

Minnesota Forest Resources Council
Approved Minutes
AmericInn – Wabasha, MN
July 16, 2008

Members Present: Bruce Cox, Alan Ek, Dave Parent, Dale Erickson, Joel Koemptgen, Rob Harper, Bob Lintelmann, Al Sullivan, Wayne Brandt, Mary Richards, Kathleen Preece, Dave Epperly, Bob Oswald, Shaun Hamilton, Gene Merriam

Members Absent: Shawn Perich, John Rajala

Guests: Charlie Peterson (MN Dept. of Administration), Greg Russell (DNR), John Stettler (WI private landowner), Terry Helbig (MN DNR), Tom McMillion (private landowner), Bill Bruins (Minnesota Audubon Society), Jon Cole (MN DNR), Larry Gates (private landowner), Rich Biske (TNC), Angela Gupta (UMN Extension), Hannah Texler (MN DNR), John Harford (Olmsted County).

Staff: Lindberg Ekola, Calder Hibbard, Leslie McInenly, Clarence Turner, Dave Zumeta, Ted LaFrance (student intern)

Chairs Remarks

Al Sullivan open the meeting, noting that the July MFRC meeting is held over two days and offers more time to focus on issues and participate in field tours. Participants introduced themselves. Al thanked the Southeast Regional Landscape Committee for hosting the MFRC.

Al reviewed a tentative MFRC meeting schedule for 2009. Tentative dates and locations include: January 14 or February 4 (Cloquet Forestry Center), March 18 or 25 (Twin Cities), May 20 or 27 (Twin Cities), July 22 or 29 (Forest History Center - Grand Rapids), Sept. 23-24 (Maplelag Lodge in Callaway, MN for annual meeting), Nov. 18 (Cloquet Forestry Center). He asked members to contact Dave Zumeta if there are problems with the meeting dates or locations.

Public Input/Communication to the MFRC

Lindberg Ekola introduced John Stettler, a private forest landowner from Wisconsin who is interested in the work of the Council and regional landscape committees.

Approval of the May 21st, 2008 Meeting Minutes*

Dave Epperly moved to approve the May 21st, 2008 meeting minutes. Alan Ek seconded the motion and the minutes were approved.

Approval of the July 16th, 2008 Meeting Agenda*

Bob Oswald moved, and Shaun Hamilton seconded, for approval of the July 16th, 2008 meeting agenda. The agenda was approved.

Executive Director Reports

Dave Zumeta distributed the tenth annual report of the PCRFP. Actions taken regarding three concerns are summarized in the report.

Dave received formal approval to fill the MFRC Site-level Program Manager position. He will be initiating a nationwide search. The projected starting date will be late September or October.

The Council's Research Advisory Committee (RAC) recently awarded a \$294,000 contract to team of University of MN and USDA Forest Service researchers to assess some of the ecological impacts of harvesting woody biomass for energy. The committee will meet on August 14 to develop an approach for conducting a statewide forest resources research assessment as called for in the Sustainable Forest Resources Act.

Gerry Rose (former MN State Forester) and John Fedkiw (former advisor to the U.S. Secretary of Agriculture) have produced a book, published by the Pinchot Institute, entitled *Stewardship and Landscape Coordination for Sustainable Forests*. This book uses MFRC as an empirical, on-the-ground example of sustainable forest management and contains a good summary of MFRC history. The landscape program is highlighted. Books were distributed to Council members.

In May, MFRC members Al Sullivan, Kathleen Preece and Dave Parent plus Dave Zumeta attended a Blandin Foundation-sponsored forest productivity tour to Thunder Bay, Ontario. During that tour, Mark Ryans (Forest Engineering Research Institute of Canada) talked about opportunities and challenges to biomass harvesting in Canada. The Blandin Foundation has arranged to have Mark give this presentation via webinar on Wednesday, August 20 at 10 a.m.

Committee Reports

Personnel and Finance

Al Sullivan reported that the Personnel and Finance Committee has not met.

Site-level Committee

Dave Parent reported that the next Site-level meeting will be August 8 in Grand Rapids. More than 300 loggers have received the new biomass harvest guideline training. The Committee will discuss the Monitoring program review and prepare an action item for the September MFRC meeting. Additional Site-level updates were provided in the hard copy *MFRC Committee Update* distributed in the meeting mailing.

