

Forest Stewardship Advisory Committee (FSAC) Meeting

Division of Forestry and Wildlife

Pu'u Wa'awa'a Forest Reserve Lake House

71-1645 Mamalahoa Highway #8, Kailua-Kona, Hawaii 96740

10:15 am, February 15, 2013

Committee: Rich von Wellsheim (Chair), Alvin Kyono (Vice-Chair), Michael Constantinides, Kip Dunbar, JB Friday, Katie Friday, Betsy Gagne, Greg Hendrickson, Koa Kaulukukui, Nick Koch, Benton Pang, and Mark White.

Staff: Irene Sprecher, Elizabeth Boxler, Hannah Bergemann, Elliot Parson, Don Yokoyama, Hans Shin.

Guests: Melissa Dean (U.S. Forest Service), John Henshaw (Kealakekua Heritage Ranch), Graham Knopp, BreeAnn Lavids, Susan Kaye Lundberg, Jen Lawson (Waikoloa Dry Forest Initiative), and Pat Tummons (Environmental Hawaii).

Call to Order:

Meeting was called to order at 10:00am. Irene Sprecher provided an overview of the agenda for the Forest Stewardship Advisory Committee (FSAC) meeting.

October 29, 2012 Meeting Minutes:

The FSAC reviewed the meeting minutes from October 29, 2012 meeting.

Corrections

Page 5, seconded bullet should read as "using organic soil amendments is a laudable objective."

Page 2 should read that Kokua Kahili Valley project will be monitored in 2013 instead of 2012.

Motion to approve the prior FSAC meeting minutes as corrected. Moved by Betsy Gagne, seconded by Kip Dunbar. Approve: Kip Dunbar, Nick Koch, Rich von Wellsheim, Greg Hendrickson, Mark White, Betsy Gagne, Koa Kaulukukui, Alvin Kyono, Michael Constantinides, Benton Pang; Oppose: None; Abstain: None. Unanimously approved.

Forest Stewardship Project Proposals:

Ka Mahi'ai Ihi O Wailea Project Proposal:

Staff provided an overview of the project and a summary of the history of the project. This project was presented at the previous FSAC meeting but did not have evidence that their lease was long enough to participate in the Forest Stewardship Program. The applicant has now included a copy of the lease extension as well as included information about prior plantings on property and other grant funding received for their larger project

Discussion

- Member Hendrickson felt that the applicant had answered the three questions the FSAC had from the prior meeting and that he was satisfied with the answers the committee received.
- Member Dunbar questioned how much revenue the project has already received. Staff shared that the applicant had received two grants for approximately \$1.4 million as well as funding from the University of Hawaii for their nursery/greenhouse operations business plan.
- Member von Wellsheim asked for further clarification on the proposed budget in the project proposal. Staff clarified that the project was not seeking funding for the nursery operations but

was instead hoping to restore approximately 15 acres of their property. The additional information provided in the proposal was included to highlight the success of the project in other areas.

- Members Constantinides and Hendrickson commented that the actual costs in the estimated budget were not accurately multiplied across the entire acreage. The project budgets are often further modified during the development of a management plan and that the estimated budget in the project proposal is an exercise for the landowners/operators to be thinking about their project costs and needs.
- Member K. Friday shared that the Forest Stewardship Program should not provide cost-share support for a management plan that is already in place on the property. The applicant currently has a business management plan for their larger project, including the nursery operations, but does not have a forest management plan for the restoration project. Staff will review the business plan to assure that the program is not providing cost-share for work that has already been completed. The applicant is looking to expand the project area to another 50 acres, but that agreement has not been finalized.
- Member J. Friday commented that it appears that the applicant is interested in this project to operate as a business. If the project is both a restoration and business project the business plan should be included as a part of the project. He also questioned if a restoration project needs public involvement. The committee felt that it was important for this project to clearly articulate the difference between their nursery project and restoration project, as well as how they relate to each other. .

Motion to approve the Ka Mahi'ai Ihi O Wailea project proposal with the condition that the development of the Forest Stewardship management plan is only for the proposed 15 acres restoration project. Moved by Alvin Kyono, seconded by Greg Hendrickson. Approve: Michael Constantinides, Kip Dunbar, Katie Friday, Betsy Gagne, Greg Hendrickson, Koa Kaulukukui, Nick Koch, Alvin Kyono, Benton Pang, Rich von Wellsheim, Mark White; Oppose: None; Abstain: JB Friday. Motioned passed.

Soon Boo Project Proposal:

Staff introduced the Soon Boo project proposal; the project is located on Hawaii Island and the goal is to establish a 50 acre tree farm.

Discussion

- The FSAC discussed the use of Australian toon (*Toona ciliata*) in the project proposal. Member Kyono questioned the statement in the proposal that even though Australian toon may spread it is not a concern because it will not be planted near native forest. Based on the maps provided there is limited evidence to a lack of native forest and that the project should define and describe how far this parcel is from native forest. Member J. Friday indicated that in his opinion, which he shared with the landowner, is that Australian toon is not a problem when it is not planted near native forest. Member Koch indicated that his company did bid on the management plan for this project and that from his observation the project it is located in degraded native forest area. Member Constantinides was also uncomfortable with the use of Australian toon in the project and recommended a more diverse planting mixture. In particular the applicant should consider the restoration of the 2 acre remnant 'ōhi'a forest on the property.
- Member Dunbar questioned if it was an issue that the landowner was not a resident of Hawaii. Staff shared that the younger brother of the owner, who is a resident of Hawaii, will work on the land in the owner's absence.

