

Central Kupreanof Timber Project: Community Alternative

The Southeast Alaska Conservation Council (SEACC) proposes the following Community Alternative for consideration in the Final Environmental Impact Statement of the Central Kupreanof Timber Project.

Project Purpose and Need

The Purpose of the Central Kupreanof Timber Project is to:

- Manage the timber resource for production of sawtimber and other wood products from suitable lands made available for timber harvest on an even-flow, long-term sustained yield basis, and in an economically efficient manner.
- Seek to provide a timber supply sufficient to meet the annual market demand for Tongass National Forest timber and the market demand for the planning cycle.
- Provide for a diversity of opportunities for resource uses that contribute to the local and regional economies of Southeast Alaska.

Central Kupreanof Timber Project Community Alternative: Summary

This alternative responds directly to the sentiments voiced at the March 17, 2009 Forest Service subsistence hearings in Kake and numerous conversations and interviews SEACC staff had with Kake residents around that time. The Community Alternative of the Central Kupreanof Timber project was designed to meet the purpose and need of the project and also respond to the needs, concerns, and values of Kake, the community nearest the proposed project area. These include:

- Widespread concern within the community of Kake over the possibility that large timber sales would result in reductions in the availability of fish and wildlife important to traditional and cultural uses from decreased habitat capacity
- The importance of subsistence resources economically, socially, and culturally to residents of Kake
- Widespread concern that large sales could only be purchased by non-local operators with little incentive to hire locally, and a related concern that large-scale logging activities would liquidate local forest resources while providing little economic benefit to Kake through either direct or indirect employment
- Desire within Kake to support local mills and access locally made value-added forest products
- Community concern over the connection between roadless area reductions and increased mortality to deer from wolf predation

- Community interest in cultivation of alternative forest products within the young-growth footprint

In that light, our approach to creating this alternative has been to:

- Emphasize the components of the existing alternatives that residents liked
- Adopt a slightly modified version of Alternative 4's unit pool
- Establish sale schedule limitations to ration suitable old-growth timber to insure its long-term availability to small operators in Kake
- Directly link old growth logging prescriptions to mitigation efforts in the young-growth footprint
- Include young-growth management prescriptions that allow for the cultivation of additional forest product uses.

The Community Alternative is also designed to provide a diligent response to Executive Order 12898 which directs Federal agencies to identify and address the issue of environmental justice effects of agency programs that disproportionately impact minorities and low-income populations. Executive Order 12898 specifically directs agencies to consider patterns of subsistence hunting and fishing when an agency action may affect fish or wildlife.¹

Significant Issues

Issue 1: Timber Supply and Sale Economics

There is need for sustainable local employment and a demand for old-growth timber suitable for value-added product manufacturing in Kake. From the perspective of this community, timber supply and sale economics would best be managed in a way that insures perpetual availability of old-growth near the existing road system and that utilizes the young-growth footprint in a way that blends cultural and traditional uses with habitat restoration and timber production. The Community Alternative is designed to respond to these needs.

The Community Alternative offers sustainable levels of old-growth timber to provide sale purchasers with a diversified species mix and to minimize costs. The project would offer up to 20 MMBF of timber in micro and small sales, in order to meet the demand for timber within Kake and to maximize local hire. In order to minimize logging costs and impacts to roadless areas, the Community Alternative proposes building only temporary roads outside of Inventoried Roadless Areas. This is the same as the road management/access proposal in Alternative 4.

Residents of Kake have expressed concerns about past and proposed large-scale logging within the project area. In addition to their concerns about impact to fish and wildlife habitat and subsistence resources, residents are primarily concerned that the community

¹ E.O. 12898

of Kake will not benefit economically from the Central Kupreanof project. Past experience has taught residents that outside logging operations hire a minimal number of local residents, for a minimal amount of time. Because there is no mill in Kake that has the capacity to purchase or process a large volume of timber, it is at this point inevitable that larger sales from the Central Kupreanof Project would only be purchased by companies from outside of the community. Kake residents are concerned that they will see forest resources leave without retaining any of the economic benefits locally.

The Central Kupreanof timber project has the opportunity to dramatically impact the economy of Kake by insuring that local forest lands are managed to provide long-term local jobs and allow for traditional and cultural forest uses. A number of individuals from Kake own small sawmills, and have contacted the Forest Service and expressed interest in purchasing small sales and micro-sales from the project area.²

The community alternative insures that timber considered suitable within the Central Kupreanof project will only be offered in sales of 200 MBF or less per year, enough to meet or exceed current and projected demand in Kake. This limitation on the scale of sales will help to insure a long-term supply of old-growth for small operators in Kake and will allow them the certainty needed to amortize investments in retooling their operations to be more efficient and diversified. It is highly unlikely that this rationing approach to old-growth timber will see the entire unit pool brought to sale within the life of the FEIS so it is expected that an update to this analysis would be conducted to maintain a steady supply.

