

THESE MINUTES ARE DRAFT UNTIL REVIEWED & APPROVED BY THE BOARD OF FORESTRY
DRAFT Minutes: Board of Forestry Video Conference Meeting
Tuesday, February 10, 2026: 8:00 a.m. – 3:00 p.m.

Call to Order and Roll Call

Jeremy Douse, State Forester called the meeting to order at 8:00 am on Microsoft Teams. The public notice included connection information for telephonic and online participation.

Present (in-person, Anchorage):

Eric Nichols, Forest Industry Trade Association
Nathan Lojewski, Alaska Native Corporation

Present telephonically:

Jeremy Douse, State Forester
Keith Coulter, Non-Governmental Professional Forester
Brian Kovol, Environmental Organization
John Rusyniak, Recreation Organization
Bill Morris, Non-Governmental Fish/Wildlife Biologist
Denise Herzog, Mining Organization

Others present in person:

Ashley List, Lily Coyle (DFFP)

Others present telephonically:

Kevin Meany, Greg Palmieri, Mike Cooney, Pat Palkovic, Helene Genet, Trevor Dobell-Carlsson, Diane Campbell, and Kevin Breitenbach (DFFP)
Ben Mulligan, Mark Minnillo, Kate Kanouse, Todd Nichols, Beth Evers, Kayla Wagenfehr, and Tom Paragi (ADF&G)
Brock Tabor (DEC)
Jeff Hermanns, Jeffrey Green, Jusdi Warner (Mental Health Trust)
Jerry Ingersoll, Dan O’Leary, Daniel Mico (USFS)
Tessa Axelson, Clarence Clark (Alaska Forest Association)
Robert Venables (Southeast Conference)
Sarah Dahlstrom (Viking Lumber)
Joe Young (Young’s Timber Inc.)
Melis Coady (Susitna River Coalition)
Tyler Breen (SEACC)
Megan Johnson (Alaska Energy Authority)
Mike Sallee (Ketchikan mill owner)
Jared Greenwood (Tanana Valley property owner)
Peter Teller
Additional participants attended telephonically.

Review of public meeting notice and agenda

Chair Jeremy Douse asked if there were additions to the agenda. Eric Nichols requested an update on the Shared Stewardship Agreement and specifically asked if members of the

industry would get an opportunity to see it before it's signed. Keith Coulter requested an update on the carbon program. Jeremy told the Board that DNR's carbon program lead was currently on leave but confirmed that it would be on the agenda for the next meeting.

Approval of Minutes

Jeremy Douse requested edits to the August 19, 2025 meeting minutes. No edits were proposed. Keith Coulter made a motion to approve; Brian Kovol seconded. No objections. Minutes approved.

Announcements

Jeremy Douse announced that the Alaska Fire Science Consortium will be the week of March 18 and shared the Alaska SAF annual meeting is April 23 through 25 in Soldotna.

Funding, Legislation, and Regulations

ADF&G Budgets and Legislation - Ben Mulligan, Deputy Director, Habitat

- We've maintained the same funding for 2 fiscal years in a row.
- Finding ways to eat some of the increased costs and continue operating. Not looking at any reductions. If anything, I found ways to make sure we're fully staffed in our region and area offices, so unless something changes in the legislature, our offices' staffing will remain the same.
- We're currently looking to hire out of the Kenai Office, and the Douglas Office is in the process of getting fully staffed.
- We don't have any legislation directly relating to our Title 16 authorities.
- We're keeping an eye on House Bill 276 repealing a couple of special areas. Kenai Moose Range and Kodiak Refuge. Those boundaries overlaid the federal refuges and we have no jurisdiction there.
- We don't anticipate introducing anything that relates to our Title 16 fish habitat permit or special area permits.

DEC Budgets and Legislation - Brock Tabor, Special Projects Coordinator

- DEC budget report is fairly consistent with past years. We are still supporting this position with EPA funding and don't envision any change in that.
- Brock will continue serving as the lead and be available in various ways, for review of plans or participation in the Forest Roads Work Group.
- Legislation - There isn't anything specific to Alaska and state legislation, but we are monitoring quite a bit on the federal front. This includes the proposed Water of the U.S. (WOTUS) rule, proposed changes to federal permitting of facilities which would occur through the proposed 401 rule, as well as other bits of legislation that's working its way through.

Eric Nichols: Are you following the wetlands, and when those rules are going to be written based upon the last Supreme Court decision? Or when will we see those new rules?

Brock Tabor: It's a whole new world in the way of when federal rules are coming out. We provided comments, we have had representation on the hill speaking about our interests specific to wetlands and the WOTUS rule, but when that might be coming out, I can't say.

DFFP Budgets and Legislation - Jeremy Douse, State Forester/Director

- Budget:
 - o Under the proposed Governor's budget, Forest Management and Development (FMD), our operating budget, is largely flat funded.
 - o We have a new position in the proposed budget for a full-time GNA Forester that would largely be funded through federal funds.
 - o The budget also includes a capital improvement project for doing inventory in the Susitna and Tanana Valleys for \$1.8 million with timber sale receipts.
- Update on three new positions (PCNs) that were funded last year:
 - o An accounting tech, engineer associate, and a resource forester for the Haines office.
 - o The accounting tech has been hired.
 - o The engineer associate and Haines resource forester are getting created through our administrative process. We anticipate advertising both the engineer and Haines resources forester positions this spring.
- Legislation:
 - o House Bill 72 / Senate Bill 75, Timber Management Leases. This was heard in both Senate and House Resources Committees last session. The only activity this session was a short hearing in Senate Resources, with invited testimony from Senator Bjorkman on January 23rd.
 - o House Bill 218 / Senate Bill 188, Tanana Valley State Forest expansion. The bill was introduced at the end of 2025 session and assigned to State Affairs Committees for House and Senate. Senate State Affairs held an initial hearing on February 3. On February 5 public testimony was taken. That public testimony period is still open. People that are interested can provide comment to Senate State Affairs right now. No movement on the House side.
 - o Bills related mostly to the Fire Protection Program in the division are House Bill 252, Electric Utility Wildfire Prevention Plans from Representative Holland. Utilities would be required to develop a fire prevention plan. Norm McDonald, deputy director for the fire program, is actively engaged in that. We're also monitoring Senate Bill 192, Evacuation Designation Levels from Senator Bjorkman.

Shared Stewardship Agreement – Jeremy Douse, DFFP

Jeremy Douse: Eric asked if industry will be able to review the Shared Stewardship Agreement before it is signed. It was reviewed in November 2025 and it largely hasn't changed since. There's been a couple of non-forestry related additions the State administration wanted to see involving energy and potential mining.

Eric Nichols: We had a meeting with the Governor yesterday and it sounded like he was concerned about young growth vs. old growth and talked about energy and mineral being expanded. If it's substantially the same as what we've seen before, my concern is that it's not going to impact the industry and we're putting a lot of time in but nothing is going to change. You've still got a forest plan you have to comply with and NEPA. There's no additional timber that will be generated, so is it just a super GNA program?

Jeremy Douse: Yeah, this Shared Stewardship Agreement really is an agreement to agree, and this is across the country. Maybe we're putting a lot of eggs into this basket. What we've done similar to Montana is identify 300,000 acres where the state can do restoration projects on the Tongass. We're working towards a long-term contract. Those are the big items, but it's all aspirational. It's not a legal document. It's not something that they or the state are legally required to do. This is basically just a memorandum of agreement, and that's the shared stewardship program nationally.

Eric Nichols: It's what our fear is. Senator Sullivan said he signed the Big Beautiful Bill and it's taken care of all our problems. It didn't take care of one. I see with Shared Stewardship the political world says you got 300,000 acres now; everything should be great. And nothing has changed on the ground, whatsoever. And how much time the state puts into it compared to trying to understand the economics of what we're dealing with. I just worry that from a political standpoint, it's going to say the industry is taken care of, we signed this, everything is good.

Jeremy Douse: I don't take that out of this agreement. It's just an agreement to agree. There are no contractual requirements in this program. There still will be a requirement for doing NEPA. The Tongass Timber Reform Act still exists; that's still law. The requirement for consultation to native groups. None of this will change any of that. What this does is it gives some intent language to the GNA program with the state, saying these are the things that we're going to work on.

Eric Nichols: A technical question. One of the concerns the Governor brought up was litigation and trying to stay out of old growth because of litigation. If you have a GNA which has a state contract, at what point does litigation come in and does this change anything out there? Would they sue the state, or would they continue to sue under the NEPA process, before it ever got to a point where there was a contract out?

Jeremy: That's a good question, and Washington state brought up the same point to me. I don't know that anybody knows the answer to that.

Eric Nichols: It's a different litigation process from federal to state. It has a big impact on if they have to prove anything or not and who gets reimbursed for legal expenses. The Governor was telling us that this is going to be signed very shortly, then?

Jeremy Douse: I know the Governor wants to sign it. I don't know what the comment was that he made to you about concern about old growth. In the Agreement, there's language that shows an understanding that there still needs to be management in old growth.

Eric Nichols: You had a 15-year transition with a sliding scale between old and young growth. The problem is, they've never done it. The question the industry has asked repeatedly, at what year on that 15-year sliding scale are we in now? I've had the chief tell me we should go back to year one and I've had Juneau tell me we're in year 8 or 9, which is a huge difference. Overall, there's about 300 million feet of old growth owed to the industry in that 15-year period for transition into young growth, which has never happened.

Jeremy Douse: I would agree. I've communicated this to the Forest Service. I don't think they ever implemented the plan, to your point. As you know, they're also about to engage in a new plan revision. That's going to be part of that conversation.

Eric Nichols: Here's my concern. We met with people out of DC and people out of Washington Region 6 and asked the same question. And why are we doing a new plan when we haven't begun to start the plan amendment from 2016? We were told it's pushed to the White House. So, if you have a chance, we'd really like to know who in the White House is pushing this and why. Just to put you in the middle of nationwide federal politics there. I can tell you during the Biden administration, when they refused to put up any timber sales, all we heard was it's the White House. The White House is a pretty broad category.

Jeremy Douse: I don't have an answer to that, but I hear what you're saying and if I have communication with that level, I will definitely repeat that. The Commissioner understands your concerns, and I think the Governor's office does as well.

Eric Nichols: Like I said, my concern is that we sign this agreement and then somebody believes there's 300,000 acres available to the timber industry, which is nowhere near what is happening on the ground and how it's going to be implemented. The industry is in a real transition point. We need to know what the next 5 to 10 years look like. It's a mystery out there to us. The midterms coming up will really impact a lot of what happens going forward, but at least somebody can tell us where we're at in the plan and, on paper, what this industry is supposed to look like or what we think the volume is they're going to go. The other thing we continue to see missing in all this is the economics. At what point will whoever from the federal or state side have honest discussions on the economics? As you wander down the stewardship path, there's a few questions we have.

Jeremy Douse: Right. We're taking it a step at a time. I don't know that we have answers on everything. There is an effort to figure out how to get to that point where there is a regular supply of second growth and implementing the plan. There's an effort to identify that volume. It's not an easy thing to accomplish but there's people that are working on it.

