Minnesota Forest Resources Council
Minutes
Cloquet Forestry Center
September 22, 2015

Members Present: Kathleen Preece (Acting Chair), Susan Solterman Audette, Greg Bernu, Forrest Boe, Wayne Brandt, John Fryc, Alan Ek, Shaun Hamilton, Darla Lenz, Bob Lintelmann, Gene Merriam, Tom McCabe, Bob Owens, Dave Parent, Deb Theisen

Alternate Members Present: Rick Horton

Members Absent: Shawn Perich

Staff Present: Calder Hibbard, Lindberg Ekola, Rob Slesak

Guests: Jennifer Corcoran (MN DNR), Dennis Kepler (MN DNR), Duane Lula (citizen), Gary Michael (MN DNR), Christian Nelson (Fond du Lac), Steve Olson (Fond du Lac), John O'Reilly (MFA), Rachel Peterson (MLEP), Dick Rossman (MN DNR), Doug Tillma (MN DNR)

Chair's Remarks
Kathleen Preece remarked that she is serving as the acting chair for Bob Stine, but she may be officially appointed as MFRC Chair soon. She also noted that this year marks the 20th anniversary of the MFRC. Current and past Council members and guests will celebrate the occasion after the council meeting. Kathleen thanked the staff, particularly Calder Hibbard, for all of their efforts to continue business of the council through recent changes.

Approval of Meeting Minutes*
Wayne Brandt approved, and Bob Owens seconded, the meeting minutes. *The minutes were unanimously approved.*

Approval of Agenda*
John Fryc approved, and Tom McCabe seconded, the draft meeting agenda. *The agenda was unanimously approved.*

Executive Director Remarks
Calder Hibbard, Interim Executive Director, noted that council staff are working with the Minnesota Forest Resources Partnership on the forest industry competitiveness report and the action items to be completed. Staff have discussed strategic planning pieces within each committee, but further action is likely to occur when the new Executive Director is hired. The process of improving the MFRC website continues, and Calder requested feedback from Council members. Wayne Brandt congratulated staff on the work that has been done so far. Calder also provided an overview of the MFRC field tour schedule.

Committee Reports

Personnel and Finance
Forrest Boe reported that the committee has not met.

Site-Level
Dave Parent reported that the committee met on August 10 and pointed to the meeting summary for more details. Dave mentioned the current update of the Minnesota Wildlife Action Plan, which may have implications for the MFRC forest management guidelines. Discussion ensued, in which it was mentioned that there might be utility in revamping the old MFRC Research Advisory Committee to fill in research gaps, there is a lack of key forestry- and landscape-oriented terms in the Wildlife Action Plan, and there may be additional implications for certification and the landscape-level plans. However, the public comment period has ended.

Landscape Planning/Coordination
Shaun Hamilton reported that the committee has not met, but meetings of the Northeast Landscape Committee and Landscape Committee are scheduled for October 14 and November 12, respectively. These meetings will focus on preparation for the North Central Landscape Plan revision and continuous improvement of the planning process. The improvement piece will include the following five categories: timeline and sequence, resources, membership, participation, and decision making within the committees.

Information Management Committee
Kathleen Preece reported that the committee has not met.

As an aside, Bob Owens discussed his new role on the Minnesota Invasive Terrestrial Plants and Pests Center advisory board. He expects that the center will seek input from the council. He noted that the upcoming development of invasive species management guidelines and the need for additional funding to do more to address invasive species. Greg Bernu also mentioned his work as an Aitkin County Agricultural Inspector, in which he experiences challenges enforcing existing invasive species laws due to lack of funding. The Center will be helpful. We also need to determine what level of species invasion we can tolerate as a society as eradication is incredibly difficult.

Written Communication to the MFRC
None.

