

Council on Forestry Meeting  
Forest Products Laboratory  
One Gifford Pinchot Drive, Madison, Wisconsin  
March 12, 2015

Council Members Present: Henry Schienebeck (Council Chair), Jane Severt (Council Vice-Chair), Paul DeLong, Kim Quast, Rep. Jeff Mursau, Sen. Tom Tiffany, Troy Brown, Paul Strong, Matt Dallman, James Hoppe, Tom Hittle, Richard Wedepohl, and Mark Rickenbach

Council Members Absent: James Kerkman, Bruce Allison, and Virgil Waugh

Guests Present: Rebecca Diebel, Terrisa Mulder, Fred Souba, Nancy Bozek, Jessie Augustine, Sara Bredesen, Cory Bruce, Mary Ann Buenzow, Marla Eddy representing Bruce Allison, Ron Gropp, Earl Gustafson, Paul Heinen, Mark Heyde, Gretchen Marshall, Don Peterson, Donny Radcliffe, Jeremy Solin, and Tyler Wentzlaff

Chair Schienebeck called the meeting to order at 9:06 am with introductions of Council members and guests present.

### Meeting Minutes

#### Managed Forest Law (MFL) –

Kim Quast

Kim Quast shared with the Council a paper from the Wisconsin Consulting Foresters (WCF) in opposition to the Governor's FY15-17 State Budget proposal to remove the Department of Natural Resources from the approval of cutting notices filed by cooperating foresters, as long as the proposed practice is consistent with the landowner's MFL plan.

A cooperating forester meeting was held on Wednesday, March 4. At that meeting 241 foresters, of which 206 were cooperating foresters, were asked their opinion of the proposal. The comments below came from that one-hour discussion however **should not be considered the opinion of all non-WCF Cooperating Foresters, this is simply a sampling of 14 points of view stated either verbally or written at the Cooperators Meeting.**

- How will this affect the Forest Certification auditing process?
- Increased efficiencies in MFL plan review was implemented with the understanding that at the time of practice implementation that detail would then be required. Concern over now scaling back at that stage.
- Personal professional interaction is being lost.
- The landowner signed up for a program where they understood the DNR to be a partner, now that partner is being removed.
- What will the converse affect be on the Cooperating Forester program?
- Concern over one bad incident collapsing the Cooperating Forester program.
- This should not be used as a reason to justify cutting field staff. Field staff is a much better investment than administrative costs.
- DNR should be involved, cooperators, consultants, landowners and loggers should not have "free reign" to make timber sale decisions without any oversight.
- The MFL plans can be very poorly written and the DNR is involved constantly anyway in the plan modification process.
- Several comments indicated this to be a good idea, Cooperators are doing a great job, and there should be a balance between DNR oversight and burden on the Cooperators.

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Discussion

Senator Tiffany explained the budget process and mentioned public hearings begin next week with a total of four over the next two weeks. Currently the legislative Joint Committee on Finance (JFC) is conducting an intensive review of the budget and next week meetings will begin between JFC and the Fiscal Bureau. After that time, amendments begin being proposed and votes begin after Easter. The MFL provision is a provision the Senator requested be included in the budget however he agrees it needs some clarity. The Senator expressed concern the cutting notice is being viewed as more of a permit causing delays in the process and cooperators feel micromanaged by the Department.

Paul DeLong noted that the provision should not affect certification as long as the integrity of the program is maintained however, it would require cooperating foresters to be part of the audit process.

Kim Quast expressed to the Council her concern with non-compliance falling back on the landowner.

Nancy Bozek and Richard Wedepohl, representing Wisconsin Woodland Owner's Association (WWOA) were not supportive of the provision as outlined in the Governor's budget proposal. WWOA enjoys having the DNR involved and likes being able to ask a DNR Forester to review a marked forest before it is cut if they so choose. Woodland owners do not want to be penalized as they are the furthest removed and least educated regarding cutting practices.

Senator Tiffany stated there is no reason a DNR Forester cannot be involved however private landowners are smart people and should be responsible for their own property. Highly qualified foresters feel they are being second guessed and asked to make very minor changes which require additional time, in turn extending the process.

Jane Severt addressed Paul DeLong and stated there needs to be changes in personnel matters within the DNR. The perception is a lack of respect by some employers for others in the profession resulting in negative relationships.

Paul DeLong confirmed the goal of the MFL efficiency work is to reduce the amount of time DNR puts in to the administration side. Paul has been in the field and on-site and is aware there are issues. Paul noted the Department has invested time and effort in increasing understanding by staff of key results so that value is added in work to ensure successful implementation of this program. Further, the Department has been investing in its managers so they have the understanding and support to address personnel issues in cases which staff are not performing as expected and are not responding to coaching. The Division has taken action where appropriate and Paul believes the vast majority of staff is doing a very good job. The Department customer feedback surveys support this statement. With that said, there is room for improvement and the Division is committed to achieving that.

Jim Hoppe mentioned there are now over 250 cooperating foresters and he questions the benefit of enrollment in the program and feels their needs to be additional incentive. There used to be smaller numbers resulting in referrals, etc.

