
STATE LAND BOARD MEETING

Tuesday, March 9, 1993

State Lands Building

775 Summer Street NE, Salem, Oregon

10:00 a.m.

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1 GOVERNOR BARBARA ROBERTS: --begin. I have to
2 leave the room for a short while at 10:25 to go take a
3 call from Washington, and I don't know that we're going to
4 be done by then, so Phil will be chairing if I have to
5 leave the room before we're finished, and I just thought
6 I would tell you that so we won't have to interrupt at
7 the time I leave. So why don't we see if we can get
8 through the agenda. I would like to do the consent agenda
9 first just to be sure that we're there.

10 Does anyone have an item they would like to pull
11 off of the consent agenda?

12 SECRETARY OF STATE PHIL KEISLING: Madame Chair,
13 there is a single word left out of the minutes.

14 GOVERNOR BARBARA ROBERTS: I think they have been
15 corrected.

16 SECRETARY OF STATE PHIL KEISLING: Have they been
17 corrected?

18 GOVERNOR BARBARA ROBERTS: Yes, they have.

19 SECRETARY OF STATE PHIL KEISLING: So we do not
20 need an amendment on that?

21 GOVERNOR BARBARA ROBERTS: Yeah.

22 STATE TREASURER JIM HILL: We're okay.

23 SECRETARY OF STATE PHIL KEISLING: Okay.

24 GOVERNOR BARBARA ROBERTS: Yeah. So if not, can
25 I have a motion on item number three, A through E?

1 STATE TREASURER JIM HILL: So move.

2 SECRETARY OF STATE PHIL KEISLING: I'll second
3 the motion.

4 GOVERNOR BARBARA ROBERTS: The move has been
5 seconded, approved to consent agenda item three, A through
6 E, those in favor will signify by saying "aye."

7 STATE TREASURER JIM HILL: Aye.

8 SECRETARY OF STATE PHIL KEISLING: Before we vote
9 on it, Madame Chair, I just want to err completely on the
10 side of safety, and we're going to have issues that
11 involve the Natural Heritage Advisory Council, which we
12 always have jurisdiction over, which we also fund with the
13 Nature Conservancy. My spouse works at the Nature
14 Conservancy, though not on this particular area, but I just
15 wanted to clear that for the public record so there's
16 never any misunderstanding about that as a potential
17 conflict.

18 GOVERNOR BARBARA ROBERTS: The Secretary of State
19 has declared a potential conflict of interest on one of
20 the items, and it is so noted. Any other conflicts of
21 interest declarations? Okay. If not, those in favor of
22 Item 3, A through E, would signify by saying "aye."

23 SECRETARY OF STATE PHIL KEISLING: Aye.

24 STATE TREASURER JIM HILL: Aye.

25 GOVERNOR BARBARA ROBERTS: Those opposed, "nay."

1 The motion is passed. Okay.

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1 **GARY GUSTAFSON:** Now placed on it at the present
2 time. This would add nine additional sites ranging from
3 the Columbia River down to Lake County. With these nine
4 sites, all of them have been nominated, or the approval
5 has been received from the respective property owners.
6 Three of them are currently under state ownership, and the
7 balance are owned by the Nature Conservancy, or about to
8 be owned by another land trust. As a result, these are
9 deemed to be significant sites for various purposes, is
10 explained in the individual narrative for each of the
11 sites, and the Council and the Division recommend your
12 approval of the inclusion of these nine additional sites.

13 **GOVERNOR BARBARA ROBERTS:** Jim, briefly, you have
14 anything you'd like to add to that?

15 **JIM KAGEN:** I actually don't have anything I need
16 to add. They're all pretty straightforward.

17 **GOVERNOR BARBARA ROBERTS:** Any discussion or
18 comment on the part of the Board? Is there a motion?

19 **SECRETARY OF STATE PHIL KEISLING:** I'll move
20 approval of registering the nine additional sites, and to
21 make the same declarations (unintelligible) in doing that,
22 but I'll move approval of adding those.

23 **STATE TREASURER JIM HILL:** Second.

24 **GOVERNOR BARBARA ROBERTS:** I look at you, Jim,
25 away, you know. No, this is not a railroad job, and it's

1 hard for me to second, so it's been moved and seconded
2 that we accept item agenda number one, as indicated in the
3 agenda. Is there anyone further who has any comments?
4 If not, those in favor will signify by saying "aye."

5 STATE TREASURER JIM HILL: Aye.

6 SECRETARY OF STATE PHIL KEISLING: Aye.

7 GOVERNOR BARBARA ROBERTS: Aye. Those opposed,
8 nay. The motion has been passed.

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AGENDA ITEM TWO

GOVERNOR BARBARA ROBERTS: Item number two, the request for approval on the piece of property located in Clackamas County. Gus?

GARY GUSTAFSON: Governor, members of the Board, this has been before you on several occasions, and so it feels like an old friend, almost. As you may recall, the last time the Board acted on this, it was to approve the purchase of the Dammasch State Hospital surplus property near Wilsonville, and the Division was instructed to proceed to comply with five different specific conditions. Those are, briefly, that a title report be prepared, a property survey be completed. We received documentation that the hospital remains responsible for the operation of the existing sewer plant. Fourth, that the Department of General Services document to the Division that contaminant investigation has been performed by the Department of Environmental Quality on the old land fill site, and what that included. And then also, agreement by Dammasch State Hospital to be responsible for any cleanup costs associated with any contaminants that might be found in the old landfill site.

Since that time, we have proceeded to complete each of those conditions, and that is noted on page 3 of the staff report. In addition, this has given us time to

1 contemplate, if you will, the wisdom of acquiring two
2 specific areas within the 270 acres. And I'm talking
3 specifically about the old sewage treatment plant as well
4 as the old landfill site. And with respect to the sewage
5 treatment plant, it is still operating, and my understanding
6 is that it may be operating yet for another year, or
7 several years perhaps, before it is moth-balled and taken
8 out of commission.

9 If we were to acquire that site, then certainly
10 is a -- I've been out there, it's a large concrete
11 structure. I don't know, really, what you'd do with a
12 surplus sewage treatment plant. I think eventually it
13 would have to be dismantled and be quite costly. In that
14 respect, it's something that we need to be concerned about
15 if we use the common school fund as our vehicle for
16 investment here.

17 Secondly, the old landfill site; it's troublesome
18 because even though on the surface there's nothing that
19 appears to point towards contamination and we have not been
20 able to find any evidence of contamination doing historical
21 research, the fact of the matter is that there have been
22 in many other places in the state in the country, many
23 examples of where old landfills have had some pretty nasty
24 surprises. And why take that risk in this particular
25 case. It's just not worth it. So what we have done is

1 after we have looked at these issues further we have
2 decided to come back and recommend that the Land Board
3 exclude approximately ten to 15 acres, which would include
4 both the old sewage treatment plant and the land fill site
5 from this particular acquisition.

