



COUNTY FOREST ADVISORY BOARD
August 27, 2019
Development Services Building
Room 118

Members Present: Dan Green, Murray Johnson, Jim Rice, Bill Street

Members Absent: Brent Keller

Staff Present: Andrew Dobmeier, Chris Dannenbring, Samantha Wolf, Rick Gruen

Meeting called to order at 6:10 pm.

Minutes Review & Approval

Minutes from the April 23, 2019 meeting were reviewed. Bill moved to approve, Dan seconded and the motion carried.

Discussion Topics:

1. Boomer II sale was originally planned to cut ~75 acres. We ended up cutting ~85 acres because we had to move through 10 acres of reprod to better access merchantable timber on the other side. Coinstone was the logger, started on February 19th, first load was shipped out in March and the last load left May 16th. Most of the volume went to Western Forest Products who paid \$700/1,000 BF for larger-clear stuff, better than Interfore which pays \$630/1,000 BF who was the next biggest buyer. Estimated volume was 2 MMBF, final volume was ~1.7 MMBF. Shortage (~100,000 bf) was probably due to a lot of volume shipped for pulp than we would have liked. When we finally corrected the problem, it was too late and a lot of material was already shipped. This is a lesson that staff has learned to monitor for and prevent in future harvests and one way to incentivize the loggers is to pay less for pulp to help encourage them to maximize volume and cut/process higher value logs. Other reasons for shortage was more defect was found in the logs than expected on trees in the higher elevation section, some of it due to wildlife. Gross income was \$1.3 million, net (minus logging and transportation costs) income was \$689,000.

Q: Regarding Sandy River Watershed Council asked for fish logs.

A: Sandy River Watershed Council asked for fish logs from Forestry staff for riparian restoration project (funded by a grant). A few trees were selected by staff in an accessible area and marked a few defect trees. A logger shoveled it out and processed it leaving the root wad attached. County made \$50,000 from the sale.

2. 5 Year Plan. Next unit is Family Camp in south county. Volume is projected to be 1.6 MMBF and cruise information has similar numbers. Property was bought as a land trade from Port Blakely (neighbor), more volume on the PB property than former County Forest property, so we had to borrow from Forest program budget (\$261,000) to complete the trade. The plan for Family Camp is to rebalance the program budget from the trade. See handout.

Estimated revenue is \$110,000-118,000, which is low due to low log prices now. A relatively small increase in prices would get estimated revenue closer to where we would want.

Staff question to FAB: Do we want to market the logs again like we did on Boomer II? It's a less complex unit, but the number of acres is lower, about 50 acres (i.e., easier to log, but not a whole lot of volume compared to Boomer II). It would be easy to do as a regular sale, but may not extract as much income.

Dan G.: Recommends marketing the logs like we did with Boomer II. It reduces the risks on our end. It is impossible to know when is the best time to cut given uncertainty of market prices. Better to sell delivered logs in this case rather than stumpage. It can depend on the buyer. And if we don't get good prices, we don't have to sell.

Rick G.: We have the ability to be flexible on timing of when to cut with contracts than with sales. You can contract and then give permission to cut when market prices are favorable.

Staff recommends marketing or sort-sale again like we did with Boomer II and we can figure out a way to reduce pulp sorting.

Rick G.: Is it ok for Andrew to go ahead to put together a harvest plan for Family Camp? We can get the ball rolling for settling contracts in January at the earliest.

More discussion about Family Camp and neighboring landowners re: possible conflict. None expected as all neighbors are forestland owners (public and private).

Dan put forth a motion to approve developing a harvest plan for a sort-sale/delivered-sale on Family Camp. Bill favored. All approved, no nays or abstentions.

3. Carbon Sequestration Proposal

Discussion about Carbon Project Feasibility Proposal submitted for review by FAB. It would cost us \$4,800 to conduct a feasibility study and find out if it makes financial sense to do a carbon project.

Andrew D.: Concerned about "project inventory costs" that is listed as 0 right now in the cost estimates.

Rick G.: That would be answered in the feasibility report we are requesting. It depends on total acreages and the amount we'd want to enroll in the project.

Dan G.: If it was my ground, I wouldn't do it because it limits freedom to harvest and may not make a lot of money for the cost. However, because it's the County's land, it may make political sense.

Rick G.: From a county political standpoint: this would fit in with the County's development of a Climate Action Plan.

Dan G.: It's important that we don't limit the definition of carbon capture that we are already doing in our current program activities. We should know how much carbon we are sequestering and have that be a part of our CAP whether or not we enter into a Carbon Project.

Jim S.: Agrees that it is better to get a head of any potential political push towards a carbon project and determine if it is feasible now rather than be rushed/pushed into it.

Dan G.: Is there a problem with a single vendor?

Rick G.: No. This falls under our procurement limits that we don't need to go out to bid. We can do a direct contract.

Bill S.: If we wanted to reconsider FSC (or similar sustainable forestry certification), we may want to look at that too to stay ahead of any political push.

Rick G.: If we just considered a carbon project, we'd be ahead of the curve.

FAB and staff discussed requirements and considerations learned from the last meeting.

Bill S.: Motion to go with proposal from LLC Carbon, noting staff concerns about undefined project inventory costs passes. Murray Johnson seconds. No nays or abstentions. Motion carries.

Meeting adjourned at 7:13pm