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Troy Brown stated tremendous mistrust has been created over the years from both sides (state and industry). As you increase government regulation on industry it increases cost and when you increase cost in one area, you have to cut cost in another area. This happens most often in the workforce. He is experiencing this personally. Although timber is growing he has reduced staff from 200 to 85 in light of market challenges.

Mark Rickenbach wonders how the forestry industry can credibly say they are performing according to the guidelines of the law when there is no way to audit performance. He feels the back-end expense will be more as the expense will most likely be in legal fees.

Senator Tiffany mentioned there is a perception that water and NHI drive the process and foresters are not pushing back. He feels there needs to be more push back expressing the fact the act of forestry does not destroy habitat rather, it creates it.

Motion: Troy Brown made a motion that a letter be drafted to the Legislature stating the Council could not come to consensus regarding the issue, however asks the Legislature consider the following as it addresses this issue;

- landowner liability,
- an assurance that management that occurs meets MFL requirements,
- the need for a third party dispute resolution process
- be aware of ongoing effort to streamline MFL efficiencies,
- rationale for why the proposal was suggested (the benefits)
- clarification regarding the funding of NHI review payments for cooperating foresters,

Mark Rickenbach seconded the motion. Motion carried – Paul DeLong abstained as he will on all budget related motions.

Action: Jessie and Rebecca will work together to draft the letter to Legislature outlining recommendations to consider in regard to the MFL cutting notice budget issue. This will be distributed to the Council for review before distribution to Legislation.

## **Dispute Resolution Process**

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### Department's Current Dispute Resolution Process (Ron Gropp, WDNR)

The Department currently uses a three level process which can be found in the Private Forestry Handbook and the Cooperating Forester Agreement.

Level 1 – Done via check-in between DNR Forester and their Team Leader.

- Statewide Average: 9-12 per year

Level 2 – Done if agreement cannot be achieved at level one. At this level, the DNR Supervisor and DNR District Forester determine the facts and a written record of action must be provided to the Private Lands – Stewardship Specialist.

- Statewide Average: 4 in last 10 years or <1 per year

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Level 3 – Performed by a three person panel consisting of a DNR District Forestry Leader, cooperating forester, and a member of SAF. These individuals are appointed by the Chief State Forester. The panel evaluates, determines whether a party is at fault and makes recommendations how to proceed.

- <1; 3 in the last 10 years
- Estimate cost is roughly \$600-800/day

Dispute Resolution Proposal (Kim Quast)

- Incorporate 3<sup>rd</sup> party Dispute Resolution Team (DRT) to address low-level disputes in a timely and efficient manner.
- Moderator would be assigned from the DRT and would work with both parties through whatever means necessary
- Resolution within 5 business days
- \$400-\$600 per dispute
- This would be used for level 1 and level 2 disputes
- Level 3 disputes would use the current DNR process

Dispute Resolution Proposal (Don Peterson)

- Proposed for use in all Forestry disputes, not just MFL
- 3<sup>rd</sup> party Resolution Committee would be established
- Website, 800-number, email address for complaints, etc.
- Used for all disputes
- Estimate given of \$30K based on 25 complaints per year

**Action:** Council members will take the two proposals (Kim Q. and Don P.) back to their stakeholders, gather feedback and bring back to the April meeting for discussion.

**MFL Efficiencies Work-**

**Mark Heyde, WDNR**

Mark Heyde provided the Council with an outline of the MFL Task Efficiency Teams' progress and an outline for completion.

Kim Quast had a special meeting with WCF in October 2013 to determine their stance and they fully supported all elements outlined in the proposed efficiency process document provided to the Council.

Jane Severt questioned whether Council members had concern regarding the number of DNR employees vs. external members on the various teams.

- Mark Heyde – the Council approved the proposed membership of these teams in 2014. External participation has been very good, Forester retirements has been more of a problem.
- Henry feels some of the teams (i.e. #1) should potentially be re-evaluated. Paul D. welcomes additional external involvement if it is desired.
- Jane suggests Council members sign up for GovDelivery to view the governance items (i.e. handbooks, manual codes, etc.) within Forestry as they are all posted there.

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Paul DeLong clarified the identified completion dates are not implementation dates rather a date to have the items ready for the public review process.

**Action:** Mark Heyde will send out a list of who is involved in each MFL Efficiencies Concept Team in addition to the longer description of each concept. If Council members wish to include others, it is welcomed.

**Property Tax Discussion –** **Mark Rickenbach**

Mark presented the Council with the idea of bringing in a non-Wisconsin Property Tax Specialist to review forest property tax incentives nationally.

Representative Mursau stated, he and Senator Tiffany have discussed and decided they will (this fall) bring a proposed MFL bill forward. Senator Tiffany expressed where he thought the concerns were with last year's proposal. Those being;

- the lands that were deemed non-productive due to splits, and
- contract vs. non-contract

he is however optimistic they will be able to put something together that will pass the Legislature.

