

**Tanana Valley State Forest**  
**Citizens Advisory Committee Meeting**  
**May 26, 2011 6 p.m. – 9 p.m.**

DNR Large Conference Room  
3700 Airport Way, Fairbanks

**Meeting Notes**

**Introduction – Mark Eliot, Northern Regional Forester**

No minutes available from last meeting. Jacquelyn Bailey will provide soon.

**Intro of CAC Members and guests**

Members present: Brad Cox, Thomas Nerbonne, Dan Rees, Chris Stark, Jeremy Douse and Mark Eliot

Guests present: Jim Mery, Doyon; Rick Rogers, DOF Management Program

- **Vacant seats and recruitment**

Requests for mining seats. Two members absent.

- **Mining**

- **Recreation**

- **Lower Valley Representative**

**CAC Membership to elect Committee Chair (if quorum present)**

No one elected.

**New Business**

- **Rep. from DOYON Corp. to discuss plans for seismic testing in Minto Flats area**
  - Jim Mery, DOYON representative.
  - Next winter, exploratory program will run to search for natural gas and oil. DOYON interested in Minto Flats and Nenana basin, specifically state owned land. Land south of Minto Flats has been assessed for hydrocarbon potential. 200 line miles of seismic testing has occurred with no guarantee of gas or oil.
  - Vibrasize vehicles, trucks with low pressure tires, take readings from receptors which gather reverberation signals from explosions underground. Image is created from signals to show if oil or gas is present.
  - The Minto Flats Game Refuge will not use vibrasize vehicles. Too large and obtrusive for this environment. Obstacles like trees and lakes call for use of narrow track vehicles that can maneuver through obstacles easier and with less impact.

- Doyon has spoken with Fish & Game, Forestry, and other state divisions about how the exploration will be run, how long it will take, and what the process will be.
  - Doyon will limit itself on how many trees to cut to get equipment through. Every 200 to 300 feet a hole will be drilled for a kilo of dynamite to be deposited into the ground with cables and receptors.
  - Doyon is discussing winter time responsibility for trail maintenance and access into flats with Fish & Game and other state agencies. “Man camps” will be set up for workers. Commercial issues and impacts will be discussed.
  - Premise and evaluation of process to be discussed.
- Eliot asked about mobing and demobing. Would the traffic for the work site interfere with highway traffic and access roads?
  - Mery answered that traffic would be contained and restricted for workers and equipment operators of Doyon and that mobing and demobing would be discussed further with Fish & Game and other state agencies.
  - Mery continued:
    - Seismic contractors for Doyon usually do permitting work. For this project this has changed. Doyon wanted to get as much information about the sensitivities of the area because of all the communities involved.
  - Rogers asked for a timeline for mobing and demobing.
    - Three phases: Surveyors go in first. Mark drill holes. Tracts and helicopters bring in equipment and supplies for clearing areas of trees and seismic testing.  
Mulchers clear out paths for equipment.  
Seismic testers come in, blow dynamite holes, and get the data
    - December to mid-January will be major set up. Hopes to be out by end of first week of April. Permit asked for April 15 as end date.
  - Stark and Douse asked for clarification on what kind of road would be needed and which access points would be used.
  - Mery answered it would be a winter trail, not a road. Care would be taken to protect marshy grasslands by using vehicles with good weight distribution and low pressure

tires. Access points were still being discussed with Fish & Game. Mery said that there are obvious points that the public uses, but would use any access roads or trails that Fish & Game wanted them to use.

- Douse brought up the integrity of the land for winter dog mushing trails. Concerned that equipment will dig into tundra and possibly ruin trails. Thought community would blame any damaged trails on timber sales. Mery said that operator error of heavy equipment was a possibility, but that integrity of the trails and tundra was important.
- Stark and Eliot asked Douse about access points he knew of and whether or not there were any active sales in the vicinity.
- Douse answered that the closest access road was Standard Creek south of Nenana. There were currently 3 loggers working the area. At most there would be half a dozen during exploration. Northland expressed interested in area. Doesn't see them moving for another year and a half. There were currently no purchases that would go through the camp/worksite.
- Stark asked about number of holes to be drilled for dynamite.
- Mery answered only one hole had been drilled in southern end of area. When exploration continues this winter, they won't know how many to drill until they get out there. Area is "grossly unexplored." Right now it's a reconnaissance program. The goal for the next couple years is to move from a permit to a lease with the State. But it depends on what they find.
  
