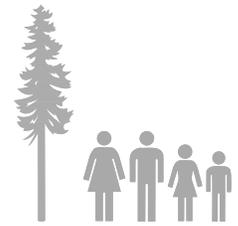




"STEWARDSHIP IN FORESTRY"

Committee for Family Forestlands Meeting Minutes January 19, 2016



Pursuant to public notice made by news release with statewide distribution, a committee meeting of the Committee for Family Forestlands [an advisory body to the Oregon Board of Forestry with authority established in Oregon Revised Statute 527.650] was held on January 19, 2016 in the Santiam Room, Bldg. D, ODF Headquarters, 2600 State St., Salem, OR

CFF Committee members present:

Ed Weber, Chair, Voting
Evan Barnes, Vice Chair, Voting, SW Rep.
Bonnie Shumaker, Voting NW Rep
Scott Gray, Voting Industry Rep
John Peel, Voting Landowner-At-Large
Lena Tucker, ODF, Secretary
Cindy Glick, USFS Ex-Officio
Rex Storm, AOL, Ex-Officio

Guests:

Julie Woodward, OFRI (filling in for Mike Cloughesy)
Bob McNitt, FSN
Bill Hanson, CCSWA Seedling chairperson
Bob Shumaker, WCSWA
Gary Springer, Starker Forests, BOF
Mike Taylor, IFA Nurseries
Dave Ehlers, Small woodlands owner
Mike Albrecht, BCSWA Chair, Roseburg Forest Products
Rex Storm, AOL

Members not in attendance:

Joe Holmberg, OR Tree Farm System, Ex-Officio
Scott Hayes, OSWA President, Ex-Officio
Peter Daugherty, ODF, Ex-Officio
Roje Gootee, Voting, EO Rep.
Evan Smith, Voting, Conservation Rep.
Mike Cloughesy, OFRI, Ex-Officio
Janean Creighton, OSU Extension Ex-Officio
Jim James, OSWA, Ex-Officio

ODF Staff:

Josh Barnard, Interim Deputy Chief
Susan Dominique, Committee Support
Ryan Gordon, Family Forestlands Coordinator
Don Kaczmerck, Forest Geneticist, Mgr. Oregon Seed Bank
Mike Kroon, Seed Orchard Manager
Robin Biesecker, Stewardship Forester Western Lane
Jamie Knight, LaGrande, Private Lands Forest Network

Call to Order 9:10am

1. Welcome

Ed Weber, Chair opened the meeting and reviewed the agenda topics; members agreed to move up the presentation on the Blue Mountain Seedling Cooperative. Guests were available to present on some of the OSWA Cooperative Seedling Programs; IFA Nursery and the Forest Seedling Network. All guests were invited to join in a follow up discussion. Ed thanked the J.E. Schroeder Orchard staff for their willingness to host a Seedling Availability discussion and provide a tour of the facility.

2. Roundtable Introductions/Staff news

Cindy Glick announced her retirement from the Forest Service so is resigning her ex-officio federal officer position with the committee. She suggested the Committee invite Meg Mitchell, Forest Service/State of Oregon liaison to take her ex-officio position.

Ryan Gordon introduced himself as the new Family Forestlands Coordinator for the Private Forest Division.

Lena Tucker, Deputy Chief of the Private Forests Division, has been filling in for Peter Daugherty, Chief of the Division the past month or so. Josh Barnard from State Forests is filling in and covering the Deputy Chief duties.

3. Approval of the December 2015 Minutes

As there was not a quorum of voting members to start off the meeting, the approval was tabled until the next meeting.

4. Public Comment

No formal public comment offered.

5. Private Lands Forest Network (PLFN) – Jamie Knight, ODF LaGrande; Private Lands Forest Network (PLFN) Manager and 2013 National Outstanding Inspector of the Year at the National Tree Farm Convention.

In the early 90's it became apparent that there was an issue in NE Oregon with getting quality seedlings for family forestland owners. A group of people came together and initiated the Blue Mountain Seedling Cooperative, a 501c3, a designated non-profit and the Private Lands Forest Network offshoot that provides seedlings, cold storage for seedlings, tools and technical advice to landowners in northeast Oregon and parts of southeast Washington. In 1994 the cooler building was put together and is on a 99 year lease on the ODF compound in LaGrande. We have 3 separate cooler units. We have a large cooler that we provide storage space for industry, Hancock Forest Management rents the bulk of the cooler space. We charge them a lesser rate than the general public because they do all their own management. We needed to place coolers at a central location with regimented climate control. All our coolers are surplus from the Forest Service and built using OWEB funding. We also have one smaller unit on the Wallowa ODF Compound we can use if there are trees to deliver to that area. This coming year, as we have had massive fires, we are working with the BLM in Baker City to use their cooler for Baker County landowners. The cooler is only open a month and a half per year during the winter, planting season and summer. We have a very narrow planting season and we choose to mitigate that by not promoting fall planting. TerraTech donated planting tools to the non-profit so we are able to rent tools to folks \$1/day/tool. We try to make it as easy as possible for landowners to get the right tool and seedlings for the job.

