

*Minnesota Forest Resources Council*  
**Meeting Minutes**  
**Cloquet Forestry Center – Cloquet**  
**November 29, 2006**

**Council Members Present:** Dave Parent, Dave Epperly, Bob Lintelman, Al Sullivan, Butch Eggen (alternate), Kathleen Preece, Bruce Cox, Paige Winebarger, Jon Stauber, Jim Sanders, Jan Green, Bob Oswald, Wayne Brandt, Bob Stine, Shawn Perich, Dick Walsh

**Absent:** Shaun Hamilton

**Guests:** Art Norton (TNC/Forest Legacy), Bob Krepps (St. Louis County), Rick Klevorn (MN DNR), Paul Radomski (MN DNR), Mike Schrage (Fond du Lac Resource Management Division) Mike Connor (USDA Forest Service), Steve Katovich (USFS), Kathy Kromroy (MDA), Susan Burks (MN DNR), Kevin Connors (APHIS), Julie Miedtke (University of MN Extension), Mark Abrahamson (MDA), Teresa McDill (MDA), Andrea Diss-Torrance (WI DNR), John Kyhl (USFS)

**Staff:** Dave Zumeta, Mike Phillips, Calder Hibbard, Lindberg Ekola, Leslie McInenly

**Chair's Remarks**

Al Sullivan noted that the Secretary of State will make a public announcement in December regarding eight open appointments on the Council. Jan Green announced that her appointment is finished in January 2007 and she will not apply for reappointment to the Council.

Al announced the MFRC meeting schedule for 2007: January 24 (Shoreview Community Center), March 7 (Cloquet), May 16 (Shoreview), July 18-19 (Virginia), September 19 (Cloquet), November 28 (Cloquet). Because of conflicts on March 7, Al said he would follow up with Council members to determine the best date to meet in March. The Council discussed potential meeting locations.

**Public Input/Communications to the Minnesota Forest Resources Council**

None.

**Approval of September 20, 2006 Meeting Minutes\***

Paige Winebarger moved to approve the 20 September 2006 meeting minutes. Kathleen Preece seconded. The motion carried.

**Approval of November 29, 2006 Meeting Agenda\***

Bob Stine moved to approve the November 29 2006 agenda. Jim Sanders seconded. The motion carried.

**Executive Director Report**

Dave Zumeta said that Council staff will send a draft of the Annual report to Council members on December 11. Council members will have a week to comment.

## MFRC Committee Reports

### *Personnel and Finance –*

Al Sullivan reported that the Personnel and Finance Committee (P&F) reviewed the staff work plan, looked at MFRC expenditures and budget, and talked about reauthorization at its last meeting. The administration is recommending reauthorization. Al noted that he will be using telephone conferences to meet with Council members regarding reauthorization discussions. Dave Zumeta said that, based on Governor's task force discussions, it is clear there will be a recommendation to reauthorize MFRC in their report. Jan Green recommended contacts be made to familiarize new legislative members and committee chairs with MFRC and SFRA. Al commented that the P&F Committee also developed a charter and discussed measures to make the best use of Council member time during meetings.

Bob Stine asked whom the P&F members were envisioning as new Research Advisory Committee (RAC) members. Al responded that the P&F Committee has had some discussion regarding RAC members but also the need to obtain funds for the RAC. Historically, without research funds there was little interest in involvement because there was little that could be done. Council members suggested a number of possible roles of a reconvened RAC, including a new assessment of research needs. The Council discussed MFRC budget allocation to the RAC. Bob Stine recommended the Council spend some time discussing who should be on the RAC and how to get funds.

### *Site Level -*

Dave Parent reviewed the Site Level Committee report and asked the Council to review supplemental material he set on the side table. At its November 14 meeting in Grand Rapids, the Committee discussed a tentative list of reviewers for the Biomass Harvest Guidelines.

Dave noted that implementation monitoring is on track. In 2007, MFRC will focus on analyzing monitoring data and have an outside party look at the program and efficiencies. Dave stated that Rick Dahlman is going to retire in about a year. He stressed that monitoring implementation is an important role. It is the consensus of the Site Level Committee that we need get somebody trained under Rick and provide some overlap. Dave Epperly commented that he has already had discussions about how to make this transition. He doesn't want to see the position go away and will look for someone to fill that position.

Dave Parent said that the Site Level Committee report includes an extensive discussion of economic technical analysis of riparian guidelines. Mike Phillips stated that part of the delay in the economic analysis is that Calder has had to work on the Governor's task force. In addition, some RSTC members won't be able to finish their synthesis reports until early next year.

