

# Hebo Stewardship Group Meeting MINUTES

February 9, 2012

Pacific City

Name	Affiliation	Name	Affiliation
Guy Holzworth	NNWC	Mike Kennedy	Siletz Tribe
Jane Barth	Facilitator	Lisa Phipps	TEP
Jackie Nichols	Cascade Pacific	Grahm Trask	Bio-Surveys, LLC
Michael Reichenberg	Hebo Ranger District	Wayne Patterson	Hebo Ranger District
David Skelton	Hebo Ranger District		

## January Meeting Notes (Jane)

Brief introductions were made because we had new members at the meeting. January notes were approved by consensus.

## Industrial timber & lumber interest in stewardship sales (Wayne Patterson)

Several companies are not bidding on Stewardship sales (SS). Georgia Pacific & Swanson superior are predominant at bidding. Many groups up north (eg – Hampton) have not expressed interest in SS sales. Boise & Freres Lumber are interested bidders from the valley, and they are new to the stewardship program. Some independent loggers have expressed interest in bidding on SS sales as well. The new companies are asking for some help in learning how to put together bid packages. Bob Nowak is creating a simulated prospectus and plans to meet with different companies. Ron Hudson suggested the FS might hold contractor workshops and the group expressed general support for that idea. Wayne will bring this idea up at the next purchasers' meeting.

### Pros:

- Compared to a normal traditional timber (TS), contract is more lenient
- They propose how to meet the thinning objectives.
- The forest service appraises the TS for the minimum bid. Then whoever provides the best overall package is chosen.
- Because they have a little more 'wiggle room' companies like the SS so they can plan to make their coast less. = lower risk by purchaser; potential to beat the appraised value.
- Many companies are holding onto their timber until the market rebounds. This allows the company to diversify and SS 'feed' their mills while the timber on private land has less value.
- Different size sales can fit different size of companies.
- SS are an opportunity for companies to diversify and keep their employees working.

**Cons:**

- Takes more upfront work by the contractor to put the package together to make sure they have a profit margin
- Package that the contractor takes time to put together may not be accepted as the best bid by the FS.
- There are more moving parts (yarding, felling, down-wood creation, snag creation, planting, supervising different crews than usual), and it makes it more difficult from a workforce/planning perspective.
- Includes more risk because you are adding different workers/fellers that increases the risk of failing a portion of the project.
- From the FS side – Contracting regulations keep the FS from sharing why the winning bid was awarded and prevents the FS from sharing with non-awardees why it was selected.

**Stewardship contracting proposal for Bixby thin (Michael Reichenberg)**

The Bixby Thin is 200-acres of 80-yr old plantations to thin (approx 4mmbf = \$400,000 gross revenue) along with down wood creation, tree topping, road maintenance, road decommissioning/storage, etc. This project will be covered under the Niagara-Boulder EA. In response to a question, Wayne explained the FS had to drop a couple other sites originally included in the sale due to marbled murrelet. The trees on those sites are approximately 100 years old.

Trees will be thinned from approx 200 to 40 trees per acre. These non-native Douglas fir plantations originated from the planting following the Tillamook burn (1934-37). Plan is to keep the natural regeneration trees and to thin the off-site plantation trees. The off-site trees are likely from the Puget Sound area and are not adapted to the Coast Range; as a result, these trees are likely genetically inferior to the natural regeneration. Some roads will be day lighted and the trees from the daylight will be used for the firewood program.

Question: Does the group recommend the Bixby Thin be a stewardship sale?

- Discussion indicated support for this to be a SS.

Question: Should tree planting be part of the contract? Michael's perspective is that replanting is outside of what a typical harvest operation deals with and makes it more difficult to get bids from contractors. KV funds may be used to for replanting the stands, and is recommended by Wayne & Michael. The KV funds will allow FS to plant the trees, and maintain trees for up to 10 years to provide tree release instead of requiring a timber company to potentially release the trees 10 years after harvest. From Wayne's experience, timber companies typically do not like to bid on contracts if revegetation is included. Receipts from the sale will go to the HSG and to KV funds for stand improvement (tree planting & release). There's some overhead associated with the KV funds (approx 60% is retained) and Stewardship funds (approx 90% is retained).

