

**MINUTES**  
**Board of Forestry Meeting**  
**November 29, 2017**  
**Teleconference sites: Anchorage, Fairbanks, Juneau, Ketchikan**

**Call to Order and Roll Call.** Chris Maisch, State Forester, called the meeting to order at 8:31 a.m. Teleconference sites were connected in Anchorage, Juneau, and Fairbanks. Members Chris Beck (Anchorage), Keith Coulter (Fairbanks), Denise Herzog (Fairbanks), Bill Morris (Fairbanks), Will Putman (Fairbanks), Chris Stark (Fairbanks), and Mark Vinsel (Juneau) were present. A quorum was established. The Ketchikan site was connected at 8:40 a.m. and Eric Nichols joined the meeting at that time; all members were present for the remainder of the meeting.

**Public Meeting Notice.** The meeting was noticed by issuing public service announcements and press releases (*See handout*), mailing announcements to interested parties, and posting a notice on the state's Online Public Notice System and Department of Natural Resources (DNR) website.

**Approval of Minutes.** By unanimous consent, the Board reviewed and approved the August 1, 2017 minutes with minor changes. (*See handout*)

**Approval of agenda.** (*See handout*) The agenda was approved by unanimous consent without changes.

**Announcements.** Thanks to Mark Vinsel for the photo on the cover of the Board packet.

**Forest practices budgets.** Chris Maisch, Department of Natural Resources (DNR) Division of Forestry (DOF): The agencies are still finalizing budgets with the Governor's Office and the Office of Management and Budget. There is still downward pressure on budgets. Agency budgets are flat to declining. The DNR capital budget requests will be very limited this year.

A statewide FY18 deferred maintenance CIP included money for DOF to pave the area around the fire warehouse in Fairbanks. It improves safety and reduces dust from helicopter wash.

Gretchen Pikul, Department of Environmental Conservation (DEC) Division of Water (DOW): Michelle Hale left DEC in November; the acting Division of Water director is Andrew Sayers-Fay in Anchorage. We are unsure when a new director will be appointed. We do not yet have an FY19 budget. DOW fared well in FY18 due to increased fees for services. Any cuts will result in decreased services. DEC did not have funds to award Alaska Clean Water Action (ACWA) grants in 2017. The Division hopes to get grants out in spring 2018; spring release will work better for grantees' field seasons. The Division lost 23 positions since 2015 due to budget cuts. Pikul will provide the Board the total number of Division of Water positions prior to losses.

Jackie Timothy, Department of Fish & Game (ADF&G) Division of Habitat: There is no FY19 budget information yet. [Note: Following the meeting, David Rogers added that Ron Benkert, formerly Palmer office manager, is now Habitat's Anchorage office manager in addition to managing the Palmer office.]

Maisch: The Governor usually releases his budget in December. The agencies will provide information to the Board when it is available and brief the Board at the spring meeting.

## State regulations

**Antidegradation and Tier 3 Waters criteria.** Earl Crapps, DEC Division of Water (DOW): DEC has completed review of comments on the antidegradation regulations. The department hopes to sign the regulations and forward them to the Department of Law in December. The Tier 3 criteria are making progress; we are considering who will be the final designating authority for Tier 3 waters. Tier 3 designations could impact forestry. Before DOW can issue a point-charge discharge permit, they must be sure nonpoint sources are complying with BMPs, including the Forest Resources and Practices Act (FRPA) regulations. DEC will consult with DOF on those compliance checks.

On designated Tier 3 waters, water quality must be maintained and that no more degradation is allowed from either non-point or point sources. The water quality at the time of designation is grandfathered in, including prior degradation, but the level cannot increase. No new sources of pollution can be added to a Tier 3, even if an existing source reduces its effect.

The extent of Tier 3 waters is uncertain. Non-governmental organizations are interested in designating waters, usually in response to proposed mining or other development activity that could affect the water body.

If timber harvesting leads to erosion, that would not be allowed in a Tier 3 water. The proponent would have to show that the water body is not impacted. There's no assumption that applying the FRPA BMPs provides sufficient protection. The entities desiring protection would have a significant impact on how adequate protection would have to be demonstrated. Tier 3 regulations would apply throughout the state regardless of land ownership. Would a public input period be required for a Detailed Plan of Operations for timber harvesting on a Tier 3 water?

The criteria for determining the extent of a designated water have not been developed. Usually the waterbody is specified in a nomination, and it can be a whole waterbody or a portion of it. Discharges to tributaries upstream of a designated waterbody are not prohibited, they just have to show they aren't impacting the Tier 3 water. The difficulty of doing that would vary. Nichols: Someone will make an argument that something 50 miles upriver will still have an impact. Crapps: They might, but there's case law that limits that. DEC is still discussing who will make the decision on what waters are Tier 3. The Governor proposed a bill last year that would give that authority to the Legislature. The proposal received lots of comment, and the Governor decided to hold the bill. DEC will put the decision process into statute or regulation. The Clean Water Act requires that each state have a process in place for public nomination of Tier 3 waters. There's no restriction on a waterbody until it is designated; the nomination does not confer any limitations.

So far, a few Tier 3 waters have been designated in western states. Montana designated all waters within national parks. Vinsel: Tier 3 waters are defined as "outstanding national resource waters." There are potentially thousands of those in Alaska. Crapps – one of original criteria was that the water was unique within Alaska, not compared to Outside; that concept had public opposition. The federal government just says the waterbody must have "exceptional" significance; the states decide the process for how that is determined. Any water body can be nominated, regardless of its water quality.