2025 Annual Report

2025 Compliance Monitoring – Pat Palkovic, Southeast Forest Practices Forester, DFFP

- Based on a question from last year's meeting, I've included a copy of the field inspection score sheets for the regions. We try to complete a score sheet for every inspection, always trying to score a new area unless there's been new work done to rescore. There is a scoresheet specific to Region I then a scoresheet for Region II/III.
- Something set up several years back is a booklet for how to standardly score the different Best Management Practices (BMPs). This is an example under road maintenance with a description with some parameters. Then you use these radians and conditions to provide a score. Sometimes there's a dilemma when one culvert is totally blocked but everything else is fine, so you need to use judgment sometime.
- Region I:

- 335 BMPs rated. This is less than the past few years, due to short staffing. The scores are consistent, with an average overall score of 4.3.
- On DNR lands, we completed 29 score sheets. On other public and private lands, we completed 10 score sheets.
- Items that scored below 4 is where we spend more time and attention. Operators have been pretty good at addressing any concerns in this process.
- Over the last 5 years, ratings generally seem to be improving. Everybody's talking and understanding what's expected for compliance.
- Region II:
 - 14 BMPs were rated; a little less than last year.
 - 2 scoresheets completed on DNR sales and one on other public and private lands.
 - All BMPs scored were rated 5; very good compliance implementation.
 - Over the last 5 years, scores are improving. There was definitely an improvement this year compared to last year.
- Region III:
 - There is a significant decrease in the number of BMPs rated compared to prior years, and it doesn't match the number of inspections with only 13 score sheets completed. That was a result of a misunderstanding regarding timber sale inspections versus score sheets and how they interrelate. So, for a couple of months, there were no score sheets completed on these inspections. This misunderstanding has been discovered, and the score sheets are now being conducted on every inspection.
 - All BMPs were rated above 4. Going back to the average score sheets or scores for all BMPs, they are good at 4.8.
 - There was an improvement in scores this year compared to prior years.

Denise Herzog: Can you explain what the low petroleum handling score in Region 1 was?

Pat Palkovic: There was some debris left at landing sites that needed to be removed.

Denise Herzog: OK. I know that the FRPA training manuals are included on the website. Do you have anything on the handling of petroleum products in the training modules?

Pat Palkovic: Not that I can recall but I'll double check. Basically, it's don't have any garbage on your site. There are no subtleties. It's a DEC regulation and they get into the finer points. The regulation says with the disposal of a petroleum or other products, "Must be disposed of in accordance with 18 AAC 60," which is a DEC regulation. We don't enforce the DEC regulations, but by the fact that we saw trash, that's not proper disposal of products.

Eric Nichols: Our biggest problem is used grease cartridges.

Brock Tabor: You're correct. When we're talking about 18 AAC 60, those are the solid waste regs. We're going to be looking at disposed grease cartridges and fuel canisters. We're also going to be looking at fueling procedures and best management practices. Making sure

they're not overfilling, watching their fuel disposal, and just fuel containment in general. It's ensuring the operator's site is as clean as possible to operate to the best of their ability.

Bill Morris: Generally, it looks like there were fewer BMPS rated in at least Region I and III. How does that relate to overall numbers of operations inspected?

Pat Palkovic: One thing with the compliance score sheets, you only do each rating once. For example, we go out and inspect landing location and construction once the landing is built and we only do that once. Especially on private and other public lands, there wasn't a lot of additional road building or new harvest areas that counted and a lot of the operations were already rated. That's part of the reason why there are less BMPs rated. For Region I, pretty much all the operations were inspected. For Region III, we had less BMPs rated, but that was partly because of a communication misunderstanding. They did still do all the inspections on their active sales, even though there wasn't a score sheet completed.

Bill Morris: You had mentioned short staffing in Region I, which implies there are BMPs that should have been rated that you were not able to, because you didn't have the staff to do it. If there are personnel issues that are reducing the division's ability to get out and rate what they should, I think that's something that needs to be addressed.

Jeremy Douse: You're not wrong. We've had some recruitment difficulties in Southeast and we're trying to address it now so that we have full staffing down there.

Bill Morris: Ok. Thank you.

DEC Division of Water Annual Agency FRPA Report - Brock Tabor

- The full DEC report is included in the packets distributed to the Board. Brock confirmed that he doesn't have additional information to report from his previous report out at this time. He did a couple of inspections, and it is business as usual.

ADF&G Division of Habitat Annual Agency FRPA Report – Mark Minillo

- The full ADF&G report is included in the packets distributed to the Board.
- The habitat section reviewed all forest practices DPOs, renewals, etc. received from Forestry. The numbers we reviewed are much lower than previous years, with most of the work being in Southeast, which is typical.
- Only seven Detailed Plans of Operation in Southeast, and only a couple in the Southcentral and Northern regions.
- Southeast Region continued to do stream surveys and adding streams to the anadromous waters catalog.
- We had quite a bit of work on state land, as far as new sales that we reviewed, and conducted a few inspections on the ground looking at anadromous streams.
- Overall, our forest practices workload was quite low. There were a lot of renewals in areas that were already reviewed, which has a lot to do with it.

DNR Division of Forestry & Fire Protection Annual Agency FRPA Report – Jeremy Douse

- The full DNR/DFFP report is included in the packet distributed to the Board.

- The Governor's FY27 proposed budget is pretty much level from last year. We did get an addition in FY23 of a Northern Region FRPA Forester, an engineer position to help work on roads and bridges, and an equipment operator in the Northern Region that will help keep the roads on state land maintained and compliant with FRPA.
- In CY 25, we received eight new DPOs for commercial timber harvest, six new reforestation and slash timber stand improvement DPOs, and 30 renewals on private and other public lands.
- The division sold 29 individual sales representing 27.1 million board feet in 2025.
- Over the past 10 years, the division sold 173 million board feet of timber.
- In 2025, we received a \$3.5 million Capital Improvement Project (CIP) for silvicultural treatments. \$2 million is for reforestation in Regions II and III, and in the northern part of Region I. \$1.5 million is for precommercial thinning in Region I.
- In 2025 the division managed 16 active fuel breaks, completed eight fuel breaks, and planned more than 20 additional fuel breaks. A lot of that was implemented through a CIP that we got about five years ago from the state that we could use to help leverage federal dollars to getting fuel projects done. We also worked with local governments to set up 12 woody debris disposal sites to provide a place for private land owners to bring slash and woody material so that they don't have to burn it.
- House Bill 218 / Senate Bill 188 is legislation to expand Tanana Valley State Forest.
- New partnerships - One partner we're currently working with is DOD, setting up a Sentinel Landscape in Interior Alaska. That proposal just went forward in January; we expect to hear back in late spring or early summer. This is an opportunity to partner with the Department of Defense on doing things like more fuels breaks and land management activities, particularly on state land that surrounds military land.
- We're working with the Forest Service on several fronts. One is the Forest Inventory Analysis in Interior Alaska through a Joint Venture Agreement. We have a Challenge Cost Share Agreement, continuing to work on young-growth projects. Past funding was for inventorying young-growth stands and projecting when they would be ready.
- Working with the Tongass Collaborative, informing the plan revision on the Tongass.
- We continue to work with the Alaska All Land Owners Group to expand collaboration in forestry training opportunities, building capacity particularly in Southeast.
- We are building up a Good Neighbor Authority (GNA) program within the state. GNA is something that the Forest Service and BLM can engage in with state agencies, tribes, and local municipalities. We completed one project on Kosciusko Island and have one active project, Vallendar, on Gravina Island. We just signed an agreement on Thomas Bay and are working on additional agreements and projects in southern Southeast. We're looking for additional GNA opportunities around fuels and fire mitigation on the Chugach. We also have GNA agreements with the BLM, one near Delta Junction on the Delta River West fuel project, and are also about to engage on another GNA project with BLM around the community of Central for fire mitigation.
- On the CIP for reforestation and precommercial thinning (PCT) in Southeast, in 2025 we surveyed approximately 610 acres for reforestation where we will focus work. We intend on increasing the pace and scale of our reforestation effort. Historically, that's been about 40,000 seedlings every two years. Most of that has been focused

in the Fairbanks and Delta areas. Then Southern Southeast completed 211 acres of precommercial thinning near Kaufman Cove and 304 acres near Naukati.

Eric Nichols: On your PCT work, what is your criteria for species selection?

Greg Palmieri: Typically, specifications prioritize our highest value commercial species, which is Sitka spruce and secondarily western hemlock. Depending on which region of the state we're working in, those priorities can change.

Eric Nichols: In Southern Southeast, we've got two other species, yellow and red cedar.

Greg Palmieri: Yes, depending on the stand we're working in, those would be prioritized.

Mike Cooney: I can talk about leave tree or crop tree selection. Greg is correct. I worked on the contract for the thinning project at Kaufman Cove and that contract allowed a variance of the spacing—to shorten the spacing to preserve either red or yellow cedar. So those trees were prioritized. Generally, we're looking to retain trees as crop trees that are healthy, exhibit good form, and can be productive going forward.

Eric Nichols: What my concern is as we harvested some of this young growth, going back to Kosciusko, the stand we did a final harvest on was about 88% spruce on a volume basis. When the Forest Service was doing PCT at that time, they were trying to grow pulpwood. Nowadays, they don't prioritize the spruce for growth and try to keep the same percentage of species that was there originally. As time goes on and we get into those stands, instead of being 30,000 to 35,000 per acre, we're going to see it in the lower 20,000 per acre because we've retained so much hemlock. I was curious how the state criteria compared.

Mike Cooney: Yeah, the state is prioritizing cedar and spruce over hemlock.

Eric Nichols: It makes a huge difference in final harvest.

(Continued) DNR, DFFP Annual Agency FRPA Report – Jeremy Douse

- Forest planning – We completed the Tanana Valley State Forest management plan update and are working on the Haines State Forest Resource Management Area plan. That was initiated in May 2024, we are still in the scoping period, and we're expecting public review and draft amendment will tentatively occur in spring of this year. We're also working through a revision process on the Susitna Forestry Guidelines, published in 1991.
- In addition to FRPA implementation, our tasks for 2025 included: increasing timber supply and long-term timber sales—we're up to six .118 sales in the Fairbanks Area and one in the Tok Area; continuing to implement the timber bridge program in Southeast until other landowners have a supply they can make available; the Shared Stewardship Agreement we're working towards; Good Neighbor Authority is a priority; working to expand forest inventory which is reflected through the CIP project; and to recruit, train, and retain staff in the division. Fill vacancies and make sure that we have the capacity to do what the division needs to do.
- In terms of supporting the Fire Program, we are working to get all our resource foresters trained up as Resource Advisors (READs) for fire support.

Eric Nichols: How was fire this year compared to prior years, Jeremy?

Jeremy Douse: Just looking at acreage, just over 1,000,000 acres, it's considered an average year. That's not a really a great way to measure the fire season. It's where they land that is important. We had fires, as we often do, in the Anderson area, and that there was some significant impact to private property. We had a fire north of Fairbanks, also in the wildland-urban interface, with a significant impact there as well. We also had fire on the Nenana Ridge within the state forest that mostly burned in non-merchantable black spruce, like you would expect, but it did affect some commercial stands that we were able to put up for salvage. It was a busy season. We had a significant effort importing firefighters and teams from the lower 48. It was a busy summer.

Eric Nichols: Did your crew travel south at all?

Jeremy Douse: Yes, they always do towards the end of the year. I know they went to Oregon, California, Montana. We even got a letter from the Oregon State Forester thanking Alaska for sending firefighters down there to help.

