
Minutes

Board of Natural Resources

February 7, 2006
Natural Resources Building, Olympia, Washington

BOARD MEMBERS PRESENT

Doug Sutherland, Commissioner of Public Lands

Bob Nichols for Governor Christine Gregoire

Terry Bergeson, Superintendent of Public Instruction

Ted Anderson, Commissioner, Skagit County

Daniel J. Bernardo, Dean, Washington State University, College of Agricultural, Human, and Natural Resource Sciences

BOARD MEMBERS ABSENT

Bruce Bare, Dean, University of Washington, College of Forest Resources

CALL TO ORDER

Chair Sutherland called the meeting to order at 9:10 a.m. on February 7, 2006, in Room 172 of the Natural Resources Building.

APPROVAL OF MINUTES

MOTION: Mr. Nichols moved to approve the January 3, 2006, Board of Natural Resources Minutes.

SECOND: Mr. Anderson seconded.

ACTION: Motion passed unanimously.

PUBLIC COMMENTS FOR AGENDA ACTION ITEMS

Laurie Smith - Citizens of Horse Haven Creek Project

Ms. Smith stated that she is a representative from the Citizens of Horse Haven Creek Project. She wanted to discuss the Thun Field Land Exchange and she informed the Board that she received 65 letters from sixth grade students at Ptarmigan Ridge in the Orting School District, regarding this transaction. She questioned whether DNR was living up to their mission statement and whether the public was being included in decision making of public land use. In her opinion trading the 320-acre Thun Field parcel for the acre and a half in King County is not an equitable exchange. She described to the Board that the public hearing on this exchange was held on November 29, 2005, which happened to be a snowy night. She stated that it was difficult for people to attend because of the poor weather and short notice of the meeting. Ms. Smith said that some homeowners have had water rights since 1905 and the natural springs on the parcel provide their drinking water. She stated that Horse Haven Creek watershed is a tributary of the Puyallup River and at one time Chinook salmon spawned at this site but now only Coho spawn there. She felt that the revenue brought in from the Walgreen's property did not compare to the social and ecological values of this parcel.

Kyle Kreidler-Smith - Orting Middle School Student/Youth Citizens of Horse Haven Creek

Mr. Smith introduced himself stating that he is an eighth grade student at Orting Middle School. He read some text on his father's behalf. He explained that five years ago his family bought five acres of land in Orting and at that time there were two salmon bearing streams behind their home. He described how they received their drinking water from the natural springs on the hillside. He said that the drinking water now comes from a well due to contamination from development on South Hill. He talked about the increased development in that area and the impacts it has had on traffic, water, and schools. He commented that the area can't take more development and wondered at what point is the heritage of the wetlands, water resources, and natural habitat expendable. He noted that there were 65 letters from the sixth graders at Ptarmigan Ridge Elementary. He read a quote from Chief Seattle, "We did not weave the web of life we merely are a strand in it, whatever we do to that web we do to ourselves".

Emily Aksamit - Orting Middle School Student/Youth Citizens of Horse Haven Creek

Ms. Aksamit read a letter regarding population growth and development in Pierce County on the Orting hillside. She explained that the housing developments are unattractive from the valley floor. She explained that homes were built so close to the edge they now have plastic draped over the backyard to prevent erosion and mudslide into the valley. She said that the 320 acres of Thun Field is a very environmentally sensitive area with wetlands, a beaver pond, and dozens of springs. She described how the property is used as a dumping ground for old cars whose oils and battery acid leak into the pond. She felt that the purchasers would develop this land in the near future and the development would cause further contamination of the creeks. Ms. Aksamit said this parcel of land is important to the ecosystem and what is lost cannot be replaced. She said this land should be left as open space for people to enjoy for now and future generations.

Cindy Hahn - Citizens of Horse Haven Creek Project

Ms. Hahn stated that two creeks run through her property and several years ago homeowners were asked to fence off the creeks from farm animals and to plant vegetation to provide shade and protection for the salmon. She said the source for these two creeks are the wetlands, ponds, and springs that run off of the 320-acre parcel. She said the wetlands on the property act as a natural filtration system providing clean water for the fish in the creeks and the homeowners who still use the springs as drinking water. She talked about the water rights that have been in existence since 1905 and the importance of the purity of the water. She said that each source of water should be protected to the best of everyone's ability.

Chair Sutherland thanked the group from Citizens of Horse Haven Creek for testifying and acknowledged that even for adults to speak in front of a Board can be difficult and it's not an easy thing to do. He explained that the Board of Natural Resources is a policy making Board of the Department of Natural Resources after the legislature gives DNR their responsibilities. He said that those responsibilities are further described in the Enabling Act and the Constitution of the State of Washington; DNR is given the responsibility to manage almost 3 million acres of timberlands and almost a million agricultural lands in addition to the bed lands of the state (aquatics). He stated that in addition to the part of the DNR mission that describes protection of resources there is also a responsibility to manage these lands for the benefit of the School Construction Fund. He explained that some of the state lands have now become part of the urban growth boundary and are not easy to manage so the Department tries to phase out of those areas and move into the timberland areas where DNR can manage and protect the trees and wildlife. He recognized the conflict with this parcel and he explained that one day the lands being discussed today would be inside the city limits. He mentioned that there had been discussions with Pierce County about this property and there continues to be. He said the goal is to make sure that the development goes into the urban areas according to the Growth Management Act and not into the forestlands of the state. He thanked the group for testifying.

