Minnesota Forest Resources Council
DRAFT Minutes
MN-DOT Arden Hills Training and Conference Center
May 21, 2008

Members Present: Al Sullivan *(Chair)*, Dave Sterr (in lieu of Bob Lintelmann), Dave Epperly, Rob Harper, Bob Oswold, Joel Koemptgen, Dave Parent, Dale Erickson, Shaun Hamilton, Wayne Brandt, Mary Richards, John Rajala, Alan Ek, Shawn Perich, Matt Norton (in lieu of Gene Merriam)

Members Absent: Kathleen Preece, Bob Lintelmann, Gene Merriam, Bruce Cox

Guests: Charlie Peterson (MN Dept. of Administration)

Staff: Lindberg Ekola, Calder Hibbard, Leslie McInenly, Clarence Turner, Dave Zumeta

Chairs Remarks
Al Sullivan opened the meeting with a round of introductions. He noted the end of the legislative session and commented that the session resulted in a $53,000 appropriation for the Council's land parcelization study and a $197,000 appropriation for the Interagency Information Cooperative (IIC). Al recognized that these things resulted from the efforts of key supporters and sponsors. The Council has some oversight over the IIC that is delegated to the Council's Information Management Committee (IMC). Al asked Alan Ek to comment on the IIC.

Alan responded that the IIC was created in the mid-90s as part of the Sustainable Forest Resources Act (SFRA). The IIC received funding in the late 1990's and had a number of accomplishments. The IIC ran out of funds in about 2000. In 2004, the SFRA was amended to transfer leadership of the IIC from the DNR to the University of Minnesota. The IIC is currently housed within the College of Food, Agriculture, and Natural Resource Sciences. Alan noted that the recent funding is a bit of a miracle considering the very difficult legislative session. Alan anticipates that the IIC will be able to accomplish quite a bit in a short time with the FY 2009 funding. There are good indications the IIC will be supported for the next few years. Alan plans to convene past participants and also meet with the IMC in the near future to get the IIC functioning as soon as possible.

Wayne Brandt added that, in consideration of the SFRA and all of the programmatic pieces envisioned, the IIC has not received appropriate attention and support. Now that we have funding, the IIC is one of the last pieces of the puzzle in place to fully implementing the SFRA. Wayne stated that Dave Zumeta and Alan Ek did an excellent job at the Capitol.

Public Input/Communication to the MFRC
No public in attendance.

Approval of the March 26th, 2008 Meeting Minutes*
Bob Oswold moved to approve the March 26th, 2008 meeting minutes. John Rajala seconded the motion and the minutes were approved.

Approval of the May 21st, 2008 Meeting Agenda*
Dale Erickson moved, and John Rajala seconded, approval of the May 21st, 2008 meeting agenda. The agenda was approved.

Executive Director Reports
Dave Zumeta reported that the IIC funding is very exciting news for the Council. He commented that funding for the IIC would not have happened without both industry and environmental support. Dave considers this a clear indication that the Council is working and has some momentum.

Dave provided a personnel update. Lindberg Ekola has hired a new student worker, Ted LeFrance. Leslie McInenly will be with MFRC at least through June 30, 2009 in her position as Information Specialist. Dave Epperly noted that the DNR Division of Forestry Best Management Practices Program Coordinator position description and review has taken place. The Division is waiting for final approval to fill the position during the current hiring freeze. Dave Zumeta hopes to fill the MFRC Site-level Program Manager position (previously held by Mike Phillips) sometime this fall and anticipates there will be a nationwide, perhaps international, search. He commented that Dave Parent, as chair of the Site-level committee, made the credentials required for this position (PhD in forest soils or forest hydrology and the ability to interface with the University of MN, perhaps as an adjunct professor). Filling the Site-level program vacancy is the key personnel item over the next several months. Discussion regarding the Council's financial ability to hire and maintain a person with the required expertise ensued.

