

# Tongass Young Growth Forest Management:

## *Connecting Senior Leadership with On-the-Ground Expertise*



Field trip participants, representing federal and state agencies, congressional leadership, private land owners, NGOs, and adjacent communities, visit the Harris River Interpretive Area (Photo courtesy of David Albert)

Hosted by the Tongass Transition Collaborative  
and the Tongass Collaborative Stewardship Group  
August 30 – September 1, 2016

## Acknowledgments

Financial support for the Young Growth Field Trip was provided by the US Forest Service Tongass National Forest, US Forest Service State and Private Forestry, and the State of Alaska Department of Forestry. Significant in-kind support was also provided by participants and their organizations through donated time in preparation for, during, and following the event.

The idea for the event can be contributed to the thoughtful conversations of the Tongass Transition Collaborative (TTC) and Tongass Collaborative Stewardship Group (TCSG). The TTC, a voluntary, grassroots initiative that evolved from and includes former members of the Tongass Advisory Committee (TAC), is dedicated to achieving a successful transition to primarily young growth-based forest management in a way that maximizes benefits to local communities. The TTC provides an avenue for communities, stakeholders, landowners, and partners to work constructively with the Forest Service to implement changes outlined by the TAC transition implementation recommendations. The TCSG developed during the Tongass Futures Roundtable in 2007. The ad hoc group works to enhance ecological, social, and economic well-being in Southeast Alaska by supporting collaboration among practitioners of land management and resource stewardship.

This report was co-authored by Sarah Campen, Coordinator of the TCSG, and Diana Portner, Meridian Institute, facilitator of the TTC. Additional input was provided by Andrew Thoms, Sitka Conservation Society. Significant review and input was also provided by field trip participants.

Photographs throughout the report were also provided by field trip participants, as acknowledged throughout the report.

## Resources

Supporting background materials from the field trip are available online at the following links:

- ◆ [Goals and Objectives](#)
- ◆ [Discussion Topics and Investigative Questions](#)
- ◆ [Field Trip Schedule](#)
- ◆ [Tongass Advisory Committee Final Recommendations](#)
- ◆ [Score Card of Progress on Tongass Advisory Committee Implementation, Investment, and Monitoring Recommendations](#)
- ◆ [Presentation: Tongass National Forest Young Growth, the Transition, and the proposed Forest Plan, Sheila Spores](#)

## Introduction

On August 30 – September 1, 2016, the Tongass Transition Collaborative (TTC) and the Tongass Collaborative Stewardship Group (TCSG) hosted a series of field visits on Prince of Wales and Kosciusko Islands in Southeast Alaska. **The primary goal of the field trip was to support collaboration across land ownerships, and across levels of decision-making and agency leadership to achieve successful young growth management across Southeast Alaska.**

Discussions throughout the three days focused on the following objectives:

- ◆ Creating a common understanding of past and current young growth management strategies;
- ◆ Identifying practical opportunities for mutual learning across agencies and land ownerships, and leveraged investments through an “all lands, all hands” approach;
- ◆ Sharing lessons-learned and successes from an on-the-ground perspective; and
- ◆ Finding opportunities for leadership support and local involvement.

This field trip represented an important moment, in that it brought together **regional landowners, non-profit organizations, community members, and US Forest Service and US Congressional leadership with the dedicated commitment to work together to craft solutions.** Throughout the event, participants identified important tangible next steps, including their own individual priorities and commitments, to ensure continued progress.

## Developing a Shared Perspective

Field trip participants shared their understanding of the current reality of young growth management, as well as goals for the future. While every individual and organization has a unique perspective, there is growing consensus around several key points, including the following.