Not only would small sales maximize the long-term benefit to the community of Kake but in general, small and micro sales have been proven to be more economically efficient than large sales. As the DEIS states: "Local processing avoids the cost of barging the timber to a larger mill, thus reducing logging costs and increasing the indicated bid amount for the volume harvested through small sales."³ Between 2003 and 2007, micro-sales on Prince of Whales Island had an average bid value of \$90.36 per MBF. Units sold through the small sales program had an average bid value of \$64.75 per MBF. This provides a dramatic contrast to the large sales program, which generated an average bid value of only \$11.44 per MBF over the same period of time.⁴

Small and micro sales are the most effective option for creating economically efficient projects and providing local employment. As stated in the Couverden Timber Sale Record of Decision:

"Small timber operators have the ability to sell smaller amounts of forest products in the local area, have less capital outlays, lower overhead, and have been able to

² Central Kupreanof Timber Harvest Draft Environmental Impact Statement, Volume A. 3-17, 3-18.

³ Ibid, 3-17.

⁴ Mehrkens, J. 2007. Tongass Timber Bid Analysis. Excel spreadsheets on file with Sitka Conservation Society and also attached as Exhibit 2 to the SEACC appeal of the Tongass Land and Management Plan Amendment available at http://tongass-fpadjust.net/FPA_Appeals.htm.

develop niche markets for their products. The small and very small family owned businesses that currently constitute the Southeast Alaska wood products industry are adjusting to take advantage of these more specialized markets. This is likely a normal phenomenon that is part of the transition occurring in the Southeast Alaska timber industry.”⁵

In order to be economically efficient, the large scale program requires much out-of-state processing.⁶ By utilizing only small and micro-sales, the Community Alternative keeps wood processing jobs and revenue within the region. Eliminating the need for out-of-state processing also allows full local utilization of high-value species. For example, small mill operators in Kake will have the opportunity to work with local artisans, who are interested in improved access to high quality yellow-cedars that are suitable for cultural and traditional uses such as mask and totem carving.

The Central Kupreanof project also has the capacity to provide local residents with employment opportunities associated with maintaining the USFS road system. Road maintenance, reconstruction and red pipe replacement associated with timber sales can all be done via the stewardship contracting mechanism with the net effect of providing local jobs for Kake residents, restoring salmon habitat and enhancing opportunity for cultural and traditional forest uses.

The Community Alternative meets the purpose and need of the project while maximizing benefits for a Southeast Alaskan Native village that is currently in a very dire economic situation. When compared to alternatives that allow for large sales to occur, the community alternative provides the most earnest response to Executive Order 12898. By offering only units on the existing road system and scaling sales so that Kake residents can rely upon a long-term supply of old-growth, the timber resource is managed in an economic, even-flow and long-term sustained yield basis while providing better protection for the community’s subsistence interests. Maximizing local hire and local processing both manages the timber resource in an economic manner and provides for a diversity of opportunities for resource use that will positively impact the economy of Kake.

The Community Alternative also responds to important issues raised in scoping comments, including: no new road construction, scaling sales so that volume amortizes the cost of mobilization, and considering small and micro sales.

Specific units of measure are listed in Table 1. The project unit pool and logging prescriptions for each unit are noted in Map 1.

⁵ Couverden Timber Sale Record of Decision, R-9.

⁶ Housley, R., K Vaughan & S. Alexander. 2007. Forest Service Region 10 Timber Market Analysis of the Effects of Export and Interstate Commerce on Timber Sale Value and Volume. Regional Economist, USDA Forest Service, Alaska Region. February 20, 2007.

Issue Two: Inventoried Roadless Areas

The Community Alternative maintains the integrity and value of the North Kupreanof, South Kupreanof, Rocky Pass and Castle Inventoried Roadless Areas by proposing sale units only outside of Inventoried Roadless Areas. The Community Alternative is identical to Alternative 4 in this regard. Avoiding logging and road building activities in roadless areas addresses the purpose and need of the project; to “provide for a diversity of opportunities for resource uses that contribute to the local and regional economies of Southeast Alaska” in two primary ways:

- Avoiding development activities in roadless areas responds to Kake residents’ concerns that logging and roading in existing roadless areas will reduce deer habitat productivity and increase wolf predation on this important subsistence species. Kake residents are heavily dependent upon subsistence resources as economic supplements.⁷ Leaving inventoried roadless areas intact will allow Kake residents to continue to supplement their incomes with subsistence resources, as well as continue traditional uses of the landscape.
- Avoiding development activities in roadless areas maintains greater opportunity for the community of Kake to market their wild landscapes as destinations for tourists.

