the AMP will be prioritizing monitoring projects to use resources efficiently (see Section 3b).

Section 3: Staffing and Project Prioritization

3a. Staff

The primary lead for the AMP and its associated projects is the Adaptive Management Specialist in the Information Unit. Other technical staff within the Division will contribute based on the overlap of their assigned duties and AMP project needs. For example, the Biological Support Unit Manager will play a large role as the HCP administrator who will be responsible for its related monitoring, adaptive management, and reporting. Staff from the Information Unit and the Biological Unit will be the main contributors. These include specialists in forest inventory, wildlife biology, aquatic biology, GIS, and monitoring. The Deputy Division Chief and the Information Unit Manager will provide immediate oversight while a charter for an AMP oversight team is developed (Section 3d).

3b. Project Prioritization

The AMP contains a broad suite of monitoring and reporting needs to implement, which may be dependent on ODF staff capacity and financial resources. Multiple sources (public and Tribal engagement, ODF business needs, the HCP, and the Board) may identify needs for decision analysis, adaptive management, or monitoring that will be integrated and prioritized for efficiency.

The AMP sets priorities to develop workplans based on the following criteria comparing potential projects.

- Regulatory requirements, such as HCP compliance monitoring.
- Potential impact on GPV.
- Likelihood of influencing future management decisions.
- Degree of uncertainty or knowledge gap.
- Capacity or feasibility of getting answers in reasonable time and at a reasonable cost.
- Efficient integration with ongoing or planned monitoring.
- Potential for research partnerships.

The AMP team will develop an annual workplan to project the current monitoring and reporting timelines extending 10 years into the future. The timeline will be generated with different assumptions for anticipated funding levels. The workplan will include:

- For years 1-3 provide a detailed schedule of actions required for each project.
- Specify when releases of information will happen for the Board and public.
- Determine analytical assistance needed for a given year across projects to establish whether in-house resources will suffice or if contracting will be necessary.

Project prioritization and the annual workplan are approved by an oversight team (Section 3d).

3c. Resources

Staff assignments will be made by the Information Unit and Resource Support Unit managers. The Deputy Division Chief may identify other staff within the Division who may contribute as needed.

Funding for monitoring will primarily come from ODF's share of the revenues generated from management activities on state forest lands and other funds available for the Division's operations. Other funding will come from the Division's commitments to implement the HCP and forest inventory investments that serve multipurpose monitoring applications. Some specific monitoring projects will be accomplished through budgeted strategic investments. AMP staff will seek out and apply for external grant funding or pursue cross-agency collaborations for monitoring as capacity allows.

3d. Oversight

The AMP's structure represents a broad departure from the Division's current approach to monitoring. The AMP itself should be a work in progress, improving over time. To this end, an oversight team will be convened to monitor the efficacy of the AMP. The oversight team will be comprised of the Information Unit Manager, the HCP Administrator, the Forest Resources Division staff (to be determined), the Division Chief, and agency leadership (to be determined). The team will meet at least twice a year. The oversight team will set and agree to a working charter early in its formation. The charter will clarify team roles and expectations and communicate the team's function and process to new members.

The purpose of the oversight team is to:

- Approve annual workplans for the AMP team's projects and activities.
- Review reporting metrics and HCP monitoring findings.
- Review when quantifiable targets for reporting metrics are not met and provide recommendations for remediation if needed.
- Consider the latest revenue projections, upcoming Adaptive Management Plan projects and priority list, and funding availability.
- Recommend changes to the prioritization and schedule of upcoming efforts.
- Enable meeting transparency (providing minutes, allowing community members to attend meetings, etc.).
- Approve an annual review submitted by the AMP team that serves as a means for communicating to the Board, Division staff, interested parties, Tribes, and the public on the progress and status of the AMP.
- Recommend and approve changes to the AMP as written to improve its performance, potentially using surveys of ODF staff, the Board, or interested parties (e.g., public or Tribal participants in SDM processes or State partner agencies).

Section 4: Monitoring, Reporting Metrics and Quantifiable Targets

4a. Monitoring Approach

This section describes a general strategy to design new monitoring to efficiently provide actionable management information using the adaptive monitoring approach described in Appendix 1. New monitoring may include Board performance measures, HCP compliance and effectiveness monitoring, monitoring of FMP strategies, or adaptive management monitoring recommended through a SDM process. All of these measures are called *reporting metrics* for the purpose of the AMP. Many reporting metrics will have *quantifiable targets* designated to assess whether management is meeting the desired outcomes that are being monitored (i.e., utility thresholds) or exceeding triggers (i.e., decision thresholds) that would indicate a critical deficiency in the desired outcome (Martin et al. 2009).

An organizing theme of the AMP approach is that the choices the Division makes in what to monitor and how to monitor (or whether to monitor at all) could be improved through a decision support framework that incorporates SDM (FMP 4.3.1). This means that the many monitoring projects will be developed deliberately to be useful for management decisions and mindful of tradeoffs between alternatives, especially with regards to constraints within Division staff capacity. The description below of how reporting metrics and quantifiable targets are set resembles an SDM process, because monitoring is a management decision.

These monitoring efforts may have different objectives and constraints depending on the program and may not necessarily follow every aspect of the adaptive monitoring strategy. For example, reporting metrics to support the HCP biological goals and objectives have already been set and the AMP will focus on monitoring design and implementation. Subsequent sections will describe the unique cases of Board performance measures, HCP monitoring, and the SDM process (Sections 5, 6, and 7, respectively).

4b. Reporting Metrics

The AMP team will construct its list of reporting metrics from Board performance measures, HCP compliance and effectiveness monitoring, monitoring of FMP strategies, and adaptive management monitoring. The current list will be updated in Appendix 2 to track AMP work and indicate from where each reporting metric draws its data (i.e., monitoring, forest inventory, asset management) and to which reports they contribute (i.e., HCP reports, BOF annual reports, biennial performance measures reports). Much of the current list is already determined through HCP commitments or performance measures. When constructing new reporting metrics for assessing FMP strategies or as a component of an SDM process, adaptive monitoring will be used (Appendix 1).

The adaptive monitoring approach in the AMP focuses on two goals: accurately estimating each reporting metric and learning about the systems that affect these values (Lindenmayer and Likens 2009). The first goal, accurately estimating a reporting metric value, is necessary for

understanding the state of the reporting metric. The second goal is crucial, as by learning about the system affecting the reporting metric we may (a) conduct future monitoring more efficiently, (b) learn where on the landscape to focus management changes, (c) become informed about what those changes should be, (d) predict the condition of the reporting metric across state forests, and (e) evaluate the appropriateness of the reporting metric itself. With greater understanding about the system, the monitoring approach can change the next time around to provide more precise estimates and predictions.

4c. Quantifiable Targets

A quantifiable target has two components: a measure and a target. The measure provides a specific metric for consistently estimating and reporting the condition of the reporting metric. Measures are described in greater detail in Appendix 1. The target may represent a desired level of achievement for the measure (i.e., utility threshold), which may be a single value or a range of acceptable values. In some cases, the target may represent a trigger indicating a critical level at which a measure cannot exceed or fall below (i.e., decision threshold). In either case, the target is used in assessing whether management may need to change to improve the outcome for the reporting metric (Section 7).

Reporting metrics and their quantifiable targets are used in two contexts. The first is the assessment of the condition of state forests, for which we rely on the target values to judge the status of a reporting metric (e.g., the Board performance measures). The other is for decision-making when a management decision will affect multiple forest resources. Under a decision-making scenario, existing reporting metrics could serve as SDM objectives. Stakeholders develop different management alternatives that involve the reporting metrics, and the performance of different alternatives is judged by examining the predicted responses of the quantifiable target measures. The target values are less important in this context, as SDM relies more on the direction desired for objectives (e.g., maximize, minimize) to assess tradeoffs between alternatives rather than specific targets (Gregory et al. 2012).

To construct quantifiable targets, Gregory et al. (2012) recommend that the group (here, the AMP team) first build conceptual models of factors that influence the reporting metric. The conceptual model is a useful tool. It facilitates dialogue among team members, explicitly capturing and specifying different hypotheses of how factors affect the reporting metric. It can also be used to define the quantifiable target measure, determine the variables that need to be quantified by a monitoring program, provide the structure of statistical models, and by extension assist in estimating the consequences of different management alternatives. Appendix 1 explains these features in greater depth alongside a worked example.

Appendix 1 additionally details how targets may be set for quantifiable targets. Once a measure is selected, the AMP team considers values that would serve as a useful target. The group will consult regulations, literature, and subject-matter experts to set a target. However, they must think about how the target will be evaluated, potentially at broad scales across the landscape. The group works through different scenarios to explore risk sensitivity and refine both the target and the measure. The AMP team is tasked with publicly “showing their work” by providing the

quantifiable target measure, target, and rationale for each reporting metric they oversee in Appendix 2.

The team will assess quantifiable targets relative to monitoring results. Monitoring may trigger a need to review management actions or the accuracy of the monitoring, in which case decision support would be warranted (Section 7).

The targets and measures for quantifiable targets may change with approval, depending on the nature of the reporting metric (i.e., if a reporting metric is set by the HCP or Board, decisions for changes would not rest with the AMP team). The quantifiable target may be revised if new information indicates that it is reasonable to do so. This could include new scientific evidence, a change in regulations, or a change in its measure.

4d: Monitoring Example

Monitoring protocols are needed for monitoring projects that rely on field data. Appendix 1 provides examples for ODF subject matter experts to illustrate the process of developing a new reporting metric that requires field work and a spatial sampling design.

