

B-D Working Group
Draft Meeting Record
Butte-Silver Bow Archives, Butte
October 4, 2017, 1-5pm

BDWG Members: Dave Schulz, Tony Colter, Leonard Wortman, Nick Jose, Maureen Connor, Mark Thompson, Rick Sandru, Tom Rice, Karen Laitala, Nick Gevock

Forest Service: Alex Dunn, Scott Snelson, Scot Shuler, Jim McNamara, Anton Brennick,

Others: Neil Simpson, DNRC; Roger Zeisak, DNRC; Dan Allhands, Madison County Commissioner; Chris Marchion, Anaconda Sportsmen; Dave Stone, Anaconda Sportsmen; Jess Eller, University of Montana (notetaker)

Facilitator: Karen DiBari, National Forest Foundation

1. Welcome and Introductions - Approve September Meeting Record

- D. Schulz opened the meeting.
- T. Colter asked for clarification on a few items from the September meeting record - page 2: “ACTION: FS “multifunds” the NEPA work. Once a timber sale is selected as the management tool for a project, then the FS is required to use timber program money. The group wanted to flag this as an issue to discuss with Congressional staff” and page 3: “Stewardship contracts: Kootenai, Flathead, Lolo are all good places for stewardship contracts. Doesn’t make sense to do stewardship contracts in eastern MT.” Group members helped clarify, and K. DiBari noted a minor change for the action on page 2 by removing *Doesn’t make sense to do stewardship contracts in eastern MT.*
- Motion to pass notes: T. Colter; M. Connor seconded. Minutes passed.

2. Public Comment: none

3. Announcements

- K. DiBari - Jess Eller will be resuming phone calls to BDWG members in early November for informal evaluation and potential 2018 action items. And two upcoming events:
 1. Montana Forest Collaboration Network meeting, November 6-7 in Missoula (<http://montanaforestcollaboration.org/app/mfcn-2nd-annual-workshop-nov-6-7-2017-overcoming-adversity-conflict-registration-now-open/>)
 2. Rural Voices for Conservation Coalition, December 5-7 in the Portland area (<http://www.ruralvoicescoalition.org/annual-meeting/>)
- R. Zeisak - Senator Tester will make an appearance at Roundtable Oct 13, 1-3pm. There will also be a tour of Roseburg on Oct 17 during Forest Product Week.

4. Congressional Policy Updates: none

5. **State of Montana Forests in Focus and Good Neighbor Authority Update** (*N. Simpson, DNRC and R. Zeisak, DNRC*)

- Mo Bookwalter couldn't attend today, but she has offered to be available by phone or email for follow up phone calls.
- N. Simpson started with an overview of the Forests in Focus Initiative, which prioritizes forest restoration and industry retention. From a list of 25 projects funded: 19 decisions have been signed and 7 contracts have been awarded (maybe a few more). Boulder Lowlands is a success story on the list; it's done. S. Snelson added that without the lean-in from the BDWG that Boulder Lowlands would not be done right now. Pintler Face is another project that has been accelerated, probably by a year, because of the BDWG - "a real celebration."
- The Forests in Focus Initiative was originally funded from the state fire suppression account, but that fund has been used and it is unlikely more money will come from the federal level.
- The Good Neighbor Authority was authorized by the Farm Bill and the master agreement was signed in 2014. Momentum is building for the Good Neighbor Authority to be a powerful tool. Right now, they're narrowing their focus to litigation support, which has mainly been through amicus briefs (though the DNRC is trying to figure out how they can put in more substantive comments at the right time that would add to the administrative record and bolster support), and finding NEPA-ready projects to generate revenue. Through the Good Neighbor Authority, DNRC can use state procurement procedures to sell federal timber, which has major efficiencies.
- The program was funded with seed money through a standalone supplemental agreement with the Forest Service. The money is federal money, but the state retains/holds it and must be used on projects that the Forest Service/BLM and the State agree on. BDWG members asked follow up questions about funding, and N. Simpson elaborated on the potential for the fund adding that the DNRC's intent is not to overtake the federal timber program. They don't have a revenue goal right now, although he personally would love one.
- R. Zeisak gave a quick history of Forests in Focus projects. 2015 - granted 17 projects ("that helped put logs on trucks"). 2016 - another \$2 million allocated. Most contracts are not granted for the long term, typically 12 months, which gives the mills a good idea of volumes to come in over that year — total volume to date: 27,000 tons of pulp and 22 million board feet of saw logs. The vast majority have come from private property, but the project has to make sense from a forest management standpoint and be good forest stewardship. Very few of the projects have been clearcuts; the only clearcuts were on burned over ground on ranches in the East.
- T. Colter contributed that the Forest in Focus initiative has been a huge help to the industry. They've been able to make sales that are otherwise uneconomical because of dead burn, road construction or slash. Overall, just a really good program. R. Zeisak agreed and elaborated that he could go out to any of the projects and be proud to show them to people.
- R. Zeisak continued with more of the program's history - how land trusts decided to opt out after the first year, so now all the projects are on private land with the exception of the Lubrecht State Forest and Bandy Ranch. In 2017, there wasn't as much money: \$1.5 million. But the law was amended in last session that project could be funded again if after the \$5 mil for the program is taken out of the fire suppression fund, \$40 mil is left. This year there is no money left, but the governor does like this program, so if the fund is ever replenished, the program should be funded again.