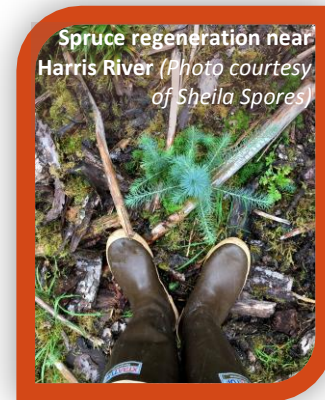
### Current Reality

- ◆ **Young growth resource:** The timber resource in Southeast Alaska, while renewable, is also finite. Some young growth is ready for harvest now; however, a majority of stands will not be commercially viable for at least 10-20 years regarding age. This is a constraint and also an opportunity to strategically invest in a developing industry.
- ◆ **Operational constraints:** The topography of Southeast Alaska is a more difficult place to operate logging equipment than competing areas of Canada or the Pacific Northwest. Transportation and operating costs are also generally higher. Due to these challenges, even stands that are of commercial age may not be available for harvest.
- ◆ **Changing industry:** Because of changes in markets and technology, a young growth industry will be structured differently than the prior old growth industry.
- ◆ **Labor:** There is a significant “graying” of the in-region wood products workforce. A young growth timber and forest management industry will require training and development of a younger local workforce.

### Goals for the Future

- ◆ **Local benefits:** There is shared desire for Southeast Alaskans to benefit directly from whatever forest products industry exists in the region. This includes jobs for Alaskans in forest products businesses, including both an export market and in-region processing to meet local markets.
- ◆ **“All lands” approach:** Successful young growth management will require cooperation between landowners to achieve cost efficiencies.

The points of shared learning which follow all seek to engage with the shared reality of young growth management and support progress towards meeting the shared goals described above.



### Implementing TAC Recommendations: Tracking Progress and Next Steps

In December 2015, the Tongass Advisory Committee (TAC) submitted their final recommendations for the Tongass Land & Resource Management Plan Amendment, as well as recommendations for implementation, investment, and monitoring of the transition to young growth management. In the past several months, progress has been made on some of these recommendations, including, for example, inventory and workforce development progress through the Challenge Cost Share Agreement between the State of Alaska and US Forest Service (USFS) State and Private Forestry. Participants highlighted the workforce development program as a success story – one which trained and hired local community members through partnerships with local entities. Field trip participants were reminded of the **importance of following through on implementation of these recommendations, which were built on a middle ground that many did not think possible.** The TTC, comprised of former TAC members, is dedicated to continuing to represent that middle ground, assist in the implementation of the recommendations, and help facilitate the involvement of local communities. To track progress, the TTC created a “scorecard” to be updated regularly. You can access the scorecard online [here](#). Of the comprehensive list of over 60 implementation recommendations, the TTC identified the following near-term priorities:

- ◆ Develop and implement a process for early project and sale planning that incorporates operators and other knowledgeable stakeholders;
- ◆ Increase engagement in the All Lands Group;
- ◆ Coordinate planning between land ownerships on Kosciusko Island;
- ◆ Coordinate with industry to develop a 5-10 year timber plan on the Tongass, including old growth bridge timber and merchantable young growth timber;
- ◆ Implement a process for scheduling young growth projects that provide appropriate scale and time horizon to incentivize investment in new markets and products; and
- ◆ Revise the residual value appraisal system to establish stumpage rates that accurately reflect the profit and risk margins in young growth sales.

## Making it Economical: Young Growth Markets, Products, and Utilization

Secretary of Agriculture Tom Vilsack stressed the importance of maintaining a viable timber industry as part of his direction for the Tongass transition; this was also a key focus of the TAC's work. Field trip participants discussed current markets for young growth, emphasizing that the current preferred market size is 8-12" and/or 12-19" diameter – a size class that is well below log sizes if allowed to grow to Culmination of Mean Annual Increment (CMAI) on the Tongass. They noted that while larger logs will sell, they do not achieve the price premium available from smaller logs. **As the transition continues to be implemented, approaches that allow for flexibility and adaptive capacity will be necessary to take advantage of these current markets in an efficient and cost-effective manner.** Participants identified the following priority actions to encourage such flexibility:

- ◆ **Cost efficiencies:** As costs are reduced, sales are more likely to appraise positive; therefore, this should be the first consideration, before determining market options. Coordinating with other landowners for consecutive contracts, discussed below, is one approach to increasing such efficiencies. Another is shared infrastructure such as log transfer facilities and roads.
- ◆ **Supply:** Because current young growth sale offerings are limited, operators are bidding on sales that are less than ideal – in some cases where it would have been preferable to allow the tree to grow another 10-15 years to avoid significant residual waste; in other cases without knowing whether the sale will ultimately be profitable. As landowners work to acquire detailed young growth inventories, developing long-term plans for providing steady supply over time will be critical for a viable forest products sector.
- ◆ **Appraisals:** Because young growth markets are uncertain and/or being pioneered (particularly domestic markets), the value is unknown and cannot be based on past sales; therefore, the appraisal process needs to be revamped. The "cost comparison" appraisal system used by the State of Alaska is one example of a potentially more effective process because of its simplicity and time efficiencies.
- ◆ **Export now, local processing in the future:** While participants agreed that they would like to see a local processing market, they also acknowledged that export is a key piece of the puzzle. Shipping costs allow operators to be cost-competitive in an Asian export market. Some participants also highlighted that local jobs are created through an export market, particularly for communities that house log transfer facilities. When considering future options for local processing, policies, incentives, and support will be needed that make in-region processing feasible, for example by using a portion of revenue from export to develop a domestic market.
- ◆ **Contracting:** It is important that links between the current industry and developing in-region processing be strategic and applicable on the ground. Some young growth sales include a requirement of 50% domestic manufacturing. While this aims to support local businesses, it may be premature due to lack of current local options for young growth manufacturing. Field trip participants agreed that flexible contracts are most effective – industry stakeholders need the full suite of options to work with available markets and make decisions regarding how to use purchased timber.

- ◆ **Residuals:** Up to half of each saw log can be lost to residual waste. In stands where trees have not yet reached “2-log” status, a significant amount of slash is left as waste. This waste is not only an issue of lost profits, but also with tree regeneration and

A modern timber industry will utilize all parts of the harvested trees to capture the full scope of value. Utilization of mill byproducts and residual waste for biomass has to part of a viable industry. (Photo courtesy of Diana Portner)



(Photo courtesy of Nicole Grewe)



planting. Heat for community buildings is one potential market for this waste; however, there is not yet enough local demand or sustainable supply to scale a biomass project. BioBricks, such as those produced by Viking Lumber, offer one method of reducing sawmill waste and offsetting costs through full utilization of the harvested resource. Residents and local businesses have the option to purchase the BioBricks and sell for a profit, thereby increasing regional cash flow.

### All Lands, All Hands: Cross-boundary Collaboration

Representatives from the USFS, Sealaska Corporation, the State of Alaska Division of Forestry, University of Alaska Trust Lands, and Alaska Mental Health Trust Lands discussed opportunities for greater coordination and resource sharing to allow for cost-effective treatments across boundaries. (The table below outlines managed young growth acres across land ownerships. Additional information specific to young growth on the Tongass National Forest was provided by Sheila Spores, Tongass National Forest Silviculturist, and is available online [here](#).)

Young Growth in Southeast Alaska	
Landowner	Approx. YG Acres
Tongass National Forest	420,000
State of Alaska	8,500
Sealaska Corporation	120,000
Alaska Mental Health Trust	25,000
University of Alaska Trust	19,000 (total acres)
Urban/Village Native Corporations	150,000

While it is important to understand that each landowner has a unique mission and directive, there are still many opportunities for shared learning and coordination for mutual benefits. Field trip participants stressed that **no single landowner in Southeast Alaska can provide for the young growth industry on its own**. Having a clear understanding of expectations and realities for availability of young growth supply from each landowner will assist the industry in planning for the transition.

To help each other be successful, participants identified the following opportunities:

- ◆ **Coordinated sales:** By working together to develop a coordinated 5-10 year sale schedule, landowners could have a plan for ongoing and consecutive sales to support the industry. Coordinated planning could result in cost efficiencies by allowing operators to work on adjacent sales, thereby keeping equipment on-island for a longer period of time. Participants identified Kosciusko Island as an opportunity for such a plan, since the island represents land from all five regional land ownerships and offers an opportunity to provide a long-term continuous supply of timber.
- ◆ **Comprehensive mapping and inventory data:** To help with coordinated planning, there is a need for site index and ground surface (e.g., drainage) mapping across land ownerships; however, past data for non-federal lands are difficult to find. As a complement to the ongoing inventory efforts, participants identified a remote sensing method, LiDAR (Light Detection and Ranging), as a viable option to assist in refining growth models and long-term supply planning to achieve mutual goals of supply, stability, and scale across land ownerships. The Nature Conservancy volunteered to take the lead on next steps for LiDAR mapping and will be looking for letters of support from other landowners.
- ◆ **Infrastructure sharing:** Under the current system, landowners must pay expensive permitting fees on an annual basis, regardless of current infrastructure use. Centralized, shared sort yards/log transfer facilities offer a viable alternative – with the five working circles as central points, they could be maintained for all landowners to use. Similarly, major cost savings could be achieved through tying together road systems – in some places, less than five miles of new road construction could combine existing infrastructure.



