

**STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY**



**NORTHERN SOUTHEAST AREA FORESTRY
PRELIMINARY BEST INTEREST FINDING AND
DECISION FOR
BABY BROWN TIMBER SALE
NSE - 1549**

JANUARY 2015

I. PROPOSED ACTION

The Division of Forestry (DOF) is proposing to offer for sale approximately 1,000 acres of spruce and hemlock timber from state lands in the Porcupine to Jarvis Creek area. The volume to be offered totals approximately 20 million board feet. DOF would sell the timber as one large sale under AS 38.05.120 or as a series of smaller sales under AS 38.05.115, AS 38.05.118 and AS 38.05.120 for commercial use.

The management objectives for the proposed timber sales are:

1. To follow the Department of Natural Resources (DNR) constitutional mandate to encourage the development of the State's renewable resources, making them available for maximum use consistent with the public interest. Sustain and promote a healthy, long-term timber industry in the state, through providing a secure source of timber for harvest that produces raw materials for local manufacturing plants (e.g., mills) while protecting other resources such as fish and wildlife.
2. To help the States economy by providing royalties to the state in the form of stumpage receipts, as well as contributions to local economies through wages, purchases, jobs and business.
3. To improve forest growth and vigor by harvesting and replacing mature and over-mature stands with new healthy regenerating stands, while protecting and maintaining other resource values. The actions authorized under this decision will follow the constitutional mandate of sustained yield and shall adhere to multiple use management as described in the Haines State Forest Management Plan (HSFMP).

II. STATUTORY AND REGULATORY AUTHORITY

The Division is taking this action under the authority of

- AS 38.05.035(e) Best Interest Finding;
- AS 38.05.110-120 and 11 AAC 71, Timber Sale Statutes and Regulations; and
- AS 41.17.010-950 and 11 AAC 95 Forest Resources and Practices Statutes and Regulations.

III. ADMINISTRATIVE RECORD

The Division will maintain an administrative record regarding the decision of whether or not to proceed with the action as proposed. This record will be maintained at the DOF's Northern Southeast Area Office filed as NSE-1549.

IV. SCOPE OF DECISION

This preliminary best interest finding (PBIF) is the first part of step two of a six-step process to design, sell, and administer timber sales. This PBIF covers the sale of approximately 1,000 acres of western hemlock & Sitka spruce timber on state land within the perimeter of the 4992 -acre sale area between Porcupine Creek and Jarvis Creek. The following list summarizes the overall process:

Step 1: Regional planning. The Department of Natural Resources develops area plans and state forest management plans to designate appropriate uses for state land, classify the land accordingly, and establish management guidelines for multiple use. These plans determine where timber sales are an allowed use, and what other uses must be considered when designing and implementing sales. Subsequent land use decisions must be consistent with the area plans. The area in this PBIF is covered by the Haines State Forest Management Plan. The finding also considers the Interagency Wildland Fire Management Plan. There are no Community Wildfire Protection Plans in this area. The proposed area is within the Haines Borough and this finding considers the Haines Borough Comprehensive plan.

Step 2: Best Interest Finding. A best interest finding is the decision document that:

- Establishes the overall area within which the timber sale may occur,
- Determines the amount of timber that will be offered for sale and the duration of the sale,
- Sets the overall harvest and reforestation strategy for the sale area,
- Determines whether the sale proposal complies with the Constitutional requirement to manage for sustained yield by evaluating the amount of timber in the sale and the annual allowable cut for the affected area,
- Selects the appropriate method of sale (i.e., competitive or negotiated), and
- Determines the appraisal method that will be used to determine the sale price.

The Preliminary Best Interest Finding (PBIF) is intended to provide sufficient information for reviewers to ensure that the best interest of the State will be served by the proposed action.

After public and agency review of the PBIF, the DOF will review comments, make changes as appropriate, and issue a final best interest finding [BIF]. The DOF must adopt a final BIF before selling timber. A person affected by the final decision who provided timely written comment or public hearing testimony on the preliminary decision may appeal it, in accordance with 11 AAC 02.