- C. Marchion asked questions about how water and wildlife issues were handled in the proposals and projects. He suggested that as the program moves forward, it would be helpful to have Fish Wildlife & Parks involved on certain projects.
- R. Zeisak confirmed that each proposal must meet Best Management Plans from Montana, but that FWP was not involved in any projects. There is a reliance on those who put the proposals together that the appropriate agencies are involved.
- N. Simpson also added that NEPA still applies. He concluded this topic with a confirmation that he and Matt Arno's jobs are fully funded for another two years.

6. Forest Service Discussion Topics (*S. Snelson, BDNF*)

- **BDNF FY18 Budget** - S. Snelson provided a brief overview of the working Forest Service (FS) budget (see handout). Congress has not passed a FS budget yet this year, so they're still working using an estimated budget set from last year's numbers. He then went into operating budget specifics, pointing out that what looks like initially an increase is not; it's a factor of desegregating the budget line items through IRR (Integrated Resource Restoration), which was a grouping of several line items that allowed them to mix funding across programs. Fire is funded differently this year too. So the bottom line is that they have the same amount of money as last year, which still means a slim budget for BDNF to operate under. They've been fortunate to have two strike teams from the regional office on the forest, so BDNF is in a good place with this additional (but temporary) capacity. There were a few questions from the BDWG group about salary (most of the budget is salary), grizzly bear conservation earmarks (the grizzly is still listed and those earmarks are for work while delisting moves forward), and range funding only at \$50,000 (Snelson assured the group that things would be funded, just have to use different colored money or budget line items that make sense and A. Dunn added that non-fixed costs, like seasonal wages or purchasing equipment, can also make up for budget shortfalls). When discussion moved on to the President's proposed 20% budget cut for the Dept. of Agriculture, Snelson reiterated that they are currently working without a budget. They operate most of the year without a budget, and they have to go off these numbers, based off the previous year. Snelson ended his portion with the announcement he'll be moving to the Flathead NF soon and the November BDWG meeting will be his last. The group expressed their appreciation for Snelson's work on the forest and willingness to work with the BDWG. He'll be missed.
- **Fire Report and Salvage Plans** - The region has said that fire salvage is the number one priority for this next fiscal year. The region has hired a team, similar to a strike team, to minimize the time frame for getting logs cut. Trade-offs will happen with the pace of other projects in the queue, like Red Rocks, contingent on fire severity and species. The sooner lodgepole pine and Douglas fir can be harvested after a burn, the better, within one to two years. That said, the FS won't be through NEPA for fire salvage until the end of this fiscal year. The FS is targeting certain standards like slope angle, the areas' adjacency to roads, etc. J. McNamara added that right now they're offering decks on all the fire lines, 10,000 ccf. 65% is saw log material. The BDNF is offering three individual sales (contracts) in the first quarter, which will be advertised by Nov 1. The decks will be removed in December, January and February to minimize road work. After that, they'll look at what they can salvage. The BDNF realistically has 1,500 to 3,500 acres (30 million board feet) of fire salvage to cut. Other forests have 20k-30k acres to salvage. The first salvage sale, 1,400 acres as of yesterday, will be ready once NEPA decision is signed. A. Dunn added that the region-wide fire salvage discussion changes daily. Strike teams are an added capacity on the BDNF, but there has been discussion of pulling strike teams to put on fire salvage. There is also discussion that the strike teams may finish up the projects that are started and then move to fire salvage instead of moving onto other projects they have lined up. J. McNamara added that from the timber sales side,