Committee of the Whole: Overview of family forest landowner guidebooks
Forrest Boe introduced Gary Michael, DNR Division of Forestry Cooperative Forest Management Supervisor. Gary discussed the Private Forest Management (PFM) System Framework Planning Effort. A series of meetings resulted in several strategic objectives, including: 1. Service delivery models (e.g., landowner handbook series, streamline plan, and template projects), 2. Project implementation (e.g., review of the EQIP program and new funding mechanism for small projects), 3. Service capacity (e.g., encourage new graduates to be private consultants and identify gaps), 4. Outreach and education (e.g., website improvements and renew DNR outreach and education grants), 5. Information and technology (e.g., data management plan

completed by Jeff Reinhart and live map creation plus on-site printing via tablets), 6. Resources (e.g., develop a network of landowners and utilize MFRC Landscape Committees to help align funding opportunities), and 7. Performance evaluation and improvement (e.g., annual and long-term goals including all partners).

Rachel Peterson asked about implementing plans on the ground, talking to loggers, etc. Gary replied that MLEP is targeted in the plan.

Alan Ek mentioned a need for an opportunity analysis related to various quantitative aspects including acres affected, water resources, habitat, productivity, recreation access, and jobs. Gary mentioned that we have some baseline data, but we need to collect more data and watch how improvements are being made. However, this data collection and analysis can be difficult. Shaun Hamilton commented on leveraging data on the redesign and long-term planning; getting more 'bang for the buck' for the most synergy in the process. Gary replied that the PFM System Framework Planning Effort is going to be proactive.

Dave Parent asked about small landowners, the struggle for balancing cost and effort, and encouraging silvicultural/management practices. Gary said that the market can determine some of that as well as cost-sharing. Rick Horton mentioned that the Natural Resources Conservation Service requires Technical Service Provider (TSP) training and spoke to the low accessibility to and difficulty of this training. He asked if there are any efforts to make stewardship plans adequate for federal programs. Gary said that they have been reviewing and identifying these concerns and mentioned some details regarding the differences. Rick pointed out three-way partnerships as a means to address some of these concerns. John O'Reilly mentioned the Central Minnesota Small Woodlot Owners Association that has been operational for about 20 years. Wayne Brandt asked how Tree Farm fits in. Gary mentioned an upcoming meeting with the purpose to discuss aligning Tree Farm with PFM.

Gene Merriam asked about private consultants and quoted a PFM document regarding program funding cuts in 2011, stating that someone considers it a lower priority. Forrest noted significant reductions to the program, which was lower priority, in an atmosphere of declining General Fund allocations division-wide and diminishing timber revenues. Gary added that he is presenting a plan to address these concerns by gathering people and efforts. Gene provided an example of an industry forester that assisted him with management on private land and asked if this type of service still occurs. Wayne commented that more of this type of work was being done prior to the recession.

Bob Owens summarized a few of the last comments and asked how this work will stimulate markets and how to reach out and get the private landowners involved with markets. Gary mentioned the idea of doing a workshop and sending out mailings, etc. to try to pull together consulting foresters, but we need more information about forest size/age to get in touch with partners and others. Bob commented that the council needs to talk about incentives and bring attention to market issues such as the emerald ash borer.

Gary also showed Council members that Land Owner Handbooks, modeled after the "My Healthy Woods" books from Wisconsin. Four of 10 books are funded and mostly complete, but additional funding is needed to complete the last six books. Gary mentioned that the handbooks will have a companion website.

Alan recalled that a statistic of PFM foresters tracks well with private landowner harvest. He also mentioned increasing concerns about an aging forest and implications for wood quality, fire fuel, habitat, etc. John O'Reilly added that private land owners tend not to do any management unless it's free or paid for, so we need to show value in these efforts. Rachel mentioned the need to reach out to those who aren't contacting the PFM program.

Potential challenges to certification of state forest land because of recent changes in state forest management policies

Forrest Boe introduced Doug Tilma, DNR Division of Forestry Timber Sales Supervisor. Doug described the history of rotation age review. He stated that aspen and black spruce have had no real changes in rotation age, but red pine has experienced significant changes in rotation age, from 100-110 years to 60-70 years. Doug mentioned a new approach of including the time value of money in rotation age decisions. These rotation age changes will get stand on the Stand Exam Layer (only a list for review; not all would result in timber sales). Doug reviewed charts of age class distribution per ownership (School Trust, non-Trust, natural origin), highlighting the acreage losing value.