- Staff asked for 3 quotes for the development of a Forest Stewardship management plan to be submitted for the project; the quotes for the project ranged from \$3,000 up to \$7,600. Member J. Friday is having requests for recommended consultants to write forest management plans and only has a small list of people and organizations that have written approved Forest Stewardship management plans and are interested in continuing to write them. Staff is hoping to host a training workshop for consultants to encourage more natural resource consultants to work with the Forest Stewardship Program.

Motion to approve the project proposal and invite the applicant to develop a Forest Stewardship management plan with the provision that the Forest Stewardship Program is highly unlikely to fund or approve a management plan that includes the planting of Australian toon. Moved by Katie Friday, seconded by Benton Pang.

Continued discussion:

- The FSAC discussed how much they would be willing to fund for a management plan. The rules state the Forest Stewardship Program can fund up to 50% cost share assistance and the FSAC has set a \$5,000 threshold for the cost-share provided for the development of management plans. The FSAC agreed that, for this project, they would suggest funding not exceed \$2,500 or 50% of the total cost.

- Member White proposed that the committee strongly discourage the planting of Australian toon.

Motion to amend the previous motion was accepted by Katie Friday. Motion to approve the project proposal and invite the applicant to develop a Forest Stewardship management plan with the provision that the planting of Australian toon is strongly discouraged and that the applicant consider restoring the 2 acre remnant 'ohi'a forest. Cost-share support from the Forest Stewardship Program is approved for 50% of the total cost of the management plan not to exceed \$2,500. Benton Pang seconded the amendment. Approve: Michael Constantinides, Kip Dunbar, Katie Friday, Betsy Gagne, Greg Hendrickson, Koa Kaulukukui, Alvin Kyono, Benton Pang, Rich von Wellsheim, Mark White; Oppose: None; Abstain: JB Friday, Nick Koch. Motion passed.

Everson Project Proposal:

Staff introduced the Everson project proposal; the project is located on Hawaii Island and proposed that 16 acres would be included in the Forest Stewardship Program. The goals for this project are to reforest with native species and remove invasive species on the property.

Discussion

- The FSAC discussed what type of forest this project would be attempting to recreate. Member Kyono questioned if the project was in fact a wet forest as indicated on the first page of the proposal; evidence to this comment was not included in the proposal. Member Koch indicated that he has been to this property and that it could be characterized as wet and cool. Member Hendrickson and Kaulukukui stated that the goal of the project is to mimic the native forest through reforestation, but that the proposal was a little sparse on the actions that would be done under the project. There were a number of things the applicant wants to be accomplished in their objectives but there was not information explaining the actions to accomplish these goals. Member J. Friday felt that it was sufficient for a project proposal, and staff added the details would be included during the development of a management plan.

- The discussion then turned to the 4 acres with aquaponics; staff clarified that the landowner is passionate about this topic but that this portion of the property will not be included in the Forest Stewardship management plan.
- Staff received three (3) quotes for the developing a management plan ranging in price from \$2,300 to \$4,800. Member Koch is one of the bidders for the development of the management plan. Member J. Friday indicated that the landowner has talked to him several times about this project and that the landowner is looking for help with his project.

Motion to approve the Everson project proposal for the development of a Forest Stewardship management plan and to approve 50% cost-share support for the actual cost of the management plan not to exceed \$2,500. Moved by Koa Kaulukukui, seconded by Mark White.

Continued Discussion

- The FSAC discussed the landowner's vision. There was some confusion about whether the landowner is planning for both ecosystem benefits and timber. Member J. Friday indicated that from his discussion with the landowner, he believes that they are not adverse to occasional harvest. Staff mentioned that they may also be interested in agroforestry with fruit trees. The FSAC recommended that the vision for the project be further articulated in the management plan.
- Approve: Michael Constantinides, Kip Dunbar, Katie Friday, Betsy Gagne, Greg Hendrickson, Koa Kaulukukui, Alvin Kyono, Benton Pang, Rich von Wellsheim, Mark White; Oppose: None; Abstain: JB Friday, Nick Koch. Motion passed.**

Trimarco Project Proposal:

Staff introduced the project; the Trimarco project proposal is located on the Hawaii Island and is located just above sugarcane land. The landscape is relatively flat and is currently deforested.

Discussion

- Member Koch has been to the site and bid on the project; he encouraged him to apply to the Forest Stewardship Program.
- The FSAC committee reiterated their strong opposition to Australian toon. Member Constantinides is particularly concerned about creating a seed source for Australian toon even though there is limited native forest in the area. Member J. Friday also recommended that the landowner check which rosewood species he is considering using against the Hawaii Pacific Weed Risk Assessment because some rosewoods are very invasive. Member K. Friday recommended using 'ōhi'a seeds from local stream banks to plant on the property due to a unique sub-species in the area.
- Staff received 3 quotes for the development of a management plan ranging from \$3,000 to \$4,500.

Motion to approve the Trimarco project proposal for the development of a Forest Stewardship management plan and approval of 50% cost-share for actual project costs not to exceed \$2,500. The FSAC also strongly discourages and is unlikely to fund the planting of Australian toon. Moved by Greg Hendrickson, seconded by Alvin Kyono. Approve: Michael Constantinides, Kip Dunbar, Katie Friday, Betsy Gagne, Greg Hendrickson, Koa Kaulukukui, Alvin Kyono, Benton Pang, Rich von Wellsheim, Mark White; Oppose: None; Abstain: JB Friday, Nick Koch. Motion passed.

Waimea Valley Project Proposal:

Staff introduced the Waimea Valley project proposal; the project is located on Oahu and seeks to restore portions of the valley.

