



**WASHINGTON  
HARDWOODS  
COMMISSION**

## **COMMISSION MEETING MINUTES**

March 10, 2010

Natural Resources Bldg #452

Olympia, Washington

---

**Next Meetings:**        *June 16, 2010 Annual Meeting*  
DNR Southwest Office  
Castle Rock, Washington

---

### **Commissioners Present:**

Brian Stanton, Chairman  
Jeff Madsen, Vice Chairman  
Tal Edman  
Del Fisher  
Tom Fox  
Erik Metcalf  
Steve Witherspoon

### **Commissioners Absent:**

### **Attendees:**

Jed Herman, Diann Lewallen, Luke Rogers, Yolanda Wilson, and Dave Sweitzer.

The meeting was called to order by Chairman Brian Stanton at 10:00 a.m. Introductions were made and the Commission was reminded of the legal limitations of the anti-trust laws in Commission meetings. Steve Witherspoon was appointed to fulfill the unexpired term of Steve Pottle.

It was MSP to approve the minutes of the December 16, 2009 meeting as mailed.

### **FINANCE REPORT**

Lewallen presented the financial report dated February 28, 2010 showing cash and CD's of \$20,884.16 with no accounts payable. The cash flow spreadsheet shows a projected estimated reserve of \$14,988.16 and a projected estimated available reserve of \$7,988.16, both through February 18, 2010. (copy enclosed) Lewallen will check on interest rate and penalties for the CD. She will let Sweitzer know who will in turn make a recommendation to the commissioners. It was MSP to approve the financial report.

The 2010/2011 draft budget will be emailed for approval prior to the annual meeting.

## SUBCOMMITTEE REPORTS

### PRODUCTIVITY - Fisher

The measurements and treatments are completed. There are no measurements/treatments on the WHC plots next winter. The following winter (Fall 2011/2012) has a complete set of measurements on two sites (John's River and Ryderwood). Bluhm has not set a date for the summer meeting but will discuss with Hibbs.

Unfortunately, there is not much to update regarding the ORGANON modeling project. Following is an excerpt from David Hann from January:

The intent of this email is to update you on the red alder modeling project. Last fall, when I thought I was coming to the finish of the modeling work I discovered several problems with the modeling data set. After careful deliberation, I decided that the errors must be corrected because they affected too many of the equations. I also decided to go ahead and include all additional measurements on the HSC installations because they strengthened the data set in its weakest point, older measurements. At the time, I thought this decision would be no more time consuming than cleaning up the original data set and refitting the equations affected by the data problems. Unfortunately, it took several rounds of false starts before a final, expanded, and clean data set was created. Also unfortunately, the delays pushed the modeling work into a time period for which I had committed to use for other work.

And since then Bluhm has been in the woods taking measurements and is just now resuming modeling. Unfortunately he is still unable to predict when the model will be completed.

Both Dave Hibbs and Andy Bluhm joined us on a conference call and further explained the reason for the delay. The current estimate for a working model is not before six months.

### RESOURCE VALUES – Madsen

Objectives for 2010:

- Update to 2002 Washington State hardwood inventory (westside)
- Canvass producers on their perceived value of the Commission and its work
- Provide input to Forest Practices Board, Puget Sound Partnership, etc. regarding the ecological values of hardwood management

No progress on 2002 hardwood inventory aside from having Luke Rogers from RTI, UW come to our last WHC meeting. He will make a proposal at the December 10<sup>th</sup> meeting.

No progress on surveying producers on the value of the WHC. Draft survey questionnaire will be distributed to the Commission by the end of March.

Edman and Madsen were assigned the task of looking into the potential of including hardwood biomass as a possible revenue source for the WHC. Madsen talked with Port Blakely accountants about biomass sales. They said it is transferred 3 different ways: (1) we pay someone to take it away (not done recently); (2) we get a per ton stumpage for it; or (3) we sell it delivered to someone. It is accounted for on a ton basis of course. B&O tax is due on revenues but no excise tax is charged at this time. Also, sometimes they sell only conifer or only hardwood but other times they're mixed. So it would be very hard to track hardwood biomass sales unless the laws change. A recommendation will be made to the Commission at the September meeting.

## GOVERNMENT AFFAIRS – Fox

The Washington Hardwood Commission (WHC) was created by the State Legislature in 1991 to, in part, ensure the sustained management of Washington's Alder and other hardwood species using practices based on sound forest science. A key component of the Commission's work is to stay informed of pertinent legislation as well as to provide information to legislators working in the area of hardwood-forest rules and regulations.

One of the main purposes of the government affairs sub-committee is to promote an awareness of the WHC as an advocate of the State's stakeholders in effective hardwood management and to be a source of expert advice to the Legislature.

Fox has received no requests from any Legislators for assistance or comments on any pending or proposed legislation.

