

City of St Helens

Milton Creek Watershed

Annual Forest Management Review

February 7, 2024

2023 REVIEW & 2024 ACTIVITIES

2023 Review

- **‘Pinkney Road’ Timber Sale**
 - 83-acres – Harvest is complete (See Map on Page-6)
 - 2.5 million board feet
 - \$1,189,038 income
 - \$519.58 per thousand-board-feet Douglas-fir bid price

- **Reforestation**
 - ‘Smith’ Harvest Unit (See Map on Page-6)
 - 83-acres (*Partially planted in 2022*)
 - 40,000 seedlings

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

- **Pre-Commercial Thinning**
 - 40-acres (See Map on Page-5)
 - Age 25-years
 - Overstocked: 400+ Trees Per Acre
 - 200-250 Trees Per Acre following thinning

2024 Activities

- **Reforestation**
 - ‘Salmon’ Harvest Unit (See Map on Page-6)
 - 69-acres
 - 30,000 seedlings

- **Road Inventory**
 - In preparation for new rule under Private Forest Accord that requires submitting road condition assessments with Notification of Operations
 - Culverts
 - Roads
 - Ditches

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2024 Activities

➤ Development of Management Plan

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

TIMBER MARKET ANALYSIS

Current Sawlog Market

Current Prices

In January 2024, *small Douglas-fir saw log* (5 to 15-inch diameter) delivered prices in the local area range from **\$600-\$750** per MBF. This price range is lower than this time last year.

Current Trend

Log prices have gradually declined in the last few months as lumber prices are relatively low amid a flat housing market and tough overall economy. 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.

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. In 2024, additional 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 supply 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 **\$400-\$500** per MBF.

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MANAGEMENT PLANNING

Recent Harvest History

Last Six Years 2018-2023

After a four-year break following the harvest of the majority of the remaining merchantable timber in 2014; from 2018-2023 we harvested 362-acres from five timber sales – an average of 72-acres per year. This is over our sustainable goal of 50-acres per year (based on a 45-year rotation in which 1/45th 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 period by harvesting at historic peaks in the log market.