Discussion

- The FSAC discussed the eligibility of the project under the Forest Stewardship Program. Member Kaulukukui abstained from voting because the Office of Hawaiian Homelands (OHA) owns Hi'ipaka LLC that owns Waimea Valley. She clarified that the LLC is a private entity. Some committee members had concerns about their eligibility due to the fact that their owners are a State agency. Staff will follow up on these concerns with the Attorney General's Office. In general the FSAC felt that it looks like a positive project if the ownership is clarified and eligibility is confirmed.
- Member K. Friday felt that it would be positive for large projects, such as this one, to be broken out by spatial explicit stands. The federal guidelines for the Forest Stewardship Program calls for this break down and she felt that the best plans break out the project into management units with similar current and future conditions. The State Handbook does not ask for this, but it may be helpful for the applicant as they plan for such a large area. Member Hendrickson pointed out that the project proposal did break down the budget into target areas where more intensive management will occur and broader invasive species control for the other areas.
- The FSAC questioned the size discrepancies between the small (approximately 30) and large (approximately 1,000) acre units. They encourage the landowner to clearly detail these areas in the plan. The level of detail was sufficient if the conditions on the larger acre units are similar but if there are differences they may need to be broken into smaller units. The FSAC agreed that it was best to include all of the acreage in the management plan rather than just the smaller units.
- The FSAC also discussed the potential for timber harvest on the property. They felt that it would be positive, especially for invasive species, if they can get operators onto the property.
- Member J. Friday mentioned that the applicant should be careful about planting two species of *Pritchardia* sp. on the property due to concerns about hybridization. He felt that it would be better to concentrate on the one species that originally grew in that area.
- The committee briefly discussed the need for the project to have windbreaks and staff clarified that one of the sites is on a ridge.
- Staff received 3 quotes for the creation of a management plan ranged from \$4,700 to \$8,800. Member Constantinides felt that higher cost-share amounts should be reserved for the development of more complex management plans on larger projects. Member K. Friday stated that the job of the FSAC was to encourage them to be more complex.

Motion to approve the project proposal for the development of a Forest Stewardship management plan with 50% cost-share support for the actual cost to develop the plan not to exceed \$5,000 provided that the Attorney General agrees that the project is eligible and the plan includes all 1,875 acres of the management area. Moved by Kip Dunbar, seconded by Betsy Gagne. Approve: Michael Constantinides, Kip Dunbar, Katie Friday, Betsy Gagne, Greg Hendrickson, Alvin Kyono, Benton Pang, Rich von Wellsheim; Oppose: None; Abstain: JB Friday, Koa Kaulukukui, Nick Koch, Mark White. Motion passed.

Hara Project Proposal:

Staff introduced the Hara project proposal; the project is located in Kauai, however the project is not currently eligible for cost share support since the applicant only has a year-to-year lease. The applicant has petitioned for a 25 year lease from the Agricultural Development Corporation (ADC) but they have not yet been approved.

Discussion

- Staff recommended that the committee work with this project similarly to how they worked with the Green Energy project, by providing guidance on management plan development but not provide financial support.
- The FSAC also discussed the prior land use for this property. Member Kyono clarified that it was a forest prior to being converted to sugarcane. The area remained in sugar production until approximately 1990. Today the area is mostly covered by albizia forest. The monastery also leased by these landowners is across the river where they have been planting trees for years.
- Staff shared that this group was originally connected to the Forest Stewardship Program through the sandalwood symposium. The FSAC had some concerns about whether or not 'uli'uli would work as a nurse plant for the sandalwood.

Motion to encourage the development of a forest management plan for review by the FSAC, with no cost-share funding approved through the Forest Stewardship Program due to eligibility requirements. The project would be encouraged to return to the FSAC if they receive a long term lease for the property for potential cost-share support. Moved by Alvin Kyono, seconded by Katie Friday.

Continued Discussion

- The FSAC had some concerns about some of the species proposed for planting; they were unsure if it was seedless. The applicant should also consider whether the sandalwood species planted in this project would be indigenous and native species to Hawaii or Kauai.
- Member J. Friday suggested that a potential host species for sandalwood could be coffee. Member Kyono had some concerns about adding coffee to that area due to its tendency to spread.
- Member J. Friday felt that it was positive that the applicant attended the sandalwood symposium and that they understand the concerns regarding sandalwood hybridization. Propagating sandalwood from cuttings often is not successful. Member J. Friday encouraged the applicant to use the Hawaii Agricultural Research Center's methods for koa seedling establishment. Another point for the applicant to clarify is whether they would be inoculating their own trees or just using HARC koa seedlings. *Casuarina cunningham* has a high weed risk assessment but has not spread in Hawaii; he suggested a reassessment of the Hawaii Pacific Weed Risk Assessment for that species. Member Kyono concurred that he has not seen the species spread due to a lack of viable seeds.
- Member J. Friday mentioned that koaia as a nitrogen fixing species and that should be considered when writing the management plan. Member Pang also wanted to warn the applicant that they may have difficulty getting a permit to harvest koaia in the future depending on applicable rules and zoning restrictions.

Approve: Michael Constantinides, Katie Friday, Betsy Gagne, Greg Hendrickson, Koa Kaulukukui, Alvin Kyono, Rich von Wellsheim, Mark White; Oppose: Kip Dunbar, Benton Pang; Abstain: JB Friday, Nick Koch. Motion passed.

Pu'u Wa'awa'a Forest Reserve:

This item was moved up in the agenda. DOFAW staff Hans Sin, Wildlife Biologist, and Elliot Parsons, Forest Reserve Coordinator, provided an overview of activities at Pu'u Wa'awa'a Forest Reserve. Projects include: development of a shooting and archery range; repair of water infrastructure (Forest Service competitive grant); management of endangered species and habitat;

wildfire pre-suppression; managing a active hunting program in the reserve; out-planting and reforestation (Global ReLeaf grant); invasive species control; development of a Habitat Conservation Plan; ungulate removal in the forest bird sanctuary; predator control.

