



STAFF REPORT – CITY COUNCIL MEETING

June 07, 2023

TO: Honorable Mayor and City Council Members

FROM: Emily Sinkhorn, Director of Environmental Services

PREPARER: Brigitte Price, Administrative Specialist

DATE: May 08, 2023

TITLE: Award Contracts for the 2023 Timber Sales to Humboldt Redwood Company for Redwood Logs (\$848/mbf), and to North Fork Lumber Company for Douglas Fir Logs (\$615/mbf) and Grand Fir Logs (\$415/mbf); and Authorize the City Manager to Execute All Applicable Documents.

RECOMMENDATION:

It is recommended that the Council award contracts for the 2023 timber sales to Humboldt Redwood Company for redwood logs (\$848/mbf), and to North Fork Lumber Company for Douglas fir logs (\$615/mbf) and grand fir logs (\$415/mbf); and authorize the City Manager to execute all applicable documents.

INTRODUCTION:

Two bids were received prior to the deadline and opened on May 12, 2023, at 4:30 p.m. This year's bid was as "camp run," meaning all diameters were valued the same. Bidders could choose to bid on one or more species. This timber sale is 80 percent redwood. The City received one bid for redwood and two bids for Douglas fir and grand fir for this timber sale.

BACKGROUND:

In May 2023 the City advertised for bids for a 2023 timber sale from the Arcata Community Forest Jacoby Creek Tract of approximately 600 thousand board feet (mbf). The planned harvest will follow single tree selection silviculture to thin overly dense homogeneous stands of young conifers, setting the area on an accelerated trajectory towards older stand structure. The logging contract for the 2023 timber harvest was awarded by the Council on May 17.

DISCUSSION:

Staff expected to see more timber sale bidders this spring based upon the correspondence and site visits with potential buyers. Fortunately, two bids were received for Douglas fir and grand fir, as well as a competitive bid for redwood logs.

Based upon offered prices and accounting for trucking distances to the various log delivery destinations, staff determined the most advantageous offer for redwood logs to be from Humboldt

Redwood Company (delivered to Arcata, California) and Douglas fir & grand fir to North Fork Lumber Company (delivered to Korb, California). The delivered log bid amounts are listed as follows:

Redwood

- Humboldt Redwood Company, camp run at \$848/mbf.

Douglas fir

- North Fork Lumber at \$615/mbf.

Grand fir

- North Fork Lumber at \$415/mbf.

*Note: The timber buyer pays the State timber yield taxes for this sale.

POLICY IMPLICATIONS:

The proposed location and operational parameters are consistent with the City's Forest Management Plan and NTMP 1-99-033HUM. The goal of the operation is to increase terrestrial carbon stocking over time and manage to create a resilient forest by thinning overstocked areas, removing excess fuels, and growing larger trees. The operation also provides an opportunity to improve legacy erosion issues to reduce risk of sediment inputs to Jacoby Creek.

COMMITTEE/COMMISSION REVIEW:

The Forest Management Committee has reviewed the proposed 2023 timber harvest.

ENVIRONMENTAL REVIEW (CEQA):

The timber harvest is consistent with the City's Forest Management Plan. The area planned for timber harvest is currently being amended into the City's Non-Industrial Timber Management Plan (NTMP) 1-99NTMP-033HUM. NTMP amendment approval is anticipated in early summer. The Non-Industrial Timber Management Plan is the functional equivalent of an EIR.

BUDGET/FISCAL IMPACT:

The timber sale generates revenue to fund the Forest Fund 205. Revenue from this 2023 timber harvest will be received in fiscal year 2023-24.