

#### 4.18.24 TVSF CAC meeting minutes DRAFT

Dan Rees, vice chair.

Mike Spinder, Fish & Wildlife

John Underwood

Patricia Young, Native community seat

Kristin Timm, Recreation

Brad Cox, value added processing

Tom Dearborn, Upper Tanana Valley.

Kevin Meany DOF

Andrew Allaby DOF

Egil Fjelheim DOF

Bryce Dahlstrom, Viking Lumber

Joe Young

Doug Hanson

Chris Maisch

Fish & Game (two representatives)

Tom Paragai

Jeremy Douse (DOF)

Kato Howard (DOF)

Stefan Milkowski, public

Gerrid Greenwood, public

Chris Stark

Under Dan Reese's leadership and with Trevor Dobell Carlsson's logistical support, the meeting addressed Joe Young's proposal to expand the Tanana Valley State Forest, with DOF Deputy Director Jeremy Douse detailing the process and acreage. Bryce Dahlstrom represented the Alaska Forestry Association, discussing industry challenges and membership benefits. The session included recognitions of forest product companies, with Kevin Meaney presenting. Member participation highlighted the committee's broad engagement. Key actions included approving minutes, reappointing members, and nominating committee chairs, underscoring the committee's commitment to forest management and industry advancement.

The CAC approved the October 19, 2023, minutes. Kevin Meany celebrated Northland Timber's and Larry Dorhorst's timber sale milestones.

Tom Malone nominated for chair, Dan for vice-chair. Seconded; no discussion. Approved.

Kevin: Northland; 60<sup>th</sup> year since their first timber sale with the State. From Delta, Larry Dorhorst, 50<sup>th</sup> year since their first timber sale. Certificates for recognition and wooden bowls.

Bryce Dahlstrom, Viking Lumber Company: Klawock AK for 30 years. 2<sup>nd</sup> time to Fairbanks. Today here as president of Alaska Forestry Association (based in Ketchikan); promotes supply of timber to Alaska timber industry. 2 meetings per year; Juneau spring, fall in Anchorage. Joe Young joined their board, refreshing to have representatives from other parts of the state besides SE. The State was always a small part of their business before the federal government stopped selling timber, now a major part of their business. For anyone who wants to join the organization, visit the website. Happy to answer questions. (q): how many members? (a) over 30. Board is at 14. AFA fully supportive of expedited timber sale bill & local lumber grading bill.

Yukon River SAF chapter announced a Northland mill tour for CAC members and the public, led by Chris Schmidt and Matt Labrenz, to highlight the lumber grading program.

Joe Young's proposal for expanding the Tanana Valley State Forest, positively received by the commissioner, aims to ensure timber supply through legislative designation, dividing the area into Yukon Tanana and Eastern Tanana plans for a potential 1.2 million acre addition. This expansion is crucial for securing forest management and protecting infrastructure investments.

Expansion of the Tanana Valley State Forest—Dan Rees: brought by Joe Young at October 2023 meeting; letter was written to Commissioner of DNR regarding expansion of TVSF. Joe's request referenced a plan that has been divided into two area plans. DOF ID'd Joe's request; each of the units he requested, but then looked at all the units in each plan that are forest classified as well as the ones that are ID'd to be added to TVSF already. There are a number of units within Area plans that are already recommended to be added. Some don't have that verbiage; some have habitat needs/values. Basically, total acreage would be (Joe's = 231,000 acres) 1.2 million acres that could potentially be added. Pushed it out to see if there was any interest at the legislative level; maybe interest next year. (please explain why it matters if an acre is in TVSF or forest classified): if it's designated as a state forest, it is much harder to change it out of that land use. If it's in state forest, it's not likely that an area plan will change it to habitat, settlement, recreation, etc. It's not impossible, but difficult. If DOF starts investing in infrastructure, we know that unit is going to stay in forest management. Otherwise, still in DNR but under DMLW, who could amend the area plan and change the classification; DOF would lose that designation. (how many acres currently in TVSF?) 1.8 million acres now. (Chris Maisch) Primary purpose in state forest is timber; not the case in other state lands. (what is Joe looking for from CAC?): Joe wants to have it set up for the new legislative session in January. CAC could pass a resolution of support for expansion of TVSF. Would like to see all other state forests expanded also, but is focusing on TVSF. TVSF would be the first step in expressing interest & support; let Commissioner know that CAC is interested in expansion.

