

# MASS TIMBER SALE PROJECT:

Wood Utilization and  
Forest Management of  
the Kenai Peninsula Borough's  
Beetle-impacted Forests



Land Management Agent  
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January 10, 2022



# PURPOSE

- **Introduce KPB's Forest Management intent**
- **Express the value of our forests**
- **Upcoming Actions**
  - Public Engagement
  - Authorization of Timber Sales
  - Hire KPB Forester
  - Release Timber Sales
  - Identify and Pursue Funding
    - Infrastructure Investment and Jobs Act





# Spruce Bark Beetle (SBB)



Infested Spruce beetle tree

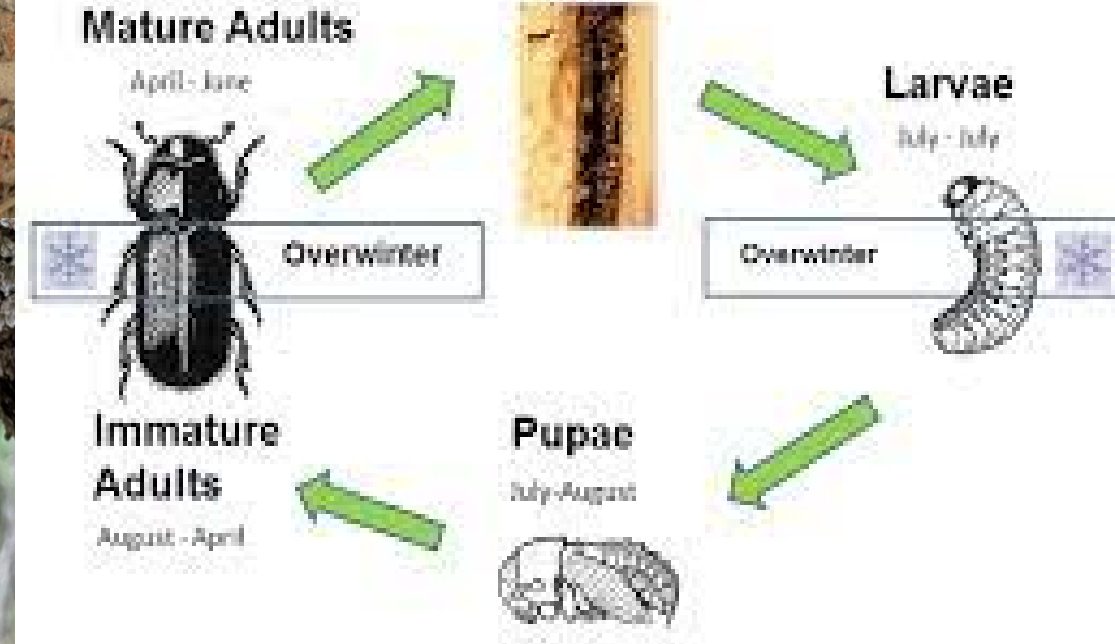


Red boring dust



Pitch tubes

## Spruce Beetle Life Cycle



Adult Spruce Bark Beetle



Dead Spruce trees



# SITUATION

## **Major Forest Disturbance and Spruce Stand Collapse**

- Today it is evident that the SBB impacts are severe and far ranging
- Action must be taken to protect our communities and to preserve the health of our forests into the future
- Selective timber harvest techniques can provide multiple benefits to our forested land



# **MASS TIMBER SALE PROJECT**

- **Short Term Goals**

- Authorization for Timber Sales
- Initiate Active Forest Management
- Utilize local labor

- **Long-Term Goals**

- Forest Management plan
- Cross-boundary Forest Health & Fire Adaptation
- Mandatory Reforestation
- Legacy Forestry infrastructure
- Sustainable market



# **PRIMARY OBJECTIVES**

- 1. Utilize KPB's forest resources that are rapidly deteriorating due to this SBB forest health epidemic**
- 2. Reduce economic and ecological costs to Borough residents**
- 3. Improve quality of land for determining best and highest use for the Borough- sale/ classification**



