



Council of Forest Trust Land Counties

STATE FORESTER'S ANNUAL REPORT
FOR THE
ASSOCIATION OF OREGON COUNTIES



NOVEMBER 2011



Table of Contents

Introduction	1
Financial Management	4
Timber Harvest from Board of Forestry Lands	4
County Revenues from Timber Sales	6
Legislative Capital Improvement Funding	7
Revenues and Expenditures	9
Fiscal Year 2011 Costs	10
Historical Timber Harvests	12
Forest Rehabilitation Repayment Status	13
County Revenue Projection	14
Long-Term Market Trends	16
Forest Management and Planning	19
Northwest and Southwest Oregon State Forests	19
Elliott State Forest	22
Annual Operations Plans and Budget—FY 2012	23
Key Projects	26
Counting on the Environment	26
Stand Level Inventory	28
Other Management Activities	32
Intensive Management	32
Road Accomplishments	34
Stream and Watershed Restoration	36
15 Years of Projects on State Forests: 1995—2009	36



Research and Monitoring	40
Research Projects	40
Projects with ODF Technical Support	42
Forest Health	43
Diseases and Damaging Agents	43
Tillamook Forest Center	46
Summary Information	46
Recreation	54
Recreation Accomplishments	54
Recreation Facility and Development Projects	56
State Forests Reports	63
Tillamook State Forest—Tillamook and Forest Grove Districts	63
Clatsop State Forest—Astoria District	65
Santiam State Forest—North Cascade District	66
Sun Pass and Gilchrist State Forests—Klamath-Lake District	67
Elliott State Forest—Coos District	69
Forest Trust Land Advisory Committee	72
Summary of FTLAC Activity—FY 2011	72
FTLAC Members	73
Board of Forestry Forestland Acreage	74
Map of Oregon State Board of Forestry Lands	75



Introduction



As directed by Oregon statute, the Oregon Department of Forestry (ODF) manages about 701,000 acres of state forestlands to secure the greatest permanent value (GPV) by providing healthy, productive and sustainable forest ecosystems, that over time and across the landscape provide a full range of social, economic, and environmental benefits to the people of Oregon.

The lands are actively managed in a sound environmental manner to provide sustainable timber harvest and revenues to the state, counties, and local taxing districts. This management focus is pursued within a broader management context that provides for other forest resources, including properly functioning aquatic habitats for salmonids, wildlife habitats, water quality, and recreation.

Most Board of Forestry (BOF) land was originally acquired by the counties through foreclosure of tax liens. The 2010 state forest acquisition, the 43,000-acre Gilchrist State Forest, was acquired with the aid of lottery bonds dedicated to economic development purposes.

Under county ownership, the lands provided revenue to the counties. Oregon law has maintained this revenue source by allowing ownership to be conveyed to the state—in consideration of the payment to such county of the percentage of revenue derived from such lands.

This report highlights essential management activities and issues for BOF lands (BOFL) during Fiscal Year (FY) 2011 (July 1, 2010 through June 30, 2011).

The amount of revenue transferred to counties in FY 2011 was \$37.8 million. This is a decrease of \$4.8 million from FY 2010. Implementation of cost reduction measures continued in FY 2011, resulting in expenditures decreasing from historic levels to slightly below the FY 2010 level. Although volume and revenues were down in FY 2011, stumpage prices on BOFL increased from the FY 2010 average timber sale stumpage price of \$257 to \$315.



During FY 2011, the Board continued an active discussion of forest policy on state forest lands. One of these areas of exploration regarded the GPV and forest management planning rules. This conversation began in FY 2010 with information-gathering from the Forest Trust Land Advisory Committee (FTLAC), a public advisory committee, and ODF staff. In FY 2011 the Board conducted its own review of these rules. Board discussion was captured in a set of narratives in March of 2011. Work was then paused while the Board started a conversation about conservation areas. This conversation is expected to continue in FY 2012.

A review commissioned by the BOF from the Institute of Natural Resources (INR) was also completed. The review provided suggestions and critique of the analytical basis used to evaluate different forest management plan strategies. The INR also provided suggestions about improving Board of Forestry State Forests Performance Measures. ODF will use the critique to improve future analysis, and the suggestions for improving State Forests Performance Measures will be considered as part of the Board's workplan in 2012.

FY 2011 brought important research results informing the effectiveness of state forest stream buffers. Thirty-three RipStream study sites located throughout the Coast Range geographic region focused on the effectiveness in protecting stream temperature on small- and medium-sized fish-bearing streams. When harvesting to state forest riparian standards, overall no change in maximum temperatures for state forests was found. More details are in this report and in the published journal articles explaining these results.

The Forest Grove and Astoria District Implementation Plans (IPs) were revised to improve alignment with the 2010 Northwest Oregon State Forests Management Plan (NWFMP). State Forester Doug Decker approved them with a "phased in approach" after significant public interest and comments. Approximately 250,000 acres will be managed under these revised 10-year plans to reflect the Board's desire to increase revenue and establish 30—50 percent complex forests across the landscape. In FY 2012, more district IPs will be revised to improve alignment with this forest management plan.

Finally, in FY 2011, the department continued to pursue revenues from carbon credits. Background papers on the science of carbon sequestration and carbon markets were completed and the department focused efforts on registering a Gilchrist State Forest project with the Climate Action Reserve (CAR). This project would increase the stock



of carbon within the Gilchrist State Forest through forest management. Due to timing of the purchase of individual parcels of the Gilchrist State Forest, the CAR rejected the project for all but 3,000 acres of forest. Developing the project under an alternative standard opens several options and new barriers, and the Department is now exploring these other options.

Further details about FY 2011 are found in this report. If you have questions about any of the details or suggestions for the report, please contact Mike Bordelon, State Forests Division Chief, at 503-945-7213, mbordelon@odf.state.or.us; Mike Cafferata, Deputy Chief, State Forests Division, at 503-945-7351, mcafferata@odf.state.or.us; or a member of the FTLAC.





Financial Management

Timber Harvest from Board of Forestry Lands

This report is intended to focus on FY 2011. However, in the business of forest management, it is important to analyze trends in revenue and expenditures over years, because the timing of harvest and other factors can cause any one year to be above or below average.

ODF provides the statutory FTLAC with ongoing status reports related to revenue projections and proposed ODF budgets for the future biennium. ODF manages the BOFL from the share of revenue deposited in the ODF Forest Development Fund (FDF).

About 239 million board feet (MMBF) was harvested from BOFL from July 1, 2010 through June 30, 2011. This is a four percent decrease over the five-year average of 248.7 MMBF and an 11 percent decrease from the FY 2010 volume of 268.1 MMBF. Table 1 displays the volume removed by county during fiscal years 2009, 2010, and 2011.

Variation in year-to-year harvest volume represents choices of timber purchasers based on their own constraints, as well as choices by the Department about how much timber to offer during any given year.



Table 1. Total Volume of Timber Harvest from Board of Forestry Lands by County Fiscal Years 2009–2011

Total Volume MBF (thousand board feet)			
County	FY 2009	FY 2010	FY 2011
Benton	5,412	2,920	2,392
Clackamas	0	2,603	2,478
Clatsop	105,266	82,590	60,524
Columbia	1,002	7,982	0
Coos	1,962	1,566	2,140
Douglas	2,607	1,369	1,780
Josephine	390	489	0
Klamath	6,855	8,745	17,924
Lane	7,057	6,618	10,388
Lincoln	4,914	6,158	884
Linn	8,032	16,492	13,305
Marion	6,635	5,583	12,698
Polk	0	628	1,527
Tillamook	69,979	80,689	66,092
Washington	16,801	43,708	47,440
TOTAL:	236,914*	268,142	239,559

**Note: Corrected data error for FY 2009 from 236,912 to 236,914.*



County Revenues from Timber Sales

The county share of revenues from timber harvest for fiscal years 2009, 2010, and 2011 with five- and 10-year averages are shown in Table 2. County revenues during FY 2011 were approximately \$37.8 million. The average amount of revenue distributed to the counties over the last 10 fiscal years was \$47.8 million. Revenues are distributed to counties each quarter.

A variety of factors contribute to annual harvest levels and corresponding revenues. A multi-year average compensates for “up” or “down” years and provides a clearer long-term view of forest management.

**Table 2. County Share of Revenue from Board of Forestry Lands
Fiscal Years 2009–2011**

County	FY 2009 ¹	FY 2010 ²	FY 2011	5-Year Average	10-Year Average
Benton	\$1,120,464	\$513,271	\$149,881	\$796,593	\$1,045,975
Clackamas	\$421	\$290,744	\$72,368	\$217,565	\$407,244
Clatsop	\$16,344,910	\$11,653,697	\$10,374,500	\$14,945,557	\$16,650,972
Columbia	\$375,044	\$1,165,418	\$11,649	\$1,005,224	\$988,173
Coos	\$248,306	\$284,541	\$285,386	\$408,356	\$315,166
Douglas	\$540,037	\$257,936	\$76,500	\$492,884	\$365,420
Josephine	\$14,597	\$51,694	0	\$16,056	\$18,503
Klamath	\$1,245,889	\$1,832,680	\$1,611,180	\$1,454,454	\$1,257,249
Lane	\$1,793,781	\$1,512,805	\$2,190,403	\$1,565,657	\$1,675,659
Lincoln	\$1,034,619	\$735,406	\$236,533	\$686,191	\$968,263
Linn	\$2,058,517	\$3,622,834	\$2,464,838	\$2,569,057	\$3,321,798
Marion	\$1,785,519	\$1,139,362	\$2,423,766	\$2,321,495	\$2,005,365
Polk	\$77,085	\$757	\$115,798	\$114,547	\$203,605
Tillamook	\$11,508,426	\$10,901,019	\$9,277,054	\$11,964,682	\$12,070,148
Washington	\$4,325,251	\$8,609,998	\$8,505,225	\$7,707,680	\$6,539,206
TOTALS:	\$42,472,866	\$42,572,163	\$37,795,131	\$46,265,996	\$47,832,747

The data for county share of revenue is taken from the State Financial Management Application.

¹FY 2009 includes capital improvement project work credits.

²FY 2010 includes: a \$246,376 Office of Emergency Management storm damage transfer, \$26,850 transferred as part of a House Bill, and a one-time distribution to the Tillamook Forest Center of \$85,163 on April 15, 2010



Legislative Capital Improvement Funding

Legislation approved in 2007 provided \$6.4 million for capital improvements related to timber sale project costs. These projects include road and bridge building. This package was a one-time resource to offset project costs on ODF timber sales.

Counties share in the costs of these projects and, in this case, shared in the additional funding. The same distribution formula for determining the counties' share of timber revenue (about two-thirds) was used to establish the distribution of this funding. It resulted in revenue distributions to counties of approximately \$4.1 million. ODF used its share (roughly one-third, at \$2.3 million) to pay its share of the project costs.

Future timber sale project costs will return to the standard practice of being included in the timber sale contract, an expense shared by both the counties and ODF prior to revenue distribution. After capital improvements are completed and purchasers have been credited for the expense, the remaining revenue is distributed—following the approximately two-thirds formula—to counties.

In the case of the additional funding, a fair and equitable distribution of the funds to individual counties was determined by analyzing project work by county over a five-year period.

Over 99 percent of the authorized revenue has been distributed to counties. The remaining one percent will be distributed as additional capital improvement project work is completed.

Table 3 shows the distribution of this revenue to date.



**Table 3. Legislative Capital Improvement Funding
Effective June 30, 2011**

County	Percent¹	Total (\$)	County Share (\$)	Total (\$) Distributed to County to Date	Percent Distributed to County to Date	Total (\$) Remaining to Distribute to County
Clatsop	32.62	\$2,087,797	\$1,330,971	\$1,330,971	100	\$0
Columbia	0.93	\$59,783	\$38,112	\$38,112	100	\$0
Tillamook	39.78	\$2,546,173	\$1,623,185	\$1,623,185	100	\$0
Washington	9.69	\$619,983	\$395,239	\$395,239	100	\$0
Linn	4.12	\$263,617	\$168,056	\$168,056	100	\$0
Marion	1.56	\$100,143	\$63,841	\$63,841	100	\$0
Clackamas	0.54	\$34,367	\$21,909	\$21,909	100	\$0
Lincoln	3.07	\$196,433	\$125,226	\$125,226	100	\$0
Polk	1.09	\$69,773	\$44,480	\$17,147	39	\$27,333
Benton	1.17	\$74,945	\$47,777	\$47,777	100	\$0
Lane	3.53	\$226,017	\$144,086	\$144,086	100	\$0
Coos	0.42	\$26,855	\$17,120	\$17,120	100	\$0
Douglas	0.45	\$28,598	\$18,231	\$18,231	100	\$0
Josephine	0.19	\$11,937	\$7,610	\$7,610	100	\$0
Klamath	0.84	\$53,579	\$34,157	\$34,157	100	\$0
TOTALS:	100.00	\$6,400,000	\$4,080,000	\$4,052,667	99	\$27,333

¹Percentage was calculated based on the five-year average of project work value by county (FY 2003—2007)



Revenues and Expenditures

Actual gross revenues for FY 2011 totaled \$60.1 million, a slight decline from \$67.5 million in FY 2010 (Table 4). Net revenues averaged 75.4 million over the past 10 years.

