

**NORTH CAROLINA SUSTAINABLE FORESTRY INITIATIVE  
STATE IMPLEMENTATION COMMITTEE**

**North Carolina Forestry Association - Raleigh, NC – August 21, 2013**

**CONVENE NC SFI SIC MEETING AND INTRODUCTIONS**

Chair Jim Durham called the SFI-SIC meeting to order at 9:30 a.m. Members present for all or part of the meeting were:

Mike Adams	Ron Heatherly	Bernard Rose
Scott Brewer	Kiley Hinson	Greg Ricks
Gail Bledsoe	Danny Maness	Glen Sheehan
David Castle	James Malphrus	Scott Smearman
Jimmy Clay	Rand Mathews	Jaime Teel
Chuck Daniels	Chip Miller	Marshall Thompson
Tony Doster	Bob Ordnung	Matt Thuman
Jim Durham	Amy Phillips	Mike Windhorn
Ed Listerman	Ron Phillips	

Others present for all or part of the meeting were:

Clay Altizer	Barry Graden	Jack Swanner
Chris Brown	Leslie McCormick	
Sean Brogan	Bob Schaefer	

**ANTITRUST COMPLIANCE STATEMENT**

Jim Durham reminded members that the meeting would be in full compliance with the NCFA’s policy on antitrust compliance contained in the meeting materials.

**RECOGNITION OF PARTICIPATION OF QUORUM**

Jim Durham declared that a quorum was present at the meeting.

**MINUTES OF THE LAST MEETING**

Jim Durham asked members to review the minutes from the last meeting. On a motion and second to approve the minutes, they were approved as submitted.

**NC SFI SIC TREASURER’S REPORT – BERNARD ROSE**

<b>Income</b>	<b>2013 Budget</b>	<b>2013 Actual</b>
SIC Dues	\$140,000.00	\$128,064.04
Interest	\$550.00	\$352.64
<b>Total</b>	<b>\$140,550.00</b>	<b>\$128,416.68</b>
<b>Expense</b>		
<b>Administrative</b>		
NCFA	\$21,000.00	\$0.00
Misc Exp	\$250.00	\$97.66
Travel	\$1,500.00	\$0.00
<b>Total</b>	<b>\$22,750.00</b>	<b>\$97.66</b>
<b>Landowner Outreach</b>		
Landowner Guide	\$0.00	\$0.00
Tree Farm	\$0.00	\$0.00
Misc. Landowner Outreach	\$2,000.00	\$0.00
<b>Total</b>	<b>\$2,000.00</b>	<b>\$0.00</b>
<b>Training and Education</b>		
Logger Training	\$0.00	\$0.00
Silvicultural Contractor Training	\$0.00	\$0.00
Certified Logger Program	\$0.00	\$0.00

Total		\$0.00	\$0.00
<b>Information Resources</b>			
Promote SFI at NC Legislation		\$0.00	\$0.00
Certification Workshops		\$0.00	\$0.00
Purchase 1 Display/Materials		\$0.00	\$0.00
Scholarship		\$0.00	\$0.00
SFI Certification at Universities		\$0.00	\$0.00
NC SIC Website		\$1,000.00	\$39.90
Teachers Tour		\$0.00	\$0.00
Forestry Camp		\$0.00	\$990.00
Total		\$1,000.00	\$1,029.90
<b>Market Outreach</b>			
NC SIC Booths		\$2,150.00	\$0.00
Purchase Displays/Materials		\$2,250.00	\$1,040.81
Customer Communication		\$1,250.00	\$0.00
Recruitment		\$0.00	\$0.00
Total		\$5,650.00	\$1,040.81
<b>Grants Approved</b>			
LO	Wake Soil & Water Conservation	\$1,700.00	\$1,700.00
IR	FECV - Sustainable Teachers Academy	\$40,000.00	\$0.00
IR	FECV - Forestry & Environmental Camp	\$10,000.00	\$0.00
IR	FECV - NC Science Teachers	\$10,000.00	\$0.00
TE	FECV - Skid Trail Rutting Video	\$15,000.00	\$0.00
LO	NC Tree Farm - Landowner Outreach	\$10,000.00	\$10,000.00
LO	NC Tree Farm - Stewardship	\$15,000.00	\$15,000.00
Total		\$101,700.00	\$26,700.00
<b>Inconsistent Practices</b>			
	Monitor / Phone Lines / Reporting	\$3,000.00	\$1,160.98
	Reporting	\$0.00	\$0.00
	Consultants	\$3,000.00	\$0.00
Total		\$6,000.00	\$1,160.98
<b>Total Expenses</b>		<b>\$139,100.00</b>	<b>\$30,029.35</b>
Current Checking Account Balance		\$165,659.19	

