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Tongass Advisory Committee Meeting Summary

Wednesday, October 8, 2014, 8:00am-12pm
Fireweed Lodge, Klawock, AK

Thursday, October 9, 2014, 1:30pm-5:00pm
Bay Chalet, Thorne Bay, AK

Friday, October 10, 2014, 8:00am-2:00pm
Fireweed Lodge, Klawock, AK

The Tongass Advisory Committee (TAC) held its third meeting from October 8 through October 10, 2014 to continue discussions about transitioning the Tongass National Forest (Forest) to primarily young growth forest management. During the meeting the TAC hosted presentations and discussions on the broader economic trends and conditions associated with the transition, and continued discussions of the substantive issues for which the TAC is interested in possibly developing recommendations to advise the Secretary of Agriculture. In addition to the formal meeting times, the TAC also conducted work session site visits and field trips to inform their deliberations.

The meeting agenda is available online, here. The following summary provides a description of each topic discussed and the resolution (where applicable). See Appendix A for a full participant list (including TAC members, staff, and members of the public). See Appendix B for a high level summary of the topics covered during the work session field visits.

Welcoming Remarks and Committee Updates

Forrest Cole, Tongass National Forest Supervisor, welcomed the Committee to Prince of Wales Island, and gave a brief history of the impacts of timber on the island and its communities. In the past, Ketchikan Pulp Corporation centered much of its activities on the island, resulting in the complex road (and now paved highway) systems that connect the communities on Price of Wales. He noted that without the timber industry, this infrastructure would not be in place, and many of the communities would not even exist. He stressed the value of the field trips which would enable TAC members to see young growth stands and different silvicultural approaches. He specifically referenced the "two-log tree" as a potential alternative to Culmination of Mean Annual Increment (CMAI) for determining harvest age. Lastly, he thanked the Committee and recognized their commitment and hard work.

Committee Updates

The Committee discussed issues of participation, particularly with reference to the Native interest sector; for this meeting, Jaeleen Araujo was the sole Native representative. She will be in touch with the other members of the sector to encourage their participation whenever possible at upcoming meetings. The group was encouraged to remember that everyone on the Committee shares responsibility for considering and trying to advance *all* of the interests on the TAC.

On Thursday, October 9, 2014, for personal reasons, Phil Hyatt resigned from his seat as a TAC member. On Friday, October 10, the alternate for the timber sector, Les Cronk, replaced him as a member. Moving forward, the Committee noted Chris Rose's lack of attendance for the past two meetings, and requested the Designated Federal Official (DFO) for the Committee, Jason Anderson, address the concern that his absence for two meetings in a row creates a potential inability to step in as a member should it become necessary. Anderson noted the concern and will follow-up with Mr. Rose.

Forest Plan Amendment Updates

Forrest Cole provided an update on the Forest Plan Amendment process. Tetra Tech has been selected as the contractor to provide analytical support to the twenty-member Interdisciplinary Team (IDT), and has begun developing the analytical framework[1]. The IDT has defined a preliminary set of alternatives, which includes placeholders for alternatives anticipated from the TAC, as well as possibly from the State of Alaska. In this initial thinking, the range of alternatives could include:

- No action alternative;
- Maximum timber base alternative;
- Minimum timber base alternative;
- Entire young growth land base alternative; and
- TAC-generated alternative.

The IDT will begin drafting the alternatives by the end of October, with the goal of having alternatives developed by the end of December, so analysis can begin in January 2015, and the draft Environmental Impact Statement (EIS) produced by August 2015.

Forrest clarified that the main purpose of the Amendment is to define the land base. That base will then determine the volume that can be produced. In addition to what is included in the alternatives, the record of decision might document the level of old growth that may continue during and following the transition. The EIS will not address issues of

[1] Representatives from Tetra Tech attended the meeting, and plan to attend future meetings of the TAC.

implementation, such as socio-economic tools and markets, nor will it address goals and objectives.

Defining the Transition

Projected Timber Supply

Forrest Cole suggested that in addition to determining the young growth land base, the Committee work on determining the acceptable level of old growth bridge timber. In response, the Committee requested information on the trajectory of old growth and young growth volume for the next five years, displayed by sale size. Jason Anderson clarified that the current 5-year plan is available, but individual projects volumes are not precise; rather, the collective plan represents a broad-spectrum of opportunities and objectives[2]. The Committee suggested that it would be easier to interpret if it were exhibited in a visual graphic format that shows the anticipated trajectories of young growth and old growth sales. The group suggested that transparency on the part of the Forest Service with regards to its intent regarding old growth might help prevent future litigation that hinders sales and project implementation.

Forrest Cole clarified that the transition has always intended to include old growth timber as a bridge supply. The question for the TAC is about the *amount* of old growth, and for how long. Forrest and Jason Anderson, the TAC's Designated Federal Official (DFO), both encouraged the Committee to develop recommendations about old growth based on what they determine to be socially acceptable – noting that there will be more power in a recommendation from the Committee than from the Agency. It was suggested that the TAC first explore the opportunities for young growth, and then have a discussion regarding the remaining gap in supply that could be filled by old growth.

Developing a Shared Understanding of "Transition"

Supervisor Cole prompted the Committee to each indicate their level of support for the transition from old growth to primarily young growth, which spurred the following comments:

- Transition means change over time, as compared to having the change mandated by a court and requiring immediate implementation (with no transition period). In areas faced with a court-ordered transition, the impact on communities can be severe and possibly continue for many years, sometimes decades into the future.

[2] See the Tongass Integrated Plan for an outline of anticipated future timber sales, road projects, watershed and restoration projects, and recreation projects. For a summary of the purpose of the plan and upcoming projects, see the Tongass Integrated Plan Summary. (Note: The summary was written in 2012, so project specifics are outdated.)

- During the transition, volumes of old growth will slowly "ramp down" while young growth sales will "ramp up" with enough time to allow for experimentation with new markets.
- The transition needs to lead towards an integrated industry comprised of a mix of smaller mills and larger operations; ultimately creating a complex and integrated economy that meets community needs and maintains quality of life.
- The Forest Service needs to transition from steady-state management to resilience-based ecosystem stewardship in which the forest is managed for all resources including wildlife and timber, etc.
- There is a need for a dedicated land base for young growth, but also the ability to harvest what is already designated without continued conflict.
- The result of the transition needs to be economically and financially reasonable to encourage investment into the region.
- There needs to be an element of trust in the Agency at both the local and national level, and between interest groups, in order to ensure a successful transition. This will need to include a transition in the culture and patterns of litigation.
- Outcomes will look different during transition and post-transition. Adaptation during the transition period will include developing new competitive advantages, while maintaining the current advantages for as long as possible. Following the transition, there will be a new business climate.
- The transition at the policy and planning level needs to be carried down to the level of implementation.
- Technically, the Forest has been in transition since the pulp mill era. Prior periods of transition have happened out of necessity. This period of transition, though, is politically driven, and was not an industry or even an Alaska-based choice.
- Much of the available young growth will not be available for the foreseeable future. Therefore, the most important roles of the Forest Service in the transition are to provide predictable supply and flexibility in management to ensure industry survival during the transition period.

