

**Minnesota Forest Resources Council
Meeting Minutes
Shoreview Community Center
January 24, 2007**

Council Members Present: Al Sullivan (chair), Dave Sterr (alternate), Bob Stine, Wayne Brandt, Jan Green, Dave Parent, Bruce Cox, Shaun Hamilton, Dave Epperly, Bob Oswald, Kathleen Preece, John Stauber, Jim Sanders, Shawn Perich

Absent: Bob Lintelman, Dick Walsh, Resort and Tourism Industry representative (vacant)

Guests: Allen Levine (UMN - CFANS), Dick Rossman (DNR), Brad Moore (MPCA), Megan Pavek (MPCA), Jeff Risberg (MPCA), Gabe Horner (TNC), Steve Betzler (MN Power), Terry McDill, (MN DoA), Kathy Kromroy (MN DoA), Susan Burks (DNR), Steve Brakovitch (representing Mike Connor – USFS), Katie Marshall (IATP), Megan Kranz McGuire (IATP)

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

Chair's Remarks

Al Sullivan convened the meeting. Nine MFRC member positions are up for appointment. All positions have one applicant, including seven current members who have applied for reappointment. Al anticipates Susan Solterman (MN Audubon Society) is likely to fill the open Environmental Organization position and Mary Richards (Maplelag resort) is likely to fill the open Resort and Tourism position.

Al said that he and Council staff have been meeting with legislative leaders and distributing the MFRC annual report. He also summarized the FY 2008-09 Governor's budget request for the MFRC, which includes \$780,000 in annual operational funding and \$400,000 in one-time funding for FY 2008.

Al introduced Brad Moore (Commissioner, MPCA), mentioning that he would be receiving the 2006 Government Relations Award from The Nature Conservancy for his involvement with the Forest Legacy Project. Al noted that, as DNR Assistant Commissioner, Brad was the first public official to raise awareness about the issue of forest parcelization and was persuasive in convincing DNR Commissioner Merriam to invest in Forest Legacy. Paige Winebarger and Al presented the TNC award to Commissioner Moore.

Brad Moore thanked the Conservancy for the award and also MFRC for developing knowledge about the industry and forestland conservation. He commented that MFRC leadership is going to be important in the future as well, and that while he is no longer working directly on the issues, the MPCA is involved and he is looking forward to continuing collaboration.

Public Input/Communications to the Minnesota Forest Resources Council

Kathleen Preece received an e-mail from a citizen in Clearwater County regarding a potential timber harvest concern. Kathleen will give the e-mail to Council staff for follow-up.

Approval of November 29, 2006 Meeting Minutes*

Bob Stine moved, and Jim Sanders seconded, approval of the November 29, 2006 Council meeting minutes. The motion was approved.

Approval of January 24, 2007 Meeting Agenda*

Jim Sanders moved to approve the meeting agenda and Paige Winebarger seconded. The motion carried.

Executive Director Report

Dave Zumeta mentioned that the 2006 MFRC Annual Report is available. He thanked staff for putting the report together.

Dave indicated that he made a presentation about the Governor's Task Force and the Council to the House Game, Fish and Forestry Division (Representative Dill – Chair) on January 22nd. Wayne Brandt also spoke to the committee. Dave noted that he appreciated Wayne's positive comments about the Council.

MFRC Committee Reports

Personnel and Finance

Al Sullivan reviewed the highlights of the Personnel and Finance Committee meeting. He provided an update on the MFRC budget and the potential to reconvene the Research Advisory Committee.

Site-Level

Dave Parent listed highlights from the Site-Level Committee Report, noting that the RSTC update synthesis report is still in development by George Ice and Sandy Verry. Rather than waiting for them to reach a consensus, there will likely be a couple different documents produced.

Biomass Guideline development is on track. The guidelines went out for peer review through Feb 13th. They will go out for public review on March 1st. After public review, the Site-Level Committee will make revisions and distribute the final draft to the Council for approval at the May Council meeting.