Melissa Dean from the United State Forest Service provided an overview of the activities in the Forest Reserve related to the Experimental Tropical Forest. Pu‘u Wa‘waa‘a currently has 9 research projects that are ongoing and a cave mapping project on the Forest Reserve. The Forest Service is currently working on securing a site for an educational building down by the old airstrip.

Lunch Break: 11:57 am – 12:33pm

Forest Stewardship Management Plans:

Brookes Management Plan:

The Brookes Forest Management Plan was previously seen by the FSAC over a year ago. This project is seeking cost-share from the Forest Stewardship Program as well as potentially from funding cooperators such as NRCS. After the last FSAC review, there were a few items the committee asked the applicant to update: sequence of planting, ensuring that the proper permits were obtained for threatened and endangered species outplanting, and ensuring that the applicant was planting seedlings from seeds collected from similar areas.

Discussion

- Member Dunbar mentioned a typographic error on page 7 of the management plan. He felt that on the last sentence should be “succession” instead of “successive”.
- The FSAC questioned why the applicant was clearing the property in Year 2 and Year 7. Staff mentioned that the landowner estimated that they would be planting understory species from Year 5 to Year 7. The applicant appears to be using an older version of the Forest Stewardship Handbook; the new handbook would include weed control instead of site preparation in Year 7.
- Member Koch felt that the Mary Dougherty project is similar and would be a good example for this project. Mary’s project was former sugarcane land that was planted with koa and ‘ohi‘a initially, followed by planting of understory species after the overstory was established.
- Member J. Friday felt that including the Hawaii Community College in the restoration process is a positive component of the project since it included community outreach in the plan.
- Member Constantinides felt that the management plan should include the zoning down to county level so that potential issues with zoning could be clarified by the landowner. Also according to the map on page 7 of the management plan the proposed fence currently excludes a portion of the property. The applicant could consider fencing the entire boundary of the area and that it would give the landowner a bigger return for the investment and protect more land. Staff stated that a portion of the property contains gulches that would make it difficult to install a fence on. Member Constantinides stated that the planting density was a bit light at 10ft x 10ft if the goal is to out compete weedy species. At this spacing, weed control costs may be higher in later years.
- The committee suggested that for the site preparation and weed control the landowner may want to consider adding herbicide in addition to cutting and mowing for controlling bamboo. The FSAC felt that under site prep the landowners should clarify if the clearing to bare soil was over the entire area or just in a radius around each planting.

- The FSAC felt that there was a lot of fertilization included in this Forest Stewardship management plan and that the costs of application were high. Member Koch felt that the practice of fertilization is reasonable, but that the cost was high. Member Constantinides suggested that adding slow release fertilizer in each of the planting holes may be more cost efficient than broadcasting fertilizer.
- Member Dunbar suggested that treated wooden posts every 100 ft for fencing may be inadequate for the project. Staff indicated that the fence design was based on the bids for the project. Member von Wellsheim had concerns about the site preparation for fencing and fencing both being included in the budget. He felt that it was unclear about whether or not she's doubled up on the costs. Staff believed that she had broken it out based on the pricing.
- Staff indicated that the applicant may take her management plan, assuming it passed the FSAC, to other programs for cost-share support for implementation and then return to Forest Stewardship Program for additional funding based on what portions it can support. The Forest Stewardship program has been trying to split up the creation of a management plan and cost-share support. Member J. Friday disagreed with splitting up the management plan and funding. He felt that if a plan is not approved it needs to have a fatal flaw and that deferring funding may send the wrong message if the forest stewardship program has the money to fund the project. Staff felt that with the new relationship with FSA and NRCS one of the benefits of this relationship was to encourage the development of management plans and not necessarily committing to funding for 10 years. The Forest Stewardship Program currently has one project with an approved management plan interested in cost share. Member Constantinides indicated that this applicant could come to other programs for funding at a later date. Currently Federal funds cannot be matched with State funds for the Forest Stewardship Program.
- Staff will clarify the budget with the landowner and the two site clearings currently in the management plan.

Motion to approve the Brooke Management Plan with the minor edits to be discussed with the applicant by the staff and to approve the funding of this management plan by the forest stewardship program. Moved by Michael Constantinides, seconded by Kip Dunbar. Approve: Michael Constantinides, Kip Dunbar, Katie Friday, Betsy Gagne, Greg Hendrickson, Koa Kaulukukui, Nick Koch , Alvin Kyono, Benton Pang, Rich von Wellsheim, Mark White; Oppose: None; Abstain: JB Friday. Motion passed.

Koa Aina Management Plan:

Staff introduced the proposed Koa Aina revised Forest Stewardship management plan, this project is active in the Forest Stewardship Program. During the course of project implementation the scope of their management plan has changed. The applicant is no longer using herbicides to control weedy or invasive species. The proposed revision hopes to address the changes made to the project scope and management activities.

Discussion

- The FSAC began the discussion of this project by discussing how this revised management plan differs from the original management plan with regards to the budget. Staff clarified that this revised management plan is asking for an additional \$25,000 per year and the cost per acre for almost all management activities are on the high end of the Forest Stewardship cost share rates.
- The FSAC also discussed the implementation of an organic approach in this revised management plan. Member Constantinides asked if the original plan included an organic

approach. Member J. Friday indicated that in the initial approval process the FSAC indicated that herbicide would be necessary to control invasive species in the area. Staff felt that the applicant has moved in the organic direction as a way of connecting with forest health largely driven by their large volunteer group. Member von Wellsheim also clarified that the original management plan was completed by a different management team. His understanding is that the group has almost changed their mission statement and they have become more of a community refuge. He felt that the proposed management was outside the bounds of a traditional restoration plan.