Red Rocks is just as important as fire salvage and the regional office has said they can keep their field crews as long as they're working on salvage. S. Snelson added that the fire salvage effort will have an impact on the projects in the works, so he advocated making as much "and" as opposed to "or" (meaning Red Rocks and fire salvage rather than Red Rocks or fire salvage). K. DiBari showed the working group a letter the Idaho Panhandle Forest Collaborative produced to show support for fire salvage with parameters. She explained how some of the sales were litigated, and the Panhandle Forest Collaborative became involved with the litigation. S. Snelson said that once the sales are through NEPA, they can get the sales done, get the receipts, and then move that money into restoration opportunities (like bull trout), which is why he's advocating to make it an "and". T. Colter agreed that the approach was good - get as much out as fast as you can. M. Connor added that a letter from this collaborative with a message about maintaining momentum on current projects and supporting quick action on fire salvage could be helpful.

- **ACTION** vote: The group decided by consensus to draft a letter to the Regional Forester in support of continuing efforts on projects in progress, in addition to salvage. T. Colter will draft and K. DiBari will circulate by email for approval.
- **Rainbow Chart/5 Year Action Plan** - A. Dunn explained the chart showing the 5 year action plan he produced for the BDWG (see attachment) - the further down the list, the further the projects are along. The highlighted ones are still under discussion in the order they will be prioritized. There was some discussion between Snelson and working group members about the conifer encroachment, for which the FS is developing an implementation plan. Dunn pointed out that when the BDWG provided FS with input a year and half ago about which projects were of priority to them, those projects are now in the white part of the list. The group agreed that prioritizing projects was a good exercise. S. Shuler made clear that once travel management starts the FS intends to carry it to completion.
- **ACTION**: Schedule a review of the BDNF rainbow chart in January, including travel management.

7. **Follow Up to Timber Sale Economics Discussion:** Mechanisms available to the FS to fund restoration/resource improvement work and how the BDWG can use the info to better understand the economics of projects (A. Brennick)

- S. Snelson explained that trust fund is money that stays locally (does not go to the federal treasury) and carries over. He thinks it's a way to a multi-year program to count on. J. McNamara and A. Brennick elaborated on the three main funds' overhead (how much goes back to the federal treasury) and their uses, as well as stewardship contracting.
 - BDBD (30% overhead) are activity funds created by the purchaser mainly for slash disposal. FS will go back in and burn the piles, which accounts for \$10k-40k/year. It becomes activated at timber sale closure, usually for three years.
 - KV (25% overhead) in 2017 had \$5k, this year is \$33k. KV work includes planting trees, culverts, weeds, road work, and others. The work must be done within a half mile of the timber sale boundary though, so there is strategic thinking to figure out NEPA projects. After a timber sale, they figure out how much is in the pot; there should be \$200k-400k in the future.
 - SS (40-70% overhead): \$500k this year. Generally \$300-500k spent each year across the forest. This can only be spent on salaries, but it frees up other money for projects by paying for those salaries. For example a bull trout salary paid under KV has to be in the timber sale area the money came from, but if the salary is paid out of SS, then that bull trout project money can come from a different pot of money and be done anywhere. T. Colter asked if the

