

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

-----  
STATE LAND BOARD MEETING  
December 8, 1992  
Division of State Lands  
State Lands Building  
775 Summer Street, N.E., Salem, Oregon  
10:00 a.m.  
-----

TABLE OF CONTENTS

1					
2					
3	<u>AGENDA</u>	<u>ITEM</u>	<u>NO.</u>		<u>PAGE:</u>
4	Agenda	Item	No.	1	9
5	Agenda	Item	No.	2	46
6	Agenda	Item	No.	3	1
7	Agenda	Item	No.	4	47
8	Agenda	Item	No.	5	61
9	Agenda	Item	No.	6	66

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

1 AGENDA ITEM NO. 3

2 GOVERNOR BARBARA ROBERTS: Welcome, everyone here.  
3 We are going to take the agenda just slightly out of  
4 order. We're going to take information Item Number 3 as  
5 the first item. The reason for that being is that the  
6 marbled murrelet report that we're going to receive today  
7 could and does have some effect on the Elliott, and we  
8 thought it would be useful to hear this report prior to  
9 going into what had previously been item number one on the  
10 Elliott. So why don't we begin with that status report  
11 from US Fish & Wildlife, Gus.

12 GARY GUSTAFSON: Good morning, Governor, members  
13 of the Board. I'd like to introduce Teresa Nichols and  
14 Russ Peterson from the US Fish & Wildlife Service, who we  
15 have requested to come down and give the Board an update  
16 on the status of the marbled murrelet. As you recall, it  
17 was listed in the Federal Register as a threatened species  
18 in Oregon, Washington, and northern California the first of  
19 October, and it's now time to focus in on what type of  
20 bearing that has on our management of common school forest  
21 lands.

22 GOVERNOR BARBARA ROBERTS: Welcome. We're  
23 delighted to have you here.

24 RUSS PETERSON: Thank you.

25 GOVERNOR BARBARA ROBERTS: Glad you could be here.

1           RUSS PETERSON:     Good morning, Governor, members  
2 of the Board.     My name is Russ Peterson, and I'm field  
3 supervisor of the Oregon field office for the Fish &  
4 Wildlife Service.     And with me, on my left are Richard  
5 Zlim (phonetic), who has been working, I think, with some  
6 of your state biologists on looking at some sale situation,  
7 and also on my right, Teresa Nichols, who heads up our  
8 endangered species efforts in the State of Oregon.

9           What I might do first is review with you the  
10 briefing paper that was just handed out to you on the  
11 status of our efforts in relation to the marbled murrelet.  
12 With regard to incidental take, which is always a difficult  
13 and sometimes a frustrating issue to deal with, we are  
14 basically encouraging land managers, including the State of  
15 Oregon, to make their best efforts to utilize existing  
16 information on the behavior, the habitat requirements, and  
17 survey information regarding the species to assess the  
18 potential for take.     We have not developed guidelines  
19 for the species as we had done for the spotted owl.  
20 Those guidelines, as you know, were later rescinded,  
21 although the biological basis for them remain sound and  
22 so that biological information still is being utilized.

23           And we are encouraging land managers to continue  
24 to survey to determine the presence of marbled murrelets  
25 in relation to their sale efforts, and in that regard

1 I want to compliment the State of Oregon for those  
2 efforts. I think the State has done probably the best  
3 job of all the land managers in trying to get a handle  
4 on that situation.

5 With regard to our involvement with federal  
6 agencies, we are consulting with the Forest Service on  
7 111 of their timber sales in the states of Oregon and  
8 Washington. That effort is on-going and we have not  
9 yet completed consultation on those sales.

10 With regard to the Bureau of Land Management,  
11 we're consulting on their resource management plan, and  
12 we'll be addressing the marbled murrelet in that regard,  
13 but they have not come forward to us with any specific  
14 sales to look at at this time.

15 A key element for any species after it's listed  
16 is to begin the efforts to recover the species; that's  
17 our foremost objective is really to get these species  
18 off the list so that we don't have to give them the  
19 kind of special consideration that comes about when they  
20 are in trouble.

21 We are working right now to identify a recovery  
22 team and hope to have them identified and meeting --  
23 this paper you have indicates by the end of this month.  
24 It'll probably be January before we can actually get  
25 them together.

1           We will also be seeking to appoint consultants  
2 to that recovery team, and we'll be communicating with  
3 the State soon and trying to get your participation in  
4 that process, and we'll be doing that with the Forest  
5 Service and the Bureau of Land Management and probably  
6 BIA as well.

7           And we will be involving the public in this  
8 process, inviting their participation and input as that  
9 recovery plan is developed. And the basic efforts of  
10 the recovery team will be to identify recovery goals,  
11 provide direction for managing spotted owls, and seeking  
12 their input on the question of critical habitat and  
13 whether or not that would be an important tool in  
14 managing for the species.

15           That is pretty much a summary of our efforts,  
16 and we'd be happy to answer any questions you might  
17 have regarding the marbled murrelet.

18           GOVERNOR BARBARA ROBERTS: Questions? Comments,  
19 on this side of the auditorium? Well, I just would  
20 tell you how much we appreciate you being here. There,  
21 I think, is some amount -- is as close as I can  
22 describe it -- some amount of frustration at not being  
23 able to get more clarity. I know that doesn't  
24 necessarily represent your own efforts, but some other  
25 issues beyond that, and I'm hopeful that we'll be able

1 to start getting more clarity on this issue. I think  
2 the sooner the clarity comes, the better we plan, the  
3 better we plan, the sooner we solve the problem. And  
4 so I just share with you some minor amount of  
5 frustration on our part about the clarity issue at this  
6 time, and I know that doesn't represent your own  
7 efforts. I want to be clear about that, and the  
8 working relationship your office has had with state  
9 agencies.

10           RUSS PETERSON: Well, I appreciate the comment,  
11 and the understanding. We share your frustration, and  
12 we would like to see that clarity, and one comment I  
13 might offer is that maybe the way through this is to  
14 work together on what we might call an interim strategy  
15 to avoid take; that's essentially, as I understand it,  
16 with the approach you're taking with the spotted owl,  
17 and then begin the mechanism to authorize take through  
18 habitat conservation or some other method that might be  
19 acceptable to the State, and we really appreciate your  
20 efforts on the Elliott, I know (phonetic) in the  
21 beginning planning there, and we would be more than  
22 happy to work with you in that process and through that  
23 process find a way to maintain the species, but also  
24 to maintain the timber sale program, and get some  
25 certainty for everyone, and that process involves

1 authorizing take, and we are prepared to do that.  
2 We'll be happy to work with you in your efforts.

3 SECRETARY OF STATE PHIL KEISLING: Just a sense  
4 of the timing on that process in terms of an interim  
5 strategy that you mentioned to, first of all, to avoid  
6 take. What's your sense of how quickly we'll get some  
7 focus and come into that picture along the lines of  
8 that strategy? Are we looking at a couple of months  
9 time? Are we looking at a year?

10 RUSS PETERSON: No, I think something could be  
11 done within a couple of months time if we can get the  
12 right people together, and I think the State has some  
13 really good people at its disposal with the Oregon  
14 Department of Fish & Wildlife and in the Department of  
15 Forestry and the Division of State Lands. And we'd be  
16 happy to work with them, and I think -- and some of  
17 the murrelet biologists, and develop a strategy to avoid  
18 the take of that species while you go forward with your  
19 program. Within that two months, and maybe I should  
20 say three, with the knowledge that the recovery team  
21 will be meeting in January, that might be something that  
22 should be presented to that group and perhaps at their  
23 first meeting in January. So it might be good if we  
24 could get together in the weeks ahead to talk about it.

25 SECRETARY OF STATE PHIL KEISLING: Well, I'd

1 echo the comments about the need for some certainty.  
2 I know it can't be absolute as soon as we want it,  
3 but the need for more certainty than we have now, as  
4 quickly as we can would be a big help there.

5 GOVERNOR BARBARA ROBERTS: Tony?

6 STATE TREASURER ANTHONY MEEKER: Is there any  
7 written material on the habitat of the marbled murrelet  
8 that you use as a source?

9 RUSS PETERSON: There are a number of studies  
10 that have been done in recent years and fairly intensive  
11 surveys in the last two to three years, and there are  
12 reports from those surveys. We did a status survey of  
13 the species at the time of listing, and that summarized  
14 the information available on the species, and that was  
15 published in the Federal Register on October 1, I  
16 believe. Yeah, if you have a copy of the Federal  
17 Register, notice that would contain a summary of that  
18 information.

19 STATE TREASURER ANTHONY MEEKER: I was curious  
20 as to where you came up with 50 miles.

21 RUSS PETERSON: I think there have been some  
22 detections as far inland as 50 miles. Most of them  
23 are much closer to the shore. And in the case of  
24 the State of Washington, there was a nest site located  
25 52 miles inland. And I think in Oregon, 40 plus --

1 or 38, I'm sorry, 38 miles inland for that site.

2 STATE TREASURER ANTHONY MEEKER: Thank you.

3 GOVERNOR BARBARA ROBERTS: Thank you very much  
4 for being here. We will certainly look forward to  
5 working cooperatively to see if we can't find the  
6 solutions within the framework that we're operating under  
7 right now, and hopefully, those will translate into a  
8 long-term framework. So we look forward to working with  
9 you on it.

10 RUSS PETERSON: Good. Thank you.

11 GOVERNOR BARBARA ROBERTS: Thank you very much,  
12 the three of you, for being here. I appreciate it.  
13 Okay.

14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

1 AGENDA ITEM NO. 1

2 Now, we are going to move back to what was originally  
3 Item Number 1, and I want to indicate that I have  
4 three people signed up who wish to comment on this  
5 issue prior to a decision, and one person, if I  
6 understand this correctly, who wishes to speak following  
7 the decision. So I think I have that correct, so why  
8 don't we begin with the State Forester, and Gus, and  
9 would you begin the process for Item Number 1?

10 GARY GUSTAFSON: Thank you, Governor. As you  
11 recall, last September, this Board adopted what is known  
12 as the stewardship approach as an interim timber harvest  
13 policy within the Elliott State Forest. There was one  
14 component part of the stewardship approach, however, that  
15 the Board deferred until a later meeting. And that's  
16 where we are today. The State Forester has now worked  
17 with the Department of Fish & Wildlife and others to  
18 put together what at that time was known as the reserve  
19 pair area approach, and now is being renamed, retitled,  
20 the "interim reserve area approach," a way to depict a  
21 protection mechanism consistent with federal recovery plan  
22 objectives and state and federal ESA requirements that  
23 will allow us to move ahead with timber operations on  
24 the remainder of the forest.

