

NC SFI SIC MEETING
NORTH CAROLINA SUSTAINABLE FORESTRY INITIATIVE STATE
IMPLEMENTATION COMMITTEE

NCFA Office - Raleigh, NC – November 12, 2015

CONVENE NC SFI SIC MEETING AND INTRODUCTIONS

Committee Chair Jaime Teel, called the NC SFI SIC meeting to order at 9:30 a.m. Members present for all or part of the meeting were:

| | | |
|----------------|------------------|-------------------|
| Brady Adams | Ron Heatherly | Bob Ordnung |
| Jadie Andrews | Kiley Hinson | Amy Phillips |
| Doug Burleson | Brandon Jones | John Robertson |
| Brian Council | Lauren Killian | Bernard Rose |
| Jimmy Clay | Jason Lefler | Glen Sheehan |
| Tony Doster | Ed Listerman | Scott Smearman |
| Jim Durham | Rand Mathews | Jack Swanner |
| Ted Garner | Leslie McCormick | Jaime Teel |
| Tom Gerow | Mark Megalos | Marshall Thompson |
| Brett Goulding | Chip Miller | Mike Windhorn |
| Graham Hanson | Russ Newton | |

Others present for all or part of the meeting were:

| | |
|---------------|-------------|
| Chris Brown | Eddie Reese |
| Rick Cantrell | Lori Worley |
| Pryor Gibson | |

ANTITRUST COMPLIANCE STATEMENT

Jaime Teel 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

Jaime Teel declared that a quorum was present at the meeting and that the meeting would proceed as planned.

MINUTES OF THE LAST MEETING

Jaime Teel asked members to review the minutes from the last meeting. On a motion to approve and seconded, the minutes were approved as submitted.

NC SFI SIC TREASURER'S REPORT – AMY PHILLIPS, COMMITTEE TREASURER

Treasurer Amy Phillips provided a review of the NC SFI SIC's budget. Phillips noted that a few remaining dues had been received in the last quarter. All of the grant funds had been dispersed. The existing balance is \$71,000 which has been the typical balance at year's end in previous years. The receipts are just \$5,000 short of projected revenues.

Phillips noted that there are three budget items heading forward for 2016 that had been removed from the grant cycle and placed in the NC SFI SIC budget as a line item. Those projects including the Sustainable Forestry Teachers' Academies (\$40,000), Goods from the Woods (\$10,000) and Forestry and Environmental Camps (\$10,000). Committee member Chip Miller forwarded the motion to approve those line items. It was seconded by Marshall Thompson and approved unanimously.

Phillips also asked for the committee's approval of funding the printing of 5,000 Forest Landowner guides. The guide had been revised to the new SFI standard earlier in the year and printed. Marshall Thompson forwarded the motion. Ed Listerman seconded the motion, and it was approved unanimously.

As the terms of officer positions are two-year appointments, Phillips was stepping down from her role as treasurer to accept the vice chair role for the committee in 2016. Glen Sheehan was nominated and approved by the committee as the new treasurer.

