MINUTES

EASTERN RED CEDAR REGISTRY BOARD

Friday, May 4, 2012
10:00 a.m.

The Eastern Red Cedar Registry Board met in regular session at 10:00 a.m., March 2, 2012, in the Consumer Protection Services Division (CPS) Conference Room of the Agriculture Building, 2800 N. Lincoln Blvd., Oklahoma City, Oklahoma. Written notice of this meeting was filed with the Secretary of State and posted on the Department of Agriculture, Food, and Forestry website. A notice was posted on the door of the Agriculture Building 24 hours prior to the meeting setting forth the date, time, place, and agenda for the meeting.

Members Present:  Gary Bledsoe, Chairman
Pat Clark
Dr. Salim Hirziroglu
Dr. Craig McKinley
George Geissler, Designee of Jim Reese
Mike Thralls
Bob Thompson
Phillip Fielder, Designee of Steve Thompson

Members Absent:  Bruce Brown, Vice-Chairman
Steven Glasgow
Elmer Maddux

Others Present:  Rob Ezeler
Paul Todd, Aromatic Cedar Association
Jacqueline Brink-Rosin
Dawn Nester
Karthikeyan Ramachanoriya, Oklahoma State University
Representative Richard Morrissette

Mr. Bledsoe called the meeting to order and a quorum was declared.

Approval of the Minutes

George Geissler moved, Dr. McKinley seconded, to approve the minutes as presented of the March 2, 2012, meeting of the Eastern Red Cedar Registry Board.

Those voting Aye:  Gary Bledsoe, Pat Clark, Dr. Salim Hirziroglu, Dr. McKinley, George Geissler, Bob Thompson, Phillip Fielder.
No:  None.
Abstentions:
None. Absent: Mike Thralls, Bruce Brown, Steven Glasgow, Elmer Maddux.
The motion passed.

Presentations

Development of a Bioconversion Process for the Production of Ethanol From Eastern Redcedar – Karthikeyan Ramachandriya, Department of Biosystem Engineering, Oklahoma State University.

Mr. Ramachandriya reported he is doing research on how to convert the eastern redcedar (ERC) into ethanol. There is great potential with the ERC in converting that in 2008 the United States became the largest ethanol producer in the world, followed by Brazil. However, Canada, Europe, Asia, China and India are also beginning to focus on Ethanol production.

Hutchinson, Kansas will have an ethanol plant that will begin production in 2013 with the feed source being switch grass. In 2011 almost all ethanol production was derived from corn. In order to keep up with the production of ethanol, we need to come up with an alternate feed stock, which is where the ERC comes in. Cellulose that is used in ethanol production is a polymer of glucose or any non-edible part of a plant.

Mr. Ramachandriya also reported that the ERC now covers 12.6 million acres, up from 8 million acres and more than one-half of North America is covered with the ERC. From the leaves we can make anti-cancer drugs and a drug to fight staphylococcus infection, but his research is focusing on making ethanol from the ERC by removing glucose from the fibers and he estimates that four (4) gallons per ton can be produced. In order to be the most profitable, ethanol plants need a high volume and low cost product and the ERC would fit into that category.

Marketing Committee

Paul Todd gave an update on Potential Markets for ERC Fiber. On the south side of Norman at I-35 and Highway 9 there is a sawmill that will be coming online that will be using a generator for power. He already has cedar logs stacked up and the owner is excited about getting into production.

Mr. Todd also reported that Ken Windle has a new woodworking shop in Edmond and he will be using cedar exclusively. He has invested in equipment and currently has an electrician doing the necessary wiring and expects to be in production very soon. Also, Troy Fisher has recently purchased a sawmill in Clinton and is very excited about his possibilities.

Mr. Todd has recently talked with Bob Jessup who lives in New York and wants to set up a cedar oil extraction facility. Mr. Jessup states that he wants 10 truckloads of ground cedar product per day, 7 days a week. Mr. Todd has assured him that the infrastructure is in place in Oklahoma if he locates within certain geographical parameters in the state and the production capabilities are available.