Section 5: Performance Measures

5a. Overview

The Board uses performance measures to evaluate how well the FMP provides Greatest Permanent Value to Oregonians. This document proposes a set of new performance measures for social, economic, and environmental goals that would be adopted with the FMP. Performance measures will provide an up-to-date dashboard for the Board and the public to track the Division's progress towards meeting FMP goals. Performance measures currently vary in their readiness to be reported, as some require new data collection.

5b. What are Performance Measures?

Performance measures are specific metrics that the Division will use to estimate and report the consequences of management with respect to objectives expressed through the FMP guiding principles, management approach, and goals. Draft performance measures were selected by using the following recommended criteria, while acknowledging that tradeoffs between these criteria may influence the final measures (Keeney and Gregory 2005, Gregory et al. 2012).

- **Unambiguous**: a change in the reported measure accurately represents a real change that people interpret in the same way, with adequate accounting for uncertainties.
- **Complete and concise**: the set of measures cover the range of relevant outcomes as concisely as possible without redundancy.
- **Direct**: measures directly describe outcomes, rather than related, easier-to-measure proxies.
- **Operational**: measures can be readily put into practice given practical constraints.
- **Understandable**: measures can be understood and communicated consistently to people in different interest groups with differing levels of technical understanding.

5c. History

The Division reported nine performance measures biennially from 2008-2013,[1] until economic conditions decreased staff capacity and performance measures reporting ceased. Through other reporting mechanisms, the Division continued annual reporting of some metrics such as revenue, timber volume, management treatments, recreational use, education & interpretation participants, and stream restoration projects.

5d. Development of New Performance Measures

The Adaptive Management Specialist led the process of identifying potential metrics, reviewing existing data, and incorporating internal feedback. Potential metrics were derived from annual reports, previous performance measures, draft HCP requirements, FMP goals and strategies, Key Performance Measures reported to the Oregon Legislature, the ODF Climate Change and Carbon

[1] Board of Forestry State Forests Performance Measures Report (2013). https://digital.osl.state.or.us/islandora/object/osl%3A33946

Plan, the 2019 Measurable Outcomes Report, and other group brainstorming meetings. The resulting 150 potential performance measures were consolidated based on values expressed by Board members, the five criteria listed above, and consideration of monitoring projects that could be sustained for long-term reporting.

The proposed performance measures received feedback in February 2023 from District leadership, Salem subject matter experts, the Recreation, Education, and Interpretation team, and outside consultants. After Board member feedback in March 2023, metrics were refined for another round of review by Board members, State Partners, and science reviewers in May 2023. Targets will be drafted after additional analysis of modeled FMP outcomes for different scenarios will be presented to the Board in winter 2023-24. Methodological details for data collection, reporting, and targets for each performance measure will be provided in Appendix 3.

5e. Performance Measures Reporting and Changes

The AMP team will report the status of performance measures to the Board biennially. The Board will decide if changes to the performance measures and their components are needed. If components of performance measures do not meet targets or fall within acceptable ranges, the Board may request the Division to examine the causes of deficiencies and propose corrective management changes. However, performance measures span resources with inherent tradeoffs so a deficiency in one performance measure may not necessarily trigger management changes without considering other resources and constraints.

Section 6: Habitat Conservation Plan Adaptive Management

6a. HCP Monitoring

The Division will monitor and report trends in quantity and quality of habitat for covered species over time within the permit area of the HCP. This will include compliance monitoring to ensure adherence to HCP implementation and management standards, and effectiveness monitoring to determine if conservation actions are having the intended effect on habitat conditions for covered species. Each conservation action in the HCP has compliance and effectiveness monitoring requirements that include targeted actions, metrics, and methodology (HCP Chapter 6). While the terminology is slightly different, the monitoring proposed in the HCP provides reporting metrics and quantifiable targets (if applicable) that will be included in the AMP. The adaptive monitoring strategy described in Section 4 and Appendix 1 could be used for new monitoring developed during the onset of HCP implementation.

The Division will dedicate staff and funding to the HCP monitoring commitments (HCP Chapter 8). Much of the AMP team will be developing the HCP monitoring program as well. The key point of contact for the HCP adaptive management process is the HCP administrator (currently assigned to the Biological Support Unit manager), who will determine the need for adaptive management in consultation with the permit-issuing Federal Services.

6b. Adaptive management for the HCP

Adaptive management will follow the process proposed in the HCP Chapters 6 and 7. The process has similar steps to adaptive management described in Appendix 1. The Division and the Federal Services will respond to changed circumstances, unforeseen circumstances, monitoring results, new information, and improvements in monitoring technology to examine alternative strategies (e.g., conservation actions) to meet the biological goals and objectives of the HCP.

Adaptive management responses will be triggered when changed circumstances, monitoring or other information indicates that existing practices are under- or over-achieving the biological goals and objectives or that alternative practices are available that can achieve the biological goals and objectives more efficiently and effectively. The level of adjustments from adaptive management are expected to fall within the conserved habitat areas or to the HCP's operating conservation program. Adjustments may be included in annual budgets, district Operations Plans, district Implementation Plans, or operational policies. Adaptive management responses fall within the range of covered activities.

6c. HCP Reporting

Adaptive management adjustments will be documented in annual reports submitted to the permitting agencies, along with details on the monitoring program. More extensive 5-year midpoint check-in and 10-year comprehensive reviews will assess the entire monitoring program and conservation actions. These extensive reviews will be the best opportunity to make adaptive management adjustments to the HCP implementation.

Section 7: Identifying Decision Support Needs from Monitoring

7a. Overview

If the reported monitoring results indicate quantifiable targets were not being met, the AMP team with their oversight team would then recommend to the Division's leadership to initiate a decision-support process (Figure 2). Once decision support is requested, a decision support process (SDM) or direct management changes will follow.

The decision maker may decide the team should not enter into a decision-making process and instead should continue monitoring (or similar decision). In this situation, the decision maker is undertaking their own decision process. If the decision maker thinks additional information is necessary and communicates this to the AMP team, then the AMP team can adjust the next round of monitoring to provide the decision maker with crucial missing information (presuming that the uncertainty can be reduced via monitoring).

If the decision maker decides to direct AMP team to enter a decision-making process, the team will provide the decision maker with a suite of well-considered decision alternatives that include changes to management as well as a baseline alternative to continue monitoring. The team is highly encouraged to use a SDM process to create the alternatives. The SDM process may be relatively straightforward and require minimal investment from the Division and others for several reasons:

- There will be a limited number of participants including team members, a neutral facilitator, the decision maker, and additional staff members as needed.
- Team members will have information on the system already as a consequence of monitoring. This includes models, hypotheses, data, and analysis results. The adaptive monitoring (Appendix 1) approach used to collect monitoring data should provide the team with useful information that will help in estimating the consequences of different alternatives.
- The management decision may not impact HCP monitoring metrics and would therefore lack that level of complexity. The decisions may rather center around determining the scale, timeframe, and structure of management actions.

We next describe in greater detail how a management change decision using SDM will be carried out. Appendix 1 explains SDM terms and concepts.

7b. Decision Context, SDM Scale and Timeline

7b.i. Decision Context

The SDM process will begin with a consideration of the decision context. The AMP team will work with Division staff to determine who is needed in the process and when. The process will have a greater chance of providing a decision maker with useful and understandable information

if the decision maker is identified both early on and as part of the process. An SDM facilitator will be selected to assist the process by creating an objective, supportive, and efficient environment. The group will also determine how to communicate their progress and incorporate feedback from outside the group. As described in Appendix 1, the AMP team and the decision maker would likely benefit from conducting a decision sketch – a quick run-through of the SDM process – to better define the decision, the decision's scope, and the people necessary to include in the SDM group.

7b.ii. SDM Scale and Timeline

The decision maker, AMP team, and ODF staff should additionally discuss the resources available for an SDM process as well as a desired timeline. The decision sketch may help inform the group about the commitment necessary to conduct an informative SDM process, as well as the level of risk (e.g., they may discover in the decision sketch that the decision may be more contentious than anticipated). The timeline for the SDM process will depend on the anticipated complexity of the SDM process, resource availability, and immediacy of the decision.

7c. Information Availability

The SDM group will have monitoring data available for use. The decision sketch may also indicate other information sources that may be useful, including other research projects, management and monitoring projects in other states or nearby regions, and information from ODF policy and field staff, and external experts. The group will need to consider information useful for estimating the consequences of different decisions, including uncertainty around outcomes. The group may proceed by altering or enhancing the influence sketch to explore how different management actions may affect the metric's measure.

7d. General Considerations for Constructing Alternatives

Developing management change alternatives for an SDM process will likely involve the consideration of a few predictable decision features. There may be other decision aspects and objectives in the process, but the following features are worth consideration.

7d.i. Degrees of Adaptive Management

Appendix 1 describes the linkage between the SDM process and adaptive management. Since the sixth and final step of an SDM cycle involves monitoring the outcomes of a decision, any management decision made will likely fall somewhere between passive and active adaptive management.

A passive adaptive management alternative represents a management change made across the landscape or in all areas where a particular condition (e.g., steep hillslopes) was present. Monitoring would determine whether the change had the desired, predicted outcome. An active adaptive management approach would be more experimental in design, with several different management options implemented in different areas (e.g., harvest units) that are ideally randomly selected, with the outcomes tracked in each. As described in Appendix 1, institutional learning occurs fastest using active adaptive management, but passive adaptive management may

be the easiest to implement. Active adaptive management is most useful where the SDM process identifies a critical knowledge gap that, if resolved, would alter or direct the management decision.