Dave asked Leslie to provide an update on the July MFRC meeting and field tour. Leslie provided preliminary details about the meeting and tours on July 16 and 17 in Wabasha, MN.

Committee Reports
Personnel and Finance
Al commented that the Personnel and Finance Committee has not met since the previous MFRC meeting.

Site-level
Dave Parent reported that the Site-level Committee met on May 1st and discussed the recent site-level program reports by Rick Dahlman and Clarence Turner. Dave stated that various potential revisions to the guidelines were discussed as a result of the reports. Dave Zumeta added that he spent the previous day at a workshop in Grand Rapids regarding the RSTC (Riparian Science Technical Committee) report and other riparian research that the LCMR (now the LCCMR) and Council have supported over the years. This was a one-day workshop held over 3 days to discuss the impacts of timber harvest on riparian systems. Diane Desotelle (MFRC contractor) made a presentation on the RSTC report on all three days the workshop was held.

Dave Parent stated that the Ontario Ministry of Natural Resources (ON-MNR) is also supporting a good deal of research pertaining to timber harvest and riparian management. He asked the Council to increase interaction with folks in Ontario. Dave Zumeta stated that the Blandin Foundation is also interested in improving communication with ON-MNR.

Landscape Planning/Coordination
Shaun Hamilton reported that the Landscape Program Committee met April 30th and will go into more detail on the status of program and future needs/challenges later in the agenda today. Shaun distributed the landscape program update and noted that a written communication from the SE Regional Landscape Committee to Al Sullivan will be discussed later.

Forest Resources Information Management Committee (IMC)
Calder Hibbard provided the IMC update in lieu of Jim Sanders (MFRC alternate and interim IMC Chair) and Kathleen Preece (Vice-Chair). The IMC met April 14th. The IMC continued to discuss and frame the issue of woody biomass harvest. The majority of the meeting pertained to prioritizing Council policy issues.

Written Communication
Dave Zumeta reported that there were three written Council communications this spring. The first was a memorandum from Shawn Perich pertaining to conifer planting in riparian areas by the Arrowhead Fly Fishers organization and cooperators. Shawn added that the Gunflint Greenup had over 500 people planting trees. The Flute Reed Watershed group was also planting trees this spring.

The second communication was a letter from Al Sullivan to DNR and Department of Employment and Economic Development Commissioners Holsten and McElroy with the Council's response to recommendations of the Governor's Task Force on the Competitiveness of the Primary Forest Products Industry in Minnesota.

The third communication is a SE Landscape Committee letter to Al Sullivan regarding the upcoming Council meeting and tour. Shaun Hamilton asked Council to read the letter because it also addresses the importance that the committee places on the Council and the need for the Council to support regional landscape committee efforts.

DNR Implementation Monitoring Report, Site-level Program Review, and Site-level program direction
Dave Parent prefaced the discussion with the comment that the Council's responsibility is to oversee the monitoring program whereas the Commissioner's responsibility is to carry out the monitoring program. Dave Epperly agreed and directed Council members to page 4 of the *Timber Harvesting and Forest Management Guidelines on Public and Private Forest Land in Minnesota: Monitoring for Implementation* ("Monitoring") report. He read MN Statutes 89A.07 Subd. 2, which states that the DNR Commissioner establishes and implements the monitoring program and that the Council provides oversight of the program. The language comes out of the SFRA of 1995. The current Monitoring report is a periodic update as required by the SFRA. Dave reminded the Council that monitoring was put on hold during 2007 to review the monitoring data and prepare the report. The DNR and Council subsequently decided not to monitor in 2008 because of staffing and budget concerns.

Dave Epperly provided a summary of the Monitoring report. Results were fairly similar to the report prepared for years 2000-2002, with some areas of improvement. Landowners and loggers generally follow guidelines well, but there are a number of ways to improve implementation. For a summary of the implementation results, view Dave's presentation online: http://www.frc.state.mn.us/Info/Minutes/Meeting_presentations.html

Dave Parent commented that, with regard to rutting issues and wetlands, there was a tendency in the monitoring program to record post-harvest rutting from ATVs as harvest-related rutting. That measurement is a better indication of ATV use and should be separated from harvest impacts. Dave Epperly agreed.