The bulk of what I do is to facilitate the ordering and shipping of the trees. Rather than having 200 private landowners calling the nurseries to get seedlings, and possibly not getting the right seed zone for their land, landowners can call and we will help them find the right trees to go into that spot. The nice thing is our lower prices because we are able to buy in bulk and transfer that savings to the landowner. Right now our trees are running about .40 cents/seedling with everything combined. We usually get trees by the end of March to get them outplanted by the end of May. Hancock has been storing about 1.5 million trees/year in our coolers. We have had maybe the downside of 200,000. We don't plant as much as industry. Private landowners don't have the numbers to contract grow at larger nurseries. This year PLFN, with the help of Forest Trust, were able to spec grow 200,000 seedlings at CalForest and 50,000 at Lava Nursery to help offset some of the deficit from fire. So we will turn around and get those to private landowners and later what doesn't sell we can turn them into containerized seedlings. Currently there are just no seedlings or seed for NE Oregon. We were able to apply an OWEB Grant for seed collection and seedling production to respond to fires. We are waiting to hear if we are successful in that.

The Cooperative is governed by a 5% Board of Directors with members from the Forest Service, industry, ODF and an ex-forest service person retired, and private landowner rep. All decisions are made by the Board of Directors. Officer roles, because of convenience, are usually filled by ODF employees. I sit as Secretary to the Board. ODF charges the coop a nominal fee for my work there. The President and Vice-President are also out of ODF LaGrande office and the Treasurer is a private landowner. For the first time, we are contracting out planting. Markets are down, spec tree planting is way down. For 2016 there were 57,000 trees available in Northeastern Oregon. I bought every single one of them. We have a need for 3 to 6 million to reforest just fires. We need to start looking for creative funding solutions to actually contract grow these seedlings. Right now we are really in defensive mode, so we are just trying to grow for the two areas that we had wildfires. Baker County is getting a lot of focus and fortunately Don has a lot of seed for me. But there is no seed for Wallowa County. We haven't historically looked at using seed collection contracts. But we are quickly going through the Seed Bank seed. Just as soon as trees cooperate and put seeds on, one way or another we are going to collect seed. The shortages are across all species and seed zones for us.

Kaczmarek: Unfortunately, we didn't get the Western Competitive Grant we applied for and so are limited in what we are able to do. Natural collections can be pretty erratic and hard and expensive to collect for all seed zones.

Storm: Meeting need shouldn't be something that we have to go out and find grant money to do. It's an integral part of forest management. So maybe we need to look strategically at how the seed collection could be incorporated into growing and sourcing.

Knight: The other opportunity that we are pursuing right now, is the Forest Service has quite a bit of seed in their Seed Banks and are looking to liquidate some of that. We are looking at what seed lots they have that would work for us. I think the take home message is what really works about this cooperative is that all partners are at the table to talk about these things. It's easy for ODF to ask USFS what they have. What else works for ODF, is all year long folks can call my office and we can take their seedling orders and are able to project our needs, get in early and buy those seedlings before the opportunity and stock is gone to industry.

Springer: Is the huge gap between seedling availability and need going to bring on some challenges to the FPA reforestation practices? How are you dealing with that?

Knight: Much in the same way that we would for other management, using Alternate Written Plans. I don't think we can in good conscience can say, you have to replant in two years when seedlings are not available for four years. So we document those special extensions. It doesn't look like there will be a lot of natural regeneration in those heavily burned areas either, so we need to determine the landowners best sites for planting success.

Kroon: Jamie mentioned the Forest Trust, a program within the Private Forests Division. That does help small woodland owners. They can apply to qualify their site for any reforestation activities. Currently, there isn't any money in the program because funds have been allocated out to projects but those monies will return and be available. When projects are finished landowners repay at 4% interest.

Barnes: How do you begin from the tree to seed, verifying the elevation and seed zones, where do they come from?

Kaczmarek: Primarily, there are two sources, wild collections or nursery collections. Eastern Oregon is working with wild collections, where in western Oregon you are probably working with orchard materials. So on wild collection you are relying on the foresters to identify areas to do wild collections and verifying the collector's work on appropriate trees and then processing of that material. That's another issue, there are not a lot of cone processors left. So that's one area where there are capacity and price issues. Once you get the seed back you have to have proper storage conditions. Ponderosa and Douglas fir store very well. Hemlock generally stores well. But some of your true firs and Western Red Cedar you have storage concerns over time. But generally with proper collection and processing, storage is not a major issue.

