

SMC PAC Teleconference Meeting March 23, 2017- 9:30 AM

PRESENT

Organization	Representative(s)
American Forest Management, Inc.	Jesse Saunders
B.C. Ministry of Forests	Louise de Montigny
Bureau of Land Management	George McFadden
Green Crow	Jenny Knoth
Hancock Forest Management	Burt Dial
Lone Rock Timber Co.	Tim Drake
Olympic Resource Management	Ryan Schlecht
Oregon Department of Forestry	Tod Haren
Port Blakely Tree Farms	Gareth Waugh
Rayonier Forest Resources	Mike Premer
Stimson Lumber Company	Margaret Banks
University of Washington	Jason Cross, Rob Harrison, Megan O'Shea, Eric Turnblom
WA DNR	Scout McLeod
Weyerhaeuser Company	Eric Sucre

ABSENT

Organization	Representative(s)
Campbell Global, LLC	Dave Hamlin
Cascade Timber Consulting	John Jayne
Lone Rock Timber Co.	Chris Sexton
Green Diamond Resource	Eric Schallon
Lewis & Clark Tree Farms	Kathryn Olson
Pacific Denkmann Co.	Allen Staringer
Quinault Indian Nation	Jim Plampin
Roseburg Resources	Tony Powell

AGENDA

1. Convene
2. Communications
 - a. Newsletter
 - b. Annual Report
 - c. Speaking Engagements – membership drive
3. Approve spring meeting agenda
4. Budget Overview
 - a. FY 2017
 - i. To date
 - ii. Projected through December
 - b. Dues formula / dues structure
5. SMC structure / function
 - a. Technical Advisory Committees
 - i. One-on-one member meetings, more technical in nature
 - ii. Project Leader Transitioning
 - iii. Do we need additional / fewer
 - b. Planning Horizon – Periodicity, breadth of, depth of ...
6. New business
 - a. CIPS data & Instrumentation requests
 - b. Other Business?
7. Adjourn

9:40 CONVENED

Eric Turnblom welcomed members, PAC meeting agenda approved with the addition of SMC web site discussion.

COMMUNICATIONS

- SMC newsletter to be a semi-annual periodical (January and July) featuring announcements, progress on either SMC or related research studies, mini “workshop” items, such as in this issue regarding the database, and other news briefs.
- Annual Report set to go out the first week in April.
- Web updates: This has been on our agenda for quite some time and this winter we were finally able to hire a part time person to clean up some of the dead links and update others, unfortunately he’s now in the field helping Mason Patterson out while Bob Gonyea is traveling in New Zealand. But don’t give up on it, we’re looking into what it will take as regards time and cost to complete the launch. Members also said they’d like to have SMC’s working papers updated with current data.
- Speaking Engagements and membership drive: Eric Turnblom and Policy Committee Vice-chair, Ryan Schlecht attended an [Oregon Forest & Industries Council \(OFIC\)](#) meeting in Salem Oregon and while many SMC members are also OFIC members, there remained a number of attendees expressing an interest in joining SMC. All in all, a productive start to our 2017 membership drive. SMC is scheduled to make a presentation at the next WFPA meeting in May.

SPRING MEETING AGENDA APPROVE (APPENDIX A. PG. 5)

Mark your calendars for our spring meeting April 20th at the Heathman Lodge in Vancouver, WA. Coffee and pastry will begin at 8:30 with the meeting starting at 9:00 ending at 4:45. For the fall meeting we’ll be heading down to Colton, Oregon where George McFadden has graciously offered up one of the newly built meeting rooms at the Walter Horning Seed Orchard. We’ll spend time touring the nursery and visit one of the nearby NWTIC’s Genic Gains Trial plots-recently undated by CIPS.

