



WASHINGTON STATE DEPARTMENT OF
Natural Resources

Peter Goldmark - Commissioner of Public Lands

Western Washington Sustainable Harvest Calculation

For forested State Trust Lands
A Report to the
Board of Natural Resources

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Sustainable Harvest Topics

- February and March
 - Reviewed RCW's, Policy
 - 2004 and 2007 calculations
 - Review of past decade performance
 - Arrearage
- This Month
 - What is the Arrearage?
- June
 - Key Modeling Assumptions
- For Future Meetings
 - Arrearage options (action item)
 - Modeling assumptions (action item)
 - Sustainable Harvest Volume (action item)



Arrearage

Arrearage – RCW 79.10

The summation of the annual sustainable harvest timber volume, less the sum of state timber sales contract default volume and the state timber sales volume deficit.

If an arrearage exists, then the Department will:

- Conduct an analysis
- Identify the greatest return to the trusts
- Offer for sale the arrearage in addition to the sustainable harvest level, if in the best interests of the trusts



Timber Volume Sold

FY05-FY13 Sold Sales + Projected Sustainable Harvest Targets to End of Planning Decade



In Numbers

- Western Washington FY 2005-2014
 - Sustainable harvest = 5,500 MMBF
 - Sold Volume* = 5,046 MMBF
 - Arrearage:
 $5,500 - 5,046 = 454$ MMBF