Improvements that are needed in implementation of the guidelines pertain to amounts of infrastructure, RMZs along streams and lakes (fewer met RMZ width and basal area guidelines than in 2000-2002), water diversion and erosion control, wetland crossings, and leave tree

retention. Dave Epperly thanked Rick Dahlman, Dave Zumeta, Clarence Turner and staff for helping with the report. Dave Zumeta offered a special thanks to Clarence, who worked quite closely with Rick on the report. He noted that, with regard to improvement, some changes in monitoring are primarily definitional and we may be doing a better job than appears. There also needs to be discussion regarding what is realistic with respect to road and skid trail infrastructure.

Dave Zumeta and Dave Epperly gave Clarence Turner the assignment to review the Site-level Monitoring Program and make recommendations for improvement. His report is not yet complete, but he will distribute it as soon as possible. Clarence also stated that he would like to collect and incorporate Council member comments. A large portion of the report focuses on providing context for the program. Clarence's presentation focused on some of his program recommendations. He emphasized that his review was based on the assumptions that (1) a voluntary guideline system is in everyone's best interest and (2) that producing regularly scheduled reports is essential. At the outset, Clarence stated that Mike Phillips and the Site-level Committee did an excellent job designing the monitoring program. To view a copy of Clarence's presentation online, visit http://www.frc.state.mn.us/Info/Minutes/Meeting_presentations.html

Some of Clarence's recommendations for improvement in the program include: better articulation of program goals; more effective use of monitoring results; improvements in data collection and handling; and placement of full monitoring responsibility with the Council, along with appropriate staffing and funding. Clarence stated that the current working relationship is cumbersome and he feels discussion about responsibility is needed to improve the system.

Council members discussed the statutory language and reasoning for placement of monitoring responsibility within the DNR with MFRC oversight. Members commented on concerns related to avoiding the involvement of MFRC too deeply in operational program areas, potential conflict if the MFRC were to be charged with both guideline development and implementation and with monitoring, and also the question of how long the Council may be in existence. Embedding the monitoring program in DNR may have given it greater permanency. Matt Norton commented that the Department also has multiple responsibilities beyond forestry (e.g. wildlife, water quality, etc.) that provide good reason to place monitoring within the Department. Further discussion regarding the Council's role in oversight and benefits of MFRC/Department responsibility of the program ensued.

Shawn Perich asked for clarification on problems associated with the Department responsibility for the monitoring program. Clarence responded that many of the problems would be addressed in the text of the report. An example would be that, with the distribution of current Monitoring report, we are looking at a report that is already out of date (represents data from years 2004-2006). There have only been two substantial reports over 10 years. Clarence questioned whether the system is working well enough. Dave Parent responded that yearly feedback from reviews is incorporated immediately into the education program (e.g., water devices and erosion control intervention a few years ago). The main reason the program exists is to identify problems/issues and incorporate the knowledge. Clarence responded that his goal was to point out that the system is set up with a constriction slowing down the process. Everything depends on one actor in the DNR to get the reporting done. That is the major reason the data were analyzed and acted on slowly.

Clarence provided some alternative monitoring scenarios for the Council to consider, including: letting various agencies contribute data to the Site-level Monitoring Program, allowing other stakeholder groups to employ contractors trained by the program, and monitoring a subset of the guidelines each year or monitoring in one geographic area each year. Wayne Brandt commented

that he likes the idea of a geographic approach and also noted we may be better off monitoring guideline areas in which we need more improvement. Dave Epperly added that some of these alternatives are similar to certification monitoring and they may decrease duplicative efforts.