**Table 4. Actual Gross Revenue and Expenditures
Fiscal Years 2002–2011**

Fiscal Year	FDF Revenue Dollars	ODF FDF Expenditures			Revenue Transfers		
	Revenue ¹	Personal Services	Services and Supplies	Capital Outlay	FDF Expenditure Total	C.C., COPs, Seed Orchard, Admin Prorate ^{2, 3}	Total Cost
2011	\$60,103,566	\$12,667,296	\$7,164,263	\$134,565	\$19,966,124	\$3,809,130	\$23,775,254
2010	\$67,495,743	\$12,383,081	\$6,158,326	\$92,452	\$18,633,859	\$5,466,278	\$24,100,137
2009	\$66,805,762	\$15,447,222	\$9,519,971	\$10,647	\$24,977,840	\$6,708,876	\$31,686,716
2008	\$80,880,274	\$15,544,239	\$12,041,755	\$183,887	\$27,769,881	\$4,024,263	\$31,794,144
2007	\$91,035,628	\$14,664,974	\$13,523,541	\$98,113	\$28,286,629	(\$5,178,510) ²	\$23,108,119
2006	\$93,135,149	\$13,529,064	\$10,915,862	\$243,984	\$24,688,910	\$5,607,473	\$30,296,383
2005	\$77,202,726	\$13,376,102	\$9,628,632	\$138,624	\$23,143,358	\$21,713,270 ³	\$44,856,628
2004	\$75,588,318	\$11,777,213	\$7,273,545	\$199,663	\$19,250,421	\$2,194,087	\$21,444,508
2003	\$72,590,895	\$11,395,363	\$7,130,232	\$417,631	\$18,943,227	\$3,065,141	\$22,008,368
2002	\$69,114,134	\$10,686,593	\$5,695,832	\$708,570	\$17,090,994	\$3,990,047	\$21,081,041

¹ “Revenue” is revenue minus project work credits generated through timber sales, rights-of-way, permits, etc.

² The FY 2007 revenue transfer includes (beyond routine transfer transactions): \$10 million transferred to restore the funds transferred out during FY 2006. Of that \$10 million, \$3.6 million was transferred to the Fire Protection Program, \$4.1 million was distributed to the counties over multiple years in the form of project work credits (as of FY 2012, only a small amount remains to be distributed to Polk County). Also included is the transfer amount for FY 2007 as an expenditure reimbursement of \$925,000 to the Facilities and Development Account related to storm damage repairs in FY 2007.

³ The FY 2005 Revenue Transfer includes (beyond routine transfer transactions) \$10 million transferred out of the FDF into the General Fund as directed by HB 2148, \$3.9 million to the Oregon Parks and Recreation Department, \$991,000 for a Public Employees Retirement System gap, and \$4.7 million in capital investments that includes the Tillamook Forest Center gap.

Data Source: State Financial Management Application.



Fiscal Year 2011 Costs

Total expenditures in FY 2011 were \$20 million related directly to operational budget units that manage BOFL. The budget units include Salem's State Forests' Division staff, three regional areas, and nine districts. The responsibilities of these units include timber sale contract development and compliance, reforestation and intensive management activities, Endangered Species Act (ESA) compliance, recreation, interpretation and education, research and monitoring, forest planning, and overall program management. This was a \$1.4 million increase from FY 2010.

Expenditures referred to as "Revenue Transfers" are net revenue transfers in and out of the fund and equaled approximately \$3.8 million for FY 2011, a reduction of \$1.7 million (31 percent) from FY 2010. The transfers out include an administrative prorate, debt service on Certificates of Participation (COPs) for capital construction projects, fire protection costs, and seed orchard management.

It is ODF's goal to ensure that the administrative cost structure accurately reflects the work performed by administrative and that each end-user pays their appropriate share of administrative costs. The administrative funds support the following services:

- Human Resources (Personnel, Labor Relations, Safety, and Training);
- Financial Services (Accounting and Reporting Services);
- Internal Auditing, Quality Control, and Risk Management;
- Information Technology support and infrastructure to ODF staff and field offices;
- Facilities, Property Control, and Procurement activities (Contracting and Physical Assets);
- Payroll Administration;
- Biennial Budget Development and Implementation;
- Public Affairs (Public Information, Education, and Outreach)
- Legislative Coordination;
- Forest Resource Analysis and Technical Studies;
- The ODF share of State of Oregon central government service charges;
- Executive-level Policy, Strategic Planning, and Administrative Oversight (State Land Board, BOF, etc.); and,
- Executive Team and Administrative Services Program Directors.



The administrative prorate charges for FY 2011 were \$2.8 million, a decline of \$1.1 million from FY 2010 (28 percent). Prorate percentages, the percentage of time a specific service area performs work for the benefit of an end-user, are calculated from work studies performed each biennium by ODF to ensure that the allocated percentages are as accurate as possible. A policy option package is then presented to the Legislative Assembly to re-align the department's budget within the study parameters. If the Legislative Assembly approves the package, the prorate is re-aligned; if not, the existing prorate is continued.

Seed orchard costs for FY 2011 were \$210,484. These funds were used to produce genetically improved seed (superior growth characteristics as identified through traditional breeding and selection methods) appropriate for state forestlands.

The COP interest and principal allocation funds debt service for capital construction on the Salem headquarters buildings, and totaled \$449,998 in FY 2011.

The ODF Fire Protection costs were \$1,445,926 for FY 2011.



Historical Timber Harvests

Timber harvest volume is volume removed during the FY 2011 period. In FY 2011, total timber harvested from BOF lands was approximately 239.6 MMBF. This is a 10.6 percent decrease from the 268.1 MMBF removed in FY 2010 and a five percent decrease over the ten-year average of 252.3 MMBF. The value of timber removed during FY 2011 was \$68 million, an 8.3 percent increase from FY 2010 and a 17.3 percent decrease from the ten-year average. The harvest value, volume, and stumpage prices of sold sales for the previous 10 years are shown in Table 5, along with five- and ten-year averages.

**Table 5. Historical Timber Harvest Value, Volume, and Stumpage Price
Fiscal Years 2002–2011**

Fiscal Year	Gross Timber Sale Value Removed (BOFL)	BOFL Timber Harvest Volume (MBF)	Average Timber Sale Sold Stumpage Price (BOFL)
2011	\$68,027,273	239,559	\$315
2010	\$62,821,428	268,142	\$257
2009	\$67,642,199	236,914	\$211
2008	\$84,619,195	236,578	\$250
2007	\$98,287,294	244,398	\$348
2006	\$103,150,843	276,908	\$365
2005	\$89,542,266	281,655	\$361
2004	\$81,104,304	239,386	\$277
2003	\$86,875,185	253,532	\$284
2002	\$79,544,382	228,326	\$306
Last 5-Year Average	\$76,279,478	248,718	\$276
10-Year Average	\$82,161,437	252,340	\$297



Forest Rehabilitation Repayment Status

The Forest Rehabilitation Fund was created by the 1949 Oregon Legislature “to rehabilitate, reforest and develop state-owned forest lands so as to secure the highest permanent usefulness to the whole people of the State of Oregon.” The State paid for the bonds to establish this fund, and the State is being repaid by the counties from timber harvest revenues. The current repayment status—unchanged from the last fiscal year—is shown by county in Table 6.

Table 6. Balances for Rehabilitation Payback Per County Effective June 30, 2011

County	Obligation	Sum of Payments	Balance
Josephine	\$29,903	\$0	\$29,903
Total	\$29,903	\$0	\$29,903



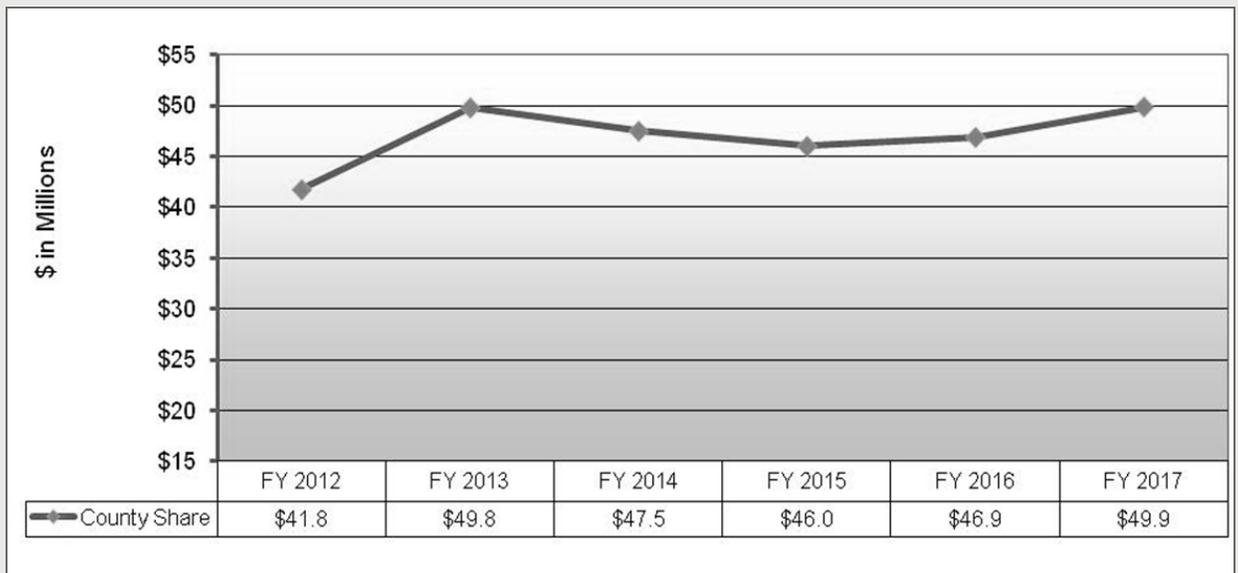
County Revenue Projection

In recent years, the State Forests Division has provided a revenue projection to the Association of Oregon Counties (AOC) twice a year. ODF continues to improve the revenue projection process in an effort to provide more accurate estimates for internal information and to the AOC.

Figure 1 and Table 7 represent the July 2011 revenue projection produced by State Forests Division staff. It is important to keep in mind the current uncertainties in the forestry sector and the timing surrounding the predicted recovery of the log market. The further into the future, the more uncertainty associated with the revenues.

This projection includes estimated revenues from both sold and planned timber sales. Housing-start data was used to forecast the revenue included in the “future category” of the projection. ODF assumes that stumpage prices will recover at the same rate as projected housing starts.

**Figure 1: July 2011 Total County Share Revenue Projection
Fiscal Years 2012–2017**



These projections are estimates only. Assumptions are made on the timing of revenues based on local knowledge from ODF district personnel. Actual revenues will depend on actual versus assumed timing of revenue and actual versus estimated volumes. Market factors or changes in federal or state regulatory requirements could significantly alter the projections.

**Table 7. July 2011 County Share Revenue Projection by County
Fiscal Years 2012–2017**

County	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Benton	\$618,000	\$532,000	\$271,000	\$369,000	\$427,000	\$448,000
Clackamas	\$1,085,000	\$1,221,000	\$596,000	\$225,000	\$258,000	\$274,000
Clatsop	\$14,464,000	\$11,144,000	\$15,868,000	\$16,624,000	\$16,506,000	\$17,489,000
Columbia		\$52,000	\$181,000	\$283,000	\$324,000	\$348,000
Coos	\$130,000	\$839,000	\$1,121,000	\$860,000	\$857,000	\$948,000
Douglas		\$105,000	\$222,000	\$276,000	\$313,000	\$339,000
Josephine		\$11,000	\$32,000	\$40,000	\$38,000	\$39,000
Klamath	\$108,000	\$489,000	\$1,381,000	\$1,557,000	\$1,213,000	\$1,328,000
Lane	\$3,529,000	\$3,622,000	\$891,000	\$1,376,000	\$1,511,000	\$1,554,000
Lincoln	\$1,483,000	\$1,416,000	\$727,000	\$800,000	\$924,000	\$971,000
Linn	\$1,259,000	\$2,031,000	\$2,406,000	\$1,912,000	\$1,918,000	\$2,034,000
Marion	\$1,401,000	\$1,145,000	\$906,000	\$1,317,000	\$1,512,000	\$1,604,000
Polk	\$83,000	\$18,000	\$46,000	\$70,000	\$76,000	\$75,000
Tillamook	\$11,904,000	\$18,969,000	\$16,794,000	\$14,420,000	\$14,641,000	\$15,577,000
Washington	\$5,728,000	\$8,194,000	\$6,061,000	\$5,904,000	\$6,379,000	\$6,856,000
Total	\$41,791,000	\$49,788,000	\$47,505,000	\$46,035,000	\$46,896,000	\$49,885,000



Long-Term Market Trends

The projection of the long-term market trends is based on data from IHS Global Insight Inc., Random Lengths, and interviews of analysts knowledgeable about Oregon's forest products industry.

