



# Oregon

Theodore R. Kulongoski, Governor

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## State Land Board

Theodore R. Kulongoski  
Governor

Bill Bradbury  
Secretary of State

Randall Edwards  
State Treasurer

The State Land Board met in regular session on December 12, 2006 in the Land Board Room of the State Lands Building, 775 Summer Street NE, Salem, Oregon 97301-1279.

### Present were:

Theodore R. Kulongoski	Governor
Bill Bradbury	Secretary of State
Randall Edwards	State Treasurer

### Land Board Assistants

Michael Carrier	Governor's Office
Elon Hasson	Secretary of State's Office
Inga Deckert	State Treasurer's Office

### Staff

Louise Solliday	John Lilly	Julie Curtis
Steve Purchase	Nancy Pustis	Lorna Hobbs
Jeannette Holman	Kevin Moynahan	

### DOJ

Richard Whitman

The Governor called the meeting to order at 10:15 a.m. The topics discussed and the results of those discussions are listed as follows. Further details of the discussions may be obtained in the transcript of the meeting available at the Department of State Lands, 775 Summer Street NE, Suite 100, Salem, Oregon 97301-1279, (phone: 503-378-3805, ext. 224).

### Consent Agenda

1. a. **Request for approval of minutes of the October 10, 2006 State Land Board meeting.**
- b. **Request for approval of minutes of the November 3, 2006 State Land Board special meeting.**

- c. Request for approval of the addition of one site (Zumwalt Prairie – Gazelle Tract), owned by The Nature Conservancy, to the Oregon Register of Natural Heritage Resources.
- d. Request for approval of the release of Oregon Department of Administrative Services' mineral rights on a 146.1-acre parcel at the Mill Creek Industrial Park in Marion County.
- e. Request for approval of the release of Oregon Department of Administrative Services' mineral rights on a 0.40-acre parcel at the Alberta Street Parking Lot in Multnomah County.

Director Solliday reviewed the items on the Consent Agenda.

Secretary of State Bill Bradbury moved the Consent Agenda be approved. State Treasurer Randall Edwards seconded. The motion passed.

### **Action Agenda**

#### **2. Final approval of proposed legislation.**

Director Solliday discussed the agency's legislative concepts to be pre-session filed for the 2007 legislative session:

Legislative Concept 423 proposes to reduce the dormancy period for certain unclaimed property reporting from five years to three years.

Legislative Concept 657 would increase the Department's fees for the Removal-Fill Program. Director Solliday pointed out that the agency has submitted this concept several times in the past without success. She noted that it has been several years since the fee has been increased.

Legislative Concept 658 would establish a new fee for the agency to expedite wetland delineation reviews and concurrences. The revenue from these fees would fund two new positions to perform reviews and concurrences in a timely manner.

Secretary Bradbury asked who the agency is concurring with.

Director Solliday responded that most developers hire wetland consultants to perform the delineations, which are submitted to DSL. Staff reviews the information and either concurs or does not. In most cases DSL concurs.

Legislative Concept 825 was submitted jointly with the Office of Regulatory Streamlining and is a result of a budget note from the 2005 Legislative Session directing DSL and seven other state agencies to look at how to integrate state permitting for water-related

activities into some sort of streamlined process. The agency is proposing both legislation and a budget package that would establish a pilot project for a new program. This new program will be discussed later in another agenda item.

Lastly, the Governor is introducing a bill to move the Unclaimed Property Section to the Office of the State Treasurer effective July 1, 2008.

Treasurer Edwards asked for clarification on the first legislative concept that the dormancy period for unclaimed property would change from five to three years, not three to five years.

Director Solliday confirmed that was correct.

Treasurer Edwards moved to adopt the legislative agenda. Secretary Bradbury seconded the motion. The motion was passed.

### **Informational Agenda**

#### **3. Removal-fill program annual report.**

Kevin Moynahan, Assistant Director for the Wetlands and Waterways Conservation Division gave an overview of the Removal-Fill Report. He stated that the report covered fiscal years 2004-2005 and 2005-2006. He discussed data regarding permit authorizations issued, compliance and enforcement actions and activities accomplished by Wetlands Program staff.

Highlights from the report include:

- A net gain of approximately 26 acres of wetland area.
- Approval of eight local wetland inventories.
- The Department's participation with the Economic Revitalization Team (ERT) to expedite the development of lands identified for industrial development creating over 1,000 new jobs in Oregon.
- The Department's work with the Oregon Department of Fish and Wildlife on the Coastal Coho Recovery Plan.
- Issuance of nearly 2,200 authorizations during the reporting period – 557 individual authorizations, 1,583 general authorizations and 50 emergency authorizations.
- Agency streamlining efforts – State Programmatic General Permit (SPGP) and Water-Related Permit Process Improvement Team (WRPPIT).

- Development of the Hydrogeomorphic Assessment Guidebook for Tidal Wetland.
- Development of the Oregon Rapid Wetland Assessment Protocol.