By proposing sale units outside of roadless areas, the Community Alternative is in direct contrast to Alternatives 2 and 3. Alternative 2 proposes harvest in 434 roadless acres. Taking into account the 600 foot measure of influence around logging units and 1200 foot measure around roads, Alternative 2 would impact 1,220 roadless acres. Alternative 3 proposes harvest on 1,339 acres of roadless area, and would influence 5,674 acres of inventoried roadless area.⁸

The Community Alternative and Alternative 4 would still have a small impact upon roadless areas. Although Alternative 4 proposes no timber cutting or road building within the North Kupreanof, South Kupreanof, Rocky Pass, or Castle Inventoried Roadless Areas, logging and road building outside of the roadless area boundaries would impact 140 acres of roadless area within the 600 foot and 1200 foot areas of influence.⁹

Specific units of measure are listed in Table 1.

Issue Three: Road Management/Access

⁷ Central Kupreanof Timber Harvest Draft Environmental Impact Statement, Volume A. 3-5.

⁸ Ibid, 3-30.

⁹ Ibid, 3-31.

The Community Alternative does not require construction of any new system roads. It emphasizes the maintenances of existing roads and the selection of some roads for downgrading to 4 wheeler access or decommissioning. A few temporary roads are proposed for reaching suitable timber more than 500 feet from the existing road system. By avoiding building new system roads and building few temporary roads with no crossings of Class I or Class II streams, the Community Alternative avoids potential negative impacts to fish and wildlife habitat, soils, hydrological processes, slope stability, water quality and remote recreation opportunities. Community members appreciate the significant benefits that the existing road system provides by facilitating traditional and cultural uses of the forest and creating recreation opportunities. However, community members have voiced concern that the Forest Service is not able to adequately maintain all of the existing roads. By focusing resources on maintaining existing roads, rather than on constructing new roads, the Community Alternative allows the Forest Service to maintain roads close to town which will provide the most benefit for the community over the short and long-term. Focusing logging activities on the existing road system also makes it much more cost effective for operators to purchase the sale. Without public works funding, the cost of road construction would make Alternatives 2 or 3 cost prohibitive for any mill operators in the region.

The Kake Road System is made up of 114 miles of road on northern Kupreanof Island. The Project Area encompasses 79 miles of existing National Forest Service road, 64 miles of which are open to motorized vehicle use. Of these, 38 are mainline miles. The Petersburg Ranger District has historically spent \$70,000 per year on maintaining the Kake Road System. Average cost is \$2,000 per mile. Approximately 35 miles are maintained each year. None of the roads are cleared in the winter, so snow usually makes all 114 miles impassable from December through April.¹⁰

There is an opportunity to meet the purpose and need of this project by utilizing stewardship contracting to employ Kake residents to maintain the existing road system. Stewardship contracting for road maintenance may include: repairs to road surface, brushing, cleaning, and repairing drainage features.¹¹

In some years, public works funds are available to pay for all, or a portion of, road construction or reconstruction costs in a timber sale for roads that will be used in the long-term administration of the national forest.¹² If public works funds are made available, this alternative would prioritize spending those funds on maintenance and repair of the existing roads.

Specific units of measure are listed in Table 1. Proposed temporary roads and roads proposed for decommission are noted in Map 1.

¹⁰ Central Kupreanof Timber Harvest Draft Environmental Impact Statement, Volume A. 3-39.

¹¹ Ibid, 3-37.

¹² Ibid, 3-17.

Other Important Issues

Long-Term Community Economic Viability

After two of Kake's main employers, Kake Foods and Kake Tribal Logging and Timber both closed in 2003, the Denali Commission named Kake a "distressed community". A distressed community is one that meets the following criteria:

"Per capita market income not greater than 67 percent of the U.S. average; and
Poverty rate at 150 percent of the U.S. average or greater; and
Three-year unemployment rate at 150 percent of the U.S. average or greater; or
Twice the U.S. poverty rate and either (1) or (3) above."¹³

"Based on the 2003 data, the Denali Commission estimates Kake's average market income as below the threshold level and estimates that more than 70 percent of residents aged 16 and over earn less than the threshold."¹⁴ The community of Kake is clearly qualified as a target population for Executive Order 12898 and deserving of due consideration with regards to the costs and benefits of the Central Kupreanof project.