25 The process for putting together this interim

1 reserve area or IRA approach, has been a lengthy one.  
2 The agencies have worked long and hard in putting them  
3 together. They have developed a number of options they  
4 considered in getting to where they are. Jim Brown,  
5 State Forester, is here to lead you through that process  
6 and explain what the recommended approach is.

7 JIM BROWN: Thanks, Gus. For the record, I'm  
8 Jim Brown, the State Forester. As Gus explained, part  
9 of our strategy, your strategy, is in the long term to  
10 do a new forest management plan for the Elliott State  
11 Forest. That will take us about another 18 months to  
12 complete. We felt as your staff that we needed some  
13 form of an interim strategy that allowed us to proceed  
14 in an orderly fashion with timber sales that gave  
15 certainty both to the agencies, to the purchasers, and  
16 to the environmental community as to what our planned  
17 approach was. And we recommended to you this interim  
18 reserve pair area concept at your last meeting, as Gus  
19 indicated.

20 Long term what we're trying to do is to put  
21 together a new forest management plan for the Elliott,  
22 that will satisfy two other criteria; one is to meet  
23 the requirements of the State ESA, at the same time  
24 meeting your fiduciary responsibility for these lands,  
25 but also have that new forest management plan provide

1 the basis for an incidental take permit from US Fish  
2 & Wildlife. So we're really trying to line up all  
3 three of those things. So the interim reserve pair  
4 area during the next two years, needed to allow us the  
5 maneuver room necessary to bring into line the new  
6 forest management plan, compliance with the State ESA  
7 and a solid foundation for an incidental take permit  
8 application with the US Fish & Wildlife.

9 So it's with that framework that the Department  
10 of Fish & Wildlife and our agency began looking at a  
11 series of alternatives that we felt might allow us to  
12 meet those criteria that I outlined. And those  
13 different alternatives are outlined in your agenda. I  
14 do not intend to go through those in detail other than  
15 to say that they looked in detail at where the nesting  
16 pairs of owls were, and where we ought to have, if you  
17 will, interim reserve pair areas to best protect the  
18 biological viability of the owl on the Elliott and its,  
19 in turn, contribution into the larger recovery plan of  
20 the US Fish & Wildlife. And all that being said, also  
21 trying to take into account your fiduciary responsibility.

22 The breeding pairs of the owls tended to be  
23 centered along the northern part of the forest and the  
24 western side of the forest so you can see in looking  
25 at the alternatives most of them looked at different

1 options of that. With the listing of the marbled  
2 murrelet in September, we also felt that we wanted to  
3 address that issue at the same time, and they tend to  
4 be centered -- at least those that we found so far,  
5 in the very southwestern corner of the forest and along  
6 the northern portion of the forest, along the Umpqua  
7 highway. They seem to come up major river corridors  
8 and then up side draws or side streams into suitable  
9 nesting habitat.

10 Option five, we felt in the end best met the  
11 criteria of preserving the latitude we needed to move  
12 forward with a programmatic consultation with State Fish  
13 & Wildlife; that is to say that our actions would  
14 provide long term for the conservation of the owl which  
15 is the requirement of State law, but also would provide  
16 us the flexibility to go towards an incidental take  
17 permit under US Fish & Wildlife. We also felt that  
18 that would also provide us a programmatic consultation  
19 under the State law for the marbled murrelet, and State  
20 Fish & Wildlife has agreed to that.

21 Appendix F shows the, if you will, the impacts  
22 on the short term of the different options that we  
23 considered. There is some difference among those  
24 impacts, but we felt that for an interim basis, that  
25 option five best met the charge that the Land Board had

1 given us in terms of the stewardship approach.

2 So we're recommending option five as providing  
3 the programmatic consultation for both the spotted owl  
4 and the marbled murrelet. That would allow us to --  
5 if you approve that, to move forward with a program  
6 sale of about 15 million feet -- actually, it would be  
7 about 15.7 million, and then we would also recommend to  
8 you that we move forward with up to about an additional  
9 15 million feet of unscheduled harvest per year until  
10 we complete the planning process.

11 Now, I'd like to explain where that additional  
12 15 million feet comes from. Before we had the  
13 programmatic consultation with State Fish & Wildlife,  
14 we're staying outside the owl circles that we had,  
15 totally outside them because State Fish & Wildlife  
16 couldn't in good conscience consult with us and allow  
17 us to enter into those circles until we had some form  
18 of a conservation plan on the table, with the interim  
19 reserve pair areas, that provides a contribution towards  
20 recovery and meets the test of the State ESA, thus we  
21 can go inside those circles. By being able to go  
22 inside those circles, that allows us on a short-term  
23 basis to sell up to 15 million feet. That also  
24 matches unsold timber that we've had during the last  
25 three years as a result of trying to sort through the

1 log export provision, the ban on log exports, and the  
2 listing of the spotted owl.

3 So really, the recommendation that we have for  
4 you is three; one is to approve the interim reserve  
5 pair area option number five that we're recommending to  
6 you, recommending that we bring forward on an annual  
7 sale approximately 15 million board feet of scheduled  
8 harvest, and then an unscheduled harvest of an additional  
9 15 million feet during the planning process.

10 GOVERNOR BARBARA ROBERTS: Are there questions  
11 on the part of either Board member? Tony? Well, we  
12 certainly could accept a motion if that's the case.  
13 Well, maybe we better wait until we hear from our  
14 people in the audience. I'm sorry. Yeah, sorry about  
15 that. I have three people who wish to comment prior  
16 to the vote. Let me begin with Liz Frankal from the  
17 Oregon Chapter of the Sierra Club. Thank you very  
18 much, Jim.

19 LIZ FRANKAL: I've already signed up. I think  
20 that will take care of that. Liz Frankal, Oregon  
21 Chapter of the Sierra Club. First of all, I want to  
22 say that what I'm bringing up to you today is a series  
23 of questions that the Chapter has raised, is raising  
24 about what little we know of the interim plan, and this  
25 may be our fault, your glitch, whatever. We did try

1 a couple of weeks ago to begin the process to find out  
2 what the interim plan was, and as of late last week,  
3 when I called, they said that there would be nothing;  
4 the maps weren't available, there was sort of a general  
5 description of what might be on deck, so today was the  
6 first time we have a chance to look at the actual  
7 maps. And one of the things that you find out about  
8 Sierra Club people is they understand maps about as well  
9 as anything, better than words in many cases. We do  
10 like to look at the maps.

11 One of our concerns initially, it was  
12 something as a matter of fact, I triggered, and it  
13 began when I suddenly looked at the map the first time  
14 at the Elliott and realized that the headwaters and the  
15 drainage from Millicoma (phonetic) was basically a very  
16 large portion of the Elliott, and having looked at that,  
17 I remembered the horror that the Oregon Department of  
18 Fish & Wildlife people had expressed when, oh, some time  
19 ago the Coos County folks had thought that this would  
20 be a great place to go for additional municipal water,  
21 and M&I Water (phonetic). And so I was concerned, and  
22 this was when I first started raising the question, and  
23 then we had some other discussions with a variety of  
24 people. I realize this is an interim plan, I realize  
25 that basically you will have a long-term management plan

1 that is going to be theoretically the way we managed  
2 the forest.

3 Let me raise some of the points that have come  
4 out and these are, mind you, pretty anecdotal. The  
5 question of the Umpqua drainage and the fishery, there  
6 have been questions raised about the Tyhee sandstone, and  
7 the issue of -- that's very prone to slumpage; how much  
8 has that been factored in? Concerns for adequate  
9 buffering and real stream classification which would  
10 include fishery -- some of the wild trout areas. We  
11 know that the Forest Practices Act hasn't completed that  
12 process. There have been some very interesting stories  
13 about cutthroat trout showing up above the falls. Has  
14 this been considered and factored in? A wild stock of  
15 steelhead, which apparently is existing in the west fork  
16 of Millicoma, and finally, the issue of the Millicoma,  
17 which apparently is at equilibrium right now in terms  
18 of the Coho, and the question of what will be the  
19 impact of -- because this area will obviously be opened  
20 up -- what will be the impact on the Coho at that  
21 point if you have equilibrium now?

22 In looking at the options, as best I can see,  
23 my one concern that I would say with number five, is  
24 the question of the fact that it's not a contiguous  
25 block, it's in two areas, and again, we haven't been

1 able to discuss this with anyone, specifically, because  
2 we really didn't know a lot about what was on the map.  
3 There's been a lot of concern about needing contiguous  
4 areas for owl recovery. I am again raising this as  
5 a question. I would say that in general, our interest  
6 for the Elliott is for a sustainable forest, which  
7 obviously includes all these different values, and I am  
8 aware of the fact that probably for the first time in  
9 the history of Oregon forest management, there has been  
10 consideration for the long-term effects, not just to  
11 avoid getting yourself into trouble with federal law on  
12 take, but in terms of what's going to be good for the  
13 future of Oregon in terms of that forest.

14 But I would say that our interest is in  
15 perhaps a longer term sustainable forest that may be  
16 looked at now. I do want you to understand that we're  
17 not trying to sandbag here, but these questions have  
18 come up, and I think it's only fair that the  
19 constituency that I represent, that be raised to you  
20 folks.

21 GOVERNOR BARBARA ROBERTS: Thank you. Are  
22 there questions or comments from the Board? I am going  
23 to see if Jim wants to respond to any of these as  
24 well, but are there questions or would you just -- or  
25 comments?

1           SECRETARY OF STATE PHIL KEISLING:    I guess my  
2 comment, I think that those are points that definitely  
3 need to be looked at and considered.    We of course  
4 are trying, and the emphasis has been on interim  
5 (phonetic), and we have a process that we'll be  
6 undertaking over the next year, I think will be getting  
7 a draft plan done by the first of January '94?    And  
8 it's imperative that we get as much information from as  
9 many concerned groups about the Elliott as we can, and  
10 I just personally really want to encourage you and your  
11 organization to be very heavily involved in the long-  
12 range planning process.    Those are exactly the kinds of  
13 questions that need to be looked at.    Any map that we  
14 now sign off on the interim may look very different  
15 when that process is completed.    I'd like to say though  
16 that in the past that, you know, obviously that you  
17 made the correct observation, and this is a change,  
18 obviously, in how we look at management of the Elliott  
19 forest.

