

Minnesota Forest Resources Council
Meeting Minutes
The Nature Conservancy
March 16, 2005

Council Members Present: Al Sullivan (Chair), Wayne Brandt, Mike Carroll, Jan Green, Shaun Hamilton, Bob Oswald, Dave Parent, Kathleen Preece, John Stauber, Bob Stine, Dave Sterr, Paige Winebarger, Bob Lintelmann, Lisa Pattni (alternate for Jim Sanders), Kathy Manteuffel, Bruce Cox

Absent: Dick Walsh, Jim Sanders

Guests: Jerry Rose, John Fedkiw

Staff: Dave Zumeta, Dave Miller, Mike Phillips, Jenna Fletcher, Lindberg Ekola, Clarence Turner

Chair's Remarks

Al Sullivan remarked that he will share his current thoughts later on shaping and setting agendas for these meetings.

Public Input/Communications to the Minnesota Forest Resources Council

Jerry Rose explained that he and John Fedkiw are visiting MFRC as part of their work to write a book that will contain case studies of sustainability. The book will highlight John Fedkiw's concept of sustainability as a pathway, instead of an endpoint, that is affected by technologies, value shifts, vagaries of nature, etc. Jerry explained that laws and physical limitations bound the pathway, but within the trajectory of the pathway there is room to define what society wants sustainability to look like. John Fedkiw explained that MFRC's Landscape Program is unique in the nation and is impressed by the comprehensive nature of the planning, and that the process includes a monitoring component.

Approval of January 19, 2004 Meeting Minutes*

Bob Stine moved to approve January 30 meeting minutes. Shaun Hamilton seconded. An error was noted on page two - the March 16 Council meeting was incorrectly stated as March 19th. The motion to approve the minutes with the correction was unanimous.

Approval of March 16, 2005 Meeting Agenda*

Shaun Hamilton moved to approve the March 16 meeting agenda, Paige seconded. The motion carried.

Executive Director Report

Dave Zumeta shared that he has been hosting John Fedkiw and Jerry Rose this week. Dave also highlighted a book that describes John Fedkiw's work entitled "Pathway to Sustainability" and offered a copy to any interested members. Next, Dave said that staff recently completed a comprehensive response to the GEIS Report Card Survey that included eleven years of history in implementing the site-level, landscape and research programs.

MFRC Committee Reports

Personnel and Finance

Al Sullivan (Chair) reported that the Personnel and Finance Committee met on February 24. The committee discussed an earlier version of the policy issue matrix that describes the forest policy topics that MFRC could impact. The committee also discussed the most effective use of MFRC meeting time, which amounts to only 36 hours per year.

Site Level

Dave Parent (Chair) distributed a summary of activities completed in the Site-level program. He reported that publication of the new guideline books will be June 30th. The number of copies to be printed will be based on bid price from the printer.

Dave also reported that the Riparian Science Technical Committee (RSTC) will meet on April 4 in the Twin Cities. He said that the Wisconsin DNR has agreed to provide \$25,000 towards MFRC's RSTC work and the upcoming economic analysis. In exchange for the monies, MFRC will share the results of both teams' work with Wisconsin DNR Division of Forestry.

Finally, Dave commented that MFRC should examine guideline implementation goals. When the 48,000 landowner guideline brochures were published in 1999, private landowners in southeast Minnesota either did not receive these mailings, and/or there is no record of how the distribution was done. Dave suggests that the Site-Level Committee develop an NIPF information distribution strategy, which could lead to a redistribution of the brochure.

Landscape Planning/Coordination

Bob Stine (Chair) handed out a summary of the Landscape Planning Committee's meeting on March 1, and a program update. Dennis Hummitzsch is tentatively planning a Northern Landscape Region Coordination meeting in April.

