

Mohawk Trail Woodlands Partnership (MTWP) Advisory Committee Meeting

April 12, 2016

Berkshire East Ski Lodge, 66 Thunder Mountain Road, Charlemont, MA

Staff: P. Sloan, A. Larose, T. Matuszko, E. Coughlin, B. O'Connor, W. Ferris, D. Raimo

Members Attending: Greg Cox, Dicken Crane, Larry Flaccus, Kyle Hanlon, Jay Healy, Fred Jajko, Nathan L'Etoile, Josh Fritz, Jim Niedbalski, Joe Nowak, Jim Perry, Keith Ross, Whit Sanford, Art Schwenger, Ron Sardi (Monroe), Scott Sylvester

Others attending: Kurt Gaertner (EOEEA)

1. Introductions

T. Matuszko commenced the meeting at 6:00 PM and asked all meeting attendees to introduce themselves.

2. Review and Approval of March 15, 2016 Meeting Notes

Art Schwenger motioned that the committee approve the Meeting Notes of March 15, 2016. Kyle Hanlon seconded. The motion carried with Joe Nowak and Scott Sylvester abstaining from voting.

3. Review and Discussion of Draft Legislation for a Special Designation for the 21-Town Region

T. Matuszko introduced the legislation which is a critical step towards formally inviting the State & the U.S. Forest Service to provide both technical and financial resources to the 21-town area that is the Mohawk Trail Woodland Partnership. Legislation needs to be passed at the state level first, and then at the federal level. The draft state legislation was reviewed at the previous meeting, and has now been revised based on feedback received.

Some of the changes were minor typos and grammatical corrections, but a few areas, which are highlighted in yellow, underwent more substantial changes. The preamble has been amended with additional clarification, and reinforces the national significance of this area.

On page 2, two definitions were added. There was comment from the last meeting that we wanted to be careful not to refer to "partnership" in terms of a legal meaning for a business association, therefore a definition for "partnership" in this context was added to identify it as a cooperative association between the State, U.S. Forest Service, towns and regional organizations participating. A definition was also drafted for the term "sustainable forest management."

Comment: In the definition for sustainable forestry, there is no reference to regeneration. I think that's a really important thing.

Question: Is there any thought or notion about sustainable forest management in terms of making sure that it does happen, or that there's an entity that makes sure that happens?

Response: At this point it is simply a definition of what we mean by it.

Comment: Since we would require forest management plans for any lands that are protected with a conservation restriction using funding under this program, presumably they are going to be following good forestry management practices that are outlined by the state. Perhaps we want to add that the term means “carefully planned *management and harvesting*,” because it may not be just harvesting.

Comment: As far as I can tell, there is no definition of sustainable forestry in any state law or regulation. There is the Chapter 132 Forest Cutting Practices Act that has Section 40 which talks about continuous and increasing forest supply for the forest industry and forest land owners. The current draft of the definition was developed using parts of definitions from the New England Forestry Foundation, DCR’s Working Woodlands Project, and other sources, none of which had a comprehensive enough definition. Maybe we should say “to at least the Chapter 61 forest stewardship standards”. Chapter 61 is forestry that is implemented to a certain standard, meaning that plans are produced by foresters.

Question: Is the intent of this to require harvesting? Or should we have it be broader? It’s theoretically going to cover a long period of time, so maybe sustainable forest management “includes the growing and carefully planned harvesting of trees or other forest products for...” including but not limited to all these different things. I think the basis of the sustainability is that whatever you’re doing is able to continue in perpetuity.

Suggestion: Say “the carefully planned harvesting and/or regeneration of trees.”

Suggestion: Include “management” because some people do practice sustainable forestry management for carbon storage and won’t necessarily be harvesting.

Suggestion: Say “sustainable forest management includes the management, growing, harvesting, and regeneration of trees that conserves...”

Comment: Using the word “conserves” here assumes that all these things like biological diversity, structure, etc. already exist and maybe we should be saying something like “promotes”.

Suggestion: Say “conserves and improves”? Is that the goal? “Conserve and/or promote”?

