

**Timber Advisory Council Meeting
August 17, 2018
Escanaba, MI – Weyerhaeuser Office**

Meeting Notes

In Attendance:

Charlie Becker, Bill O'Neill, Brenda Haskill, Mike McCuiston, Deb Begalle, Cid Morgan (USFS Hiawatha National Forest Supervisor), Bernie Hubbard, Jon Lamy, Donna LaCourt, Tim Biewer, Scott Robbins, Ben Schram, Gary Melow, Larry Leefers, JR Richardson, Rich Bowman; after lunch Don Mankee (DNR FRD) and Amy Clickner (Baraga County) joined.

1. ARAUCO – Success Story and Summary (Donna LaCourt & Bill O'Neill)

Presented a synopsis of the process and how it all began, and why it was a success.

- Donna LaCourt recapped how it started and what the company wanted, which was a combined effort and everyone at the table at once with support and information. Bill O'Neill noted the information that Forest Resources Division (FRD) was able to pull, gather, and provide to the company leaders. ARAUCO chose Michigan as an option due to customers/markets in the area. Donna noted that a key component was engaging the local people from the site options provided as well as having a development-ready site. ARAUCO was extremely happy with the level of cooperation from all departments and agencies to make their choice the best one. Having all agencies at one big meeting to address all the components, even the air permits from DEQ AQD, was critical. The fact that they could finance their own project was an important piece.
- Time frame from initial contact till the decision was made was approximately 18 months, less than 24 months. Donna said a key factor was the volume of people acting quickly in response to ARAUCO's questions, which allowed ARAUCO to make a decision rapidly.
- Bill noted that the preliminary work by the Timber Advisory Council (TAC) and directing the study about "where is the wood" in the state was one of the key pieces to help in the preparations for companies like ARAUCO coming in.
- When looking at bringing in development or expanding companies, Donna said the three keys are: know what you need, know who you want to attract, and have the information ready.
- Michigan Economic Development Corporation (MEDC) can help with business attraction and development, but they need to know how to help and who to focus on. The site selectors need the help of the TAC to learn how to take an economic development approach to bring forest products industries or expand existing forest products industries.
 - a. Tim Biewer noted that there is a huge lack of incentives for a business to expand but there is a lot of incentive for new businesses.

2. MDARD's Funding Model for Economic Development (Donna LaCourt)

Donna talked about Michigan Department of Agriculture and Rural Development's (MDARD) funding model for economic development. She provided a handout to recap the options and information.

- Bill noted that in the next four months we'll have a new Governor, and the TAC needs to have its goals and information ready for that next person to be well informed quickly on the forest industry.

3. **The Goals & Metrics** (Larry Leefers)

Larry reviewed the TAC measurables that the group has been working on. He presented a breakdown of the bullet points and Donna produced a report on the MDNR/MDARD dashboard ideas for the TAC.

- Bill suggests that the TAC prepare for a 1st quarter presentation to the new Governor in 2019 in mid-Michigan to present the new goals and to highlight the massive investment happening in the forest products industry in Michigan (Biewer, Potlatch, ARAUCO, etc.) Rich Bowman noted that the TAC also needs to have the discussion about how to respond to questions from the Governor and legislators, such as “what do you need from me” and “what do I need to do” in relation to the goals the TAC sets forth.
 - The end of August is the end of the DNR contract with GUD and the DNR will have a new contractor for educational and outreach projects. GUD has a final report for Forest Resources Division (FRD) to illustrate how the needle moved with the initial campaign of “Trees for Life, Forests for a Lifetime”. Highlights of the report will be shared at the next TAC meeting.
 - Gary noted that the new Governor needs to get the “ask” to continue financial support for the marketing program that was started by GUD for DNR FRD.
 - Donna recapped the dashboard options and possibilities. Question from JR on how we benchmark Michigan against other states.
 - The goal for the November meeting is confirming base goals and targets, with some draft metrics/measures. No more than five goals were suggested. Plan is to have actual numbers assigned to the four to five goals.
 - Rich Bowman also supports the fact that the TAC does need to get those numbers because of the importance of knowing what we do here in Michigan and the need to keep more of the wood here in Michigan for processing.
 - Jon suggested that one of the “asks” of the Governor be to support training in trade skills for the industry needs.
 - Should the TAC add the metric for “unfilled” jobs at the industry level?
 - Larry continued with the information from the packet of data that was included in the handouts.
- MOTION: So moved by Rich Bowman to change the goal to “increase forest products industries employment in Michigan”. Motion seconded by Tim Biewer. Motion carried, unanimously.**
- Rich suggested that the TAC create some goals for internal communications between the TAC and the various government agencies and legislative offices.

