

Burney-Hat Creek Community Forest and Watershed Group Tuesday, February 21st, 2023; 9:00 am - 12:00 pm

Attendees

Alex Carter - McConnell Foundation Andrew Fullerton - Sierra Pacific Industries Anna Glenn - Sierra Institute Bella Bledsoe – Sierra Institute Doug Lindgren - Tubit Enterprises Dan Ostmann - Lassen Volcanic National Park Evan Watson - Fall River RCD Gregory Wolfin - Pit River Tribe Jason Moghaddas – Spatial Informatics Group Jeffrey Oldson - Cascade Resource Consultants Jim Richardson - Lassen Volcanic National Park Jonathan Kusel – Sierra Institute Juan Martinez - Lassen Volcanic National Park Laurence Crabtree - Golden State Natural Resources Michelle Coppoletta - Forest Service Patricia Puterbaugh - Lassen Forest Preservation Gp Pete Johnson - Retired Timber Land Manager Rich Davis - Lassen National Forest Robin Wall - Hat Creek Ranger District Sara Bolnik - Golden State Natural Resources Sarah Oldson – Cascade Resource Consultants Shannon Prather - Lassen National Forest Sharmie Stevenson – Fall River RCD Tami Taylor - Lassen National Forest Tom Clifford Terrance Rodgers - Golden State Natural Resources Todd Sloat – Fall River RCD Tom March - California Department of Transportation

Approvals, Modifications, and Meeting Objectives

Jonathan led collaborative members through introductions and entertained a motion to approve the agenda. The agenda was approved by the group. Jonathan entertained a motion to approve the meeting minutes from December, and the group approved the meeting minutes.

Project Updates

WUI, Linear Corridors, Plantations

• Todd said that the RCD submitted a draft and some forms to Robin and is now waiting on a response from the Forest.

USFS Projects: Crossroads, Badger, North 49, Plum, Hat Creek Recreation

- Doug gave an update on Crossroads. Due to the weather being warm and wet, they wrapped up on Clark Creek. On the North Shore of Lake Britton, soft and wet conditions are limiting the ability to finish the work. They started several units on the West side of Clark Creek Road and are almost finished there. 500 acres out of 1700 acres are done. The project will ideally be finished by June.
- Andrew asked if an extension on the Crossroads project was possible. Sharmie responded that it was extended from March to June 2023 for both Crossroads and Manzanita.
- Hat Creek Recreation: Tami commented that everything is complete. They're just waiting on a wildlife biologist's review.
- Badger: Rich Davis said LNF should start on Badger soon, after they wrap up Backbone.
- Andrew asked whether we're talking about the green side of the timber sale for Badger or the fire side of the timber sale. Sarah responded green. Shannon added that the Dixie Fire salvage is separate.
- Jeff asked about the Dixie Fire salvage and if it's all biomass. Shannon responded that it would likely be mostly biomass, but they are trying to salvage some timber, if possible, before the timber rots.

- 17 Road Project: Tami commented that crossings at North Digger Creek are at high risk of blowing out. The project is to restore the streams and repair at-risk crossings. The PAPN is being developed.
- Plum: Rich commented that they're trying to put two packages together. Todd said there's a total of 16,000 acres available.
- Sarah updated the group on Backbone. They are working on the wildlife portion and modeling. The Federal Endangered Species listing should be out by Feb. 26th. That will affect modeling and reports.
- Jason asked about how the new NEPA guidelines will affect projects. There are new guidelines for greenhouse gas emissions. Sarah said this guideline will apply to the Backbone Project, but they still need to look closely at how it will impact the project.
- Tami commented that they have to do another year of owl surveys for Backbone.
- Bald and Eiler Reforestation: Last-minute mastication is getting done. They are applying herbicide soon. Sarah added that they have done two applications of herbicides, but the timing hasn't been quite right. She thinks they have it down now and are ready to have a lot of success.
- Jonathan asked about the notification of the Pit River Tribe about herbicide application. Sarah said there hasn't been any that she's aware of.