## 6. SFI UPDATE

### BARRY GRADEN, SFI INC

Barry Graden of SFI Inc provided an update on some of the success stories of the SFI program and what plans that are in the future for the program. In terms of success, the program has increased the amount of certified lands from 138 million acres in 2007 to 240 million acres in 2013. The use of labels on products has also increased to 6,000 labels being used in 2012. Most of these labels are on printing and writing paper with the second most being in paperboard and packaging. Overall SFI SIC membership has grown from 917 in 2001 to 958 in 2012. The theme is that SFI is a program that continues to grow. The challenge remains that 79% of the forests in the United States are not certified. Out of the 21% that is certified, 49% is SFI certified, 29% is FSC certified and 22% is American Tree Farm. Since SFI and ATFS share a reciprocal agreement, roughly 71% of the certified forests are SFI recognized as certified.

Graden reviewed several projects that started in different states across the United States. The goal of each project was to grow the amount of certified lands in the SFI program as well as to raise the awareness of the SFI program. Projects took place in Maine, South Carolina, Virginia, Missouri, Florida and Georgia.

North Carolina is one of the next states that the SFI program would like to start a growth project. The NC SFI SIC members can enhance this project by identifying lands and mills that can be added to the SFI program. Another way is to identify potential project participants in North Carolina such as the North Carolina Forest Service and other forest stewardship type organizations. The goal of the program is to highlight the successes in the state and show that North Carolina is a preferred provider of forest products

One highlight is the SFI Conservation Grant to the American Forest Foundation that will be used to promote a Longleaf Pine restoration project in North Carolina.

There was some discussion on the difficulty the LEED standard presents for solid wood products since it only recognizes FSC. Another comment was made that data shows historically that a lot of industrial land that was formally certified at one point and then became decertified because the market wasn't there. Graden stated that one of SFI's goals along with other supporting partners is to get certified forests within states to be recognized as an alternative to FSC. Graden believes landowners and the industry are seeking certification not just for a label, but because it provides a lot of value on the ground in terms of forest management.

**ACTION ITEM:** Committee Chair Jim Durham will draft a letter of support of the Forest Partners Project in North Carolina and the NC SFI SIC will discuss further the possibility of forming a special task force to support this project.

## **GRANT DISCUSSION – JIM DURHAM**

Jim Durham led a discussion of the 2014 Grants. **ACTION ITEM:** At the outset, it was discussed that the report that the Grant Subcommittee report should be distributed to the entire committee in advance of the meeting so it could be properly reviewed by the committee.

### **Minutes from NC SIC Grant Review Committee Meeting, July 31, 2013, NCFA Office**

#### **1. Call to Order**

Jim Durham called to meeting to order at 9:30 a.m. Members present were: Jim Durham, Jaime Teel, Bernard Rose, Matt Thuman, Tony Doster, Bryan Hulka, and Scott Brewer. Rand Mathew was not present but sent his comments via email.

#### **2. Anti-Trust Compliance Statement**

Jim Durham reviewed the requirements of the antitrust laws and reminded everyone to call it to his attention if the discussion became inappropriate.

