

Forest Stewardship State Advisory Committee Meeting Minutes

December 7, 2011

Ramada Inn Conference Center, Grayling, MI

Members Present: Gerald Grossman, Chair, Forest Stewardship Advisory Committee
Bill O'Neill, DNR Forest Management Division
Scott Heather, DNR Forest Management Division
Shawna Meyer, DNR Forest Management Division
Warren Suchovsky, Logger & Landowner
Ernie Houghton, DNR Forest Management Division
Deb Huff, Michigan Forest Association
Mike Hanley, DNR Forest Management Division
Erik Johnson, DARD Environmental Stewardship Division
Matt Kletch, The Nature Conservancy
Amy Trotter, Michigan United Conservation Clubs
Andy Henriksen, Natural Resources Conservation Service
Debra Huff, Michigan Forest Association
Brian Piccolo, DNR Wildlife Division
Lee Mueller, Consultant
Gib King, U.S. Fish & Wildlife Service
Laurie Kay Elbing, The Nature Conservancy

INTRODUCTORY BUSINESS:

Mr. Grossman called the meeting to order at 10:00 am. Mr. Grossman asked if anyone wanted to Chair the Committee as he has been in the position for some time. He noted that anyone with interest could contact him outside of the meeting as well.

Introductions were made. Warren noted that we reviewed minutes. Ernie Houghton made a motion to approve the minutes from the last meeting, held January 26, 2010. The motion was seconded by Mike Hanley. Scott Heather recommended sending a copy of the Resolution discussed in the minutes to Rodney Stokes. The motion was unanimously approved.

DNR UPDATE: Bill O'Neill, Scott Heather

Bill noted that at last meeting we were DNRE, now we are the DNR with Director Rodney Stokes, Asst Director Kelly Smith. Forestry Division is undergoing changes; a new structure is currently being developed. The Division will grow smaller as Recreation and Trails move to be administered under the Parks and Recreation Division. It will be a big change and the new Forestry Division will focus on state lands inventory and management, and private lands management. The Division will try to build relationships and this group will be integral to that. A major focus will be on private lands management and how we can help private landowners do better at managing their 60% of the land base. Fire is something the Division will continue to invest in and improve. Forest management will become more involved in leading forestry discussions in the state. The Forestry Division will have a new Chief and Assistant Chief, the role of State Forester will be congruent with Division Chief.

Bill discussed Timber Advisory Council, a 10 member group to encourage a broader forest community discussion. Members are timber and forestry oriented members of the

industry across the state. Scott noted how important forestry has become across the State, and the recognition is there at the DNR Executive Office level.

Amy Trotter noted concern that there is a dearth of a presence of wildlife and habitat in these discussions, and does not see these interests well represented on these Committees. Scott mentioned there are discussions within the DNR that reflect the same concerns, such that Forestry and Wildlife Divisions are co-managers and collaborate to do so. Bill concurred and encouraged Amy to continue to raise awareness on the topic.

Warren noted that we need to forge a stronger relationship with DEQ and keep them in mind as partners. Bill O'Neill agreed and said that DEQ should be at the table or accessible to those conversations and will be hopefully part of up and coming forestry leadership. The Chief of the Division will be the State Forester, which differs from the approach in the past, so that the State Forester can be line authority. Jerry supports the structure and notes that that's how it is done in most other states. This will create a more streamlined focus, as it used to be the model in Michigan approximately 30 years ago. There is a transition team that is drafting proposals to identify possible new structures.

Bill noted that this is an extremely optimistic time for private lands management, more so than he can remember. He indicated that an area of interest with the DNR Director Rodney Stokes is to build a better and stronger program. Scott also indicated that the recognition of the private lands program is strong in the Director's office.

