

Federal Forest Advisory Committee: Ad Hoc Implementation Work Group

July 19, 2013
9:00 a.m. – 12:00 p.m.

Meyer Memorial Room (7th Floor)
Urban Center 506 SW Mill St
Portland State University

Convener: *Brett Brownscombe, Natural Resources Policy Advisor, Governor's Office*

ACTION ITEMS, MEETING SUMMARY AND UPDATES

DRAFT

Action Items from the meeting include:

- Gear up for budget implementation and related contracting process. (ODF lead - Kevin Birch, Chad Davis).
 - Define criteria for contracts.
 - Identify level of existing state staff available/needed for implementation. (ODF, OWEB).
 - Support to collaboratives – OWEB will begin identifying their administrative process and draft RFP. (Greg Sieglitz).
 - FFAC-IWG – opportunity to review draft RFP, ideally prior to the next meeting.
 - Budget note: ODF is directed to report to the Legislature in February 2014 on specific plans, expected outcomes, progress, and the amount of federal funding and support provided to the collaboratives.
 - Performance measures: land on a definitive start/end date for measurables to be reported back to the Legislature.
- State/Federal partnership and working agreements for a new business model:
 - Begin drafting an MOA to document the partnership. (Leads are Debbie Hollen and Chad Davis).
 - Immediate state/federal partnership opportunities (low hanging fruit)

ALL: Email Chad, copy to Brett, with project suggestions for partnering, and feedback on opportunities under discussion. Purpose: to aid in fleshing out priorities, inform decision making to move forward as quickly as possible.

- USFS R6 collecting 5 year plans from the Forests to identify immediate, plug'n'play type opportunities (Bill Aney, Debbie Hollen, Chad Davis).

- Budget shortfall of \$1.1M (\$2.9M funded vs \$4M requested). Consider alternative funding possibilities (Russ Hoeflich, John Audley, others as self-identified).
 - Related: If there is to be a 2015-17 budget proposal, will need to begin developing it in about 9 months (April 2014) in order to get to the Legislature in February 2015.
- SB 357. Board of Forestry directed to appoint a committee.
 - Report due to the Legislature in February 2014.

ALL: Contact Kevin Birch ASAP if interested and willing to devote time to work on the committee that will develop recommendations regarding potential approaches to diversifying and expanding revenue sources and related creative ideas including a revolving loan fund.

- Schedule an initial meeting to flesh out bill intent, committee make-up, timeline and proposed work plan (ODF).
- Next meeting: Thursday, September 5. Major agenda items: Proposed approach for implementing the budget; State/USFS business model and immediate opportunities; FFAC-IWG role.

Meeting Summary

Dry-Side Federal Forest Investment Proposal

Brett Brownscombe reviewed his email dated July 8 2013: ‘As this legislative session draws to a close, here is an update on where things stand on the dry-side federal forest investment proposal advanced by the Governor’s Recommended Budget (GRB). In short, the legislature supported funding for this package the final budget. While not to the tune of the full \$4 million requested, a total of \$2,885,000 in unrestricted lottery funds have been advanced along with a budget note that allows flexibility in spending this money across the four budget categories proposed initially by the FFAC IWG and advanced in the GRB (including the collaborative capacity grant fund). One thing to keep in mind is the original FFAC IWG proposed budget was \$2.1 million, so we came out pretty good in the end. In addition, positive inroads have been made with many legislators across both sides of the aisle, and there is significant interest in monitoring how this investment plays out over the next two years.

The represents a significant and unprecedented moment for the Oregon legislature’s commitment to increasing the pace and scale of dry-side federal forest restoration work, and the economic, community, and ecological benefits that come along with it. It is directly tied to the work you are all involved in at the local collaborative level. It also marks an important new partnership effort with the federal government in the US Forest Service and with local communities.

Much work remains in shaping the movement forward from here, but to all of you who have put time, effort, and determined patience into shaping this budget piece and its advancement, thank

you very much. And thanks as well to the US Forest Service Regional Office for your forward movement of the Blues Strategy and related funding and staff commitments. All of this would not have happened without collective and sustained effort. I will look forward to working through the FFAC in advancing efforts from here, now that we know how much gas is in the State's proverbial tank.'

