Minutes
Board of Natural Resources Meeting

July 6, 2021
"Webinar", Olympia, Washington

BOARD MEMBERS PRESENT

The Honorable Hilary Franz, Washington State Commissioner of Public Lands

The Honorable Bill Peach, Commissioner, Clallam County

The Honorable Chris Reykdal, Superintendent of Public Instruction

Jim Cahill, Designee for the Honorable Jay Inslee, Washington State Governor

Dan Brown, Director, School of Environmental and Forest Sciences, University of Washington

Dr. Richard Koenig, Interim Dean, College of Agricultural, Human, and Natural Resource Sciences, Washington State University

CALL TO ORDER

Chair Franz called the meeting to order at 9:05 AM.

All Board members provided self-introduction. A meeting quorum was attained.

WEBINAR FORMAT BRIEFING

Ms. Tami Kellogg provided an overview for participating in a webinar meeting.

APPROVAL OF MINUTES

Chair Franz called for approval of the minutes for the June 1, 2021 Regular Board of Natural Resources meeting.

MOTION: Director Brown moved to approve the minutes.

SECOND: Superintendent Reykdal seconded the motion.

ACTION: The motion carried unanimously.

LIGHTNING TALK

Bridges

Alex Nagygyor, Assistant Division Manager, Forest Roads, Engineering Division

Mr. Nagygyor displayed a photo of the Rialto Bridge spanning the Grand Canal in Venice, Italy built of wood in 1255. The bridge collapsed in 1444 under the weight of a crowd gathered to watch a boat parade in celebration of the wedding of the marquis Ferrara. The bridge was rebuilt

of stone. Another bridge collapse was the Tacoma Narrows Bridge (Galloping Gertie) known for its swaying and gyrations. In 1940, the bridge collapsed due to the harmonics of 40-mile per hour winds and the waving bridge surface. DNR's bridges are simpler and include different types:

- Log stringer bridges built from logs with a lifespan of four to five years.
- Weathering steel girder bridges with a lifespan of over a hundred years.
- Concrete slab bridges with an expected lifespan of 1 to 200 years.
- Glue laminated wood bridges with a lifespan of 50 years.

DNR manages 829 bridges across the state. Once constructed, bridges are inspected every one to two years. As bridges age, DNR identifies load ratings of each bridge. If inspection reports determine a bridge replacement is necessary, the bridge is added to DNR's replacement plan to pursue funds for design and construction. A bridge load rating report is prepared by a professional engineer with experience in structures who evaluates current conditions of the structural components of a bridge with some reductions for rust, decay, cracks, and needed repairs to improve the strength of the bridge. Bridge capacity is calculated using current engineering methods. Load rating identifies overstressed bridges that should be confined to light vehicle or replaced. The maximum load weight has increased over the years. Log truck loads previously had a maximum legal weight limit of 95,000 pounds. Today the maximum weight is 105,000 pounds. The Federal Highways Administration recognized older bridges are not designed for today's loads and directed DOTs and counties to rate bridges. The ratings provide a current engineering assessment of bridges and ensure DNR's bridges can provide safe access for the transportation of logs, equipment, employees, and the public. During the last legislative session, DNR received over $1 million in an appropriation to replace two bridges (Naked Falls/Sebbins Creek & Coal Creek Bridges) and repair one bridge (Shale Creek Bridge).

Commissioner Peach inquired as to whether DNR has considered assessing tolls for future bridge replacement. Mr. Nagygyor said roads with tolls are typically for a road use permit allowing for temporary access across DNR roads and bridges. A portion of the toll calculation is paid to the Trust and to the Access Road Revolving Account for maintenance of forest roads with some monies earmarked for replacement of bridges. Material costs for steel and concrete have increased substantially. In addition to the cost of a bridge, other costs include retaining walls, abutments, and construction. On average, a 100-foot bridge costs approximately $350,000, which can vary dependent upon the number of lanes and bridge width.

PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST

Robert Mitchell referred to timber crew measurements of different timber sales and questioned the standard deviations on the estimates and the non-reporting of error bars. He asked about the possibility of much older trees in some parcels unconsciously ignored by surveyors because of pressure to provide more revenue. He recommended sending a letter to Jeff Bezos offering to sell a derivative of DNR land valued at $1 billion representing the benefit of managing Washington State DNR lands for commons rather than for logging. To mitigate any risks with respect to the agreement, $1 billion could be placed in a trading account and treated as principle and used as collateral for options trades. All trades would be transacted transparently. A $1 billion investment could return $80 million a year.

Andy Zahn commented on the state's recent extreme heat wave in modern recorded history killing hundreds of people and causing significant ecological damage throughout the Pacific Northwest. The Board should consider how forests are key to capturing and sequestering carbon to fight catastrophic climate change driving extreme weather and reduce regional temperatures. Healthy and older forests moderate climate and increase moisture and rainfall to lessen drought and fire danger. DNR oversees millions of acres of forests, but has failed to account for the consequences of its actions on regional and global climate. The Board should consider scientific evidence suggesting forests are more valuable for fighting global climate change, reducing drought, lowering fire danger, and moderating regional heat waves.

Jessica Randall cited research completed by Dr. Beverly Law, Professor Emeritus of Global Climate Change and Terrestrial Systems Science at Oregon State University. Dr. Law also served on the IPCC Expert Panels and is the lead author of the National Climate Assessment. Her research reflects how the value of retaining older growth forests heavily outweighs the value of reforestation or deforestation both in carbon sequestration and in the conservation of ecosystems and species diversity. Preserving high carbon-density forests in the Pacific Northwest could increase forest carbon stocks substantially by 2100. Half of harvested carbon is emitted soon after logging. Of the accumulated carbon harvested from West Coast forests since 1900, 65% has returned to the atmosphere while only 19% is contained in wood products. Temperate forests with high carbon density and low vulnerability to mortality have the substantial potential for climate mitigation.

Samantha Kropp said she serves on the Steering Committee of the Pacific Northwest Forest Climate Alliance, a regional network of over 60 member organizations working on conservation and climate justice. Pacific Northwest forests have the best potential to sequester carbon. She cited old complex and multilayered forests under DNR's jurisdiction storing more carbon than young tree plantations managed by DNR. Given existing science and independent peer reviewed information, it is possible to reach some clear conclusions that old forests are better at storing carbon than young tree plantations. The best step is protecting and managing older, native, and complex forests managed by DNR. The Board should consider not only climate mitigation, but climate resiliency when planning for the future of DNR lands.

Ed Bowen cited his difficulty in obtaining clarity on some discrepancies in trust income to Clallam County, because of the ongoing closure of the agency due to COVID-19. He asked the Board and DNR to develop a plan for reopening the agency.