Southeast Forest Products Industry – Economics and Markets

Nicole Grewe, Regional Economist, Ecosystem Planning and Budget, U.S. Forest Service, Alaska Region, provided a presentation regarding the broader economic and social context of the Committee's work. The presentation was based on a 2012 report by the Governor's Timber Jobs Task Force, which included an exploration of challenges, market supply, and demand for the current timber industry in Alaska, and specifically in Southeast. The summary below provides an overview of key themes and take-aways from the presentation and discussion. Nicole's PowerPoint presentation is available here.

The goals of the research were to determine the amount of timber needed to support the current and projected future timber industry, based on current operating capacity; gain an understanding of both the direct and indirect forest products businesses; and provide an overview of Southeast Alaska community conditions[3].

Of the 451 businesses registered statewide, approximately 1/3 (186 businesses) were located in Southeast, with the most located in Prince of Wales and Ketchikan. 86 of these businesses completed the interviews, providing information regarding business profile, wood products, markets, current and projected business status, timber supply, and business challenges. Those interviewed represented a mix of business types, sizes, and years of operation. Key take-aways from the interviews included the following points:

- There is already diversity in the system, through a variety of business types, product differentiation, skill-sets, and markets.
- About ¾ of respondents have an additional form of income in their household. This is important because multiple income sources derived from a diverse economy is a "survival technique" in rural communities.
- There is underutilized capacity in most of the businesses; approximately ¾ of the businesses were not operating at full capacity, and over half were very interested in expansion.
- The respondents were very optimistic about markets and demand. Over 80% of respondents believed there was current demand for their product, and over 50% expected to see growth and increased product yield in the future.
- The biggest challenge experienced by the businesses in the survey was timber supply, especially in the long-term. This was a particular challenge for sawmills and forestry support operations. Other challenges included: workforce availability and quality; forest management; and financial resources.
- Once a business has closed, it is extremely difficult to re-open.
- Overtime, the likelihood of business viability decreases. The main threats to viability included long-term timber supply; management of the Tongass; the environmental movement; and fuel costs.

The community research explored 35 communities in Southeast. For many years, the population has declined, but in recent years, the area has seen an increase in population for some regions; however, that increase is very small[4]. During the same period, school enrollment has decreased dramatically. Similarly, timber industry employment has been declining; in 2013, there were 262 total employees in the industry in Southeast. The Timber

[3] See the Timber Task Force Report on Southeast Wood Products for more information on the study.
[4] This population data is based on the Permanent Fund Dividend, a self-reporting measure through the Department of Labor. Census documentation and "Southeast by the Numbers," a publication from the Southeast Conference, display that population in Southeast is leveling off rather than increasing. These numbers also do not take into account seasonal workers.

Task Force provided 34 recommendations, with the top three focused on timber supply, and another suggesting diversification of ownership[5].

With this information in mind, the Committee will need to consider what it means to achieve a "prosperous, resilient community," what role timber will play in the future of those communities, and how the agency can assist communities and local businesses during the transition. While many of the businesses did not show concern regarding markets or demand, the Committee recognized that this research is based on the current business situation, but the responses to the transition will likely be different. However, the optimism is encouraging.

Key Take-Aways and Lessons Learned

Based on the field trips and presentations, the Committee outlined key points that will be relevant to their deliberations moving forward. (See Appendix C for a draft list of key take-aways that the TAC members provided after the first day of field trips.) Overall, a major theme emerging from the field visits to young growth stands involved implementation challenges and how the Committee's recommendations may address issues "on-the-ground," in addition to the Plan components. Challenges included:

- Limitations on what can be harvested due to CMAI requirements and the resulting acres that are, or will soon be, in stem exclusion phase;
- Applying the Standards and Guidelines, rules, and procedures that were designed for old growth to both old growth and young growth;
- Cost-effectiveness of harvest practices (i.e., even-aged management, pre-commercial thinning, commercial thinning, etc.) and the effects (or lack thereof, particularly for commercial thinning) on understory growth and wildlife habitat;
- Amount of actual harvest in comparison to what was originally cruised;
- Limited ability to find volumes of both old growth and young growth that can be sold;
- Effects of road closures on the opportunities to take downed and dead trees, and/or access to small sales without road building equipment;
- Appraisal and bidding processes that slow the outcomes and restrict some operators from access to sales;
- Stumpage rates that do not accurately reflect the profit and risk margins; and
- Lack of organizational will to address the implementation challenges.

The Committee also recognized opportunities for learning from past challenges and from the forest research areas. It is important to intentionally use those lessons in future

[5] See the Alaska Timber Jobs Task Force Final Report for a complete list of recommendations.

management. In order to apply these lessons, the members suggested that the Forest Service needs updated management approaches, enhanced accountability, and better performance measures. In other words, the Forest Service needs to carefully consider internal policies, practices, and behaviors or assumptions that might have worked well for an old growth-based timber program, but needs to be reevaluated for the future young growth-based program, thereby undergoing its own form of a transition.

In addition, to help with transparency and clarity, they suggested the 5-year plan differentiate between old growth, young growth, and micro-sales. The members also suggested that sales of young growth in areas that have been previously harvested be subject to programmatic Environmental Assessments (EAs) rather than Environmental Impact Statements (EISs), in order to speed the process of documentation[6].

The members identified additional lessons learned from the mill owners and operators they visited:

- Businesses that are surviving today are niche market businesses. These mill owners have a competitive advantage because they adapted to old growth product markets. Therefore, old growth needs to continue in some capacity in order to sustain these businesses. In other words, the outcome needs to be on *predominantly* young growth, not *completely* young growth.
- Small sales and micro-sales are needed today (and in the future) to keep the small mills in business. Especially during the early transition, at least some young growth sales should be focused on small projects, because they are easier and faster to complete, and they are what the smaller local mills need.
- The transition needs to happen slowly to give businesses the opportunity to adapt. Right now the businesses are struggling with a very small profit margin, so they need time to reinvent and reinvest in new markets and products.
- Similar to the way businesses have adapted to niche markets with old growth, the industry will evolve to find niche markets for young growth.
- Rebranding may be necessary for both the continued old growth for niche markets, as well as young growth. There is a negative connotation associated with young growth and an attitude that it will not work, even though in some cases the products are similar.
- Many of the operators would prefer to strictly manufacture, but often must also participate in logging operations, road construction, etc. This dynamic could possibly be mitigated by more integration among operators. There is already interdependency

[6] Jason Anderson clarified that the type of documentation is based on the significance of effects, which is determined by the context and intensity of the action. The National Environmental Policy Handbook Chapter – Zero Code provides an overview of the components that every environmental assessment must include. See (b) Intensity (pp. 15-16) for a list of requirements for determining severity of impact.

between larger operations and small operators that could be enhanced through the transition.