- **Rick Rogers, DOF Forest Management and Development Program Manager; DOF Program update**
  - Statewide perspective: The legislature passed an increase in acreage for South East State Forest. Was less than 25,000 acres, now increased to 40,000 acres. Will be able to provide timber when Forest Service sales are not useful or in litigation. There is now interest from legislature for a Sunitna State Forest. The success of the Tanana Valley and Haines State Forests has been successful and legislature would like to expand program. Communities involved with state forests seem satisfied, enjoy multiple use benefits, and economic benefits. Interior is the fastest growing area in the nation. Losing green space to development is getting public to think about state forests. Program gaining traction.

**Al Edgren, FMO for Delta Area Forestry, joined meeting during Rogers's report.**

- Rogers continues: Governor Parnell established timber task force by executive order. Purpose is to look at recommendations regarding economic timber harvests in the future. To recommend land for additional state forests. Amendments recommended to state statutes for jobs for Alaskans. He and Stark met with Randy Ruaro, Dept. Chief of Staff. Told him that force should look at areas beyond south east. Composition of task force has different departments involved: Forest Service, Fish & Game, and the community of south east. He suggested to Ruaro that one seat come from the Interior. He nominated Brad Cox for seat. Understands Cox is busy during fire season but thinks that perspective and pragmatic wisdom from Interior would be an asset. Eliot also recommended Cox and Jason Knowles from Northland Wood.
- New markets being developed for biomass. Alaska power and telephone up in Tok. Projects related to bases. Contractor for Ft. Greely interested in biomass supply. Delta businesses and schools also interested.

## **Budget**

- Legislature gave money to construct roads for timber sales. Wants to use legislature's money to pay for personal services and use timber sales money to pay for personal and commercial use so that hard money is being used to fund program and employees.
  - Vacancies in division. Spent over \$3,000 more than brought in last fiscal year. Budget has stabilized and leveled out for this year. Successful at getting operating budget increased. \$400,000 offset by lost federal funding. Other \$200,000 is new money. Have people paid on sale receipts like Douse. Trying to move these people over to hard money and fund personal and commercial use on timber sales. Will get half way there on personnel this year. Rare to get operating increase in budget at all. Excited about increase. Step in the right direction.
  - Eliot commented that at meeting in February Rogers proposed statewide access road inventory. Doug Hanson, Northern Region Resource Forester, has been taking info from GIS. Coastal areas are doing the same thing.
  - Rogers added that money isn't tied to a specific area. Wants to begin the inventory and road maintenance in Interior and Mat-Su regions where there is the highest need and demand.
  - Cox raised question about progress for proposed AT&T 25-year long contract.
  - Rogers answered that there was a breakthrough at last meeting on proposed 25-year contract for timber in Tok area. Concluded a competitive contract would work.

25 year contract is not pragmatic. Issues to work through concerning keeping area opened up for other users during the long contract and risks of public process shutting down AT&T and having no guarantee from State that contract would be binding. Rogers will discuss other issues with Eliot as they develop. According to state statutes and regulations, it is possible to sell 25 year contract and AT&T is still interested.

- Sale area needs to be defined.
- There needs to be ample timber for contract and AT&T's projects in sale area.
- Need to reserve timber outside of the area so that potential new customers won't be locked out of timber sales because of long-standing contract.
- Unforeseen issues will need to continue to be discussed, but Rogers told Cox that the contract will continue to move forward.
- Rees asked about how project will be paid for, who will cover costs of maintenance, and how will regeneration projects be carried out and paid for.
- Rogers said that if AT&T doesn't agree to cover state costs then it is not a feasible project. The State can require stipulations be put in place so that the State won't get stuck with unfunded liabilities.
  - Rees: AT&T has bid only \$4 per ton, \$12 an acre?
  - Rogers: Won't go for that. Otherwise that's asking the state to subsidize the sale. There's a floor.
  - Nerbonne: What's the cost?
  - Rogers: Discussed where money would come from and go to, somewhere around \$5 from the bottom up.
  - Cox: It has to be supported from the bottom up so that deal does not fall apart.
  - Rogers: Will go forward with discussion.
- Cox wants to be involved and in on conversation because it's something that won't operate. Thinks DOF can get paid and save money.
  - Rogers: If project isn't viable to afford professional management to the ground, it must not be time.