BUDGET OVERVIEW (APPENDIX B. PG. 7)

On recommendations from SMC’s Policy Committee Chair and Vice Chair, we developed a 5-year budget based on the following assumptions:

- Stable SMC membership (no new members join, none fail to renew membership)
- Net zero-sum change in land purchases / sales, therefore stable dues
- Constant inflation rate (4%, worst case scenario)
- Expenses increase same as inflation
- Application for CAFS Phase III unsuccessful, so UW Indirect Cost returns to rate prior to joining CAFS
- Three Type I installations will be sunset, using similar sampling intensity as the prototype (722)
- All currently planned Type VI (Late-rotation Fertilization) sites are installed (30 total)
- SMC splits cost with NWTIC for measurement / maintenance of new w. hemlock genetic gains trials

The larger than normal projected carry-over for 2017 can be attributed to several factors:

1. A 10% dues increase in 2014
2. No new research funded under Greg Ettl’s 3-year tenure allowed a \$250,000 carryover, a jump from the \$85,000 we carried in in 2013.

3. Enjoyed 2-years of Indirect Costs Rate (IDC) of 8% = \$50,000, verses
 - a. Pre-CAFS IDC “off campus” rate of 26% = \$166,000
 - b. Note, on- campus IDC rate is 54.5% = \$341,163
4. BLM came in at full dues, 83K verses the projected 25K due to possible land reclassification (\$58,000)
5. A lag between Bert Hasselberg’s retirement and hiring his replacement (\$20,000)
6. Bob Gonyea off during the hiring lag (\$16,000)
7. Jason Cross on Eric’s McIntire-Stennis budget working on Douglas-fir slash biomass yield (\$15,000)
8. Lastly, invoices from Weyerhaeuser and OSU for their 2016 contract work still outstanding (\$125,000)

As previously noted, during the course of SMC’s NSF I/UCRC membership, all income carries only an 8% IDC rate. In the event our CAFS membership ends, SMC’s IDC rate goes back to 26%, the ‘off-campus’ rate. NSF funding of CAFS has a finite clock of 15 years in total for each site (three Phases, 5 yr each), with Phase II for SMC (UW) set to end July 2019. SMC joined in 2009, so we are currently in year 3 of 5 of Phase II. The original 4 universities, or Tier I sites, are NCSU, V Tech, Purdue, and OSU. Maine, Georgia, and Washington are 1-year behind (making them Tier II sites). For the Tier I sites, IDC rates aren’t tied to their membership, thus, there isn’t much of an incentive to go forward into Phase III and according to CAFS Director Barry Goldfarb, new membership agreements from NSF will make future participation difficult for continuing to Phase III. Barry will be stepping down as CAFS Director in July 2017 (when Phase II for the Tier I sites ends). Both Auburn and Idaho are interested in continuing on to Phase III if someone else takes the lead; Rob Harrison said he’d step forward to be National Director (Barry’s role) if no one else volunteered.

BUDGET TASK FORCE MEETING (APPENDIX C. PG. 8)

Gareth Waugh summarized comments from the December 9, 2016 Budget Task Force Meeting, in attendance: Margaret Banks, Eric Dinger, George McFadden, Gareth Waugh, Ryan Schlecht, Eric Sucre, Eric Turnblom and Tod Haren.

The meeting was convened to explore ways of extra revenue generation through membership dues. This included looking at structure of dues and ways to fund extra research and capacity. Dues have been set for 2017, so discussion involves changes for 2018.

Reviewed current dues calculation, minimum, per acre rate and cap. General discussion around industry consolidation and decreasing funds available. Difficult budget times for both private industry and state agencies. Suggestion to look at other cooperative membership billing models. Emphasis on fairness and equity in dues calculation.

SMC STRUCTURE / FUNCTION

Technical Advisory Committees (TAC)’s

1. Do members prefer separate, less technical TAC meetings?
2. Are TAC meetings providing members with the information they want?

Logistically, joint meetings work well and the technical level is appropriate. However, members noted supplementary meetings with SMC staff and/or faculty, either one-on-one or with a few members with similar concerns, would be beneficial. Eric said additional, smaller meetings are doable and reminded members to contact Jason Cross directly at 360-808-3021 with any database inquiries, Jason welcomes the opportunity to work closer with all members.

