

Board of Forestry Subcommittee on
Alternative Forest Management Plans for Northwest Oregon

MEETING AGENDA: DECEMBER 19, 2013

TOPIC	Board of Forestry Subcommittee on Alternative Forest Management Plans for Northwest State Forests
SUBCOMMITTEE GOALS TO BE COVERED TODAY	<ol style="list-style-type: none">1. Review process and timelines2. Discuss progress of the Stakeholder Group3. Receive status report on evaluation of alternative (non timber) revenue options.4. Receive Public Comment
MEETING DATE & TIME	Date: December 19, 2013 Time: 8:00 am – 10:00 am
MEETING LOCATION	Members of the Subcommittee will meet by conference call in the Santiam Room, ODF Headquarters Office, Building D 2600 State St. Salem, Oregon 97310
SUBCOMMITTEE MEMBERS	Sybil Ackerman-Munson, Mike Rose, Gary Springer, Tom Imeson, and Doug Decker (ex officio)
ODF STAFF LEADS	Mike Bordelon, Liz Dent, Josh Barnard

Public is welcome. A conference line will be provided for those wishing to attend at the Oregon Department of Forestry - State Forester's Headquarters, 2600 State Street, Building D, Santiam Room, Salem, Oregon 97310.

In order to provide the broadest range of services, lead-time is needed to make the necessary arrangements. 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 twenty-four hours prior to the meeting via telephone 503-945-7200 or fax 503-945-7212.

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

Discussion Topic	Outcome or Deliverable	Discussion Lead
8:00 Call the Meeting to Order	-Roll call of Subcommittee -Review and approve meeting minutes from September 10	Tom Imeson
Goal #1: Review process and timelines		
8:05 Process Overview	Update on process and timelines	Mike Bordelon
Goal #2: Discuss progress of the Stakeholder Group		
8:15 Stakeholder Group Progress Report	-Receive a progress report on the work of the Stakeholder Group -Perspectives from the Governor's office -Questions and Discussion	Connie Lewis (Meridian) and Liz Dent Brett Brownscombe
Goal #3: Receive status report on evaluation of alternative (non timber) revenue options.		
9:00 Evaluation of Alternative Revenue Options	-Receive a status report on evaluation of alternative (non timber) revenue options by ECO NW -Questions and Discussion	Josh Barnard
Goal #4: Receive Public Comment		
9:30 Public Comment	Input on topics before the Subcommittee today	Tom Imeson
Meeting Wrap up		
9:45 Next Steps	Report to the Board of Forestry, review of next meeting agenda	Mike Bordelon

OREGON BOARD OF FORESTRY
SUBCOMMITTEE ON ALTERNATIVE FOREST MANAGEMENT PLANS
DRAFT MEETING MINUTES | SEPTEMBER 10, 2013

MEETING DETAILS

September 10, 2013 | 1:00 p.m. – 5:00 p.m.

Department of Forestry (ODF) Headquarters, Tillamook Room, 2600 State St. Salem, Oregon 97310.

ATTENDING

Subcommittee Members: *Tom Imeson, Chair; Sybil Ackerman-Munson, Gary Springer, Mike Rose*
ODF: *Doug Decker, Mike Bordelon, Liz Dent, Josh Barnard, Dan Postrel, Tony Andersen, Sabrina Perez*

ATTACHMENTS TO MINUTES

1. Presentation, [Alternative Forest Management Plans](#)
2. Handout, [The Purpose of State Forest Trust Lands](#), Paul Levesque2009; Gil Riddell, CFTLC

Chair Imeson called the public meeting to order at 1:10 p.m. with a brief welcome and introductions and then provided an overview of the Subcommittee goals, expectations, and deliverables.

GOAL #1: APPROVE PROCESS TO DEVELOP ALTERNATIVE FOREST MANAGEMENT PLANS – [LINK TO AUDIO](#) [41MIN]

Mike Bordelon, State Forests Division Chief, referenced a presentation ([Attachment 1](#)) to provide an overview of the day's purpose and meeting outline and review the financial viability investment levels needed to fully implement the Forest Management Plan.

Discussion ensued related to questions of clarification around the funding gap and estimates displayed on the financial pie chart, county shares of timber revenues, length of time and finances allocated to cushion the forest development fund account and provide for a steady flow of revenue, and importance in providing full clarity of the financial gap analysis when sharing with the Stakeholder Group.

