

**Board of Forestry Meeting Minutes**

**June 9, 2021**

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*Items listed in order heard.*

Complete audio recordings from the meeting and attachments are available within each agenda item and at [www.oregonforestry.gov](http://www.oregonforestry.gov).

In accordance with the provisions of ORS 526.016, a meeting of the Oregon Board of Forestry was held virtually on June 9, 2021, and hosted at the Oregon Department of Forestry Headquarters on 2600 State Street, Salem, OR 97310.

All Board members joined in person with presenters and the public joined remotely in the Zoom public meeting. Chair Kelly called the virtual public meeting to order at 9:00 a.m. and conducted a roll call to confirm quorum. He noted for the record, Board member Joe Justice’s absence. Chair Kelly outlined the virtual Board proceedings for Board members, presenters, and the public. Stated the public meeting will

be live-streamed, recorded, and posted online. He mentioned that written public testimony can be submitted through June 23, 2021, and included with the meeting record.

Board Members Present:

Karla Chambers  
Ben Deumling  
Chandra Ferrari  
Brenda McComb  
Jim Kelly

Board Members Absent:

Joe Justice

**CONSENT AGENDA:**

A. MARCH 3, 2021, BOARD OF FORESTRY MEETING MINUTES

March 3, 2021, Board of Forestry meeting minutes were removed from the agenda, and are still in production.

B. APRIL 21, 2021, BOARD OF FORESTRY ORIENTATION AND TOUR MEETING MINUTES

Approved April 21, 2021, Board of Forestry meeting minutes for virtual orientation and tour.

**ACTION: Approved April 21, 2021, Board of Forestry Orientation and Tour meeting minutes.**

C. 2020 GOVERNMENT-TO-GOVERNMENT REPORT ON TRIBAL RELATIONS

The Government-to-Government report on tribal relations summarized the agency's annual activities under Oregon Revised Statutes (ORS) 182.162 to 182.168, and pursuant to ORS 182.166 (3). This report is the Oregon Department of Forestry's (ODF) submission for the calendar year 2020.

**INFORMATION ONLY.**

D. ANNUAL LETTERS TO THE STATE FORESTER

Report to the Board concerning the contents of the annual letters received from the nine non-operating forest protective associations and the written response made to those letters. For 2021, no letters were received from the Fire Protective Associations.

**INFORMATION ONLY.**

E. RANGELAND ASSOCIATION BUDGETS

The Board of Forestry approved annual budgets of the Rangeland Fire Protection Associations currently operating in eastern Oregon.

**ACTION: Board approved the fiscal year 2022 budgets of the Ashwood-Antelope, Bakeoven-Shaniko, Blue Mountain, Brothers Hampton, Burnt River, Crane, Fields-Andrews, Frenchglen, Gateway, Greater Pine Valley, High Desert, Ironside, Jordan Valley, Juntura, Lone Pine, Lookout Glasgow, Post Paulina, Silver Creek, Twickenham, Vale, Wagontire, Warner Valley, WC Ranches, and Wheeler County Fire & Rescue Rangeland Fire Protection Associations.**

F. FINANCIAL DASHBOARD UPDATE

Department provided an executive financial report and summary submitted monthly to the Board, which includes March, April, and May 2021. The report included up-to-date information about the Department's financial condition, the financial and budgetary status, as well as other ancillary topics as appropriate for Board oversight.

**INFORMATION ONLY**

G. HUMAN RESOURCES DASHBOARD

Department provided an update on the agency's Human Resources program to the Board.

**INFORMATION ONLY**

H. FACILITIES CONDITIONS AND CAPITAL MANAGEMENT PLAN

Department provided an overview of the current status and condition of the agency's facilities statewide, the recurring and deferred maintenance needs, and investment strategy to manage the extensive network of facilities in Salem and the field to the Board.

**INFORMATION ONLY**

I. PUBLIC AFFAIRS REPORT

Department provided an overview of the agency's Public Affairs program and report on some of the agency's most common types of requests for information to the Board.

**INFORMATION ONLY**

J. STATE FORESTS PUBLIC USE RULEMAKING

Department provided an overview of the agency's Public Affairs program and report on some of the agency's most common types of requests for information to the Board.

**INFORMATION ONLY**

K. ODF-DEQ COLLABORATION QUARTERLY UPDATE

Department provided an overview of the collaboration interagency efforts and the anticipated outcomes for the agencies' water quality programs to the Board.

**INFORMATION ONLY**

Board Member Comments:

- Chair Kelly explained Item A production was delayed and removed from the agenda.
- Chair Kelly expressed difficulty in understanding the trends or state of the facilities presented for Item H and was reassured a simplified version would be considered in the future.

Brenda McComb motioned to accept consent agenda items B through K. Karla Chambers seconded the motion. Voting in favor of the motion: Karla Chambers, Ben Deumling, Chandra Ferrari, Brenda McComb, and Jim Kelly. Against: none. With Board consensus Items B through K were accepted, and the motion was carried.

## **ACTION AND INFORMATION:**

### 1. **BOARD MEMBER AND PUBLIC COMMENTS**

[Listen to audio](#) MP3 – (30 minutes and 24 seconds – 13.9 MB)

Chair Kelly welcomed Board member comments and the Acting State Forester Nancy Hirsch to provide opening comments.

#### Acting State Forester Comments:

- Communicated primary priorities to the Board, Department, and the public. Expressed goals around building capacity to respond to the Department's financial immediate needs, to address employee wellbeing, to rebuild trust with Board, legislators, and Governor's office, and to continue implementation of the Macias, Gini, O'Connell (MGO) recommendations.
- Reviewed additional priorities such as 2021 fire season readiness, to maintain the work to fulfill the Board's initiatives and complete the Department's core business. Aired appreciation for the support received from the Board, various Legislators, and the Governor's office.
- Explained the potential for growing capacity, opportunity to reorganize, and available funding for the 2021-2023 biennium as the Oregon Legislative session continues moving forward. She listed the various bills the Department's budget is tied to and many outcomes unknown.
- Honored to be at the Department and looked forward to continuing working with the Board.