NC SIC Treasury Report November 2015

| | 2015 Budget | | 2015 Actual | % of Budget |
|---|------------------------|-----------------|------------------------|------------------------|
| SIC Dues | \$ 136,450.00 | | \$ 129,515.75 | |
| Interest | \$ 450.00 | | \$ 466.28 | |
| Total = | \$ 136,900.00 | | \$ 129,982.03 | |
| <u>Administrative:</u> | | | | |
| NCFA | \$ 21,000.00 | | \$ 21,000.00 | |
| Misc Exp | \$ 250.00 | grt rvw lunch | \$ 96.44 | |
| Travel | \$ 2,000.00 | | \$ 1,484.14 | |
| Total = | \$ 23,250.00 | | \$ 22,580.58 | 17% |
| <u>Landowner Outreach:</u> | | | | |
| Landowner Guide | | | | |
| Tree Farm | | | | |
| Misc. Landowner Outreach | \$ 2,000.00 | wrk forst sumt | \$ 700.00 | |
| Total = | \$ 2,000.00 | | \$ 700.00 | 1.46% |
| <u>Training and Education:</u> | | | | |
| Logger Training | | | | |
| Silvicultural Contractor Training | | | | |
| Certified Logger Program | \$ - | | \$ - | 0% |
| Total = | | | | |
| <u>Information Resources:</u> | | | | |
| Promote SFI at NC Legislation | | | | |
| Certification Workshops | | | | |
| Purchase 1 display/materials | | | | |
| Scholarship | | | | |
| SFI Certification at universitites | | | | |
| NC SIC Website | \$ 1,000.00 | | | |
| Teacher's Tour | | | | |
| Total = | \$ 1,000.00 | | \$ - | 0.70% |
| <u>Market Outreach:</u> | | | | |
| NC SIC booths | \$ 1,500.00 | | | |
| Purchase displays/materials | \$ 1,500.00 | signs, stickers | 962.01 | |
| Customer Communication | \$ 1,250.00 | 1/2 NC Ag Ad | 2620.00 | |
| Recruitment | \$ 4,250.00 | | \$ 3,582.01 | 3.10% |
| Total = | | | | |
| <u>Grants Approved:</u> | | | | |
| Wake Soil & Water Conservation | \$ 1,000.00 | | \$ 1,000.00 | |
| FECF - Sustainable Teachers Academy (2) | \$ 40,000.00 | | \$ 40,000.00 | |
| FECF - Forestry & Env. Camp | \$ 10,000.00 | | \$ 10,000.00 | |
| FECV - Pro Logger video | \$ 10,000.00 | | \$ 10,000.00 | |
| FECV - Goods from the Woods boxes | \$ 10,000.00 | | \$ 10,000.00 | |
| NC Tree Farm - Landowner Wkshp/Annual Mtg | \$ 8,500.00 | | \$ 8,500.00 | |

| | | | | |
|--|----|----------|----|----------|
| NC Tree Farm - Ethic Workshop | \$ | 4,500.00 | \$ | 4,500.00 |
| NC Tree Farm - New Members Welcome Pkg | \$ | 3,400.00 | \$ | 3,400.00 |
| NC Tree Farm - Website & e-newsletter | \$ | 7,000.00 | \$ | 7,000.00 |
| Elkin Valley Trails Association | \$ | 7,500.00 | \$ | 7,500.00 |
| National Railway Historical Society, Inc | \$ | 2,500.00 | \$ | 2,500.00 |
| Southern Appalachian Branch of the QDMA | \$ | 1,700.00 | \$ | 1,700.00 |

\$3000 -

2015 Grant NCSU-FEOP Plan 2015 Piedmt SFTA

paid 2014

| | | | | | |
|--|----|------------|----|------------|--------|
| 2016 Grant NWTF workshop; paid 2015 | | | \$ | 1,000.00 | |
| 2016 Grant Solns. from Land wkshp; paid 2015 | | | \$ | 5,000.00 | |
| Total = | \$ | 106,100.00 | \$ | 112,100.00 | 77.50% |
| <u>Inconsistent Practices:</u> | | | | | |
| Monitor/Phone line/Reporting | \$ | 3,000.00 | \$ | 2,307.92 | |
| Reporting | | | | | |
| Consultants | \$ | 3,000.00 | | | |
| Total = | \$ | 6,000.00 | \$ | 2,307.92 | 4.38% |
| TOTAL EXPENSES = | \$ | 142,600.00 | \$ | 141,270.51 | |

big grts
and
NCFA admin
no

| | | |
|---|----|------------|
| Checking Acct Balance - December 31, 2014 | \$ | 170,462.29 |
| Current Checking Acct Balance - October 31, 2015 | \$ | 71,073.81 |

pd at this time

NCSU-FEOP 2015 Grant for planning Piedmont SFTA - approved and paid in 2014
NWTF 2016 Grant - approved for 2016; paid 2015

| | |
|--|--------------|
| Projected expenses for the remainder of 2015: | \$40 |
| Projected income for the remainder of 2015: | \$65 |
| Projected (total) income balance at end of 2015: | \$130,047.31 |
| Projected (total) expenses at end of 2015: | \$141,310.51 |
| Projected carry over into 2016: | \$71,098.81 |

