Committee for Family Forestlands
Meeting Minutes
September 13, 2013

Pursuant to public notice made by news release with statewide distribution, a committee meeting of the Committee for Family Forestlands [an advisory body to the Oregon Board of Forestry with authority established in Oregon Revised Statute 527.650] was held on September 13, 2013 at the ODF Headquarters, Bldg D, Santiam Room, 2600 State Street, Salem, Oregon.

Committee members present:
Susan Watkins, Vice Chair presiding
Sarah Deumling
Mike Cloughesy, Ex-Officio
Jim James, Ex-Officio
Sara Leiman, Voting
Scott Gray, Voting
Brad Withrow-Robinson, Ex-Officio
Rick Barnes, Voting
Cindy Glick, Ex-Officio

ODF staff present: Ohrs present:
Jim Cathcart Chris Jarmer, OFRI
Angie Johnson
Peter Daugherty
Susan Dominique
Joe Touchstone

Call to Order
Vice Chair Susan Watkins substituting for Craig Shinn called the meeting to order at 9:10 a.m. Jim Cathcart joined the meeting as the ODF staff representative in Lena’s place for the morning, Peter Daugherty will hold the seat for ODF in the afternoon. Angie Johnson and Joe Touchstone will be providing topics on the agenda.

1. Welcome, Introductions and Housekeeping
Susan Watkins informed the committee that there would be changes to the order of the agenda items factoring in presentation time and speaker arrivals. There were no additions to the agenda topics. One correction to the June 13, 2013 minutes was noted on page 15, correcting Jim James’ affiliation from OFRI to OSWA. Rick Barnes moved to accept the minutes with the change; Scott Gray seconded that the minutes be passed. All present were in favor, none opposed.

Meetings are scheduled for October 18th and November 15th. Susan requested the member’s availability for those dates. Jim noted that the next OSWA meeting on September 27th 10:00am – 3:00pm at their Salem office. The committee should try and send a representative.

2. Public Comment
No public comment was offered.

3. Model Private Forestlands Collaborative Update – Mike Cloughesy/Jim Cathcart
[Handouts: State and Private Forestry FY2014 Western Competitive Resource Allocation Single State Proposal – Model for an Eastside Private Forestland Collaborative; SPF FY 2014 Western Competitive Resource Allocation Regional Staff Feedback]
The Pre-Proposal with approved language and Draft Proposal for the Eastside Private Forestland Collaborative were submitted to the USFS Region 6 staff for initial feedback by their respective due dates. Mike Cloughesy, Brad Withrow-Robinson, Roje Gootee and Lena Tucker made up the sub-committee that composed the proposal. Lena suggested that, with his experience, Jim Cathcart do the final edits. The re-write task was divided up between sub-committee members. Brad Siemens who is the USDA Forest Service Region 6 Specialist over Forest Stewardship, Forest Legacy and Community Forests had graciously done a informal review of an earlier version (June). Jim incorporated Brad Siemen’s comments.

The proposal was officially submitted to the Grant office by the review deadline. Brad Siemens pushed up the Federal review to get feedback to the committee in time for our meeting today. We got good reviews from their technical staff. (Iral Ragenovich, Forest Entomologist, Forest Health, Protection: Kathy Sheehan, Forest Entomologist (Acting PD for Urban and Community Forestry) and Luann Grover, Fire) As the requested funds are connected to Urban Forestry, Forest Health, Fire and Stewardship, the federal reviewers were experts from those four groups. This official federal review determined that our proposal needed to recognize other local federal forestland projects going on. They wanted us to lead with the forest service language and provided examples. There will be no follow up federal review. The final submission goes to the WFLC (Western Forest Lands Coalition) made up of 11 Western States Foresters and Regional Foresters from those 11 states.

One question that came up was, since we dealt with noxious weeds (invasives) in our proposal, why isn’t ODA a partner? The other confusion was the consistency of landowner participant numbers. We will get confirmation with Roje. Those numbers are just targets.

The committee also questioned continuation of outreach given that the landowners are already committed. However, we will be looking for more participants. The proposal also needs to be more clear that we understand that, while Education, Coordination and Technical Assistance are good, acreage accomplishments on the ground won’t be covered by the grant money. We are just setting up the process and we will work with NRCS to clarify landowner match. As part of the collaborative, landowners will have to apply for individual contracts with NRCS for EQIP dollars and will have a match with that.

Sarah - Is there any provision in here for the collaborative itself to do a project with NRCS so that not every landowner will have to do individual proposals?

Mike – We are thinking about that.

Jim –The idea is that the NRCS dollars under Environmental Quality Assessment Program is governed by the local working group for Grant County so separate project funding requests must be local. My sense is that historically these groups aren’t used to dealing with forestland owners. If this is a traditional grazing, agricultural, weed management local working group for the whole county, we need to be realistic about our ability to convince them to do forestry. It has to be built from the grass roots and local relationships.