#### Board Member Comments:

- Board member McComb appreciated Acting State Forester Hirsch's open communication with the Board and agreement to take on this role, also expressed gratitude to Deputy State Forester Lena Tucker for providing legislative updates to the Board.
- Board member Chambers expressed commitment to support the Department and leadership as they resolve the cash issues and optimize the financial condition of the agency. She also thanked Acting State Forester Hirsch, Chair Kelly, Bill Herber, and staff for their work on this salient issue. Chair Kelly thanked Board member Chambers for her energy and dedication to work on the financial situation.
- Board member Ferrari echoed agreement with Board member McComb and Chambers comments, as well as shared her recent acceptance of employment with the Oregon Department of Fish and Wildlife (ODFW). She clarified the separation of roles, explaining the thoughts she provides as a Board member do not reflect the views and positions of the ODFW.

#### Public Testimony:

- Clair Klock provided oral testimony on the composition of the Board, the rebuilding of trust relative to forest management, and the sustainability of an organization. He spoke on the resilience of the forests, climate change being discussed, and the vision of Oregon's forests extending beyond timber harvest.
- Laura Wilkeson from Hampton Lumber provided oral testimony to the Board on the company's history and the role wood products have relative to the world market and local economies. Noted how wood products link to carbon sequestration but urged innovative,

large-scale solutions to be considered beyond the reliance of the forest sector to tackle climate change alone.

- Seth Barnes from Oregon Forest Industries Council provided oral testimony to the Board on welcoming the new Board members as well as Acting State Forester Hirsch. He reflected on former Gary Springer's passing. He commented on the passage of the Private Forests Accord memorandum of understanding (MOU) relative to Senate Bill 1602 and supported the outcomes of the bill. He outlined a series of concerns about the Forest Management Plan and Habitat Conservation Plan process, requesting more information, as well as how to best engage as the planning continues.

## **INFORMATION ONLY.**

### 2. STATE FORESTER RECRUITMENT DISCUSSION

[Listen to audio](#) MP3 – (47 minutes – 21.5 MB)

Chair Kelly introduced the item topic, outlined the objectives for the Board discussion, and welcomed the subject matter expert (SME) who are working with the Board on the State Forester recruitment. Each SME introduced themselves in the following order: Anika Marriott, Assistant Attorney General for the Natural Resource Departments from the Oregon Department of Justice, Sylvia Van Dyke, Assistant Attorney General Labor and Employment Division from the Oregon Department of Justice, John Paschal, Executive Recruiter for the Department of Administrative Services, and Patricia Kershaw, Human Resources Director for the Department of Forestry.

Chair Kelly invited the Board members to comment on what they would like to see in the next State Forester relative to desired attributes and skills, beyond the qualifications set forth by statute (ORS 526.031 (1)).

Board commented on the State Forester Recruitment Discussion.

- Chair Kelly shared Board member Justice comments on what attributes are recommended in a candidate. Listed leadership, communication, and vision as key attributes, but added an inclusive and collaborative servant-leader. Noted the role of facilitator and forester with a deep understanding of Oregon's complex ecosystems, balancing decision making with values and science, the challenges associated with fire, the agency's culture of service, and the goals from the Governor's Council on Wildfire Response.
- Board member Chambers shared her thoughts on a candidate. Relative to the job position description consider strengthening the financial management capacity.
- Board member McComb agreed that business acumen was a desirable skill, but added on the commitment to diversity, equity, and inclusion, a deep understanding of science, collaboration, and utilizing scientific information to make a decision. She encouraged the recruitment effort to be as equitable and inclusive as possible for a diverse candidate pool.
- Board member Deumling expressed that some of the listed attributes included with the 2016 job announcement seemed nuanced and narrow, how some of the experience or attributes can be achieved over time with the support of the Department and does not want a position to be too rigid that it limits reaching a broader pool of qualified candidates. He concurred with his fellow board members' list of desired attributes and skillsets, emphasizing executive or leadership experience as a critical attribute of an agency director.

- Chair Kelly aligned with many of the Board member's thoughts on key attributes, skills, and experience. He felt the position description will have to balance the technical aspect with the humanity and bureaucratic elements of the job.
- Board member Ferrari agreed with many of the expressed attributes and sentiments from her Board colleagues. She added to the list a desire to project, promote, and foster a culture of accountability that can support a clear vision into the future for the Department and stakeholders.
- Chair Kelly offered his perspective on what attributes a new State Forester may need to be successful in this role. He asked the Board to consider what has changed from 2016 to now. Believed a leader should embrace responsibility in understanding all Oregonian's expectations relative to safety, health, and a sound economy, as well as be a visionary in recognizing the need for significant structural changes and be ready to work with State leadership, agency partners, and stakeholders to implement changes. He listed additional attributes that could be considered from natural communicator to perceptive leader.
- Chair Kelly invited the guest experts to share their thoughts with the Board. Marriott encouraged Executive Recruiter John Paschal to review his role and outline the steps to incorporating the feedback from the Board and public into the job announcement. Paschal explained his role and outlined the goals relative to the recruitment effort, as well as how he plans to coordinate with agency partners to fulfill the 90-day timeline for the recruitment. He asked for assistance from the Board, Human Resource business partners, and agency staff to share any distribution channels, associations, and memberships with him for the job announcement. Tricia Kershaw, ODF Human Resources Manager explained the active recruitment effort over a passive approach will be key, and making connections along the way to expand the reach of the job announcement to viable candidates.
- Chair Kelly noted the legal obligations associated with the recruitment of an executive branch agency director. He shared his vision of providing an opportunity for the public to comment and access the materials the Board plans to deliberate and finalize within the month of July. He offered some other considerations to the Board such as hiring an external recruiting firm, forming a Board subcommittee, and carving out time for special meetings for this effort.
  - Board member McComb reviewed the benefits of utilizing an external search firm and asked about the process in tracking the revisions to the position description until a final decision is made by the Board. Chair Kelly reviewed possible approaches in tracking the revisions and feedback of the Board. Member McComb recommended more discussion around the subcommittee as the views should be as representative as possible.
  - Board member Deumling asked how the Department staff will be asked for their input on desired attributes from their next State Forester. Deputy State Forester Lena Tucker shared the approach being considered to obtain input from staff and how the work product can be achieved within the Board's timelines. Board member McComb confirmed the opportunity for staff to provide input on attributes anonymously, and Tucker explained this will be an option.
  - Board member Ferrari inquired about the function of the subcommittee, when the interviews move from private to public forums, and whether the Board plans on utilizing the panel forums for the top candidates. Chair Kelly stated these pieces will be discussed at the subsequent board meetings.