Key Components and Process for Developing a Transition Strategy

The Committee discussed the process and next steps for developing an initial set of recommendations by January 2015, particularly those related to the Forest Plan Amendment, (while recognizing the connection to, and the Committee's interest in, the larger transition strategy). The goal will be to provide recommendations with community needs in mind, and that result in the social license to manage the all the resources of the Forest in a balanced way. The key Plan Amendment components include:

- Purpose and need statement;
- Goals and objectives;
- Land base and land use designations; and
- Standards and guidelines.

The Committee is also interested in addressing:

- Implementation strategy;
- Leadership and agency culture;
- Performance measures;
- Monitoring for objectives and implementation; and
- Collaboration and coordination with adjacent landowners.

The three work groups (comprised of subsets of the TAC) that were established in September provided brief, informal status updates, and will present to the full Committee when their deliverables are ready for deliberation (likely to occur at the November TAC meeting). Below is an overview of the current status of each of the work groups:

Land Base/Land Use Designations – Where: The "Where" Work Group has been exploring opportunities for expanding the land base for young growth timber. They completed an initial analysis of young growth on the Forest to determine the priority areas to explore, based on older age classes (age 55 and above), high site class, and road/shore access. The initial analysis demonstrated that the area with the most acres of priority young growth is the beach fringe. However, in general, the overall number of acres that will be available for harvest during the transition period is fairly low. The group will continue their analysis prior to the next meeting, when they will present their findings to the full Committee for a discussion of the social implications of introducing new areas to the land base.

Standards and Guidelines – How: The "How" Work Group has so far discussed three opportunities for changes to standards and guidelines that could result in more young growth timber being available for harvest:

1. In non-development LUDs, they are exploring patch cut rotations which would result in diverse, multi-age class, multi-structure stands harvested sequentially over time to minimize impacts to habitat and scenery.

2. They are considering flexibility and/or exemptions from scenery restrictions for young growth.

3. They are preparing a draft guideline regarding coordination with adjacent landowners to encourage coordinated planning for shared services and costs.

The group will continue refining their drafts to present to the full TAC for deliberation.

Purpose and Need – Why: The "Why" Work Group has been drafting a purpose and need statement which explains the current situation and why the TAC was formed, and articulates a vision for future land management. Ultimately the statement will provide big picture context for the recommendations that the TAC is providing. The group is also exploring goals and objectives, monitoring opportunities, and the basis for a socio-economic impact analysis. The group will refine their drafts for presentation to the full TAC for deliberation.

The Committee discussed additional roles and responsibilities for work groups moving forward. Because much of the conversation at this meeting centered on implementation, the Committee requested the creation of another work group (approved and created by DFO Anderson) to address implementation considerations for the Plan Amendment and overall transition strategy, as well as at the project-level. Topics for this group include exploration of implementation challenges and barriers in both policy and project planning, e.g., CMAI; small sales; harvest layout; institutional effectiveness; legislation; appraisal system investments; road systems; agency accountability; etc. In addition to the Forest Plan monitoring components to be addressed by the purpose and need group, the implementation strategy group will also address monitoring at the project level. The two groups will discuss monitoring for topics such as: baseline measurements; landholder collaboration; viable industry and forest products outputs; Forest Service performance metrics; and community health.

The TAC expects to make significant progress when they review and build upon the work group products as a full committee in November. In addition, the members also noted that Robert Bonnie, the US Department of Agriculture Under Secretary for Natural Resources and Environment, will likely be attending the November meeting. The Committee will be identifying specific items to bring to his attention, many of which will likely be related to implementation.

Public Comment

The Committee encourages members of the public to provide input through oral and/or written comment. Every TAC meeting includes public comment period(s). During this meeting, there were two public comment periods, one in Klawock and one in Thorne Bay. The following comments were offered:

- Karen Petersen, from the University of Alaska Cooperative Extension Service, and facilitates the Forest Products Task Force for Prince of Wales Island, discussed the implications of forest product development and biomass. She discussed the importance of the micro-sale program, and the reduced amount of access due to road closures. She suggested the option of expanding the area for allowed prospecting to 1200 feet from roads (in contrast with the current 800 feet limit of the Roadside Environmental Assessment (EA)), and also include beach buffers and Old Growth Reserves. She recognized small sales (ranging from 1 MBF -1 MMBF) as important for the small local mills in the region. The bulk of her comments centered on biomass and its importance to an integrated timber industry. It is often overlooked as a renewable energy option, yet it is a byproduct of all timber operations (i.e., limbs, tops, slash, debris, and non-merchantable wood) and remains viable for up to 10 years. To encourage use of biomass, she suggests including biomass as an action for timber harvest within National Environmental Policy Act (NEPA) documents. Karen offered to provide at presentation at the next meeting regarding the current challenges and opportunities for biomass.

  In response to her input, several TAC members followed up with comments and questions. The members expressed interest in biomass, and concern that it is not being included in project-level decisions, ultimately resulting in a barrier to further building the industry. They recognized that often it is not included because markets and demand for the products do not currently exist, although some local buildings (i.e., Ketchikan Airport and local schools) are heated with biomass. They recognized the need for cooperation and partnerships between timber operators to help implement a biomass program.

- Michael Kampnich, of the Nature Conservancy, questioned the bidding process for the Dargon Point and Big Thorne sales. He expressed concern that the Dargon Point sale is requiring the second bidder to pay the higher price (as bid by the unresponsive winner). With the Big Thorne sale, he questioned why the bid amounts were not made public.

  Jason Anderson responded that the renegotiation process for Dargon Point is consistent with the process specified in the Forest Service manual, which is based on Agency interpretation of federal regulation. He agreed to look further into the issues.

  During the second public comment period, Michael offered additional comments: Throughout his years working in both conservation and forestry, he has witnessed the Tongass labeled in different ways, ranging from “old growth forest”, to its current label

as the "salmon forest." While many in the conservation community view the Tongass as an intact temperate rainforest that needs to be set aside and preserved, he views it as a working forest for many users, to be balanced between timber and watershed protections. He recognized that transition has been under way since the pulp mill era, when harvest was occurring at an unsustainable rate, and since that time, harvest standards, stream improvements, and overall forest and watershed health have continued to improve. However, as the transition continues, it is imperative to recognize how important timber is to local economies, beyond the timber industry alone to include far-reaching effects such as school enrollment. The current transition will need to include a shift in Forest Service programs and systems; for example through a focus on pre-commercial thinning rather than commercial thinning, by providing flexibility for sales, adjusting the profit/risk calculations, and allowing for adaptability as markets and demand shift. To help small mills, he suggested targeting local sales of young growth and bridge old growth on Prince of Wales Island to small mills, with sales in outlying areas targeted to larger operations.