Comment: “Conserve” is a good word to use when talking about forestry, because it doesn’t mean keeping it the same, it means thinking about biodiversity and balancing what’s being done. “Conserve” doesn’t mean it has to be done one way – you can cut the trees and still conserve the forest, but you have to do it in such a way that you’re keeping the soil productivity and you still have good wildlife habitat; it might be for a different species than you started with, but you do that consciously.

Suggestions: “conserves and/or promotes”; “management, growing, harvesting, and regeneration”

Suggestion: Add “considers the surrounding forest landscape”

Suggestion: Change “trees” to “woodlands”

Comment: It’s important when doing sustainable management to maintain or promote the *quality* of the forest, so perhaps we can say “the continuous yield of quality forest products”. A comment that was made was that if we don’t do anything, it will deteriorate, and we don’t want it to deteriorate, we want it to continue to improve.

Suggestion: “a range of forest products” or “a range of quality forest products.”

Comment: But is the junk wood that’s choking our forests a “quality forest product”? You’re trying to improve the quality of your woodlands but I wouldn’t consider that a quality forest product.

Suggestion: “a range of usable forest products.”

Comment: At the NFA meeting on Saturday, a graph was shown as to the amount of different classes of wood being saw logs to pulp and chips. It was roughly equal production but the *value* was 90% in the saw logs, so you can look at what you’re producing in terms of volume or value. I think when you also get into carbon sequestration, what you want to be producing is the valuable saw logs that end up sequestering even after it’s cut, rather than the chips and pulp which don’t sequester very long after they’re cut. From a greenhouse gas point of view, what you really want to do is incentivize the production of high value wood that ends up being sequestered because it’s a long-term product. We’re choked with low-value junk that we have to harvest to get rid of, but our goal is to grow the high-value products in its place, and the value of that isn’t just the dollars for the landowner, but it’s also a greenhouse gas issue because you’re sequestering more of that long-term.

Response: It was pointed out that carbon cycling is part of this definition, and staff read a revised draft based on the discussion. “Sustainable forest management includes careful planning and the management, growing, harvesting, and regeneration of woodlands that conserves and/or promotes biologic diversity, soil productivity, water quality, a continuous yield of a range of usable forest products, carbon cycling, cultural resources, and recreational use of the forest, and considers the surrounding forest landscape.”

Comment: Leave in “carefully planned”.

On page 3, the highlighted text addresses comments from the last meeting about the potential to allow the expansion of the area. The text suggests that after 5 years, the boundary could be expanded with a 2/3 vote of the partnership board.

Comment: Reading through the notes, there seemed to be a lot of concern that the municipalities ought to have a strong say in this. In doing the math, it’s possible to get 2/3 without having a majority of the municipalities, so what if both are required? Two-thirds of the board, *and* at least a majority of the municipalities, because ultimately adding more towns means that each town gets less money, if there is a fixed amount of money for municipalities.

Question: Would that be the majority of the municipalities present at that meeting when that issue is voted on, or would you be taking proxy votes for towns that opted not to attend?

Response: In that type of a vote, it should be of all the participating communities, which would mean they would need to be at that meeting. The bylaws could specify a provision for proxy voting. In one instance, it specifies that it needs to be of the participating members, but other than that it is at least implied that it is the majority of those who attend a meeting. So, we need to be clear on those instances; we need to look at that a little closer. It sounds like we agree that a majority of participating communities would have to approve expansion.

Question: If a town has opted in, but have not designated a person to be on the advisory board, are they “participating”?

Response: Yes. The bylaws would specify who does the voting. It may be the board of selectmen. For those votes that are very important, the bylaws can say something like “the designated representative, or in the absence thereof, the Selectboard.”

Question: I support a delay of five years, but my question has to do with the partnership activity area. If a town declines to vote itself in during this initial round, are they then allowed to join after waiting five years? What’s the process for those who decline to join now?

Response: We were thinking that if they are part of the initial 21-town area, they could join any time, but that’s probably not as spelled out as it needs to be.

