



**4FRI Stakeholder Group Meeting
MINUTES**

Wednesday, September 25th, 2019, 9am-12:15pm
Coconino National Forest Supervisor's Office
1824 South Thompson Street
Flagstaff, AZ 86001

Teleconference line: (712) 775-7031, code: 439290611#

Attendance: Doug Sutherland, Marty Wicklund, Amy Waltz, Allison Jourden, Hanna Griscom, Henry Provencio, Art Babbott, Tabi Bolton, Diane Vosick, Greg Smith, Jay Smith, Brad Worsley, Allen Reidhead, Joe Miller, Tom Torres, Peggy Cook, Elvy Barton, Adam Cooley, Dick Fleishman, Heather Provencio, Alicyn Gitlin, Aaron Green, Floyd Hardin, Chase Kassel, Jeremy Kruger, Robin Reddman, Brienne Pettit, John Souther, Tom Mackin, Anne Mottek-Lucas, Mark Nigrelli, Brad Powell, Michelle Ralston, Steve Rosenstock, Paul Summerfelt, Todd Schulke, Neil Chapman, Wade Ward, Scott Lerich, Bob Seidler, Dea Funka, Brian Kelley, Paul Chapman, Keith Gustafson, Linda Wadleigh, Tiffany Taylor, Gavin Smith, Kevin McCully, Gregory Nelson, Joshua Peck, Matt McGrath, Rob Gump, Tom Loushin, Jennifer Cannon, Shaula Hedwall, Laura Jo West, Paul Watson, Joe Trudeau, David Lawrence, Roberta Zackary

9:05 Approve minutes from the August 28th SHG meeting — Vosick

9:10 Review action items from the August 28th SHG meeting — Vosick

Action Item	Lead	Status
1. Post Axel Weight presentation on Basecamp	Provencio	Complete
2. Compile attendance and determine stakeholders in "good standing"	Jourden	Complete
3. Reserve meeting location for Dec. 18 th and Jan. 8 th meeting	Jourden	Complete
4. Decide whether or not the SHG will be involved in the DEIS public forums	DEIS WG	In-process
5. Submit information on various 4FRI achievements and contributions to Samantha Flores	SHG	In-process
6. Schedule IWG Biomass meeting and post logistics to Basecamp	IWG	Scheduled for September 26 th – 9 to 1 in Holbrook
7. Post updated FS contact list to Basecamp	Kruger	
8. Post letter in support of hiring a new FS MPMB coordinator to Basecamp	Flora	Complete

9:15 Call to the Public – No comments

9:20 Implementation of CC Cragin Project Update – Wadley

Cragin Watershed is the south central part of the district on the Mogollon Rim. CWPP is a 64,000 acre project to thin trees and apply prescribed fire treatments to restore forest

conditions and protect the CC Cragin Reservoir which is the primary supply of water for the town of Payson.

The town of Payson, SRP, National Forest Foundation, US Bureau of Reclamation, and the USFS signed a MOU to support the health of this watershed in 2014. A collaborative planning process began in FY15. In July 2018 the decision was signed which allows for RX burning throughout the 64,000 acre project area and mechanical thinning on 37,000 acres. In September 2018, the first timber sale was advertised and received no bids. In September 2019, the FS signed a SPA with the National Wild Turkey Federation for the unbid General Springs timber sale using a Master Stewardship Agreement.

Implementation –10,000 acres of prescribed fire and 26,500 acres of managed fire have been implemented since 2016. This fall, they are planning to burn the area to the north of the reservoir.

Mechanical thinning – The General Springs project area is being chosen for treatment first because it contains the most infrastructure that requires protection. The next sale is the Baker Project Area and the Gifford area will follow that. Contracts for the Baker project are being finalized now and should be offered in the next couple of weeks. They intend to have that contract awarded by March 2020.

What is the cost per acre of prescribed burning? Costs about \$50 per acre.

Where will the material from General Springs be going? This is still unknown. The National Wild Turkey Federation (NWTF) is taking on the responsibility to market the timber. The NWTF is still working on developing partners and funding. There is increased interest in this project. They are getting support from the regional office. The NWTF is well versed in these kinds of agreements. Transport costs continue to be a burden.