- Member von Wellsheim also felt that the project has done good work in the area and their huge community support and outreach is important. For those reasons he was in support of the project but he did acknowledge that the revised management plan pushes the bounds on cost share for the Forest Stewardship Program.

- Member K. Friday appreciated the group and the mission, and believed that the previously accepted management plan should be grandfathered into the program. However, she felt that the applicant needed to look at the property as a whole instead of only concentrating in 20 acres. She felt that in the previous management plan there was a more clustered approach but that the FSAC said that they did need to look at their entire property. Ultimately, the project is two times the cost of similar projects and that trail access should extend throughout the property rather than just the 20 acres.

- One of the major issues with the revised project had to do with removing the albizia on the property. Member K. Friday felt that rather than only controlling the albizia trees in the immediate area where volunteers are working if the applicant looked at the whole property they could consider girdling the albizia on portions of the property and then move in with the volunteer groups once those trees have fallen. The result of this approach is that cheaper than the applicant treating those 20 acres for urban forestry. Member K. Friday remembered similar projects where applicants asked for an arborist due to poor planning that the FSAC hasn't funded.

- Member Koch did wonder if there were any additional concerns due to the community groups that worked on the project. Staff shared that the applicant was worried about the safety of the workers. Member J. Friday felt that if the applicant had girdled the trees throughout the project area and returned four (4) years later the trees would be felled for much cheaper and without a risk to the public. He likened the approach to forestry versus gardening and that the special costs, for clearing and felling, were more appropriate to landscaping but not forestry. Member Kyono agreed that it would be more appropriate, for a forestry project, to just girdle the trees.

- Member Kyono clarified that the applicant is looking for a revised management plan because the project is in Year 7 out of a 10 year project and they are trying to get through their funding cycle.

- Member Pang asked if the State receives annual reports from these projects. Staff clarified that the State does receive annual reports and that overall he felt that the project has been relatively successful. The original management plan called for a completely native forest which is not a feasible goal using their current methods. Staff felt that they are very passionate but due to turnover within the organization they lack an accurate assessment of the costs for the project and have problems with looking beyond where they are immediately working. Member von Wellsheim said that both Sheri Mann and he have talked to them about thinking 3 to 5 years ahead and girdle trees in areas they will be moving into and incorporate that approach into the

plan. Staff felt that the message had been sent regarding girdling trees but had not necessarily incorporated into their management plan.

- Member Dunbar felt that this is a wonderful project but that their refusal to use herbicide is a huge obstacle due to the species that they need to control. He understands that the applicant is a huge proponent of community but does not feel that this approach is feasible, such as getting an excavator into steep sloped areas.

- The FSAC asked if the committee does not approve this revision if Koa 'Aina can still operate under the previous management plan. Staff believes that they are in the position that due to the discrepancies between current management activities and the management plan they are unable to receive additional funding until they address these areas.

- The FSAC also discussed the use of albizia as a forest product. Staff understood that this use was approved in the original management plan and that in the original plan allowed for the removal of albizia that threatened their infrastructure.

- Member Koch asked if the FSAC could approve the revised management plan provided that the landowner rotates through the property girdling trees and allowing for time to remove the risk for volunteers. Staff felt that it would be difficult to approve the management plan as is because so much of the budget centers on the use of arborists.

Motion to not approve this revision of the Koa 'Aina Management Plan. DOFAW staff will work with this project to determine what actions can be taken on the project until an acceptable revision is approved. Moved by Katie Friday, seconded by Kip Dunbar.

Continued Discussion

The FSAC felt that if staff could micromanage the project that would be beneficial but that the Forest Stewardship Program could not support a cost ineffective project.

Approve: Michael Constantinides, Kip Dunbar, Katie Friday, Betsy Gagne, Greg Hendrickson, Nick Koch, Koa Kaulukukui, Alvin Kyono, Benton Pang, Rich von Wellsheim, Mark White; Oppose: None; Abstain: JB Friday. Motion passed.

Waikoloa Dry Forest Management Plan:

The Waikoloa Dry Forest project is an existing Forest Management project that has been in operation for 3 years. Due to a delayed start of their contract agreement, the project has been a bit behind on project implementation. They have submitted a revised management plan with current project plans and how they would like to spend unspent funds. This project was one of the first projects funded through NRCS. It is staff's understand that the original NRCS contract has changed and they are no longer being funded by NRCS. Jen Lawson, Waikoloa Dry Forest Initiative Coordinator, was present at the meeting to answer any questions the FSAC had. The Waikoloa Dry Forest project was also featured in the February Hana Hou magazine.

Discussion

- Member Constantinides wanted to clarify some of the comments made about NRCS in the revised management plan. He asked Jen Lawson if it was her understanding that the contract with NRCS was terminated in 2012. She clarified that NRCS was providing funding for both pest management and fuels in October 2012. She understood that Matt Wung, from NRCS, suggested that Waikoloa terminate the contract and potentially look for other funding through the Environmental Quality Incentive Program (EQIP). It was her understanding that the NRCS contract was terminated and Waikoloa still has not received the final payment. Michael Constantinides stated that his understanding of the situation, from speaking with Matt Wung,

was different. He wanted to bring up this issue in front of the FSAC so that the committee understands that NRCS views things differently. Staff expressed that many of these issues are probably caused by different fiscal year and calendar years between the federal and State government.