Matt Norton responded that monitoring data is essential. The concept of the GEIS assumes all guidelines are practiced consistently. We need that data to show the legislature and citizens that we are complying with the act. We also need that data every year to react with changes in the educational program. The annual monitoring is also one of the reasons the surveillance audit system works for FSC certification.

Alan Ek stated that he has viewed the monitoring program as a system to measure the integrity of forestry in the state. While there are likely methodological ways to make the program more efficient, he wouldn't want to diminish the system. He also noted that the rotational scheme (similar to that of FIA) presents difficulty in describing trends.

Al Sullivan asked Dave Parent to suggest how the Council should proceed. Dave suggested that consideration of the program would be the workload for the Site-level Committee for some time. The Committee will discuss and bring recommendations to the Council. Al Sullivan supported Dave's suggestion.

Committee of the Whole

Funding Request for 2009 Legislative Session*

Dave Zumeta commented that the Personnel and Finance and Landscape committees have discussed a new budget initiative. The proposed resolution distributed in the mailing is a request for increased operational and project funding. Shaun Hamilton stated that the Council would be much less effective without staff support. He noted that the need for additional staffing support to implement regional work was clearly indicated by regional committees at the Landscape Summits. While there has been some talk that this operational increase would be tied to revising plans, Shaun suggested that revisions are not the whole need or the greatest need.

Lindberg provided background on the Landscape Program and regional landscapes. He described the geographic scale of the regions, the evolving committee roles, a definition of landscape management, and the current status of the regional committees. The list of implementation projects is growing and there is a great deal of work to be done. The role of the Landscape Program is to provide tools and resources for partners on the ground. The Landscape Program has also been working to improve and strengthen the Council-Committee interface. There are two areas of need in the Landscape Program: more horsepower and more project funding. Lindberg described various positive returns that could result from increased support.

Matt commented that the Landscape Program is a real workhorse for the Council. He stated that the cross ownership measurement and verification of landscape program plan implementation is one of the biggest reasons we should ask for money. Dave Parent agreed there should be support for the request. As a caveat, he felt the initiative would be much more appealing if specific watershed (sub-landscape) level projects were identified to demonstrate that something is being accomplished on the ground that contributes to overall forest health and viability. Discussion regarding language of the initiative and implementation/monitoring of landscape plans ensued. Wayne noted that, while the Council is not a land managing organization, we can't dictate changes but landscape plans have the ability to have influence on what land managers do.

Al stated that the Council has been extraordinarily effective with a modest amount of public funding. There is an enormous amount of work that occurs outside Council meetings. When the

Council started 13 years ago, we had a reasonable amount of funding. The budgets have fluctuated, but even 13 years of modest inflation eats away at things. As the Council has matured, more people have looked to it for more things. We are busier but have fewer dollars. Al asked for a motion, acknowledging that greater thought needs to be given to specific language.

Wayne Brandt moved to approve the 2009 legislative request for an annual increase of $200,000 for MFRC programs and operations in FY2010 and 2011.

Discussion regarding the intent of the increase ensued. Lindberg commented that the committees are currently working on project specifics and that information will be incorporated into the initiative. Bob Oswold commented that we have time to work on the specific language but it is clear we need staff money and will be able to develop a list of projects. The motion was unanimously approved with one abstention (Dave Epperly).

Policy Issue Focus in 2008-2010

Al offered a few remarks about the Council and MFRC policy priorities, noting that the current discussion is aimed at making better use of Council time. Charlie Peterson facilitated a discussion a few years ago to focus the Council's policy direction. The Council recently decided to revisit the discussion and refresh the policy focus. Charlie will facilitate the discussion today and again in July. Dave Zumeta added that Charlie also recently facilitated that Governor's Forest Protection Task Force.

Charlie opened the discussion, highlighting Al's comment regarding the goal to "refresh" the Council policy direction. Charlie asked the Council to consider which policies can be taken "off the plate", which should be added, and which are realistic priorities for 2008 through 2010.