The need for economic stimulus in Kake aligns well with the purpose and need of the project. Along with an emphasis on maintaining and enhancing cultural and traditional uses of forest products, fish and wildlife, it is one of the primary driving factors for the Community Alternative. By using local resources to sustain local communities, we have the opportunity to meet community and regional needs.

One crucial way to meet community needs is to consider the wide variety of forest products that contribute to the local economy. Timber can certainly provide positive benefits to Kake's economy, but there are many others forest products that can contribute as well.

Blueberries, for example, are both a traditional food and a cash crop for Kake residents. Community members have expressed substantial interest in combining logging and young-growth treatments with habitat restoration and native plant cultivation. Firewood is another important forest product that Kake residents acquire in the project area.

The Community Alternative proposes providing tangible economic benefit to the community of Kake by scaling sale units so that local operators may purchase them, maximizing local processing, maximizing local hire for logging activities, and providing significant local hire for land stewardship opportunities through stewardship contracting. Stewardship contracting activities may include: road repair and maintenance, road

¹³ Ibid, 3-6.

¹⁴ Central Kupreanof Timber Harvest Draft Environmental Impact Statement, Volume A. 3-6.

decommissioning, pre-commercial thinning, culvert replacement, mixing of thinning by-product and fish waste for fertilizer, and cultivation of forest products such as wild berries in gapped stands.

Fish and Wildlife Habitat Restoration

Salmon Habitat

The Central Kupreanof project area has seen relatively low impacts to mainstem fish habitat. However, there are an abundance of red pipes in the project area that likely reduce the associated watershed's productivity of Coho salmon.

The Community Alternative proposes to fix all red pipes within the project area. A prioritization process for the order of culvert replacement will be based on the quantity of potential fish habitat that occurs upstream of the culvert. Consideration will also be given to dovetailing this work with logging operations where possible.

Deer Habitat

The Central Kupreanof project area has seen significant reductions in carrying capacity for deer populations because of past logging practices. The naturally high degree of forest fragmentation makes the project area deer particularly sensitive to impacts from clearcut logging. Patch sizes of less than 175 acres can act as "killing fields" because of wolf predation during heavy winter periods.¹⁵

As an approach to mitigate impacts to carrying capacity from past and proposed logging, the Community Alternative includes a rule of thumb that for every acre of low elevation (<800') old-growth that is clearcut or selectively logged at >50% of the basal area, 5-10 acres of low elevation young-growth will receive a wildlife thinning treatment that includes a mixture of variable spaced thinning, gaps and thickets. Where selective logging removes between 30% and 50% of the basal area, 2-5 acres will be treated as described above. Where selective logging removes less than 30% of the basal area of an old-growth stand, no mitigation will be required.

In addition to the mitigation measures described above, the Community Alternative includes an aggressive restoration plan that is designed to increase the abundance of old-growth patches that are > 170 acres (large patches). Toward that end, units that would compromise existing large patches have been dropped or limited to < 30% selective prescriptions. In addition, restorative wildlife thinning treatments will be applied to young-growth stands that border existing patches of old-growth that can serve as nodes for large patch restoration.

Consideration will also be given to decommissioning roads that threaten habitat connectivity for deer. In particular, the 45808 and 45906 roads are top priority for decommissioning once restoration thinning has been conducted in the area.

Customary and Traditional Use

¹⁵ Dave Persons, personal communication. 2008.

The people of Kake Kwaan have relied upon the surrounding landscape to provide food, tools, and medicine since time immemorial. Today, both Native and Non-Native residents of Kake depend upon subsistence resources as economic supplements. Traditional way-of-life and culture remains a crucial part of community life.¹⁶

Kake people rely upon a healthy landscape to support customary and traditional uses. Concerns in Kake are not limited to issues surrounding hunter access. While increased and decreased hunter access related to road openings and closures is certainly an important component, other resource use issues need to be considered. Kake residents have expressed significant concern over decrease in deer and salmon populations near the community. As a result, community members feel they must travel farther to reach subsistence resources, and they are concerned about the costs and risks associated with doing so.

There is significant opportunity for the Central Kupreanof timber project to provide economic benefit to the residents of Kake and simultaneously enhance the capacity of the landscape to support customary and traditional activities. Taking care to maintain a healthy forest ecosystem by limiting old-growth logging to the level needed to supply Kake residents is the best way to do this. In addition, stewardship contracting for wildlife thinning, thinning for plant cultivation, road maintenance, and culvert repair can provide much needed economic opportunities for community members while also improving habitat for plants, fish, and wildlife.