Step 3: Five-year Schedule of Timber Sales (AS 38.05.113). The Northern Southeast Area Office prepares a Five-year Schedule of Timber Sales every other year. The Schedule identifies proposed sales, including their location, volume, and main access routes. The Five-year Schedules is a scoping document that provides an opportunity for public, agency, and industry to identify potential issues and areas of interest for further consideration in a Forest Land Use Plan. Proposed timber sales within the area covered by this PBIF must appear in at least one of the two Five-year Schedules preceding the sale. The land and timber within this PBIF are all included within the 2014 to 2018 Five Year Forest Management Schedule reviewed in April 2014. These sales are listed in the April 2014 Five Year Forest Management Schedule as:

2014	Glacier Side 2	3,400 MBF
2014	Chinook	4,000 MBF
2015	Glacier Side 1	3,100 MBF
2015	Kirby	2,000 MBF
2016	Jarvis Road	4,000 MBF
2016	Hemlock Gold	1,500 MBF
2017	Mineral Mountain	5,000 MBF
2018	Lands End	3,200 MBF
2018	West Side	2,000 MBF

Step 4: Forest Land Use Plans (AS 38.05.112). Prior to authorizing harvest of timber on any area greater than 10 acres, the DOF must adopt a site-specific Forest Land Use Plan (FLUP) for the harvest area. DOF will prepare FLUPs for harvest areas within the overall sale area covered by this best interest finding. FLUPs specify the site, size, timing, and harvest methods for harvest unit within the sale area. FLUPs also address site-specific requirements for access construction and maintenance, reforestation, and multiple use management. Draft FLUPs will be based on additional field work, agency and community consultation, and site-specific analyses by the DOF, and will be subject to public and agency review.

Step 5: Timber sales and contracts. Following adoption of the final best interest finding, and completion of the FLUPs, DOF will offer the timber for sale by auctioning competitive sales and/or negotiating some sales with purchasers. The DOF will sign a contract with the winning bidder for each sale. The contract will include stipulations to ensure compliance with the best interest finding, FLUP, and statutory requirements.

Step 6: Sale administration. The DOF administers timber sales and conducts field inspections to ensure compliance with the final best interest finding, FLUP, timber sale contract, and applicable laws, including the Alaska Forest Resources and Practices Act and regulations (AS 41.17 and 11 AAC 95), and forest management statutes and regulations in AS 38.05 and 11 AAC 71.

V. PROJECT LOCATION, LAND STATUS, AND DESCRIPTION

A. Location

The legal description for the proposed sales is found within portions of Sections 14, 15, 16, 21, 22, 23, 24, 25, 26, 27, & 36 within Township 28 South, Range 53 East, and portions of Sections 19, 28, 29, 30, 31, 32, & 33 Township 28 South Range 54 East, Copper River Meridian. The proposed sales are found on the 1:63,360 USGS quad Skagway B4. The sales are shown on the attached Sale Area Map.

B. Title Status

This land is patented land (Pat # 50-65-0019 & 50-65-0235).

C. Land Use Planning, Classification, and Management Intent

The proposed area is within the Haines State Forest Resource Area Management Plan in the following units. The land use classification is listed for each unit. The proposed sale area is located within management plan Subunits 3d (Klehini River), & 3e (Jarvis/Glacier Creeks).

Subunit 3d (Klehini River) is classified Wildlife Habitat Land. Management guidelines for subunit 3d allow timber harvest but must provide for habitat protection and clear cut harvest areas cannot be larger than 20 acres in size.

Subunit 3e (Jarvis/Glacier Creeks) is classified Forest Land and is to be managed primarily for commercial timber harvest. Scenic values, as viewed from the Haines Highway, are to be considered in the preparation of Forest Land Use Plans.

Subunit 3d is open to mineral entry and subunit 3d is subject to a leasehold location order.

The Interagency Fire Management Plan includes these lands in the Modified protection category.

The Haines Borough Comprehensive Plan covers this area and the Plan map categorizes future use of this area for Resource Development.