Brett feels the \$ are really meant to be transformational. Not just about more \$ into the same process to get more volume, pace, scale. Grant process - will be competitive in order to be transformative. Example - how are we doing w/ moist, mixed conifer? Are the collaboratives and the USFS delivering projects? Point: the criteria for dispensing funding needs to include transformational-type objectives. For example, are we leveraging other funding and resources such as the federal CFLRP funding?

The Legislative budget note that accompanies this budget item:

'Senate Bill 5521 (2013) provided \$2,885,000 Lottery Funds limitation to the Department of Forestry for the Governor's dry-side forest health collaboration effort for a new business model to improve federal forest project management and technical and scientific support. In administering the funding, the department is authorized to also consider a small grant program and a limited duration liaison position, from the \$2,885,000, at the department's discretion. The small grants are to be administered by the Oregon Watershed Enhancement Board using the Board's existing expenditure limitation. The position, if created, is to be the state's point of contact for the US Forest Service, congressional delegation, local forest collaborative groups, and the state Legislative Assembly.

The Department is directed to report to the Legislature in February 2014 on specific plans, expected outcomes, progress, and the amount of federal funding and support provided to the collaboration.'

Flexibility in budget note allows approaching budget in an adaptive fashion, and can shift funds between the budget categories as needed. Initially it's expected that the \$2.885 budget will be prorated based to the four components in the GRB \$4M request (support to collaboratives, technical/scientific assistance, project manager, new business model). Adjustment may occur based on experience and more discussion regarding priorities and immediate needs/opportunities.

More discussion is needed within ODF about the mechanics of procurement – for example, competitive vs non-competitive contracts. Contracts under \$5k can be non-competitive. \$5-70K contracts can be handled internally. Contracts over \$70K – the state Department of Administrative Services and probably the Attorney General's Office will need to review. Competitive contracting incurs more expense for administration. ODF is initially assuming fewer, larger contracts.

Discussion included:

- The funding shows a commitment to the small communities, collaboratives on part of the Governor and the Legislature.

- We will need to continue to justify spending state dollars on federal lands.
- A need to assure we have identified capacity to monitor/track/measure for performance measures in relation to the \$'s.
- Collaborative feedback. Comments included: with this funding we have a beginning of a chance to get ahead on the restoration vs catastrophic fire situation. Will depend to some extent on perception of the forest collaboratives, and more work on “social marketing” efforts regarding active management. Related issue - perception that collaboratives are just generating pick-up sticks (how to work with the collaborative stakeholders and broader public to get to better understanding on current successes, and the needed scale and pace?). Timing is right to expand the sharing of information, resources and project approaches between collaboratives.
- A strong moderate middle has resulted from the budget discussions. The switch from lottery backed bonds to lottery funding for the \$2.885 is a major pivot that Brett carried – Brett was given kudos for his efforts.
- The FFAC-IWG should consider this \$2.885M as “match funding” and pursue other possible avenues for the approximately \$1.1M needed to fully fund the \$4M budget request.
- Need to formalize the State/USFS agreement. Bill Aney is already talking w Chad. Product could be an MOA between state (Gov's Office, state agencies) and Region 6 USFS. Level of detail - fairly high level. Possible model language includes the Colville NF/Washington DNR MOA, Good Neighbor Authority proposed federal legislation.

SB 357

A Board of Forestry-appointed committee is to “report its recommendations to an interim committee of the Legislative Assembly related to economic development no later than February 1, 2014.”

Kevin Birch will manage the effort. He is asking for assistance from FFAC-IWG stakeholders. Need to pull in expertise to flesh the intent of this bill out, bring creative solutions, and find pathways that are legal and possible. ODF will put together a summary of the bill and the work to be completed. A date will be identified to for an initial meeting to brainstorm, identify who else needs to be on the committee, set out a work plan.