- Board member Chambers stated comfort with reviewing and screening candidates prior to interviews and separate them into two groups of three board members. Board member McComb agreed this could be a viable option.
- Marriott reiterated that this is the Board's process, changes can be made to the draft recruitment plan, and the Board has the opportunity to conduct work sessions in between the meetings or direct staff to coordinate final drafts before the next public meeting for Board deliberation. Paschal reconfirmed the candidate review process with the Board.

Public Testimony:

- Felice Kelly and Leslie Grush provided written testimony ([attachment 1](#)) on behalf of 350PDX to the Board outlining the desired attributes, experience, and understanding on various issues they would like the new State Forester to have as the leader for the Oregon Department of Forestry.
- Lauren Anderson and et al provided written testimony ([attachment 2](#)) to the Board listing the key priorities and emerging challenges a new State Forester will be encountering in the 21<sup>st</sup> century. Outlined the skill sets, experience, and desired characteristics that may help achieve the Board and Department goals.

**INFORMATION ONLY**

3. FIRE SEASON READINESS  
[Listen to audio](#) MP3 - (24 minutes and 23 seconds – 11.1 MB)  
 Presentation ([attachment 3](#))

Doug Grafe, Fire Protection Division Chief, introduced the topic, the goal for the presentation, and fellow presenter.

Ron Graham, Fire Protection Deputy Chief, reported on the fire season outlook, which includes drought monitoring, temperature probability, and precipitation probability. He emphasized the rising trend observed across western states is drought severity over the past two years. He reviewed the significant wildland fire potential for Oregon for June through August 2021. He reported on the fire statistics to date, listing the origin of fires, average acres burned, and a number of fires with 10-year averages. He reviewed statewide data on the number of fires and acres burned across all jurisdictions for 2021. Noted the keys to successful fire suppression is early detection combined with aggressive initial attacks. Expressed the potential for future investments with proposals to procure infrared cameras, contract aviation resources or on-the-ground teams, and associated equipment to be ready for the fire season in Oregon.

Graham stated the recent appropriation of funds from the legislative emergency board provided the Department to invest in advancing fire protection readiness by adding fireline leadership and support, expanding aviation capacity, and implementing strategic fuel reduction projects in fire-risk communities. He described the range of positions that were provided through this legislative investment, how the division is tracking the outcomes, and expressed support for future proposals that provide further funding.

Grafe summarized the overall outlook for the coming summer months relative to fire activity, explained how the activity has come in waves, and the trends are lining up to project for another difficult fire season. He welcomed any questions or comments by the Board.

Board commented on the Fire Season Readiness presentation.

- Board inquired whether there is a way to track greenhouse gas (GHG) emissions produced by the various vehicles associated with fire protection work. Grafe stated he has not seen any data presented on this topic in the wildland fire community and currently the Department does not track data relative to emissions from suppression activities. Board understood resources and capacity may be limited but understanding what the GHG costs are related to suppression efforts can help track the agency's carbon footprint.
- Board inquired about prescribed fire status with the 2020-21 COVID restrictions. Grafe described the collaborative work with Oregon Health Authority and the Department to assess the situation in 2020, which resulted in limiting prescribed burns start of last spring but noted the goal of making this option available this coming fall, as the risk of fire activity and smoke entering communities decreases. He reviewed the latest statistics of acres treated through the prescribed burn and expressed commitment to regain momentum on this front.
- Board expressed appreciation for Grafe's leadership and work on reconciling the fire finances. She shared a narrative on farm harvesting relative to fire season and drought. She reflected on the Governor's Wildfire Council recommendation on mitigating fuel loads across the state through treating 5.6 million high-risk acres over a 20-year period. Grafe appreciated the additional context provided relative to prescribed fire, challenges to fire suppression, and the changing conditions on the ground.
- Chair Kelly shared appreciation for Grafe and the Division's efforts in organizing and managing teams with COVID restrictions last year during a firestorm event while maintaining the safety of the firefighters is to be commended.

Public Testimony: No testimony submitted for Item.

#### **INFORMATION ONLY.**

4. FOREST PROTECTIVE ASSOCIATION BUDGETS  
[Listen to audio](#) MP3 – (16 minutes and 17 seconds – 7.45 MB)  
Presentation ([attachment 4](#))

Doug Grafe, Fire Protection Division Chief, provided orientation to the budget topic, review the statutory obligations associated with the development of these budgets, and described the scope of work that comes from the budgeted investment.