Continuing the presentation, Mr. Bordelon reviewed sample estimates focused on variances in the performance measure targets chosen by the Board in 2010 and how those connect to improvements in conservation outcomes. Liz Dent, Deputy Division Chief, described the intent to provide coarse filter analysis to inform discussions utilizing an analyst brought in by the facilitator; however, the bulk of the in-depth analysis of fish and wildlife benefits would be performed by an external group of scientists.

Discussion ensued relative to expectations and outcomes in the previous plan, how a combination of approaches will be necessary to reach the financial viability and conservation goals, and opportunity presented to discover different funding sources, metrics, or methods previously not explored.

Josh Barnard, Operations and Policy Analyst, provided a review of the flowchart detailing timeframes for project framing, evaluating alternatives with the subcommittee, field, and stakeholders, a science team review, and forest management plan development.

FOREST TRUST LANDS ADVISORY COMMITTEE AND PUBLIC COMMENT - [LINK TO AUDIO](#) [41 MIN]

Tim Josi, Chair of the Forest Trust Lands Advisory Committee (FTLAC), provided comments cautioning the Subcommittee in moving too fast with the schedule and stressing importance in ensuring the plan addresses county obligations and continues to provide funds to those communities for survival. Mr. Josi

referenced the previous plan's expectation to provide 279 MMBF, described the Board's adoption of the 279 MMBF as meeting the Greatest Permanent Value (GPV) rule and the performance measures adopted as a response to the outputs of the plan not being met.

Gil Riddell, Executive Director of the Council of Forest Trust Land Counties (CFTLC), provided background on the formation and evolution of the CFTLC and then proceeded with testimony focused on the policy sideboards that referenced an abridged version of *The Purpose of the Lands* ([Attachment 2](#)) and a review of the development of the Greatest Permanent Value rule where he described subsection 1 as a definition section, not policy, and the operative language found in subsection 2 as containing the key phrase of management focus and language stating focus on active forest management to provide sustainable timber harvest and revenues.

Mr. Josi described the job ahead as tough, yet an opportunity to be creative in the goal of increasing harvest and increasing conservation values while reaffirming the importance of having buy-in from the counties.

Bob Van Dyk, Wild Salmon Center and North Coast State Forest Coalition, provided testimony noting appreciation for the stakeholder process and inclusion of science in the planning and modeling efforts, importance of accurate modeling and updating the performance measure indicators, interest in seeing more details on the underfunding in the pie chart as well as what a fully funded model would include to gain common agreement amongst the Stakeholder Group, eagerness to work with the Department and others on the habitat measure, concern with language stating a dire budgetary predicament, and difference of opinion on the history of the county obligation and nature of the trust relationship.

SUBCOMMITTEE DISCUSSION

Chair Imeson questioned the Subcommittee on their approval of the process to review alternative forest management plans as outlined by Staff. The Subcommittee unanimously endorsed the process.

GOAL #2: ESTABLISH POLICY SIDEBOARDS FOR USE BY THE STAKEHOLDER GROUP AND TO DIRECT STAFF WORK, AND GOAL #3 ESTABLISH CRITERIA TO DEFINE SUCCESSFUL PROCESSES AND OUTCOMES FOR THE SUBCOMMITTEE AND STAKEHOLDER GROUP

Mike Bordelon and Liz Dent referenced Attachment 3 in the [meeting packet](#) and presentation slides to provide an in-depth review of the draft goals, policy sideboards, and criteria for success with the Subcommittee.

Discussion ensued as Subcommittee members provided comments on the document as follows:

- Pull from descriptive language in the Greatest Permanent Value statutes to revise environmental criteria,
- Net return on asset value – as a stand-alone bullet may be tilting conversation to standing timber and shouldn't be an indication of success,
- Responses to the criteria will be somewhat relative,
- Durability and adaptive nature of the plan as referenced in the planning rule is a policy sideboard setting clear expectations for the plan.

[LINK TO AUDIO](#) [44 MIN]

PUBLIC COMMENT

Dave Ivanoff, Vice President of Resources for Hampton Lumber, provided public testimony expressing concern with the removal of the net return on asset value criteria, describing the measure as an integral piece in the county's ability to measure performance of the parties in the trust relationship and the state's ability to measure the net return on asset value to ensure a steady supply of public timber.