The primary product marketed by ODF from BOFL and Common School Forest Lands (CSFL) is sawmill-grade logs. These logs from state forest lands are processed predominantly into dimension lumber and plywood for the housing nonresidential construction, and remodeling markets in the U.S. Accordingly, the Department's log market trends are largely influenced by the amount of new home construction, home remodeling, and non-housing construction.

Other important factors that contribute to the demand for logs from state forests include the influence of the demand for private logs and competition from alternative suppliers of logs and saw-timber.

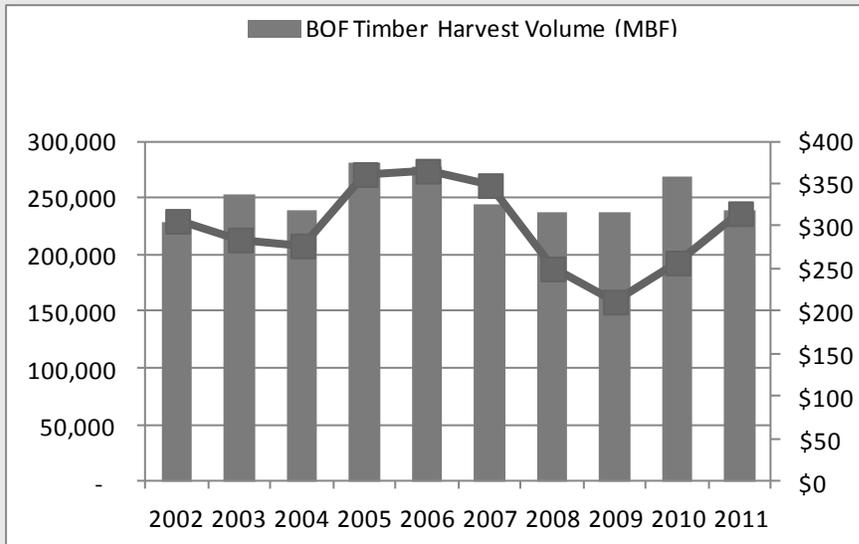
Low housing prices and slow construction markets from the recession continue to sour markets for primary forest products and, consequently, timber marketed by ODF. U.S. demand for lumber and plywood has been slowly improving over the last year, but expectations are that the housing market recovery will continue to be very slow.

However, in spite of the delayed recovery in housing, nonresidential construction, and remodeling, lumber and plywood prices have increased slightly and higher product prices have added to increased regional demand for lumber. Private export logs have contributed to a stable outlook for demand for stumpage sold by ODF.

The recovery in U.S. economic growth, housing starts, and wood products markets has been subdued by historical standards. According to the most recent IHS Global Insight forecast, "There is still no sign yet of a pick-up in housing. Our forecast for improvement in 2012 had been dependent on stronger employment growth to revive household formation, absorbing excess supply. Pent-up demand for housing is building as young adults stay at home, and at some point will spark a major revival in housing activity. But it is becoming harder to see that soon." In spite of record low mortgage rates, averaging below 4.5 percent for 30-year fixed-rate mortgages, the outlook for housing has remained sour. Global Insight sharply



**Figure 2: Timber Volume Removed and Stumpage Prices
Board of Forestry Lands, Fiscal Years 2002–2011**



reduced their 2011 housing starts forecast from 1.16 million to .61 million units and has delayed the expected recovery to what had been considered sustainable levels of 1.6 million on units to 2015. Some analysts still consider Global Insight to be overly optimistic.

Purchasers of timber sales from northwest Oregon State Forests generally range from southwest Washington to the Eugene-Springfield areas. Companies purchasing these sales generally market the logs throughout the Willamette Valley to mills and markets that face the trends of the national economy and the wood products industry. Historically, demand for logs and stumpage harvested from Oregon’s forests have been highly correlated with national housing starts and are not expected to significantly improve until there is a turnaround in housing start levels.

As the national economic recovery progresses, excesses in the housing market will be worked off and housing-related industries should begin to recover, albeit very slowly. The collapse in housing starts and increased home sales resulting from improving home affordability should begin cutting into over-laden housing inventories, but this will take a long time. In the long term, effects of the recent recession are expected to ease but mortgage rates are expected to increase. Table 5 and Figure 2 reflects how timber prices have changed over time and the affect on volume of timber removed.



There are several bright spots for timber-related industries in Oregon. Although a relatively small percent of Oregon's timber harvests and no logs from Oregon's state forest lands go overseas, regional exports affect ODF log prices. Exports of lumber and logs to China continue to grow and export prices to Japan and Korea are relatively strong giving a needed boost to demand for timber. Demand for export logs have recently softened, but remain at relatively high levels. Regional chip prices have remained strong. With decreased lumber production has come a scarcity of chips, stable prices, and chipping of smaller and low quality logs that would have otherwise gone to lumber production. Pole prices remain strong, although demand can be sporadic.

Over the next year, relatively low levels of housing starts and anemic economic growth are expected to result in little upward pressure on lumber and plywood prices, with further recovery in lumber, plywood, and log prices tied to a more robust economic turnaround, an improving job market, and a significant recovery in housing starts. Recovery in demand for logs may be delayed if U.S. economic growth stalls, which could happen if credit constraints prevent the economy from expanding and if labor market improvement remains anemic. In the longer run, an improving economy will result in recovering United States housing starts, higher levels of nonresidential construction spending, and increased remodeling activity. Increased United States economic growth combined with surging demand from China for lumber and logs could result in significantly increased regional Oregon state forest lands log prices in the long term.



Forest Management and Planning



Northwest and Southwest Oregon State Forests

ODF manages a total of about 821,000 acres, of which about 701,000 are BOF and about 120,000 are CSFL.

GPV and Forest Management Planning Rules

The Board continued the process that began in FY 2010 to evaluate the GPV and forest management planning rules. This conversation started with the FTLAC, a diverse Public Advisory Committee, and ODF employees. These three streams of input were presented to the Board in multiple Board meetings. In FY 2011 the Board conducted their own review, informed by these input streams, and captured their thoughts in narratives at the March 2011 Board meeting. The conversation was paused while the Board addressed the topic of conservation areas.

Conservation Areas

The latest discussions about conservation areas on state forests date back to the summer of 2010 and continued into the 2011 legislative session. The BOF addressed the topic at their April 29, 2011 regular business meeting, engaging in discussions regarding trade-offs, balance, and legal authorities. The Board concluded their discussion by directing ODF to recommend a pathway for Board work on the topic of conservation areas. Staff has initiated background work and the Board will consider further work on conservation areas in FY 2012.



Approval of Forest Grove and Astoria District Implementation Plans

In FY 2011, the State Forester approved the IPs for approximately 250,000 acres managed by the Astoria and Forest Grove districts. These revised 10-year plans implement the NWFMP, adopted in 2010, and reflect the Board's desire to increase revenue and establish the goal of providing 30 – 50 percent complex forest structure across the landscape.

There was significant public interest in these IP revisions, including well-attended public meetings and heartfelt comment.

Based on the Board's direction, and recognizing the ongoing work on state forest policy and the public comments, the IPs were approved with a "phased in" approach. The intent of the direction was to retain flexibility to develop future complex forests, while addressing Board goals and aligning with the 2010 NWFMP. The phase-in approach retains flexibility to respond to potential policy changes and other information, and captures about one-half of the harvest level increase opportunity.

In addition to approving the implementation plans, the State Forester noted that while the 2010 NWFMP is a creative and innovative approach to achieving policy objectives on state forests, it has not produced the desired level of understanding, acceptance, and support among those interested in state forests. He recommended that the Board accept and affirm the GPV administrative rule direction, while also embarking on a clarification and re-articulation of expected outcomes from state forest lands in advance of work to consider alternative forest management approaches. The Board will be considering these and other topics in FY 2012.

Institute for Natural Resources (INR)

In FY 2010, the BOF commissioned a review of state forest land management from the INR and was completed in FY 2011. The review provided suggestions and critique of the analytical basis used to evaluate the different forest management plan strategies. INR also provided suggestions about improving BOF State Forests Performance Measures. The Department will use the critique to improve future analysis and the suggestions for improving State Forests Performance Measures will be considered as part of the Board's workplan. Careful consideration of the INR findings is



entirely consistent with the Board's commitment to continuous improvement of forest management plans and State Forests Performance Measures. Occasional updates regarding the Department's response to the INR will be provided to the Board throughout FY 2012.

Gilchrist Carbon Update

Finally, in FY 2011, the Department continued to pursue revenues from carbon credits. Background papers on the science of carbon sequestration and carbon markets were completed and the department focused efforts on registering a Gilchrist State Forest project with the CAR. This project would increase the stock of carbon within the Gilchrist State Forest through forest management. Due to timing of the purchase of individual parcels of the Gilchrist State Forest, the CAR rejected the project for all but 3,000 acres of the forest. Developing the project under an alternative standard opens several options and new barriers, and the Department is now exploring these other options.



Elliott State Forest

The Elliott State Forest Management Plan (FMP) provides management direction for all forestlands managed by the Coos District, which includes approximately 8,900 acres of BOFL in Coos, Curry, and Douglas counties.

The focus of planning in FY 2011 were revisions of the new draft Elliott FMP and Habitat Conservation Plan (HCP), work on which has been ongoing since early 2000, when preparations began for the expiration of the marbled murrelet habitat Incidental Take Permit.

The new draft HCP had public review in 2008 and work after the public review sought to resolve the resulting issues (focused on aquatic and riparian strategies). The issues were largely resolved with the U.S. Fish and Wildlife Service (USFWS), but not with the National Marine Fisheries Service (NMFS).

In FY 2010, a scientific review was initiated with Oregon's Independent Multi-Disciplinary Science Team (IMST), that focused on the scientific underpinnings of the draft HCP and draft Environmental Impact Statement (DEIS). In general, the IMST was unable to fully assess the scientific rigor and underpinnings of the DEIS analyses. This was based, in part, on the documentation and complexity of the analysis, and the timeframe of the review. The IMST made a number of critiques of the analysis and conclusions, and stated that, "... the DEIS ... is not sufficient to conclude with certainty that the goals of the draft HCP would actually be met."

Following the review, staff from ODF and the Department of State Lands (DSL) met with NMFS. At that meeting, NMFS stated that the IMST analysis would make it difficult to rely on the DEIS as part of the draft HCP application.

Based on these factors, the State ceased pursuit of the HCP, and modified the draft Elliott FMP; which still retains many of the same strategies as the previous draft Elliott FMP and HCP. The revised plan relies on "Take Avoidance" for compliance with the Endangered Species Act (ESA), and ensures that management is consistent with the legal mandates of the land. The revised draft Elliott FMP has had two rounds of public review and is being prepared for adoption by the State Land Board (SLB) and BOF. If adopted, the current Elliott FMP and HCP will be terminated and implementation of the new Elliott FMP will begin in January 2012.



Annual Operations Plans and Budget—FY 2012

Annual Operations Plans (AOPs) link operational planning and accountability to ODF plans, policies, goals, and budgets, by district. The AOPs provide information for fiscal budget development and revenue projections, and may need to be adjusted throughout the process based on revenue projections.

AOPs address the following issues requiring significant commitment of personnel or funds:

- timber sales;
- habitat management;
- young stand management;
- recreation projects;
- road construction and maintenance; and
- monitoring efforts and other activities.

Annually, drafts of AOP components undergo significant review by ODF, the Oregon Department of Fish and Wildlife (ODFW), and USFWS staff, and supporting advisory committees, as well as the public. Once the review period has ended, district foresters consider input received from all these sources before final approval. District foresters also approve modifications of AOPs, when necessary, that may result from new information, changes in budget levels or revenue projections, or unforeseen circumstances.

The approved FY 2012 AOPs propose harvest operations of 216.1 MMBF, with a projected net value of \$46.9 million on BOFL. A summary of the FY 2012 AOPs is provided by county in Table 8, and by district in Table 9. The State Forests Division's FY 2012 budget is shown in Table 10.