Issues discussed by the Board included:

- Recent flooding issues on the Sandy River, Tillamook County and elsewhere in the state;
- Agency streamlining efforts and the issues surrounding the SPGP; and
- Mitigation banking and the West Eugene wetlands.

Board members thanked Mr. Moynahan and the agency for their work with the ERT in the siting of the Lowe's distribution center in Lebanon.

#### **4. Update on streamlining efforts.**

Director Solliday stated that Mr. Moynahan covered item number four in his presentation, but added that the WRPPIT pilot project aims to fold state authorizations into a single process. The goal is for applicants to not have to go through multiple doors to get state permits for activities they want to carry out in waters of the state. Director Solliday stated that she was optimistic that this streamlining effort would be successful, but the agencies would proceed slowly with a pilot project before implementation.

#### **5. Asset management annual report.**

Steve Purchase, Assistant Director for Land Management, provided the annual report to the Board on property management activities for Common School Fund lands including leases, easements, licenses, annual revenues and expenditures and other property management issues for fiscal year July 1, 2005 to June 30, 2006. He noted that the land classes and acreages in the report are not based on the new Asset Management Plan because it was not adopted until October. Next year's report will be based on the new plan.

Highlights included:

- Issuance of 628 authorizations during the last year — 424 were for new uses or activities on state-owned lands mostly within the waterway leasing program. There were 204 renewals of previously issued licenses, leases, easements, registrations and other authorizations;

- Change of DSL building management from the Department of Administrative Services to DSL;
- Portland Harbor cleanup coordination;
- Progress toward removal of the New Carissa
- Elliott Forest Plan and Habitat Conservation Plan, which also includes an implementation plan and environmental impact statement;
- Continued inventory and authorization of waterway improvements and uses on Klamath and Agency Lakes;
- Rangeland condition inventories for 30,000 acres of rangelands; and
- Continued progress with the in-lieu land selection process with the BLM.

Mr. Purchase discussed projected activities for the upcoming year, which include:

- Completion of the land use management plan for the South Redmond tract;
- Review of unleased rangelands for potential sale;
- Rehabilitation of lands affected by wildfires. Last summer, there were nine fires affecting roughly 2,300 acres of DSL land. Some will need rehabilitation soon to control noxious weeds;
- Management of the placement and sale of Columbia River dredge spoils;
- Resolution of conflicts between recreational water users and adjacent property owners;
- Continuation of improvement to the headquarters building;
- Continuation of the navigability study process; and
- Update of administrative rules.

Issues discussed by the Board included the reasons surrounding the change in management of the building from the Department of Administrative Services to DSL, fire suppression and the control of junipers on state-owned lands. The Governor requested information on the percent of DSL lands with junipers on them.

## **6. Land exchange report.**

Director Solliday stated that the Department has been in conversations with Crook County officials regarding a possible land exchange to help facilitate the development of a rendering plant in Crook County. She explained that the state's only plant in Redmond, recently closed. The Department of Environmental Quality issued a one-year waiver allowing animal carcasses to be placed in a landfill while the County works with a potential developer of a rendering plant. Some issues still unresolved are zoning, a planned destination resort in the area, agreement with current leaseholder.

Issues discussed by the Board were location of the plant, economic viability and the critical need for a rendering plant in the state.

## **7. Presentation on Oregon Seafloor Mapping Project.**

Dr. Dawn Wright from Oregon State University gave a presentation on a proposal to map the seafloor of the Oregon Territorial Sea, which is approximately 950 square miles. She stated that the data is needed for issues such as fishery resource management, tsunami hazard research and marine protected area planning. She presented example maps showing the type of detail that can be accomplished with this mapping project. She stated that they have people ready to undertake this effort and are now looking for advocacy and the way forward to fund such an effort.

Director Solliday discussed applications directly related to the State Land Board such as identifying appropriate locations for marine protected areas and/or marine reserves, and placement of fiber optic cables and wave energy facilities.

Governor Kulongoski stated that he had concerns regarding the numerous boards involved in ocean policy and lack of coordination among them, the political aspect that prevents the science research from being accomplished, federal regulations and coordination with California and Washington states.

Governor Kulongoski asked if they were asking the Land Board for the \$6 million in funding for the project.

Dr. Wright responded that they are not asking the board for the money, but for their support and advocacy. She further stated that they have secured some start-up funds from the US Geological Survey.


Treasurer Edwards stated that it was logical for the Board to take the lead in this endeavor since the bed of the Territorial Sea is within their jurisdiction.

Director Solliday concluded that staff would come back with a recommendation on how to move forward as a partner in the project.

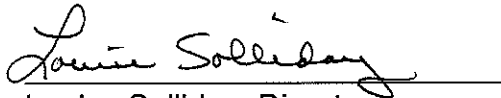
**8. Other**

Director Solliday shared the successful story of the return of over \$1.1 million of unclaimed property to a 94-year old retired teacher.

The meeting adjourned at 11:45 a.m.



Theodore R. Kulongoski, Governor



Louise Solliday, Director