He spent many hours working with WFFA and the Small Forest Land Owners Advisory Committee (SFLOAC) landowner caucus on the Conifer Restoration Template (CRT). The current revised landowner draft will be presented to the full SFLOAC on March 9, 2010. It is the intention of the SFLOAC landowner caucus to try to negotiate a workable version of this current draft CRT with the agencies on the SFLOAC at the March 9, 2010 meeting. It is possible that the agencies on the SFLOAC won't want to negotiate in a good faith manner and won't want to move forward a workable version of this current draft CRT. If that is the case, the small forest land owner caucus is prepared to vote the CRT out of the SFLOAC with a split vote 4-3 and move the current CRT to the Forest and Fish Policy committee and then on to the Forest Practices Board for up or down vote. The feeling of the small forest land owners is that after almost 8 years of working on a CRT, it is time to move the template forward and either get approval or to give up trying to work the CRT. A current copy of the CRT is enclosed with my report. (appendix A)

Additionally, Fox has authored a WHC position paper on the CRT. He has distributed drafts of the CRT position paper to the entire WHC board for comments and has incorporated suggested changes into the current draft. Fox also asked and received approval from the majority of the WHC board to present the current position paper at the SFLOAC meeting on March 9, 2010, in support of the current draft CRT. He reported the results of the CRT proposal and reaction from the agencies to the WHC CRT position paper. It was MSP to adopt the position paper. A current copy of the WHC position paper is enclosed. (appendix A)

The Government Affairs Sub-committee lead has also sent out pertinent timber/hardwood industry information on current and upcoming Federal and State legislation, and issues of concern to the WHC members as it has developed to help keep them informed.

## GRANT FUNDED PROGRAMS – Stanton

First quarter activities focused on identifying suitable funding opportunities for hardwood research and development throughout 2010. The following table details relevant solicitations. All of these call for renewable energy proposals and include a mixture of grants, loan guarantees, subsidies, and tax credits. To take full advantage, the Grant-Funded Program subcommittee will have to broaden its research agenda beyond the current emphasis on red alder-for-sawlog production. An execution strategy will also need to be designed in which the Commission solicits partnering organizations to serve as the primary submitting entity. These two areas will be the focus of the second quarter subcommittee activity. (appendix B)

## EDUCATION – Metcalf

Upcoming events where the WHC has opportunity to educate the public about hardwood management in WA include the following:

- American Forest Resource Council's Tenth Annual Meeting, April 6-8 at the Skamania Lodge.
- City of Longview Earth Day Festival, April 17<sup>th</sup> at the Cowlitz County Expo Center. Office will send brochures to Eric.
- WA Farm Forestry Annual Meeting, April 25 & 26 in Hood Canal. Tom Fox is on the agenda to give an update on the WHC. Annual Meeting flyer.
- Washington State Society of American Foresters Annual Meeting, May 12-14 in LaConner. Annual Meeting flyer.
- WA SFI Implementation Committee meeting, June 2<sup>nd</sup> at Port Blakely office. Annual Meeting flyer.
- Cowlitz County Fair in Longview, Aug. 5-8, Contact the Cowlitz Conservation District for exhibits in the Forestry & Natural Resources division.
- SW WA Fair, Aug. 17-22 in Chehalis, Exhibitors must submit a request to the fair office to have an exhibit in the Wildlife Building which is where the natural resource exhibits are located. Fees may apply.
- Grays Harbor County Fair located in Elma, Aug. 11-15<sup>th</sup>.
- Evergreen State Fair in Monroe, Aug. 26-Sept. 6. \$1,350 to \$1,500 fee for exhibit space depending on location.
- Puyallup Fair, Sept. 10-26. Space for exhibits starts at \$2,000.00 in the Outdoor Living area.

Sweitzer will send PowerPoint to Metcalf and Fox. Metcalf will check with Family Forest Foundation and WFPA on how hardwoods can be involved in Project Learning Tree. Annual meeting agenda will be sent to Metcalf to apply for CE credit.

## MARKETS – Edman

Hardwood Sawmills in Washington are not running full due to:

- lack of market pull - housing starts are at 557,000 versus 1,400,000 in 2007
- shortage of hardwood logs (principally alder) because of lack of conifer need (beginning to change because of increase in softwood lumber value)
- Seasonality - wet weather Pulp and Paper Mills.

Approximately 5.5% of total chips consumed in Washington and Oregon by the Pulp and Paper Industry are hardwood (68% whole log +32% saw mill residuals) - Monthly total roughly 80,000 green tons for January 2010.

## HARDWOOD INVENTORY

Rogers submitted a proposal from the Precision Forestry Cooperative. Using Landscape, Ecology, Modeling, Mapping, and Analysis (LEMMA) Generalized Nearest Neighbor (GNN), Northwest Forest Plan analysis for Western Washington and parcel level information from the Washington State Forestland Database such as ownership, stream and wetland buffers, an assessment of Western Washington's hardwood resource will be developed. The assessment will quantify the potential volume and acres available for harvest by owner type, species, and geography.

Stanton and Madsen will work with Rogers on leveraging the project to include cooperators with mutual interests.

## 2010 ANNUAL MEETING

The 2010 Annual Meeting will be held June 16<sup>th</sup> at the Southwest Office of DNR in Castle Rock, WA. Fisher will organize a field trip close by. Sweitzer will organize the speaker presentations.

## WFFA ANNUAL MEETING

Fox has secured a 15-20 minute slot in the April 25-26, 2010 WFFA Annual Meeting at Alderbrook. He will cover who we are, what we do, and handout flyers for the WHC annual meeting. Sweitzer to email a pertinent PowerPoint presentation to Fox.

## DNR UPDATE

Herman reported that prices are encouraging. China is buying Doug fir and hemlock. DNR expects to put up 30-40 mmbf of hardwoods for sale this year. A couple of bills in the legislature include 1) DNR to recover fees incurred in putting up sales, and 2) to give clear authority to procure biomass. Sweitzer added that he is on an AFRC subcommittee to work with DNR on the biomass issue.

## OTHER BUSINESS

Metcalf alerted the Commission to the prospect that the Warty Jumping Slug has the potential to cause spotted owl type restrictions to harvesting.

It was MSP to accept the offer from AFRC to donate \$160 this year, rather than the normal dues for WHC membership.

The meeting was adjourned at 3:30 p.m.

Minutes prepared by Dave Sweitzer