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STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

Leg Lib SB 582
1981-82
JAY S. HAMMOND, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: (907) 465-2400

May 10, 1982

The Honorable Bettye Fahrenkamp
Chairman
Senate Resources Committee
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Chairman Fahrenkamp:

The Department very much appreciates the attention you and your Committee have devoted to the inauguration of a State Forest System through deliberations on SB 582, relating to the creation of a Fairbanks State Forest.

As you know, State lands proximate to the road network in the greater Fairbanks area are the subject of intense competition between resource interest groups given inadequate road access to interior lands. The combination of timber and firewood demand, agricultural development, land disposals, municipal entitlements, mining and oil and gas development, and recreational use has made the allocation of lands to primary uses an exceedingly difficult task. This problem, coupled with varying opinions on the management guidelines to be applied to State retained forest lands, has made it impractical to achieve a consensus Fairbanks State Forest bill during this session despite the excellent effort you have directed to this subject.

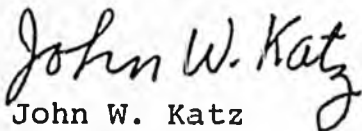
Nevertheless, there remains the urgent need to firmly identify a permanent timber base in the Fairbanks area to provide assurance to the industry of a continuous timber development program and to permit accurate calculations of allowable cut and sustainable yield. Therefore, it is the Department's intention to identify those lands around Fairbanks which plainly belong in the State's long term timber resource holdings and to formally place them in a forestry classification by the close of this calendar year. This should

May 10, 1982

provide adequate evidence to the forest products industry of the Department's commitment to a forest development land base in Fairbanks, as well as to establish at least some of those lands which may be formally consecrated as part of the Fairbanks State Forest during the next legislative session. This will also provide an expanded land base from which to schedule future timber sales and other wood utilization projects. At the same time, since the lands involved will be managed on a sustained yield, multiple use basis, other uses, such as public recreation, mining and habitat protection, can also be permitted.

The Department would certainly commend you and the Committee for your leadership and support on this important issue. We look forward to working with you and other Committee members as the Department formally initiates the land classification process.

Sincerely,



John W. Katz
Commissioner

cc: Fairbanks delegation
Other Committee members

...of un-
 ...detailing sale procedures
 ...later this week, Barton said.
 Nineteen of the 29 parcels are con-
 sidered suitable for dairy farm
 development; the others for vegetable
 and beef production.
 The sale is intended to get the Point
 MacKenzie agricultural project back
 on track after it was derailed by several
 court rulings issued since the first state
 agricultural sale there on March 6,
 1981.
 That sale was annulled and lottery
 winners prevented from clearing or

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 The
 prequalifi-
 said. App-
 have to be
 or a one-
 whether a
 the Legislat-
 If the bill is
 Jay Kertula

5/18/82 Fairbanks News Miner

State to designate land for forestry activities

News-Miner Bureau

JUNEAU—Portions of state land in the Fairbanks area will be set aside for woodcutting, mining, recreation and other multiple uses but restricted from land disposals for homesites or agricultural projects.

That's according to Natural Resources Commissioner John Katz who has pledged that his department will identify and designate forestry lands in the Fairbanks area by December.

The move, outlined in a letter to Sen. Bettye Fahrenkamp, D-Fairbanks, comes after state officials and lawmakers have given up chances for passing a state forest bill this year.

A bill (CSSB 582), sponsored by Fahrenkamp, to create 1.5 million acres in state forests around Fairbanks is bogged down in the Legislature and its chances for approval this year are slim.

As a result, Katz has vowed to administratively set aside Fairbanks forest lands until a bill is approved.

"This will provide adequate evidence to the forest products industry of the department's commitment to a forest development land base in Fairbanks, as well as to establish at least some of those lands which may be formally consecrated as part of the Fairbanks State Forest during the next legislative session," he said in a letter last week.

"This will also provide an expanded land base from which to schedule future timber sales and other wood utilization projects."

Neither DNR officials nor Fahrenkamp had an estimate of the amount of land involved, but Fahrenkamp said it would include most of the land slated for state forest designation in her bill. Much of that land is located along the Richardson Highway.

The forestry classification means the land will be managed for a sustained yield, Katz said, meaning virtually all types of activities would be tolerated. Those include recreation, mining, hunting, oil and gas exploration and woodcutting both for firewood and home construction.