6 We would resurvey to exclude these areas. I've
7 asked the Department of General Services whether they would
8 do that. They have indicated that they would. However,
9 they will not reduce the purchase price of \$52,800, which
10 reflects their overall administrative costs for selling this
11 property anyway.

12 In addition, as you recall at the last Land Board
13 meeting, we had a discussion, and the Land Board indicated
14 their interest in doing some site-specific planning so that
15 we would know what the future of this property might be.
16 That is still in the cards. The Division would move ahead
17 if this property is purchased, and complete site-specific
18 planning to indicate the specifics, the timing, the
19 wherewithal, the cost benefit that it's associated with
20 various options that might be available to us, as we
21 talked about both developing and preserving portions of this
22 property.

23 Our mandate under the common school fund that we
24 would use to acquire this property is that we would
25 generate revenue over the long term. Now, over the long

1 term gives us some leeway here, and we would take a look
2 at what the best return would be, what the best options
3 would be ultimately, to manage this property. And this
4 would be done through the site-specific planning process,
5 we would be sure to include the City of Wilsonville,
6 Clackamas County, Metro Greenspaces, and others that have
7 expressed an interest in the past in this particular
8 property.

9 I also want to note, finally, that we also must
10 remember that there are portions of this property that
11 regardless of what future development scenario may unfold
12 here, probably are not appropriate for development. There
13 are some wetlands adjacent to the grade school. Those
14 wetland areas must be protected. The Division of State
15 Lands of course is the lead agency for wetlands and
16 wetlands protection, and would want to make sure that they
17 were protected.

18 We've also got a steep ravine with a creek, and
19 riparian vegetation that may also very much be inappropriate
20 for development. And we've got some mature timber that we
21 need to take a close look at as we look at our future
22 development scenarios.

23 So with that, the staff at this point has come
24 back to you with a slightly altered recommendation, and
25 that is that we exclude these two areas from -- of ten

1 to 15 acres from the acquisition, but that we do proceed
2 and acquire this site, resurvey it, to exclude the ten to
3 15 acres, and use the common school fund revolving account
4 to purchase this land. I assure you as well that that
5 account does have sufficient funds available.

6 GOVERNOR BARBARA ROBERTS: Comments or questions
7 on the part of the Board? Phil?

8 SECRETARY OF STATE PHIL KEISLING: Just a couple,
9 Gus, at what point do you envision a public hearing being
10 able to take place in the community there to get a
11 reaction to or solicit thoughts about this planning process?
12 At what point do you see that coming?

13 GARY GUSTAFSON: I'm going to have a couple of
14 staff probably combine forces to do the site specific work
15 here. And one of the first things that we would do is
16 to, what I'll call for lack of a better term, a public
17 scoping meeting, so that we get the issues out and make
18 sure that we understand, you know, what people think ought
19 to happen there, and then be able to measure that against
20 our fiduciary responsibilities. I think that that's one
21 of the first things that we need to do, and then once we
22 get a package together, we'll likely take that back again
23 for public review to let them know where we're coming
24 from.

25 SECRETARY OF STATE PHIL KEISLING: Okay. Just

1 so you know, consider me a resource if it would be helpful
2 at all to help at in that. I live close to there, I'm
3 very interested in this, and there is some education to do
4 with people understanding that fiduciary duty and how it
5 relates to the future of this.

6 Would you be comfortable in about three months
7 just coming back and giving us an official status report
8 on just where we--

9 GARY GUSTAFSON: I'd be pleased to.

10 SECRETARY OF STATE PHIL KEISLING: Okay. Because
11 I think it's important if we can move it along, because
12 it -- and I appreciate all the work that you and Bill and
13 others have done in getting this to this point. I feel
14 very good about it.

15 GOVERNOR BARBARA ROBERTS: Do you have anything,
16 Jim?

17 STATE TREASURER JIM HILL: Thank you. The site
18 planning process, Gus, how long will it take?

19 GARY GUSTAFSON: Well, we've allocated in the
20 staff report up to six months. I hope that we can do it
21 in actually less time than that. We've got a lot of
22 other competing things on our plate right now, but--

23 GOVERNOR BARBARA ROBERTS: (unintelligible)--

24 GARY GUSTAFSON: We're going to do our best to
25 get it done in less than six months.

1 STATE TREASURER JIM HILL: Okay. Thank you.

2 GOVERNOR BARBARA ROBERTS: Well, I just want to
3 say, Gus, that not only the work that's been involved in
4 this, but I think this is a remarkable opportunity for the
5 Land Board to acquire a piece of property of this -- not
6 only this size in the metropolitan area at this stage in
7 the pressure of land in the metropolitan area, but one of
8 this status not only in terms of its value, but its
9 potential value, I think is a remarkable opportunity for
10 us, and I'm very pleased that we've gotten to the point
11 that it appears to be today and have also moved potential
12 risks that exist in the other two sites that are there,
13 so I think that's probably a very prudent way to handle
14 this to make certain we don't have costs in the future
15 that are not going to return monies to the common school
16 land pot. So I think that's a very, very wise way to
17 handle that.

18 Any further discussion on the part of the Board?
19 Anybody from -- yeah, Phil?

20 SECRETARY OF STATE PHIL KEISLING: Oh, I'm sorry.

21 GOVERNOR BARBARA ROBERTS: Anyone from the
22 audience who had any comment on this? Okay.
23 Mr. Secretary of State?

24 SECRETARY OF STATE PHIL KEISLING: I would
25 probably like to move adoption of item two, a final

1 approval to expand the \$52,800 of common school funds to
2 purchase the property that you've described near Wilsonville
3 in Clackamas County.

4 STATE TREASURER JIM HILL: Second.

5 GOVERNOR BARBARA ROBERTS: He's got that down I
6 think really good. It's been moved and seconded that we
7 accept item number two, the purchase of state surplus
8 property near Wilsonville. All those in favor will signify
9 by saying "aye."

10 SECRETARY OF STATE PHIL KEISLING: Aye.

11 STATE TREASURER JIM HILL: Aye.

12 GOVERNOR BARBARA ROBERTS: Aye. Those opposed,
13 nay. The motion is passed unanimously. We have completed
14 all of our agenda except the informational piece, and I
15 believe that's where we are now.

16 GARY GUSTAFSON: Governor, if I could, I'd like
17 to add one more piece after the motion on Dammasch, and
18 that is just to publicly acknowledge the assistance that
19 we've received from the Department of General Services as
20 well as our friends at the Department of Forestry for
21 doing the survey. And it's been most helpful.