- Staff clarified that the Waikoloa project is not seeking any additional funding but they are seeking reallocation of funding not spent by the project. The FSAC had some questions about whether this money is already encumbered. Staff explained that it is encumbered but in order for Waikoloa to access the funds the project's management plan needed to be revised. The State generally allows minor modifications to annual management operations provided that the applicant is still meeting their project goals. However, because Waikoloa would like to change funding allocated to management practices a more formal version is recommended.

- The FSAC asked how the project is doing especially regarding the endangered 'uli'uli trees on the property. Jen Lawson shared that they are doing well and the Waikoloa Dry Forest Initiative has been collecting seeds. They are working on rodent control around the trees and within the protective fences on 3 of the trees outside of the project area. Member K. Friday asked whether they are collaborating with Susan Cordell at the Institute of Pacific Island Forestry. Jen Lawson said they have been in touch but not collaborated.

- Member J. Friday felt that the revised management plan included an ambitious planting schedule. Jen Lawson clarified that this was half of the planting schedule originally proposed and was discussed as a possible option with staff prior to the meeting. Jen Lawson feels that the most difficult part of project implementation is site preparation and there is limited weed recolonization due to severely low precipitation. Jen is also planning to experiment with other planting methods such as seed scatter to cover more of the project area.

Motion to support the revised Waikoloa Dry Forest management plan provided the cost-share support is reallocated within the original approved budget. Moved by Benton Pang, seconded by Kip Dunbar. Approve: Kip Dunbar, Katie Friday, Betsy Gagne, Greg Hendrickson, Nick Koch, Koa Kaulukukui, Alvin Kyono, Benton Pang, Rich von Wellsheim, Mark White; Oppose: None; Abstain: Michael Constantinides, JB Friday. Motion passed.

Kainalu Ranch Multi-use Plan:

The Kainalu Ranch multi-use plan submitted by Member Kip Dunbar in conjunction with his Forest Legacy conservation easement. No funding is being requested for this management plan. Member Dunbar provided an updated copy of the management plan with the same language but that included maps and pictures. He explained that the entire ranch is 1,200 acres that has been in his family for 100 years. As explained in the multi-use plan the property has applied for a conservation easement for a portion of the property, approximately 614 acres, which has been classified into three zones: high, standard, and minimal on the property. The property currently has approximately 70 head of cattle that utilize the standard priority zone. This may increase to up to 90 head of cattle in the future depending on need. The cattle are also used for keeping weeds on the property at bay. The project area is heavily utilized by nene and other native birds. The high priority areas are some of the least accessed parts of Kainalu Ranch with only one trail providing access; Member Dunbar would like to eventually add boardwalk trails to this area. On the eastern side of a stream seen on page 7 of the multi-use plan a fence has been proposed to exclude ungulates working with the Eastern Molokai Watershed Partnership.

Discussion

- Staff clarified that the multi-use plan breaks proposed practices into the zones following from the easement.
- Member K. Friday asked if the standard protection zone which included 400 acres for pasture also included some of the pasture areas on the other third of the property not included by the conservation easement. She also clarified that the Forest Legacy Program requires 75% of the property in the easement to be in forest. She asked if there was an estimate of how much of the area is forested and that the plan clarify if 75% of the area is forested. If there is less than 75% forest cover than the plan should include how they will reforest to hit 75% of the total area. Member Dunbar clarified that there are more than 75% forests on the property and he also plans to remove weeds to replant with native plants. Staff said that she would follow up on this issue.
- Member White wondered about grazing that would be occurring on the land in the conservation zone and whether that was a permitted activity under the state land use zoning. Member Dunbar explained that the pasture areas pre-date the conservation district zoning and that the subzone allows for this resource use. Member Dunbar clarified that he does not plan on having more than 90 cattle in order to account for potential drought conditions.
- Member Dunbar said that the only proposed activity in the high priority area are installing a fence. He added that only one landowner in the proposed, expanded East Molokai Watershed Partnership has not responded, but believes this is a good alliance because the upland area in this region is where all the water in Molokai is made. According to Member Dunbar if landowners can keep ungulates out and restore native forest, everyone on Molokai will be better off.

Motion to approve the Kainalu Ranch multi-use plan subject to further edits by staff and the addition of information clarifying that at least 75% of the acreage is currently under forest cover. Moved by Katie Friday, seconded by Alvin Kyono. Approve: Michael Constantinides, Katie Friday, Betsy Gagne, Greg Hendrickson, Nick Koch, Koa Kaulukukui, Alvin Kyono, Benton Pang, Rich von Wellsheim, Mark White; Oppose: None; Abstain: Kip Dunbar, JB Friday. Motion passed.

Kealakekua Heritage Ranch Revised Management Plan:

The Kealakekua Heritage Ranch (KHR) has an approved Forest Stewardship management plan that is associated with their Forest Legacy conservation easement. John Henshaw was at the meeting to represent the ranch.

Discussion

- John Henshaw explained that the management plan was approved by the FSAC but they are seeking input from the committee on a revision of the plan. KHR received an application for Forest Legacy funding in 2004. The ranch completed a Forest Stewardship management plan in 2007 but it took 5 years for the easement to close. During the time it took for the easement to close, the ranch operated under the Forest Stewardship Management Plan but the easement language changed. The ranch is hoping to update the plan because there have been some changes in how they envision managing the forest. During the appraisal on the property a timber cruise was completed that has added to the understanding of the various timber stands on the property. The ranch has also re-fenced much of the areas to define where they want to operate. They would like to reforest in areas with current fencing.
- Under the conservation easement the ranch is allowed to harvest up to 250,000 board feet of green material a year. The ranch is hoping to determine where it harvest and a sustainable harvest level that will likely be below the cap established by the conservation easement. The

ranch has also been talking to NRCS about cost-share funding support, but is not seeking any Forest Stewardship funding for the project.