Forest Management

Mental Health Trust - Jeff Hermanns

- Setting up a small 16-acre timber sale in Wrangell within a month or two and we still have the Gustavus sale for local lumber. They're figuring out markets for that spruce.
- Will set up salvage sales in Prince of Wales where Viking was in several of the units. There's been strong interest in firewood and salvage sales where Viking logged.
- The Viking Naukati old-growth sale for 100 mbf will be done this year. There's less than 1 million feet left to log and about 5 different units with wood to clean up.
- They are going to operate Naukati young growth this year. A 20 million board foot sale in young growth. They plan to do 5 or 6 million feet. They don't expect to make any money, it's going break even, but they think it's something they still want to do.
- We keep slowly plugging along on our Shelter Cove timber sale. Markets are really turbulent, to say the least. We don't know how much is left in that sale. A significant portion of the sale is the China sort. It's anybody's guess whether we're going to be able to export logs into that market or not, but we harvested about 10 million feet so far and might have a year or two left in that. It just depends on the markets.
- There is a little timber sale at Whipple Creek, right in Ketchikan. We're still trying to figure out a place to take wood in Ketchikan—taking it across to Gravina is difficult. We're trying to work with the Ward Cove Group, where they bring all the tourists in, but it's a difficult combination when you're trying to ship logs in the midst of tourists. It's something to get your head wrapped around—that's the old mill site that used to bring in 200 million feet a year and now we can't even get 100,000 feet through there.
- We are putting up a timber sale in Seward for Josh Leatherman. It's a project I've been working with the Kenai Peninsula Borough on. They completed a purchase of a property that enabled us to get access to both of our lands. Hoping to get Josh started soon. I believe it was originally harvested for railroad ties over 100 years ago. Most people don't understand that it's a second-growth stand; it has some

characteristics of an old-growth stand. That's the kind of stand that maybe we'll look forward to someday in the Tongass.

- In Fairbanks there is a little timber sale to finish and checking if he's interested in doing a Part B. Then the Tok school's still plugging along on their fuels project.

Nathan Lojewski: I'm curious about the salvage you talked about on old timber sales. What are they salvaging, or what's going on there?

Jeff Hermanns: Prince of Wales has cedar shake mills. They go into landings and find red cedar. That market is so substantial that even if you get just a few feet of material, they're able to saw and market it. Some even find chunks for music wood. The firewood market in Prince of Wales is pretty hot. People are coming from Thorne Bay and all over the island to that sale at Naukati to harvest firewood. Between the price of propane fuel and electricity, even though they have hydro, it's very expensive.

Good Neighbor Authority Sales: Mike Cooney, DNR/DFFP

- Good Neighbor Authority Supplemental Project Agreements are in board packets.
- Jeremy went over the GNA items earlier, so I'll share an update on what we have in the planning process.
- El Cap North - We're focusing that on the north of Prince of Wales Island. Our goal is to get out a timber sale this year before field season ends. We've identified a unit pool for that sale. We have a meeting scheduled tomorrow to discuss the strategy we'll need to use to NEPA clear those units.
- We're in discussions again about the potential for a GNA project at South Revilla now that the draft final Environmental Impact Statement and Record of Decision are out. We're currently in the 45-day objection period.
- We're close to having Forest Service authorization across National Forest System lands on Heceta Island to access a couple parcels of state timber. We'll be planning a GNA timber sale out there also.
- I'm excited about the potential for being able to hire another permanent GNA forester. That will double our program capacity at the division.

Eric Nichols: On Thomas Bay, how much volume of the state's timber is going to be added with Forest Service timber, since they've already sold 4 million feet out of a very small cut level to begin with?

Mike Cooney: Right now, the federal volume included in that SPA is almost 10 million. We estimate there's about four million of young growth the state could add and maybe another million or so of old growth. But that old growth is located on the east side of the Patterson River, so I've been working with Greg Palmeri and Greg Staunton to figure out a logging plan and road access across the river. We haven't concluded on anything to access that yet.

Eric Nichols: When Thomas Bay first came up, they were not going to allow any logs in the water due to whales, and I've heard they've changed that position. Is that a permanent change, or are we going to run into that every sale they have now with water transportation?

Mike Cooney: I don't know. Dan O'leary (Forest Service) might be able to speak to that.

Eric Nichols: I'm just curious why the change. They do these things where economics become a big issue. And all the user groups in Thomas Bay- that will become an issue. You got the South Revilla project out. Are they going to split out Shelter Cove versus Shoal Cove? That's supposed to be over the next 15 years. Do you have any idea what you're thinking in 26 or 27?

Mike Cooney: We're still having those discussions, but I think implementation on South Revilla will be a phased approach. It may include a helicopter component. We're probably interested in getting out some volume in that time frame and then more to follow later.

Eric Nichols: That helicopter is going to be economically challenging, especially if there's not any other helicopter work in Southeast to go along with it.

Mike Cooney: That may be. AFA expressed some interest in a helicopter operating there, but recognizes getting a ship in Alaska would probably require at least 6 million board feet.

Eric Nichols: It's more than that, it's an ongoing program. The owner of that helicopter is not going to come up repeatedly once every five years, or something like that. They're looking for a program that'll work economically and have some longevity to it.

Mike Cooney: Yeah, I understand. I should have said 6 million for one season at least, and then hopefully continue that going forward.

Jeremy Douse: Eric, you may know you may know the answer to this. That helicopter is coming up for a variety of different projects throughout Alaska. Isn't that correct?

Eric Nichols: They came up last year for a project up north and was catching timber on the way back, but they ran out of time because of a delay getting down there. All this revolves around borrowing the helicopter based upon somebody else needing it in Alaska. The problem is it's kind of hit and miss and hard to schedule. They are willing invest to convert a helicopter to logging, but they need assurance there is enough volume to justify it.

Nathan Lojewski: Is the position for GNA being funded by the Forest Service, or coming out of timber sale receipts? You said it wasn't coming out of state budget.

Jeremy Douse: It's coming out of federal receipts that we receive from the Forest Service.

Regional Forester Update: Coastal – Greg Palmieri, DNR/DFFP

- I was hired for this position in November, but I've worked with the division since 1995. I started my career in forestry in 1989 on the Kenai and then to the Tongass for about 5 years until I became a forester in Haines. I've been working here ever since helping manage the Haines State Forest.
- Southeast State Forest:
 - o Southeast State Forest office sold 6.3 million board feet of timber on 188 acres over the last quarter and issued three Forest Land Use Plans and one Best Interest Finding on four additional sale projects.

- Second-growth management work was completed on 296 acres this year. They've continued work on projects in Kaufman Cove and in Heceta that we hope to get out before the end of the fiscal year.
- Kenai-Kodiak Area:
 - Kenai Area staff completed the Five-Year Forest Schedule. Following the review, we'll adopt that schedule and proceed with offering small timber sales to the local operators in the region.
 - We're currently working on a 50-acre sale in the Seward area for the spring.
 - Discussion of a possible state forest in the Kenai Area generated tremendous public interest and required significant work from area staff to prepare public meetings and collaborate with the local government to facilitate a conversation on whether or not a state forest is a possibility in that area.
- Mat-Su Area:
 - Some 150 acres of active harvest activities is expected in the spring to mostly local fuel wood operators.
 - Various staff are developing techniques to integrate new technologies into resource staff project work to improve efficiency with digital imaging products and high-level accuracy, helping the division keep pace with these workforce changes.
 - The area began work to update the Susitna Forestry Guidelines. This is a significant effort. We're creating a new forest management plan for the lands classified forestry in the DNR area plans.
- Haines State Forest:
 - Work continues on the revision of the Haines State Forest management plan. This work began in fall of 2023 following the adoption of the regulations around carbon offsets by the Legislature. In late 2024, in an effort to support resource access across the state forest, the division proposed the expansion of forest management options, including timber harvest, to over 30,000 additional acres of state forest lands that were removed from harvest management in the 1986 management plan policy. This proposal allows for comprehensive forest management policy to be developed for some 75,000 acres of commercial forest across the Haines State Forest Resource Management Area, designated for such use in establishing statutes.

Eric Nichols: On the Baby Brown sale, there's a couple of market issues that have come up. We've got a 10% tariff now in China that we didn't have before. Then, the Crofton pulp mill in Vancouver Island just announced they're closing by end of February. It's going to have a significant impact on lower quality wood. How's that going to impact Baby Brown?

Greg Palmieri: These challenges are going to impact every sale similarly. The details of how this contractor will work out their market challenges haven't been passed on to me. They knew that this was an issue from the beginning and they faced the challenge, just like all the industry has. Mobilizing to start a project is also a huge challenge. We're trying to stay constructive with them and support them in their efforts to execute the sale. I'm looking

forward to having conversations with them about their market details. They're still motivated to move forward and we anticipate that sale being executed in the coming year.

Eric Nichols: I think that one's going to be a real challenge with what we're seeing. The low quality, small diameter and defective wood. It's going to be a real issue for all of us here.

Greg Palmieri: I think it is a challenge, and it's evolving, and hopefully they can find a market that allows them to execute the sale.

Nathan Lojewski: Regarding the Kenai State Forest meetings. Was the public in support? Was it contentious opposition? How do you think that was received?

Jeremy Douse: There was some confusion in the beginning about a map that got out. Much earlier than the public meeting process, the division was looking at all forest classified lands or where historical forest management activities occurred on the Kenai as an initial rundown. One area is the Caribou Hills, which has significant recreational and cabin use. In an effort to get a map out to some of the legislators on the Kenai, the map that was sent included that parcel, which was a mistake—we knew that would not be included in a state forest. That created a lot of interest in this. There was a lot of opposition to Caribou Hills being included in a state forest and there continues to be a lot of opposition. However, most of the comments are summarized as no support for a state forest in the Caribou Hills area, but they do want to see more forest management activity on the Kenai. They want to see restoration work that needs to happen, that has been identified by the All Hands All Lands Group. Now that we've had those public meetings and communicated the Caribou Hills are completely out, there is more interest in continuing the conversation. Particularly, there's a local snow machine group called the Snowmads that changed their interest. Initially, it was absolutely not. Now, they want to talk more about what a state forest could look like and where it might exist. It's obviously not something that would happen this legislative session. We need to develop a more solid plan to propose, but they want to continue the conversation.

Greg Palmieri: I would add that this was a very preliminary conversation on the concept. It's challenging to communicate our mission with the public on many different levels, but this one in particular was the first time the subject was brought up to the public in that area. We're working through our communication strategy, but my take away was that once the information was provided to individuals and they had an opportunity to contemplate the difference between managing forestry resources on general lands with the potential to manage forestry resources on state forest designated lands, they were much more receptive to the concept. As Jeremy pointed out, there was controversy surrounding one area. It's just a repercussion of this type of project, where we have communication with the public and the challenges that we face using the tools that are available to us. That's just part of that process. It wasn't anything I felt was unexpected. It's a new concept and there's a lot of information to give the public understanding to comment meaningfully.

Keith Coulter: When I reviewed the Kenai State Forest materials, I didn't see anything about carbon. I assume that the carbon potential of that state forest, if it were to happen, was

cloaked under more ambiguous language. It seems like it should have been in the forefront if you're starting a state forest and half of it gets put in carbon. Anyone expecting products might be wondering what just happened. I don't know if there's any clarification that can be made. Also, the other areas in the state that were gung-ho for carbon have gone a little bit quiet in terms of what their status is. I hope that if you're going to talk about a state forest going in somewhere, that you know the carbon stuff needs to get sorted out. I don't think you can lump that in with precommercial thinning, etc., because it's going to redirect land use. One of the underpinnings of carbon is to stop harvesting in everything I've read. So, if we're not talking about carbon today, there's several of us still watching that happen.