Knight: In eastern Oregon our issues are across the board, from seed and cone collection all the way to the fact there are finite places to store seed and a finite number of places to grow seedlings. Declining markets closed nurseries and other infrastructure. I don't think we are anywhere near a solution to this problem. Right now we are diagnosing the issues. That means 300,000 seedlings growing and a 6 million seedling shortage for NE Oregon.

Springer: I attended the EO Regional Forest Practices Committee Meeting last fall. The big issue for them was getting seedlings to grow on marginal ground following these big fires. There were trees there before, which they salvaged. But the fire was so hot, and did so much damage they can't get seedlings to grow, and the FPA reforestation requirement was still there.

Knight: That can be a huge deal. What we are looking at is on-the-ground ground truthing, the difference between Class V and Class VI ground.

Glick: I was wondering if the Forest Trust or the cooperative was looking at the invasive plants funding to buy seedlings as you can do invasive plant control by planting trees.

Knight: Great idea! We are as of right now! We have the Confederated Tribes of the Umatilla, who give grant money out as part of their Wild Horse Foundation funds. One of their things is natural resources. The grants are small and there are administrative issues, but we are pursuing all avenues.

6. History and Role of J.E. Schroeder Seed Orchard – Mike Kroon, Orchard Manager

This next section, I will give you an overall presentation on the Orchard and Don will give you an overview of the Seed Bank. Then we will take a quick tour of the orchard.

So, there are three operating programs in ODF, Private Forests, State Forests and Fire Protection. Schroeder Seed Orchard is housed under the Private Forests Division. State involvement in tree improvement was instigated in the past after the fires in the Tillamook State Forests. In 1973 we built the J.E. Schroeder Seed Orchard in conjunction with a USFS grant. Companies also participate in improvement programs. Douglas fir was the first species that was improved. We now have other species we work with. An advantage to orchard run collection is it's a lot easier to pick a tree on flat ground with a lift, rather than climbing a tree. It gives us the ability to produce high quality seed at a good price. The other part is that wild collections are erratic as to when they show up. In the orchard you can control when and how much seed is produced. At Schroeder in the past 10 years, we have pretty much gone away from wild collections. 95% of Doug Fir planted in Oregon comes from orchards. Through the years the program was extended to family forestland owners and part of the deal for the Federal funds we receive is we agreed to sell, up to 6% of each harvest to the Oregon Seed Bank to be available to small woodland owners. The Orchard here is unique with its cooperative structure. Partners include the Forest Service, Private Industry, State and Private Forests. Everything is paid by the cooperators, the Orchards get no State General Funds, and there is no longer any Federal funding from grants now. We are a self-supporting entity. ODF personnel are responsible for the growing of seed, all cooperators share in the operating costs, risks and rewards. Currently we have over 113 acres in 24 orchards. So management gets complex.

When putting orchards together, you go out to wild collections and watch progeny sites. You are looking for certain traits in the breeding program. For us, and the landowners involved, we obviously want fast-growing trees producing lots of volume with a wide range of situations like elevations and north and south. The BLM is looking into a side program with global warming, looking into drought resistant Douglas fir. For us, we also have orchards resistant to Swiss Needle Cast. We collect seed off those and have an orchard planted that is now SNC resistant. Also with Western White Pine resistant to Blister Rust and Root Rot. We work with USFS in Dorena to get seed with that resistance for small landowners. We do purchase seed for the Seed Bank from other orchards, for example Western Sugar Pine and Port Orford Cedar we purchase seed through the Forest Service.

The Orchard overall is set up, has individual orchards anywhere from one acre to 9 acres in size. The size of the orchard is based upon how many cooperators there are in the particular orchard. Example, the Santiam High and Santiam Low have only two cooperators. So because of our structure, we size each orchard appropriately for the seed needs of the cooperator and the cost.

Kaczmerck: Very early in the history of tree improvement you collected seed from a range of trees and grow seedlings in progeny tests for disease resistance, growth rates, adaptability, and survival. When those early results are in place, we collected thousands of the preferred 'families'. We now have selections for different areas in the state, like Astoria or Coos. We make our first generation selections, (100 to 200 trees) and collect scions from each tree to graft onto root stock to create combined trees. Then they are planted in the orchards. Taking our best first generation selections and making crosses between different male and female trees, we generate controlled cross seed. Then take that seed out and plant it across the landscape. We identify the best trees from those tests and those trees would be cloned, put into orchards. And then we repeat that process. We are now doing breeding work in a lot of our areas for our third generations. You continually replace your early material through new and improved selections.

Shumaker: The 6% of the seed that's reserved for small woodland owners, (Seed Bank) which orchard does it come from?