Mary Jean Ryan commented on proposed language for the Trust Land Performance Assessment policy and the importance of establishing a correct policy framework as it sets the policy direction for the future and for all DNR actions. The Board should take time to review the proposed language. The proposal does not represent an articulation of priorities, especially at this time in history. The document has evolved over the last several months, but still speaks to generating more revenue from logging as the primary strategic driver. Language in several sections reflects a conflict with statements stressing the importance of ecological services because of the inclusion of "consistent with trust management objectives." The Board should consider language that reflects the role of DNR as managing forests in order to maximize the value of ecological services, and when feasible, generate revenue from logging tree plantations and not older forests with old growth characteristics. The Board has a duty to consider climate

crisis and the positive role older, intact, and biodiverse forests can play. Before approving a sale, the Board should consider whether the proposal is on track to meet older tree, older forest targets. The Board should be planning for the future by increasing those targets and seeking ways to support existing older forests.

Miguel Perez-Gibson reported he is the State Forest Policy Advisor for the Washington Environmental Council. He cited the appropriation of 40% of DNR's land base for specific management purposes to enable unrestricted harvesting aligning with Habitat Conservation Plan (HCP) objectives with 60% of the remaining base complying with the Endangered Species Act. Should other species become listed, DNR is covered through its incidental take permit. The Board is scheduled to consider a sale in an area of spotted owl nesting, roosting, and forage management. Another characterization of DNR's strategy for harvesting 60% of DNR's land base is by carefully harvesting to ensure compliance with federal law incidental take permits. The Board's prior meeting included a presentation on evaluating the implementation of the HCP. Only 40% of the land-base was analyzed as the analysis only considered original ownership of land DNR has historically and continuously managed. The analysis excluded forest lands that are required by exchanging older forests for younger forest stands to gain more acreage and produce revenue for the Trust. Because the HCP covers the entire land-base and DNR's analysis reflects meeting older forest targets, it should include all land-base in existence today. The reported 30,000 acres of net gain in older forest recorded last month should not be the sole confirmation reflecting how DNR is meeting older forest HCP commitments.

PUBLIC COMMENTS FOR TIMBER SALE ACTION ITEMS

Andy Zahn urged the Board to cancel the Serenity Now timber sale as the area is ancient forest and has never logged as evidenced by the complete lack of cut logs and a significant number of large living and dead trees. Natural regrown trees are over 100 years old dating from the Yacolt Burn and make up a complex and vibrant ecosystem with all the hallmarks of an old growth forest. It is prime habitat for spotted owls and other endangered species. The timber sale would destroy one of the region's last road less areas of wilderness, which must be preserved. Building roads and logging of the area would release much of the carbon the forest has stored over thousands of years. The high elevation forest will take a long time to recover from logging, which makes the long-term value of the land for timber production relatively low. A popular hiking trail runs through the Serenity Now area and provides the only reasonable access to the summit of Mitchell Peak. He voiced opposition to other timber sales under consideration (Elochomotive, Coil Sorts, Beaver Valley, Ode to Joyce, and On the Line) as those areas are reflective of existing old growth characteristics. It is unreasonable to expect younger stands of trees to take their place in any useful span of time. The first priority must be to preserve older forests.

Samantha Krop referred to a front page article in the *Seattle Times* on DNR's commitment to protect mature and old forests of Washington State and not just the forests deemed old growth according the DNR's narrow definition of old growth forests. In the aftermath of that promise, the community has witnessed numerous examples of future old growth and legacy forests listed for sale in DNR plans. Most recently, the Center for Responsible Forestry submitted a formal appeal against the proposed Elochomotive timber sale, which appears to be ignored by DNR as the logging process mysteriously moved forward. DNR's new plan is to proceed with the controversial timber sale this month, which is six months before the schedule. According to

recent reports, spur roads are under construction in a number of the units before the sale has been approved for auction, which speaks to the lack of transparency and public accountability by DNR. Additionally, the Serenity Now timber sale contains unlogged and roadless spotted owl habitat. Logging of those lands contributes to climate crisis. DNR is not achieving its target for meeting old growth acreage for future old forests. For the past year, DNR has posted no trespassing signs on public lands scheduled for sale. The signs threaten the public with civil and criminal prosecution for accessing public lands. In many cases, signs have been posted months in advance of any work on the site. DNR's multiple use mandate requires public lands to be managed for the benefit of the public, as well as for timber. The trespassing signs should not be placed outside of public lands.

Ed Bowen referred to the forthcoming presentation on scheduled timber sales and volume for fiscal years 2022 and 2023. His concerns surround the 22.5 mmbf volume prepared for fiscal year 2021 but not presented to the Board for approval. It speaks to DNR not solving the problem of arrearage. Additionally, the list of timber sales within the Olympic Experimental State Forest (OESF) does not identify timber sales benefitting Clallam County.

Miguel Perez-Gibson referred to the *Seattle Times* article and the commitment by DNR to examine older forests in Western Washington not already placed in conservation. It is unclear if that examination is the same as presented to the Board in June. Although it was enlightening to learn about plans to pursue a holistic and ecological view of older forest characteristics and functions when identifying and managing stands; it is still unclear as to the criteria the agency will use and how it interacts with the current cut-off the agency uses for defining old growth and impacts to 10,000 acres of older forests currently planned for harvesting. The article also indicated the agency would not offer any sales of older forests while the policy is under review. Within the proposed timber sales for consideration, the Serenity Now sale includes the potential of older forests that could contribute to DNR's older forest targets. A discrepancy apparently exists between the article and what is occurring in the field with many questions remaining about DNR's definitions, monitoring, evaluation of older forests, and whether the agency is meeting HCP commitments. Because of a pending lawsuit, it is difficult for DNR to provide answers on many of those issues. The Board should not conclude the issue as it moves forward on the old forests issue until it has been determined whether DNR is meeting older forests HCP commitments.

Doug Cooper, Vice President, Resources, Hampton Lumber Mills, said Hampton Lumber operates three sawmills and employs over 500 people who rely on a supply of stable and local timber. The volume grown and harvested on DNR land is critical for the ongoing wood supply necessary to operate the sawmills, support jobs, and provide the socioeconomic foundation for the communities. He recognized DNR Northwest Region and Reiter Foothills Forest staff for ongoing efforts to inform the public on recreation and forest management activities occurring within the Reiter Foothills Forest. Staff recently hosted a webinar on active and future timber sales and how recreation and wildlife considerations are integrated within the planning and project work completed for timber sales. The diverse audience included representatives from the recreation community, timber purchasers, and state legislators. Washington State forests can offer both recreation and active forest management. Efforts to ensure the public and community leaders have the opportunity to understand the details is greatly appreciated. Staff updated the

audience on how DNR manages the northern spotted owl and how that management is integrated within Reiter Foothills Forest planning efforts.