Bob Van Dyk, Wild Salmon Center and North Coast State Forest Coalition, provided public testimony requesting clarification of the role of the performance measures in the process, noted chance of not finding superior consensus on a new plan, and encouraging the Department find a way to prevent the Legislative sweep of funds in future years.

Tim Josi, Chair of the Forest Trust Lands Advisory Committee (FTLAC), referenced a previous lawsuit where the trust counties sued the State regarding the Forest Development Fund and indicated preparations had been made to do so again if due diligence warranted it.

SUBCOMMITTEE DISCUSSION

Chair Imeson encouraged discussion of the Subcommittee to gain common understanding on the role of the criteria in this portion of the alternative plan review and in proceeding with the full Board.

Doug Decker described the criteria as a way to communicate with the Stakeholder Group and others on the broader intent of the plan as opposed to the formal Greatest Permanent Value checklist that will be performed later in the process.

Mike Bordelon affirmed that the intent of the criteria is less about hard metrics and more about evaluating and balancing efforts against a broad set of measures.

Board discussion ensued with perspective given to the importance of the criteria in the science review, a detailed explanation of concerns regarding negative tension associated with keeping the net return on asset value Performance Measure criteria without providing balance found in an equivalent statement of measurable criteria on the environmental side, and worry in using absolute targets.

Staff described the performance measures as just one tool for the Board within the planning exercise amongst other tools involved in the overall approval process, noted the Institute for Natural Resources favorable review of the net return on asset value measure, and recognized that removing the measure from the criteria to promote balance does not remove it from the overall Performance Measures. The Performance Measures can inform stakeholder discussions, are tied to the current Forest Management Plan, not GPV, and may be able to provide guidance in developing a new management plan; however, it was encouraged to not dive into the adequacy of the Performance Measures while developing a plan.

Further discussion surrounded the challenging discussions that will be held by the Stakeholder Group, direction for the group to strive for agreement where possible yet acknowledge the Board will ultimately be responsible for carrying the plan forward, and value the Board will find in understanding where the group agreed upon logic or perspectives and interweaves that common ground into the alternative plans while recognizing less valuable outcome in three separate advocacy plans.

[LINK TO AUDIO](#) [44 MIN]

Referencing Attachment 3 in the [meeting packet](#), the Subcommittee provided specific edits to the document to capture comments regarding adaptability of the plan, statutory requirements and

additional environmental clarity found in GPV, considerations for net return on asset value, consistency in language across policies, using the criteria as a guide but not being constrained by the Performance Measures, providing balance with the economic and environmental criteria, and encouraging the Stakeholder Group strive for agreement on options.

Mike Bordelon reviewed the process for approval, future scheduling of Subcommittee and Stakeholder Group meetings, analysis by and dialogue with the Science Team, and ongoing reporting to the Board of Forestry.

Chair Imeson adjourned the public meeting at 5:00 p.m.



Oregon Department of Forestry Forest Management Alternatives Stakeholder Group Meeting Summary

October 17, 2013

Meeting Overview

This initial meeting of the Stakeholder Group was mostly oriented around procedural matters, e.g., introductions, clarification of process design and work schedule, operating procedures and ground rules, review of policy sideboards and criteria for success, discussion of communications mechanisms, issues mapping, and identification of information needs. See Appendix A for a list of meeting attendees.

Introductory Remarks

The meeting began with introductory remarks by Governor Kitzhaber, the Board of Forestry, and the Oregon Department of Forestry (ODF). The Governor emphasized the unique opportunity that the Stakeholder Group has to shape the future of forestry in Oregon. He highlighted the role of the Greatest Permanent Value Rule (GPV) as a framework for achieving the desired outcome, which is to produce input from the Stakeholder Group that reflects economic, social, and environmental values. To be sustainable, these outcomes need to cover, at a minimum, financial viability, conservation, and county revenues.

Chair of the Board of Forestry, Tom Imeson, and State Forester, Doug Decker, reflected similar sentiments. They clarified that the ultimate decision about the management alternatives will reside with the Board of Forestry, but highlighted the important role the Stakeholder Group would play in ensuring a sustainable outcome. Consensus agreements by the Stakeholder Group will send an important message to the Board and the State of Oregon as a whole.

