

## **MWPA Resource Committee**

**July 19, 2012**

**Participants:** Paul McKenzie, Gordy Sanders, Chuck Roady, Brian Sugden, Jim Kranz, Joel Nelson, Steve Flynn, Pat Connell, Scott Kuehn, Rick Franke, Steve Marks

**Guests:** Sonya Germann – Forest Management Bureau Chief/DNRC, Roger Ziesak – Forest Practices/DNRC, Gene DeGayner – Director Renewable Resources/USFS R1, Tom Martin – Deputy Director Renewable Resources/USFS R1, Todd Morgan – Director of Forest Research/BBER

**Notes:** Julia Altemus

**Welcome:** Co-chairs Paul and Gordy & Introductions

### **Anti-Trust Statement**

**State:** New Forest Management Bureau Chief – Sonya Germann. Sonya provided a brief description of her background and assured the committee of her commitment to the sustainability of rural communities and their economic viability. The Bureau just finished their HCP, which allowed the cut to increase to 57.6mmbf (from 52.3). Staffing has not increased, but reviewing capacity needs. Most of the increase will come from the Stillwater District. Fire has been an issue this year. The fire burned an existing sale (3mmbf) that did not sell yet, but fire has burned about 100mmbf to date on all jurisdictions. There may be an opportunity to work with the FS on burned sales on the Custer NF. The FS is working on a report. Once done, they will look at opportunities and will contact Sonya. Sonya wants to continue to make forest management program viable for Trust Lands because of what is going on in oil and gas within the DNRC program. What is the status of the Sustained Yield Calculation? The last one was done in 2008 because of the HCP. The HCP was adopted in 2011, so really the last SYC was done in 2011. Normally the SYC is done every 10 years. The Forest Management Program wants to always make sure their information is up to date. Currently, there is no plan or date set for a new SYC. They are preparing for that directive. There are more lands coming from the Swan through Land Banking. Discussions are underway to determine what percentage of the current board target that is green versus salvage. Another big issue is “utilization” and Sonya will continue to work toward solutions.

Forest Products Retention Office – Roger Ziesak. The office consists of Roger and Julie Kies. They have awarded \$7,000 in biomass feasibility study grants. Flathead and Jefferson Counties are looking at options to address beetle kill timber. Roger’s office is going to meet up with Janet Kriveshak to talk about programs such a wood products and the SBA program. The “Local Wood is Good” campaign is headed by Julie. She has talked to the Made in Montana office out of the Department of Commerce. Roger relayed what this opportunity affords them to post information to the Made in Montana website. It was suggested to look at possible funding for the opportunity through the national Check Off program. Roger wanted to find out what the resource committee would like the Forest Products Retention Office to do for them. In Maine, the Governor has a full-time employee that operates a dedicated Retention

Office. The Maine office is very involved in policy and developing opportunities for sustainability. The big issue in MT is supply. The state should take a larger role in engaging in the federal supply issue. Is there a state procurement policy that requires state building projects to use MT wood products? The last legislative session passed a bill that requires the State Highway projects to use Montana made guardrails. Need to remember the ancillary industries that are important to the industry and to forest health. In addition, the DEQ is involved rule making regarding chippers and grinders. The Retention Office should be involved in this issue. Gene said the FS is looking at a "Blackfoot Challenge" approach to management and would like to involve state trust lands. The BMP audits are off and running and due to meet the completion deadline. 80% complete by the end of July and all complete by mid-August. Good participation by the audit team members and the audit site contacts. The purchaser and the landowner should be invited to the audits on all land jurisdictions.