Solutions from the Land 2016 Grant - approved for 2016; paid in 2015

LEGISLATIVE UPDATE – PRYOR GIBSON, NCFA

With the dust settled on the 2015 North Carolina General Assembly’s legislative session, that lasted a grueling nine months, the NCFA’s Executive Vice President Pryor Gibson is pleased to report that forestry interests had a successful session.

“All totaled, we tracked roughly 55 bills over the legislative session,” stated Gibson. “Of course, some bills move faster than others. Of those 55 bills, 27 of them became law and the NCFA provided input at various stages. From a forestry standpoint, 26 of the 27 turned out as best as we hoped.”

Gibson noted that the one piece of legislation that he wished had not gone through was the elimination of the one percent deduction for every \$80 spent on rebuilding projects. For many in our industry looking to retool their operations, the existing provision would have been beneficial.

“Sure, we would have appreciated our member companies being able to take advantage of that incentive, especially now that our economy seems to be poised for a rebound,” noted Gibson, “but it was something that went away for everyone.” Gibson was quick to add that the group of lawmakers in Raleigh is business friendly and understands the challenges of making a monthly payroll and creating business opportunities that support rural economies.

In terms of achievements, Gibson credited NCFA members for staying involved in the political process by reaching out to their local elected officials on issues that are important to them. He also credited traditional partners such as the North Carolina Farm Bureau for their support over the legislative session.

“There is nothing more important than personal contact,” stated Gibson. “It’s a big deal when an individual cares enough about an issue to pick up the phone to call his/her representative. They take these calls seriously. I know I certainly did when I was in their shoes. We just make sure our members stay informed and stay engaged. Last year our people did a fabulous job.”

A complete list of bills the NCFA tracked is listed on the NCFA’s website under the legislative tab in the members section. In terms of looking ahead, North Carolina has made a change in the dates of its primaries, moving them up to March of 2016. The date change will make North Carolina one of the target states in the upcoming Presidential Election slated for November of 2016. The filing period for state elections will take place in December of 2015.

The NCFA’s Forestry Day in the Legislature will also move up on the calendar. A final date has not been selected at this point. The NCFA will follow the same format as in previous years of holding Forestry Day on a Tuesday, followed by a Friends of Forestry Political Action Committee Reverse Raffle that evening. The NCFA’s Board of Directors will meeting on Wednesday.

As always, if you have any questions on this year’s legislative session, please contact Pryor Gibson at (800) 231-7723 ext. 5 or at pgibson@ncforestry.org

Gibson noted the NCFA worked diligently at the national level to support a new federal truck bill initiative that would have allowed states to use their own state weight variances on federal highways. The bill fell short by 40 or so votes. Gibson expects the effort to come up again next year and will be ready to alert and mobilize the NCFA membership on this important issue.

Gibson also reported that a dispute between surveyors and foresters in the definitions of surveying and mapping was on its way to being resolved without the need of legislation. An issue had arisen in the western part of the state about who was qualified to survey. Attorneys from both parties are discussing ways to resolve the issue to everyone’s satisfaction.

Committee member Tony Doster pointed out that the Natural Heritage Program suffered deep cuts to its budget in the last session of the North Carolina General Assembly. The cuts resulted in the loss of staff positions. Doster recommended that the NCFA and others should be active in the next session to support proper funding for this important program.

FOREST ISSUES UPDATE – TOM GEROW, NCFS

Tom Gerow reported the NCFS is in the process of re-organizing its water quality forester positions across the state in an effort to be more efficient. The goal is to have two water quality foresters per region and a total of six statewide. Currently, there is one water quality forester in the mountains, three in the piedmont and none in the coastal plain. Through new hires, the NCFS hopes to balance this out in the coming years. Gerow noted that if a company has a water quality issue, they can start with their county ranger.