Landscape Planning/Coordination

Bob Stine voiced concern that the Council has only one meeting to discuss and vote on the biomass guidelines. Dave Zumeta noted that the Council will discuss the biomass guidelines later today and also at the March 29 meeting to make sure that Council members have the opportunity to comment on them.

Bob called attention to a document from the Landscape Planning Committee report that listed opportunity area projects and a calendar of meetings. It is a list of on-the-ground collaboration projects and research projects within the landscape program. He also commented on the joint meeting planned for the Landscape Committee and the regional committees and is hoping a number of folks will be able to attend.

Dave Parent noted that there is a watershed-level project occurring in Cook County. He thanked Shawn Perich for bringing it to his attention and is encouraged to see the opportunity to focus on water quality protection issues at a scale that is intermediate between the site and landscape levels.

Paige Winebarger asked Bob Stine about the possibility of potential collaborative efforts (e.g., Institute for the Environment [funded by LCCMR] project to work on a statewide environmental planning vision). Bob responded that folks from the Forest Resources Department are involved, but MFRC is not directly involved. Bob has a meeting with Deb Swackhammer and can talk to her about opportunities. Jan Green commented that NRRI will be doing a lot of the GIS work for that particular project and that there is overlap; however, the entire project only has \$300,000.

Forest Resources Information Management

Jan Green highlighted some of the material from the Information Management Committee (IMC) report and noted that the committee will continue to emphasize forest inventory and parcelization and the geography of parcelization. Jan placed two articles on the back table. The first is from the Federal Gazette (Dave Zumeta and Mike Kilgore were both quoted). The other article was from the New York Times. Jan stated that while she will be leaving her position with the Council, she would like to continue serving on both the IMC and the Northeast Landscape Committee.

Al Sullivan thanked the committee chairs and committees for all their work. Committee work has made MFRC more efficient, and it is easy to forget the tremendous amount of work done by the committees.

Written Communications to the MFRC

None.

Committee of the Whole: Governor's Primary Forest Products Industry Task Force report

Al Sullivan introduced a discussion about the Governor's Task Force report, stressing that the task force, and the resulting report, are external to the Council. The Council will consider portions of the report that directly affect MFRC and will discuss recommendations with which the Council should become involved.

Dave Zumeta gave background information about the task force. He noted the task force recommended \$780,000 be appropriated annually for implementation of the SFRA (i.e., MFRC base operating budget) and a continuation in funding for the Forest Legacy project. Council members discussed financial oversight of Forest Legacy. Jan Green recommended that the Council play a role in oversight. Wayne Brandt responded that perhaps the Council should go beyond that and "keep score" of various forestland conservation activities. Jan noted that, from the public perspective, there is a lot of interest in land development and it should be a role of the Council to get this information out. If we can shine light on the outcomes, the public will have a better understanding of Forest Legacy and other programs.

Jim Sanders added that understanding the status of land transfers could aid our understanding of what is happening to the land base. Al Sullivan recommended Council ask staff to think hard about how MFRC can do this type of work. What role do we play? Shaun Hamilton suggested the parcelization study include some targeted areas and not just be an academic exercise. Dave Zumeta reminded Council members that Art Norton (TNC) is working full-time with Forest Legacy and is doing a great deal of outreach.

Dave continued highlighting task force recommendations, including \$200,000 for the proposed MFRC study on parcelization (Working Forestland Conservation Initiative). He distributed a handout on the proposed study and commented that we will build on existing research and investments that have been made in policy research by the University of Minnesota, the Blandin Foundation and other organizations.

The task force also recommended an appropriation of \$200,000 in one-time funds for the MFRC Research Advisory Committee (RAC) and listed a number of topics that they would like the RAC to consider. There is also a request for an appropriation of \$480,000 for the Interagency Information Cooperative (IIC). Dave noted that this is the first time he has seen funds requested for the IIC. Wayne Brandt added there will likely be some legislation proposing funding for the IIC.

Council members discussed tracking these recommendations as they end up in legislative proposals. Al Sullivan and Jim Sanders both indicated that the Council needs to be careful in assuming that we are responsible for any of these recommendations.