Project Leader Transitioning: Rob Harrison will be retiring in 2-ish years, but continue teaching at 40%. SEFS is hiring a new soil scientist that Rob is hopeful will have the time and desire to continue working with industry,

nonetheless, he proposed Kim Littke take over his role as the TAC Nutrition Project Lead (moving his summer salary over to her). Members thanked Rob for thinking towards the Nutrition TAC's future and agreed Kim would be a good fit as the TAC Project Lead.

Planning Horizon – Periodicity: Currently we have 3 new projects, looking at a 5-year horizon, should we be considering additional project? Members felt more prep work was needed and suggested a full or half day TAC meeting prior to the annual fall meeting.

NEW BUSINESS

Two SMC data request from CIPS / Doug Mainwaring

I have a two part request, which may require two separate write-ups. Please let me know if this is too informal, or if each should be presented separately (and more formally). In the past, as an institutional, though non-dues paying member, OSU, through Doug Maguire, has received periodic updates of the SMC database. In the interest of including updated SMC data to the Center for Intensive Planted-forest (CIPS) modeling dataset, we were hoping to obtain a copy of the most recent SMC database. While the CIPS membership doesn't include all SMC members, it does include a substantial subset, and the SMC database has been a major component of our modeling work. The recent database copies we have received (most recent was 2014) have not gone beyond the computers of Maguire or Mainwaring, and this would be true of any updates we may receive.

A second request I have is the ability to instrument two different SMC type 3 sites. As part of the CIPS effort to better understand some of the mechanisms of response to thinning in Douglas-fir stands, we're interested in monitoring soil moisture use with and without thinning. Jason recently informed me that two sites near Corvallis were thinned (or will be thinned) this most recent off-season. The sites we're interested in include plot 13 at Bobo's Bench (inst. 916), and plot 11 at Ames Creek (inst. 937). In both cases, we wish to install Decagon soil moisture sensors (up to 10) and Maxim i-buttons in both the thinned and unthinned areas of the plots, with moisture sensors at multiple depths. We would plan on returning periodically (once per month) to download data and ensure that the instruments were working properly. We would anticipate following this for up to five growing seasons. Our hope is to use this data to inform a mechanistic response to thinning, which can ultimately be included in future models.

Doug Mainwaring's 2 requests passed, 13 in favor 0 against. As with all SMC data request, requester must present research results at an SMC annual meeting and all results, data, papers shall be accessible to members

NO OTHER BUSINESS, MEETING ADJOURNED AT 10:30 AM.

STAND MANAGEMENT COOPERATIVE SPRING MEETING

April 20, 2017

[Heathman Lodge](#), 7801 NE Greenwood Dr, Vancouver, WA 98662

 AGENDA

- 8:30 Refreshments
- 9:00 Welcome & Introductions: Gareth Waugh, Policy Committee Chair; Eric Turnblom, SMC Director
- 9:10 Accomplishments
1. October 2016 – April 2017
 - Budget carryover: \$\$\$
 - TAC meeting Feb 2017
 - PA Meeting March 2017
 - Database
 - Field measurements
 - Research highlights
- 9:20 Brief Business Update: 2017
1. Upcoming Meetings
 - CAFS meeting – May
 - IRC meeting – July
 - SMC Fall Meeting – Sept.
 2. Student Updates
 3. Research Overview
 - Contracting / Hemlock gains trials update
 - Type I Sunsetting
 - Late-rotation Fertilization

 Technical Reports

- | | | |
|-------|---|---|
| 9:35 | Type I Sunset Timeline | Turnblom |
| 9:45 | Installation 722: Preliminary Prototype Sunset Report | Fletcher Harvey (Turnblom's MS student) |
| 10:05 | Soil Nutrition: Effects of Nitrogen Fertilization & Thinning | Cole Gross (Harrison's MS student) |
| 10:25 | Break | |
| 10:40 | Silver Creek Mainline Sunset: Wood properties at B.H. | Turnblom, Lowell, et al. |
| 11:00 | Silver Creek Mainline Sunset: Wood properties along the stem | Turnblom, Lowell, Dahlen, et al. |
| 11:20 | To Fertilize or Not to Fertilize? - Decision Support Tools | Littke, Harrison |
| 11:40 | Current research with LiDAR from the Precision Forestry Cooperative | Monika Moskal |
| 12:00 | Lunch | |

