

## **Missouri Forest Resources Advisory Council (MoFRAC) July 24, 2008 Meeting Minutes**

Dr. Gene Garrett, Chair, called the meeting to order at 1:00 p.m. at the Conservation Department Auditorium. All present were provided a copy of the meeting agenda and the draft minutes from the May 22, 2008 meeting for review. A sign-up sheet was sent around the room and a quorum was determined to be present.

### **Old Business:**

#### **Approval of Minutes from May 22, 2008 Meeting**

Dr. Becker requested an amendment to include a discussion on confidentiality. The Council approved the minutes as amended. The edited and approved minutes will be posted to the MoFRAC web page.

#### **Motion for MoFRAC to Serve as Missouri's Forest Stewardship Coordinating Committee**

Mr. Steve Westin, MDC, presented a handout and discussed the need for each state to establish and maintain a Forest Stewardship Coordinating Committee (FSCC) as a condition of participation in the USFS Forest Stewardship Program activities and funding. Information in the handout made clear that MoFRAC contains all the entities expected to be represented in a state FSCC. Mr. Westin presented this motion for consideration by MoFRAC: "Given the member composition and interests of MoFRAC, and in order to maximize efficiency, be it so moved that the Missouri Forest Resources Advisory Council, or a subset of the Council to be determined by the Chairman in Consultation with the Council members and the State Forester, shall serve as Missouri's State Forest Stewardship Coordinating Committee." The motion was seconded and passed. The Council decided that a committee should be formed to directly participate with MDC in developing forest stewardship recommendations for consideration by MoFRAC. Members volunteering to participate in this committee include Dr. Gene Garrett, Doug Enyart, Scott Brundage, Brian Brookshire, Martha Clark, Doug Wallace and Paul Strong. As MoFRAC Chair, Dr. Garrett will also request assistance from other members of MoFRAC in committee activities as seen appropriate to address particular issues, in consultation with the State Forester.

#### **Establishment of a Missouri Woodland Owners Association Feasibility Committee**

A white paper "The Undiscovered Country: Missouri's Family Forest Landowners" was developed by Dr. Hank Stelzer to describe issues pertinent to development of a Missouri Woodland Owners Association. Dr. Garrett has appointed a committee to further study this paper and come back to MoFRAC with guidance as to whether or how such a group might be created. Members are: Kurt Homeyer, Hank Stelzer, John Lee, Skip Mourglia and Rick Merritt in order to provide wide geographic representation in Missouri. Ms. Lisa Allen, State Forester, requested that the committee be requested to respond to MoFRAC well before a March 19, 2009 deadline that had been proposed. If the report, and MoFRAC decision is reached early enough, then MDC would have a much better opportunity to work support for the group into its budget and planning activities.

#### **Letter to MDC Director Hoskins Regarding Family Forest Carbon Offset Projects**

Dr. Garrett presented a copy of the letter he had sent to Director Hoskins as directed at the May 2008 MoFRAC meeting. The letter conveyed the following motion adopted by MoFRAC as a result of the work done by the Council's Carbon Credit Committee: "The MoFRAC recommends that the Missouri Department of Conservation (MDC) consider increasing or raising its priority of selling or marketing carbon credits on its own fee lands and that it assess the feasibility of using these or other funds in reducing costs of family forestry carbon offset projects." Council members requested that such correspondence be posted on the MoFRAC web site. After a good discussion the following motion was raised, seconded and approved: "Correspondence from the MoFRAC Chair, when conveying a decision passed by a vote of the Council, shall be posted on the MoFRAC website." In addition to allowing MoFRAC members to be aware of such correspondence having taken place this will create a public history of MoFRAC policy decisions. Mr.

Brundage recommended that MoFRAC develop its own letterhead so that a Chair is not put in the position of using agency or organization letterhead. This suggestion has been taken under advisement. Further discussion on use of the website led to a suggestion that someone review website design to see if we might be able to use new aspects of web technology to better serve the communication needs of the Council. No one was assigned to follow up on this at this time.