Scott discussed the new collaboration between DNR and the Department of Agriculture and Rural Development (DARD) to help strengthen private lands information dissemination. Both Departments have a strong niche to reach out to private landowners, the DNR will fund two full time positions within DARD and 8 partially funded positions. Private landowners need a local place to go to get information on managing their land. DARD is working on additional funding through the Legislature to augment the effort. Eric Johnson noted that these monies will be grants to the Conservation Districts. Jerry notes this has been done many times over the years and there is a lack of trust and has been little accountability. He encouraged a formalized structure between Departments. Scott noted that the 3 year grant has been written to account for this. Amy would like to see the grant before it is finalized. Scott says that he will check with Rodney to see if we may send out the proposal to the Committee for input. Bill notes that this is a pilot project and if the project or parts of it work, hopefully it can be formed into a permanent private lands program. Amy asked where funding was coming from? Scott said the major funding source is the DNR's Forest Development Fund and it may negatively impact forestry on state lands and as well as the fire program. Warren notes he does not like to see the FDF spread places where it is not designed to go. He suggested other Divisions might also contribute funding, such as wildlife or other divisions within the department. Lee said that studies show that programs are not aligning with landowner primary objectives and we might try to build better programs that do so. Scott notes that sideboards come on Farm Bill programs from the legislation but we might be able to have some future influence. Jerry noted that we have had a big increase in capacity driven by USFS and State programs plus industrial lands that have built capacity in the private sector. Bill questions why we are not managing more private

lands, and now we can move some of the resources to private lands? Mike notes the majority of the interest he hears from the public relates to how they manage for the health of the forest. Deb says that tools for outreach pique interest for landowners; Lee agreed and said that requirements for timber mgmt shy folks away from programs. Warren suggested moving this topic to the agendas of the Timber Advisory Group and Forest Management Committee.

FOREST STEWARDSHIP UPDATE: Shawna Meyer DNR FMD

FY2011 Accomplishments, Reporting, Mapping of Priority Areas:

With Deb Huff retiring and Mike Hanley as acting Stewardship Coordinator in addition to his role as LP Service Forester, there were 136 Stewardship Plans written by approximately 25 Certified Plan Writers covering a total of 27,304 acres. There was no monitoring on plans performed, the understanding with the Forest Service is that additional monitoring would take place in FY12 to make up the difference in reporting. A copy of the budget and accomplishments from 2005-2011 was provided to the committee.

Reporting in FY11 required that a new map of Stewardship Priority Areas be created that reflected two categories (priority and not priority) instead of the low/medium/high priority areas identified in the 2010 State Assessment. The original map was modified a bit and reclassified to two classes, with the final map having approximately 34% of the allowable private land classified as high priority. These data were provided to the USFS in raster format. Annual Stewardship core funding will, in part, be determined by how well we focus stewardship efforts within the areas identified as high priority.

Shawna passed around a copy of the Landscape Stewardship Guide developed by the USFS. She noted that across the Northeast Region in 2010, only 8% of the eligible land was managed under individual FS Plans. The USFS is moving the program in the direction of landscape level stewardship to create a more effective means of achieving the mission of the FSP as set forth in the legislation. The new thrust is to work collaboratively with other agencies, NGOs, communities and landowners in community- and place-based approaches to streamline individual plans through the creation of landscape plans as a framework. The role of the State agency is to facilitate these landscape plans (using variable funding approaches from private foundations to agency funding opportunities) and fill in with landowners using a strategic marketing approach. Some current ideas include watersheds, Conservation Districts, and areas with high stewardship potential and target audiences.

The Clay Lake project was brought up as a good landscape level template. Deb discussed the Saginaw Bay Forest Owners Network as a means to reach out to landowner clusters; currently the project has a 3 year grant horizon.

Shawna shared a spreadsheet of voluntary tracking metrics that will be collected by the USFS beginning this fiscal year. She stated that the FS has identified these voluntary reporting metrics to help them better understand how the Forest Stewardship program impacts the resources in a given area. They include specific information related to landowners, plans, communities and stakeholders, policies enacted & forestland protection at both individual and landscape scales, and within priority areas. Many of the metrics cross agencies and include data that is challenging to compile, such as acreages.