Others: Soldier Mt., Thousand Springs

- Sarah commented that Soldier Mt. is ready to go. It's part of forest health phase 3.
- Andrew asked if there will be timber sales.
- Sarah responded there will be some.

Lassen National Forest: Discussion of Potential Operation Delineations (PODs) Development

• Shannon updated on PODs Potential Operational Delineation. Right now, it's a bunch of lines and boxes on a map.

https://osugisci.maps.arcgis.com/apps/webappviewer/index.html?id=e05692b836164a7580895f10efef

- It is a public website. The Forest is not broadcasting it widely because we do not want a bunch of residents to put a line around their homes. But we do want it to be a collaborative process.
- Shannon encouraged everyone to take a look at the lines that have already been drawn. We need to think about what makes sense for a project boundary, and where we can contain fires within boxes. It is important to be thinking about joint projects that cross jurisdictional lines (e.g., federal, state, and private lands).
- The next step is to think about the values within the boundaries. Right now, we are just determining where these boundaries could be. But we are going to get to a point of thinking about what is important in each POD. PODs meetings have already helped us work out some of our differences and have some needed conversations.
- Jonathan clarified whether the BHC group members should be adding lines on the map. Shannon responded that he'd like to do that collaboratively at a meeting, so everyone can talk through if a line makes sense. We do not want everyone just to add lines.
- Jonathan also asked SIG's, and 34 North's work is getting integrated into this effort.
- Jason responded that once these PODs are finalized, SIG and others can give characteristics of these PODs that are pretty specific.
- Jason asked if the PODs will just cover vegetation and fire or other characteristics such as recreation and other resources. Shannon responded that ideally, we can cover all of it on the map; once we identify

these POD boundaries, then we will look at wildlife, recreation, and all the values in there. WUI areas will be a priority.

- Alex asked how the Forest will weight values that will eventually drive funding and projects. Shannon responded that it's still a work in progress to weight values. WUI will be a priority, but that is not to say that other values are not also a high priority.
- Jonathan asked about the opportunity to contribute to the prioritization process. Shannon responded that they want to work closely with partners, and there will be an opportunity to weigh in. They want input from everyone. Shannon can't speak to who will be making a final decision about the priority values.
- Sharmie asked if there are more details about the new Partnership Coordinator that may be helping with some of this. Shannon responded that her name is Stephaney Cox, and she will start on March 13th.
- The group transitioned to discussing how the collaborative can inform the strategic plan going forward (FY24 and beyond).
- Shannon commented that PODs will be part of driving the program of work going forward.
- Tami commented that the new way of getting projects on the POW is to come up with a project idea, and provide a brief summary, and a map. Then FS will go through it and determine if the FS has the resources for the project. Then the project will go to leadership to determine if the plan aligns with FS priorities. The FS will be talking about 2024 projects soon.
- Sarah commented that it would be great if the Forest or districts could share that program of work as it changes, either quarterly or monthly, so that the partners can fill in when there is a need. We are not always looped in on where planning and implementation stand. It would be neat to be looped in more.
- Todd reflected on the meeting that the Forest had in November. It seemed that there were opportunities for partners to develop the POW. Can we make sure partners are present when the Forest develops the POW?
- Jonathan commented that there is a keen interest in contributing to the program of work and the prioritization process. Sounds like there could be more opportunities with PODs. There is an opportunity for partners to contribute staff or other assistance to realize project completion and support work getting done.
- Tami: I think the Partnership Coordinator will help work through some of these issues.
- Shannon commented that Deb has spoken specifically on partner involvement, and they're looking forward to what they can do with partner involvement once the Partnership Coordinator is here.
- Jonathan commented that perhaps there can be a subcommittee for the FY24 POW, that can meet more often to increase communication. If people are interested in being part of that subcommittee, they should let Bella know.

Infrastructure Discussion

Existing and Proposed Infrastructure

• Doug provided an overview of the infrastructure in the Burney area. He mentioned a site off of 299 for a possible five-megawatt plant. The project is at the county for a conditional use permit. The facility would sell steam to a small production sawmill that would work with Sugar Pine. Steam would also power some of the drying kilns. This would increase the capacity for drying lumber. We would partner with Shasta Green to help them dry and process large-diameter logs, specializing in sugar pine and ponderosa pine.

