

**Oregon Board of Forestry
Federal Forestlands Advisory Committee Meeting
December 7, 2007**

Oregon Department of Forestry
2600 State Street
Salem, OR

Meeting Summary

On December 7, 2007, the Federal Forestlands Advisory Committee (FFAC) held a meeting at the Department of Forestry in Salem, Oregon. The primary objectives of the meeting were to:

- Review and agree, if possible, on the draft potential solutions for natural processes;
- Explore timber harvest and infrastructure issues, and identify potential approaches and solutions;
- Review the FFAC progress; and,
- Agree upon next steps for the potential solutions.

The following summary was prepared by Department staff, revised by the facilitation team, and is subject to review and clarification by FFAC members at the January 2008 meeting. The summary contains the following sections:

- Meeting Discussion
 - Opening Remarks, Review of Meeting Objectives and Agenda
 - Policy Recommendations on Natural Processes
 - Public Comment
 - Panel Presentations on Timber Harvest and Infrastructure
 - Discussion of Timber Harvest and Infrastructure
 - Oregon Business Council Federal Forest Restoration Initiative
- Process Issues
- Next Steps
- Flip Chart Notes
- Attendees

Meeting Discussion

Opening Remarks, Review of Meeting Objectives and Agenda

Steve Hobbs, Chair of the FFAC and the Board of Forestry, welcomed the Committee members and others attending the meeting, reviewed the proposed agenda and the meeting objectives.

Policy Recommendations on Natural Processes

Following a brief summary of the work process, Ralph Bloemers, subgroup member for Natural Process Issues, led the discussion of the problem statement and description, and potential solutions [*draft version 2 – 12/3/07*].

Focusing on the *potential solution matrices* describing Problem #2 – Natural Processes, Issue/Impediment **2.11, 2.18 and 2.19** (Attachment 1), the Committee discussed the changes made, and the additional issues identified by the subgroup.

The Committee's comments and suggestions are captured in the following bulleted lists:

2.11 - Lack of Understanding about Large Scale Dynamic Ecosystems and Management

Solution #2 - Commission a study to review forest law implemented through litigation

- Many issues are known and have been identified; litigation summaries are available
- Why people litigate is frequently different than what has been litigated
- The region has the highest standards for NEPA requirements due to litigation
- If goal is to reduce litigation, one must understand what is happening in the landscape
- Courts want ground-based data; tools exist to determine old growth habitat needs for dependent species if data can be pooled
- Commissioning a study is time consuming
- Enabling conditions must be in place to minimize litigation in the first place – all opinions must be considered fairly, in an open process
- Identifying and promoting best practices can help avoid litigation
- Collect information for the purpose of understanding how to create best practices, and what information can be supplied to address those concerns
- Identify long term responsibility

Solution #3 – Options Forestry

- Siuslaw National Forest's projects are not controversial
- Issue is not simply stated
- Should be put off to the side

Solution #4 – Create and Act on Learning Opportunities

- Statements imply lack of action by the federal agencies
- “Regulatory” is the incorrect word
- Revise wording to reflect that investments are being made
- Coordinating with or assisting Watersheds Councils should be a suggestion

Solution #5 – Assess Existing Water Quality Standards

- Include local governments
- Include the TMDL process [Total Maximum Daily Load]
- Include suggestions for forest health treatments at a landscape scale

2.18 – Lack of Strategic Plan for a Transportation System in Forests**Solution #7 – Dedicated Funding to Survey and Upgrade Existing Forest Road Network**

- Issue statements should be simplified
- Must recognize the transportation system is fragmented
- Lack of strategic plan; connectivity
- Collaboration must be at the local level
- Legislation is not necessary to direct fish passage assessment

Annabelle Jaramillo provided a handout (Attachment 2) describing the Barriers to Efficient Cooperative Agreements with Federal Agencies.

2.19 – Overstocking and Changes in Species Composition**Solution #11 – Public-Private Interface**

- Expand to include all owners in “Good Neighbor” policy encouragement
- Challenge on federal lands
- Ability to react quickly [to fire, insect infestation, etc.] in the interface is necessary

Solution #16 – Programmatic Assessments (EIS)

- Assessments and EIS are different - if litigated, an EIS would fail
- Assess at the landscape scale and funnel down

Public Comment

Dick Posekany, Frank Lumber Co., urged the federal agencies to harvest 300-500 million board feet of timber in the short term, and increase the harvest until 3 billion board feet could be harvested annually. He also suggested the federal timber supply be studied again, focusing on federal forest growth and timber loss data, and that a new Federal Forestland Management Plan be developed (Attachment 3).