### **Letter to Natural Resources Conservation Service (NRCS) Regarding EQIP Funds**

Dr. Garrett thanked Ms. Allen and the Top of the Ozarks RC&D (TORCD) for working with NRCS to expand the use of federal EQIP funds for the development of forest management plans under the Prescribed Forestry (409) practice. Another benefit of this work is that in federal fiscal year 2009 landowners with a forest management plan will be eligible to receive a 65% cost-share rate, as opposed to a 50% cost-share rate, on forest management practices. Dr. Garrett shared with the Council copies of the letter he sent to Mr. Roger Hansen, NRCS State Conservationist, thanking him for his leadership in providing increased funding for forest management plan development and urging that such work continue, and if possible be expanded. This letter was another sent as a result of the report from the Carbon Credit Committee. Dr. Becker raised the concern that forest management plans under the 409 practice are not required to have the level of detail regarding sapling-sized regeneration that will probably be required by carbon credit markets for documenting sequestration. Ms. Allen agreed that it is a question needing further investigation. Mr. Steve Westin will investigate this issue further with NRCS, Dr. Becker and the TORCD. This will determine how Missouri might develop contracts or specifications that would lead to sufficient data for carbon credit calculations being collected during forest management plan development.

### **Should MoFRAC Institute a Standing Educational Committee?**

Dr. Garrett expressed a strong sense that a standing committee to extend forestry information to Missouri's woodland owners is needed. While a good forest management plan is the basis for good forest management, how do we inform landowners so that they even perceive the opportunities available through professional forest management? Ms. Allen explained that Forestry Division is seeking Conservation Commission approval of an initiative to improve forestry outreach. A plan will be developed to create a better awareness of the status and potential of our state's forests. Mr. Richard Stricklin, TORCD, stated that MoFRAC should serve as a means for the various agencies that have a forestry outreach or education responsibility to coordinate their efforts and achieve synergies as they spread a more effective message regarding forests and their management in Missouri. Mr. Steve Westin, MDC, explained that Mr. Brett Butler of the USFS will be disseminating information on how to reach forest landowners as an output of the "Sustaining Family Forests Initiative" and that this information should be helpful to MoFRAC education efforts. Mr. Doug Enyart, Association of Consulting Foresters, expressed the need to have tailored messages that can effectively market forest management to a variety of landowner and broader audiences. The following motion was made, seconded and passed by the Council: "A Communications and Marketing Committee shall be formed with the MoFRAC." The following members volunteered to be on this committee: Paul Strong, USFS; Steve Westin, MDC; Harlan Palm, Missouri Walnut Council; and Hank Stelzer, Extension Forester. The Council Chair will appoint other members to serve as appropriate. Mr. Roy Hengerson, Sierra Club, requested that the committee be charged with developing a draft statement of responsibilities and direction of its work to be presented to the Council at its next meeting. Dr. Garrett agreed with that charge and requested that any Council members with ideas as to what the Communications and Marketing Committee should pursue please contact him so that he can provide more complete direction to the group as it initiates its work.

### **Eastern Ozarks Forestry Council (EOFC) Request for a By-Laws Revision**

Dr. Peter Becker, EOFC, presented this motion for consideration by the Council: "Replace the wording in Council's by-laws The Chair, in consultation with the Council, shall appoint the members of these committees, task forces, working groups and related entities, with this wording, The Council shall appoint the members of these committees, task forces, working groups and related entities and designate their chairs." Mr. Scott Brundage seconded the motion to allow for discussion. Dr. Becker said the intention of this amendment to the by-laws is to promote participation by Council members, increase diversity on the

various committees and working groups, and avoid unnecessary delays in getting these groups organized and productive. Other Council members felt that by allowing the Chair to establish committee membership valuable time can be saved during MoFRAC meetings. Since a two-thirds majority of the quorum of members did not vote in favor of the proposed by-laws amendment, the motion failed.