The idea with this proposal is that this landscape forest stewardship plan will synthesize existing data about this lower basin in a manner that is in the NRCS language. Traditional Local Working Group resource concerns are vegetation, water quality and sediment. Landowners can start to address these resource concerns by looking at the resources on their lands in conjuction with the resource needs across the whole landscape in this basin. The individual plans then fit each individual in their ability to contribute to these concerns. Then landowners can go collectively to the local working group and package it as a Conservation Implementation Strategy for this area that addresses those high priority resource concerns. If landowners are already interested in engaging and ready to implement requests, funding will be easier. Hopefully our efforts will help the local working group be receptive. NRCS is used to working with ‘producers’ in agricultural lands who have their economic infrastructure in place and have an annual cash flow. Family forestland owners are not generally that intensely engaged with their property’s resources, and we need to bring them along in this process. We need to initiate this forward-thinking investment outreach and engagement that will be in a ready-to-implement stage.
Mike - The NRCS local group realizes that they have this commitment from the State office to be doing more forestry projects but are unsure how to meet this need. Roje Gootee and Elaine Eisenbraun, Executive Director, NFJDWC will be acting as local leaders. Elaine as been enthusiastically involved at the local meetings.

Cindy – What about the marketing of the juniper off those acreages? There is a Western Juniper Utilization Group. (Oregon Solutions Project) finding uses and markets for the juniper. It might be a potential partnership in the Ritter area and a positive addition to get a revenue stream for those landowners.

[Action Item – Get the Western Juniper Utilization Group (Oregon Solutions Project) contact information to Jim Cathcart as a potential partner.]

Mike – In terms of making this work, Roje and Jim have volunteered to finalize the proposal. I can give them my ideas but don’t know if it needs a more formal feedback including other sub-committee members. So we will share it as we submit it and not have a bigger review.

Cindy – This model plan will be landscape-specific, but will the plan look at big game or any other habitat or fish considerations?

Mike – We haven’t designed that yet. As part of this, the OTFS is applying to the American Forest Foundation for $10,000 grant working with OSU developing the landscape plan in conjunction with the Uniform Plan which looks at all of the resources.

Cindy – We have just completed an All Lands project in the Sweet Home area. This enables us to know what the private landowner’s plans are. [Restoration Proposal] and what we can do to balance and improve habitat on federal land. It has made our job easier to define. Not stand specific but landscape specific. They have also gotten funding from ODF&W to create habitat travel corridors.

[Action Item – Cindy to get the project description (Restoration Proposal) to the members as an example.]

As an example of changing activity, the private landowners are doing only spot spraying of herbicides, which improves the browse for elk and deer as an ecosystem service. Getting professionals talking with each other can coordinate similar efforts on adjacent lands.

Mike – That could tie in with the Umatilla and Malheur.

Jim C- Themes of the landscape plan will be driven by aquatic resources, mainly the fish, but also forest health and wildfire risk. To the extent that those other landscape issues present themselves, the process will uncover them and they will be included. One thing we are getting comments on is that the nature of the Ritter valley is all private. We are focused on a landscape approach to private lands, but as we develop the approach, they can explore linkages to Malheur and Umatilla as an initial awareness factor. And have that as input. The scope will focus on the private lands and begin to recognize the upper Basin federal piece. Perhaps later they may combine both and expand the collaborative opportunities.

Brad – It will be a big improvement in this infrastructure to tie together the disparate and needy landowners to get all these different pieces of work together and get the work done. In Phase Two public and private land cooperation may be explored.

Angie – Regarding EQIP funding for activity on private lands, locally are they going to use National Fire Plan funding to work in this? Normally the local office would submit a proposal to Community assistance or Western States Grant for this type of project. So you want to make sure that the local office (ODF John Day) gets that done. That would sell the National Fire Plan.
Sara – I am reminded that within the Private Lands/BLM checkerboard, there is no communication at all. We don’t tell them and they don’t tell us what they are doing. Anything we can do to improve communication would be a good thing.

Cindy – The Federal system has a vested interest in this project. It’s a huge hook for them. We can do all we want to improve upper habitat, but these fish have to travel through private lands at lower levels. To make it easier for these landowners to do this work is very important. We spend a lot of money on habitat improvement. And the emphasis should be on private lands!

[Action Item – Subcommittee conference call was set up to finalize the grant proposal.]

BREAK

Susan – Returning from break we want to take the time to recognize and honor Jim James, OSWA who has been representing the Small Woodland Owners for his time on the committee.

A plaque was presented to Jim.

5 – Forest Activity Electronic Reporting Notification System (FERNS) Update – Joe Touchstone (Private Forests Business Analyst) [Handout: FERNS Update PowerPoint Presentation]

Joe, a business process expert, shared an update of the FERNS project re: what is being done currently and what to expect. This project will create an electronic reporting system for the submittal of notifications, provide mobile solutions for foresters that integrate with GIS, and will notify and communicate via email. Timmons Group is the contractor. Timmons Group contracted the creation of the USFS SMART program and programs for CAL Fire.

Joe defined the approach this company is using, as “AGILE”, defined as breaking big projects into smaller parts with individual “releases” which are fully functioning parts of the smaller parts. This approach enables rapid 2 week ‘sprints’ of work released every 6-8 weeks for functioning review. This enables project participants to see more progress, stay involved and maintains transparent review. “Wireframes” screen views are developed that appear live to ensure that the flow of information is correct, mapping the activity, although these frames are not the final design.

“User Stories” have been collected as part of the initial phases, so representative user groups have input into the process. User groups were defined as: Landowner/Timber owner/Operators; Office/Admin Staff; Stewardship Foresters; ODF Management; Subscribers; and public access users. Some user needs included: Log in as users with an account; drawing or copying capability for maps with automatic counting of acreages; ability to attach maps and written plans, use of iPads in the field, landowners being able to batch upload into the system and emailing of NOAPs or viewable on dashboard.