Designated waters can include saltwater. Nichols: A marine water could be affected by inputs from the whole watershed feeding it.

Crapps: We need to decide on the criteria for designation, conduct public review, and determine who the decision-maker is. These options are currently under discussion at the Commissioner level. The Board could pursue its questions through chain-of-command within the agencies.

Stark: Could the Board get a written update on this process before the next meeting. Crapps: The DEC website has a section on the Tier 3 process and frequently asked questions. Freeman will send the Board of Forestry contact list to Crapps.

Nichols: What is the time frame for nominations? If it's open, there will be a nomination every time a development project is proposed. This is an easy way to slow things down. Crapps: When we develop the criteria, they need to include some sort of water quality study, land implications, and public input which should reduce superfluous nominations, because there would be some cost to the nominator.

Beck: Applying the criteria in an illustrative and comprehensive way in an area of Alaska would help clarify the impacts, rather than doing it incrementally. FRPA provides some certainty on what water bodies are affected; doing something similar that would set a precedent for Tier 3 waters would be helpful. Crapps: Under the Clean Water Act any water can be nominated. The state criteria must be approved by the Environmental Protection Agency. They've struck down proposals that would limit that process.

DEC is involving other agencies in the process at the Commissioner level, especially to make them aware of options that have been developed so far. DEC has looked at all the entities that are affected by DEC permitting -- mining, oil and gas, seafood, etc. Nichols: How will this process affect proposed timber operations? Crapps: Public input will be required prior to a Tier 3 designation, and will involve both sides.

Maisch: The Board can consider this issue for its annual report to the Governor and Legislature.

Crapps: DEC has the lead on choosing options from those on the website. We haven't briefed the other agencies on the options, but will start doing that now.

**Negotiated timber sales to local manufacturers.** Jim Schwarber, DOF: DOF is working on regulation changes to lengthen the allowed duration for small negotiated sales from one to two years, and to conform to statutory changes to AS 38.05.118 that broadened the options for negotiated sales to local manufacturers.

**Public notice.** Jim Schwarber, DOF: DNR has scaled back its review of its public notice regulations to focus on areas that have no effect on forestry.

**DNR Fee regulations (11 AAC 05).** Marty Freeman, DOF: The DNR Commissioner signed updated fee regulations in September. The portion of the fee regulations dealing with the DNR Division of Geological and Geophysical Surveys has been filed by the Lt. Governor and became effective on November 9. The Department of Law is reviewing the remainder of the regulation package.

**FRPA regulation implementation handbook.** Freeman, DOF: On October 12, we sent the Board and agency representatives the final draft of updates to the "purple book" – the field book on Implementing Best Management Practices for Timber Harvest Operations. We received just one technical correction, which we incorporated. We are pleased to have the updated copy printed and posted on the DOF website.

The changes include:

- a chart for converting the board-foot based FRPA applicability standards to other measures,
- information on commercial tree species for reforestation,
- information on invasive tree species identification,
- indicators of unstable slopes with respect to mass wasting best management practices (BMPs),
- the updated Region II stream classification system, and
- new rating criteria for five BMPs that are on the compliance monitoring score sheets, but weren't previously in the purple book:
  - 11 AAC 95.290(f). Winter road construction, water quality, and drainage
  - 11 AAC 95.290(h). Protect winter road bed from rutting and ground disturbance
  - 11 AAC 95.300(a)(5). Snow ramp and ice bridge construction
  - 11 AAC 95.315(b)(5). Grading non-rock-decked bridges
  - 11 AAC 95.365(c). Remove debris from winter roads prior to thaw

### **DOF Planning, appeals, sales.**

Jim Schwarber, DOF: The DNR Division of Mining, Land, and Water (DMLW) oversees area planning for the state. In 2016, they completed scoping for an update to the Copper River Basin Area Plan and were moving toward developing a draft. DOF has worked closely with them to incorporate interests in forest management. Staff for that project have been reassigned to work on the North Slope Area Plan, so Copper River is on hold.

Forest Land Use Plans (FLUPs) covering all the units in Baby Brown Timber Sale in the Haines State Forest are out for public comment until December 2017.

Vallenar Bay Timber Sale: The access road for this sale on Gravina Island is largely completed. A revised final best interest finding was issued in October; the appeal deadline was November 14. No appeals received, so the FLUPs went into effect on November 27.

Edna Bay Parlay Timber Sale: DNR received requests for reconsideration from the City of Edna Bay and a joint request from the Greater SE Conservation Community, Center for Biological Diversity, and Cascadia Wildlands. The Commissioner's Office is considering the two requests. Maisch: Heidi Hanson is the new DNR Deputy Commissioner working with DOF. Dawn Winalski is the new special assistant, replacing John Crowther who is now in D.C. Dawn will work on appeals, and we hope to move them more quickly.

The Division issued the 4.5 million board-foot (MMBF) North Hollis timber sale, which was not appealed.

DNR has had no appeals on timber sales in interior or southcentral in recent years.

Maisch: DNR is trying to move appeals more quickly; we'd like to have them resolved in 30 days. Some are more complex than others. Freeman: Recent appeals have taken 9-10 months. Schwarber: DNR has had three DNR commissioners in recent years which has also lengthened turn-around time. The Department of Law has helped make sure DOF appeal responses are as strong as possible in event of litigation; we've had no recent court challenges.