9:40 USFS Update –4FRI Coordinators

- Update on Workforce Planning regarding MPMB letter of support

Cannon – Since November 2014 ADOT has partnered with ECO and the FS to allow industry to haul 90,800 lbs. on approved state highways. To support 4FRI, they've recently approved several other state routes in the Coconino, Navajo and Apache counties. They will allow the basic use of tri-dem configurations to allow more weight to be moved on state highways. The tri-dem configuration will allow more weight to be transported with minimal damage to the roads.

Reidhead –Is implementation of this still anticipated for January 1st, 2020? Industry is on a tight schedule to get trailers ordered. There is a 6-month back log on trailers so if a trailer was ordered in October, it wouldn't arrive until April at the earliest. Will it be acceptable for industry to continue with the 90,800 lb., 5-axel configurations, in good faith, throughout 2020 at the latest, and to then transfer to the 91,000 lb. tri-dem configuration?

Cannon - No date has been set in stone yet. If ADOT can see due diligence by industry, ADOT may be able to avoid putting undue pressure on industry by allowing those industries waiting for new trailers to continue operation with the 90,800 lb. configuration. Cannon will put in this

request to ADOT engineers. Those industries who do have the new trailers may be able to start using them as early as January 1st, 2020.

Vosick – Suggests industry put in writing how exactly ADOT can minimize pressures on industry.

Update – Workforce Planning –

The MPMB sent a letter to the FS encouraging them to fill the monitoring coordinator position. The FS appreciated the input. The FS is currently undergoing a broader workforce planning process to determine what the FS 4FRI team will be doing over the next few years. They are in the process of determining whether or not they will fill the position. Jeremy is tasked with developing the proposals for these efforts. The FS is taking stock of the work that needs to be done in the long-term and in the mid-term with 4FRI. They have a temporary detailer, Josh Bahling, filling in the monitoring coordinator position for the next four months.

Griscom – Josh Bahling is detailing – Will the monitoring coordinator position be Josh's entire position or will he have additional responsibilities? Josh will be working on everything Kipervaser was doing and he will be involved in informing the decisions around which parts of the job to replace.

Griscom - Is there a timeline for when the workforce planning decisions will be made? Kruger is hoping that by next week, some of the short term decisions will be made. The longer term decisions will take some time over the next couple of months.

Mottek –The letter to the FS was carefully crafted and gives great detail to what Dan thought his duties were and Mottek thinks the FS position description did not accurately reflect his duties. Mottek suggests the FS refer to the letter for guidance.

CFLRP Tier 2 –

The submission deadline is January 24th 2020. The target is for a final proposal to be sent on January 1, 2020. The working group should have their final draft to Flores by Dec 20th and will present it at the November SHG meeting.

Fleishman – Annual Report Update – This is the last month of the CFLRP ten year run. The report he released earlier this week reflects the ten year accomplishments pretty accurately.

Fleishman – Requested match and leverage information from stakeholders. If there's any year to boost that up, it's this year. Sam needs that information by the end of November.

Fleishman – For the 4FRI annual report, Fleishman asks for input on:

- What are the biggest accomplishments for 4FRI in 2019?
- What has been each organization's biggest 4FRI accomplishment?

9:55 RFP Update – FS & RFP Partners - Torres

The RFP has been released on <https://www.fbo.gov>

This RFP project is intended to help achieve the overall goals of 4FRI. This answers the 4FRI strategic goal to mechanically treat, on average, 50,000 acres a year over a ten-year timeline.

A RFP partnership was established to develop the RFP. The partners involved include: the Bureau of Reclamation, The AZ Commerce Authority, SRP, FS, and AZ DFFM.

Green- AZDFFM and the governor's office have been involved in this process, their intent was to bring a state agency perspective to the process to ensure success with this RFP. They appreciate the collaborative approach.

Elvy Barton (SRP) – The northern and eastern forests are the lifeblood of the SRP water supply. SRP is honored to help protect the watersheds in this way.