22 GOVERNOR BARBARA ROBERTS: It might be well if
23 we could have a joint letter signed by the members of the
24 Board, which we don't do often, but I think it's important
25 we acknowledge when other agencies of state government add

1 to our ability to do well what we are trying to do, and
2 I think it would be well for us to be able to say "thank
3 you" to both of those agencies and their staff.

4 SECRETARY OF STATE PHIL KEISLING: And I see Bill
5 Nickleberry with a smile on his face back there, about
6 having reached this point.

7 GOVERNOR BARBARA ROBERTS: Now, informational item?

8 GARY GUSTAFSON: Yes, and I'm looking around.
9 I don't see the forestry people here.

10 GOVERNOR BARBARA ROBERTS: They're not expecting
11 us to be this prompt.

12 GARY GUSTAFSON: That's probably it.

13 GOVERNOR BARBARA ROBERTS: This is not our usual
14 speed at this meeting, so--

15 GARY GUSTAFSON: I'll leave it up to you. I
16 assume they will be here in just a moment.

17 UNIDENTIFIED MALE VOICE: Oh, their budget's up
18 (unintelligible)?

19 GOVERNOR BARBARA ROBERTS: Gus, do you want to
20 comment about the brochures? Has everyone seen this?

21 GARY GUSTAFSON: I'd love to comment about the
22 brochure.

23 GOVERNOR BARBARA ROBERTS: Yeah. I don't know
24 whether you've seen it. I'll--

25 SECRETARY OF STATE PHIL KEISLING: Yes.

1 GOVERNOR BARBARA ROBERTS: Have you seen it?
2 Would you give--

3 STATE TREASURER JIM HILL: Yes.

4 SECRETARY OF STATE PHIL KEISLING: Yeah.

5 GARY GUSTAFSON: Yeah.

6 GOVERNOR BARBARA ROBERTS: Yeah, I just think
7 that's such an outstanding product, then, in selling a
8 product, that it might be well to at least let us know
9 how that's going.

10 GARY GUSTAFSON: Yes. One thing, I think perhaps
11 I learned was, when I was in Alaska at least, was
12 something about marketing property. We ended up marketing
13 a couple of large ski areas and we were lucky enough to
14 land a multi-million dollar hotel development at Mt. Elieska
15 (phonetic) at Gurdwood (phonetic), and some of that has
16 gone into the marketing effort that you see in this
17 brochure. And I also need to mention the assistance of
18 David Blum and other members of my staff who helped put
19 this together. We also have -- I just handed it --RFP
20 that has just recently rolled off the press. And this
21 RFP, again, is a cooperative effort among a number of
22 people on my staff, the Department of Justice, the
23 Department of General Services, any RFP involving something
24 like this is necessarily fairly detailed, but, boy, I'll
25 tell you, you've got to go through a lot of things to put

1 an RFP like this on the street, and we scrambled and we
2 did it. And this is going out to literally hundreds of
3 people who have, or will be indicating an interest in this
4 particular site.

5 We are making this marketing effort not just a
6 local, not just a national, but an international effort.
7 We have, through the cooperation of our friends upstairs
8 in the Economic Development Department, been put in touch
9 with a lot of mailing lists, a lot of contacts in the
10 business community, particularly industrial and marine-related
11 businesses. We've been sending out this brochure world-
12 wide. We've had the brochure translated with an insert
13 card into six different languages; Chinese, Japanese,
14 Korean, German, French, and Spanish. We have sent it to
15 all of those folks -- or will be sending it to all of
16 those folks, 'cause actually, the main list is so long
17 that it takes awhile to get them all out. We've already
18 received around 20 responses to the brochure, the little
19 tear-off card that you see on the front of it. You send
20 into the Division, and then we send you the RFP.

21 We have a real opportunity here. This is an
22 exciting sight; the sight, frankly, is one that we believe
23 for a long time this Board will notice the history, at
24 least most of you, as an under-utilized site. We've gone
25 round and round on that. And one thing that we've never

1 done, though, is done an effort anything like this.
2 Certainly when the cars effort was put together years ago,
3 there was a -- what I'll call compared to this, a mini-
4 marketing effort. This is a comprehensive marketing effort.
5 And no guarantees on what's going to happen here, but we
6 have already seen a heck of a lot of interest, including
7 some from some pretty big players.

8 We've also made it clear that those people that
9 want to bid on the site don't necessarily have to bid on
10 the entire site. It is certainly possible that we could
11 get a couple of leases going and not necessarily one
12 lease. But we'll have to see how that turns out.

13 Now, the due date for people to submit their bids
14 is the 2nd of June. We are then -- we have already, in
15 fact, formed the nucleus of an RFP review committee, which
16 will have, of course our usual state representatives from
17 DSL and EDD and Department of General Services.

18 We're also having local participation. I've asked
19 for a representative from Clatsop County, a representative
20 from the City of Astoria, for instance, to join us. And
21 then they will go through and do the initial screening
22 according to criteria that we've placed in the RFP. And
23 then eventually, they will make a recommendation to myself,
24 and I will then make a recommendation to the Land Board.

25 So it is my hope that sometime this August,

1 probably late August, or thereabouts, we will be in
2 position to actually come back to you with a recommendation
3 for a lease, or leases if you will, for North Tongue
4 Point.

5 GOVERNOR BARBARA ROBERTS: Gus, let me ask you
6 a question; have they come back with a single
7 recommendation versus coming back to you saying, you know,
8 these two or three, meaning would we be so lucky, but that
9 we have two or three options here that have passed all the
10 screening and any of them would be appropriate rather than
11 coming back to you with single recommendation? I mean, if
12 you would get 20 or 30, for instance, and suddenly they
13 could narrow it down to three, there might be some merit
14 in considering that as an option rather than getting
15 yourself limited to one option coming back, and then if
16 you choose any other option you've created, "Well, they
17 don't listen to us," rather than saying, you know, "Tell
18 us what you think your top three prospects or top two are
19 here," and in handling it that way, I think sometimes the
20 broader perspective we have seen who have had experience
21 on this Board, knows that some things sound very good and
22 after eight years of being on this Board watching us
23 trying to market this, I would like to know that we can
24 sort of weed out that kind of -- the big prospect that
25 never happens, that looks good--

1 GARY GUSTAFSON: Okay.

2 GOVERNOR BARBARA ROBERTS: And never happens.

3 GARY GUSTAFSON: Right.

4 GOVERNOR BARBARA ROBERTS: And I would not like

5 to get caught in the situation where that's the alternative

6 that comes to us, and the only alternative. So I would

7 like to ask you to at least evaluate maybe having three

8 or two or some other number--

9 GARY GUSTAFSON: Yeah.

10 GOVERNOR BARBARA ROBERTS: Rather than one come

11 back. One is not a choice in my estimation, and even

12 when we're doing major hiring in state government, I never

13 let somebody be one recommendation to me. I think maybe

14 that--

15 GARY GUSTAFSON: Right.

16 GOVERNOR BARBARA ROBERTS: Is a little limiting,

17 and I would like to recommend--

18 GARY GUSTAFSON: Okay.

19 GOVERNOR BARBARA ROBERTS: That you--

20 GARY GUSTAFSON: Governor, I--

21 GOVERNOR BARBARA ROBERTS: (unintelligible) a

22 little bit.

