

Council on Forestry Meeting
Tomahawk Community Bank
15 E. Wisconsin Avenue, Tomahawk, Wisconsin
April 7, 2015

Council Members Present: Henry Schienebeck (Council Chair), Jane Severt (Council Vice-Chair), Paul DeLong, Kim Quast, Troy Brown, Matt Dallman, James Hoppe, Tom Hittle, Richard Wedepohl, James Kerkman, Virgil Waugh, Bruce Allison, and Mark Rickenbach

Council Members Absent: Paul Strong, Sen. Tom Tiffany, and Ref. Jeff Mursau

Guests Present: Rebecca Diebel, Terrisa Mulder, Fred Souba, Nancy Bozek, Jessie Augustyn, Earl Gustafson, Mark Heyde, and Jeremy Solin

Chair Schienebeck called the meeting to order at 9:20 am with introductions of Council members and guests present.

Meeting Minutes

Stewardship Letter

Henry Schienebeck discussed the draft Council letter to Legislature and the need to be more specific in our suggestions to Legislators within the letter.

- Jim Hoppe discussed the letter with his stakeholder group and they approve however feel consideration should be given to projects with a good return on investment to the state.
- WCF discussed and did not support continued funding due to current state debt load.

Motion: Mark Rickenbach made a motion to draft a letter to the Legislature declaring the Council's support for the stewardship program with priority on accomplishing working forest easements, county forest acquisitions, and state forest inholdings, to be accompanied by strong accountability on oversight of the program like a competitive ranking system used to justify the spending on all state and county projects. The Council also would be willing to research alternative funding options for the program or engage in conversation to brainstorm alternatives. Bruce Allison seconded the motion, motion carried. Paul DeLong and Kim Quast abstained from voting.

Assignment: Paul DeLong and Rebecca Diebel will revise the draft letter and forward to the Council for review prior to sending to Legislature.

Managed Forest Law (MFL)

Kim Quast

MFL Draft Letter

Rebecca presented a draft letter to the Council based on Troy's motion from the March meeting.

Decision: A Dispute Resolution Process (DRP) will be moved to the end of the letter and expanded to outline the Council's wish for funding for operational functions such as oversight of the DRP program.

Assignment: Rebecca will forward the draft letter to Council members electronically and Council members should review the draft letter and provide feedback to Rebecca.diebel@wisconsin.gov by EOB Tuesday, April 14, 2015.

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Dispute Resolution Process

SAF – Felt Kim’s proposal was more in-line with current needs

WCF – Prefers Kim’s proposal

Following additional discussion, Paul outlined a set of elements for a DRP. These included:

- Focused on disputes involving DNR and either another Forester or logger
- Process completed within 30 days from start to finish
 - Level one – Moderator phone call - Initial contact within 5 days
 - Level two - Field visit required – completed within 10 days.
 - Level three – three person panel – completed within 30 days
- The Council could have oversight and responsibility to hire a contractor to manage the DRP. A diverse set of “experts” would need to be identified. Funding for expenses would be needed to encourage private sector participation.

Motion: A motion was made and seconded. Motion carried. Paul DeLong abstained from voting.

Certification

Troy Brown, Earl Gustafson, & Mark Heyde

Troy received three responses from LSLA members showing non-support and is aware of a lack of trust of FSC and the chain of custody in the lumber association. LSLA is however supportive of SFI. LSLA consists of 100+ members.

Earl distributed a revised report from the one initially distributed from the Paper Council which included an addition of a conclusion section which read while there are concerns with the certification programs – particularly (a) the administrative and documentation burdens imposed on forest professionals and (b) the public’s apparent lack of awareness of the forest products industry’s sustainability – nevertheless, the availability of certified fiber from public lands in Wisconsin is “important...highly to very important...extremely important” to pulp and paper manufacturers.

Mark Heyde stated some customers are looking for FSC and are not willing to substitute SFI. He knows the direct cost and the perception of the indirect costs of the program.