**Table 8. Board of Forestry Lands Statewide Annual Operations Plan Summary by County
Fiscal Year 2012**

County	Clear-Cut Acres	Partial Cut Acres	Total Acres	Total Volume (MMBF)	Gross Value (MM\$)	Project Value (MM\$)	Net Value (MM\$)
Benton	0	177	177	1.4	\$0.3	\$0.1	\$0.2
Clatsop	1,431	1,445	2,876	69.7	\$14.8	\$2.9	\$11.9
Coos	60	0	60	1.8	\$0.5	\$0.0	\$0.4
Douglas	15	134	149	0.8	\$0.1	\$0.0	\$0.1
Klamath	0	1,235	1,235	8.9	\$1.4	\$0.1	\$1.3
Lane	240	0	240	7.2	\$1.7	\$0.2	\$1.5
Lincoln	167	71	238	6.7	\$1.9	\$0.1	\$1.8
Linn	183	351	534	11.3	\$3.9	\$0.1	\$3.8
Marion	0	117	117	1.5	\$0.4	\$0.0	\$0.4
Polk	0	91	91	0.4	\$0.1	\$0.0	\$0.0
Tillamook	3,154	1,319	4,473	77.8	\$18.2	\$2.1	\$16.2
Washington	301	936	1,237	28.5	\$10.2	\$0.9	\$9.3
TOTAL:	5,551	5,875	11,426	216.1	\$53.5	\$6.6	\$46.9

**Table 9. Board of Forestry Lands Statewide Annual Operations Plan Summary by District
Fiscal Year 2012**

District	Clear-Cut Acres	Partial Cut Acres	Total Acres	Total Volume MMBF	Gross Value MM\$	Project Value MM\$	Net Value MM\$
Astoria	1,431	1,445	2,876	69.7	\$14.8	\$2.9	\$11.9
Coos	60	0	60	1.8	\$0.5	\$0.0	\$0.4
Forest Grove	942	1,225	2,167	59.0	\$21.4	\$1.6	\$19.8
Klamath-Lake	0	1,235	1,235	8.9	\$1.4	\$0.1	\$1.3
North Cascade	183	468	651	12.8	\$4.3	\$0.1	\$4.2
Southwest Oregon	15	134	149	0.8	\$0.1	\$0.0	\$0.1
Tillamook	2,513	1,030	3,543	47.3	\$7.0	\$1.4	\$5.6
Western Lane	240	0	240	7.2	\$1.7	\$0.2	\$1.5
West Oregon	167	338	506	8.6	\$2.3	\$0.2	\$2.1
TOTAL:	5,551	5,875	11,426	216.1	\$53.5	\$6.6	\$46.9



Table 10. State Forests Fiscal Year 2012 Budget—Board of Forestry Lands

Budget Unit	Personal Services	Services and Supplies	Capital Investments	Total
SALEM TOTAL:	\$2,223,313	\$2,017,545	\$0	\$4,240,858
NWOA Office	\$406,010	\$115,314	\$0	\$521,324
Astoria	\$2,175,108	\$1,379,206	\$0	\$3,554,585
South Fork	\$1,445,545	\$765,650	\$0	\$2,211,195
Forest Grove	\$2,005,762	\$1,134,349	\$0	\$3,140,111
North Cascade	\$759,169	\$575,586	\$0	\$1,334,755
Tillamook	\$2,501,261	\$1,421,750	\$0	\$3,923,011
Tillamook Forest Center	\$560,888	\$278,050	\$0	\$838,938
West Oregon	\$620,520	\$249,651	\$0	\$870,171
NWOA TOTAL:	\$10,474,263	\$5,919,556	\$0	\$16,393,819
SOA Office	\$41,303	\$6,625	\$0	\$47,928
Coos	\$176,363	\$133,150	\$2,957	\$312,470
Southwest Oregon	\$139,586	\$63,972	\$0	\$203,558
Western Lane	\$344,557	\$161,287	\$0	\$505,844
SOA TOTAL:	\$701,809	\$365,034	\$2,957	\$1,069,800
EOA Office	\$19,467	\$39,936	\$0	\$59,403
Klamath-Lake	\$490,174	\$244,584	\$18,152	\$752,910
EOA TOTAL:	\$509,641	\$284,520	\$18,152	\$812,313
TOTAL FY 2012:	\$13,909,026	\$8,586,655	\$21,109	\$22,516,790

Personal Services includes employee salary and benefits; Services and Supplies includes professional and service contracts, vehicles, training, etc.; Reimbursable Costs - dollars expected from grants and shared-cost agreements





Key Projects

Counting on the Environment

In the summer of 2010, the Department, with ODFW and the Tualatin River Watershed Council as project partners, conducted a large wood placement project, enhancing a one-mile reach along the main stem of upper Gales Creek. As part of planned thinning and timber sale activities, the project placed approximately 100 logs within the stream channel and floodplain. The Council received an Oregon Watershed Enhancement Board (OWEB) grant for project implementation and ODFW developed the design for the project.

The Willamette Partnership is an organization dedicated to “increasing the pace, scope, and effectiveness of conservation.” Under a grant from the United State Department of Agriculture Natural Resources Conservation Service, the Partnership, in 2008, convened a group of stakeholders to develop and approve an ecosystem services crediting approach and the infrastructure needed to support credible and transparent transactions. This part of the Partnership’s overall effort is called “Counting on the Environment” (COTE). Over the course of two years, COTE developed four protocols to evaluate ecosystem enhancement projects and determine ecosystem service credits: Salmonid Habitat, Wetland Habitat, Water Quality (Temperature), and Upland Prairie Habitat. A series of pilot projects was proposed to calibrate and test the protocols. The purpose of a pilot project is to demonstrate the utility of the accounting system, test and alter the system, and create visible ecological benefits. In July, 2010, the Gales Creek Wood Placement Project was accepted as a COTE Pilot Project meeting for the protocols of Salmonid Habitat and Water Quality.

From the Department’s perspective, the objective of entering into a pilot project was to test the concepts of an accounting system on a



practical example and to determine if stream enhancement projects could be potential new revenue sources through the sale of credits. Since the project was funded in part with an OWEB grant and because public agencies are not yet authorized to deal in ecosystem service credits, the project was carried through credit estimation, verification, and registration, and the credits were then retired. This would prove the concept of the accounting system and provide an estimate of revenue potential.

Credit estimation and verification consists of a pre- and a post-project survey conducted on site and then verified by a third-party auditor according to the appropriate COTE protocol. In-stream habitat credits were created through riparian and in-stream restoration, including floodplain connection and placement of large wood. Temperature reduction credits were created through intensive planting and management of a native, locally sourced tree and shrub mix. Verified credit estimates, by protocol, were:

- Salmonid Habitat: 4,033.55 (functional linear ft. of habitat improvement)
- Water Quality: 1,906,044 (Kilocalories/day blocked from the stream)

The pilot project clearly shows the potential of ecosystem services credit trading as an alternative revenue stream, although caution must be exercised when evaluating potential financial outcomes of such

projects as prices for credits can be quite volatile. This was a fairly large wood placement project on a large portion of the stream, providing a large amount of benefit. While we cannot expect the same return from many other projects, this project does provide guidance for evaluating potential outcomes, allowing ODF to prioritize projects for possible credit accounting in the future.



Photo: Oregon Department of Forestry

Salmon Habitat Restoration Project on Upper Gales Creek



Stand Level Inventory

The Stand Level Inventory (SLI) is a forest inventory developed by ODF, and is used on the entirety of ownerships managed by the State Forests Division. Field measured sampling occurs in a carefully selected representative portion of inventory stands. These inventory cruise stand results are used to extrapolate inventory information in a supervised way to stands which do not have field-measured data. This provides site-specific information on trees, downed wood and non-tree vegetation (e.g., herbs, shrubs, and grasses) in the cruised stands, statistically derived information about all stands for forest modeling purposes, and the ability to aggregate the information to report district and state-wide inventory totals for state forestlands and lands managed by the Division under agreement.

Statewide, as of the end of June 2011, there are 14,097 SLI stands, 6,585 (46.7 percent) of which (46.7 percent) have field-based measurements. Stands are delineated along differences in general timber characteristics – boundaries are drawn to group together areas with similar tree species, size, and stocking. SLI boundaries often coincide with administrative boundaries, but individual stands may include more than one land ownership category such as BOFL, CSFL, and other lands managed by the Division under agreement. Inventory reporting specific to ownership category is facilitated by integration of the SLI data with ownership information from geographic information systems (GIS). Table 11 shows the total number of SLI stands and acres by ODF District, the number and percentage of stands with field-based measurements, as well as the number of stands of BOFL, CSFL, and other landowner-class lands.

Forest stands undergo continuous change over time, due to timber growth, mortality and harvest. The long-term goal for SLI is to maintain at least 50 percent of all stands with recent (with respect to change factors) field measured cruise information. In the past, ODF has conducted annual inventory cruising projects in order to acquire and maintain the needed measurements. During FY 2011, budget limitations precluded work on any State Forests Division-funded new data acquisition projects. However, the Division did continue its earlier work on a project in Tillamook District – a project funded via an American Recovery and Reinvestment Act (ARRA) grant for a combined SLI and Swiss Needle Cast Assessment project. As part of work to assess forest health, the project included measurement and assessment of 147 forest stands comprising 10,498 acres that are of



**Table 11. Stand Level Inventory Status of All Ownership Classes
Effective June 2012**

District	All Lands with Stand Level Inventories				Board of Forestry Lands		Common School Forest Lands		Other Lands	
	Total Stand Level Inventory Acres	Total Stands	Measured Stands	Measured Stands (Percent)	Acres	Stands	Acres	Stands	Acres	Stands
Astoria	136,852	1,708	1,028	60	134,845	1,691	2,002	65	—	65
Forest Grove	115,003	1,291	824	64	114,374	1,283	609	22	16 ¹	2
Tillamook	252,344	5,872	1,675	29	245,563	5,764	5,029	195	1,739 ²	60
West Oregon	36,714	962	432	45	29,799	831	6,889	279	10 ¹	1
North Cascade	47,630	773	365	47	46,694	738	934	32	—	—
Western Lane	25,261	370	214	58	24,323	358	938	13	—	—
Southwest Oregon	17,419	311	172	55	9,339	176	8,080	135	—	—
Coos	95,273	2,123	1,458	69	8,900	286	86,360	1,981	—	—
Klamath-Lake	86,650	687	417	61	70,188	548	6,840	86	9,620 ³	60
Totals:	813,146	14,097	6,585	46.7	684,024	11,695	117,682	2,808	11,385	188

¹BOF Administrative Sites

²Tillamook County (Kilchis) Park lands managed under agreement

³The Conservation Fund lands managed under agreement



particular interest due to their susceptibility to, and impacts from, Swiss Needle Cast disease. Work on the personal service contract, valued at approximately \$100,000, began in February 2010 and is substantially complete.

Work to include newly available SLI for the Gilchrist State Forest and vicinity has been completed for this report. SLI data for the Gilchrist State Forest was developed by transferring compatible inventory stand information from the previous owner's records and from work done for inventory validation by Atterbury Consultants, Inc., as part of the basis for the recent acquisition of the lands.

Some 386 SLI stands, with 52,800 acres of Gilchrist-area lands, were added to SLI figures for the Klamath-Lake District. According to current State Forests Division GIS-based ownership information, these newly added stands include 326 stands with 43,180 acres which are BOFL, and 60 stands with 9,620 acres which are managed under agreement and are owned by The Conservation Fund (TCF). Although there are additional Gilchrist-area lands owned by TCF which are a focus of future Department/BOF acquisition goals, those stands and acres are not included in the SLI (nor this report) at this time.

Stand Level Inventory Timber Volume Estimate

Table 12 shows the SLI-based estimate of merchantable net board foot volume by species for BOFL lands as of June 30, 2011. The acres information is net of area in roads – other non-forested acres are not removed, but the volume estimate does reflect the effect of low- or non-stocked acres outside of roads.

SLI data is updated annually, typically just prior to the end of June each year. Staffing reductions and workload reorganization combined this year to impact completion of the update work. The following is a synopsis of the update status and basis by district for the SLI-based timber inventory estimates:

- **Astoria District:** The most recent update was completed in January 2011. Operations updates (harvest, pre-commercial thinning or PCT, tree planting, etc.) are included for the period through November 2010 only.
- **Tillamook District:** The most recent update was completed in April 2011. Operations updates (harvest, PCT, tree planting, etc.) are included for the period through October 2010 only.



- **Klamath-Lake District:** The most recent update was completed in July 2009; data was grown forward using the inventory growth model for this report. No operations updates have been included since July 2009. SLI data for the Gilchrist-area lands were added for this report.
- **Coos, Forest Grove, North Cascade, Southwest Oregon, Western Lane, and West Oregon districts:** This year's updates have been completed. Updates for all recent operations have also been completed.