An SDM management change alternative can combine passive and active adaptive management, perhaps applying a specific change across state forests while experimenting with different management changes in a subset of areas (see Figure A1.3 for hypothetical examples).

7d.ii. Spatial Considerations

As alluded to above, the development of SDM alternatives should and likely will include a consideration of where changes to management occur. For instance, Alternative 3 in Figure A1.3 involves maintaining management practices statewide except for an active adaptive management application of management changes in a single geographic area, while Alternative 1 enacts the same management change across all state forests. The SDM group has the latitude to consider where management changes could occur, including different management changes in different regions. The group can also create alternatives that apply different prescriptions to separate regions or parts of the landscape, perhaps as informed by monitoring results.

7d.iii. Temporal Considerations

Since the purpose of the SDM group is to develop possible management actions to correct the trajectory of an underperforming metric, the group may consider and include the timeliness of a metric's change as a decision objective. For instance, one alternative may continue monitoring and gather more data to improve the precision of the estimate for the metric. However, this will postpone making a management decision, meaning that management change to the metric cannot begin to occur for at least the time it takes to complete the next round of monitoring.

Alternatively, a state-wide management change may result in the fastest possible improvement of the metric's condition, assuming the management change is appropriate. Herein lies a trade-off between effectiveness and time to resolution: an active adaptive management approach will not apply the best change across the entire landscape, but it will test more than one management approach that may outperform the status quo. An evaluation of outcomes may reveal an acceptable state-wide approach. Again, strategies may include combinations of passive and active adaptive management.

The SDM procedure offers an opportunity to explore how swiftly it will take a change in management to alter monitoring results for the metric. It may be years to change the outcomes of the metric's estimate. However, the speed at which change will occur can be predicted to set expectations for the Board and public. They can also be used to justify altering monitoring to track how well the management changes are performing. During this time, it may be reasonable to reduce or temporarily halt monitoring efforts to estimate the metric regionally, since a management change decision has already been made and has not had time to effectively change the metric's status on the ground.

7d.iv. Effort and resource availability

The SDM group will need to consider the effort required to enact and monitor a management change. Implementation of a state-wide active adaptive management program would be prohibitively expensive. However, a similar program may be more manageable on a much smaller geographic scale. Passive adaptive management may be easiest to implement and monitor.

7e. Decision Process, Implementation, and Consequences for Future Monitoring

The SDM procedure will follow the steps described in Appendix 1 – review the decision and decision space, develop objectives, construct alternatives, estimate consequences of alternatives, and examine trade-offs. The group may provide the decision maker with a ranked list of alternatives, or a suite of alternatives with an explanation of team member support for different alternatives. The alternatives will include considerations of the monitoring that they will require. At this point the decision maker is tasked with making a decision. They will also likely document the reasoning behind their decision so that they may explain it to the Board and other stakeholders.

The decision itself needs to be carried out, including changes to management and monitoring. The means for integrating the decision into the Division's management depends on the type of management change. A change to standards compliance would likely require a change in operations, along with a communication of the change throughout the Division. Field staff will require an explanation of the change and their supervisors would need to prioritize the shift in staff workload. A change in standards implementation would be brought up in the periodic development of Implementation Plans for public comment.

The decision will also likely affect the next iteration of monitoring for the metric(s) involved. The decision will need to specify the type of monitoring required to verify that the management change worked as intended. The SDM process will also inform the AMP team of the time required to detect an improvement in the metric status. Therefore, when the team reconvenes to develop the next round of monitoring, they will pursue an alternative form of monitoring for the metric(s). The monitoring may entirely shift from an estimation of metric status to effectiveness monitoring.

Section 8: Decision Recommendations

Decision recommendations from the SDM process will be offered at the appropriate level of the Division's planning, depending on the scope and scale of the management decision (Figure 2 and Figure 3). As AMP efforts reach a reporting stage, they will be evaluated by the AMP team and the oversight team. If results potentially warrant changes to strategies or implementation, the team will meet with the relevant decision-makers and request guidance for the next steps.

The timeline for reporting decision analysis products and monitoring results will complement Implementation Planning and comprehensive reviews of HCP implementation. The Implementation Plan is the key opportunity for the decision-making process, public and Tribal engagement, and adaptive management changes based on monitoring. Decisions about monitoring investments over the next decade will be made during implementation planning. The AMP workplan will prioritize information needs for Implementation Plans two years prior to their revisions.

Section 9: The AMP Serving All of State Forests

9a. Expanding SDM Use

The management of State Forests is complex and there may be disagreements about consequential management decisions that do not directly relate to the reporting metrics. For instance, there may be a disagreement about the optimal reforestation planting density and species mix in different regions. A concern may arise that some seedling species and density combinations may be more expensive and less effective than others. The Division may elect to create an SDM process that includes the AMP Team and key Division staff to consider different strategies – and to build understanding and support for the decision that is made. The decision itself may, as described in Appendix 1, involve combinations of broad management change with experimentation in certain regions and monitoring. These efforts could represent a valuable AMP service to the Division.

SDM may be a useful tool if some or all of the following conditions exist:

- The decision is complex, meaning that there are several aspects (objectives) that are relevant to the decision.
- There is disagreement among the deliberating group about the importance of different tradeoffs and objectives inherent in the decision.
- The decision maker would benefit from having a suite of well-thought-out alternatives to consider.
- The decision maker and groups could benefit from learning more about the decision, particularly from different perspectives.
- If the decision is contentious, the Division would benefit from a transparent and defensible decision process.

Figure 2 depicts a pathway for units aside from the AMP to enter into SDM. The units would request decision support from upper management, who could in turn agree that SDM may be of use.

9b. Prioritization of SDM processes

Section 3d states that the oversight team assists in developing and prioritizing a task list for the AMP team. In particular, the oversight team will consider the Division's SDM needs alongside other demands. The Division will need to convey the expected importance of the SDM procedures, and the oversight team will need to explain the consequences of including an SDM process on the monitoring prioritization list and timeline.

Section 10: Communicating Results

10a. Overview

Communication is a critical aspect of the AMP's function. The AMP team will communicate its progress through the existing Implementation Plan engagement, presentations to the Board, and directly interfacing with the public and Tribes.

10b. Presenting Reports to the Board of Forestry

The AMP team will present performance measures reports to the Board biennially to ensure that the Board members are aware of current efforts. The Board can review each performance measure and target, the time that has passed since the last measurement, and the number of performance measures for which information is lacking.

The AMP team will be a part of other reports to the Board regarding FMP implementation, HCP monitoring, IP development, and policy changes resulting from AMP work or SDM processes.

If the level of impact is high, the Board may review progress on SDM procedures, including justifications for initiating SDM, the progress and expected timeline of an ongoing SDM process, and a synopsis of SDM outputs (alternatives) and the Division's subsequent decisions. The decision-maker may be asked by the Board to explain their decision considering associated SDM processes.

10c. Public Interface

The Board meetings will serve partially as a means of informing the public about the Division's actions around the AMP. The Division will consider alternative outlets for information, such as a web subdirectory on its Oregon.gov website for the AMP and its work. The website will provide updated information on reporting metrics and serve as a repository for reports produced by the AMP team. The public will have access to the reporting metrics prioritization and workplans, which are anticipated to be updated once annually. They will also have information on the status of performance measures and anticipated updates.

The SDM process may involve Tribes, interest groups, and technical expert teams. As described in Appendix 1, the SDM procedure is a "deep dive" into the issues surrounding a decision, involving a great deal of effort supporting the SDM team while they investigate alternatives. The entire process is more likely to gain acceptance if there is a public component as well. A website can certainly provide information regarding the stages an SDM process is going through, plus archive and showcase past efforts. More is likely needed. One option is to include a public component to the SDM process. The Division may hold public events to communicate the progress and considerations an SDM team is currently undergoing and allow the public an opportunity to provide feedback. The Division may also send out press releases about the process to help ensure that the broader audience knows about the SDM process and public involvement.

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Appendix 1: Literature Review for Staff

In development

This review of adaptive management, structured decision making, and adaptive monitoring is for ODF technical specialists who will be developing new monitoring programs and facilitating decision-making efforts. Much of this review was contracted by the Division to support a 2018-2019 effort to expand adaptive management and plan new monitoring for each FMP resource strategy. It has been revised in 2023 to complement the AMP for those who desire more scientific background on the tools we will use to monitor, learn from, and implement the FMP.

Appendix 2: Current Reporting Metrics

In development.

This appendix will track all reporting metrics and quantifiable targets for AMP-associated monitoring. This information will be used in district Implementation Plans, Performance Measures reports, and HCP reports.

Appendix 3: Performance Measures for the Board of Forestry

Attached as separate document.

Appendix 4: Monitoring Plan

In development.

For each reporting metric, this document with share details of how they will be monitored, analyzed, and reported. This information will be used for monitoring operations and for sharing information in district Operations Plans and annual HCP reports.

Appendix 3: Performance Measures for the Board of Forestry

Table of Contents (Performance Measures ordered alphabetically)

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Summary

Performance measures are a select set of metrics that the Board of Forestry (Board) will use to evaluate management outcomes with respect to the objectives and intent expressed through the draft Western Oregon State Forests Management Plan (FMP) guiding principles, management approach, and goals. The ten performance measures listed below have component metrics that will be monitored and reported biennially to the Board under the process described in the Adaptive Management Plan. A background description, method of data collection, component metrics and targets, and related State Forests monitoring are provided for each performance measure. Targets or ranges of acceptable values would be set in the future as part of the FMP modeled outcomes and the draft Habitat Conservation Plan (HCP) commitments presented to the Board.