Kaczmerck: The way it's structured is, the Seed Bank has the ability to purchase at the cost of production 6% of all the seed. So we look at what seed cost from the orchard and what the potential demand for the seed is. I think I can purchase it at 'x' cost and I will be able to move it within a reasonable time period because of a strong demand. Out of these 24 orchards they don't come on line all at once. Roughly 1/2 to 2/3rds of those 24 will be productive any given year. We generally have these on 2 year cycles by stimulating an orchard one year to produce a crop the next year. Each year you have to make a decision whether the Seed Bank wants to purchase the seed or not. That's the self-sustaining part. The seed is not provided to the Bank, the Seed Bank has to purchase the seed.

Peel: When you say 'stimulate' the trees what exactly happens?

Kroon: We partially girdle the trees. So we do a crescent cut, based upon the tree's girth cutting just the cambium layer of the tree. Trees heal back over within a year of the wound.

Kaczmarek: When we decide trees are large enough, generally 12 – 15 feet to promote the early flowering we will do a very light partial girdle with a hand saw and then inject (GA) gibberellic acid (a naturally produced plant growth regulator) to promote flowering. Hemlock and Cedar have to just apply GA for a full year and not girdle. One of the important things running a seed orchard is to control the pollen flow. Some of the orchards are high elevation and some are low elevation. To control pollen flow some years we will alternate stimulating one or another orchard and also have to be strategic in where we place the orchards. One advantage we have here is we are surrounded by farm land, which is nice because there is no outside influence of local Doug-Fir or Hemlock trees on our orchards.

Kaczmarek: You don't want pollen coming from adjacent trees or mixing with native pollen. We try and position our orchards so when we do have pollen flow it is beneficial. The other thing we do, is to lease out the vacant areas for grass seed production that is contractually kept clean. An Ag lease is generally put on the less desirable land for growing trees. In 2014 our harvest was 1600 lbs. of Doug-fir and about 150 lbs. of Western Hemlock. In one year we had produced enough seed for 22 to 25 million Doug-Fir and 12 to 13 million Hemlock. From 2001 to 2014 we produced 14,000 lbs. of Doug-fir. These were from some of the newer orchards. Overall up to last year we have produced 1/2 billion seeds. Depending on the nursery system a pound of Doug-fir will produce anywhere from 12 to 16 thousand seedlings. Typically on orchard seed versus wild collections you should get 90+ percent germination rate. Since you control things better at the orchards it's rare to get below 90% germination. Most seed is up to 98%, it just depends on the individual years and how careful you are.

Kaczmarek: ODF State Forests is currently the only owner of the Cedar orchard. It's tougher to pick wild collections of Cedar and even with high demand, we produce a great deal more than our needs. We have a seed crop being processed right now, but it's not ready yet.

Glick: I would like to point out that the client pool for Western Red Cedar for tribes is an important cultural need. Have they been invited to 'play'? If you wanted to expand that program it may be important to communicate that potential partnership with the tribe. With small private woodland owners, they might make a better income raising cedar for tribal use.

7. Purpose of Oregon Seed Bank – Don Kaczmarek, ODF Geneticist

The Seed Bank was developed with support from the USDA Forest Service Grants. I manage it under the ODF Private Forests Division. We maintain a wide selection of improved seed to try and cover the majority of the state's need. The Seed Bank inventory is preferentially sold to private individuals not industry. So it allows family forestland owners to get genetically superior seeds. Through the 'bank' these landowners have access to the same, or better seed as Weyerhaeuser or other industries. We also have access to improved seed produced by other tree improvement programs. The Seed Bank is actually a self-supporting and self-sustaining entity. If I want to buy \$50,000 of seed, I have to have 50,000 dollars' worth of seed to sell in my account. Your seed sales have to support the amount of seed you are purchasing. You don't want to purchase seed you can't sell in the coming year. All the costs of storage is absorbed by the Seed Bank itself. You can't cover all potentialities on fires the way it is structured now. So what do we have in the bank? Genetically-Improved

Douglas-fir, Western Hemlock, and Western Red Cedar. Blister Rust-Resistant White Pine and Rot-Resistant Port Orford Cedar and also seed from the primary orchards of Valley Pine. We also have a range of minor species: Noble Fir, Grand Fir, Incense Cedar, Jeffrey Pine, Sitka Spruce, and a few more we don't list. As far as costs go, your wood run seed is about \$75-\$100/lb. Orchard improved seed is usually \$300 to \$1200/lb.