20           LIZ FRANKAL:            If I could add one more  
21 comment--

22           GOVERNOR BARBARA ROBERTS:    Please do.

23           LIZ FRANKAL:            And that is, I heard the  
24 statement made that -- I mean, I know about the one,  
25 the sales that are in the pipeline.    I don't know

1 about the sales that have been sitting out there, the  
2 unscheduled sales. And I do hope that they -- the  
3 scheduled ones have received an awful lot of attention.  
4 I hope that the unscheduled ones go through the same  
5 process as the scheduled.

6 GOVERNOR BARBARA ROBERTS: Well, why don't we  
7 let Jim come up and respond. I think it might be  
8 useful, Liz, for you to at least hear whatever comments  
9 he has with relation to your questions, and you may  
10 want to just stay a minute in case there's anything you  
11 want to add.

12 LIZ FRANKAL: Okay.

13 JIM BROWN: Okay. Jim Brown, State Forester.  
14 In putting together the reserve pair areas, the  
15 foundation for that is really the federal recovery plan  
16 which looked at -- what are called "designated  
17 conservation areas," where the US Fish & Wildlife is  
18 trying to have 15 to 20 pairs of owls that over time  
19 will propagate and continue to be viable, and those  
20 areas are scattered about 12 to 20 miles apart. The  
21 Elliott is surrounded by three DCA's (phonetic) that are  
22 currently have less than the 15 to 20 pairs of owls  
23 that are targeted.

24 US Fish & Wildlife's recommendation for other  
25 organizations that are going to contribute towards

1 recovery, is to use their term, reserve pair area, and  
2 that would provide owls that would contribute into these  
3 DCA's so that they become fully stocked, if you will,  
4 with birds. And in making our recommendation to you,  
5 it is a balancing act between providing for the  
6 conservation of the owl but also meeting your fiduciary  
7 trust responsibility. So what we try to do is to look  
8 at where the breeding pairs of owls were, and they are  
9 located in the two areas that are in option five.  
10 There are owls in other places on the Elliott, but at  
11 least our records today don't indicate that they're  
12 breeding at the same level in those two areas.

13 So that was the concept. And then the other  
14 concepts that were imbedded into option five include  
15 anatomist (phonetic) fisheries protection, particularly  
16 along the Umpqua, and along the west side of the forest  
17 there, as well as then the marbled murrelet that I  
18 mentioned earlier. So in terms of the IRA, we are  
19 trying to take account of all three of those factors.

20 Now, more specifically to the question of  
21 fisheries and riparian habitat, we've always consulted  
22 with State Fish & Wildlife on every timber sale that  
23 we've put up and take their comments and reflect those;  
24 those comments were reflected in the design and sale of  
25 that timber, each individual timber sale. And we do

1 that on an annual basis; when we put together a  
2 proposed sale plan, we review that with a local  
3 biologist, take account of their input, and then design  
4 the timber sale in concert with that. And that takes  
5 care of both fisheries as well as wildlife.

6 GOVERNOR BARBARA ROBERTS: And Jim, that will  
7 be the case with the unscheduled sales as it has been  
8 with the scheduled sales?

9 JIM BROWN: Yes, they already have been, yes.  
10 The other element that Liz brought up is the Tyhee  
11 sandstone. Elliott is located on Tyhee sandstone; that's  
12 the principle soil type that's there. And as she  
13 points out, it is prone to a degree, avalanches. And  
14 those, while they have a very high natural occurrence  
15 on Tyhee sandstones, you can accentuate the amount of  
16 slides that occur through road-building if you don't  
17 build your roads correctly. And basically, what we  
18 found they have to do to avoid them is to basically  
19 pick up the material into road prism (phonetic), and  
20 move it to a stable location. You can't use what's  
21 called side-cast road building, as where you dump the  
22 dirt over the side. You do that, you're going to get  
23 debris avalanches. If you hand haul the material, we've  
24 found you do not get debris avalanches.

25 So I think from my prospective, I think Liz

1 has raised a good set of issues, but it's my view that  
2 we have addressed those issues both in terms of the  
3 interim strategy that we designed, and also in terms of  
4 our normal operating practices and our relationship with  
5 the State Fish & Wildlife.

6 GOVERNOR BARBARA ROBERTS: Liz, anything further?

7 LIZ FRANKAL: Well, I have one comment, and  
8 you didn't discuss the question of blockage. I mean,  
9 one of the reasons we got into this owl business in  
10 the first place was fragmentation. And so in a  
11 primitive sense, I look at two blocks, and I wonder--

12 JIM BROWN: It was a matter of where the owls  
13 are and where they're breeding.

14 LIZ FRANKAL: Well, yes, but wasn't the plan,  
15 the design to go for the best area where we get the  
16 best reproduction over the long term? Obviously there's  
17 some owls that we're just going to overlook, and I can  
18 understand that, but it still doesn't address that whole  
19 question of if you have a corridor right down through  
20 the two areas that you're trying to protect the owl.  
21 I mean, it just is in my head.

22 JIM BROWN: Yeah. Well, you've got about  
23 three or four pairs in each of those areas, and we  
24 did block in on a geographic basis, those areas, because  
25 that is where they're located. And I realize from an

1 idealistic standpoint, you would have one big block, but  
2 in terms of both the geography of the Elliott and where  
3 the owls are and where they're breeding, those are the  
4 areas where they're really at, and you have breeding  
5 pairs.

6 LIZ FRANKAL: I'm not a biologist, I can only  
7 raise the questions to the level of my ability, it  
8 stops right there.

9 GOVERNOR BARBARA ROBERTS: Well, let me say,  
10 Liz, that what was called the 501140 rule has been  
11 applied to this entire area, and obviously, that's going  
12 to guide the sale, and if we look at them, and I  
13 think would give you some comfort level about the  
14 question you've just raised. And I would say to you  
15 that we want to encourage you to participate as we go  
16 through this long-range process. It's always more  
17 valuable to get that participation on the way through,  
18 and we would be more than encouraging of your  
19 organizations and the people you represent to be part  
20 of that process as we begin to work now on long-range  
21 plans as well. But we've attempted to do this interim  
22 process in such a way that the decisions will overlay  
23 positively with any long-term planning we do, and I  
24 don't think there will be any conflict between the two,  
25 and our intention has been to make decisions in this

1 interim that would not be in conflict with the long-term  
2 policies. And we're hopeful that that is the case.  
3 And I think we always say "hopeful," because there's --  
4 for all of us, some learning in this process still.  
5 Thank you very much, and thank you, Jim.

6 LIZ FRANKAL: Thanks for the time.

7 GOVERNOR BARBARA ROBERTS: Thank you. Let me  
8 call Mike Miller from Association of Oregon Loggers.

9 MIKE MILLER: Thank you, Governor. For the  
10 record, I'm Mike Miller, Executive Vice-President of  
11 Associated Oregon Loggers. When we last visited on this  
12 subject, of course we were looking at the interim plan,  
13 and of course our concern had to do with the amount  
14 and location and what type of activities would be  
15 allowed within what were then called reserve pair areas.  
16 And what kind of considerations would be made to protect  
17 the northern spotted owl. And if I understand it  
18 right, I think the concept of the stewardship plan was  
19 also that they would be able to provide for at least  
20 to the extent that we know, the protection for marbled  
21 murrelets. I believe that they are also some activities  
22 that is included in those blocks that we've drawn in  
23 option five.

24 The adoption of option five as outlined by the  
25 Department, certainly does set a very big precedent for

1 if we look past the use of the Elliott. It has  
2 potential for setting a precedent with currently unknown  
3 implications. I think we're pleased to see the use of  
4 the term interim reserved areas because it does have the  
5 connotation that the protection of owls or murrelets is  
6 in evolution right now, and we really, you know, are  
7 trying to do what's best with the information we have  
8 right now, so it does imply that there is an interim  
9 step being taken here that hopefully sometime will have  
10 this certainty that we'd all like to have.

11 I think that notwithstanding the designation of  
12 these areas, certainly we're concerned that we go from  
13 a land use classification under the current status that  
14 there's approximately 93 percent of the land is  
15 classified as production acreage, and in option five,  
16 what we see in the table anyway, is the reduction of  
17 that so that we end up with about 40 percent of the  
18 land being classified as production and 60 percent as  
19 nonproduction. And I know it's not -- it's probably  
20 not possible to make a direct crossover with the old  
21 land classification, but as it relates to production and  
22 nonproduction as I see it, that is a very significant  
23 change in the land class on the Elliott State Forest.

24 Obviously, in our discussion with the forestry  
25 people, we know that the intent is to look inside of

1 these areas and see what kind of activity they might  
2 be able to go forward with in the way of salvage if  
3 it's needed, or thinning activities, and that sort of  
4 thing. And right now it's an unknown as to what that  
5 might do in the way of unscheduled harvest. But I  
6 think that has been, as I understand it anyway, and  
7 correct me if I'm wrong, but that is a concept that's  
8 embodied in this interim plan that we're going to be  
9 taking a look at what we might be able to do in  
10 those -- part of the two-year period would be very  
11 little unless for some reason we had a large amount of  
12 blow-down or something like this.

13 In Appendix F, the assumptions on harvest, I  
14 notice do say that the acreage inside the RA's is  
15 considered "no touch." And I assume that means during  
16 the interim period while we find out the information,  
17 because I think all of us do recognize that there have  
18 been tens of millions of dollars invested in those  
19 lands, be it, you know, the forest planning or the  
20 forest management, the roads that are in those areas,  
21 reforestation, stand improvement, such as thinning,  
22 fertilization that have been paid for by the common  
23 school fund, and certainly those are investments that  
24 need to be recaptured to the maximum extent as  
25 possible.

1           We would commend the Department and the Land  
2 Board if they approve the motion, anyway, as to adding  
3 the additional 15 million per year during this three-year  
4 period. I think we all recognize that Coos County and  
5 others around the State are in a very severe timber  
6 supply crisis right now, and about the only bright area  
7 we have on the west side is the Elliott State Forest,  
8 and I think this would go a long way at least helping  
9 out in that local area. We do appreciate the  
10 involvement that we've had, at least being informed of  
11 what the proposals are, and certainly we do stand ready  
12 to continue with input into this planning effort, and  
13 I think we need to recognize the target that we're  
14 shooting for, as was discussed in September, was  
15 somewhere in the neighborhood of 36 to 48 million board  
16 feet in annual production, as a target anyway, that we  
17 try to plan for.