Gerow also reported that Susan Gale, who works with the NCFS, will be transitioning over to complete the compliance reports that were previously compiled and distributed by Gail Bledsoe. The NCFS still has the goal of updating its database software to the point where the data will be real time. This effort is at least two years away.

In terms of issues, Gerow stated the NCFS is witnessing a spike in the violation of buffer rules across the state. In several cases, the violations were turned over to the Division of Water Resources.

Gerow informed the committee that while the North Carolina fire season had been mild, the NCFS had shipped a few hundred employees and some heavy equipment to the west to combat forest fires.

SFI UPDATE – JAIME TEEL, COMMITTEE CHAIR

- **Rick Cantrell – Forest Partners Program in North Carolina** – The goal of the program is to increase the amount of certified fiber and overall acreage in North Carolina and the southeast region. The overall goal is to gain have 10 million acres of certified lands by 2017. Cantrell asked the committee for helping identify landowners and/or facilities that might not be in the SFI program currently.
- **2015 SFI Annual Meeting - www.sfiprogram.org/annual-conference/annual-conference-2015**
Jaime Teel reported the national SFI Annual Meeting was in Lake Tahoe, California, and it celebrated the 20th anniversary of the SFI program. He noted that the national bylaw revisions will go into place on December 31, 2015. Some of those revisions, as they apply to members and non-members designation, may impact the state committees.

During the SFI discussion, committee member Jadie Andrews recommended the committee address oil spills and what are the proper procedures in the event of a spill. He suggested that is should be a part of the ProLogger module training as a reminder for ProLoggers.

GRANT REVIEW – JAIME TEEL, COMMITTEE CHAIR

- **NWTF Landowner Workshop in Northampton County** – Graham Hanson thanked the committee for its support of the workshop. Over 80 forestland owners attended the event. Unfortunately, inclement weather forced the cancellation of the field portion of the program.
- **Sustainable Forestry Teachers Academy Review** – NCFA Education Committee Chair Lori Worley led a review of the academies for the committee. Worley expressed gratitude for the committee's long-standing support of the academies. She noted that the addition of NC SFI SIC member Scott Smearman to the Education Committee has been a great bonus to the committee and has closed the communication gap between the two committees. The academies hosted 88 teachers. While the academies were really well run, Worley noted there are opportunities for improvement. A total of 40% of the teachers were repeats. The academies were only 73% full. The goal was to have 120 teachers. Worley noted that the cost per teacher was higher than hoped. Overall, she believed the program made some great strides in 2015. Looking ahead to 2016, Worley reported that North Carolina State University was going to walk away from the program. The administrative and marketing responsibilities will now be handled by the NCFA. The NC SFI SIC and the NCFA's Education Committees will now direct the program and select the teachers. During the discussion, suggestions were made to seek additional partners in the program with North Carolina Division of Soil and Water, SAF, ACF, etc.

MARKET OUTREACH/RECRUITMENT SUBCOMMITTEE REPORT – RAND MATTHEWS

- **Ads for North Carolina Agriculture** – We have placed our story and advertisement in the magazine in the one page format. We worked with the design staff to drop the advertisement to the grant with a logo as our artwork in the piece. The story ran in its entirety with a tree background at the top.
- **The NC SFI Display** - The NC SFI SIC display has been across the state at various events, including the NC Tree Farm Annual Meeting, the NCFA Annual Meeting, the NWTF Landowner Workshop, the Logging and Biomass Expo, the North Carolina State Fair, etc. If you are going to an event and would like to borrow the display (we actually have three), please contact Chris Brown to coordinate a pickup.
- **NC Cycle Event** – Chip Miller reported that the NC Cycle event went through Mt. Gilead and the focus of the state-wide bicycle ride was forestry. Jordan Lumber set up an informational booth and was joined by NCFA staff with forestry information and the NC SFI SIC display. Miller said the riders asked a lot of great questions during the stop.