- Harvey McDonald, a local Thorne Bay resident, expressed concern about conversion to small log sales. He suggested that there is not currently enough volume, and the infrastructure is not in place. There will be a large monetary commitment for the industry to transition. For both those reasons, he suggests the transition needs to be slow to allow for change.

- Keith Dahl echoed the concern about the Big Thorne bids not being public. He also expressed concern regarding the wide variation in stumpage values among sales. Although he recognized the variation in costs and other factors involved, he suggested that the overall trend is that small sales are costing more than larger sales.

  Jason Anderson suggested that Keith contact the timber officer Charley Streuli or Forrest Cole, and/or request more information through the Freedom of Information Act (FOIA) on specific bids or appraisals.

- Jon Bolling, from the City of Craig and Chairman of the Prince of Wales Community Advisory Council (POWCAC), distributed a letter to the Committee that was originally sent to the regional forester regarding the Tongass Land Management Plan 5-year review. He highlighted a few points that were particularly relevant to the TAC's work. POWCAC has consistently expressed support of the timber industry because of its importance in communities, and the benefits provided across the island. The Council encourages the Forest Service and the TAC to consider a slow transition, incorporating young growth as a part of the flow of resources, in combination with old growth, over the next 20 years. Renewable energy and biomass will be extremely important to the island given reliance on a local resource. Currently, in Craig there are three municipal buildings that are heated by wood chips produced by Viking Lumber, and there are many other examples on the island. Mining prospects are an additional economic opportunity for the island. He concluded by reflecting on Forrest Cole's comments

regarding the road system, recognizing the importance of the infrastructure to social-economic integration for Prince of Wales communities.

- Sam Thomas is a member of the Tribal Council of the Craig Tribe, but spoke on behalf of himself (not the Tribe). He expressed concern about roadside herbicide applications for invasive species. He stressed the importance of subsistence resources to support traditional ways of life, and recognized that timber management is necessary to not only extract resources, but to also manage wildlife and support understory development. The transition needs to be happening throughout all of Southeast Alaska, and collaboration is the key to achieving the transition. Therefore he believes that there are other groups that should be participating on the TAC; for example, the Prince of Wales Conservation District is currently finalizing the management strategies for their plan, and the Prince of Wales Regional Advisory Council has a lot of local knowledge to offer. Overall, he encourages the TAC to be cognizant of the potential negative consequences of Plan modifications for the environment.

- Dennis Watson, Mayor of Craig and General Manager of the Inter Island Ferry Authority, acknowledged the Forest's resilience in spite of many years of intensive logging. He also recognized the importance of a well-rounded economy, with multiple industries, including tourism, fishing, and timber, among others. He encouraged the TAC to extend the timeline for the transition in order to allow for availability of young growth, create a viable market product, and give the timber industry a chance to survive. Viking Lumber is an important member of that industry, including economy, export, and energy components. The small mills are equally important and need sales they can access. He noted that the proposed Sealaska bill, if/when passed, will reduce even more of the available young growth. In addition, the markets and industry are very different in Alaska than in the lower 48, so it will take a unique model to achieve the transition.

- Malena Marvin, Executive Director of Southeast Alaska Conservation Council (SEACC), stressed the importance of an integrated, thriving local economy and the protection of subsistence resources for Southeast Alaska, for now and the future, to conserve the unique way of life that the area offers. She believes that needs for timber, fishing, recreation, carbon reserves, and tourism can be met with the resources that are available. However, she believes current Forest Service approaches are not working, as indicated in litigation by over 10 different groups. SEACC would like to see the transition sped up, and believe that it can be done as soon as two years from now. She noted that many of the public comments that were submitted by others also support a quicker transition. Subsidies that are currently assisting industries that rely on primarily export markets should be shifted to local industries that support local economies. Ultimately she would like to see a small timber industry that is no longer part of the international trade loop, but instead is based on young growth, with small amounts of old growth, supporting locally manufactured goods and Southeastern Alaskan economy. SEACC welcomes feedback from the community.

Next Steps

Schedule of Meetings

The next TAC meetings are scheduled as follows (confirmed, but subject to change):

- November 19-21, Sitka, AK
- January 21-23, Juneau, AK
- February 18-20, Petersburg, AK
- March 25-27, Wrangell, AK
- April 20-24, Washington, DC (tentative)

Work Group Conference Calls and Homework Assignments

The original three work groups will continue discussions and drafting of their respective products before the next meeting of the full TAC in November. In addition, a fourth group, the Strategy Implementation Group will be formed to discuss barriers to and opportunities for implementation. Ultimately the Where (Land Base/Land Use Designations) and How (Standards and Guidelines) work groups will combine in order to develop products based on their collective information.

Prior to the next TAC meeting, the work groups will follow this tentative schedule:

- October 13-17: Continue work on deliverables and schedule work group conference calls
- October 20-24: Conduct work group conference calls
- November 3-7: Conduct conference call with TAC co-chairs and work group chairs

For an overview of work group members and assignments, see Appendix D. Additional information regarding the work groups, including call summaries and background information, will be posted online, here, as it becomes available.

Reflections on the Meeting

Key Messages

The TAC identified the following key messages that will serve as talking points for media, as well as the basis of a press release to be finalized by the co-chairs in cooperation with the staff.

1. The Tongass Advisory Committee met on Prince of Wales Island October 8-10, visiting the communities of Klawock and Thorne Bay. The purposes of the meeting were to conduct site visits and field trips to inform the Committee's deliberations;

review and discuss the broader economic trends and conditions associated with the transition; and continue discussions of issues that need to be considered for developing recommendations.

2. Members express their sincere appreciation to the communities they visited for the welcoming reception, and especially the Fireweed Lodge in Klawock.

3. The Committee met with local mill owners and visited field sites, which gave them a good understanding of what the current industry is doing and needs, as well as the challenges with shifting to a predominantly young growth-based timber program. The field visits also highlighted the interdependence among existing mills.

4. A substantial realization was that the Forest Service must implement its own transition to make the vision work. Yet the responsibility of the transition to young growth forest management does not fall solely on the Agency's shoulders; communities, businesses, and the industry will all need to adapt and innovate to respond to changing conditions.

