



Board of Forestry Meeting

**May 24, 2017
Richmond, VA**

Convene Meeting, Call to Order

The Board of Forestry meeting was called to order at 9 a.m. by Chairman Smith at the Virginia Farm Bureau Conference Room in Richmond, VA. Chairman Smith reminded the Board of the Anti-trust acknowledgement and policy and reviewed simple housekeeping items.

Roll Call

Board of Forestry Members Present:

Don Bright, Joel Cathey, Beth Flippo Hutchins, Franklin Myers, Dr. David Smith, Greg Scheerer, Glen Worrell, Ken Morgan Jr., John Burke III, Keith Drohan and William Snyder

Members Absent:

Anne Beals and James Harder

Approval of Minutes:

A motion was made to approve the Feb. 21, 2017 meeting minutes as presented; seconded. All present were in favor.

Recognition of Guests and Visitors

Virginia Department of Forestry Present:

Bettina Ring, State Forester; Rob Farrell, Deputy State Forester; Ed Zimmer, Chief of Operations; Mary Weaver, Executive Assistant

Guests and Visitors:

Basil Gooden, Secretary of Agriculture and Forestry; Megan Seibel, Deputy Secretary of Agriculture and Forestry; Jackie Anderson, International Consulting Services; Steve Freedman, Independent Environment Consultant; Shannon McCabe, Virginia Forestry Association; Andrew Smith, Virginia Farm Bureau Federation; Susan Seward, Virginia Forestry Products Association; Jonathan Harding, Virginia Agribusiness Council

Hearing of Citizens

None

Secretary of Agriculture and Forestry Update

Dr. Basil Gooden introduced the new Deputy Secretary of Agriculture and Forestry, Megan Seibel, the former Assistant Secretary of Agriculture & Forestry. The new Assistant Secretary will be announced soon. Dr. Gooden discussed the high-quality products of Virginia and promoting them internationally. Dr. Gooden expressed his appreciation for the Board's commitment to the Commonwealth and what it provides, along with the vision and guidance, to the Department of Forestry.

State Forester's Report

Ms. Bettina Ring expressed her appreciation for having such a great team in the Secretary's office, which works with and supports the VDOF. The Secretary's office and VDOF are working with Weldon Cooper on the next Ag & Forestry Study, which will be released soon. The numbers are up and will share more information soon.

The Forest Products Tax Data are in. Harvesting volume is up, but the value is down slightly. Brunswick County continues to be #1 on volume; Southampton County is #1 in value. There is a new Biomass section in the report. The total tax collected was \$2,462,490. The full report will be emailed to the board.

Celebrating our 100th year anniversary of our nurseries. We had the opportunity to have the First Lady and Secretary Gooden at Garland Gray Forestry Center to assist with lifting the 2 Billionth seedling. A soft announcement was made in regards to growing longleaf pine for the first time this year in our nursery thanks to some grants. An official announcement will be made in the future.

Great progress is being made with Generation NEXT. The agency will be offering three workshops this year to educate landowners.

Planted a tree on the grounds of the Capitol with the Governor and First Lady to celebrate Arbor Day and Earth Day.

Celebrated Business Appreciation Month at a breakfast in the Executive Mansion with the Governor and other businesses in the state.

Had an active fire year; very large fire in the Goshen area. Was very challenging because of the terrain and conditions out there. Since January 1, we had 421 fires that burned a total of 6,292 acres and protected approximately 2,300 homes.

Most of the fire-responder trucks have been rolled out; dozers and transports are in the process of being complete.

Ms. Ring discussed the presidential budget that was released. There was about an 11 percent decrease across the board in state and private forestry programs. The LSR program and Urban & Community Forestry program have been zeroed out completely. Secretary Gooden expressed that they are actively engaged in monitoring and looking at how these cuts will impact Virginia.

Secretary Gooden announced that Ms. Ring has been awarded a fellowship to participate in the prestigious "Program for Senior Executives in State and Local Government" at the John F. Kennedy School of Government at Harvard University. This highly selective program is the nation's premier learning experience for government leaders, and Bettina's selection reflects positively on the Virginia Department of Forestry and the Commonwealth of Virginia! She will be disengaged from the Department from 10 July – 28 July 2017. Mr. Rob Farrell will be acting State Forester during this time.

Mr. Morgan inquired on how VDOF was doing with keeping up with the demand for seedlings in the last five years. Mr. Farrell reported that VDOF has been increasing the supply a little every year to meet the demand. Projecting the amount of seedlings needed is a difficult task. The Board discussed the importance of VDOF nurseries and production of seedlings.