Discussion will continue on AT&T 25 year proposed contract.

- **Fairbanks**  
**Jeremy Douse, Resource Forester:** Filling in for KT Pyne who is in Seattle.

Resources: Auction update. Made \$89,000 in cash. Money will be coming in increments. Not a great auction. Sold half of sales. Oral auction was unsuccessful. Back to sealed bid. Only one bidder on six of seven sales.

Standard Creek: Getting inundated with people looking for firewood. Transitioning to personal use areas instead of permits. Take a year to transition to new system. Only one area sectioned off so far at Standard Creek. Everyone with permit will have a year to use it. After that system will go to personal use areas completely. Material is being taken right off of road.

- Douse showed a power point map which showed the proposed personal use area in red. Said he was getting more requests for spruce than birch. Wants to section off area, steer community towards it, and possibly raise permits. Access roads scarring landscape was still an issue.
- Wants to control areas and have personal use customers have to load their wood as close to a hard road as possible.
- Answered questions from Cox, Stark, and Rees regarding where can people cut and how will permits be implemented.
  - People can only cut within red line shown on map and will have a year from implementation to use their permit.
  - Past foresters have commented that once an area is sectioned out for personal use only, it has been mined out fast, Douse said. May need to lay out 40 to 60 acre units.

Reforestation: 106 acres of regeneration surveys. Looked good. Natural regeneration needs help with planting money in the future. Will do some kind of treatment. As a timber sale and manage it. No planting this year. Higher permits for personal use areas considered.

- Rogers: Permits are higher for personal sales than commercial, because personal sales are harder to manage. Access roads are difficult. They've been appeased because of public service issue.
- Rees: Would higher permits start paying for access and maintenance? Discussion lead to no. People are turned off by the higher permit fee and poach timber.  
Stark: Wants them to get people to try to pay higher permit and use personal use areas. Box it and have a sales bid. Easier access and cheaper permits.  
Exclusive deal for people who want to drive out there and get wood.

- Douse concerned about lack of enforcement. Raising it will only keep honest people honest. Already have a big problem with timber theft. Keep price low.
- Stark said that Eielson charges \$20 for a permit.
- Discussion to be continued.

Fire update: No fires in TVSF. 3 big fires in area.

Goldstream Fire: Still closing line in division x. Used a dozer line in beginning. Extremely steep on northwest side of the fire. 917 acres is final total. Moving in to mop up phase and cold trailing. Managed by a type two team. Red line shows no hand line. Still working on closing it up. X is dozer line. Black line is cold. Needed access to area and used equipment to fix up Old Murphy Dome Rd. Origin was not lightening, human caused.

Francis creek fire: Burning down near Healy. Usibelli to the west of it. Existing dozer line. Trying to keep it north and west of dozer line and Ignite creek. Acres: 1000. Managed locally with our own resources. Fairbanks has a couple crews on it. Not in mop up phase, but starting to slow down a little bit.

Cold creek fire: Grown substantially. Over 3,400. Northeast of Francis Creek fire. APMA's out there. Some structures to do point protection on. Not being staffed, just monitored. IC for Francis Creek is also IC for this fire.

- **Delta**

**Al Edgren, FMO Delta Area.** Late because of fire heading north that needed monitoring.

Update on biomass: Earlier in spring, biomass conf. was successful. Progressing in alternate energy projects. Bunker proceeding with construction. Crew got long weekend off and will resume work after holiday weekend. Greely biomass is starting to gain momentum. Two army workers spearheading project. Looking at feasibility and what type of project to fund, how to get funding, and chip supply. Contract with Noresco. Mitch Anderson and John Sams in engineering firm that designs energy systems. Web site information: 16 megawatt capacity to replace with steam.