Assignment: Fred Souba will work with NCASI to develop a Forest Practices Study proposal and present it to Henry and Jane for review outside of the Council regarding a potential project that will go to the sub-committee for review. The proposal will address:

- What does certification mean to our forest products industry as a whole?
- What is the impact of not having certified fiber in the supply chain?
- What is the true cost of certification?
- What is the tipping point where certification is no longer of value?

Forest Account audit

Jane Severt

Jane suggested a request be put in to the Governor's Legislative Audit Bureau to perform an audit of the Forestry Account as the last one was performed in 2002.

Motion: Jane made a motion the Council put in a request to the Legislative Audit Committee that the Legislative Audit Bureau conduct a financial audit of the Forestry Account. Jim Kerkman seconded the motion. Motion carried.

Assignment: Paul DeLong will draft the request on behalf of Henry and present for review.

Expanding the Council's Capacity

Paul DeLong

Minnesota and Oregon Council models were reviewed, with the Minnesota Forest Resources Council falling most closely aligned with what is of interest in Wisconsin. The idea of having some discretionary funding to address priority items would be beneficial. Right now the only funding available to the Council is a small amount of funds for basic expenses. The Department staffs the Council depending on topics because the Council does not have the capability to employ staff.

Motion: Mark Rickenbach made a motion to draft a budget request to JFC for ongoing financial resources to cover priority Council work including dispute resolution oversight. Troy Brown seconded the motion. Motion carried. Paul DeLong abstained.

Assignment: This will be tied in to the dispute resolution letter.

Other Budget provisions:

Urban Forestry Grant (Bruce Allison)

Bruce presented letters addressed to DNR Secretary Stepp and Senator Darling regarding changes proposed to the Urban Forestry Grant through the budget. The Wisconsin Urban Forestry Council expresses in the letters their disapproval of the proposed changes to the grant statute verbiage. Bruce asked the Council to join the Urban Forestry Council and the Wisconsin Arborists Association in opposing the provision.

Motion: Bruce Allison made a motion the Council prepare a letter to the legislature requesting reconsideration on the amendment to Section 972.23.097(1g) of the Urban Forestry Grant. Jim Kerkman seconded the motion. Motion carried. Paul DeLong abstained.

Assignment: Terrisa will work with Rebecca to draft the letter.

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Capacity Grant Eliminations (Paul DeLong)

Paul highlighted the fact no one item was being targeted. Funding was removed in the Governor's budget due to overall concerns with items labelled as capacity grants. Council members are addressing individual items but no action was taken by the Council as a collective on capacity grants as a whole.

WEEB - Wisconsin Environmental Education Board

Motion: Jane Severt made a motion for the Council to prepare a letter requesting the legislature consider reinstatement of the Wisconsin Environmental Education Board (WEEB) and its forestry funding focus, including school forest grants. Motion was seconded by Bruce Allison. Motion carried. Paul DeLong and Mark Rickenbach abstained.

Assignment: Terrisa and Rebecca will work with Jeremy on drafting the letter.

Manufacturing Ag Credit (Richard Wedepohl)

State tax will go down and timber is excluded for unknown reasons. Richard feels this is a long-term threat. Income received from the growing of trees is excluded where it is included for other agricultural purposes. The exact tax implications of this are unknown.

Assignment: Richard will complete some research and gather additional information for the Council to review regarding how the Department of Revenue came up with their data.

Scientific Review of Guidelines (Henry Schienebeck)

Question was raised regarding how outside influence was used in the development of initial guidelines. Paul also reiterated what he reported at the March meeting that the review of the Annosum guidelines is being delayed until the oak wilt guideline review process is completed given that the same staff is needed for both. In both cases, the affected interests will be invited to be part of the process up front.

Assignment: Paul will follow up with respect to the Marten guidelines.

Future Agenda Items

CFLRP update

Updates from sub-committees

Revisiting Property Tax Incentives – Mark Rickenbach

Incentivizing management on large block forests – Tom Hittle

Tax credit for thermal biomass heating – Rep. Jeff Mursau

Wisconsin Agriculture Education and Workforce Development Council – Earl Gustafson

Future Meetings

May 28, 2015 – Madison, WI

July 29-30, 2015 – Hartford, WI – Summer Field Tour

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