

Wisconsin Department of Natural Resources
Natural Resources Board Agenda Item

SUBJECT: New partnership between the WI DNR and Chequamegon-Nicolet National Forest (CNNF)- Good Neighbor Authority (GNA)

FOR: October 2015 Board meeting

TO BE PRESENTED BY: Rebecca Diebel, Division of Forestry Policy Advisor & Paul Strong, CNNF Forest Supervisor

SUMMARY:

Good Neighbor Authority (GNA) provides a way for the state to assist the U.S. Forest Service (USFS) to increase the level of accomplishment, most notably timber sales, on the national forests. By working with the Chequamegon-Nicolet National Forest (CNNF) to more fully implement their approved land management plan, we can increase the amount of wood being brought to market – a desired outcome our partners and stakeholders in the forestry community have been voicing for many years. This agreement builds on the good work already being done by the CNNF with their limited resources. Successful implementation will also achieve other plan objectives such as desired wildlife habitat. It is important to note that this program supplements and adds to the accomplishments of the CNNF; it does not replace the work they are currently doing.

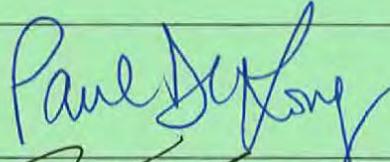
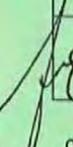
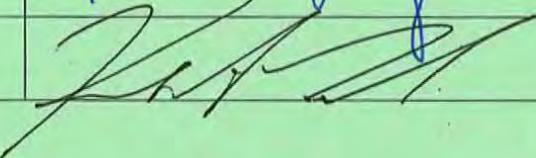
The 2014 Farm Bill and the 2014 FY federal Appropriations Act authorized the Good Neighbor Authority for use across the country. It allows the USDA Forest Service to enter into cooperative agreements or contracts with States to allow the States to perform watershed restoration and forest management services on National Forest System (NFS) lands without cumbersome contracting mechanisms and requirements to use federal processes and procedures.

Congress did not provide funds to implement projects under these authorities. However, through this authority, states can use revenues generated from timber sales to pay for time and materials associated with this work. The law does mandate that a portion of the income generated must be returned to the USFS to fund accounts the USFS must hold that pay for a variety of projects (e.g. reforestation, local aids). The FY'15-17 state budget provided funding to support the Department to conduct work while waiting for timber revenue to be realized. As provided for in the budget provision, the funding from the State's Forestry Account will be repaid over time with revenues from GNA sales.

RECOMMENDATION: Information only

LIST OF ATTACHED MATERIALS (check all that are applicable):

- Background memo
- Type name of attachment if applicable
- Type name of attachment if applicable
- Type name of attachment if applicable

Approved by	Signature	Date
Type bureau or program director name and title		
Paul DeLong, Division Administrator		10/7/15
 Cathy Stepp, Secretary		10/16/15

cc: Board Liaison – AD/8

DATE: October 7, 2015

TO: Wisconsin Natural Resources Board

FROM: Cathy Stepp, Secretary

SUBJECT: Background Memo on Good Neighbor Authority

The Chequamegon-Nicolet National Forest (CNNF) and the Wisconsin DNR have initiated a new partnership using the Good Neighbor Authority (GNA). The 2014 Farm Bill authorized GNA for the Forest Service and the Bureau of Land Management and allows the agencies to enter into agreements or contracts with states to have them perform forest, rangeland and watershed restoration services (including timber sales) on National Forest System lands. A bipartisan group of Wisconsin's congressional delegation was instrumental in the development of the authority and they have been strong supporters of its application in Wisconsin.

This agreement does not take away projects from the CNNF but rather supplements the already good work that they are doing. The GNA provides an opportunity for the state and others in the forestry community to work with the CNNF to help them increase the level of accomplishments on the national forest and see the benefits of increased forest management. When the CNNF land management plan is not being fully implemented, it directly affects desired outcomes described in the 2004 plan such as the development/maintenance of wildlife habitat and the amount of timber reaching the market.

How will the DNR and partners implement GNA?

A portion of the receipts from the GNA timber sales will reimburse the state for its costs to do the work, with remaining funds available to be used to conduct additional restoration activities on or adjacent to the forest. It will take several years for all the receipts from the first year's timber sales to be generated. In order to bridge the gap between the initial work and the generation of income, the DNR will use funds the legislature allocated in the FY'15-17 budget to pay for the initial work. Per legislative direction, the funds will be re-paid as revenue is generated.

The Division is fully subscribed with other priority workload, necessitating the use of other resources to accomplish the GNA work. The Division will use GNA funds to hire LTE foresters to backfill FTE time spent on GNA. The Division will also be making use of overtime for staff interested in working on GNA so time spent on other priority work is not reduced. DNR will sub-award a significant portion of the work to interested county forests and contract with private consultants to help establish and administer timber sales and restoration projects. The Division is currently evaluating the project areas and the work needed to establish and administer treatments. The Division will work with interested county forests to make sub-awards and will solicit consulting foresters to complete portions of the work via contracts as soon as suitable tasks and treatment areas have been identified. This will be primarily timber sale establishment, marking, and cruising.

As the DNR begins this new work, the first year will be treated as a pilot and lessons learned will inform future implementation. It is important to note that the projects will be different each year and therefore may require different implementation strategies.

Goals for the GNA

This partnership enables the CNNF to more fully implement their Land Management Plan and will hopefully increase the amount of timber offered for sale to more than 100 million board feet (MMBF) in fiscal year 2016. This amount is a significant increase from the average over the last decade but remains below the annual allowable sale quantity (ASQ) authorized in the CNNF's 2004 Land Management Plan. Through the GNA, the DNR has a goal of assisting the CNNF in accomplishing approximately 25 MMBF of additional timber sales during the first year of implementation. These efforts will likely result in making the CNNF the top timber producing national forest in the country next year.

Accomplishments and Timeline

The DNR and CNNF signed a GNA Master Agreement on August 3rd, and then finalized and signed the Supplemental Project Agreement (SPA) on September 14th. The SPA details the work to be accomplished and policies and procedures for conducting the work. At the beginning of September, several Division of Forestry staff was trained on how to write silvicultural prescriptions for the GNA timber sales and they are now working hard to complete the prescriptions so the work of establishing sales can begin. Silvicultural prescriptions must be approved by CNNF staff; several were submitted and approved the last week in September.

Division of Forestry field staff are beginning to develop relationships with their peers on the CNNF and communication on projects has begun. There has already been an increase in flow of information sharing and learning between the agencies as staff discusses implementing the GNA projects.

We anticipate holding a timber sale bid opening for a portion of the sales in early winter and a second timber sale bid opening late next spring. Policies and procedures on GNA timber sale administration will closely mimic current state practices. Some of the first sales to be worked on are timber salvage projects from a storm last year; prioritizing efforts here will prevent further loss of timber value in the salvage stands.

The long term view

The Supplemental Project Agreement signed by the CNNF and DNR is for ten years and annually the agencies will review the agreement and agree to a revised scope of work, which will identify additional timber and restoration treatments. As project income from timber sales is accrued, additional conservation projects on the national forest will be identified by the CNNF and DNR and implemented by the DNR (and sub-awards and contractors) utilizing a portion of timber sale proceeds. This partnership will evolve as lessons are learned each year. There is great potential in this new program and the Department looks forward to working with a variety of partners in support of the USFS as they work to accomplish the goals and management objectives outlined in the CNNF Land Management Plan.