18           So with that, I'd thank you for the  
19 opportunity, and would be happy to respond to any  
20 questions.

21           GOVERNOR BARBARA ROBERTS: Thank you, Mike.  
22 Mr. Treasurer, Secretary of State, any questions?  
23 Thanks, very much.

24           MIKE MILLER: Thank you.

25           GOVERNOR BARBARA ROBERTS: I want to thank you.

1 Greg Miller from OFIC.

2 GREG MILLER: Good morning, Governor, members  
3 of the Land Board. For the record, my name is Greg  
4 Miller, I'm the Director of the State Timber Purchasers  
5 Division, a Division of Oregon Forest Industries Council.  
6 Now, we've had the opportunity to review the  
7 recommendation before the Land Board to adopt the interim  
8 reserve area option number five. And there were three  
9 critical considerations from our prospective as we  
10 reviewed the recommendation that we believe have been  
11 addressed.

12 And I'd just like to recount those for you so  
13 that we understand what the recommendation is and what  
14 it entails. One is, specifically, that the reserve  
15 areas are temporary in nature and will sunset upon an  
16 adoption of the long-range plan for the Elliott. And  
17 I think that as I've heard the summaries that we're  
18 pretty clear on that.

19 And number two, that there will be serious,  
20 and I added this qualifier, scientific examination of  
21 ways to conduct and carry out forest management  
22 activities. In the interim areas, I think it's very  
23 important as we go down the long-range planning process,  
24 and I'm kind of going back and forth between the short  
25 interim and the long-range process, but it's very

1 important that as we examine those, it have a lot of  
2 the full weight of scientific consideration. And also,  
3 too, that there are opportunities to increase the level  
4 of timber harvest volume beyond the scheduled 15.7  
5 million board feet per year as we identified in the  
6 interim sale program. I think those three considerations  
7 have been addressed in the recommendation. And the  
8 other one that I think is equally serious is the  
9 consideration, at least in our opinion, is the  
10 reaffirmation of protecting the trust and fiduciary  
11 responsibilities of the State Land Board.

12 So consequently, it appears that the  
13 recommendation carries the weight of our concerns and  
14 gives due consideration to the impacts from the  
15 artificial limits of today's level of public timber  
16 supply, that we're somewhat guardedly optimistic that  
17 these scheduled and unscheduled sales would go forward  
18 given the fits and starts that have occurred over the  
19 past year. So -- and I understand the level of being  
20 able to get out and put the timber sales on the market  
21 as quickly as possible. So that's a concern of ours  
22 that we can have that happen to the best of the  
23 Department of Forestry's ability.

24 And I guess as a final comment, we're very  
25 pleased with the level of public participation in this

1 plan for the Elliott State Forest long-range plan. And  
2 we support this comprehensive approach. It's very  
3 important, however, to emphasize one component that was  
4 talked about this morning, and that is the retrospective  
5 study that will allow us to get beyond some of the  
6 uncertainties of whether we have continuous blocks of  
7 land when you look at the Elliott and its relationship  
8 to the other DCA's. The Elliott in its entirety does  
9 not make up the total sum of the land that's included  
10 in that DCA network. I think it's very important for  
11 us to understand the relationship between the prior  
12 history in the mid-1800's, the blow-down that occurred  
13 in the Columbus Day storm, our management activities, and  
14 how we continue to have owls persist in the classic  
15 second-growth stand.

16 And as we go down the long-range planning  
17 process, our division and our efforts will be fully  
18 committed to that planning process, and we'd hope that  
19 we'd be treated as an equal partner in that process.  
20 And with that, I don't have any more comments.

21 GOVERNOR BARBARA ROBERTS: Questions, comments?  
22 Thank you very much.

23 GREG MILLER: Thank you.

24 GOVERNOR BARBARA ROBERTS: We appreciate your  
25 participation, of both here today, and in the process

1 with us in the past, and obviously in the future.  
2 Thank you very much. I don't have anyone else signed  
3 up to testify before we take action. Is there anyone  
4 who wishes to make comments on this subject matter  
5 before we begin?

6 STATE TREASURER ANTHONY MEEKER: Looking at  
7 Appendix G, under Item 2, Total Protected Acres by  
8 Option, and then IRA option five; production acres is  
9 52,532; then I compare that to the current use at the  
10 bottom of the page, 90,875 acres?

11 MIKE MILLER: That's correct.

12 STATE TREASURER ANTHONY MEEKER: And then if  
13 we look at the map, you've got those two areas that  
14 are blocked out. Is it my understanding that there's  
15 38,000 acres that nothing will happen inside those 38,000  
16 acres under option five?

17 MIKE MILLER: During the two-year period, that's  
18 correct.

19 STATE TREASURER ANTHONY MEEKER: And you've done  
20 that because, at least from your testimony, or the  
21 proposal, that that's where the owls appear to be  
22 breeding successfully?

23 MIKE MILLER: Yes.

24 STATE TREASURER ANTHONY MEEKER: Has there been  
25 harvest in those areas before?

1           MIKE MILLER:     Yes, there has.

2           STATE TREASURER ANTHONY MEEKER:     I'm really  
3 puzzled.     I mean, if they're successfully breeding in  
4 these areas, and there's harvesting that's happened there  
5 before, why do we want to just block them off and make  
6 a wilderness out of it?

7           MIKE MILLER:     Well, for the two-year period,  
8 what we're trying to do is protect a level of habitat  
9 that would provide for the continuous breeding of owls  
10 in those two blocks, those two major areas, while we  
11 go through a new forest management planning process.  
12 You know, the choice that you've been faced with and  
13 we've been faced with, has been do we continue to  
14 follow the incidental take guidelines in the long term,  
15 or do we move to some other strategy that allows us  
16 to operate on the bulk of the forest while protecting  
17 a given level of habitat in as we've termed it, some  
18 reserve pair areas.     And you know, the thesis upon  
19 which the interim strategy is based is that in order  
20 to get an incidental take permit, we're going to have  
21 to contribute towards recovery, both under the state law,  
22 and under the federal law, and that that will require  
23 some form of a reserve pair area to do that, and the  
24 interim strategy is premised on protecting the longer  
25 term options for the Land Board so that you can have

1 a reserve pair area that in term will get you an  
2 incidental take permit. And that in turn requires a  
3 given level of habitat protection, you know, inside those  
4 reserved pair areas, IRA, as we call them.

5 GOVERNOR BARBARA ROBERTS: Mr. Treasurer?

6 STATE TREASURER ANTHONY MEEKER: No, I don't--

7 GOVERNOR BARBARA ROBERTS: Okay.

8 STATE TREASURER ANTHONY MEEKER: I think I  
9 understand what he just told me; let me see if I can  
10 shorten it up a little bit. You did that to fit  
11 incidental take requirements.

12 MIKE MILLER: We did it--

13 STATE TREASURER ANTHONY MEEKER: This is the  
14 only way you're figured you could do it--

15 MIKE MILLER: No--

16 STATE TREASURER ANTHONY MEEKER: Is to block  
17 out 40 percent of the Elliott?

18 MIKE MILLER: In the long term. We don't  
19 know what there will be in the long term. In the  
20 short term, what we're trying to satisfy is the State  
21 Endangered Species Act, contribution towards recovery so  
22 that we can get a -- what's called a Programmatic  
23 Consultation with the State Fish & Wildlife.

24 STATE TREASURER ANTHONY MEEKER: Yeah.

25 MIKE MILLER: That in turn will allow us to

1 move forward in an orderly fashion with timber sales.

2 STATE TREASURER ANTHONY MEEKER: Is it possible  
3 that we'll learn two years from now that the harvesting  
4 actually helps the owls?

5 MIKE MILLER: That's--

6 STATE TREASURER ANTHONY MEEKER: Is that  
7 possible?

8 MIKE MILLER: Well, that's conceivable. I  
9 think there's some important demographic work that's  
10 currently going on by NACASI, the National Council of  
11 Air and Stream Improvement in conjunction with the Bureau  
12 of Land Management, that is finding, if you will, a  
13 different set of premises on what the owl requires from  
14 that which is embodied in a recovery plan. Secondly,  
15 Greg Miller mentioned today, I did not, but I had in  
16 previous meetings, a contract that we're negotiating with  
17 OSU, John Tapner (phonetic), to look at the Elliott and  
18 other State forest lands from a historical prospective,  
19 to tell us how did they develop, what's the nature of  
20 the forest out there today, and why are owls using  
21 that, so that we in turn can use that insight, use  
22 that, turn that around into a management solution for  
23 forest lands, as opposed to just using a set-aside  
24 approach.

25 STATE TREASURER ANTHONY MEEKER: Thank you.

1           MIKE MILLER:     And on the interim basis, it's  
2 basically a set-aside program.

3           STATE TREASURER ANTHONY MEEKER:     Thank you.

4           GOVERNOR BARBARA ROBERTS:     Phil?

5           SECRETARY OF STATE PHIL KEISLING:     I actually  
6 did want to clarify something that you just said then  
7 about, Jim, when you answered nothing in terms of within  
8 the IRA's over the next two years, the page 4 of the  
9 summary that Gus prepared, said that it was also agreed  
10 that some timber salvage may be permitted within an IRA  
11 in response to a natural occurrence, blow-down, fire,  
12 insect damage, but following prior consultation with ODFW.

13          MIKE MILLER:     That's correct.

14          SECRETARY OF STATE PHIL KEISLING:     Okay.     So  
15 it's not that in effect it's a de facto wilderness--

16          MIKE MILLER:     No.

17          SECRETARY OF STATE PHIL KEISLING:     For the next  
18 18 to 24 months.     You've opened that possibility, it  
19 would be based on science, and obviously based on  
20 conservation--

21          MIKE MILLER:     Well, and we may in consultation  
22 with ODFW find some actual planned activities that ought  
23 to occur in there to enhance owl habitat.