Josh Seeds, Oregon Department of Environmental Quality, clarified that water quality standards were based on the best available information to protect beneficial uses, adding that flexibility was in the TMDL implementation process for water quality restoration.

Tom Partin, AFRC; Tom Insko, Boise Cascade; John Shelk, Ocoho Lumber; and Greer Kelly, Intefor Pacific spoke as a panel. **Tom Partin** noted that forest health has continued to decline on national forests, the industry infrastructure was shrinking in capacity and employment, and that neighboring lands were threatened by federal fires and pests (Attachment 4). He indicated that the assembled panel represented approximately half of the forest infrastructure in eastern Oregon. **Tom Insko** commented that the loss of processing mills affects employment and transportation costs. Competition for fiber has also been increasing due to for biomass facilities and should be addressed through an integrative approach. **Greer Kelly** stated economic health was critical to the communities in central and eastern Oregon. The USFS resource objectives could only be achieved with a healthy forest products industry. He urged management of the national forests for all resources, using the best science available, and providing a sustainable timber supply (Attachment 5). **John Shelk** indicated that Ocoho Lumber had been involved in the Prineville community for 80 years but was forced to reduce production to one mill with one shift per day in John Day. He urged the immediate harvest of timber from national forests to preserve the remaining industry infrastructure. He added that collaborative efforts on the Malheur Forest appeared to be reaching a fragile consensus, sufficient to build upon.

Maya, Dan Gee, and Mr. Day, spoke to concerns about carbon sequestration being lost through the use of ash on fields as fertilizer. They also urged halting the practice of aerial herbicide and pesticide application on forest lands. A video was shown illustrating alternative methodology for red tree vole surveys on Bureau of Land Management land utilized by the Northwest Ecosystem Survey Team (N.E.S.T.). Committee members were provided a copy of the Native Forest Council's *Forest Voice*, Summer 2007, volume 19, number 2. There was a request for a commitment to utilized the best methodology available to ensure that groups are making decisions based on the best available science.

Panel Presentations on Timber Harvest and Infrastructure

Mike Hayward, Wallowa County Commissioner; Martin Goebel and Maia Enzer, Sustainable Northwest; and Pat King, Marunbeni Sustainable Energy comprised a panel that addressed the FFAC.

Mike Hayward, Wallowa County Commissioner, noted that as the safety net disappeared, local services would be drastically reduced. Although timber is an important element, counties are looking for alternatives to the forest economy. Sustainable, predictable and adequate timber supply is important to biomass utilization. Wallowa County is currently conducting biomass feasibility studies for biomass.

Cooperation between the state, private individuals, county governments, and the Tribes must exist with the USFS in order to get projects onto the ground. There is also a need for additional USFS field personnel, and active management in the national forests.

Regarding collaborative processes, all partners were encouraged to look at the “big picture” and stand together when challenged by litigation.

Martin Goebel and Maia Enzer, Sustainable Northwest, described the transition of western rural resource communities dependent upon federal land, to that of taking the lead and diversifying their economies. The management system should be focused on a more systemic vision of ecosystems and community health. Sustainable Northwest partners with communities and enterprises to achieve economic, ecological and rural community vitality and resilience, through collaboration, facilitation, and fostering public public-private partnerships and investments.

Sustainable Northwest’s policy priorities for community-based forestry on federal lands include comprehensive community-based restoration legislation, increasing federal investments and technical assistance, biomass utilization programs, and stewardship contracting. Collaborative processes are important to generate support for capacity building programs, support for funding, and restoration of the USFS budget for comprehensive restoration projects. Collaborative action is also an important precursor to project implementation. (Presentation - Attachment 6)

Pat King, Marubeni Sustainable Energy Inc., stated his company specialized in the development, ownership and operation of renewable energy projects, industrial cogeneration, and district thermal systems. With an initial capital investment of \$25 million, the Lakeview Biomass plant will be built in 2008-09, with commercial operations beginning in 2009. The plant will consume 250,000gT (green tons) of forestry biomass material (mill waste and forest residue) from regional lumber mills and national forests.