The advantage of the forestry designation, said Fahrenkamp, chairman of the Senate Resources Committee, is that the quota for wood products can be increased. That means more firewood and house logs would be available for interior residents.

Fairbanks is currently suffering a shortage of wood. Nearly 60 percent of the area residents use wood for some portion of home heating and last year about 2,700 wood cutting permits were issued.

During a recent hearing on Fahrenkamp's bill, all but one of 16 Fairbanksans who testified on it were in favor of the measure setting aside the state forests.

Arson

An arson evaluation of the Salvage differed presented by po Markland arson

Markland, 47, in connection with salvage office and tempting earlier and business.

He has pleaded

Arson expert Lio he believes the fire s than in one spot as the

Regal said he belle set. There is a "great were set as well, for a tot

On Tuesday, jurors Regal giving a step-by building at 2416 South Cus viewed initially Monday out

Cable comp

A "pretty blatant" theft of television service was reported Alaska State Troopers Monday company workers discovered an connection spliced into an under cable.

Troopers are investigating alleged theft of service at a home Dartmouth Drive.

According to Larry Rhody, Front Color Cable manager, the comp due to start an audit of Fair homes on the system beginning week. Monday's discovery, Rhody called "a pretty blatant." was not part of the planned audit.

The service theft was discovered after water leaked into the spa

EA district tions slated

Valley Electric Association in two of the cooperative's districts will gather this week to board representative for their

customers in District 4, covering areas east of the highway and north of the Chena excluding Island Homes, will 30 tonight at the fairgrounds. tins at 6:30 p.m.

7, generally covering clear, Anderson and Healy ts at 2 p.m. Sunday at the ic Center, with dinner at 1

ng committees have for- names of two candidates for and three candidates for

t board member Jack in insurance agent residing Steese Highway, fac Richard Seifert, an em with the Cooperative EA- ce, who resides on Violet

1 Sunday he wants to olph, adding that their on energy and GVEA rowing every day. Seifert board of the defunct Center.

7, incumbent Norman face Richard L. Me- ron C. Stokes.

a heavy-duty mechanic ntractor; Stokes owns r Court and is a retired rator; and Suckling is a

ts are rotated. Other GVEA board are Ivan Bergh, W.A. "Bill" Lomen and Daniel

testing satellite instrument here

ple that brought shuttle have been in imenting with a ent designed to

space and interpret atmospheric conditions automatically.

Alger said the instrument would be beneficial for

a reading of the pressure. Experiments started

Rev. 3/26/82

17 March 1982

Fairbanks, ALASKA

Senator Bettye Fahrenkamp
Pouch V
Juneau, ALASKA 99811

Dear Senator Fahrenkamp:

Last year, you introduced legislation - Senate Bill 582 - which would establish a state forest system for Alaska. As problems with the original bill came to light, you began work on a Sponser Substitute for SB 582.

We, the undersigned, have carefully reviewed and discussed both versions of this legislation and reached agreement as to the features we feel should be included.

Based on this consensus, we have re-drafted the enclosed version of the bill which we hope you will seriously consider.

Our proposal was hammered out in two meetings held recently in Fairbanks. The most significant change from the original draft of the Sponser Substitute is the deletion of Section 41.15.540 dealing with preference rights. It is our feeling that the free enterprise system is the best means of allocating timber resources on state forests and that special rights are unnecessary.

We feel that establishment of state forests in the Interior is a matter of utmost importance and urgency.

We urge you to take immediate and positive action toward enactment of an amended version of SB 582 during current legislative session.

We greatly appreciate your continued leadership on this issue.

John Adams
John Adams,
Northern Alaska Environmental Center

Byron W. Haley
Byron W. Haley

Alan Jones
Alan Jones

Allen R. Cronk
Allen R. Cronk

Frederic J. Bethune
Frederic J. Bethune

Richard B. Jackson
Richard B. Jackson

Tony Gasbarro
Tony Gasbarro

Allen P. Richmond
Allen P. Richmond

respectfully,

William R. Wood
William R. Wood

Jerry Flodin
Jerry Flodin
Northland Wood Products Inc.

Steve LaBue
Steve LaBue
TNRWA
WOODCUTTERS
ASSOCIATION

George R. Sampson
George R. Sampson
Society of American Foresters

Edward Crobie
for Carl Armstrup AARC
Carl Armstrup, Alaska Agricultural
Action Council

213582

The attached pages delineate all timber sales on the Northcentral District during calendar year 1981.