- The ranch has had some out-planting areas that have included community groups and is engaged in weed control, road, fence and fire pre-suppression activities. There has been one fire that originated on a neighboring property that spread on the ranch but the boundary road acted as a fire break.
- The ranch is looking to the FSAC for suggestions, recommendation and concerns to be included in the revised management plan. The revised plan will look more like a multi-use plan than a Forest Stewardship management plan.
- Staff clarified that the KHR is the FSP's largest management plan.
- John Henshaw provided that the ranch has entered into an agreement with an entity to do eco-tourism with hiking and ATV tours.
- Member von Wellsheim asked how the ranch would address sandalwood management on the ranch. John Henshaw indicated that the plan will address sandalwood and that the ranch has an estimate of where and what sandalwood harvesting has occurred. Member J. Friday asked what harvesting has happened and John Henshaw informed him that no live harvesting of sandalwood has occurred. Irene Sprecher did clarify that the conservation easement does allow for harvesting. Member J. Friday felt that the Forest Stewardship management plan does not allow for live harvest. Staff clarified that if the management plan is more restrictive than the conservation easement then the management plan is document that the ranch should be following for their management. John Henshaw further clarified that the conservation easement does allow for harvest above the 250,000 board feet threshold if additional steps are taken to get approval. Member Pang had some concerns about defining live trees for harvest. John Henshaw shared how the ranch is currently making these determinations. The ranch's major product is timber and they would like to management their resources to return to a fully stocked forest through scarification or planting.
- Member Pang mentioned that the ranch should address potential take for threatened and endangered species in their management plan.
- Member White asked if KHR is a part of the Three Mountain Alliance Watershed Partnership. Member Hendrickson said that the ranch is open to participation. John Henshaw felt that it would be good to speak with the group. Member White explained that it could be a good fit and could allow for the ranch to save money through cooperative efforts.
- Member Koch asked if the ranch has considered getting its wood Forest Stewardship Council (FSC) certified. Member Hendrickson said that they have asked that their plans to be drafted in a way to allow for certification but no decisions have been made.
- The ranch has been engaging in fencing efforts for the ranch. Once the northern side has been finished the cost will be just under \$1 million dollars.
- Member K. Friday asked if the inventory of timber resources conducted by the ranch included regeneration. John Henshaw said that it assumed a 100 year rotation with thinning and produced an estimate of gross merchantable wood. Member K. Friday suggested that they update the Forest Stewardship management plan with the current resource condition (more than or less than 75% forest cover) as well as the results to date of the area being fenced off. Member Hendrickson said that they had to develop some of that information with the Climate Action Reserve so the ranch has the mapping associated with some of that information. The ranch is hoping to have an Improved Forest Management Project carbon project within the next year.

Forest Stewardship Evaluation Criteria:

At the January 2013 meeting a FSAC Permitted Interaction Group was created to review the revisions to the Forest Stewardship Handbook, cost-share rates, administrative rules and evaluation criteria. The goal for the Forest Stewardship evaluation criteria was to provide a transparent method for evaluating project for FSP project implementation funding. Staff including Elizabeth Boxler and Hannah Bergemann, evaluated several projects that have been funded by the Forest Stewardship program using the new proposed evaluation criteria. Elizabeth Boxler felt that it will be important, if this is going to be used to evaluate projects, that the criteria are clearly shared with applicants and they have the opportunity to address each of these evaluation items.

Discussion

- Member Pang wondered about asking for information on NPV and IRR for timber projects. He felt that people may not want to share that information. Member J. Friday felt that this was fairly simple information for landowners to provide and only involves a NPV calculation. He felt that if it is a timber operation that the FSAC should see the business plan in order to justify that it will be a good investment. Member Koch felt that one problem could be predicting future stumpage rates and that landowners could just increase their stumpage until they get a 8% rate of return.
- Member J. Friday stated that he believes that the initial reason for the Forest Stewardship Program was to encourage sustainable forestry operations. Member Gagne said that it was also to create a forested buffer to protect the best remnants of native forest. Member Hendrickson pointed out that both restoration and timber project scored relatively well in the criteria. Member Koch pointed out that it would be critical for the FSAC to continue to talk about nuances in the criteria in the future.
- Staff asked how the FSAC felt that this criteria should be used. She asked if they would like DOFAW staff to run a project through the criteria prior to submitting a management plan. Member Hendrickson thought it would be more of a tool for the committee members to consider while reading through the management plans. The hope for the criteria is to be an objective way to measure the projects. Member J. Friday felt that each committee member evaluating each project would be too time consuming. Staff suggested having one committee member as well as DOFAW staff evaluate the project prior to the meeting.
- Member K. Friday felt that she could clarify that this evaluation criteria will not determine the results for a project until it has been shown to be reliable over a period of time.
- Member Hendrickson mentioned that the Soil and Water Conservation Districts have also seen a lot of management plans for forestry. He feels that people are becoming more aware of the opportunities to re-establish forests in Hawaii. Staff feels that more people talking about forestry which is a good thing.
- Member Gagne reminded the group that foresters used to say that the principle product of Hawaii's forests is water not trees to chop down.
- Member von Wellsheim suggested that the committee use the criteria for a while and then re-evaluate.

Revised Forest Stewardship Handbook:

In addition to the new Forest Stewardship evaluation criteria, the FSAC also reviewed the work of the Permitted Action Group on revising the Forest Stewardship Handbook.