Joe Young, background: expanding TVSF good for increasing timber supply; all operators should be guaranteed a longterm supply of timber.

Want to see if CAC is willing to consider a proposal?

Patricia Young: it will happen faster than the CAC's next meeting; CAC needs to be proactive and meet more often than once per year. (Dan): can schedule a meeting at any time, but have been meeting once per year. CAC is a public advisory committee, but they don't have a special window to comment on things outside of the public comment window. Dan can work w/Tom, draft a letter, send to CAC, then send to commissioner (ACTION ITEM). (Q) Does CAC see any downsides to adding land? Go around room. In favor; in favor; Kristin Timm—interested in more time w/the map to see what areas.; is a digital file available? (Jeremy—could email Dan the list of units being considered). (q): are there administrative responsibilities that are different between state land and state forest land? Yes, but best practices apply for each region. Road standards in management plan, could argue that if it's not in state forest, maybe not required, but those road standards are good practices and they'd use that off state forest as well. (q): if the green is existing forest 1.8 million acres, and the other color is 1.2 million acres—doesn't look like enough on map? Joe: looking at Joe's proposed additions, and other state land also. (Kevin): actual cut is so small compared to AAC, the question might be asked why we'd need to add more instead of utilizing state forest land that we have—that doesn't take into account the geographical area the state forest covers. Some of the forest classified land are much closer to access points than other current state forest units. (comments): potential mining use on some units? Any knowledge of this? Near Fort Knox mine. Kevin—mining & forestry are not mutually exclusive, they've cohabited. Management plan lists units available for mineral leasing. From a wildlife standpoint, 2022 draft—very comfortable with verbiage for wildlife habitat in draft. Dan: would assume it'd be a plus; forest classified could always be disposed of, whereas state forest land is almost permanently state forest. Patricia: Joe requested 220,000 acres, not 1.8 million acres—so the CAC wouldn't necessarily recommend the full amount. CAC should mostly look at Joe's request. Joe: didn't want to assume what other people/operators in lower Tanana want; that's why he focused on upper Tanana. Jeremy: Area Plans recommend 600,000 acres. Dan: if CAC wrote a letter, not mention acres, just the concept of expanding the state forest. (q): Is the TVSF going to be looked at to enter the carbon market by the state? Is it advantageous to add land so there is enough for the carbon market and for timber users? Joe: consider carbon sequestered in value-added products after the timber harvest. Dan: will TVSF lands be considered to enter carbon market? Jeremy: answer is that there have been no proposals. Trevor and staff are adding language to the plan. See if there is interest after that.

Motion to support, seconded. Letter of support. In favor: all. None opposed.

Trevor Fulton: 2 carbon offset programs authorized: carbon offsets on state lands; carbon leasing program—allows leases to 3<sup>rd</sup> parties. Aims for more active land management, by creating nature based projects to remove/store carbon from atmosphere. Generate tradable carbon offset credits; companies can buy into a carbon reduction project.

(q): could a fysts be amended? (A) probably not part of the five year schedule. (q): could a project take timber off the table from the state forest? (a) certainly not the goal of a project, but in order to generate additionality, you have to demonstrate some sort of change in your management strategy. Need to create greater stocking of carbon on the landscape; maybe extended rotations, or taking

the maximum harvest scenario off the table. Must be a well documented change in management intent. Jeremy: we cut so far below our AAC, it's not clear—if there was a carbon project in an area and a timber sale in an area, there would probably still be additionality because still far below sustainability level. Doesn't think it would supersede a five year schedule. Trevor Fulton: the goal is to thread the needle between allowing carbon offset projects to take place on state lands while also making enough timber available to maintain a healthy timber industry. Needs to be an interplay between projects and timber sales.

