

**UTAH FOREST PRODUCTS ASSOCIATION (UFPA)
MINUTES**

October 13, 2005 - 1:00 p.m.
Triple "C" Arena
Highway 89
Panguitch, UT

Members present: Len Stull; Barry Johnson; Jody Gale; Joel Frandsen, Ron Gropp; Phil Eisenhauer
John Keeler, Ladd Bunting; Jim Matson; Kathleen McDowell; Scott Truman; Scott Bell; Kathy Radigan

1. **Anti-trust policy statement** – Jim Matson read and proposed the Anti-trust policy from the Stewardship Center. **It was motioned by Kathleen McDowell and seconded by Len Stull and passed unanimously to adopt the Anti-trust Policy Statement for the Utah Forest Products Association.** The following is adopted:

[TO BE READ AT THE BEGINNING OF EACH MEETING SPONSORED BY THE UTAH FOREST PRODUCTS ASSOCIATION INVOLVING ACTUAL OR POTENTIAL COMPETITORS, SUPPLIERS OR CUSTOMERS]

***ANTITRUST POLICY STATEMENT FOR THE
UTAH FOREST PRODUCTS ASSOCIATION***

It is the policy of the Utah Forest Products Association (UFPA) to comply in all respects with the antitrust laws and the policies they represent. All of the activities of the UFPA are expressly designed to be consistent with and support free and open competition and to avoid even the inadvertent appearance of possible non-compliance with the antitrust laws. Accordingly, at this meeting there will be no discussion of any company's current or future proposals, prices, marketing or business strategies, profits, what is a fair level of profit or any other competitively sensitive information. The UFPA strongly urge all participants at this meeting to comply fully with the antitrust laws and refrain from any conduct which may inadvertently suggest non-compliance.

It was decided there would be discussion programmatically for all forest product entities on future proposals and business strategies, but it would be non-specific to individual companies and pricing in order to meet anti-trust laws.

3. **Approval of 7/14/05 meeting minutes** – Change to #6 – Third paragraph “unroaded consideration of wilderness” change “roadless” to “wilderness.” **Motion to accept minutes with this change by Jody Gale and seconded by Len Stull, and motion passed unanimously.**
4. **Treasurer's report** – Kathleen McDowell reported the following treasurer's report for UFPA funds. The account is held at Mountain America CU.

Membership to CU	\$ 25.00 (Refundable)	
Deposits 8/18/05	\$2125.00	
Deposit 8/26/05	\$ 175.00	
Deposit 10/3/05	<u>\$ 50.00</u>	
Balance	\$2,375.00	
6 – month CD Plan (Matures 2/28/06)		\$2,000.00
3.40% APR		
10/4/2005 Interest earned CD		\$ 6.72
Checking Balance		\$ 350.00
10/4/2005 Interest earned checking		<u>\$ 2.01</u>
TOTAL CASH ON HAND		<u>\$2,358.73</u>

Membership is at 23 members. Scott Truman moved to accept the treasurer’s report and Joel Frandsen seconded; motion passed unanimously.

5. **Conference:** Jim Matson distributed an e-mail from Dave Grierson and announced that the decision has been made to have the conference February 2 and 3, 2006. Jim is considering Greenwell Inn as the conference site. The e-mail stated that we have funding to produce the conference through UFSSL. Jody Gale will get with the committee and meet with Dave Grierson (Jody, Kathy Radigan, Jim, Darren McAvoy, Len Stull, and Scott Bell) and meet in Salt Lake City. In the meantime, we will send a notice out to our mailing list of contractors to set aside the date and announce that scholarships will be available. Discussion regarding a theme for the conference:

Jody Gale referred to the Heber City 7-14-05 minutes regarding the purpose of the conference.

The purpose of the conference would be to: provide training and build support for Utah Forest Products Association; to introduce vendors to Association members and supporters. Suggested conference agenda items included: workers comp and insurance issues (it was also suggested that there may be information that could be gleaned from Colorado concerning these issues because they have been there), information on forest products lab programs, identification of funding sources, bonding, value added products, and forest health trends in the state.

Ladd Bunting said the conference was set-up for the businesses in the forest products industry, and not just logging outfits. We need to advertise the conference now. It’s a great opportunity to have UFPA shine with its inaugural conference. We need to have those who attended say afterward that “I learned a great deal about how to improve my business and improve our day-to-day operations.” Everyone agreed that word of mouth would advertise it best for future conferences. We will also put information on the website <http://extension.usu.edu/forestry>. Len Stull said we could have a session on the Healthy Forest Restoration Act and what it means to the forest products industry. Ladd said we have to have sessions to attract the attention of all forest products industry owners and not just the large logging owners. We need to build our membership base. We want to provide sessions to attract landowners too as a support base for the forest products industry; and show that we are past a critical point for forest health in Utah. The purpose is to provide training and support for products industry; introduce vendors to supporters; address work comp cost issues Utah; introduce forest products lab activities; and provides education for the Healthy Forest Restoration Act to both landowners and industry.