Torres – This is the first FS project that seeks to use the new 20-year stewardship authority. The intent is to select one or up to 6 contractors to do the mechanical thinning. It is intended to increase the pace and scale of restoration.

Performance Area – The project seeks to treat 605k-818k acres in 20-years across all sub-areas. One contract per sub-area will be issued. These sub-areas are defined in the RFP. The FS retains authority to award contracts. The award of a sub-area does not give a contractor the sole or exclusive rights to that area. The solicitation does not ensure an award is made. The RFP is open to both large and small businesses and it encourages the development of working relationships across industries. Proposals that include plans for mechanical thinning will rank higher than those that do not. When it comes to choosing treatment locations and timing, areas of high priority will receive first prioritization. The FS reserves the right to coordinate with collaborative groups in determining priorities.

Performance periods will be established to monitor accountability and performance. The performance periods are detailed in the RFP. Contractors are expected to include accountability milestones in their proposals. Failure to meet expectations will trigger corrective actions.

The RFP does not require nor cover forest product infrastructure investment. Additional infrastructure investments are likely necessary. Contractors will need to identify infrastructure investments in their proposals. They expect work to get started right away after a contract is awarded but a ramp-up period of up to 2 years for logging operations is anticipated.

In regards to timber prices, contractors can determine their own timber size classes. They can provide prices on their timber size classes that are in line with Forest Service valuation standards for wood. Mandatory service work entails cut, skid, deck, haul, slash removal, disposal, treatment, and road maintenance. Those who detail these services will rank higher in the proposals. Contractors can offset the costs of service work with timber value. The FS is seeking proposals that maximize use of the material, create higher value products, and minimize cost.

The RFP is unique in that it provides the opportunity for vendors to propose work on optional service work projects like pre-commercial thinning (TSI), steep-slope logging, and sale preparation. Contractors are also allowed to propose their own optional service work items.

Awards for this optional service work are dependent on available funds. Proposals for optional service work items only will be evaluated separately.

Proposals will be evaluated on the ability to meet the slash removal and or on-site disposal requirements against a ranking key defined in the RFP. Proposals with high slash removal percentages will receive a higher rank. Proposals showing under 50% of removal will not be in the competitive range and will not be considered. FS will consider other slash treatments including piling and burning.

Evaluation Process – Complete proposals will move into initial evaluation. They will be evaluated against evaluation factors (defined below). Highly rated proposals will constitute the competitive range. They will continue into the secondary proposal evaluation discussions and negotiations. The process is defined with the RFP.

Evaluation Factors – Technical approach (slash removal, disposal treatment, logging plans, schedule, innovative work approach), Financial approach (plan, investment, proposal and operational funding), Business model (execution plan, marketing plans), Past performance (measure the degree to which the contractor has provided evidence of past success with higher quality work), and Price proposal. The full list is detailed in the RFP. Forest Products Modernization is intended to be considered within the technical approach factors.

Next Steps – The FS is hosting a pre-proposal conference on Monday Oct 7th. The logistics for that conference are described in the RFP. In addition, there will be a number of site visits described in the RFP. Proposals are due December 13, 2019. That represents a 90-day evaluation period. Evaluation process begins early 2020. Awards are anticipated to go out April 2020. Any changes to this schedule or the solicitation will be released via amendment.

Jay Smith – Smith is concerned about the short evaluation period. Industry thinks 90-days is too small a time period and is unrealistic. Because of this, some industry folks are skeptical that the FS already has an idea of who they want to contract with. Torres denies that as truth and encourages folks to submit those concerns to Peggy Cook.

Southerland – Can the FS describe who performs the evaluation process? Torres cannot at this time. It will be done in accordance with the FAR. Southerland is interested in knowing which organizations might be involved. Those who were involved in the development of the RFP may be involved in the evaluation process.

Paul Chapman – Is this presentation available electronically and is it okay to send to others? Yes, Torres will post this presentation to Basecamp.

Worsley –Which percentage of slash removal would meet desired conditions? Torres responds that it is hard to say, as “desired conditions” is defined in various ways. Within the RFP there is a statement of objective that describes what those conditions are. The specific conditions will be described at the task order level.