Phase 1 included gathering the User Stories and prioritizing the stories (needs/wants), and then in Phase 2 the Release strategy will be developed. The Release Strategy is using 2 week development iterations (sprints) for review.

Jim James – I am concerned about landowners who may not want to submit notifications electronically but also not want to hire someone to do it for them. Please keep the option of filing a paper notification open. It was my understanding that that option will always be available. There are some folks that will find electronic filing to be a huge burden.

Cindy – There is a more practical problem in rural areas with internet connections.
Peter – Our stewardship foresters don’t want to lose their interaction with the public. Walking people through the process in the local ODF office is a good initial contact. We will help them get there, not to add a burden but to create efficiencies.

Rick – To me we have a lot at stake as an industry to ensure this process has a smooth transition.

Joe – There will be an ability to file from home or at the local office. Hardcopy notifications will be kept available for a time but eventually we will do away with that option. Hardcopies will not be archived. With electronic filing, subscribers can access operations activity. Property identifiers are saved to enable landowners to use in additional notifications or updated activities. Once-a-year notifications will probably disappear due to need to notify subscribers about activities.

Peter - The plan is having a ‘kiosk’ in each office for landowner use, consultation or notification service, where staff can provide assistance.

Joe - For bigger operators with electronic programs of their own, there will be links to download to the ODF system. There will be a county-wide option for utilities, for example, on roadside sprays.

Sarah - Who is the subscriber base?

Joe – Concerned citizens, utilities, forestry consultants, equipment suppliers, county assessors and lots of others.

Scott – Will the chemical use parameters in a FERNS system include stating ‘active ingredient’ or just product name?

Joe – All options will be available.

Susan – Someone submits a map with resources identified. In the future if things change, will the changes show or does the information carry over year to year?

Joe – You can reuse, but the system layers will re-identify.

Peter – This system will be a 24/7 for users but will be supported 9-5 only.

Rick – Beginning time of acceptance is a big deal when you are talking about a 2 week notice.

Angie – We generally start a NOAP at the earliest date (i.e. post-marked).

Peter – We have hired a new Public Affairs Officer, Nick Hennemann (beginning Sept. 23rd) who will be focused on Private Forests. FERNS will be a high priority. There is no detailed communication plan yet.

Cindy – On the federal side, the All Lands Approach has data that is transferrable to the county or other federal partners.

Peter – The All Lands Approach is an interesting addition. It takes resources to make that communication happen. SMART and FERNS will be part of the expansion of this.

[Action Item – For Lena: Rick Barnes has volunteered and is interested in being a member of the Landowner Review Team for landowners and to represent the committee.]

Joe - We are looking at June/July next summer for a release date.

6 – Fire Season Update – Doug Grafe, ODF Fire Operations Manager
[PowerPoint presentation: Fire Season 2013 Update]
Doug Grafe provided a summary of this summer’s fire season to date beginning with pre-season indicators and statistics.

All the Pre-season indicators were there for a challenging fire season. Drought conditions persisted over much of the state with a below average snow pack, above average temperatures and lack of precipitation. Significant Wildfire Potential was “Increasing to Above Normal” and this played out as predicted. Fires began in May with the Shively Fire, 180 acres, lightning-caused, followed by 3 other fires of moderate size in May with extreme fire behavior. May and June began one of the most challenging fire seasons in recent history. Fire activity was the highest in Southwest Oregon as the conditions worsened with extreme dry lightning events in late July. Prevention was an important strategy and as a result the count of human-caused fires declined. There were 80 fire starts from one July 26th lightning event. ODF and other partnering organization’s aggressive initial attack kept numbers lower than they could have been. The Douglas Complex was the number one priority fire in the nation for 11 days which enabled National resources to fight the blaze. Another round of lightning for seven straight days started another two FEMA fires GC Complex out of John Day with 10,000 acres potential and the Government Flats outside of The Dalles at 50,000 acre potential. The eastside was at maximum draw-down. We couldn’t have had success without a complete coordinated system. There were 5 FEMA eligible fires to date. 94% of fires were stopped at initial attack with lightning strikes double the ten year average at over 140,000 strikes. The Wildfire Protection Act passed just in time as Statewide Severity Resources were at a critical need. In total those resources flew more than 1000 hours, dropped 352 loads of retardant 850,000 gallons and more than 1 million gallons of water in bucket drops. Resources were mobilized from all over the country and 3 Canadian provinces. At the Douglas Complex over 128 miles of fire line were dug, 3000 firefighters and support personnel distributed to 2 fire camps, one in Riddle and one in Glendale. 400 homes were threatened and evacuations were called. All ODF Incident Management Teams were called out on long rotations. Douglas Complex was over 48,600 acres.

It was obvious that we needed federal partnerships to be successful under these conditions. Multi-agency coordination with 5 IMTs helped support and mobilize the resources. Partners included the National Guard mobilized twice with ground and aviation assets with 150 troops to monitor the heli-bases, provide infrared reconnaissance and guided and maintained evacuations. Also the State Fire Marshall was mobilized numerous times to help protect structures. 42 states responded. Landowners were critical help in many capacities; the vendor community stepped up as well.

Losses were $42 million FEMA reimbursements (which covers 75% of suppression costs), ½ billion in timber losses, 1 primary residence, 20 outbuildings, evacuations on 10 fires or more and four fatalities in Oregon associated with the fires. We haven’t even started to account for other values associated with our forest and impacts to local and statewide economies.