sale had to be a certain quality to be a SS, and Jim replied that almost anything they do is salvage - fire, beetles, etc. Jim and Anton then went into the SS overhead sitting in a federal pot not being used, so that in the future, the SS rate might be lower because the federal coffers are already large for that fund. They also talked about how determining these amounts before the timber sale works and how the funds are paid only when the logs are on the truck. They also discussed the strategy with determining how to decide where to put the money - the projects, the overhead, the areas, etc.

- Stewardship contracts: the FS puts out a list of projects they want done, the bids come back and say how many of those projects can get done, and then FS has to evaluate if they think the bidder can successfully do them. A logging company might not be able to build an outhouse or build a fence; if they're hiring a third party to do those things then the cost might go up, so a KV sale might be the best choice and then the FS can use their tools to get them done. If a stewardship contract is being used, the trust funds (BDBD, KV, and SS) are not in play.

8. **Projects** (A. Dunn, BDNF)

- **Greenhorn** is currently out for scoping. There was a technical issue at the *Montana Standard* that pushed back publication, but the announcement should be out tomorrow, Oct 5, with a 30 day comment period. It is a scoping/comment document that is more detailed than what is normally provided at scoping because there was a lot of public involvement before this step, but it's not an EA. Karen shared a letter that D. Warden drafted on behalf of the BDWG in support of the Greenhorn project to submit during the public scoping. There was a brief discussion about drafting two letters, one for this scoping period which goes to the district and one to show support and help the project maintain momentum that would go to the region (voted on earlier in the meeting). ACTION vote: all in favor of the letter as drafted to be submitted to the district. Karen will finalize and submit.
- **Fleecer** is out for objection - 45 day window that started two Fridays ago. Objection period will end in December, then FS has 45 days to process objections. Fleecer is one of the BDNF's first broad integrated projects; project activities include aquatic organism and fish passage improvement, thinning, salvage, and confiner removal. Most of the work is on the east side, but the project area is all of Fleecer.
- **Red Rocks** - Tera Little took another job on the Boise NF as forest planner, so they lost a little momentum. Derek Milner is her replacement, and the ID team was able to meet two weeks ago. They're working on a 30-day comment package for Red Rocks, not a full EA, which should happen in the next six weeks. There is a lot of on the ground work being done through other resources though. M. Thompson and John Kountz took a ride out there and saw some opportunities for work (John is very familiar with this ground). S. Snelson mentioned finding ways to improve road densities being key. Messaging to the motorized vehicle community is needed to help them understand that although this isn't travel planning, the density issue needs to be addressed. The FS is considering this in the comment package. L. Wortman is working on putting together an advisory committee right now, because he feels that an advisory committee providing input is way more powerful than FS just making decisions for the area. He will follow up with Dave Sabo and Derek Milner.
- **Pintler Face** - FS is working on getting it out for the traditional EA comment period during the next month. There should be enough time for the group to discuss it at the next meeting.

9. **Membership Review and Action Plan**

- Karen asked to table this until next meeting but encouraged everyone to think about the group's balance of interests.

10. **Future Meetings – Agenda Items**

November 1

- Pintler Face draft EA likely will be released by Nov 1
- Headwaters Economics presentation on county economics as they relate to public lands and the FS
- Membership
- Current recreation needs on the forest
- Community wildfire protection plans
- N. Gevock can report on the carcass removal program; he received the grant
- The Forest in Focus grant money the BDWG received is running out in December – need to develop a funding plan to maintain NFF facilitation

December 6

- Action planning for 2018
- M. Connor suggested recording accomplishments

Future Meetings

- Update from the BDNF on the fire season: what burned, where it burned, why they did some of the things they did (like the fireline for the Meyers Creek fire)

11. **Closing** (*D. Schulz*)