The overall summary follows:

Spruce: 4219.81 MBF = \$167,911.41

1626.5 CCF = \$9,221.55

68.36 MLF = $\frac{\$17,090.00}{\$194,226.96}$

Hardwoods:

5083 CCF = \$57,252.70

\$251,475.66

Personal Use Permits:

25,557.5 cords = \$15,346.50

\$266,822.16 Total Revenue to State

Calendar Year 1981 commercial Hardwood Sales - SUMMARY

<u>Sale #</u>	<u>Species</u>	<u>Volume</u>	<u>\$/unit</u>	<u>Total value</u>	<u>Purchaser</u>
NC-360	Birch	100 cds.	\$3.00	\$300.00	Pyne
NC-361	Birch	100 cds.	\$3.00	\$300.00	Baker
NC-362	Birch	100 cds.	\$3.00	\$300.00	Griffith, Becky
NC-352	Birch	100 cds.	\$3.00	\$300.00	Kilfoyle
NC-365	Birch	80 cds.	\$7.00	\$560.00	Albrecht, D.
NC-368*	Birch	70 cds.	\$7.00	\$490.00	Horton
NC-355	Birch	100 cds.	\$7.00	\$700.00	King
NC-370	Birch	45 cds.	\$7.00	\$315.00	Hofshulte
NC-316	Birch	2327 CCF	\$10.60	\$24,666.20	Kipmik Log Homes
NC-349	Birch	50 cds.	\$2.26	\$113.00	Kenaston
NC-378#	Birch	70 cds.	\$5.00	\$350.00	Dry Creek Ent.
NC-383	Birch	60 cds.	\$3.27	\$196.20	Griffith, Doug
NC-323*	Birch	270 CCF	\$10.50	\$2,835.00	Northland Wood Prod.
	CW	181 CCF	\$2.80	\$506.80	Northland Wood Prod.
NC-344*	CW	186 CCF	\$2.80	\$520.80	Northland Wood Prod.
NC-376	Birch	550 CCF	\$18.50	\$10,175.00	North Pole W.P.
NC-357	Birch	669 CCF	\$21.30	\$14,249.70	Schallock Ent.
NC-397	Birch	75 cds.	\$3.00	\$225.00	Fitzsimons, B.
NC-396	Birch	50 cds.	\$3.00	\$150.00	Gregor

TOTALS

18 sales

1,000 cords + 4183 CCF = 5647.78 cords for \$57,252.70
 = average price of \$10.14/cord

* sale also includes some Spruce
 # indicates Delta Area Sales

Calendar Year 1981 Commercial Spruce Sales - SUMMARY

<u>Sale #</u>	<u>Species</u>	<u>Volume</u>	<u>\$/unit</u>	<u>Total Value</u>	<u>Purchaser</u>
NC-325#	Spruce	130 MBF	\$13.00	\$1,690.00	Dry Creek Ent.
NC-368*	"	30 cds.	\$23.33	\$700.00	Horton
NC-364	"	100 cds.	\$3.00	\$300.00	McFarland
NC-350	"	100 cds.	\$7.00	\$700.00	McCarter
NC-369#	"	145 MBF	\$28.10	\$4,074.50	Pine
NC-318	"	278.2 MBF	\$41.25	\$11,475.75	Northland Wood Prod.
NC-377	"	13.5 MBF	\$108.96	\$1,471.00	Kipmik Log Homes
NC-317	"	818.11 MBF	\$15.10	\$12,353.46	Northland Wood Prod.
NC-367	"	100 cds.	\$7.00	\$700.00	Albrecht, J.
NC-322	"	348 MBF	\$105.00	\$36,540.00	Hall
NC-371	"	50 cds.	\$3.00	\$150.00	Gumm
NC-378*#	"	515 cds.	\$5.00	\$2,575.00	Dry Creek Ent.
	"	132 MBF	\$28.35	\$3,742.20	
NC-388#	"	80 MBF	0	0	Four Star Lumber
NC-323*	"	1045 MBF	\$37.70	\$39,396.50	Northland Wood Prod.
	"	502 CCF	\$5.60	\$2,811.20	
NC-344*	"	1224 MBF	\$46.50	\$56,916.00	Northland Wood Prod.
	"	229 CCF	\$5.60	\$1,282.40	
NC-384	"	100 cds.	\$0.0295	\$2.95	Parks