INFORMATION RESOURCES SUBCOMMITTEE REPORT – TONY DOSTER

- **Landowner Guide** – We have a new landowner guide that reflects the updates to the new SFI standards. Please take some for your outreach efforts next year.

Subcommittee chair Tony Doster addressed the need to support the efforts of the Natural Heritage Foundation. The database is extremely useful and is one of the essential tools when assessing the biodiversity in any particular area in the state. The new SFI standard has a special section on assessing biodiversity. It appears as if the database will stay in place, but there is a question on how it will be updated and maintained without the proper office and field staff. Doster again urged the committee support this group's efforts.

INCONSISTENT PRACTICES SUBCOMMITTEE – JIM DURHAM

INCONSISTENT PRACTICES MONITORING PROGRAM - LOG

Year: 2015

| | Q1 | Q2 | Q3 | Q4 | Total |
|-------------------------------------|-----------|-----------|-----------|-----------|--------------|
| Total Number of Phone Calls | 2 | 3 | 9 | | |
| Total Number of Invalid Phone Calls | 1 | 1 | 6 | | |
| Total Number of Valid Phone Calls | 1 | 2 | 3 | | |
| Open Inconsistent Practices | 0 | 0 | 0 | | |
| Closed Inconsistent Practices | 0 | 0 | 0 | | |
| Open FPG Inconsistent Practices | 0 | | | | |
| Closed FPG Inconsistent Practices | 0 | | | | |
| Total Open Inconsistent Practices | 0 | 0 | 0 | | |
| Total Closed Inconsistent Practices | 0 | 0 | 0 | | |

Call notes: Call on 7-17 caller concerned about logging near stream. No known violations but caller was planning to meet with NCFS. Caller planned to contact DENR concerned over adjoining landowner cutting and stumping to river's edge. Small logger was not SFI. Caller planned to meet with DENR rep. Another call on 8-26 concerned problem with logger not repairing road. Caller was working with logger and wood dealer to correct problem. Was not known where wood was being delivered. Caller did not want to pursue tracing delivery of loads. I advised to call me back if he wanted to pursue an inconsistent practice investigation. Did not call back.

FPG notes: Have not received the FPG report for the NCFS FY 4th quarter 2014-2015 (SIC 2nd quarter) nor the NCFS 1st Qt 2015-2016 (SIC 3d qt). Will update this report when data is received.

Durham reviewed the most recent log reports from Steve Cox, the program’s IPM. The latest compliance reports from the NCFS were not available in time for the meeting so he planned on following up with Cox over the next few weeks to review the latest report.

Durham led a review of the guidelines for the Inconsistent Practice Monitoring program. The guidelines were updated to reflect the new SFI standard and any name changes that needed to be corrected for various state agencies. Marshall Thompson made a motion to approve the new guidelines. It was seconded by Kiley Hanson and they were approved by the committee.

LANDOWNER OUTREACH SUBCOMMITTEE REPORT – LESLIE MCCORMICK

Leslie McCormick, the Executive Director of the North Carolina Tree Farm Program, updated the committee on the North Carolina Tree Farm program. The Tree Farm program hosted over 135 attendees at its 2015 Annual Meeting that took place at Shaver Wood Products. The meeting had a speaking and awards program in the morning and was followed by a tour of Shaver Wood Products and the surrounding woods. Charles Taylor, a former U.S. Congressman, was named the 2015 North Carolina Tree Farmer of the Year. The inspector of the Year was Larry Thomas. Bill Berry, a member of the NC Tree Farm’s Board of Directors, was named the first-ever recipient of the M. Robert Cooper Leadership and Service Award. The program has a total of 1,036 Tree Farms across the state, totaling 281,724 acres. In 2015, the program certified 44 new Tree Farms. There are currently 131 Tree Farm Inspectors active in the program.

