

Minnesota Forest Resources Council
Meeting Minutes
Cloquet Forestry Center
30 January 2008

Members Present: Dave Epperly (acting Chair in lieu of Al Sullivan), Shaun Hamilton, Dave Parent, Dale Erickson (in lieu of Dick Walsh), Jim Sanders, Wayne Brandt, Gene Merriam, Bruce Cox, Bob Oswald, Mary Richards, Alan Ek (in lieu of Bob Stine)

Absent: Al Sullivan, Dick Walsh, John Rajala, Bob Lintelmann, Kathleen Preece, Shawn Perich, Bob Stine, Paige Winebarger

Guests: Bob Krepps (St. Louis County), Steve Betzler (MN Power), Art Norton (TNC), Jerry Acker (Arrowhead Fly Fishers), Mike Vennewitz, Representative Diane Loeffler

Staff Present: Dave Zumeta, Lindberg Ekola, Leslie McInenly, Calder Hibbard

Staff Absent: Clarence Turner

Chair's Remarks:

Dave Epperly opened the meeting, explaining that Al Sullivan is sick and that he is serving as acting Chair. Dave stated that Mike Phillips, guideline development/monitoring coordinator for the Council, died at Mike's home on January 21st, surrounded by family. Mike's funeral was on January 26th and was very well attended. Dave recognized Mike for the 22+ years of service he provided to the state and asked for a moment of silence in recognition of Mike and his passing.

Dave asked for a round of introductions.

Public Input/Communications to the Council:

Bob Krepps gave a brief update on the sale turn-back program for St. Louis County. The program should provide some long-term benefit to the timber industry; however, there will be economic impacts on the county. The county is facing an \$8 to \$9 million reduction in sale revenue. Dave Parent asked about potential changes in forest management activities as a result of the financial loss. Bob responded that the biggest effect in the short-term is that planting on many stands will be set back. If staff reductions happen, it will likely be through attrition. Dave Epperly suggested that a discussion of how this economic downturn is affecting forestry agencies/organizations be a future Council meeting agenda item.

Gene Merriam commented that he would like to have an understanding of what is happening with our forestry schools regarding applicants. Wayne Brandt responded that student numbers are up at the University of Minnesota. Dave Parent asked for an update on prospective forestry technician applicants to the technical colleges. Discussion regarding the availability of, and competition for, new forestry technicians ensued.

Approval of 28 November 2007 Minutes:

Wayne Brandt moved to approve the November 28, 2007 minutes. Jim Sanders seconded. The minutes were approved.

Approval of 30 January 2008 Agenda:

Wayne Brandt made a motion to approve the January 30, 2008 agenda, and Bob Oswald seconded. The agenda was approved.

Executive Director Report:

Dave Zumeta mentioned that Jean Rajala, John Rajala's mother, died earlier this week. He commented that the MFRC 2007 Annual Report and the two new Biomass Harvest Guideline chapters are hot off the press. He thanked Dick Rossman from Dave Epperly's staff for helping throughout the fall to prepare the biomass guidelines for publication. He noted a front-page article (which covered a joint hearing in the MN Senate regarding conservation of private forest lands) in the St. Paul Legal Ledger on January 28th.

Dave Epperly commented that Clarence Turner injured his Achilles tendon this past weekend. He will be able to work but was not able to attend today's meeting.

Committee Reports:*Personnel and Finance*

Dave Zumeta reported that the Personnel and Finance Committee has not met since the last Council meeting. Al Sullivan plans to convene a meeting in February or March.

Site-level

Dave Parent directed members to the update distributed in the mailing. The committee has resolved the issues on distribution of the new biomass guidelines. There was a meeting of the *ad hoc* committee for the Riparian Science Technical Committee (RSTC) economic analysis. A good deal of information still must be gathered prior convening the RSTC economic panel.

Landscape Planning/Coordination

Lindberg Ekola distributed a Landscape Committee update. Shaun Hamilton noted that the northern landscape summit meeting occurred two weeks previous and involved the three northern landscapes. The summit set a good tone regarding future communication and interaction. Some committee members were not excited about revisiting the planning process but discussion about refining the plans was well received. About 25-30 people from the regional landscape committees attended the summit. Dave Zumeta noted that there were 10 county land department members from eight different counties. Wayne Brandt recognized Bruce Cox for integrating counties into the landscape planning process.

Forest Resources Information Management (IMC)

Jim Sanders directed members to the Committee update, which provided a summary of the last IMC meeting. The committee discussed inventory methodology and also

biomass harvesting, with a focus current harvesting/projects and future direction for the MFRC. The next meeting is scheduled for Monday, February 4th.