Adaptive Capacity of Forests

Background

Adaptive capacity is one of the key tenets of the FMP management approach so that State Forests maintain ecological function and productivity in response to stressors like climate change or drought and disturbance events such as fires, insect damage, or extreme weather. The proposed components to measure adaptive capacity will include forest attributes that increase forest diversity and complexity at stand and landscape scales.[1] Management influences adaptive capacity through harvest and thinning prescriptions, reforestation, retention of biological legacies, and landscape design. Management to increase adaptive capacity will vary by forest land management class (i.e., emphasis areas) to meet different objectives.

Methods

Data for this measure will be gathered through the Enhanced Forest Inventory (EFI), with updates every five years. The EFI uses a densified network of USFS Forest Inventory and Analysis (FIA) systematic monitoring as its field-based data. Estimates from FIA data can be summarized at larger spatial extents, such as by district or emphasis area class. Finer-scale estimates (e.g., stands or watershed) can be modeled by lidar-based products in the EFI.

Metrics and Targets

Four components (tree size distribution, tree species composition, stand structure, and tree growth rates) are proposed for two emphasis areas: general stewardship and habitat conservation areas (HCAs) (Table 1). Potential targets will be presented with modeled FMP outcomes to the Board.

Related Monitoring

- The Forest Health Unit in the ODF Forest Resources Division provides updates to the Board and State Forests on invasive species, disturbances by insect and disease, and climate change vulnerability (e.g., western redcedar mortality).
- Wildfire risk on State Forests will be assessed in partnership with the ODF Fire Protection Division to provide an all-lands approach to strategic planning and monitoring.
- Retention of biological legacies (leave trees, snags, and downed wood) will be reported for the HCP and as a component of the Terrestrial Habitat performance measure.
- Management to improve or restore stands is reported in Operation Plans and for the HCP (e.g., harvests and replanting to reduce Swiss needle cast impacts).

[1] D'Amato, A. W., & Palik, B. J. (2021). Building on the last "new" thing: exploring the compatibility of ecological and adaptation silviculture. Canadian Journal of Forest Research, 51(2), 172-180.

Table 1: Adaptive Capacity of Forests performance measure component metrics and targets

Component	General stewardship		Habitat Conservation Area		Data source	Notes
	Metrics	Targets	Metrics	Targets		
Size class distribution	Frequency across size classes	TBD: evenness across sizes desired	Frequency across size classes	TBD: evenness not necessarily desired	EFI: lidar-derived tree height classes	Alternative: age classes, but height is more accurate for uneven-age stands
Composition	Proportional basal area by tree species & stocking species proportions	Current & desired condition vary by district, report trends	Proportional basal area by tree species, stocking species proportions	Current & desired condition vary by HCA, report trends	FIA, EFI, and stocking surveys	Alternative: diversity indices
Stand structure	Canopy stratification (foliar height diversity)	TBD: tradeoff of stand complexity versus fire risk & other objectives	Canopy stratification (foliar height diversity)	TBD: increasing trend desired for HCP covered species habitat	EFI: lidar derived height diversity by stand	Alternative: heterogeneity indices
Growth rates to gauge species responses to climate change (i.e., drought & temperature stress)	Periodic annual increment for tree species	Stable or increasing trends desired	Periodic annual increment for tree species	Stable or increasing trends desired	Rolling mean of FIA tree size remeasurements summarized by species and region[2]	Lagging indicator, could consider ways to incorporate species responses to future climate conditions

[2] Stanke, H., Finley, A. O., Domke, G. M., Weed, A. S., & MacFarlane, D. W. (2021). Over half of western United States' most abundant tree species in decline. Nature Communications, 12(1), 451.

Aquatic Habitat

Background

For aquatic species covered in the HCP, the primary conservation action for achieving the biological goals of population persistence and resilience is expanding riparian management areas along streams. Passive management of these Riparian Conservation Areas (RCAs) will allow forests to mature over time to address limiting factors for covered species, including wood and gravel recruitment, stream shading, stream temperature, nutrient input, and streambank integrity. Implementing stream enhancement projects, including the promotion of natural beaver colonization, is another HCP conservation action targeting habitat improvement for covered species. Monitoring commitments in the HCP will track trends of aquatic habitat conditions for covered species based on field data to measure the effectiveness of these actions.

Conservation actions and associated monitoring in the HCP also focus on the impact of the transportation network on water quality and fish passage. Roads management can reduce hydrological connectivity by following best-management practices for design, construction, and maintenance to disconnect roads from stream systems. Barriers to fish passage can be reduced through culvert repair and are often prioritized based on fish presence and the miles of habitat upstream that are reconnected for access.

Methods

HCP compliance and effectiveness monitoring would provide most of the data summarized in this performance measure. State Forests, in collaboration with ODFW, the research community, and federal services, will design HCP sampling efforts to select key watersheds to detect changes in aquatic habitat conditions for covered species. State Forests would conduct assessments of the transportation network to prioritize improvements according to HCP commitments.

Metrics and Targets

Five components (physical habitat, riparian forest shading of streams, water temperature, transportation assessment, and beaver colonization) derived from HCP monitoring commitments are proposed (Table 2). Targets would be established in the future once baseline conditions are assessed in the initial years of the HCP.

Related Monitoring

- State Forests has implemented stream enhancement projects with timber sales since the adoption of the Oregon Plan for Salmon and Watersheds. Restoration activities are reported annually to the Oregon Watershed Enhancement Board.

Table 2: Aquatic Habitat performance measure component metrics and targets

Component	Metrics	Targets	Data Source	Notes
Aquatic habitat conditions for covered species	Physical attributes in streams (channel complexity, wood, substrates)	Report trends from HCP effectiveness monitoring	Collaboration with ODFW Aquatic Inventories Project (AIP)	Attributes may be synthesized via a salmonid habitat limiting factors model.[3]
Channel shading from riparian forests	Modeled annual sun exposure	Report trends from HCP effectiveness monitoring	EFI models of shade from lidar surveys	
Water temperature	Average annual temperature within HCP permit area	Report trends from HCP effectiveness monitoring	Collaboration with ODFW statewide water temperature monitoring	A 3.5°F increase during the HCP permit term would be an unforeseen circumstance.
Transportation assessment in HCP permit area	Hydrological connectivity and fish passage barriers	Complete initial analysis so that improvements can be prioritized	HCP monitoring commitments	Roads and OHV trails would be included.
Beaver effects on aquatic habitat	Species occurrence and dam abundance	Report trends from HCP effectiveness monitoring	Collaboration with ODFW AIP to include beaver monitoring in key watersheds	

[3] Nickelson, T. E., & Lawson, P. W. (1998). Population viability of coho salmon, Oncorhynchus kisutch, in Oregon coastal basins: application of a habitat-based life cycle model. Canadian Journal of Fisheries and Aquatic Sciences, 55(11), 2383-2392.

Carbon Storage

Background

Carbon sequestration and storage in forests are key climate change mitigation strategies in Oregon.[4] The FMP carbon resource goal is to contribute to carbon storage on state forest lands and in harvested wood products. State Forests management impacts carbon sequestration and storage in the forest through timber harvest rotation age, no-harvest buffers, retention of biological legacies (i.e., large live trees, snags, and downed wood), and reforestation. Carbon storage in harvested wood products depends on the product type and timber harvest volume. Other sources of emissions, such as those required for operations and manufacturing, and the impact of substituting wood products for nonrenewable products are often included in full lifecycle carbon accounting but are beyond the means of our current data collection.

Methods

Data for carbon pools within the forest will be gathered through the Enhanced Forest Inventory (EFI), with updates every five years. The EFI uses a densified network of USFS Forest Inventory and Analysis (FIA) systematic monitoring as its field-based data. Estimates from FIA data can be summarized at larger spatial extents, such as by district and emphasis area class. Carbon in harvested wood products will use models of long-term storage and decomposition by different product types.[5]

Metrics and Targets

Three components (aboveground live tree carbon, carbon in harvested wood products, and carbon in other forest pools) are proposed for two emphasis areas: general stewardship and habitat conservation areas (HCAs) (Table 3). Targets will be determined in the process of modeling the outcomes of different FMP scenarios presented to the Board.

Related Monitoring

- Statewide and regional carbon monitoring programs by other agencies also use FIA data to report on carbon trends over time by different pools. While these efforts report on different forest ownerships, they have not separated ODF-managed lands from the State/Local ownership category.