The remaining fire season sees conditions moderating and a more normal fall pattern setting up although caution is advised as fuels are still dry and lightning events still occurring.

Mike Cloughesy asked if there was any correlation between differing ownerships and management types as to whether there was visible effects of management in the severity of the fire behavior between reprod, thins, old growth, clear cuts, etc.

Doug responded that at this point the fires burning through the checker-boarded ownerships were so intense it’s difficult to determine management treatments effectiveness.

4 – Hot Topics – Peter Daugherty, Private Forests Division Chief

- Pesticides/Water Quality
Peter referenced the Oregonian article on Pesticides and Water Quality.
Scott – I was contacted by the reporter, but only the last couple of sentences of a page-long response in answer were published.

Peter – The situation in Rockaway is similar to many that will be occurring over the next year particularly with the high visibility of the Highway 36 investigation, which noted that herbicide spray can drift up to 3-4 miles. We have another situation mentioned in the Register Guard, Collard Lake, Mercer Lake, Heceta Water District near Florence. We have another case up near Yachats, where a DEQ employee gave an (unofficial) presentation to the residents shortly after a clearcut in the Collard Lake area. They are getting some NRCS money so they were treating it as a restoration harvest, but it was a clearcut and they are replanting. Collard Lake is a protected watershed, meaning it’s a unique water source in sandy soil that has gained EPA status under the Drinking Water Act. But most of the concern is about building houses with septic systems above the reservoir, not necessarily problems caused by spraying. Housing is considered not to have an impact but clearcutting does. The Rockaway Beach controversy got started after the Water District switched their filtration system over to a membrane system that let more organic matter into the water supply. That organic matter mixed with chlorine creating a toxic compound in violation of water rules. The solution for the District was to go to surface water rather than the ground water that was polluted. That increased the District’s dependence on surface water from Jetty Creek. So not using ground water indicates that septic systems may have been the source of increased chemical compounds in violation which showed up under the new membrane system. But that discussion was left out of the article. We are working with the Governor’s offices to think of ways to get ahead of this. The evidence in our studies of riparian buffers indicates that the riparian buffers do work even after storm events through industrial lands. There are always going to be detectable levels in water, because we can detect in the parts/trillion. But all studies showed no detections of more than 1 part/billion of any of the chemicals identified. The urban growth in Springfield was shown to have more potential threat to the water supply than forest industry. All practices in the areas in controversy are in accordance with State and Federal law. But ODF is being bypassed, with complaints going straight to the Governor’s office. The district was very involved with the studies. It comes down to a wicked policy problem. It isn’t how much is under the new membrane system. But that discussion was left out of the article. We are working with the Governor’s offices to think of ways to get ahead of this. The evidence in our studies of riparian buffers indicates that the riparian buffers do work even after storm events through industrial lands. There are always going to be detectable levels in water, because we can detect in the parts/trillion. But all studies showed no detections of more than 1 part/billion of any of the chemicals identified. The urban growth in Springfield was shown to have more potential threat to the water supply than forest industry. All practices in the areas in controversy are in accordance with State and Federal law. But ODF is being bypassed, with complaints going straight to the Governor’s office. The district was very involved with the studies. It comes down to a wicked policy problem. It isn’t how much is detected, its “any”. There aren’t a lot of chemicals with human safety level set. There isn’t a satisfactory answer when the public isn’t fundamentally on board.

Mike – Brought up the connection made with the O&C Lands forest management issue. It’s become a big movement.

Peter – It doesn’t seem to matter that forestry has the cleanest water quality in the state. I don’t know if there is an expected policy change, the Board hasn’t made any policy changes in two years.

Rick – I do agree. This is the beginning of the new cycle to eliminate herbicide use.

Peter - I’ve had my own staff remark when you get the domestic buffers on Non-fish streams at 20 feet, they are prone to wind throw more so than any other buffer we have. If you get wind throw in the buffers, you are going to get root pull often, which could increase sediment after harvest. Is that something that we should fix?

In the Yachat’s situation, the landowners appear to have deliberately divided the ownership of a 240-acre parcel in order to clearcut a larger area than the FPA allows. There are ways other than banning all clearcuts or increasing buffer zones to prevent large clearcuts. Some areas are looking at using Ecosystem service payments, working with water districts to voluntarily provide additional protections.

Rick – Regarding ownership relationships, to constitute separate ownerships, does title have to be in separate parties or just separate names?

Peter – In that case, there were two separate LLC’s with different people in each one although they worked together. Landowners often do work together to harvest. Land ownership follows square lines, and mountains don’t conform to those boundaries. It’s very common to reach an agreement to have trees harvested together as part of a logical harvest unit on a draw, and your property line leaves someone
else’s trees on the top of the ridge. Because of potential ridge top blow downs, structuring harvest to reduce losses makes sense.

One idea that has come up is to have the Forest Practice Act define an owner as a group of clients managed by a single manager. Would that cause a problem? A manager with two clients would not be able to do adjacent harvests.

Rick – That’s a huge problem and would cause us to lose clients. From a small business standpoint, like Roseburg Forest Products, which has multiple business entity clients, I could see if under the same umbrella.

Peter – We have talked to the Governor’s office. Keeping in mind that water coming out of forests is cleaner than from other land uses, if forestry’s effect on drinking water is a big issue, then the State needs to start funding things like the Community Forestry Authority, conservation easements, paying landowners for the services they are providing. The FPA assumes some level of risk. We provide protections that we believe will provide treatable water to the water districts. That’s what the intent of the rules is; there is always turbidity in streams. We can’t guarantee to provide drinkable water. The Board sets an acceptable public/private tradeoff of risk. If people don’t like that, they can change the policy or pay for a different level of protection.