Landscape Planning/Coordination Committee

Shaun Hamilton reported that the Landscape Committee met on June 19. Shaun noted that the regional landscape committee updates were distributed in the *MFRC Committee Update*, along with the minutes of the Landscape Committee meeting.

Forest Resources Information Management Committee (IMC)

Calder Hibbard presented the IMC report in lieu of Jim Sanders (interim IMC Chair). The IMC met June 9 and discussed three main items: forest inventory, parcelization research and the Interagency Information Cooperative (IIC). Kathleen Preece commented that the MFRP unanimously endorsed the IMC project to survey forest inventory and will cosponsor the project. At the meeting, George Host described his modeling work to project parcelization rates and impacts out into Itasca County.

Calder commented that the committee discussed the reinvigorated IIC and the relationship of the IIC with the IMC. Alan reported that he has identified participants to serve in an advisory capacity. He is developing a preliminary work plan and is working with the DNR to move funds from the State to the University. Alan indicated this reinvigoration is a great step forward and he anticipates the group will accomplish much in a short amount of time. Dave Zumeta provided a brief background regarding the IIC, its funding history and outcomes of the legislative session.

Wayne Brandt asked Dave Zumeta to comment on the recently released Statewide Conservation and Preservation Plan, developed by the UMN Institute on the Environment. Dave responded

that a significant portion of the plan is related to forest resources. There are two pages regarding forestry land practice recommendations, many of which are directly relevant to activities of the Council. Susan Thornton (Director - Legislative-Citizen Commission on Minnesota's Resources) has agreed to come to a future Council meeting and discuss the recommendations.

Written Communication

Dave Zumeta distributed a letter from DNR Commissioner Holsten to Al Sullivan. The letter was written in response to Al's letter to the Commissioner about MFRC views on the Governor's Task Force on the Competitiveness of the Primary Forest Products Industry. The letter indicated that Mark Lindquist, staff to the Governor's Forestry Sub-cabinet, will meet with Dave Zumeta and Clarence Turner to discuss metrics in tracking implementation of report recommendations.

Committee of the Whole

Policy Issue Focus in 2008-2010

Al Sullivan provided a brief introduction of Council's 2005 strategic planning and resulting policy priorities for 2006-2008. The Council decided to revisit the policy issue priorities in light of accomplishments, new issues and new Council membership. Al reviewed the Council's May discussion to flush out potential issues and commented on the criteria the Council has selected to identify policy priorities. Al then reintroduced and welcomed Charlie Peterson, MDA facilitator.

Charlie asked Council members to review two documents included in the meeting mailing: a summary of potential policy issues developed at the May meeting and the draft resolution to approve policy issues for 2008-2010. He also distributed two additional documents: a list of the potential policy issues and MFRC criteria for policy prioritization.

Charlie noted that the policy time frame covers the remainder of 2008 through 2010 (2.5 years). Wayne commented that the 12 potential issues would be too much for the staff to adequately handle and he asked members to consider the question, "What is the Council going to do about this issue"? Dave Parent noted that the first criterion ("direct impact") is an important consideration. Kathleen Preece commented that some of the language used for the potential policy issues doesn't quite fit with our role as a Council.

Charlie reviewed the current criteria for prioritization. Shaun Hamilton suggested that the Council also consider whether the MFRC can better articulate the benefits of addressing the issue in order to impart the value to the public and policy makers. Shaun noted that by articulating the benefits, we might tangentially attain educational benefit. Dave Parent responded that the Council is not mandated to do public education. The Council decided not to add the additional consideration to the criteria.

Charlie opened the discussion to questions of clarity. Dave Epperly commented that the title of **Forest Health** for the issue pertaining specifically to invasive species seems too broad. Dave recommended broadening the issue description to better reflect additional concerns related to forest health. Dave Zumeta provided background on the original language and intent of the policy issue and acknowledged that the language is dated and ought to be amended.

Shaun asked for clarification regarding "alternative energies" listed under **Woody Biomass Harvest**. Dave Zumeta responded that the language was an attempt to capture Rob Harper's comment with regard to a broader renewable energy context. Dave Epperly added that it was an effort to avoid overemphasizing woody biomass as a panacea for meeting energy needs.