Table 12. Timber Inventory Estimate for State Forests Board of Forestry Lands Effective: June 30, 2011

Total Net Scribner Board Foot Volumes (MBF)											
District	Acres	Douglas-fir	Cedar	True Fir	Hemlock	Pine	Spruce	Alder	Other	Total	Average MBF/Acre
Astoria	130,244	1,853,588	19,950	41,890	681,908	309	91,729	477,194	49,000	3,215,576	24.7
Coos	8,743	177,521	3,734	31	24,378	0	319	23,906	9,443	239,333	27.4
Forest Grove	111,624	2,450,172	20,241	33,675	153,276	197	2,031	192,378	44,104	2,896,074	25.9
Klamath-Lake	70,189	9,904	2,651	64,861	0	269,207	0	0	2,813	349,436	5.0
North Cascade	45,447	861,107	19,111	31,423	128,333	114	0	28,827	20,238	1,089,154	24.0
Southwest Oregon	8,961	128,514	5,526	8,022	2,453	3,080	0	561	19,717	167,875	18.7
Tillamook	241,625	2,385,250	26,001	10,043	773,315	78	187,060	1,164,440	36,921	4,583,107	19.0
Western Lane	23,893	621,888	4,896	207	49,267	0	0	56,241	53,487	785,987	32.9
West Oregon	28,830	472,911	2,454	579	9,920	63	261	65,430	17,444	569,062	19.7
Total:	669,555	8,960,854	104,565	190,731	1,822,850	273,049	281,400	2,008,978	253,176	13,895,603	20.8



Other Management Activities



Reforestation and Intensive Management

Reforestation activities include site preparation, planning, and tree protection. These activities are dependent on the timber harvest schedule, availability of suitable seedlings, and weather. Intensive management activities (Table 13) represent an investment in future benefits such as volume, timber quality, or habitat.

Invasive species (including noxious weed) management activities are conducted as an opportunity with other vegetation management practices, or to target weeds in specific areas. Pruning is now mostly done to reduce the amount of white pine blister rust on western white pine. Pine is planted in root disease areas because it is less susceptible to the disease than other conifers. These activities may be conducted as part of a coordinated effort in partnership with other landowners and agencies. All of these activities are dependent on timing of completed sales, weather, and vegetation development. For these and other reasons, what is accomplished is often different than what was planned in any one operating year.



**Table 13. Intensive Management Activities on Board of Forestry Lands
Fiscal Year 2011**

Management Activity	Acres Planned	Acres Completed	Average Cost per Acre	Total Cost
Initial Planting	4,070	3,702	\$208	\$771,003
Interplanting	918	1,123	\$160	\$179,588
Invasive Plants	116	4	\$3	\$12
PCT/Release—Hand	850	697	\$0	\$0
Precommercial Thinning	200	106	\$114	\$12,040
Pruning	10	102	\$31	\$3,162
Reforestation Surveys	1,464	1,228	\$3	\$3,792
Release—Chemical—Hand	267	667	\$54	\$35,689
Release—Chemical—Aerial	340	18	\$170	\$3,056
Release—Mechanical—Hand	350	1,382	\$92	\$127,208
Site Preparation—Mechanical	14	70	\$160	\$11,183
Site Preparation—Slash Burning	686	3,453	\$3	\$8,755
Site Preparation—Chemical—Aerial	1,830	1,235	\$51	\$62,477
Site Preparation—Chemical—Hand	738	509	\$85	\$43,258
Site Preparation—Chemical—Ground	0	81	\$55	\$4,445
Tree Protection—Barriers	310	500	\$147	\$73,270
Tree Protection—Direct Control	3,765	4,226	\$23	\$95,954
Underplanting	300	0	N/A	\$0
Totals:	16,228	19,103	N/A	\$1,434,891



Road Accomplishments

Roads essential to forest management are constructed or improved as needed. Construction includes any new roads and reconstruction or relocation of abandoned roads, while improvements include bringing old road up to current standards. Road vacating is used on a limited basis, and is the permanent closure of roads, including removal of stream crossings and complete stabilization of the road bed.

Table 14 provides information about the road system management on BOFL by District and County.

This year's report also includes pipes installed for fish passage; the information also used to report on Performance Measure 5(b) - Fish Passage at Stream Crossings. Market condition rebounded enough this year to allow some additional investments in the roads above the minimal investments of the last two years. Some road investments will continue to be deferred until timber market conditions improve further. Progress also continues, at a slower pace, on improvements to the road system consistent with Performance Measures 5(a) and (b).



**Table 14. Road Accomplishments on Board of Forestry Lands
Fiscal Year 2011**

District/County	Aggregate/Paved Surface			Dirt Surface			Bridges	Fish Pipes
	Constructed	Improved	Vacated	Constructed	Improved	Vacated	Installed	Installed
Astoria/ Clatsop	3.5miles	22.2 miles		0.9 miles			1	2
Forest Grove/ Clatsop	2.7 miles	1.3 miles	0.1 miles	0.3 miles				
Forest Grove/ Washington	5.1 miles	5.0 miles		1.1 miles		0.1 miles		
Forest Grove/ Tillamook	6.2 miles	8.5 miles		1.5 miles		0.3 miles		1
North Cascade/ Linn	0.4 miles	4.8 miles		0.8 miles		0.5 miles		
North Cascade/ Marion	1.0 miles		0.7	1.2 miles	2.6 miles	1.1 miles	1	
Southwest Oregon/ Douglas				0.5 miles	1.4 miles			
Tillamook/ Tillamook	4.6 miles	30.3 miles	0.9 miles	5.0 miles	0.6 miles		3	
West Oregon/ Benton				0.3 miles				
West Oregon/ Lincoln		0.4 miles		0.2 miles				
West Oregon/ Polk								
Western Lane/ Lane	1.4 miles	1.1 miles		0.2 miles				





Stream and Watershed Restoration

15 Years of Projects on State Forests: 1995—2009

Stream and watershed restoration projects often span CSFL and BOFL, and can extend into other landowners as well. Reporting here covers work done on both CSFL and BOFL.

State Forest Management Plans establish Aquatic and Riparian Strategies for implementing habitat restoration projects. These plans establish several principles that provide the context and approach that the State Forests Division uses to guide habitat restoration activities and priorities. This section summarizes restoration activities that have taken place on state forestland streams from 1995 to 2009.

Stream Restoration

117 miles of Stream Habitat Restoration on State Forest Streams

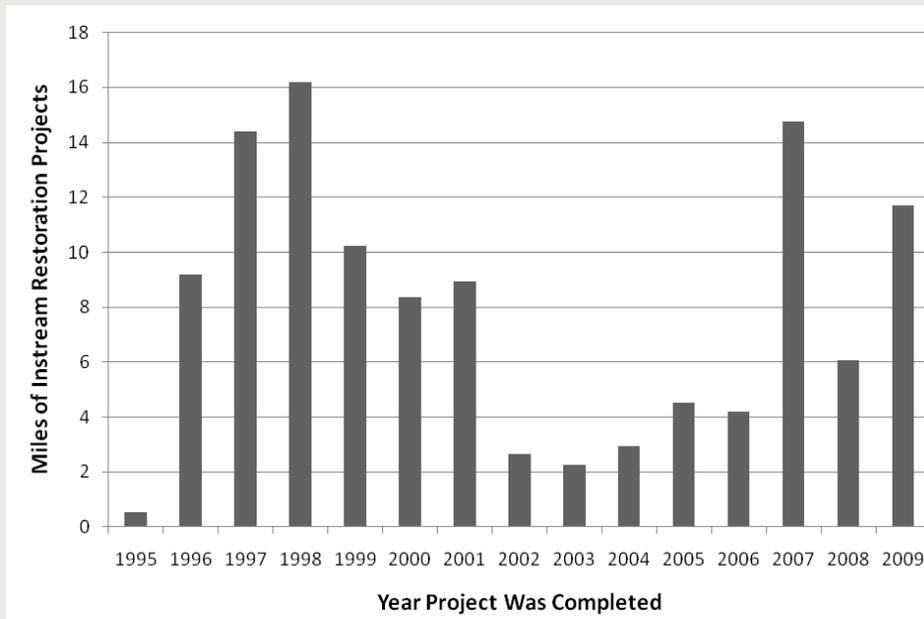
These projects typically involve placing large wood and/or boulders in streams to improve habitat conditions for coho, steelhead, or Chinook salmon. The projects are designed and often implemented in collaboration with local ODFW biologists. Some projects are associated with harvest units and done in collaboration with watershed councils, local non-profit organizations, and OWEB (Figure 2).

Fish Passage Projects

373 Fish Passage Improvement Projects



Figure 3: Miles of In-Stream Restoration Projects On State Forests Streams from 1995-2009*



*Total of 117 miles were treated.

The State Forests Division has actively worked to replace culverts to improve fish passage. This typically involves eliminating jumps into culverts and placing new culverts so they will hold gravels and simulate a natural streambed (Figure 4). These improvements make it possible for juvenile fish to enter and swim upstream through culverts.

Improved Access to 179 Miles of Streams

It is estimated that these fish passage improvement projects increased access to a total of 179 miles of stream.

Road Improvement

1,291 State Forest road-improvement projects

Several decades of monitoring and research has improved our understanding of how forest roads can affect water quality and fish habitat. This information has been folded into restoration activities



Figure 4. Number of Crossings Replaced to Improve Fish Passage on State Forests Streams 1995-2009

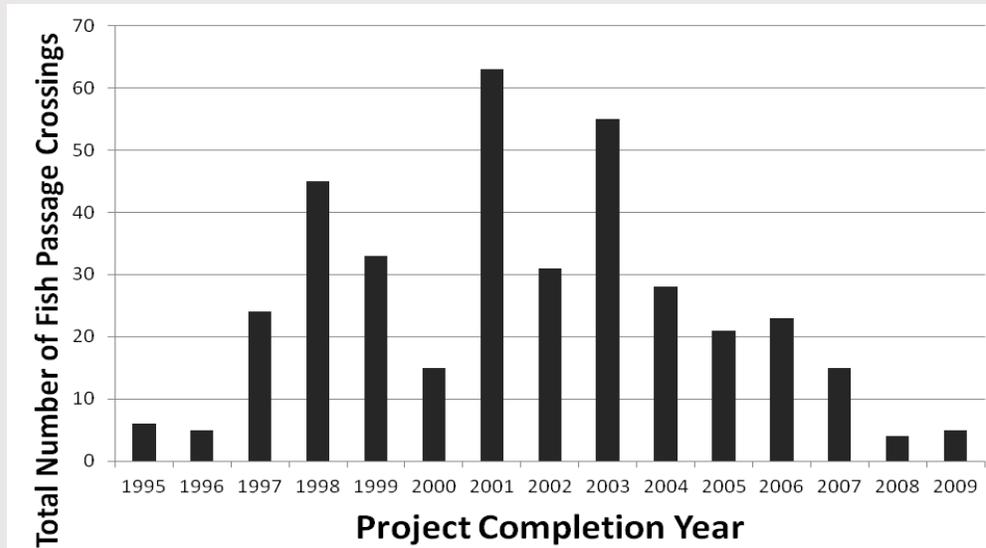


Table 15. Road Improvement Projects on all State Forests Districts 1995–2008*

Road Improvement Activity	Accomplishments
Grass Seeding	358 miles
Peak Flow Passage Improvement	2,214 crossings
Road Closure	27 miles
Road Decommission	95 miles
Road Reconstruction	18 miles
Road Relocation	2 miles
Road Survey	2,434 surveys
Improving Road Drainage	1,116 miles
Cross-drains to disconnect roads from streams	4,088 cross drains

**State Forests stopped reporting these types of activities in 2009.*



designed to reduce sediment delivery from forest roads to streams and pass larger peak flows. These projects consist of grass seeding, replacing crossings to pass larger peak flows, closing roads, decommissioning roads, relocating roads, and surveying roads to identify problems, and improving road drainage with activities such as disconnecting roads from streams by installing additional cross drains (Table 15)

**Table 16. Total Number of Restoration Projects, by District
1995–2009***

District Name	Miles with Stream Improvement Projects	Total Number of Fish Passage Improvement Projects	Total Number of Road Improvement Projects
Astoria	10.5	141	402
Coos	34.22	27	132
Forest Grove	10.36	5	69
Klamath-Lake			1
North Cascade	5.5	27	97
Southwest Oregon	0.8	12	46
Tillamook	35.19	108	531
West Lane	2.50	22	
Western Oregon	17.9	31	13
Total:	116.97	373	1,291

**Data source: All restoration activities are reported to Oregon Watershed Enhancement Board and are available through the Oregon Watershed Restoration Initiative (OWRI) database. All information for this report came from an August 23, 2011 query of the OWRI database. Data for total cash and in-kind investments and 2010 projects were not available at the time this report was generated.*





Research and Monitoring

The Forest Management Plans (FMPs) for State Forests emphasize the need for adaptive approaches to management, in which the results of management actions are measured and compared to pre-determined objectives, and changes are made where necessary. This approach requires a commitment to long-term information gathering and the incorporation of that information into the decision-making process. In FY 2011, the program directly supported research projects, provided land and expertise to others, and participated in research cooperatives.

