



MICHIGAN TIMBER AND FOREST PRODUCTS ADVISORY COUNCIL MEETING

June 23, 2023

Meeting Minutes

Attendees: Larry Leefers, Charlie Becker, Gary Melow, Brenda Haskill, Dan Heckman, Nick Monkevich, Poudel Jagdish, David Price, Chris Schmiede, Jeff Stampfly, Ben Schram, Donna LaCourt

Welcome – Charlie Becker, Chair

Charlie Becker, Chair, called the meeting to order at 10:03 a.m.

Michigan Timber and Forest Products Advisory Council (MTFPAC) Business

1. **Adoption of June 23, 2023 MTFPAC Meeting Agenda**
2. **Adoption of March 24, 2023 MTFPAC Meeting Minutes**

Motion – **Gary Melow** motioned to adopt the June 23, 2023 Michigan Timber & Forest Products Advisory Council (MTFPAC) meeting agenda and the March 24, 2023 MTFPAC meeting minutes; the motion was supported by **Larry Leefers**. Charlie asked the council for comments; there were none. The June 23, 2023 MTFPAC meeting agenda and the March 24, 2023 MTFPAC meeting minutes were both adopted unanimously.

Michigan Department of Natural Resources (MDNR) Fiscal Year 2023-2024 Budget Discussion and Departmental Update – Jeff Stampfly, MDNR

Budget Update

1. The 2023-2024 budget is not yet completed. Jeff Stampfly, Chief, Forest Resources Division (FRD), laid out what was contained within the proposed budget for 2023-24 for FRD. Among the proposed budget was a request in authorization to spend more grant money in the Forest Health and the Fire programs due to the additional federal grants being made available.
2. The challenges to hiring have not improved (new hires and promotions). Jeff gave more in-depth detail regarding the difficulty Forest Resources Division (FRD) is experiencing with promotions and new hires.
3. With the very active fire season, they anticipate the fire budget to be challenged some in 2023. Fire danger ratings have been much higher and for a larger number of days than normal.

Departmental Update

1. FRD has funding our marketing and outreach contract through 2024.
2. There has been no news on a new Department of Natural Resources Director yet.
3. Jeff spoke briefly about the additional federal funding provided to the states for wood products. This comes via grant funding for “...Advance Innovation in Wood Products and Wood Energy Economies.”
4. This year there have been 222 fires for 3,295 acres and 90 prescribed burns for 6,700 acres.
5. FRD has had out of state resources from Wisconsin and South Dakota in-state to help assist with our fire efforts. They recently were released and returned home. Several years ago, FRD purchased a “bambi” bucket for use with the Michigan State Police (MSP) helicopter. That purchase is paying off as they have used MSP’s helicopter more this year than any previous year.
 - a. The Forest Service has also brought into state multiple resources, including aircraft, to augment their fire suppression capacity.
 - b. The FRD Work Plans are being adjusted as needed.
 - c. It is forecasted to get rain this weekend into next week, but that often comes with lightening which could create problems due to lightening strikes.

Model Output of Short and Long-term Harvest Projections by Forest Type – Dan Heckman

Dan Heckman thanked the TFPAC for its participation in commenting on the new State Forest Management plan. They are taking comments through the end of today. They have received around a dozen comments since the meeting and received about the same at the meeting.

Dan reminded the TFPAC on the method they use to come up with the information he will be sharing in the presentation. Dan covered the following topic areas in the presentation and discussed and answered questions regarding each topic.

1. Long-term sustainability standing inventory (unavailable lands inventory; available lands inventory; total inventory)
2. Long-term harvest acres by method of cut
3. Long-term harvest volume by method of cut
4. Long-term harvest acres by cover type (10-year harvest numbers)
5. Long-term harvest volume by product
6. Long-term harvest volume by species product (pulpwood)
7. Long-term harvest volume by species products (sawtimber)
8. 10-year harvest volume projection by cover type and district
9. 10-year harvest volume projection by cover type and district & Forest Management Unit
10. 10-year harvest acres projection by cover type & district
11. 10-year harvest acres projection by cover type and district & FMU
12. 10-year harvest acres summary cover type by method of cut
13. Annual harvest acres summary by method of cut
14. 40-year harvest analysis

Dan explained there are some high years and low years, and this is similar to what they have seen in the last decade. The council members discussed further the information contained in Dan's presentation.

Staff are always trying to chase more acres to prep but sometimes they just aren't there. David Price explained that the 'boilerplate' numbers come with the Legislation, and he doesn't understand how they determine those numbers. Dan went through the decades and discussed how the numbers changed between them.

The last five years of the planning period they have been right around 50,000 acres. The long-term average over the last 30 years is around 53,000 acres prepped. The number for the next 30 years is running between 52,000 and 53,000 acres.

Larry asked about other groups that would like to have input and what the timeline for their input looks like. The input is still coming in and it's being collected as it come in. Next week they are assigning themes (i.e., wildlife habitat, timber production) and will then evaluate each comment as to if it's actionable, a desired future condition statement, or a model affect. They will take notes about each and get back with everyone that submits a comment. Dan doesn't know how much the comments will affect the current model details. Timeline: they are getting the information (wildlife habitat, viewpoint, biological diversity, etc.) to the interested audience this fall.

They are incorporating wildlife values and are starting to determine the volume of habitat acreages per species. They will then be in a good position to show how they project continuity per species. They also need to consider climate change. There is no information to indicate they will have to manage certain cover types differently due to climate change. They will start to incorporate some mitigation measures into the plan eventually.

Update on Energy Bills – Gary Melow

Gary Melow reported that at the end of April the Legislature introduced energy and climate bills 271 which disqualified biomass power as a renewable energy resource. Now HB 4759 does basically the same thing. They both had hearings this week on those bills. Both chambers are going to work on it over the summer.

In the Senate they took comments from everyone that wanted to comment. There was no question-and-answer period. All entities were invited to speak. Gary is putting together a coalition to ~~fight~~ address the language in the bill. He has alerted Shannon Lott, Acting DNR Director, to the legislation, as well as the Office of Environment, Great Lakes and Energy, and the Michigan Railroad Association.

Biomass in Michigan will need the Council's support moving forward, as well as their other stakeholders, and hope to have them meet with those sponsoring this bill sometime this summer.

MFTPAC Member Updates

Nick Monkevich

1. The forest industry is not doing well at the present time. They are struggling at both facilities for paper orders. They are at about a 50% run rate between the two mills. Both were shut down for about 6 weeks this year. This has been going on since January and it doesn't seem to be getting better. They decided to open up some purchases to keep some of the supply chain in tack and will carry that through the winter months. They are focusing on local buyers and not really buying anything remote. The European side is doing poorly as well. It was asked what is driving the market.
 - a. Carrying low inventory due to recession concerns
 - b. Issues with supply chain earlier in the year
2. The upgrading of the machine in Escanaba is still taking place. There may be some impacts to the timeline due to lack of funding. The latest timeline is for the machine to start up during the second quarter of 2025.

Charlie adjourned the meeting at 11:58 p.m.