Informational Items

Strategic Planning:

Ms. Ring explained to the Board the process VDOF is taking on creating our Strategic Plan. We are thinking about where we are as an agency and where we want to be in the future.

Mr. Farrell reviewed with the Board the process that was taken in choosing the consultant that was hired to assist VDOF with the Strategic Plan. The agency will have facilitation sessions and several electronic surveys for the various groups of

customers with whom VDOF works: landowners, stakeholders, public safety and VDOF employees. Agency strategies and measurements of success will be developed once all this information is gathered.

Mr. Farrell introduced Ms. Jacqueline Anderson from International Consulting Services LLC, to conduct a facilitated session with the Board of Forestry.

Ms. Anderson asked the Board to consider the Social, Technological, Economical, Environmental and Political (STEEP) factors that impact the agency. The Board discussed several questions.

Below are the questions asked and summary of responses by Ms. Anderson, Consultant.

- ◆ Changes, Trends and Challenges impacting VDOF over the next 3-5 years; How to Address Them (Questions 1, 2, 5, 6)
 1. Financial and Budgetary Challenges
 - a. Federal and state budget tightening and constraints.
 - b. There is a need for VDOF to be more self-sustaining in the future. Do not rely on a budget number from the state.
 - c. Look for additional income streams with reasonable fees.
 - i. There are lands outside of VDOF's purview. Get revenue to share expertise with those landowners.
 - ii. Charging for controlled burns.
 - iii. Charging a fee for management plans.
 - iv. Enhance partnerships for funding for different matters.
 - d. Some of the RT money could be used to run VDOF.
 - e. Develop more options to work with small landowners.
 - f. Emphasize being proactive with the legislature. We continue to have a mindset that budget cuts are coming. The state should invest in VDOF to enable forestry industries to grow.
 - g. When budget cuts come, we need to know who we are (What is our core mission?). Need clarity on the core mission.
 - h. Why does the Virginia Department of Transportation have a pot of money no one can touch? What should VDOF's untouchable money be? There must be recognition in state government that some VDOF functions are essential and should not rely on a revenue stream other than the general fund.
 2. Politics and Policy
 - a. The political climate is polarized and this will affect funding directions either way. Forest industry management plans can have 200-year time horizons. Political swings create issues with finding common ground.
 - b. Policy decisions are increasingly being made by people uninformed about the land and forests. This will increase due to more urban people in these positions. The decision-making process will get further away from the reality of what forestry does on the ground.
 - c. We are fortunate in having had secretarial support in the last three administrations. However, we are generally apprehensive about the coming administration. Every four years, we go through a re-education process for the administration. It is every two years for the General Assembly. The worst thing is the uncertainty.

- d. Partnerships create a larger voice with government. The forestry industry is huge in Virginia, but is not represented to the General Assembly in the same way as other large industries. We need a loud voice and a bigger voice, considering the economic impact of these industries.
- e. Need forest people to be involved and to talk to legislators. Need informed people to speak to legislators. How do we get that word out? The General Assembly is not hearing us.
- f. We are strongest when we (various forest industries) are all on the same page with one voice. We need to work out differences to get to one voice.
- g. We need to educate more broadly to help people understand that (for example) Wal-Mart (developers) cuts more trees than loggers.

3. Fire Safety

- a. Due to development encroachment.
- b. There is a lot of federal land in the western part of the state. There is a difference in how the federal government manages its lands vs. how Virginia does. Virginia responds better. The federal government is slower to respond and does not practice “good housekeeping” in its forests. The federal approach to firefighting and fire suppression differs from the state.
- c. VDOF should have a cost-shifting mechanism for fire-fighting costs for fires caused by certain industries (e.g., power line caused a fire – power company pays).
- d. Fighting fires should be a general fund line item because it is for the good of the Commonwealth. These funds should not be affected by administration changes.
- e. The increased fragmentation of forests will require more money to fight fires.
- f. There is a misguided policy with respect to the development of wilderness areas. If a fire starts in a wilderness area, they (federal government) cannot do anything about it by law. The wilderness areas are getting old so there is more risk of fires in next 30 years. These areas could be gone. Need informed policy decisions. Need a voice in this policy issue at a federal, state and local level.
- g. There are statistics that can be used to anticipate the next cycle of major fires. There are many causes and conditions. VDOF may have more tools available to look at this issue. However, there must be a strategy to deal with the causes and conditions. Currently, VDOF is trying to strengthen its relationship with U.S. Forest Service.
- h. Mt. Pleasant fire – one of the most collaborative efforts we have had with the USFS in fire suppression – a good example of our partnership