Forest Resources Information Management

Jan Green (Chair) reported that the Information Management Committee met on January 24 and will meet again on March 21. Two MFRC members, Kathleen Preece and John Stauber, have been added to the committee. The committee discussed the importance of an accurate definition of "wood residue" and its relevance to the Laurentian Energy Project being proposed in Virginia and Hibbing, Minnesota. The committee also spoke with Al Ek who is leading the effort to "reconstitute" the Information Interagency Cooperative (IIC). Al is holding three needs assessment meetings throughout the state.

Written Communications to the MFRC

Dave Zumeta described a letter he received from Doreen Butala, who is considering creating a non-profit that would reach out to NIPF landowners and provide general information regarding Minnesota's forests. Dave sent a response letter to Doreen containing information about MFRC, and referred her to additional contacts.

Proposed resolution to approve forest policy issue classification developed by the Personnel and Finance Committee*

Al Sullivan started the discussion by briefly summarizing the list of policy issues and the other information contained on the matrix (sent in advance). He also reported that an earlier version of the matrix was shared with chairs of Minnesota Legislative committees and was sent to members of Minnesota's Congressional Delegation. Al clarified that this matrix is intended for internal use, and the fit of other groups' related work will become clearer as we work on the issues. The focus during this meeting was to agree to the priority issues, but not finalize the approaches and action plans. With that introduction, Al asked if members agreed whether the policy issues as laid out in the first column of the matrix should be MFRC's priorities, and if so, these topics will shape future meeting agendas and will guide work allocation to committees and staff.

Wayne Brandt moved, and Jan Green seconded to approve the list of the five policy issues.

Paige Winebarger proposed that the phrase “with special attention to invasive exotic plants” be removed under the Forest Health issue. Wayne Brandt and Jan Green proposed a friendly modification of “forest landscape health, with special attention to invasive exotic plants, insects and diseases” which makes the issue more broad. The motion for this modification passed unanimously.

Jan then proposed an amendment be added to the resolution language. Instead of “approve the recommended list of five policy issues from the Personnel & Finance Committee,” Jan suggested we vote on this resolution wording: “approve the recommended list of five policy issues as stated in left hand column from the Personnel & Finance Committee.”

The vote on the revised resolution carried unanimously.

Committee of the Whole : Discussion of selected policy action item, and how members want the item addressed at future MFRC meetings

Al Sullivan stated his goals as Chair: 1) develop a better agenda-setting process, 2) use committees more productively to make full Council meeting time more efficient, and 3) improve the quality of meeting presentations. Without an agenda-setting process, he notes that it puts pressure on the staff: “Dave Zumeta has 17 bosses.” The Personnel & Finance (P&F) Committee could be a place to vet proposed meeting agendas, which in effect expands the role of the P&F. Discussion ensued on how comfortable Council members are with this expanded role of the P&F committee. Bob Stine noted that P&F took on the role of winnowing the policy issues, and is comfortable with the committee also winnowing the agendas in the interest of efficiency. Dave Parent and Mike Carroll also said they are comfortable with this expanded role of the P&F, as long as the full MFRC agrees.

In order to improve the quality of meeting presentations, the members discussed the idea of having MFRC members and/or staff brief potential speakers. PowerPoint presentations should be less than 15 minutes. Mike Carroll noted the need for high level presentations to be grounded with pre-work.

Al then suggested that an orderly, systematic method to improve understanding of policy issues be created. To do so, he is asking MFRC members’ input on how to do this. For example, on the globalization topic, there is a need to educate the members at the “50,000 foot level,” then get an agency perspective on the issue. Jan Green added that while educating members on each of the top five policy issues, MFRC should answer the question of what is the appropriate MFRC “niche” or contribution to this policy issue.

Bob Oswald noted that years ago council members knew what work had to be done on MFRC’s programs since many were outlined in steps leading to the formation of MFRC. These programs focused the work of the MFRC. Bob observed that now, with new members, and with stable programs, the Council needs to go forward to influence policy. Shawn Perich agreed, but added that with new members and those members who do not work daily with these policy topics, continual education is needed. Bruce Cox added that the first thing we need to do is answer “where do we want to go with this issue?”, then identify the guest experts to bring in to talk about them.

