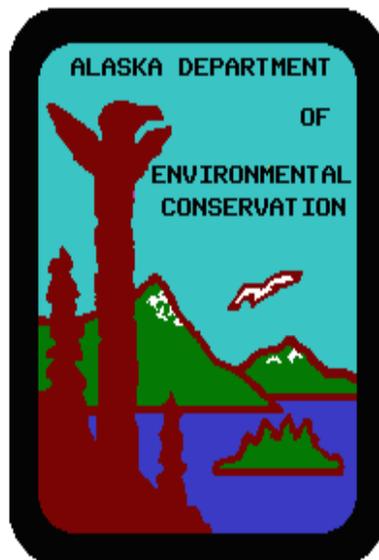


**2016 ANNUAL REPORT TO THE BOARD OF FORESTRY
from the
ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION
DIVISION OF WATER**



April, 2017

I. Overview

The Alaska Department of Environmental Conservation (DEC) appreciates the opportunity to present to the Board of Forestry (Board) its 2016 annual report on the effectiveness of the Alaska Forest Resources and Practices Act (FRPA) and the FRPA regulations in meeting state water quality objectives.

DEC's FRPA water quality objectives for forest operations are: (1) meeting state water quality standards (18 AAC 70); and (2) not causing "degradation of water quality" as defined in 11 AAC 95.900.

The FRPA and regulations specify and require the proper application of Best Management Practices (BMPs) to meet the FRPA water quality objectives. Determining if the BMPs are implemented, and if they are effective in meeting the water quality objectives, occurs primarily through: (1) state resource agency staff conducting formal compliance monitoring on timber harvest operations, and conducting forest practices field inspections; (2) operators performing routine self-monitoring; and (3) the collection, analysis, and reporting of water quality and fish habitat monitoring data from comprehensive BMP effectiveness projects. Under the authority of the federal Clean Water Act (CWA), DEC is involved in similar activities on U.S. Forest Service (USFS) lands.

In 2016, DEC reviewed timber harvest plans on all land ownerships and, because of budget reductions, participated in only a limited number of field inspections on Afognak and Kodiak Islands. Together with the Department of Natural Resources (DNR) Division of Forestry (DOF) and Alaska Department of Fish and Game (ADF&G) Habitat Division, these reviews and inspections have proven valuable to ensuring that the BMPs are properly implemented and are effective at protecting water quality.

II. Forest Practices Implementation on Private, Municipal, and Trust Lands

DEC maintained one half-time staff position assigned with statewide Forest Practices Program responsibilities on all land ownerships. Because of this limited staffing, the department has, in the past, focused its field work on Afognak and Kodiak Islands where there are three on-going logging operations. This provided the greatest "bang for the buck" in terms of maximizing the most inspection time with the least amount of travel. However, because of budget and staffing reductions, the department will limit its continued involvement in the review and inspection of forest practices operations to those that have the potential to affect drinking water sources. We anticipate participating in at least one forest practices inspection per year starting in 2017.

a. Review of Forest Practices Notifications:

DEC provided detailed review comments on each of the 24 Forest Practices Notifications that were received for logging operations on private lands in the Region 1 (Coastal), and on the 2 Forest Practices Notifications that were received for the Region 2 (Southcentral) and 2 Region 3 (Northern).

b. Compliance Monitoring and Forest Practices Inspections:

In 2016, formal BMP compliance monitoring continued to be conducted by the DOF Forest Practices Foresters on all operations in their respective areas in conjunction with routine forest practices inspections. DEC participated in 3 compliance monitoring inspections that were conducted on Afognak and Kodiak Islands. We look forward to reviewing the DOF's statewide summary of the 2016 compliance monitoring results.