Bob Oswald noted his disappointment that the current task force report seems to mirror the 1989 Governor's Forest Industry Task Force report. Not much seems to have been addressed in 18 intervening years.

Shaun Hamilton received a concern from The Wildlife Society that their point of view was not included in the task force. He responded that this was a closed task force basically for industry. Dave Epperly added that they are having similar conversations within DNR between the Forestry and Fish and Wildlife divisions.

Council members discussed the potential impact of adjusting public land timber prices on private landowners and their motivation to sell wood.

Wayne Brandt noted that there were differing levels of recognition on the part of task force members regarding perspectives not represented on the task force. However, task force members recognized that recommendations would go through a variety of reviews, and that some recommendations were drafted purposely for analysis and discussion by diverse interests.

Dave Zumeta asked Wayne to comment on task force legislative recommendations. Wayne responded that there are also other proposals out there for funding related to timber sales. For MFI/TPA, the highest priorities are recommendations in the task force report regarding timber availability and transportation. Recommendations proposing legislation that would enable the DNR (and encourage county boards) to provide relief for secured and non-secured contracts were contentious (recommendations #10 and 11, page 8).

Dave Zumeta discussed implications of the task force recommendations for Council priorities. The task force will be reconvened this winter as a smaller group that will develop long-term recommendations, and will use an implementation team to follow up on recommendations already on the table. Dave Epperly and Dave Zumeta will likely be involved. Letters will be going out to task force members in the near future with regard to an initial meeting in February. Calder and Dave will be called on to play a significant support role. As a result, Dave Zumeta has asked to increase Leslie McInenly's position up to 32 hours a week (through June 30th) in a temporary professional position to provide support for the policy and landscape program areas.

Council members discussed their concern that staff members are being burdened with work external to MFRC. Wayne Brandt suggested that the Governor's office could be asked to provide staff time to remove the burden on Calder and Dave. Dave Epperly agreed that the burden is on the Council and staff and indicated there are opportunities for the Department to provide in-kind support.

Dave Parent raised concern that IRRB has offered \$2 million in relief money to the forest industry. That would be 60,000 cords of subsidized roundwood going to burners in Hibbing and Virginia. Dave feels that is 60,000 cords that could be used by Sappi or other forest industries and wondered whether that is a policy issue the Council should discuss. Wayne Brandt indicated he doesn't think the Council wants to deal with that issue.

Paige Winebarger agrees with Dave Parent, but wants to discuss what is happening in northern Minnesota. Are things better, worse or the same? Wayne Brandt responded that Ainsworth announced 15 more layoffs and Weyerhaeuser has scaled back to half-time and 3.5 day work weeks, plus laid off 15-18 employees. Louisiana Pacific in Two Harbors took an additional six weeks of downtime. Stumpage prices are down to \$25-30 a cord. There has been some improvement in housing starts on a national basis, so there is a little bit of optimism. This hits the logging contractor differently depending upon with whom they contract. Ainsworth is taking some wood even though they are not running, a strategy to assure they have some wood in the event that they start back up outside of the winter logging season. That signals an intention to open up again and is also a recognition that they need to keep their loggers going.

Shawn Perich commented on additional forestry-related concerns in the north: tourism is absent due to the winter drought and housing starts/real estate transactions on the North Shore are slow. Jim Sanders voiced additional concern regarding the draw on staff for this task force and commented on budget challenges within the federal sector.

Forest Resources Research Advisory Committee: history, legislative mandates, funding and future plans

Al Sullivan directed attention to the handout on the Research Advisory Committee (RAC). A \$200,000 appropriation would give some basis for restarting the committee. Al reviewed the legislative mandate for the RAC and indicated the time has come for us to provide a report on the state of the forests. The RAC started in 1996 and, through 2001, was pretty active. Al reviewed past RAC activities and member involvement.

Council members discussed RAC membership, staff support, the recommended budget and the need for representation of all forest resource interests as opposed to those represented on the task force.