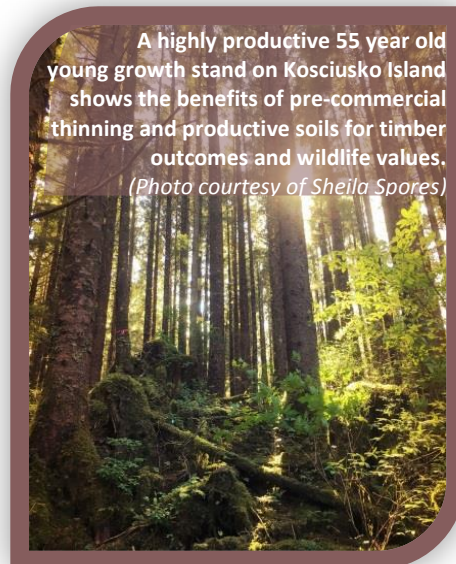
- ◆ **Continued dialogue:** Building on discussions during the field trip, the All Lands Group, with dedicated coordination, has the ability to make significant progress that results in tangible projects. Priorities for the group included identifying changes to regulations that impede coordination and resource sharing, outlining best practices and documenting agreements for coordination, utilizing Good Neighbor Authorities, scheduling consistent and effective meetings, and working together to develop a sustainable yield plan for Kosciusko Island.

## Learning from the Ground Up:

### Local-level Project Planning and Implementation

The TAC's work was guided by a shared vision that placed Southeast Alaskan communities at the forefront – this vision continues to be in the spotlight through an emphasis on on-the-ground collaboration and partnerships, community involvement in planning efforts, and local workforce development. Field trip participants stressed the **need for early and ongoing engagement of all interests throughout the region and coordination of all disciplines within the USFS.** Some opportunities and considerations for such engagement include:

- ◆ **Operator input:** The need for operator input at all levels of the process has been a consistent message. When designing a project, for example, operators can help consider the market and customers from the beginning, in order to meet the intended outcomes. This form of input from experienced operators can ensure a cost-effective project – this holds true whether for a traditional timber sale or stewardship contracting. Purchaser input and feedback on sales offerings can also ensure that sales are responding to market conditions and economic feasibility. Some concerns were expressed regarding legal approaches to allowing operator input without precluding the ability to bid on a sale; the USFS will need to consider processes to overcome these concerns.
- ◆ **Community buy-in:** To understand how decisions on the Forest directly impact local residents and businesses, local community members should be involved in planning processes and decisions about how to best balance resources. The Prince of Wales Landscape Assessment Team (POWLAT) is an example of a planning process being driven from the ground-up, with the goal of developing a 10-15 year holistic management plan, including timber sales, pre-commercial management, and infrastructure projects, among others. While recognizing the complexity of the project, POWLAT members acknowledged the importance of being asked for input in the landscape assessment.