Research Projects

Implementation Monitoring

Implementation monitoring broadly seeks to determine if management and conservation strategies specified in the Department's FMPs are being properly implemented. It also helps establish baseline conditions from which to measure effectiveness of the strategies. An implementation monitoring report was completed in FY 2010. Overall, implementation monitoring showed that department staff indicated understanding and intent to implement the strategies in the FMPs; broad compliance with FMP strategies in the upland and riparian management areas, with a few areas of over- or under-achievement of strategies; and a number of areas where the FMP targets or goals are unlikely to ever be achieved without significant investment (e.g. converting hardwood riparian areas to conifer). The full report is available at:

http://www.oregon.gov/ODF/STATE_FORESTS/docs/IMReportandRecommendations.pdf.

Stand Structure Development

The two objectives of this study are to examine how stand structure conditions are changing as a result of management prescriptions and to determine whether post-harvest stand structure conditions are



developing as anticipated. Seventy-eight stands were sampled by contractors in FY 2007 and half of these stands were revisited in FY 2011 to perform maintenance on plot centers and tree markings along with acquiring GPS coordinates. This study will continue as a long-term study in order to better describe the process of stand structure development and test assumptions in the NWFMP.

Riparian Function and Stream Temperature (RipStream)

The RipStream project is a joint monitoring effort designed to measure the effectiveness of stream protection rules as prescribed for State Forests and private forestlands. Three journal publications have resulted from RipStream work to date.

- The first publication laid the foundation for subsequent analyses by describing the importance of pre-harvest stream temperature variability and patterns.
- The second analysis focused on a strict regulatory perspective of stream temperature. This analysis indicated harvest to state FMP riparian standards did not exhibit exceedance rates that differed from pre-harvest, control, or downstream rates (five percent).
- The third analysis left the regulatory perspective behind and addressed functional questions about what site (harvesting) or other environmental variables specifically influence stream temperature and the magnitude of temperature changes. Overall harvests on state forests did not result in changes to maximum stream temperatures.

Trask Watershed Study: Examining the effects of current forest practices on varying scales

The goal of the Trask Watershed Study is to quantify effects of forest harvest on the physical, chemical and biological characteristics of small non-fish headwater streams and the extent to which harvest on these small streams influences downstream fish reaches. This goal will be achieved through long-term, cooperative, multi-disciplinary research involving researchers from Weyerhaeuser Company, U.S. Geological Survey, the U.S. Forest Service Pacific Northwest Research Station, and ODF. The study is funded primarily by ODF, DSL, and Weyerhaeuser, with additional grants.

Pre-harvest data have been gathered in such areas as low flow hydrology, stream chemistry, macroinvertebrates, fish dynamics, and amphibian abundance and survival. FY 2012 will gather data from effects of road building, and FY 2013 will begin commercial harvests



and associated data gathering.

Projects with ODF Technical Support

Although the ability to fund external research has diminished from previous years, Division and District staff have worked with principal investigators to provide land for study sites, technical assistance in plot establishment, and maintenance of study areas over time. These studies include:

- Long-term Response of Birds to Thinning Young Douglas-fir Forests
- Quantifying Trade-offs Between Biodiversity Conservation and Timber Production in Intensively Managed Forests

Research Cooperatives

Research cooperatives draw their membership from forest scientists and managers from private forest industry, state and federal forest management agencies, landowners, processors, and universities. Cooperatives create a pool of funding, scientific talent, and long-term continuity necessary to achieve their objectives. ODF and DSL contributed to the following cooperatives:

- Hardwood Silviculture Cooperative (HSC)
- Swiss Needle Cast Cooperative (SNCC)
- Stand Management Cooperative (SMC)
- Vegetation Management Research Cooperative (VMRC)
- Center for Intensive Planted Forest Silviculture (CIPS)
- Pacific Northwest Tree Improvement Research Cooperative (PNWTIRC)

For a full report on research and monitoring, see the agency's website at:

http://www.oregon.gov/ODF/PUBS/docs/State_Forests_Research_and_Monitoring_Program_Summary_2011.pdf.



Forest Health



Diseases and Damaging Agents

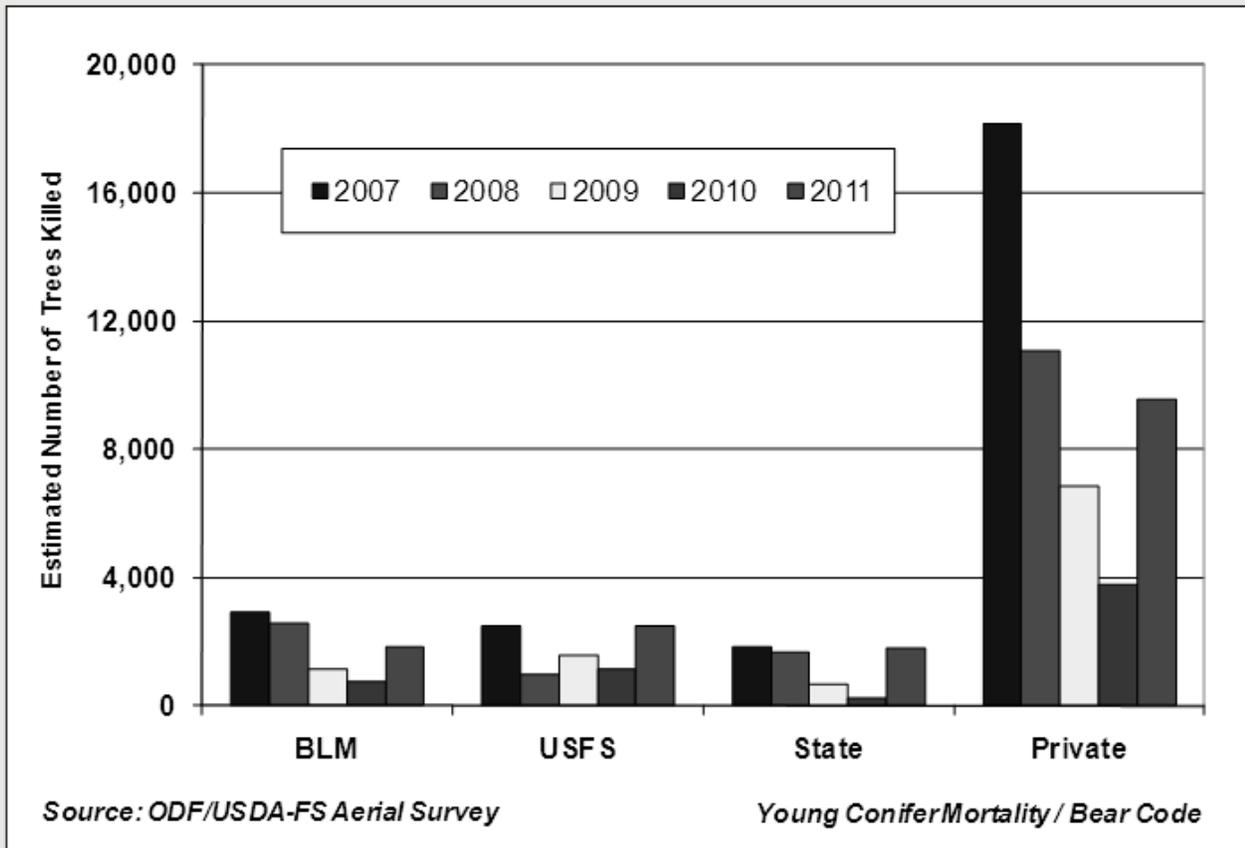
Forest lands in western Oregon are consistently impacted by animal, insect, and disease agents or weather events that can lead to substantial damage and loss. Since 1993, forest landowners with an interest in the locations and causes of tree mortality, particularly those resulting from damage by bears, have sponsored an annual aerial survey. The aerial survey is flown in early summer, as this is the optimal time to detect the damage signatures, e.g., change in foliage color, associated with damage that occurred the previous year. Damage from a number of other agents, including Douglas-fir beetle, fir engraver, Port Orford cedar root disease, and storm events are also recorded. Approximately 7.7 million acres are included in this survey on Bureau of Land Management, U.S. Forest Service, state, and private ownerships.

Young Conifer Mortality

In FY 2011, the observed mortality in young conifers increased overall, with the largest relative increases occurring on state and private lands. Relative to FY 2010, the estimated number of trees killed within the survey area increased by 166 percent (Figure 5). Still, tree mortality levels remained below the long-term average, calculated since 1993, and the high levels observed recently in fiscal years 2006 and 2007. Comparisons among the 15 counties in the survey area remained highly variable. Relative to FY 2010, the number of areas mapped increased in 11 counties by an average of 36 percent, while declines occurred in Lincoln, Linn, Marion, and Polk counties, by an average of 20 percent. The estimated number of trees



Figure 4. Estimated Young Conifer Mortality within the Survey Area by Ownership Class, 2007–2011



killed increased in 14 counties by an average of 167 percent, with only a single decline observed, by 28 percent, in eastern Multnomah County.

Many factors contribute to tree mortality trends within these areas. Spring weather conditions in fiscal years 2009 and 2010 were much colder and wetter than normal, and anecdotal observations suggest that symptom development (e.g., changes in foliage color) may have been delayed in many areas. Often, trees do not exhibit observable crown symptoms until the onset of water stress, which can have tremendous annual variation. When delays occur, it often results in fewer dying trees being mapped.



Other Tree Mortality and Damage

Among larger diameter conifers in the survey area, the Douglas-fir beetle (DFB) and fir engraver are most commonly credited with causing tree mortality. Outbreaks of these bark beetles occur periodically, often following large storm events and/or prolonged droughts. Other important causes of tree mortality within the survey area include Port Orford cedar root disease and wind/water damage related to storm events. For these agents, the observed tree mortality in FY 2011 was also below their respective long-term averages, and each measure showed declines relative to Fiscal Year 2010. The estimated area (acres) of tree mortality decreased by 55 percent overall.

Tree mortality from DFB is highly variable, and while outbreak levels were observed at some sites in fiscal years 2009 and 2010, these have declined significantly in FY 2011. Tree mortality within the survey area declined in 11 counties by an average of 58 percent, with increases observed in Clatsop, Multnomah, Tillamook, and Yamhill counties. Tree mortality was highest in FY 2011 in Clatsop and Lane counties, with the greatest relative increases seen at high-elevation areas along the Columbia River Gorge. Outbreaks of DFB are often initiated by large blow-down events, but can also be caused and prolonged by other stand conditions conducive to outbreaks including overstocking and drought.

Port Orford cedar root disease was first reported in Oregon in the 1940s and within a decade severe losses had occurred. The disease later appeared in southern Oregon where cedar commonly occurs in forests. Progressive tree mortality continues where the pathogen is found, and tends to be most severe along waterways and roads. Similar to bear damage, lower levels of tree mortality in FY 2011 may be due to delays in tree symptom development related to above-average moisture levels.

Tree mortality due to damaging wind and water from storm events was relatively low in FY 2011, detected on over 500 acres, primarily in Clatsop County. Aerial detections of storm-related damage, however, are often limited to larger, more visible, contiguous areas.

Additional information on the health of Oregon's forestlands is available at:

<http://www.oregon.gov/ODF/privateforests/fh.shtml>.





Tillamook Forest Center

Summary Information

Introduction – A Busy and Successful Year

Tillamook Forest Center staff members look back on FY 2011 as a busy and highly successful year. Throughout the year, staff members teamed up to keep facilities immaculately clean while offering a high level of customer service to all who came to visit. Staff members also presented a wide range of interpretive and educational programs for schools and visitors, and offered a unique and diverse group of forest-related items for sale in the gift shop. All this is possible through continuing support from ODF, along with strong partnerships, volunteer assistance, grant support, and generous visitor donations.

Budget Sustains Basic Center Operations

Even during the extremely challenging budget times facing Oregon and the nation during the past year, the Center's budget of \$742,706 offered a small increase over the FY 2010 budget of \$684,606. At this budget level, the Center once again operated seven-days-per-week during the summer months (Memorial Day through Labor Day), while remaining open Wednesday through Sunday during both the spring and fall seasons. For the second year in a row the Center closed to public use during the winter months of December, January, and February.



