

Board of Forestry Meeting Minutes

July 21, 2021

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Items listed in order heard.

Complete audio recordings, handouts, and presentations from the meeting are available within each agenda item included with the minutes and at www.oregonforestry.gov.

In accordance with the provisions of ORS 526.016, a meeting of the Oregon Board of Forestry was held virtually on July 21, 2021, and hosted by the Oregon Department of Forestry Headquarters located at 2600 State Street, Salem, OR 97310.

All Board members, presenters, and the public joined remotely in the online meeting. Chair Kelly called the virtual public meeting to order at 9:00 a.m. and conducted a roll call to confirm quorum. He noted for the record, Board member Joe Justice’s absence. Chair Kelly outlined the virtual Board proceedings, noted the executive session provisions, and reviewed the oral public testimony instructions. Stated the public meeting will be live-streamed, recorded, and posted online. He mentioned that written public testimony can be submitted through August 4, 2021, to be included with the meeting record.

Board Members Present:

Karla Chambers
Brenda McComb

Ben Deumling
Jim Kelly

Chandra Ferrari

Board Members Absent:

Joe Justice

CONSENT AGENDA:

A. MARCH 3, 2021, BOARD OF FORESTRY MEETING MINUTES

Approved March 3, 2021, Board of Forestry meeting minutes.

ACTION: Approved March 3, 2021, Board of Forestry meeting minutes.

B. MAY 20, 2021, BOARD OF FORESTRY SPECIAL MEETING MINUTES

Approved May 20, 2021, Board of Forestry special meeting minutes.

ACTION: Approved May 20, 2021, Board of Forestry special meeting minutes.

C. MAY 27, 2021, BOARD OF FORESTRY SPECIAL MEETING MINUTES

Approved May 27, 2021, Board of Forestry special meeting minutes.

ACTION: Approved May 27, 2021, Board of Forestry special meeting minutes.

D. ANNUAL PERFORMANCE PROGRESS REPORT

Report to the Board on the annual performance of the Department's financial status.

INFORMATION ONLY.

E. DEPARTMENT FINANCIAL REPORT – JUNE 2021

Department provided an executive financial report and summary submitted monthly to the Board, which included June 2021. The report included up-to-date information about the Department's financial condition, the financial and budgetary status, as well as other ancillary topics as appropriate for Board oversight.

INFORMATION ONLY.

F. 2021 BOARD GOVERNANCE PERFORMANCE SELF-EVALUATION

Board of Forestry completed its annual self-evaluation for 2021 using its adopted governance performance measure.

ACTION: Board proceeded with alternative one and approved the summary evaluation report as the conclusion of the 2021 self-evaluation process.

G. COMMITTEE FOR FAMILY FORESTLANDS CHAIRPERSON APPOINTMENT

This agenda item includes an update on the chair and appointments for members of the Committee for Forestlands (CFF).

ACTION: Board approved the appointment of citizen-at-large member Wendy Gerlach as the chair of the CFF. The Department also recommends appointing Gary Jensen as the Southern Oregon representative, Maurizio Valerio as the Eastern Oregon representative, and Kate McMichael as the landowner-at-large representative of the CFF. The biographies are noted in Attachment 2.

H. DEPARTMENT LEGISLATIVE SESSION OUTCOMES

Department provided a summary of outcomes from the 81st Legislative Assembly regular session to the Board.

INFORMATION ONLY

Board Discussion: None

Karla Chambers motioned to accept consent agenda items A through H. Brenda McComb seconded the motion. Voting in favor of the motion: Karla Chambers, Ben Deumling, Chandra Ferrari, Brenda McComb, and Jim Kelly. Against: none. With Board consensus Items A through H were accepted, and the motion was carried.

ACTION AND INFORMATION:

1. ACTING STATE FORESTER, BOARD MEMBER, AND PUBLIC COMMENTS

[Listen to audio](#) MP3 – (39 minutes and 19 seconds – 18 MB)

Chair Kelly welcomed Board member comments and the Acting State Forester Nancy Hirsch to provide opening comments.