* Includes an estimate for planned sales in FY 2014

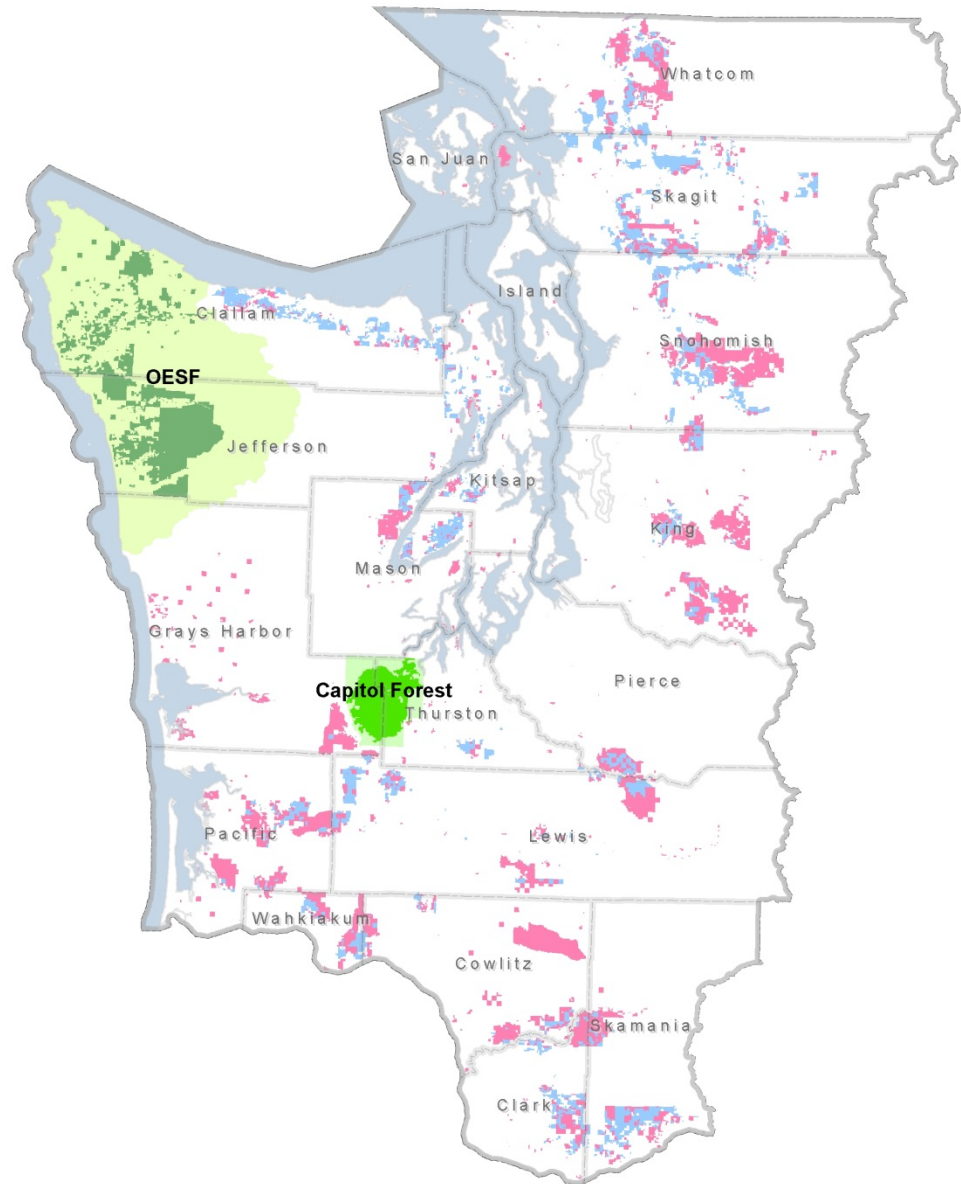


Policy for Sustainable Forests

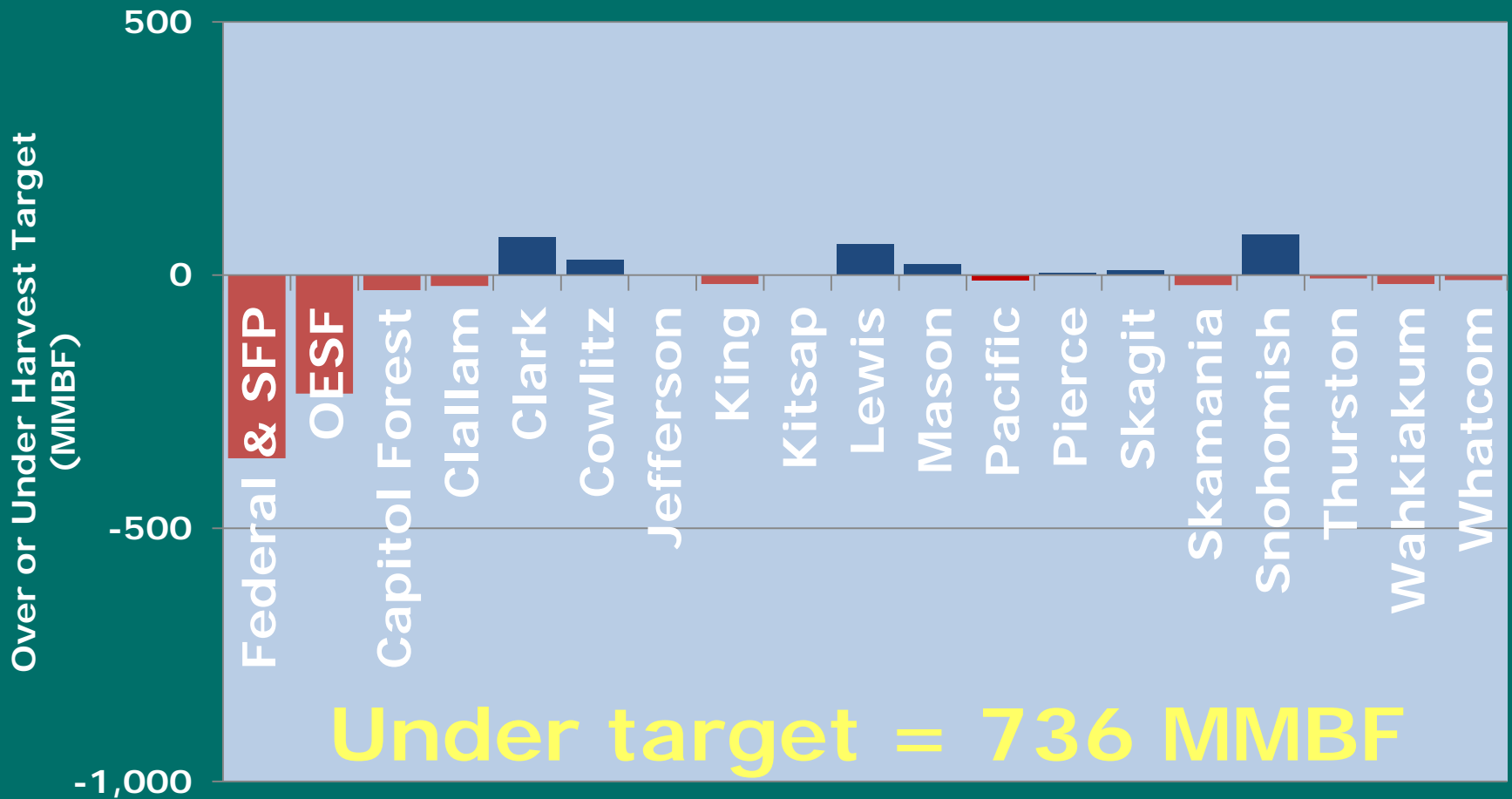
Sustainable Harvest Units

20 Sustainable Harvest Units

- OESF
- Capitol
- 17 Counties
- 1 Westside unit



Sustainable Harvest Unit Performance FY 2005-2014



Details of the Shortfall

1. Arrearage - RCW 79.10.330

– *SHC – Sold Volume = Arrearage*

– 5,500 – 5,046 = 454 MMBF

2. Shortfall per Policy of Sustainable Forests

– For each Sustainable Harvest unit (SHU), calculate if a shortfall exists, then sum the SHUs that under the target volume