TOTALS

16 sales 4213.81 MBF @ \$167,659.41 = \$39.79/MBF
 995 cds. @ \$5,127.55 = \$5.15/cd.
 751 CCF @ \$4,093.60 = \$5.60/CCF

* sale also includes some hardwoods
 # indicates Delta Area Sales

Calendar Year 1981 - Personal Use Sales

<u>Sale #</u>	<u>Species</u>	<u>Volume</u>	<u>\$/unit</u>	<u>Total Value</u>	<u>Purchaser</u>
P-44	Spruce	2 MLF	\$250.00	\$500.00	Price
P-47	"	3 MLF	\$250.00	\$750.00	Hauxhurst
P-49	"	2 MLF	\$250.00	\$500.00	McDonald, T.
P-54	"	2 MLF	\$250.00	\$500.00	McDonald, B.
P-81-72	"	2 MLF	\$250.00	\$500.00	Cooper
P-56	"	2 MLF	\$250.00	\$500.00	Lee
P-81-80	"	2 MLF	\$250.00	\$500.00	Hanna
P-60	"	2 MLF	\$250.00	\$500.00	Carroll
P-81-70	"	2 MLF	\$250.00	\$500.00	Murphy
P-81-69	"	2 MLF	\$250.00	\$500.00	Kahl
P-26	"	3 MLF	\$250.00	\$750.00	Crickshank
P-46	"	2 MLF	\$250.00	\$500.00	Kurth
P-53	"	2 MLF	\$250.00	\$500.00	Maddox
P-55	"	2 MLF	\$250.00	\$500.00	Garbowski
P-81-75	"	2 MLF	\$250.00	\$500.00	Pair
P-81-83	"	3 MLF	\$250.00	\$750.00	Noreen
P-52	"	2 MLF	\$250.00	\$500.00	Theuer
P-58	"	4 MLF	\$250.00	\$1000.00	Apperson
P-81-85	"	1 MLF	\$250.00	\$250.00	Gaedeke
P-81-86	"	.84 MLF	\$250.00	\$210.00	Moroney
P-81-76	"	2 MLF	\$250.00	\$500.00	Post VanderBurg
P-51	"	2 MLF	\$250.00	\$500.00	Leistikow
P-81-82	"	2 MLF	\$250.00	\$500.00	Speer
P-62	"	2 MLF	\$250.00	\$500.00	Graham
P-81-84	"	3 MLF	\$250.00	\$750.00	Merrill
P-82-1	"	3 MLF	\$250.00	\$750.00	Newton
P-82-11	"	3 MLF	\$250.00	\$750.00	Vorisek
P-82-12	"	2.5 MLF	\$250.00	\$625.00	Henry
P-82-14	"	1.02 MLF	\$250.00	\$255.00	Eberahrdt

Delta Personal Use sales:

DP-19	"	6 MBF	\$7.00	\$42.00	Peckham
DP-21	"	4 MLF	\$250.00	\$1000.00	Knight
DP-20	"	10 MBF	\$7.00	\$70.00	Chase
DP-22	"	10 MBF	\$7.00	\$70.00	Warden
DP-23	"	10 MBF	\$7.00	\$70.00	Walker
DP-25	"	1 MLF	\$250.00	\$250.00	Jorgensen

Totals: 68.36 MLF = \$17,090.00
 36 MBF = \$252.00

Personal Use Permits:

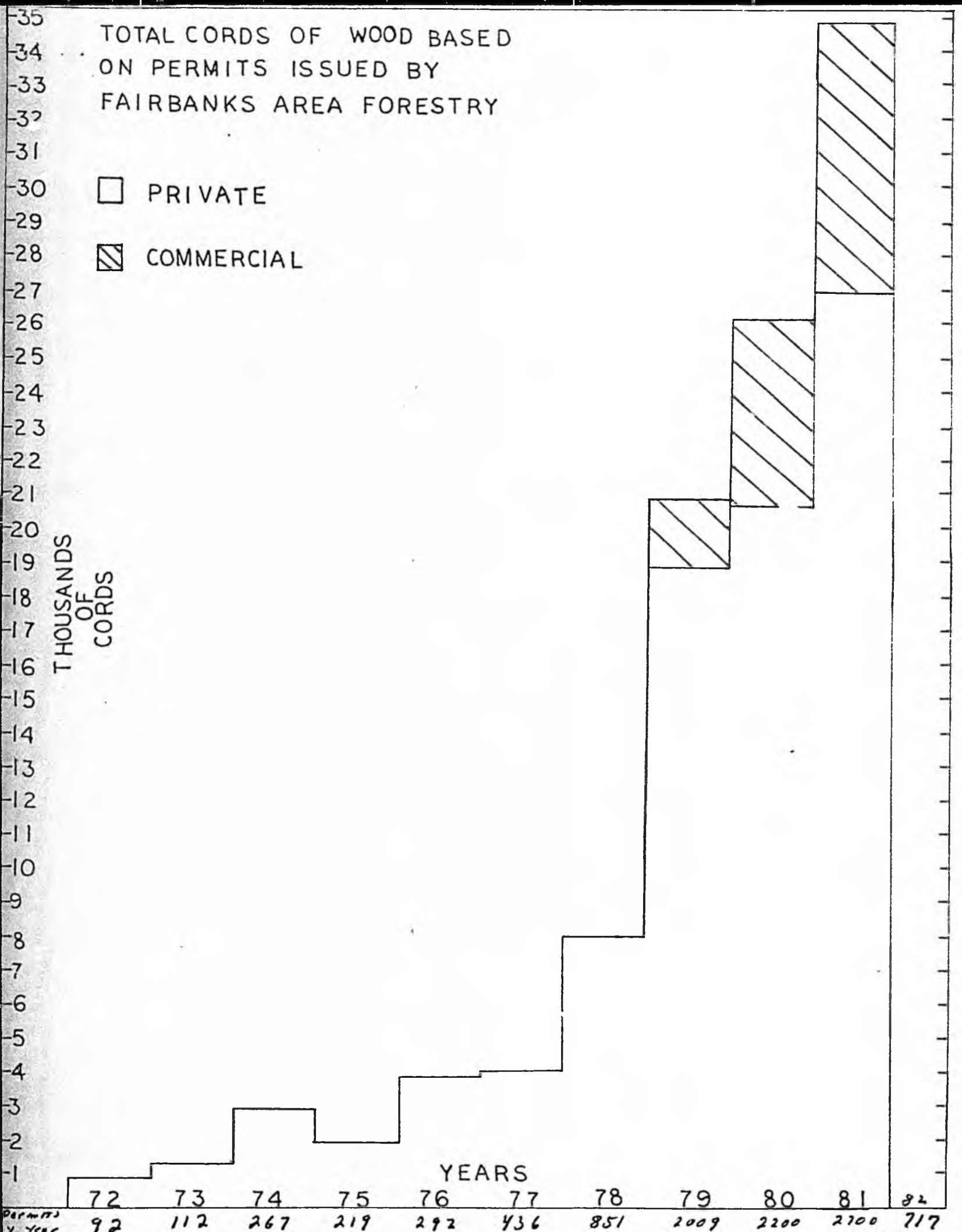
2,861 permits 25,557.5 cords \$15,346.50