Matt Comisky, Washington Manager of American Forest Resource Council, thanked staff for continued efforts to bring timber sales to the Board for consideration. Professional DNR staff continue to do an excellent job of managing trust lands held in trust for a specific set of beneficiaries. He thanked DNR for the 2022-2023 sales plan, as the information is beneficial to the purchasing community for planning purposes. The June sales results are positive. During fiscal year 2021, DNR generated $214,184,417.68 in gross revenue benefitting schools, fire departments, hospitals, libraries, county roads, and common school construction funds, as well as other beneficiaries. The Multiple Use Act requires DNR to provide recreation and other services when it does not harm revenue generation of trust lands managed by DNR. If recreation or other non-trust uses harm beneficiaries, they must be compensated. Additionally, the RFQ for the Elochomotive timber sale was due on June 1, 2021. The likelihood that anything was accelerated is slim as the process to develop RFQs is lengthy and time consuming. The entire process is in alignment with information presented to the purchasing and harvesting community.

TIMBER SALES (Action Item)
June 2021 & FY 2021 Results, FY 2022 & 2023 Outlook, and Proposed Timber Sales for August and September 2021| 4 handouts, including the presentation
Patrick Ferguson, Program Operations, Product Sales & Leasing Division

Mr. Ferguson presented the results of June 2021 auctions. The Department offered 7 sales totaling 24.4 mmbf. All sales sold except for a small volume from two log sorts. Total sales were $7.8 million for an average of $323 per mbf with 2.5 bidders per sale on average.

Sales for fiscal year 2021 were based on the plan presented to the Board in June 2020. With the exception of small log sorts, all sales for auction were sold totaling 500 mmbf generating estimated revenue of $214 million. The sold values equaled $396/mbf. DNR closely matched the original goals of percentage of delivery volume by quarter as outlined at the start of the fiscal year with the highest amount of revenue generated since fiscal year 2018.

Mr. Ferguson addressed not meeting the deliverable target of 514 mmbf and explained that 1.8 mmbf of volume was removed from the June auction to reconfigure the sale for July 2021. Additionally, three sales totaling 22.5 mmbf were deferred to fiscal year 2022 to afford time for the Board to receive information on DNR's old growth and older forest policies and procedures.

All remaining unsold fiscal year 2019 volume was reoffered and sold in fiscal year 2021 with only one sale from fiscal year 2020 unsold. That sale will be reconfigured and offered in two parts.

Mr. Ferguson invited questions and comments on the June 2021 and fiscal year 2021 auction results. The Board offered no questions or comments.

Mr. Ferguson presented the preliminary plan for fiscal year 2022 timber sale deliverables by quarter and a draft list of sales by Sustainable Harvest Unit for fiscal years 2022 and 2023. The proposed sales are subject to change and are based on volume estimates. The deliverables for

fiscal year 2022 include 22.5 mmbf of volume deferred from fiscal year 2021 and 2 mmbf from a sale approved, but not offered in fiscal year 2021.

The deliverable goal for fiscal year 2022 is 564 mmbf with 494 mmbf from the westside and 70 mmbf from the eastside. Fiscal year 2023 deliverable goals are higher with 494 mmbf as the target for the westside and 82 mmbf for the eastside as DNR increases its forest health treatment activities.

Mr. Ferguson invited questions on the preliminary plan for fiscal years 2022 and 2023. The Board offered no comments.

Mr. Ferguson presented 11 sales proposed for future auction totaling 52.3 mmbf with an estimated value of $17.8 million at $340 mbf. He invited questions from the Board.

Director Brown requested additional details surrounding the Serenity Now timber sale proposal to address some of the public comments.

Mr. Ferguson shared information on the five topics of concern pertaining to site location in a roadless area, the presence of a recreation trail, potential impacts to climate change, potential impacts to northern spotted owl habitat, and the potential presence of older forests. No specific provisions exist in the HCP or Forest Practice Rules for retention of roadless areas. The construction of a 2.3-mile road would be built to standards. Two Watershed Administrative Units (WAU) associated with the proposal, Cougar and Siouxon; contain 3.3 and 2.0 miles of road per square mile, respectively. The trail within the unit is not a DNR designated or managed trail. A designated trail to Mitchell Peak is located to the east and outside the proposed sales site. In terms of climate change, impacts are difficult to quantify for any particular harvest other than the proposal includes mitigation measures from the HCP and Forest Practice Rules. Those measures are some of the strongest environmental protections for private and state lands. In terms of concerns surrounding older forests, information was collected and included in the SEPA on the ages of the proposed harvest unit ranging from 92 to 117 years in age.

Mr. Ferguson displayed an image of the proposal area from 2021 compared to an image from 1934. The 1934 image is the same area that was burned as part of the 1902 Yacolt Burn and may have been re-burned over several years delaying natural regeneration until the mid-1930s. Those new stands likely didn’t get a foothold for many years after the fires because of scarified soils and lack of seed source. Current forest stands are approximately 80+ years on average with minimal old growth because of the Yacolt Burn. Unit 1 of the proposal was also part of a previous thinning sale in 2008.

The Serenity Now timber sale will add 2.3 miles of new road with only 2 miles of road required.

Angus Brodie noted some of the issues addressed by some citizens have been recognized by DNR. Although the trail is a user-built trail established over time, DNR plans to consider designating or recognizing the trail as part of the sale. The proposed sale includes the addition of new roads in the area and would be the first harvest of the naturally regenerated stand, which is located within DNR's managed land area encompassing HCP spotted owl strategy. DNR is also reviewing all upcoming sales for older forest components to ensure no future sales contain old

growth forests. The Smuggler timber sale, as referenced in the newspaper article, did include a component of old growth. Since then, staff has focused on ensuring procedures and guidance are employed in the field and that no future sales would be proposed that have the potential of including old growth. However, DNR is not restricting future sales containing forest components over 100 years of age because those sales do not include old growth or old growth components. Some confusion exists because the terminology is similar between old growth and older forests. DNR has distinctive policies and goals for both old growth and older forests.

Mr. Brodie invited questions from the Board on the proposed sale.

Mr. Cahill and Commissioner Peach conveyed their appreciation for the additional clarification of the issues in response to the public's concerns.

Mr. Ferguson requested approval of the proposed sales as presented.

MOTION: Commissioner Peach moved to approve the proposed sales.

SECOND: Director Brown seconded the motion.

ACTION: The motion was approved unanimously.

