

DIVISION OF
STATE LANDS

The Oregon State Land Board met in regular session on June 11, 1991, at 10:00 a.m. in the Land Board Room of the State Lands Building, 775 Summer Street N.E., Salem, Oregon, 97310.

STATE LAND BOARD

BARBARA ROBERTS
Governor

PHIL KEISLING
Secretary of State

ANTHONY MEEKER
State Treasurer

Present were:

Barbara Roberts	Governor
Phil Keisling	Secretary of State
Tony Meeker	State Treasurer

<u>Assistants</u>	<u>Dept. of Justice</u>	<u>Staff</u>
Martha Pagel Nina Johnson Michael Ryan	Melinda Bruce	Janet Neuman Earle Johnson Gary Van Horn Burt Lewis Agency staff

The meeting was called to order by Governor Roberts. 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 Division of State Lands, 775 Summer Street NE, Salem, Oregon 97310.

River City Project

Commissioner Mike Lindberg and his assistant Linda Dobson presented a slide show and oral report on the City of Portland's "River City Project," describing the city's ongoing river-related activities.

All three Land Board members commended the City's activities. They also expressed continued concern about projects that would require filling in the river.



Rulemaking

Request for adoption of administrative rules establishing standards and procedures under which scattered and isolated parcels of common school grazing land may be sold to lessees accorded a statutory preference right.

Director Neuman introduced this item, stating that this set of rules would be the first step in implementing the authority the Division of State Lands received from the 1987 legislative session to sell scattered and isolated lands that are difficult to manage for the Common School Fund, and use the proceeds to acquire more appropriate properties.

She stated that rules for common school grazing leasehold areas were chosen first because the lessees owning grazing lands adjacent to these leasehold areas have a statutory preference right to purchase the property. If they choose to waive that right, these lands can then be presented to the general public for sale.

Governor Roberts proposed several changes to the draft rules. She asked that it be made clear in the rules that it is the "net" proceeds of the sale of the land that would be placed in the revolving fund to be used for acquiring additional properties. On page 4, section 3, the draft rules state, "Prior to classifying common school grazing land for sale the Division will consider: (a) The known or likely occurrence of federal or state listed threatened and endangered species on candidate properties; and (b) Special public values that may be present." She asked that "will consider" be changed to "will address."

On page 5, in section 1, Governor Roberts asked that we clarify that an adjacent owner would need to be given a 90-day notice that the agency had received a request to purchase the land they are adjacent to, only if that owner had not already exhausted preference rights.

On page 6, in section (e), Governor Roberts asked that the requirement for proof of Oregon residency be clarified to give the agency discretion in determining sufficiency of proof.

Secretary of State Keisling moved the rules be approved. Treasurer Tony Meeker seconded the motion, and the approval was unanimous.

Rulemaking

Request for adoption of administrative rules relating to civil penalties, conducting maintenance activities and general authorizations for fish habitat enhancement structures and wetland restoration and enhancement projects.

Director Neuman introduced this item, noting that the removal-fill section had originally planned to propose more rules at this time, but only those that had consensus support were being brought before the Board today. Additional workshops will be held with interest groups over the next 30 days, and the next group of rules will be presented at a later meeting.

Assistant Director Earle Johnson explained to the Board that the first area of rulemaking sets out the criteria for conducting maintenance activities on existing structures. He explained that when Senate Bill 3 was passed by the 1989 legislature, it established exemptions for the maintenance of existing structures when they've come into disrepair, such as a flood-damaged highway.

Mr. Johnson said the second area of rulemaking will give a greater range in civil penalties and a system to enable the agency to better match the amount of penalty with the severity of violation.

The third rulemaking area, he explained, will renew a prior fish habitat enhancement waiver which has been in effect for five years and make additional changes needed to incorporate revised statutes for general authorization.

The fourth and final, he explained, is a general authorization for wetland restoration and enhancement projects, typically coordinated with the Oregon Department of Fish and Wildlife.

Mr. Johnson said the comments received during the rulemaking process were accommodated as much as possible. One late comment by the Department of Land Conservation and Development (DLCD) requested language be added to the general authorization for wetland restoration and enhancement stating, "Structures placed in waterways shall not adversely affect the local flood conditions." This language will be considered at the next round of rulemaking hearings that will be held and will be acted on with the next set of proposed removal-fill rules.

Treasurer Meeker moved the rules be approved without the addition at this time of the comment from DLCD. Secretary of State Keisling seconded the motion, and the decision was unanimous.

Consent Agenda

- Rulemaking** Request to adopt revised administrative rules concerning the administration of unclaimed property.
- Easement** Request by the City of Troutdale for a perpetual easement to place a storm sewer outfall in the Sandy River.
- Easement** Request by MCI Telecommunications Corporation for a perpetual easement to place a fibre optic communications cable across the Columbia River.
- Minutes** Request for approval of February 25 and April 9, State Land Board minutes.

Secretary of State Keisling moved the consent agenda be approved. Treasurer Meeker seconded the motion, and the decision was unanimous.

Lower Willamette River Management Plan

Director Neuman introduced John Lilly, the Division's waterway planner, who updated the Board on the progress of the revision of the Lower Willamette River Management Plan. Mr. Lilly explained that a good deal of public input has gone into the development of the draft policy statement. Examples of the new computerized mapping system were displayed, which have been a great help in the process.

The meeting was adjourned.