Bob Owens asked who determines that value of these stands that are losing value, citing that different types of stands can be valued differently. Doug mentioned that the rotation age policy change is related to only to Trust Land plantations. These lands are treated slightly differently than the rest of state-owned lands. The time value of cash is incorporated into the analysis. Susan Solterman Audette asked about red pine plantations on school trust lands and how that relates to the total amount of red pine plantation acreage cited in the presentation. There is not enough acreage to provide an even flow, but older age classes are losing money for the trust. These areas are high priority to evaluate for final harvest. Greg Bernu asked about intermediate stand treatments, and Doug explained that a thinning evaluation occurs for all stands over 20 years of age.

Doug provided information on the direction moving forward. Subsection plan revisions will incorporate the new rotation age policy. We will reach a lull in 10-20 years. Some situations allow for flexibility, but that is not possible on Trust lands. Current SFRMP plans will use the extended rotation ages for non-Trust lands as well. Doug mentioned an upcoming opportunity public review/comment. He added that this is a significant shift in management objectives, and it will be reviewed stand-by-stand to assess for regeneration harvests.

Wayne Brandt asked about funding and additional bond dollars needed to pay for plantings. Forrest Boe responded that the funding would have to come from somewhere, but it's difficult to answer that now.

Dave Parent asked about the how the 3 percent discount rate, the cost of holding red pine plantations longer as growth slows and volumes from thinnings declines, was determined. Doug pointed to Don Deckard's work and his expertise, stating that he's done work to ensure this analysis is standard and vetted. Doug added that although this issue has garnered a lot of interest, red pine harvests constitute a small percentage of total harvested state land. Gene Merriam pointed back to the original Timberjay article and asked about implications for certification. Doug discussed an evaluation of non-School Trust lands and the greater flexibility that is in place for those lands versus Trust Lands. He mentioned ongoing recertification efforts and that certifying organizations are aware of the policy changes, and no actions are required thus far.

Susan mentioned a stakeholder committee meeting that Forrest also attended at which the group discussed the 3 percent discount rate. She commented that School Trust Lands shouldn't be managed based upon short-term economic analyses. She added that environmental groups feel this policy is too aggressive and mentioned concerns about understory diversity and visibility. She added once the policy is there, and pressure to bring wood to market is in place, earlier harvests will occur. Doug responded that the DNR is trying to strike a balance between the mandated economic return on these lands and forest management. The analysis just puts these pine stands on the stand exam list, and they are not necessarily harvested. Susan replied that the perception of this policy is that it puts pressure on DNR field staff to examine and value the economic aspects of these stands. Steve Olson added that it would be good to see an economic analysis related to specialty products.

Rob Slesak inquired about natural origin stands and whether they are differentiated. Doug replied that they are separated in SFRMP plans with different rotation ages and that natural origin is cheaper and preferred. Rob also asked if fertilization and other methods are used to reach greater tree size/height faster and subsequently reduce harvest ages. Doug replied that this is not occurring at this time. Greg asked if someone directed Don Deckard one way or another on his analysis of short- versus long-term economics. Doug responded that Don indicated that longer-term forecasting is difficult for many reasons.

Decision on the Minnesota Forest Resources Council's next Executive Director*
Kathleen Preece explained that Council staff were asked to leave the meeting room while Council members deliberated on the hiring of the next MFRC Executive Director. During this time, members chose two finalists for the position: Calder Hibbard and Rebecca Barnard. The council voted to ask the two candidates to attend the November Council meeting where they may be asked to give presentations to the full council. Council members will vote to select the new Executive Director at the November meeting.**

Gene Merriam noted that the MFRC is subject to both the Minnesota Open Meeting Law and Government Data Practices Act. As such, it is with limited exceptions that the council can hold information in confidence and meet in executive session. The law does not apply to the selection of candidates and candidate interviews. Gene explained that search committee members, appointed by Chair Bob Stine, met in several executive sessions conducted in

accordance with the Open Meeting Law to interview candidates, discuss recommendations, and arrive at a recommendation to the full council. The council considered that recommendation today in a closed session to provide confidentiality to candidates who asked to remain anonymous. Only the finalists' names are included in the public record. Going forward, the council is compelled to make further decisions, have further discussions, and vote in open meetings.