4. Mission Creep – The mission expands to satisfy many areas of focus. Clarify and focus on the core mission.

5. People – VDOF Employees and Forest Landowners

- a. So much of the people infrastructure is fraying and graying out of jobs in VDOF and with landowners – across the industry.
- b. VDOF and VDACS will play a critical role in automation (how it costs jobs out of the economy).
- c. The pool of potential employees may be shrinking – hard to find a young person who wants to do forestry-related desk work vs. being in the woods. The pay structure for these jobs is not competitive.
 - i. Market how cool it is to do these jobs; financial component to this as well.
 - ii. Need to understand the “outdoors.”
 - iii. Diversity issue – seeing more gender diversity; need more work on ethnic diversity; more students are from urban areas – creates issues regarding understanding how things work

on the ground; millennials want to make a difference in the world, but they may not stay with us as long.

- iv. Use interns?
- v. Is there a pool of career changers who could be enticed/retooled to work in forestry? Works well with military who still want to have a mission.
- vi. Need to reach people before college. Tap into VA Forestry Education Foundation.
- vii. Every VA Tech grad has multiple job offers.
- viii. Important to figure out how to move employees up/through the agency to retain them.

6. Markets are changing.

- a. Logs are being shipped in containers. This is affecting what's being cut.
- b. There is a move to "certified" land. What role will VDOF take? The impact of certification is the need to develop extensive documentation to show what a given company is doing to comply with the standards. Certification is not free. Is there a market return for that certified stamp?
- c. It is important to visit landowners face-to-face and to talk to people in local communities about the importance of good forest management. However, some people may think that, in doing this, we have a selfish interest.
- d. Place an increased emphasis on marketing this wonderful, renewable resource.
- e. Look at marketing campaigns to promote the export of raw materials. There is an unfair competitive advantage overseas. VDOF needs to weigh in.

7. Landowner Perspective

- a. Stumpage value has decreased. What is the impact? Fragmented lands impact this. Counties tax this. Need to provide education.

◆ Significant Opportunities Related to the Forest or Forestry in Virginia in the Next 3-5 Years (Questions 3, 4)

1. Experienced VDOF staffers mentoring young employees.
2. Facilitating generational transitions:
 - a. Landowners get information in different ways.
 - b. Landowners may or may not be tied to their land or living on the land. However, they will need information about managing the land, so VDOF needs to engage them.
 - c. Explain why they (next generation landowners) should be involved in forests and forest industries.
 - d. This may require having multiple contacts if the land is split among several owners (e.g., children of original landowner).
3. Partnering; continuing the role as the convener.
4. Being more unified in what VDOF does.

◆ Critical issues facing the forest resource in Virginia; How to address them (Questions 7, 8, 9)

1. Forest health. There seem to be more occurrences of pathogens.
 - a. Universities do the research.
 - b. VDOF needs to educate the public.

2. We need a working forest economically, i.e., it must be healthy in the context of revenue.
 3. Having a healthy, viable market and operators.
 4. Not sure it is part of VDOF's mission to find markets. However, VDOF should work with Commerce and Trade Secretariat.
 5. We won't plant trees if the market is not good. Strong markets incentivize landowners.
 6. Forestland loss.
 7. Fragmentation of land
 8. Continue to work with partners on a routine basis.
 9. Be the source of knowledge to which landowners go (core mission).
 10. Have boots on the ground. Get back to a five-day workweek to work with landowners. Although local offices closed, there is still a need to be in touch with the landowners.
 11. Publish a newspaper column on forest issues.
 12. Identify what is outside of the purview of VDOF and push it to the right source.
 13. VDOF does not need to be responsible for management plans and some other activities. However, the VDOF fee is much lower than what consultants charge.
- ◆ Things that VDOF is doing well and should keep doing: (Question 10)
1. VDOF's biggest success is water quality. This voluntary program (with guidelines and a small hammer) was a team effort led by VDOF that other states are modeling. For example, foresters had a way to mark a streamside management zone and the loggers respected it.
 2. VDOF is a trusted adviser and is not viewed as the enemy.
 3. Pulling together stakeholders with a common goal.
 4. VDOF is doing an excellent job in the political realm. VDOF brought us (forest stakeholders) in front of legislators and let us speak.
 5. They do a great job growing seedlings.
 6. Fire suppression.
 7. Top notch foresters.
 8. Ensure that field staff are on the same page as Charlottesville. This is not an issue, but it is important to continue this alignment. There have been improvements in consistency among field and headquarters staff.
 9. VDOF does the following for my business – paints a good image of what we (industries) do.
- ◆ The Board's most important issues or concerns related to VDOF; things to start doing or to do better (Questions 11, 12)
1. Sell the sustainability of Virginia's forests. We need a unified voice across the country.
 2. Divert RT money to selling forestry.
 3. Confirm the validity of the RT program.
 4. Set the record straight. VDOF represents the truth of the forest.