Charlie then opened the discussion for amendments to the policy language. Wayne Brandt recommended that **Land Use Planning** should be combined with the issue of **Forest Ownership**. Joel Koemptgen, who proposed land use planning as a priority issue, supported the combination. Wayne then recommended **Forest Ownership** be changed to **Forest Land Base**.

Mary Richards recommended that **Property Taxes** also be included in **Forest Ownership**. She then read a brief summary about resorts and their benefits to the state tourism economy and noted that it takes 60 private residences to equal the economic impact of one resort with 10 cabins.

Rob requested that the language under **Forests and Carbon Sequestration** be reworded to focus on other economic incentives to keep forests forested. Wayne added that the number one recommendation from the Minnesota Climate Change Advisory Group dealt with increasing the amount of forestland in the state. He commented that advising the Governor and legislature on how they ought to approach the issue would be a valuable undertaking for the MFRC. Rob concurred. Wayne then recommended that the language (“understand”) under **Forest Carbon Sequestration** (*note change in title*) be replaced with “Provide advice to the Governor and legislature...”

Bruce Cox recommended that **Water Quality** be included as a subset of **Forest Health**. Dave Epperly supported this recommendation. Dave Parent responded that water quality is such a persistent, high visibility issue that we could do well to deal with it separately. Joel agreed, noting that he doesn’t want to clump everything under forest health. Dave Epperly asked Council members to consider how the elements associated with timber quality could be included as a policy priority, noting that we are losing ground on timber quality and the Council would do best to provide clarity regarding those linkages. Council members continued to discuss language regarding the **Forest Health** policy issue, including various changes to the title and whether or not to broaden the topic beyond invasive species. Dave Zumeta recommended including “insects and disease” in the issue. Bob Lintelmann suggested **Forest Health** be replaced with **Threats to Forest Health**. Wayne recommended including “decline of timber quality” as a threat.

Wayne suggested that **Information Synthesis and Marketing** is not an appropriate policy priority for the Council and suggested it be removed from consideration. He also suggested removing **Globalization** as an issue, noting there is nothing upon which we can have a direct impact. The Council decided to remove both issues from consideration.

Shaun agreed with Wayne, but wondered if there is a place to consider sustainability and competitiveness. Dave Zumeta provided background on globalization as a priority issue and commented on previous staff involvement with the Governor’s various task forces addressing the global competitiveness of the forest product industry. Dale Erickson indicated that **Globalization** as an issue is not useful and noted that many of the items addressed also fit with other topical priorities. Council members voiced agreement.

Alan requested clarification or removal of “alternative energies” under **Woody Biomass Harvest**. Rob responded that seems to be a clear role for the Council to advise on biofuels feedstocks and recommended **Forest Biomass and Biofuels** replace **Woody Biomass Harvest**.

Wayne supported **Forest Carbon Sequestration** as a separate issue (i.e. no incorporation of emerging markets), stating that the Council ought to be providing advice to the Governor and legislature on this issue. Discussion regarding ecosystem services, economics and industry competitiveness ensued.

Alan suggested **Education and Training** be amended to describe “natural resource science fields” as opposed to “natural science fields”. Wayne commented that **Education and Training** is an important issue and while it is more likely a job for the University, the issue needs greater support among organizations and institutions. He indicated the issue would not require a great deal of Council or staff time.

Shaun asked why **Public Education and Information** remains as an independent issue when education is not a mandate of the Council. Bob Oswald responded that education had been prioritized in the early years of the Council. Bob noted that while the Council can provide advice, the legislature and Governor will listen to the people of the state. Alan commented that education and information is embedded in the Council’s efforts and he would support such work if it was targeted at specific issues. He then suggested that **Fire** be incorporated into the **Forest Health** issue.

Gene Merriam agreed that the main charge of the MFRC is to make recommendations to the Governor and federal, state and local governments. He believes there is a great need to educate the public to better appreciate and understand forest management; however, education is beyond our scope.

Bruce noted that the three remaining new issues (Education and Training, Public Education and Information, and Fire) are in some way embedded in other issues so if they are lost through the voting process they may still be considered as components of priority policy issues. Kathleen agreed, noting that those additional items are inherent in the other issues.