**The vote will take place at a special meeting of the Minnesota Forest Resources Council on Tuesday, November 24, in the Stine Room of the Cloquet Forestry Center.

DNR Resource Assessment: history, capacity, opportunities for collaboration with the MFRC
Forrest Boe introduced Dennis Kepler, Resource Assessment Director, DNR Division of Forestry. Dennis provided a brief history of Minnesota's forest inventory. Resource Assessment formed in 1974 in collaboration with the North Central Experiment Station. It later operated in coordination with the Annual Forest Inventory System, which was folded into the Forest Inventory Analysis (FIA). At one time Resource Assessment had over 100 foresters in the field. The GAP Analysis project from 1991 used inventory data to train the land cover classification using Landsat.

Core projects of Resource Assessment are: FIA (plot-based; one plot per 6000 acres), Cooperative Stand Assessment (stand based), and aerial photography (only forested regions; Color Infrared; digital). Resource Assessment moved to a new model in 2010, an enterprise- and project-based system. Dennis discussed the number and type of employees at Resource Assessment as well as ongoing and past project types, including forest modeler and biometrician work and digitization of historic aerial photography. Dennis also mentioned change detection mapping work for the Guideline Monitoring program, an update of the National Wetland Inventory, and work done on streamline and riparian delineation in coordination with the DNR's Coastal Program. He highlighted an LCCMR proposal related to forest inventory and the cost savings of modernizing methods.

Greg Bernu asked about collecting 9x9 photos. Dennis replied that that format is no longer collected. Gene Merriam asked about the LCCMR presentation and provided a few suggestions, including using a few seconds to talk about the history, mentioning original LCCMR studies, and asking them to follow-up on the legacy they started. Steve Olson commented on the importance of the project and added that the Fond du Lac Band would be very interested in the updated inventory.

Forest management and related land management programs on the Fond du Lac Reservation
Kathleen Preece introduced Steve Olson, Fond du Lac Reservation Forester. Steve covered the history of the 1854 treaty that established the Fond du Lac Reservation as well as other treaties in which the Fond du Lac Band ceded millions of acres of their territories. Steve also spoke about boundary disputes and the contentious 1887 Dawes Act that broke the reservation up into individual allotments of land. At the time, there were not enough tribal members to cover all of the land, but the number of heirs has increased exponentially. This issue has sparked the land buyback program.

Steve described the organization chart of employees of the tribe. Emphases in forestry are on ecological silviculture and forest diversity, planting species in native plant communities that are missing. Steve spoke about the Forestry program, coordination with DNR, and other projects and initiatives (e.g., dry mini-chip for heating). He also described prescribed burning for blueberries, buckthorn control measures, and sugar and invasive earthworm projects. Steve introduced Christian Nelson, Fond du Lac Timber Sales Forester, who provided an overview of a sugar maple regeneration project which is growing the seedlings in a gravel bed and under-planting in a sugar maple stand instead of natural regeneration. The tribe shut down the timber enterprise this summer and will return to open market sales.

Bob Owens and Gene Merriam asked questions about land parcels and management of the allotted land on the reservation. Steve replied that the tribe and land owners have to approve activities. Christian added an anecdote about once mailing 400 letters to approve a 40-acre sale. He explained that the mailings include a cover letter providing information on the sale and a power of attorney form. Greg Bernu spoke about the difficulty of getting permission to access lands within the boundaries of the reservation. Kathleen Preece asked about moose management and cooperation with the tribes and forest management. Steve mentioned the need to collaborate with neighboring townships.

Public Communications to the MFRC
None.

MFRC Member Comments
Rick Horton mentioned a TV show on the Pursuit Channel put on by the National Wild Turkey Federation, with two episodes based in Minnesota and Wisconsin.

Forrest Boe moved, and Dave Parent seconded adjourning the meeting. *The meeting was adjourned at 2:25 p.m.*