Wayne Brandt asked whether Council members know if anybody is considering a statewide review of forest resource biomass availability. He suggested someone should have a discussion with MN Pollution Control Agency Commissioner to initiate a collaborative effort. Dave Zumeta stated that Keith Jacobsen (MN DNR), Bill Berguson (NRRI), Steve Taff (UMN), and others could be convened to compile knowledge on biomass harvest in the state. Once that is accomplished, we could determine whether there is a need to do a more formal assessment. Dave Parent stated that he has a feeling that forest biomass gets lost in the overall term “biomass” and is concerned that the forest component could be brushed aside and swept along in policy decisions. Dale Erickson said that we would need to be careful about what information is contained in an assessment, including a definition of biomass (would roundwood be included?) and the economic costs associated with harvest. Jim will pose the question of a more formal assessment, and what it would include, at the next IMC meeting.

Shaun Hamilton added that biomass was a hot topic at a recent Forest Stewardship meeting in Wisconsin. He agreed that a comprehensive approach is needed. Dave Zumeta commented that he testified at a recent NextGen Energy Board meeting and called the Board’s attention to the importance of building on, and not harming, the existing forest products industry. He also suggested that the NextGen Board needs to include a forestry representative. Dave also stressed that a connection should be made between biomass harvest and recommendations of the Governor’s Climate Change Advisory Committee. The forest should not be perceived as a source of transportation fuel. The best opportunities build upon our existing facilities and industries and require collaboration. We also need to recognize that there are environmental limits regarding how much biomass to remove from forest sites. Steve Betzler commented that MN Power will be filing an EAW or EIS on its prospective woody biomass plant in the next year and would utilize any report made by the MFRC. Shaun added that he would like any review of biomass harvest to focus on sustainability. Jim commented that the IMC is assessing who is doing what and will advise the Council on how to address issue. Dave Zumeta suggested that the IMC could present a recommendation regarding a biomass harvest review as an action item for the MFRC. Discussion regarding potential competition for biomass harvest ensued, with members stressing that integration of the industries is critical.

Written Communications to the Council

None.

Committee of the Whole: Forest Policy issue focus in 2008

Dave Epperly asked attendees to review the policy definition and prioritization document distributed via mail. Calder provided a summary of the policy prioritization work done during 2004 and 2005, which led to a Council resolution in 2006 defining policy priorities to address in 2006 and 2007. Five policy issues identified as Council priorities included: parcelization, biomass energy, water quality, invasive species, and

globalization. Calder briefly discussed highlights pertaining to MFRC work on priority issues over the past couple of years. Dave Zumeta noted that Lindberg and the Landscape program have pursued some limited opportunities with regard to the Clean Water Initiative and water quality. In addition, Gene Merriam is currently the President of the Freshwater Society. Gene gave a brief summary of the history, mission and activities of the Freshwater Society. Dave Zumeta added that Council staff has also been engaged with climate change through the Minnesota Climate Change Advisory Group.

Dave Epperly commented that there is a lot of interest in forest health and that the concerns go beyond invasive species. He contended that we cannot consider forest health without talking about forest quality (timber quality, forest industry quality). If our timber is healthy, industry will get more fiber per acre and its costs will go down. We must also consider other values such as water quality, soil quality, landscape quality, and visual quality when we discuss forest health. We need to keep the scale of each issue in mind and also understand issues as subsets of forest quality. Dale Erickson agreed with Dave Epperly, stating that if he receives better quality material he can provide better quality products at a lower cost.

Dave Parent asked people to consider what would define a healthy forest at the landscape level. He noted that we tend to be reactive to forest health concerns and asked attendees to consider how we ought to balance preventative versus reactive actions. Shaun added that this discussion highlights the importance of ecological systems awareness. Dave Parent argued for the integration of the human element into those systems.

Calder commented that he compiled a comprehensive list of potential policy issues from a wide range of meetings, venues, and groups and tried to address the scale issue through clumping or separating various topics. Dave Zumeta added that generation of the original policy issue focus was Al Sullivan's idea to focus the work of the Council. The goal of this discussion today was to address whether we still have the appropriate issues identified and if not, whether the issues need minor tweaking or a full blown strategic session to revisit Council priorities.

Wayne suggested a more formalized review of strategic goals, noting that we will have a number of new MFRC members, there are issues on which the Council has spent a lot of time, and there are more things on which we will be working. Wayne suggested the Council ought to consider the role of forests in carbon storage, adding that we will likely see a national cap-and-trade system for carbon in the next decade. He likes the criteria used by the Council in the past for prioritizing issues. Shaun agreed, and added that timing is critical. He suggested that, rather than spending our time on prioritizing and visiting issues, perhaps we should spend time delving into one issue. Further discussion on carbon credits ensued.