24          SECRETARY OF STATE PHIL KEISLING:     Okay.     So  
25 in effect, it's -- I want to make it clear that we're

1 not talking about--

2 MIKE MILLER: It is not a lockout.

3 SECRETARY OF STATE PHIL KEISLING: Setting  
4 aside--

5 MIKE MILLER: No.

6 SECRETARY OF STATE PHIL KEISLING: You know,  
7 a de facto wilderness. And the other thing is that  
8 two years from now, what is now on the map as an IRA,  
9 it may be radically different--

10 MIKE MILLER: It could be.

11 SECRETARY OF STATE PHIL KEISLING: And it could  
12 be radically smaller.

13 MIKE MILLER: Could be.

14 SECRETARY OF STATE PHIL KEISLING: But what it  
15 does is it's our best shot at what we believe, given  
16 the information we know at the time, we believe, it's  
17 our best professional judgment, it gives us the best  
18 chance of breaking out of the circle box as it were--

19 GOVERNOR BARBARA ROBERTS: Circle box.

20 SECRETARY OF STATE PHIL KEISLING: I hate using  
21 that word "paradigm." Breaking out of that requirement  
22 of management into a forest-wide management that could  
23 allow, in effect, an incidental take situation. So in  
24 effect, we're dealing with probability as opposed to  
25 certainty. We want to get as much certainty as we

1 can.

2 MIKE MILLER: Right.

3 SECRETARY OF STATE PHIL KEISLING: But in the  
4 end we know that we have to pick a strategy that we  
5 hope at this time gives us the best opportunity to  
6 realize the goals that we have laid out and that we're  
7 pretty clear about it.

8 MIKE MILLER: That's correct. I think that  
9 one of the experiences that I've had in dealing with  
10 this issue is, as you move through time, if you will,  
11 we're getting more information and -- I mean, if we'd  
12 made this decision two years ago, you probably would  
13 have made a decision to harvest 16 million feet, and  
14 that's it, forever. Today we're finding that we think  
15 it can be higher than that. And I think two years  
16 from now, as we get more information on the table,  
17 we're going to know more about the owl. We're going  
18 to know more about the forest, and we're going to be  
19 making a better decision that meets your fiduciary  
20 responsibility, but also meets the requirements of the  
21 State and Federal ESA.

22 GOVERNOR BARBARA ROBERTS: Mike, I want to  
23 thank you for all the work that's gone into this, and  
24 I know both your Department of Fish & Wildlife and a  
25 lot of input and output from other sources have brought

1 us to this point today. I think that we have done  
2 within the framework of what is possible with today's  
3 knowledge and law, and court decisions and everything  
4 else that confronts this issue, that we have done a  
5 highly responsible job of trying to do an interim plan  
6 that allows us not only to harvest but to do the  
7 breadth of protections that are part of this process.  
8 I think the frustration many feel is that science is  
9 seldom a static, and that science is in fact a learning  
10 process, in an evolution, if you will, and we are going  
11 through that, and I think within that framework of  
12 trying to reach as much certainty as possible with the  
13 current science and the current agenda we have before  
14 us, that this certainly allows us to do that. So I  
15 want to thank you for a very long and tedious, but I  
16 think a highly productive product that we have before  
17 us today.

18 MIKE MILLER: Thank you, Governor. Really Jill  
19 Bowling, Ray Craig, and Jeff Curtis with the Department  
20 of Fish & Wildlife, are really the folks that -- and  
21 Charlie Bruce are really the folks that put this piece  
22 together for us.

23 GOVERNOR BARBARA ROBERTS: Further discussion on  
24 the part of either Board member, a motion?

25 SECRETARY OF STATE PHIL KEISLING: Madame Chair,

1 I would move for adoption of the recommendation contained  
2 on pages 6 and 7 of the staff report.

3 GOVERNOR BARBARA ROBERTS: Would you like to  
4 designate the number of the recommendation that--

5 SECRETARY OF STATE PHIL KEISLING: It's adopt  
6 Interim Reserve Area Option 5.

7 GOVERNOR BARBARA ROBERTS: Okay.

8 SECRETARY OF STATE PHIL KEISLING: But also  
9 there's the three points--

10 GOVERNOR BARBARA ROBERTS: Right.

11 SECRETARY OF STATE PHIL KEISLING: In addition  
12 to that conduct and implement interim timber management  
13 activities in the IRA's, bring forward for sale  
14 annually approximately 15 million board feet in accordance  
15 with the scheduled harvest plans, and then the annual  
16 sale of up to an additional 15 million board feet,  
17 unscheduled.

18 GOVERNOR BARBARA ROBERTS: Is there a second?

19 STATE TREASURER ANTHONY MEEKER: Well, Governor,  
20 I intend to vote no, so maybe it might not be a good  
21 idea for me to second.

22 GOVERNOR BARBARA ROBERTS: I will be happy to  
23 second it.

24 STATE TREASURER ANTHONY MEEKER: Okay. Could  
25 I--

1 GOVERNOR BARBARA ROBERTS: Okay.

2 STATE TREASURER ANTHONY MEEKER: I'd like to  
3 make a couple of comments if I might.

4 GOVERNOR BARBARA ROBERTS: Certainly.

5 STATE TREASURER ANTHONY MEEKER: I, too, agree  
6 that both Fish & Wildlife and the Forestry have done  
7 a -- within the parameters of what they have to deal  
8 with, a herculean task here, you need to be commended  
9 for working in the environment that you have to work  
10 in. But I happen to believe that the forest plan  
11 under which the Elliott has been managed for many, many  
12 years has been developed in the best interest of the  
13 fiduciary responsibilities of this Board. And I think  
14 that we will indeed discover that setting aside 40  
15 percent of the forest is not in keeping with our  
16 fiduciary responsibility, and because I believe that way,  
17 I cannot support it.

18 GOVERNOR BARBARA ROBERTS: Okay. Further  
19 discussion? Anything else, about it?

20 SECRETARY OF STATE PHIL KEISLING: I was just  
21 saying in the motion that I think back sometimes about  
22 a year ago we were in this room; I think we had our  
23 first motion on this, and it was almost exactly a year  
24 ago, I can't help but recall the same words of that  
25 philosopher, Jerry Garcia, of the Grateful Dead, about

1 what a long strange trip it's been. It has been a  
2 year marked by, quite honestly, some false starts, and  
3 some miscommunication and misunderstanding. I think to  
4 echo what Treasurer Meeker said, some tremendous effort  
5 on the part of Forestry, DSL, Fish & Wildlife, and  
6 others, the industry, interested parties, environmental  
7 groups and the like, to sit down and try to chart out  
8 a course in very treacherous waters, that provides  
9 flexibility, that provides as much certainty as  
10 possible, that tries to avoid the kind of litigation  
11 nightmare that we've seen in other places. You know,  
12 obviously we learn at every meeting, and new information,  
13 we have to have the flexibility to adapt and be  
14 opportunity-driven.

15 But this is, I feel quite comfortable with  
16 where we've arrived after what has been a more difficult  
17 process than I think any of us would have liked, but  
18 it is one that obviously I have high hopes for, but  
19 also I recognize this is as much as -- we're in the  
20 middle of this process and not at the end of it, that  
21 we have a very, very difficult job ahead of us in  
22 terms of the long-range plan; we need to involve  
23 everyone, it's very important, but we have established  
24 some working relationships that I think are real positive  
25 and real constructive in this last year, that I think

1 are going to serve us very well in the coming months  
2 and years ahead as well.

3 We do have a fiduciary obligation. We also  
4 have an obligation with the long-term benefit of this  
5 asset, and it gets more complicated all the time, but  
6 I feel good about the work that's been done and the  
7 relationships we've established. And I want to thank  
8 all the people who have been so involved in this  
9 because I know it has been difficult.

10 GOVERNOR BARBARA ROBERTS: Well, and I would  
11 comment on one little item that Phil has raised. There  
12 are a lot of other lands, timber lands, in this State  
13 and in the Northwest that are stagnating in the courts  
14 right now, without any harvest at all, and if we had  
15 used prior management process to do attempted cut and  
16 harvest in this land, we would find ourselves stagnating  
17 in court as well. And I think what we've done within  
18 the framework of what is possible, is to create the  
19 harvest that is possible without litigation, and to move  
20 forward to long-term planning. And I think the  
21 combination of those two things means that in southern  
22 Oregon there will be harvest in the Elliott, and  
23 obviously Coos and Douglas and other counties, and  
24 particularly those two, will be -- find us an asset  
25 during this time of many other lands sitting in court

1 and I don't think that's a productive way for us to  
2 manage in this current time. So I think that's what  
3 we really have to deal with. Any further discussion?  
4 Anything else? Okay. Hearing none, those in favor of  
5 the motion as you've heard it, choosing Option A with  
6 the items detailed -- or item 5, excuse me, with the  
7 items detailed there, will signify by saying "aye."  
8 Aye.

9 SECRETARY OF STATE PHIL KEISLING: Aye.

10 GOVERNOR BARBARA ROBERTS: Those opposed, nay.

11 STATE TREASURER ANTHONY MEEKER: Nay.

12 GOVERNOR BARBARA ROBERTS: You've heard the  
13 vote, 2 to 1. Item 1 has passed with Item 5 being  
14 the option there. Thank you very much, Jim. We  
15 appreciate your time.

16 MIKE MILLER: Thank you.

17 GOVERNOR BARBARA ROBERTS: Now, I'm going to  
18 call on Gordon Ross from Coos County, who wanted to  
19 make a comment after the vote, which is not generally  
20 how it's done, Gordon, but, you know--

21 GORDON ROSS: Thank you, Governor Roberts,  
22 members of the Land Board. Just my being here, you'd  
23 know how I would stand on these issues, and so what  
24 I wanted to do here is to thank you, particularly for  
25 the portion that you will bring forward to the people

1 of Coos County, the buyers there, an additional 15  
2 million board feet for the next two years. This is  
3 a great Christmas present to the school children of  
4 Oregon and the people of Coos County, and I want to  
5 thank you for that.

6 My forbearers were in Coos County at the time  
7 of the first harvest of the Elliott State Forest, and  
8 it took about three days. And when it was through,  
9 the fire jumped the Coos river and burned our land,  
10 too. So we'll be happy if you can contain your owls  
11 and murrelets to the Elliott State Forest, and we'll be  
12 happy to take care of our own harvest on our side this  
13 time.

14 I do appreciate the approach that Jim Brown  
15 and his people have taken, and Tony, I agree with you,  
16 and I think that in the long run we will find that  
17 we've been doing a good job of management, and we may  
18 have to get there through a series of times, and I  
19 think this is the interim it takes. And the people  
20 of Coos County, incidentally, Tony, the unemployed people  
21 there can certainly have sympathy for you at this time,  
22 and I understand you don't even qualify for unemployment  
23 benefits. You might try a little feedin' store in  
24 Amity.