Charlie distributed two documents: the Council's *Policy Definition and Prioritization* document (dated Jan. 15) and the *MFRC Policy Focus: Committee Recommendations*. Charlie reviewed the Council's vision and goals, asking members to comment on the vision. He then reviewed the current policy priorities from 2006-2007, asking Council members to reflect on the issues. The Council discussed **forestland parcelization** and land exchanges, with a seeming consensus that there is still work pertaining to this issue but with some debate regarding the level of focus to maintain on parcelization.

Regarding **woody biomass harvest**, Council members commented that there would be a shift in focus from development of guidelines (completed 2007) to questions of carbon sequestration and economic/ecological impacts. The role of forests and forest products in carbon sequestration and accounting for management in a cap-and-trade system for carbon was discussed. Rob Harper indicated he feels there should be a shift to a more broad, forestland and alternative energy focus versus just woody biomass. Council members discussed whether the biomass/alternative energy issue should be separate from the carbon issue. Dave Epperly suggested that benefits (versus just "impacts") ought to be added to the woody biomass issue. John Rajala suggested the inclusion of "supporting continuing world class research". Shaun Hamilton suggested a broader category considering ecosystem services.

Regarding **water quality**, Dave Epperly reported that there has been a great deal of discussion relating to water quality topics within the DNR. From the start, it was understood that forestry practices must be designed to protect ecosystem health and forest health. Alan commented that a lot of effort has been placed in the water area, beginning with the GEIS. Water quality is an issue to follow but may no longer be a policy priority. Bob Oswold agreed, stating that many other groups are looking at water quality. Dave Parent stated that because many groups are looking at

water quality, we must pay attention. We don't need to invest a great deal of effort, but we do need to keep an eye on the issue. Shawn Perich contended that we are the headwaters of the nation and we haven't promoted a deeper understanding to the public, as mentioned in the Council vision. Joel Koemptgen agreed, stating that water will be the oil of the future and that there has not been enough attention paid to the issue. Alan suggested that water quality is a forest management issue that we have down really well and we ought to challenge others to consider how they are contributing to maintaining or improving water quality. Wayne added that the question is not about the relationship between water quality and forestry but rather, what is the Council going to do about it? John Rajala stated that the Council ought to vigorously defend the site-level guidelines as they relate to riparian management. We are protecting water quality and doing it right. Shawn Perich responded that the greatest room for improvement in our guidelines is in dealing with riparian management. He doesn't think we can walk away from the issue of water quality. Dave Parent felt that water quality could slip into the range of "normal business".

There were no comments regarding the **forest health** issue (invasive species, in particular).

Regarding **globalization**, Rob Harper stated that he wasn't clear the MFRC accomplishments listed match the policy issue. Wayne Brandt provided some background on the reasoning behind inclusion of globalization as a policy focus, noting that forest ownership is now more muddled than a just a few years ago. We are now potentially on the cusp of losing much of the OSB business. Dave Parent added that globalization is no longer new; it is the state of nature/part of the background noise. Shawn commented that when the issue was identified, forest certification had not yet happened. Certification changes the focus a bit. Dale Erickson stated that he goes back and forth on this issue but suggested that it should perhaps be the number one policy priority. The economics of our community goes out the window if global competition takes away forest management. Who will be left to take care of the forest? Alan agreed with Dave Parent, commenting that we have incorporated globalization into other issues.

Charlie noted that he wasn't hearing strong consensus regarding taking any of the issues off the plate and asked Council members to comment on the recommendations of the Council committees and to suggest other issues to include for consideration.

John Rajala proposed that the health of the forest products industry be considered a policy priority. He suggested two pieces. First, the Council should develop a synthesis regarding the good things that are happening in the forests. Second, how can the Council help minimize the expense of sustainable management? While sustainable management is the right thing to do, it is an incredible expense and makes the industry noncompetitive. John suggested we recognize our Minnesota sustainable practices in the way products are marketed. Discussion regarding monetizing public benefits (ecosystem services) and a cap-and trade-system ensued. Council members commented that the role of the Council could be to provide relevant information to those who want to market products. Dave Epperly suggested that the Forestry Sub-cabinet might hold the responsibility of recognizing and promoting sustainably produced forest products. Shaun suggested the Council consider developing a more global white paper to tie the issues together (something more broad than that of the Governor's Task Force reports).