- Robin asked about the timeline for getting permits. Doug said that they should have permits by April, and they'll be ready to break ground in June.
- Trish asked whether the pines are green or burned. Where is the need coming from? Doug responded that they are hoping to help with the drying capacity challenge and also support the ability to process large logs. That's where a lot of the need is coming from.
- Andrew asked if they'll be taking the timber straight from the woods or from the Shasta Green yard. Doug responded that ideally, they'll come right from the woods, but right now, they are getting handled a few times before being processed. It will likely be a combination of both.
- Doug gave an update on various project components. They hope to be online by the end of the second or third quarter of this year.
- Doug also commented that for Mt. Lassen Power in Westwood, they finally got an air permit after 1.5 years. He hopes the energy plant will be online by the end of the second quarter of this year.

Golden State Natural Resources

- Terrence gave an update to the group. They are in the development stage of the project. The goal is to take no-value biomass and make wood pellets for export to replace coal. In the EU and Japan, there is interest in biofuels from California. They expect the draft EIR to be out in 30-60 days. The facility would take 700,000 metric tons of biomass. Terrence added that if everything goes according to plan, they will be turning dirt at the end of this year. It will take about 12-15 months of construction. They hope this will catalyze some landscape-scale treatment.
- Pete asked, where is the location? Terrence responded that there will be two locations--one in Nubieber, Lassen County and one in Jamestown, Tuolumne County.
- Todd asked about the conversion of 700 metric tons to bone dry tons. Terrence responded that pellets are 6-8% moisture content, so we are looking at 1.2-1.3 million green tons. If we can operate in the black, we will expand to other communities. We are working on an economic development team to build out infrastructure and workforce housing. It will change the community very much in the Nubieber area. There will be about 70 employees.
- Todd mentioned that the profits could be used in the community, for example, to refurbish houses. Terrance responded that this is definitely a consideration. Lots of money will go to repaying debt. It will be tight, even with the money we will make.
- Andrew asked about logging and trucking infrastructure to feed this mill. Terrance responded that this is a huge concern and something they are thinking about.
- Laurence commented that there will be a ramp-up to the operation. It will have to start small and then increase capacity. It's not a small operation, but it is big enough to make a difference in the landscape. This is what we need to get fire back on the landscape and treat the entire environment.
- Jonathan asked where Golden State hopes to get most of the material from. Laurence responded that up to 70% is hoped to come from the National Forest. We can't be successful without the FS going all in.
- Patricia commented that the hazard tree projects across the Forests are huge. There is a lot of timber out there to use. Whether it will go as cleanly as you are hoping is another question. But there are a lot of trees out there.
- Terrance responded that the message needs to be sent that this is for forest resiliency.
- Todd asked, how will this impact existing markets and businesses in the area?
- Terrence responded there is not a perfect answer, but we want to bring everyone to the table. We are mandated to be a good player, and we want to work with private industry. Open dialogue is required at

all times, so it's a true partnership. We talked to SPI, and they were concerned. Having dialog is the first step. What can we do to make it mutually beneficial?