## Legislation

**HB 107 – Fish habitat rehabilitation permit.** Rep. Talerico, House District 6: Food security is an issue in District 6 and fishing is part of the food security picture. I would like to enhance the fish supply to benefit all user groups. The state budget concerns mean we need to look for partners. HB107 would allow for fishery enhancement. ADF&G would issue permits for enhancement projects in areas where escapement or subsistence goals haven't been met. It would probably cost \$100,000-\$150,000 for an applicant to get the information necessary to get a permit. Fish eggs would have to come from the same waterbody into which they will be released. Each project can only collect 500,000 eggs. Only about 10% of the eggs are fertilized. The focus for this project is on releasing eyed fry. The Gulkana Hatchery produces about 36,000,000 eyed fry annually for the Copper River fishery.

Some people oppose the bill; some are in favor. Only state residents or corporations could apply for a permit. Sometimes people in Southeast tell me that logging has ruined fisheries. Low fish escapement numbers are a concern in the Interior, especially for king salmon.

Morris: Are you concerned about all the unknowns, and having non-professionals do this? Talerico: ADF&G has the regulatory ability to put what they need into the permit structure. Applicants will need ADF&G approval. Disease control is a concern, that's why eggs must come from the same water into which they will be released. Applicants will need to include a fish biologist to do this successfully. The bill will need to be acceptable to ADF&G.

Morris: Will putting more fish into the river guarantee more fish return? Talerico: We can't control all the natural factors, but hatcheries have increased the numbers of fish in some rivers. The Copper River fishery numbers are a result of the hatchery production. Stark: King salmon numbers are down statewide. Including in the Yukon River this year at the Canadian border and all other escapements. The take (harvest) was up this year, but is still half of its historical level. Indicators are that we are heading to another Yukon River King Salmon slump.

Vinsel: UFA hasn't taken a position on this bill; we have had a briefing from ADF&G. What would the bill change? Review by regional fishery planning teams is required; that's a robust process but just covers salmon, while the bill covers non-salmon species as well. Talerico: ADF&G has an education or research ADF&G permit, but people are also interested in enhancement for production. HB 107 follows a lot of the requirements in the educational permit. Some interest in the bill has waned because of the technical requirements that it now includes, but those are important.

Vinsel: is there a regional planning team for the interior? Stark: There is a 1998 comprehensive salmon plan. It prohibited hatcheries in the Yukon. The new plan being developed, if approved as is, would permit hatcheries, however the cost of raising kings - exceeded the value. They must be raised for 1-1/2 years to get 90% survival rate. It costs about \$3/fish to raise them at the Whitehorse hatchery. The update to the 1998 plan has cost \$750,000 so far and we haven't engaged the Canadians yet. The Bering Sea Fishermen's Association is leading the effort, and working with ADF&G and others. The Yukon has been a no-hatchery zone, and is now having the difficult discussions around that issue.

Herzog: Does ADF&G have the resources to manage these permits? Talerico: I have heard various responses from ADF&G – it will depend on the specifics.

Putman: What concerns have you heard about HB 107? Talerico: Some people are concerned that it will be a free-for-all with people introducing fish into places where they can't belong, or introduce "unnatural" fish. Some fishers are purists who don't want to catch hatchery fish. Disease is also a major concern.

Hatcheries have done a good job across the state. We need to make sure that our escapement numbers are correct. Salmon dominates the conversations, but the bill isn't limited to salmon. I haven't heard land use concerns at this point. Some waters of interest could be streams that lost fish due to mining. I welcome comments. Morris requested an evaluation of what is required to get a hatchery permit under the current system.

**HB 199 – Fish habitat permitting.** Matt Gruening, Fisheries Committee aide to Rep. Stutes: We are working on different versions of the bill; it is still in draft. We've met with miners, DEC, and ADF&G, and have addressed many concerns from ADF&G and some from DOT. We plan on holding a lot of hearings in the Fisheries Committee. The bill is changing, and the revision will be made public at the beginning of the session. We understand that it's not perfect at this point. We want to find the sweet spot that doesn't unnecessarily hamper development while protecting water quality. Speaking to the old version isn't helpful and the new version is in constant change.

Nichols: The generalizations and lack of definitions -- e.g. for wildlife or riparian areas -- leave too much open to interpretation. Look at the FRPA language for definitions and designation of areas we're trying to protect. We can't tell how much impact HB199 has in the current form. Gruening: We are trying to narrow the scope so people know what to expect. I'd like to meet with you and go into your concerns in more depth. Nichols: The Alaska Forest Association would be the spokesperson for the industry as a whole. What waters above anadromous waters will be affected? That will have a huge impact on timber operations. Gruening: We've heard concerns about both riparian areas and wildlife and are discussing that with the drafters.

Morris: This is a dramatic change to the existing statute. Is there an analysis that can clarify what the failures of the existing statutes have been to merit this extensive change? Gruening: Rep. Stutes views the bill as a starting point for a conversation. We are open to all input. There are stocks of concern all over the state. Can discuss how to ensure strong stocks. We are not blaming industry for those stock reductions and will have industries speak first at hearings. We are getting fiscal notes from agencies on what it will cost to implement. How can we continue the success we've had managing fish in a way that's responsible and recognizes industry concerns as well? The bill will be thoroughly vetted in committee. Morris: We need to know what problem you are trying to fix. Timothy: What are the failings with the existing statute that cause you to start this conversation? Gruening: There isn't a huge problem, but want to refine the current system to reduce uncertainty. The bill came from the Board of Fish request for enforceable standards. We know that some say this is a solution in search of a problem; but some think Title 16 needs to be updated, and the Board of Fish agrees with that view.