Biomass renewable energy can replace fossil fuel production and significantly reduce emissions from fires and decomposition of waste material while creating receptacles for non-merchantable materials and facilitates improved forest management and forest health. Challenges in developing a biomass renewable generation facility were described as economies of scale, distance and logistics, new equipment requirements and long term fuel supply. (Presentation - Attachment 7)

Discussion of Timber Harvest and Infrastructure

Assisted by Pat King and Mike Hayward, the Committee discussed collaborative processes in general, citing strengths and weaknesses. It was acknowledged that collaborative processes are expensive and take time, but collaboration was described as critically important. A general tension was identified between the need to simultaneously

address issues on a large scale and at a local level. It was posited that the size of the collaborative process should be scaled to the need of the problem. Community dialogue can help to create trust and a shared desired vision, but expertise must be available to assist local communities to craft project plans. It was suggested that cultivating local leadership and successfully integrating scientific and local knowledge were important factors in successful projects.

It was also suggested that a broad collaborative could be convened to address issues at a landscape scale and help address issues generated by local collaborative efforts. One such idea was to divide the Oregon forest land base into appropriate regions and convene collaborative processes to identify and address problem. Any open, inclusive, and transparent collaborative process, however, should be appropriately designed so that agreements reached are not derailed by the political actions of a “wildcard” or “spoiler.”

Discussion of the National Environmental Policy Act (NEPA) also surfaced a tension between the desire to standardize and streamline the process while simultaneously addressing local needs. The group discussed the need to structure collaborative processes to fit with NEPA processes as a way to expedite the implementation of recommendations and develop suggested actions and to avoid litigation over procedural issues. It was suggested that an alternative to collaboration could be to declare a national emergency under FEMA. It was mentioned that 40% of finished lumber in Oregon was being imported and a new mill recently opened in Grangeville, Idaho. These were posited as examples of both the challenges and opportunities for Oregon to address related to timber harvest and infrastructure.

The group also discussed the idea of a “Timber Summit” that could be convened at the Governor’s level or higher to raise the profile of issues related to the provision of a sustainable and predictable supply of timber, expedite the process and implementation, reduce litigation, and foster more collaboration with federal agencies and all interested parties. The creation of additional staff positions could help facilitate these goals. It was suggested that a dedicated office in the executive branch and staff position(s) in the Oregon Department of Forestry could help address coordination issues related to the management of federal lands. A summit could advance the goal of providing a sustainable and predictable timber supply by addressing such issues as (1) structural and institutional designs to conduct collaborative landscape scale analyses, (2) the management role of the State of Oregon on federal lands, (3) the role of certification and real estate investment trusts, and (4) coordination of transportation issues.

Oregon Business Council – Forest Restoration Initiative

The Oregon Business Council has been refining its vision and FFAC committee members have been involved in the team working to develop a *Federal Forest Restoration Initiative* for the Council. Russ Hoeflich, Wade Mosby, and Steve Grasty were asked to provide an update on this initiative. They indicated the Council expressed strong support for the advancement of tangible FFAC work and reported that proposed legislative

language for the initiative is under development, close to completion and targeted for consideration in the February 2008 Legislative Special Session.

The initiative, as currently envisioned, would advance two priority projects, one in the Fremont/Winema and another in the Malheur National Forest. Both propose holding public hearings as the first stage to develop specific forest health treatment recommendations at a landscape scale. The hearings would be designed to involve local participants and necessary experts to allow the recommendations to achieve sufficiency through judicial scrutiny. The hearings would also be designed to create a strong foundation for a collaborative process as the second stage to help steer the recommendations through implementation. This process would leverage Title II federal funds and be interconnected with the NEPA process. The concept builds on the success of the Lakeview Biomass Project and addresses concerns related to reductions in USFS and BLM staff and the corresponding loss of expertise. State support in the collaborative efforts could bring expertise from such sources as the Oregon higher education system, the Oregon Department of Transportation, the Oregon Department of Fish and Wildlife, and the Oregon Water Resources Department, among others. These efforts could help define new federal forest management practices and serve as pilots for implementation elsewhere.

The Committee was generally supportive of the idea as it corresponded with the goal of creating a tangible outcome, the development of a pilot, and could happen in tandem with the potential development of a Forest Summit. The small group of Grasty, Hoeflich, and Mosby agreed to write up a “Priority Landscape Proposal” using the Federal Forest Restoration Initiative as a basis for circulation to FFAC. A teleconference will be scheduled and held in the near future to determine whether or not to support the development of the proposal as an FFAC initiative.

Due to time constraints it was suggested that steps be simultaneously taken to coordinate with the Governor’s office, pursue endorsement and support from the Oregon Conservation Network and other conservation organizations, and pursue approval of an FFAC recommendation by the Board of Forestry to submit a legislative concept for consideration by the legislature. It was reiterated that the future teleconference would provide an opportunity for all FFAC members to determine if the group should agree to move forward or not.