Ron Graham, Fire Protection Deputy Chief, reviewed the 2022 fire protection fiscal budgets and described the base-level, statewide severity, and large fire cost as they relate to the different levels of funding. He explained the various funding partnerships under the complete and coordinated fire protection system, as well as outlined the private and public dollars coordinated through agreements. He shared a diagram demonstrating Oregon's fire funding framework with the base level of protection as the foundation to ensure the State is fire-ready and explained what this framework applies to relative to operations. Grafe emphasized the presented budget is



representative of the adequate level of funding to set the rates and initiate revenue collected for the protection system.

Graham described the budget development process at the district level and how it comes to the Board annually for decision. He noted the number of districts involved, the number of acres protected, and the operations performed as a result of this base level of fire protection. He reviewed the statistics on the average number of fires and acres burned over time that occur on Department protected lands, which include the origin of fires within the ten-year time period and how these numbers drive how the base level of protection is calculated. Grafe commented on the spring 2021 association meetings and the resulting budget outcomes that formed the fiscal year 2022 district and association protection budgets for Board consideration.

Board members commented on Fire Protective Association Budgets presentation.

- Board inquired about protection standards on the number of Department-protected lands. Grafe explained protection standards evolve over time and described the fiscal budgeting process as incremental advancements in the fire protection system, which adapt as necessary to align with the risk encountered from year-to-year. Noted the last State legislation occurred with the passage of the Wildfire Protection Act in 2013. Acting State Forester Hirsch clarified any unused money from previous fiscal years is nuanced by fund type and not necessarily carried over but noted how remaining funds may be applicable towards determining future rates in the next fiscal year. She emphasized how these budgets provide an adequate level of protection and fall in line with biennial fiscal authority, which allows the Department to achieve the operational goals and objectives of the protection system.
- Board asked about the percentage increased from the fiscal year 2021 to 2022, whether the districts are audited, and if any existing board members sit on any of the fire protection associations. Grafe explained the difference between operating associations versus agency districts and which auditing approach is applied to each organization type.

Public Testimony: No testimony submitted for Item.

**ACTION: BOARD APPROVED ALL FISCAL YEAR 2022 DISTRICT AND ASSOCIATION PROTECTION BUDGETS AS PRESENTED IN ATTACHMENT ONE.**

Karla Chambers motioned to approve the fiscal year 2022 District and Association Protection Budgets as presented. Ben Deumling seconded the motion. Voting in favor of the motion: Karla Chambers, Ben Deumling, Chandra Ferrari, Brenda McComb, and Jim Kelly. Against: none. With Board consensus, the motion was carried.

5. MACIAS GINI & O'CONNELL LLP REPORT AND DEPARTMENT IMPLEMENTATION PLAN

[Listen to audio](#) MP3 - (56 minutes and 41 seconds – 25.9 MB)  
Presentation ([attachment 5](#))

Bill Herber, Deputy Director for Administration, reviewed the intent for the presentation, outlined the presentation objectives, and introduced the other presenters for this topic.

Nancy Hirsch, Acting State Forester, provided context on how the State Forester role combined with project oversight and staff alignment will attribute to the plan's implementation success. She explained agency mistakes were made, lessons were learned, and improvements are underway to ensure financial accountability, responsibility, and trust are rebuilt. Hirsch provided background on large fire costs before and after 2013, noting the funding available has not increased to meet the gross cost demands. She supported the involvement of the Governor's forestry financial oversight team and Macias Gini & O'Connell (MGO) auditors, expressing the need for immediate response. Hirsch described two moments in agency history that significantly changed policy and impacted business practices. She explained that policies can be made without a full implementation plan in place, which can result in unforeseen consequences or outcomes that the agency and policymakers must adapt to resolve. Hirsch closed by identifying the lessons learned, the actions are taken to address the financial issues, the implementation plan goal relative to financial assurance and shared her hopes in working towards finding a solution for large fire funding.

Herber reviewed the composition of the Governor's forestry financial oversight team, outlined the assigned goals, and described the timeline of actions that led to the published final report. He noted the Department made substantial progress in addressing the backlog of work while MGO was assembling this report, these actions allowed MGO to focus on best practices for large fire cost processing by assessing the agency's policies and systems to build recommendations for this report. He noted the report lists 28 recommendations, identifying five areas of concerns with a degree of risk associated, and explained the context of risk differentiated per issue listed.

Sabrina Perez, Senior Strategy Manager for the Administrative Branch outlined the Department work in plan development, described the plan's objectives, and noted the tracking mechanisms associated with the plan's implementation. She previewed the timeline of recommendations for the remainder of the calendar year 2021. She shared an example from the Department's plan to explain how the MGO recommendations were operationalized into action items to ensure any business processes, procedures, or systems adopted were codified. Perez closed by seeking Board input on their reporting needs and how they prefer working with the Department as the plan's recommendations are implemented.

Board commented on the MGO Report and Department Implementation Plan presentation.

- Chair Kelly shared his big picture view of current issues in front of the Board and Department. He noted how rebuilding trust with others around the agency's financial reconciliation operations and third-party contractor role will establish financial credibility for the agency as they work with the Governor's office, legislators, and agency partners to address the large fire funding issue.
- Board appreciated the work done and the Department's leadership in responding to this issue. Noted how the agency's system was built to attend to \$10 million fire funding costs not \$70 million, nor to handle high fire costs accumulating over time, and the systems in place are outdated or non-existent. Spoke on Board oversight, role, and responsibility to see this plan through, and confirmed the current Board's commitment to supporting the Department's efforts. Highlighted areas of priority mentioned in the final MGO report, from dashboards to accounts receivables. Shared confidence around the Board and

Department meeting the MGO deadlines and appreciated the MGO role moving forward as their auditor. Board members echoed their support for this work.