D. Current Access and Land Use:

Existing access is from 26 mile on the Haines Highway across the Steel Bridge over the Klehini River and then ten miles on the Porcupine Road to the Sale location.

There are a number of active placer mining operations on Porcupine Creek and Constantine Minerals is drilling for a potential lode mine above Glacier Creek. There is a camp at Porcupine Creek that supports the drilling at Glacier Creek. There are placer mines working near Porcupine Creek.

A number of small timber harvest operators are harvesting timber in the flats between Porcupine Creek and Glacier Creek.

The area is also used for recreational uses such as hunting, sightseeing, skiing, snow machining, and berry picking.

E. Background and Description of Proposal

1. Background: The timber sale is part of the Haines State Forest Timber Base and will allow the economy of scale for a larger operator to move into Haines and to harvest excess allowable cut timber in an economical manner.
2. Timber volume and sustained yield: This proposed offering is estimated to harvest approximately 1,000 acres which contains approximately 20 million board feet of spruce and hemlock timber. The sustained yield annual allowable cut (AAC) for the Haines State Forest is 58.8 million board feet (MMBF) per decade on a rolling average. Over the past ten years from 2004 to 2013 the Division has harvested 6.3 MMBF. This is 52.5 MMBF below the sustained yield level. Offering this 20 MMBF in one year helps to meet the AAC and is well within the sustained yield level. This action alone and in combination with other timber sales that are sold will be within the allowable cut and comply with sustained yield requirements.
3. Harvest unit design: Harvest unit design will follow terrain breaks where possible and unit sizes will range from 20 acres to 160 acres in size.
 - a. Reforestation and site preparation: The sale area will be reforested in compliance with the Forest Resources and Practices regulations (11 AAC 95.375-.390) Natural regeneration will be relied on to some extent but all units will receive some planting to assure reforestation will meet the Forest Resources and Practices Regulations. The purchasers of the sales will be responsible for the planting and this will be included as a requirement in the contracts.

- b. Access design and construction: Access design, construction, and maintenance will comply with the Forest Resources and Practices regulations (11 AAC 95.285-.355).
 - Approximately 7 miles of mainline road will be required and 3 miles of reconstructed road. Approximately 3 miles of spurs will also be required. Two larger stream crossings will be required, one across Glacier Creek and the other across Sarah Creek. A number of smaller creeks will need to be crossed with short span bridges or with culverts.
 - The mainline roads will be kept open and maintained to allow for small sales and silvicultural activities. Spurs will be closed upon completion or kept open to allow for firewood gathering and then closed.
- c. Appraisal method: The DOF will appraise the timber value in compliance with 11 AAC 71.092.

F. Resources and Management

1. Timber

- a. Timber stand composition and structure: The stands are primarily pure hemlock and/or hemlock spruce mixed stands. Some cottonwood occurs throughout the stands. The trees are about 200 years old similar to most of the stands in the Haines Area.
 - b. Stand silvics: The clearcut method of harvest will be used. The stand is over mature and clear cutting will be the most economical method of harvest allowing for good natural regeneration following logging.
 - c. Topography and Soils: The proposed sale will be designed and managed to prevent significant impairment of the land and water with respect to renewable resources (AS 41.17.060(c)(5)).
2. Agriculture. The stands are part of the Haines State Forest and timber production is the only intended agricultural crop in the sale area.
 3. Wildlife habitat and harvest. The lands within the sale area are used by different species of wildlife similar to other lands in the Chilkat Valley. Moose and bear use the area. In addition to moose and bear, the area may support the following species of wildlife; marten, lynx, wolverine, wolf, porcupine, squirrel, various birds and other small woods mammals. There is no evidence of high-density bear use within this proposed area. There are no known raptor nests within the proposed sale area and the area has not been identified as important winter range for moose or goats. The HSFMP in a strategy to minimize the impacts of harvest on wildlife prohibits timber harvest on about 18,000 acres of commercial old growth timber. It further spreads the harvest of the remaining 42,000 acres of commercial timber over a relatively long period of time. In addition, 12,000 acres of inoperable or inaccessible timber and the 45,000-acre Chilkat Bald Eagle Preserve which was created to balance resource development with conservation in the Chilkat Valley will not be harvested. Hunting and trapping occur during open hunting seasons and are controlled by Alaska Department of Fish and Game (ADF&G) regula-

tions. The level of harvest of moose and bear in this particular area is unknown but it is known that some are harvested from this area most years.