Discussion

- Member Hendrickson liked the new alignment where people can see the cross walk between programs. Also an edit on page 6 the last sentence should be “intend”. Member Hendrickson also felt that, on page 12, the idea of a forest harvest plan is not often seen in Hawaii. He was uncertain where a landowner would receive an approved harvest plan in Hawaii. Member J. Friday clarified that in other states before a landowner can cut trees down they need to receive approval from the government. This is not a current policy in Hawaii. Staff asked if the FSAC would like applicants to add a harvest plan, as appropriate, in the Forest Stewardship management plan. Member Koch suggested that it could also be a Soil and Water Conservation District harvest plan, depending on the county. Member K. Friday suggested that the Forest Stewardship management plan would be the plan for timber harvest. Member J. Friday suggested striking Forest Harvest Plan from the Handbook and adding in “using best management practices (BMP) for timber harvest under this program”.
- Member J. Friday suggested that page 15 must follow current DOFAW BMPs. Member K. Friday suggested moving or duplicating the paragraph on page 15 onto page 12 or moving it to Appendix A. She pointed out that the Handbook does refer to the BMP’s early in the soil section.
- Member White felt that the Handbook was positive and he liked the criteria. He wondered if the criteria would be in the Handbook. Staff said that the criteria will be attached to the Handbook as an Appendix.
- Member Constantinides suggested that #19 should be #17 on page 30, and that that in example equipment and labor rates, bobcat should be suggested to skidsteer.
- Member von Wellsheim suggested that on page 4 under 4 - “of a” should be removed, and that on page 19 section 13 “provided” should be “providing”.

Motion to approve the revised Forest Stewardship Handbook. Moved by Alvin Kyono, seconded by Betsy Gagne. Approve: Michael Constantinides, JB Friday, Katie Friday, Betsy Gagne, Greg Hendrickson, Nick Koch, Koa Kaulukukui, Alvin Kyono, Benton Pang, Rich von Wellsheim, Mark White; Oppose: None; Abstain: None. Motion passed unanimously.

Revised Forest Stewardship Rules:

Staff introduced the proposed, revised Forest Stewardship Program Administrative Rules. These revised rules have been run through the Attorney General’s office for review. The next step for the rules would be to take them to the Board of Land and Natural Resources for approval to conduct public hearings on the proposed rules.

Discussion

- Member Hendrickson suggested that on page 12 “wetland conservations” should be “wetland conservation”.
- Member Kaulukukui felt that on page 6 Section 13-109-4 relating to applicants that are ineligibility needed to be further clarified especially with how it relates to the statute. Staff mentioned that the Attorney General’s Office did look at that item and they felt the clause in the statute clarified the issue.
- Member Gagne shared that the correct terminology is “Natural Area Reserves”.
- Member Kaulukukui recommended that additional revision to the rules were needed to further clarify how applicants can participate in the Forest Stewardship Program, and in particular that in the definition of the FSAC a representative of native Hawaiian organizations should be added.

Motion to defer a decision on the Forest Stewardship Rules. Moved by Koa Kaulukukui.

Continued Discussion

- Staff felt that these should be moved forward since they have been in the works for the past two years and there are still 6 to 8 months of work before they would be approved. Member Kaulukukui felt that there were a number of procedural issues that needed to be revised in the Forest Stewardship Rules. Staff recommended working directly with Member Kaulukukui on her concerns. Member Gagne also had a number of comments on the Forest Stewardship Rules and will work directly with Irene Sprecher.

Voting for New FSAC Members:

There were four spots open on the FSAC committee and six applicants for the openings. Member K. Friday and staff reviewed the recommended representatives for the Forest Stewardship Advisory Committee based on the state and federal guidelines. The two missing representatives are local government representative and a representative from USDA Farm Service Agency.

Voting as follows:

Member Constantinides: Michael Constantinides, Kip Dunbar, Koa Kaulukukui, Mark White
Member J. Friday: Michael Constantinides, Kip Dunbar, Koa Kaulukukui, Mark White
Member K. Friday: Michael Constantinides, Koa Kaulukukui, Connie Laumann, Mark White
Member Gagne: Michael Constantinides, Kip Dunbar, Koa Kaulukukui, Glenn Shishido.
Member Hendrickson: Michael Constantinides, Kip Dunbar, Koa Kaulukukui, Mark White
Member Kaulukukui: Michael Constantinides, Kip Dunbar, Koa Kaulukukui, Mark White
Member Koch: Michael Constantinides, Kip Dunbar, Koa Kaulukukui, Mark White
Member Kyono: Michael Constantinides, Kip Dunbar, Koa Kaulukukui, Mark White
Member Pang: Michael Constantinides, Kip Dunbar, Koa Kaulukukui, Mark White
Member von Wellsheim: Michael Constantinides, Koa Kaulukukui, Connie Laumann, Mark White

Member White: Michael Constantinides, Kip Dunbar, Koa Kaulukukui, Glenn Shishido.

Based on committee votes the four people elected to the FSAC are Michael Constantinides, Kip Dunbar, Koa Kaulukukui and Mark White.

Motion to nominate Benton Pang as the new Chair-elect for the FSAC. Moved by Betsy Gagne, seconded by Alvin Kyono. Passed unanimously.

The FSAC proposed that the next FSAC meeting would be Friday May 10, 2013 in Honolulu.

Motion to adjourn at 4:00 pm. Moved by Alvin Kyono, seconded by Benton Pang. Approve: Michael Constantinides, JB Friday, Katie Friday, Betsy Gagne, Greg Hendrickson, Nick Koch, Koa Kaulukukui, Alvin Kyono, Benton Pang, Rich von Wellsheim, Mark White; Oppose: None; Abstain: None. Motion passed unanimously.