- Board supported the integration of the MGO action items into the Board's work plans. Continued interest in the development of a dashboard that provides an overview of the Department's financial condition, including thresholds or metrics that flag when items require attention or are not meeting the target deadlines. Inquired if all MGO recommendations were accepted and a department management response provided. Acting State Forester Hirsch noted that all recommendations were provided a response. Chair Kelly noted that during this process, the Department finds that some recommendations do not serve the agency or are not workable, to return and discuss with the Board.
- Herber noted how this plan is a roadmap for the Department, does not expect the Board to understand each line item as this is specific to staff work, but will strive to include a dashboard view in the monthly report provided to the Board and open to modify to best meet the Board's information interests. He offered clarification around the management action plan which sometimes does not line up with how the Department conducts business but will address the recommendation with feasible operational solutions. He explained how some action items may extend past the recommended deadlines, as the agency assesses the full value to business operations, systems, and policies.
- Chair Kelly observed the challenges identified within the MGO report did not include the complex issue of the Department's militia model in relation to business operation continuity and work culture. Acting State Forester Hirsch noted there is an inherent risk associated when the agency redirects business needs to respond to fire season needs and acknowledged the Board's concerns. Chair Kelly mentioned if any changes made as a result of the implementation plan may impact the agency's ability to fight fire or to the militia model for the Department to consider communicating with the legislature.
- Board observed that the recommendations primarily address systems and processes, where one recommendation speaks on the organization's culture and structure. Commented on how the Department may need to consider how their organizational structure may need to change to optimize and fully implement these pledged improvements, and how this should be assessed over time in a holistic way with staff.
- Board appreciated the monthly financial dashboard reports, but at times it can be unclear what thresholds or deadlines are being met or not met. Board expected to lean on Department for the detailed understanding provided in these reports and to work with agency staff and leadership moving forward.
- Board inquired about the deliverable dates, and whether they reflect agency capacity and priorities. Herber explained external factors are not representative in these deadlines, capacity is an issue, but noted how many areas of work overlap with each other to fulfill a deliverable. He shared those timelines will strive to be met, and the deliverables may shift to offset the capacity gaps. Herber clarified how the risks identified in the plan primarily match the priorities of the Department, and shared the framework used to determine priorities and shifts as needed. He explained how some recommendations rely on external collaboration and actions to complete the work. Acting State Forester Hirsch remarked that capacity will be required for the Department to fulfill this work and maintain core business. She listed the various ways the agency will be addressing the capacity issue and reassured the Board that they will be communicated with if the dashboards are not meeting targets.
- Board asked about an adaptive management approach to the administrative work plan, and whether there is space to revisit and adjust the implementation plan as the process

continues. Acting State Forester Hirsch remarked with “absolutely,” noting how this will be an iterative process, learning and adapting the plan versions as concerns, corrections, or modifications emerge. Herber explained how the MGO plan will be incorporated into the Board’s administrative work plan and how this work plan will evolve over time based on Department and Board input.

Public Testimony: No testimony was submitted for the item.

**ACTION: BOARD ADOPTED THE MODIFIED BOARD ADMINISTRATIVE WORK PLAN.**

**ACTION: BOARD ACCEPTED AND SUPPORTED THE IMPLEMENTATION PLAN, VERSION 1.**

Karla Chambers motioned for approval of the two recommendations as presented. Ben Deumling seconded the motion. Voting in favor of the motion: Karla Chambers, Ben Deumling, Chandra Ferrari, Brenda McComb, and Jim Kelly. Against: none. Joe Justice is absent for the vote. With Board consensus, the motion was carried.

6. SENATE BILL 1602 IMPLEMENTATION UPDATE  
[Listen to audio](#) MP3 - (45 minutes and 20 seconds – 20.7 MB)  
Presentation ([attachment 6](#))

Josh Barnard, Private Forests Deputy Chief, provided background on Senate Bill (SB) 1602, reviewed the bill’s intention, and summarized statutory scope for the Department relative to the Oregon Forest Practices Act. He explained a project team was created to fulfill the many provisions outlined in the bill and implement the statutory requirements. Barnard described the composition of the division’s project team, the member’s roles, the frequency of engagement, and project goals.

Jay Walters, Forest Practices field coordinator, reviewed stream buffer requirements and related provisions. He noted the extension of the salmon, steelhead, and bull trout riparian rules to the Siskiyou region derived from this bill, and no further rulemaking is required. He shared a training video on helicopter spray buffers for landowners, operators, and stewardship foresters on the various application requirements, notices, and reporting as a result of this bill. Walters highlighted type N spray buffers and other requirements to be considered before application of pesticides, explained pesticide analytical and response center (PARC) role, and effective dates for enforcement of laws.

Joe Touchstone, Project Manager, reviewed the modifications to the electronic notification system as it applies to the notifier, registrant, and system administrator roles. He outlined how each role will have to engage a little differently with the electronic notification system, highlighted the new elements of the system to notify, subscribe, and register. He shared an example of how notification and status are tracked in the updated system. Touchstone explained how the location of registrants can impact the waiting time leading up to a 90-day operation period. He reviewed the web pages from the Forest Activity Electronic Reporting and Notification System (FERNS) with the most substantive updates and closed them out by noting the system’s release date set for December 15.

Brooke Burgess, the Project Coordinator, commented on the communications and engagement coordinated with interested parties who sign up for FERNS. She reviewed the Department's enforcement role and penalties process associated with pesticide regulation. She described the Department's collaboration with the Oregon Water Resource Department (OWRD) in fulfilling the data and legislative requirements of the bill. She reviewed the type of data points being tracked within FERNS, how this data will inform the 2022 legislative report, and outlined the next steps in cultivating the agency partnership with OWRD.

Paul Clements, Training and Compliance Coordinator, discussed the distribution of information on SB 1602 affects forest management practices, aerial pesticide application, and stream classifications in Oregon. He listed the wide range of audiences interested in the statutory, administrative, operational, and regulatory changes that came with this bill. He provided an example of outreach efforts related to the Siskiyou region about the new SSBT rules and spray buffers for type N streams. He outlined the various training methods deployed to reach the landowner, applicator, operator, and staff audiences. Clements closed by explaining with a new business model comes new processes, training and outreach will continually be developed to keep up with the system changes over time.