Bob Stine suggested that if we can complete the state-of-the-forest assessment, in addition to some of the items listed in the task force report, we can ask for more funding. Bob also indicated that while there is a clear need for staff support from the Council, there are folks in other agencies that can also provide leadership and staff.

Council members discussed aligning research needs with Council priorities, including invasive species and climate change.

Overview of University of Minnesota, College of Food, Agricultural, and Natural Resource Sciences

Al Sullivan introduced Dr. Allen Levine, Dean of the CFANS and thanked Dean Levine for accepting the Council invitation.

Al Levine provided background on the merger of the colleges and departments and commented on the diversity of the new college. He stated that agriculture and forestry are really hot right now in the news with regard to biofuels. and described how forestry fits into a number of areas within the college mission (environment, biofuels, health, and economics). Al described the six divisions within the college and stressed the importance of communication among the divisions.

The Council discussed the relationship of the new Institute on the Environment (IoE) with CFANS and the potential for reintegration of the Experiment Station in the new college. Al commented on mutual (CFANS and RAC) research interests and his potential involvement with the RAC.

Bob Stine recommended MFRC submit recommendations to the IoE to address questions regarding forestry. Discussion regarding funding for research and difficulties related to attracting new forestry students ensued.

Dave Epperly presented Dave Zumeta with an award in recognition of his 25 years of service to the State.

Proposed resolution to maintain the voluntary status of Council timber harvesting and forest management guidelines in shoreland regulations*

Al Sullivan introduced the resolution and provided some background information regarding the decision to develop voluntary guidelines as opposed to regulations.

Dave Parent submitted the motion for discussion and Bruce Cox seconded.

Council members discussed the historical context of BMP's in shoreland regulations as a requirement for forestland management under the Clean Water Act, local control of regulations, and voluntary versus regulatory language. Jan Green stressed that the rule has always been in the regulations and that the Division has merely modernized the language. Council members discussed narrowing the scope of the standards by listing only provisions of MFRC guidelines that pertain to water quality aspects, thus avoiding making the entire guidelines mandatory.

The motion passed unanimously.

Proposed resolution regarding firewood transport and related programs to address Emerald Ash Borer (EAB) and other invasive species*

Al Sullivan introduced a resolution pertaining to invasive species and firewood transport. Jim Sanders reviewed our November discussion on EAB. He feels that we have an opportunity to get ahead of EAB and commented that the proposed resolution was developed through an interagency effort based upon our

November discussion. He discussed the components of the proposed resolution, stressing the importance of a cooperative and cohesive approach. Jim made a motion to approve the resolution and Jan Green seconded.

Dave Epperly made a motion to accept the proposal with amendments (handout distributed). Wayne Brandt seconded the motion. The changes were accepted as friendly amendments.

Jim Sanders made a motion to amend the proposed resolution with the addition of “Whereas, the Animal, Plant and Health Inspection Service (APHIS) has interstate coordination and regulatory authority to protect the nation from exotic and threatening pest species,” The change was accepted as a friendly amendment.

Wayne Brandt asked Dave Epperly or Jim Sanders to speak about the firewood restriction issue, noting the topic has already received some attention at the Capital. Susan Burks, DNR Forestry, distributed a handout and fact sheet regarding the proposal and explained the current proposed firewood restrictions. Implementation of restrictions is still under discussion, but will likely be voluntary and similar to the Wisconsin model. Restrictions will be mainly through an education effort as opposed to inspections. Dave Epperly commented that the proposal is still in draft form and applies only to the Department of Natural Resources. Jim Sanders added that the two national forests will try to mirror DNR restrictions to avoid confusion about jurisdiction.

Wayne Brandt asked about approval of firewood producers. Susan responded that producers would be approved if they are under compliance with Department of Agriculture and APHIS requirements or if they could demonstrate that the firewood is produced locally. Council members further discussed the approval of firewood producers and labeling of approved firewood.

Paige Winebarger inquired about the cost of funding the firewood restrictions. Susan responded that they are asking for \$55,000 to be used by the DNR for firewood disposal, the education campaign and signage. Without funds being appropriated, the DNR still could do an educational campaign.