The bill states that the committee’s study and recommendations “may include, but need not be limited to:

- (1) The identification of potential approaches to diversifying revenue sources and improving the level of revenue available to increase the pace and scale of federal forest management.
(FFAC-IWG participation to include: Russ Hoeflich, Tom Partin, Bill Renwick, Others to be self-identified or lassoed. AOC? Others? Legislative Fiscal Office and Legislative Revenue Office participation is highly desirable.)
- (2) The identification of ways to promote efficiencies and cost savings in federal forest planning and management.
(FFAC-IWG participation: Bill Aney and Chad Davis to take a first cut at this.)

- (3) An evaluation of the potential use of a revolving loan fund or other mechanisms that could provide a return on investment to state and local governments or other entities interested in providing loans or other financial support for increasing federal forest management projects.”

(FFAC-IWG participation: same as for #1 above).

(Underling added above for emphasis)

A complete version of the bill as passed by the Legislature is online at:
<http://www.leg.state.or.us/13reg/measpdf/sb0300.dir/sb0357.en.pdf>

Board of Forestry - Federal Forest Subcommittee

Board member and subcommittee chair Nils Christoffersen gave an overview of the Draft Federal Forest principles drafted as requested by the Governor. The Board will consider adopting at their upcoming meeting.

NOTE: The Board subsequently adopted the Principles at their 7/25 meeting. See:
http://www.oregon.gov/odf/BOARD/docs/2013_July/BOFATTCH_20130725_10_01.pdf

Roles matrix – Nils encourages FFAC-IWG review. The matrix includes the roles for the ODF staff, Gov's Office, BoF subcommittee and the FFAC-IWG. See:
http://www.oregon.gov/odf/BOARD/docs/2013_July/BOFATTCH_20130725_10_02.pdf

There is a “very draft” laundry list of potential action items that the BoF may take. This draft list will NOT be finalized at the 7/25 Board meeting. See:
http://www.oregon.gov/odf/BOARD/docs/2013_July/BOFATTCH_20130725_10_03.pdf

Brett - thanks to Chad, Kevin, and BOF/Nils for their work on this. Helps define roles and actions that state can take on this topic. The Governor sees the BoF as lead voice on state's interest in Fed forest issues.

USFS

- Eastside/Blues Restoration Strategy (Bill Aney)
Coalition of collaboratives meeting is next week (7/22-23) in Baker City. Convener/host: Eastern Oregon Association of Counties. Purpose: discuss where the new inter-disciplinary (ID) team should go to work first. 45 RSVPs. Bill has 7 different project ideas that could put an ID team to work. Wants collaborative feedback on them to select project area. The intent is to engage collaboratives early and often. Followup will be w/ Forest Supervisors about what he hears and moving to select a project.

The Blue Mountains Restoration Strategy project ideas for discussion at the meeting, in no particular order:

- a. Where it occurs, restore the health and vigor of aspen plant communities through the removal of <150 year old conifers within the aspen stand and for a determined distance around the stands for expansion. Prescribed burning (broadcast, jackpot, or pile burning) to stimulate

aspen and remove slash. Current mapping identifies about 4300 acres of aspen in the Blue Mountains, but this accounting is incomplete.

- b. Where it occurs, restore dry pine stands through understory thinning and prescribed burning, using the collaborative zones of agreement concept. Mapping has identified approximately 462,000 acres of xeric pine and pine juniper plant communities on the four National Forests, outside of wilderness, inventoried roadless areas, and current project planning areas. An additional 435,000 acres of dry Douglas-fir and 380,000 acres of dry grand fir plant communities have also been mapped, and could be the foundation for another project.
- c. Development of roadside fuel breaks on strategically important roads to serve as locations for management of wildfires and prescribed burns. Fuels treatments in critical wildland-urban interface areas to protect private lands, buildings, and infrastructure. Project area is all roaded areas on the four Blue Mountains NFs.
- d. Joseph Creek Project, Wallowa-Whitman NF, Wallowa Valley RD, Wallowa County. Landscape vegetation restoration project focused on removal of shade tolerant tree species, and the release and retention of large, dominant, healthy early seral species in Lower Joe project area. Project area could be up to 85,000 acres.
- e. Bruin/Battle Project area, Umatilla NF, North Fork John Day RD, Grant County. Landscape vegetation restoration project in the North Fork John Day River drainage immediately adjacent to the Big Mosquito project area on the Malheur NF. Thinning and prescribed burning to improve landscape condition class in Fire Regime 1 and 3 areas, previously analyzed by the ranger district interdisciplinary team as the Farley Project Area.
- f. Young Forest Restoration. Umatilla NF, Walla-Walla RD, Wallowa, Umatilla, and Union Counties. Treatment of previously-entered stands (old clearcuts planted to ponderosa pine) to remove off-site tree species; create small openings for forage/browse production and as regeneration sites for native early successional tree species.
- g. Watershed Restoration Action Plan Projects, all forests, all counties. Planning to support implementation of watershed restoration projects identified in the Watershed Restoration Action Plans (WRAPs) for high priority watersheds.