5. Finding an accessible timber base in young growth will be a challenge.

6. After their third meeting in two months, Tongass Advisory Committee members have formed very good working relationships with each other, are demonstrating transparency while tackling longstanding challenges, and have been productive. The group is optimistic about its ability to provide the Secretary of Agriculture a strong set of recommendations that balance the cultural, ecological, social, and economic needs of Southeast Alaska communities.

7. A large and diverse group of people either attended the TAC meetings or were engaged with the community during their visit to Prince of Wales. There was more community participation this week than at any other meeting.

8. An inspiring part of the week was the visit to the Thorne Bay School, which included a tour of a wood boiler that uses local timber to heat the school and a greenhouse. Thorne Bay students were clearly enthusiastic about creating innovative economic diversification strategies in their own community.

9. The next Committee meeting will be held in Sitka, November 19-21, 2014. Additional meetings will likely be held in Juneau, Petersburg, and Wrangell in January, February, and March 2015.

The press release with the finalized key messages is available online, here.

Member Reflections

At the close of the meeting, the TAC members and alternates reflected on their experiences from the meeting. Their comments reflected the following themes:

- The Committee is working as a strong collaborative, and has made a significant amount of progress to date, because of the members' high energy, ambitious focus, and willingness to work hard. While dilemmas and tensions are starting to arise, the group is handling them extraordinarily well with civil, sincere dialogue. There has already been shared acknowledgment of some key messages, and there is optimism moving forward to achieve recommendations that everyone can support.
- Culture has been missing from the vision statement7.
- The transition is something that needs to include the Forest Service, local communities, the conservation community, the timber industry, and beyond, because its effects will be broad-reaching. Looking critically at the Agency and the strategies for implementation were recognized as essential to the discussion.
- There may be valuable lessons to be gleaned from other industries that have undergone transition (e.g., fishing) that can help show the way towards resilient, balanced ecosystem management and durable businesses based on reliable products.
- The visits to local mills provided important insight for the Committee. Transition will necessitate not only re-tooling, but in some cases starting over with new equipment and manufacturing options. These mills will require incentives and a substantial guarantee of supply to mitigate the effects of transition and survive over the long-term.
- There was recognition that the interest groups that the members are representing are providing pressure to deliver recommendations that meet their interests and that pressure will only increase in the future.
- The Committee showed appreciation for the members of the public who attended and gave comment, and the mill operators who provided their insights.

[7] The Committee agreed to revise the vision statement to include cultural health. It now reads: *Southeast Alaska is comprised of prosperous, resilient communities that have the opportunity to predictably use and benefit from the diversity of forest resources to achieve the cultural, social, economic, and ecological health of the region for current and future generations.*

Appendix A – Participant List

Committee Members in Attendance
Jaeleen Araujo
Wayne Benner
Kirk Hardcastle
Lynn Jungwirth
Chris Maisch
Brian McNitt
Eric Nichols
Keith Rush
Erin Steinkruger
Andrew Thoms
Wade Zammit

Absent Members
Phil Hyatt[8]
Richard Peterson
Carol Rushmore
Woody Widmark

Alternates in attendance
Les Cronk[9]
Jason Custer
Kate Troll

Absent Alternate
Robert Mills
Chris Rose

Committee Staff (USFS/Facilitators)
Jason Anderson
Karen Hardigg
Connie Lewis
Nicole McMurren
Diana Portner

USDA/USFS Employees
Matt Anderson
Forrest Cole
Steven Fox
Sean Maiers
Stan McCoy
Scott McDonald
Kevin Norrgard
Katherine O'Hagan
Nick Reynolds

USDA/USFS Contractors (Tetra Tech)
Dave Cox
Matt Dadswell

Members of the Public[10]
Jon Bolling
Peter Chaille
Bob Claus
Keith Dahl
Mac Demmech
Michael Kampnich
Malena Marvin
Harvey McDonald
Karen Petersen
Panny Taylor
Sam Thomas
Stefanie Thomas-Fox
Dennis Watson

[8] As of October 10, 2014, Phil Hyatt formally resigned as a TAC member.
[9] Upon Phil Hyatt's resignation, Les Cronk replaced Phil as a member, representing timber interests.

[10] This list is based on members of the public that signed in at the beginning of each meeting day.

Appendix B – Field Trip Summaries

During the October 2014 meeting, the TAC conducted work session field trips and site visits throughout Prince of Wales Island to help inform their deliberations. These included visits to young growth stands on the Tongass, as well as private timber mills for discussions with mill owners and operators. Below is an overview of the field trip locations and discussion topics.

Silvicultural Perspectives on Young Growth Management

Locations: Craig and Thorne Bay Districts, Staney Area and Winter Harbor, Road 2050, Stands 5880100015, 5880100539, 5880200502, and 5871200574

Forest Service Resource Specialists: Matt Anderson, Melissa Cady, Tom Cady, Sheila Jacobson, Dennis Landwehr, Janice Sangunitto, Robert (Mike) Sheets, and Julianne Thompson

On October 8, the Committee visited a variety of timber stands in the Craig and Thorne Bay Districts to gain an on-the-ground understanding of within and between-stand diversity and resource trade-offs, as well as stream protections, components of the conservation strategy, options for treatment in Old Growth Reserves, commercial thinning, and general issues associated with operability and access[11].

Stand Variability

The Committee visited multiple young growth stands, witnessing first-hand the degree of diversity and variability both within and between stands. This can be due to natural variability of soil conditions or rock outcrops, whereas a change in drainage will result in a change in productivity. Because of this variability, within the same stand there are often significant changes in micro-site productivity.

Stream Protections

Streams are categorized through a formal process based on landform morphology and the presence or absence of fish. Class I and Class II streams are fish-bearing, and are protected by the Tongass Timber Reform Act (TTRA). Class III and Class IV streams are non-fish-bearing; Class III includes steeper streams that are likely to carry sediment, and Class IV streams are considered not significant enough to affect timber sales. However, in Class IV streams, debris from a timber project must be removed. Stream protections are based on sensitivity of the area

[11] Much of the material in the silvicultural perspectives portion of the field trip summary was based on information provided by resource specialists, Robert (Mike) Sheets and Melissa Cady. It is important to recognize that the management implications discussed by agency personnel, with committee members during these field visits, are subject to interpretation by other knowledgeable agency professionals.

(i.e., alluvial fans) and surrounding tree heights; for example, the minimum protections on a stream would be 100 feet on either side, increased to 130 feet or greater for floodplains.

60-80% of freshwater in the basin originates in Class III streams, which are protected by Riparian Management Area (RMA) buffers. Restrictions to commercial harvest within RMAs, as defined by the channel type, stream class, and other factors, will be a necessary consideration for young growth harvest. During initial harvest of old growth, these stream protections were not in place; therefore, there are many unmapped streams that will result in a new buffer upon field verification. At a planning level, these buffers were not taken into account, and therefore will likely reduce future harvest during on-the-ground project implementation.