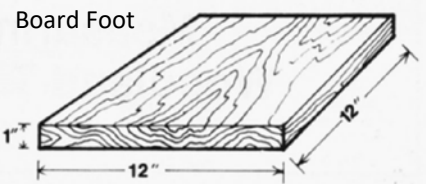
# **SECONDARY OBJECTIVES**

- 4. Improve fire resiliency and protect infrastructure**
- 5. Improve forest health**
- 6. Match our neighboring public land managers efforts in addressing this forest health issue, cooperative cross-boundary management**
- 7. Maintain access for Borough residents**
- 8. Improve wildlife habitat quality**

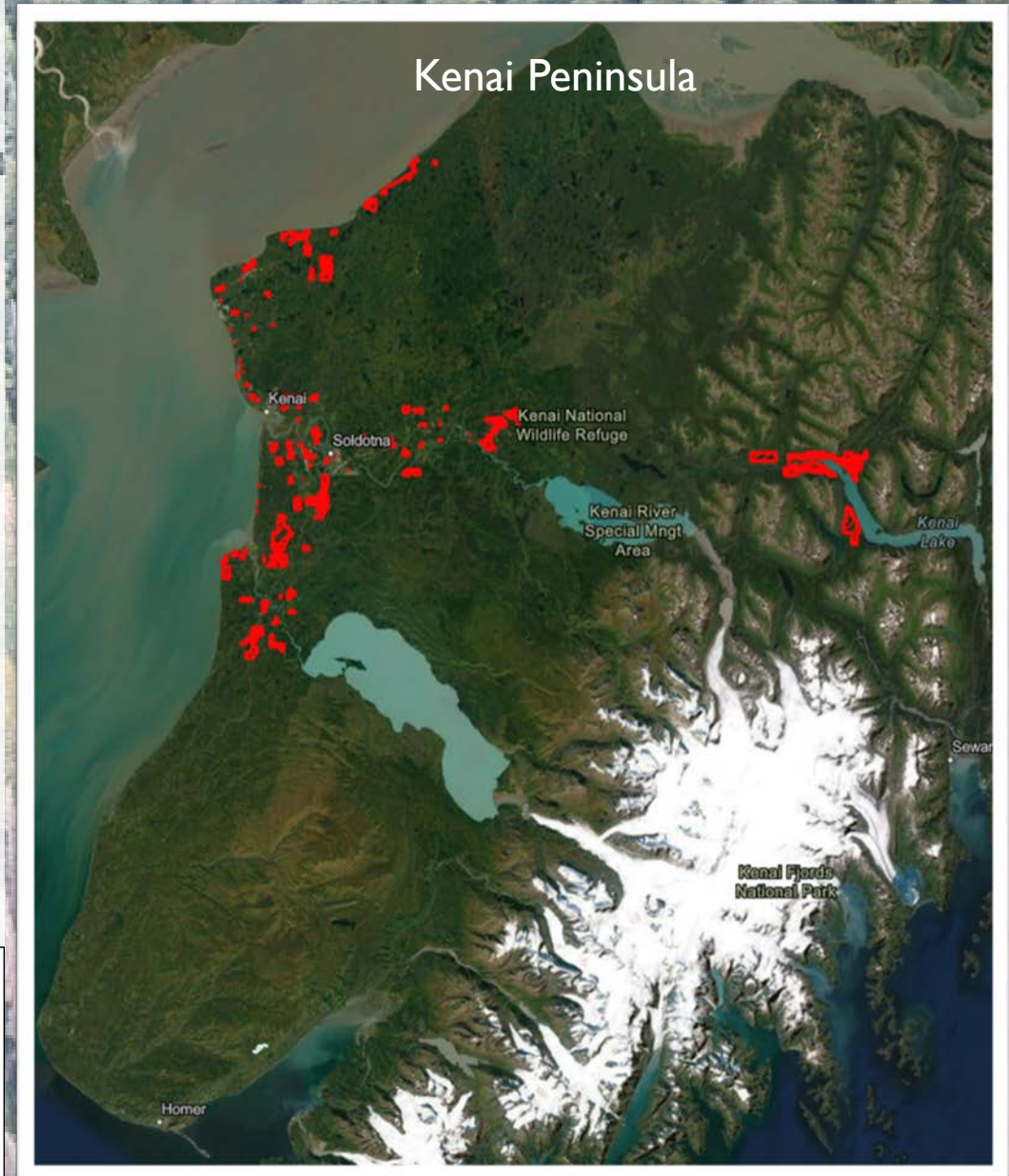
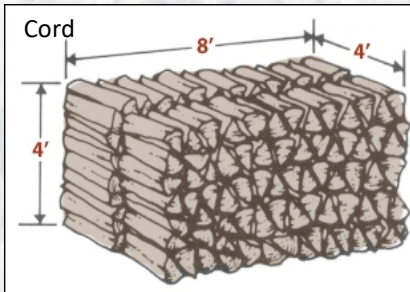