Question: So what’s the benefit to them signing on now rather than later? Why wouldn’t everyone delay and see what happens?

Response: If everyone delays, nothing happens. The incentive is that you don’t get any of the benefits if you don’t join. So if you want your landowners to have access to conservation restrictions, or you want your businesses to have access to the business loans and funding for forest management plans, then you would likely join and hopefully that is incentive enough. I understand what you’re saying though – would having a waiting period after the initial round give an incentive for towns to make sure that they’re meeting the timeframe?

Comment: How about during the first two years, any of those towns can join, but after two years, they have to wait until the five year mark.

Comment: There are a lot of reasons why the towns may not opt in during the same year. There could be a contentious town meeting that year and they decide not to bring it to that meeting. Some towns might want to just wait and see how it goes.

Comment: One option is to have a drop-dead date of when they need to sign on, and the other is if they don’t sign on, there should be a delay of some sort.

Comment: The towns should have at least two years since you want to have two annual Town Meeting periods to have ample opportunity to present and discuss this. The date will depend on when the legislation is enacted, so the language could be “two annual Town Meetings past enactment.”

Suggestion: Or “two years after enactment”. There are always Special Town Meetings too, if they’re going to miss the deadline.

The group decided that if any of the initial 21 towns do not sign on within two years after enactment, the next chance is five years after enactment, so there is a three year wait. This gives incentive to join the Partnership, but doesn’t penalize a town too much if they decide to wait. For any of the 21 towns, who want to opt in after five years they do not need a vote of the partnership board and municipalities.

The next section for review is on page 4. This had to do with allowing additional members on the partnership board, and it also addresses the comment that was raised at the previous meeting about the

municipalities, over time, losing control of the Partnership. It now stipulates that the majority of the members would be the municipalities.

Question: Can there be some provision for associate members, who are not voting members? There are other organizations that might like to align with this, like the Mohawk Trail Association, or the Berkshire Visitors Bureau, or any of the tourism agencies, but I would not want to add any more voting members.

Response: We can do that through the bylaws, if they wouldn't have any power or authority.

Question: So this would be the actual legislation?

Response: Yes, this is the law that we're proposing to our legislators, who can amend or change it. This hasn't gone outside this Committee yet. The next step is to get it to the aides of our legislators, hopefully after this meeting. If this Committee feels comfortable with this draft as we've been amending it, we really need to move quickly to get this in the form needed for filing, and then to get it acted on this year. That's why we did the two-step process, because this creates the eligible area, and then towns can opt-in once they know what the final legislation is.

Comment: In my opinion, it's very hard to amend a law once passed, so if you have any areas that you really want to think about, I'd rather have that in a bylaw that you can amend when you think of something being wrong without going back to the legislators to fix.

Response: We have a provision in here that "the partnership board may prepare and adopt regular operating practices by a 2/3 vote." We could say that the bylaws could include associate members, if we want to be clear about that. But I think having the ability to create bylaws is a pretty broad statement, as long as it doesn't contradict this law or some other law. We can't contort the purposes of this or some other procedures here, but it does give us a fair amount of latitude going forward.

Comment: I'm struggling with some of the terminology here. We talk about "eligibility area", and "activities area", and "partnership boundaries", and we allow the partnership to expand, but we don't actually allow the eligibility area to expand. On page 3, we only allow representatives of the municipalities in the eligible area. We need to make sure we look at where that terminology is used to make sure that the Partnership is a group and area that can grow as new towns are added. We have a provision for expanding the *partnership*, but the eligibility area doesn't have any provisions to expand accordingly.

Response: That's a very valid point. We need to look at that closer so that we don't semantically exclude what we're trying to do. So in D, it should probably read "The boundaries of the Mohawk Trail Woodlands Partnership eligibility area may be expanded." There are a couple other places that might need to be adjusted as well.

The next change is on page 5. "The partnership board shall initiate the development of and review and approve the partnership plan". Page 6 talks about the bylaws, as suggested at last meeting. The paragraph about the administrative agent is highlighted, but the change was to make sure that the administrative agent had some ability to deal with their own staff, so a phrase was removed after the

part about technical assistance on the second line; it had said “after consulting with the partnership board”.