Jim Sanders agreed that it is important to address our priority issues. He suggested that some of the current priority issues could be moved toward a monitoring stage (e.g. parcelization and invasives). An important part of the discussion will be to add information on who is working on what issues, at what scale, and how the Council could

play a part. He agreed climate change and carbon sequestration ought to be considered. Jim suggested that Council hold a strategic planning session similar to what was done in the past. Dave Zumeta responded that a planning session is quite feasible and he could likely engage Charlie Peterson, Department of Administration, as a facilitator. Dave stated that it might be timely to have a planning session in July, once new Council appointments have been made. He added that the Council is currently very involved in the issue of forest parcelization and it will definitely be on the table for the next couple years due to the interest of the legislature and Governor. He also noted that we need to make a connection between woody biomass harvesting, potential replacement of fossil fuel emissions, and carbon sequestration.

Dave Parent felt that the Council would need at least a good day to discuss priority issues. While the summer two-day meeting may be an opportunity for this discussion, Dave would like to see a commitment to do a field tour in the Southeast and suggested the Council consider visiting this topic over two half-days during the summer. Shaun recommended that the Council ask the regional landscape committees to provide input on what they think ought to be priority policy issues. Calder agreed that input from the committees would be important and recommended that the four MFRC committees spend time identifying policy direction from their perspectives. Jim requested that the committees also provide information on who is involved with the different issues.

Report of the MFRC Ad Hoc Committee on the implications of the 2007 Governor's Forest Products Industry Task Force

Dave Zumeta distributed a summary of the *ad hoc* committee's meeting. Dave Epperly provided background on the committee and the Governor's 2007 Forest Products Industry Task Force. The charge of the ad hoc committee is to advise the MFRC Chair about an appropriate response from the Council to the 2007 Governor's Forest Products Industry Task Force Report. Four recommendations from the report are germane to the MFRC: (1) development of benchmarks regarding implementation, (2) annual timber harvest in the state, (3) state investments in conservation easements; and (4) NextGen Energy board actions regarding woody biomass. Dave reviewed the ad hoc committee's discussion regarding these four recommendations. The committee unanimously endorsed a recommendation suggesting that Dave Epperly should propose that staff develop a formal action item for consideration at the March meeting. The action item should seek approval of a formal letter from MFRC Chair Sullivan to the co-chairs of the Forestry and Forest Industry Sub-cabinet outlining the MFRC response.

Dave Parent asked Dave Epperly to clarify his statement that measuring acres is more important than measuring cords in light of the Governor's task force report. Dave responded that a measure of cords will be used as an indicator, but a problem is that we have been focusing harvests on mature/over-mature stands. The increasingly dated inventory gives DNR staff the indication that they should look at 75,000 acres per year. Over time, things have changed resource-wise, and DNR actually considers about 40,000 acres annually, resulting in timber sales of 800,000 cords. Dave does not doubt that the lands we are managing can produce the suggested amount of wood. If the inventory is not where we want it to be, we need to make a prescription to get there. We also need to

find ways to meet that volume targets in different locations. Jim added that different stakeholders value different measures (cords or acres) and both are important. Dave Epperly agreed.

Discussion regarding forest regulation, fluctuations in age and stand composition, disease and harvest of over-mature stands ensued. Dave Parent asked whether consideration has been given to identifying the available overage stands to emphasize for biomass harvest within an energy plant's market radius. Dave Zumeta responded that he has discussed this with Representative Kent Eken in light of a current million-dollar bonding proposal, focused primarily on energy from prairies. A subset of the funding could be a great opportunity for a woody biomass demonstration project in northeastern Minnesota.

Wayne Brandt stated that he supports the committee recommendation to send a letter, drafted by MFRC staff, to the forestry sub-cabinet. This was the consensus of the group.

Shaun Hamilton suggested that we don't have 5.5 million cords of "good" wood. Dave Zumeta stated that, based upon his recollection, the 5.5 million includes wood for energy. Wayne commented that the Governor's task force report included the 5.5 million cords as a goal because it was the number endorsed by the GEIS contractor as being sustainable in Minnesota. Shaun asked for clarification that the 5.5 million cords is not necessarily a net number for the primary forest products industry. Wayne responded that, at least theoretically, the wood would end up in highest bidder's hand. Jim stated that the top priorities for the Council are not in the GEIS (that was then, this is now). He suggested that we need to understand the limits and factor in current issues and mandates (e.g. some species need overmature forest). Dave Epperly responded that improving the health of the trees is the key. If we can do that, we will improve a lot of the amenities. We also need to define productivity. It is not more harvest, per se. Improved productivity implies increased growth of trees, but also can enhance water and environmental quality as well as wildlife habitat. It is critical to make sure we do not lose the infrastructure needed to maintain a healthy forest.