Jeremy Douse: That's a good point. There are a couple things I want to talk about, because carbon was a lot of the mistrust of the proposal from folks on the Kenai. There was a belief that this was really an effort to do a carbon project. I think everybody understands this, a carbon project can already happen on state land, whether it's a state forest or not. If it's a legislatively designated state forest for timber production under 41.17, it has to be included in the management plan. If it's just general use lands, a carbon project can exist there. We'll get Trevor to present on carbon next meeting. There are different types of carbon projects. IFM, improved forest management, does defer harvest to some future date. In my very loose understanding of what carbon markets are, I don't think that is super feasible in Alaska right now. Then there are reforestation carbon projects, which I don't know much about, but that can also happen on state land. Carbon had nothing to do with this proposal. What is interesting, I think it's a bit of a hang up in the statute that we have to follow for proposing a new state forest. Before anything can even go to the legislature, we have to do these public meetings. We must have a communication with the public, asking what is the support for a state forest in this area? Then, of course, the public is going to immediately say, where exactly are you thinking a state forest needs to go? But we need to do this process before a proposal exists. It's kind of a challenging process that we have to follow to be able to even get to the point where the administration can then submit a proposal to the legislature. It is the process that we have, and as clunky as it is, it does start the conversation. If nothing else, that's what we did on the Kenai. People are thinking about what a state forest could look like. And the idea that there's abundant opportunities for timber harvest on the Kenai, I think, is a fallacy. Initially, if we did have a state forest on the Kenai, what would happen is a bunch of restoration work to reestablish a canopy.

Regional Forester Update: Northern – Kevin Meany, DNR/DFFP

- Fairbanks-Delta Area:
 - o Quite a few timber sales went out to auction in 2025. 41 new contracts for timber sales signed, for about 1,200 acres of forest land.
 - o We offered a mix of sales in the three different auctions, with sawlogs, fuel wood, and salvage from the Pogo Road Fire and Nenana Ridge Complex. The trend for small-scale sales is strong, trying to get more smaller sales out.
 - o Three .118 sales are on the books for the Fairbanks-Delta Area. Those are longer term negotiated sales. With Jack Frost Log Works, Alaska Birch Works, and then the Evergreen/Bond Brothers. We got a request from Northland Wood Products for a .118 sale. We'll be meeting with them soon with some

potential harvest areas and project work—looking at areas off of Standard East Road and Pete Simpson Memorial Road to start. Both will have road work associated with them.

- Completed a Five-Year Master Agreement with Future Forests, LLC. for a call-when-needed planting services contract. In 2025, we planted 100 acres roughly with 40,000 seedlings in the Pogo Fire scar area.
- The Pete Simpson Memorial Road final plat was submitted to the borough for approval. This has been a process since 2011 from the Hastings Fire, trying to get legal access into subunit 4A of the state forest.
- Kevin reviewed a list of sales from three recent auctions held in Fairbanks and Delta. They sold five out of eight offerings in Fairbanks on October 3 that were smaller sales, mostly purchased by small home mills. The Delta Junction auction was in September that consisted of more small sales but also had a large fire salvage sale that went to Joe Chapman of Granite Mountain Logging and Milling. Nine out of 11 offerings sold in Delta. The third auction in Fairbanks was in December. They sold 14 of 28 offerings. They made 50% available over the counter with a mix of acreage.
- Tok & Copper River Areas:
 - Joe Young still working under the long-term negotiated sale.
 - Young's Timber purchased a timber pro with a waratah processing unit, increasing their production capabilities. We're moving forward with another 80 acres within the Clearwater drainage in the upcoming season.
 - 77 acres of regeneration surveys completed in four units along the Tok River. All units surveyed were meeting the reforestation standard.
 - Copper River – Forester Dub has been working on fuel wood sales for locals.
 - Tolsona Benches timber sale is a re-offer of an old harvest that was never completed. 90 acres of spruce. It's not a lot and not that big, but for fuel wood it's good, mixed component of dead and live material.
 - Dub is still working with someone out of McCarthy to get more timber laid out.
- In August, I shared that we still had a vacancy in our statewide inventory Forester position. That has since been filled and H  l  ne will give the forest inventory update.

Forest Inventory: H  l  ne Genet DNR/DFFP

- A little bit on my background. My cultural heritage is French. I have a background in forest engineering and did my PhD on forest dieback in Western Europe, followed by 15 years of experience working at the University of Alaska Fairbanks to study boreal and Arctic system dynamics in response to climate and disturbances. I developed modeling forest dynamics, in terms of changes in carbon stocks, vegetation compositions, and soil characteristics. I started the position in November.
- My team is composed of a project coordinator, two shift coordinators, a resource forester, and then a seasonal crew.
- We are managing three main projects. The Forest Inventory and Analysis (FIA), the Cooperative Alaska Forest Inventory (CAFI), and the Evaluation Monitoring Program.

- FIA is part of a nationwide inventory effort led by the Forest Service. A Joint Venture Agreement has been created to conduct on the ground inventory across about 3,400 plots. Efforts started in 2014. We have completed about 1,900 plots. 195 were newly established in 2025 with 12 crew leads and crew members and four hubs were identified to conduct those inventories- St. Mary's, Flats, McGrath, and Lake Minchumina. In addition to the actual inventory, a huge effort of FIA is the training program. Most of the plots are accessible only by plane or by boat, so safety is a big issue and theme of the training program, in addition to inventory protocol training.
- CAFI is a collaboration with UAF and the longest running forest inventory program for Alaska. It was initiated as part of the growth and yield program at UAF in 1994 and stopped for lack of resources in 2005. In 2020, it was revived and taken over by DFFP. Some change accompanied that, where we revisit the plots every 10 years, instead of the original five years. This is to characterize how forest in Interior and the south of Alaska change over time. In 2025, we inventoried 27 plots.
- The Evaluation Monitoring Program goal is to develop a new methodology for early detection of forest health issues using both reinventory, so people on the ground characterizing forest health, coupled with airborne remote sensing data that can characterize every tree crown. The ground truth with remote sensing data could help design proxies for tree mortality or the occurrence of stresses in the canopy.
- Our ongoing projects with FIA, CAFI, EMP will continue. The season training schedule has been finalized. Plot ID and contracting are being finalized. We are behind in hiring because of the waivers. I'm personally looking forward to maintain and develop new collaborations with the Forest Service, UAF, and other orgs like the Bonanza Creek Long Term Ecological Research Program.

Eric Nichols: Kevin, you said 40,000 seedlings were planted on 100 acres. That's 4,000 seedling per acre. Is that what you are planting at that kind of level?

Jeremy Douse: No. I thought we had 40,000 seedlings total. Depending on natural regen, we're shooting for between 360 seedlings, a box of seedings, an acre. Our FRPA standards should be at 450 seven years post-harvest. We're relying on natural regen for some.

USDA Forest Service Update: Jerry Ingersoll and Dan O'Leary, USFS

- We are moving rapidly to increase pace and scale of active management activities on the Tongass and Chugach National Forests. A key part of that on the Tongass National Forest is taking environmental documents started several years ago but not completed and put aside in the previous administration, bringing those back to the forefront and completing them rapidly so we can offer timber to sustain the industry's needs.
- Major projects updates: The South Revilla project has the draft record of decision published and we're currently in the objections process. The Twin Mountain II project expected to release a draft environmental impact statement this spring. The Wrangell EIS and record of decision is a project that we've sold some timber off of in the past, but City and Borough of Wrangell asked us to re-look at that project in light of changing economics. We're preparing a supplemental information report as a

prelude to a new record of decision that we hope will make some additional volume available in some additional units. On Prince of Wales Island, we've got a slew of small projects and categorical exclusions, and we're working in partnership with industry to identify opportunities for projects that can be made available soon which don't require as long and detailed environmental analysis.

- We can't do this alone and appreciate the strong partnership with the Alaska Division of Forestry. We are in the final stages of a new Shared Stewardship Agreement between the Forest Service and State of Alaska.
- Want to sustain our industry, identify opportunities for growth, and expand use of Good Neighbor Authority. We're implementing Thomas Bay right now as a GNA project. We've got opportunities to use the best resources in the state along with the best federal resources of the Forest Service.
- The Tongass National Forest is preparing to publish a notice of intent to revise the forest plan. We're currently operating under a forest plan that was amended in 2016, but the underlying forest plan is from 2000 or 1999. There's a lot in that forest plan that can be updated to respond to changes in Southeast Alaska communities, economy, and forests.
- We are analyzing a proposal to rescind the Roadless Rule nationwide. Our proposal is to rescind the Roadless Rule; a draft EIS is expected in the coming months.
- Looking at volume, if you add up South Revilla and Twin Mountain II projects, that's over 100 million board feet of timber that would be cleared in environmental analysis and decisions within the next year. That wouldn't be sold in one project. It would be available over the following years, but is a significant volume to be made available that we've frankly not had in quite a number of years on the Tongass.
- Planned Fiscal Year 2026 sales would be up to 29 million board feet and planned 2027 sales cumulatively of up to 47 million board feet. Both of those a significant increase over what we've been able to sell in the last several years.

Eric Nichols: You have 100 million going to be cleared environmentally. My understanding is South Revilla will be over 15 years. Have you thought to put that out in two sales, to try and bridge the next administration over? With what happened under the Biden administration, we've got to get volume on the books if we're going to survive it all. Any one area in 5 or 10 million a year just isn't going to cut it. Viking is through their 100 million feet with the Mental Health Trust, and no one is sitting on very large volumes anymore here.

Jerry Ingersoll: Totally interested in making as much volume available for all purchasers as we can. I would expect Twin Mountain II on Prince of Wales to be attractive to Viking. South Revilla on Revilla Island might present more logistical challenges. We'll be glad to work with industry and the state to package sales in ways that are economically affordable.

Eric Nichols: What we learned in the last administration is that if you don't have volume under contract, you have no monetary damages to whatever the Forest Service does. We can't go through another administration like what happened in the Biden administration if the industry is going to survive. Another thing you didn't touch on, what does the final reorganization look like in the Tongass?

Jerry Ingersoll: The Department of Agriculture hasn't announced the final reorganization for USDA. We don't know what the implications will be for employees or organizations here in Alaska. The proposed reorganization announced last July would change the overall structure of the Forest Service to combine work that's done in our regional headquarters with work that's done in our national headquarters. That would change the role of this position in this regional headquarters. But we're awaiting the administration's decision.

Eric Nichols: One last question, which I've asked before. You're operating under the 2016 plan. At what point are we operating on that? That was a sliding scale changing from old to young growth. Are there any targets for those two designations? Is there any official position that the Forest Service wants to take in where we are in that 2016 plan today?

Jerry Ingersoll: We're proposing to offer a significant volume of old growth over the next couple of years. Twin Mountain II is an all old-growth project. South Revilla is 60 million feet of old growth out of 83 million total. We're aware that we did not sell significant volume, more than 3 or 4 million board feet, for the last several years. We're prepared to increase that substantially, including some significant volumes of old growth. We're publishing a notice of intent to revise the forest plan as well.