Charlie asked for a vote on the remaining issues, allowing each Council member 5 votes, with one vote per issue. The results of the voting are as follows: Forest Land Base (15), Forest Biomass and Biofuels (15), Forest Carbon Sequestration (12), Water Quality (6), Threats to Forest Health (13), Education and Training (3), Public Education and Information (5), and Fire (4).

Al acknowledged that four issues won by a large majority while the other four issues did not even approach a majority, suggesting that the Council has four clear priorities.

Dave Zumeta responded that he is quite comfortable with the results of the prioritization process. A two-tier approach with four priority issues in the top tier makes a lot of sense. Staff is actively engaged in conducting or supporting research related to the **Forest Land Base, Forest Biomass and Biofuels** and **Forest Carbon Sequestration** issues. Clarence Turner is the lead staff on the latter issue for the DNR Division of Forestry. Dave and Clarence will both serve as lead staff for the Council on issues of carbon sequestration and will increase staff involvement with that issue. Staff will also become more engaged with invasive species and forest productivity issues associated with **Threats to Forest Health**. There is a clear connection between forest health and productivity, and this relates back to sustainability and competitiveness. On the Tier 2 issues, Dave Parent is currently representing MFRC on the shoreland rules committee (**Water Quality**). The issues of **Education and Training/Public Education and Information** are newer to the Council, and the issue of **Fire** is obviously an issue we need to pay attention to as costs are impacting the Forest Service budget and displacing other management and research activities.

Approval of policy issue focus in 2008-2010*

Wayne moved the resolution to approve the listed priority forest policy issues for the remainder of 2008 and in calendar years 2009-10. Dave Parent seconded the motion. Wayne then moved to amend the five listed issues (placeholders reflecting past priorities) and replace them with the four

new issues voted upon by the Council (**Forest Land Base, Forest Biomass and Biofuels, Threats to Forest Health, and Forest Carbon Sequestration**). Dave Parent seconded. The amendment was recognized as a friendly amendment and approved. The motion was approved unanimously and the resolution defining MFRC policy priorities through 2010 passed.

Al Sullivan thanked Charlie Peterson for his facilitation and guidance. Dave Zumeta distributed copies of the Statewide Conservation and Preservation Plan, noting that there are interesting parallels between the Council's revised issue priorities and recommendations in the plan.

MFRC Response to Clarence Turner's Site-level Program Recommendations

Dave Parent commented that the Site-level Committee will listen to Council member comments regarding Clarence's Site-level Monitoring Program recommendations. Today's discussion will prepare the Committee to develop a recommendation at its August 8 meeting for Council review and approval in September.

Clarence reviewed the contents of the report, including the history and process of site-level monitoring and the report recommendations. Recommendations fit into two broad categories: strategic direction and process. Recommendations on the strategic direction of the program included articulation of monitoring purpose/information use and establishment/maintenance of a regular schedule of monitoring and reporting.

Clarence asked Council members to comment on his suggestion to place full responsibility for monitoring with the Council (along with appropriate staffing and funding). Wayne responded that it is a legitimate consideration; however, the Council has not been an operating agency and he is not convinced it should become one. Rob noted the statute language (M.S. 89A.07, Subd. 2) that places responsibility for establishing the program with the Commissioner. Clarence responded that he is recommending that the statute be changed. Alan commented that he is supportive of the shift, commenting that it makes sense to separate the monitoring to some extent from the work-performing agency. Dave Parent agreed with Alan, describing the roles of DNR and MFRC regarding the monitoring program as analogous to a balance of power. He noted, however, that the DNR, with its resources and institutional memory, can operate the monitoring program very well.

Alan said that he has sensed that this has been a partnership. When DNR staff are working on monitoring, they are perceived to really be doing this work for the Council, whether or not their paycheck comes from DNR.

Rob asked whether the recommendation to shift the responsibility for monitoring is due to a bottleneck in processing the data. Clarence responded that there is a bottleneck, but the issue is primarily the conflict of interest due to the DNR monitoring itself. This is in addition to the problems with having the source of money for monitoring in the MFRC whereas the monitoring work is done by the DNR. Dave Parent questioned how the DNR is monitoring itself when the guidelines are a function of the Council. Clarence responded that the DNR hires external contractors to assess how well DNR has implemented guidelines on state land. Clarence indicated that outside contractors are a good step but they are somewhat beholden to the DNR.

