



Division of State Lands

775 SUMMER STREET, SALEM, OREGON 97310 PHONE (503) 378-3805

The Oregon State Land Board met in regular session on February 20, 1990, at 9:00 a.m. in Hearing Room C of the State Capitol in Salem.

OREGON STATE
LAND BOARD

NEIL GOLDSCHMIDT
Governor

BARBARA ROBERTS
Secretary of State

ANTHONY MEEKER
State Treasurer

Present were:

Barbara Roberts
Anthony Meeker

Secretary of State
State Treasurer

Assistants
Marilynne Keyser

Dept. of Justice
Bill Cook

Staff
Martha O. Pagel
Pam Wiley
Janet Neuman
Noam Stampfer
Steve Purchase
Jim Barlow
Jerry Hedrick
Perry Lumley
John Smith
Loree Underwood
Gail Lowry

The meeting was called to order by Secretary of State Barbara Roberts. The topics discussed and the results of those discussions are listed as follows. Further details of those discussions may be obtained in the transcript of the meeting available at the Division of State Lands, 1600 State Street, Salem, OR 97310.

**Emergency Board
Request**

Request for authority to appear before the Emergency Board for an expenditure limitation increase to allow the division to accept federal funds for the removal-fill program.

Director Pagel presented this item requesting authority to appear before the Emergency Board for an expenditure limitation increase of \$100,000. The action would allow the division to accept federal funds from the U.S. Army Corps of Engineers, Portland District, for two limited-duration positions to help monitor enforcement of the division's removal-fill permit program. The positions would also develop guidelines for improving consistency between enforcement efforts of the Corps of Engineers, which operates the federal permitting program, and the Division of State Lands, which operates the state's program. Director Pagel advised that a proposal for permanent funding and staff will be included in the agency's budget request for the next biennium.

Treasurer Meeker moved the item be approved. Secretary of State Roberts seconded the motion and the decision was unanimous.

**Sale of Common
School Lands**

Request for approval to sell Common
School Fund grazing lands in Wheeler
County.

Director Pagel introduced this request for approval to sell two parcels of Common School Fund grazing land totalling 60 acres in Wheeler County to Mr. Don R. Johnson. The appraised value of the land is \$12,500. The state and Mr. Johnson have agreed to equally share the cost of the appraisal which is \$1,200, making the net purchase price \$11,900. The mineral rights would be reserved by the state.

Ron Yockim of D.R. Johnson Company explained that the property consists of steep canyon lands containing low value timber with no public access, making it difficult for the state to manage.

Treasurer Meeker moved the request be approved. Secretary of State Roberts seconded, and the decision was unanimous.

Rulemaking

Request to proceed with rulemaking to establish standards and procedures for selling certain scattered and isolated tracts of common school land to lessees accorded a preference right under ORS 273.413.

Director Pagel introduced this request to proceed with formal rulemaking. She explained that in 1987, the legislature passed HB 2174, authorizing the division to move forward with a program of selling isolated land tracts that were difficult to manage. The proceeds from the sales were to be placed in a revolving account allowing the Board to block up larger holdings and acquire more desirable lands. Director Pagel told the Board that legal issues have prevented implementation of that legislation. She explained that until standards and procedures are set out clearly in rules, as the Attorney General's office advises, the agency will not be able to take advantage of the revolving fund. She added that some clean-up legislation may also be needed in the next session to assure consistency in the statutes and to simplify the process.

Treasurer Meeker moved the item be approved. Secretary of State Roberts seconded the motion, and the decision was unanimous.

Rulemaking

Request for final adoption of amendments to administrative rules regarding scheduling and giving notice of State Land Board meetings.

Director Pagel presented this request for adoption of final rules. She also explained that when the agency began rulemaking, the original draft included a proposal to charge the press and general public a fee for reproducing and mailing Land Board materials. After comments were expressed at the last Board meeting, and after further investigation into the matter, that portion of the proposed rules was eliminated, leaving only amendments regarding the scheduling and giving notice of Land Board meetings.

Treasurer Meeker moved the item be approved. Secretary of State Roberts seconded the motion and the decision was unanimous.

Rulemaking

Request to proceed with rulemaking to amend OAR 141-15-005(1) and 141-15-050(1) to incorporate trespass damages in timber sale default rules.

Director Pagel presented this request to initiate formal rulemaking procedures. The proposed rules requested

jointly by the Division of State Lands and the State Forester, would amend existing rules to allow the State Forester, in management of the Common School Fund forest lands, to place a timber sale contract in default for excessive damage to trees outside the sales area, and to establish a mechanism to assess damages for such actions.

Treasurer Meeker moved the request be approved. Secretary of State Roberts seconded the motion, and the decision was unanimous.

Minutes

Request for approval of the minutes of the January 23, 1990, meeting.

Treasurer Meeker moved the minutes be approved. Secretary of State Roberts seconded the motion, and the decision was unanimous.

South Tongue Point Oral briefing on South Tongue Point.

Director Pagel reported that not much has transpired since the meeting last month. There has not yet been a confirmation of the Navy's level of interest in the property, which might be due in part to the uncertainty in the Defense Department's budget as well as a change in the leadership position of Admiral Jeremiah, who had been the

Commander of the Pacific Fleet. The land exchange for South Tongue Point is moving along as expected. The division plans to move ahead with the direction given by the Land Board to explore management options as well as obtain environmental studies.

New Building Oral briefing on progress of the new building.

Director Pagel presented an update on the new building, reporting that the construction is still on budget and, as reported last month, the planned occupancy date is still mid-April.

There being no further business, Treasurer Meeker moved the meeting be adjourned. Secretary of State Roberts seconded the motion, and the decision was unanimous.

Martha O. Pagel,
Director

Barbara Roberts,
Secretary of State