[Action Item – Susan: Make ownership definition a stand alone agenda item?]

Peter – In water quality, there are any number of issues going on, all related to litigations.

First, there was a temperature litigation settlement between NW Environmental Advocates and the EPA settled/court order, which invalidated the Natural Condition Criteria of our temperature standard. The standard provides three criteria:

- Biological Based Criterion – Streams are to be 16 or 18 degrees C
- Protecting Cold Water Standard (if meeting biological criteria, your activities can’t heat the stream)
- Natural Condition (if higher than 16 to 18 degrees naturally, adjust Biological standard to Natural Condition Criterion)

(Tualatin River is an example of a warmer condition that nevertheless supports salmon.)

There are 14 TMDL for impaired watersheds which use the Natural Condition Criteria. This has been thrown out, and at this point the DEQ doesn’t want to fix it because of the TMDL litigation. NOAA was sued and is reconsidering their buy-off on the 16-18 degree biological. There is not an agreement among NOAA scientists about whether the Natural Condition criterion is a valid biological criterion. The TMDL litigation is ongoing, with NW Environmental Advocates alleging that all 14 TMDL are invalid. That has not been resolved. Those TMDLs represent about 12 years worth of work to clean up water quality and the Water Quality Management Plans associated with them get thrown out as well.

Second, CZARA and the forestry measures. (Peter handed out the Executive Summary that ODF presented to the EPA to explain why the FPA is adequate.) We told EPA about our three-pronged approach: Land Use laws, effective and efficient FPA, and the voluntary measures under the Oregon Plan for Salmon and Watersheds, all producing the highest water quality in the State. Comparing Oregon’s maintenance of resource lands with Washington, we are better at retaining resource land in Oregon, because water quality increases when you limit urban growth.

Peter talked about Small & Medium Fish Streams and High Risk Landslides Areas. The CZARA plaintiffs want the state to incorporate landslides into TMDL process. Peter can’t see how an episodic event contributes to a maximum DAILY load. They say that human forestry activity increases landslides but there is no evidence that we affect the frequency of landslides. Past studies have looked at landslides
resulting from housing placement and the effect on human safety. Over time have we changed the
distribution of landslides? We don’t have that data. (See the handout)

Weyerhaeuser inventoried landslides on their lands and found you didn’t start seeing an effect until you
got to 150% of a 100 year rain event and even that depended on the age class.

My expectation is that we will move for official disapproval at the state level. DSL would not like it to happen. It’s never happened. They’ve been saying for so long that the forestry’s been inadequate according to the 1998 data. They say our management measures are inadequate. When questioned about what our standards should be, they couldn’t give an answer about what the standard was.

Susan - Regarding CZARA, was that the Plan B?

Peter - What I produced was Plan B. The Mid-Coast TMDL process was supposed to resolve the CZARA dispute and didn’t.

Third, Decker/NEDC case (forest roads). The 9th Circuit issued an opinion stating that they recognized that the Supreme Court overruled them on the idea that permits are required under the Storm Water Rule. They also noted that the Court did not overturn the finding that forest roads are Point Sources. Then they vacated the District Court ruling dismissing the original complaint on the basis of the silvicultural rule. That rule has been overruled by the 9th so it has to go back to the District Court. We would say it doesn’t need it a permit and it would be thrown out. But the court has to throw it out for the correct reason so it has to go back to the court.

It's possible NEDC will try to present a new slate of facts connecting those forest roads to activities that require permits like gravel pits, crushing pits, and sort yards thus requiring a permit for the road, and we will go through the cycle one more time.

- Reforestation Tax Credit
There is increased interest in the Reforestation Tax Credit coming out of this summer’s fires. Jenny Dressler, an aide to Senator Baertschiger, Jr. from Douglas area, in the Senate Republican Office at the Legislature, has mentioned to me the Senator's interest in reforestation assistance. At the moment the only incentive program available is the Emergency Fire Rehabilitation through FSA, though we used to have a reforestation tax credit. The Senator asked us to explore something with a 50% Reforestation Tax Credit and something like a 50% Cost Share. The Cost Share would be set up for family forestland owners who don’t have the tax liability to make use of the Tax credit. You couldn't use both. We did make the argument that the tax credit wouldn’t be effective for all forestlands. We don’t know what the Governor’s position is going to be. The a 50% credit would be staged over several years and could be as much as $4mil ask for this year. There’ll be issues with lack of seedlings, lack of capacity, and low productivity sites without salvage.

Rick – If you plant, you need to take additional actions to be successful. Credit should encompass actions that are prudent to get those trees to survive.

Peter – With the previous tax credit, you got ¼ on planting. ODF determined success over 2-3 years. If unsuccessful, you have to pay the funds back. If successful ‘free to grow,’ you are certified and get the other ¼ with a list of approved activities for credit expenses. There was a list of approved activities that wouldn’t be incurred by the first installment.

Sara - Should the committee go on record as supporting this concept? What can we do to encourage development of this program and participate in some way?

Sarah – Not everyone is in a position to take advantage of a tax credit. So there is another provision for cost-share.