Jerry notes the difficulty in tracking project implementation. Warren agreed and said that monitoring needs to improve across the State. USFS conducts a drain survey for wood volume in State every other year in and reports in tonnage, thus there is some data known on amount of timber coming off State and Federal lands. Jerry suggests using these data to back into capturing private lands data, and that the SFIFSC chain of custody information may support this effort. Warren says that in his experience, 90% of landowners selling timber just use loggers to put up the sale rather than foresters. Jerry notes that this may be more like 50-70-% of wood volume. There was a general agreement that approximately 10% is professionally managed. Ernie suggested discussing and streamlining where and how we can focus metric collection via email. Shawna will initiate metrics discussion to allow members to weigh in on which metrics we should focus on and how best to collect.

Shawna passed out tip sheets created for landowners and consultants on the emerald ash borer and carbon sequestration funding currently in place through Forest Stewardship. She shared that the EAB Impact Mitigation grants encourage evaluation of private forestlands for planning and prevention and pass through funds for plans that address upland ash. Ernie discussed how the two upper peninsula DNR Service Foresters will visit with landowners who have upland ash to encourage the management of the ash, not prematurely liquidating ash and how best to maximize value. Warren suggested SFI Certification Scheme as a mechanism to carry out. The group discussed clarifying locations where grant covers. Shawna noted a map will be posted to the website that will make it clearer.

Shawna noted that the carbon offsets grant has approximately \$30K left to fund stewardship plans that specifically address carbon sequestration. The grant was originally focused on carbon markets, made challenging by the dissolution of those markets. She noted that these grant opportunities will be heavily marketed to both landowners and the consultant community as they extend capacity of the Stewardship Core funding. A suggestion was made to make it clearer to Certified Planwriters to include the carbon component so that the funds can be expended in a timely manner. Jerry suggested contacting them directly.

Bill asked for clarification on how this Committee operates, formally through making formal motions or recommendations for actions to the State Forester or more informally by agreeing on ideas and moving in that direction. Jerry said the committee used both approaches as necessary. Scott agreed and said that the action items identified were usually carried out by the Stewardship Coordinator. He mentioned that the Coordinator could also ask for the group to conduct business in a more formal way if desired.

Grants:

Shawna noted that across all funding sources, there was approximately \$100,000 for FY12 Stewardship Planwriting Grants. Scott responded to the question of funding trends noting that this was in keeping with previous years, although funding from the core Stewardship funding has been in decline.

Shawna discussed applying for two FY12 USFS S&P Competitive Resource Allocation Grants, one to assist in fund the Conservation District work and a second on invasive

shrub work at the landscape level. This proposal will identify areas within the state where invasive shrubs could form the basis for landscape level plans to address the threat. She states that there will be a cost-share component included to fund mitigation work for landowners who participate. These funds could assist in stretching budgets of other programs like EQIP, where less focus could then be placed on mitigating woody invasives.

A third proposal is being defined for submission to the FY12 call from USDA Office of Advocacy and Outreach. Shawna stated she is pursuing a partnership with the Stewardship Network to identify counties with a high proportion of socially disadvantaged landowners, defined as historically persecuted due to ethnicity. She notes that cross-referencing these counties with natural resource or other boundaries and using grant funding to create specific outreach will result in landscape level and individual stewardship plans. She noted that the grant ceiling is \$800K over 2 years, no match required and designated specifically for outreach and education to elevate participation in Farm Bill programs from this population segment. This is a no risk opportunity for the state, as the grantee much be a non-profit or educational institution.

Shawna shared that training sessions will be offered after the New Year for plan writers in three locations across the state. Discussions have included partnering with NRCS to offer a more robust training program that addresses the needs of Certified Planwriters and Technical Service Providers. Details to come. A suggestion was made that the Michigan Association of Consulting Foresters meeting will be 2/14/11, is there a chance to piggyback on that meeting? Andy noted that the National ACF meeting in Grand Rapids this year and that NRCS will be present to do TSP training.