Dave Parent stated that he is not in favor of the Council being in charge of the monitoring program. Rob stated that the argument regarding the DNR monitoring itself could likely be made for a lot of what the DNR does. Wayne responded that there is a level of conflict for both the DNR and the MFRC with respect to the monitoring. Wayne stated that there is a strong feeling at the legislature that the Council should not be an operating entity.

Bob Oswald asked what would happen to monitoring under limited MFRC funding. Dave Zumeta responded that most of the funding for monitoring comes through the Council's budget. The contribution from DNR in recent years has been mostly through staff salary and fringe. They have also provided supplemental funding at times when our budget does not meet all needs. Gene commented that the funding is even more complicated than described because the total appropriation to the Council is actually sent first to the Commissioner. He cautioned he would want to make sure the system was truly broken before trying to fix it.

Council members discussed the potential role of third party certification auditors. Clarence commented on the difficulty in getting the state to pay for such work. Dave Parent added that the while the two monitoring systems (certification and site-level monitoring) coexist, they are quite different.

Joel asked whether lines of communication and direction are a part of the problem. Clarence responded affirmatively. Dave Parent stated that the BMP Program Coordinator (Rick Dahlman) reports to Dave Epperly and has no formal relationship to the Council. Wayne indicated that he has always felt that the Council's staff ought to be employed by the Council and located together. He does not believe Council staff should be housed at DNR. He also agrees with Gene and is not sure the system is broken. Dave Zumeta commented that the new Site-level Program Coordinator will have a primary office at the University of Minnesota (with other Council staff) but will spend substantial time over at DNR working with Rick Dahlman and Rick's replacement.

In closing, Clarence commented on the need to increase monitoring participation by nonindustrial private forest (NIPF) landowners. He also stated that, given trends in budgets and increasing costs, it behooves us to look at minimizing the sample size to obtain the information we need (which gets back to the need for clear articulation of purposes).

Dave Zumeta stated that the Site-level Committee would bring a formal motion to the Council in September based upon further discussion at the August 8 committee meeting.

Southeast Landscape Committee comments and field tour preview

Lindberg introduced Southeast Regional Landscape (SE) Committee members and commented that they will provide a brief introductory presentation and tour review. The upcoming site tour reflects the first time a regional landscape committee has hosted the Council. Lindberg gave credit to the Committee and acknowledged their work in organizing the tour.

Larry Gates (private forest landowner) thanked the Council for coming to southeast Minnesota. He stated that the committee has arranged a good tour to reflect regional issues and concerns. Larry provided background on how the SE Committee has been organized and summarized its planning process, including stakeholder surveys and involvement, MFRC involvement, meetings, participating organizations and plan completion in 2002. He commented that the Committee tried to be very true to conditions and concerns identified by stakeholders.

Hannah Texler (MN DNR) provided ecological context for the tour. She described the SE landscape, commenting that much of it is in the "driftless area" that was mostly unglaciated during the most recent glacial period. This region is also known as the Blufflands. Presettlement vegetation was primarily oak openings, hardwood forests and prairies. Fire and topography were the major vegetation determinants. Today, many of the slopes are forested and the flat uplands are almost entirely converted to cropland. The landscape is much more fragmented, with fingers of forested bluffs surrounded by agriculture. Less than 11% of the landscape retains natural

communities of high enough quality to be considered priority areas of native biodiversity. However, the Blufflands are a center of natural diversity. There are more rare species and plant communities here than anywhere else in the state. The Blufflands subsection hosts 39% of the state-listed rare species and 156 animal species listed as *Species in Greatest Conservation Need*, as identified in the DNR publication Tomorrow's Habitat for the Wild and the Rare, more than any other subsection in Minnesota. Threats to the landscape include unplanned development, erosion, lack of natural disturbance, poor regeneration, non-native invasive species and global climate change. Hannah emphasized strong public and private partnerships as key in land stewardship and described current restoration projects.

Larry continued the presentation, noting that 98% of the landscape is privately owned. He reviewed SE committee priorities and activities, acknowledged support from the Council and the value of Council support, and described needs of the Committee, including increased coordination and implementation capacity, more stable funding and a political structure that allows for efficient implementation of activities.

In closing, Lindberg provided an overview of the upcoming field tour.

Mary Richards moved, and Kathleen Preece seconded, to adjourn the meeting.