Acting State Forester Comments:

- Shared outcomes from the passage of state legislation and how it will allow for the Department to invest financially and expand capacity to meet the priorities of the agency and Board.
- Reflected on the key priorities of the agency, including employee well-being, regaining trust across state leadership, fulfilling Macias Gini O’Connell (MGO) recommendations, maintaining readiness for fire season, advancement of business and strategic initiatives, and fulfillment of the mandates from Senate Bill 762.
- Described the Departments efforts to better understand the magnitude of the investment received during the 81st Oregon Legislative Assembly regular session. She explained the work being completed to plan, operationalize, and implement the identified priorities while maintaining core business.

Board Member Comments:

- Chair Kelly spoke on what will be on the Board’s horizon within the next year. Commented on the Board’s role in developing strategic initiatives for the agency and reviewed what is on the Board’s plate for 2021. He expressed favor for remaining focused on competency in recruitment, organizational structure, and financial condition improvements.
- Chair Kelly shared comments from Board Member Justice about his first-hand experience as a landowner representative and in working with the Department in responding to the active Elbow Creek wildfire in northeast Oregon. Board members recognized the efforts of the Department and others in responding to these fires across the state.
- Board Member Chambers spoke to the Acting State Forester’s comments around the financial condition of the Department and highlighted the improvements made within a short period of time, noting the agency’s cash position, account receivables achieved, and gaining a better understanding on account payable obligations. Board members expressed

gratitude for the leadership, staff work, and Acting State Forester's role in making progress on this matter.

- Board Member McComb commented on the inclusion of Cal Mukumoto in the overseeing of the implementation and progress of the MGO agency recommendations. She also expressed the rising trends of drought, low humidity, and other conditions that highlight the importance of addressing climate change through the reduction of greenhouse gas emissions and increase of carbon sequestration.
- Board Member Ferrari reflected on the Acting State Forester's comments relative to the incoming budget and the substantive benefits from these outcomes.
- Chair Kelly closed by reviewing the various roles each Board member will have in the upcoming Rulemaking Advisory Committees (RACs) with recommended engagement practices to help achieve the goals set forth by Senate Bill 762. He thanked the Board for participating in addition to their other liaison and board roles.

Public Testimony:

- Laura Wilkeson from Hampton Lumber provided oral testimony to the Board about the active wildfire and mobilization of resources being coordinated across the state to respond. She highlighted the benefits of active management on working forestlands, how the northwest region of Oregon is not untouched by fire, and echoed the value of mitigative measures towards achieving sustainable harvest levels.
- Amanda Astor from Associated Oregon Loggers (AOL) provided oral testimony to the Board on the various roles loggers and forestry workers have in and out of fire season. She encouraged the Board to support workforce development, to direct the department to prioritize economic development in the forest sector, and highlighted how forest management does not end with fire season, noting AOL organization is willing to assist in these efforts.

INFORMATION ONLY.

2. STATE FORESTER RECRUITMENT DISCUSSION

[Listen to audio](#) MP3 – (13 minutes and 37 seconds – 6.24 MB)

Handouts ([attachment 1](#), [attachment 2](#), [attachment 3](#), and [attachment 4](#))

Chair Kelly introduced the topic, outlined the items for the Board's decision, and welcomed the subject matter experts (SME) working with the Board on the recruitment for the next State Forester. He invited the Board members to comment on the position recruitment drafts proposed for final adoption and reminded them of the statutory requirements the Board must follow in recruiting a chief executive officer in state government.

Public Testimony:

- Amanda Astor from Associated Oregon Loggers (AOL) provided oral testimony to the Board on the Department's mission and importance in hiring an individual with practical knowledge in several focus areas with the ability to communicate executive leadership directives across the agency. She noted how the scope of decisions made by Department leadership and potential impacts on communities, the economy, and Oregonians.

- Seth Barnes from Oregon Forests Industry Council (OFIC) provided oral testimony to the Board on the criteria for the next State Forester, citing Oregon Revised Statute 526.031, and explored the associated attributes of a practical forester. He shared a list of desired attributes, experiential knowledge, and leadership characteristics ideal for the next State Forester.
- Micky Ryan provided written testimony ([attachment 5](#)) on behalf of Great Old Broads for Wilderness, Cascade Volcanoes Chapter, outlining various issues they would like the new State Forester to understand and the Board to consider as they determine the leader for the Oregon Department of Forestry.

Board Discussion: None

ACTION: Board adopted attachments one through four included with the staff report.