Coulter: It is disappointing that Stutes isn't here for something of this magnitude. Five Native corporations depend on timber for shareholders. The ADF&G website shows strong fish harvests. Stutes has provided no regionally-specific data that would be a catalyst for the proposed changes. This is a back-door attempt by interest groups to shut off industries other than fish. Alaska can support multiple industries. Gruening: Rep. Stutes wanted to be here; she came to the previous meeting, and there is no new published draft. Data from strong chum harvests are mostly from hatchery fish and that's not what we're trying to protect. We are trying to develop a bill that is responsible to the industry and would be happy to meet with any of you because this is the time when many changes are happening. We expect the bill to be pared down quite a bit.

Maisch: FRPA includes implementation and effectiveness monitoring. We are doing less monitoring now due to budgets, but a lot of good work has been done.

Stark: Half of the salmon caught in Alaska are hatchery fish and they don't typically spend residence time in freshwater (chum and pink). [Note: Following the meeting, Stark corrected this statement to say that one-third of all salmon harvested in Alaska are from Alaskan hatcheries.] The drafters might want to think through the factors causing declines to kings and coho which are the stocks in freshwater that impact forestry. You should also speak with the fishing industry about the impacts from fishing. Gruening: ADF&G works very hard on that and imposed new restrictions on commercial and subsistence overharvesting of kings, and there are also a lot of cross-border fish. That's important to Rep. Stutes as chair of the Fisheries Committee. Stark: Please send us documentation from ADF&G of the effect that fishing has had on chinook stocks. Gruening: I can get that from ADF&G and send to Stark.

Vinsel: The 50% hatchery catch number varies year-to-year. It may reflect very high Prince William Sound pink hatchery returns in the past. Bristol Bay had a near-record run last year and it has no hatchery component. Rep. Stutes and Matt Gruening have been responsive to the United Fishermen of Alaska. Chinook issues are bigger than just the Alaska population. Washington State has issues with increased orca predation and near-shore predation. A lot of the conversation on this bill was triggered by the inadequacy of the anadromous waters catalog, especially in outlying areas. There is a lot of concern about the assumption of anadromy. There are so many ramifications of the definition of anadromy to fishing and other industries. Not all streams need the same protection. I look forward to the next version of the bill. Gruening: We agree that language on anadromy is important; ADF&G is reviewing the next version of the definition. We sincerely want to make this bill workable for timber and other industries.

Beck: The recreation industry is equally concerned about the unintended consequences – e.g., the anadromous stream definition also affects trails, campsites, and recreational facilities. Flipping the current definition to an assumption of anadromy will affect tourism, recreation, and quality of life for residents and visitors. The presumption of this bill is misplaced – instead of improving what has generally worked, it wholesale replaces proven systems like FRPA. How can this Board best present those concerns to Rep. Stutes and the legislature? Gruening: We will invite the timber industry to speak at the hearings. If the presumption isn't workable, the bill won't pass. It might completely change through the process. If it doesn't pass muster with the industry it won't pass the legislature.

**17FSH2 Fish habitat permitting initiative.** Freeman summarized the history of the initiative. In May 2017, Stand for Salmon submitted an initiative petition to the Governor's Office similar to HB199. The Department of Law (DOL) informed them that they considered some provisions of the initiative unconstitutional. Stand for Salmon submitted a revised petition (17FHS2) (handout) in mid-July.

- The Lt. Governor denied the petition with advice from the DOL that the initiative would unconstitutionally appropriate resources because it would broadly prohibit development activities (see handout – Al Ott, ADF&G affidavit for examples). Appropriation authority is reserved to the legislature.
- Stand for Salmon appealed the Lt. Governor's decision to Superior Court. (handout – media release), and on October 9, Superior Court judge Mark Rindner ruled in favor of appellants. The State then printed petition books for collecting signatures as ordered.
- The State appealed the decision to Supreme Court and then requested expedited ruling. The court granted the motion for an expedited ruling. Oral arguments will be scheduled for April 26, 2018.
- If the initiative is upheld, there are four possible scenarios based on timing of the petition filing and legislative session.
  - Scenario 1: If the proponents file their petition with sufficient signatures before the legislative session convenes (Jan. 16) and the legislature adjourns by April 22, the initiative would be on the August 21, 2018 primary ballot. The motion for an expedited decision requests a decision by the printing deadline of July 3, 2018.

- Scenario 2: If the signatures are filed by January 16, but the legislature adjourns after April 22, the initiative would be on the November 6, 2018 general election ballot. (Requested decision by September 5.)
- Scenario 3: If the signatures are filed after January 16, 2018 and before October 12, 2018 (one year after the signature booklets were ready), the initiative would move to the 2020 election cycle and an expedited decision is unnecessary.
- Scenario 4: If sufficient signatures are not filed by October 12, 2018, the petition is void.

Ryan Schryver, Stand for Salmon: I'm willing to answer questions about the initiative.