[4] Oregon Global Warming Commission. 2021. Natural & Working Lands Proposal. https://www.keeporegoncool.org/natural-working-lands

[5] Morgan, T.A. et al. (2020). Oregon Harvested Wood Products Carbon Inventory 190-2018. Report prepared for USA Forest Service and Oregon Department of Forestry. www.oregon.gov/odf/forestbenefits/Documents/oregon-harvested-wood-products-carbon-inventory-report.pdf

Table 3: Carbon Storage performance measure component metrics and targets

Component	General stewardship		Habitat Conservation Area		Data source	Notes
	Metrics	Targets	Metrics	Targets		
Live tree carbon storage	Aboveground carbon per acre	TBD	Aboveground carbon per acre	TBD	FIA field data summarized by emphasis area	
Harvested wood product carbon storage	Carbon stored in products minus carbon released via decomposition	TBD	Carbon stored in products minus carbon released via decomposition	TBD	Storage modeled from annual cutout volume by district and emphasis area	
Other carbon pools (soil, dead wood)	Carbon per acre by pool	TBD	Carbon per acre by pool	TBD	FIA field data summarized by emphasis area	

Community Engagement and Public Support

Background

State Forests attained meaningful engagement and feedback with many groups while developing the FMP, including with the nine federally recognized Tribes of Oregon through the Government-to-Government framework (FMP Appendix A). This performance measure aims to continue this engagement to hear whether the public and Tribes believe we are meeting our FMP goals and providing GPV. The process to do so effectively and specifically for State Forests is under development.

The Board has gauged public values surrounding forest management through representative surveys of Oregonians and plans to continue this work through their update to the Forestry Plan for Oregon. At this time, State Forests will rely on the Board's survey efforts to listen to public values and support for forest management. Future investments in surveys may aim for repeatable analyses to demonstrate trends over time, but recently performed surveys provide an adequate baseline for current public views on forest management.[6]

[6] Oregon Values and Beliefs Center. 2022. State Forest Management. https://oregonvbc.org/state-forest-management/

Division Finances

Background

Funding levels for FMP implementation vary with cyclical economic trends because State Forests is primarily funded through timber harvest revenues. There may be periods where revenues limit funding. Annual budget instructions for developing fiscal budgets reflect the Forest Development Fund (FDF) balance and the projected balance based on a 3-year revenue forecast (FMP, 4.1.1 Implementation Priorities).

Methods

The Asset Management Unit reports fiscal metrics quarterly and forecasts State Forests revenue, expenses, and FDF balance with a range of projections annually.

Metrics and Targets

The FDF balance in terms of the months of operating expenses will be the reported metric. The proposed target is to maintain a prudent FDF balance of 6-12 months of operating expenditures, which considers the cyclical nature of the timber markets and permits State Forests to adjust their services to maintain financial viability.

Economic Opportunities

Background

The FMP recognizes the importance of the economic benefits of forests to local communities through the Timber Production and Special Forest Products goals. Historically State Forests has tracked timber harvest volume as a surrogate measure of economic support for local communities, without modeling different components such as direct effects of jobs and wages from harvests, indirect effects from supporting industries, and induced effects from wages being spent. A socioeconomic outcomes analysis of modeled FMP scenarios will be presented to the Board that includes these components of timber harvest income and employment, as well as non-timber income and employment (e.g., recreation, hunting, special forest products, and other uses).

Methods

To measure the benefits of State Forests to economic opportunities, economic impact models will be developed. For timber jobs, projected harvest levels would be used to estimate direct employment and income and the secondary effects that would be supported by the initial harvests. For non-timber jobs, the economic impact is less readily quantifiable and would rely on a literature assessment to estimate relative differences in FMP outcomes.

Metrics and Targets

The socioeconomic outcomes analysis will provide a baseline understanding of the direct and indirect employment and income supported by State Forests. Appropriate targets will be set based on the Board's decision on the FMP.

Related Monitoring

- Statewide reports on the timber industry with State Forests grouped together with the State/Local ownership category. [7]

[7] Oregon Forest Resources Institute. (2019). The 2019 Forest Report. https://theforestreport.org/wp-content/uploads/2019/07/OFRI-2019-Forest-Sector-Economic-Report-Web.pdf

Financial Support for Counties

Background

This performance measure tracks the financial support provided by State Forests to counties through revenue sharing. There is volatility in annual revenue due to log prices and harvest timing by operators. While schools and local taxing districts also are recipients of these funds, distributions are administered by the counties and not easily tracked by State Forests.

Methods

The Asset Management Unit reports revenue transferred from State Forests to counties annually and provides forecasts for expected transfers. These are reported in annual reports for the Council of Forest Trust Land Counties.

Metrics and Targets

Revenues depend on the harvest planning decisions set during Implementation Planning rather than a Board decision. State Forests management is based on sustainable harvest targets rather than revenue targets. An even flow of timber volume may not translate to an even flow of annual revenue for counties. Trends or a range of acceptable values, averaged over several years due to inherent volatility, may be set from the FMP modeling outcomes.

Harvest and Inventory

Background

This performance measure is based on the FMP timber production goal to provide a sustainable and predictable supply of timber for economic opportunity, jobs, and availability of forest products. Harvest levels are the primary source of revenue for State Forests and will impact our ability to meet other integrated resource goals. The intent of this performance measure is to demonstrate how the planned harvest volume targets, cutout volume, and inventory growth accumulate over the course of decadal-scale Implementation Plans. Over time inventory growth should meet or exceed harvest volume. Management choices such as rotation age, harvest method, thinning, and stand improvement investments impact harvest volumes and inventory growth.

Methods

Data sources include annual district reports based on Operations Plans for harvests and the EFI for inventory growth. Inventory changes and forecasts are generally modeled for Implementation Plans or FMP outcomes. Harvests and inventory changes will be reported both by emphasis area (i.e., general ground and HCAs) and in total for the plan area.

Metrics and Targets

Harvest volume is reported annually, with a comparison to even-flow targets set by the Implementation Plans. Harvest levels targets are not set by the Board but developed through Implementation Plans approved by the State Forester. Inventory does not have a current target, but potential targets will be presented with FMP modeled outcomes to the Board.

Recreation, Education, and Interpretation Opportunities

Background

The FMP goal for the Recreation, Education, and Interpretation (REI) program is to create meaningful and enjoyable experiences that foster appreciation and understanding of state forest lands and contribute to community health, sustainable working forests, and economic wellbeing. The program has traditionally relied on visitor counts to track annual use and will continue to report these metrics for the performance measure. However, this metric does not fully capture the diversity of users and activities on State Forests as reflected in the FMP strategy to conduct new visitor use research and monitoring when strategic funding is obtained. New approaches to monitoring would offer more granular location and demographic data than annual counts that could be used to tailor REI resource allocations to visitors' interests.

Methods

Data sources comes from the REI program's annual reporting. New visitor use monitoring would be developed with the consultation of social scientists and subject matter experts when strategic investments are made.

Metrics and Targets

Annual visitor counts at campgrounds and at the Tillamook Forest Center (TFC) will be reported to show trends over time. The intent of a target is not necessarily that the annual number of visitors is increasing, but that the REI program resources are well-spent toward meaningful programs and targeted towards visitors' interests.

Related Monitoring

- Visitor use surveys, community science observations, and trail counters were used to assess the Black Rock Mountain Biking Area for a year as a pilot study for a popular recreation site on State Forests.[8]

[8] D'Antonio, A., Winder, S., Wood, S., & White, E.M. (2023). Characterizing Visitor Use at Oregon Department of Forestry Recreation Sites: A Pilot Case Study at Black Rock Mountain Biking Area. Report prepared for ODF.

Terrestrial Habitat

Background

The FMP wildlife goal has strategies to promote a diversity of forest types, functional landscapes, structural complexity of stands, and habitat for endangered species and species of concern. The intent of this performance measure is to illustrate trends in forest structure and landscape connectivity that would benefit many wildlife species across forest seral stages (i.e., structure-based biodiversity indicators[9]) even as species distributions shift with climate change.

The commitments in the HCP would differ by emphasis area with the expectation that wildlife strategies would be met across the landscape. For example, timber harvests with retention of trees, snags, and downed wood and RCAs would increase structural complexity in early seral stands. Active and passive management in HCAs would produce higher quality habitat for covered species with greater connectivity between late seral patches as forests within RCAs and HCAs mature over time.

Methods

Data for this measure will be gathered through the EFI, with updates every five years. The EFI uses a densified network of FIA monitoring plots as a systematic sample of various forest metrics across the plan area. Trends over time would be based on rolling means of FIA plot metrics summarized by emphasis area. Landscape metrics or finer-scale estimates (i.e., large trees) are provided by lidar-based model predictions for the point in time of lidar data collection.

Metrics and Targets

Four components (large trees, dead wood, hardwood trees and understory diversity, late seral forest connectivity, and habitat development for covered species) are proposed for two emphasis areas: general stewardship and HCAs (Table 4). Targets will be set to align with HCP commitments.

Related Monitoring

- Compliance and effectiveness monitoring in the HCP provides more detailed information about habitat for covered species.
- Other wildlife monitoring would be included in district Implementation Plans and the Adaptive Management Plan.

[9] Lindenmayer, D. B., Margules, C. R., & Botkin, D. B. (2000). Indicators of biodiversity for ecologically sustainable forest management. *Conservation biology*, *14*(4), 941-950.