John Keeler brought up the three “P’s” to focus on at the conference: **“People, Products, and Practices.”** Jody Gale said we need to know what audience we are going to attract. Forest landowners are not the only ones we want to attract.

We need to decide if we are giving a toolbox conference or catering to all involved with forest products industry. Small business want something done about work comp costs and should be the main focus. Panel discussions on bonding; landowner objectives; how to write a bid; how to write a grant; and where do I look for offerings; and where do I find websites?

Scott B. suggested pre/post conference sessions for private landowners and for the forest products industry.

One day focused on forest products industry and the next day that which is exclusive to helping the industry find its supply. Jody also agrees with Scott Bell that we could do this with pre/post conference sessions.

Ron Gropp said this will be an important event for UFPA to establish their identity and providing services for community capacity building; forest health; restoration and supply and demand issues goes together.

It was motioned that we would go with the major in toolbox and minor will be what UFPA does with the toolbox currently. In other words UFPA is highlighted. Motion passed unanimously.

Who is the audience? How do we get them there? Base help extends beyond tools. We would need a day dealing with ecological issues and programs available to do treatments for private landowners and forest products industry. Then have joint discussions and what are the products we can produce from the Forest Products Lab talking to industry. We could also have educational (i.e. canker in Aspen) and the pathology by providing a short course to the forest products industry and practices for a healthy and sustainable forest so they can work with the private landowners.

Ladd pointed out that he joined UFPA for “what’s in it for me to build my business” and if the conference teaches me how to teach and work with the landowner to build my business then the conference will be a benefit to the product industry.

Suggested themes:

Integration for forest and community health

Integrating healthy forests and healthy businesses

Integrating forest businesses with healthy forests

Integrating healthy forests for business health

Sustainable forests, sustainable communities

We will have a subheading People, Products, and Practices to answer WHO

Kathleen and Scott T. will work on the theme and getting the postcard out. It will include Set aside the dates for Who? What? Why? Where? and When? Add that scholarships will be available.

Conference Planning Committee Meeting: Nov 4, Salt Lake City - 1:00 p.m. in BLM office, 440 West 200 South in Kathy Radigan’s office. Len Stull will conference call. Scott Bell said that he has a standard conference call number if no one is using it during that time.

We will sell **exhibit space and sponsorships** for the conference. The planning committee will establish price. State has about \$10,000 to support the conference.

Jody Gale wanted to know if he would be authorized to enter into a conference planning agreement for conference space. **Motion made by Kathleen McDowell and seconded by Ladd Bunting to allow Jody Gale to enter into a contract for conference space. The motion passed unanimously.**

Joel Frandsen said we could get a better price at Holiday Inn for conference space. Greenwell Inn charges \$400 for their conference room. The College of Eastern Utah would also be a good option for meeting conference sessions and then use the Holiday Inn for lodging.

Scott Truman suggested that we could try to get Kathleen Clarke for a keynote speaker. Sometimes these individuals will come on their own dime.

Ladd Bunting brought up the oil boom in Price and how difficult it was to get a room in Price for him. He had to give them 3 weeks advance notice to get a room. We need to block rooms now and this will probably entail a deposit.

Roundtable updates:

Forest practices – Ladd suggested certifications for logging companies. Standards for certification of loggers – Len Stull will take education of loggers.

Ron Gropp said the Utah Forest Practices Act requires that forest product industries need to register with State lands. They also have to notify and permit with UFSSL of their intent to practice on private lands. Scott wants to know if the forms are on line for business owners to apply on line. Forms are not on line yet. But the best forest practices have to be maintained “through self-policing” in order to avoid having a bad name and inevitably forcing legislation to governing access.

Projects: Two timber sale tours scheduled for Mt. Dutton 10/21 and Scofield 10/19.

Workers compensation – Jim Matson will do a parody study for work comp rates. Joel Frandsen said he can help Jim with some information on this. Shepherders pay the highest rate because they are out there 24/7. Jody read the 10 most dangerous jobs nationwide: Logging (fatality 92.4/100,000), Aircraft pilots and flight engineers (92.4/100,000); Fishers; Structural Iron & Steel workers; Refuse/Recycling; Farmers/Ranchers (37.5/100,000); Roofers; Electrical Powerline; Drivers & Truck Drivers.