Vinsel – Frontiersman article said that UFA supports initiative. That is not true, and a correction should be printed. UFA does not support management of natural resources by ballot initiative.

Stark – Al Ott's affidavit, is he speaking for ADF&G or just as Al Ott? Freeman – Understand that Ott's affidavit was as a representative of ADF&G. Timothy – speaking as deputy director of ADF&G.

**Public comment:** No commenters.

### **Coastal forest management**

**Roadless Rule litigation.** Tom Lenhart, Dept. of Law: Alaska filed an appeal to Federal Circuit Court for the District of Columbia regarding the D.C. District Court ruling against the State. Intervenors have joined that appeal. The appeal decision would take a year or so.

**Big Thorne litigation.** Lenhart: Plaintiff appellants sought further review from 9<sup>th</sup> Circuit after it ruled in favor of the US Forest Service (USFS). Further review was denied. That litigation is probably over – there have been no known petitions to the Supreme Court.

**Mental Health Trust forestry activity.** Paul Slenkamp, Mental Health Trust (MHT) Land Office: The Trust has sales that are ongoing or in preparation – a 60 MMBF at Icy Bay along with a heavy sands mineral exploration program in the same area; Haines small sales; a reactivated Gustavus sale; and a fuel mitigation sale on the Kenai.

MHT is six months into work with the USFS on preparation for Phase 1 of the land exchange. Phase covers 2,400 acres in Naukati, and is due by May 5, 2018. BLM has been proactively completing phase 1 surveys, and preparing for surveys at Shelter Cove. Clare Doig is appraising the MHT timber in the exchange. The cultural and historical resources assessment with SHPO and USFS is a challenge, particularly for the West Naukati area. Wetland, hazardous material, and threatened and endangered species reports are in process, as is title work. Survey requests for proposals for Trust parcels are out. Nothing is easy, but it is progressing. The Trust land office briefed the MHT Board on a proposed sale for 100 MMBF in Naukati on lands to be received in the exchange. Full conveyance of exchange parcels is due in 2019. The appraisal process includes an intensive timber cruise that will give better information on timber volume; it should be a supply for several years.

### **Board input to HB 199.**

Maisch: The Board could pass a resolution to provide comments in a letter. DOF would work with the legislative liaison to convey the letter to legislators. Members have also testified on legislation in the past.



Nichols: The redefinition of anadromy sets up conflicting definitions in FRPA and Title 16. DNR and DOF should be involved in the consultation with Stutes office, not just ADF&G. Maisch: There is a perception that this is an end-run on the science-based process with stakeholder involvement that was used to adopt and amend the FRPA. HB 199 hasn't followed that process. There is a parallel track with the petition process.

Stark: DOF should talk to the bill writers about how they think this would not affect forestry. Maisch: We need to get concerns to the commissioners and legislators. Beck: Have Freeman draft a letter addressing the bill, initiative, and Tier 3 which all have big consequences for how forestry is done. Vinsel: Get comments to all legislators, the commissioner, and governor. A lot of crazy legislation gets introduced. Inform them of what is in place. With the 90-day legislature and the fiscal issues, they may not do anything on this bill. Coulter: I haven't heard any reason that any new bill will be better than the existing process.

Putman: I am more concerned about the initiative – how can we influence the general public? Morris concurred. Maisch: I need check with the Dept. of Law about a Board weighing in on an initiative. Lenhart will check. Maisch: I also have to clear DOF involvement in this bill, e.g., whether DOF can work directly with ADF&G or Rep. Stutes on this bill. I don't yet know whether the state has a position on this bill.

Stark: Please confirm that Al Ott affidavit was on behalf on ADF&G. Freeman will check.

Maisch: Freeman will draft a letter for Board review. Freeman: Major points raised by the Board include:

- 1) FRPA was developed with a broad consensus process
- 2) FRPA is effective and should not be amended or undercut by this bill
- 3) HB199, esp. the definitions of “anadromy” and “wildlife” have potential to undercut the Act and have major impacts on forestry. Presuming all waters to be anadromous changes the whole dynamics of the timber sale process.
- 4) HB 199 goes way beyond the Board of Fish's initial request.
- 5) HB 199 also impacts other industries represented on the Board.

### **Coastal forest management, continued**

**Timber work force development.** Stephen SueWing, Dept. of Commerce, Community, and Economic Development, Division of Economic Development: The work force development partners wrapped up the Training Rural Alaskan Youth Leaders & Students (TRAYLS) pilot program with eight students from local communities in Southeast. We took three of the students to a career conference to expose them to career opportunities and how to prepare for such careers. We reviewed the pilot program in September with numerous organizations. A strong support network, especially the Sustainable Southeast Partnership was a key to success. We want to strengthen career pathways in the curriculum. Crew leadership could be better defined. There is strong interest in doubling the size of the program for next summer. To do that, we need a more regional organization to house the program. The Central Council Tlingit and Haida (CCTH) Tribes is interested in housing it next year.

The spring resource academy graduated 12 students. Of these, nine were hired for the young-growth inventory, another was hired by Sealaska, and two by the USFS.

In the next quarter, we plan to transition the TRAYLS program to CCTH administration and seek funding to expand the program. There is interest in offering an academy focused on USFS aquatic surveys to

determine anadromy in streams in young-growth stands. We need to identify trainers and a lead group to move that training forward. I will continue to track cohorts from the first two resource academies. We are also looking for intern opportunities under the Challenge Cost Share funding. Lastly, we'll be working to provide forestry information in high school science programs.