- ◆ **Workforce opportunities:** Engaging youth in the forest management and timber sector will be important to ensure a trained workforce continues to be available, thereby encouraging growth and stability in communities. Following the workforce development program implemented through the Challenge Cost Share Agreement, participants are looking forward to implementation of the next iteration of the program. Similarly, scholarships and/or apprenticeship programs could assist youth entering forest product careers.
- ◆ **Integrated budgeting and contracting:** Grants & Agreements staff, including Contracting Officers, will need to be involved early-on in a project to have a clear understanding of the goals of the project, consider how to involve other specialists in the planning process, and understand what is/not possible. Integrated Resource Service Contracts and Integrated Resource Timber Contracts are options for a more integrated approach to achieving multiple goals through a single contract. For example, by including both forest vegetation management and wildlife objectives into a project, value can be allocated to on-the-ground localized projects that might not have occurred through a traditional timber sale. Treatments for early pre-commercial thinning and thinning for wildlife outcomes are very similar – by bundling wildlife treatments into pre-commercial thinning projects, costs can be reduced and landscape-scale benefits increased.
- ◆ **On-the-ground coordination between specialists:** When considering treatment options, USFS specialists may have differing views on the appropriate options to achieve mutual objectives. Silviculturists and wildlife biologists are still finding ways to “speak the same language” and find treatments that create maximum benefits in the most cost-effective ways. Site visits with frank discussions on what does/not work, and cultivating a culture of experimentation will be key to figuring out what works best on the varying Tongass landscapes. This form of on-the-ground discussion can help specialists understand how management options can meet mutual objectives.
- ◆ **Pre-commercial thinning:** It was clear from site visits the value of pre-commercial thinning. The USFS and staff from Senator Murkowski’s office discussed options and will continue to explore the potential to double the acreage of pre-commercial thinning on the Tongass.

The outcomes of pre-commercial thinning show that management options can simultaneously achieve objectives for vegetation management and wildlife habitat.  
(Photos courtesy of David Albert)



- ◆ **Identifying co-intent options:** Field trip participants also discussed options for co-intent management, and recognized that important components to site identification include areas with two-log trees on suitable and operable ground. When implementing a co-intent management prescription, considering economic viability will be essential – one suggested prescription was a strip thin, with a minimum width of a tree-length in the managed area.

## Investing in the Future:

### Regional and National Policy and Funding Decisions

USFS, US Department of Agriculture, and US Congressional leadership have shown ongoing support for Southeast Alaska's forests and communities. This form of leadership support will be increasingly important as the transition is implemented. Participants identified the following as high-level priorities for leadership focus in the near-term:

- ◆ **Supply commitments:** There is currently a bottleneck of timber supply which is causing consternation and some conflict. Of particular concern is old growth bridge timber to make a transition to young growth management. While there are many old growth stands remaining, there is recognition that the resource is finite – the most productive and accessible areas were logged first, and what remains are areas that have been “passed over” previously due to difficulty of access or low site productivity. Additionally, there is concern that prescription requirements and hang-ups in federal process have slowed sales on USFS lands. TAC recommendations detailed an expectation for the USFS to plan old growth timber sales through Gate 2 within 5 years; discussions on what is needed to accomplish that are ongoing. Determining how other landowners are contributing timber supply and how offerings can be temporally and spatially coordinated should also be a priority. Other tools and policies can offer support; for example, the Good Neighbor Authority and support from USFS State and Private Forestry may prove to be useful tools.
- ◆ **Appraisals:** Determine a new appraisal process for young growth that simplifies the requirements for positive value appraisals and better aligns with the market conditions that operators are working under.
- ◆ **Workforce development:** Replicate and expand the workforce development program to continue to make progress on the inventory and look for ways that expanded workforce development initiatives can develop a local workforce for a wide range of forest management activities (including, for example, inventory, stand treatments, and infrastructure maintenance) and the full gamut of timber sector jobs.
- ◆ **Public outreach:** Communicate progress and achievements through regular communication with USFS leadership and the public affairs office.

## Planning for the Future: Opportunities for Engagement and Progress

The Young Growth Field Trip was successful because participants worked together on-the-ground to learn from past projects, shared mutual commitments, and built on the consensus-based TAC recommendations as a tool for ensuring a viable timber and forest management sector in Southeast Alaska. **This field trip was the first time that all landowners, NGOs, and leadership from the USFS and US Congress have gotten together with the dedicated commitment to work together to craft solutions.** The Symposium outlined a number of tangible next steps, most notably to encourage progress on opportunities for utilizing the Good Neighbor Authority, developing a sustained yield plan for Kosciusko Island, revamping the young growth appraisal process, and continued planning for the second workforce development program.