Alan Zulauf

Mr. Zulauf came forward to talk about the Thun Field exchange. He felt that the steep slopes should be taken out of the acreage in this exchange. He said he is aware of the difficulties of managing forestlands but he feels that there could be a more equitable exchange for the parcel. He is concerned that the developers won't consider the ecological importance of this parcel once they acquire it. He ended by saying that green spaces are important everywhere and urged the Board to exclude the slopes from the resolution to keep some of the parcel in open space.

Dan Drake

Mr. Drake came forward to talk about the Thun Field Land Exchange and the importance of these acres for open space. He agreed with Mr. Zulauf about the steep slopes being excluded from the resolution and he wanted to commend the students who came forward to testify on this exchange. In his opinion as soon as this parcel goes into the hands of a developer the public stands to lose a lot. He expressed his concern about the growing development in the South Hill area and felt that the whole Puyallup watershed be analyzed along with this parcel. He submitted a photo of Horse Haven Creek and the Beaver Pond for the Board's Review. Mr. Drake referenced WAC 173-200-090, which refers to special protection areas. He wondered how much the groundwater issues were researched and he urged the Board to reconsider this exchange.

Fred Jacobsen - Member of the Puyallup River Watershed Council

Mr. Jacobsen stated that he was testifying in support of the Friends of Horse Haven Creek Project. He said that as a member of the Puyallup River Watershed Council he wanted to urge the Board to consider anything over 25% a steep slope and should be excluded from the resolution.

Mr. Anderson commented on the Growth Management Act (GMA) and noted that the GMA mandates the County to protect critical areas, as part of that critical areas ordinance they have to look at geologically hazardous slopes, wetlands, and buffers. He wanted to be sure that the students and others were aware of this. He suggested that the students go to Pierce County and ask for a copy of their critical areas ordinance.

LAND TRANSACTIONS

Thun Field/Walgreens Exchange -#86-077957 (Handout 1)

Howard Thronson came forward to talk about the Thun Field Exchange and the communication with the Puyallup Tribe. He explained that since the January 3 BNR meeting DNR has met with the Tribe and they appreciated the opportunity to continue discussions and walk the property with the state archaeologist. Mr. Thronson stated that the Tribe wrote a letter indicating that they would not be pursuing any objections to the previously submitted issue. He noted that on February 1st there was a conference call including the attorney for the Tribe and DNR staff where they discussed the different issues surrounding the on-site cultural and archaeological survey that was done. The report showed two culturally modified trees one on the brink of the hillside, which is under the slope protection for Pierce County, and the other one located further back. He stated that the report was submitted to Pierce County, the Tribe, and to the potential acquirer of this property (Investco). Mr. Thronson informed the Board that he had facilitated discussions between the Tribe and Investco to further understand the issues and to continue communication. He said that through discussions with the County and Investco he has gathered that they won't be developing near the creek or hillside. He stated that DNR would be committed to continued communication with the Tribes on these types of issues. He added that this area is not subject to the agreements of the 1989 Puyallup Indian Land Claim Settlement Act and that this transaction is categorically exempt from the SEPA process.

Mr. Anderson suggested that the students who testified earlier in the meeting contact the Pierce County Council and let them know their feelings about this parcel and see about having some of the land donated as open space.

Chair Sutherland suggested that the community contact the County Executive Office and request to be notified of the steps being taken.

Mr. Nichols thanked Mr. Thronson for following up with the Puyallup Tribe and conveying that information to the Board. He mentioned that it would be helpful for the students to meet with DNR staff so they could better understand the mission of DNR and how the revenue is distributed. He added that even if this transaction goes through it doesn't mean the land is gone; there are regulations in place under the Growth Management Act that will protect the creek and slopes.

Mr. Thronson added that although there are 320 acres only 240 of those acres are developable.

MOTION: Mr. Anderson moved to approve resolution #1187.

SECOND: Mr. Bernardo seconded.

ACTION: Motion passed unanimously.

Loon Lake Exchange -#86-077325 (Handout 2)

Julie Armbruster came forward to present the Loon Lake land exchange. She explained that this transaction would acquire access to a parcel of Common School property and is located 30 miles northwest of Spokane. She explained that the easement from the Meyer's only allows the Department access for land management purposes and only for as long as DNR owns the property within the section 36. She said that as part of public outreach, neighbors, local jurisdictions, legislators, and the Colville and Spokane tribes were contacted. There was a hearing in May 2005 and no testimony was received.