Ben Deumling motioned to adopt the materials presented. Brenda McComb seconded the motion. Voting in favor of the motion: Karla Chambers, Ben Deumling, Chandra Ferrari, Brenda McComb, and Jim Kelly. Against: none. With Board consensus, the motion was carried. The Board adopted the skills and attributes, position description, job announcement, and recruitment plan for the recruitment of the next State Forester.

3. COMMITTEE FOR FAMILY FORESTLANDS ANNUAL REPORT

[Listen to audio](#) MP3 - (36 minutes and 10 seconds – 16.5 MB)

Presentation ([attachment 6](#)) and Handout ([attachment 7](#))

Josh Barnard, Private Forests Deputy Chief, introduced the Committee for Family Forestlands (CFF) presenters, listed the presentation’s main points, and reviewed the committee’s charter.

Wendy Gerlach, CFF newly appointed Chair, summarized the key issues, membership succession, and new members included with the committee’s annual report submitted to the Board. Evan Barnes, CFF Chair highlighted the issue of uncontrolled fires, associated impacts, and risk severity.

Barrett Brown, CFF Northwest Oregon landowner representative, shared examples of the diverse family forest issues the committee discusses with private forestland owners and explained how many reside in the wildland-urban interface. He encouraged the Board to engage, be a supportive partner with CFF, and help with keeping the family forestland community informed.

Kate McMichael the CFF landowner at large representative, offered perspective to the Board as a new family forestland owner who experienced the impacts of the 2020 fire season, the winter storm, and heat dome of 2021, as they work to recover the healthy forest stands and woodland ecosystems. She described the benefits of a forestland community network, the resources available in Oregon for landowners, and the challenges of small woodland management.

Barnard reviewed the national data on woodland ownership, type of forest activities, reasons for ownership, and methods of landowner assistance engagement. He also reviewed the various ownerships of forests in Oregon. Barnes closed by inviting questions about the annual report.

Public Testimony: No testimony was submitted for the item.

Board Discussion:

- Discussed the priority issues and top needs for woodland owners.
- Reviewed the number of family forestland owners with five to 10 acres who live in Oregon.
- Chair Kelly appreciated the committee members' work on these issues, keeping the Board apprised, and the relationships built between the Department and family forestland communities as CFF bridges those connections.
- Explored the policy, voting mechanisms, and process the committee follows in making recommendations to the Board.
- Discussed whether a representative of the Pacific Northwest chapter forest stewards guild is a member of the CFF.

ACTION: Board accepted the Committee for Family Forestlands Annual Report.

Karla Chambers motioned to approve the Committee for Family Forestlands Annual Report as presented. Ben Deumling seconded the motion. Voting in favor of the motion: Karla Chambers, Ben Deumling, Chandra Ferrari, Brenda McComb, and Jim Kelly. Against: none. With Board consensus, the motion was carried, and the CFF annual report is accepted.

4. 2021-2023 WILDFIRE RULEMAKING OVERVIEW
[Listen to audio](#) MP3 – (53 minutes and 35 seconds – 24.5 MB)
Presentation ([attachment 8](#))

Doug Grafe, Fire Protection Division Chief, provided background and additional context for the initiation of the administrative rulemaking brought to the Board for approval. He noted how this work is proactively advancing wildfire protections in Oregon envisioned by the Governor's Wildfire Council and speaks to the tenets of the national cohesive strategy for adequate response, fire-adapted communities, and resilient landscapes as pathways to mitigate the catastrophic risk of wildfire. He reviewed each rulemaking directed by the legislature with the passage of Senate Bill 762, and how it connects to the state and national strategies through policymaking.

Tim Holschbach, Fire Protection Deputy Chief of policy and planning, presented an overview of Senate Bill (SB) 762, explaining the rulemaking requirements, agency collaborations, and products required by the legislation will advance policy over the next few years. He reviewed the proposed composition of the rulemaking advisory committees (RACs) for each rulemaking topic, noted the diverse set of participants, and highlighted the opportunities for public engagement through each rulemaking effort. He listed the key dates in the rulemaking process, explained how these dates achieve the targets set by the Legislature in SB 762 and described the anticipated Board actions relative to each rulemaking topic objectives.