Wayne suggested a policy issue pertaining to our ability to attract students to natural resource disciplines and support for training programs. Alan added that agencies have limited compensation for budget reasons, but perhaps, should consider differences in compensation for particular areas of need. Discussion about whether Wayne's suggestion could be a component of another policy focus (such as sustainability or marketing) followed.

Shawn raised issues of public information/education (related to our vision) and fire. Council members responded that fire fits nicely within both forest health and biomass issues. Wayne suggested that the Council consider sending a letter to the Governor and Congressional leaders reflecting the concern about fire management and associated costs.

Dave Epperly asked Council members to comment on policy issues and the general level of awareness about forest issues among the stakeholders/groups represented by Council membership. Council members commented on property taxes and gas prices having a big effect on resorts, the need for greater general forest education, and managers concern about fuel levels and managing forests without adequate markets for the harvested material. Dave Sterr cautioned that the Council ought to be careful about taking on too much. Al noted that he shared Dave's concern and cautioned we ought to consider where we can make a difference.

Other responses regarding policy and forest issues included interest in "branding" sustainable Minnesota products, concerns about the impacts of budget reductions on Council activities, low awareness of the Council (as opposed to DNR), recreation opportunities, our limited ability to inform private forest landowners (much less the general public), and land use planning and regulation. Joel Koemptgen commented that we are going to have to focus on good development, acknowledging that there are many people who love the woods. Rob commented that information and education is a crowded field, but issues that resonate with him include alternative energy, invasive species, and carbon sequestration. Alan commented that there is a better understanding of all the different landowners today than previously.

Charlie reviewed the additional issues raised and the prioritization criteria the Council used in 2005 (direct impact, elevate understanding, top priority as viewed by Governor and legislators, and SFRA intent). The Council agreed that the criteria are still appropriate.

Dave Zumeta clarified that public education/information is not in the MFRC statutory mandate; neither is wildfire. Wayne responded that fire policy is a fair issue to consider. The Council discussed next steps in clarifying the policy issues identified today. Members discussed incorporating wildfire into a forest health focus and providing new language relating to the globalization issue. Council staff will work with Charlie to further refine the issues and Charlie will develop a summary of the issues to consider in July. Committee chairs will have an opportunity to review revised language prior to the July mailing.

Shawn commented that wildfire as a part of forest health was not his intention. He was more interested in addressing the costs of suppression and the resulting effects on management. Discussion regarding sending revised issues out to the entire Council before the July meeting followed. Charlie closed the discussion, noting that he would run revisions past the committee chairs by early July.

Public Communications to the MFRC
None.

MFRC Member Comments
Wayne asked about the change in meeting locations (from Shoreview Community Center to the MNDOT Training and Conference Center). Al responded that the change of venue was associated with budget restrictions in light of the State budget.

Shawn provided an update on moose in NE Minnesota. Results from recent necropsies indicate brain worms and heavy parasite loads, similar to the previous situation with moose in the NW. Anecdotal evidence also indicates that there are more deer in the north and far fewer moose.

John commented that he is the president of the *Minnesota Wood Campaign* and is involved with the development of a *True North Woods* brand. John commented that after attending this Council meeting he feels he is better prepared to integrate work of the Council with the activities of *Minnesota Wood Campaign*.

Dave Zumeta stated that there would be an action item related to policy focus for the MFRC at the next meeting in July. There may also be an item related to Site-level Committee recommendations. There will be a field tour mid-afternoon on July 16 and also a field tour the following day.

John Rajala moved, and Shaun Hamilton seconded, to adjourn the meeting. The meeting was adjourned.