Peter - The senator was interested in looking at two different programs. One tax credit, one cost-share.
Susan - I think I'm hearing that we support the concept and would encourage development and would be willing to vet a proposal before it goes to hearing, or send someone to a hearing, a letter. To participate in some way. Does that meet everyone’s approval?

Peter – Roger Beyer has been involved and communicating with Jim James. So you can add to the agenda for October as things get flushed out and I can send things to the committee if you are interested.

Mike – Hearing from not just 10 landowners but a significant number of landowners may make a difference to the legislature.

Susan – Are there other topics from Peter we want brought back to us for more detail or action as an agenda item? I don’t know what is being decided or who is making the decision on the TMDL discussion.

Peter - There will be a state-level meeting this month on the state-level policy piece. The lawsuit is in settlement negotiations right now so there isn’t a lot to report. (DEQ/EPA are the plaintiffs.) In October we’ll hear about CZARA, but you may have heard about it already depending upon how they send it out.

- NRCS
One last thing, you had Ron Alvarado as a guest last year. I just signed new financial paperwork with NRCS for a $266,000 Cooperative Agreement that applies Statewide for delivering cost share for technical assistance to family forestland owners. Cindy Kolomechuk is working on a State level agreement between NRCS and ODF with Brian Pew (NEO Director) and NRCS leadership in Bend to expand EQIP into forestry. Other states haven’t been successful in forestry and the Farm Bill, and Brian sees this as an opportunity to be a leader within his organization. We have at least demonstrated in NEO that we have a productive model to get results on the ground.

Sarah – I have had a fantastic experience with NRCS in Polk County. I have gotten a lot of work done, because of them this year. So it’s working in Polk County. Tom Finnegan, NRCS uses me as an example when Washington, D.C comes to Oregon. He seems to have the right priorities, but he is busy.

Peter – This is why the state is working with NRCS in local technical assistance. CFF has had a role in this.

7. HB 2615 and HB 2165 Status – Angie Johnson
[Handouts: HB2165 & HB2615 Rulemaking Process Update PowerPoint; Technical Note #10: Written Waivers of Statutory Plan; Talking Points for Truffle Bill (HB2615); Staff Measure Summary on HB2615; OAR Schedule of Rule Text; Memorandum on Special Forest Products from ODF]

Per Angie: Regarding HB2165 (Written Waivers of Statutory Plan) we are in the homestretch (Phase 4), which included completion of the Technical Note #10, final BOF presentation, final Secretary of State filing, updates to FACTS, continued outreach, news release, letters and update to public web pages. Goals were to reduce non-value-added routine written plans, increase field time, increase efficiencies, and create certainty for customers to know when a written plan will be required. Landowners are now able to use this waiver option if their activities do not affect the riparian area.

We are having a little issue with the FACTS language change. We check that a statutory written plan is required, “However, since we checked that box you may qualify for the waiver.” That is the reminder to talk to the forester, if need be.

One of the main purposes was to free up foresters’ time. But if landowners have to call, it negates that.

When we are all in this learning phase, there will be errors and it would be nice to create an avenue to correct errors.
Susan – I had a question about locating the information. How do I find it on Oregon.gov?

Angie – [Demonstrated where the information is located on the website. On the main page under Private Forests news release or under Laws/Rules/Technical Reports.]

Rick - I received the information in the mail for our tree farm. Who else did it go to?

Angie – We had funding to do hard copy mailing using the landowner database to 1000 or more. We queried for 24 acres or more. It was another tool for outreach. The news release was pushed out to OSWA, OFRI, OFIC, DOA, Farm Bureau and we got a lot of good response that it would be added to their newsletter. For Extension we contacted the people we knew to follow through and distribute it to other OSU Extension offices.

Susan - There was one change from the draft flowchart. There used to be an arrow that said “or”.

Angie – I am unsure of why, but we wanted to simplify it as much as possible. This was meant to be more eye-catching and usable.

Regarding HB2615 (fungi and other special forest products). HB 2615 was originally a log-branding bill that was stuffed and gutted to add fungi as a special forest product. OSWA and law enforcement were big supporters of the bill. Truffle collection has resulted in trespass issues and damage to soil and vegetation, including forest trees. There are responsible individuals concerned with collection of truffles as a crop for truffle oil, but many are not careful and trespass and damage private lands. Truffles can be sold for hundreds to thousands of dollars per pound. Law enforcement has had a difficult time in prosecuting this.

Susan – Jim has done an outstanding job of keeping us up to date on this, perhaps we can review the timeline for finalizing the rule.

Angie – The recommendation to the Board will be to use the Regional Forest Practices Committees as our advisory group to review the draft rule language. We will add a mechanism to address other special forest products, moving the FPA Rule out of statute and into rule. It will be easier to add products and procedures without doing it legislatively. We have until December when public hearings start. We will use the State Forest Policy’s definition of Special Forests Products to add to the list. In the interim, there are forms to complete for harvesting fungi, though there is confusion over whether they are Forms or Permits as statute lists it both ways. If a landowner is giving the harvester permission, it’s a permit. Public land permits do not make gathering fungi legal on private land. If you are letting people gather on your land, they should have a form indicating that the landowner is aware of the activity and approves; this aids law enforcement. Emphasize that buyers are also supposed to keep records when buying truffles. Documentation needs to be in place.

Susan – It’s exciting to see something we just worked on, just supported, passed and going into rule.

Angie – It will go live July 1, 2014 and then the definition. We have until October 1 to finalize the forms. But we do have interim forms available at our offices for landowners. Please let me know if there is someone we should outreach with this.