- Action: Michael will write up and Jane will circulate a one page explanation of the proposed bid package for group members to comment on. The group will make a decision about recommending the SS and bid package at its March meeting.

Question: What is road *storage* compared with road *decommissioning*? – block road to prevent travel from a motorized vehicle, culverts removed, water bars added where needed. Road will remain on FS road inventory, but will not be used in the near future. Road decommission is same as above, and also removes the road from the Forest Service roads database.

Question: Who do you contact if you want to bid on a stewardship contract? Contact Michael or Wayne or Bob Nowak in central office in Corvallis.

Question: Would other SS come up this year? The next potential sale is the Nesko Thin; package would be awarded in September timeframe. The District staff will discuss each sale and then bring their recommendation forward to the HSG for input. The Forest Supervisor has stated that he will allow up to half the sales on the SNF to be stewardship sales at this point. The Forest supervisor is very supportive of stewardship sales. The multi-party monitoring contract will need to incorporate photo points and other monitoring elements when SS are added on the Hebo.

### **Outreach funds**

Lisa went to her Tillamook Estuary Partnership board for their buy-in to use funds to highlight the HSG as a whole. Anticipated activities would be to produce articles, press releases, public service announcements to keep the public aware of the projects the group is doing. Her board gave its OK. The TEP will work with whatever amount of funds the group allocates to them. The anticipated amount is \$900 after today's discussion.

Guy shared the NNWC's idea to use \$1000 of outreach funds to do a promotional outreach/ educational event. One current topic is invasive species for example. The NNWC views this as "cooperative promotion" funding that the Council will leverage to promote the Stewardship Group and Council cooperatively. They are also open to the idea of a joint effort with TEP.

- There was general support for these outreach ideas. The TEP and NNWC will work with Jackie to create work plans. Then the HSG can discuss and give final approval, ideally at the March meeting.

### **Stewardship tri-fold flyer**

Jackie explained the interest across the stewardship groups to produce a brochure/flyer that would explain the economic benefits of stewardship. The flyer would use data collected over the past 4 years through the multi-party monitoring work done by IRM. It would tell the story of how stewardship sales create jobs and receipts in communities and counties. Johnny Sundstrom and his son are expected to help create the story. The Siuslaw Stewardship Group proposed that each of the 4 groups commit \$250 of their outreach funds to this effort.

- Meeting participants agreed by consensus to allocate \$250 towards the tri-fold.
- Lisa reminded the group of the need to ensure it is an educational brochure instead of a publication to advocate for reauthorizing. All concurred.

## **Annual review of HSG**

– postponed until March when we have a larger group to participate

## **Spring Field trip early planning**

Three ideas for future field trips were discussed:

- Wildcat Creek, a tributary of E. Beaver Creek– culvert replaced and culvert planned for replacement. Can also visit stands that were treated approx 10 years ago. And, nearby is a research site illustrating several different treatments side by side (including a control group) to contrast different levels of thinning
- South Nestucca Planning Area – NEPA effort just starting on this area. No Interdisciplinary Design Team (IDT) has been formed as of yet. Numerous off-site Douglas fir plantation. Chance to see an area that the group will be giving input into during the NEPA process.
- Bixby Thin – Opportunity to see the stands prior to thinning. Thinning unlikely to start this Spring so could visit in summer/fall.

Action: Greatest interest among the people in attendance was to visit Wildcat Creek and surrounding area this May/June and then visit other areas in Summer and Fall. The group will discuss in more detail at the March meeting.

## **Announcements**

- Future meeting dates & times
  - March 8<sup>th</sup> – Lincoln City afternoon 3-5pm; Michael will arrange a speaker on roads.
  - April 12<sup>th</sup> – Pacific City
  - May 10<sup>th</sup> – Lincoln City

The group considered what time to meet, evenings or afternoon. Decided to stay with afternoon for at least one more Winter month and to try to determine if the time of day impacts participation. Afternoons are preferred by those in attendance at this meeting if that timing doesn't deter others to attend most months.