Al summed up that MFRC needs to do “do fewer things better”.

The discussion then turned to the details of the five policy issues and possible future agenda items that relate to these issues.

Regarding the globalization policy issue, John Stauber suggested that MFRC cannot directly address worldwide competition, but can examine the regional impacts of globalization. In order to improve Council member’s understanding of this broad issue, Paige Winebarger and Shawn Perich suggested that a videotape of Ed Shuh’s presentation to Grand Rapids leaders be viewed by all members. Paige said out that one of the key

points of the Ed Shuh presentation is that instead of using the broad and vague word “globalization,” it is better to use the term “economic integration.” John Stauber noted that the Governor’s Task Force on the Competitiveness of the Primary Wood Products Industry was convened only after Minnesota lost 300 jobs. In the secondary forest products industry, such large scale job loss won’t occur - jobs will be “chipped away.” Shaun Hamilton added globalization also affects forest ownership shifts from industrial owners to timber investment management organizations.

Jan Green asked about how John Guenther as a guest presenter will fit within the five policy issues. Dave Zumeta explained the connections to four of the issues. It was discussed that Shawn Perich, Mike Carroll and Jan Green could help set the content for the presentation to ensure it’s fit with MFRC’s policy focus.

Next the discussion turned to the woody biomass policy issue. Dave Zumeta shared his understanding of the current status of the Laurentian Energy Project. Virginia & Hibbing Energy Utilities created the Laurentian Energy Authority with the goal of converting their coal plants to 75% coal / 25% biomass. Excel Energy is linked to this project in that, in exchange for storing casks, Excel agreed to fund exploration of alternate energy sources. They will buy the biomass energy. Currently there are several bills in the Minnesota Legislature related to this Laurentian Energy project. One bill, Senate File 940, specifies \$200,000 to be provided by the Initiative for Renewable Energy and the Environment (IREE) to MFRC for creation of guidelines related to biomass collection in forests. Another \$100,000 is earmarked for DNR to develop brushland guidelines. Al Sullivan disclosed that he is a member of IREE’s Executive Committee, and Dave Zumeta sits on IREE’s External Advisory Committee. Jan Green said that an environmental assessment worksheet (EAW) must be completed by the Pollution Control Agency by July 2005 since this is a mandatory category. She commented that with so much of the project dependent on what is contained in the bills in the Legislature, it is difficult to scope the EAW, but soil impacts, wood supply questions, and others will likely be included. Mike Carroll noted that these biomass projects are happening nationally. Jan Green said environmental organizations such as the Institute for Agriculture and Trade Policy and Minnesotans for an Energy-Efficient Economy look positively at this project since it’s a renewable source for energy. Wayne Brandt shared his members’ two main concerns about this project: 1) “roundwood” should be excluded from the biomass definition, and 2) one of the bills allows counties to sell outside of a normal auction process that creates unfair competition.

Award Presentation – Ron Nargang, Executive Director, The Nature Conservancy, Minnesota Chapter

Ron Nargang said that The Nature Conservancy gives out awards every year to those who have provided valuable support in preserving the plants, animals and natural communities that represent the diversity of life on earth by protecting the lands and waters they need to survive. Jan Green was the recipient of the Lifetime of Conservation Achievement Award. Jim Sanders was awarded the Stewardship Award for Forest Management.

Proposed resolution to approve Information Management Committee charter*

Jan Green moved, and Shaun Hamilton seconded the resolution to approve the revised charter for the Information Management Committee. The resolution was approved unanimously, with minor edit to change the word “center” to “cooperative.”

Proposed resolution to approve Site-Level Committee charter*

Dave Parent moved, and Bob Oswald seconded the resolution to approve the revised Site-Level Committee charter. Shawn Perich asked if forest certification is within the scope of the committee’s work. Dave Parent, Site-Level Chair, replied no. Bob Stine commented that since the charter specifically mentions the RSTC, when that project is done, it could negate the charter! It was suggested that “for riparian areas” be deleted at the end of the second bullet. Bob Stine moved to amend the charter, and Bruce Cox seconded. The motion to amend carried. A vote to approve the resolution carried.

