

From: Poopatanapong, Anne -FS
Sent: Thu, 3 May 2018 22:37:55 +0000
To: Warren, Alyson - FS; Johnston, Eric - FS
Cc: Chatel, John C -FS
Subject: MBS- consultation with FWS and NMFS

Hi Eric and Aly,
Hope all is well!

I had a good conversation with Deb Konnoff on the MBS.
There is a risk of them not making their FY 2018 targets due to their consultation challenges. NMFS will not be able to get them their Biological Opinion in time for them to do a timber sale this year. And they are still working through their challenges with FWS and the limited operating periods that are precluding their ability to have a viable timber sale.

I'm trying to help them find options to help them but am really at a loss for ideas. They are very concerned of not meeting this year's timber target as a result of T&E issues and I feel horrible for that. Not sure what the next steps are.

I can brief you if you are available. Just call me on my cell phone 909-226-1128 anytime.

Thank you much!
Anne



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From: Warren, Alyson - FS
Sent: Fri, 16 Mar 2018 17:44:43 +0000
To: Smith, Marie-Louise -FS; Boyd, Carol - FS
Cc: Anderson, Debbie -FS
Subject: MBS update
Attachments: MBS_FY16_TSPR_Approval_Letter.docx

Wanted to fill you in on my conversation with Dave Kendrick, Timber Program Manager, on the MBS yesterday.

The MBS FY18 timber program (15.6MMBF target) has 3 sales planned. 2 of these sales are prior year no-bids – the Forest is planning to either repackage in-house and put them back out for bid, or turn them over to the State under GNA to repackage and award. If the sales go to the State, they may not be awarded until FY19. 1 of these sales has already gone no-bid 3 times, and as a result of the multiple times repackaging, volume has dropped substantially from the original project (16MM in NEPA; cruise came in much lower than expected at 7MM; 4.5MM after 2nd time repackaging, now estimated at 2MM).

The 3rd sale is called Green Grouse (est. 12.5MM), which is under the unsigned South Fork Stillaguamish EA. The objection process was completed in January and we've been expecting the decision to be signed any day....however Dave said he just became aware that formal consultation has not been initiated and is not planned to be initiated until June. USFWS capacity is limited, and the Forest has prioritized 3 ERFO projects ahead of the S. Fork Stilli EA. I would imagine there is little to no chance of this sale being awarded this FY if that timeline is not moved up. There may be other concerns about how the objection resolution was worded in regards to consultation status – Debbie would have to fill you in on that part.

In addition, we provided \$200k of Pipeline funding for the S. Fork Stilli NEPA in FY16, with the expectation that NEPA would be complete within 1 year from expenditure of Pipeline funds (see attached letter). There is nothing to hold anyone's feet to the fire on this, but I'm concerned about the timeline slipping on a project that had a commitment from the Forest to complete the NEPA as well as award the volume. Perhaps there could be some encouragement from the RO to prioritize completing this project...? As you know, the MBS has fallen way short on their accomplishments over the last several years. They have awarded less than 5MMBF since the beginning of FY16, and it would be great to avoid a similar outcome this year.

Thanks,



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Date:

Subject: 2016 Timber Sale Pipeline Restoration Fund Allocation to the Mount Baker-Snoqualmie
To: Forest Supervisor, Mount Baker-Snoqualmie

The Region has allocated \$200,000 of Timber Sale Pipeline Restoration Fund (BLI – TPPS) to the Mount Baker-Snoqualmie National Forest to fund the South Fork Stillaguamish Timber Sale as requested by the Mount Baker-Snoqualmie National Forest and shown on the enclosed Timber Sale Pipeline Restoration Fund Economic Analysis Form dated February 4, 2016. FSM 2434 and FSH 2409.19, Chapter 50 provide direction on the use of these funds.

As indicated in the Economic Analysis, you are expected to produce the following outputs:

South Fork Stillaguamish Timber Sale	38,000 CCF	FY 2017-2018
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The Forest shall ensure that the total stumpage value from this project is sufficient to provide for the following required deposits as per FSM 2434.03 (listed in priority order): 28% to NFF and roads and trails fund; purchaser elected road construction, if applicable; essential K-V; deposits to replace the total TSPR Fund expenses on the sale, plus an additional 33.33% of that amount for backlog recreation needs; and salvage sale fund deposits for incidental salvage volume, if applicable. Any additional stumpage available may be allocated to K-V Other and/or the TSPR Fund at the discretion of the Line Officer.

For all approved projects, a financial guarantee analysis and annual accomplishment report will be required to be prepared and submitted. **Please prepare a financial guarantee analysis (enclosed) at Gate 4 and Gate 6, and submit to Aly Warren.** Use the Timber Information Manager (TIM) electronic form funding source (STAT102) to identify that TPPS funds are being used for the sale. This form is first made available in TIM at Gate 3, and modifications may be made until Gate 6 is locked. It is important to revise the financial guarantee analysis regularly, as well as the fund distribution in the TIM system when appropriate. Should conditions change on a sale from the time it was proposed, such as a change in volume, stumpage, or K-V Fund needs, conduct another financial guarantee analysis of the sale to determine if the Timber Sale Accounting System (TSA) deposit distributions should be changed.

A copy of the economic analysis, financial guarantee analysis, and any subsequent updates to these must be maintained in the sale folder and contract folder after sale award. Place these analyses with any TSA information or reports. Please also submit any updates to the financial guarantee analysis to Aly Warren.

An objective of the TSPR Fund is to provide for the efficient, timely, and cost-effective preparation of non-salvage sales to restore a pipeline of sales ready for offer. Please note that building Gates 2 and 3 shelf-stock volume was recognized as being “integral to maintaining long-term capacity on the Forests” in this year’s State of the Region Report, dated January 11, 2016. To meet these objectives, as well as to maintain a financially healthy and fiscally sound permanent TSPR Fund in the Region, TSPR funded projects are expected to stay on timeline. NEPA should be completed within 1 year from TSPR fund expenditure, and volume should be advertised for sale within 1 year from the time when sale preparation (Gate 3) has been completed. Any delays in the preparation or award of TSPR funded volume should be communicated to the Regional Office as soon as possible.



Please contact Aly Warren, Regional Timber Program Manager, at alysonwarren@fs.fed.us or 503-808-2385 if you have any questions.

JAMES M. PEÑA
Regional Forester

Enclosures (2)

cc: Alyson Warren, Carol Boyd, ML Smith, Nancy Richardson, Joan Tierney, Michael Daugherty, David Kendrick, Deborah Konhoff