Keith Coulter: I'd like to thank you for putting your best foot forward on this and what you're discussing. It wasn't that many months ago that the best thing a Forest Service representative could come up with is talking about the capital Christmas tree project. This certainly is a change for the better. What is the Forest Service's intentions to scale up the industry, where we can start making reasonable investment decisions on maintaining logging infrastructure? There's not that much left to lose. I hear these numbers of 100 million feet, and that might sound like a lot to the lay public, but there's logging companies in Oregon that do 80 million feet a year. Just one company. Until those numbers get to be a half billion feet or a billion feet, I don't know how you're going to attract investment in the forest product sector in Alaska and maintain the mills. It seems like whatever is being developed are these boutique industry things where they're chasing the last couple vestiges of forest products work in Southeast. If you're going to grow the sector, that volume has to be there, predictable, and reliable. We can't have it pulled out from under us when an administration changes. I know these are impossible questions. I don't know who's coming in behind me, behind Eric, behind Viking. A lot of those reasons are that there's no way to invest in that sector where you won't lose your shirt. It's an issue of scaling up, and scaling up at levels that are useful to a larger sector. I don't know if you can expand on this. Thank you, at least, for bringing some positive energy into this discussion because it's been pretty flat for a while now.

Jerry Ingersoll: Our highest priority in the short to medium term is sustaining the industry we've got. There's no question that addressing the wall of wood in young growth coming online over the next decade and more is going to require making a sustainable supply available for investment in second growth mills. I look forward to having that conversation as we work hard right now to sustain the industry we've got, so that we have room for expansion. I will say that the suitable timberland on the Tongass designated in the forest plan is just over half a million acres. Even if the Roadless Rule is eliminated, it rises to three

quarters or 1 million acres. That's not the landscape that was in play back under the 50-year contracts. I'm not sure if that 700,000 acres or so of suitable timberland would sustain some of the higher numbers you just quoted.

Eric Nichols: The probability of having a second growth mill that's financially feasible in the Tongass is low. Everybody's got to put their cards on the table here. We know what you have for volume out there. The industry has come up with an idea to really manage for old growth and change to a 250-year rotation. Is there any chance of having those discussions if you're going to do a new plan here? We have to do something that maintains the competitiveness around the world. Trying to compete with 35-year-old wood or New Zealand 28-year or southern yellow pine at 18- to 22-years old, we're not going to do it. So why don't we sit down and have some honest discussions of what we can do? That, I guess, is a challenge not only for the industry, but for this administration of the Forest Service. Have some honest discussions of what may work in a global competitive environment that the forest products find themselves in here.

Jerry Ingersoll: We're currently governed by the existing Tongass Land Management Plan, and our commitment is to implement the plan and deliver on the PSQ in the plan. The opportunity in announcing a forest plan revision is to have conversations with the public, partners, and the state about any changes folks are interested in. Until we've got the forest plan revision done, we do have an obligation to follow the plan that we've got.

Eric Nichols: You didn't do it in the last administration. Why is there obligation under this one?

Jerry Ingersoll: There's a there is a textbook answer to that-

Eric Nichols: That's fine. You don't have to answer that question. But don't tell me we've got to do it this way now, when you didn't do it for the last four years. It's just not an honest answer. The Forest Service ends up doing what they want. Or the White House. Or the politicians. Whoever it is. We're trying to put together something that may actually work environmentally in the long term, and get out of some of this litigation, and actually have an industry that may be plausible here.

Jerry Ingersoll: I understand. Let me give you a straight up honest answer. The forest plan does not promise or commit to any volume of timber. It gives us sideboards and says what the standards and guidelines are that constrain our ability to provide timber. The textbook answer is that we've been in compliance with the plan, and that's an honest answer. Now, you and I both know that our priorities change. We work as members of the executive branch of the government of the United States and our priorities change depending on who the chief executive is. So, we are implementing the priorities of this administration.

Eric Nichols: As Keith said, there needs to be some consistency within the supply to garner any kind of long-term capital investment. If that's the Forest Service's textbook answer, then it makes it very difficult to make those decisions.

Jeremy Douse: Not hearing other questions or comments from board members. Jerry, I appreciate you calling in and look forward to continuing to work with the Forest Service on GNA projects and finding opportunities for industry.

Jerry Ingersoll: Thank you. I think the partnership is strong, the ability to work together is strong and look forward to delivering on some significant projects.

Southeast Conference Update - Robert Venables

- Sharing appreciation for the State of Alaska, the DNR, Division of Forestry for the way they've been able to hold together the shreds of the industry in so many different ways. It can't be overstated.
- Our organization works on all economic sectors. We work on whatever it takes to create strong economies with the resources we have at hand so that there can be some sort of sustainability and something to depend on while making sure the environment we work in is good and healthy.
- Our core competency is planning and facilitation. We put together data sets that the region's business community and policymakers can rely on.
- The products we work on fall within priorities that get set by the region. We start with a business climate survey; over 400 businesses in the region participate. The survey led to 46 priorities, with some top priorities within those sectors.
- In the natural resources sector the glaringly obvious need is simply securing an adequate and economic timber supply. We're really focused on that. We appreciate what the division's been able to assist with on that.
- Any solution that is going to be durable must have some level of consensus. We have 17 active partners and work across the state, putting together strategies and helping to facilitate and plan projects that are biomass related. We reach outside our district and work on statewide issues with community projects that need support, like the Nenana biomass and Mentasta heizomat boiler.
- Biomass. We've worked to put together operator training to make sure these systems are running optimally and help increase workforce capacity.
- Southeast Conference Pellet Project. A small, discrete project that's got a containerized unit. One of the fatal flaws of previous efforts have been scale and transportation. Trying to find something that can utilize local resources, be part of this placement of local oil imports, and right size the equipment. This one will produce 3,000 to 5,000 tons per year of product. Workforce Development - We're working with Generations Southeast in Klawock on Prince of Wales Island. This pellet mill will be an instant classroom for construction, operations, and maintenance and integrates well in the small mill operations across the island. We're looking for processing waste that can feed into the pellet mill and then lower heating costs for that center, plus a housing center they're looking to construct.
- Craig High School - We're working to convert this to biomass use as well as the city of Saxman. Technical partners are Deerstone Consulting and BDO Zone.
- Looking at Prince of Wales as a BDO Zone- A Bioeconomic Diversity Opportunity Zone. These economic opportunity zones have different tax advantages, etc. This one allowed us to do a case study on Prince of Wales and surrounding area. This is

something that's internationally recognized. Most of these certifications have been used to develop business cases and, in our case, it points to the lack. The study area looked at a small cluster of sawmills, and integrating with niche markets they can develop that have higher value. Then, we're able to use that waste material, because the economics of forestry are very poor, especially in Southeast, so we have to monetize every bit of what we take out of the forest. Some of the risk categories are suppliers, competitors, supply chains, feedstock scale-up, infrastructure. It's a very holistic assessment.

- The assessment of POW available biomass- we did not make investment grade. This is probably no surprise to any of you. There is plenty available biomass, but the other risk factors are big issues. Transportation is a big issue and policy issues. What was considered high-risk category is, from a national perspective, competing in the markets we have to with Tongass biomass and wood products.
- Tongass Collaborative is a group of technical, industry, and community leaders. Different perspectives from municipal, tribal governments, NGO's and businesses. The TTC focus is where community economic, forest, and habitat health overlap. We're embracing policy management and operational recommendations that check all three. Really hoping to influence the forest plan revision that goes forward. We're grateful to have the State of Alaska participating in the group. We appreciate their staff and the commitment they've got to continue the industry—which hangs on by a thread. The Tongass Collaborative is looking at the forest holistically and all the different sectors having value. We're advocating for looking at a long year, multi-generational approach in managing the forest and recognize other economic sectors that have value. One of my hopes is to do an economic analysis of the Tongass and understand what the status is, the opportunities, and then the barriers to achieve those opportunities in a long-lasting way. Understanding there has not been active management on the majority of the forest and everything has suffered because of that. We're not pointing fingers, but pointing to recommendations that we hope will change that paradigm and recommend some management activities.
- One suggestion that came out is, how can we help pull resources together in a cooperative fashion, so small mills can get some economy of scale, supply chain relief, and cost-cutting opportunities? This idea of a forestry campus is one in development. There might be a way to help the industry as they're out in the woods, to help the supply chain to the smaller mills. Then, perhaps have some shared equipment, so each mill would not have to own individually, as they try to make more sustainable model for the generations ahead.

Nathan Lojewski: Where are you at on the pellet mill? We toured the site about a year ago.

Robert Venables: The pellet mill is constructed and will be ready to ship up in the next few weeks. We pivoted the project. We thought that because of the pellet boiler at the Ketchikan airport needing supply, the best location to put it was there on Gravina, with activities going on from the forest, but that's all green wood. So, the dryer is a cost sinker that does not pencil out at all. We've pivoted and are moving the project to Prince of Wales and will partner with the vocational & technical center. It puts us in proximity to small mills

that are kiln drying lumber and have a waste product that isn't 12 to 14% moisture range, which is perfect for pellets. We'll be constructing this spring.

Jeremy Douse: The state has a wood innovation grant to stand up a wood utilization team. We're looking to the Wood Development Task Group to potentially do something together. Do you have an update on what's going on with that task group?

Robert Venables: They continue to do project reviews. There's a couple of projects we're supporting. I'm not as familiar with the one in Tok but I've been on site with Craig High School. They also need to replace the boiler at the elementary pool. We're helping with technical assistance. I have an engineer now on staff helping and then the newest pre-feasibility study we've done is in the city of Saxman, where they have two different oil-based systems that are old and falling apart that are heating their offices, community center and gym. We're looking at how that might be converted to pellets where that would also be a customer. Unless there's a customer near the pellet mill, the transportation costs are just too much. If we can get most of the usage right there on the island within a few miles, and a one-off like the city of Saxman, that will fully utilize the plant. It's not meant to be the answer to everything. We often say there's no silver bullet. It's more like a silver buckshot. We realize there's a place for biomass for heat, mostly in the larger facilities.

Afognak Log Stringer Bridge Replacements – Keith Coulter, Board of Forestry

- I wanted to create discussions on several levels; bridges are only one. All those excavators and log shovels on Afognak Island, if you're looking at \$15 to \$30 million of investment, you need viable operations that support a rate of return on those investments. Take off your forestry hats and think about investment and business. That's the driver of everything we're doing out there. In the absence of active timber harvest, think about how these types of projects will even get accomplished, because the operators won't be out there to do it. What could we be doing with Alaska's timber economy versus what we are actually doing now? This is just one example of how things get done out there, and how are you going to do it when all these operators eventually go away because of the timber economy?
- For bridges, some of the harvest units are 40 years post-harvest but there is fairly recent harvesting as well. Some roads are 40 to 50 years old, and some are essentially brand new.
- Operations on Afognak, you are dealing with lots of fish and water. Lots of anadromous issues. Everywhere, in every harvest unit.
- Log stringer bridges have been the crossing structure of choice on Afognak for 45 plus years. They're low cost, fairly reasonable to install, durable, and can tolerate large payloads and high duty cycles given their lifespan. They make sense. It's timber dependent—you want older-growth logs with the diameter to handle longer spans. They're stiffened up with stiffener logs strapped underneath them.
- The problem that we're finding, and this will tie into a lot of the Forest Practices discussions we're already having, once log stringer bridges are assembled, there's quite a bit of rock decking and filter fabric placed on them so we're not driving over logs. Several dump loads of rock placed on the log stringers probably adds about 20

tons. Log stringer bridges are not treated to resist decay and they're going to eventually fail under their own weight and everything on top of them. They may fail under a load, a life safety issue. When they do fail, all that rock decking ends up in the creek and then we've got FRPA compliance issues. These log stringer bridges have become a big liability and they're all over the place on Afognak.