Phase II TMDL for Flathead Lake – Brian Sugden. Phase I TMDL was approved in 2011. The first phase of the TMDL is a lake assessment and nutrient loading into the lake. In aggregate, they wanted a 25% reduction, but did not allocate by source. That is being attempted in the Phase II TMDL. The DEQ is strapped for resources to meet the 2014 deadline. EPA is the lead on this TMDL. They are contracting with Tetrattech. They are in the process of setting up a model of various scenarios. The first step before they set up the model is to develop quality assurance plan. They can tweak run-off co-efficient to calibrate the model. One concern is bank erosion in the Flathead valley because of the glacial history. That turbidity plume comes into the Lake, not necessarily from timber management. The model does not specifically model bank erosion. How are they going to tweak the model to get the sediment to match-up? It is a major limitation of the model and has been alerted to this. Hungry Horse reservoir cuts off about 1/3 of the water coming into the Lake and is a nutrient sink. Therefore, the model needs to look at Hungry Horse Reservoir without baseline. Not sure of deadlines, but should start to see preliminary data this fall. Because of flaws in the modeling, the results are likely to be very controversial. At the end of the process, the report might show how much sediment coming from forestry, and assign a load reduction target. The benchmark should go back farther than 10 years because of the Red Bench fire in 1987.

Point Source Permitting Update – Brian Sugden. The 9<sup>th</sup> circuit ruled the forest roads should be a point source and that logging is an industrial activity. The EPA put a notice in the Federal Register and reclassified forest roads a point source and reclassified logging as non-industrial. Bottom line, forestry would be a point source, but would not be in a mandatory permitting and would fall to state BMPs. We are still a low priority storm water discharge and which still puts us under the thumb of the EPA and status could change in the future. The logging reclassification would like be litigated by environmentalists. The Supreme Court announced in June that they would hear the appeal. This will likely occur late summer or fall with a decision out next year. EPA is still under rulemaking. Have not heard if EPA is going suspend rulemaking in light of the Supreme Court decision to hear, or continue. EPA is supposed to go out for public comment and have them finalized by the end of September 20, 2012. The 9<sup>th</sup> circuit decision is still in effect until either congress extends the deadline or congress needs to amend the clean water. House appropriations have language with the rider language. Supreme Court has allotted 1 hour to hear the case on their docket.

Nutrient Water Quality Standards– Brian Sugden. EPA nationally is trying to get states to move away from a narrative nutrient standard and to a numeric nutrient standard. Very few states have a numeric standard; however MT is right on the cusp of moving to a numeric nutrient standard for the growing standard (not year-round). The standard will be broken down by region and the numbers are very low. Industrial wastewater can comply. Discussion has been given to variance SB 95 by the 09 legislature and amended in the 2011 session. Frames a process for a variance. There is a Nutrient Work Group; Brian is the representative for forestry and discussion on how the variance works. At a pivotal point in the process, where the department thinks they are ready to take the review package to the Board of Environmental Review in the next couple of months for adoption. There is a lot of discomfort within industry and municipalities. DEQ is not ready to take the program to the Board and will be informed as such. In addition, there is a proposal to develop a nutrient bank.

The Montana BMP story – Brian updated and submitted to the Journal of Forestry and has been approved. It is published online currently and will be in the Journal in the fall. SAF convention is in Spokane in October. 30 to 35 states will be represented with a poster of their program. The posters will eventually be posted to the SAF website and will be able to access information.

**Federal:** Gene DeGayner Region One Director of Renewable Resources. Accelerated Restoration power point and discussion.

Lynx – Gene thanked MWPA for the letter on lynx. Need to be working better with USFWS.

Appeals and Litigation Update – Gene & Tom Martin, almost half of the program tied up in appeals and litigation at this point. The FS can either work on merits of the case or injunction work. Projected 63% timber program attainment for this year, but believe there is an opportunity to bring attainment to 80% by end of the fiscal year.

**Other:** Todd Morgan of U of M BBER NARA Project – Northwest Advanced Renewable Alliance is a wood to jet fuel pilot program. The national meeting will be in Missoula on September 13 and 14. BBER is researching and collecting data on the available wood basket that would be available for conversion.

2013 Legislative Issues Outlook – deferred to the fall meeting.