25 STATE TREASURER ANTHONY MEEKER: Somebody told

1 me (unintelligible)--

2 GORDON ROSS: Incidentally, I think you'd make  
3 a great senator. I don't know what your kissing past  
4 has been, but that's a--

5 GOVERNOR BARBARA ROBERTS: And we're not going  
6 to ask. Thanks--

7 GORDON ROSS: We think this is a very  
8 responsible decision you've made. It's still less than  
9 the annual cut has been, and about half of what the  
10 annual growth of the harvest is, but we're hopeful that  
11 we're going to get back to there and we're going to  
12 be able to conserve all of the benefits of the forest.  
13 And thank you very much.

14 GOVERNOR BARBARA ROBERTS: And I would say to  
15 you, Gordon, if we could have picked a time to consider  
16 a harvest with the prices as they are right now, this  
17 is the time for those school children. So thank you  
18 very much.

19

20

21

22

23

24

25

1 AGENDA ITEM NO. 2

2 Let's move on now to the -- there are consent Items  
3 Number 2A through C. Is there a motion on Number 2,  
4 the consent items?

5 STATE TREASURER ANTHONY MEEKER: I'll move that  
6 we approve them.

7 GOVERNOR BARBARA ROBERTS: They're moved.

8 SECRETARY OF STATE PHIL KEISLING: I'll second.

9 GOVERNOR BARBARA ROBERTS: And seconded that we  
10 approve the consent Items 2A, B, and C. Those in  
11 favor will signify by saying, "aye."

12 STATE TREASURER ANTHONY MEEKER: Aye.

13 SECRETARY OF STATE PHIL KEISLING: Aye.

14 GOVERNOR BARBARA ROBERTS: Aye. Those opposed,  
15 nay. Motion is passed. We have already done under  
16 informational items the one relating to the marbled  
17 murrelet.

1 AGENDA ITEM NO. 4

2 We're now talking about Item Number 4, which is a  
3 review of the Tillamook State Forest recreation plan.  
4 This is one on which the Board takes no action, but  
5 it's just presented with the information of the status  
6 of that report. Gus, would you like to take on the  
7 Tillamook State Forest recreation plan?

8 GARY GUSTAFSON: Thank you, Governor. I'll  
9 ask Ray Craig to come up and join me. This item is  
10 informational only, and I just want to read the  
11 provision of the enabling act for the plan so that you  
12 know exactly what your responsibilities are. The act  
13 provided that the recreation plan shall be submitted to  
14 the State Land Board for their review and comment, not  
15 intimating approval, but rather review and comment.

16 GOVERNOR BARBARA ROBERTS: Okay.

17 GARY GUSTAFSON: Again, Ray, do you want to  
18 give us a brief overview of the plan?

19 RAY CRAIG: Thank you, Gus. Madame Governor,  
20 members of the Board, my name is Ray Craig, Assistant  
21 State Forester. As Gus introduced the subject the  
22 purpose for this presentation is to present to you a  
23 summary of the Tillamook recreation plan. The Statute,  
24 House Bill 2501 actually calls for this review. The  
25 1991 legislature passed House Bill 2501 and called for

1 the State Parks and Recreation Department and the State  
2 Department of Forestry to prepare a comprehensive  
3 recreation plan for the Tillamook State Forest. And  
4 this was to address the management of historic  
5 interpretation and outdoor recreation in the forest.  
6 And the legislature directed that the plan be consistent  
7 with the primary purpose of existing statutes; primarily,  
8 ORS 530.050, which sets out the purpose of the Tillamook  
9 State Forest land.

10 The bill also provided for an advisory committee  
11 to assist the two departments in preparing this plan,  
12 and the two departments did appoint -- actually, the  
13 Board and the Commission appointed an advisory committee  
14 chaired by Gail Achterman, and the planning process began  
15 in the fall of about a year ago with the formation of  
16 the interagency planning team from the two departments.  
17 And we initiated in the fall of 1991 a target  
18 completion date of January of 1993 for the final plan,  
19 and that seems to be on track. And the plan is to  
20 be reviewed by the Forest Trust Land Advisory Committee  
21 appointed by the State Board of Forestry and then the  
22 State Land Board, and is scheduled to be adopted by the  
23 State Parks and Recreation Commission and the State Board  
24 of Forestry in January of 1993.

25 So with that, I'd be happy to answer any

1 questions that you might have about the plan. We have  
2 two folks here from the Department of Forestry and Parks  
3 and Recreation if you have any specific questions.

4 GOVERNOR BARBARA ROBERTS: Questions or comments?

5 SECRETARY OF STATE PHIL KEISLING: We're  
6 basically just in a review position. We're not --  
7 adopt, approve, or anything like that. That's--

8 RAY CRAIG: Secretary of State Keisling, yes,  
9 that's correct. The Statute required a review by  
10 certain bodies, one of which was the State Land Board,  
11 but I do believe that the State forester is anxious if  
12 you -- to receive any counsel that you might have on  
13 the plan. There are some lands that are -- belong --  
14 common school lands in the Tillamook State Forest. The  
15 predominant ownership is other types of school-owned  
16 lands.

17 SECRETARY OF STATE PHIL KEISLING: We've got  
18 about 5,000 acres--

19 RAY CRAIG: Roughly, yes, that's correct.

20 SECRETARY OF STATE PHIL KEISLING: And there  
21 will be other opportunity for public comment?

22 RAY CRAIG: Yes, it has been in the draft  
23 form, presentation to the Parks and Recreation Commission  
24 once, it has been in a draft presentation -- or a  
25 presentation of the draft to the Board of Forestry, and

1 also, it's been reviewed by the County Forest Trust Land  
2 Advisory Committee. And there have been a series of  
3 public meetings with the advisory committee along the  
4 way. I think that's one of the kind of the hallmarks  
5 of this is the participation by many groups in the  
6 planning process.

7 STATE TREASURER ANTHONY MEEKER: Is it my  
8 understanding that there are members of the Clatsop,  
9 Columbia, and Tillamook Counties as part of that county  
10 trust advisory committee, or at least one or two of  
11 those counties represented?

12 RAY CRAIG: Ross?

13 ROSS HOLLOWAY: Well, my name is Ross Holloway.  
14 I'm with the Department of Forestry. The Forest Trust  
15 Land Advisory Council to which Ray referred, I think has  
16 one member from Clatsop County on that Board. There's  
17 another body, the Council of Forest Trust Land Counties  
18 which represents all the counties, and Jerry Dove of  
19 Tillamook County is the chairman of that. And we've  
20 reviewed the plan with both of those bodies at various  
21 times over the past year.

22 In addition to that, there's a representative  
23 from each of those three counties you mentioned;  
24 Washington, Clatsop, and Tillamook, on the advisory  
25 committee that we worked with throughout the process.

1           STATE TREASURER ANTHONY MEEKER:     The reason I  
2 asked that question is that obviously those counties and  
3 assistants of those counties have a significant financial  
4 risk in whatever happens to the Tillamook forest.

5           ROSS HOLLOWAY:     That's correct, and that was  
6 certainly an issue as we went through the process.  
7 Tillamook County has passed the resolution supporting the  
8 plan in its current form.     Washington County is  
9 preparing to do that December 23 at our commission  
10 meeting.

11          GOVERNOR BARBARA ROBERTS:     Phil?

12          SECRETARY OF STATE PHIL KEISLING:     Yeah, one  
13 of the things that just strikes me is this odd  
14 situation whereby in the Elliott State Forest there is  
15 scattered amidst the Elliott and common school fund land,  
16 DOF land, and here in the Tillamook State Forest, there  
17 is scattered among the Tillamook and common school land,  
18 and it raises the issue of what happens if you do a  
19 recreation plan and low and behold, all the parties  
20 agree that the single best place to build a new state  
21 park happens to be in a 20-acre parcel that's owned by  
22 the common school fund.     What happens?

23          ROSS HOLLOWAY:     I would defer to you on that.

24          RAY CRAIG:     Thank you very much, Ross.  
25 Secretary of State, Keisling, we do have a strong

1 Attorney General's opinion, I believe, on the latitude  
2 of the State Land Board on how the lands are managed.  
3 Certainly this would be a decision in this particular  
4 case, I'm sure it would come back to the State Land  
5 Board if it were recommended. We're not -- that is  
6 not being contemplated, it's not seriously being discussed  
7 at all.

8 SECRETARY OF STATE PHIL KEISLING: I understand.

9 RAY CRAIG: But--

10 SECRETARY OF STATE PHIL KEISLING: I guess the  
11 question I raise is what's the argument against sitting  
12 down and exchanging those lands to locking up common  
13 school funds in the Elliott, to locking up DOF land in  
14 the Tillamook? At the very minimum, you've got to keep  
15 two sets of books right whenever you sell timber off  
16 of those two, and that's gone on for 50 -- 60 years.  
17 What's -- why? Why haven't we engaged in those  
18 discussions? What's the argument against them?

19 STATE TREASURER ANTHONY MEEKER: Because nobody's  
20 cared until the trees are mature. They're now getting  
21 mature.

22 SECRETARY OF STATE PHIL KEISLING: Okay. I  
23 think that may be -- that sounds like it may be part  
24 of it.

25 GOVERNOR BARBARA ROBERTS: Yeah.

1           SECRETARY OF STATE PHIL KEISLING:    So why would  
2   that matter in this?    Or is there any good reason that  
3   we can't pursue that?    Is there any impediment, policy,  
4   political or otherwise?

5           RAY CRAIG:           Certainly I can't imagine that  
6   there would be any impediment to looking at a long-term  
7   strategy of doing that if that's something that the  
8   Board and the State Land Board wanted to do.

9           GOVERNOR BARBARA ROBERTS:    Yeah.

10          SECRETARY OF STATE PHIL KEISLING:    I think you  
11   should raise it too (phonetic).

12          RAY CRAIG:    I think, if I might, I think that  
13   the development of the ownership pattern is more of a  
14   historical one of opportunistic exchanges and so forth  
15   of lands inside, the various ownerships, and also the  
16   way that the common school lands came to the State, and  
17   the trade with the Forest Service for the national  
18   forest lands that later became the Elliott State Forest.  
19   But from a policy point of view, certainly I can't  
20   imagine there's impediments of looking at that.