Comment: I would love to see, in the first sentence there, something about “dependent upon funding”, in case there are not funds to provide an appropriate level of technical assistance.

Response: We will make sure that’s covered.

On Page 8 there had been a suggestion to add sources of revenue, since there may be some income-producing revenue, so the phrase “receipts from income-producing ventures undertaken by the partnership” was added. That could be rolled into the budget and should be taken into consideration. Here we’re talking about what’s entailed in the partnership plan and that there is an element related to the sources of revenue.

Question: Those are kept separate from the trust fund?

Response: Yes. This is just about the form of the budget sheet, not the trust fund.

Page 9 – Bob O’Connor explained that there’s two ways to fund this initiative from the state: one is the annual budget, and the other is the operating budget. Given the timing right now and the process for adopting the annual budget, it is unlikely to get \$5 million in the annual budget this year. The Secretary recommends having a state representative get this in the operating budget instead, and using the legislation to create a capital account instead of pursuing a line item in the annual budget.

Comment: I think if there’s an actual appropriation in here it might prevent anything from happening. I think we’d rather have this organization created without money from the State and be able to pursue Federal money, and then try to get State money in the next budget, or the capital budget.

Comment: Creating an account in the capital budget, and a trust fund, doesn’t cost anything but it gives you the opportunity to get money later.

Question: When we’re trying to obtain money from the feds and the state, do we need to ask yearly?

Response: If we get what we ask for the first time, then no because most of the budget is based on revenue from the trust fund that would get established. We don’t know if we’re going to get all \$5 million from the state in one year, or the \$20 million from the feds; they might somehow spread it out. That’s an unknown. But we want to make this as self-sustaining as we can, as quickly as we can, so if we can get \$25 million in year one, then we do not have to go back, we’re self-supporting after that.

Comment: I recommend that the legislation *not* contain the dollar amount that we’re asking for. It should just ask for the capital account.

Response: Yes, that is the way it is currently written.

Question: Who will we be asking for money from first, the state?

Response: Yes.

Question: So I would think that if the state gave it favorability, it would be to our advantage with the feds, because they would see the state is interested in our program, correct?

Response: Yes, that is our strategy.

Page 10 reflects a suggestion to put some cap on spending down our initial capitalization amount so that we don't spend through our initial trust fund. The current stipulation is that 75% of the trust fund be maintained in the fund at all times. That way, we would still have some revenue that would still be generating.

Comment: I would suggest we go to 50%, because if you've got it invested in stocks and bonds, they can drop 50% very easily and then you're not going to have any money to spend. 75% seems a little high.

Question: Can you do this with language without a figure? Because what happens if we get a relatively small amount of the funding, like only \$1 million, to get going? I'm leery of 75% depending on how much we get. We don't want to hamstring ourselves if we only have a small amount of money to get going.

Response: This was a change suggested at the last meeting, to add a number, because originally it had said "a sufficient amount of funding shall be maintained in the fund to ensure the purposes of this legislation and the activities of the partnership are sustained in perpetuity."

Comment: I think it's important to maintain the integrity of the trust fund, because the whole purpose is to have something that will continue beyond a couple years, so I think there needs to be a floor of some sort.

Question: The last sentence says "no expenditure shall cause it to be in deficiency". Is it in deficiency if it drops below the 75%, or if it is negative?

Response: The account being deficient would be zero or less.

Comment: But we really want it to be that no expenditure shall reduce it below the 75%.

Response: That sentence was in there before we put in the 75%, so maybe we don't need it anymore.

Comment: I think if we don't have a lot of money and if there are not enough funds to sustain us in the long run, there are still things we could do in the short term with what money we get. We ideally want it to be this way, but if we only do get a few million dollars, it would be nice to see what we could do with that.

Question: So if we only got \$2 million, maybe with some promise of receiving more in the future, would you be okay with spending that down to zero on projects? Doesn't that defeat the purpose of self-sufficiency?