5. Don't lose the positives. VDOF is proactive. Don't let government regulate us. Don't be like Maryland.
6. Address personnel issues.
 - a. The pool of future employees is shrinking, and we are experiencing the "graying" of current employees.
 - b. Pay is not competitive.
 - c. Time constraints may be limiting the ability of foresters to complete work in a timely manner. Example: Writing a management plan for landowners may be avoided because it requires a lot of work.
 - d. Get back to a five-day work week.
 - e. Is the level of detail developed by foresters for certain activities appropriate? Is there too much detail?
7. VDOF has an inexpensive way to write management plans for landowners. However, the plans are not being done for all opportunities that arise. It takes a long period of time (months) to do a management plan.
8. Look for ways to do things faster.
9. Provide assistance to obtain certification of wood before the sale.
10. Push landowners to alternative sources (e.g., consultants) for some services.
11. Explore the use of technology (e.g., drones to GPS a tract). This has the potential impact of driving people to VDOF.
- ◆ How VDOF should measure its impact:
(New Question – Not on Original Survey)
 1. The identification of measures depends on how VDOF defines its mission.
 2. Acres covered.
 3. Acres harvested vs. replanted.
 4. Health of the forest and forest industries.
 5. Dollars distributed from the Reforestation of Timberlands (RT) Cost-Share Program.
 6. Economic impact.
 7. Quality of fire protection.
 8. Water quality – 2 comments.
 9. Comparison to other states – 2 comments.
 10. Number of other states that emulate what VDOF initiated.
 11. Positive feedback received about the department.
 12. Responsiveness to customers – calls answered; questions answered.
 13. Degree to which private landowners call VDOF if they have a problem.
 14. Quality of communication between forest-related organizations, VDOF and the Secretary's office.

15. Level of comfort in knowing that my message will be shared with the appropriate people (up/down the chain of command).

Note: Measures should be quantitative, but should also include comments and observations as part of internal metrics.

Questions that Required a Rating (11 responses)

- ◆ For the next three questions, think about how VDOF engages and collaborates with you and those you represent. (Question 13)

- a. How important is your collaboration with the VDOF to your organization's mission?

___ 5 - very important – **4 responses**
 ___ 4 - moderately important – **7 responses**
 ___ 3 - neither important nor unimportant – **0 responses**
 ___ 2 - of low importance – **0 responses**
 ___ 1 - not important – **0 responses**

- b. How well do we engage and collaborate with you (e.g., stay in contact, listen to and accept your input and feedback)?

___ 5 - very well – **5 responses**
 ___ 4 - moderately well – **4 responses**
 ___ 3 - neutral – **1 responses**
 ___ 2 - fairly well – **1 response**
 ___ 1 - not very well – **0 responses**

- c. How satisfied are you that VDOF is holding up our end of our partnership?

___ 5 - very satisfied – **4 responses**
 ___ 4 - moderately satisfied – **4 responses**
 ___ 3 - neither satisfied nor unsatisfied – **2 responses**
 ___ 2 - fairly satisfied – **1 response**
 ___ 1 - not satisfied – **0 responses**

- ◆ What is your overall impression of the VDOF? (Question 14)

___ 5 - very favorable – **4 responses**
 ___ 4 - mostly favorable – **7 responses**
 ___ 3 - neither favorable nor unfavorable – **0 responses**
 ___ 2 - mostly unfavorable – **0 responses**
 ___ 1 - very unfavorable – **0 responses**
 ___ Don't know – **0 responses**

The Board had some additional questions that would be good for the stakeholder survey. Then, create an importance/satisfaction matrix to interpret the data from the replies.

- ◆ Identify the organization's main services and ask stakeholders to rank order them.
- ◆ Ask respondents to rate each of the main services according to its importance and their level of satisfaction.

The Board discussed the surveys that will be put out shortly and how to measure the responses received.

Action Items

Codify Reforestation of Timberlands (RT) Sub-Committee to Committee:

Sub-Committee Chairman Greg Scheerer motioned to make the Reforestation Timberlands (RT) Sub-Committee into an RT Committee. A second was made and discussion was requested. Mr. Zimmer expressed that he felt the sub-committee has been very valuable for the agency and has allowed the Board to focus on a broader venue of issues. The committee will be able to research and work through questions from the Board and return to the Board with answers. This committee will enable the Board to focus on more issues during the Board meetings. The committee will consist of two members from the Board and VDOF staff members. The committee will be allowed to request input from others as needed.