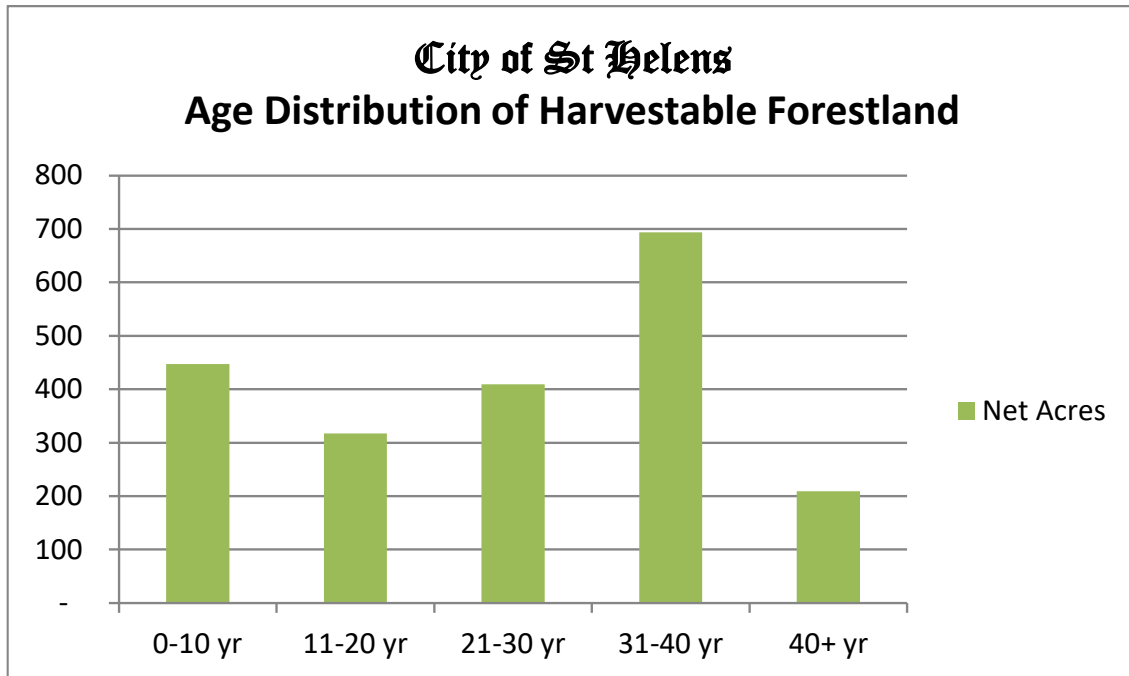
Future Outlook

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 42-years of age. There are roughly 200-acres of timber greater than age 40. Within 5 to 10 years, 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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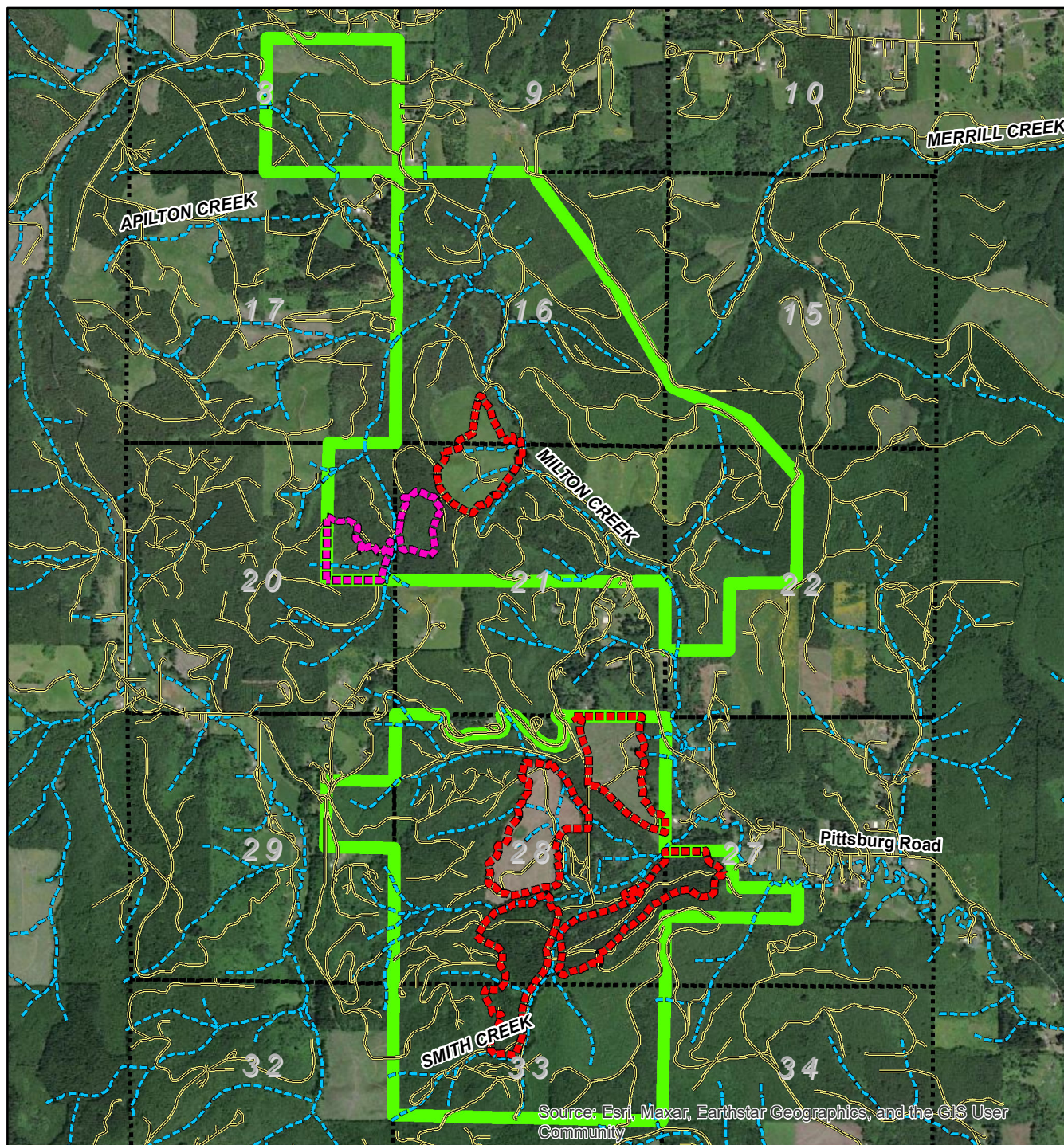
Age Distribution of City of St Helens Forestland That is Available for Harvest



Current Harvesting Options

The City currently has 100-acres of readily available merchantable timber. (See Map on Page-6) The current log market is solid but features average prices. Given the current market and the increased harvest level of the last six years, I recommend deferring harvest for a year or two and timing the next harvest with a peak in the log market.