Worsley - As a prospective bidder, the ability to leave slash prompts questions regarding how much industry can accomplish with this flexibility.

Worsley –Are there clarifications regarding moisture content within the RFP? Torres is not sure but Worsley is correct that the unit of measure is green ton, so moisture has an effect. Peggy Cook suggests that questions specific to the solicitation be directed to her.

Vosick – Vosick doesn't see robust risk-sharing defined in the RFP. There is a cancellation ceiling which is reimbursement for the value of the wood. When she looks at this, her immediate reaction is "Why would anyone want to invest in AZ when is it a high-risk investment?" Are the partners who are involved having conversations about how the state and counties are going to help bring the private sector here? SRP – SRP is 100% committed to helping their partners through this process. They acknowledge that they will continue their support and to provide their resources.

Green – The state perspective echoes SRP.

Vosick – Will the FS get a pass on some of their appraisal processes in order to allow the contractors to establish their own valuation of the material? The FS has estimates of what they think the timber should be worth with service costs removed and they intend to evaluate if proposals are in line with these estimates or not.

To be consistent, any questions regarding interpretations of the RFP should be directed to Peggy Cook.

Wicklund – Is there a minimum bid on the value of the timber? There is an approximation developed regarding the value of the wood from the federal government. The factors to consider are the net costs.

Wicklund – if the goal is to remove 90% vs. 50% of slash there will be a lot of judgement calls required concerning the value of the wood. Again, this will be compared to the net cost required to complete the project, per bidder.

10:55 DEIS Special Meetings Update – Waltz

The DEIS WG requires some extra meetings to assess comments on the RIM Country EIS. Two Additional stakeholder group meetings are scheduled for December 18th and January 8th.

The DEIS will be open for comment Oct. 18-19th which means comments are due January 18th. The WG develops the comments and then presents them to the SHG. This will happen on Jan. 8th.

11:15 Organizations in Good Standing Update – Vosick

Vosick invites stakeholders to review the organizations in good standing document and to let the Ecological Restoration Institute know of any necessary changes.

Add Jay smith to Coconino Co
Ann Mottek to GFFP
Add Joel Jurgens to TNC

11:20 Industry Update – Attending Industry Members

Reidhead – They are working on collecting logs for their mill and to keep production up before winter comes.

Worsley – The power facility is running above-budget burning biomass. They continue to need supply for winter. Worsley encourages ADOT not to force industry to abide by the new truck weight designations by January 1st.

Vosick – Suggests that the IWG at the Biomass meeting develop their questions and concerns for ADOT to send them in a concise way.

Worsley – Novo is ceasing to bid on any more timber sales but they are going to attempt to bid on the FS RFP. Encourages discussions between bidders on the RFP as he has received no communications for collaboration yet.

Cooley – They recently closed the Community Tank task order and they are soon to close out the Schoolhouse task order. They are ramping up production significantly. The Heber facility is running full shift. The interim sawmill in Williams is running and will be increasing to a second shift soon. The new Windfall sawmill is in the process of arriving at the garland prairie site for construction.

Bolton – TNC is nearing the completion of the Chimney Springs SPA and will be moving to Parks afterward. Markets have been pretty stable. It would be great to see some growth in those markets.

Provencio – Encourages Brad to submit his questions to the contracting officer because she will reply. On October 7th, the pre-proposal conference will provide an opportunity for the FS to expand on details in the RFP.

11:40 Working Group Updates

- DEIS WG (5 min) – Waltz

Reddman & Souther: The document is at the printer right now. It has been reduced to 800 pages. It has two volumes and a map packet. It will be posted online tonight. The two volumes will be posted along with the separate maps. A reader's guide will be released with the NOA on Oct. 18th.

The DEIS WG was tasked with determining what level of help the SHG can provide to the FS in rolling out the DEIS. In response, the DEIS asks stakeholders to spread information regarding the DEIS to their individual platforms.