**All landowners group.** Patrick Kelley, UA Facilities & Land Management: The landowners group members are the USFS, DOF, MHT, University of Alaska, and Sealaska. We discussed the 2018 timber sale plan, which include 16MMBF on Gravina (University, DOF, USFS lands), 34 MMBF on MHT land on Prince of Wales Island, and 14 MMBF on state land on Kosciusko, totaling 74 MMBF for the year.

The Challenge Cost Share steering committee discussed the following projects to help coordinate timber work across ownerships:

- Christine Klein from the University will coordinate the landowners group this year. Leadership will rotate in subsequent years and the group will meet twice annually
- The Challenge Cost Share working circle maps will be used to identify marine and upland infrastructure needs, including needed permitting.
- The landowners group will work on acquisition of permits to facilitate infrastructure use.
- There is interest in expanding workforce development and inventory work on non-USFS lands in the Haines area.

**Good Neighbor Authority (GNA).** Jim Eleazer, DOF: The 30 MMBF Kosciusko GNA timber sale was offered in September. There was one bid, which met all requirements, and was approved. DOF, the USFS, the sale administrator, and the purchaser have met together, and the purchaser will proceed with layout of the remaining units. The USFS received Freedom of Information Act Requests (FOIA) from the Southeast Alaska Conservation Council for the sale contract. The contract is valid and was reviewed by the Department of Law. The contract uses language that has been used in other state and federal contracts. The USFS also received a FOIA for the agreement between the USFS and Alaska Forest Association to work on the Tongass young-growth project. Maisch is currently meeting with other western states that have been doing GNA projects. Nichols: This sale constituted 30 MMBF of the 31 MMBF total volume that the Tongass National Forest sold last fiscal year. Expected volume from the Tongass next year is also slim. Gravina and Heceta are the most likely sites for new GNA projects. Future projects depend on requests from the USFS and completion of the National Environment Policy Act (NEPA) process for candidate areas.

### **AEA Wood Energy project updates.**

Devany Plentovich, Alaska Energy Authority (AEA):

- The handbook on biomass-heated greenhouses for Alaska has been printed and will be delivered to science teachers and libraries.
- AEA, the City of Tanana, the Southeast Conference, and the Department of Labor are planning biomass, cordwood, and greenhouse operator training on Prince of Wales Island in March. Prior training resulted in an average 12.5% income increase for operators. AEA wants to provide similar training in Tanana next year.
- In 2017, The Alaska Wood Energy Development Task Force (AWEDTF) completed pre-feasibility studies covering seven schools in Fairbanks, Klukwan, Aniak, and Kalskag. A fuel oil price of \$3.50/gallon is the trigger point for feasibility in Fairbanks. Projects are ready to go when fuel costs increase to that level. AWEDTF has completed 160 prefeasibility studies since 2005. Thirty-nine wood energy systems are operational.
- The AWEDTF is seeking Statements of Interest for 2017-2018 Pre-Feasibility Studies

- The Wood Innovation group is designing projects in Haines and Hydaburg, and the State of Alaska has nine design or design/construction projects underway.
- The Anvik two-boiler cordwood system is operational, heating the city building, community center, water treatment plant, and clinic. The project burns 100 cords of wood annually and saves 10,000 gallons of fuel. Anvik did energy-efficiency improvements to the buildings before startup.
- The Chistochina plant will start up in December, heating the tribal office, community hall, and clinic. Project use of about 100 tons of pellets/year.
- Fort Yukon’s power plant and heating loop are operational; the biomass boiler start up is planned for April 2018. This is a combination heat and power project.
- Applications for USFS Wood Innovations grants to reduce hazardous fuels and improve forest health on national forests and other forest lands, reduce forest management costs on all lands, and promote economic and environmental health of communities are due January 22, 2018.
- DOF is inventorying the Juneau area to determine whether urban waste can support a biomass project such as the Lemon Creek prison or the hospital. Potential sources include road and powerline clearing, pallets, construction and demolition debris, yard waste, and other local wood harvests.
- Goals for 2018 are: successful start-up of six construction projects and a biomass greenhouse peer network, Fairbanks pellet demonstration project development, biomass operator training, an Alaska state wood energy team website, and a decision maker tour of operational facilities.

Plentovich: The biggest problems with wood biomass projects have been projects developed through the federal General Services Administration that didn’t involve experienced biomass designers. Projects developed through the AWEDTF have been generally successful and are still operational. Mentasta has had some maintenance problems. Dot Lake was the first cordwood boiler installed (~1998); it ran off and on for a few years, but two fires took it down and it’s not operational. Haines purchased the boilers from a failed Coast Guard system. Haines is still in the design stage and anticipates using the boilers in some of their more isolated sites if that is economically feasible.

The farthest west wood biomass system is in Elim which has a sufficient supply of standing dead wood. Some coastal sites that would use driftwood have been considered, but we are still assessing the supply to ensure sustainability.

