



# STAFF REPORT – CITY COUNCIL MEETING

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July 17, 2024

**TO:** Honorable Mayor and City Council Members

**FROM:** Emily Sinkhorn, Director of Environmental Services

**PREPARER:** Brigitte Price, Administrative Specialist

**DATE:** July 10, 2024

**TITLE:** **Award Bid for the 2024 Timber Sale of Redwood Logs (\$1450/MBF) to Kelly & Gina Paine (dba KP's Custom Milled Redwood); Douglas-fir Logs (\$570/MBF) and Western Hemlock Logs (\$405/MBF) to North Fork Lumber; and Authorize the City Manager to Execute All Applicable Documents.**

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## **RECOMMENDATION:**

It is recommended that the Council award bid for the 2024 timber sale of redwood logs to KP's Custom Milled Redwood (\$1450/MBF); and Douglas-fir logs (\$570/MBF) and western hemlock logs (\$405/MBF) to North Fork Lumber; and authorize the City Manager to execute all applicable documents.

## **INTRODUCTION:**

Four bids were received prior to the deadline and opened on June 4, 2024, at 4:30 p.m. This year's bid was a "camp run," meaning all diameters of logs were valued the same. Bidders could choose to bid on one or more species. This timber sale is around 70 percent redwood. The City received three bids for redwood and one bid for Douglas-fir and western hemlock for this timber sale.

## **BACKGROUND:**

In May 2024, the City advertised for bids for the 2024 timber sale from the Arcata Community Forest Jacoby Creek Tract of approximately 400 thousand board feet (MBF). The planned harvest will follow single tree selection silviculture to thin homogeneous stands of younger conifers, setting the area on an accelerated trajectory towards older stand structure. The logging contract for the 2024 timber harvest will also be considered by the Council on July 17.

## **DISCUSSION:**

Staff held site visits with multiple timber purchase bidders this spring, and these relationships led to receiving multiple competitive bids for redwood. Fortunately, three competitive bids were received for redwood logs and one bid was received for Douglas-fir and western hemlock.

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 KP's Custom

Milled Redwood (delivered to Piercy, California) and Douglas-fir & western hemlock to North Fork Lumber Company (delivered to Korbel, California). The delivered log bid amounts are listed as follows:

Redwood

- KP's Custom Milled Redwood, camp run at **\$1450/mbf**

Douglas-fir

- North Fork Lumber at **\$570/mbf**

Western hemlock

- North Fork Lumber at **\$405/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 roadway issues to reduce risk of sediment inputs to Jacoby Creek.

**COMMITTEE/COMMISSION REVIEW:**

The Forest Management Committee has been kept apprised of the upcoming 2024 timber sale at recent Committee meetings and will review the details contained in the draft timber harvest Notice of Timber Operations.

**ENVIRONMENTAL REVIEW (CEQA):**

The timber harvest is consistent with the City's Forest Management Plan. The area planned for timber harvest is included in the City's Non-Industrial Timber Management Plan (NTMP) 1-99NTMP-033HUM. The Non-Industrial Timber Management Plan is the functional equivalent of an Environmental Impact Report (EIR).

**BUDGET/FISCAL IMPACT:**

The timber sale generates revenue to fund the Forest Fund 205. Revenue from this 2024 timber harvest will be received in fiscal year 2024-25.