Governor Kitzhaber and his staff demonstrated dedication to this process, agreeing to spend the necessary time and capital to support a successful process, including open lines of communication between the Stakeholder Group and the Governor's office. Similarly, the Board and ODF recognized this effort as a top priority for the State of Oregon, and are working to ensure that the necessary resources are made available to the Stakeholder Group,

including the capacity for scientific and economic modeling and analysis through the science team, ODF staff, and external consultants.

Stakeholder Perspectives

The Stakeholder Group members each described their hopes and concerns for the process. They generally expressed a sense of optimism, and willingness to strive for “and-and” outcomes for all, rather than “win-lose” results. Key points from member remarks included:

- The Stakeholder Group needs to develop alternative(s) that will:
 - Produce timber harvest revenues sufficient to provide financial viability for ODF, jobs for the industry, and revenues for timber dependent counties, while protecting other ecosystem services, conservation values and recreational opportunities
 - Be flexible and adaptive, yet have enough specificity to ensure that stakeholders know if desired outcomes are being achieved
 - Be based on good science and accurate modeling
 - Be realistic and implementable on-the-ground
 - Gain the support of external constituents from all perspectives, and the concurrence of all the affected counties
 - Anticipate and deal with future disagreements in a healthy way
- The Stakeholder Group’s deliberations will benefit from:
 - Honesty and forthrightness by all the Stakeholder Group members
 - Benchmarking against other Western states
 - A realistic understanding of actual growth potential rather than simply what is currently being produced (i.e., true biological potential)
 - Recognition of the history of the State forest lands and of the “social contract” between the State and the counties
 - Consideration of a possible zoned approach with durable conservation areas, and other areas managed more intensively
 - A long-term view
 - Recognition that damaged forests need time to recover and that management approaches can be adjusted as forest conditions change
 - A commitment by the Governor to advocate for alternatives that are derived from the Stakeholder Group’s input
 - Clearly delineated boundaries of transparency and confidentiality in how the Stakeholder Group’s discussions are conducted, documented, and reported

Stakeholder Group Interests

The Stakeholder Group members were each asked to describe the interests they represent in this process. Several members reflected multiple interests. Interests mentioned included:

- **Timber:** certainty of adequate timber supply; the ability to grow and harvest timber in an environmentally sustainable manner; and jobs for the timber industry
- **Environment/Conservation:** ecosystem services; forest resilience; and a sense of security and long-term commitment to conservation, fish and wildlife, and aquatic and terrestrial habitats
- **Recreation:** recreation recognized as a resource and asset to the state
- **Rural Communities:** financial viability and social fabric of rural communities recognized and supported

Operating Procedures and Ground Rules

The Stakeholder Group adopted the proposed Operating Procedures and Ground Rules provided by Meridian Institute, with the understanding that the process ultimately depends on the good judgment and discretion of every member. It was noted that the Operating Procedures and Ground Rules framework can be revisited as needed.

The Group discussed at length the expectations for communication outside of meetings. The outcomes of this discussion reflect the following:

- Stakeholder Group meetings are working sessions that may be subject to “public meeting law” requirements. ODF will solicit legal advice to confirm this understanding.
- Meridian Institute will produce draft, non-attributed meeting summaries within three working days of each meeting. Stakeholder Group members will be given approximately five working days for review. Following incorporation of edits, summaries will be posted online for the public.
- Stakeholder Group members are expected to work outside of meetings as necessary to accomplish “homework assignments” and prepare for constructive discussions during meetings.
- Stakeholder Group members will be responsible for seeking feedback and advice from external constituents.
- The Stakeholder Group’s input to the Board of Forestry will be documented and presented to the Board in a comprehensive report.

Goals, Policy Sideboards, and Criteria for Success

State Forests Division Chief, Mike Bordelon, introduced the Goals, Policy Sideboards, and Criteria for Success developed by the Board of Forestry Subcommittee. The deliverable from the Stakeholder Group will be input on about one to three forest management alternatives;

however, the ultimate decision about forest management alternatives will be made by the Board of Forestry. He outlined the following expectations for the process:

- **The new forest plan will be financially viable while improving conservation outcomes:** financial viability refers to sustaining the land management component of the state forest program.
- **Adhere to proposed timeline:** which is anticipated to be through March 2014.
- **Consider Endangered Species Act (ESA) compliance outcomes:** the Group is not being asked to solve ESA compliance issues, but rather to be explicit on how they will approach the issues.

