



**WASHINGTON
HARDWOODS
COMMISSION**

COMMISSION MEETING MINUTES

June 10, 2009

USFS District Supervisors Office
1835 Black Lake Blvd SW
Olympia, WA

Next Meeting: September 9, 2009
DNR Bldg, #452, Olympia, WA

Commissioners Present:

Steve Pottle, Chairman
Brian Stanton, Vice Chairman
Tal Edman
Del Fisher
Jeff Madsen
Eric Metcalf
Steve Pedersen

Attendees:

Seventy in attendance. Roster in the WHC office.

Chairman Pottle called the meeting to order at 8:00 a.m. and made introductions.

It was MSP to approve the minutes of the March 26, 2009 meeting as mailed.

FINANCE REPORT

Lewallen presented the financial report dated May 31, 2009 showing cash and CD's of \$21,720.48 with no accounts payable. The cash flow spreadsheet shows a projected estimated reserve of \$27,768.25 and a projected estimated available reserve of \$20,768.25 both through June 30, 2009. (copy enclosed) The Logs Processed Summary, Dollar Summary, and Volume Summary were also presented. (copy enclosed) It was MSP to approve the finance report.

It was further MSP to approve the FY 2009-2010 budget, with a projected estimated reserve of \$32,701.00 and an estimated available reserve of \$25,701.00 on June 30, 2010. (copy enclosed)

ELECTIONS

Elected to 4 year terms by unanimous vote were Del Fisher of Weyerhaeuser Hardwoods, and Tom Fox, small woodland owner. Brian Stanton was elected chairman for the coming year with Jeff Madsen as vice chairman. Steve Pedersen was awarded a certificate signifying his contribution to the Commission.

SPEAKER PROGRAM

Jon Tweedale: Pacific NW timber industry, change and opportunity for Hardwoods from a DNR perspective

Jon Tweedale, DNR, pointed out that the Pacific Northwest has seen tremendous growth and retooling throughout the “roaring early 2000’s.” In a highly cyclical industry, periods of market strength are inevitably followed by periods of decline. Manufacturers are once again looking for opportunities for diversification in order to weather and prosper through turbulent times. Hardwoods continue to show resilience in challenging times. DNR has recognized this in its strategies to diversify and target profitable niches. The discussion focused on these three areas: the changing industry player, hardwoods unique niche opportunities, and how Washington DNR can “play” in this niche market.

Commissioner Goldmark: DNR Hardwood Perspective

Commissioner Goldmark emphasized that we need to respond with changes to market forces. This theme was apparent through all of his remarks, which included:

- 1) Strong commitment to keeping forest products industry viable.
- 2) Manage DNR lands in the public interest and with transparency.
- 3) Keep working lands working.
- 4) Conduct a summit to gain collaboration for growth with industry groups.
- 5) Initiatives could include renewable energy, biomass, certified wood.
- 6) Legislature authorized a 20% increase in contract sales.
- 7) All decisions based on science.
- 8) All the above to be accomplished while decreasing the DNR budget by 20 million dollars and laying off 120-160 people

Panel Discussion: Softwood and Hardwood Supply, Prices, Demand, and Markets

WHC Chairman and Moderator **Brian Stanton** introduced the panel and emphasized that the forest resource of the Pacific Northwest is a diverse assemblage of species, both softwoods and hardwoods, and one of the most productive in North America.

Mark Doumit, WFFPA, was optimistic about the forest products industry in the future because the demand for sustainable wood will rebound. He remarked that we have the necessary players working with us to assure success. He will work hard to coordinate with WFFA and WHC on resource.

Rick Dunning, WFFA, was encouraged by Commissioner Goldmark’s presentation that he wanted to keep working lands working. His Association is working hard to help change public perception about forestry in order that all voters will recognize that everyone is a consumer and that timber is the “miracle” renewable resource and the solution to our growing population.

Phill Guay, Business Dynamics, emphasized that wood is in the global economy and that no one is too small to participate. In 2002, China was the largest user of wood. Further, more than half of the hardwoods processed are exported.

Bruce Lippke, UW, explained the very timely and often complicated carbon footprint and carbon sequestration. He remarked that carbon credits and the green movement will not go away and that we all need to focus on the sustainable management of forests for economic, environmental, and social values, characterized by market and non-market value systems.

Chris Razor: Red Alder: Successful site selection and establishment methods.

Chris Razor, of DNR, emphasized the importance of making sure that the proper site for alder is selected: well drained soil, probably under 1,500 feet in elevation, plus freedom from frost pockets and excessive sun right after planting. Site preparation needs to be thorough and coupled with weed and pest control to help assure first year growth.

Jeff DeBell: Silvicultural considerations in established alder stands.

Jeff DeBell, DNR, cited many studies that show the significant improvement to the tree with proper thinning and pruning. This would include pre-commercial thinning and commercial thinning prior to harvest. Planted and managed stands using proper site selection, site preparation and stock type, together with thinning and pruning, generally produces a superior tree to that of natural regeneration.

Panel: Hardwood Conversion Alternate Plans, Templates, and recent reviews of Alternate Plan RMZ functions.

Steve Pedersen, Forest Resources, has worked long and hard for the Commission and the Small Landowner Advisory Committee on the Hardwood Conversion/Conifer Restoration template. Frustrated at times, he is optimistic that such a template is forthcoming.

Jeff Galleher, DNR's Small Forest Landowner Office, reported that on the average, hardwood sites were cutting 10 – 20% less than the lineal distance requested and were permitted to cut. The average permitted stream length was 1,500 – 1,600 feet. Most actually left a wider buffer than applied for and permitted by 10 – 20%. All Hardwood Conversion sites met adequate or better required functions.

Rick Kuykendall, DNR Small Forest Landowner specialist, explained the application process for Alternate Plans. It is not voluminous and not difficult, and the SLOO is available to help the landowner prepare the plan.

Connie Harrington: Ecological Benefits of Hardwoods

Connie Harrington, with PNW Research Station, noted that although hardwood species cover a small percentage of our forested landscape in western Washington, they have a surprisingly large influence on the biological diversity in their associated plant and animal communities. For example, more light reaches the forest floor under hardwoods than conifers, which enables more plant species to survive in the understory. In addition, the differences in leaf quality or seed type for hardwoods as opposed to conifers influences habitat quality for many groups of organisms, including insects, lichens, birds, mammals, and fish.

The annual meeting was adjourned at 4:00 p.m.

Minutes prepared by Dave Sweitzer