What are the advantages of improved seed? That depends on how intense your selection pressures are and what we are trying to improve. Each cycle of tree improvement produces a certain percentage of gain. Any seed source you have, you will have a range in variation, few poor seeds, a wide range of mid-range seeds and a few very, very good seeds. If a landowner plants out 10,000 seedlings, you can expect bell curve results for those characteristics. When we go through additional cycles of improvements we would be shifting that bell curve to the right over time. Starting with a woods run collection and moving towards desired attributes. Second cycle seed you will get lesser numbers of poor trees. Each generation has some degree of improvement. That could be any trait we are looking for, perhaps Swiss Needle Cast resistance, form improvements, etc. The first generation will obviously give you the greatest gains. The best selection in the first gen would give you growth gains of about 50% over woods run. Second gen you are looking at about 25% gains over the first gen. The third gen you get about another 22%. So the first generation you get the biggest gain. Over time orchards are thinned to route out the lowest performers. The seed is perfectly fine, but you get a better genetic composition from later years.

McNitt: Seed zones are confusing to people. New zones, old zones or coop areas, are you making new maps? I use them on my site for map search.

Kaczmarek: Old Seed zones are pre-1991. New Seed zones are generally larger. Our listing had both Old and New. I went back and everything listed now I have on our seed list. We are still verifying some of those results. We want to make sure when we have our progeny results back to be sure we are where we want to be with good breeding results. It may be premature removing zones yet.

[Members and guests went on a short walking tour of the orchard facilities and orchards.]

LUNCH

8. OSWA Cooperative Seedling Programs – Bob Shumaker, WCSWA and Bill Hanson, CCSWA

Shumaker, Bob: (Handout, a history of our seedling program.) In 1999 we started with the idea of supplying seedlings to our small woodland members and also to produce some revenue for our chapter. We started by buying lots of seedlings (10,000) from Weyerhaeuser and Willamette Industries the first couple of years. And starting selling all kinds of seedling types, Doug-fir, Western Red Cedar and Hemlock. At the same time the effort was complicated by different seed zones. We decided on a plan and in 2001 went to Columbia County and spoke with Sarah Lipow, Geneticist at the time. We decided the way to go was, to buy seed at cost from the orchard and grow it under contract with Lewis River Reforestation. It is a two year commitment on our part. We were funded the first year, so were able to get started. It's worked out really well, we plant 2 lbs. of seed and so we get about 50,000 to 60,000 seedlings per year. We sell about 10,000 – 15,000 of those and the balance we have to have another buyer source for, so we partner with our customers, like Mike Barnes with the forestlands he manages, he takes 25,000 – 30,000 seedlings each year from us. We have other large customers as well that take a lot. So their orders can still subsidize the smaller landowners. That the way it works for us.

Hanson, Bill: I've finished up my second year as Seedling Chairman for Columbia County Small Woodlands, so I don't have metrics on our history. But we have been doing this about 17 years. Paul Nys was the prime mover for many years. It has remained an all-volunteer effort and as a public service, any gains from it get put back into public service. We support Elementary and High School programs, our own programs and Tree Farm tours and newsletter. We grow 3 lbs. of the Elite Douglas fir seed purchased from the Seed Bank here. We grow on contract with Lewis River Reforestation. The yield on that is about 65,000 seedlings for the three pounds. The seedlings are about 12- 18" tall and the stem is caliper graded to 5 mm. They are excellent trees and do very well. We have been averaging about 25 buyers, they are almost all members, and we have a member and non-member pricing which makes membership an easy sell. We put a hundred bag

limit on sales, and 65,000 seedlings is averages 540 bags. We reserve about 50 bags for a separate program, a public sale of 20 species of trees and shrubs in March. Lewis River Reforestation's minimum contract they will do is 20,000. We are able to get them to grow 65,000 for us. The key is we manage all the sales, paperwork and accounting. Then seedlings are lifted within the last week before we pick them up. Then we go and pick up the seedlings and bring them back to Columbia County to two local distribution spots. It's key for small buyers to get a premium products they can purchase in advance and have them brought back to the county. It's something that they cannot do themselves. The reality is we are one truck away from not being able to do this and continued volunteerism has been a bit of a challenge. We have not been able to meet demand the last two years. I sent back 6 checks this year alone. We could have sold 6,000 to 10,000 more Doug-fir sold that we did. And many knew we were sold out and didn't contact us, so there may be others. We have not been able to meet demand. But years ago we only sold half of what we contracted and had to send the rest back to the nursery. It's a risky business. Demand does vary. From the 2015 crop, 90% of cedar seedlings died, because we had unrecognized freeze damage. So I have to replace those for buyers at the same time as buying cedar for this year's sales.