Response: It does, but if you only have \$2 million you're not going to be very self-sufficient whether you save 75% or not.

Comment: Maybe we can have some sort of dollar amount, so it's the greater of 50% or some minimum dollar amount, so if we get a smaller dollar amount in the early years, it would be a higher percentage. The staff can work on some language.

Question: Are we tied to establishing the trust fund in the initial stages of this? Or could we do that down the road?

Response: The thinking was that if we got a certain amount of money, we would establish the trust fund right away.

Question: But what if we don't get a certain amount?

Response: That's why it was suggested that we figure out some dollar amount, and above that it would automatically go into the trust fund. We need to think about this more and craft some language.

Comment: We might initially get \$200,000 to begin this effort, and we want to make sure we can be flexible, at least in the beginning. Additionally I think we really need to look at the requirements based on where we get the money from. If we get the money from the Bond Bill and the Commonwealth holds the funds, we will not be able to invest that money because it is not permitted to invest borrowed money. The feds might give us money we can invest, or if we get \$5 million from the annual budget we can invest it. Maybe we can say that the bylaw committee will address maintaining a sufficient balance of funds.

Comment: It seems that when we get funds, there has to be a decision by our board about how we appropriate those funds within our budget. At some point, there's going to be a decision about how much of the funds we get will go into the trust fund. Isn't that up to the board to decide, and wouldn't we decide that based on how much money we get?

Response: Yes, whatever goes into the Trust Fund initially is established by the board. What we're struggling with now is that the money may come in at different times, so if the Partnership only gets \$5 million for the first 3-4 years, do we want to lock up a significant amount of that?

Comment: This says that all moneys from certain categories shall go in the trust fund. It doesn't say that we get to decide. See #1 on page 9.

Response: I was thinking that the "partnership fund" was the overall pool of funds, and the "trust fund" was the amount that went into that part of it that would be, hopefully, providing sustainable income. When you look at the budget and the business plan, the overarching amount was \$25 million, 60% of that, roughly, went into the trust fund and the other 40% started actually doing the projects immediately. So, we need a better definition of those two pieces.

Comment: We can clarify that the 75% only applies to the amount invested in the Trust Fund, and the Partnership board is going to determine how much to put into the Trust Fund each time we receive funding. For instance if we get \$5 million from the State, we then decide then how much to put into the

Trust Fund, and if later we get \$20 million from the US Forest Service, we decide how much goes in – subject to the restrictions on the funding. Is 75% the right number?

Comment: The percentage has to be a number that allows for whatever it's invested in to go up and down in its value independent of what's going on here.

Comment: We can say that the bylaws shall address the percentages to be maintained, with the intent of having this be sustainable. This will make it a little bit stricter but does allow us to change the bylaws in the future.

Comment: I think there should be a principle that once the money is in the trust fund, it is difficult to take it back out – otherwise we're not creating a trust fund, we're creating a bank account.

Comment: We need to make sure that any new money that comes in doesn't bump up what we're not allowed to take out. Say there's \$1 million in there, and the COG gets a grant for \$100,000, we want to make sure we can spend all of that grant money.

Question: Does all the money raised by the non-profit go into the trust fund, or can they take the funding in and decide how to allocate the money between the trust fund and programs?

Comment: If we get grant money to do something, we might want all the money to go to that particular program instead of into the trust fund.

Comment: We would also want to possibly increase that trust fund amount too.

Comment: In the case of the Mass Environmental Trust, when it formed the federal judge said that \$2 million went into a particular account under the trustees, and there was no expectation of how long it would take to spend it. There was also no additional income until the environmental license plates came along, and now it has continued for decades. The point is, in some cases when funding continues, things manage to keep going and if no more money had come, that \$2 million would have been long spent - but it would be spent, and not just sitting there doing nothing. Maybe in the legislation we don't have to be that specific about the 75%.

T. Matuszko stated that the consensus seems to be to not have a particular percentage or dollar amount for the investment part of it.