(q): what about carbon sequestered in processed timber products? (a): durable wood products, there are calculations in some of the methodologies that allow for it. More credit generation for durable products than for firewood, for example.

Doug Hanson: a new report that looked at the State Forests; are those areas the state is looking at for carbon projects? Yes, we're starting there, because we have the best inventory data there, good sense of where carbon stocking is and what it would look like over a 20-40 year period.

Joe: Say it makes \$100. What % gets reinvested into forest? Trevor: all revenue generated will go back to state general fund, up to legislators to decide how much goes back to DOF. With the exception of 20%, amended bill reserves towards renewable energy grant fund. Kevin: if we are initiating these projects in the state forest, utilizing existing infrastructure—does that change the purpose from natural resource extraction to something else—implications for losing clean water act exemption. Silvicultural exemption on our roads for no Corps of Engineers permit b/c primary purpose of road is logging; without that, it changes the role of the road. Trevor Fulton: access taken into consideration when registries are looking at additionality. Access is creating additionality; a chunk of land in the middle of nowhere wouldn't generate credits—you need access to have additionality.

Brad: dead center of everything the industry is doing right now. We only have so much infrastructure; if it's critical for carbon offsets, there is nothing to look at other than where they're at right now. That's why industry is nervous. Trevor: Access is critical, but it'll be a balancing act between creating carbon projects and maintaining a healthy timber industry. An additional use out of multiple use objectives.

Dan, for Bryce: what does AFA feel about this? Stance? Bryce: do not want it to take away from supply to the industry. If you can figure out how to do carbon credits and still supply maximum allowable cut; ok. Don't want to see any more supply locked up.

Doug: the areas that are defined (Haines, MatSu, TVSF) are all in the most accessible ground where we currently do operations—that's what makes him nervous. From a carbon standpoint, carbon projects want the same highly productive stands that DOF is trying to harvest, that industry wants.

Brad: Once the money starts talking, industry will be the one to lose.

Trevor: If looked at as zero sum game, it's easy to reach those conclusions. But we are far from harvesting our maximum allowable cut, at least in Interior. SE, bumping against it; more difficult to manage it there. Interior, if we can make the case that we're harvesting far below what we could be, we could get credits for that potential, as long as it's accessible. It isn't a zero sum game, not the case that if offsets are allowed to occur that we'll have to decrease harvest. Mandate is to manage

lands for Alaskans, for multiple use, and timber industry, and generate additional revenue for the state.

Kristin: fiber security? In regulations, wondering if there is any opportunity to add some type of additional criteria around local fiber security because that is a benefit to Alaskans—not relying on lumber coming from out of state. Trevor: that's why the regs are in draft, to see how they affect communities and see what they want changed. They're in a quiet period, no ex parte communication that other groups wouldn't have equal access to. Please comment, if you have specific language, please submit it in writing through the public comment process.

Joe: 78.030 lists criteria that would be considered in informal evaluation. If fiber security is a concern, could it be lined into this section? Trevor: Any place you can find a place to improve language, please do; Trevor can't agree or disagree on anything at this point.

If we were going to reclassify or amend something for a carbon project, would that be a typical 30-day comment process? Trevor: 2 different processes that are addressed. General area plan, and state forest management plan.

Chris: does land have to be classified as forestry? Trevor: not necessarily, but forest classified land will have the best inventory available. Data would probably be lacking on other lands to define a baseline.

(q): what if the state took some of the carbon money and allocated it to make more forest roads? That would help the industry.

Jeremy: we're having those types of discussion.

Patricia: would experimental forests on state lands count? No logging there.