III. State Land Activity

Activity on state land consisted of providing detailed written review comments on all Preliminary Best Interest Findings (PBIFs) and Forest Land Use Plans (FLUPs) that were received during 2016. These included PBIFs and FLUPs for the following state timber sales:

- Dark Side Birch FLUP (Fairbanks Area)
- Hastings Salvage #1 FLUP (Fairbanks Area)
- Skinny's Spruce FLUP (Fairbanks Area)
- Vallenar Bay Timber Sale Access Road FLUP (Ketchikan Area)
- Healy Lake Fire Salvage PBIF (Delta Junction Area)
- Serpentine Island Area PBIF (Fairbanks Area)
- Porcupine North Salvage FLUP (Tok Area)
- Edna Bay Parlay Revised PBIF (Ketchikan Area)
- Two Rivers Junction #2 FLUP/PBIF (Fairbanks Area)
- Healy Lake Fire Salvage FLUP (Delta Junction Area)
- North Hollis PBIF (Ketchikan Area)
- Baby Brown First Operation Period FLUP (Haines Area)
- Coffman Cove FLUP (Ketchikan Area)

IV. Federal Land Activity

The USFS continues to make progress on water quality issues by implementing the Tongass National Forest tasks identified in the Alaska Nonpoint Source Pollution Control Strategy (2013), and in the 1992 Memorandum of Agreement (MOA) between the USFS and DEC. The basis of DEC's work with the USFS is the state's (through DEC) authority over water quality on federal lands, per the provisions of the federal Clean Water Act.

The MOA establishes the USFS as the agency responsible for monitoring and protecting water quality on National Forest System lands in Alaska, and describes specific DEC and USFS activities to accomplish that policy directive. The USFS has continued to accept input from DEC on improving its annual program for monitoring the implementation of BMPs and Forest Plan Standards and Guidelines for the protection of water quality and fish habitat.

The revised Tongass Land Management Plan (TLMP) commits the USFS to monitoring the implementation and effectiveness of water quality and fish habitat-related BMPs (found in the USFS Region 10 Soil & Water Conservation Handbook and the USFS National Core BMPs) and Standards and Guidelines (specified in TLMP). DEC has continued to actively work with the USFS to ensure that this monitoring is carried out, and that analysis of the data presents an accurate assessment of the implementation and effectiveness of the BMPs and Standards and Guidelines.

In 2016, DEC provided detailed review comments on all NEPA documents that were received for timber sale, aquatic restoration, and related projects on the Tongass National Forest. These included the NEPA documents for the following projects:

- Draft Tongass National Forest Plan Monitoring Program
- East Ohmer Creek Restoration Project Environmental Assessment
- Wrangell Island Timber Sale Draft Environmental Impact Statement

V. Special Projects

Alaska's Clean Water Actions (ACWA) Grant Solicitations

DEC has administered an ACWA grant program on an annual basis in conjunction with DNR and ADF&G since 2002. The program funds water body assessment and restoration projects throughout the state from a variety of funding sources, including Clean Water Act (CWA) Section 319 grants. Projects are either specific to a single water body or designed as “stewardship” projects, which affect multiple water bodies. In addition, in an effort to streamline the grant application processes, projects specifically related to the Beaches Environmental Assessment and Coastal Health (BEACH) Act funding have been included since 2006. More information on the ACWA program can be found on the ACWA website located at http://www.dec.state.ak.us/water/acwa/acwa_index.htm.

CWA Section 319 funding provides the majority of monies available through the ACWA grant program. However, there has been a downward trend in CWA Section 319 funding nationwide. Given the decline in Section 319 funding, EPA worked with states to complete an analysis of the 319 program to determine how best to use the available funds. As a result, EPA is focusing on using the reduced funds for water body restoration/recovery efforts.

DEC has identified specific high priority water body actions which (1) fulfill DEC’s public commitment to address a concern, (2) assess threatened waters for impairment, (3) assist in development of a Total Maximum Daily Load (TMDL) or recovery plan, or (4) implement TMDLs or recovery plans. This comports with EPA’s direction in focusing funds on water body recovery and restoration efforts. The anticipated available funding sources and approximate amounts for FY18 are shown below.