Forest Protection Task Force Report to the Legislature – Diane Loeffler

Representative Diane Loeffler (DFL, Minneapolis) distributed the recently completed Forest Protection Plan report. Dave Zumeta described the impetus behind the development of the report and the Council's involvement. Twenty people were on the task force, including *ex officio* representatives from DNR, MN Department of Agriculture, USDA Forest Service, and the Animal and Plant Health Inspection Service. The task force was constrained by limited time and financial resources. Charlie Peterson facilitated the task force meetings. Dave noted that Representative Loeffler was an active participant throughout the development of the report and was a driving force. He also noted that MFRC member Bruce Cox represented the Association of MN Counties.

Representative Loeffler introduced herself, commenting that she grew up spending weekends and summers in Aitkin County learning about forest management from her father. She noted that the legislation and inspiration for the report was not based on criticism of current forest pest management, but rather on the realization that we needed

to ratchet up our collective efforts with a deeper breadth of partners. This realization came in part from her review of a federal GAO report describing states that have lost millions of trees due to slowness of detection and delayed response times.

Representative Loeffler reviewed the report recommendations, including strengthening professional connections, establishing a communication program for forest protection, financing forest loss prevention and protection programs, and continuing funding to further develop the forest protection plan. Task force members identified the MFRC as a potential fiscal agent due to their respect for the Council's work and recognition that the Council is "neutral ground".

Alan Ek commented that research on general forest health is probably at its lowest rate in 30 years. He suggested that discussion pertaining to creating a forest health program should also address the lack of experts, researchers, and teachers related to a lack of making this type of research a priority. Dave Zumeta added that Minnesota has done a relatively good job of maintaining some well-qualified staff, but many are nearing retirement and the forestry schools are not producing enough new people.

Dave Parent voiced concern that an invasive forest pest fund could be targeted to support a whole slew of programs unless there are rigid constraints. Representative Loeffler responded that requests for funding would have to go through the legislative review for emergency response activities.

Bruce Cox stated that the report is an impressive outcome given the constraints on the task force. Some concerns he noted were that we manage the problem but there are gaps and there is still some confusion regarding when an issue shifts from a MN Department of Agriculture concern to a DNR concern.

Jim Sanders thanked Representative Loeffler and said that it was a complement to the Council to have a legislator briefing us. Bob Krepps stressed the importance of community planning, commenting that urban foresters need to start thinking now about what trees should be planted. Representative Loeffler added that we also need to determine who will pay for tree removal and replacements.

Representative Loeffler requested that the MFRC respect the recommendation of the task force to be a fiscal agent for future work. She also commented that this legislative session will be very tough and legislation will require a chorus of informed and respected voices.

Mary Richards asked about the availability of educational information related to forest health. Dave Zumeta responded that there is a lot of information online through the various agencies, but the recommendation for "clear front door" for forest health information needs to be pursued. He asked Leslie McInenly to follow up with Mary regarding educational materials. Dave Parent added that University Extension is a great place to obtain information.

Woody Biomass Guideline Distribution and Training

Dave Parent reported that, rather than holding off on distribution until training sessions, the best thing is to get the new Biomass Harvest chapters in the hands of practitioners. He requested that Council members determine how many copies their representative groups will need and contact the MFRC staff for copies. Development of a professional training plan is underway.

Dave Zumeta added that the Minnesota Logger Education Program (MLEP) and the Sustainable Forestry Education Cooperative (SFEC) are jointly planning a series of training sessions this spring and fall across the state. The MFRC provided \$15,000 for sessions. The USDA Forest Service provided a grant to DNR (\$10,000) to help prepare biomass training field sites. Dick Rossman is the DNR point person for training. As far as the other agencies are concerned, each county needs determine the date on which they recommend these guidelines should be in general use. MFRC members discussed the level of interest outside the state, both nationally and internationally.

Dave Epperly asked Louise Levy to give the Council an update on the “train the trainer program”. Louise reported that the “train the trainer” program addresses both sets of guidelines (general forest management and biomass harvest). For biomass training, most loggers will be reached at the April logger conferences. The bulk of the agency foresters will need to be trained at a later date (likely half-day sessions in June). She commented that training would likely be in Cloquet, Grand Rapids, and Hibbing. Lindberg Ekola recommended a training session in Bemidji. Wayne Brandt suggested training be offered in future years nearer the Twin Cities as markets develop in that area. Dave Zumeta also suggested Little Falls. Louise commented that the bulk of trainer responsibility has fallen on the DNR recently. In a couple of weeks, Dave Chura (MLEP) is spearheading a meeting to increase participation from different organizations in allocating their staff to be guideline trainers. Forest management guideline training sessions this fall will be done by the “old guard” with the “new guard” to segway in during 2009.

Public Communications to the MFRC

None.

Member Communications

Bob Oswald asked whether there were any new concerns directed to the Public Concerns Registration Program. Calder responded that there are three complaints currently being addressed.

Dave Parent moved to adjourn the meeting. Wayne Brandt seconded the motion and the meeting was adjourned.