Table 4: Terrestrial Habitat performance measure component metrics and targets

Component	General stewardship		Habitat Conservation Area		Data source	Notes
	Metrics	Targets	Metrics	Targets		
Large trees	Occurrence of >30" DBH trees at multiple spatial scales	TBD: expected to increase over time with HCP leave tree prescriptions	Occurrence of >30" DBH trees at multiple spatial scales	TBD: expected to increase over time as restored stands mature	EFI: lidar-derived large tree presence	Trees of this size and larger are components of habitat models for covered species.
Dead wood (large downed wood and snags)	Basal area of snags and volume of downed wood	HCP compliance, expected that retention would be greater than before HCP.	Basal area of snags and volume of downed wood	TBD: increasing trend desired in management for diverse habitat	FIA and HCP compliance monitoring	Trends from FIA across plan area, estimates of change with HCP compliance monitoring
Hardwood trees and understory diversity	Proportional basal area of hardwoods and percent cover of native understory plants	TBD: expected to be maintained through retention and RCAs within harvest units	Proportional basal area of hardwoods and percent cover by native understory plants	TBD: increasing trend desired through HCA management for diverse habitat	FIA for tree basal area and understory species cover.	Elk nutritional models would be a potential synthetic metric for plants monitored by FIA
Connectivity between late seral forest patches	Northern Spotted Owl dispersal habitat by sub-geographic area	HCP compliance, 40% in each area measured at 5-year intervals	Habitat patch sizes by suitability category	Increasing proportion of larger habitat patches within HCAs	EFI: lidar-derived landscape map of late seral forests and dispersal habitat	Landscape resistance to Northern Spotted Owl movement would be a potential synthetic metric
Covered species habitat meets stay-ahead provision in HCP	Acres of habitat harvested versus ingrowth of habitat over time	Set in HCP	Acres of habitat harvested versus ingrowth of habitat over time	Set in HCP	HCP 5- and 10-year monitoring reports, habitat models based on EFI lidar-derived maps	

State Forester, Board Member, and Public Comments

Agenda Item No.:	9
Work Plan:	State Forests Work Plan
Topic:	Western Oregon State Forests Draft Habitat Conservation Plan
Presentation Title:	Chair's Proposed Resolution
Date of Presentation:	September 7, 2023
Contact Information:	Michael Wilson, State Forests Division Chief (503) 945-7351; michael.wilson@odf.oregon.gov

SUMMARY

This report has been prepared by Oregon Department of Forestry (ODF) staff to provide context, background, and other details pertaining to a proposed resolution by the Chair of the Board of Forestry.

The Board will discuss a proposed resolution to direct ODF staff to modify the draft Western Oregon State Forests Habitat Conservation Plan (HCP) as represented by Alternative 2, "Proposed Action" in the draft Environmental Impact Statement and then move forward to finalize the HCP process.

CONTEXT

The Board has expressed concerns over potential outcomes associated with the draft HCP.

BACKGROUND

At the direction of the Board of Forestry, ODF has been developing a draft HCP since 2018. In October 2020, the Board directed staff to enter into the National Environmental Policy Act (NEPA) process to finalize the HCP, based on a comparative analysis that assessed the risk of implementing an HCP versus continuing under a survey and manage approach to avoid "taking" of species listed under the federal Endangered Species Act.

As work toward a final draft of the HCP continued, it was necessary to revise district Implementation Plans (IPs) to ensure continuity under the current FMP while being prepared to implement the anticipated Incidental Take Permits (ITPs). These IPs were intended to span a 2-year period during which time a new Forest Management Plan (FMP) that aligned with the HCP would be adopted.

Annual Harvest Objectives under the revised IPs were 19% - 27% lower than the average long-term harvest estimate for the draft HCP presented in the October 2020 comparative analysis, based on a review by field staff that found a number of issues including per-acre timber volumes that did not match cruise and cutout data from similar stands. The reduced harvest levels for the 2-year revised IPs have created doubt among Board members as to whether or not the draft HCP will result in long-term harvest outcomes reported in the comparative analysis.

Staff is continuing to model a range of outcomes for the draft FMP, which is underpinned by the draft HCP. Staff has been working diligently to improve the performance of both growth and yield, and activity scheduling within the model. This has delayed timelines, due to the complexity of the improvements and staff and contractor capacity. These modeled outcomes are not expected until this fall, with an anticipated presentation to the Board at a special meeting in December.

The Board has discussed the draft HCP multiple times over the past several years and received a large volume of testimony from the Forest Trust Lands Advisory Committee and other county partners, stakeholders, and the public.

The Board has also been advised, to the best of ODF and Department of Justice knowledge and ability, on the risks to the HCP process overall, including the possibility that changes to the HCP could require beginning the NEPA process again or that ITP issuance could require additional terms and conditions.

RECOMMENDATION

The Board Chair recommends the Board adopts the following proposed resolution:

> The Board supports ODF's efforts to obtain an HCP for the lands it manages and appreciates the holistic and thoughtful approach that staff has taken in the design of the draft HCP.
>
> The Board acknowledges that the draft HCP is a key business decision that allows ODF to continue to operate on state forestlands in light of current and future species listings under the federal Endangered Species Act.
>
> The Board does not desire to incur undue risk to the HCP process thus far.
>
> The Board also desires to increase potential timber harvest outcomes under the HCP by potentially increasing HCAs in areas where harvest operations may be more difficult in the future and commensurately decreasing areas currently designated in HCAs in order to continue to help support local government services and communities.
>
> The Board acknowledges that additional modeling and analysis is still being done to better estimate available harvest under a range of harvest scenarios for the draft FMP.
>
> The Board understands that there are many factors involved, but wants to ensure that it has as much flexibility as possible in setting performance targets under a new FMP, including long-term performance outcomes.
>
> The Board directs staff to modify the draft HCP with the intent to increase potential timber harvest outcomes as specifically described here:

1. The Board understands that these changes will be minor in the overall context of the draft HCP, with the aim of being well within the bounding alternatives of the draft EIS and still having a high likelihood of resulting in the issuance of Incidental Take Permits.
2. It is expected that these changes will likely come from modification of draft Habitat Conservation Area (HCA) boundaries that remove operable ground from draft HCAs, but also incorporate other areas of inoperable ground that still contain observations of covered species or their habitat. To the extent possible, staff should strive to achieve "no net loss" of HCAs within any HCP geographic area.
3. Conservation actions directly tied to aquatics will not be changed, including, but not limited to, Riparian Conservation Areas (RCAs), steep slopes, and road and trail standards within RCAs.
4. Any and all modifications made by staff will constitute the draft of the HCP that will progress into the final phase of the NEPA process and be used to finalize Biological Opinions issued by the federal services. There is no need for staff to return to the Board for further direction.
5. If and when Incidental Take Permits are issued to ODF, the Board will meet to decide whether or not to direct the State Forester to implement the HCP and Incidental Take Permits.

NEXT STEPS

If the Board does not approve the proposed resolution, staff will continue the current process to work towards a final HCP and issuance of ITPs.

If the Board approves the proposed resolution, staff will continue to work towards a final HCP and issuance of ITPs, with the following process:

- Staff would work to identify HCA modifications that would follow Board direction and still have a high likelihood of resulting in issuances of Incidental Take Permits for the 17 covered species.
- Staff would propose the modifications to the rest of the HCP Scoping Team (USFWS, NMFS, ODFW, DEQ, DSL, OSU).
- The HCP Scoping Team (including ODF) would identify and resolve potential issues with the modifications and associated mitigation, if necessary.
- ODF would conduct any additional modeling or analysis deemed necessary by the services to support finalization of the Environmental Impact Statement and Biological Opinions.
- ODF would submit the final draft of the HCP to complete the NEPA process and Biological Opinions, and issuance of Incidental Take Permits.

STAFF REPORT

Agenda Item No.:	10
Topic:	*Forestry Program for Oregon Planning Work Session
Date of Presentation:	September 7, 2023
Contact Information:	Ryan Gordon, Planning Branch Director 503-945-7393, ryan.p.gordon@odf.oregon.gov

SUMMARY

The Board and department leadership will continue working on developing a new strategic plan for the agency, known as the Forestry Program for Oregon (FPFO). The work session will be moderated by a facilitator to continue the dialog between the Board of Forestry (Board) and the department's Executive Team, with the Board subcommittee offering guidance throughout the work session. Discussion topics will include reviewing the latest version of the working draft (attachment 1), the climate leadership goal, and the development of call-out boxes for greater context and clarity for the strategic plan. As time allows, the Board and Executive Team will revisit the resilient forest goal, converse on the name of the joint document, and hear updates on the Oregon Kitchen Table community engagement work.

ATTACHMENTS

(1) Forestry Program for Oregon Working Draft
(2) Forestry Program for Oregon Work Plan and Process Timeline
(3) Oregon Kitchen Table Community Engagement Timeline

v 9-07-23

Vision For Oregon's Forests

Oregon Board of Forestry

and

Oregon Department of Forestry

Strategic Planning Document

DRAFT FOR DISCUSSION

Table of Contents: WILL BE INSERTED LATER

VISION and MISSION

Shared Vision -*developed at October 2022 retreat*
Complex and resilient forest ecosystems that endure and adapt

Joint Mission - *developed by FPFO subcommittee on 1/18*
The joint Mission of the BOF and ODF is to promote and guide management of Oregon forests and fire to benefit all Oregonians.

Agency Purpose - *developed by ODF Executive Team and reviewed by FPFO subcommittee*

Engage communities, staff, and resources to sustain and adapt forests and landscapes for social, economic, and ecological benefits.

BOARD/AGENCY INTENT, PRINCIPLES and CONTEXT

(This section is under construction, will be revised)

Intent
The Board of Forestry recognizes that the overarching forest management strategy for Oregon needs to be refreshed in important ways to be responsive to a rapidly changing environment, and to be responsive to the call for a bold, forward-looking policy approach that will best serve forests and people in Oregon into the future.

Principles
This "Vision for Oregon's Forests" is anchored in understanding the following:

1) The State and its implementing agencies must honor government-to-government relationships with Sovereign Nations; and its obligation to protect tribal cultural resources.