Currently, management is allowed in TTRA buffers, but the managed timber cannot be sold; similarly, in RMA buffers, variance trees can be pulled from within the buffer when managing in the area adjacent to the buffer. The ability to combine commercial harvest with restoration and stream enhancement could allow for a balance of resource objectives. Committee members suggested a variety of potential opportunities for achieving this balance, particularly by allowing flexibility in buffer size and management, for example:

- Reasonable Assurance of Windfirmness (RAW) buffers could be applied differently to young growth.[12]
- Create more dynamic rather than static rules for buffers (for example, more critical buffers could be wider, whereas less critical have a decreased width).
- Allow for project-level discretion for flexibility in implementation.
- For buffers that are based on tree height and/or fixed buffer requirements, young growth could be based on the "lesser of" the requirements as opposed to the "greater of" as is currently written.
- Allow for commercial harvest within buffers for Class III streams.

Old Growth Reserves

A network of interconnected, variably sized, Old Growth Reserves (OGRs) was established across the Forest. The design of this network was based on the most restrictive requirements of species with large home ranges and for which there were viability and distribution concerns. It is important to note that not all OGRs include only old growth trees. In addition to large and medium-sized reserves, small reserves (including RMAs) were developed to allow for connectivity between the larger OGRs. These areas must be managed for returning the stands to

[12] In the wind-driven forest ecology of the Tongass, RAW buffers are added to ensure the other feature left standing does not blow down (e.g., an uncut TTRA buffer will often get a RAW buffer to ensure the TTRA buffer does not blow over during a storm; however, RAW's are not exclusive to TTRA buffers). Another way to think about it is that a hard edge is created when you place a clear-cut next to standing timber. The standing timber becomes a flat wall or sail on which the wind can be quite effective, and wind-throw is highly likely.

old growth characteristics. Commercial harvest is allowed; however, it must be based on wildlife habitat or forest structure needs. Once that goal is achieved those stands will no longer be harvested.

Committee members recognized the potential dilemma of commercial thinning a stand: if thinning occurs at age 60-70, for example, CMAI for the stand would be pushed back to perhaps over 100 years, at which point the stand could have developed old growth characteristics, again raising the issue of social license to harvest old growth. The problem, they suggested, is the resulting diminished land base. This situation has to be recognized when determining where and how much is invested in infrastructure to access those stands.

Implementation of Management Options

Young growth management on Prince of Wales (POW) is directed by the Forest Plan in two general ways; first through Land Use Designations and secondly through Standards and Guidelines. The majority of LUDs on POW that have significant amounts of young growth allow for the management of the resource in some way. When considering the Forest Plan Standards and Guidelines, it is important to recognize that since these harvests mainly occurred well before any resource protection measures were in place, the loss of harvestable acreage because of Standards and Guidelines may become problematic for large-scale harvest scheduling efforts since the Forest Service may not fully know the impact to stands until a full field review is conducted.

The National Forest Management Act (NFMA) and, specifically, the Culmination of Mean Annual Increment (CMAI) requirement define the regeneration harvest options the Forest Service has available for use in young growth stands for management in the near-term. The CMAI rule is defined in NFMA as well as in the 2008 Forest Plan. NFMA and other documents provide for certain exceptions to this rule; however, the current Forest Plan is specific that harvest in a stand should not occur prior to CMAI. Committee members recognized the need to harvest before CMAI in order to help address concerns of stem exclusion, wildlife habitat, and economically viable timber stands. Many of the stands are entering stem exclusion phase; they lack vertical and horizontal diversity, understory components, and other important structural characteristics of quality wildlife habitat and foraging. Intermediate treatments are treatments that do not intentionally regenerate a new cohort of trees in the stand. Pre-commercial thinning has not occurred in many stands due to budget decreases and a backlog in management.

Certain regeneration methods are allowed under the current rule. Regeneration methods are cutting procedures that are designed to regenerate a new age class of trees either entirely (even-age management) or partially (two-age and uneven-age management). Even-age includes clear-cutting and shelter-wood treatments and is not generally a method permitted by NFMA and the Forest Plan prior to CMAI in young growth stands. Uneven-aged management is used to create or maintain a multi-age structure (three or more age classes); it includes group selection and single tree selection and may be variations of or combinations of the two. Openings created under uneven-aged management will generally be two acres or less. Under an uneven-aged

management regime there is no finite rotation age and the stand can be reentered for treatment as often as necessary to meet objectives. Uneven-aged management is allowed prior to CMAI under the current Forest Plan and NFMA. Two-aged management regenerates or maintains at least two age classes that are separate in age by at least 20 percent of the rotation age. There are no restrictions on the size of openings so long as about 15 percent of the stand is maintained in one age class.

Other intermediate treatments like commercial thinning are allowed for harvest of young growth under the current rules regarding CMAI. However, commercial thinning is often not economic due to the limited size of the treatment area; from a logging cost perspective, commercial thinning can be one of the most expensive treatments to conduct, particularly if cable logging systems are required and the leave trees are spaced rather than retained in strips. Commercial thinning is done to reduce stand density primarily to improve growth, enhance forest health, capture timber volume that will be lost to suppression mortality, and to assure stands grow on track to meet future objectives. The goal of commercial thinning is approximately 50% retention of the stand, typically keeping the most vibrant trees standing due to wind. A concern with commercial thinning is that after a commercial thin, the growth culmination of the stand is prolonged by about 20 years; pushing back the date rotational harvest could occur.

The Committee viewed a commercially thinned stand at Winter Harbor. There were a variety of challenges associated with this project, which the TAC hopes can be viewed as lessons learned for implementation of future projects (for young growth in general, not limited to commercial thinning), including:

- Commercial thinning projects are expensive, with funding provided by taxpayer dollars.
- Production capacity at the site was limited due to terrain.
- Along the beach, much of the hemlock was fluted, which resulted in a lack of market opportunities.
- Dealing with small purchasers and new markets is difficult, and often commercial thinning projects are not economically viable.
- When equipment for harvest is limited, that also limits the markets available for sale. Sometimes equipment will be brought in with the hopes that future projects will arise, thereby offsetting some of the costs; however, once the infrastructure leaves, it is very difficult to bring it back.
- In the beach buffers, it is better to harvest downhill to a barge rather than uphill to the roads. However, this approach will require defined sideboards for access to and crossing the beach.
- To make commercial thinning viable, it may be necessary to focus on a non-saw log market (for example, fiber or biomass).
- Appraisals vary greatly depending on whether the sale is aimed at domestic or export markets.
- It is often more difficult to find old growth sales than young growth sales.