21          STATE TREASURER ANTHONY MEEKER:    There was  
22   nothing but a bunch of snags for 50 years.

23          SECRETARY OF STATE PHIL KEISLING:    So who  
24   wanted it, yeah.    I wonder whether in the relationships  
25   within the counties, because obviously the counties have

1 a more direct relationship with the Tillamook Forest in  
2 terms of the receipts than they obviously would do with  
3 the Elliott. There's no percentage take from harvest  
4 on the Elliott that goes to Coos and Douglas County,  
5 where there is, obviously, in there, and maybe in that  
6 chain, there might be concern raised, although I think  
7 quite honestly that you may be able to deal with that  
8 kind of concern. But here we know from our last  
9 meeting that we have an opportunity with BLM now to try  
10 to pick up 4,000 of 5,000 acres perhaps of land, it  
11 might be logical to do it, 'cause obviously in the  
12 vicinity of the Elliott there may be some creative  
13 opportunities for some three-way trades here.

14 But in effect, what's happened is that, you  
15 know, we -- if the recreation planning had said, you  
16 know, this is the single best use from a larger point  
17 of view, and it's been on common school fund land; it's  
18 between a rock and a hard place. My sense is that  
19 you would be hard pressed to take 20 acres out of  
20 timber production under the current -- the 80 (phonetic)  
21 opinions that I've seen, and turn it over to a  
22 completely nonremunerated use or something that you  
23 couldn't even argue met the long-term standards.

24 So I guess it's something that I obviously am  
25 interested in pursuing at the staff level, but I just

1 wanted to flag it in terms of interest. The other  
2 thing is there's no mention in the plan now that I  
3 understand -- is there any mention of the common school  
4 fund land having 5,000 acres owned outright? And it's  
5 also my understanding that we own mineral--

6 GOVERNOR BARBARA ROBERTS: For all of it.

7 SECRETARY OF STATE PHIL KEISLING: Over all of  
8 it.

9 GOVERNOR BARBARA ROBERTS: Yeah.

10 SECRETARY OF STATE PHIL KEISLING: It seems  
11 that maybe at a minimum, that just ought to be  
12 acknowledged that we have this role that -- because we  
13 do have it on both of those.

14 STATE TREASURER ANTHONY MEEKER: I think what  
15 the Secretary of State is saying, as this thing moves  
16 forward, it appears to -- we want our share protected  
17 if it's going to be set aside. We don't want to have  
18 to bear all the burden.

19 RAY CRAIG: Madame Governor--

20 GOVERNOR BARBARA ROBERTS: Go ahead.

21 RAY CRAIG: Secretary of State, as far as the  
22 first point that you're making, the Department of  
23 Forestry certainly is willing and stands ready to examine  
24 the issue that you bring up in terms of exchanges, and  
25 we can work with the DSL staff in an orderly fashion

1 to examine that issue.

2 And in terms of the reference to the common  
3 school lands and the plan, maybe Ross might be able to  
4 address that.

5 ROSS HOLLOWAY: Yeah, one of the reasons that  
6 specific reference wasn't made is that the bulk of the  
7 recreation activities that were really managing the plan  
8 do take place off of those lands, on county forest  
9 trust lands. The State Land Board land or the common  
10 school land that is in Tillamook County is primarily  
11 right on that western fringe, Bay City, Tillamook, south,  
12 most of it's in scattered parcels, and basically these  
13 are just (phonetic) dispersed recreation activities going  
14 on, but it is an oversight not to mention that the  
15 acreage of land that is in there, and we'll add that  
16 into the final plan.

17 GOVERNOR BARBARA ROBERTS: And I think while  
18 you're including that, just because I think it's a  
19 clarification we need to make early in this process, I  
20 think that the mineral rights on the broader pieces of  
21 land, stand in that same kind of situation where the  
22 more clarity there is about them, the more easily we'll  
23 go down this road long term. Sometimes you do a short  
24 term, it doesn't matter much, and then population  
25 increases and other things change, and the clarity may

1 be important, so I think it -- the other thing I  
2 wanted to raise, you talked a little bit about the  
3 advisory and some of the work that's being done in  
4 terms of planning publicity and input and so forth.  
5 Has that been true just in those immediately affected  
6 counties, or if you were a resident of Salem or the  
7 Portland Metropolitan area, would you know this activity  
8 was taking place in terms of this recreational area?  
9 Has it been limited to these counties that are  
10 immediately impacted?

11 ROSS HOLLOWAY: No, I don't believe it has.  
12 We've had a publication called "The Lookout," which is  
13 a newsletter that's gone on a distribution of about 400;  
14 it's increased as the process went along, but it's over  
15 400 now, and the addresses on that are truly statewide.  
16 Certainly the local counties had more exposure. We did  
17 have the advisory committee meetings locally as we felt  
18 the local interest would be the most interested people,  
19 but we did go broader with information through The  
20 Lookout and other mailings.

21 GOVERNOR BARBARA ROBERTS: I raised the question  
22 partially because I think if you walk into Salem and  
23 you do a story on it here, what you've got is almost  
24 every -- not all, but most statewide organizations have  
25 offices here, suddenly the association of Oregon Counties,

1 legal Board, and cities, whoever else is -- I mean,  
2 there's just all these organizations that are here, you  
3 really hit a very broad group of people, and it  
4 just -- and that may be true in the Portland area with  
5 a number of other areas, and it seems it's just  
6 important that though it has that immediate impact there,  
7 that this really is a broader State issue and ought to  
8 at least be understood by others that this recreational  
9 process is being looked at, and I think it might --  
10 I don't think with 400 mailings, you can really hit a  
11 group broad enough to do what you could with a couple  
12 of stories next time you're doing a hearing, or next  
13 time you're doing an advisory meeting, or whatever. I  
14 think it might be useful to sort of broaden that  
15 knowledge base. What we do is we get all done, and  
16 they say, "Well, I didn't know it." And we say,  
17 "Well, if you'd have read the story in The Oregonian,  
18 or you read the story in The Statesman, or the Albany  
19 paper, or the Medford paper, you would have known."  
20 So it may be valuable to look at a little bit broader  
21 knowledge base as we move through the end of this  
22 process or closer to the end of the process.

23 ROSS HOLLOWAY: Yeah, hopefully we can get The  
24 Oregonian to do an article. We have been in contact  
25 with them, but apparently it hasn't been newsworthy

1 enough for them yet.

2 GOVERNOR BARBARA ROBERTS: Could we create a  
3 controversy? I don't know. That seems to be the sure  
4 way to get a story.

5 STATE TREASURER ANTHONY MEEKER: You need a  
6 little sex and violence.

7 GOVERNOR BARBARA ROBERTS: Yeah, yeah, yeah.  
8 Sex clearly will get you the front page right now.

9 RAY CRAIG: Madame Governor, your points are  
10 certainly well-taken; however, I would point out that we  
11 have had people attend meetings in the area directly  
12 affected by conservation groups headquartered in Eugene  
13 and with forest industry groups headquartered in Salem.  
14 So while we accept, certainly, the points that you're  
15 trying to make, I would say that there has been a lot  
16 of interest outside the immediate geographic area.

17 GOVERNOR BARBARA ROBERTS: Okay. Well, that's  
18 encouraging. I just think, you know, it's sort of  
19 incumbent on us, whenever we're doing these processes to  
20 make sure we don't get too limited, when you're talking  
21 about a State resource, even though it's geographical,  
22 you've located one area, it's as if to say that the  
23 Elliott is only of interest to Douglas County and Coos  
24 County. I mean, it's that same kind of issue, and I  
25 think we need to be cautious that we understand the

1 broader State issues. Anything else on the Tillamook?  
2 Okay. Thank you, very much, both of you for your work  
3 and--

4 RAY CRAIG: Thank you, very much.

5 ROSS HOLLOWAY: Thank you.

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 AGENDA ITEM No. 5

2 GOVERNOR BARBARA ROBERTS: Okay. Item  
3 Number 5, the draft policy for permits in the scenic  
4 waterways; just an update on that?

5 GARY GUSTAFSON: Yes, very briefly, Governor.  
6 As you recall, last October the Board approved the  
7 process for the Division to move ahead and formulate a  
8 scenic waterway policy. And that would cover the  
9 activities that are specifically the responsibility of  
10 this Board and the Division of State Lands within the  
11 State scenic waterways. We have proceeded with that  
12 process, and I'm pleased to say that as we speak, I've  
13 got staff members out in the field holding meetings.  
14 Grants Pass was last night, I believe tonight is Bend.  
15 We have a press release in the back of your packet on  
16 this information piece. We have a draft policy that  
17 we have assembled with a number of people's involvement  
18 before we even hit the streets with it. I'm sure  
19 we'll get a lot more input, and it is my desire to  
20 come back with a final draft policy, hopefully for  
21 adoption at the January meeting.

22 GOVERNOR BARBARA ROBERTS: Good. Thank you.  
23 Any questions on the part of either Board member about  
24 that? Okay. Now, before we go further, I have  
25 someone signed up on number 6 which is just "other,"

1 but before we do that, I want to take a moment to  
2 recognize that this is the State Treasurer's last Land  
3 Board meeting. Since 1987 he has been a member of  
4 this Board, and I don't remember Tony ever missing a  
5 meeting. If he did, I can't remember it. And I  
6 think that has been about the most complete activity of  
7 any member who's served on this Board in the years that  
8 I've been here, I just have a small plaque for you,  
9 Tony, that I'd like to read, if I might. I'm sorry  
10 our audience left before we had a chance to do this,  
11 but I would like to at least share this with you.  
12 "Tony Meeker, in appreciation for service as a member  
13 of the Oregon State Land Board from 1987 to 1992.  
14 You managed the investments of the common school fund  
15 for the benefit of Oregon's education system, and helped  
16 to ensure that state lands were managed for the greatest  
17 benefit of the people of this State. We salute your  
18 many years of public service to Oregon and extend best  
19 wishes for your future endeavors." Signed Barbara  
20 Roberts.

21 STATE TREASURER ANTHONY MEEKER: Do I get say  
22 something?

23 GOVERNOR BARBARA ROBERTS: You absolutely do.

24 STATE TREASURER ANTHONY MEEKER: Well, my first  
25 term in the House, I was appointed by John Burns and

1 Bob Smith, Speaker and President, to serve on an  
2 advisory committee to the Land Board, so I've had a  
3 24-year interest in what's going on here. And it's  
4 very interesting to me that the issues that we're  
5 talking about are the same ones we were talking about  
6 24 years ago.

