



Associated Oregon Loggers, Inc.

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State Forest Management Plan Adjustments

Comments by Rex Storm, Certified Forester

Forest Policy Manager, Associated Oregon Loggers, Inc.

before the Oregon Board of Forestry

June 3, 2009

Board members, my name is Rex Storm, Forest Policy Manager for Associated Oregon Loggers (AOL). I make these comments on behalf of over 1,050 member companies of AOL, representing logging and allied forest management businesses working across Oregon. AOL member companies are stakeholders by virtue of conducting a majority of the field operations on Oregon's State Forests. Although I'm a member of the State Forest Advisory Committee, today I'm speaking on behalf of AOL.

Thank you for the opportunity to share our concern and interest in management of state forests, and the FMP adopted January 3, 2001. Since 1995, I've cooperated with Oregon Dept. of Forestry staff (ODF) to help develop, implement and improve the NW Oregon State Forest Management Plan (FMP).

Since 2003, we've been convinced that the FMP's unrealistic and conflicting strategies have sabotaged State Forest attainment of GPV and the Board's subsequent Performance Measures. Over the past three years, I testified four times before the Board—to urge FMP amendment. I last spoke to you in November 2008, urging you to amend the FMP to achieve a 30-35% increase in long-term state forest revenue, over the then current level (187 million bdf/year). We again ask for a major increase over this level of revenue.

I strongly urge the Board to "significantly" amend the FMP to achieve at least a 35% increase from previous annual revenue to counties. I also urge you to reject ODF's recommendation, which is based on retaining a majority of the failed strategies of the FMP.

We urge the Board to take the following course of action today, directing ODF to make significant FMP amendments—thereby creating a new plan. Our suggested changes include:

1. **Discontinue pursuit of a federal Habitat Conservation Plan (HCP)**, which offers no net value
2. **Reconstruct & simplify strategy for "Species of Concern"**; instead create a "*Habitat of Concern*" strategy. Focusing on species would be an Achilles heel, similar to the federal forest paradox
3. **Make "significant" FMP revisions**—using an accelerated "incident command" process—simplify analyses and documentation, simplify the plan, and accomplish amendment within 18 months.
4. **Amend the FMP, to allow an improved balance of sustainable attributes**—placing greater emphasis on economic and social values than previously. Specifically:
 - a. Install strategies to increase revenue by >35% above previous 5-years for trust counties
 - b. Harvest 90% of 'Wood Emphasis' option volume; or at least 250 million bdf/year
 - c. Complex forest structure, long-term, 15-35% of forest, including all set-asides
 - d. Riparian strategies to more closely parallel the Oregon Forest Practices Act & Rules
 - e. Increase recreation revenue through aforementioned harvest increase
 - f. Stratify forest: no SBM west of crest; no thinning in coastal strip; some areas of intensive management; other areas SM structure; RMAs managed for structure



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- g. Plan to expedite response to probabilistic disturbance: storm, fire, pest, economic shock
- h. Salvage acreage treated would be additive, rather than substituted acreage
- i. Redouble road access investment through a capital investment strategy
- j. Concentrate efforts to refocus the now-redundant leave trees only on a priority acreage
- k. Adopt a strategy to accelerate regeneration of poorly stocked, productive sites
- l. Reduce excessive acreage of so-called “non-loggable”, which is now off-limits
- m. Redesign take avoidance strategies (listed species), using non-federal and local expectations
- n. Reform the “guiding principles, vision and goals”, which are now a contradictory paradox
- o. Forest Trust Land Advisory Committee Counties (FTLAC) must have greater voice in FMP revision. The FMP must achieve support of the FTLAC, to honor the County trusts and all Oregonians. The FTLAC has not been sufficiently involved in helping steer proposed FMP.

We base our recommendation on the following rationale:

1. The Board’s *November 2008, State Forest Performance Report* indicates that the greatest permanent value to Oregonians (GPV) is not now being achieved, nor could it in the future under the proposed FMP. Net Return on Asset Value (ROAV) of 1.4% (proposed 2013) is markedly below the 4-6% expectation for private forest investment. The alarming downward trend, and total 1.0% decline since 2006 is simply unacceptable. The trend of current FMP suggests that ROAV would decline to ZERO, as forest inventory (asset value) climbs, in pursuit of current idealistic complex stand percentage. Proposed timber yields would be significantly reduced to achieve structure complexity—thereby *further reducing future ROAV*, yield and harvest volume.
2. Financial Contributions to Communities & Governments – The FMP strategies have never achieved the harvest volume promised at plan adoption in 2001. As proposed, harvest level is also doubtful. Under-performance of harvest volume directly translates into stifled forest community economies.
3. The current FMP—and the proposed “minor” revision—no longer has support of key stakeholders necessary to make it succeed (forest trust counties, forest sector, local government).
4. Preeminence of species over other resource values is imbalanced and conflicts with GPV rules. New take avoidance strategies for ESA species, and different “habitat strategies”, would more effectively avoid the federal species-centric legal debacle that confounds federal forestry. Proposed “species of concern strategy” is extremely troublesome, risky, and unnecessary to comply with federal law.
5. One-size-fits-all SBM strategies simply are not responsive to varied forest conditions. Professional forest managers deserve greater prescriptive discretion and authority.



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6. The current FMP has several patent failures that warrant correction, including: winter storms unravel coastal stands that had been thinned; thinning in many west-of-the-crest stands is simply unsuitable; imbalance of high acreage of special reduced-harvest land allocations contrasted with no acreage of intensive-managed land allocation; false assumption that growing large trees necessarily yields higher stumpage values; no allowance for probabilistic losses/disturbances; complex downed-wood and standing structure requirements are extremely expensive to plan/operate/administer; structural requirements stifle waste/low-value wood utilization for chip, hogg or biomass...
7. FMP model analysis utilized un-founded assumptions, which exaggerated the acreage of so-called “non-loggable” acreage. The so-called ‘Wood Emphasis Option’ IS NOT “100% of “maximum wood”. This mischaracterizes baseline—and skews the comparison among all options. I have urged this qualification with ODF staff, because much of this acreage should not be declared off-limits to all management and structure contribution.
8. Backlog of low-value/high site acreage having poor, costly or no road access. Such acreage backlog warrants a strategy for expedited transportation planning. Also, opportunity is foregone by failing to regenerate these poorly-stocked productive sites (Tillamook District).
9. Proposed growth of greater timber inventories is problematic in terms of declining forest health, which leads to invasives, pests, disease, fire, mortality, and storm losses. The impact of probabilistic losses must be factored, when more complex forests are proposed in the FMP. The FMP fails to account for this clear & present fact. As a minimum, the FMP should account for how to keep the forest productive under such recurring losses.
10. The likely and further under-performance of harvest income would directly translate into shrinking revenues available to help support growing recreational demands upon state forests.
11. The devastated Oregon economy is further impacted by a now-stifled state forest management program—which includes many unnecessary encumbrances that elevate operational costs—and therefore reduces income and revenue for Oregonians.

When the FMP was adopted in 2001, timber and revenue outputs were promised to be similar to outputs under traditional management. Another promise was that the FMP would mend the controversy surrounding public forestry, and therefore afford ODF “social license” to manage state forests with balance. For over eight years, these opportunities have been foregone. Although this FMP had noble intentions, it simply failed to deliver the desired balance for Oregonians. So today, we must begin work together to create a new plan that would better accomplish GPV, Board performance measures, and balance.

Thank you for the opportunity to comment about this important state forest management plan. We look forward to cooperating to develop a more effective FMP.