STAND MANAGEMENT COOPERATIVE SPRING MEETING

April 20, 2017

[Heathman Lodge](#), 7801 NE Greenwood Dr, Vancouver, WA 98662

1:00	Understanding the Effects of Whole Tree Harvesting and Intensive Vegetation Control on Four Long Term Soil Productivity Sites	Littke
1:20	PCT Analysis Results	Cross, Turnblom
1:40	Yield Performance of SMC Type I, II, and III Inst. (SMC) ² Analysis	Turnblom, Cross
1:50	NSF/CAFS Competition Modeling Project – Climate Effects on growth	Comnick, Turnblom
2:05	Response of Deep Soil Carbon Pools to Forest Management in a Highly Productive Andisol	Chrisitana Dietzen
2:20	The Effect of Harvest on Forest Soil Carbon: A Global Meta-Analysis	Jason James
2:35	M.S. Thesis on Soils	Amelia Root
2:45	Break	

Workshop

3:00	<u><i>Bring a laptop for 'hands-on' experience importing tree lists into SMC-ORGANON</i></u>	
	1. Extract tree data that is ready to be input into organon	
	2. Run SMC variant of Organon in an online environment	
4:30	Closing Remarks	
4:45	Adjourn	

SMC 5-Year Financial Plan

INCOME					
	2017	2018	2019	2020	2021
Revenue					
Formula Funding	\$ 607,914	\$ 607,914	\$ 607,914	\$ 607,914	\$ 607,914
Member Contracts	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 607,914	\$ 607,914	\$ 607,914	\$ 607,914	\$ 607,914
In-kind credits	\$ -	\$ -	\$ -	\$ -	\$ -
Net Cash Contributions	\$ 607,914	\$ 607,914	\$ 607,914	\$ 607,914	\$ 607,914
Previous Year's Ending Balance Forward	\$ 435,463	\$ 297,311	\$ 165,517	\$ 54,868	\$ (207,742)
Total Funds Available	\$ 1,043,377	\$ 905,225	\$ 773,432	\$ 662,782	\$ 400,172

EXPENSES					
	2017	2018	2019	2020	2021
Operating expenses with 4% inflation					
Salaries	\$ 276,978	\$ 288,057	\$ 258,000	\$ 268,320	\$ 279,053
Benefits	\$ 86,303	\$ 89,755	\$ 93,345	\$ 97,079	\$ 100,962
Travel	\$ 80,513	\$ 83,734	\$ 87,083	\$ 90,566	\$ 94,189
Equipment & Supplies & Contracts	\$ 58,175	\$ 60,502	\$ 62,922	\$ 65,439	\$ 68,056
Committed Project Funding	\$ 124,019	\$ 96,109	\$ 10,000	\$ 108,781	\$ 88,370
Tuition	\$ -				
Subtotal	\$ 625,987	\$ 618,156	\$ 511,350	\$ 630,185	\$ 630,630
Indirect Rate	8%	8%	26%	26%	26%
Indirect Total	\$ 50,079	\$ 49,452	\$ 132,951	\$ 163,848	\$ 163,964
Total Direct & Indirect	\$ 676,066	\$ 667,608	\$ 644,301	\$ 794,033	\$ 794,594
Field Crew Contracts	\$ 70,000	\$ 72,100	\$ 74,263	\$ 76,491	\$ 78,786
Total Expenditures	\$ 746,066	\$ 739,708	\$ 718,564	\$ 870,524	\$ 873,380
Year End Balance	\$ 297,311	\$ 165,517	\$ 54,868	\$ (207,742)	\$ (473,208)
Total Funds Available	\$ 993,444	\$ 905,225	\$ 773,432	\$ 662,782	\$ 400,172