Through focusing on the importance of subsistence resources to the society and economy of Kake and other towns in the region, the Community Alternative meets the purpose and need to provide for a diversity of opportunities for resource uses that contribute to the local and regional economies of Southeast Alaska. Focusing on subsistence use matters and needs also responds to Executive Order 12898, which directs agencies to address the issue of environmental justice when agency activities cause disproportionate impact to low-income and minority populations.

¹⁶ Central Kupreanof Timber Harvest Draft Environmental Impact Statement, Volume A. 3-5.

Table 1

Units of Measure	Community Alternative
Issue 1 – Timber Supply/Sale Economics	
Indicated Bid Value (MBF)	+\$77.00 ¹⁷
Logging/Transportation Coast (MBF)	~\$300.00
Road Costs (MBF)	\$17.00
Temporary Road Miles	2.2
System Road Miles	0
Helicopter Sawlog Volume (MMBF)	0
Ground Based Sawlog Volume (MMBF)	19.8
Total Volume (MBF)	19.8
Direct Jobs	94-133
Economic Flexibility Ranking	?
Issue 2 – Inventoried Roadless Areas	
Acres of Timber Harvest within Inventoried Roadless Areas	0
Miles of NFS Roads (closed after harvest)	0
Miles of Temporary Roads within Inventoried Roadless Areas (decommissioned after harvest)	0
Total Acres Affected Including Buffers (600' for harvest units, 1200' for roads)	140
Percent of Inventoried Roadless Area Affected for the Project Area	0
Issue 3 – Road Management Access	
Miles of Proposed New NFS Road to be Constructed	0
Miles of Proposed New Temporary Road	.7
Miles of Reconstructed Existing Closed Road to Remain Open after Harvest	2.6
Miles of Open Existing NFS Road before Harvest	64
Miles of Road to be Left Open for up to ten years after Harvest	66.6

¹⁷ Mehrkens, J. 2007. Tongass Timber Bid Analysis. Excel spreadsheets on file with Sitka Conservation Society and also attached as Exhibit 2 to the SEACC appeal of the Tongass Land and Management Plan Amendment available at http://tongass-fpadjust.net/FPA_Appeals.htm.

Miles of New and Temporary Road to be Constructed in Inventoried Roadless Areas	0
Miles of Existing national Forest System Road to be Closed after Harvest	10
Total Road Cost for all New Temporary, New NFS, and Reconstructed Road within the Project Area	\$416,000
Total Miles of Road Remaining Open after Implementation of each Alternative	54

Units of Measure	Community Alternative
<i>Other Environmental Considerations</i>	
Effects on Wildlife	
Acres of POG Habitat Harvested	985
Percent Change from Current Condition within Project Area (57,628 acres of POG)	1.9%
Percent change from current condition (2008) within WAA (268,611 acres of POG)	.4%
Percent change from current condition (2008) within Biogeographic Province (307,710 acres of POG)	.4%
Percent Reduction From Historic Original Condition Geographic Province (-28%) (431,217 acres of POG)	29.3%
Percent Reduction From Historic/Original Condition WAA (-27%) (359, 445 acres of POG)	27.3%
Effects on Timber and Vegetation	
Total Acres Even-aged Management (Clearcut)	592
Total Acres Uneven-aged Management (single-tree Selection)	0
Total Acres Uneven-aged Management (Single-tree Selection)	734
Total Acres of harvest by all Silviculture Systems	734
Effects on Soils	
Total Acres Soil Disturbance	51.4
Acres of Very High Risk Hazard (MMI-4) Soils in Units by Alternative	0
Effects on Wetlands	
Total Miles of Road (Reconstructed, Temporary and NFS) Crossing Wetlands	.34
Effects on Heritage Resources	None

Effects on Scenery – Percent of Past and Proposed Visual Disturbance by Viewshed	
Hamilton	5%
Big John Bay	15%
Rocky Pass	2%
Upper Castle	2%
Upper Duncan	1%
Effects on Recreation	Not Significant

Effects on Hydrology/Fisheries – 30 year Cumulative Harvest Percentage by Watershed (assuming a 2009 implementation date)	
Hamilton Creek	<4.6%
McNaughton Point	<11.9%
Big John Creek	<5.8%
West Duncan Canal	<.6%
Keku Creek	<.2%
Castle River	<1.5%
Tunehean Creek	<1.5%
Units of Measure	
Total Number of Proposed Stream Crossings by Alternative	
Hamilton Creek	2
McNaughton Point	1
Big John Creek	1
West Duncan Canal	0
Keku Creek	0
Castle River	4
Tunehean Creek	0
Total	8
Effects on TES (plants)	Minor
Effects on Subsistence	<i>Negative impacts from reduced carrying capacity, positive impacts from mitigation</i>