### **Yellow-cedar Endangered Species Act (ESA) review.**

**Yellow-cedar Endangered Species Act review.** Erin Knoll, US Fish and Wildlife Service (USFWS, “Service”), presented an overview of the ESA listing process and species status assessment. The Center for Biological Diversity, The Boat Company, Greater Southeast Alaska Conservation Community, and Greenpeace petitioned the USFWS in 2014 to list yellow-cedar as a threatened or endangered species. The petition asserts threats to the species including: an increase in yellow-cedar decline due to changing climate, harvesting, browsing by Sitka deer, and inadequate or lack of regulatory mechanisms. After receiving a petition, the USFWS has 90 days to make a finding on whether the petition presents substantial information indicating that the petitioned action may be warranted based on information in the petition and USFWS files. The USFWS issued a “positive” 90-day finding on the yellow-cedar petition. The agency is now conducting a 12-month assessment of the species’ needs, current condition, and projected future condition (“Species Status Assessment”). The “12-month review” can take longer than a year. The Service will determine that the data either

- don’t support listing as a threatened or endangered species,
- support listing as a candidate species with annual re-evaluation, or
- support listing.

If data support listing, the USFWS will solicit peer review from species specialists, and input from the public, scientific community, and federal and state agencies (60-day comment period). The Service then

has a year to decide whether to proceed with listing and publication in the Federal Register or to announce that it will not be listed. The Species Status Assessment is underway. It will go out for peer and partner review, and a decision on yellow-cedar is projected for 2019. Assessment of how yellow-cedar stands are managed will be part of the decision.

Coulter: How can you apply silviculture techniques to improve the species status if the species is listed?

Knoll: There are processes that can include appropriate techniques – recovery plans for endangered species and 4(d) rules for threatened species.

Nichols: It is hard to assess the health of standing cedar.

Age and disease are components of die-off. Ingle: The current primary hypothesis is that on wet sites with inadequate snow cover, early de-hardening subjects the fine roots to damage. This is the result of a lot of research and work to recreate stand history over the last 150 years. Researchers ruled out disease as the cause of overall decline, which started in the little ice age. It isn't clear whether the decline is stabilizing or continuing to expand.

**Yellow-cedar symposium summary.** Moira Ingle, ADF&G ESA coordinator, summarized information from the October 2017 symposium on yellow-cedar. The conference covered yellow-cedar biology, adaptations, and ecological requirements; current status, distribution, and populations; economic and cultural uses, silviculture, and conservation; and outlook and future scenarios. The research results provide different perspectives regarding the likelihood of population-level effects from yellow-cedar decline. Findings include the following.

- Reported results largely confirm previous observations with no evidence of significant additional areas of decline.
- There is no genetic evidence of population subdivision across Alaska and British Columbia.
- Yellow-cedar appears to migrate rather than adapt to changing climate.
- New high-resolution mapping documents the location and magnitude of decline. Mortality linked to snow-cover loss affects approximately 600,000 acres across approximately 10° of latitude, including some young-growth stands. Seven percent of the species range is in the snow-rain transition zone associated with yellow-cedar decline. Decline has been observed in some young-growth stands. Decline on Haida Gwaii doesn't fit the prevailing hypothesis regarding climate and ephemeral snow cover.
- Within stands that are affected, mortality of >70% of the basal area is common.
- There is no evidence of overharvest of yellow-cedar on USFS lands since at least 1995, and 80% of federal lands are protected from development. On Sealaska land, yellow-cedar is abundant, and thinning regimes favor yellow-cedar. More information is needed on harvest from state and other private land. Yellow-cedar – and cedar decline – are widely distributed on Haida Gwaii; the Haida Nation and provincial government are reducing the allowable cut and increasing planting of yellow-cedar.
- The Japanese market for yellow-cedar has declined over the last five years, and it is now less valuable than redcedar or high-end Sitka spruce.
- An Alaska Biological Research study commissioned by ADF&G found that the general consensus among researchers is that extirpation of yellow-cedar is not expected in the next 50-100 years. Regional climate models do predict warmer winters in future years; however, climate effects vary with microsite conditions.
- Future decline will reflect increasing temperatures and decreasing snow cover; frequency of freezing events is more difficult to predict.
- Stands at the northern edge of the range occupy only a fraction of the apparently suitable habitat; stand dispersal may occur at intervals when conditions are good.
- Research and monitoring needs include: broad-scale aerial surveys and forest inventory plots, and information on cone crops, succession in stands with decline, biochemical responses, and genetic changes post-decline. A range-edge study is also needed.

Ingle: Yellow-cedar in the northern edge of their range may be less susceptible to deer browse, because Prince William Sound gets a lot more snow – a lot of the browse happens when the yellow-cedar first pop through the snow cover in the spring.

Vinsel: Are there other commercial tree species petitioned for listing? Knoll: This is new ground for everyone. The ESA has fewer protections for plants than animals. There are trees on the list, but none that are currently harvested.

**Training Rural Alaskan Youth Leaders & Students Program (TRAYLS).** Bob Girt, Sealaska Timber Co., did a slide presentation on the TRAYLS program. The training included orientation and an initial week at Kake at an archaeology project at Point McCartney and learning basic woods skills. In July and August, they worked on the One Duke and Swan Song trails on Prince of Wales Island (POW). Students learned techniques for trail construction and bridge engineering, designed and fabricated trailhead signs, and created and installed trail maps. Over the season, they also learned to identify tree species and understory plants.