7 GOVERNOR BARBARA ROBERTS: We only missed having  
8 (unintelligible).

9 STATE TREASURER ANTHONY MEEKER: I think the  
10 Land Board's future is going to be more and more  
11 difficult. As you look forward to more and more  
12 people, more and more effort to utilize the land, and  
13 I'm very proud of what we've accomplished in the last  
14 five years; I think it is significant, and I wish you  
15 all the best in your responsibilities in the future.  
16 Thank you.

17 SECRETARY OF STATE PHIL KEISLING: It has been  
18 a pleasure serving with Treasurer Meeker. We haven't  
19 agreed on everything, but our batting average has been  
20 incredibly high. Most of all, you have, through the  
21 work you have done as treasurer, and the second hat  
22 that you have worn, done a job that may be unparalleled  
23 across the country in terms of the return that we have  
24 gotten on the assets that we've managed. We can all  
25 look back on a century, and a third of history and

1 regret, not having as much of a land base as other  
2 states have done and the decisions and mistakes that  
3 were made in the past, but what you have been able to  
4 do with your people with getting a return on the assets  
5 that have been entrusted to your care has been  
6 extraordinary.

7 I also, and this is very sincere, I hope, and  
8 I don't think you will be shy about continuing to be  
9 in contact with us about ways that we can do a better  
10 job. We will now have the opportunity to get together  
11 and talk and not worry about the (unintelligible) law,  
12 and violations thereof, and I know I personally would  
13 like to call on your expertise in the future as we  
14 deal with these difficult problems.

15 STATE TREASURER ANTHONY MEEKER: I still have  
16 an intense interest as a taxpayer.

17 SECRETARY OF STATE PHIL KEISLING: Yes.

18 STATE TREASURER ANTHONY MEEKER: So I will be  
19 watching.

20 SECRETARY OF STATE PHIL KEISLING: Thank you.  
21 It has been a pleasure serving with you.

22 GOVERNOR BARBARA ROBERTS: I think the one  
23 other thing I would say about Tony that I want to be  
24 sure and make note of today, I think those of us who  
25 serve in statewide office, recognize that it is a unique

1 human experience in government, in politics, in the human  
2 condition and the citizen condition, to serve as a  
3 statewide office holder. I think this Board, more than  
4 any other of the statewide offices, these three members,  
5 I think have a sense of Oregon history, a sense of  
6 our connection with the state that is probably more  
7 intimate than any other of the statewide offices, and  
8 in that turn, looking at Tony Meeker and thinking of  
9 his family history of his State and as we approach the  
10 celebration next year, the 150th year of the Oregon  
11 trail, I think Tony's family has clearly contributed both  
12 ends of the trail. So thank you, Tony.

13 STATE TREASURER ANTHONY MEEKER: Don't miss an  
14 opportunity to buy a set of coins (phonetic), Governor.

15 GOVERNOR BARBARA ROBERTS: No, I won't. I've  
16 got to get in and do that. He's always marketing.  
17 Thank you, very much, Tony.

18  
19  
20  
21  
22  
23  
24  
25

1 AGENDA ITEM NO. 6

2 GOVERNOR BARBARA ROBERTS: We have one other  
3 person signed on the agenda for Item Number 6, which  
4 just says, "Other," and I'm not sure what this is  
5 about, but George Fox in association with Northwest  
6 Steelheaders is here. You've been very patient,  
7 Mr. Fox.

8 GEORGE FOX: Thank you very much. I'm with  
9 the north--

10 SECRETARY OF STATE PHIL KEISLING: He's not  
11 out fishing today, either.

12 GEORGE FOX: I beg your pardon?

13 SECRETARY OF STATE PHIL KEISLING: You're not  
14 out fishing today.

15 GEORGE FOX: It's a little muddy on the  
16 Wilson.

17 GOVERNOR BARBARA ROBERTS: Yeah, I'll bet it  
18 is.

19 GEORGE FOX: It's high. I'm the North Coast  
20 Director of the Association of Northwest Steelheaders,  
21 and I'm here to speak about the recreation plan on the  
22 Tillamook Forest.

23 GOVERNOR BARBARA ROBERTS: Okay. I'm sorry,  
24 I didn't call you--

25 GEORGE FOX: And that's perfectly all right.

1           GOVERNOR BARBARA ROBERTS:     Okay.

2           GEORGE FOX:           I understand.        We have the  
3 following list; we were invited into the planning in  
4 February of this year, and we have been with it at  
5 every meeting, and tried to put our input into the  
6 plan, and it has been slowly diminished because of the  
7 intensity for logging.     I mean, there is -- it's  
8 mandated.        There are 350,000 acres in the Tillamook  
9 Forest.     It was not widely publicized, but it has been  
10 coming along now.     And our major concern is that the  
11 plan is now in place, or the preliminary plan is now  
12 in place, and the major feature of the recreation plan  
13 is ATV's, or all-terrain vehicles.     This is the easiest  
14 plan to recreate for because it doesn't interfere with  
15 logging.     Habitat, riparian, which we are all interested  
16 in, is being ignored.     And the ODFW has not been  
17 consulted in any way in regards to the five major  
18 rivers in that watershed.     This is the Trask, the  
19 Tillamook, the Wilson, the Kilchis, the Miami, and of  
20 course the Nehalem, the third largest river in Oregon,  
21 arises in the Tillamook Forest, but it doesn't drain to  
22 the Tillamook bay.

23           There is a recreation in place right now that's  
24 worth 6.5 million dollars to Tillamook County every fall  
25 because we have the largest wild run of fall Chinook

1 on the west coast. And this recreation, this tourist  
2 attraction, is increasing with every year. And if we  
3 don't protect the watershed where these wild fish --  
4 this is not a hatchery run, this is a wild run, and  
5 they spawn in all five rivers. And if we don't  
6 protect the riparian -- I mean, logging is fine, but  
7 at least give it some forest practices that protect the  
8 riparian and protect the rivers. And it needs -- and  
9 again, we're talking Elliott. This is a 350,000 acre  
10 forest. There is not a forest practices act in place,  
11 there is not a logging -- the Forestry Department says  
12 they have a logging plan for the Tillamook Forest, but  
13 nobody has seen it yet. They are doing thinning  
14 operations there already. And they aren't harming  
15 anything, but the major feature of our recreation plan  
16 is for all-terrain vehicles. This is absolutely against  
17 good forest management. So I'm sorry, I--

18 GOVERNOR BARBARA ROBERTS: Mr. Fox, I want to  
19 ask you a question that you started, and now that  
20 you've gone this far, I want to take you back to where  
21 you started in the first sentence or two, which said  
22 that there were -- there was participation early on from  
23 the Steelheaders, and other such organizations, and that  
24 was not true any longer. Can you elaborate there?

25 GEORGE FOX: Oh, no, I'm sorry.

1 GOVERNOR BARBARA ROBERTS: Okay.

2 GEORGE FOX: It meant that we have testified,  
3 we have supplied material, we have made statements at  
4 every single meeting that they've held. We've gone on  
5 forest tours with them. We've been into the salmon  
6 run, which is probably one of the present (phonetic)  
7 streams that we have, and it's got one of the finest  
8 wild steelhead runs there is, and it's closed by the  
9 ODFW, you can't fish it because it is a hatchery river.  
10 It's a natural hatchery river.

11 But as we have testified, and as we have  
12 (phonetic) asked for our consideration, if you will read  
13 the recreation (unintelligible). Our fishing interests,  
14 our habitat interests, have been reduced to two  
15 paragraphs, while the all-terrain vehicles are dedicated  
16 to five pages of that plan, and the park sites that  
17 they're hoping to propose are dedicated to ATV vehicles.  
18 And this is not a regulated situation. I mean, these  
19 clubs and riders have been doing it for 40 years.

20 STATE TREASURER ANTHONY MEEKER: And nobody  
21 cares.

22 GEORGE FOX: Yeah, and I think I've made my  
23 point.

24 GOVERNOR BARBARA ROBERTS: Questions?

25 STATE TREASURER ANTHONY MEEKER: Are you clear

1 what the ammendment to the Forest Practices Act that was  
2 passed (unintelligible)?

3 GEORGE FOX: Yes.

4 STATE TREASURER ANTHONY MEEKER: Those  
5 (unintelligible)--

6 GEORGE FOX: Hopefully -- well, they've been  
7 passed, but now the Board of Forestry is considering  
8 adopting them, and they have not been adopted. So that  
9 at this moment, there is an interim Forest Practices Act  
10 in existence to the whole State of Oregon that is  
11 reasonably inadequate. And this is (unintelligible).

12 GOVERNOR BARBARA ROBERTS: Phil?

13 SECRETARY OF STATE PHIL KEISLING:  
14 (unintelligible) economic--

15 GEORGE FOX: Yes. I understand.

16 SECRETARY OF STATE PHIL KEISLING: So that's  
17 why I asked the question about when there will be other  
18 public comment, because I, you know, it is a very  
19 important component, and as you pointed out, it's not  
20 only recreational, but it's a big economic component of  
21 the local economy.

22 GEORGE FOX: Thank you very much. I  
23 appreciate the time.

24 GOVERNOR BARBARA ROBERTS: And I'm sorry we  
25 didn't get you on the -- I didn't recognize that this

1 was the issue you wanted to talk about or we would  
2 have put you on the program--

3 GEORGE FOX: Oh, that's all right.

4 GOVERNOR BARBARA ROBERTS: Earlier, so the folks  
5 who were involved could have been listening. Thank you,  
6 Mr. Fox--

7 GEORGE FOX: Thank you.

8 GOVERNOR BARBARA ROBERTS: I appreciate your  
9 bringing this to our attention. Now, I am going to  
10 call an executive session, and after which it is called,  
11 I will give about a five-minute break before we go into  
12 the second session. We are holding an executive session  
13 under ORS 192.660(1)(h), to consult the counsel concerning  
14 legal rights and duties of the Board with regard to  
15 current litigation or litigation (unintelligible). All  
16 present are asked to leave except members of the press  
17 who may wish to attend. Land Board members, their  
18 assistants, counsel, and Division staff, members of the  
19 press are asked not to report information concerning any  
20 topics of the executive session. The Board specifically  
21 requests that the discussion be limited to the  
22 litigation, and be kept confidential. So we will go  
23 into executive session after a five-minute break. Thank  
24 you.

25 \*\*\*\*\*