23 GARY GUSTAFSON: I think you'll be pleased to

24 know that actually, as you described it, it's very close

25 to the way that this will work. The RFP Evaluation

1 Committee will actually screen the candidates, and if they
2 reach a point total we've got 80 points as a cut-off point
3 to make the finals. If you make the finals, then all of
4 those will then be made available so the Division will
5 know who made the finals.

6 SECRETARY OF STATE PHIL KEISLING: Right. Thank
7 you.

8 GOVERNOR BARBARA ROBERTS: Thank you.

9 SECRETARY OF STATE PHIL KEISLING: All right.
10 Any other questions about North Tongue Point? Gus, I
11 think you were just in Astoria--

12 GARY GUSTAFSON: Just--

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

15 GARY GUSTAFSON: Just was in Astoria and met the
16 entire city.

17 UNIDENTIFIED MALE VOICE: Rollie -- in fact,
18 Rollie.

19 SECRETARY OF STATE PHIL KEISLING: Really?

20 GARY GUSTAFSON: Rollie was along, and I
21 appreciate that very much. It certainly helps having that
22 connection with the Land Board along with you. And Rollie
23 and I spoke to really everybody in the City of Astoria,
24 they were all there from the mayor to the city council to
25 the port commission--

1 STATE TREASURER JIM HILL: All of them. It was
2 a delight.

3 GARY GUSTAFSON: It was.

4 SECRETARY OF STATE PHIL KEISLING: Probably a
5 little friendlier than the redistrict in (phonetic) hearing
6 I had in Astoria about a year and a half ago, but--

7 GARY GUSTAFSON: I might mention, too, that the
8 treasurer has also perhaps has some contacts and things
9 that we might be able to use in the international
10 marketing effort, and we're following up on that; there may
11 be some ways that we can get into places that we might
12 not otherwise, through his contacts, and see what we can
13 do there.

14 SECRETARY OF STATE PHIL KEISLING: Okay. Any
15 other thoughts on the -- I guess we can move to other
16 that became North Tongue Point. Gus, what's your wishes
17 on the update on the Elliott? I think the Department of
18 Forestry people have their budget up today in the
19 legislature.

20 GARY GUSTAFSON: Right.

21 SECRETARY OF STATE PHIL KEISLING: Do you want
22 to -- do you feel comfortable just going ahead and
23 updating us on that--

24 GARY GUSTAFSON: Well--

25 SECRETARY OF STATE PHIL KEISLING: Unless there's

1 other -- if there's other items you'd like to bring to the
2 Board's attention that--

3 GARY GUSTAFSON: It's your pleasure. There is
4 one issue that I just would like to bring to your
5 attention.

6 SECRETARY OF STATE PHIL KEISLING: Why don't we
7 do that--

8 GARY GUSTAFSON: Okay.

9 SECRETARY OF STATE PHIL KEISLING: And stall for
10 time, and if they show up--

11 GARY GUSTAFSON: All right.

12 SECRETARY OF STATE PHIL KEISLING: Fine, but if
13 they don't, we'll do that -- save that for the last.

14 GARY GUSTAFSON: I don't know how long I can
15 make this issue, but what I wanted to do is just very
16 briefly update you on our budget--

17 SECRETARY OF STATE PHIL KEISLING: Okay.

18 GARY GUSTAFSON: Which is very important to us
19 at least. We were the first natural resource agency
20 before the ways and means subcommittee for natural
21 resources. And we spent three days before the
22 subcommittee, and then the next week we came back for
23 another couple of hours as work session. And the -- I
24 think the bottom line is that they adopted for the most
25 part, appeared to adopt, at least, in the subcommittee, the

1 Governor's recommended budget. There were a couple of add-
2 ons. They have decided to add on a property manager
3 position in addition to what the Governor had asked for,
4 and that came, actually, at the recommendation of Senator
5 Joan Dukes (phonetic), who felt that our waterway leasing
6 program could stand to have an additional manager. And
7 this would come out of the common school fund if it is
8 finally approved to the full committee.

9 They also gave us the ability to receive an
10 additional \$100,000 in federal funds for the South Slough
11 operating program. We have had this constant problem that
12 every time we apply for a grant at South Slough, and we
13 apply for numerous grants associated with research and so
14 on, we have to go back to the E Board during the interim
15 and get our federal authorization ceiling raised by that
16 amount. And it means constant delays and sometimes we
17 actually miss the federal grant deadlines because the E
18 Board doesn't meet, and so on. So they have given us at
19 least \$100,000 of additional ceiling that we can use for
20 our federal grants, which is quite useful.

21 And I think we had a good discussion with them,
22 to the best of my knowledge, it's not yet passed on to
23 full Ways and Means. We've got a couple of components
24 that are being considered independently; one of them is the
25 watershed health initiative, that we have a good deal of

1 money, lottery money, in, as part of our budget. And the
2 other one is something called the developable (phonetic)
3 lands benchmark proposal, which we also have a considerable
4 amount of lottery money allocated to us to do things like
5 help prepare wetland sites, and so on, through mitigation
6 plans, and the like, for development. And we've worked
7 with EDD on that. And those are being considered a little
8 bit on an independent track.

9 SECRETARY OF STATE PHIL KEISLING: Right.

10 GARY GUSTAFSON: So anyway, I wanted to give you
11 that update to let you know where we are in our budget.
12 Any questions?

13 SECRETARY OF STATE PHIL KEISLING: Just
14 clarification, Gus. Is it actually out of subcommittee in
15 the possession of the full committee, or is it still in
16 subcommittee awaiting--

17 GARY GUSTAFSON: I believe it is still in
18 subcommittee and waiting.

19 SECRETARY OF STATE PHIL KEISLING: Okay.

20 GARY GUSTAFSON: I think they're holding them
21 all, is the impression I get.

22 SECRETARY OF STATE PHIL KEISLING: Right. Right.
23 Okay. Any questions?

24 STATE TREASURER JIM HILL: No.

25 SECRETARY OF STATE PHIL KEISLING: Okay.

1 GARY GUSTAFSON: With respect to the Elliott,
2 I'll leave it up to you; the Land Board assistance and I
3 have obviously been fairly deeply involved in Elliott
4 matters. We can talk about it, but it seems to me that
5 the main players ought to be here, and that's Forestry, of
6 course. I'm a little surprised, it must be that their
7 budget got particularly critical this morning and they
8 couldn't make it over.