Kato: looking at other state agencies like Mental Health Trust? Trevor: No, they're looking at their own carbon offset programs. We have no authority to develop projects on someone else's land; it's a state agency but not DNR.

Brad: the carbon industry is using their dirty industry money to shut down a legitimate industry to change how they're operating. Why do they get to keep their industry, and by cash, affect timber industries?

Motion to comment? & second. Discussion: 2 areas in regs where it would force the hand of people making decision to look at timber viability. Get proposal, do research, do BIF.

Legislatively designated areas not for carbon offsets? 389541 section, C: legislatively withdrawn land may not be used for offset unless authorized by law.

Tom: Molly Revilla gave presentation on carbon offsets projects: people polluting need to clean up their act; you can't just keep polluting, you need to clean up.

Brad: Registries call the shots. If a timber company will provide \$700,000 in revenue to the state, but the state can make \$7 million from carbon, they'll go with carbon.

Patricia: From a Native community seat: is it appropriate for CAC to support 1 seat (timber industry) out of 14 seats? Is it appropriate to support just the timber industry? Not saying it's wrong. Second,

as a Native community seat, most Native corporations are already getting carbon offsets. But we have 11 days to comment; once-per-year meetings make it challenging. Her concern is that we don't meet often enough, so they debate until 10 o'clock over one agenda item.

In the overall vision of multiple use, would support.

Gerrid: as member of public, supposed to be represented by CAC: Thinks it's inappropriate for the CAC as a whole to make a comment that is one sided. If individuals within CAC want to make such one-sided comments, that's ok but not as a whole.

Joe: Can CAC request the comment period be extended?

Kristin: something that is relevant is how this relates to the 5-year timber plans. Might be a place where individual statements fit in.

IN favor: yes. Opposed: none audible. Action: Dan can help craft it.

Egil: State Forest sign update; local artist. Made of white spruce.

Goldstream bridge: Andrew Allaby, acting Fairbanks Area forester. Bridge on mainline road; inspected by DOT, flagged for issues. Failing abutment. Put up a barrier, close bridge for public access. Signs up; April 1<sup>st</sup> bridge is closed to highway vehicles. ATVs and snowmachines likely to be able to pass. Looking at alternate access points. It's the 3<sup>rd</sup> time in 13 years the bridge has been closed, every time due to the abutment. Chris: Can the bridge be repurposed? Kevin: Be a cool gift to UAF, doesn't know of an engineer who would stamp it.

Long Trails, Kristin Timm: Continuous trail from Seward to Fairbanks; many sections already exist, but some new sections needed. Fairbanks to Nenana, through the TVSF—one of the ID'd gaps. BLM is currently evaluating eligibility for National Scenic Trail; feasibility study. [UNK] Discussed grant for trail from Nenana across the Borough. One potential line is along Nenana Ridge, TVSF. As a trail user/designer, would like it not along logging roads.

Concern on timber sales on Tanana River: Andrew. Made modifications to contracts, but for the most part sustained decisions as they were made. Gerrid: if the bog road is used in the future, it would be wise to not plow the road down to the top of the bog. There was some disturbance of the bog as a wetland area. It would have been good to see some snow left so it protected the bog more as it warmed up.

Fairbanks/Delta: Andrew. Staffing; typically 2 resource foresters. Only 2/20 months have they had that, they're short a forester. Timber sales: Fairbanks auction, sold 9/10 sales. 1<sup>st</sup> oral outcry auction in years, was a success. Sold pogo road salvage decks. Lots of over-the-counter sales sold. 123 sales; value-added sales. 3 requests for 123 sales in Fairbanks area; Aurora Energy, and 2 medium-sized operators. Working on FYSTS/BIFs. Regen surveys, inspections. Looking forward: plans to offer a salvage auction in Delta area, by early fall.