Peter - Our Regional Forest Practices Committees are willing to provide information on how clear our rule language is, and they are public meetings. As members are industrial and non-industrial landowners, the committees seem to be good venues to use for this review.

Tax Issues – Sara Leiman
[Handout: CFF Tax Issues 9/13/13]
Sara - The summer got the best of us a bit, and we didn’t get much done on the topic in the last couple of months. But Rick, Susan and I are on a sub-committee to discuss the issue from the work we have already done. I talked to Mike so I cobbled together the needs and some direction moving forward. We do have to dial in on the needs we think we have so far and determine if we are headed in the right direction with a symposium. Then the smaller committee can move us forward between our meetings.

Susan – I think what we came up with was there a lot of information that we didn’t have and some we did that needs to be coordinated better. So our feeling was to push back the symposium back to the winter of 2014-15 partly because of the possibility of some OFRI funding.

Mike – To have it come up this fall, there is no guarantee. At the end of the fiscal year OFRI’s discretionary funding is smaller than we thought it would be. But next year we’d be on the ground floor on the budget and most likely we could get more certain funding for the next fiscal year.

Sara – By then we should have this Starker Chair position that would have some expertise in business. That would be a good opportunity to introduce him/her to our forest community.

Mike – The OFRI staff puts the budget together in November/December for the next year, so we will need to get a request in by then.

Sara – We have a lot of tax professionals we’d like as presenters who would most likely not be available during tax season. We could perhaps get them around May. So seems like it would be better to wait and do some planning.

Brad – We’ll just delay until we are under the gun. It’s not like it is a new urgent issue. To get the right resources, tax professionals are the presenters but also part of the audience. I am happy with the decision.

Scott – Regarding the White paper concept, we don’t have the expertise to do a white paper on this subject. The one thing as a committee we could do is write a letter to Oregon State and BOF stating the importance of tax planning as a part of the OSU Extension Program and ODF’s programs as well, which is lacking today.

Mike – Both times we did a symposium before there was something like a white paper as a product. When the committee makes a proposal to OFRI, it should ask for support for the symposium and also to support a publication that is helpful to people.

Sara – We need to figure out what kind of publication we want.

Susan – One possible product is a Ties To The Land type of program, which was self-contained information that could be distributed to a local extension or Small Woodlands office where people who don’t have knowledge of the topic could still present it. Another idea was a chat room.

Brad – There’s OFRI’s Know Your Forest website. Does that have tax information?

Mike – The landowner survey responded that taxes were a top issue, but we didn’t address it because we didn’t have expertise to do it. A huge red flag is that tax lots and laws change so fast.

Sarah – Printing anything in a nice glossy publication that is out of date the next year doesn’t make sense.

Sara – We need to look at what the needs are. There is a lot out of information out there, many good publications on the details. But do our landowners understand them? I don’t think there is anyplace that has all the tax information together. Perhaps a summary or overview is needed. Each section would provide resources for the details. I think there is a need for that.
Susan – Jim James had mentioned that people need to understand what they need to document. Some source will tell you how to report but didn’t tell you what you needed to do 40 years ago. Using “Ties” as a model, we could provide examples and a made-up sample family to follow what you need to do at different stages of growing your forest and where the resources are and what taxes and incentives are involved. That’s a framework we could work with.

Sarah – What Susan is saying would lend itself very well, you could have case studies of different situations and families and what they endured.

Mike – In “Ties” we gave the process with differing results, and we were careful not to provide answers.

Sara – The thing about “Ties” was about making connections with your family members, it wasn’t about what you were doing on the forest, it was more a communication vehicle. This is more knowledge based.

Brad – Case studies could be an effective part of whatever product we come up with. They would illustrate issues, but may not be the whole thing.

Sarah – I think of you or me with different situations, but each of those taxes fits into our annual budget, our planning for the future, it fits in lots of ways. You could take several situations and figure out what they would need to know.

Sara – We need to use the symposium to come up with recommendations to the Board. Like in Eastern Oregon, we framed the issues and provided suggestions on what could be done.

Mike – The symposium shares information out and in. While you have people attending, take advantage and get some information that would be valuable.

Sarah – I don’t know if we can address this, but I don’t think there are enough Forest Tax experts out there. There is an unmet need.

Susan- I think we can find a way to provide credits for attorneys and CPA’s who come to the meeting and set up a program to get them an hour or two credits to lure them to the symposium.

Mike – We could also work with Clint Bentz and the group he belongs to that has built in continuing eds on some of their programs. To have him as a co-sponsor would attract a more defined audience.

Rick – I can see your point about getting the CPAs and Attorneys credit, but we want to be careful, we don’t want them to be the target audience even though they will benefit from it, we are doing this for forest landowners.

Sara – Do we work with Extension somehow? How can we make it more interesting? I wouldn’t want to do it in the old boring way.

Susan – You might want to do break out groups to audience types. There is ways to do it that involve Family Forestland Owners too; you might want both landowners and professionals in the room. How are they going to talk to one another?

Brad – Part of the purpose of giving professionals credit is to make them aware that there is an audience for this topic, which creates part of the value of their learning. They may say there is a small audience, why should we bother? Family Forestland Owners as a group are invisible to providers. But when they see a lot of people and recognize the demand that is not met, there could be a lucrative niche there.