Jan Green asked whether the Committee is trying to construct a guide for sales that will differentiate the sale of the biomass portion from the entire sale, noting that such differentiation will have a great deal to do with how the land is left. Dave Parent responded that the timber guidelines portion essentially deals with the residual after a timber harvest. Harvesting of residual biomass is what the guidelines will address. Further discussion regarding how biomass removal could/ought to be differentiated in contracts ensued.

Wayne Brandt asked whether the riparian economic review will include actual dollar costs for implementation or an actual analysis of revenues forgone by landowners. Calder Hibbard responded

that names of potential analysts, as well as suggestions for methodology, were forwarded to MFRC by the consultant who did the literature review. Staff members, who are waiting for the RSTC process to finish, are reviewing the recommendations. Calder asked Council members to send him suggestions regarding how to move forward with the analysis. Council members expressed concern regarding the inclusion of costs as well as the academic nature of those listed as possible consultants. Calder responded that MFRC staff will look at a broader number of folks.

#### ***Landscape Planning/Coordination -***

Bob Stine commented that Lindberg has been working on a master calendar, and that the Landscape Committee will be trying to have some joint meetings with the regional landscape committees. At the next Council meeting, Bob stated that they will provide a list detailing projects with which the Landscape Program is involved.

#### ***Forest Resources Information Management -***

Jan Green stated that the IMC hasn't met since the last Council meeting but will meet on December 18 in Grand Rapids.

#### **Written Communications to the MFRC**

Dave Zumeta received a letter from Brian Kernohan, Forest Capital Partners, regarding a salvage logging operation on a site by the Littlefork River. Al Sullivan noted that the letter addressed some of the concerns that had been raised, but there was not a formal request for Council involvement.

#### **Committee of the Whole: Implications of forest products industry downturn for Council work and priorities**

Al Sullivan noted that there is a good bit of hurt in the industry, particularly among loggers, but the implications have ripples everywhere. He stated that some things are out of our control, such as housing start declines and the ability of other countries to operate at a lower cost. But there are some things Minnesotans can control. Al noted that if we were to lose significant parts of our forest economy, we would lose things important to our environmental community, too. As a result, the Governor reinvigorated and expanded a task force to discuss the issues. The Governor and Commissioner looked to MFRC to provide staff support. Al stressed that it is important to understand that MFRC is providing staff, but not advocating any positions. Topics being discussed cover issues that involve all Council members. The task force will have a report to the Governor by 15 December.

Dave Zumeta reported there have been three task force meetings and the final one is scheduled for December 7. The objective of the task force is to develop near- and long-term recommendations to retain Minnesota's forest industry competitiveness. Dave reviewed task force membership and reported that the task force has identified major issues to be addressed, some of which are immediate and have already had action taken to address them. A total of 136 legislative and administrative actions have been proposed. Task force staff is trying to hone down recommendations to a more manageable number. The report will be similar to that issued to the Governor in February 2006. Some of the important topics include: wood availability and price, professional capacity, maintenance of working forests, transportation, and permitting and environmental review. Dave stated that reports indicate we have already lost at least 5%, and likely more than 10%, of the logging work force.

Paige Winebarger requested further detail on some of the recommendations. Dave Zumeta responded that some actions will require a significant amount of work to advance (e.g., some bonding issues for 2008), and a recommendation to extend the task force to work on longer-term recommendations will almost certainly go forward. In addition, there are some more controversial issues that will take time to work through. The Council discussed some of the specific recommendations with respect to transportation, tax exemptions, and accelerating forest inventories.

Jan Green commented that some of the action items are expensive and inquired whether the task force will recommend how to achieve them (e.g., roads and bridges). Al clarified that the task force is only advising on particular issues; once the report is out, the Governor and advisors will decide which ones to support. Jan also voiced concern that the Governor will use MFRC staff in perpetuity. Council members discussed MFRC resource needs and the pros/cons of staffing the task force.

Jim Sanders asked how we transitioned from discussing having the highest stumpage prices in the world to bridges, taxes, and tires. He doesn't believe this discussion will impact stumpage prices. Dave Zumeta responded that the issue is competitiveness of the industry relative to global competition. There are a great many administrative actions that have been taken. Jim questioned whether the actions recommended by the task force will be a band-aid or a long-term solution and stated that we always seem to be reacting. Dick Walsh said that loggers want to see something in the short-term, and is concerned that the task force is spending too much time on long-term issues.

Dave Epperly thanked Dave Zumeta for his work with the task force and stated that the DNR has been working to address the near-term goals. Dave noted that since Oct 11, much has taken place: many agencies and landowners have stepped forward and done what they could to ease the burden.