Eric Nichols: Can you give us an idea on the lifespan of those to help the perspective here?

Keith Coulter: In terms of safety, probably five years? But we're driving over them 10 plus years after that, if it's only pickup truck traffic. If you're going to go over them with dynamic loads, heavy machines that tend to bounce a lot, they are log stringer breakers. I would suggest five to seven years max, until you have to be very careful with life-safety factors.

- Bridge inspections. These are untreated structures. You start poking around on the cribbing and the log stringers themselves, if your knife goes in easily, you have issues coming up. These are in a very wet environment, a lot of rainwater and moisture coming off the creek. If the wood is untreated it's going to affect the durability of the structure.
- Pre-FRPA, a lot of the pipes put in on Afognak were too small in diameter for some 100-year flow. They were probably not adequate for fish passage. There's a lot of reasons that happened. Pipes are expensive to ship out; you're not going to have the perfect pipe for every application. Beavers are probably the biggest reason a bunch of pipes out there blow out. They'll plug a pipe, the water goes over the road in a high rain event, and it blows out the road. Generally, in terms of fish permitting and Title 16 compliance issues, we wouldn't have a pipe big enough for any creek over three feet. You're just going to switch to log stringer.
- It's an excellent example of maintenance issues. We start talking about FRPA rules and slacking off on maintenance or classifying roads in different ways. I don't know what you're going through, but this is what we're going through on Afognak. Here are photos three to five years post-harvest of a pipe, plugged and underwater. The roads alder in to the point where they're going to damage trucks. You can't see what's in the roadway, so if you do have a washout, you could drive into it. The cut slopes, if they're made too steep, the rock will fall into the road. If you're driving through that alder, you're going to drive right into it. Again, the ongoing discussion about road classifications and how this fits in, these are good examples. You can argue with me over whether that road in the photo is FRPA compliant. I would suggest it's not. Even if it's an inactive road, I would expect to run into these types of complications. You can have these roads open, but if they're not very active they alder in quickly and you start seeing these types of problems.
- Do you ignore the maintenance and just assume everything's all right? And when does liability become an issue? As a land manager, you're going to have to make a judgment call. If these roads were closed, I wouldn't be dealing with this.
- Another thing to consider is the Kodiak Island Borough taxes logging roads, though we don't have any services provided on Afognak. In these areas where the timber

harvest is declining, this tax base being eliminated is an issue. But it's also an issue if we keep roads open and they remain taxed. Why would we do that?

- Keep the roads open? Active, or inactive? At least in my opinion, forest roads require monitoring, maintenance, and upkeep. That equals cost. How are you going to fund that maintenance cost if there are no receipts coming in from timber harvest? If you don't really need these areas open, but you still need access for custodial forest management, that's an issue. Whether to keep them open and try to prioritize those things but generally, it means road closure.
- Operational challenges. Roads on Afognak must be constructed as all-weather roads. We expect them to be rocked accordingly, have drainage structures, and comply with the Forest Practices Act. Bridges have to meet high duty cycles, probably 200,000-pound payloads going over them. Failing bridges create issues. We still need to access forest land for forest management-related demands. We need to access adjacent ownerships that might be doing timber harvest. We need to maintain FRPA compliance.
- There's an extraordinary cost associated with maintaining these roads and bridges, and at what point do you draw a line and say it just isn't worth doing? And you just put them to bed. Then there's the life-safety, liability, and environmental repercussions if there's a failure. Those are all issues we're pondering.
- One solution we came up with was a temporary bridge program through the USDA. We chose to upgrade as many of our stream crossings from log stringer to railcar bridges. We did 19 in 2025 and have another 20 slated for 2026. Railcar bridges are fairly low cost, incredibly durable, reasonably easy to install, and have good service life and capacity. We're assuming a 50+ year lifespan and that's why we chose them.
- Railcar stringer bridges are fairly common across the US and reasonably priced compared to alternative designs. They're constructed to carry 200,000 lbs. at 60 mph when functioning as a rail car. It was an obvious choice for me to go this route.
- Logistics of getting them out there. Afognak's not on any barging route. That's an issue. You want to minimize costs. You really don't want to pay too much for the shipping, or the railcars, and the installation becomes pivotal. You're looking to buy 20 or 40 railcars at one time so bidding against several people on one car from the Alaska Railroad isn't feasible, if you've got a project to manage with numerous crossings. All that became abundantly problematic, and that's why we ended up working with a distributor in Oregon.
- The cost of installation on the island is a main point I want to make. If you have a logging contractor out there with equipment to do this kind of work, I can model costs and arrive at a reasonable projection. But if you're someplace where logging's gone extinct, there's no contractors left to do the work, and you need to barge in a contractor with equipment that can handle this type of gear, you're looking at extraordinary cost overruns. You might wonder why Eric and I are always flipping over backwards in our chairs. It's because we're aware of this. Having somebody that's already out there with all the gear is going to be able to put these structures in at a far lower cost. I can't stress that enough. If we had to hire someone to come in

from outside and barge equipment to Afognak, I would assume that the cost of installation would have dwarfed the actual bridge price.

- Determining contractor cost for installation. There are several different ways you can determine contractor cost. The Cat Handbook method—a Caterpillar book discussing every piece of machinery they make and how to cost them out in terms of items and depreciation schedule. You could use past experience, various depreciation methods, and you can also ask a contractor, but I'd be cautious with their quotes and verify their numbers.
- This all circles back to having a viable industry in place on the landscape. Who is going to be in place to do these types of projects? If you're going to invest significant capital on propping up a couple logging sites, you want a fairly stable return on investment. This is all in the same thread of understanding how long sales are going to be going on, because you can't risk that kind of capital on projects that disappear in a year. When I hear about 100 million feet being the only volume that may be available over the next seven years—you're going to lose the industry because there's just not enough there to support it. I don't think we could have done this project if the logging contractor hadn't been there. The cost would have been considerably millions of dollars more.
- In summary, railcar bridges were a superior alternative for stream crossing structures in upgrading forest roads, but you've got to be really careful about costs. You need to be sure you have enough railcars available to manage the project. You need to be able to source the bridges that you require and can actually get them there when you need them. There are very few people in the US that can do that. Watch your costs on the contractor and barging sides of things. Watch the type of railcars you put in—be careful you don't buy something that ends up not being the appropriate structure.
- We had such a decent relationship with the outfit we were buying the railcars from that we started a subsidiary company through Ouzinkie Native Corporation. We are actually selling railcar bridges in Alaska now.

Eric Nichols: That was a very good presentation. I put in many of them over my career. He said something that these land managers need to think about—when this industry is gone, that equipment goes. Try and replace it, try and bring it in from some other operation, you get into much larger, more expensive contractors, and you find that trying to do this stuff becomes extremely expensive. It's just a note that when you lose the industry, your cost to do anything on the land base becomes much more expensive.

Nathan Lojewski: I might just add the same thing. The number Keith threw out as the cost he estimated when you don't have that infrastructure might be low. It's higher than that.

Keith Coulter: I would suggest that these types of projects aren't going to happen without the industry. The questions get much larger than that. How are you going to do custodial management? I'm always thinking about if we go out and do all this custodial management, what market is that timber going to go to at some point? It's a perpetual cascade of questions. Where is the future of this forestland going if you're directing it towards

products? How are you going to do the work? Who is coming in behind us? A lot of the conversation I keep hearing is always focusing on these levels where it's propping up what little bit of industry is here. We need to be talking about growing and scaling up the industry, not just relegating it to what's here now. Because what's here now isn't what it should be. We should be much larger. All good points and I wish I had happier news on that side of it.

Eric Nichols: For a 50-year bridge, what were you using for stills underneath those bridges?

Keith Coulter: That was something I made an assumption on. Those bridges are not placed on any abutments. The idea was we're doing custodial management on most of the segments these bridges were going on. We weren't worried about them sliding around with a lowboy going over them. That was a cost saving measure. I assumed 10 feet over on either end of the bridges that was going to sit on generally rock, and I assumed that their weight would keep them in place.

Eric Nichols: I've had this argument with a lot of people over the years on the sills. What we found in general is that if you backfill those fine and get it all compacted in, they don't move. I've had the conversation too many times that we need to bolt it in. We just set all my log stringers on there and backfilled them well. They never moved during the operations.

Keith Coulter: The log stringer bridges didn't have any abutments other than something being placed on perpendicular logs. I agree, if you want to start messing around with concrete in remote applications, get out your checkbook. They were driving loaded lowboys over these bridges, and nothing went. One thing I didn't mention is that the log stringer bridges and most of the roads put on Afognak weren't engineered by forest engineers, they are loggers' choice. Whenever one of these log stringer bridges was installed, they generally were in a curve application in addition to a crossing. Log stringer bridges can be made wide. Lowboys with a large turning radius can't manage a 12.5-foot-wide railcar bridge so we'd have to double up on the railcars in some of those areas. That might bite you at some point if you're not expecting it.

Jeremy Douse: Are these just temporary bridges that you're putting out to do what you're calling custodial management, and you're yanking them after?

Keith Coulter: No, these are long term bridges. They could be used as temporary, but these road segments are being left open for a variety of reasons. The shareholders do cultural hunting, etc. along these areas, we have quite a bit of NRCS work, and some of these road segments lead to other ownerships where land owners have active timber harvest. In general, these are meant to sit there for the next 50 years or so.

Public Comment Period Opened at 1:00 p.m.

Melis Coady - Susitna River Coalition, Talkeetna

I'm Melis Coady, Executive Director of the Susitna River Coalition. Calling in from Talkeetna. Thank you, chair and board members for having me at the meeting. I've attended several of these and I appreciate how timely they are. They're usually the only meetings I attend that are often ahead of schedule. So great job, and they're really informative. Thanks for the

ability to participate; I'll do my best to keep this in 3 minutes. I was writing my notes over lunch because I learned a bunch this morning and wanted to put my thoughts together based on what I've heard today. I wanted to share that I've been closely observing state forest plans across Alaska. There's expansions, there's new creations, there's proposals, and what struck me through this process is each region's planning and participation feels really different. Just like Alaska's landscapes and communities are incredibly diverse. So I think that's a strength. I think forest management should be as diverse as the landscapes it serves, not driven by a one-size-fits-all approach that reduces local guardrails in a local voice. So, I've largely been following the proposed Susitna State Forest in the Susitna Valley, about 770,000 acres, and trying to understand how it relates to changes being proposed revisions in the Susitna Forestry Guidelines. I think based on what I'm seeing, it looks less like a revision and more like a rescission. Like this process is getting paired with a new management plan that's largely being guided by the FRPA. And I think as I work with the public to explain changes in forestry, to the thousands of members and businesses we work with, I just have a really hard time explaining so many changes on so many different levels, especially changes of this magnitude. And it's not really clearly explained what's being removed, why and what enforceable standards are replacing the suggested changes. So that's been hardest part of the public meeting process. I understand the need for forest management, local timber supply, rotation, wildfire risk reduction. But I'm concerned that the basis for the boundaries of what's being proposed, when forest inventories are limited or outdated, or staff have indicated uncertainty about how some polygons are drawn. From the outside it looks like a broad capture of anything that's forest classified, whether or not there's demonstrated timber value or verified forest condition. I also want to raise a point. Forestry roads are not the same as recreation or access planning. Roads justified for timber often become long-term access corridors without clear standards of where they go, how impacts are minimized, and how they're maintained. Issues of public safety, fish and wildlife habitat, watershed values, how they're protected over time. So once a lot of these roads and bridges are built, the land use trajectory changes in these areas for decades. The Department of Transportation and Federal Highway System, they have well tested processes for the public to evaluate and score projects they've cleared. Plans, standards, transparent prioritization. So, I don't think the public's prepared to see long-term road and bridge construction advance through forestry systems, where it can feel like the point is to maybe avoid public scrutiny, permitting, or accountability that other transportation projects normally require. Finally, I just wanted to flag a transparency issue within the bounds of this meeting. I'm hearing references to implementation tools like shared stewardship and Good Neighbor Authority, and there's not a lot of publicly available material on those. So, I understand those tools support restoration. Guardrails and full transparency on how they're implemented, because they seem to just be accelerating on-the-ground action before the public understands the decision pathway. So if they're part of a plan, the public should understand it a bit better and be able to review those documents. I understand the AFA was also interested in reviewing the latest version of those documents. So, there's a little frustration on that. Just that these multiple foundational roles are all changing at once makes it very difficult for the public to follow. So I just wanted to elevate that at this meeting and. And thank you for taking my comments.