TRAINING AND EDUCATION SUBCOMMITTEE REPORT – DOUG BURLESON

- **Review of the ProLogger Guidelines – 2016-2017** – The NC SFI SIC reviewed the existing guidelines in previous meetings without taking action on the new guidelines that were updated by the Education Subcommittee. The significant change to the guidelines is to limit re-entry into the program to one year. It also updates language as it pertains to NCFA staffing. The committee approved the new guidelines with the lone exception as it pertains to the costs of modules if the NCFA were to sell a segment or an entire module. The subcommittee will meet prior to the next joint meeting to come up with a decision on a cost.
- **ProLogger Base Class Update – Topics and Time Frame** – NCFA staff recommended an update to the existing ProLogger base course in terms of topics and time frame for the class. The updating of the course topics will incorporate some of the newest modules. The course will not be DVD driven. Topics will be presented in a power point fashion with some use of DVDs. In terms of schedule, two full days reduces hotel stays for students by one night. The SLTC approved the new format with the provision the class not conclude on Friday. The two days will take place earlier in the week and may be site and date specific. The committee agreed with the SLTC committee and approved the new schedule.
- **ProLogger By the Numbers:**
 - 1,457 ProLoggers are in the Program for 2015-2016 Year
 - 69 ProLoggers Failed to Take Module 16
 - 35 ProLoggers Took Module 16 but Failed to Pay Dues by 6/30/2015
 - 45 ProLoggers are on the Hold List
- **Module 16** – ProLogger Annual Training Module 16 is now available. The topics for this year's module include: Logging Cost Basic (44 min) which the NCFA obtained from South Carolina; Log Trucking Safety (30 min); Biodiversity (34 min); PPE Safety & Maintenance (31 min). At this current format, we have a Module that is roughly 140 minutes – two hours and 20 minutes. In terms of the coop agreement with South Carolina, the NCFA will be sharing its Log Trucking Safety production. There was a brief discussion on the proper length of the video portion of the modules. Members are comfortable with two hours to two hours 15 minutes for the DVD portion. If the NCFA used all of its produced video, it would have had a module that was two hours and 40 minutes. Accordingly, the committee recommended the NCFA defer a segment on Forest Health – EAB, Thousand Cankers Disease, Laurel Wilt (21 min) that was produced in 2015 to be used in Module 17.
- **Module 17 Topics**
 - Stream Crossings/Riparian Buffers – The Cost of Doing it Right
 - Forest Health – EAB Update
 - South Carolina Coop
 - Power Line Right of Way – Duke Energy
 - Woodyard Safety
- **ProLogger Tentative Base Class Schedule for 2016**
 - February 9-10, 2016 - Brasstown, NC
 - April 13-14, 2016 – Whiteville, NC
 - September 14-15, 2016 – Troy, NC

NEW & OTHER BUSINESS

The committee set its schedule for meetings in 2016: NC SFI SIC and SLTC Joint Meeting – February 3, 2016 at the NC Farm Bureau; May 18, 2016 at the NCFA Office; *July 20, 2016 GRANT COMMITTEE ONLY at the NCFA office*; August 10, 2016 at NCFA Office; November 9, 2016 at NCFA Office. All meeting start at 9:30 a.m.

Other notable events for the calendar: Forestry Day in the Legislature – May 3, 2016 – NC General Assembly; Friends of Forestry PAC Reverse Raffle – May 3, 2016 – Brownstone, Raleigh, NC; NCFA Annual Meeting – October 5-7, 2016 – Grove Park Inn, Asheville, NC.

Chair Jaime Teel presented to the committee thoughts from discussions with the current officers around the existing committee bylaws. Since a bylaws subcommittee will need to address SFI Participants naming changes for 2016 based on the new standards that the committee should also evaluate the current term schedule for the officers on the NC SFI SIC. One consideration is to change the current term length of two years for each position to be shortened to one year. This would increase the pool of potential candidates who would consider serving but are concerned with a multi-year commitment.

Outgoing Chair Jaime Teel expressed his sincere gratitude to the committee for their support during his time as chair.

ADJOURN

There being no further business and on motion and second, the meeting was adjourned at 2:00 p.m.

Submitted by: Chris Brown, NCFA Director of Communications