Process Issues

The Committee took stock of the FFAC process to date. During discussion the following suggestions were noted:

- Substantive articulation of Issues and Recommendations should be developed
- The organization and numbering sequence of the Potential Solutions documents should be clarified and coordinated with the final recommendations work product
- The number of recommendations should be decreased and the scope increased

- Larger issues should be outlined in greater detail
- There should be a differentiation between recommendations for quick implementation and those that will require a greater change in the system
- Potential Solutions should have tangible action steps
- Sub-groups appear to be working well to help substantively articulate ideas

Chair Hobbs suggested that a small group (an Articulation sub-group) should be formed to synthesize and prioritize the key FFAC recommendations, address and further develop “cross-problems” shared across issues areas such as funding, and articulate necessary implementation steps.

Next Steps

- Prepare the Priority Landscapes Proposal [*Grasty, Hoeflich, Mosby*]
- Establish a Timber Harvest and Infrastructure sub-group [*Grasty, Hoeflich, Mosby-chair*]
- Establish an Articulation sub-group to help synthesize and prioritize FFAC recommendations and develop a draft for FFAC consideration
- Schedule sub-group meetings [*Birch*]
- Natural Processes sub-group to continue work on the Recommendations document and incorporate the following suggestions [*Bloemers, Jaramillo, Vredenburg – chair*]
 - Separate recommendations from background material
 - Reduce the number of recommendations and broaden the scope
 - Add time dimension to the matrix (immediate, mid-term, long-term)
- Provide information to FFAC on the amount of carbon dioxide released during wildfires
- Finalize February Older Forest panel [*Committee to send suggestions in response to an email Birch will resend*]
- **Next FFAC meeting – Monday, January 7, 2008 – 8 a.m.**

Flip Chart Notes

Collaborative Processes

- How to fit into NEPA
- Landscape level
- Key person with local trust
- Time required may not save infrastructure
- Localized
- Bigger projects more difficult
- Part of Tool Kit
- One size does not fit all communities
- Risk in getting to large scale
- Scale process to size of problem in local community (cost of process will be a factor)
- How to deal with the wildcard
- Summit scale (initiative for implementation) – including Governor's Office and Congressional Delegation to reduce litigation

State Actions

- ODF dedicated staff to work with FS & BLM
- Systems approach – look at private and federal and state land and contribution to whole
- Coop program with FS & BLM

Hearings on Outcome Oriented Bill

- This legislative session:
 - 1-community – forest health collaboratives at landscape scale
 - Recommend – state financed collaboratives

Suggest

- Malheur & Winema/Freemont
- Technical/expertise from state staff and universities

Action Items

- Priority Landscapes
 - Write up and distribute to FFAC
 - Call Meeting
 - Conference Call – Yes or No to proceed
 - If yes – go to BOF at January meeting
- Feedback on February panel
- Summary of federal litigation?
- Amount of CO₂ released in wildfire

ATTENDEES

Committee Members: Chair Steve Hobbs, Ralph Bloemers, Allyn Ford, Steve Grasty, Russ Hoefflich, Bill Kluting, Annabelle Jaramillo, R. Wade Mosby, and Ken Williamson

Staff: Rod Krahmer, ODF&W; Lisa Freedman, USFS; Mike Haske, BLM; Bob Progulske, USF&W; Josh Seeds, DEQ; Ted Lorenson, Kevin Birch, Jeri Chase, Cathy Clem, Gayle Birch and Paul Clements, ODF

Facilitation Team: Robert Fisher and Rob Williams

Presenters: Mike Haywood, Wallowa County; Pat King, Marunbeni Sustainable Energy; Martin Goebel and Maia Enzer, Sustainable NW

Public: Frank Posekany, Frank Lumber Co.; Rachel Barton-Russell; Tom Partin, AFRC; John Shelk, Ochoco Lumber; Tom Insko, Boise Cascade; Greer Kelly, Interfor Pacific; Ann Walker, ODF; Maya and Day Gee; Mr. Day

Note: All written material and presentations provided to the Committee and referred to in this meeting summary are available on the Committee's website at:

www.oregon.gov/ODF/BOARD/FFAC.shtml

- 1) 2.1 – Natural Processes Problem Statements/Potential Solutions Matrix
- 2) Barriers to Efficient Cooperative Agreements with Federal Agencies
- 3) Public Comment – Dick Posekany, Frank Lumber Co.
- 4) Public Comment – Tom Partin, AFRC
- 5) Public Comment – Greer Kelly, Interfor Pacific
- 6) PowerPoint – Sustainable Northwest
- 7) PowerPoint - Marubeni