FOREST STEWARDSHIP 5 YEAR PLAN: Jerry Grossman

Deb Huff mentioned that the 5 year plan was no longer required by the USFS. Shawna indicted that having a plan aligned with new and ongoing State and Federal direction and is an important compass for the Coordinator. Warren made a motion to continue to pursue the development of a 5 year plan as it provides program structure and maintains history of program. Gib seconded the motion. Amy feels it is important for setting direction for non-industrial private lands work, the resource as opposed to the program. Gib suggested focusing on the goals and honing them to be more specific. Jerry suggested Shawna do a draft update and send to the committee for review. Then changes can be incorporated and signed off on by the committee. Andy suggested aligning with the State Resource Assessment. Jerry took a motion to pursue the plan, motion unanimously carried.

MASTER LOGGER PROGRAM Warren Suchovsky

The Master Logger program initially had four applicants, but one dropped out because he couldn't maintain the insurances and meet the program requirements. Both Michigan and Wisconsin Master Logger programs are working closely on FSC Group Certification. Currently there are 18 Master Loggers signed up for this chain of custody. Four have been audited; Warren's FSP and field site audits were selected. The field auditor was impressed with the FSP Warren has for his property. In Wisconsin, some of County lands have certification and mills are attempting to zero in on certified products, not so

in Michigan. Warren mentions that Michigan Qualified Forest lands would be ideal to move this forward in this state. It may help Michigan industry stay/become more viable over time. A number of loggers in the program would like to see more GPS information on timber sales because logging machinery is now GPS ready. The DNR is beginning to supply this information when requested. This would allow harvest roads to be put in the same place on later sales, reducing impact. Warren has noted that in regards to auditing, he has seen 'cherry picking' going on for sampling to reflect the best sales. To get a better representative sample for monitoring, the Master Logger program will conduct random surprise audits on loggers to view current sales and monitor their performance. Jerry noted that he had seen the same trends. Warren indicated that the Certifying Board also would like to view sales across land types and ownerships. Common problems occur in delineating forest riparian zones and damage to residual trees from working in heavily stocked areas.

INTERGENERATIONAL TRANSFER: Georgia Peterson

Georgia was unable to attend meeting. Her update will be moved to the next FSAC meeting, if possible.

FOREST LEGACY UPDATE Kerry Wieber, DNR FMD

Shawna provided copies of a Forest Legacy Program Update and Review Report. Kerry participated via conference call. The grant for the Crisp Point project, ranked 3 in the country for FY11 budget, is in place and an appraisal will be underway this winter with negotiations to follow. The Menominee River project ranked #4 in the country and there is a recommendation for \$3M in budget which has not yet passed. There is a new landowner, Mulpas, an agreement was not reached due to land values. It was felt that an appraisal would not come up to the value the company indicated was their bottom line. After discussion they withdrew on that project and the grant to fund.

Gitch-ing Nebish, or Thumb Lake Forest project was not funded in 2011 and in 2012 did not make the President's budget. Opposition felt that it was protecting the backyards of lakefront owners, so they changed the name and reduced the acreage from 1800 to 750 acres, honing in on land that is the best fit. This is the only project that will be submitted for FY13. The National Panel meets in January to review projects to include in the President's budget. Kerry will know more in early February.

The subcommittee had three meetings this past year, looking at and reviewing projects. The State Review was held this past September to ensure meeting of the goals and requirements of the Federal program. There was a lot of participation from Committee members and the group took a field tour to inspect projects. Michigan received 9 commendations and one finding (include a Civil Service statement on the application). The participation of the FSAC and Legacy Subcommittee was noted as a commendation.

Warren asked for clarification on how the Legacy program was funded. Kerry state that Legacy funding came from federal royalties from offshore drilling, not general tax dollars and that the program enjoys bipartisan support in the Legislature. Gib asked how funding was awarded. Kerry indicated that it was a competitive process for the states, submitting up to three applications per state for no more than \$10M, not more than \$7M per project. Obama recommended \$135M, but she felt that it was doubtful to be funded at that amount.

Jerry asked for updates on Legacy Sub-committee members. Kerry shared new membership included Shawna Meyer as the Forest Stewardship Coordinator, Deb Huff representing Michigan Forest Association, Matt McDonough from Great Lakes ? Conservancy, Gary Willis, DNR Service Forester, Greg ?, a forester from FWS, Paul Dysdale, a private forestry consultant, and Warren Suchovsky.