4. Fish Habitat, water resources, and water quality. The proposed sale will be designed and managed to protect fish habitat and water quality in compliance with the Alaska Forest Resources and Practices Act and Regulations (AS 41.17 and 11 AAC 95) The Klehini River, Bear Creek, and Porcupine Creeks are cataloged anadromous fish streams that are outside the proposed sale area boundaries. Sarah Creek (115-32-10250-2077-3159) and Glacier Creek (115-32-10250-2077-3151) both contain anadromous fish and are within the sale area. A tributary of Glacier Creek (115-32-10250-2077-3151-4010) and a tributary of Sarah Creek (115-32-10250-2077-3159-4011) and a tributary of the Klehini (115-32-10250-2077-3155) are also identified in the anadromous catalog and are found within the sale area boundary. Per the forest practices act and Haines State Forest Management Plan all these cataloged streams will be protected with a 100 foot buffer. These same streams have a special management zone adjacent to them which requires consultation with ADF&G Habitat prior to harvesting within 100 to 300 feet of these water bodies.
5. Recreation, tourism, and scenic resources. The Flower Mountain Road gets considerable use as a recreational trail within the vicinity of this proposed sale. There are no airplane access points within the proposed sale area. This area is not known to have unique tourism values. There are commercial recreation operations that use the Flower Mountain area. All terrain vehicle (ATV) use of this area occurs mostly on the Flower Mountain Road and other logging roads in the area. The area is used for hunting, berry picking, hiking, snowmobiling, skiing, wildlife viewing and sight seeing. Visual impact from the sale will be moderate. The harvest areas will be readily visible from the existing forest roads. The harvest units will also be visible from the Haines Highway. We realize the importance of the scenic view shed as viewed from the Haines Highway and will consider this in the design of the units. While there is value in hiding units from view in their entirety, at some point in the rotation period, if timber harvest is to be sustainable, those areas that cannot be hidden or screened must be harvested. Much of the sale area is screened from the Haines Highway by trees growing adjacent to the highway. There are areas along the highway such as near 35 mile that there is no screening by trees. The proposed units visible to this portion of the Haines Highway are approximately two miles distant and this distance also helps reduce its impact on the view shed. The units will be most visible immediately following harvest but vegetation quickly regrows into the unit openings causing the units to “green up” making the contrast between the harvest unit and the adjacent timber less extreme and less of an impact on the view shed.
6. Cultural Resources. The DOF works with the State Historic Preservation Office (SHPO) to identify and avoid known cultural, historic or prehistoric sites in planning the proposed access routes and salvage areas. If additional archaeological sites are identified, proposed salvage areas and road locations will be appropriately adjusted to avoid conflicts. If any historic or archaeological sites are encountered during road construction or harvest activities, the DOF will immediately inform SHPO and take action to protect the findings. Glacier Creek itself was mined at the turn of the century with a large flume constructed down the riverbed to divert the water. This was reviewed by SHPO during the reviews for the Glacier Side 1 & 2 timber sales and the same protections agreed on for those sales will also apply to these sales.

7. Subsurface Resources. Mineral exploration has been occurring above Glacier Creek on Federal Lands managed by the Bureau of Land Management (BLM) by Constantine Metals. Constantine has staked mining claims on all the state land surrounding this prospect which includes most of this timber sale area. They constructed a road up the East side of Glacier Creek to access their prospect. This mining access road will be used for timber access as part of this sale. A road use agreement(s) will be needed between the timber sale(s) purchaser(s) and Constantine Metals for maintenance and use of the road. Placer mining is occurring on Porcupine Creek but should not be affected by this proposed timber sale.

