

# **City of St Helens**

## **Milton Creek Watershed**

### **Annual Forest Management Review**

#### **February 1, 2023**

## **2022 REVIEW & 2023 ACTIVITIES**

### **2022 Review**

#### **➤ ‘Salmon’ Timber Sale**

- 69-acres – Harvest is complete (See Map on Page-6)
- 2.5 million board feet
- \$1,493,762 income
- \$664.57 per thousand-board-feet Douglas-fir bid price

### **2023 Activities**

#### **➤ Reforestation**

- ‘Smith’ Harvest Unit (See Map on Page-6)
  - 80-acres
  - 36,000 seedlings

#### **➤ Potential Timber Sale**

- 79-acres (See Map on Page-6)
- 1.9 million board feet
- \$950,000 of income

#### **➤ Slashing**

- 45-acres (See Map on Page-5)
  - Age 10-years
  - Hand cutting brush and hardwoods to prevent encroachment on seedlings

#### **➤ Culvert Replacement**

- Large Fish Pipe (See Map on Page-5)

#### **➤ Development of Management Plan**

- Document management history
- Outline current management policies and guidelines
- Outline management goals and objectives

# City of St Helens Milton Creek Watershed Annual Forest Management Review February 1, 2023

## TIMBER MARKET ANALYSIS

### Current Sawlog Market

#### Current Prices

In February 2023, *small Douglas-fir saw log* (5 to 15-inch diameter) delivered prices in the local area range from **\$650-\$800** per MBF. This price range is lower than this time last year.

#### Current Trend

After a decline toward the end of 2022, the log market appears poised to pick up headed into spring as interest rates have recently dropped and the housing market looks to improve for 2023. Mills interested in St Helens timber mostly produce dimension lumber (2x4, 2x6, etc) that is widely used in the construction industry and driven by the housing market. Currently lumber suppliers are not sitting on large inventories so the limited supply of logs should remain in high demand and result in competitive prices.

It is important to understand log supply challenges in the Pacific Northwest when looking at future log markets. As a net importer of lumber, the United States is not getting the supply from Canada it has historically, so there is more pressure on domestic producers to fill this gap. Billions of board feet of timber were lost in the Labor Day fires of 2020 and most of the salvageable logs have been processed. And more harvest regulations are now being imposed on Oregon forests, further reducing the amount of timberland available for harvest. All that being said, with a limited amount of logs available, prices should remain solid even in a lumber economy that features basic demands.

The current inventory of City of St Helens timber features mostly small Douglas-fir saw logs. In the current market, Douglas-fir stumpage prices for City of St Helens timber would range from **\$500-\$600** per MBF.

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## **MANAGEMENT PLANNING**

### **Recent Harvest History**

#### **Last Five Years 2018-2022**

After a four year break following the harvest of the most of the remaining merchantable timber in 2014; from 2018-2022 we harvested 279-acres from four timber sales – an average of 56-acres per year. This is slightly over our sustainable goal of 50-acres per year (based on a 45-year rotation in which 1/45<sup>th</sup> of the available forestland is harvested annually), but the harvest level is a rolling average over time, and considerable added value has been captured during this time by harvesting at historic peaks in the log market.