Board commented on the Senate Bill 1602 Implementation Update presentation.

- Board asked whether there were any material deviations beyond what was originally discussed by the forestry and environmental interest groups with what passed on SB 1602. Barnard responded that he has not done a quantitative comparison between the enrolled bill and the original memorandum of understanding (MOU) but highlighted a few components that differed such as terminology and explained the division's focus is on what became law. Acting State Forester Hirsch sought background on the MOU, and Barnard offered a recap.
- Board asked about FERNS business continuity and preparation for any critical service failures at the end of the Department or user. Barnard outlined the general notification process and the framework the division would use to respond to a system critical failure, network or server-based, and explained the users' avenues to acquire or report on activities.
- Board inquired about the role the Department and Board have in the discussions held between the special interest groups relative to forest practices. State Forester Hirsch shared her perspective on the board's role historically, explained how the Private Forests Accord may have paused policy discussions, but noted the Boards' role relative to forest policy. Kyle Abraham, Private Forests Division Chief outlined the multiple agencies involved with the Accord, the landowner and conservation perspectives represented, and the participant role the Department has in the process. He recommended allowing for the work under the Accord to play out, and that he was unable to provide the Board an answer on their role given the constraints of the Accord. Chair Kelly explained it may be in the best interest of the Board to standby and provide space for the conversations under the Accord to continue its process and to not place any hindrance on this work. He believed this could be a historical accord and is projected to come in front of the Board in the new year. Board asked about appropriate check-in points on progress or scope. Abraham reported that an update on SB 1602 process was presented to the Oregon Legislature and would share the link with the Board.
- Board asked whether the members of the Accord or a subset of this group are involved with the monthly implementation meetings organized by the Division. Barnard stated there

are no direct representatives, but connections were made within different stakeholder interests or companies with affiliations related to the Accord.

- Board inquired about how the water intakes are inputted into FERNS. Barnard explained there are multiple ways for this data to be entered into the system and described each option.

Public Testimony: No testimony was submitted for the item.

## **INFORMATION ONLY.**

### 7. FOREST TRUST LANDS ADVISORY COMMITTEE TESTIMONY

[Listen to audio](#) MP3 - (17 minutes and 2 seconds – 7.79 MB)

Handout ([attachment 7](#))

Commissioner Yamamoto deferred to Coos County Commissioner John Sweet, who discussed housing affordability impacts on rural and urban families. He explained the high demand for timber and plywood relative to home construction or remodeling, noted increased costs for homes, and lumber at adequate levels, but cautioned the Board this is a rising issue of concern if the timber harvests cannot keep up with the inventory demand.

Commissioner Yamamoto welcomed the new Board members, the new Chair, and Department leadership, and commented on the long-standing relationship the Board has had with the counties since 1936 but will provide this historical context at a later time to the Board. He provided oral and written testimony to the Board on a series of issues related to the draft Habitat Conservation Plan (HCP) engaged in by the Department and Board. He outlined the conservation strategies included within the plan, emphasized the 70-year agreement that will be instituted between the Federal and State governments, and stated this will result in several unfavorable outcomes relative to timber harvest levels, annual harvest revenues shortfalls, and financial pressures on county-level services. He noted the plan excluded estimated impacts on employment or wages lost in communities. He explored the habitat assumptions, spotted owl recovery rates, and predatory control in the draft HCP. He introduced an alternative proposal that can meet or improve habitat outcomes for the listed species in the draft HCP that can also improve financial, social, and economic outcomes for the trust counties and special districts while improving the financial strength of the Department and State.

Board commented on the Forest Trust Lands Advisory Committee Testimony.

- Board inquired on whether an economic analysis is being considered or conducted on the impact to rural communities in Oregon. Commissioner Yamamoto stated he utilizes an external contractor to make this assessment of the current draft HCP and bring this information back to the Board.

Commissioner Testimony: None provided.

## **INFORMATION ONLY.**

### 8. WESTERN OREGON STATE FORESTS HCP AND FMP UPDATE

[Listen to audio](#) MP3 - (58 minutes and 40 seconds – 7.79 MB)

Presentation ([attachment 8](#))

Liz Dent, State Forests Division Chief, described the scope of update for the western Oregon Habitat Conservation Plan (HCP) and companion Forest Management Plan (FMP), noted the intent for the updates, and outlined the presenters contributing to the updates. She acknowledged the tribes as the original stewards of the land and described her team's commitment to reflecting tribal interests in the lands that the Oregon Department of Forestry (Department) currently manages.

Michael Wilson, State Forests Policy Deputy Division Chief, described the conservation fund establishment, fund accrual and disbursement, and scope of projects for fund allocation. He summarized the HCP monitoring goals and objectives over the permit term and explained the monitoring role relative to adaptive management. He outlined the types of monitoring and reporting associated with the HCP, described the function of each report and how they tie into adaptive management decisions.

Nick Palazzotto, State Forests Wildlife Biologist, provided context on the Habitat Conservation Areas (HCA) strategy, associated goals and objectives, scope and composition of HCAs, and the number of acres identified within the permit area. He explained the management focus in HCAs being driven by habitat improvement and described activities the minimization measures associated with occupied, low-quality, and high-quality habitats. He added ecological forestry principles will be followed, noting utilization of various silviculture prescriptions. Palazzotto reviewed the HCA management activities, the additional actions, and strategies beyond the HCAs, and highlighted the contribution of Riparian Conservation Areas (RCAs).

Cindy Kolomechuk, Western Oregon State Forests HCP Project Manager, provided a planning overview with an associated timeline of the National Environmental Policy Act (NEPA) process and HCP. She reviewed the NEPA process for 2021-2023, listing the key objectives and deliverables for each phase of the process, and highlighted when updates will be provided to the Board.