**Action:** Mark R. will work with Paul D and Henry regarding the timing (probably September agenda) to bring in a non-Wisconsin tax specialist to review forest property tax incentives.

**DNR Staffing-** **Paul DeLong**

**Staffing by program area**

Forestry account is just one account within the Conservation account. The 462 FTE number includes vacancies. In the Divisions 2011 Strategic Direction, the Department reallocated resources to align with current workload and priorities. For example, the Division had been under funding state lands work and therefore reallocated staff time to reflect the need. In response to a question, Paul noted roughly 85% of Forestry FTE's are located outside of Madison.

Research is being conducted on how the addition of Good Neighbor Authority (GNA) will impact staffing and Paul should have a better idea in a few weeks when information is released regarding implementation. The investment made in the program will affect the outcomes produced.

The majority of Foresters have at least 2 assignments (i.e. Forest Protection (fire), State Lands, Private, and/or County). These programs have been integrates since the 1970s in recognition of the need to most efficiently use limited FTEs.

County work is determined based on a time standard and negotiations between DNR and WCFA. Leadership looked at resource workload across all program areas and allocated them accordingly.

Currently proposed in the Governor's budget is a reduction of 9 Forestry FTE; 4 associated with the proposed change in MFL review.

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Regarding fire, The Department staff's for an average year. During a very bad fire year you will see the Department struggle with accomplishing other workload, depending on vacancy rates. Conversely, the Division is able to get more accomplished in wet years. Paul encourages Council members to review the documents and provide feedback with respect to concerns some have expressed about the size of the Forestry Division. Paul requested the members specifically identify what specific work is desired to be reduced by cutting positions.

Action: Paul will share the 2009 fire study with the Council

Action: Paul will provide the Council a dollar breakdown by program (i.e. how much is allocated to fire, etc.) of the \$51M within the operations portion of the Department's budget.

Action: The Department will review the data (figure) provided on page 4; table 2 of "Division of Forestry Accomplishments" document as there is concern the number should be 23% instead of 33%.

Move forestry division headquarters to northern Wisconsin

The Governor's proposal is to do a study and propose something in the next budget.

Comments from Council members included:

- Some suggested this is a poor use of state resources
- The biggest impact would be the internal department relationships with other programs
- Does not define "north"
- Could there be a "Deputy" or something similar in the north?
- Unsure what "success" looks like
- Could strengthen the relationship between the DNR and industry
- Are there efficiencies that can be gained? If not, not of value.

Action: Paul D. will provide Representative Mursau with a map outlining the location of all DNR Forestry Division staff within the state.

**Stewardship**

**Matt Dallman**

At last Council meeting Matt and Tom were tasked with drafting a letter outlining the Council stance regarding Stewardship. A draft of that letter was sent electronically to the Council prior to the meeting.

Motion: Matt made a motion to broaden the scope of the letter and send it to Jane and Henry for review and edit. Jane and Henry will determine whether the letter should be sent to the Council for further review or if it can be sent directly to the Legislature. Tom seconds the motion. Motioned carried. Paul DeLong and Jim Hoppe abstained.

Action: Matt D will work with Tom H. to edit the letter and send to Henry and Jane based on the details outlined in the motion above.

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**State Foresters Report**

**Paul DeLong**

- **Act 166 report.** The 2013-14 report has been submitted to the Council. Please contact Paul if you have any questions or concerns.
- **Stream Crossing General Permit.** The proposed General Permit for stream crossings is out for 21-day public review. Interested individuals and organizations are encouraged to comment. Very good collaboration between staff in Forestry and Water in DNR, and valuable feedback from the affected stakeholders as this was developed.
- **Northern Long-eared Bat (NLEB).** Comments on the proposed 4(d) rule are due on March 17 to the USFWS. Paul has previously distributed the DNR's comments as well as those from the Northeast Area Association of State Foresters.
- **Good Neighbor Authority (GNA).** Paul DeLong and Paul Strong commented on an upcoming exercise in Wisconsin in which USFS staff from DC will join regional staff and CNNF staff to work through with WDNR staff how this authority can most efficiently and effectively be used here. The results of that work will inform another round of comments on the draft templates. Comments are due to the USFS on April 6.
- **Fact Sheets.** Paul distributed a set of forestry fact sheets put together by the department as part of a larger set developed for different parts of the agency. Paul also sent a link to the Council of 72 county fact sheets the department has developed; forestry is prominent in them all. Paul welcomes comments on the county fact sheets and forestry fact sheets.
- **Silviculture Guidance Team.** The SGT has four membership slots opening up. A solicitation will be going out and recommendations will come back to Council leadership for review.
- **Annosum Review.** DNR's forest health staff is working aggressively to support the oak wilt guideline review. As a result, Paul is requesting a delay in the review of the Annosum guidelines until the oak wilt guideline review is completed. Please send comments and concerns to Paul.

Next Meeting – April 7, 2015 - Tomahawk

Meeting minutes respectfully submitted by Terrisa Mulder, Wisconsin Department of Natural Resources