#### **3. Treasurer's Report**

Bernard Rose reviewed the status of the 2013 budget, 2013 anticipated income and carry-ever funds. It was agreed that approximately \$102,000 would be available for Grants.

#### **4. Grant Summary**

Total Grant Requests were \$198,500.

#### **5. Grant Discussion**

It was agreed to use a process similar to last year. After an overview of all Grants, we discussed each grant in detail and provided consensus recommendations on approval, funding level and any contingencies associated with each grant. Upon completion of the discussions, we verified the total amount awarded and reached consensus. Last, we appointed a point person for each grant. The Committee recommendations will be presented to the SIC Committee for approval at the August 21 meeting.

#### **1) NC Coastal Land Trust, Pilot Project-Increasing Sustainable Forestry and Certified Acres**

Amount Requested: \$20,000  
Amount Approved: \$ 8,500  
2013 Grant: \$0

Contingencies: Support Certification of Tree Farm on Coastal Land Trust Lands and Outreach to Private Landowners @ 50%; SFI and Tree Farm Workshop for Scouts/Kids at Camp Sam Hatcher @ 100%. *Contact: Tony Doster*

#### **2) Forest Education and Conservation Foundation, Sustainable Forestry Teachers' Academy**

Amount Requested: \$62,000  
Amount Approved: \$35,000  
2013 Grant: \$40,000

Contingencies: SFI Speaker on agenda, Provide SFI materials in packet, SFI mentioned throughout the program. *Contact: Jim Durham*

#### **3) Forest Education and Conservation Foundation, Environmental Camps**

Amount Requested: \$20,000  
Amount Approved: \$10,000  
2013 Grant: \$10,000

Contingencies: SFI Logo on T shirts, SFI info presented. *Contact: Jim Durham*

**4) Forest Education and Conservation Foundation, 'Goods from the Woods' Boxes**

Amount Requested: \$20,000  
Amount Approved: \$10,000  
2013 Grant: \$10,000  
(NC Science Teachers Conference)

Contingencies: Survey how many boxes get to classrooms; SFI booth. *Contact: Jim Durham*

**5) Forest Education and Conservation Foundation, Pro-Logger Video: Logging Costs-Improve Business Best Management Practices**

Amount Requested: \$20,000  
Amount Approved: \$10,000  
2013 Grant: \$15,000

Contingencies: Aggressively seek funding from other states and grants. Consider increasing sales price of video. *Contact: Jim Durham*

**6) NC Tree Farm Program, Landowner Workshops and Annual Meeting**

Amount Requested: \$7,000  
Amount Approved: \$7,000  
2013 Grant: \$25,000 total (2 grants; this year \$18,350 total)

Promote SFI, SFI logo on invitations to workshops and annual meeting, booths at workshops. *Contact: Bryan Hulka*

**7) NC Tree Farm Program, Display and Brochure Re-print**

Amount Requested: \$2,750  
Amount Approved: \$2,750

Contingencies: Print on SFI paper. *Contact: Bryan Hulka*

**8) NC Tree Farm Program, Website and Electronic Newsletter**

Amount Requested: \$8,600  
Amount Approved: \$8,600

*Contact: Bryan Hulka*

**9) Cradle of Forestry in America, 2014 Woodland Series**

Amount Requested: \$11,000  
Amount Approved: \$ 2,100  
2013 Grant: \$0

Contingencies: Promote SFI and Tree Farm

*Contact: Brian Hulka*

**10) NC State Extension, NC Project Learning Tree Facilitator Training**

Amount Requested: \$7,550  
Amount Approved: \$5,000  
2013 Grant: \$0

Contingencies: Review facilitator training target audience. *Contact: Tony Doster*

**11) N.C. State FEOP (Forestry and Environmental Outreach Program), Teachers Academy Survey**

Amount Requested: \$6,000

**Amount Approved: \$5,000 NC SFI SIC Full Committee voted to make this \$6,000 and deliverable immediately**

2013 Grant: \$0

Contingencies: include these questions: Would teachers attend if Fee was required? Are Goods from the Woods boxes used in classrooms?, How many teachers that attended are still teaching?