Mike – One of the lessons is how do you communicate? Landowners to accountants, etc…and do it in a way that’s valuable.
Sara – Most accountants, as a group, don’t know the forest tax programs. And it would be good to get them to know us.

Sarah – It is from my own personal experience that I had to learn that the service from more knowledgeable accountants is well worth the money over the long term.

Mike – I agree, it’s like having a professional manager of a timber sale. It’s good to have the best expertise.

Susan – We need to determine not only when, but where should the symposium be to get the FFLO there? Do you do more than one symposium? Maybe that’s a decision for down the road.

Mike – Maybe a road show.

Brad – That’s where January gets to be a problem.

Mike - If we have the new Starker Chair as part of the team and they’re going to be doing Extension education, this could help fuel a program that could be the road show, but that is a lot of ifs. The other thing is putting together a proposal for Nov/Dec to get the funding. We don’t need to have every detail spelled out, just the why and the what. OFRI is pretty flexible.

Sara – It piggybacks on the other report in development that Paul (Barnum of OFRI) shared with us in draft form. The Contributions of the Forest Sector to Oregon. A tax symposium certainly fits in OFRI’s mission.

Susan D. – What about sending out a survey to landowners to establish interest areas and questions?

Mike – We only have physical addresses and the mailing cost would be prohibitive. We could do a sample survey.

Sara – Jim was going to put a blurb in the OSWA newsletter regarding “Do you have a story or problem related to forest taxes?” I believe it would come out in the next newsletter.

Susan – Stories are a way to not make it boring.

Scott – A road show would be tough because of the experts needed wouldn’t have travelling ability.

Sara – Do we have enough to move on? One other thing I was thinking; the experts we had here had a lot to say and I’m not sure if we need some others to help plan this thing? Or just put our efforts into a symposium? How are we going to get the most information?

Scott – Frame it the best we can then send it to some of those professionals and ask for their feedback. One key aspect is ownership and how forms of ownership affect your taxes, trusts, maintaining/avoiding majority shares, avoiding certain strategies.

Susan – So do we think we want somebody to come back? The smaller committee could meet.

Mike – It wouldn’t hurt to have one or two presenters.

Sara – Could we draw Clint in or his associate for their perspective? We have to nail down some concepts to propose to OFRI.

Mike – I can help but I can’t present it!

Susan – For our next meeting in October we should make a commitment to come back with a draft of our Tax issue proposal to OFRI and use that to frame the discussion.
[Action Item – Put the Tax Symposium funding proposal on October agenda in the afternoon.]

9 - Starker Chair Recruitment – Brad Withrow-Robinson

Brad – The recruitment committee met and a position description was developed, presented across campus, and approved in a hurried manner to get it posted and published for wide spread review. When last checked, we had four applications with at least one applicant who seemed qualified. Success in this is not going to come from the advertisements but by identifying individuals who meet our fairly extensive and specific needs and proactively enticing them to apply.

Mike – As an outsider, if you look at the announcement, the position is 50% Extension, 25% Research, 20% teaching, and they want to fill this at the assistant or associate professor level which means the hiree is coming in as untenured. The worry I have is to get tenure the individual is really going to have to focus on publication. And if you have a teaching load, which the person will, for the first few years they will have to do more than 25% research in order to get published. It’s going to take some active management by the people that need the Extension program to get the educational programs.

Brad – But they get the program and the person still survives and succeeds in the academic arena despite that. Still, it’s a serious worry.

Mike – It’s a real worry. That’s a really tough one to fill. But that’s given the needs of Extension, Research and Teaching. To be successful you need to do publishing. Teaching workshops on taxes for landowners isn’t meeting their needs. But I was told it wouldn’t be a problem.

Sara – This is multi-funded.

Angie – What is the close date for the position?

Brad – October 15th.

Mike – They want him/her here in January. But, it’s going to be a real challenge, especially if they are in the middle of other academic responsibilities.

Sara – Where’s the opportunity for public input?

Mike – There will be a public presentation as part of the interview process. People will be able to comment online. The more people listening and looking the better pressure to assess them.

10 - Good of the Order - Susan Watkins

Susan – Is there anyone else other than Sarah Deumling who can go to the OSWA meeting?

Mike – I can represent, but won’t be as effective.

Susan – I will go if I can. If there are no further items to discuss, we can adjourn.

Rick - I move to adjourn. Susan seconded. 3:00 pm.

There being no further business, the meeting was adjourned at 3:00 p.m. The next meeting is scheduled for October 18th, 2013.
Action Items:
  o Get the Western Juniper Utilization Group (Oregon Solutions Project) contact information to Jim Cathcart as a potential Collaborative partner.
  o Cindy to send the project description (All-Lands Restoration Proposal) to the members.
  o Subcommittee conference call was set up to finalize the grant proposal.
  o For Lena: Rick Barnes has volunteered and is interested in being a member of the Landowner Review Team (FERNS) to represent landowners and the committee.
  o Make forestland ownership definition (concern over splitting ownerships in order to clearcut larger area than FPA would allow) a stand alone agenda item
  o Put the Tax Symposium funding proposal on October agenda in the afternoon.
  o Peter to provide updates to the committee on the issue of reforestation tax credits and cost-shares being debated at the legislative level. The committee wants to support these efforts.
  o Add CZARA Update to October agenda, if applicable.
  o Sarah Deumling volunteered to host the November Meeting at her home.

/s/
Lena Tucker
Committee Secretary
Committee for Family Forestlands

[September 13, 2013]