Stakeholder Group Process Proposal and Proposed Work Schedule

It was agreed that the Stakeholder Group's work schedule will include three more full-day meetings to occur on November 11, 2013, and in January and February 2014 (dates TBD), with the expectation that Group Members will be responsible for completing "homework assignments" between meetings. To assist with communications, Meridian Institute and ODF will create and manage a workspace for the Group, where background documents, meeting summaries, contact lists, calendars, announcements, and other relevant documents will be posted. Following the Stakeholder Group's deliberations, the Meridian team will produce a final report summarizing the Group's input, and report to the following committees:

- **Forest Trust Lands Advisory Committee (FTLAC):** provide a status report and obtain feedback from the policy perspective to address policy implications
- **State Forest Advisory Committee (SFAC):** provide an update and facilitate a discussion regarding implementation of the alternative(s)
- **Board of Forestry Subcommittee:** provide status reports and a final report from the stakeholder group to include 1-3 approaches, policy advice from FTLAC, and perspectives on plan implementation from SFAC

Issues and Topics List

Drawing upon a list of issues and topics that Meridian compiled from Stakeholder interviews, the Group agreed that the November 11 meeting should include a review of inventory and biological potential, and a discussion about how to describe/quantify conservation values and ecosystem services. Beyond that, it was suggested that the Group start determining how to meet the various desired outcomes.

Next Steps and Information Needs

- Next meeting: **Monday, November 11, 2013.** Meridian Institute will provide location details and a suggested agenda prior to the meeting.
- Meridian will send a "Doodle Poll" to determine dates for the January and February 2014 meetings.

- Prior to the November 11 meeting, ODF and Meridian will compile and post information regarding the following topics:
 - Inventory overview and summary of current growth levels on standing inventory, including an outline of gross acreage to net acreage
 - Comparison of baseline data (net acreage) with the harvest levels in the current management plan
 - Harvest levels and inventory data for Astoria, Forest Grove, and Tillamook
 - Explanation of assumptions that went into current growth rates
 - Summary of age class distributions
 - Metrics around complex forest structure
 - Maps detailing landscape design
 - Information comparing Oregon harvest levels to other relevant state programs
- All Stakeholder Group members are requested to review the list of Possible Issues/Topics for Discussion (found in Draft Stakeholder Group Process Overview), and notify Meridian of topics they see as high priority or that should be removed from the list. For high priority topics, notify Meridian of additional information needs.
- Bob Van Dyk and Ian Fergusson will work on descriptions/metrics for quantifying conservation values. (For examples, the guidelines could address ecosystem values that are supported/protected by restricted management of certain areas, in contrast to the risks associated with various types of management.) They will contact ODF for assistance in this process.

Appendix A: Meeting Attendees

Stakeholder Group:

Barrett Brown, Oregon Motorcycle Riders Association
Ian Fergusson, Association of Northwest Steelheaders
Tim Josi, Tillamook County Commissioner
Annabelle Jaramillo, Benton County Commissioner
Dave Ivanoff, Hampton Affiliates
Ray Jones, Stimson Lumber Co.
Ed Kamholz, Citizen Representative
Bob Van Dyk, Wild Salmon Center

ODF Staff:

Mike Bordelon, State Forests Division Chief
Jeff Brandt, Research and Monitoring Coordinator
Liz Dent, State Forests Deputy Division Chief
Dan Postrel, Public Affairs Director
Josh Barnard, Operations and Policy Analyst
Doug Decker, State Forester

Board of Forestry:

Tom Imeson, Chair

Governor's Office:

John Kitzhaber, Governor
Brett Brownscombe, Natural Resource Policy Advisor
Tom Tuchmann, Forest Policy Advisor

Meridian Institute:

Connie Lewis, Senior Partner
Diana Portner, Mediator and Program Associate



Oregon Department of Forestry Forest Management Alternatives Stakeholder Group Meeting Draft Summary

November 11, 2013

Meeting Overview

At this, the second meeting of the Oregon Department of Forestry (ODF) Stakeholder Group, the Group reviewed public meeting law procedures, discussed a proposed management concepts framework, reviewed harvest information requested at the first meeting, narrowed the list of management concepts they would explore at this stage in the process, and reviewed an initial list of potential alternative revenue sources. See Appendix A for a list of meeting attendees.

Opening Business Items

The Group reviewed the agenda and goals for the meeting, and approved the minutes from the previous meeting.