- Andre, EcoStrat, chip broker. Provide wood fuel as a middle man between industry and bioboiler. Edgren is looking into Andre and his company to see what interest in timber sales the company has.

- Firewood: Similar issues, but small scale with Delta's small population. Estimated that 5,000 cords per year are used in community. Delta Area doesn't sell 5,000 cords per year. Timber is being consumed by personal use activity and sales, commercial market, harvests on private land, and theft. Have no enforcement. Don't know impact. Access is a big issue as well. Wants to direct people to go to specified places with permits.
  - Providing green firewood, aspen and birch, which people won't buy. Need to do better job with providing access and other services.
  - Money brought in: \$35,000 between commercial and personal use, dry wood is mostly commercial since 2004. Reaching maximum as to what's available.
- Mike Gregor worked price of cord. Final price was backward. 130 to 140 a cord is breaking point where logger makes no money. People selling for that price, complaining how they're going broke. People taking it to Fairbanks are succeeding. Making up diesel prices with sale of wood.
- Edgren answered Stark's question about supply and demand. He said that supply is always struggling. People only want dry wood and it can't be supplied. Wants to steer people to commercial side of business to meet their needs. Stark also asked about supplying green wood to people willing to get it. Edgren said that whenever an access road is opened for green wood such as the one near Quartz Lake, the supply is gone within 3 days. Can't meet demand with current system.

Side note: Encourage Greely to provide their own supplies with timber sales from their own land. So far receptive to using own resource.

Fire activity: Two big fires in area

Fire 131: Girstle River off of Cummings Rd. Land owner and agriculture fire. Escaped property. 26 acres, 14 on state land. Mine training center provided equipment. Good coordinated effort to catch fire. Could have impacted other farmers in area as well as state land. Person was sighted. Criminal investigation has been completed and moving forward.

Fire 207. East of Volkmar lake. Lightening strike two days ago. Moving towards lake. Started on native land, moving towards state land. Will provide aggressive defense. Hardwood areas that they are steering it towards. Weather will be hot and sunny and challenging.



- **Tok**  
Jeff Hermanns– not available for meeting.
- **Regional**  
**Mark Eliot, Regional Forester.** Forest products working group has been created: addresses air quality and economic opportunities in forestry. Also addresses loggers, land managers, agencies in regulation, logging and production agencies. Carpenters union, crate company, small business admin, loans officers are all interested in growing economy of local area through forest industry. Will try to pull info from minutes and distribute to everyone.
- Mayor Hopkins is interested in getting wood taken from Alaska railroad during construction of bridge across Tanana River. Wants to swap green wood for dry wood. Called meeting for next Friday.
  - COX: Staging area for bridge? Where would wood be taken from?
  - Eliot: Bridge, levee and other access points will be opened up when progress takes place on bridge, said Bret Sheets, US Dept. of Energy. Interested in fire boiling wood for BLM.
- Rees: One boiler project closed back in 2003. Didn't work
- Cox: only a few locations where that can work. Conditions have to be right.
- Salcha community interested in drawing with wood coming off of railroad. Interested in firewood processing, also, but plan didn't get off of the ground.

Eliot said that this meeting would be the last of the season due to heavy fires. Probably won't schedule meetings past April anymore.

### **Public Comment**

Eliot asked representatives: Any ideas or comments or complaints coming in from public? Major issues concerned access to state forests. Theft is rampant.

- Rees: Public is uneducated about timber industry. He's been chatting with people about biomass and an increase in acreage and found it's not in people's forethought. Even the Environmental Center hadn't heard about current practices or contracts. Worries that lack of information will bring backlash if things proceed and people aren't aware. Thought firebreak meetings were a good idea. Should mention that issues of access will come. Keep state protected. Long term contracts are a worry.
- Cox agreed with needing to inform people about projects and contracts. Also mentioned that because wood cutting areas are out of sight, they are also out of mind. People don't know what to look for, don't see it, and don't think about it until it is too late.

Discussion continued about how to manage and maintain access roads and how to educate the public about contracts, wood cutting practices, and permits. Eliot wants to encourage people to dial into meetings and join meetings online.

**Next Meeting Date** - October 27, 2011

**Adjourn** - 8:05 p.m.