Mike Saley – Small mill operator, Ketchikan

I'm Mike Saley from Ketchikan. I've got kind of disjointed comments because I'm also kind of responding to some of the things that I heard said in the meeting. One of the things said was from Jerry Ingersoll. I think he said that there was a total of 83 million board feet in the South Revilla sale, of which apparently 60 million of that is old growth. Taxpayers for Common Sense put out a statistic a while back that said that taxpayers are footing the bill for federal timber sales to the tune of about \$600.00 per thousand board feet. And if I calculate that with the 83 million in the South Revilla sale, that comes out to be about \$50 million that taxpayers are paying to have that timber cut. What comes to mind is privatizing profits while socializing the costs. I was born in Ketchikan, have lived basically, our home base has been off the road system my whole life. And we've been using beach salvage logs for firewood for essentially my whole life and almost exclusively the sole source of heat. Somewhere in my early teens, not only was I cutting firewood, but I began milling with a chainsaw mill, boards for our own use and also boards that I could sell. Since then, in the early 80s, I purchased and started using a mobile dimension mill, of which the company that makes those mobile manufacturing said there are over 100 of their mills in Alaska and that was 20-30 years ago. One of the issues is where do I get my logs? Because what I heard in this meeting- and I probably qualify as a "boutique" operation. ChatGPT calls it a hobby commercialism. Very small. Probably in the last 30 years I may have grossed \$30,000, of which expenses for my mill and stuff like that has to come out of. So it's definitely not a full time operation for me. However, much of the wood that's available for me, and I've milled all different kinds of wood. People's private timber that they've cut off to clear their land. Cleared dead hazard trees. I've milled several 10,000 board foot Forest Service reuse permits. Milled some of the trees off my own property and I also got trees off of state tide lands. And at one point, actually I don't mill any trees that were live trees that were cut down. I don't cut down live trees myself to mill and the only live trees I do get are trees that come from people's private property. One comment I would say is that Sealaska got out of the timber harvest industry and started in this carbon credit program. I would suggest that your board look at that more closely rather than simply saying, we're not going to talk about that. That's something that we should be talking about. And as a final comment, the timber harvest that I've seen around my place, a lot of wood gets wasted because it was expensively helicopter logged. So, valuable wood gets left in the woods, logging slash that makes a mess to walk through, and they don't appear, at least the Forest Practices Act does not address things like the value of old-growth forest for climate mitigation. Anyway, I could go on for another 10 minutes, but I will stop there.

Jared Greenwood – Private landowner in Tanana Valley

My name is Jared Greenwood, I'm an individual and I live in and I have a small in holding within the Tanana Valley State Forest on the Tanana River between Fairbanks and Nenana. I just have a few questions, probably directed towards Kevin. I don't know if board members are aware, but just in terms of the increase in large-scale birch harvest within the Fairbanks area for fuel, for firewood use. Which has a lot of implications for climate and wildlife habitat and access to forestry resources for smaller scale operations. I just want a direct question towards Kevin. Just curious where the – I believe it's a .118 expedited timber sale –

where that currently stands with Aurora. I heard you mention some of the other long-term contracts with some of the other companies like Jack Frost. I'm just curious where those contracts stand with Aurora, in terms of the long-term sales?

Kevin Breitenbach, Fairbanks Area Forester, answered the question after Jeremy ok'd it with the board: Specifically on the .118 sale with Aurora, they've put that on hold and are trying to essentially figure out some of the market conditions and what they're capable of as a company. So right now, quite a bit of that harvest is on hold.

(Continued) Jared Greenwood – Private landowner in Tanana Valley

I appreciate that information. Yeah, I guess just a general public comment would then be for the board to consider. Consider the fact that the increase in in timber sales does impact carbon sequestration and just to not be so against carbon. Like using forest in other ways to make money. And I know that the whole carbon offset program is kind of a can of worms and double-edged sword and it's not quite clear how it's all going to pan out. But just I would like the Board of Forestry to keep an open mind about that sort of thing. Thank you.

Public comment period closed at 1:20 p.m.

Alaska Forest Association Updates – Tessa Axelson, Executive Director, AFA

- Axelson provided an overview of Alaska's forest products industry, highlighting the unique role of Alaska timber products in domestic and international markets. She noted the continued importance of old-growth Sitka spruce for specialty products such as musical instruments, as well as the growing use of Alaska wood products in housing, local construction projects, biomass energy, medical products, and other value-added applications. She emphasized that Alaska forest products remain highly desirable and support jobs both within Alaska and throughout downstream manufacturing sectors in the United States.
- Axelson reported that AFA's primary federal policy focus remains securing a reliable long-term timber supply, particularly in Southeast Alaska. She discussed support for a proposed Tongass land exchange and noted optimism regarding anticipated timber offerings from the U.S. Forest Service, while emphasizing that announced sales do not always meet industry needs due to economic and species-mix considerations.
- Regarding federal forest management, Axelson stated that AFA is monitoring the Tongass Forest Plan revision process and remains concerned about fulfillment of timber supply commitments under the existing 2016 Forest Plan. She noted the industry's need for both old-growth and young-growth timber and emphasized that operators require near-term supply certainty to remain viable.
- Axelson discussed AFA's participation in collaborative efforts related to workforce development, landowner coordination, and the Tongass Collaborative. She also expressed support for active forest management efforts addressing forest health concerns and encouraged continued use of industry expertise to inform management decisions related to disease, insects, and declining forest conditions.
- At the state level, Axelson identified timber supply as the primary issue for Southeast Alaska operators and expressed appreciation for the State's bridge timber

program. She also noted AFA's support for proposed timber lease legislation, which would provide longer-term supply certainty and support hazardous fuels reduction efforts. AFA additionally supports expansion of state forest lands, including the proposed Tanana Valley State Forest expansion.

- Looking ahead, Axelson stated that Alaska's forest products industry has significant growth potential but requires predictable long-term timber supply to support investment, workforce retention, infrastructure maintenance, and economic development. She emphasized that loss of industry capacity results in the loss of operational expertise, infrastructure, access, and economic opportunities. AFA is currently working to improve public understanding of industry operating costs and market challenges, including fluctuating export markets and supply uncertainty.
- Axelson announced that AFA's annual meeting would be held in Juneau on March 11–12 and noted that the association's scholarship program would open in early spring, with an increased focus on supporting individuals pursuing careers in the forest products industry.

Keith Coulter: One of the things folks at the policy level need to understand is that we're competing against each other. There is regular industry competition, but anymore, you'd be competing against Eric so that one of us has to go out of business. There's so little volume available now that it's a lifeboat situation where if you stay in, that means the other guy has to get out, and that's nonsense. The same thing with Viking. I'm not interested in competing with those guys. I'm interested in being the market with them, but I don't want to see somebody have to leave in order to make what little volume there is spread out enough to keep another person afloat. It seems like that message should be clear to people at the policy level—there's so little available it's not enough to go around. No one's going to drive up here with tens of millions of dollars of logging equipment to enter this industry when that's what you have to look forward to. Same thing with the milling sector.

Tessa Axelson: It is something we're trying to talk about more intensively. The other piece I would add is not only the competition that eliminates operators that are providing direct economic benefit in communities and regions. But there's also the micro pieces that don't get discussed a lot—the small and medium parts of the industry—when large operators go away. Many of those operators do not have the equipment, access, expertise, ability to get the product that they need, or to have access to their own sales. The industry is integrated and if we lose a piece of it, we're going to lose all parts, or very significant pieces of the industry. I don't think people always understand that. We're trying to tell that story as well.

Forest Roads Work Group – Jeremy Douse and Lily Coyle, DFFP

- Lily provided a recap on the process that lead up to the Forest Roads Work Group process and where their work landed.
- Jeremy presented an issues summary table with the issues the workgroup identified. It took significant staff time to dive into what some of the problems were that were being verbalized. There are issue areas of maintenance, liability, road classifications and status, intended use and silviculture exemption, and then

funding. There are also potential next steps, which includes some of the research work and evaluating existing tools that we have.

- Because it was communicated in work group meetings that other landowners are having these issues, we additionally reached out to a few boroughs and landowners. What I got from it, and I think it came out in Keith's presentation, is that the decision to close a road or keep it open is a land management decision, and that very few of those individuals consider FRPA a reason for closing roads. It's that they have some future use for that road or they want to close it because it's going to become a dumping ground or a trespass issue. That is the reason that some of the boroughs and the University decide to keep roads open or close roads.
- I need the board's help on moving forward with this. We can continue down this road and can spend time going through the research needs and evaluating the tools that we have if the board thinks it's worthwhile. I need assistance from the board to provide me and my staff—and I'm going to be honest, the time that we have to commit to this—if that's something the board wants the division to continue to do.

Keith Coulter: I understand the situation that I think everybody's in with the topic. It's not completely cut and dry. Some of the points I was trying to make in the presentation are that we need to keep roads open, but on lessened use levels in terms of activity. Everything surrounds some sort of cost of maintenance and you're looking at exposing very few segments of road, in terms of being open where the culverts are still established, etc. I don't think that it warrants continuing on. Even if you did make a rule change, at least on the Afognak side of things, we wouldn't really do anything differently. You can see in those images from the presentation. Those aren't old images; that's happening right now and what we're experiencing on a year-to-year level. We don't want to get sideways with FRPA compliance. We've got a lot of fish issues out there. We want to run a tight ship. That being said, we also need to use roads, so there's going to be a number of them that are open. But largely, it just doesn't make sense to keep them open for us. We're going to pull pipes and the roads are going to brush in and that's that. Unless we have to go back, and that surrounds the rail bridge project, where we can we can haul those out there, reestablish segments, do what work needs to be done, and maybe pull out of there again after a few years. That's a possibility, but if we're putting it out to a vote, I think we've got bigger fish that might need to be fried here in the future. I don't know if this is the hill worth dying on.

Jeremy Douse: Thanks Keith. I feel like this is a decision point, and that I would hope the board could take this to a vote on continuing down this road or not. Before I was a state forester, I was a consultant for other land managers and was on the other side of this, working with the state. During that time, I didn't feel it was the state pressuring anyone to close roads. It was the land manager, and it was a land management issue. Which really fits in with those conversations had with a few other land managers. I know I'm coming from the state, so obviously I need the board to voice their opinion, but it's my impression that it's not FRPA. In my experiences with FRPA, when there is a violation, our first objective is to just rope that into compliance. Work with the landowner and operator to make sure the situation is fixed—not punitive enforcement. The enforcement tool is for when people refuse to move in the right direction. That's my impression, but opening it up to the board.