Process Goals and Expectations

Liz Dent, State Forests Deputy Division Chief and Doug Decker, State Forester, reiterated the goals and expectations for the Stakeholder Group, which are to work strategically at a high level to develop one to three concepts for alternative forest management that could enhance conservation and increase revenues for the Department and counties.

Public Meeting Law Procedures

Dan Postrel, Public Affairs Director, ODF, reviewed the guidelines for operating as a public body subject to Oregon Public Meeting Law. Specifically, the following guidelines apply:

- Meetings are open to the public.
- Public notice must be given prior to meetings.
- Public comment may be allowed at meetings, but is not required.
- Parliamentary procedures are encouraged for meetings, including the appointment of a

presiding officer or chair (Facilitator, Connie Lewis, will serve in this role.)

- Communication between meetings must avoid serial deliberation, i.e., successive communication.
- Any communication among subgroups between meetings must be less than a quorum.
- Scheduled subgroup meetings should include opportunities for public attendance through conference calls or other technologies if possible.
- All materials referenced in meetings will be publicly posted. Any additional materials/communication may be requested as public record.

See the [Guidelines for Public Meetings](#) document for additional information. Any questions regarding Public Meeting Law procedures can be directed to Dan Postrel or Sabrina Perez.

Management Concept Framework

Josh Barnard, Operations and Policy Analyst, ODF, introduced an initial [Management Concept Framework](#) as a possible tool for helping to organize discussions about forest management concept options. The Group started its discussion by briefly defining each concept in the framework:

- **Structure Based Management (SBM)** is the current management approach on Oregon State Forests. It targets as desired future condition 30-50% in older age classes or complex structure, typically attained over an 80-120 year timeframe. This approach assumes a dynamic landscape and incorporates integrated resource management, with management across most of the landscape.
- **Structure Based Management – Reduced Landscape Design** is a variant to the SBM approach described above that incorporates a lower percent target for complex structure (i.e., less than 40%).
- **Long Rotation** incorporates longer than conventional rotation ages, applying approximately a 75-85 year rotation broadly across the landscape. This technique uses an even-aged approach with no structural targets.
- **Zoned** approach would be characterized by intensive management of some areas while setting aside other areas specifically for conservation on a static basis (i.e., not moving them around over time to adapt to changing conditions). The assumption is that all areas including conservation areas could be subject to some management, however, the degree to which they are managed would vary based on purpose.
- **Mean Annual Increment (MAI)** incorporates a harvest schedule in which each productivity class is harvested when the trees reach the peak growth rate (represented by the top of the growth bell curve) using an even-aged approach.
- **Product Driven Management** is a landscape-wide rotation approach that manages for a specific size and/or grade of timber. In the past, this was utilized to attempt to anticipate and meet future market demand.

- **FPA/Short Rotation** manages to maximize net present value (NPV) while complying with the sideboards associated with the Forest Practices Act (FPA).
- **Wood Emphasis** focuses on the main objective of timber production, in order to result in the highest levels of harvest possible given legal restraints.

The Group also reviewed the elements in the Management Concepts Framework (roads, riparian, landslide, wildlife trees, and snags/downwood) and suggested adding several more to ensure that conservation considerations are explicitly included:

- Percent of forest dedicated to older forest and/or conservation enhancement
- Species richness/habitat
- Public Use/Recreation
- Threatened and Endangered Species

Elements in the Framework could be differentiated by whether they were implemented with guidelines from the current Forest Management Plan (FMP), standards in the Forest Practices Act (FPA), or some combination of the two.

Presentation and Discussion of Background Information

Terry Droessler, Forest Analytics, Inc., presented information and analysis he had compiled in response to data requests from the first meeting of the Stakeholder Group. He clarified that his information was based on a state lands inventory provided by ODF, and an updated GIS calculation of available harvest acres. He expressed confidence in the accuracy of the underlying inventory and models used to calculate the information he presented, while acknowledging that his work at this stage was necessarily a “coarse filter approach”, without a high level of detail. Dr. Droessler’s presentation is summarized below. The information he referenced is located on the [Board of Forestry website](#).