### **Forest Resource Assessment and Strategy (FRAS)**

Mr. Gus Raeker, MDC project lead, provided handouts about the Forest Resource Assessment and Strategy project that is being undertaken by MDC through the guidance and direction of the USFS State and Private Forestry (S&PF) Redesign Initiative. The Forest Service is requiring all states that participate in S&PF funding (In Missouri this is approximately \$2.1 million annually) to develop these state plans by June 2010. The objective is to develop state plans that enhance the opportunity to manage forests sustainably. Indicators of forest sustainability being used in the process are those that address what is called the Montreal Process concepts of sustainability. Other members of Mr. Raeker's team include Steve Westin, John Fleming and Mike Morris. Ms. Allen pointed out that the plan developed will help establish the future direction of MDC's Forestry Division program, and that the development of the plan will allow a high degree of interaction with MDC stakeholders. Mr. Paul Strong, USFS, explained that this FRAS plan will also have an impact on how the USFS manages its 1.5 million acres of land. Mr. Raeker stated that he will keep MoFRAC members up to date on the project's progress and will email today's presentation slides to Council members. Mr. Steve Westin, MDC, showed an example of a forest spatial analysis project and provided a handout of his slides. This gave the Council a look at some of the technology that will be used to develop the FRAS plan.

### **Bioenergy Updates**

Mr. Terry Maglich, Department of Economic Development and Chair of the Missouri Energy Leadership Council (MELC), stated that the MELC is working to educate Missourians about energy issues affecting our state. The group recognizes a need for increased energy conservation and efficiency as well as developing alternative energy sources including biomass. He said that while his office receives many inquiries regarding development of new energy projects, most of these projects have no funding of their own.

Regarding the Dynamotive project proposed for the Willow Springs area, the initial site under consideration needs a large amount of infrastructure development including improvements to roads and bridges, and water and sewer lines to adequately serve as a fast-pyrolysis facility that would turn wood chips into bio-oil. This Canadian firm has been working toward establishing their facility for about a year, but still has not released its full development plan. Dynamotive has hired a new project lead, Mr. David McMillan – formerly of Eastman Chemicals, who has shown a high degree of understanding of the chemical and biofuels industries. While Dynamotive has agreements with some wood processors in the area it still needs to secure more feedstocks to fuel its first facility. Initial projections for this facility put the cost at \$24 million and it would create 27 well-paid full-time jobs. The Willow Springs site was chosen as a result of a rail line being available as well as interest in participating in the project by a local propane distributor. Dynamotive would prefer to sell to local markets and its timeline is to be in production in about two years from now. No dollars have been spent in Missouri for construction as yet. Mr. Brian Brookshire, MFPA, explained that the Dynamotive process cannot take feedstocks with more than 5 percent bark, so green whole-tree chips cannot be used for feedstock.

Mr. Maglich informed the group that Fredericktown, Missouri is investigating the gasification of wood waste at a local landfill for use in electricity production. The wood waste could be supplemented with other various components of the municipal solid waste (MSW) stream.

Mr. Brookshire stated that Fort Leonard Wood is looking into an on-base electric generation project. Currently, the Fort has a contract for electricity at 3 to 4 cents per kilowatt hour (kWh). This contract is reaching its end and the new rate is projected to be 14 cents/kWh. This is providing strong incentive to look into alternative projects. Also, a gasifier is scheduled to go into production in Kirkwood, Missouri and will

produce 1 megawatt (MW) of electricity. The Missouri Agricultural and Small Business Development Authority (MASBDA) received a \$220,000 appropriation to conduct a feasibility study regarding production of ethanol from cellulosic feedstocks. The intention is to develop a roadmap for pursuing such projects in Missouri so that federal funding could also be sought. One issue that creates a challenge for renewable electric production projects in Missouri is that our state has the fourth lowest blended electric cost in the nation.