9 SECRETARY OF STATE PHIL KEISLING: Would you
10 prefer, rather than moving it ahead, since we are running
11 very well behind, to recess for five minutes or call over
12 there to see if someone could get over here soon, or is--

13 GARY GUSTAFSON: I think that would be
14 appropriate--

15 SECRETARY OF STATE PHIL KEISLING: Right.

16 GARY GUSTAFSON: And if they can't come over,
17 then we'll just reschedule it for next month.

18 SECRETARY OF STATE PHIL KEISLING: Okay. Well,
19 let's stand at ease for five minutes and just have
20 somebody call over there to see where they are.

21 (OFF THE RECORD)

22 --recess to deal with our final item which is an
23 informational update by the Department of Forestry on the
24 status of the Elliott State Forest long-range management
25 plan. Welcome.

1 RAY CRAIG: Thank you very much, Secretary
2 Keisling, members of the Board. My name is Ray Craig,
3 assistant state forester, and with me on my left is Doug
4 Decker, our public affairs director with the Department.
5 And Jill Bowling is actually our planning director for the
6 forest management plan of the Elliott, but she is deathly
7 ill today and extends her apologies for not being able to
8 come and make a presentation in person.

9 But what we wanted to do today was to give you
10 an update on the preparation of the new Elliott State
11 Forest long-range plan, and kind of where we are in the
12 process and where we're heading. And this is a follow-
13 up, really, to the last Board action that you took, which
14 was to approve an interim plan for the Elliott, and I will
15 report to you that we're on schedule with the interim
16 plan. If you'll recall, that's one where we put into
17 effect some interim reserve areas on the Elliott State
18 Forest, and as part of the plan, then, we said that we
19 would sell approximately 30 million board feet per year for
20 the next two years, and we are on schedule to do that.

21 So with the Elliott Forest management plan, then,
22 it's -- we are on track with the schedule that was
23 provided for you in the briefing packet, and we fully
24 anticipate meeting the time lines that are in that packet.

25 Really, our focus with the forest management plan

1 of the Elliott State Forest is to line up what we call
2 three targets; and the idea is, if there's three things
3 that we want to line up so that when we shoot one arrow
4 through the first bulls eye, basically it hits the other
5 two bulls eyes behind it. And those three things are;
6 first, the Elliott Forest management plan, second of all,
7 the Oregon Fish & Wildlife Commission is required by
8 statute to develop a conservation plan for all threatened
9 and endangered species listed under the state Endangered
10 Species Act, of which of course the spotted owl is one.
11 So we want the Elliott long-range plan to be totally
12 consistent with the Commission's conservation plan for the
13 owl, and we believe that that's -- in all the discussions
14 that we've had with the Department of Fish & Wildlife, we
15 think that's on track.

16 And then, finally, the third target is under your
17 direction and under the Department's recommendation, we
18 believe that it's in the best interest of the State Land
19 Board and the Department of Forestry to obtain an
20 incidental take permit from the federal government, and so
21 we want to make sure that the incidental take permit and
22 all the processes are lined up so that we have an
23 efficient way of moving through, obtaining all three of
24 those goals.

25 As far as the incidental take permit itself is

1 concerned, the Department of Forestry did prepare a staff
2 paper, and we've shared that with the State Land Board
3 assistance, and this paper basically identifies about four
4 options for the state to obtain an incidental take permit,
5 and all of the indications are so far, and all of the
6 support that we've been able to determine, is pointing to
7 obtaining a habitat conservation plan, which I believe that
8 we've discussed with the Board in previous sessions. But
9 it appears like that is the one that fits our situation
10 on the Elliott State Forest the best, and is the one that
11 we've been having the most promising discussions about.
12 And we do need to finalize that decision-making process
13 fairly quickly so that we can move ahead with the
14 application and permit process.

15 We are working with George Brown, Dean of the
16 College of Forestry at OSU, as far as a person on their
17 staff to act as a consultant to us on bio-diversity
18 issues; those discussions are progressing, and we anticipate
19 having a consultant on board with us, and that was an
20 agreed upon function that we would try and hire consultants
21 when it seemed appropriate, to help us with the planning
22 process, and Doug Decker will talk more about a second
23 consultant in his remarks.

24 But at this point, maybe I just might turn it
25 over to Doug and let him kind of explain to the Board

1 what's going on with the plan in terms of public
2 involvement. Doug?

3 DOUG DECKER: Thank you. Secretary Keisling,
4 members of the Board, I'm Doug Decker, I'm the public
5 affairs director for forestry, and also the public
6 involvement coordinator on this process. I'll try to give
7 you an overview of what we're doing with public involvement
8 to date, and what's ahead in the near future. We've had
9 some meetings, we've had a field tour, and we've had some
10 interesting feedback from folks, and I think we've begun
11 a solid framework of cooperation with those folks.

12 As you know, we've put together four different
13 phases of public involvement; briefing and listening,
14 informal contacts, public response and follow-up. Right
15 now we're in the briefing and listening section. We've
16 produced a number of tools -- you've probably seen some of
17 them -- a newsletter that which we're sending out to about
18 170 different folks, called Expectations, the forest log
19 slide series that runs about ten minutes, a bunch of
20 different tools to help us describe what's happening on the
21 Elliott, and the planning process.

22 We've had meetings so far in Roseburg and in
23 North Bend in the end of January; both of those were
24 evening meetings, what we call briefing-listening meetings.
25 The first part of the meeting was devoted to us talking

1 about the background on the forest as well as the planning
2 process, and then we would stand back and listen, and we
3 held some listening posts, and heard from about 40 people,
4 between those two meetings combined, they talked to us for
5 about an hour about what their concerns were in terms of
6 management issues, and other information that they may have
7 to be able to present to the planning team about the
8 Elliott. That was very interesting, very useful. We made
9 an all-out effort to try to touch base with as many
10 possible interest groups and neighbors of the Elliott as
11 possible. In both of those meetings, we had no members
12 of any organized environmental groups that we worked with
13 regularly, the Department of Forestry. The meetings have
14 been heavily attended by neighbors of the Elliott, and by
15 members of other land owners or companies that we've worked
16 with, purchasers, in the past.

17 What we're doing right now is collating all that
18 information that we've received. We've added that into the
19 formal record. We've received quite a bit of
20 correspondence which we've added into the formal record, and
21 that information will be used by the planning team as they
22 begin to make some decisions about how the plan comes
23 together. Jill Bowling has done a real good job of
24 clearly differentiating the state process from the federal
25 process; that's how she starts out the meetings, and people

1 are very familiar with the federal process, but not real
2 familiar with the state process which -- in terms of
3 public involvement we're just working on right now. People
4 are not accustomed to not having a plan in their hands to
5 talk about. Usually when folks are involved in a process,
6 typically, on the federal end, they've had a plan to
7 respond to. And I think that that's been real good,
8 that's one of the learning points that I've picked up is
9 I think that's enhanced the credibility that the planning
10 team has, and it's enhanced the ownership that folks have
11 in the plan, knowing that they've been consulted up front
12 and that they're involved in the beginning of the planning
13 process. So I think that's been very helpful.