According to the adopted memorandum of procedures for the Board of Forestry, the Board Chairperson shall, as necessary, constitute and develop statements of purpose for the committees; appoint members to serve on such committees, and shall select the committee Chairperson. These committees shall function for the specific purpose and duration as specified by the Board Chairperson. Committee meetings are subject to the same open meeting rules and regulations which govern the Board meetings.

Committee/Liaison Reports

Nominations Committee:

The nominations committee (Anne Beals and Greg Scheerer) nominates Glen Worrell as the next Chairman and John Burke III, as Vice-Chairman. Chairman Smith asked for any other nominations. Hearing none, a vote by affirmation was made and all present were in favor. Glen Worrell, Chairman, and John Burke III, Vice-Chairman, pending reappointment in June.

Hardwood Management Sub-Committee:

Mr. John Burke III reviewed with the Board the status of the Hardwood Management draft. The draft is currently 90 percent to 95 percent complete. The draft is imminent, and plan to share with board members soon.

Reforestation of Timberlands (RT) Sub-Committee:

Mr. Greg Scheerer reviewed with the Board the RT committee's last meeting (February) and reviewed the rates for RT. The committee will meet before the next BOF meeting. Mr. Scheerer reminded the Board members if there was anything they would like discussed or information they would like to have in regards to RT to let him know.

Unfinished Business

Timber Theft Strategies:

Ms. Ring thanked everyone for the comments that were received; they have been very helpful. Mr. Rob Farrell reviewed the background of the timber theft strategies and the discussion from last meeting. Mr. Farrell decided to try a different approach. We are in the idea generating phase, more questions than answers. A sheet was handed out with current situations on left hand side, issues/concerns in the center and potential solutions on right hand side. The tough thing about discussing timber theft is there are so many different elements to it that one solution may not solve the whole situation. This will be a two-phase project; phase one is what can we do for the 2018 General Assembly.

The Board discussed the possibility and importance of giving the State Forester the investigative authority and to have VDOF staffers that are trained to investigate timber theft. The current laws don't give the Commonwealth's Attorneys enough authority. The Board discussed reviewing and getting the laws changed to better assist the landowners.

Mr. Farrell suggested to have a program similar to Water Quality – it's a voluntary program where VDOF goes out and tries to make things right and people are given every opportunity to do things right. After a certain amount of time, if you have not done things right, the law kicks in.

Outreach is a significant weakness that we are not reaching the landowners that are most impacted by timber theft. The requirement-to-pay code is the basement floor; at least landowners would get what they agreed to receive.

Mr. Farrell went through the steps that he sees as a potential phase I approach that can be initiated in spring of 2018:

1. Code section to give State Forester authority to investigate.

2. Change VDOF internal policy to where we assist landowners and investigate timber theft/timber trespass concerns. Some sort of property lookout; something reasonable. Don't feel the VDOF should put value on trees. Perhaps there is a consulting forester group or somebody who VDOF can take stump counts to for a reasonable cost assessment to assist the landowner without additional pay. VDOF does that level of investigation – no guns, no badges. Same VDOF employees who we have now with a little bit of training dedicated to this effort.
3. Code section to require payment to the landowner.
4. Try to do more with education and outreach.
5. Increase time for landowner to figure out value of timber from 30 days to 90 days.
6. Gather data consistently across the state. Set up a place on website for 800-number to allow people to voice their concerns about timber theft/trespass.

The Board discussed initiating these steps; clearly defining the different kinds of theft; maintaining a list of potential bad actors, and VDOF defining boundary lines.

Mr. Farrell requested to get a consensus from the Board on what of this do we want to pursue to the next step of working with legal to come up with code language.

Ms. Ring reviewed that Mr. Farrell will write up the proposed phase I, going to setup meeting with the stakeholders to have the same discussion and look at pursuing guidance from AG's office on what we can do from a policy stand point. Will stay in touch and update you at the August meeting.

New Business

Next meeting is August 18 in Blacksburg in conjunction with the Virginia Loggers Association. There will be a legislative dinner Thursday evening.

Ms. Ring asked the Board to think about having another meeting this year. Currently, the Board has had two regular meetings and two special meetings.

The Virginia Farm Bureau invited the Board to entertain the idea of having a meeting in November in conjunction with its convention in Williamsburg, November 28 – 30, and attend an industry luncheon.

Adjournment

Chairman Smith called for a motion to adjourn; motion was made to adjourn the May 24, 2017 meeting at 3:00p.m. and seconded. All present were in favor.

Minutes recorded by Mary Weaver, Executive Assistant