Dick Walsh commented that 5% loss of loggers is a very low number. He believes that that many more are gone, while an additional 25% are probably walking dead and don't know it. Wayne Brandt agreed with that estimate. Jan Green mentioned that this is a national issue; our northern forests are not very productive. Maine has had to deal with these same types of issues in spades.

Paige Winebarger said she is struggling with the role of this Council in these recommendations. On one hand, we do represent the industry and we are a good voice. On the other hand, are we only staff? Either way, we are stuck in a bad way. Paige asked when the Council would have an opportunity to advise the Governor. She said that the issues seem to be a grab bag and are not getting to what the industry actually needs today.

Al Sullivan said that he doesn't see us being very involved before this goes to the Governor in December. But the long answer is that the Governor responded to a real, immediate concern. Based upon the way the Council is set up with volunteers, we couldn't respond rapidly enough. The focus is more industrial than that of our Council. That is why we are currently providing *support* staff. If there are resolutions or actions we want to make, that is the way Al sees the Council moving forward with advice. Bob Oswald agreed that the Council doesn't really have the opportunity to get involved in the short-term; however, the long-term issues may land on us. Jim Sanders recommended we look at the report to the Governor and consider dealing with some of the mid- and long-term items where we could add more depth. Jan Green asked Council members to bear in mind that we are the Forest Resources Council, not the Forest Industry Council.

### **Proposed Resolution to approve the Personnel and Finance Committee Charter\***

Al Sullivan introduced the proposed P&F charter and opened the floor for comments and questions. Council members commented on past actions/direction from the P&F Committee. Wayne Brandt moved to approve the Personnel and Finance Committee Charter, and Jan Green seconded. The Council discussed some of the definitions in the charter and the proposal was adopted.

### **Proposed resolution to cosponsor March 2007 Forest Health and Productivity Conference\***

Dave Epperly introduced a resolution to cosponsor the March 2007 Forest Health and Productivity conference and noted that the conference was listed by the Governor's task force as an important action to be considered. Bruce Cox moved to approve co-sponsorship of the conference, Paige Winebarger seconded, and the resolution was adopted.

### **Moose status and population research in northeastern Minnesota**

Shawn Perich introduced Mike Schrage from the Fond du Lac Resource Management Division, stating that the moose population estimate is up based on a better counting method, but moose are dying at high rate. He said that Mike knows better than most what is happening due to his involvement with moose research in the Northeast.

Mike gave a presentation on the population dynamics of moose on northeastern Minnesota. He commented on historic knowledge of the moose herds in Minnesota, the crash of the moose herd in the northwest and the need for research and baseline information on moose in the northeast. His study looked at moose population surveys, moose movements/home ranges, survival, and causes/rates of mortality in and around Lake County. The most disturbing result indicates that non-hunting mortality is more than double the normal average, and a majority of deaths are of unknown cause. Researchers are seeing poor antler development and emaciated animals late in the summer. Mike is starting to consider the impact of summer heat on moose and even thinking about developing a "summer severity index". He indicated conifer swamps seem to be an important summer cooling habitat.

Council members inquired about the effects of hunting on the population and potential tools to mitigate population decreases. For copies of Mike's presentation and the following presentations, visit [http://www.frc.state.mn.us/Info/Minutes/Meeting\\_presentations.html](http://www.frc.state.mn.us/Info/Minutes/Meeting_presentations.html).

### **Maintaining the voluntary status of Council timber harvesting and forest management guidelines in shoreland regulations**

Dave Parent introduced his concern regarding the development of alternative shoreland standards, which appeared to require adherence to the Voluntary Site-level Guidelines. He distributed a copy of related wording to MFRC members, commenting that he saw a conflict with our voluntary mandate.

Jan Green commented that she was on the MPCA when the shoreland guidelines were established in 1989. The specific phrase "must be consistent with" has always been in the wording. Jan stated that all that has been done is a substitution of the more modern guidelines. Jan noted that the Clean Water Act (1987) could not have been applied if forest management acts were not addressed.

Paul Radomski, DNR-Fisheries, stated that during the development of the 1989 rules, a compromise was made by referring to the use of BMPs in order to address environmental and water quality concerns related to forest management. He stated that the DNR has no intention of going through a

rule-making process, but the alternative standard could be clarified. Paul stated that the other option is that when the Division of Water revises these standards to address agricultural issues, the wording could be altered at that time.