14 We had a full day tour on Saturday, February 13,
15 we had about 30 people attend on that, some very familiar
16 faces, folks who had been to the meetings -- the prior
17 meetings, mostly adjacent landowners and timber purchasers;
18 "Neighbors of the Elliott," as I call them.

19 What we're about to do now, this evening, we have
20 the third in the series of public meetings here in the
21 State Forester's headquarters from 7:00 to 9:00, and that's
22 a briefing-listening meeting. We'll run it very much the
23 way we've run the other meetings. I don't really have a
24 feel for who will attend, but we're hoping that some of
25 the groups that have held off going to Roseburg and North

1 Bend will be able to join us this evening.

2 What we'll do next is we'll move into a major
3 effort to stay in touch with the groups. We've identified
4 about 170 different groups that we're making contact with
5 directly, and letting them know the door is open, that
6 we'd like to come talk to them about public involvement,
7 talk to them about the forest, listen to their concerns
8 about the planning process and the future of the Elliott,
9 and we'll be getting that underway here very quickly.

10 So I guess in summary, the involvement -- process,
11 I feel, is on track. I think it's gathering a range of
12 information that's going to be real useful to the planning
13 team, and I think it's gone a good ways in strengthening
14 the ties and the credibility that we have with the
15 neighbors, and the interest groups.

16 RAY CRAIG: And then I might just build in
17 closing on Doug's remarks about the interest groups that
18 we work with seem pleased with our new process, and
19 frankly, the Department of Forestry is also pleased, as
20 this is a new process for us as well, and we're excited
21 about it to give you an example of how that plays out is
22 that we're in the process of preparing a new long-range
23 forest management plan for the Sun Past (phonetic) State
24 Forest, which is down in Klamath and Lake County, and
25 we're going to be using this same format, planning format,

1 as a model in that planning process. So we think that
2 this has had a lot of useful benefits not only to the
3 public, but also to us as we move into new arenas of
4 public interest in our planning process, which,
5 traditionally, we've not had in the past years.
6 Traditionally, people have not chosen to express much
7 interest, and therefore the plans have become, I must say,
8 sort of real technically and mandate, and now we realize
9 that we're in a new arena, so we're excited about that.

10 I think we're also very pleased and excited on
11 melding up the three targets that I talked about early.
12 It seems like that's a very interesting opportunity for us
13 to do that. We think everything's on track to do that.
14 So in closing, before I take any questions, I might just
15 say that we believe that we're on track with your motion.
16 We believe -- in which you directed a new management plan
17 to be made, and we believe that we're on track with the
18 schedule that we've given you, and we believe that we'll
19 be able to deliver a package that includes not only your
20 goals and motion, but also well on our way towards an
21 incidental take permit and hopefully complete coordination
22 with the Fish & Wildlife Commission as they have their
23 conservation plan then developed and based on what we do.

24 So with that, Secretary Keisling, or Treasurer
25 Hill, I'll be glad to answer any questions you may have.

1 STATE TREASURER JIM HILL: Thank you, Phil. With
2 regard to the consultants, you mention that you have
3 contacted Dean Brown and a number of faculty members. Are
4 the faculty members the ones who will be the consultants?

5 RAY CRAIG: Yes, uh-huh.

6 STATE TREASURER JIM HILL: Okay.

7 RAY CRAIG: Yes, we -- there's been a lot of
8 interest on the part of the Board, and others, that we --
9 as we need expertise that we may not have of our own that
10 we, you know, obtain that, and we've been very supportive
11 of that. And Doug, did you talk about--

12 DOUG DECKER: Yeah, I wanted to add that, if I
13 may, about the consultant at work, looking at working with
14 tomorrow night, that we'll be talking to some folks who
15 will help us as writers and publishers, folks who have put
16 together resource management plans in the past who can help
17 us put together a product that will be understandable to
18 the general public, that will be well written, that will
19 be organized in a strategic fashion to present information
20 the best way possible. And that will be basically focused
21 on the writing, since the planning process is square.

22 RAY CRAIG: And then what we intend to obtain
23 from OSU, then, is a sort of a third-party look at our
24 bio-diversity approach to this plan, and we feel that the
25 college is best suited to do that.

1 STATE TREASURER JIM HILL: Just out of curiosity,
2 what other consultants did you talk to, besides at the
3 University? Are there other consultants that you--

4 RAY CRAIG: For bio-diversity--

5 STATE TREASURER JIM HILL: Yes, for bio-diversity.

6 DOUG DECKER: I don't--

7 RAY CRAIG: We have -- I know -- well, I'm not
8 sure that I'm going to be able to give you an in-depth
9 answer 'cause I haven't actually worked on this, Treasurer
10 Hill, Jill Bowling has, but I know that we did have a
11 list of consultants that we looked at in terms of, you
12 know, these people may be able to help us. I know that
13 there were several calls made for settling on OSU, and I'm
14 sorry I'm not able to tell you who those people were.
15 But I know that several choices were examined.

16 STATE TREASURER JIM HILL: Okay. Thank you.

17 RAY CRAIG: I'm sorry I'm not able to give you
18 more information on that.

19 SECRETARY OF STATE PHIL KEISLING: What is our
20 budget for the consultants, both the bio-diversity
21 consultation and the writing consultants?

22 RAY CRAIG: I don't know the answer to that
23 question. I'm sorry. I'll certainly get that information
24 back to you.

25 SECRETARY OF STATE PHIL KEISLING: Okay. We just

1 had the presentation on the Elliott plan, we're having
2 discussions with Oregon State University about the bio-
3 diversity consultation--

4 GOVERNOR BARBARA ROBERTS: Okay.

5 SECRETARY OF STATE PHIL KEISLING: And you said
6 here that the consultant on that is aimed to be selected
7 within the next two to three months?