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2) A comprehensive, all-lands approach to forest management policy will reflect the unique landscape and forestland ownership context of Oregon, and honor the complexity of relationships Oregonians have with their natural resources.
3) Policies will address global and local climate change effects and changing social demographics and associated cultures which influence our ability to meet expectations from our state's forests.
4) Policies will strive for a reciprocal relationship between human cultures and forests as ecological systems.
5) The Board of Forestry and the Oregon Department of Forestry will be responsive and adaptable to environmental and social change.
6) Policies will recognize a shifting workforce that includes inter-generational change as well as societal expectations around how we work, and the need for a trained and skilled workforce to support the work needed in Oregon forests today and tomorrow.
7) Policies will focus on economic development and diversification in the forest sector that promotes the adaptive capacity of forests.
8) Policies will be based on the best available science, rooted within a legal framework, and applicable in a place-based manner to meet local, regional and statewide expectations of Oregonians.

Context

The Board recognizes several factors that influence and are impacted by forest management strategies:

Statutory and regulatory requirements as well as strategic initiatives: This includes the Private Forest Accord, State Forests Forest Management Plan, Oregon's Landscape Resiliency Strategy, Climate Change and Carbon Plan, and federal and state environmental laws and regulations.

Rural, urban and suburban populations have differing perceptions and perspectives on their relationships to forests, and how forests should

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be managed to benefit human populations and safeguard natural resources.

Climate impacts are felt in every corner of the state, affecting safety, public health and economic stability, as well as the ability of Oregon forests to continue to provide many of the same benefits that they have in the past.

Social expectations for more inclusive, accountable decision making: this includes recognition of inequities in our systems, consideration for engagement and education of all communities; and for policy makers to understand the needs of all communities including those which have been historically marginalized.

Workforce supply and demand are changing as labor costs continue to increase despite growing uncertainty about the ability of managed forests to cover management costs in a dynamic climate and social structure.

The State has a unique relationship and obligation to government- to-government engagement with 9 federally recognized Tribes in Oregon.

About the Board of Forestry (est. 1907):

-under development, ODF Public Affairs drafting

About the Department of Forestry (est. 1911):

-under development, ODF Public Affairs drafting

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Climate-Smart Forestry in Oregon for a Resilient Future

- *drafted by ODF technical staff*

Climate-smart forestry is a holistic approach for addressing the management needs related to the existential pressures exerted from climate change. Recent impacts go beyond the biotic aspects of the forest and include social dimensions including economics and State financial obligations. Abiotic and biotic forces are driving a divergence of existing ecosystems and the future environment.

The Oregon Department of Forestry and the Oregon Board of Forestry have accepted a definition of climate-smart forestry that includes three legs: adaptation, mitigation, and the social dimension (including communities and economic aspects). Building the Forestry Program for Oregon around this stool will help the Board and the Department be in line with each other on climate policy. It also helps to align the work the State is doing with its federal counterparts which have been directed to center climate-smart agriculture and forestry in their own work and processes.

So, what does a climate-smart forestry framework look like?

In previous iterations of the Forestry Program for Oregon, the Board has identified sustainable forest management as a key principle. Climate-smart forestry has been built out of sustainable agriculture and links with previous efforts to build criterion and indicators for sustainable forest management, like the Montreal Protocol.

Starting with adaptation. The changing environment has passed through tipping points that forests are unlikely to move back through. Forests see this through more extreme events, longer and more severe fire seasons, and a megadrought not seen for roughly 1200 years. These impacts do not spare any management approach or landowner. Adaptation policy can help forests adapt towards more resilient landscapes through human intervention. Changing forest structure, different management approaches, and incentivizing efforts to incorporate climate change into management decisions will be key. Additionally, providing tools that help forest landowners and managers assess their vulnerability to climate change can have broad benefits.

Next think of climate (or atmospheric carbon) mitigation. To reach internationally accepted targets (global temperature rise less than 1.5°C) to limit catastrophic impacts from climate change the global population will need to remove carbon dioxide from the atmosphere as well as work on adaptation measures. Natural

climate solutions like forests, agricultural lands, and blue carbon all offer options to increase this mitigation through biologic sequestration. Forests, especially those on the west side of the state, are widely regarded as being highly capable ecosystems for this needed sequestration. Policy approaches and levers that can be utilized include incentivizing practices to increase stored carbon in the forests, reducing emissions from forest activities (e.g., limiting slash burning and increasing alternative slash use), among others.

Social license to achieve the other parts of CSF comes from the social dimension, a bifurcated part of CSF. Made up of communities and economies, this social aspect of CSF considers the impacts of adaptation and mitigation action on people, personal and community health, and community and rural economies. Utilizing climate smart forestry to create healthy, resilient forests that also provide ecosystem and economic benefits can help lift disadvantaged, underserved, natural resource dependent, and those living with intergenerational poverty. This adaptive management will require a sea change from past management and there are opportunities for increased partnership with both public and private entities as well as community-based organizations and the people that they serve.

Climate-Smart Forestry will be used to stitch together the various aspects of this FPFO and will be present in each of the various goals that the Board and Department have mutually developed. More on this context, the structure of the goals and their assessment is on the following pages.

Terms and Definitions Key:

Goals are the high level policy areas of importance to the Board and Agency.

Each goal identifies partners ODF and the BOF need to achieve the goals, and the actions describe where ODF is assumed to lead the action, influence the action, or co-perform with action with others.

Strategies are the broad brushes that are used to successfully achieve a goal.

The strategies should reflect the Climate Smart Forestry lens to address climate adaptation, mitigation, and social dimensions of forestry.

Metrics gauge the measurable changes to specific goals and strategies. Metrics will be determined through:

- consideration of available data, resources, and ability to measure and track the metric;
- identifying those actions the board and department have the ability to alter or influence; and
- include the ability to look back in time as well as project into the future to ascertain if the Action and Strategy are meeting the intended targets.

Challenges identify barriers to achieving the goal. These can be social, economic or environmental.

Actions are the operational aspects of the FPFO and are largely identified by agency leadership working together with the Board.

Goals

Resilient Communities (people-centric goals)

Goal: Forest policy development and management decisions should be viewed through the lens of fostering healthy relationships with human communities and supporting community resilience. Forests support resilient human communities to be able to respond and adapt to anticipated and unanticipated social, economic, and ecological change.

Context: Forests have both direct and indirect effects on quality of life, economic opportunities for communities, and ecologic conditions in rural, suburban, and urban areas across the state. Resilience varies regionally and between communities of place and culture. Forests provide a range of benefits to Oregonians and contribute to community resilience. Place-based and scientifically informed management approaches support forests to contribute a full range of benefits to enhance community resilience by meeting their needs.

DRAFT Strategies

Educated and engaged community on forest issues

- Support science-based education and discourse about forests in communities

DRAFT for discussion

- Help communities monitor changes in the forest and be prepared to adapt
- Engage communities, including but not limited to local communities, in forest planning and operations for all uses
- *Placeholder for language on safe access (for recreation, culture, education, and appreciation)*
- *Placeholder for language on tribal engagement*

Access

- *Promote access on all forestlands that is both inclusive and welcoming, for a wide range of needs that are important to all Oregonians.*
- *ODF will work with partners to incentivize access across forest ownership types in a manner that respects private ownership, recognizes landowner objectives, and avoids natural resource damage.*
- *Suggest 7/19: Recognize cultural issues impacting access, in addition to distinct section on tribal co-management / G2G relationship.*

Economic viability/vitality

- Next generation - invest in high school and community college programs that
- focus on forestry
- Embrace new technology and pilot projects for non-traditional forest products
- Create jobs in forest management, focused on climate mitigation and adaptation
- Develop scalable and adaptable infrastructure of the forest sector economy
- Work with communities to develop diversified revenue streams that allow
- communities to be adaptable

Public health:

- Access to healthy forests for recreation, culture, education, and appreciation
- Clean water and air

Policy/regulatory certainty

- Policy should be based on peer-reviewed social science and biophysical science policy as well as traditional ecological knowledge
- Avoid divisive language and approaches. Find common ground that brings people from diverse communities together toward common goals.

Management across ownerships

DRAFT for Discussion

- Shared Stewardship: Forests are managed collaboratively across ownerships, promoting diverse management strategies that maintain environmental and economic values
- Where appropriate, encourage federal forest restoration without compromising environmental values
- *Placeholder for Tribal co-management*

Wildfire resiliency

- Involving advancement of building codes, defensible space, strategic fuel reduction, and prescribed burning.
- 20-Year Landscape Resiliency Plan
- National Cohesive Strategy

Place-Based Strategies

- Integrate climate-smart tree establishment and management into county planning across the spectrum of local cultures and community values

Diversity of Human Communities (*placeholder language needs review*)

Metrics: *to be developed by the Agency after Strategies and Goals are determined*

Challenges:

Actions:

Partners, Partner Agencies and Constituents:

Resilient Forests:

Definition/Identification:

Goal: (Under construction) "Policy and management decisions support *forests to persist in a functional and dynamic state in the face of change*. Functional and dynamic forests are complex, biodiverse, and adaptable.

Context: Forests in a fragile state struggle to adapt during disturbances or stressors. Adaptation is needed. Significant environmental changes are occurring related to climate, society and economics, calling for a shift in the reciprocal relationship between humans with the natural environment.