- **FPA Net Acres Deduction** calculated net acres by subtracting areas not suitable for timber production (i.e., riparian areas, road right-of-ways, wildlife sites, landslide hazards, etc.) from gross polygon acres. ODF did the GIS work to comply with the FPA, standardizing road and stream buffer widths across the districts.
- **Gross and Net Area by District** details the net area described above for each district. In addition, it includes the net volume (MBF) as detailed in SLI inventory records using a common set of merch specs across the districts.
- **Age Class Data** details area and volume by age class, comparing the Big 3 and Little 3 districts. The Group noted that there is a significant amount of volume in the 45+ age class within the Big 3.
- **Six District Volume and Value** provides historical volumes and values for the six districts, displayed in millions of dollars and million board feet (MMBF). One stakeholder noted the 13 year average for the Big 3 is 188 MBF annually.

- ***Biological Growth Potential*** demonstrates a baseline harvest scenario under an industrial management approach following FPA standards. The approach incorporated a 40 year rotation for any areas producing at least 40,000 BF/acre. As site quality/production decreased, rotation age increased. This was modeled with an even-age approach, with no thinning occurring. The rotation approach resulted in an increased harvest following the first 40 years. The Group disputed that this model was overly conservative for an industrial approach, and conversely the older age classes should be converted more aggressively. The model will be re-run to adjust the assumptions as follows:
 - Add commercial thinning to first and second rotation management
 - Reduce the rotation age for lower site stands by relaxing the 40 MBF/ac target
 - Provide separate district harvest schedules rather than combined schedules
 - Depart from even-flow
 - Develop a standard deduction to account for insects, disease, fire, wind, ice, drought, etc.
 - Use a species mix for second rotation yield projections
 - Provide some structure statistics

Conservation Context and Indicators

Stakeholder Group members Bob Van Dyk and Ian Fergusson summarized a [background document](#) they had written to describe the conservation context and possible conservation metrics for consideration as management alternatives are developed. The context they presented was of a landscape recovering from the effects of historical degradation. They suggested that the percentage of State forest lands managed primarily for conservation values, such as High Value Conservation Areas, lands designated to become complex under the current Forest Management Plan, other areas such as steep slopes that cannot be harvested, can serve as a general conservation indicator. Other considerations that help define conservation values include legacy components of existing stands (i.e., down wood, snags, etc.), certainty and reliability over time, distribution across the landscape, forest resilience in the face of climate change, and restoration commitments.

Alternative Business Model Strategies

Josh Barnard explained that a contractor is currently investigating the potential of several alternative revenue sources for ODF. The contractor's report will be available in the coming weeks, to be explored in more detail at the next Stakeholder Group meeting. Potential sources under review by the contractor include:

- Sources that would require legislative change:
 - Utility right-of-way fees

- Program option packages
- Watershed stamp permits associated with fishing licenses
- Sources ODF might utilize without needing legislation:
 - Telecommunication rate fees
 - Gift economy
 - Private partnerships and/or sponsorships
 - Alternative funding for law enforcement for recreation sites
 - Partnerships with Oregon Parks and Recreation Department

Other potential revenue sources identified by ODF, but not currently under review by the contractor include:

- Carbon Markets
- Ecosystem Services
- Wind Energy

The Group brainstormed additional options to consider as alternative business model strategies, including:

- State Parks Revenues
- Trust Land Counties Distribution formula
- Revenue distribution between beneficiaries (i.e., schools)
- Fire funding formula adjustments to incorporate a cost-share component
- Recreation program opportunities and funding model
- Monetary value associated with the inherent value of forests
- Conservation property leases to conservation organizations
- Leasing mitigation sites
- Sale of lands with revenues distributed to county trusts
- Sale/exchange of isolated parcels
- General funds or lottery money as revenue sources for conservation and restoration
- Distribution of a portion of increased timber revenue to restoration projects

Exploring Management Concepts

Of the management concepts discussed during the Management Concept Framework discussion, the Group identified three options for further exploration at this time:

Option 1: Zoned Approach with Blend of Short Rotation and Conservation

It was suggested that this strategy has the potential to yield more volume while simultaneously increasing conservation outputs. For example, the approach could incorporate a short rotation (40-60 year rotation) on 70% of the land with 30% of land out of production (including Conservation Areas and roads). To increase conservation outputs, some additional revenue from timber harvest could be allocated to restoration. In addition, some of these funds could be allocated to recreation opportunities.