Grafe described the scope of engagement needed to complete these rulemakings, the numerous positions allotted to bring capacity to the Division for implementation, and the alignment with agency partners on sequencing of work to minimize redundancies. He acknowledged the Board's support and how this work hallmarks a paradigm shift for the Department and closed by seeking

questions. Acting State Forester Hirsch summarized the scope of the action items in front of the Board for a decision.

Board Discussion:

- Reviewed the origins of the proposed RAC list of participants recommended by the Department, the Board’s authority to modify the RAC composition overtime to ensure inclusivity, and the demands associated with each RAC assigned to advise on the rulemaking topics relative to frequency and interest. Reflected on the objectives for each rulemaking effort, how competing interests are anticipated, technical experts will be consulted, and a need for third-party facilitation.
- Commented on the Oregon Explorer map’s climate data, resources utilized, and potential projections for the wildfire risk mapping being updated and maintained over time for the wildfire risk assessments.
- Discussed the exposure of liability associated with this scope of work, and the consultative role the Department of Justice will have with the rulemaking processes.
- Explored the requisite for a 20-year plan, any correlation it may have with the various rulemaking and report efforts for 2022, and where this plan will be housed.
- Commented on interfacing with tribes to determine their level of interest or engagement with these topics are ongoing.

Public Testimony: No testimony was submitted for the item.

ACTION: Board approved initiation for the promulgation of administrative rules relative to the following.

- **Develop administrative rules pertaining to a statewide map displaying wildfire risk (Attachment 1, Section 7).**
- **Create a Certified Burn Manager Program (Attachment 1, Section 26).**
- **Review and clarify enforcement rules promulgated under ORS 477.515 and ORS 477.625 (Attachment 1, Section 25).**
- **Further review and clarification of Oregon Administrative Rules pertaining to fire prevention, OAR Chapter 629, Division 47.**
- **Establish a definition of Wildland-Urban Interface, determine the criteria to identify and classify Wildland-Urban Interface in Oregon. (Attachment 1, Section 31-33).**

Brenda McComb motioned to move forward with the promulgation of rules regarding Senate Bill 762. Chair Kelly called for a vote. Voting in favor of the motion: Karla Chambers, Ben Deumling, Chandra Ferrari, Brenda McComb, and Jim Kelly. Against: none. With Board consensus, the motion was carried, and the initiation for the promulgation of administrative rules relative to Senate Bill 762 was approved.

5. **FOREST TRUST LANDS ADVISORY COMMITTEE TESTIMONY**
[Listen to audio](#) MP3 - (44 seconds – 351 KB)

Board Chair Kelly confirmed with Board Administrator, Hilary Olivos-Rood, no commissioners were providing comments and the item concluded.

INFORMATION ONLY.

6. FIRE SEASON UPDATE

[Listen to audio](#) MP3 - (52 minutes and 54 seconds – 24.2 MB)
Presentation ([attachment 9](#))

Doug Grafe, Fire Protection Division Chief, summarized the key components of the presentation, provided elaboration on intricate elements of the briefing for additional context for the Board, and acknowledged the investments forthcoming to the Department to advance fire protection in Oregon.

Ron Graham, Fire Protection Deputy Chief for Operations, reported on the fire season to date, emphasizing the connection between drought conditions, the June heat dome, humidity, fuel loads, and energy release component relative to significant fire potential. He reviewed the three-month weather outlook for temperature and precipitation probabilities as it relates to the significant wildland fire potential for Oregon, noting a fuels and fire behavior advisory effort for south central and central Oregon. He described extreme fire behavior, the potential outcomes associated, and the Department's level of preparation. He reported on the fire statistics to date, listing the ignition source of fires, average acres burned, and the number of fires with a 10-year average. Graham reviewed the current fire season briefing map, noted the incident command team leadership on the fires, and highlighted the coordinated work with key partners across Oregon made available through the Emergency Management Compact. He closed by listing the large fire costs to date, gross and net costs, between 2012 and 2021.

Board Discussion:

- Explored the data available on human-caused fires relative to mitigating the risk of fire, the Department's ability for fire restrictions based on data analytics, and strategies to reduce fire threat nationally.
- Discussed Department opportunities to learn more to prevent a catastrophic fire; considering the potential for landscape-scale restoration, indigenous knowledge on the prescribed burning cycle, the reality of extreme weather events, and regional opportunities available may vary.
- Commented on the applicability of the measures set forth with the enrollment of Senate Bill 762 and how it can assist the Department in understanding the change in the complexity of fire condition trends and effective mitigation of catastrophic risk.
- Accentuated the speed of mobilization of the Department's incident management teams in response to fire and acknowledged the proficiencies of the complete and coordinated effort within the organization and externally across the state.