Kim Kratz, National Oceanic Atmospheric Agency (NOAA) Fisheries Assistant Regional Administrator, defined the NEPA process, listed the federal services involved and their roles relative to the issuance of the incidental take permit attached to the HCP. He reviewed the timeline for the Environmental Impact Statement (EIS) and how public comment contributes to the scoping process, development of alternatives, and EIS analysis.

Deb Bartley, ICF Lead Consultant and NEPA Project Manager for the western Oregon HCP, highlighted the steps of the NEPA process, listed the recent stage completed, and outlined the steps forthcoming related to the Draft Environmental Impact Statement (DEIS). She framed the current body of work associated with developing plan alternatives and determining the scope of the DEIS analysis. Bartley listed the subsequent 45–60-day public review and comment period held for the DEIS and the Public HCP to be released at the same time as the DEIS. She described how public comments will be assessed and a response provided before the Final EIS. Bartley explained what information will be included with the record of decision (ROD) and that NOAA Fisheries and the US Fish and Wildlife Service will be required to complete a ROD before issuance of an incidental take permit.

Board commented on the Western Oregon State Forests HCP and FMP Update presentation.

- Board inquired about the proposed HCA management actions relative to the proportion of hardwood stands impacted. Palazzotto provided an estimated proportion for alder-dominated stands of 15,000 out of 45,000 acres.
- Board inquired whether salvage logging would be allowed in HCAs. Palazzotto explained in the current draft, salvage logging would be prohibited with the exception of removing tree hazards associated with roads and other structures.
- Board asked about the socio-economic analysis, whether it would include the economic costs and benefits of the alternatives. Bartley sought clarity from the Board. Bartley explained the analysis would consider ecosystem services, government revenue, income, and employment levels, which could speak to the recreation value.
- Board inquired how the Department will pay for the costs associated with HCP implementation and asked for the Department to look at the economic impact to rural communities if the HCP was implemented. Dent stated the Department's division is responsible for covering any operational costs, which primarily derive from timber revenue. She reflected on the Commissioner's testimony provided relative to the comparative analysis completed in the fall of 2020. She shared a brief overview of how the comparative analysis was developed, how it was utilized by the Board, and the assumptions associated with the modeling. Dent spoke on the importance of the 2023 Board decision and described the additional modeling that will be conducted with more specificity and a suite of information that may provide greater certainty with modeling outcomes. Dent asked for the Board to clarify what information they will need to make their decision in 2023, as this will inform the type of modeling and assumptions associated.
- Board inquired about the assumptions being made within the HCP relative to burnable fuel loads and assumptions around HCP implementation relative to spotted owl return rates. Wilson reviewed the fuels management considered within the HCAs strategy, explaining how these areas ideally would be large and robust enough to accept a certain level of disturbance, foreseen and unforeseen. He explained the division continues to follow burn management and silvicultural practices outside the HCAs within the matrices proposed in the HCP. Board further explored the fuel reductions topic relative to the need and role of hardwoods. Dent confirmed an offline follow-up will be provided regarding the owl query.
- Chair Kelly inquired whether the Department's state forests will be a leader in climate-smart forestry. Dent explained the Department understands they will be seen as a model for managing for multiple benefits and recognized the importance of carbon sequestration and storage in forests. She envisioned this work will be implemented through the management plans, mitigation, and addressed in the companion forest management plan.
- Chair Kelly inquired on how the counties' alternative plan will be considered as part of the EIS process. Bartley elaborated on the public scoping process, how the development of the EIS alternatives and the scope of EIS analysis are considered and described the various factors involved in the screening and decision-making process. Chair Kelly paraphrased what he heard, and Bartley honed the summarized understanding to provide a truer reflection of the intention of the DEIS process and alternatives evaluated. Bartley explained the draft purpose and needs statement is preliminary to this process and included with the notice of the DEIS. Dent clarified that all information submitted by the public will be considered, assessed, and is part of the process. Kolomechuk shared that the Board directed the Division to move the HCP into the NEPA process as the proposed action. She noted



that if the Board of Forestry directs the Division to pursue a different proposed action, the timeline of the NEPA process could be affected.

- Board inquired about when the draft FMP will be discussed next in 2021, and Wilson confirmed the Board will be provided an update in November.

Wilson noted how approving a Habitat Conservation Plan (HCP) would affect the overarching goals and strategies of a Forest Management Plan (FMP). He reviewed the definition, intention, and connection between the FMP, Implementation Plan (IP), and Annual Operating Plan (AOP). Wilson described the FMP as an overarching policy document influenced by other high-level planning processes and information, internal and external to the Department. He outlined how these various inputs contribute to the Department achieving FMP goals.

Wilson reflected on the 11 guiding principles adopted by the Board in July 2018 as the building blocks for the companion FMP. He reviewed each guiding principle, remarking that collectively they provide a high-level vision for how the Department Forest management activities will provide Greatest Permanent Value (GPV). He shared the timelines of each project, how they overlap, and inform each other's work. Wilson explained the iterative and interval approach the division staff utilizes for each work project and when updates will be provided to the Board.

Wilson provided an overview of the proposed engagement plan approach, identifying who will be involved with the engagement process and how the goals for this process will be developed. He closed out the presentation by listing the project team's next steps, deliverables, and team objectives.

Public Testimony: No testimony submitted for Item.

## **INFORMATION ONLY.**

9. TILLAMOOK FOREST HERITAGE TRUST UPDATE  
[Listen to audio](#) MP3 - (19 minutes and 51 seconds – 9.08 MB)

Liz Dent, State Forests Division Chief provided background on the Tillamook Forest Heritage Trust (Trust), noting this organization is a non-profit arm of the State Forests division. She outlined the oral presentation objectives and introduced the main presenter.