PUBLIC COMMENTS FOR CHAIR REPORT

Andy Zahn spoke to the Department's "legal speak" to excuse the Serenity Now sale and the sales of other older forests as appalling and that the Board should be ashamed to have voted those places into oblivion because they should be preserved, not destroyed. It is vital to preserve older forests as they are key to fighting climate change, offer more complex and healthy ecosystems, and are important for outdoor recreation. The current DNR definition of older forests is far too narrow as all old unlogged forests with complex structures and ecosystems should be preserved permanently.

Ed Bowen commented on the timetable for the sustainable harvest calculation. He asserted that the projection of arrearage has been redefined as deferment and deferrals. Arrearage needs to be addressed. He noted that several graphics within the Sustainable Harvest Calculation Timeline Update presentation are not reflective of a prudent land manager and do not reflect a responsible fiduciary manager. He questioned how the information reflects the responsibility of affected communities within decision-making and advocated for the timetable to address arrearage because he believes DNR owes Clallam County's junior tax districts revenue from the 2014 sustainable harvest calculations.

Miguel Perez-Gibson referred to the numerous references to arrearage and cited RCW 79.10.030 as it governs arrearages as calculated at the end of the planning decade and not counted during any specific year. DNR is able to fluctuate during a year plus or minus 25% to take advantage of market conditions. In terms of the Serenity Now timber sale, the unit is within the 40% that is typically referred to as set-aside. He thanked the DNR team for soliciting, summarizing, and incorporating feedback on the need, purpose, and objective statements for the Trust Land Performance Assessment. It is important the statements provide adequate context and consideration of all values and needs of a trust land; otherwise, DNR will be significantly

limited in maneuvering and will have less flexibility and creativity in modernizing trust lands. The Board and agency should also consider how the statements might be leveraged politically to apply pressure to weaken existing environmental protections or increase harvest beyond levels DNR's modeling considers sustainable. He asked for clarification of language specific to projects achieving a set of objectives and suggested including additional context and caveats to each objective to reflect the multiple values of trust land impacts to climate change. He asked for clarification as to whether the objectives are prioritized in order of appearance or whether they are reflective of a cohesive set with equal weight when evaluating proposals.

Court Stanley representing the Washington State Association of Counties commented on the Trust Land Performance Assessment. The organization appreciates efforts to provide an opportunity to offer comments and recommendations to DNR. Comments were prepared by a subgroup of the Timber Counties Caucus in conjunction with Association staff and approved by the Timber Counties Caucus Board. The Association looks forward to future discussions with DNR. As a forester for over 40 years, Mr. Stanley said DNR should be commended for managing working forests and developing them into mature, diverse forests providing habitat, improved water quality, and products needed for housing. Testimony was offered stressing the importance of preserving forests. Westside forests are one of the most productive forests in the world and DNR's management is highly regulated. The focus should be on providing incentives and opportunities to enable DNR foresters to continue managing and harvesting forests.

Matt Comisky thanked staff for outreach efforts on the Trust Land Performance Assessment. One area of concern involves revenue figures for Clallam County. Numerous comments from the purchasing community and others have focused on ensuring DNR's data is accurate prior to making other significant changes. The presentation on carbon does not fully account for harvested wood products. He recommended preparation of a follow-up report representing food and agricultural organizations, the United Nations, and the Intergovernmental Panel on Climate Change (IPCC) protocols documenting the benefits of harvested wood products in DNR's carbon calculations. Other information in the presentation speaks to wildfire emissions and the importance of House Bill 1168 – Forest Health and Wildfire. One major problem in forestry involves federal lands and emissions from 100 years of fire suppression during 27 years of minimal management.

Doug Cooper reported climate change is a global problem requiring large-scale and innovative ideas to solve that the forest sector alone cannot solve, but does play a vital role. Wood products are the greenest building materials sequestering and storing carbon and playing a major role in meeting the demands of growth. The population on earth by 2060 is anticipated to be 10 billion people. The United Nations estimates the need for construction or renovation of an additional 2.5 trillion square feet of building space to accommodate population growth or the equivalent of adding a New York City to the planet once a month for the next 40 years. Reducing log supply from Washington forests only increases reliance on imports from countries with less stringent environmental laws. The state's efforts to address global climate change should be through harvesting by promoting and expanding the use of sustainable locally produced wood products rather than promoting policies using non-renewable and high emission materials, such as steel and concrete. The state recognizes it is well positioned to be a leader in using wood products to help meet climate goals that benefit all Washington citizens. State forests play a critical role in

the delivery of wood fiber to local mills. Active management and timber harvests from state forests must be a part of the solution to address climate change.

Beverly Parsons, Kitsap County, agreed with much of the previous testimony supporting the protection of old growth and older forests. In preparation for the discussion on the Sustainable Harvest Level, she reviewed information on DNR's website on how DNR uses advanced forest techniques and methods to determine timber harvest levels present and future for trust beneficiaries that balances revenue production with ecological values, such as healthy forest ecosystems and habitat for threatened and endangered species. It is likely humans are not recognized as an endangered species. She asked whether the modeling techniques consider whether global warming is afforded appropriate attention on the rate of change and conditions and whether exponential change rather than linear change is adequately considered. She asked how the models protect endangered human species and whether cooling effects by forests are factored. Based on rapid changes in climate she suggested DNR should consider calculating Sustainable Harvest Level every five years rather than every 10 years.

CHAIR REPORT

Older Forest and Carbon

Andy Hayes, Division Manager, Forest Resources Division & Dr. Peter Gould, Forest Biometrician, Forest Resources Division

Mr. Hayes reported the presentation lays the foundation for the Board's discussion on next steps and recaps previous presentations. Over 25 years of history exists of DNR policies for old growth and older forests. Policies shaping DNR's current management of old growth and older forests include:

- 1997 Habitat Conservation Plan
- 2004 Sustainable Harvest Calculation
- 2004 Legislation on Old–Growth
- 2006 Policy for Sustainable Forests
- 2019 Marbled Murrelet Long-term Conservation Strategy
- 2004 Habitat Conservation Plan Amendment

The Board recently approved an HCP amendment reinforcing an approach to landscape conservation by extending the network of older forests habitats and eliminating isolated patches of older forests that likely would not survive outside an established landscape. The policies guide how trust lands are managed for long-term revenue, how old growth is identified and protected from harvest, how HCP landscape conservation protects species, habitat, and biodiversity, and how the policy framework creates landscapes with substantial structurally complex forests.

Dr. Gould presented the Washington Forest Ecosystem Carbon Inventory report completed by the U.S. Forest Service – Forest Inventory and Analysis (FIA) Program with input from DNR staff. His presentation featured graphics describing the study's approach and outcome.