Jerry commended the review and Warren commended the quality of Kerry's application. Gib asked how application process works. To apply, Kerry sends out a press release in early March and works with land groups to identify areas for recommendations. Once applications are received they are reviewed by the subcommittee. Kerry will send an application to Shawna for distribution to the Committee.

NEW BUSINESS:

MEMBERSHIP

Jerry began a discussion of potential new members for the Forest Stewardship Committee and suggested a prescriptive list of people to be included. Jerry suggested Scott Robbins, with Michigan Tree Farm and Forest Resource Council. Ken Nye was suggested by Warren as a potential new member. Lee Mueller was asked by Jerry and indicated that he would like to become a member. Shawna suggested Stewardship Network representation as a possibility. Discussion also raised the Conservation Resource Alliance and Huron Pines (Brad Jenson), formerly RC & Ds that are now their own entities, Global ReLeaf – Gail McPherson, and New Page (Steve Ruska) or someone else from industry. Scott noted that new members are approved at the pleasure of the State Forester. This has often been more informal, eg consensus. Jerry suggested that this be clarified in the new Five Year Plan. Warren mentioned that the Farm Bill language may also shed some light on how we move people onto the Committee. Other suggestions included the Michigan Township Association, Michigan County Association, or other economic development type organization although they may not be interested in subjects that do not immediately impact their areas. Lee suggested extending the invitation as they could have an important voice. Amy suggested offering them comments on the plan as a means to engage them. Warren suggested trying to re-engage Tribes. UP Sportsmen's Groups was suggested by Scott. It was suggested that Parks & Recreation Division, or the Michigan Snowmobile and Trails Council might be good representatives of recreation interests. Also suggested was Chad Edka was/is involved with Tree Farm, now owns Louisiana Pacific. Consensus was that Shawna would prepare a letter to be approved by Jerry as initial means of contact.

INDIVIDUAL PARTNER REPORTS

Erik Johnson, MDARD has had a couple of grants through the DNR that were for early successional habitat and pine barrens through the Conservation Districts.

Andy Henrickson, NRCS notes that there is one more year in this Farm Bill cycle. This year NRCS National Headquarters decided that payments would be developed at the Regional scale and so payments will most likely change, although how is largely unknown. They are signing up landowners for programs currently. Jerry indicated as a contractor it is difficult to get landowners to sign up for NRCS programs as opposed to Stewardship. Andy agreed and noted that it is national requirements that make enrolling paperwork-heavy as the biggest

reason. Ernie asked about follow up on implementation. Andy indicated that NRCS does not follow up, it is just assumed to be implemented. A question was raised about other plans, and Andy indicated that Stewardship and Tree Farm Plans make people eligible for NRCS implementation funding. FSP Plans are numbered making it easy to cross-reference and potentially track implementation for FSP and Planwriting for NRCS. Andy noted that he and Shawna have been discussing how to better align NRCS, Stewardship, and Tree Farm plan requirements. Jerry noted that sections on invasive and high conservation forests may be worth including in plans.

Amy Trotter, MUCC has been doing strategic planning. MUCC has been doing more communication to members – eblasts every other week and daily blogging. She offered to take information from partners to add and submit electronically to 20,000 members. This is a great venue at getting informal input from stakeholders. Deer are an issue, MUCC is getting hits that this is the worst record deer season ever and feedback indicates there may be trailing push back in some arenas, potentially legislatively, although this effect differs in different parts of the state. Discussion ensued on deer management and on the lack of input from the forestry community on deer issues. Warren challenged the Committee to manage our resources on science rather than public opinion. Agreement on a reality is that politics do affect the mission statements of agencies who are charged with nature resource management.

FY 2012 Meeting Dates:

Jerry suggested two meetings per year, a third if needed for a specific purpose. Warren made a motion to having two meeting per year and the motion was seconded by Eric. The motion carried unanimously. Shawna will put out a doodle poll for meeting in June/July unless an ad-hoc meeting is need prior to that time.

Agenda items for the next meeting will include:

5 Year Plan update

The meeting was adjourned at 3:00 pm.