The Group expressed the following concerns about this approach:

- Ecological boundaries are difficult to define, and cannot be confined within zones (i.e., species of concern would migrate between zoned boundaries).
- Political boundaries and financial considerations could make a zoned approach challenging, particularly if it involved changing the formula for revenue distribution among counties.
- Implementing this approach would require significant commitment from the governor to pass legislation.
- A static zoned approach would not allow managers to adapt to changing conditions and needs even though the forest is a dynamic system. As a result, there could be risks to either conservation values or harvest potential if large areas zoned for those purposes were significantly damaged by disturbances.

Option 2: Modified FPA Approach

This approach assumes increased harvest levels while simultaneously increasing conservation outputs utilizing FPA standards across most of the landscape, while protecting conservation values on High Value Conservation Areas (~17-18% of forests), and utilizing some of the additional timber revenue for restoration. Presumably the areas managed for conservation values could be moved as needed.

Concerns with this approach included:

- FPA-managed forests would be more homogenous/less diverse.
- In a heavily managed landscape there would be a lack of alternative areas to replace conservation areas if they were damaged.
- This approach is very similar to the zoned approach, but appears to decrease the conservation outputs.

Option 3: Revised Structure-Based Management

This approach assumes modifications to the current Structure Based Management (SBM) approach. Questions were raised about whether SBM is inherently flawed, or not producing the desired/predicted revenue and conservation outputs because of how it is currently being implemented.

Concerns with this approach included:

- Much of the volume is attained through thinning, which is expensive and may also result in increased brush in the understory.
 - Older stands can be more susceptible to wind, insect or fire.
 - Local mills often do not have the capacity to process larger trees.
 - The proposed harvest age is the time when the trees provide the greatest habitat benefits.
 - Some believe that the approach, as currently implemented, is flawed because of inherent limitations to timber production. According to Mark Rasmussen of Mason, Bruce, & Girard (who was an observer at the meeting) management to achieve 40% complex structure requires 90-95% of the forest to be dedicated to the development of those complex structures (and therefore not available for intensive management) since it requires 80-90 years to develop complex stands.
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Next Steps and Information Needs

Upcoming meetings:

- **Wednesday, January 15, 2014 from 8:30am-5:00pm** at Oregon Department of Forestry Campus. This meeting will include further evaluation of alternative management concepts, discussion of alternative revenue sources, and development of an initial package of draft recommendations.
- **Monday, February 10, 2014 from 8:30am-5:00pm** at Oregon Department of Forestry Campus.
- Meridian Institute will provide a suggested agenda prior to the meetings.

Information Needs:

- Revised model for industrial approach (previously referred to as Biological Potential) including refined aggregate levels and runs for each district
- Expenditure ODF chart
- Alternative revenue sources report
- Relative difference in acres and volume between FMP and FPA on Type N and Type F streams
- Demonstrated acreage effect of enhanced stream buffers (including volumes if possible)
- Model Zoned approach at 70% management, 30% out of production with FMP and FPA comparisons for riparian buffers
- Model Modified FPA approach using FMP elements and including High Value Conservation Areas
- H&H Modeling Potential Yield Model of current plan for coarse filter comparison

Appendix A: Meeting Attendees

Stakeholder Group:

Barrett Brown, Oregon Motorcycle Riders Association
Ian Fergusson, Association of Northwest Steelheaders
Dave Ivanoff, Hampton Affiliates
Annabelle Jaramillo, Benton County Commissioner
Ray Jones, Stimson Lumber Co.
Tim Josi, Tillamook County Commissioner
Ed Kamholz, Citizen Representative
Bob Van Dyk, Wild Salmon Center

ODF Staff:

Tony Andersen, Public Information Officer
Josh Barnard, Operations and Policy Analyst
Mike Bordelon, State Forests Division Chief
Jeff Brandt, Research and Monitoring Specialist
Doug Decker, State Forester
Liz Dent, State Forests Deputy Division Chief
Sabrina Perez, Board of Forestry Support
Dan Postrel, Public Affairs Director

Board of Forestry:

Tom Imeson, Chair

Meridian Institute:

Connie Lewis, Senior Partner
Diana Portner, Mediator and Program Associate

Public Attendees:

Joshua Clark, Oregon State University
Chris Jarmer, OFIC
Mark Rasmussen, Mason, Bruce, & Girard
Gil Riddell, CFTLC
Ralph Saperstein, Boise Cascade
Christopher Smith, North Coast State Forest Coalition
Rex Storm, Association of Oregon Loggers