The FIA Program, in place since 1913, employs various approaches to measure forest resources across the United States. The comprehensive survey utilizes a network of measurement plots of forestland by ownership group to produce a number of reports. The FIA Program was asked to separate DNR managed lands into a separate group for the inventory study.

Dr. Gould reviewed carbon terminology and how carbon is measured. An average car emits 4.7 metric tons of CO2 per year. Carbon stock is the amount of carbon in a pool (landscape), e.g. live trees, standing dead trees, down wood, forest floor, and soil. Some stocks are measured more precisely than others. Carbon flux represents changes in net carbon in one or more pools over a period of time. For the purposes of the study, carbon was not tracked after removal from the forest, such as harvested logs. Carbon in the existing landscape was identified for each ownership group. The U.S Forest Service manages over 35% of all forests in the state. DNR lands are relatively carbon-rich with more carbon than other ownership groups. The FIA Program estimates 22.1 million acres of forest in the state containing 2.72 billion metric tons of carbon. An average acre stores approximately 122.9 tons of carbon with nearly half of that amount in roots and soil. Washington forests also tend to have more above ground carbon than other areas of the U.S. because of the high density volume of carbon in Washington forests.

Total carbon pool by ownership group in the state reflects how the U.S. Forest Service has the largest carbon pool. Information on FIA plots are statistical samples with designations indicative of the confidence factor for total forest carbon by each ownership group.

Approximately 4.3 billion metric tons of tree CO2e (carbon dioxide equivalent) exists in trees statewide. The report identified the percent of forestland base and percent of carbon stock by ownership. Estimates of soil carbon are nearly identical amongst the ownership groups. The big differences in carbon is in live-tree and dead-tree carbon stocks. Carbon in the soil is more difficult to measure than live-tree and dead-tree carbon because of the wide variety of forms. It is important to note that there is a higher precision and confidence in the estimates for above ground carbon and lower precision for below ground carbon. Fluxes were also considered, which are changes in net carbon in one or more pools over a period of time. Carbon in the form of a tree is not an active greenhouse gas; however, when the tree dies and decomposes, carbon is released into the atmosphere as greenhouse gas. Changes in carbon stocks occur over time. The study did not track carbon once moved outside the forest in the form of harvested logs. A separate study considered carbon in wood products.

The study documented how Washington State forests are sequestering more carbon than forests are releasing or removed from the forest as wood products. Group of trees, snags, and logs are the largest group for increasing carbon with the largest loss of carbon through the movement of acres from a forested condition to non-forested conditions. Some proportions of the FIA plots met the criteria for forests; however, during the second measurement they were categorized as non-forests because of some type of land conversion, which reduces the amount of carbon in the various stocks. In total, Washington forests sequestered 13.7 million metric tons of CO2e annually or the equivalent emissions from 2.29 million cars per year. Both growth and mortality were reflected in the study with growth on the positive side. DNR essentially experienced a zero net change in carbon for live trees. Because the U.S. Forest Service has a larger land ownership with more plots, it reduces the confidence interval and the variability on those lands. DNR

experiences harvests, as well as mortalities not related to human activity along with insect infestations, disease, and wildfire mortalities.

The highest amount of greenhouse gas emission from wildfire was on U.S. Forest Service lands with DNR and other ownerships experiencing a smaller amount of emissions from wildfire. While wildfire can cause mortality without producing emissions or a carbon flux, trees can initially be killed and move from the live tree pool to the dead tree pool. Only after dead trees burn or decompose are emissions released into the atmosphere. The reporting periods were 2002 to 2006 and 2012 to 2016.

Forests statewide are sequestering 17.7 million metric tons of CO2e annually. DNR's carbon stocks are higher than other private owners. DNR's net flux is nearly zero (although the estimate is imprecise). As more data is collected, the intent is to periodically update the report with current information.

Dr. Gould reported on the completion of the Harvested Wood Products report. The report provides estimates of harvested wood products carbon stocks and flux, or net annual change in stocks, over the period from 1906 to 2018 in Washington State.

Mr. Hayes advised that DNR staff did not participate in the study for the Harvested Wood Products report and offered to schedule a presentation for the Board.

Mr. Hayes summarized the presentation as DNR's thoughtful approach for land management that is science-based with indications of high success to achieve DNR objectives ensuring DNR managed lands increase carbon over time as an outcome of existing land management strategies for habitat development, resource protection, and timber harvest. DNR has the data and the analytical capacity to provide greater insight on carbon pools on DNR land. More information is needed about the relationship between carbon stored in the forest and atmospheric carbon. Carbon markets have left DNR with narrow pathways for monetizing ecosystem services on lands managed by a public agency. Given the uncertainties and the dire consequences of climate change, Boards guidance is requested on the appropriate next steps for accessing or creating adequate information to inform land management decisions on state lands.

Chair Franz acknowledged the work by staff at multiple levels on climate resilience, carbon sequestration, and mitigation for more than three years. Staff completed a Climate Resilience Assessment spanning five years of examining impacts to the six million acres of land managed by DNR and ways to increase resiliency of the land base over the next five to 50 years in a rapidly changing climate. That assessment drove the completion of the Climate Resilient Plan. The carbon inventory was completed to help DNR understand the opportunities for carbon sequestration, carbon mitigation, and opportunities for engaging in carbon markets. She noted the significant risks of forest conversions and wildfires as they both reflect the potential of carbon sequestration loss.

Commissioner Franz invited feedback from the Board.

Superintendent Reykdal commented on the impact federal lands represent to the state with respect to harvesting, managing, and ongoing climate and fire risks. Based on the information on

sustainable harvesting, it appears DNR achieves a net increase in carbon sequestration each year, which speaks to the question of identifying the most optimal way in the future to balance natural landscapes and environmental needs while serving as fiduciaries of the trust. It may require another level of analysis to identify the most optimal way to move forward. He questioned whether the analogy of harvesting an 80-year old tree and converting it into 2x4s to build a home lasting 100 years and planting a replacement tree achieves either a better or worse outcome with respect to carbon if the tree had been retained and lived for another 160 years. It is likely the answer speaks to the next level of analysis for managing the future. He thanked staff for the very helpful information.