Al Sullivan asked that P&F and Landscape committees draft committee charters for full approval.

Proposed resolution to approve East Central Landscape Plan*

Bob Stine moved to approve the East Central Landscape plan entitled "Forest Resource Management Plan: East Central Landscape." Dave Parent seconded. Lindberg Ekola briefly highlighted the Landscape plan. He then noted that the East Central Landscape committee wanted to be more specific on policy statements in this plan. They feel that implementation of this plan will be critical. As such, the first coordination meeting will be on March 31 with entities interested in the plan. Also, \$1,000 from East Central Woodland Owners Council was pledged towards implementation, and MFRC will match it.

The motion to approve the East Central Landscape Plan carried unanimously.

Proposed resolution to recommend that the Governor create an Advisory Task Force on the Competitiveness of Minnesota's Secondary Forest Products Industry*

John Stauber, as the MFRC member that is proposing this resolution, talked about the importance of a healthy secondary forest products industry. He remarked that there are few remaining firms that are solely sawmills. Most also provide value-add work in order to survive. With that introduction, John Stauber moved to approve the proposed resolution. Wayne Brandt seconded.

Al reminded members that this resolution is a recommendation to the Governor to create a task force, and when and if the Governor does so, the MFRC may or may not have a role. Wayne added that MFRC would not create a charter for this proposed Governor's Task Force, but rather MFRC is advising the Governor of the need for this group to evaluate global competitiveness of this part of the forest industry.

Shaun Hamilton asked how much of this task force would overlap with Blandin Foundations work. Mike Carroll noted that this would need to be worked out, but the Primary Task Force made a difference by bringing resources to the DNR to increase wood supply. Kathleen Preece noted that the Blandin Foundation is playing an important role in promoting diversification within the forest products industry in the three main sectors: primary, secondary and special forest products. While a Governor's Task Force would build on the groundwork that Blandin Foundation has laid, this is a separate and complementary initiative.

Mike Carroll said that he spoke to Dentley Haugasag, Department of Employment and Economic Development (DEED), who suggested that the scope of issues addressed by the proposed Advisory Task Force will have to be very carefully scoped. Wayne clarified that the focus, per John, is not paper remanufacturing, but lumber remanufacturing. In response, Mike Carroll suggested rewording the resolution to delete "secondary" and add "related to lumber remanufacturing" at the end of the resolution. John Stauber made a motion to amend the resolution language, and Wayne seconded, as follows: "MFRC recommends the Governor establish a task force evaluating the competitiveness of wood preservation, wood remanufacturing, crating, industrial use of high and low grade lumber, millwork, window and door manufacturing sectors of Minnesota's forest products industry." Discussion ensued. Shaun Hamilton is hoping that this resolution will show support of regional sustainability for the Lake States. Jan Green said that the environmental community has been supportive of the approach that "a diverse forest requires a diverse manufacturing business."

The motion to approve the resolution with the revised language passed unanimously with two provisions: 1) wording change as stated above, and 2) a carefully crafted, vetted cover (transmittal) memo will be sent along with it to provide context from the MFRC.

Public Communications to the MFRC

Dr. John Fedkiw thanked MFRC for staff and members' for the time spent with him. He said that because MFRC is holistically working at the complex task of sustainability, he believes MFRC is "leading a revolution" in sustainability, and he will be writing a paper in collaboration with Jerry Rose, who provides an operational perspective.

MFRC Member Comments

Bob Stine announced that Char Miller will be making a presentation at the Cloquet Forestry Center on April 27th. Jan Green reminded members of the Research Review on Tuesday March 22nd at University of Minnesota – Duluth.

Jan Green moved to adjourn the meeting, Shaun Hamilton seconded. The motion passed unanimously.