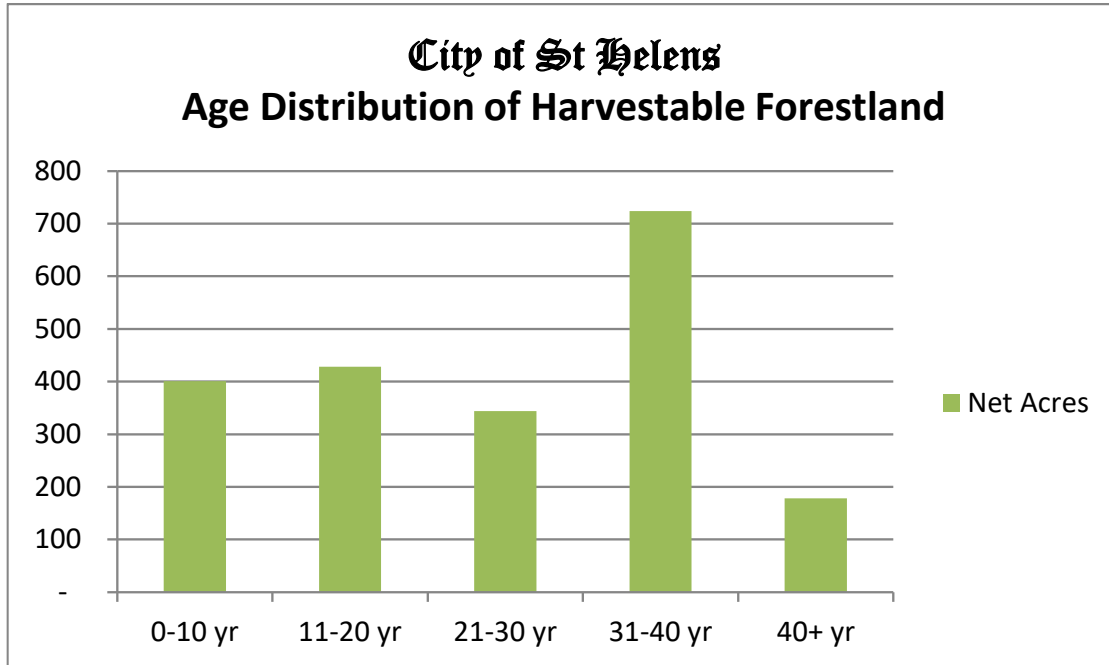
### **Future Outlook**

#### **City of St Helens Forest Composition**

The Milton Creek Watershed contains 2,075-acres of Commercial Forestland. The oldest available stand of timber is now around 45-years of age. There are roughly 200-acres of timber age 40 or greater. Within 5 to 10 years, over 700-acres will move into the 40+ year category. During that time, the City will continue to have the option of a sustainable annual or at least semi-annual harvest program.

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## *Age Distribution of City of St Helens Forestland That is Available for Harvest*

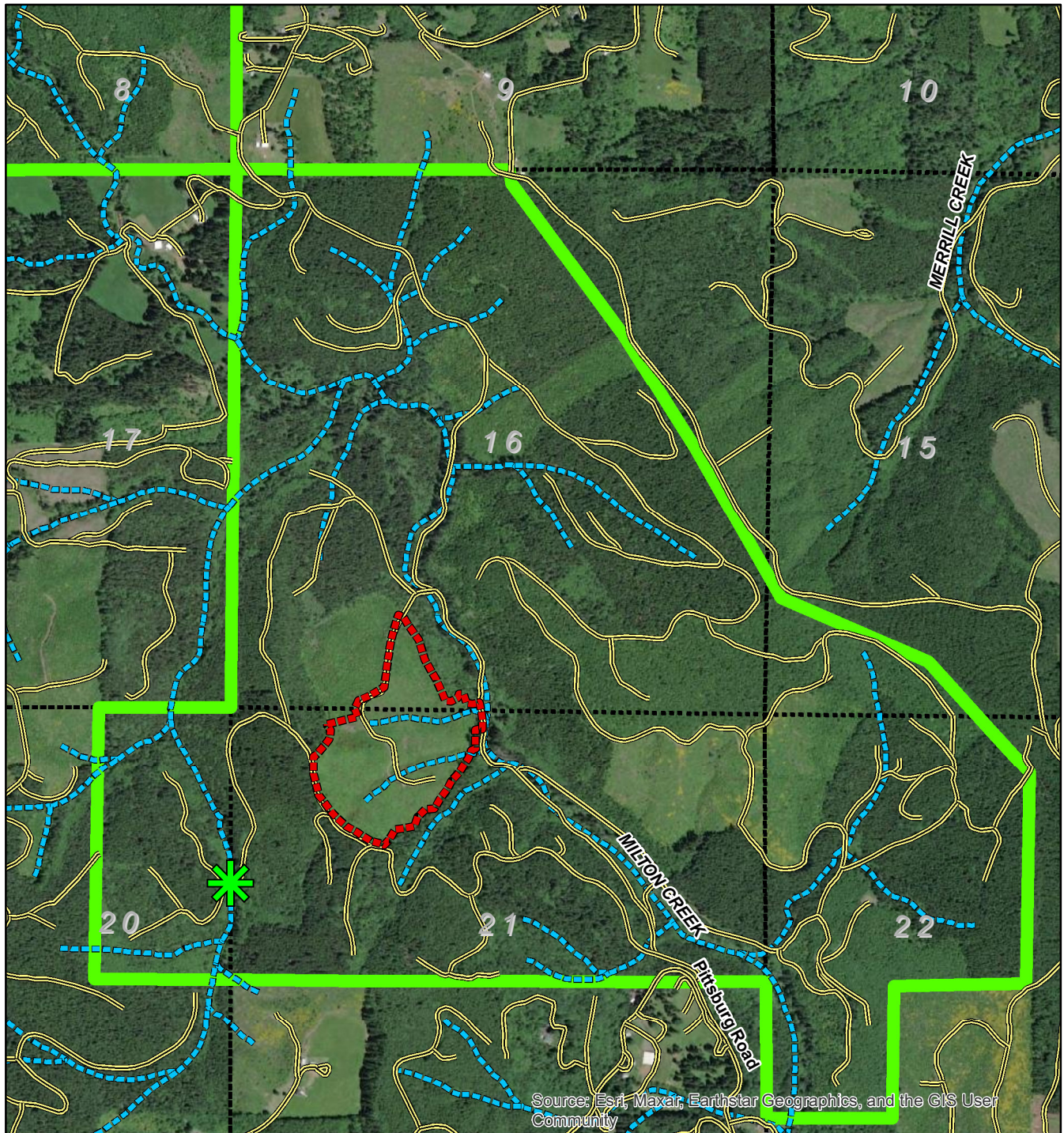


## **Current Harvesting Options**







The City currently has 79-acres of readily available merchantable timber. (See Map on Page-6) The current log market is 10-15% above the five-year average. I recommend selling a sale in the next few months to take advantage of this strong market.