*Contact: Tony Doster*

**12) N.C. State FEOP, Planning for Piedmont Teachers Academy**

Amount Requested: \$11,500  
Amount Approved: \$0

2013 Grant \$0

It was suggested we review results of the Teachers Survey prior to planning another academy

Contact: Tony Doster

**13) Wake and Soil Water Conservation District, Keeping the Farm Workshop**

Amount Requested \$2,100

Amount Approved \$1,000

2013 Grant \$1700

Contingencies: SFI Booth, SIC listed on flyer

Contact: Jim Durham

During the discussion of the sub-committee's recommendations, Mike Adams proposed that the Teachers' Academy Survey be fully funded at \$6,000 and provided immediately so work could begin on the survey. This motion was seconded by Ed Listerman and the motion was approved. Scott Smearmin proposed that the subcommittee's recommendations for the other requests be approved as is and this was seconded by Ed Listerman. The total grant funds are \$105,950.

**6. FORESTRY ISSUES UPDATE – NCFS STAFF GAIL BLEDSOE, SEAN BROGAN & CLAY ALTIZER**

Gail Bledsoe updated the committee on the North Carolina Forest Service. She reported that NCFS David Jones has been the staff person working on BMP implementation survey and he will be switching duties in the coming months. The work on the surveys will continue under the group effort of Bledsoe, Tom Gerow and Bill Swartley. The time frame for these surveys will stay the same.

Bledsoe updated the committee on a July 17<sup>th</sup> memo and press release on "Wet Weather Logging" in light of all of the rainfall the state has witnessed. The memo recommended "BMP Stacking", which calls for two or three BMPs instead of one. Bledsoe reported that the NCFS did see loggers using additional.

Bledsoe is waiting on one more report to add the fourth quarter report and the annual report.

Mike Adams asked about having the ability to see closure on incident reports. In its current form, a non-compliance appears, but if it is resolved, it does not show up on the next report. It was noted that 99% of the non-compliance incidents are resolved and result in being in compliance. NCFS estimates that only a small fraction, maybe 5 to 10 out of 5,000 inspections/re-inspections get referred to DWQ or another enforcement agency.

Sean Brogan provided updates on a few NCFS projects. The Forces Grant is a three-year program meant to spearhead the effort to conserve working forests around military installations to serve as a buffer. Brogan said that roughly 100 NCFS personnel are currently deployed out west fighting fighters. Brogan also stated that he is in the process of organizing a tour of Eastern North Carolina with Enviva to explore the issues of hydrology and regeneration in low lying areas.

In terms of invasive species, Brogan reported that the NCFS and the USDA are going to bridge the gap with loggers, firewood movers, etc. to educate and coordinate training on the recent quarantines and future issues.

Clay Altizer updated the committee on a new Timber Supply Report that he and Barry New have started in response to concerns expressed about the forest resource in different regions in North Carolina. The NCFS will be working with North Carolina State University. Florida is currently working on a similar study and the NCFS will be looking at the results to provide some guidance for the NC project.

## **8. LEGISLATIVE UPDATE – BOB SCHAEFER**

The NCFA's Executive Vice President Bob Schaefer provided a general review of the top issues the NCFA dealt with during the last legislative session.

Schafer reviewed the efforts and discussions around House Bill 628, which sought to put SFI and Tree Farm certified wood on the same playing field with FSC wood. The bill passed the House easily. The concrete and steel representatives felt threatened by the potential legislation and rallied during the Senate debate. The bill was watered down to not be as "anti LEED" as it was originally written. The next step may be an executive order request from Governor McCrory or to bring up a new bill next year. In the end, the current law states that a building project must prove that it did not discriminate against local wood and you have to prove that you can save the money in the end if it costs more to comply with any standard, including LEED.