City of St Helens 2023 Projects Overview



Township 5 North - Range 2 West

- 2023 Slashing Units (257-acres)
- 2023 PCT Unit (40-acres)
- St Helens Ownership
- Sections
- Roads
- Streams



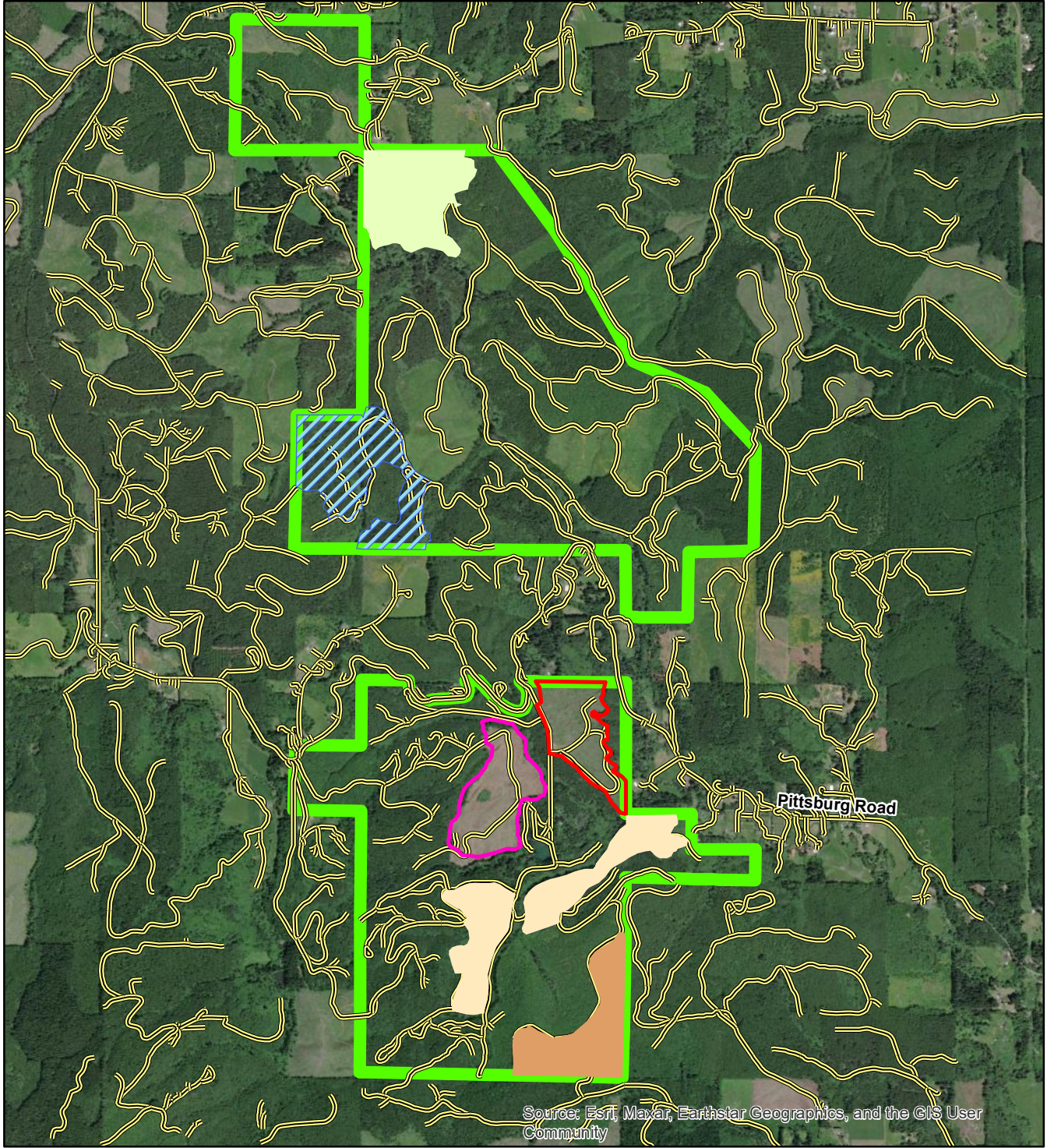
1 inch = 3,000 feet



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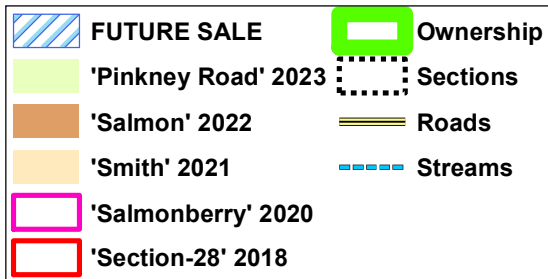
Projection: NAD83, State Plane Oregon North

City of St Helens Timber Sale History



Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community

Township 5 North - Range 2 West



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