Valuation

	<u>Common School</u>	<u>Meyer</u>
Land Value:	\$38,000	\$38,000
Timber Value:	\$133,000	\$113,000
Total Volume:	533 mbf	441 mbf
Total Value:	\$171,000	\$151,000
Timber Reserve:	\$20,000	0
Final Exchange Value:	\$151,000	\$151,000

She explained that there would be a timber reserve in the north five acres of the state parcel and that it would be harvested as part of the planned sale in that section.

Benefits

This exchange would adjust ownership lines to create a more manageable parcel, reduce survey costs, eliminate need for a private road over state land, and facilitate a timber harvest that would produce revenue for the Common School Trust.

MOTION: Ms. Bergeson moved to approve Resolution #1191.

SECOND: Mr. Nichols seconded.

ACTION: Motion passed unanimously.

Orchard Bluff Trespass #T3-077057 (Handout 3)

Pam Plancich came forward to present the Orchard Bluff Trespass. This residential trespass is on Common School Trust land in Spokane County 12 miles north of Spokane. In 2001 the Bacon's purchased and surveyed the 20-acre adjacent property. In 2003 the DNR region survey confirmed the 2001 Bacon survey and in 2004 the construction of their home occurred. At that time DNR realized that the construction of the home was a trespass and was documented as such. In 2005 the real property, rock, and timber settlement was negotiated. The resolution would sell 0.16 acres to the Bacon's with an appraised value of \$2,080.00. All transactions costs would be paid by the Bacon's in addition to that they would also be paying \$1,392.00 for the rock and \$297.00 for timber, with a total compensation to the trust in the amount of \$3,769.00.

MOTION: Ms. Bergeson moved to approve Resolution #1192.

SECOND: Mr. Anderson seconded.

ACTION: Motion passed unanimously.

TIMBER SALES

Proposed Timber Sales for March 2006 (Handout 4)

Jon Tweedale presented. He began with a brief market update saying that nothing much has changed other than the market is still hot and there is a demand for DNR timber from Idaho, Oregon, and California.

January 2006 Sales Results:

11 sales offered & 11 sold; 42.7 mmbf offered & 42.7 mmbf sold; \$13.4 million minimum bid offered & \$17.8 million sold; \$315/mbf offered & \$417/mbf sold; 33% above minimum bid; average number of bidders, 4.1.

He talked about forest improvement sales specifically the Naneum Ridge sale. He explained that in 2004 SB 6144 was introduced and it allowed DNR the authority to do contract harvesting for forest improvement sales and to treat acres for fire/disease resistance.

Ms. Bergeson asked for clarity on this legislation.

Mr. Tweedale explained that these stands are overstocked with heavy fuel loads and this treatment of the acres through the contract-harvesting program saves silvicultural money.

Mr. Nichols asked if the stands became over stocked in a natural process.

Mr. Tweedale said yes.

Mr. Nichols asked if the contractors were local.

Mr. Tweedale said the contractors are all local.

He explained that this volume is not included in the SHC volume.

Ms. Bergeson suggested that Mr. Tweedale put together a presentation for Senator Morton and others so they can see how this process has worked and how the legislation has helped achieve this. She noted

that this is the essential business of DNR and there is a great deal of misunderstanding about what the agency is mandated to do.

Mr. Tweedale thanked Ms. Bergeson for that suggestion.

Mr. Tweedale brought the Board's attention to the Potbelly timber sale. He explained that this sale involved many agencies including, Labor and Industries, DNR, Tulalip Tribe, the region, and Fish and Wildlife. The reason it involved so many groups was due to danger trees that were heavy cedar snags and according to L&I rules they could not be left standing in a harvest area. Under the HCP they had wildlife potential so there was some tensions and the groups got together and worked out a solution where other trees were marked around the cedar trees. There was another tree that was determined to have cultural use and had been a medicine tree, so the road was redesigned in order to protect it.

MOTION: Ms. Bergeson moved to approve the March 2006 Timber Sales.

SECOND: Mr. Anderson seconded.

ACTION: Motion passed unanimously.

CHAIR REPORTS

Chair Sutherland briefed the Board on the August Retreat asking the Board if there were any particular areas they would like to see on the tour, which will be held in the South Puget Sound Region.

Ms. Bergeson wanted to know about the policy choices coming up and if there was anything they should look at related to that.

PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST

No Public Comment.

EXECUTIVE SESSION – 11:15a.m.

Chair Sutherland asked if there was anyone else present wishing to make comment before the Board? Seeing none, hearing none.

Meeting adjourned at 11:51 a.m.

Approved this ____ day of _____, 2005

Doug Sutherland, Commissioner of Public Lands

Bob Nichols for Governor Christine Gregoire

Bruce Bare, Dean, University of Washington

Daniel J. Bernardo, Dean, Washington State University

Terry Bergeson, Superintendent of Public Instruction

Ted Anderson, Commissioner, Skagit County

Attest:

Sasha Lange, Board Coordinator