Bob Stine asked whether the proposal could be expanded to address other species and also encourage the Forest Service to impose firewood restrictions, in addition to the State. Dave Epperly responded that the proposal only speaks to DNR-administered lands, but the partnership is taking place at another level. The proposal is more related to coordination between states and Canadian provinces.

Bob Oswald asked whether the restrictions would require individuals to get a license to sell firewood. Susan responded that, by providing written information indicating the wood is grown in Minnesota, individuals could get approved. The restrictions are really an effort to change behavior related to firewood transport.

Jim Sanders clarified that there are many details in the resolution, but the Council should be discussing the proposal. The intent is not to answer all the detailed questions, just to provide encouragement to move forward together. Bob Stine proposed an amendment to the second bullet to add the word “encourage”. The addition was accepted as a friendly amendment.

Dave Sterr said that the tribal reservations want to manage for themselves; however, the federal government is involved in issues of this nature. The resolution has been passed out to tribes and they are very concerned about EAB. For the August Rendezvous Pow Wow, Grand Portage Reservation will put out a notice asking people not to bring firewood and stating that the tribe will provide local firewood. The key is to provide information and education because this problem isn’t easy to see. The resolution and amendments are a good first step. Dave is certain that the tribal people will work with the other entities.

Shawn Perich recommended including “lake associations” on the list of organizations/agencies that should be involved. The addition was accepted as a friendly amendment.

Terry McDill (DoA) addressed federal funding related to EAB. She commented that Illinois and Michigan have very different educational messages because they already have EAB outbreaks, but she recommended that North Dakota and South Dakota also be included in multi-state coordination efforts.

The amended motion passed unanimously, with Dave Epperly abstaining because of the state funding component of the resolution.

Steve Brakovitch commented that Gina Childs (USDA Forest Service, State and Private Forestry) will be working on a media campaign dealing with invasive species. This will be a multi-state effort and she can be of assistance.

Overview of draft woody biomass guidelines content and schedule for MFRC approval

Dave Parent asked Dick Rossman to provide an informational overview of the draft biomass guidelines. Dick discussed the contents of the guidelines, provided an update on development, and described the schedule for final approval. The guidelines are now out for scientific peer review. There will be two documents produced, one for forest management sites and the other for brushlands/open lands.

Dick stated that the guidelines for forest sites will fit within the current guidelines book. The guidelines for biomass harvesting on brushlands and open lands will be more stand-alone.

Dick discussed how the forested site guidelines address wildlife habitat, biodiversity, water quality, riparian zones, soil productivity and sensitive sites (sites with high or outstanding biological diversity, with native plant communities ranked as critically imperiled or imperiled, or known to support ETS species).

He stated that harvest on brushlands and open lands required a change of perspective. The contents reflect the general guidelines but were changed to fit the open landscape. Primary discussion topics included: which guidelines to use, sensitive areas, visual quality, soil productivity, RMZs, and reserve areas. The committee provided a table to help determine which guidelines to use. The guidelines focus on how to harvest on sites of differing nutrient status versus focusing on specific rotations or sites to avoid.

Wayne Brandt commented that three weeks for public review is pretty skimpy. Mike Phillips responded that 21 days is the minimum, but the problem is that the guidelines need to be approved by the May meeting to be completed by June 30, 2007. It was agreed that the public review period would be extended to about four weeks.

Dick's presentation can be accessed at: http://www.frc.state.mn.us/Info/Minutes/Meeting_presentations.html

Public Communications to the MFRC

None.

MFRC Member Comments

Dave Zumeta said that the next MFRC agenda would include discussion regarding the 2007 legislative session, the forest industry task force, Council work, and biomass guidelines. The meeting will follow the productivity conference and the Council will have the opportunity to discuss implications of that workshop. There will also be an update on Master Logger Certification.

Al Sullivan requested that Council members be sent a draft of the biomass guidelines in advance of the March Council meeting.

Dave Parent moved to adjourn the meeting. Kathleen Preece seconded. The meeting was adjourned.