The group continues to work through their 8-12 issues within the document. The web-version of the DEIS is out. The group is aiming to roll out their comments at the Nov. 20th SHG meeting and their presentation at the Jan. 8th meeting.

- Industry WG (5 min) – Worsley

Tomorrow the IWG will meet to discuss the issue of Biomass, from 9-1 in Holbrook. Lunch is provided by Novo. If folks would like to attend, they should let Brad know. It is at the Navajo County Public Works facility in the Chevelon Room.

- Communications WG (5 min) – Wolff – None
- MPMB WG (5 min) – Flora

The main item for update was the letter that the MPMB sent to the FS, which was already discussed. They've discussed their role in planning for effectiveness monitoring and monitoring for adaptive management. They are conducting project planning for the next year. They are expanding monitoring to the Rim Country area given the release of the DEIS. The next meeting is Wednesday, Oct. 9th in Flagstaff.

- Comprehensive Implementation WG (5 min) – Griscom

The CIWG is focused on spring restoration. There were approx. 70 springs identified for restoration in the first 4FRI analysis. They're currently identifying those of highest priority. T-Six Spring and Rosilda Spring restorations have been completed. They are going out to look at the remaining high-priority springs to determine the next project. They are working to develop a portfolio of springs that need restoration. Griscom urged the FS to wrap up their CE analyses so more work can be done.

12:05 Stakeholder Disclosures – All

J. Smith – Coconino county along with ECO will be holding a meeting “Connecting Forest Industry to Northern Arizona” on Monday October 7th from 5-7 PM at the DoubleTree by Hilton on 1175 W route 66 Flagstaff, AZ.

J. Smith – Coconino County is funding 300 acres of steep-slope helicopter logging work that should be starting today. They plan to be done by January. That will require all material removed from the mountain.

J. Smith – The air curtain burner is intended to be used in Chimney Springs as a pilot project to determine costs and efficiencies. There are many requirements in place with which the county must abide by in order to allow an air-curtain burner to be put on federal land.

Mottek – GFFP conducted Science in the Park on Saturday the 21st. It was a successful event.

Green – DFFM is working with the county to complete the Bill Williams steep-slope work. They are looking for other opportunities to assist in this high priority work. In collaboration with GFFP, DFFM completed 60/60 assessments as a pilot project in Blue Ridge which evaluated homes with wildland fire threats and provided them information on what they can do to avoid wildland fire from damaging their homes.

Babbott – Announced a “Building Innovation” Pilot Project that the Board of Supervisors has adopted which addresses innovations for utilizing forest waste products. Allows innovation to occur on small 600-sq foot homes without having to abide by restrictive codes.

Summerfelt – FWPP will post information regarding the Museum Fire on Basecamp. There is BAER work underway on the steep slopes of that burn area which should be done in the next 2-3 days. Yesterday, FWPP re-engaged in cutting in that area. The fire itself impacted approx. 30% of the project area. They've engaged in public outreach over the last couple of weeks to address public concern. The take-aways are that the overwhelming mood of the community is that bad things happen. They've heard very little criticisms regarding the cause of the fire. People are not holding the logger at fault and are still in support of restoration activities.

Reidhead –It's disappointing that the Tonto failed to complete their forest health plan which resulted in the injunction. It doesn't look good to potential bidders who would like to invest in the RFP.

12:10 Review Action Items

Action Item	Lead	Status
1. Distribute information to individual contact lists in regards to the DEIS	SHG	
2. Post RFP presentation on BC	Torres	
3. Send Sam Flores answers to the following questions: What has been the biggest 4FRI accomplishment in 2019? What has been each organization's biggest accomplishment in regards to 4FRI in 2019?	SHG	
4. Send Match and Leverage information to Samantha Flores	SHG	
5.		

12:15 Adjourn

06/26/19 SHG meeting information:

Wednesday, October 23rd, 2019, 9am-TBD
 Arizona Game & Fish Region 1 Office (Pinetop)
 2878 E. White Mountain Blvd., Pinetop, AZ 85935
 Teleconference line: (712) 775-7031, code: 439290611#

Future Agenda Items –
 RFP Update

TNC on the Agenda for January