Strategies:

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Forest complexity: Engage with experts in Pacific Northwest forest ecology to adopt definitions for structural and functional forest complexity components for different ecoregions within Oregon, at multiple spatial scales (stand-level to landscape-level) and that recognize the shift of components across the landscape and over time. Strategies include-

- Use Existing Stewardship Agreement options: Promote Stewardship Agreements as a mechanism to further forest complexity components, including diversity of planted species, broader variety of forest stand densities, and increased retention of legacy structures (live green trees, snags, and downed wood) during harvest activities.
- Support additional incentives: Support statutory changes that allow for tax incentives for private landowners who implement Stewardship Agreements that make meaningful contributions towards forest complexity goals.
- Forest Legacy: Continue to support Forest Legacy efforts to retain and manage forests for diverse goals, including forest complexity goals.
- Regulatory options: Adopt new, and revise existing, Oregon Administrative Rules pertaining to harvest and reforestation to incentivize retention and development of forest complexity components.
- Direct Management Actions: Direct management on state forests through FMP Performance Measures to ensure a diverse range of forest structural conditions in all forest age classes.

Align with National Wildfire Cohesive Strategy goals:

- Restore and maintain landscapes (further aligned with Oregon's Landscape Resiliency Strategy goals)
- Fire-adapted communities
- Wildfire response

Biodiversity:

Water quality: Given climate and legal constraints, challenge to develop strategies around these. Strategies for collaboration, coordination and planning across agencies will be critical. Beyond the HCPs and regulations, what strategies, all-lands, can be activated?

Air quality

Social license:

- Educated and engaged communities
- Workforce capacity

DRAFT FOR DISCUSSION

- Communication: inward and outward looking related to conveying goals and activities guiding the Dept. Consistent and accurate flow of information/messages.

Metrics: *to be developed by the Agency after Strategies and Goals are determined*

Challenges:

Actions:

Partners, Partner Agencies and Constituents:

- Sovereign Tribes
- USDA Forest Service
- USDA Natural Resource Conservation Service
- Bureau of Land Management
- Oregon Watershed Enhancement Board
- Oregon Department of Fish and Wildlife
- Forest Collaboratives and related groups
- Forest Industry and related groups

DRAFT FOR DISCUSSION

Climate Leadership:

Definition/Identification (DRAFT from ODF staff, adapted from CCCP): Make forestry in Oregon a leader in climate change mitigation and adaptation. The Board and Department will be leaders in promoting climate-smart forest policies and actions that achieve their vision by operationalizing strategies, implementing actions, and measuring progress to achieving climate goals. When making decisions, the Board and Department will consider the climate impacts of those decisions,

Strategies:

From Climate Change and Carbon Plan (approved by the Board of Forestry on 11/3/2021)

Silviculture: Establish a just and equitable transition to climate-informed silviculture and climate-smart forestry that optimizes climate mitigation and adaptation, while maintaining a sustainable flow of wood products to ensure long-term resource benefits and viability of the forest products industry and flow of long-lived forest products.

Fire: Modernize Oregon's complete and coordinated wildfire protection system to respond to the increased severity of wildfire. Promote fire and smoke-adapted communities in the wildland urban interface and beyond, to mitigate the impacts of climate-induced increases in wildfire severity.

State forests management: Lead by example and demonstrate climate-smart forest management on State Forests to achieve adaptation, mitigation, and the achievement of forest resource goals

Restoration: Accelerate the pace, scale, and quality of climate appropriate forest restoration to increase the resilience to increased wildfire, drought, and biotic disturbance severity and incidence. Support implementation of the recommendations of the Governor's Council on Wildfire Response.

Urban forests: Increase the extent and resilience of urban and community forests to maximize the climate mitigation and health benefits of urban forest canopy.

DRAFT FOR DISCUSSION

Post-fire: Facilitate and encourage the reforestation of areas burned by wildfire and afforestation of low-productivity lands that are understocked or not in forest use.

Conservation: Support a strong, but flexible, Land Use Planning System as a cornerstone of maintaining Oregon's forests on private lands.

Research and monitoring: Maintain a research and monitoring program to track the status and trends of ecological, economic, and social indicators and the effects of climate change and to track progress related to this plan.

Metrics: *to be developed by the Agency after Strategies and Goals are determined*

Challenges:

Actions:

Partners, Partner Agencies and Constituents:

Organizational Excellence: *drafted by ODF Executive Team, as of 4/13/23*

Definition/Identification

> Oregon state agencies have an obligation to the Oregonians they serve to continually improve business processes to promote organizational efficiency and effectiveness in their delivery of services. This includes being transparent, accountable and fiscally responsible. In order to achieve this, ODF's operations must be integrated and aligned through shared common policies, goals and objectives that support direction provided by the Board, Executive Branch and Legislature. Engaging with partners, urban and rural communities, local governments and Sovereign Nations is essential. Operational excellence requires a well-trained, highly competent and diverse staff of professionals.

Strategies:

1. Create and maintain strategic and operational plans that support accomplishment of FPFO goals.
2. Collaboratively develop strategic and operational plans.
3. Work with other state and federal agencies to leverage efficiencies and opportunities to accomplish individual and shared goals and objectives.

DRAFT for Discussion

4. Increase transparency into agency operations and performance through clear, accurate and easily accessible reporting.
5. Continue to build a strong and diverse agency workforce.
6. Establish and maintain visible regulatory programs with consistent enforcement of laws and rules.

Metrics:

1. Board, ODF staff, external agencies, stakeholders and public indicate that common themes of FPFO are clearly visible and understood in other agency plans.
2. Clear reporting of engagement process for plans from standing advisory committees and workgroups created for specific planning efforts.
3. Monitoring plans that clearly articulate the efficient use of ODF and external resources.
4. Usage statistics for dashboards and number of information requests received that are answered by existing dashboards.
5. Reporting on recruitment venues used and diversity statistics on candidate pools and resulting hires.
6. Number of agreements with colleges and universities, numbers of interns and diversity statistics on interns.

Challenges:

- Current unfunded positions in the Planning Branch to help coordinate plan development across the agency.
- Lack of consistent process for engagement of tribes, partners, stakeholders and public in planning processes. Some standing committees not being leveraged to their full potential.
- Monitoring positions and processes that are contained within different divisions.
- Lack of existing dashboards and integration of supporting information systems across agency.
- (Need HR help on challenges for recruiting)
- Lack of existing intern program and cost of sustaining program.

Actions:

- Transparency: Create and maintain dashboards for key metrics that are publicly available on ODF's external website. Provide internal and external access to areas of interest like status of enforcement actions, budget setting process, and public records requests.

Draft for Discussion

- Workforce: Continue to incorporate DEI tools into ODF hiring practices and expand advertising of recruiting positions to broaden employee diversity.
- Workforce: Reinstitute and expand intern program.

Partners, Partner Agencies and Constituents:

- DAS
- Sibling state agencies
- Universities and community colleges
- Federal land managers

PLACEHOLDER FOR CALL-OUT BOXES

The purpose and content for the call out boxes is to provide context for the concept, a slightly deeper dive into the concept, and an attempt to clarify and define the concept. It could also include links or citations to other descriptor documentation.

Current topic list of call- out boxes subject to revisions, include:

a) National Wildfire Cohesive Strategy
b) Diversity, equity and inclusion - Organization Commitments: *Refer to the DEI internal doc. To nurture and sustain healthy and productive communities, we must consider the needs and interests of every community member, particularly those whose needs and interests have been overlooked, disregarded, or left out in the past. This requires us to build relationships with, engage with, and listen to everyone in our communities, with particular attention to those who are most vulnerable or have been excluded from public decision making.*
c) Tribal relations (GtoG responsibilities and commitments; co-stewardship and partnership opportunities)
d) Place Based implementation
e) Ecosystem services

DRAFT for discussion

2023 Forestry Program for Oregon Work Plan
(Subcommittee planning doc, subject to updates)
8-16-23 UPDATE

Winter 2022/23	Spring 2023	Summer 2023
Refine and Confirm Vision, Mission Determine Community Engagement Process Affirm FPFO Elements / Doc format using Climate Smart Forestry Lens **January Board meeting:** • **Vision** • **Values/community engagement next steps**	Develop Goal Themes Draft Mission, **Purpose, Principles** Culturally- specific community outreach (OKT) **April Board Retreat:** • **Goals - Themes** • **Goal Resilient Communities- Definition, Strategy Ideas**	Refine Goal Themes Develop ideas for Strategies Mid-process community engagement results, as available **June Board meeting:** • **Goal Ecosystem Function- Definition, Strategy Ideas**
Fall 2023	**Winter 2023/24**	**Winter/Spring 2024**
September Board meeting and October Retreat: • **Climate Leadership Goal** • **Revisit the Resilient Forest Goal** • **Intent/Principles and Context for the Vision** • **Review Comprehensive Vision Document - Preamble, Principles, Goals, Strategies** • **Draft Tracking System**	Agency Draft System for tracking progress Community conversations with Board and ET **Board meeting January 2024 Board meeting:** • **Review full suite of Goals and Strategies** • **Review indicators and system for tracking progress** • **Determine next steps with Vision**	Complete Dept Work Plans (Actions, Metrics) to reflect FPFO • **Review Actions and System for tracking progress** Public Outreach on FPFO Finalize / Codify FPFO

Updated Timeline Sept 2023

SEP

Engagement activities

- 9/7 - Survey launch

OCT

- Complete Engagement activities
- Analyze input

NOV

Draft report

DEC

Meaning making and follow up engagement

JAN

Meaning making and follow up engagement

FEB

- Finalize OKT report

BOARD OF FORESTRY

Makes and shares decisions

Board Meeting Wrap Up