Public Testimony: No testimony was submitted for the item.

INFORMATION ONLY.

7. 2021-2023 DEPARTMENT BUDGET UPDATE

[Listen to audio](#) MP3 - (49 minutes and 56 seconds – 22.8 MB)
Handout ([attachment 10](#))

Bill Herber, Deputy Director for Administration, reviewed key definitions associated with state agency budgetary discussions, explaining how budgets operate on a cyclical process. He described the mechanisms in place for budget development and approval.

Herber listed the outcomes of the 2021 legislative regular session relative to the Department's budget, fund types, and workforce capacity. He described the position types, programs served, and types of positions that came from the 2021-2023 Legislatively Adopted Budget (LAB). He summarized the similarities, disparities, and modifications between the Agency Request Budget and LAB. Herber outlined the various legislative packages received and the agency packages that were not funded in this biennium. He noted that the fire positions added through Senate Bill 762 were funded under the existing split funding model, but limited to the 2021-2023 biennium, a one-time investment was made to offset the landowners' portion of that split essentially making those positions 100% General Fund funded for the biennium. He noted with the harvest tax bill not passing this session there is a funding gap that is anticipated to be addressed in the 2022 session.

Herber explained how the Department pays for the costs associated with a fire season is dependent upon when fire season occurs. He reviewed the Department's current financial condition related statistics from cash balance, accounts receivable, accounts payable, gross, and net costs. He described all of the various factors considered when assessing the Department's cash solvency with financial management. Herber closed by summarizing the progress made with the Macias Gini O'Connell (MGO) recommendations, the contractor hired to oversee the project, and process improvement efforts. Acting State Forester Hirsch noted the complexity of managing the Department's budget and shared her appreciation for the collaborations that took place to complete this critical work.

Board Discussion:

- Sought clarity on position numbers for programs relative to the investments provided.
- Inquired about the fulfillment of the MGO recommendations.
- Discussed the Department's budgetary investments from the legislature and how they contribute to the 2021 fire season relative to positions and severity package.
- Reviewed the goals and challenges ahead of the Department and Board, relative to building back confidence in the agency, reopening lines of credit, and determining a solution for large fire funding in Oregon.
- Discussed the timber revenues trends and whether they have altered over the past years.
- Commented on the continued system improvements in data management, building bridges between siloed systems, maintaining relationships, and commitment of focused staff work.

Public Testimony: No testimony was submitted for the item.

INFORMATION ONLY.

8. BOARD CLOSING COMMENTS AND MEETING WRAP UP
[Listen to audio](#) MP3 - (11 minutes and 23 seconds – 5.21 MB)

Board Chair, Jim Kelly, provided some closing comments for the July 21 Board of Forestry meeting.

- Noted the November 2021 Board field tour would be postponed to April 2022 and explained the scope of the tour.
- Explored the Board member's interest in locations for the annual planning retreat.
- Reviewed Oregon Revised Statute 182.010 relative to the effectiveness of a board member from the 2015 edition of the *Membership Handbook for Boards and Commissions*, published by the Governor's Office.

INFORMATION ONLY.

9. *EXECUTIVE SESSION

Chair Kelly proceeded with the formal Executive Session announcement.

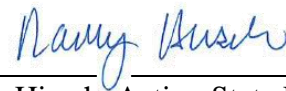
The Board of Forestry entered into Executive Session for the purpose of considering information or records that are exempt from disclosure by law [ORS 192.660(2)(f)] and for the purpose of consulting with legal counsel regarding the Board's legal rights and duties in regards to current litigation or litigation likely to be filed [ORS 192.6600(2)(h)].

No decisions were made during Executive Session. The Board exited the Executive Session at 5:13 p.m.

INFORMATION ONLY.

Board Chair Kelly adjourned the public meeting at 5:13 p.m.

Respectfully submitted,
/s/ Nancy Hirsch



Nancy Hirsch, Acting State Forester and
Secretary to the Board

HR

Meeting minutes approved at the March 9, 2022, Board Meeting