# KPB Owned/Managed Land

- More than 150,000 acres affected by SBB on the Kenai Peninsula
- **~21,000 acres** of Forested Land between Cooper Landing, Kenai, Soldotna
- Mixed forest stands of birch, aspen, spruce
- The spruce volumes currently average:
  - 500- 1000 merchantable BF per acre
  - 0.5- 1 merchantable cords per acre
  - 6- 20 cords of fuelwood per acre



\*Limited Forest Inventory data available\*





# TIMBER VOLUME & VALUE

21,000 acres (ID'd on KPB lands) x Avg 500 to 1000 BF per acre=  
**~10.5 MMBF (10,752 cords) to 21 MMBF (21,504 cords)**  
**TOTAL merchantable volume**

Avg value of white spruce sawlogs= \$36.90/cord x Avg cord/Acre=  
**~\$400,000 to \$800,000 merchantable timber**

**~\$400,000 to \$800,000 of Spruce Timber value for the Landowner being  
lost to SBB**

\*All Economic evaluations are estimates only\*



# TIMBER VALUE

- December 2020
  - Spruce sawlogs = **\$36.90/cord**
  - Spruce Fuelwood= **\$25.60/cord**
- December 2021
  - Mat-Su Borough is currently conducting Timber Sales for **\$5/cord**
  - AK Division of Forestry Kenai/ Kodiak Area Sells **\$10/cord** of fuelwood
  - Chugach National Forest Sells Spruce logs for **\$5/cord**
- Significant reduction of up to **86.5%** in value of timber by not harvesting susceptible trees prior to infestation
- Profit Incentives for the Industry:  
**\$5/cord on the landscape, \$250/ cord in the marketplace**

\*All Economic evaluations are estimates only \*



# ASSETS NOW vs. LIABILITY LATER

- Service Contracts vs. Timber Sales
  - Paying a contractor for stands to be thinned, as any apparent timber value has diminished
- Treatment rates vary case to case
  - Private Contractor: **\$450/acre**
  - USFS: **\$1800 /acre**
  - AK DOF: **\$2000/ acre**





# RISK

## FIRE

- Loss of life
- Infrastructure loss
  - Roads, Utilities, Buildings
- Loss of forest resources/products
- Loss of forest industry jobs



2019 Swan Lake Fire on Sterling Highway



# COST OF WILDLAND FIRE

- 2019 Swan Lake Fire Cost ~\$46 million
  - ~167,000 acres burned in high severity fire
  - ~1.7 million tons of wood total
- 2014 Funny River Fire Cost ~\$6.1 million
  - ~200,000 acres burned in high severity fire
  - ~2 million tons of wood total



**Cost of timber sales < Cost of service contracts < Cost of fire response and potential infrastructure loss  
OR Collapsed Forest for next Generation**



