

MWPA Resource Committee Notes

November 9, 2011

Committee in Attendance: Paul McKenzie – *F.H. Stoltze Land & Lumber*, Gordy Sanders – *Pyramid Mountain Lumber*, Chuck Roady – *F.H. Stoltze Land & Lumber*, Joel Nelson – *Plum Creek Timber*, Pat Connell – *Timberland Forestry Services*, Brian Sugden – *Plum Creek Timber*, Steve Flynn – *Sun Mountain Lumber*, Rick Franke – *Johnson Brothers Forest Resources*, Paul Uken – *MT Logging Assoc*, Ken Williams – *Triple W Equipment*

Guests: Shawn Thomas – *DNRC Forest Management*, Roger Ziesak – *DNRC Forestry*, Vicki Walsh - *DEQ*, Julie Merkel - *DEQ*, Gene DeGayner – *U.S. Forest Service R1*, Bob Harrington – *State Forester*, Bruce Sims – *U.S. Forest Service R1*, John Youngberg – *Farm Bureau*, Todd Morgan - *BBER*, Steven Hayes - *BBER*

Anti-Trust Statement: The committee reviewed the anti-trust statement in their packets.

Announcements: Appointments - Leslie Weldon is the new Deputy Chief of the USFS starting January 3, 2012. Shawn Thomas is the new Trust Lands Director and reports November 21, 2011. Retirements - Northwestern Land Office Area Manager Bob Sandman, Dave Bull USFS R1 and Mike Paterni USFS R1 will retire at the end of December 2011.

Forest Products Industry Week Recap: A recap provided by Julia. There was a post event conference call among the steering committee. With limited time and staffing, the week was an overall success. Next year the committee plans to reconvene in May to work on preparing for October's event. **Federal Issues – Contract Market Related Deficiencies :** Region 2 implemented a blanket cancellation by a mutual agreement option due to market conditions, R1 does not have enough jeopardy sales to trigger a similar remedy. They will look at remedies on a case-by-case basis. **Capacity and Structure:** The Lewis and Clark with the Helena NFs will not merge, L&C SO position advertised. New SO on the IPNF. **2011 Accomplishments:** Preparing brief for FTPC, have 60mmbf delayed NEPA from the B-D and the KNF.

State Issues – Habitat Conservation Plan: The HCP is scheduled for the Land Board in December. Board action has been delayed due to the levels of review that has occurred on the document. HCP requires the state to keep track of data and reporting at a higher level than what they do now. Longer-term enterprise technologies are being developed that will help. In the interim, there will be more paperwork. The process should not delay the process at all. However, timing of projects because of TE species will create more reporting or timing of projects. Baseline data and best available science will be used. No large data collection needs to occur at this point. General review does not occur for ten years. Phasing in the checklist, and the reporting, but not permits. **DEQ Extending Open Burn Season –** Some air sheds are hard to get wintertime burns, but they are willing to work through the process and the program. Where counties may have more restrictive standards than the DEQ, the counties have the final say. DEQ wants to bring them into the stakeholder group to work through major open burning permit holders. Lincoln Libby Air shed, Cascade, Yellowstone, Missoula, Lewis and Clark have their own standards. Minor open burners are just as important as the major open burners as most of the violations are coming from the minor open burners and will be invited to the discussion. **SB47 Chippers and Grinders –** EQC carried the legislation and DEQ was left to interrupt the legislation. Operations in the Forest do not trigger a permit. There is a concern about flexibility in getting notifications out. One permit will allow holders to move pieces of equipment to different locations under the same permit. Notification to the public and the agency is different but need to let people know. The process they have now stems from the sand and gravel industry. The legislation does not cite location, it speaks to practices. **CWA – Storm Water Permitting:** Ninth Circuit ruled that storm-

runoff from logging activities need a permit. **Legal strategy:** A three-judge panel ruled August 2010; an en banc request was made, and denied. A petition was sent to the Supreme Court by 26 attorney generals, including Attorney General Bullock. The Supreme Court has until April 2012 to ask the federal government's opinion which would go to the US Solicitor General and consult with EPA and would defer their decision until a federal review. The Supreme Court may accept or deny the SG's opinion. This process could take another year and half. **Legislative strategy:** Bills are in the House and Senate to put the silvicultural rule into statute and amend the Clean Water Act. Nine democratic senators co-sponsor of the legislation. A lot of behind the scenes support. **Regulatory strategy:** Under phase I permitting there are general permits, but do not fit silviculture practices. There may be a 4th general permit that emerges. **Court decision on state TMDL listed streams:** John Youngberg is chair of the TMDL Working Group – The court set a deadline to have TMDLs done by 2012. A watershed method is being used which means that not all will be done by 2012. The court decision extends the deadline to 2015. Even though there are many watersheds to be done, they should be done by the deadline. Most of the TMDL in the watershed method in the west should still be done by 2012.

BMP Field Review Process: Roger Ziesak passed out a timeline for 2012. BMP Field Review Site Information forms due from agencies and industry the first week of March. Calculate number of sites required for each ownership and ideal regional distribution of field review sites by ownership. The calibration training and begin field reviews the first week of June. Audit teams will conduct the field reviews July and August. Field review data, graphs and other illustrations will be compiled in September. Field review working group meeting in October. Field review final report in November and EQC and the 2013 legislature will get a copy of the report in December. **Forest Products Retention/Woody Biomass Strategy:** Bob Harrington said the Biomass Strategy has been approved and sitting at the printer. Copies will be made available.

Results of Logging Cost Survey: The BBER is conducting a logging cost survey to characterize Montana and North Idaho timber harvest costs. Objectives are to: update stump-to-loaded truck cost estimates for several timber harvest systems using expert opinion derived costs, quantifying costs for increases or decreases in fuel, labor, insurance, parts and other cost factors affecting harvest to a 2009 cost basis, and quantifying the effects of tree size and skidding, yarding, flying distances with a constant volume per acre. Logging cost study on odd number years and hauling cost study on the even number years. The USFS uses the information to build a pre-sale feasibility analysis to determine early in the process before they get to NEPA. It is a scenario-based estimate. We need to ask questions that get to costs. i.e. the increase in cost of tires, etc. BBER is looking at more an engineering approach to costs for the future, which is similar to how they approached the hauling cost survey. The value of the survey is the trends overtime.

Logging Utilization Study: The first logging utilization study by methodology from the southwest research center funded by the FIA in 2002. BBER is in the process of implementing a logging study again from 2011 – 2015 in Idaho, Oregon, Washington, and Montana. BBER received a slice of part of one of the \$40M grant announced by the secretary of agriculture to assess biomass volume availability. He reviewed seven sites in western Montana in 2011. Utilization of the log is effected by the sawlog price and if there is a pulp wood market. Results were similar to 2008 results from Idaho. In general, there is a decrease in residue that gets on the truck. When done in 2015, does not think there will significant difference from 2002. Average diameter is up from 2002.

Next Meeting: Potential topics for the committee; NARA Project, Southwest Crown Project and contracting issues, results of 2009 mill census and 2012 annual outlook seminar, Numeral Nutrient Measuring.