Participants also highlighted their own priorities and commitments to ensure continued progress. Some of these commitments to progress included support for local decision-making; near-term timber sale volume; increased workforce capacity; and improved young growth appraisal processes; to name a few. (See Appendix B for a full list of participant commitments.) To continue the momentum, **participants will need to continue working together in the spirit forged during the symposium and follow-through on commitments, conclusions, recommendations, and next steps outlined in this document.**

With a young growth strip thinning project near Hollis as a backdrop, field trip participants consider how to most effectively coordinate and ensure support for the transition at the local, regional, and national scales. (Photo courtesy of David Albert)



## Appendix A: Participant List

Name	Affiliation
Quinn Aboudara	SSP/Klawock Cooperative Association
David Albert	The Nature Conservancy
Jason Anderson	USFS Tongass National Forest
Matt Anderson	USFS Tongass National Forest
Jon Bolling	POWCAC/City of Craig
Sarah Campen	Tongass Collaborative Stewardship Group
Peter Chaille	Tatoosh School
Clarence Clark	Consultant
CC Clavet	The Nature Conservancy
Sue Detwiler	USFS Region 10 Juneau
Nicole Grewe	USFS Region 10 Juneau
Dave Harris	USFS Region 10 Juneau
Tyra Huestis	POWCAC/POWLAT
Michael Kampnich	The Nature Conservancy
Patrick Kelly	University of Alaska
Chuck Kleeschulte	US Senate – Office of Senator Lisa Murkowski
Brian Kleinhenz	Sealaska Corporation
Chris Maisch	State of Alaska DNR/DOT
Wyn Manafee	Alaska Mental Health Trust
Lucy Murfitt	US Senate – Office of Senator Lisa Murkowski
Eric Nichols	Alcan
Beth Pendleton	USFS Region 10 Juneau
Diana Portner	Meridian Institute
Conor Reynolds	The Nature Conservancy
Michael Shepard	USFS State & Private Forestry
Paul Slenkamp	Alaska Mental Health Trust
Sheila Spores	USFS Tongass National Forest
Erin Steinkruger	Portland State University
Sandra Stevens	USFS Tongass National Forest
Stephen SueWing	SOA-Div. Economic Development
Andrew Thoms	Sitka Conservation Society
Jim Tuttle	Sealaska Timber Company
Wade Zammit	The Daniyel Group

## Appendix B: Participant Commitments

*Following the Senior Leadership Tongass Young Growth Field Trip, I commit to...*

- ...Pass the AMHT land exchange this year for all lands all hands.
- ...Coordinate with USFS and POWLAT to provide and synthesize information and support local decision-making.
- ...Coordinate and support multi-party socioeconomic monitoring project.
- ...Facilitate the landowners meeting.
- ...Continue to facilitate challenge cost-share for state and private forestry.
- ...Continue to shepherd the TAC recommendations forward and help make implementation of the new plan successful.
- ...Provide near-term timber sale volume from State lands; and continue efforts on challenge cost share to complete the inventory and related projects.
- ...Push for acquisition of the best available data in the least amount of time; and provide whatever support POWLAT requires.
- ...Push, pull, and drag projects forward for FY17-19 - setting clear direction to rangers + IDTs; holding us accountable to timelines; and explore ways to get them more help/support.
- ...Bring back needs/progress to help support effort at DC/Congressional level.
- ...Write up a report to the Whale Pass Community Association.
- ...Pursue land exchange to move more timber supply to market to bridge timber supplies while others try to solve long-term supply issues.
- ...Work on training and apprenticeship programs to build POW vocational workforce; and participate in POWLAT.
- ...Direct completion of a young growth appraisal process (to be completed in FY17); and evaluate options and funding mechanisms to increase PCT on USFS land base by 25%.
- ...Profitable timber operations that benefit communities.
- ...Work with POWCAC/POWLAT to find resources for a facilitator (a small but important task to encourage community buy-in).
- ...Sign the Kos EA and look into good neighbor authority.
- ...Pass S3006 to provide timber for industry next 6 years.
- ...Build a team, because the power of success is in teams.
- ...Continue working to develop local opportunities (workforce, economics, etc.).
- ...Fix the federal RV appraisal system!
- ...Find placements for WD1; and plan for successful WD2 (investing in the future).
- ...Discuss with FS public affairs staff how to do effective outreach to enlist public support and engagement in the transition.