

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Forestry and Wildlife
Honolulu, Hawaii 96826

April 11, 2025

Chairperson and Members
Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Land Board Members:

SUBJECT: REQUEST TO APPROVE AND AUTHORIZE THE CHAIRPERSON TO EXECUTE AND EXTEND CONTRACTS FOR GOODS AND SERVICES WITH FOREST SOLUTIONS INC.

AND

DECLARE THOSE CONTRACTS EXEMPT FROM CHAPTER 343, HAWAII REVISED STATUTES, ENVIRONMENTAL COMPLIANCE REQUIREMENTS.

This Board Submittal requests approval for a contract with Forest Solutions, Inc (FSI) for \$797,000, identified through professional services by a selection panel to support DOFAW across a suite of essential and interrelated forestry initiatives. The planning projects are designed to facilitate the reforestation and enhancement of Hawaii's public and private forest lands.

Included in the contract is planning and support for 1) koa reforestation at Pu'u O'o in the Hilo Forest Reserve, a Climate Smart Commodities Reforestation Project; 2) the Certified Voluntary Carbon Forestry project; 3) the Statewide Carbon Hui, an initiative to support landowners and knowledge of carbon forestry in Hawaii; 4) planning for developing species-specific growth models to inform financial modeling for the Koa Reforestation Partnership; and 5) planning support for the update to Hawaii's Forest Action Plan and associated strategic planning.

BACKGROUND:

Reforestation on Hawaii's state and private lands is essential to ensure that forests continue providing ecological, cultural, recreational, aesthetic, and economic benefits. The upfront cost of reforestation activities is significant, and work is needed to estimate the return on investments by developing growth and yield models and identifying land

use pathways that make reforestation a sound investment. Improving knowledge about tools such as carbon credits, conservation banking, and working forest management will allow landowners to make informed decisions about investing in forests. Over the next three years, these initiatives will require additional capacity and technical support to develop working models that support investment.

Forest Solutions is one of the leads for the Climate Smart Commodities USDA grant program and a co-author of the Hawai'i Forest Action Plan. The company also supports the Hawai'i Carbon Hui and helped develop the inventory and management plan at the Kapāpala Koa Canoe Forest. Over the past two years, they have undertaken revisions on the Project Development Document of the Hawaii Ola Hou Carbon Forestry Project and have been closely involved with validating that project.

Forest Solutions is a family-owned, small business based in Pa'auilo, on the Hāmākua Coast of Hawai'i Island, that serves forest needs across the State of Hawaii. They have been in business for over 25 years, providing various land management services. They specialize in native and exotic tree plantation establishment and native reforestation. The company has planted over 18 million seedlings across 22,000 acres of commercial and conservation forests in various ecological zones.

Since 2005, Forest Solutions has managed some of the state's most extensive koa planting efforts, including in the Ka'ū, Kona, and Hāmākua districts of Hawai'i Island. These efforts cover more than 2875 acres and account for over 880,000 seedlings. Combining their commercial forest planting experience with ongoing silvicultural research, they have achieved world-class growth rates and operating procedures for koa reforestation and management.

CONTRACT PROVISIONS

The proposed contract will provide \$797,000 of State funds to Forest Solutions, Inc. to support planning for reforestation projects in the Pu'u O'o area, Climate Smart Commodities, Forest Action Plan revision and associated strategic planning, carbon forestry and certification, the Carbon Hui and associated Koa Reforestation Partnership, and the Kapapala Koa Forest Management. This contract will be effective from 2025 to 2028. Upon approval by the Board, the Division will submit the contract for review and approval as to form by the Attorney General and process the document for signature by the Chairperson.

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

The projects implemented under the subject contracts will comply with applicable provisions of Chapter 343, Hawaii Revised Statute, and Title 11, Chapter 200, Hawaii Administrative Rules. Activities and actions associated with each project are presumed to fall under the Exemption Classes and Descriptions included in the Exemption List for the Department of Land and Natural Resources (approved by the Environmental Council on November 10, 2020) in the *de minimis* category. An environmental

assessment or impact statement will be prepared if any action does not fall within the exemption list.

RECOMMENDATIONS:

That the Board:

- 1) Declare that, after considering the potential effects of the projects proposed for awards under this request pursuant to Chapter 343, HRS, and Chapter 11-200, HAR, the proposed projects will probably have minimal or no significant effect on the environment and are, therefore, exempt from the preparation of an environmental assessment.
- 2) Delegate authority to the Chairperson to award, execute, and extend agreements or contracts for goods and services to Forest Solutions Inc. for \$797,000, subject to the availability of funds and approval as to form by the Department of the Attorney General.

Respectfully Submitted,

for DGS *Robert Hauff*

DAVID G. SMITH, Administrator
Division of Forestry & Wildlife

APPROVED FOR SUBMITTAL:



DAWN N.S. CHANG, Chairperson
Board of Land and Natural Resources