We could have Utah Department of Labor at the conference and a workshop presenter.

Membership - Jim Matson reviewed membership and dues structure:

Associate Member - \$25/year e.g. Individuals not directly related to forest industry products SOS Staffing; federal employees; state employees

Corporate/Institutional Associate Member - \$100/year

Individual Regular Membership - \$100/year

Corporate/Regular Membership - \$250/year

Directory of service entities – Kathleen will be responsible for this (Lumber logging; mailing membership list)

Education and training – Darren McAvoy would be educating association members; Mike Kuhns and Morgan Mendenhall, USU are support for this as well.

Other – Raw material appraisals system – Forest Service appraisal system goes to regional averages (Wyoming, Idaho, & Utah) and they are too high for our working circle. Working with zone averages Dead database went sky high and they don't modify to fit local conditions. If we gather data and present for negotiation it could possibly make these numbers more reasonable. The numbers are based on past markets. How is the process in the forest service by regulation; policy; or handbook. There seems to be a lack of consistency in the appraisal process.

Phil Eisenhauer said one thing that helps is that they don't get credit for offerings, but they do get credit for actual sales/contracts.

We're taking a look at this in a technical manner. Barry Johnson will work on this with Jim. We may pursue a residual value system. If the data is gathered and the discrepancies show then you can begin to change/ negotiate the process. The process rests in regional and Washington D.C. It has to do with procedure and process and what adds up. If you offer a sale 3 times at that price and no one bids it then changes their database and it cranks the value down. You can't boycott sales being offered. Keep current data and bring it to the regional forester's office. If it is substantive then bring it and a solution to the meeting.

Sustainability of live forests/landscapes - Len Stull wants to work on this. UFSSL will be glad to help him with this.

NEPA/Appeals Process – Interested parties status for UFPA.

Agency Reports:

BLM, Dixie, & Fishlake are the only reports for this group meeting.

Phil Eisenhauer gave the report. For the **Fishlake** Don Okerlund e-mailed a report and are incorporated in these minutes. **Dixie** – Phil went over the 3 year action plan 2006/07/08 and offerings. Phil distributed the Stewardship plan. Kaibab's person left and there wasn't any new information from the Kaibab. Barney Top looks like a go for 10/17/05.

BLM - Kathy Radigan reported that they have been successful awarding 6 stewardship contracts. They are all small projects involving the use of Pinon Juniper.

Scott T. said the Center has elected not to bid on some of the BLM projects because the BLM are receiving plenty of bids from others and the Stewardship Center isn't in this to be competitive. Scott said the Center is having darts thrown at it because it's believed we are only concentrating on southwestern Utah and Scott's answer is that we only have so much capacity. In business circles

Utah Division of Forestry – 2 big contracts for timber sales contracts out from the State lands.

Dave Grierson has asked if there are legislative issues we want brought forth this year. We're not prepared for this year. John Keeler said that the Farm Bureau has formed a forestry advisory committee and if UFPA wants to participate and have an issue brought forth.

Biomass Energy RFP - Scott Bell reported that an RFP is out for the Woody Biomass Utilization grants. They have \$4 million available. (Approximately – 20 highly competitive projects were funded last year and Utah didn't get awarded any of them.) They may be used for expanding business; conversion; and equipment needs. December 1, 2005 is deadline for pre-application. There will be a

screening process. You should have a business plan and ready to go in order to show results. Dean Graham just retired and he's willing to come and help put together a business plan. There is a great opportunity here and he would like to see Utah get some of the awards.

Joel Frandsen passed a sample around of what the Forest Products Lab is doing with small woody biomass. The wood board was heat compressed and is actually lightweight and strong as 2' x 4'.

6. Calendaring - Feb 2 – 3, 2006 Next General Membership meeting

Conference call meetings

November 10, 2005

December 8, 2005

January 12, 2006

April 13, 2006 – Spring General Membership meeting will be held in Green River.

- 7. New Business** – Court ruling use of NEPA Categorical Exclusions has been restrained by a court in California (naturally San Francisco). It affects all projects in FS nationwide being done under categorical exclusions and everything is being placed on hold. Information is attached to these minutes.

Wheels are moving forward through Utah's Office of Public Lands and Policy to the Roadless Criteria. Unclassified roads would not be considered to be a road citing RS2477.

The meeting adjourned at 4:15 p.m.

Respectfully submitted,

/s/ Kathleen McDowell

Secretary/Treasurer