# City of St Helens 2023 Projects Overview



Township 5 North - Range 2 West

-  2023 Slashing Unit (45-acres)
-  2023 Pipe Project
-  St Helens Ownership
-  Sections
-  Roads
-  Streams



1 inch = 1,500 feet

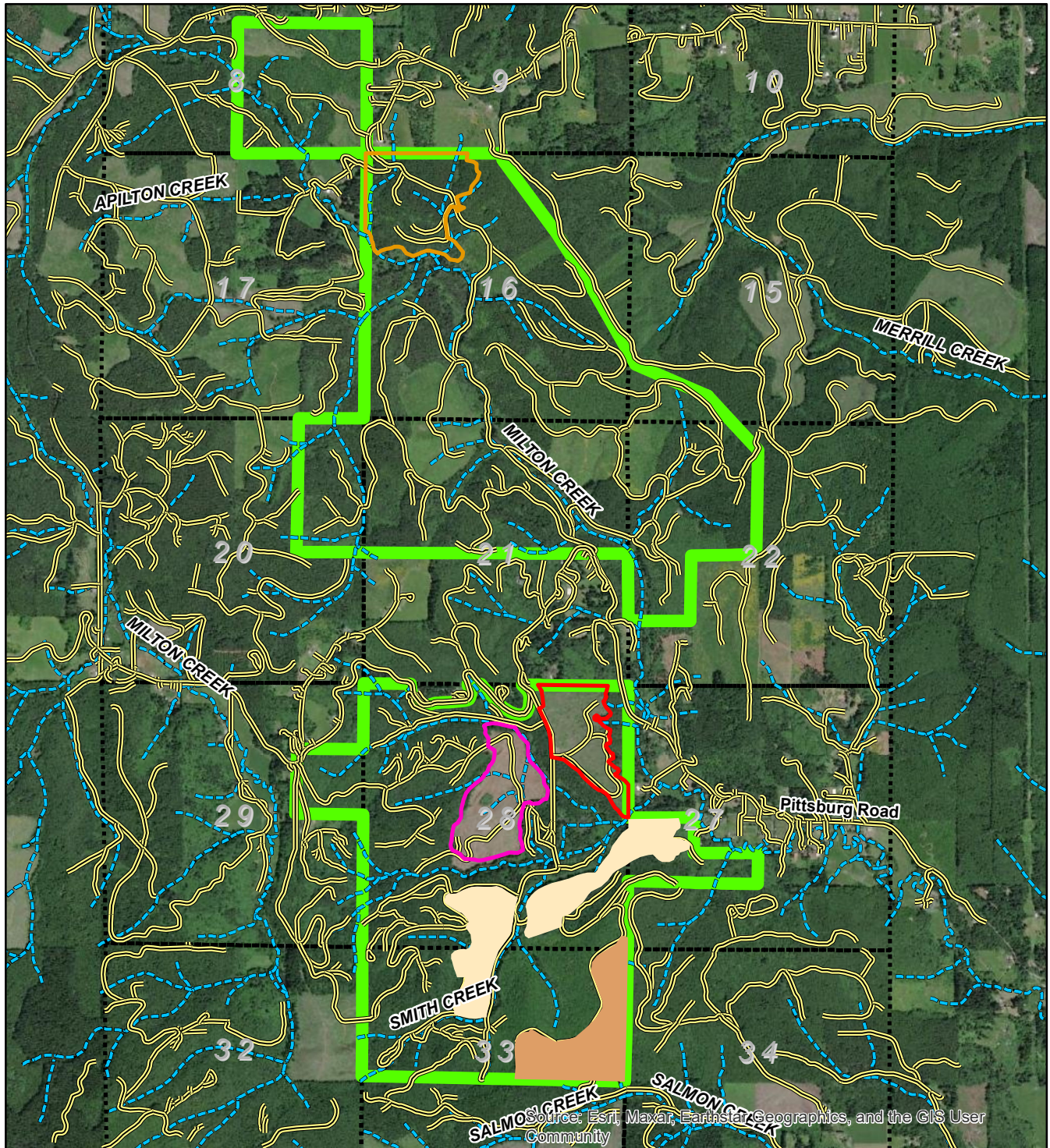


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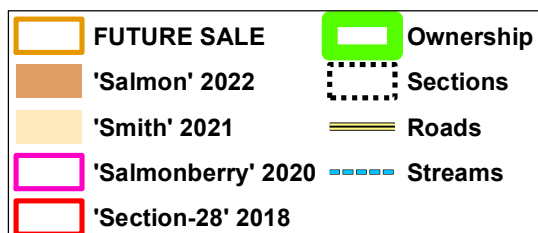
Projection: NAD83, State Plane Oregon North



# City of St Helens Timber Sale History



Township 5 North - Range 2 West



1 inch = 3,000 feet



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