Director Brown said the presentation reflects that the balance on the fluxes debit all harvests as a loss. While it is known that there is significant loss of carbon in harvesting, not all carbon is lost as some is stored over time. One public comment cited the loss of carbon at 81% over the long-term. If that figure is accurate, 19% of that harvest loss is carbon sequestration in a different form (building materials/buildings). It speaks to identifying the fate of harvested carbon as it helps to reduce uncertainties if 19% of any given harvest is a credit for carbon sequestration and moves the Department away from zero. Providing both of those inventories is important for answering the question of how DNR balances fiduciary responsibility to trustees while seeking to achieve a sustainable harvest. As implied in earlier comments, sustainable harvesting is at the very least maintaining carbon stores if not increasing carbon stores. A number of comments have pointed to DNR increasing carbon stores much more; however, if DNR harvests are able to increase carbon to some degree than that speaks to the definition of sustainability. The question of degree for increasing stores in the context of the increasingly high fire risk and the potential loss speaks to risks associated with catastrophic loss of carbon stores. He questioned whether the flux balance across DNR lands includes all DNR lands.

Dr. Gould replied that the figure is reflective of all DNR forested lands. Chair Franz added that the figure does not include DNR agricultural lands.

Director Brown thanked staff for the presentations and for their work.

Chair Franz added that an ideal situation would be the possibility of incorporating the risk of wildfire, which represents a true loss of carbon sequestration at multiple levels, within the analysis. Additionally, the reality of whether society continues to utilize wood in the built environment and in other uses feeds to understanding how wood products are the most sustainable products. The issue is whether not growing or harvesting timber and importing lumber represents a loss in carbon sequestration worldwide as the transportation sector generates the highest amount of greenhouse gas emissions. Including that type of information within the modeling could identify the true impacts of carbon in both gains and losses.

Director Brown noted another part of the discussion should consider the fate of carbon from land, the amount of wood consumed within the built environment, and how much is imported.

Chair Franz said the analysis should also consider the average use of wood by the state as a whole and how much of that demand can be satisfied by Washington State forests currently and over time. If the state is unable to meet the demand, other sources supplying wood products would generate an increase in transportation, the largest sector for greenhouse gas emissions.

Mr. Cahill noted the presentation spoke to the net impact from DNR lands as approximately zero (with large error bars notated) while some public comments indicated forests are increasing carbon. He asked for clarification between DNR land outcomes versus all state forestlands. Dr. Gould said that the analysis considered all stocks and changes between the two periods. Unfortunately, for DNR land, the answer is unknown in terms of whether it is a positive flux as designated by the very large error bars. If it were possible to measure more plots, the outcome might be more informative; however owing to the size of the error bars, it was not possible to identify whether DNR land is above or below zero.

Mr. Hayes pointed out that the answer depends on what was included in the analysis. Part of the complexity of the issue are the many layers of analysis. When considering standing carbon (trees) on state lands over time, it increases. This particular analysis considered harvesting and other methods of biomass losses. The issue is the scope of the analysis to provide a full picture of atmospheric carbon to identify net differences. The question of getting to the root of the net outcome is a difficult and complex analysis. One discussion point is how DNR can provide greater clarity on that particular question.

Mr. Cahill agreed the analysis is only part of the picture in terms of stored carbon in wood products while acknowledging there are other elements to factor because not all wood is used for building materials. He cited future efforts by staff to help increase an understanding over the next several months, as well as a desire to meet with DNR staff knowledgeable about the issues.

Chair Franz cited the Board's upcoming retreat as an opportunity to visit the field with staff to address some of the issues.

Mr. Brodie provided additional feedback on the different spheres of certainty and uncertainty inherent in the information. The presentation on carbon speaks to spheres of knowledge and certainty as DNR knows more about carbon in the forest from live trees and live tree biomass and less about soils. Identifying actual conditions in the forest is based on the amount of information and data available to DNR. Uncertainty or an insufficient number of sample points to identify estimates generates wide error bars. A high degree of variability also generates wide error bars. The analysis serves as the foundation with the understanding that changes over time from growth and natural disturbances creates a dynamic to forests whether managed or natural. Moving outside that sphere of knowledge to the other sectors generates less data, such as what occurs to harvested wood products. Other spheres need to be considered to assist in setting policies and identifying potential impacts to revenue streams to the trust.

Chair Franz recessed the meeting from 11:40 a.m. to 11:51 a.m. for a break.

Mr. Cahill disconnected from the meeting at 11:40 a.m.

Trust Land Performance Assessment – Scope
Kristen Ohlson-Kiehn, Assistant Division Manager, Forest Resources Division

Ms. Ohlson-Kiehn reported the briefing is an update on continued outreach and feedback, a summary of comments submitted in June, finalization of language defining the project scope, and next steps for the Trust Land Performance Assessment project.

The Board's 2021 work plan forecasts the finalization of the project scope to assist staff in prioritizing work and presenting actionable proposals for projects. The work plan was adjusted to reflect ongoing conversations with stakeholders, beneficiaries, and tribes.

Since the last meeting, DNR received comments from the Washington State Association of Counties (WSAC) – Timber Counties Caucus and the Port of Port Angeles. All tribes were informed about the project and invited to participate. A webinar is scheduled in late July with an invitation extended to all tribes to participate.

Ms. Ohlson-Kiehn reviewed feedback received from WSAC's Timber Counties Caucus on its evaluation of the Trust Land Performance Assessment. The Caucus received a presentation in March by DNR on state forestland and the assessment report. The Caucus formed a subcommittee to discuss recommendations contained in the Deloitte Report. The report was approved by the Caucus. Feedback from the Caucus included:

- Preferred strategy for how the Department should engage with counties;
- The report contained an analysis of the 20 Deloitte recommendations and included four additional recommendations. The Caucus assigned a priority to each of the recommendations.

Ms. Ohlson-Kiehn reviewed some of the specific recommendations within the Caucus Report:

- Proposed principles for an engagement strategy that includes an informed and inclusive decision-making process.
- Consideration for local preferences.
- Recommend an annual audit.
- Replace "unharvestable" lands to improve net revenue – work with beneficiaries on new strategies.
- Support for capital investments in existing property.

Neither WSAC nor the Caucus supported a Unitary Trust because of concerns with trust accountability, transparency, and engagement by beneficiaries. WSAC encouraged DNR to explore new sources of revenue for recreation. Suggestions for the Need Statement proposed by the Port of Port Angeles include providing reliable predictions of harvest and increasing transparency with beneficiaries and stakeholders. The Port requested additional clarity on implications of "transforming" state trust lands and supported the current outreach process. The Port recommended using plot analysis to identify measures that would affect change. WSAC shared concerns about a voluntary permanent fund because of the lack of information available on the governance of the fund.

Superintendent Reykdal asked for additional information on a unitary trust. Ms. Ohlson-Kiehn explained that the concept is a combination of all trusts into one entity with distribution factored for each entity based on harvest volume.