Eric Nichols: I've probably been one of the more vocal ones on this. I think there's a real difference in the land ownership patterns here, and on stuff that's more urban or open to communities and the potential for future use, or the garbage, or any other usage out there. I think that's one of the considerations—who are the users of these roads above and beyond the landowner? I look at those roads differently than I do on a remote island that are very difficult to get to. At the end of the day, what I'm hearing you say is that this is a landowner decision. I don't disagree with that at all. Here's what I put forward. If that's the case, and I think it's just a little bit of time on the state side, is to really look at the major landowners and just have a discussion with them. I don't think it's going to take a lot of your staff's time. If the majority of landowners don't feel that this is necessary, then I think we go down a different path. If there's some hard thoughts in it, maybe we continue. But if it's a landowner decision, then I think it should be left at that landowner decision. I think the people on the board, we don't represent landowners very well, and it wouldn't take but a half a dozen phone calls. Then, come back to the board and say we have a consensus from landowners that this is not an issue for us and therefore, we shouldn't spend the time on it.

Jeremy Douse: OK. We can continue that. We have already started that process talking to some boroughs and to the University Land Trust. Does that approach, without taking a vote, work for the board members at this point?

Nathan Lojewski: That works for me. I don't necessarily represent a single landowner, but some of the folks I work with don't seem to have a serious issue with FRPA. They decided to keep some of their roads open and are having to invest funding into it. It seems the biggest issue is funding. Where are they going to come up with money to keep that road open, especially when they don't have any timber revenue? So, they have to look for other sources not coming from active timber operations, which can be difficult for a landowner.

Jeremy Douse: I know you don't represent yourself a landowner Nathan, but you work with a lot of them. If we're going to go down this road, I would need your assistance with reaching out to some landowners to get their input. Tanana Chiefs Conference and other ANCSA corporations in Southeast. Unless there's an objection from the board, we will start talking to landowners and we will have a report out on that on that process at that meeting.

Eric Nichols: I do think it was a good exercise to look at some of the misconceptions out there on what FRPA means, the penalties, and the broad classifications on closure versus non-closures, and active roads versus inactive roads. There are some worthwhile things in this paper that Lily put together to try and help people understand how this is applied.

Jeremy Douse: I agree, it's good to have these discussions and it's a good process. And this is the point. We have effectiveness monitoring to make sure that FRPA is working. That's one of the many roles of this board. I appreciate everybody putting time into it.

Lily Coyle: Now in that issue summary paper, research needs were identified towards the end of those conversations. Is that something that now gets moved to the broader effectiveness monitoring group, as research suggestions?

Eric Nichols: I look at it as we are either going to continue down a path—whether we need to revamp the language in FRPA, or we don't. It's kind of one or the other.

Jeremy Douse: I do think that having that effectiveness monitoring group...There are some things...We have talked a lot about the use of hog fuel for roads and their long-term performance. I know there's interest in using that material for a road base. I don't think it would be terrible for us to look at how that's being done in other parts of the world. I know in Canada they're doing similar road construction. Some of these other key research needs we have documented, I think we can look at some of it and see if we need to go further, but hog fuel specifically is one I think we should at least understand more.

Nathan Lojewski: I agree. If there's new techniques or technologies that need to be incorporated, like a hog fuel road, that maybe wasn't around when FRPA was written, they should be considered. Then, I guess that's what the Science and Technology Committee's for, if there's a need that's identified.

Eric Nichols: I think the hog fuel road, you need to be a little careful how you name it here, given that there's more fiber available because the pulp mills have continued to go out on the west coast, that it may be a very viable one to chip on site and build that base with pulp material or non-solid material. I agree that is something worthwhile to look at and see if there's issues or non-issues, because as we're getting pushed harder to cost contain operations of timber, anything we can do to reduce that cost may be beneficial overall.

Jeremy Douse: Yeah, I agree. I appreciate the conversation. I do think we will at least look that item, and we'll look at the others, but at least bring that item to the effectiveness monitoring group to see if they can process that for potential science and tech committee moving forward, at least to just understand it better. That'll be our steps forward.

Keith Coulter: Is there any literature available on road construction using hog chips? I looked briefly and never really found much. What I did find was out of Canada and I thought it had something to do with winter roads.

Jeremy Douse: I haven't spent a lot of time looking. I briefly saw something about it. It looked to me like it was all-season road construction with hog fuel out of Canada. We will have to further refine this for the effectiveness monitoring group. That will involve looking up literature, or even grey literature, to see what people are doing around the world.

Annual Report and BOF Letter

Jeremy Douse asked the Board for any comments, questions, or edits on the draft letter to the Governor included in their packets. Denise Herzog recommending adding more emphasis to the funding request for a DEC position, since they don't have capacity to do inspections and it ties into petroleum products and other things that could be covered by DEC. Jeremy asked if she wanted to ask for increased funding in general or to ask for a fully funded position. Eric Nichols said that inspection numbers are dropping and cautioned against a full position. Denise suggested raising the funding request from a quarter of a position to a half, because there is still a lot of ongoing work in the interior. Jeremy said that we could phrase it to state it is funding to increase field inspections.

Nathan Lojewski suggested adding to the fuels language for the wildfire risk management section, since a lot of fuel breaks went in with the state-funded CIP. He recommended adding in specific examples of state fuel breaks being used on recent fires to protect communities.

Jeremy Douse confirmed these edits would be made and emailed to the board for a final review prior to submitting to the Governor's office.

Wrap-Up

Next Meeting Date and Agenda Items:

The board discussed having the summer meeting in August and that the next meeting location should be in Region I. Eric Nichols suggested Prince of Wales, since the last Region I visit was in Ketchikan, and that there is a lot of activity going on including Viking Mill and the Southeast Conference projects. Tuesday, August 4-Wednesday, August 5 were chosen with travel Monday and Thursday.

Denise Herzog - Mining Organization

Thank you Lily and Jeremy, great meeting as always. I guess the only thing that really stood out to me was, actually there were two things, and maybe one to add to the agenda for the next meeting, assuming that the WOTUS definitions get finalized for the wetlands by then. Maybe we could have a discussion on what that really means. I've read the draft proposals on the Federal Register and it was a little confusing to me still. So, it'd be nice, once they get finalized, if we could go over that. And then the other thing I think Tessa mentioned, is that the Forest Service is going to be redoing their plan, and I'd be curious on when the NOI comes out for that.

Brian Kovol - Environmental Organization

Great presentations as always today; I sure learned a lot. Good public comment today as well. I really appreciate the review of FRPA. I didn't participate in that directly but I appreciated reviewing everything and seeing that well, FRPA is pretty good the way it is. That was helpful. And these scientific committees are a good way to deal with new innovations as they come up. So I appreciate the discussions there. I'm also interested in the Clean Water Act as well and how that's going to play out for the state of Alaska. It's certainly the business that I'm in. And what the state is also responding with, I've noticed that we've had some new general permits that have been issued this year, and they are silent as to state waters. You know, one of the discussions was, well, they couldn't agree on what a state water was. So I'd be interested in Brock elucidating that a little bit more as we meet next. I think that's all I've got. I really appreciate everybody's time and effort and the work that's done. Lily, yourself Jeremy, and everything that goes into these meetings.

Nathan Lojewski - Native Corporations

I just had a couple of comments. I don't know if any of the public folks who were on, there was a couple of comments from folks about the board maybe not considering climate change, or carbon credits, or those sorts of programs. And I would say, I think the board has discussed those pretty thoroughly in the past, and perhaps folks could look at some of those meeting minutes or presentations that have happened at the board. And I believe

that the state is looking at carbon programs as a tool that's in the toolbox that they can use where appropriate. I know in this meeting we really didn't talk about the use of carbon credits but more focused on supply for traditional forest products industries. I don't think that the board has just said no, we're not doing carbon. It's an option out there, and the state has passed legislation to do that and has stood up a carbon program, not through the Division of Forestry but through the DNR to lead developing those projects. But if folks have questions, maybe that could be shared out. Thanks for putting together the meeting, and for the road group for getting together to try to further discuss the issues with roads and what problems were out there and why folks were asking for potential changes to FRPA for the road issues. Thanks, that's all I had to say.

Bill Morris, Fish and Wildlife Biologist, NGO

Thank you Lily and Jeremy for putting this together, and all the presenters for providing information again. I wanted to second what Eric had mentioned about our forest roads meetings. I do think that was a valuable effort for us all to get together and go through and then particularly see what Lily and your folks ultimately came up with at the end of that for us to look at. One thing I came to at the end of those couple meetings, I think feeds right into where Eric suggested, maybe you just go talk to those landowners. And I kind of have the suspicion that maybe it's not going to be FRPA that plays into those decisions those folks are making. So, it'll be interesting to see what you find out. Thanks everybody.

Eric Nichols,

Where to start? It looks like the state and the Forest Service are going down this road where there will be a lot of working relationships here going forward. I guess I just want to reiterate especially to you, Jeremy, that we're in a situation where we're going to make a decision here shortly whether we stay in business or not. And it's not just us. When all this industry in Southeast has to look forward to is supply coming off the federal lands, and you heard the Forest Service say today that they don't have to follow the forest plan, that those are just sideboards from zero to 46 million and as long as they stay within that, they've complied with the plan. And I can't disagree more. If we don't stabilize supply and figure out how to bridge that from administration to administration—we've tried to suggest land trades; that did not go over well with the Governor. Longer term timber sales, more volume under contract. I didn't hear Jerry think that was going to be possible either. We lose the China exemption in November this year. We have a 10% tariff on Chinese imports now. We have tariffs on wood going into Canada, not so much for our wood going in, but the product coming out into the U.S. that's made from our logs going in. It's a very high risk operation right now with very little idea what's going to happen a year or two from now with the midterms, we have a presidential election in a couple years. A lot of decisions are going to be made, I think, not directly on timber, but a lot of politics involved. I think the state's got a big responsibility in guiding the federal people here on how to keep the industry going. The other thing that I find very lacking in almost all these decisions is the economics. Whether we're talking about Thomas Bay or Southeast Conference. I don't see anything being discussed on the economic side of things. We spent the last year without a market in China. I have a presentation tomorrow for the Mental Health Trust. I just went through all our stuff we did last year. We worked hard to stay out of China quality timber and tried to

stay in timber that we had markets for. I still produced 40% of the total volume we harvested was China quality. Even in old-growth forest, we have a fair amount of it that has no local markets. We took some to the U.S., we took some to Canada, we took some to South Korea. All became very large losses. So, until the landowners sit down and we have a discussion on economics—what can work, what cannot work—I just don't see where we can continue in this business. And I tried to be very nice and kind about it here.

John Rusyniak - Recreation

Lily stated that John might have needed to sign off a little early, and that he wrote in the chat, “I'm good. Lots of good information. Big thanks for all the effort put into pulling this together. Thank you very much.”

Jeremy Douse – State Forester, Chair

We still have a vacant position with the commercial fishing organization seat and we're working to fill that position just for everybody's awareness. I appreciate everybody taking the time today. It's always good having these discussions and it'll be good to see everybody in Southeast in August. I just really appreciate everybody's time.

Meeting Adjourned