TOTAL CORDS OF WOOD BASED
ON PERMITS ISSUED BY
FAIRBANKS AREA FORESTRY

- PRIVATE
- ▨ COMMERCIAL

T H O U S A N D S
O F
C O R D S

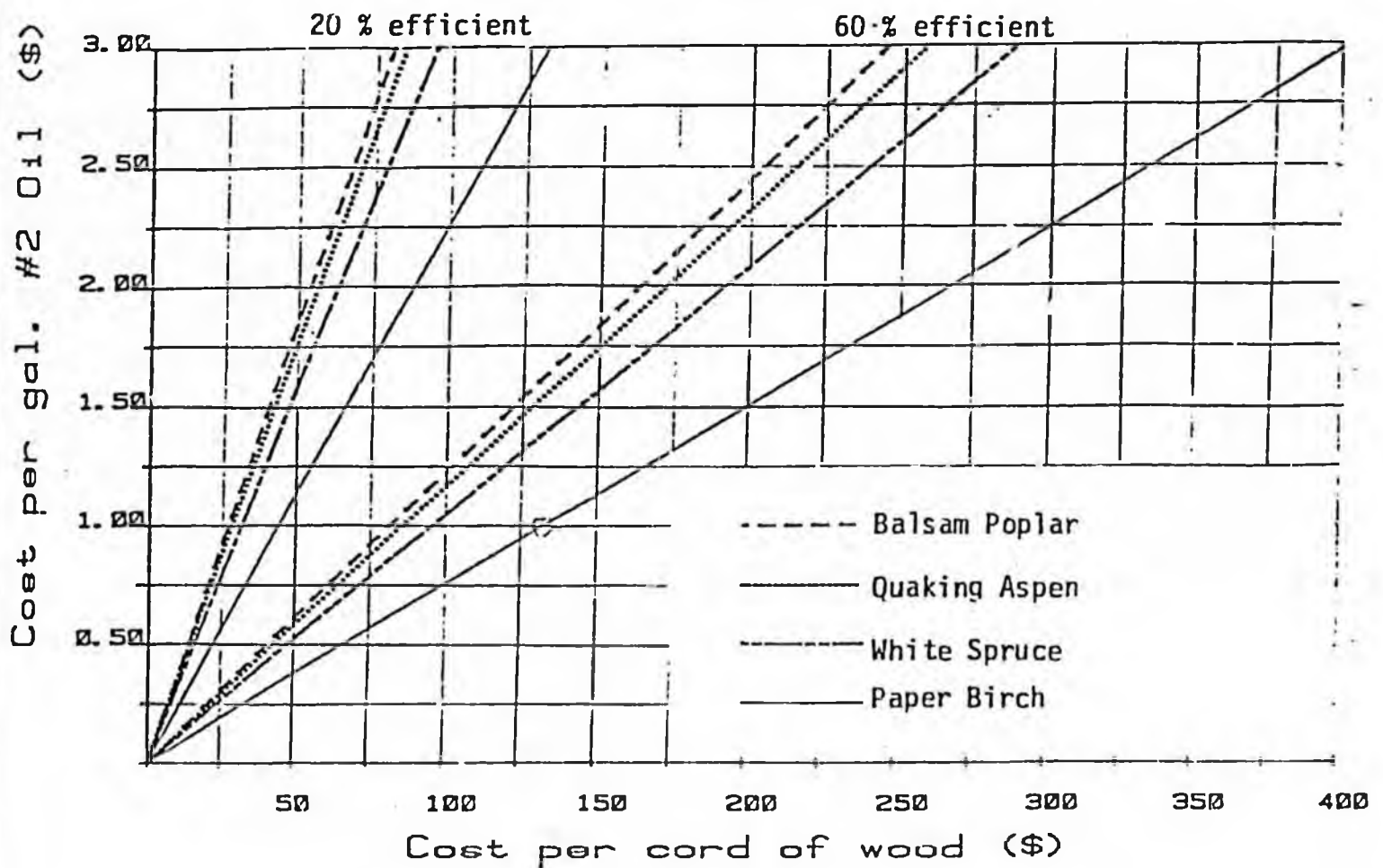
Y E A R S



Permits y. year	72	73	74	75	76	77	78	79	80	81	82
	92	112	267	219	292	436	851	2009	2200	2700	717

EVEN POINTS OF ECONOMICALLY heating with four different woods or No. 2 fuel oil.

Example: If local fuel costs are \$0.75 per gallon and you are burning dry paper birch in a 20% efficient wood heater, you can afford to pay up to \$33.00 per cord and break even. If you had a 60% efficient wood heater, you could afford to pay up to \$100.00 per cord.



Assumptions: Wood heaters compared are 20 and 60 percent efficient. Oil heater compared is 70 percent efficient ^{1/}. One cord of wood has 80 cu. ft. solid wood content. Wood is dried to 20% moisture content. One gallon No. 2 fuel oil is equal to 138,000 BTU's.

B.T.U. values of local wood based on air dried weight (20% moisture content) and 80 cu. ft. solid wood content per cord.

Paper birch	21.5 million BTU's
White spruce	15.5 million BTU's
Willow & Alder	15.5 million BTU's
Aspen	13.9 million BTU's
Balsam poplar	13.2 million BTU's

^{1/} Additional costs of electricity and maintenance of oil heaters are not reflected in the graph.

Graph prepared by J.D. Argyle - Forester USFS 11/1/79