- The transition needs to be different than business as usual, to consider shared risks and possible alternatives.

Perspectives of Local Mill Owners and Operators

Locations: Port St. Nick Forest Products; Alaska Specialty Wood; Alaska Western Gold Cedar; Thuja Plicata; Thorne Bay Sort Yard; and Viking Lumber

On October 9 and 10, the Committee visited a variety of local timber producers and manufacturers to gain perspectives on young growth, including their interest in its use and current and future opportunities. In addition, the TAC also learned about current capacity of mills in area, and a variety of manufacturing operations[13].

Port St. Nick Forest Products

This mill is owned by Ron Sharp and manufactures value-added wood products made from all of the species of wood found on Prince of Wales, with most products produced from hemlock and red cedar. They make kiln-dried and planed wood products including car decking, tongue and groove paneling, and various dimensioned wood for finishing. Additionally, Ron Sharp is a member of Prince of Wales Biofuels Cooperative, a group of sawmill operators who would like to build a pellet mill in Thorne Bay and utilize their mill waste. The kiln in the mill is fired by waste wood.

All of his timber comes from Forest Service log sales (not micro-sales), and the company does all of its own logging by shovel logging, in addition to providing logging/hauling for other operations. His products are 25-30% clear, produced solely from old growth, which he sells locally in Alaska, most of which is distributed in Anchorage. The company is comprised of Ron and one other employee. He is currently out of stock, and is putting in bids for future sales. 250,000 MBF is the ideal sale size and that is enough supply to run the mill for a year. He expressed frustration regarding an 11-acre sale that is currently being litigated; he had money in a down payment for the sale, and ultimately had to retract his bid. Ron supports commercial thinning to help with wildlife management (particularly for deer); however, based on his experience operating young growth thinning projects on Prince of Wales, he noted that he cannot competitively sell the timber from a commercial thin, and in the past has had to sell to larger operators such as Sealaska.

Alaska Specialty Wood

This mill is family-owned and operated by Brent and Annette Cole, their two sons, and Brent's brother. Since 1988, Brent has been processing music wood on Prince of Wales. He calls his

[13] The mill owner and operator portion of the field trips was organized by Karen Petersen from the University of Alaska Cooperative Extension Service. She provided brief descriptions of each of the mills, which is incorporated in this summary.

product "tone wood" and sells sound boards for 265 products to 60 countries, including approximately 8,000 guitar-tops each year, some of which are sold to Gibson guitars. They are currently expanding into a 10,000+ square foot facility that will include an elevator and two biomass-heated dry kilns. This expansion will allow the increased production of guitar-tops to 40,000/year.

Most of the products are made from Sitka Spruce, and all of his products must be made exclusively from old growth; second growth does not produce the quality of wood for music wood. Quality is determined by texture and straight, tight grain for sound and stability. The process involves prospecting and bidding for dead/down salvage through the micro-sale program, cutting 23-24" bolts, and sawing into specialty products. Approximately 500 guitar-tops can be produced from 1000 BF of timber. There are wholesale markets for green wood which he ships out as bolts, but the majority of the inventory comes from the micro-sale program. This program allows for access into traditionally off-limits areas, such as old growth reserves, beach buffers, and wildlife habitat. Currently Brent has enough supply to last approximately five years, even with the expansion.

More information about Alaska Specialty Wood can be found at www.alaskawoods.com.

Alaska Western Gold Cedar

Jim and Kim Harrison own this shingle and Red Cedar mill, which is comprised of three employees. They manufacture red cedar shingles that are shipped all over the world, and also Red Cedar cants which they saw on a conventional mobile dimension saw. All of the products are made from low-grade old growth cedar logs, which are manufactured to produce a high-grade product and sold exclusively in Washington State where they are further processed for export to Canada. Although the raw logs are low-grade, it is not possible to use second growth to produce the same quality product. The mill is currently running at 25% capacity with approximately ½ load of logs per day. The mill has never run at full capacity due to a lack of predictable timber supply to hire additional employees. Ideally, the mill could process 1-1 ½ MMBF per year.

Currently, Jim has 1 MMBF on contract, approximately ¼ of which is red cedar, enough to run the mill for 3-4 months. The logs are sourced from federal, state, and private direct timber sales, but he only bids on sales that have a high content of yellow and/or red cedar. If they contain high-grade spruce, it can be sold to music wood producers. However, because it is a small operation, the mill cannot compete on the market with smaller hemlock and spruce. While some other mills have federal grants to subsidize equipment such as planers and dry kilns, this operation does not. Because of the amount of by-products and residuals, only approximately 20% of the timber can be used for the product. Currently the remaining 80% is burned as waste, but Jim would like to see a different use for these by-products. If reduced to second growth only, the mill will have to turn to export. Although he would prefer to focus on manufacturing only, Jim and his staff do their own logging, because of the reduced number of loggers left in the area.

Thuja Plicata

Ernie Eads owns this mill, which has been in operation since the early 1990s. Thuja Plicata is the scientific name for Western Red Cedar. There is now a distinction made between the Red Cedar found in Washington and Oregon (sometimes called Port Orford Red Cedar) and Alaskan Red Cedar. Ernie would like to target Yellow Cedar and has a mill capacity of 3 million board feet annually, but currently he cannot get this volume of wood. He noted that he has never been able to secure more than ¼ MMBF of timber per year, and even had a seven year period with no available timber. He currently has approximately 16,000 BF of available timber, which he will saw for lumber and sell locally. The residuals and by-products are burned as waste. He has also been involved in a sale for 22 years, due to litigation regarding whether or not the sale is eligible.

He suggested that Prince of Wales Island is the "tree farm" portion of the Forest and should be managed as such. In his eyes, a 200-year rotation would be ideal to allow for a unique forest and unique products. He applauds the sale of Big Thorne to Viking Lumber, and recognizes that there are still many small sales left in the project for smaller operators. He also brought to the attention of the Committee the problem with biofuels generation: when produced from raw logs, 2/3 of the log must be used to dry and produce the pellets, with only 1/3 remaining for the actual pellets. He also expressed concern with the use of public funds for the development of a biomass plant.

Commercial Firewood Cutting Operation

Tim Linseth operates a commercial firewood cutting operation, based out of the Thorne Bay Sort Yard. The timber he uses is considered "salvage" in the sense that it is the leftover timber from a sale that loggers cannot use. The pallets are also salvaged – they are reused from barge shipments. While he stated that spruce is not a good species for firewood, there are really no other restrictions for what he can use; in other words, it does not matter whether it is old growth or young growth for his purposes. This is a side business for Tim, so he has only produced approximately 70 cords this year, and sells mainly to schools and homeowners. The Coffman school alone burns approximately 52 cords/year, and will likely increase. Ultimately Tim intends to build a warehouse in order to have access to dry wood year-round.