Language was inserted in a general farm bill in the Senate that resolves the Temporary Driveway Access Permit issue that was impacting some loggers. ProLoggers who have taken proper training will be exempt from the permit process.

There was some work put forth on updating the Present Use Tax Value program, but after forwarding one bill, several showed up on the horizon that would have destroyed the program. This will be looked at in the future.

At the last stages of the budget debate, the Senate was set to remove the existing sales tax exemption loggers enjoy on logging equipment and supplies. The NCFA and NCAPL spent considerable time and efforts on convincing members of the Senate and House that this exemption need to remain in place. In the end, the exemption was re-inserted.

## **9. MARKET OUTREACH/RECRUITMENT REPORT – RAND MATHEWS**

Rand Mathews updated the committee on the outreach activities. Mathews reported that there is a logger, Anthony Andrews from Trenton, NC, who has developed his own logo for sustainable forestry. He wants to make truck flaps and stickers that he can put on his own trucks and distribute to others. Mathews said he would follow up with the logger and see if he was willing to add the SFI logo and possibly providing some financial support for the project. Mathews said that the SFI booth would be at the Mid-Atlantic Logging Expo. He also made a repeat request for any photos NC SFI SIC members may have of SFI labels on products.

## **10. INFORMATIONAL RESOURCES REPORT – TONY DOSTER**

Tony Doster reported that the majority of his time was focused on the grant process.

## **11. INCONSISTENT PRACTICES MONITOR REPORT – JIM DURHAM**

Jim Durham provided the Inconsistent Practices Monitor Report since Matt Thuman was unable to make the meeting. Durham reported that there had been no issues with the IPM.

## **12. LANDOWNER OUTREACH – LESLIE MCCORMICK**

Leslie McCormick updated the committee on the North Carolina Tree Farm Program. The program continues to add members and acres. The NC SFI SIC provided financing for the North Carolina Tree Farm Program to reach out to Forest Stewardship landowners to offer them enrollment in the Tree Farm program. The initial outreach, which was a limited mailing, brought a modest response from the group of Forest Stewardship landowners selected. It was originally expected that the inclusion of the Forest Stewardship landowners could add an additional 1,500 Tree Farmers of the nearly 2,000 Forest Stewardship landowners. The program will continue to mail invite letters to the remaining Forest Stewardship members, concentrating on the larger landowners. The North Carolina Tree Farm program also recently underwent a strategic planning session that was facilitated by David Halley. The program developed a mission statement and identified its top two priorities, which are communications and funding. The program also held an appreciation dinner for Tree Farm Inspectors recently that was well attended. The NC Tree Farmers Annual Meeting will take place on the Batts Tree Farm in Macclesfield on November 2, 2013.

## **13. TRAINING AND EDUCATION REPORT – JACK SWANNER**

Jack Swanner reported that Module 14 had been completed and that is would be shown at the Mid-Atlantic Logging & Biomass Expo on Friday and Saturday. He expressed his gratitude to the NC SFI SIC and to

Lampe Malphrus Lumber Company for supporting the production of the module. It consists of four videos – Heads Up For Safety, Rutting, Emergency Plan, and Technology. Swanner also stated that there would be an education sub-committee meeting of the NC SFI SIC after the meeting to review current practices since the last time it had been reviewed was in 2010.

#### **14. NEW OR OTHER BUSINESS**

Jim Durham, following up on a request from the NC SFI SIC last meeting, reached the National Heritage Foundation to ask them how they conduct their field inspections to develop their maps. They use their own staff to complete field inspections and they also rely on information compiled by other organizations and partners.

#### **15. FUTURE MEETINGS**

November 13 – 9:30 a.m. NCFA Office

#### **16. ADJOURN**

The meeting adjourned at 2:00 p.m.

**Submitted by:**

Chris Brown  
Director of Communications  
NCFA