INCOME	\$ 1,043,377	\$ 905,225	\$ 773,432	\$ 662,782	\$ 400,172
TOTAL EXPENSES	\$ 746,066	\$ 739,708	\$ 718,564	\$ 870,524	\$ 873,380
CARRYOVER	\$ 297,311	\$ 165,517	\$ 54,868	\$ (207,742)	\$ (473,208)
TOTAL FUNDS AVAILABLE	\$ 993,444	\$ 905,225	\$ 773,432	\$ 662,782	\$ 400,172

SMC Budget Task Force Teleconference Meeting

December 9, 2016

SMC Budget Task Force

Organization	Representative(s)	
Bureau of Land Management	George McFadden	gmcfadde@blm.gov
Olympic Resource Management	Ryan Schlecht	rschlecht@orminc.com
Oregon Department of Forestry	Tod Haren	Tod.H.Haren@oregon.gov
Port Blakely Tree Farms	Gareth Waugh	gwaugh@portblakely.com
Roseburg Resources	Eric Dinger	ericd@rfpco.com
Stimson Lumber Company	Margaret Banks	mbanks@stimsonlumber.com
University of Washington	Eric Turnblom	ect@uw.edu
Weyerhaeuser Company	Eric Sucre	Eric.Sucre@weyerhaeuser.com

ACTION ITEMS

- Eric Turnblom to investigate origin of dues calculation
- Eric Turnblom to send out SMC bylaws to Dues Committee
- Gareth Waugh to write up notes and distribute for comment
- Gareth Waugh to set another meeting with Eric Turnblom available when we learn more about exploring alternative methods of dues structure and why we have existing
- Eric Turnblom, Ryan Schlecht, Gareth Waugh to determine how to delicately explain acreage calculation and share with members at next meeting.

The meeting was convened to explore ways of extra revenue generation through membership dues. This included looking at structure of dues and ways to fund extra research and capacity. Dues have been set for 2017, so discussion involves changes for 2018.

Reviewed current dues calculation, minimum, per acre rate and cap. General discussion around industry consolidation and decreasing funds available. Difficult budget times for both private industry and state agencies. Suggestion to look at other cooperative membership billing models. Emphasis on fairness and equity in dues calculation.

An option proposed was membership tiers, small, medium and large and dues calculation associated with it. Example from Southern Coop shown below:

Member type	Plantation Land Base		Annual Contribution	Field trial measurement surcharge
	Acres	Hectares		
Corresponding	None	None	\$5,500	\$0
Sustaining	None	None	\$15,000	\$0
Gov. Agency	None	None	\$7,500	\$1,000
Full	<50,000	<20,234	\$5,000	\$1,000
Full	50,001-100,000	20,234-40,469	\$10,000	\$2,000
Full	100,001-150,000	40,469-60,703	\$15,000	\$3,000
Full	150,001-200,000	60,703-80,937	\$20,000	\$4,000
Full	>200,000	>80,937	\$25,000	\$5,000

Field Trial Measurement Fees May Be Cash or In-Kind Contribution

Further discussion around involving non forestry land owning members. Encouraging participation with small fee for additional revenue. (After note – we do allow fertilizer companies and others to be members at a non dues paying rate e.g. Dyno Nobel, Simplot SoilBuilders). Concern around protecting IP and access to data.

An option to help cooperators explain the need for greater funding would be through a longer budgeting window, whereby a 5-year plan with total budget and expected dues required would be worked up. It would require determination on sunseting of plots and the current work detailing timing be completed. Generally task force members were supportive of funding increases if it was well communicated and there was a specific research reason rather than a general increase.

Discussion around dues are calculation. Most timber companies are using gross acres, a little different for agencies. Legal mandates so there is some difference, generally good reasons behind it. Needs to be explored and communicated to the group so there are no misunderstandings.