Viking Lumber

Viking Lumber, a family-owned company by Kirk and Bryce Dahlstrom, specializes in old growth products and markets, known for high-value, tight grain, clear wood. The company has been in business for over 30 years, and has maintained many of the same relationships and customers over that time. Viking employs approximately 40 employees at the mill itself, with an additional 25-30 under contract for logging and road building, and 10-15 for cutting. In addition, Bryce pointed out that the company supports the local economy year-round through its impacts on the power company and barge company, among others. Primarily an export mill, Viking supplies 40 states throughout the nation; however, the local market is limited, because

the company supplies larger numbers than what is needed at other local mills. In addition, due to the price of power and limited space at the mill, Viking has not pursued value-added processing. Currently the company cuts approximately 20-25 MMBF/year, and has markets for more. In order to fully utilize their products, Viking also makes wood chips and bio-bricks to be sold for biofuel.

When asked about markets for young growth timber, Bryce sees limited value for young growth. He views the main market as a commodity for construction, such as dimension lumber for framing a house. As compared to old growth, which has niche markets, he believes that all young growth lumber will be equally priced, with no options for high value specialty products. He cautioned the group that in order to make young growth economically viable, it will require that more timber be harvested, resulting in more acres of clear-cut. He encourages the TAC to recognize the need for continued old growth supply, and the steady supply of young growth that would be needed to support the loans that are needed for re-tooling, or in his words, "starting over."

Use of Biomass in Municipal Buildings

Location: Thorne Bay School

Lauren Burch, Superintendent of Southeast Island School District (SISD), along with teachers Megan Fitzpatrick and Rob O'Neil, discussed the plan that SISD has for a conversion to biomass heat, which includes already installed boilers in Coffman Cove, Kasaan, and Thorne Bay. At the Thorne Bay School, the cord wood-fired boiler provides heat for the school, as well as excess heat for an on-site greenhouse. The boiler runs off of approximately ½ cord per day, which results in a savings of 8000 gallons of diesel per year. In a year's time, these savings have paid for the cost of the boiler system.

The goal of the project is to provide local jobs based on local resources, including career opportunities for students, including special needs students. Students are responsible for feeding wood into the boiler during school days, evenings, and weekends. They also run the hydroponics systems in the greenhouse, which grows produce for the school lunch program, as well as for sale at local establishments. In addition to the hourly/daily wages and funds for sports activities that the students receive, they are also learning valuable skills; for example, students were responsible for securing a permit for the greenhouse, and engineering students designed pallets keep the firewood dry and easily transportable. Thorne Bay School plans to expand the greenhouse operation to include more plant varieties, ultimately providing food for a student-run restaurant in town.

Appendix C – Draft Key Take-Aways from Day 1 Field Trips

1. The operational complexities on the ground trump the market/manufacturing conundrum.

2. Some look to pre-commercial thinning as used only for commercial reasons, but there are other important reasons for pre-commercial thinning – subsistence and habitat enhancement.

3. Losing money for a big project is not always good just because you learned from it. More coordination and involvement of knowledgeable industry participants might have saved money and frustration.

4. The suited young growth land base in older age classes didn't have riparian buffers on streams in most acres. These young growth stands will need buffers in future management scenarios and will cause a "fall down" in usable volume, maybe 30-40%. These are the age classes that are/or will be in solution over the next 15-20 years!

5. Quote: "It's more difficult to find or lay out an old growth sale than a young growth sale."

6. Implementation of the strategy will be as important, or more important, than the amendment. The Committee has a significant opportunity to influence internal policies and practices.

7. Local/regional leadership could do a lot more to set this up for success.

8. There will be no large volume (15 MMBF+) of second growth available until at least 2025.

9. CMAI is not the best tool to determine when to cut a stand of timber.

10. Too many of the standards and guidelines for timber sales are old growth driven that may have unintended consequences when applied to young growth. "Square peg in round hole."

11. The Forest Service, the logging community, mills and public need to change how they do business to address a new timber business done differently than days of KPC.

12. The old way of doing business is not going to work in the new business climate. Implementation is at least as important as future young growth timber base. "Yes, but…" is not going to find solutions for making it work. The next 15 years will be a learning situation.

13. Consensus on old growth harvest for transition!

14. Field trip – bad wildlife partial cut (thin) – what is the point? Don't be afraid to do larger areas – sole area layout designed to fail.

15. The young growth acres of potential harvest have considerable net downs that are not apparent on paper.

16. The process of the implementation of the Forest Plan is complicated, frustrating and filled with disappointment. Little or no incentive or consequences to delivering a product.

17. Diversity of fish species and the economic road map involved in the sport fishing industry on POW is much greater than previously thought.

Appendix D – Overview of TAC Work Group Assignments and Membership

Purpose and Needs

Tasks:

- Refine purpose and needs statement
- Metrics discussion
    - Establish base-line
    - Community health and viable industry metrics
    - Tied to FS transition - Macro-scale
    - Draw from existing information (e.g., Grewe)
    - Talking points for Bonnie

Members:

- Wayne Benner
- Jason Custer
- Lynn Jungwirth
- Andrew Thoms, Work Group Chair
- Woody Widmark

Where / How

Tasks:

Where:

- Refine acreage estimates - table
- Spatial distribution (adjacency and green-up)
- Include Sealaska bill implications
- Add Big Thorne and Hecata specifics

How:

- Review/further refine standards and guides language (flexibility/beach fringe, RMAs etc.)
- Social license questions
- Further develop land-owner collaboration piece

Combined:

- Look at existing information on demand
- Longer term picture
- Bridge timber
- Talking points for Bonnie

Members:

Where

- Kirk Hardcastle
- Chris Maisch
- Brian McNitt
- Richard Peterson
- Kate Troll
- Wade Zammit, Work Group Chair

How

- Jaeleen Araujo
- Les Cronk
- Eric Nichols
- Keith Rush
- Carol Rushmore
- Erin Steinkruger, Work Group Chair

Strategy/Implementation

Tasks: (Look at pre-transition and post-transition)

- Project Level Issues:
  - Small sales challenges
  - Harvest lay-outs
  - Appraisal system, contracting issues
  - Micro-sale program
  - Incentivizing innovation and risk taking
  - Road costs, investment credits
- Institutional and Macro Issues:
  - Identify barriers (e.g., policy/leadership)
  - Institutional effectiveness
  - FS handbook
  - Legislation
- Talking points for Bonnie

Members:

- Jaeleen Araujo
- Les Cronk
- Jason Custer
- Lynn Jungwirth
- Brian McNitt
- Keith Rush
- Erin Steinkruger
- Andrew Thoms
- Kate Troll