- JR recommended that letters to the new governor and to new legislators be drafted and ready to approve and sign for the November meeting so that the TAC is at the forefront for the shift after the November elections.
4. **DNR Timber Sale Acres** (Deb Begalle & David Price) - Deb recapped the timber sale acres, staff off site for western fires, and the Regional State Forest Management Plans (RSFMP) monitoring and rewriting to reflect the errors in the data and the changes moving forward.
- Deb recapped her report and the bullet points within. She gave a review of the tour that Weyerhaeuser provided to key silviculture and planning staff regarding red pine plantations related to site treatment, planting stock, and spacing. The FRD is considering some changes to red pine planting based on the results that Weyerhaeuser is showing from their planting methods.
 - Considerations are being given to updating the RSFMPs or revising them sooner rather than later due to the errors from planning software in the target harvest goals. New software is being implemented (Remsoft) to assist in the process.
 - Jon urged the FRD staff to get out beyond the computer models and get on the ground and see where possibilities are for adding acreage for harvest.
 - Deb noted that the next step is most likely converting the acreage difference into volumes so that a truer picture can be seen and if certain stand types are more keenly impacted than others.
 - Charlie explained that part of the analysis be consideration for harvesting certain types at different times of the year to get more opportunities to harvest.
 - Rich commented that TNC is more interested in sustainability and mortality and stand productivity than they are in just acres being harvested.
 - Subcommittee for the reevaluation of the harvest numbers: Larry, Jon, Charlie, and Rich.
5. **Bat HCP Process/Status** (Don Mankee, DNR)
 Review of the Bat Habitat Conservation Plan (HCP) and status. Don is one of the Michigan HCP group members and provided a handout. Prescribed fire will most likely be dropped as an objective of activities. Chapter 5 of the HCP will have the bulk of the discussion including the current 4D rule that is being used for harvest activities. First draft of chapter 5 had over 800 comments and the chapter is in its second version and is under internal review again.
- Ben Schram asked about the use and implementation of the HCP by private forest landowners. Don noted that it would fall under the option of Certificates of Inclusion.
6. **USFS-GNA and Other Topics** (USFS Cid Morgan)
 Provided some updates on hiring on the two UP districts but didn't have knowledge of any hiring happening on the Huron-Manistee. Michigan USFS forest districts are ahead of the curve on forest partnerships and planning as it relates to GNA acres and harvest levels.
7. **PA288 Status for UP Roads Opened/Closed to ORVs** (Deb Begalle)
 PA288 update from Deb Begalle on UP roads. No major changes recommended - more or less, what was open is open and what was closed will remain closed to ORVs. Southern LP road plan is

underway and waiting to hear on recommendations for those roads. The goal is to have everything in front of Director Creagh by October.

- Once the road plans have been completed per PA 288, the next phase is to inventory and assess the infrastructure on them.
- Question from the TAC as to whether there could be an option on the active roads map to have closures put up, warnings placed for active logging and other such options to alert the public to activity on a specific piece of roads. Deb said she'd investigate that possibility.

8. **Baraga County and CF Percentages** (Lake Superior Community Partnership executive director Amy Clickner)

Presented information to the group about progress in Baraga County to reinstate their economic development corporation. Due to the lower tax base average from a high percentage of forest land under lower tax rates, the county struggles to fund departments and programs. She is reaching out to various groups to assist in solutions to funding for the new EDC being formed. She wondered if there is a way to change the tax base system so that the county can capture more funding.

The group adjourned at 2:50 pm