Mr. Brodie explained that there are variations of the unitary trust concept and other ideas have been explored in the past. Although the statute identifies one trust, the distribution mechanism of revenue is based on the source of where the revenue is generated. Conversations in the past spoke to revamping and changing the distribution mechanism with junior taxing districts continuing to receive revenue based on another formula that would provide greater flexibility. Another option discussed was a grouping of federally granted trusts, which is more complicated. Regardless of the type, legal implications would need to be considered for a unitary trust option. A unitary trust was a recommendation offered by Deloitte as a way to stabilize revenue for each beneficiary.

Superintendent Reykdal remarked that DNR's harvest revenue is returned to the county of harvest while for the schools trust, harvest revenue is allocated to a capital budget account the Legislature may or may not allocate to projects that have no nexus to where the revenue was generated. The result is two different trust worlds where the schools are essentially in a unitary trust with no relationship between harvest location and beneficiary. He prefers a school system similar to the county's system where schools within the counties benefit directly from a harvest when it occurs within the school's region instead of allocating timber dollars to suburban and urban Washington.

Mr. Brodie acknowledged the comments as it an accurate comparison between common school trust and state forestland trust.

Chair Franz recommended coordinating Superintendent Reykdal's team with DNR's team to work on ways to address the issue at the legislative level.

Ms. Ohlson-Kiehn outlined DNR's fiduciary responsibilities as manager of state trust lands to generate revenue and other benefits for each trust, in perpetuity; preserve the corpus of the trust; exercise reasonable care and skill; act prudently to reduce the risk of loss for the trusts; maintain undivided loyalty to beneficiaries; and act impartially with respect to current and future beneficiaries. Over the last several years prior to the decision on Marbled Murrelet and the Sustainable Harvest Calculation, beneficiaries expressed dissatisfaction with DNR's performance as its trust manager. Based on that feedback, Commissioner Franz successfully secured funds from the Legislature to fund a Trust Land Performance Assessment to identify the problems. DNR contracted with Deloitte and Earth Economics to assess the market and non-market benefits of trust lands. An assessment was completed comparing the results of Deloitte's recent work and a previous assessment completed 25 years ago. That work resulted in two overarching problems:

- Declining revenue
- Lack of reliable revenue

The assessment includes a set of recommendations on ways to address the problems. Over the last six months, staff engaged in an outreach process with legislators, beneficiaries, and

stakeholders for feedback on the problems identified and the recommendations from Deloitte and DNR. To date, feedback has been indicative of two problems facing the portfolio of acknowledging the importance of not losing sight of non-market benefits to the people of Washington State and others who would like DNR to extend efforts beyond its legal responsibilities. In June, the Board discussed the status of the project known as the Trust Land Performance Assessment project. Feedback from the Board included:

- Superintendent Reykdal reiterated that the issue is revenue and not timber volume and DNR should define its role objectively especially given the divisiveness.
- Mr. Cahill questioned whether the scope is the right forum to address the public's comments and considerations or whether is resides in the policies of the Department and the Board.
- Director Brown stated that the scope of the effort is broader than the assessment alone and includes actors other than Deloitte to include the Legislature, DNR, and the Board.
- Commissioner Franz explained that the work is to lay the foundation for the management of the assets and that the direction needs to be responsive in today's context but nimble to meet objectives as the world changes.

Based on the feedback from the Board and the public, staff revised the project scope language proposed at the June meeting. The proposed framework to modernize state trust lands includes revamping the project name to reflect "Trust Land Performance Initiative." The effort includes the assessments conducted and actions identified to modernize the Department. The Board is asked to consider language for the scope of the initiative. The proposed framework includes vision, goal, strategies, and guiding principles to define the scope. Focus areas have been identified that are descriptions of the responsibilities and functions of a portfolio manager. Staff proposed the role in the context of the initiative as a long-term land asset portfolio manager. If the Board agrees, four focus areas would be helpful as they are designed to describe a portfolio manager's responsibility and help to define the projects. The four focus areas include:

1. Optimize land asset portfolio performance.
2. Grow and distribute revenue reliably.
3. Research and engage in new markets and opportunities.
4. Tools to address under-performing land assets.

Ms. Ohlson-Kiehn invited feedback on the proposal.

Director Brown said the proposal is helpful in framing the work moving forward.

Dean Koenig agreed and asked whether any of the options are limited by statute, such as decisions to optimize the portfolio. Ms. Ohlson-Kiehn explained that the proposal such as updating an asset stewardship plan is a policy established by the Board. However, DNR's ability to achieve optimal performance is currently constrained by an ability to diversify because different statutes limit the Department's actions as well as constitutional provisions dictating how the Department transacts federally granted lands.

Ms. Ohlson-Kiehn presented and reviewed the updated initiative (project scope) for consideration by the Board. Many of the edits were offered by Mr. Cahill. Major edits and revisions included:

1. Renamed proposal to reflect *Trust Land Performance Assessment Project Scope Initiative;*
2. Replaced Need Statement with *Why Modernize the State Trust Land Portfolio?* ;
3. Added *Initiative Vision - The beneficiaries of state trust lands receive reliable and increased income from their asset portfolio into perpetuity, as well as sustained and/or enhanced natural resource lands and their associated ecosystem services.;*
4. Replaced Purpose with *Goal;*
5. Added *Strategies;*
6. Replaced Objectives with a series of *Guiding Principles.*

Ms. Ohlson-Kiehn invited feedback on the proposed revisions.

Mr. Brodie advised that staff would welcome any comments over the next several months with a check-in at the September meeting.

Superintendent Reykdal referred to the phrase "ecosystem services" and his equation of the term as *human created events,* a phrase he finds troubling. Mr. Brodie responded that the focus of ecosystem services is the direct and indirect benefits to humans generated from natural systems. Superintendent Reykdal agreed, but noted the phrase tends to emphasize the common presumption that the planet is here for human consumption. A phrase that emphasizes human-centric (behavior) reinforces the notion that if it is possible to consume sustainably, humans should do so.

Chair Franz offered to schedule a brief review of the definition, as the context does not pertain to human consumption, but rather to the value and recognition that the environment provides a suite of services for sustainability of all life on the planet, not just for humans. She suggested a review to consider whether the phrase is appropriate and used in the right context to address concerns.

Ms. Ohlson-Kiehn reported DNR is convening a Trust Land Transfer Work Group to develop a process for trust land transfer at the request of the Legislature through a capital budget proviso. The work group is to consider:

- Increasing the income value of the trusts,
- Limiting impacts of trust lands not being consider for transfer,
- Conservation value of lands that are a potential candidate for transfer,
- Use of the land bank for securing repositioned land that would result from any transferred projects, and any other items necessary for a well-supported program.