Shumaker, Bob: There aren't any cedar seedlings this year other than replacements. This is only the second time in 7 years that we had any damaged. And replacing the seedlings doesn't replace the labor requirements and costs for a second planting. We have about the same number of customers (About 25/yr.). We do the same thing. We advertise in July that they are available and begin to take orders. We take a 50% deposit for orders, because we have to pay 25% the first year to get them planted plus the seed. Then you have 25% in September, you have to get 50% overall before you start taking orders. The balance is due on delivery and the balance is due from the landowner at the time they are picked up.

Weber: How many OSWA seedling cooperatives are there?

Shumaker, Bob: Clackamas County used to have one. I've talked with Coos/Curry County extension agent, but never heard back whether they ever did anything. That's why I wrote up the history, costs and volunteer time necessary as a formula to go through. The main thing is finding a grower and another cooperative in your county to work with. Also, finding the logging contractors, or consulting foresters because they are taking over the obligation after harvest to re-forest for the landowners. It's good to have them as a partner to work together for your county for what your needs are. That way you stay in one seed zone and limit the number of species. Having a large membership (220) helps that demand.

We sold almost a million seedlings, and a pretty good for a group of volunteers. We take 5 pickups and trailers to pick them up. We have an old apple cooler, that we built racks in, to store up to 50,000 seedlings in there. That gives us the ability to manage our time. Most of the time spent is in delivery and coordination. It's part of that service. That's why we charge .47 cents. Our costs are .2 cents/seed and we charge about .35 cents to cover our cost and so charge .47 cents/seedling. That is competitively priced for genetically-improved seedlings. The service we charge is for taking the risk for 2 years, and doing all the hauling to get it close to customers.

Weber: The question I have, is in regards to the risk part of the business. You can't meet demand now, but there were years, you had to return stock to the nursery. You got a profit every year, it seems that your cooperatives have figured out a way to manage your supply and demand reasonably well. Could you share?

Shumaker, Bob: With Mike Barnes taking a base level number of seedlings over half is my base. Look for someone who is consistently planting in your area. Look for those harvesting every year. You want to keep your program going all the time. One year, we went down, because it was a bad year (2007 or 08). I only purchased and planted one pound. But we did get 40,000 seedlings out of that one pound. You have to play that a little bit. We tried different incentives, and education as well.

The seeds we planted in 2015 we start taking orders for in 2016 to be delivered in Jan/Feb of 2017. The trees that they will buy in July will be available in the mid-Jan or Feb. of the following year. We've already put out our money to that point. We request 50% deposit at the time of order. We sell it on a first-come/first-served basis. But we want to make sure we are fair about dividing up the numbers, and don't sell to only one buyer. We have an obligation to our members. We need about .10 to .12 cents in our pocket for providing the service. With the money we make we use for the newsletter and we subsidize about 50% of our meeting costs. Annual meeting costs and scholarships. That gives us more exposure. I

think it's good to share the accounting, dollars speak, and you need to think about the economics of everything you do as well as the service.

Hanson: There is a little difference between our programs, except we don't have a cooler, seedlings are lifted in about a week before delivery for immediate distribution. Not having a cooler really complicates it. Example: With a freeze or a lot of rain they can't lift the seedlings till the last minute. Then we have to contact people and let them know. The nature of our membership is we have a lot of elderly people in remote areas with no cell phone service or internet. So it's not as easy as I would like to communicate by email, but it is not an option for us to reach all our customers that way.

9. IFA Seedling Program – Mike Taylor

I thought that was a really good conversation, because it is a big issue to get trees to the people that need them. In the past we grew about 1.2 million speculative/year. But most of that nursery space is gone to big contract growers by the time that the small landowners start looking for theirs. The way our spec program is designed is to meet existing customer needs who have contracted space and any beyond that would be available on the open market. But the way the past few years have gone there is no surplus stock available. We have two people that handle our sales, one in OR/CA and WA/ID/and East. But the biggest problem is for us to grow in all the zones and elevation combinations is virtually impossible. So it's great for coops to exist for the local need. The only coop we work with is the Christmas tree coop. They place standard volumes each year usually 160,000/yr. half of that Noble Fir and ½ Doug-fir. They send out their contracts and send us a list of the 20 to 30 customers that are able to pick up the trees and the quantity to pick up and then the individuals are responsible for picking up and thawing. There are 6 IFA locations. We will ship to 3 of them that have cooler capacity if there are customers nearby. 20,000 is the minimum lot size. Example Siletz buys and splits the count by species. So our price structure is based on one customer picking up at least 20,000 trees, even of multiple species. If you are doing a plug, ordering season starts anytime. Usually it is cut off in January. We require deposit for plugs 50% down and 50% on delivery. On bare root its 1/3, 1/3, 1/3rd. The two year planting horizon is a hard one. Plugs are more expensive and a one year plan instead of two years. Small woodland owners can bulk up their orders to reach the minimums.

Shumaker, Bob: So if counties get together and even if their customers need different zones we can combine orders to reach minimums?