Al Sullivan noted that something voluntary should not have a “must”. Paul Radomski responded that selecting to use the alternative standards is voluntary; but if they are chosen, “must” occurs. Jan Green commented that local units of government are free to do what serves the interests of their citizens. Paul responded that the State has the responsibility to provide minimum standards.

Al stated that one of most difficult issues when MFRC started was whether or not to be regulatory. The decision was made that more would be accomplished through voluntary measures. Someone external has picked up the voluntary guidelines and made them regulatory, undercutting our efforts.

Council members discussed whether they ought to advocate that the guidelines be voluntary. Dave Parent said he would like the Council to reassert the voluntary component of the guidelines, play a role in the next revisions of the alternative standards, and ask Paul to take this back to Waters.

Al recommended the Council consider a resolution at the January meeting to debate this issue more fully. Jan Green noted that this is not the only issue where it is stated that something must be consistent with technical guidelines.

### **Federal and state agency perspectives on impacts of firewood transport relative to Emerald Ash Borer and other invasive species**

Al Sullivan turned the discussion over to Jim Sanders, who introduced Mike Connor, USFS-State and Private Forestry. Jim stated that the issue of insects and disease threats from invasive species was raised at the last Council meeting. This presentation was developed to help Council members better understand what challenges we are facing and what actions we need to be recommend.

Mike Connor began by noting that while EAB has gained the attention of a lot of us, EAB is just one example. We will see more. Four states have active EAB infestations affecting 20 million ash trees of all species. The infestation is spreading. One state may be responding correctly, but if an adjacent state isn't doing the same, it is all for naught. Interagency work is really critical. Mike said that EAB is extremely difficult to eradicate. He gave a brief history of EAB in the states, noted the lack of literature on the species and discussed the primary treatment.

John Kyhl explained the influence of firewood movement on the spread of invasive species (e.g. gypsy moth spread). Firewood is good habitat for several invasive species and is a good means of long distance transport. John discussed the qualities of firewood that increase risk of spread (e.g. fresh wood is more risky), gave examples of the types of invasive species that can be found on firewood and gave examples of times in which firewood has been implicated in infestations.

Kathy Kromroy described ways to protect Minnesota trees from invasive pests that can move in firewood. The key to prevention is early detection and rapid response. She described how resources to fight infestation are prioritized and talked about the importance of public outreach and education.

Dave Zumeta inquired about the authority of the Minnesota Department of Agriculture (MDA) in this matter. Terry McDill responded that the Department has the authority required to keep invasive species out of Minnesota (i.e., MDA can impose quarantines on all lands).

Susan Burks gave a presentation on firewood as a vector. She discussed the top four species which concern the DNR (gypsy moth, EAB, Asian long-horned beetle (ALB), and the *Sirex* wood wasp) and how they affect/kill trees. She noted that, based on models predicting spread and invasion, Minnesota is ranking 1<sup>st</sup> or 2<sup>nd</sup> for EAB susceptibility. The same goes for ALB and Gypsy moth. Minnesota ranks low in susceptibility for *Sirex*.

Jim Sanders commented that ash is found in significant numbers in riparian areas and noted that the consequences of losing ash would be tremendous. Susan Burks added that they expect gypsy moth-associated mortality along the north shore and blufflands and stated that ash is our second most abundant hardwood. She said that the DNR is planning efforts that include proposing a ban on firewood on DNR-administered lands. This measure still needs to be discussed with the Commissioner. Outreach is critical and they will need to brainstorm how to handle disposal issues.

Kevin Connors gave a presentation on APHIS quarantine and enforcement. He described the elements of enforcement and discussed the goals and process of regulatory programs. The USDA can quarantine. Quarantines are based upon the biology of the pest, host, and method of artificial movement. The USDA is responsible to control interstate movement while states are responsible for intrastate movement. With respect to EAB, there is no effective treatment for eradication. Firewood can be treated through debarking and removal of ½ inch of the outside wood. Kiln-drying lumber is also possible. Based upon survey results, firewood moves from long distances into Minnesota. Kevin mentioned that Canada has a very similar system.

Wayne Brandt asked Kevin to comment on cross-border logs. Kevin responded that they don't have information on that, but that they do need information on destinations in Minnesota that are receiving logs (certified or not) so that APHIS can do detection trapping at those sites. The Council discussed user-fees at the border, customs border protection and follow-up survey work.

