

SULTAN CITY COUNCIL

AGENDA ITEM COVER SHEET

ITEM NO: C - 8

DATE: February 8, 2007

SUBJECT: Forest Management Recommendations
2007 Sale – Authorization to Proceed

CONTACT PERSON: Public Works Director Dunn
Jim Frost, Lusignan Forestry, Inc.

SUMMARY:

Staff is seeking Council approval to authorize the Mayor to sign the Department of Natural Resources (DNR) Permit Application for blow down salvage and thinning of 21 +/- acres of timber in the City's watershed.

BACKGROUND:

The City of Sultan has Lusignan Forestry Inc. managing the timber on the 360 acre Watershed on the Sultan Basin Rd. Revenue from timber sales is dedicated Cumulative Reserve Funds for Water/Sewer Capital Projects.

In 2005-06 the City contracted to have approximately 35 acres thinned with a net gain of \$90,059.34. Attached is a 10 year history of timber sales from City property.

ANALYSIS:

The 2007 Forest Management recommendation in staying with the guidelines of the management plan, a thinning is again scheduled for this year. Jim Frost recommends conducting a thinning in stands 3.3 and 8, this is 21 +/- acres, as well as clean up the blow down from the November/December, 2006 storm events which is a couple of loads of merchantable logs to be salvaged. The timber market is favorable at this time.

ALTERNATIVES:

Authorize Signature – Authorize signing of the DNR Permit Application so the City can have the timber sale this year between May 1, 2007 and October 31, 2007 (harvest season).

Delay – If Council delays the signing, it may result in not receiving permit approval for this year's harvest season therefore, blowdown value would be lost and timber sales price may go down. Also, good bids on the sale could be jeopardized by delaying.

No Action - No income for Cumulative Reserve Fund and blow down will deteriorate creating disease and insects in the timber and surrounding timber, potential of future lost revenue.

FISCAL IMPACT:

The net profit on the completion project of the timber sale goes to the Utility Cumulative Reserve Fund to be used for capital water/sewer projects. The sale is anticipated to bring between \$90,000 and \$100,000 in net profit.

There is currently \$1.1 million in the fund with \$560,000 in proposed expenditures for 2007. Staff will be bringing the 2008-2013 Capital Improvement Plan to Council in March with estimated revenues and expenses over the next six years.

RECOMMENDED ACTION:

Authorize Mayor Tolson to sign the Department of Natural Resources permit application for blow down salvage and thinning of 21 +/- acres of timber.

ATTACHMENTS:

1. Ten year history of timber sales.
2. Letter dated January 19, 2007 from Lusignan Forestry.
3. Map of watershed.

COUNCIL ACTION:



Lusignan Forestry Inc

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PHONE 360-426-1140
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TIMBER SALES AND HARVESTING
TIMBER INVENTORIES
TIMBER MANAGEMENT PLANS
TIMBER APPRAISALS

January 19, 2007

City of Sultan City Council
c/o Connie Dunn, Public Works Director
City of Sultan
P O Box 1199
Sultan, WA 98394

RE: 2007 FOREST MANAGEMENT RECOMMENDATIONS

Dear City of Sultan City Council:

The purpose of the letter is to outline the recommended forest management activities for this year, 2007.

First I would like to report to you my findings upon my visit on December 26, 2006, following the recent wind events. I found that trees had fallen across the road in various places, but since have been cut out of the way.

Within the stands, I found scattered blow-down. I estimate that overall there are a couple of loads of merchantable logs which have the potential to be salvaged.

In recent visits, I have noticed that people have been entering the watershed parcel near the southeast corner. It appears they have been coming on to the property by parking at the gravel pit located on the adjacent Washington Department of Natural Resources property to the east. However, recent ditching of the parking lot looks to have helped curtail this access. We will periodically monitor this area. In addition, the ditching the road grade just south of the dam should also provide a deterrent.

In 2005 and 2006 we thinned approximately 35 acres (Units #3.3 and #8) located in the south central portion of the watershed parcel. In addition, Unit #5 was pre-commercially thinned the past year. This removed much of the competing hardwoods from the stand. Pictures are enclosed.

2007 Recommendations-- In staying with the guidelines of the management plan a thinning is again scheduled for this year, I recommend conducting a thinning in stands 3.3 and 8. These areas are comprised of 21 +/- acres. This management activity would be conducted in a manner similar to that of the thinning in 2005-2006. Timber markets at this time are favorable; we will continue to monitor them and should there be any major changes we will pass this along to you. In addition to the scheduled thinning I think it would be beneficial to salvage any timber that has been damaged or blown down during recent storms and wind events.

Regarding the forest at the water treatment site, our inspection found the trees to be healthy and growing well and that little blow down has occurred, therefore no management activity in this area is recommended at this time.

If it is the council's favor to move forward with the thinning we will forward a forest practice permit for signature. If you would prefer me to present my 2007 recommendations at a council meeting, please let me know.

If there are any questions I can answer, please call. I will await your approval.

Sincerely,



Jim Frost, ACF
Consulting Forester/President

Enc: Timber Type Maps and Keys

Account Code:90RU . BARS Account Number: 405. 395.10.00.			
Type:RE.			
Account Description: Sale Of Fixed Assests			
Operating Transfers			
Budget		5000.00.	
Amended			
Jan:	Apr:	Jul:	Oct:
Feb:	May: 88557.67	Aug:	Nov:
Mar:	Jun:	Sep:	Dec:
_____		_____	
1st: .00	2nd: 88,557.67	3rd: .00	4th: .00
Unexpended/Uncollected: 83557.67			
Year-to-Date Total : 88557.67 Percent of Budget: 1771.15			

BARS ACCT HISTORY Sale Of Fixed Assests

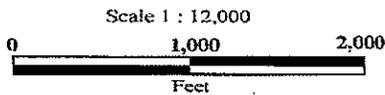
	2002	2003	2004	2005	1996
JAN					50.00
FEB					
MAR					
APR	.00				
MAY					
JUN		198930.00			
JUL			1011.00		
AUG					
SEP					
OCT					44073.50
NOV				1501.67	383571.00
DEC					
13M					427644.50
TOT	.00	198930.00	1011.00	1501.67	427694.50

BARS ACCT HISTORY Sale Of Fixed Assests

	1997	1998	1999	2000	2001
JAN		4295.60	662.15		
FEB		696.18			
MAR					
APR					
MAY					
JUN					
JUL					
AUG					
SEP			10676.90		
OCT	1193.62		6423.71		6183.33
NOV	17177.36	12038.66			25252.87
DEC	13246.14				
13M					
TOT	31617.12	17030.44	17762.76	.00	31436.20

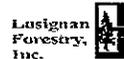
Timber Type Map
City of Sultan
Watershed Parcel

NW 1/4 Lying South and East of Water Line Right-of-Way,
N 1/2 of SW 1/4, W 1/2 of NE 1/4, NW 1/4 of SE 1/4,
Section 16; S 1/2 of SW 1/4 Lying South and East of Water Line Right-of-Way,
Section 8, Township 28 North, Range 8 East, W.M.,
Snohomish County, Washington
Containing Approximately 355+/- Total Acres



The Aerial Timber Type Map
and Legend Map

NOTE: Though great care was taken in
creating this map, information herein is
supplied as a courtesy to interested parties
and is in no way warranted or guaranteed.
Photo Dates 6-23-2001



Update: December, 2006