Comment: Regarding establishment of a multi-purpose center or demonstration forest: I know this is getting ahead of ourselves, but let's say a property becomes available in our first year or two that would be perfect, but costs a lot of money – we want to make sure we would be able to do that, so if we put limitations on what we can do, we might not be able to get that property.

Question: We don't want to get into whether the partnership can borrow money, do we?

Response: It's the administrative entity that would be doing it; the partnership is just the policy body. The partnership board would approve the budget and those decisions.

P. Sloan stated that it sounds like we want flexibility in the legislation, and the issue of the appropriate level to keep as principle in the trust fund can be taken up in the bylaws. That way, the partnership has the ability to adjust it depending on the situation.

On the bottom of page 10 and 11, Paragraph 6 reflects comments about funded investment practices. It says “Achieve a rate of return consistent with the safety of the fund, and with a preference for investments that advance the purposes...” Paragraph 7 reflects a comment from the last meeting related to fund dissolution; it says “Should the Mohawk Trail Woodlands Partnership cease to exist, the fund shall be dissolved and the funds dispersed according to both applicable state and federal law.”

Suggestion: Change it to say “programs consistent with the purposes of this organization,” so the funds could go to the land trust, or to the forestry community.

Suggestion: Say “or otherwise required by state and federal law”, since we’re not sure what the law is about giving money back.

Comment: the last line of 6 says “the fund manager shall prepare an annual audit to report to the partnership board.” An audit really ought to be prepared by someone else; if we have this much money and this much public support, we ought to be requiring an independent audit every so often. I’m not sure an audit by the money manager is very valuable – an audit is where you check things.

Response: I thought the fund manager would hire a reputable auditor to do that, so it wouldn’t be the fund manager themselves conducting it.

Suggestion: Two sentences: “the fund manager shall prepare an annual report to the partnership board” and “there shall be an independent audit every X number of years if funds exceed \$X”.

Suggestion: Add a one sentence severability clause at the end which states if any of this is illegal, it doesn’t throw out the whole legislation.

Response: Yes.

Comment: In Paragraph 7 where it says “funds dispersed” it should really be “assets dispersed” to include property or other assets.

Response: Yes.

The last item for discussion is whether there should be some type of sunset provision in this legislation?

Comment: Not unless it’s required. The partnership board already has the ability to decide on their own.

Question: What if this passes, and no money is ever appropriated, and no towns ever opt in? It’s just going to sit there and maybe get in the way of doing other things.

Response: That was my thinking – if it doesn’t go forward, why have it on the books?

Comment: Sunset provisions are fairly normal in legislation, and it doesn't seem to be too defeatist, but it could be a simple power to wrap into the partnership board bylaws instead of the legislation.

Comment: If it does go in the legislation, make sure an actual action has to be taken to dissolve it, so that a lack of action can't dissolve it. You don't want someone to forget about that clause and have the partnership dissolved.

There was discussion about what time period would be appropriate for a sunset date, with suggestions ranging from 10-75 years. When T. Matuszko asked if anything about dissolution should be in the legislation, the consensus was no, to put it in the bylaws instead.

More work needs to be done on the legislation. We'd like to continue advancing this legislatively, since we're already a little late for the capital budget this year but want to get it in this session. Staff will take a stab at the re-draft, and then can send it to the smaller subcommittee for the final approval before they send it out to the legislators. We're probably not going to have another meeting in a month so there is no chance to make it into the House budget, but the Senate budget comes out in a month.

4. Review & Discussion of Updated Business Plan

P. Sloan passed around a packet with two versions of the budget for the business plan. The original budget from November assumes an appropriation of \$25 million over 4 years. We've discussed that we don't know the exact timing and there was concern that it might not be enough funding, particularly if the investment income was lower, with a more conservative figure of 3-3.5%. Appendix C2-C3 shows assumptions about asking for more money, in this case \$5 million more, phased in over 4 years. The first run has a 3.5% investment income generation, the second one is at 5%. The revised budget attempts to keep the percentages that were being allocated among the trust fund and the conservation restrictions and some of the economic development programs roughly similar. This gives a sense of how the \$30 million budget would result in more funding for conservation restrictions and economic development programs. The amount available for land conservation increases from \$2.7 million to \$3.1 million. If we were able to generate 5% income, there's a significant amount that remains that could fund more conservation restrictions or economic development depending on partnership priorities. The budget had funding for CRs for approximately 1,800 acres initially, which would increase to 2,100 acres under a calculation of \$1,500 per acre. Some of the Berkshire County towns requested that the economic development piece remain proportional with the forest conservation piece, so this attempts to balance that out.