Shawn Morford, Executive Director, anchored the presentation as part of an annual report out from the Trust to the Board and noted the evolution of the non-profit since its last report in 2018. She described the Trust's role, the Trust's scope of work, and contributions. She provided context around the formation of a non-profit to support the Department, outlined the original mission for the Trust, and how it has changed over time to support the work of the agency by facilitating private donations to support recreation, education, and interpretation programs, as well as fire restoration on State Forest lands.

Morford explained that the Trust is set up to accept a wide range of donations through various mechanisms and listed some activities utilizing the Trust's funds as highlighted in the biennial report. She outlined the Trust boards' composition and mentioned that the Trust has one grantee, the Department's Recreation, Education, and Interpretation (REI) program. She reflected on the

Trust's maturation process over time, highlighting areas the organization has grown in, including donor database efficiency to donor relation enhancement and creation of new fundraising partnerships. Morford closed by sharing the impacts to the Trust as a result of the pandemic, how the Trust is adjusting, and the likelihood of a name change to reflect the expansion of their funding objectives.

Board commented on the Tillamook Forest Heritage Trust Update presentation.

- Board inquired about whether metrics associated with funding amounts and target goals are established by the Trust. Morford explained historically the Trust has not focused on an annual funding goal as there were large fundraising activities and goals for the organization to meet. She noted the anticipated strategic planning work of the Department's REI program and linkage to the Trust's board goal setting moving forward. Dent explained the REI program has been around since the late '80s but is restructured to align resources for division and non-profit organizations. Dent provided a high-level overview of the strategic planning efforts of the REI program and how this includes collaboration with the Trust board.
- Chair Kelly discussed service to all Oregonians and benefits of the State Forests. Noted how this work echoes conservation and recreation values of the forests. He commented this may be an unusual model at the State level, but the Trust supports the greater vision for Oregon. Dent provided additional context on recreation users' perspectives and their willingness to donate to the Trust's efforts.

Public Testimony: No testimony was submitted for the item.

## **INFORMATION ONLY.**

### 10. BOARD CLOSING COMMENTS AND MEETING WRAP UP [Listen to audio](#) MP3 - (16 minutes and 27 seconds – 7.53 MB)

Board Chair, Jim Kelly, provided some context to the new board members on how this agenda item was formed and how it creates an opportunity for the Board to review the day's topics as a close-out of each board meeting. He welcomed any closing comments or follow-up questions on-topic items.

- Board member Deumling provided his perspective on good working relationships relative to a business decision. Inquired about board member involvement at appropriate levels of engagement with planning development processes or new initiatives. Chair Kelly shared his experience in working with Department staff, described the staff's willingness to engage Board members, but cautioned members to be attentive as to not have their individual perspective come across as a board direction. Acting State Forester Hirsch recognized all board members come in at different times, encouraged deeper dives into topics that interest board members during orientation with each division, and acknowledged there is balance the Department is attempting to achieve between introducing information at appropriate times and engaging the board to inform the overall work product. State Forests Division Chief, Liz Dent, welcomed the Board members to reach out during the data and analysis development phases of the plans coordinated by the division.

- Board member Chambers asked if the Department of Justice (DOJ) could provide an interpretation for the definition of being *familiar with western forests* included in ORS 526.031 (1), and to which degree the State Forester candidate must be familiar. She explained this information could be helpful when the Board members begin evaluating candidates' qualifications.
- Board member Chambers commented on the challenges in front of the Board and Department in order to fulfill the 28 recommendations outlined in the MGO report. She provided her perspective on the Department's economic viability, risk tolerance, and structural changes, noting the work to rebuild the Department's financials is not to be taken lightly. She encouraged economic and financial modeling in addition to biological modeling for the two plans the State Forests division is currently working on, as this information can provide a greater understanding to the Board before a decision is made.
  - Chair Kelly affirmed with Acting State Forester Hirsch to connect with DOJ on the statute interpretation request. Hirsch confirmed, and stated in addition to this request, planned to determine in Human Resources will implement the next steps of the desired attributes draft.
- Board member McComb commented on the Governor's Executive Order 20-04 relative to greenhouse gas (GHG) emissions, carbon sequestration, and storage. She suggested for a plan to document the GHG emission carbon footprint for each state agency, not just forestry should be considered. She noted for the Department, consider assessing the GHG emission costs relative to forest management from timber harvest, wood product production, fighting fires, replanting, herbicide applications, and up to prescribed burning. She explained this information will most likely be assessed in the future, and a beginning indicator could be tracking the amount of fuel used during fire season each year which can be converted to carbon dioxide equivalence.
  - Chair Kelly reflected on Member McComb's suggestion and affirmed that the majority of the Board expressed their understanding if not support for her comments through head nods or other non-verbal cues.
  - Acting State Forester appreciated the comments shared by the Board and noted how she is tracking them for Department consideration. She encouraged the continuance of this strategic thinking by the Board to be explored at future discussions around the Climate change and carbon plan or during the annual planning retreat, as these comments provide context for Board direction or objectives going forward, which can help guide the agency's priorities.
- Board member Ferrari spoke on the diversification of revenue sources to fund State Forests activities and would support an action item that closely looks at implementing alternative remedies to offset funding gaps as proposed in the Habitat Conservation Plan (HCP). She reviewed the possible solutions ranging from trust land transfer, general fund appropriation, or revenue generated by the recreation program. She looked forward to further discussion on this topic.

**INFORMATION ONLY.**

Board Chair Kelly adjourned the public meeting at 3:53 p.m.

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Respectfully submitted,  
/s/ Nancy Hirsch

*Nancy Hirsch*

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Nancy Hirsch, Acting State Forester and  
Secretary to the Board

HR

*Meeting minutes approved at the November 3, 2021, Board Meeting*