In addition, Mr. Todd also talked with Phil Tomlisen who proposes to make jet fuel out of cedar trees and establish a plant in Enid. Mr. Tomlisen states he is still on track to make this happen and is getting his finances together to buy the plant.
**Education Committee**
Dr. McKinley announced that he has been appointed by Governor Fallin to the State Board of Registration of Foresters and would be resigning his position on the Eastern Red Cedar Registry Board after today’s meeting.

Dr. McKinley stated that according the Forest Inventory and Analysis by the U.S. Forest Service, it is estimated that there are 462 million ERC trees in eastern Oklahoma. The above ground biomass trees includes all size trees and as you get into the 6, 8 and 10 inch diameter trees, that is where the majority of the biomass is located.

Based on the US Forest Service analysis it is estimated that a total of about 9.6 million tons of aboveground biomass can be found in Oklahoma’s eastern redcedar. Of this total, about 7.4 million tons are classified as being trees 5.0 inches and larger.

Using estimates of volumes and weights for redcedar, the potential energy value or BTUs from the redcedar has been shown to have a HHV of close to 9,000 BTUs per pound. There are a number of entities that have proposed and/or are examining the use of redcedar as a bionenergy source. More information about this can be found in the Potential Biomass Energy Available from Oklahoma Redcedar, from the Natural Resource Ecology and Management Department, Oklahoma Agricultural Experiment Station, DASNR, Oklahoma State University.

**Prescribed Fire and Statewide Insurance Committee**
Gary Bledsoe reported that during the Prescribed Fire Day at the Capitol members of the Cross Timber Burn association visited with Legislators to inform them about prescribed burns. There is concern about liability insurance to cover prescribed burns. Mr. Thralls stated that there are grants for additional fire equipment and training that will help fire groups meet standards and meet insurance requirements. It is anticipated that the Burn Association will have in place within 2 years a million dollars of insurance coverage for properly trained people.

George Geissler announced that as of June 1st Forestry will be able to burn on a fee basis on private lands east of I-35. The fee will be based on man hours, fuel and an hourly rate for fire lines.

**New Business**
Gary Bledsoe asked the Board if it was their intent to replace the four (4) standing committees (Funding, IT, Registration, and Communications) with the committees that came from the strategic planning meeting (Marketing, Education, Research and Prescribed Fire and Statewide Insurance) that were presented at the March 2, 2012 meeting.

A motion was made by George Geissler, seconded by Mike Thralls, to replace the standing committees listed in the bylaws (Funding, IT, Registration, and Communications Committees) with Marketing, Education, Research, and Prescribed Fire and Statewide Insurance Committees.

Those voting Aye: Gary Bledsoe, Pat Clark, Dr. Salim Hirzioglu, Dr. McKinley, George Geissler, Bob Thompson, Phillip Fielder, Mike Thralls. No: None. Abstentions: None. Absent: Bruce Brown, Steven Glasgow, Elmer Maddux. The motion passed.
Jackie Brink-Rosen gave an update on SB 1539 that authorizes the Department of Corrections to process and export certain agricultural products, including the ERC. It is currently on Governor Fallin’s desk for her signature. Representative Morrissette met with Justin Jones, DOC, and Mr. Jones thinks he can get vans and saws. Mr. Jones thinks it’s important to have all landowners who want to participate listed in the ERC registry.

Jackie also reported that there is a possibility that ERC timbers will be used in the reconstruction of the lodge at Lake Murray.

Old Business
There was no Old Business to report.

The next meeting will be held on Friday, September 7, 2012, in the CPS Conference Room at the Oklahoma Department of Agriculture, Food and Forestry.

There being no further business to come before the Board, the meeting was adjourned at 11:27 a.m.

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President, Eastern Red Cedar Registry Board

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Executive Secretary