Annual Visitation Notches Upward

Use counts during the summer and fall of FY 2010 rose to the highest levels since the grand-opening year of 2006. Total visitors during the month of August 2010 reached 10,657. Only two other months had ever reached over 10,000 visitors: July 2006, at 10,666 visitors, and August 2006, at 10,803. A focused priority on marketing, along with excellent word-of-mouth advertising, likely pushed the numbers to this level.

Then, as spring of 2011 arrived, use counts declined, likely due to the struggling local, state, and national economies, and the increased cost of gasoline. Visitor counts from March, April, and May decreased from the same time period of one year earlier, while June once again reached back to the level of FY 2010.

By end of the fiscal year, total visitation had risen to 43,366 in FY 2011, an increase from 40,619 in FY 2010.

Education Program Introduces Children to Forests and the Outdoors

Providing educational programs for schools and youth groups is at the core of the Center's work. Through these programs, children begin to learn about the forest and, for many, get their first personal experience of a real forest. School and youth groups choose to either sign up for a staff-guided program or to bring their group to the Center for a teacher-guided program.

Staff-Guided Programs

One of the Center's most popular staff-guided programs is "What's a Forest?" designed for first and second graders. In this program, Center staff guide students to participate in a short safety hike, play a forest products game, and embark on an animal and plant scavenger hunt in a variety of forest habitats. Through these activities they discover some of the reasons that forests are important in their lives and find out how to have fun in the forest safely and responsibly.

To ensure quality learning experiences, class size is limited to 35 students with a ratio of one adult for five students in all our various staff-guided programs. Two staff members from the Center are required for each program.



Teacher-guided Programs

The forest center is always consistently a successful trip. The support for teachers and accessibility make it perfect.

~Anonymous Teacher, 2011

These programs typically include a welcome and introduction by Center staff, followed by viewing of the Center's film "Legacy of Fire", a climb of the lookout tower, a walk on one of the nearby trails, and the use of an activity sheet which has been developed by Center staff. One of the popular activity sheets is "Trees of the Tillamook," which guides students to learn about the early forests of the coast range and the way Native Americans and early settlers used forest resources. Finally, the activity encourages students to think about how the forest they see today is managed to ensure a healthy, diverse forest.

In-school Programs

During the winter closure period, staff also provided a limited number of in-school programs to local schools. A total of 15 programs were provided in FY 2011, with presentations made by a single member of the staff.

During the course of this year, Center staff members guided over 2,000 students and their leaders on programs including the "What's a Forest" program described above. While this number was down by about 500 from last year, the number of teachers utilizing teacher-guided programs increased. Total participants in staff-guided programs, teacher-guided programs, in-school programs, and special events reached 6,483, an increase from 5,450 in FY 2010.

Teacher response continues to be highly favorable toward these programs. As evidence of the program's popularity, all available dates for staff-guided programs quickly fill each year.

Interpretive Program Connects Visitors of All Ages to the Forest

Visitors to the Center discover many ways to learn about the Tillamook State Forest and the values that forests hold in their daily lives. Self-guided interpretive opportunities, staff-led activities, and informal interpretive experiences are all offered for visitors to the



Center.

Self-guided Opportunities

These interpretive opportunities include the Center's award-winning exhibits and film, interpretive signage along trails, in the lookout tower and along surrounding trails, as well as interpretive items in the gift shop such as forest-related games, books, and toys. These opportunities are available every day and at all hours that the Center is open, so receive high use by visitors. Staff members work hard to maintain the film, exhibits, and signage in clean and excellent working condition to ensure visitors can receive the highest possible experience.

Staff-led Interpretive Activities

Staff-led interpretive programs offer a highly personalized and extremely valuable interpretive opportunity for visitors who choose to participate in an interpretive talk or to visit with staff about their questions.

One of the perennially-popular staff-led programs offered again this year was the Lookout Tower Program which explores the history of fire lookout towers, what life was like for the "lookout" who worked there, and how fire observations are made today. Climbing 72 steps to the top of the tower with a Center interpreter offers a positive way for visitors to learn about the history and importance wildfire prevention.

A new staff-led program offered this year was a Timber Harvest Area Tour which involved walking from the Center, across the suspension bridge and on up into the Jones Creek drainage to explore a recent logging site—part of the Mary's Butte Timber Sale. On the tour, visitors observe first-hand a modified clear cut, a thinned area, a stream buffer, snags created for wildlife, placement of large logs and rocks in the stream to improve fish habitat, and many other features of the harvest area. Along the way, visitors learn about structure-based forest management, as well as the landscape attributes following a harvest operation.

Informal Interpretive Experiences

Informal interpretive conversations happen frequently every day when visitors and staff enter into conversations which go beyond the topics of weather and travel logistics. Staff members regularly and



easily transition into conversations related to Native American connections to the forests, old-time logging, present-day forest management, clear-cutting, fire prevention policies, and wildlife/fisheries issues.

These types of conversations can occur at the front desk or anywhere in the exhibit hall or outdoors surrounding the Center and can carry a lot of meaning for visitors and staff alike. Staff members have begun referring to these as “meaningful conversations” and noted over 7,000 such conversations during the past year. Recognizing the value of these types of conversations, they will likely be tracked from year-to-year.

Special Events

The Center again offered a series of special events during the year, including Arbor Week tree planting for visitors in April and the annual Return From the Burn event in August to celebrate the return of the forest after the repeated fires of the Tillamook Burn. Wreath-making events in November provided visitors with a special reason to come out to the forest as the holidays approached.

Gift Shop Promotes Learning and Generates Revenue to Support the Center

When gift shops and book stores first appeared in visitor centers across the country, they were intended to serve as an extension of the learning experience for visitors who would purchase items during a visit and then continue their learning by reading the book or playing the game upon returning home. Today, our gift shop still serves this purpose, but also provides a revenue stream which supports Center operations.

During the past year, top-selling items in the gift shop included the Tillamook State Forest Recreation Map and the new ODF history book, *Honoring a Century of Service*, by ODF retiree Jim Fisher. All items sold in the gift shop connect to the forest, the State of Oregon, or the advancement of learning about the environment.

Sales receipts this year totaled \$62,698, which is an increase from \$47,212 in FY 2010. Increases in sales are likely due to staff efforts to maintain a better level of inventory throughout the year along with



the sale of a group of popular ODF Centennial items.

Facilities Maintained to be Safe and Look Like New

Structures and grounds were again maintained this year to appear fresh and like-new. Quarterly safety inspections of every part of the Center and site give confidence that facilities are safe for visitors. Along with regularly scheduled cleaning and maintenance, long lists of special projects were completed by staff during the year. A few of the accomplishments included the following:

- Complete refinishing of the bus stop to remove mildew and renew the cedar finish.
- Installation of new French-drains north of Center to remedy surface drainage problems.
- Writing a new operation and maintenance manual for the public water system.
- Grafting heritage fruit trees at Smith Homestead to assure survival of legacy trees.
- Removal of invasive Scotch broom and blackberries at the Center and Smith Homestead.

Facilities maintenance work could not have been completed at this high level without the support of many. Assistance with maintenance work came from South Fork Forest Camp inmate crews, motivated crews from the Oregon Youth Conservation Corps (OYCC) and the Oregon Youth Employment Initiative (federal stimulus), dedicated volunteers and site hosts at the Center, and the full staff of the Center, all of whom contributed time and energy to cleaning the Center and bathrooms due to the absence of funding for a cleaning contract.

Volunteers and Partnerships Provide Big Boost in Center Operations

A core group of dedicated volunteers continued to help out the Center during all nine months of operations. Volunteers helped with greeting visitors, covering the front desk, and providing facilities maintenance support. In addition, site hosts provided seven-days-per-week support during the summer months when help is needed most. These great volunteers, living on-site in their own RVs, provide after-hours “eyes and ears” around the Center, as well as additional support for maintenance work and front desk coverage. The support of these volunteers is essential for the Center to operate at its current level.



A partnership with Oregon Department of Education and the Tillamook School District provided the Center with a \$12,250 grant to support the Center's Education Program. Through the grant, Center staff members were provided opportunity to gain knowledge related to Service Learning and began to build Service Learning concepts into Center programs.

Working closely with the OYCC and the Tillamook School District, the Center was pleased to host a talented and effective youth crew to help with facilities maintenance work, as well as with visitor services at the front desk and in the Gift Shop. This partnership, for the second year in a row, not only allowed the Center to accomplish much needed work, but also provided the youth workers with a meaningful work experience and income.

Trust Support Continues Strong and Donations Increase

Support from the Tillamook Forest Heritage Trust continued strong this year with the Trust providing \$25,000 to the Center to assist with implementation of the Center's Marketing Plan including advertisement buys and rack card printing and distribution.

Facing the reality of tightened budgets, Center staff worked hard again this year to promote increased donations from visitors. (All donations go directly to the Trust. The Trust, in turn, provides money back to the Center for specific projects.) New donation strategies in FY 2011 included development of the beautiful color poster by Oregon photographer Steve Terrill, which is now available for a donation of \$10. Also, the Center piloted a "suggested donation" of \$5 per adult. The idea appeared to be well received by visitors, so was continued through the year. Finally, a "tree cookie" with the Center logo branded on one side and the ODF Centennial "brand" on the other side was made available for a donation of \$5.

With implementation of these new strategies, Center donations rose to \$13,207 in the past year, an increase from \$8,411 during FY 2010.

Conclusion—A Successful Year During Challenging Economic Times

The Tillamook Forest Center is committed to helping visitors of all ages and all backgrounds to learn about and grow in their



understanding and appreciation of forests. Education programs and interpretive programs, along with a high quality gift shop and clean, safe facilities, all help promote the Center as a great place to visit, enjoy, and learn. Center staff members have continued to seek partnerships and volunteer support which allow the Center to be fully successful even through challenging economic times.

For more information, visit the center on the web at www.tillamookforestcenter.org.

**Table 17. Tillamook Forest Center Summary Information
Fiscal Years 2006—FY 2011**

Fiscal Year	Annual Visitation	Education Participation	Interpretation Participation	Gift Shop Sales	Donations to Trust	Volunteer Hours
2006	18,050	2,156	2,519	27,059	2,029	540
2007	54,160	3,997	3,593	81,071	6,720	2,978
2008	45,477	5,168	4,409	77,810	5,056	4,327
2009	44,882	4,546	3,049	63,012	7,549	3,191
2010	40,619	5,450	1,246	47,212	8,412	3,152
2011	43,366	6,483	3,285	62,698	13,208	3,813





Recreation

Recreation Accomplishments

FY 2011 continued to challenge the State Forests Division's recreation program, as continued budget reductions impacted staffing, maintenance, and deferral of most new recreation development projects. Also continued to be deferred was a vision-guidance planning process to provide mid- and long-range strategic direction for the recreation program. In absence of that strategic process, interim guidance continues to be implemented, setting program operating standards at basic maintenance levels for facilities.

Creative partnerships have continued to help fill the void left by funding reductions, including utilization of biennial All Terrain Vehicle funding transferred from the Oregon Parks and Recreation Department (OPRD) under an agreement directed by the Oregon Legislature. This transfer of approximately \$1.02 million per biennium has enabled ODF to maintain key aspects of its motorized recreation program.

Partnerships and funding through Yamaha, OPRD, and a donation from the Off-Highway-Vehicle (OHV) Club COTA, enabled an upgrade to the Diamond Mill Staging Area in the Tillamook State Forest with a new CXT Double-Vault Restroom.

Grant funds from OPRD ATV, Yamaha, and the federal Recreation Trail Program (RTP) also enabled purchase of a cutting-edge trail building machine. This machine greatly increases capacity to accomplish trail maintenance work, and also fix unsustainable trails in areas that were very difficult to access, as well as reducing the number of trees that need to be cut down to build single-track



motorcycle trails. This machine was featured on “Grants Getaways” - the regular features by Grant McCombie on the Portland television station, KGW. Video of this trail machine in action on the Tillamook State Forest is available at:

<http://www.kgw.com/lifestyle/grants-getaways/Trail-Machine-130890528.html> .

Also, the new Jones Creek Equestrian Trailhead was built in cooperation with Oregon Equestrian Trails who donated labor, equipment, and volunteer hours for construction and the construction of a short connector trail.

In the Clatsop State Forest, within the Nicolai Mountain OHV Riding Area, the McNary Loop Trail was constructed through a partnership of grants from OPRD and Yamaha. This project re-routed some user-created trails, which were causing riparian area damage at three stream crossings. South Fork Forest Camp inmate Crews constructed three bridges and assisted with trail re-routes.

Volunteer work parties and in-kind assistance have continued to help ensure key maintenance and some upgrades to existing facilities. Assistance from volunteers in the Astoria District/Clatsop State Forest to help maintain the Nicolai Mountain OHV Riding Area is critical; during FY 2011 this included assistance from two groups—Dirt Church and Pacific Trail Riders.