8 RAY CRAIG: Well, the consultant on -- writing
9 consultant--

10 SECRETARY OF STATE PHIL KEISLING: Sure.

11 RAY CRAIG: Will be selected by tomorrow night.

12 SECRETARY OF STATE PHIL KEISLING: Right.

13 RAY CRAIG: Or at least they'll be interviewed.
14 And the consultant on bio-diversity will be selected,
15 actually, I think, probably within the next 30 or 60 days,
16 so it would be very soon, we'll move--

17 SECRETARY OF STATE PHIL KEISLING: Okay. More
18 like one to--

19 RAY CRAIG: We'll move ahead on that.

20 SECRETARY OF STATE PHIL KEISLING: One to two
21 months?

22 RAY CRAIG: Yes.

23 SECRETARY OF STATE PHIL KEISLING: Okay. And
24 who will make that selection?

25 RAY CRAIG: Jill Bowling will as the project

1 manager--

2 DOUG DECKER: On the team.

3 RAY CRAIG: And the team--

4 DOUG DECKER: The planning team.

5 RAY CRAIG: The planning team.

6 DOUG DECKER: Right. What we're looking for from
7 the writing contract, or the writing consultant, we have
8 a six-person public affairs staff, and I think you probably
9 have seen some of the work that we've done. We probably
10 have the horsepower, the know-how on staff to do that, but
11 we're in a situation where we're loaded with things, and
12 we're just looking for a helper, basically, to help us do
13 that. We'll probably do the desk-top publishing ourself,
14 but it would be handy to have a writer to come in and
15 help us out just to leverage our own time.

16 RAY CRAIG: And if I might just add onto--

17 GOVERNOR BARBARA ROBERTS: Wait, let -- just let
18 Phil--

19 RAY CRAIG: I'm sorry.

20 GOVERNOR BARBARA ROBERTS: Finish the item. Since
21 I came in in the middle, it's probably better he does
22 that.

23 RAY CRAIG: Okay.

24 SECRETARY OF STATE PHIL KEISLING: No, go ahead.

25 GOVERNOR BARBARA ROBERTS: No, no -- I'm -- no,

1 I'm just saying, let Phil go--

2 RAY CRAIG: Oh, okay.

3 SECRETARY OF STATE PHIL KEISLING: Let me
4 recognize it.

5 GOVERNOR BARBARA ROBERTS: (unintelligible) 'cause
6 I came in in the middle, and I didn't mean he was
7 finishing his item, I meant I would let him finish
8 chairing this item since he began it.

9 SECRETARY OF STATE PHIL KEISLING: Does this mean
10 you get a chance to second a motion (unintelligible)--

11 GOVERNOR BARBARA ROBERTS: Yeah, yes. I'm so
12 happy. I will feel useful.

13 SECRETARY OF STATE PHIL KEISLING: Go ahead, Ray.

14 RAY CRAIG: Thank you, Your Honor. I might just
15 add onto the writing consultancy to Jill and myself and
16 several others recently took a trip to Simpson Lumber
17 Company in northern California, which as far as I know is
18 the only major landowner to obtain a habitat conservation
19 plan for spotted owls. And they -- it's complete, they
20 have it on board, and there are some amazing things that
21 are going on there. But we actually got the idea of a
22 writing consultant from there, and they actually hired a
23 person from San Diego, a consultant, who specializes in
24 this type of thing to sort of translate all the technical
25 Nepa (phonetic)-type stuff from the federal processes into

1 a document that was easily readable and translatable, and
2 they felt that it was an extremely important element of
3 the success that they had in both their public involvement
4 and obtaining the permit. So we're trying to -- I guess
5 the message is, build on what others have learned in their
6 processes as well.

7 SECRETARY OF STATE PHIL KEISLING: I just had
8 one other question; in the public hearings that you've had
9 so far, Roseburg and Coos Bay, has there been anyone who
10 has urged that our long-range planning follow a strategy
11 other than a habitat conservation plan as a way to get an
12 incidental take permit? Has there been a -- you know, can
13 you characterize the nature of that discussion?

14 DOUG DECKER: Much of the comment that we've had
15 has been fairly basic. It's been -- since this has been
16 the folks first exposure--

17 SECRETARY OF STATE PHIL KEISLING: Right.

18 DOUG DECKER: To the planning process, most of
19 their -- many of the questions have been addressed to how
20 do we define and maximize revenue.

21 SECRETARY OF STATE PHIL KEISLING: Right. "Why
22 are we doing this?"

23 DOUG DECKER: Right. I have a summary of the
24 comments. I don't recall any comments that stick out as
25 saying, "We shouldn't be doing an HCP." You know, after

1 we've been able to go through the -- our up-front--

2 SECRETARY OF STATE PHIL KEISLING: Right.

3 DOUG DECKER: "Here's what we're doing," the
4 comments that we've heard from folks have been fairly
5 positive. Nothing sticks out about the HCP.

6 SECRETARY OF STATE PHIL KEISLING: Okay.

7 RAY CRAIG: And if I might build on that as
8 well, we also went to Olympia, Washington, and visited with
9 the staff of the Washington's Department of Natural
10 Resources, basically our counterpart up there, to learn what
11 they intend to do. And they looked at several options,
12 as we did, and they are also settling on a habitat
13 conservation plan as the thing that they think would be
14 the most appropriate for them to do.

15 SECRETARY OF STATE PHIL KEISLING: Uh-huh.

16 RAY CRAIG: Also, we've had quite a few
17 discussions with the US Fish & Wildlife Service, and I
18 think it's fair to say that they believe that it is our
19 best option to go for a habitat conservation plan. They
20 certainly -- obviously, they recognize their own options
21 under their law, but they're really pushing pretty strongly
22 towards the habitat conservation plan as the way to go for
23 us.

24 SECRETARY OF STATE PHIL KEISLING: Okay.

25 GOVERNOR BARBARA ROBERTS: Thank you. Thank you,

1 Mr. Chair. I love that, that's good. I want to talk
2 about the bio-diversity issue just a minute and about the
3 person who's going to be doing consulting with regards to
4 that issue. Is the person who's going to sort of take
5 the consultant leadership, on that issue, a person who has
6 hands-on experience in terms of bio-diversity planning? I
7 mean, is this someone who has actually done it, or is this
8 someone who's read about it? I mean, what's the
9 background of a person who's going to take that kind of
10 a position?

11 RAY CRAIG: Governor, just as you were coming
12 in, we were talking about that, and what we were saying
13 was is that we were working with George Brown, who is the
14 dean of the College of Forestry at OSU, to actually select
15 a person for us. And I believe the intent at this point
16 is that there are several faculty members that have
17 expertise in bio-diversity planning with -- and I'm not --
18 and I must confess I don't exactly know what Jill and
19 George have talked about, but my understanding is, Jill is
20 quite comfortable with a person that would have the hands-
21 on, you know, experience in bio-diversity planning, in his
22 or her past.

23 GOVERNOR BARBARA ROBERTS: Well, I think there
24 clearly -- and I want to make this distinction of what I
25 was concerned about; there are those who have academically

1 written on it, who don't necessarily have hands-on
2 experience with it. And I don't think that belittles
3 their academic credentials, but I think the difference
4 between academic discussions on the issue and hands-on
5 experience with actually doing that bio-diversity planning,
6 may be a different kind of experience, and I hope as this
7 selection process is handled, people will look very
8 carefully at the difference between a good resume on the
9 subject and a hands-on understanding of what it actually
10 means to do that kind of planning. And obviously we're
11 a little limited in terms of who has that experience
12 because it's a somewhat new field. But I hope that we
13 will be very cautious about that distinction between the
14 hands-on or the academic view of that kind of planning.