Comment: When we bring this to our Select Boards to encourage them to sign on, it's important to get a sense of where they think the best use of this money is from their point of view. It's good to do this budget, but the towns will give us a good indication if this is the right allocation.

Response: This is a starting point for illustration purposes. How much money we actually get and how it's allocated depends on the partnership board, and that will depend on the communities who are opting in because they are governing how that works, along with the regional entities.

Comment: If we need to ask for more, we should be doing that up front so if \$30 million will make this more robust over the long term, that's what we should pursue.

Comment: This budget is just an example of what we'd like to be able to achieve. If we only get a 10th of this budget, we can still do great things with that.

Comment: Even if we got one of these total numbers, we might find that the towns vary in what they want and may chose not to opt in, or we may find that the towns want the budget skewed in a particular direction. I don't think we can predict that, so we want to see how the towns react based on their priorities. It's good to show this to them, and then find out how they would like to change it.

Response: Based on feedback from our community meetings, there is a clear interest in shifting the project from primarily a forest/land conservation program to focus more on economic development. I think this budget reflects that shift and makes sure there's some ability to financially support the communities that decide to opt in in terms of the grants via cooperative agreements. Initially, we heard from towns that they didn't clearly see the economic development or the municipal financial sustainability piece. That's what this budget it trying to achieve.

Staff will emphasize that these are just budgets for discussion purposes, and there are different options based on the funding we might receive. When meeting with the towns, this was a good way to highlight what the programmatic priorities were, what we were thinking of in terms of requesting federal and state funding, and what some of the key projects are – in a few pages, the Business Plan gives a sense of what the partnership is about. There was consensus from the group to go ahead with the \$30 million budget, and for the business plan to be updated to reflect the higher budget.

Question: Did the changes come from the Select Board or the community meetings? Or both?

Response: We got some feedback on making the investment income more conservative to show that the plan would still work at a lower rate. At some regional and town meetings there was interest in more forest land conservation, protecting the resource base, and at others there was more focus on economic development. That feedback is all reflected in the \$30 million budget.

5. Discussion on Workshop to address Air Quality Questions Related to Energy Efficient Wood Heat Systems & DOER's Schedule for Completing Renewable Wood Heat Study

In Franklin County there has been considerable discussion about potential air quality issues related to wood heat. Staff thought it might be good to have a workshop or training for Boards of Health, Planning Boards, School Committees, and Select Boards, to learn and talk about energy-efficient wood-based heat and air quality issues. We could invite MassDEP or the Vermont DEC, and perhaps Vermont schools, to talk about wood-based heat systems and air quality issues. Looking for feedback – good idea to do it? The workshop could possibly be held in June or July, which would provide some lead time to line up good speakers. This issue is being reported on in the papers in Franklin County.

Comment: This is something that should definitely be done. The Statewide Wood Energy Team has its second meeting on Thursday, and they would be a good entity to help organize that, and maybe lead it. The Forest Service is paying for that work.

Comment: Good idea to get Vermont communities involved who have experience with it and are not just talking about fears or hopes or surprises. Some of those folks have been using these techniques for a really long time.

Comment: Anything we can do to get a consistent message is critical. In particular, FRCOG needs a consistent position.

Response: It is important to get the facts out there. There have been questions about air quality and impacts, and we need clear factual answers.

Comment: Include John Hinckley, from an engineering firm called RSG in White River Junction, VT. He's done a lot of work on this issue.