G. Costs and Benefits

The timber sales are estimated to generate \$300,000 in royalties to the state; the proposed sales will create economic benefits in Haines and possibly other parts of Alaska. The total economic impact of this sale to the statewide economy is estimated to be \$2,000,000. The Haines business community will receive direct economic benefits from providing support services for the operators such as fuel, food, housing, medical and miscellaneous supplies. The residents of Haines will receive an indirect benefit through taxes paid to the borough by the operator, the employees, and their families during the course of the timber harvest operation.

The timber sale will have an effect on local employment by generating an estimated 20 jobs directly associated with the harvest. The sale is expected to benefit the local economy by providing much-needed jobs and possibly forest products for the local forest products industry. The sale of these logs adds potential employment opportunities and economic contributions to the community.

At present there is a moderate demand for local forest products. The local market includes domestic sawlogs, houselogs, and firewood. Domestic sawlogs may be sold to local sawmills as has occurred in the recent past. The export market is moderate as well. The pulp or chip market is depressed and demand is low at this time.

The economic conditions in the general vicinity of this proposed sale are fair to poor. The current local economy is based on logging, fishing, and tourism. The local sawmill, historically the largest employer in the community, has been closed since April of 1991. The tourism economy peaked several years ago and experienced a downturn due to the withdrawal of several of the larger cruise ships. This sector of the economy is slowly rebuilding. Several small mobile dimension sawmills exist in the valley and have purchased most of the smaller sales over the past year.

VI. PUBLIC REVIEW

The public and agencies are invited to comment on this Proposed Best Interest Finding. Objections or comments pertaining to the proposed action must be received in writing by the DOF Northern Southeast Area Office **by 5:00 P.M. February 6, 2015** in order to ensure consideration for review. Comments should be mailed to the State of Alaska, Division of Forestry, P.O. Box 263, Haines, Alaska, 99827 or by email to Roy.Josephson@Alaska.gov. For more information you may contact the Northern Southeast Area at (907)-766-2120 or at the email listed above. To be eligible to ap-

peal the final decision, a person must have provided written comment by **5:00 P.M. February 6, 2015.**

VII. PUBLIC NOTICE

This PBIF was publicly noticed in compliance with AS 38.05.945. Notice was posted on the Alaska Online Public Notice System, by advertisement in the Chilkat Valley News, notices posted around Haines and at the Haines Post Office, and hard copies given to the Haines Borough Public Library. The Alaska Department of Fish & Game, Habitat Division, DNR State Historic and Preservation Office, DNR Division of Mining, Land & Water, DNR Division of Parks and Outdoor Recreation, Department of Environmental Conservation, Sealaska Corporation, and the Haines Borough Government will receive email notification.

VIII. DISCUSSION

The proposed timber sale may be sold as one large sale or as a series of smaller sales. Many markets require that due to the cost of mobilization and start up costs a larger type sale or a series of medium sized sales be available to make logging in the Haines State Forest economical.

IX. RECOMMENDATION AND PRELIMINARY DECISION

After due consideration of all pertinent information and alternatives, the DNR has reached the following Preliminary Decision: To offer for sale approximately 1,000 acres of hemlock and spruce timber to provide these resources as proposed and described in this PBIF. The DOF finds that this preliminary decision satisfies the objectives stated in this document and it is in the best interest of the State to proceed with this action under its authority of AS 38.05.035(e) (Powers and Duties of the Director) & AS 38.05.110-120; 11 AAC 71 (Timber Sale Statutes and Regulations).

A person is eligible to participate in any appeal or request for reconsideration to the final finding if s/he has submitted comment to the preliminary finding and decision during the comment period.

If you have any questions, please contact Roy Josephson, Northern Southeast Area Forester, Roy.Josephson@alaska.gov, 907-766-2120.

X. SIGNATURE

Clarence Clark
SE Alaska Timber Sale Program Manager

Date

Alaska Division of Forestry

XI. ATTACHMENTS

Sale Area Map