More about the Eastside/Blues Restoration Strategy is online at

<http://www.fs.usda.gov/detail/r6/landmanagement/resourcemanagement/?cid=stelprdb5423597>

- Malheur NF 10-year stewardship contract status (Debbie Hollen)
4 pre-proposal meetings completed. Well attended. Used video conferencing technology to allow more participation. Posted 6-7 amendments to the solicitation (FedBizOpps) as result of the meetings. Focus has been on what the solicitation requires so proposals could be complete. 7/23 – will have another meeting. Will not be about the solicitation, but about the bigger, broader issues. For example, Grant County Commissioner Boyd Britton - why can't County payments be part of the solicitation?

Bids due 7/31. Plan remains to award a contract by 9/30. IDIQ contract. 39 MBF on initial task order. 70% of 75MBF annually. Is the contract transferable? probably yes. Task orders will be negotiated, contractor can decline and Task Order re-offered.

Additional Updates:

National Forest Foundation and the U.S. Forest Service Announce \$169,000 in Grants to Support Community-Based Organizations and Collaboratives in Washington and Oregon

The Press Release is attached in a separate .pdf file. 'The U.S. Forest Service Pacific Northwest Region, in partnership with the National Forest Foundation (NFF), is pleased to announce the recipients of the most recent round of Community Capacity and Land Stewardship (CCLS) grants. The CCLS grant program is designed to assist forest collaboratives and community-based organizations in reaching agreement on landscape scale restoration and in creating forest-based jobs.'

CFLRP Network

Patrick Shannon is forming a network steering committee. A Monitoring Committee has been formed. Could be other committees forming up on specific topics. Another conference is planned for next spring. The importance of this effort is heightened with the 5 year reports on the CFLRP project due to Congress next year. May need help telling the story to Congress and this networking can be of assistance. Will consider how best to network R6 projects to the broader national efforts, Patrick working w/ NFF-Karen DiBari on this.

Senator Wyden introduces 'Oregon Eastside Forests Restoration, Old Growth Protection, and Jobs Act of 2013'

The bill (S. 1301) has changed noticeably since it was first introduced in 2009. The bill is online at <http://beta.congress.gov/bill/113th-congress/senate-bill/1301/text>

Oregon Wood Energy Cluster Pilot Project

The Oregon Wood Energy Cluster Pilot Project is a cooperative effort between the U.S. Forest Service, Bureau of Land Management, Oregon Department of Energy, Oregon Department of Forestry and Sustainable Northwest. They hope that the project can serve as a model for future wood energy efforts in Oregon and other states. For more information go to <http://www.oregon.gov/energy/RENEW/Biomass/Pages/Wood-Energy-Cluster-Pilot-Project.aspx>

- If you have questions about this project, please contact Matt Krumenauer at 503-378-6043 or matt.krumenauer@state.or.us

No Hiding in the Woods: Biomass Development Requires Engagement, Integration and Innovation

The latest issue of the Society of American Foresters Western Forester publication focuses on biomass. Marcus Kaufmann, ODF, was Guest Editor and wrote the lead off article. See: http://www.forestry.org/media/docs/westernforester/2013/WF_June_July_Aug2013.pdf

The next FFAC-IWG meeting is scheduled for Thursday, September 5 from 9:00 a.m. to noon at PSU.