– 4,265 - 3,529 = 736 MMBF

Arrearage Analysis Options

1. Consider “virtual harvest” of land/timber transactions and offer the remainder in the next 5 years
2. Sell the arrearage in the next decade
3. Keep the arrearage in the inventory



Land Transactions

- Over time, transactions result in disposal of mature forests and acquisition of young forests



Land Transactions FY 2005 -2014

All Transactions	Acquired	Disposed
Land (acres)	69,225	57,426
Timber Volume (MMBF)	165	800
Timber Value (\$ millions)	\$28	\$195

Trust Land Transfer represented
- 82% of the disposed timber volume

Trust Land Transfer (TLT)

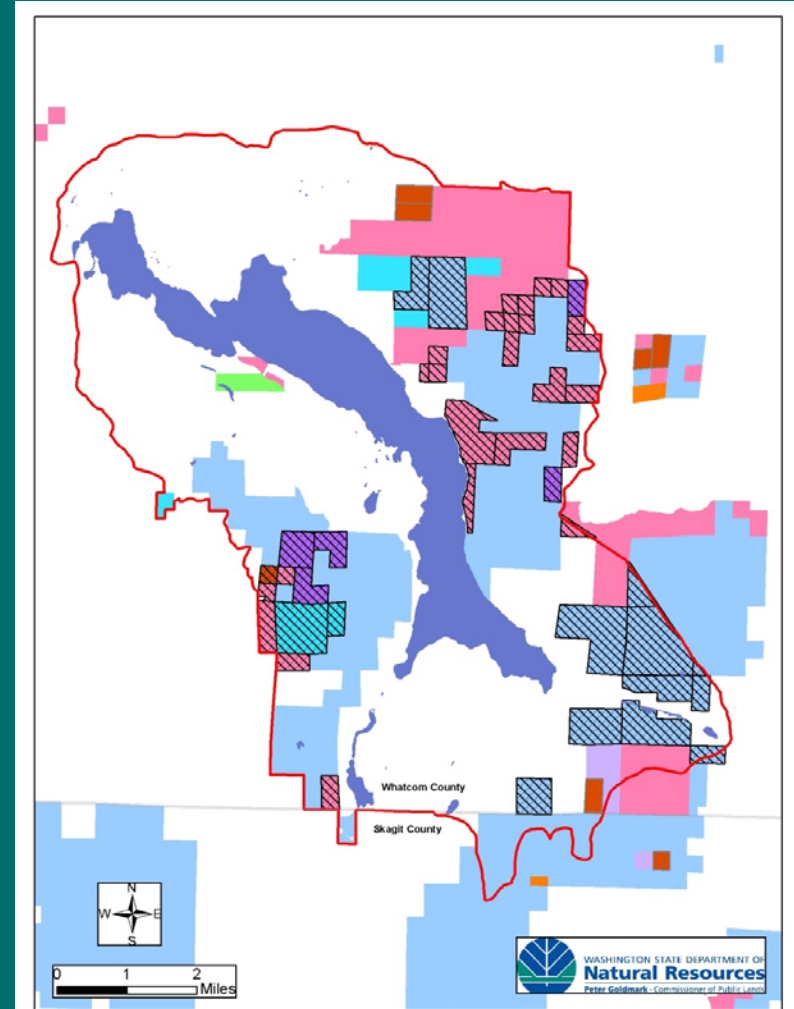
- In the 2004 Sustainable Harvest Calculation, some trust lands were placed in a harvest deferral status in anticipation of transferring them

	TLT Acres	TLT Timber Volume (MMBF)	TLT Timber Value (\$ millions)
Deferred	17,854	353	\$ 90
Not Deferred	15,822	302	\$ 81
Total	33,676	656	\$ 171



Reconveyances

- Lake Whatcom
 - Approximately 8,800 acres of State Forest Transfer land was reconveyed
 - This removed 145 MMBF of operable timber



Arrearage Analysis Options

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Timeline for Decisions

- June
 - Key Modeling Assumptions
- For Future Meetings
 - Arrearage options (action item)
 - Modeling assumptions (action item)
 - Sustainable Harvest Volume (action item)





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