- Trish commented our county supervisor in Butte County, Doug Teeter, is on the GSR/or RCRC board. He certainly hopes this project will benefit our north state counties.
- Jonathan asked Terrance how do you deliberately collaborate with everyone involved at the scale of 1.3 million green tons per year. How do you make community support a core tenet of the project? Terrance responded that it starts with dialogues like this, having open conversations about how to make it mutually beneficial. This is intended to be for the benefit of our rural communities at its heart.
- Sharmie mentioned that the community where the project is being proposed is very excited about this project because they saw a decline in many areas after they lost their lumber mill. This is a great thing for the community of Big Valley.
- Jeff Oldson asked how much residual material this project is expected to have. That will determine whether your site will impact my site. Terrance responded that the pellet facility will be using close to 100% of the materials. More than likely, this facility will not be generating extra material for adjacent facilities.
- Trish commented that it is important to assess the sustainability of shipping products overseas versus keeping them for community use. Terrance responded that exporting the product made sense considering the market but moving forward, they are open to finding the most sustainable options.
- Jonathan confirmed that we're looking at over 100,000 acres a year. This group has struggled just to get small projects done with the Forest. Laurence responded that he is not sure about the exact acres but that this is not going to happen in the first year, but eventually, that scale will make a difference in the landscape.
- Jeffrey commented that it sounds like it will require 200-300 loads a day. At Burney Forest Products, we do about 45 loads a day. Sometimes that is a struggle. 200-300 loads a day is like going to the moon.
- Todd asked what the lower number, just to kick operations off is. Laurence mentioned they don't have a minimum number yet. Terrance said that they're looking at a 2-3 year ramp-up.
- Jason asked if they're able to take agricultural waste. Terrance responded that agricultural waste could be utilized primarily for the burner but not for pellets. Laurence commented that he does not think they will need ag waste; there is lots of Juniper here, lots of material.
- Terrence put his contact info in the chat for folks: Trodgers@rcrcnet.org, (916) 270-8621

Hat Creek Bioenergy and Hat Creek Lumber

- Todd gave an update on Hat Creek Bioenergy. There will be a groundbreaking ceremony in March for the site. It will be a boiler system that produces electricity and should be operational in 18 months. They will primarily be using forest products for biomass. The lead engineer already moved his family up.
- Todd also gave an update on Hat Creek Lumber. It hopes to get to a financial close in April or May. It is a small-diameter log sawmill. They are looking at public-private partnership models, ideally sending significant funds back to the RCD and other entities trying to do the work in the woods.

RCD's OPR Project

- Todd mentioned that the market capacity assessment is out to be reviewed. There is another report out going to the committee for review. We need to determine an organizational structure that might fit our region. We need to get down to decisions in the next year, and it is helpful to have group input.
- Sharmie commented that it's very important to get comments from people in this group on these reports. Todd commented that they have found through this process that the counties are very

challenged with capacity, so county support is not expected as much as it was. Maybe it can be a few RCDs joining together with an agency. Maybe RCDs joining with an NGO to minimize bureaucracy. It is going to be a challenge to pick a structure.

Land Ownership Changes

- SPI and Collins Pines Timber Company purchased a large amount of land from other private owners (Beaty).
- Jonathan commented that it's still all private land, just different owners.

Partner Updates

Sierra Nevada Conservancy

- <u>WIP SUMMIT</u>: The SNC Watershed Improvement Program Summit will be on March 1st in Sacramento (hybrid meeting option): <u>https://sierranevada.ca.gov/what-we-do/2023-wip-summit/</u>
- <u>March Board Meeting</u>: The SNC March 2nd Board Meeting action will consider awarding a number of Wildfire Recovery & Forest Resilience projects – see our <u>Board Meeting Materials & Agenda</u> for more info.
- June Board Meeting: The SNC June 1st Board Meeting will be in Plumas County.
- <u>Funding Opportunities</u>: SNC anticipates announcing another round of <u>Wildfire Recovery & Forest</u> <u>Resilience</u> funding this spring. Keep an eye on our 'announcements.'

Fall River RCD

• The RCD is taking a lead on CCI applications. A high priority for funding is Soldier Mountain.

Sierra Institute

• Jonathan commented that Sierra Institute received a phase one award from DOC for a hydrogen production operation. We are going to start planning this operation. The sawmill also continues to operate.

Lassen Volcanic National Park

- Jim gave an update on post-Dixie operations. The park highway was successfully used as a fire line. Most of the burnt trees on that side of the highway have been cut and stacked. They're hoping to have a sale of these logs, but it is not likely.
- Juan gave an update on prescribed fire activity. The Park is hoping to complete segments this fall of the Northwest Gateway Project. Some smaller segments may be completed this spring, pending approval.

Others?

- Jason: There is a lot of money coming in from the Moore Foundation. There is also a lot of venture capital money coming from Silicon Valley for biomass processing, especially biochar.
- Doug asked how you would haul deteriorated logs. Jason responded that they would likely be hauling 1-year-old decks, not 5-year-old decks.

<u>Adjourn</u>