15 **RAY CRAIG:** I can offer you my assurances that
16 we will certainly try and make that distinction -- or not
17 try, we will make that distinction in our selection
18 process.

19 **GOVERNOR BARBARA ROBERTS:** Okay.

20 **SECRETARY OF STATE PHIL KEISLING:** Yeah, and if
21 I could underscore that this is a very critical choice
22 that will set important tones for this; this is a pilot
23 effort, we've never done anything like this before. We
24 know why we have to, and I think it's just real essential
25 that on something as critical as that, that we be able to

1 get the best talent we can, because this is going to come
2 under a microscope, this whole effort.

3 GOVERNOR BARBARA ROBERTS: Well, it may also set
4 some tones of way beyond Oregon if we can show that this
5 can be done, I think there may be others at the federal
6 level watching very closely the steps that the state is
7 taking and if we're going to do it right and we're going
8 to do it with some amount of foresight and a little bit
9 of courage, I think, in the process, I think that we then
10 must be certain that we have done it correctly and that
11 we don't become the bad example, but rather the model of
12 how it ought to be done.

13 SECRETARY OF STATE PHIL KEISLING: Any other
14 questions, comments?

15 STATE TREASURER JIM HILL: Yes, are we going to
16 be briefed on how -- on the selection process for the
17 consultants?

18 RAY CRAIG: We certainly could do that if you'd
19 like. I'm sorry I'm not prepared to do that today, but
20 we could certainly return or discuss it with the State
21 Land Board's assistance; however you'd like to proceed, we'd
22 be happy to do whatever you think is appropriate in that
23 regard.

24 STATE TREASURER JIM HILL: I'm really curious, I
25 think, for example, using our expertise at OSU is good,

1 and I think it's a good idea. I'd like to know maybe
2 how much we save, why did you select them, as opposed to
3 outside consultants.

4 RAY CRAIG: Okay. May we do that at some point
5 in time in the future--

6 STATE TREASURER JIM HILL: Certainly.

7 RAY CRAIG: As we move through the process?

8 STATE TREASURER JIM HILL: Certainly.

9 RAY CRAIG: Thank you.

10 SECRETARY OF STATE PHIL KEISLING: Maybe
11 assistance--

12 GOVERNOR BARBARA ROBERTS: Yeah, the assistance
13 might get you an answer more rapidly, unless--

14 STATE TREASURER JIM HILL: Right.

15 GOVERNOR BARBARA ROBERTS: If that's all right
16 with you, Mr. Treasurer.

17 STATE TREASURER JIM HILL: That's fine.

18 GOVERNOR BARBARA ROBERTS: Okay.

19 STATE TREASURER JIM HILL: I just would like to
20 know what that process is about, and the qualifications or
21 the people who are going to undertake it.

22 RAY CRAIG: Thank you.

23 GOVERNOR BARBARA ROBERTS: I have a little aside
24 question that I would like to ask about the Elliott that
25 came to my attention to -- sort of a strange coincidence

1 yesterday; I understand that there's someone about to go
2 into the Elliott and videotape, do major videotaping of
3 harvesting practices going on in whatever current harvest
4 is about to take place. Does anybody know anything about
5 that?

6 STATE TREASURER JIM HILL: I haven't heard
7 anything about that.

8 RAY CRAIG: Sorry.

9 GOVERNOR BARBARA ROBERTS: I didn't know who was
10 doing the videotaping, what the purpose of it was, but my
11 understanding was that we have a harvest about to take
12 place, I guess next week, on the Elliott, and that there
13 was going to be major videotaping taking place, and I just
14 thought maybe somebody knew something about it.

15 RAY CRAIG: Maybe what we could do, what I'd
16 recommend that we do, is we'll check and see if we can
17 run that down and find out, and then return a telephone
18 call to Anne--

19 GOVERNOR BARBARA ROBERTS: Yeah.

20 RAY CRAIG: And let her know what we found out,
21 but--

22 GOVERNOR BARBARA ROBERTS: Okay. And I didn't
23 know whether it was the company that was doing the
24 harvesting because they were doing something unusual,
25 whether it was part of something we might like to be aware

1 of, but if it's occurring, we might like to know what it
2 is and why it is. And I thought maybe somebody would
3 check that out for me.

4 RAY CRAIG: Somebody in our department knows it,
5 and we'll find that person and return to you--

6 GOVERNOR BARBARA ROBERTS: Well, it seems a little
7 unusual, and I just sort of thought it might be useful to
8 know what it's purpose was. Apparently was to videotape
9 something that was a little bit unusual in the practice of
10 the harvest, but I didn't know what that meant. And I
11 thought if somebody is videotaping for legal purposes, we
12 might like to know it since we seem to be very subject
13 to lawsuit, every time we move, as it relates to harvest,
14 it might be useful to know what it is.

15 RAY CRAIG: We'll certainly return a phone call
16 to Anne and let you know.

17 GOVERNOR BARBARA ROBERTS: I'm sorry to give you
18 something that's so off the wall, but I just thought we
19 might like to be aware of it.

20 RAY CRAIG: Thank you.

21 SECRETARY OF STATE PHIL KEISLING: It makes things
22 interesting.

23 GOVERNOR BARBARA ROBERTS: Yeah, just the world
24 is full of surprises, every day. So anything else?

25 SECRETARY OF STATE PHIL KEISLING: Anything else

1 on this one?

2 RAY CRAIG: Thank you very much.

3 SECRETARY OF STATE PHIL KEISLING: Thank you.
4 I'll gladly relinquish the chair on this item. I
5 appreciate it, Madame Chair.

6 GOVERNOR BARBARA ROBERTS: It must be great to
7 be doing the Land Board report and your budget on the same
8 day, if it's as fun as all the other budgets have been
9 so far. So, Gus, is there anything else further that
10 needs to come before the Land Board from your standpoint?

11 GARY GUSTAFSON: That's it.

12 GOVERNOR BARBARA ROBERTS: Anything from either
13 of the Land Board members? If not, I will accept a
14 motion.

15 SECRETARY OF STATE PHIL KEISLING: I move that
16 we adjourn.

17 STATE TREASURER JIM HILL: Second.

18 GOVERNOR BARBARA ROBERTS: Did it again. All of
19 those in favor of adjournment will signify by saying,
20 "Aye."

21 SECRETARY OF STATE PHIL KEISLING: Aye.

22 STATE TREASURER JIM HILL: Aye.

23 GOVERNOR BARBARA ROBERTS: Aye. We are adjourned.

24 Thank you very much, and I apologize for my--

25 SECRETARY OF STATE PHIL KEISLING: See you at

1 the next meeting.

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