Comment: The information we heard at the last meeting about the sustainability of our forests was very convincing. We need to be clearly saying that community scale wood heat is not going to result in the clear-cutting of the forests but rather the culling of low grade wood to improve the health of the forests.

Air quality issues would be addressed by this workshop designed for Select Board, Board of Health and School Committee members among others that are trying to understand these issues. This would be a comparison of different heating options – if you had an oil-based system, this would be the air quality emissions; if you had energy-efficient wood heat...; if you had propane... etc. Hopefully we can learn from Vermont's school experience including being careful about sensitive populations. Please send in ideas for speakers.

Comment: Pull in the Cooley Dickenson (Northampton) Hospital's wood heat experience as well, they definitely care about sensitive populations, like those with compromised respiratory systems.

Comment: On the topic of public outreach, Franklin Land Trust and DCR are organizing a program next month called "Bobcats, Birds, and Butterflies: Good Forestry is Good for Wildlife". There are flyers available, please spread the word. The speaker is Sue Morris, a renowned tracker and speaker from *Keeping Track* in Vermont. It will be a really high quality presentation.

Question: Bob, do you have any update from DOER about completing the other pieces of the wood heat study? Do they have plans for how they're going to roll out the rest of the studies?

Response: Rob Rizzo is very interested in helping with the air quality workshop, but not sure on the rest. Will check into it.

6. Update on Meetings with Select Boards to discuss MTWP Project

T. Matuszko reported that there have been four meetings with Select Boards in Berkshire County, and a couple more are scheduled. In Adams, J. Nowak is a Selectman and has been keeping the board informed and disseminating materials. The Adams Selectboard has a meeting tomorrow and one of the agenda items is to get a letter of support for the legislation for the program. The discussions tonight have been interesting, showing the differences of the people in the valley from the people in the Adams area. The people in his area burn wood because it's financially necessary. J. Nowak doesn't think there will be a problem with Adams opting in; the conservation restrictions were bothering one board

member, but he was thinking that the restrictions would be done the way the state does them, but we will have different parameters – we are only working with private land owners.

Cheshire's Select Board voted to opt in, they will be sending in a letter of support. North Adams sent a letter supporting the legislation. It is unknown at this time what New Ashford's stance is. Staff will go to Williamstown in a few weeks, and are working on scheduling Savoy and Windsor. Staff will go to the Town of Florida later in the meeting schedule, and have been invited to Peru any Monday, they just need to find a date; Gary is confident the Peru Selectboard will be supportive.

P. Sloan reported that there have been eight visits with Select Boards in Franklin County. So far, letters of support for the state legislation have been provided by Rowe, Shelburne, Heath, Charlemont, and Leyden. They had a good meeting with Hawley, so hopefully that town will send a letter of support. Colrain wants to see a draft of the legislation before they decide. It is unknown at this time what Buckland's stance is. Visits with Conway, Ashfield, and Monroe are coming up. So far the towns seem pleased and supportive, and no towns have declined.

Question: I haven't seen representatives from Savoy or Williamstown yet at any meeting – how are they getting the information if they aren't here?

Response: Hank Art from Williamstown is participating. From Savoy, Cosmo LaViola came to the last meeting and T. Matuszko briefed him over the phone; Cosmo has talked to his Selectboard members.

Question: Is there a minimum number of letters from towns that we want in order to proceed with the legislation?

Response: We have enough to go forward. Once we have a draft of the legislation that's approved by the subcommittee, we'll keep pushing forward.

Comment: From the count, we have received support from half the towns, and we haven't met with all the towns yet, and we haven't received any "no" answers yet.

We've been meeting with the state legislators to keep them informed, and will be going to Washington D.C. to meet with the legislative aids for Warren, and maybe Neal and Markey, to get some advice on federal legislation, share the state draft, and find out what's possible at the federal level.

7. Public Comment/ Other Topics not reasonably anticipated 48 hours in advance of the meeting/Adjourn

No comments from the public. Meeting adjourned.

Next Meetings: Tentative date: Tuesday, June 14, 2016 from 6:00pm-8:00 p.m. if needed. Otherwise meet in the Fall.