Funding Source	Approximate FY18 Amount Available (in thousands of \$)
Nonpoint Source Pollution (CWA Sec. 319)	\$300.0
ADEC BEACH Grant (monitoring marine beaches for bacterial pollution)	\$95.0
Clean Vessel Act funding	\$50.0

As mentioned previously to the Board, given the decline in available funding combined with higher priority actions, DEC decided to drop Forest Practices as a stewardship priority, particularly since monitoring to date has shown that the BMPs have been effective at protecting water quality.

VI. Budget and Staffing

DEC’s program of work related to forest practices focuses on ensuring the implementation of forestry BMPs via timber harvest plan reviews and field inspections on state, municipal, federal, and private lands. To accomplish this, DEC has maintained one full-time staff position to oversee forest practices activities statewide. This position is funded primarily through a Performance Partnership Grant from the EPA. Because of department budget reductions and associated reallocated workloads and priorities, starting in FY16 (July 1, 2015), this position was reduced to half-time forest practices work. With the relatively low amount of timber harvesting throughout the state, this level of staffing has been appropriate, particularly given the oversight of forest practices activities provided by the greater number of DOF and Habitat Division staff. However, because of further staffing shortages and the need to focus available resources on DEC’s statutory responsibilities, the department’s continued involvement in Forest Practices will, beginning in 2017, center on the “shall” sections of the Forest Resources & Practices Act. Specifically, these include the following:

AS 41.17.041(e), which states *“The division shall serve as staff to the board. The department, the Department of Fish and Game, and the Department of Environmental Conservation shall provide technical staffing and information as needed by the board;”*

AS 41.17.047(c), which states, in part, *“The board, working with the department, the Department of Environmental Conservation, the Department of Fish and Game, other affected agencies, and the forest-dependent industries, shall conduct an annual survey of research needs related to forest practices;”* and

AS 41.17.047(d), which states, in part, *“The state forester, the Department of Fish and Game, and the Department of Environmental Conservation shall each present an annual report, independently, to the board on the effectiveness of this chapter, the regulations, and best management practices adopted under this chapter that protect the resources for which they have statutory responsibility, and shall make recommendations for changes to correct procedural or*

substantial problems.”

To this end, although DEC’s involvement in Forest Practices work will be reduced, we will continue to do the following:

- Be available as water quality experts for questions that arise from the Board, the Department of Natural Resources, and the Department of Fish and Game;
- Participate in the review and inspection of forest practices activities on all land ownerships that may affect drinking water sources and public health to ensure that those activities are in compliance with the requirements of the Alaska Drinking Water Regulations;
- Participate in all Board of Forestry meetings and present our annual report to the board on the effectiveness of the Act and Regulations in protecting water quality;
- Participate in the interagency Forest Practices Effectiveness Monitoring work group; and
- If funding is available, participate in the Tongass National Forest annual BMP implementation and effectiveness monitoring.

Unless additional funding becomes available, we will no longer do the following:

- Review all Forest Practices Notifications, State Forest land Use Plans, and Forest Service NEPA documents, unless they are for activities that present concerns for impacts to drinking water sources, and
- Participate in routine Forest Practices Inspections, unless they involve activities that may affect drinking water sources.

VII. DEC observations on the effectiveness of the FRPA in protecting water quality

The three resource agencies have relied primarily upon plan reviews and field inspections to evaluate the success or failure of forestry BMPs. Information and new knowledge from these efforts, and from forest practices effectiveness monitoring projects, have and will continue to provide the basis for future recommendations on any improvements to the FRPA and its supporting regulations. DEC continues to believe that, when properly implemented, the BMPs of the Forest Practices Regulations are effective at protecting water quality.

VIII. Tasks and Initiatives for Calendar Year 2017

In addition to the standard FRPA implementation tasks on state, private, and federal lands, the department expects to complete the following task in 2017:

- Continue to work with DOF and the Habitat Division in prioritizing and reviewing BMP effectiveness monitoring projects.