Kato: Fales Dr. Fuelbreak. Video of fuelbreak, drone shot. 10-year negotiated sale (Joe Young). Lots of smaller personal mills have moved into Tok. All looking for smaller sales. Also sale requests in

Dot lake. Tanacross realty specialist—wants to see what Tanacross and SOA can do together. Curious about carbon sequestering; grading classes coming up.

Q: why only 100 feet? Kato wanted 100 feet; partners wanted ¼ mile. Better than nothing. Q: price per acre? \$2200/acre.

Jeremy: State Forester resigned. Recruiting for new State Forester. HB104 still in play; next Monday is a hearing in Senate Resources; put forth by Sen. Cronk, for expedited timber sales. Capital budget: \$3.7 million ask for reforestation & thinning in SE. SE situation is dire; feds aren't selling timber; more reliance on the state. State owns about 1% of SE land base, so it's challenging. Tongass NF is 16 million acres. So it's challenging to meet industry's needs. Lumber grading course: 1<sup>st</sup> training June 17<sup>th</sup>, in Palmer, at Experimental Farm. CES has a registration link on their website. Future trainings all over. In SC, looking at doing more inventory work on lands without previous inventory.

Public comments:

Doug: carbon; on Tuesday, attended SAF's Doyon presentation; 300,000 acres in carbon, aiming for 750,000 acres in carbon. All very remote; not where there are harvests. Their rationale for additionality is fire protection, not harvesting.

Tom: going to retire @ end of June. In the past, standing-room only meetings once a month.

Chris: stayed away from getting too involved, but now wants to get more involved. Wholeheartedly support state forest additions and new state forests. Would encourage more frequent meetings than once per year. At least 4 times per year would be appropriate. Historically, it met monthly. Carbon: it's the biggest decision the state has made since he's lived here. Long term implications. Not entirely sold on the carbon offset process; does it really create additionality? State needs to think about establishing a gold standard for the program.

Gerrid: preliminary BIFs for longterm negotiated timber sales: seems like there was little effort to notify public, didn't receive notification. Would like to request an extension on this comment period, and see a greater effort in putting this information out to the public. Lots of people wanted to comment and didn't have time.

Concerns about size/contiguous nature of the sales, with concerns to wildlife, subsistence use. Has witnessed clearcuts in state forest with poor regeneration due to lack of seed trees; these large sales will likely have poor regeneration due to lack of islands/spurs; cavity nesting birds will depend on pockets of mature trees that are near the end of their life cycles. ADF&G should advise on the best ways to mitigate habitat loss. As a subsistence user, would like to see more pockets of mature trees left for birch bark harvests, for all users to perpetuate craft/culture. Regards sustainability: concerns that decades of this rate of harvest w/poor regeneration will result in lack of accessible mature timber, lack of material to native/non-native users. Would venture to say the state does not have long term data to show that heavy birch harvest will be sustainable. Doesn't believe it's in the states best interest to sell fuel wood at low cost.

Concerns the state will be locked into long contracts before new TVSF plan is complete, allowing outdated policies to be implemented before the new plan is approved. Proposes that new BIF, and that a decision is not made until the new plan is released. Propose a portion of these sales are enrolled in carbon offset program to break up contiguous nature of these sales.

CAC members: Chris—nothing.

Brad: CAC doesn't usually have such a strong issue; appreciates the input.

Kristin: on March 16<sup>th</sup>, Tanana river challenge race took place. Part of that is on forest roads. They were in fantastic conditions; people appreciate the resource.

Patricia: w/11 days to make a comment; that's not enough time. If they knew the comment period was coming, should have scheduled a month ago. Wanted a work session; in future, more frequent meetings. Likes DOF updates.

General agreement with the idea that the CAC should meet more frequently than once or twice per year.

Dan: appreciates everyone able to express viewpoints. As a committee, submitting a comment, it's a comment from everyone. Appreciates everyone coming and commenting.

Schedule next meeting: focus on comment period for TVSF.

Adjourn: 9:48.