Taylor: Yes. Some customers bring their own seed, or we buy seed for spec orders or customers that don't have seed. We just do our cost on seed if providing it for an order. All of our seed goes to people placing orders. We have nurseries in Klamath Falls, Elkton, Canby, Toledo, Nisqually and Aurora. 3 greenhouses and 3 bare root facilities.

Storm: One thing to consider about the small landowner market is the small woodland harvest goes up and down with the market making it a volatile market to speculate in.

Taylor: That's why we don't do a lot of it. It's a hard market to gauge.

Shumaker: You have to keep it small and know what you have for a base. Your base becomes those who are going to harvest every year.

10. Forest Seedling Network (FSN) – Bob McNitt, FSN

The goal of FSN is to connect the forest seedling growers with the landowners and help the landowners find the appropriate seed zones for their planting site. We provide a seedling search function, service directory, and platform to post seedling lots for sale or sale events, and resource section. I love this discussion, but I think people are confused about the complexity of seedling production and availability. We made a change in our seedling search section. You go online and search for your area, and we have seed zone maps. You can go to the resource section and click on your location. A posting costs a grower \$10. When you click on Oregon, we currently have 35 posts of seedling providers. You have to keep checking back as postings will come at different times or run out. There will probably be a lot of posts, late February, early March. Map search opens up a map and you can move the icon around and click on your planting site.

That will bring up all the seed zones relevant to that choice. People can get confused over old, versus new zones, BLM zones, etc. it gives a picture of how the zones interact. It will also show you the species, zones and elevation. You have to look out for, is if you click on the map search for Doug-fir, you get all the elevations for those zones. Some people will accept higher and lower than their elevations. You might have six posts for that area and only one has your elevation. Order forms may be available by clicking on links you cannot order directly online through FSN site. You can also post Oregon and Washington events like small seedling sales. These sales are good for raising non-profit funds and raising funds for scholarships and such. You need to get your information to me online. Who do I call to buy seedlings? When a post has “sold out” we put that designation on the post, so it still tells the public who made the post, for future reference. With my experience in forestry, I realized the landowners were having difficulty with seedling availability or zone requirements. It has taken quite a while to build this site, I took on this project ten years ago. People pay for posts and ads but programming is expensive.

Springer: It’s been a really good service!

Weber: The concepts are clear, this is a terrific resource to help people not part of the system.

11. General Seedling Discussion/Q&A - All

- What has come out of this meeting today to help small landowners with this issue?

Weber: Most of what we do is create awareness and connect people with information so they can act at their time of need given the specific resources. I don’t know if there is something we could do to facilitate the process within Oregon but we can look at lessons learned and consider other possibilities and see if we can provide additional resources.

Gray: Some of this was informational for us. This topic has been in the background for a while. This committee may be able to bring the issue before the Board.

- Anecdotally how many small woodland owners go without seedlings any given year?
- Is there a way to measure unmet demand?
- Is there a way for the ODF to tell how much is harvested to track need?
- If there are lessons learned, do we have statistics regarding our present shortage, and perhaps past data? Is this a unique situation?
- You have to take some action after 12 months of harvest. I would like to know how many acres are in violation. Step one is we notify the BOF that there is a problem. But first, we need data first to prove the problem exists in a quantitative way.

Taylor: Our (IFA) sales staff track all requests that come in to us by seed zone. In Oregon alone he has had close to 2.5 million seedlings requested that we cannot fill this year. Once contracts are in he will sell down to a 1 bag quantity, or he will try to place trees outside of our system to other suppliers. It was fire driving demand the last few years. In big quantities. All available trees are quickly gone.

Storm: Currently, there are 2 or 3 things driving the demand from small landowners. One, if there is fire; the other is the market. There is really no central clearinghouse to strategically chart or predict the seedling demand for small woodland owners. What is missing is the strategic planning.

Taylor: We could have one place online where people could put in an order for a certain number of trees, and then those orders could be dispersed to where the nurseries are to get the critical mass of smaller orders combined to reach minimums. It would help to limit the variability in seedling sizes and types. Our 2.5 million spec that we grow each year is all the risk we are willing to take. If we lost all 2.5 million we would be in trouble. We don’t make money off trees, it’s to provide service to our customers.

Glick: Thinking about incentivizing, the CFF could think about how to build small local cooperative communities with the help of more established growers. Stone Nursery has capacity, perhaps lease growing space. It's very concerning thinking about the future of forests nationwide as the majority of acreages are small woodlands.

Biesecker: I am a Stewardship Forester that helps small landowners. They may say they are going to harvest by way of notification and then not, or not as much as they thought, or they are in a salvage situation. If they are not meeting their two year requirement for reforestation because seedlings are not available, they would need to request an extension to their Notification. Perhaps tracking stewardship records of extensions and citations regarding lack of reforestation.