The report and recommendation to the Legislature for the establishment of a new Trust Land Transfer Program is due by December 1, 2021. Staff is scheduled to present the work group recommendations to the Board in October.

Ms. Ohlson-Kiehn outlined next steps of finalizing the scoping language with the Board during the September meeting, presenting a list of projects or other proposals in alignment with the framework, and presenting a proposed work plan for 2022.

No other questions or comments were offered by the Board.

Sustainable Harvest Calculation Timeline Update
Andy Hayes, Division Manager, Forest Resources Division

Mr. Hayes briefed the Board on the purpose and method for establishing the Sustainable Harvest Level, the decision process, timeline, and next steps in 2021 and 2022.

The Sustainable Harvest Level calculation is directed by statute to ensure the management of state lands on a sustained yield basis and to ensure the lands serve the purpose for which they were intended - *to be managed for long-term revenue for current and future generations of trust beneficiaries.*

The Sustainable Harvest Level is defined as the volume of timber scheduled for sale from state-owned lands during a planning decade as calculated by the Department and approved by the Board. Sustained Yield Plans are the management of the forest to provide harvesting on a continued basis without major prolonged curtailment or cessation of harvest. Sustained Yield Plans result in the appropriate Sustainable Harvest Level implemented by the Department.

The current policy for Sustainable Harvest Level was approved in 2006. The policy includes 10 objectives guiding the development of the policy for sustainable forest and embodies a range of concepts adopted as sideboards to the policy development process. Three important objectives include:

- Create trust income while providing environmental protection and social benefits, consistent with the duties of a fiduciary.
- Use professional judgment, best available science, and sound field forestry to achieve excellence in public stewardship.
- Promote active, innovative, and sustainable stewardship on as much of the forested land base as possible.

Two main policies applicable to the sustainable harvest calculation speak to the sustainable harvest unit or the geographic extent of which the calculation is applied in addition to all associated principles. The second is recalculating the statewide Sustainable Harvest Level no less frequently than every ten years and adjust calculation based on changing circumstances within the planning decade and major changes in legal requirements, significant new Board direction, new information about available resource base, and changes in technology.

Mr. Hayes reviewed the responsibilities of the Board serving as the Trust Manager Fiduciary. Two of the most relevant that play a role in the calculation of the Sustainable Harvest Level include:

- Maintaining undivided loyalty to each trust and beneficiary.

- Making the trust property productive, while recognizing the perpetual nature of trusts.

Prudent land managers consider climate disturbance, adhere to trust responsibilities, and consider ecological health and habitat.

Mr. Hayes reviewed the business need for establishing the Sustainable Harvest Level for the Westside and Eastside of the state. DNR recently completed the 2015-2024 calculation for the Westside that was approved by the Board. The next planning decade covering FY 2025 – 2034 calculation must be completed for implementation by mid-2024. The last calculation for the Eastside was completed in 1996. DNR has not run a modern day calculation using the modeling tools. The next step for the Eastside calculation is building the models to complete the Eastside calculation. Modeling is required to incorporate Forest Health Treatment Prioritization. Region deliverable are driven by the Sustainable Harvest Level.

Decision factors and analysis necessary to establish a Sustainable Harvest Level for consideration by the Board involves:

- Developing and running a forest estate model incorporating the objectives for management of the land, habitat, and other resource protections;
- Completing an assessment of possible environmental affects to include the fulfillment of the State Environmental Policy Act process and completion of the Environmental Impact Statement (EIS);
- Completion of financial analyses to provide the Board and beneficiaries with a full accounting of expected harvest by trust and by county;
- Outreach and involvement of the public throughout the process within the SEPA process and during Board meetings.

The process is time sensitive as the generation of most of the Department's revenue is established by the management of timber lands. Next steps include the development of the forest estate model, which drives the calculation process to establish the Sustainable Harvest Level. Staff is currently developing a functional model for the Eastside calculation. Both models require testing and refinements throughout the technical process. The Technical Advisory Committee (TAC) was established in 2020 following the adoption of the Westside harvest calculation at the end of 2019. The committee's role is to provide technical and scientific advice on the development of the forest estate model, review the model, and address Board questions. The TAC is comprised of 10 experts from academia, industry, government, and consultants. The TAC is assisting DNR implement some provisions of Second Substitute House Bill 1168 for ensuring the prioritization of forest health and wildfire protection. Several smaller provisions in the bill apply only to state lands and requires three actions:

1. Hire an independent third party contractor to assist in updating the forest inventory by increasing the intensity of forest sample plots on all forestlands over the next two biennia.
2. Hire a third party contractor to review, analyze, and advise the Department's forest growth and yield modeling for all forested acres managed by DNR.

3. Directs the Joint Legislative Audit and Review Committee (JLARC) to oversee and conduct an independent review of the methodologies and data utilized by the Department in the development of the Sustainable Harvest Level calculation including the associated forest inventory, forest growth, harvest and yield data, and modeling techniques that affect harvest levels. This action requires the lack of any litigation pending or in progress against the Department's Sustainable Harvest Level calculation. DNR is currently engaged in multiple lawsuits and therefore JLARC will not initiate its work until the cases are resolved.

This fall, staff will work on scoping of the process. Input will provide the Board with information to determine the scope of the analysis for establishing the Sustainable Harvest Level. Following the completion of scoping, the Board will finalize the needs, purpose, and objectives of the project to define the scope of the Department's work moving forward. The project scope may result in implications for policy questions the Board might choose to consider as part of the process. Staff plans to structure discussions with options for the Board's consideration. Ultimately, the Department will prepare and publish analysis supporting the Board's deliberations that will result in the Board's decision to establish harvest levels and any associated policy decisions. Finally, DNR will begin implementation by developing harvest deliverables and any administrative changes as necessary. The process will cover the next several years.

Mr. Hayes invited questions and comments. The Board offered no comments.

ADJOURNMNET

With there being no further business, Commissioner Franz adjourned the meeting at 1:17 p.m.

Approved this 7th day of September, 2021

Hilary S. Franz, Washington State Commissioner of Public Lands

Approved via Webinar

Jim Cahill, Designee for Governor Jay Inslee

Approved via Webinar

Chris Reykdal, Superintendent of Public Instruction

Approved via Webinar

Bill Peach, Commissioner, Clallam County

Approved via Webinar

Dr. Richard Koenig, Interim Dean, College of Agricultural, Human, and Natural Resource Sciences, Washington State University

Approved via Webinar

Dan Brown, Director, School of Environmental and Forest Sciences, University of Washington

Attest:

Tami Kellogg

Tami Kellogg, Board Coordinator

Prepared by Valerie L. Gow, Puget Sound Meeting Services, psmsoly@earthlink.net