# ECONOMIC OPPORTUNITIES

Resource  
Utilization  
&  
Industry  
Development

Sustainable  
Timber  
Management

Forest  
Management  
Plan

KPB SBB  
Mitigation/Forestry  
Program  
Logging Operations  
Milling Operations  
Fuelwood Operations  
Reforestation Businesses  
Slash Disposal & Biomass  
Use  
Carbon Credits

- Jobs
- Resource Utilization
- Market Expansion
- Industry Development

- **KPB SBB Mitigation/ Forestry Program**
  - Forester
  - Community Engagement/ Grants Specialist
  - Program Manager
- **Logging Operations**
  - Cutters/ Fellers
  - Equipment operators
  - Truck drivers
- **Small mill operations**
  - Dimensional lumber
- **Fuelwood operations**
  - Firewood
- **Reforestation - Native Tree Nursery Business Opportunity**
- **Slash Disposal/ Biomass Use**
  - Composting Facilities
  - Bio-char Facilities
- **Carbon Credits**
  - \$ per acre for preservation

Forest Management Plan



# FEDERAL FUNDING OPPORTUNITIES

- KPB submitted a \$35 million funding request in April 2021 called the **SBB Response Request** that was not directly funded.
- **Infrastructure Investment and Jobs Act:** Federal Funding that KPB will be actively pursuing to support our SBB Mitigation and reforestation.



# CROSS-BOUNDARY COLLABORATIVE FOREST MANAGEMENT

- Planning & Action towards Forest Management
  - Community Wildfire Protection Plans
  - ALAH 5-Year Plan
  - Sterling Strategic Fuelbreak
  - Kenai Strategic Fuelbreak
  - Nikiski Strategic Fuelbreak
  - Soldotna Strategic Fuelbreak
  - Homer Strategic Fuelbreak

- Partners & Potential Partners
  - Kenai National Wildlife refuge
  - AK Division of Forestry
  - AK Department of Fish & Game
  - US Forest Service
  - Chugach National Forest
  - Chugachmuit
  - NRCS
  - Soil & Water Conservation Districts
  - Native Corporations
  - Private landowners
  - Industry Contractors





# LEGISLATIVE PROCESS

- Ordinance 2000-050

**KENAI PENINSULA BOROUGH  
ORDINANCE 2000-50**

**AN ORDINANCE AUTHORIZING EMERGENCY HARVEST OF SPRUCE BARK BEETLE KILLED TIMBER IDENTIFIED AS REPRESENTING A FOREST FIRE HAZARD AND AMENDING KPB 17.50.060 TO PROVIDE FOR OVER-THE-COUNTER DISPOSAL OF FOREST RESOURCES WHEN NO QUALIFYING PROPOSALS ARE RECEIVED IN RESPONSE TO REQUESTS FOR PROPOSALS FOR BIDS**



- New Ordinance Authorizing Forest Management is needed
  - Any land classification
  - Broad prescription types for multiple management objectives
  - Affected areas identified - parcels/ units
  - Authorize Timber Sales
- Public Process
  - APC Meetings → Planning Commission Public Hearings → Assembly Public Hearings
- Public Engagement informs Policy



# PUBLIC ENGAGEMENT

- Planning Commission Presentation on January 10<sup>th</sup> kicks off our public engagement
- Press Release this week:
  - Open House Public Meetings: General Presentations about SBB Mitigation & Forest Management on February 8<sup>th</sup>, and 23<sup>rd</sup> 2022
  - Timber Industry Meeting on March 2<sup>nd</sup>, 2022
  - All Lands All Hands Meeting on March 16<sup>th</sup>, 2022
  - Cooper Landing, Kalifornsky, Moose Pass, Funny River APC Presentations in February- March 2022



# SCHEDULE of ACTIONS

- Public Engagement Campaign → Spring 2022
- Develop Legislation based on public input → Spring 2022
- Authorization of Timber Sales → Summer 2022
- Hire KPB Forester → Summer 2022
- Implementation of Authorization of Timber Sales → Winter 2022
- Identify and Pursue Funding → Ongoing



# TIMELINE





# Thank you!

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