### **Forester Licensing/Registration in Missouri**

Mr. Doug Enyart, Association of Consulting Foresters of America, discussed some reasons that creation of a professional forester licensing process in Missouri could benefit the profession and woodland management in our state. Such a law should allow foresters to assign value to forest resources while clarifying that this is not the same work as land appraisers, thus avoiding conflict with that profession. It should grant right of access to clients' lands as is granted to surveyors. It should allow legal protection to foresters when they hold funds in escrow for clients during timber sales and other forest management projects. Certain liability protections should be included regarding use of prescribed burning techniques and regarding profession omissions and errors insurance. And, such a law should create reciprocity agreements with other states so that foresters from other states will have to meet minimum requirements to practice in Missouri, thus protecting landowners from substandard assistance. Mr. Enyart then requested that MoFRAC establish a committee to look into this issue. Dr. Garrett requested that rather than MoFRAC establish a committee that the Missouri Consulting Foresters Association (MCFA) investigate the matter and bring its findings back to MoFRAC for further consideration. Mr. Brookshire reminded the group that consulting foresters are a small group and often the legislature is reluctant to pass laws for such small groups. Also, Society of American Foresters (SAF) and other stakeholders will need to be in full agreement before MoFRAC can consider backing a specific piece of legislation. Mr. Brundage, MCFA, agreed that this issue will be discussed at the February MCFA meeting and that Missouri SAF will be included in those discussions. Then MCFA will bring its findings back to MoFRAC.

### **Public Input/Comments**

Mr. Hank Dorst, Mark Twain Forest Watchers, asked for clarification regarding cost-share rates under the USDA Prescribed Forestry Practice (409). Mr. Wallace, NRCS, explained that landowners with a forest management plan will be eligible, assuming funds are available, to receive a 65 percent cost-share rate on forest management practices such as timber stand improvement. Landowners without a forest management plan may still be eligible for such practices, but they will only receive a 50 percent cost-share payment. Payments for Prescribed Forestry plan development are incentive payments rather than cost-share payments. If an agency forester writes the plan the landowner receives a \$6 per acre incentive for up to 100 acres. If a private forester writes the plan the payment is \$12 per acre up to 100 acres.

Mr. Brundage, MCFA, pointed out that more specific information needs to be made available regarding what amount of action constitutes actual implementation of a forest stewardship plan or a carbon credit eligible forestry action.

Mr. Stuart Miller, MDC, provided members with a handout that explained the department's Forestry Private Lands Initiative. The essential goal of this initiative is to increase the amount of managed private forest land in Missouri. Dr. Garrett asked how MoFRAC can help in this process. Mr. Miller responded that input and advice on proposed packages, projects and plans are desired from MoFRAC. The Council agreed that it is appropriate for Mr. Miller to contact specific MoFRAC members for input in their areas of expertise, and that Mr. Miller should keep MoFRAC up to date on how his work is progressing so that the Council can provide further consideration of ideas in process. Mr. Miller will work with Dr. Garrett to identify MoFRAC members that can be of service on particular topics.

Mr. John Tuttle, MDC, reported that the Biomass Best Management Practices group had a very productive meeting in June and currently a 44-page document is receiving final comments from the technical experts.

The final major issue is how much residue should be left on the ground after biomass removal projects. Once this is decided the final draft will be provided to the stakeholder group for a vote. A stakeholder meeting will be held only if some major question(s) arise(s). This should all be completed by August 15, 2008. Mr. Tuttle expressed his desire that provision of any state incentive for bioenergy be conditional on adherence to the Biomass BMPs.

Mr. Dorst asked whether any rulemaking had been pursued regarding the cellulosic ethanol feasibility study funding. That rulemaking will be pursued by MASBDA staff, but has not as yet begun.

#### **Next Meeting**

Dr. Garrett reminded Council members to provide suggestions for agenda items for the next meeting.

#### **Adjournment**

Meeting was adjourned at 5:12 p.m.