Andrea Diss-Torrence (Wisconsin DNR) gave a presentation on efforts made in Wisconsin to reduce the spread of invasive forest pests through firewood. She reported that nearly all recent EAB finds have been associated with firewood. Quarantine efforts are challenged by the lack of organization in the firewood industry and the fact that so much is moved by the public. Wisconsin regulation has been very aggressive. Wisconsin started with an external quarantine. In-state quarantine would be at the county level and can be imposed within 72 hours of EAB identification. Wisconsin is developing an approval process for firewood to be used on state lands, which may evolve into regulation of the industry. Andrea commented on the role of state campgrounds in regulation of firewood. The goal is to directly educate the public about the risk of firewood when they are using it and when it is on their minds. Currently, Wisconsin only regulates out-of-state firewood, but in the coming year, they will only allow use of firewood that comes from within 50 miles of where it is being used.

Andrea recommended states organize early, talk with tribes, work with the trade regulation agency to involve firewood dealers and suppliers and consider disposal of confiscated firewood. Public education and notification is crucial. Wisconsin is working with federal agencies to develop

treatments for firewood and make those within reach for small businesses (e.g., small kilns made from backyard sheds). Current disposal of confiscated wood is by bagging and burning/chipping.

Council members discussed different methods of firewood disposal and the potential impact of firewood regulations on individuals who use wood for home heating or loggers who won't want to deal with licensing. Presenters indicated the goal of regulation is to make sure firewood is pest free and to change the movement behavior to stop EAB spread, not to hurt local businesses. Further discussion regarding the best strategy to deal with EAB and other invasives ensued. Council members also discussed biocontrol development, urban efforts to fight EAB spread and research needs.

Dave Zumeta asked panel members what they felt MFRC ought to recommend to the Governor, the legislature and the federal government. Panel members responded that we ought to consider licensing firewood dealers, firewood certification (more effective if multi-state), changing behavior through education, supporting efforts/legislation the agencies are developing, getting industry/recreation groups involved and improving stakeholder input. Kathy Kromroy indicated that this is a complex issue, and that in Wisconsin they been working from bottom up with respect to prevention, whereas we should be working from the top down.

Mike Connor said he agreed with the comment that the research dollars are inadequate. We need a method for detection. Are there genetic programs we can move into? Why does EAB not affect ash trees in China? He also noted that outreach is critical. Mike believes multi-state outreach is needed.

Dave Epperly said that MFRC needs to support funding for research and control, and also needs to make sure all stakeholders are continuing to work together. The Great Lakes Forest Alliance and The National Association of State Foresters are also looking at EAB. The firewood situation is a real concern in the Lake States, but it also is a good educational tool.

Mike Connor commented that a challenge in dealing with new invasives is that states need to find matching funds for federal funds. He said that funding needs to come through quickly and it is important to keep this issue in front of the legislature.

Bob Lintelman commented that the caching of ash seed for future replanting has not been discussed. Mike Connor responded that caching has not received an enthusiastic reception, not for a lack of interest, just due to the concern regarding how to go about caching. The concern raised by a geneticist was the problem of not knowing what we really want to save and preserve. USFS Region 9 and the tribal nations have put forward proposals that may be great action items for the Council. Bob stated that ash is quite sacred to the tribes. Basket making is important and the resulting trade could be a vector. In addition, the pow wow circuit should be considered with respect to fires and firewood.

Al Sullivan thanked Mike and the entire panel, noting that it is hard to balance what may seem to be an ephemeral threat with an industry that doesn't want to be regulated.

### **Public Communications to the MFRC**

None.

### MFRC Member Comments

The Council discussed future MFRC meetings and locations. Kathleen Preece reported that Terry Weber left his position as coordinator of Minnesota Forest Partnership and she is temporarily assuming the coordinator position as a temporary contractor. Bob Stine noted that there is a new dean, Dr. Allen Levine, at the College of Food, Agricultural and Natural Resource Sciences.

Dick Walsh stated that most logging companies are designed to work 9-10 months, but most loggers this year are working on only 7-8 months. He said that while the financial institutions are trying to help, within the next 6 months there will be a lot of people that will go down. Ainsworth contract prices indicate that you can probably afford to pay \$20 a cord for aspen (versus \$70 last year). Dick wanted to stress this concern to the Council.

Dave Zumeta commented that future MFRC meeting agendas will likely include: Council reaffirmation of the voluntary nature of guidelines, a firewood transport action item regarding invasive species, the Governor's task force report and recommendations, the Research Advisory Committee, the RSTC report and Biomass Guidelines.

Dave Parent asked that the task force report be sent out to Council as soon as it is approved for release. Al Sullivan said he would like the P&F Committee to look at the RAC legislation before the council discusses RAC to make sure we know what we need to do. Wayne Brandt suggested Council meetings get back to addressing the listed priority issues.

Wayne Brandt moved to adjourn. Jim Sanders seconded the motion. The meeting was adjourned.