Barnard: So, the one thing I do like is your suggestion about a more pro-active approach in placing orders collectively with central facilitation. I wonder if something like that website could roll up orders and have someone facilitate the purchases.

Albrecht: In regard to that, I think that a good part of the problem is the landowners themselves. Many landowners I run into want to buy seedlings a month before they think of planting. This may be somewhat of an education problem. When Don came to our orchard to speak it opened the eyes of landowners to this need.

Any of us that talk to small landowner groups should keep hammering home this point that you *have* to think about planting before harvest!

Springer: There are small landowners whose last harvest was 10 years ago, and they didn't have any issue getting seedlings then, so they don't anticipate a problem now.

Biesecker: This drought is going to hit hard. A lot of private companies are having to replant because of drought losses. Everyone's going to be a year behind. There is always a challenge from climate issues.

- How did you set your numbers as a cooperative to contract grow?

Shumaker, Bob: We asked ourselves how much risk we want to take. We bought from Weyerhaeuser, which gave us an idea of what we could sell. Then we had to look at potential buyers, using consulting foresters. The consultants know the cutting schedules of their customers. There are management plans for many of those lands and cutting occurs on a regular basis. A small woodland owners are so market- or need-driven it's hard to anticipate their harvests so you can't depend on that.

Kaczmerck: If they are on a 15 year schedule, they still think Phipps is open, when it hasn't existed for 8 years.

McNitt: I'd like to make a comment about capacity. When demand drops, some nurseries have capacity to take seedling contracts. I made a calculation, that in OR and WA there is a need for 130 – 140 million seedlings planted every year. I know capacity is one issue, seed availability and small landowners are another issue. Nurseries aren't making money. Landowners are cheap and a lot don't know the difference.

Taylor: Tree Planters do an Annual Summary.

Weber: So we will take the information we have gleaned on the seedling issue and determine whether we have enough information or how we might pursue a recommendation. What as a committee do we want to do with this information?

Shumaker, Bonnie: Landowner education is critical. You try to drum it in, but it doesn't stick. Perhaps engaging OFRI.

Woodward: With extension, whenever we have a class on harvesting we also focus on reforestation. On the KnowYourForest.org website, we should look to connect the harvest with the reforestation.

Shumaker, Bonnie: Would the contractors be the ones to educate the landowners on reforestation?

Gray: A company like mine, if we do a purchase order with a small landowner we send them a note, if you haven't ordered your seedlings already do so now. It has to be a concerted effort.

Springer: The biggest take away I got was from the Stewardship Forester who was here. She said she has a lot of small landowners she needs to talk to because she is having some problems with compliance on reforestation.

Woodward: The other thing, I've noticed there are a lot of new stewardship foresters and they are getting the calls asking where are the seedlings, how are they answering?

Tucker: The Stewardship Foresters are on the FSN mailing list as well. That is a pretty good for resource.

12. Follow Up Reports

- Coho Recovery Plan

Weber: At the December meeting you had an action item that the State's Comments would be sent out to the members. No one responded or gave feedback. The comment period was over on December 31st. My understanding is we need to learn from that and think about making improvements on the recovery with OWEB on the Focus Investment Partnerships. The letter has been sent in support and is in your packets.

- Bald Eagle Rule

Barnes: We had Jennifer Weikel in to collect any feedback and refresh us on the rulemaking decisions. We have an abundance of chances to provide comment during the coming months before it goes to the BOF. No action was taken. Sara Leiman commented on the effect of the resource to her property management.

Tucker: Weikel is still doing outreach. She will bring the technical report to the BOF in April. This was one of the TBD items to bring the report in April for a June decision. We can comment back to Jennifer or comment in a letter to the Board.

Gray: The options were to de-list, or move to the Sensitive Species rules as is or revise rules under that.

Springer: Because of the success of the Bald Eagle listing, we have eagles where they haven't been before. However we deal with this on the BOF when we make a decision it will be based upon the good news of the Federal de-listing.

- RLMT Support

Weber: We would like to wait until Roje Gootee is available to help us define the CFF support role.

Action Items:

- Weber to compose themes on Bald Eagle rules and email out for February discussion.
- Julie Woodward, OFRI will check with Cloughesy on the status of the Tax Report to the Board.
- Evan Barnes will report back any comments on the seedling issue from Douglas County.

Forward Agenda Items:

- Internal discussion on seedling recommendations.
- Bald Eagle Rule recommendations
- RLMT Support

Of Note: Chair Weber will miss the February meeting. Evan Barnes, will fill in as Vice-Chair. Meeting was adjourned. The next meeting is scheduled for February 23, 2016 in Salem.