Other projects included:

- Trail work and trash clean-up in Hydaburg;
- Vegetation plots and LIDAR proofing with Conor Reynolds from The Nature Conservancy;
- Trail maintenance for the City of Thorne Bay and Kasaan;
- Decommissioning and closure of the Pass Lake Trail for the USFS;
- Life skills sessions with a Tlingit and Haida representative;
- Community and school gardens fence improvements and beach seaweed gathering in Kasaan; and
- Small community projects for Klawock and the Klawock Cooperative Association.

There is significant interest in continuing and expanding this program next year, but work remains on funding and administration. The students demonstrated real teamwork and dedication; I would happily hire them back. Most were in high school. They were not authorized to use power tools this year.

### **Wrap-up**

- Next meeting date: **February 23, 2018 by teleconference.** The summer meeting is scheduled for **August 8-10** with a field trip to the Tok and Dry Creek areas.
- Agenda items
  - FY19 Budgets and FRPA implementation
  - Regulations
  - Southeast forest management issues
  - Status of state timber program: timber sales and appeals
  - AEA Wood energy projects
  - Yellow-cedar Endangered Species Act review (Erin Knoll; Moira Ingle/Emma Cayer)
  - Tier 3 stream implications (check with Crapps)
  - HB 107 – fisheries rehabilitation permit
  - HB 199/17FSH2 – fish permitting
  - Annual compliance monitoring report
  - Annual FRPA effectiveness reports from the agencies
  - Effectiveness monitoring activity
  - Annual reports to Board/Board report to Governor

## **Board comments**

Morris: Thanks to staff and speakers. I would like a more substantive discussion on HB 199 next time.

Putman: Thanks to staff. I am learning a lot of fish biology. The initiative is still the spooky part; I am hoping for help from the Supreme Court on that one.

Stark: Thanks for staff. I will be personally involved in the fish permitting issues.

Herzog: Thanks for staff. I share the concerns about fisheries legislation and Tier 3 waters. I am excited about the training programs and the understanding it brings for resource development.

Beck: Thanks for a good meeting.

Coulter: I was contacted by Lindsey Bloom about HB 199. I'd be happy to discuss it, but I'm concerned about getting a workable system. We should be cautious about the propaganda and money pushing this.

Vinsel: I had some trouble hearing the teleconference. I appreciated the positive information overall on the yellow-cedar status, even though that doesn't guarantee the outcome. I really liked the TRAYLS program briefing. The satisfaction of building and making things is hard to find these days. Thanks to staff. If you have a legislator, don't wait for them to come to you on issues of concern.

Nichols: The audio transmission from Anchorage was not good. I am becoming increasingly concerned about the timber base for harvest. I want to hear more information about the overall timber base, especially on public lands, including young-growth inventory, fall-down, and zoning issues in boroughs. The harvest level is so low that it's surprising that we're still such a target.

Maisch: I'm in the Lower 48 for meetings with the western state organization and the USFS. The state is aggressively engaged on Tongass issues at the federal level.

Adjourn: 5:15 p.m.

## **Attendees**

### **Fairbanks teleconference site:**

Michaela Anderson, aide to Rep. Talerico

Keith Coulter, Board

Jeremy Douse, TCC

Doug Hanson, DOF

Denise Herzog, Board

Bill Morris, Board

Will Putman, Board

Jim Schwarber, DOF, speaker

Chris Stark, Board

Rep. David Talerico

### **Juneau teleconference site:**

Ed King, DNR

Tom Lenhart, AGO, speaker

Buck Lindekugel, SEACC

Kyle Moselle, DNR-OPMP

Joel Nudelman, DOF

Gretchen Pikul, DEC, speaker

Stephen SueWing, DCCED, speaker

Mark Vinsel, Board

### **Ketchikan teleconference site**

Bob Girt, Sealaska Timber Corp.

Eric Nichols, Board

Paul Slenkamp, MHTLO, speaker

Greg Staunton, DOF

### **Anchorage teleconference site**

Chris Beck, Board

Earl Crapps, DEC, speaker

Tim Dabney, DOF

Marty Freeman, DOF, speaker

Moira Ingle, ADF&G, speaker

Patrick Kelly, UA Land Mgmt. speaker

Cal Kerr, C. Kerr & Associates

Jerry Kilanowski, UA Facility & Land Mgmt.

Erin Knoll, USFWS, speaker

Jennifer Kohout, USFWS

Devany Plentovich, AEA, speaker

### **Other phone-ins:**

Lindsey Bloom, commercial fisher

Jim Eleazer, DOF, speaker

Trevor Dobell-Carlson, DOF

Matt Gruening, aide to Rep. Stutes

Jennifer Hanlon, Yakutat Tlingit Tribe

Pat Lavin, Defenders of Wildlife

Chris Maisch, Board chair  
Ryan Schryver, Stand for Salmon

Elsa Sebastian, Sitka  
Jackie Timothy, ADF&G Habitat

**Handouts**

- Agenda
- Public notice
- Draft minutes from August 1, 2017 Board meeting
- “Purple book” – BMP Implementation field book
- HB107 -- Fisheries rehabilitation permit bill
- HB199 – Fish habitat permitting bill
- 17FSHB2 Fish habitat permitting initiative – Superior Court ruling and text of initiative petition
- Affidavit from Al Ott, ADF&G providing examples of the potential impacts of 17FSH2 (part of State’s case in Superior Court opposing 17FSH2)
- Superior Court ruling approving collection of signatures for 17FSH2
- State of Alaska press release on state appeal of Superior Court ruling on 17FSH2