The Tillamook District also developed a new volunteer program called “Forest Observers”. These private citizens patrol incognito and report on trash dumps, wood theft, and potential illegal activities in forest areas behind small communities on the western side of the Tillamook State Forest. This program was started with support from the Mayor of Bay City and Tillamook County Sheriff’s Office deputies.

Volunteers and user groups remain key to the SOLV Day in the Tillamook State Forest. This fiscal year, over 30 volunteers participated in removing 60 tires, one small freezer, and 15 cubic yards of mixed garbage from four forest locations. Nine additional volunteers removed two cubic yards of Scotch broom from the Reehers Camp area of the forest. Participating user groups included: Cascade Cruisers, Flat Broke and Four Wheelin’, and Oregon Bush Hackers—all four-wheel drive clubs—Oregon Equestrian Trails, Oregon Hunters Association, and the Northwest Trail Alliance. SWATCO Sanitary Service, from the community of Banks, donated three 30-yard dumpsters and their hauling services.



**Table 18. Volunteer Hours for Recreation Projects
Fiscal Year 2011**

	Tillamook State Forest Forest Grove District	Tillamook State Forest Tillamook District	Clatsop State Forest	Santiam State Forest	West Oregon District
Total Hours	5,712	3,798	2,030	453	5,720

Although all state forest lands provide diverse opportunities for outdoor recreation, developed facilities (campgrounds, trailheads, etc.) are present only in the Northwest Oregon Area state forests. With the economy forcing a decline in timber revenue, recreation project-development was kept to a minimum during FY 2011. The amount of volunteer hours in FY 2011 (Table 18) increased in most state forests. A summary of FY 2011 trail projects is provided in Table 19. Camping use also increased in most state forest campgrounds over FY 2010, as well as higher revenue levels.(Table 20).

Each State Forest and District with developed recreation facilities has a ten-year plan that provides a prioritized list of facility development projects. Other districts pursue recreation opportunities as time and resources allow and in concert with user groups and volunteers. Following are specifics of recreation-related accomplishments during FY 2011.

Recreation Facility Planning and Development Projects

Clatsop State Forest—Astoria District

Developed Facility Improvements

Henry Rierson Spruce Run Campground

Continued making improvements to various infrastructures in the campground including drainage, campsites, and parking.

Beaver Eddy

Continued improvements to camping infrastructure including drainage, campsites, and parking. Constructed three new campsites



for a total of eight, and installed a bulletin board and kiosk, and recycling and garbage cans. A \$5-per-night user fee was also implemented.

Dispersed and Designated Recreation Sites

- Continued to improve camping and parking infrastructure at **Lower Nehalem** dispersed camping sites.
- Installed information boards at designated campsites.

Soapstone Lake/Bloom Lake/Spruce Run Creek/Gnat Creek Trails

Cleared trails of brush and wind-throw that resulted from winter storms.

Northrup Creek Horse Camp and Trail

- Cleared trails of windthrow and completed three re-routes of the trail to minimize conflicts with active forest management activities and changing trail conditions.
- Continued improvement and construction of two short foot trails near the day use area.
- Installed mile markers and location maps on the horse trails to aid in navigation.

Gnat Creek Campground

Installed recycle bins and garbage cans.

Lost Lake

- Moved an existing gate to an alternate location in order to control traffic during fire season.
- Installed recycle bins and garbage cans.

Nicolai Mountain OHV Area

- Continued trail development and maintenance.
- Constructed three OHV bridges over fish streams.
- Designated five additional miles of OHV trails open to motorcycle, quad, and side-by-side vehicles.

Elliott State Forest—Coos District

While the majority of the Elliott State Forest is CSFL managed by ODF under contract for the SLB, there are some BOFL lands, as well. During FY 2011, the main recreation focus on the Coos District was deputy patrol of dispersed, unimproved campsites.



Santiam State Forest—North Cascade District

The Santiam State Forest has a strong base of volunteers from the recreation community. Primary volunteer groups on the forest are Crooked Finger Riders Association (OHV club), Mountain Street Dirt Crew (Mountain Bicycle club), Oregon Equestrian Trails, and the Boy Scouts of America.

Currently, the district is not constructing any new trails or improving any facilities. All volunteer hours are in the form of maintenance to the existing infrastructure.

In FY 2011, the district closed the Shellburg Falls Recreation Area from July 1, 2010 to November 1, 2010, for public safety reasons, while two active Santiam State Forest logging operations were conducted adjacent to the trail system and campgrounds.

Tillamook State Forest—Forest Grove District

Developed Facility Improvements

- Operated and maintained five developed campground facilities and 11 developed day use facilities.
- Completed site design and county permit work for the **Four County Point Trailhead** project.
- Completed access road improvements at **Rogers Camp Trailhead** to address safety issues.
- Painted the vault toilet building at **Kings Mountain Trailhead**.
- Completed the following safety and investment protection improvements at **Browns Camp OHV Staging Area**.
 - Modified the staging area gate to address staff safety and off season access issues.
 - Completed maintenance improvements to the Browns Camp roads and campsite parking areas.
 - Expanded the parking area for campsite #8.
 - Closed, blocked, and restored resource sensitive areas.
- Completed the following safety and resource protection improvements at **Lyda Camp OHV Staging Area**.
 - Improved and resurfaced the staging area loop road.
 - Installed culverts under the entry road and exit road to capture and direct water flow away from the use area.
 - Cleared, graded, and surfaced camp area parking pads.
 - Closed and restored sensitive resource areas.



- Removed berm on South Fork Road to address visibility/safety issues at the access point to **Lyda Camp**.
- Constructed a pad for placement of portable toilets.

OHV Trail Projects

- Constructed a 22-foot long bridge on the **Elliott Creek Trail** to replace a bridge that was failing. The bridge was funded with RTP grant funds and constructed by South Fork Forest Camp crews.
- Completed seasonal review and assessment of over 60 miles of OHV trail in collaboration with Adopt-A-Trail partners.
- Completed grading, drainage, and surfacing improvements to nine OHV trails (17.4miles) in the **Browns Camp OHV Area**.
- Completed 0.7 mile of trail upgrade work on the **K-Thumb Trail** to address resource protection and trail sustainability issues.
- Completed basic maintenance on 30 miles of OHV trails in the **Browns Camp OHV Area**.
- Submitted a RTP grant application, an ATV Fund grant application, and a Yamaha Access Initiative grant application to fund to the construction of the **Elliott Creek Trail** bridge and **Military Trail** bridge projects. Applications were successful and ODF was awarded \$162,000 from the RTP, \$39,750 from the ATV Fund, and \$9,600 from Yamaha.
- Hosted four OHV trail work parties focused on trail maintenance activity.

Non-Motorized Trails

- Completed construction of one mile of the **Gales Creek Trail** (Segment B) FEMA project.
- Completed construction of $\frac{1}{4}$ mile of the **Step Creek Trail** extension project in cooperation with our equestrian and mountain bike club partners.
- Replaced the bridge decking on the 30-foot-long **Low Divide Loop Trail** bridge number 2.
- Repaired the bridge decking on the **Dooley Spur Loop Trail** bridge.
- Completed location and design work for a $\frac{1}{2}$ mile reroute on **Gales Creek Trail** Segment A.
- Submitted a Washington County Visitors Association grant to partially fund construction of a 35-foot bridge on the **Gales Creek Trail**. Application was successful and ODF was awarded \$2,600.00 in grant funds for the project.
- Completed seasonal review and assessment of 50 miles of trail in collaboration with volunteers and Adopt-A-Trail partners.



- Hosted seven non-motorized trail work parties focused on trail maintenance and the development of the **Step Creek Trail**.

Tillamook State Forest—Tillamook District

Maintenance/Operations

- Performed forest-wide trash and abandoned property clean-up and removal.
- Opened and operated all campgrounds, staging areas, and day use areas.
- Worked collaboratively to assist with forest law enforcement and emergency response.
- Initiated new volunteer program, Bay City Forest Observers Program aimed at reducing dumping and damage to the forest by conducting patrols and providing information to ODF personnel.
- Conducted hazard tree assessments and removal for all five campgrounds.
- Replaced dog walking area fence at **Sprague Wayside**.
- Added dumpsters to **Jordan Creek OHV Campground** and **Cook Creek** dispersed campsites.
- Completed trail bridge inventory and inspection through contract administration of an engineering company completing assessments and maintenance recommendations.
- We purchased the Single Track 240 machine and trailer using a combination of Oregon ATV and RTP grant funds.
- Replacement of **Diamond Mill** Restrooms. Funded through ATV Grant and Yamaha Access Initiative Grant funds.

OHV Trail and Dispersed Site Projects

Project Work Accomplished

- Rerouted three miles of **Trail #38** to restore this trail after completion of the timber sale.
- Re-contoured/rerouted 0.5 miles of **Trail #52** for water control/sustainability.
- Re-contoured/rerouted 0.4 miles of **Trail #82** for water control/sustainability.
- Constructed water control features on 1.1 miles of **Trail #90**.
- Rerouted 1.2 miles of **Trail #90** for water control/sustainability.
- Re-contoured 0.4 miles of **Trail #123** for water control/sustainability.
- Rerouted 0.5 miles of old fall line trails to create an easy ATV/MC route for bypass of Cedar Creek Road from the **Cedar Creek**



OHV Staging Area to Jones Creek.

- Re-contoured, rerouted, & hardened portions of 22 unnamed OHV trails (approximately 11 miles of work) in the Trask River Drainage to prevent resource issues.
- Two new OHV trail bridges (**Trails #39 & #93**) were installed thanks to the OMRA match and their ATV Grant funding.

Trail Maintenance Accomplished

- South Fork Forest Camp crews cleaned and performed preventative maintenance on six OHV trail bridges.
- South Fork crews logged out and brushed six OHV trails (**Trail #'s 33, 39, 93, 95, 97 and 99**) totaling 11.8 miles.
- Tillamook ODF personnel inspected and maintained water control/drainage features on 18.5 miles of trail.

West Oregon District

The district has active Adopt-A-Trial agreements with the Mt. Baber ATV Club and the Black Rock Mountain Bike Association. These groups are responsible for the maintenance of the Mt. Baber ATV trails and Black Rock mountain bike trails. Over the past year no new trails or facilities were constructed. All volunteer hours were associated with maintaining the current infrastructure.

After finalization of a land exchange, preliminary scoping of potential recreation opportunities was conducted. This involved a field review by district staff and a Recreation Unit Forester from the Tillamook State Forest. Two waterfalls were identified for future development however due to current funding and staffing, this project will be deferred.



**Table 19. Trail Project Summary
Fiscal Year 2011**

Activity	Tillamook State Forest		Clatsop State Forest	Santiam State Forest	
	Forest Grove District	Tillamook District	Astoria District	North Cascade District	West Oregon District
Off-Highway-Vehicle Trails (Existing)	73 miles	320 miles	20 miles	5 miles	27.4 miles
New Trails Constructed	0 miles	0 miles	4 miles	0 miles	0 miles
Trail Upgrades/Improvements	18 miles	17.7	10 miles	0 miles	0 miles
Trails Maintained	30 miles	30.3 miles	20 miles	5 miles	27.4 miles
Non-Motorized Trails (Existing)	60 miles	21 miles	19 miles	28 miles	9.5 miles
New Trail Construction	.25 miles	0 miles	0 miles	0 miles	0 miles
Trail Upgrades/Improvements	1 miles	0 miles	0 miles	0 miles	0 miles
Trails Maintained	22.5 miles	21 miles	10 miles	28 miles	9.5miles

**Table 20. Number of Campers and Revenue from Campgrounds
Fiscal Year 2011**

Campground	District	Number of Campsites	Campers	Revenue
Henry Rierson Spruce Run	Astoria	38	9,926	\$25,301
Gnat Creek	Astoria	4	959	\$2,195
Northrup Creek	Astoria	8	526	\$2,140
Beaver Eddy	Astoria	7	325	\$342
Gales Creek	Forest Grove	21	2,925	\$13,431
Brown's Camp	Forest Grove	30	4,474	\$21,817
Stagecoach Horse Camp	Forest Grove	10	92	\$642
Elk Creek	Forest Grove	14	1,723	\$4,377
Reehers Camp	Forest Grove	16	501	\$3,280
Rock Creek	North Cascade	4	217	\$1,260
Butte Creek Falls	North Cascade	3	187	\$985
Santiam Horse Camp	North Cascade	10	316	\$2,618
Shellburg Falls ¹	North Cascade	7	64	\$318
Jones Creek	Tillamook	44	6,379	\$27,931
Jordan Creek	Tillamook	6	683	\$2,729
Nehalem Falls	Tillamook	22	4,110	\$17,871
Keenig Creek	Tillamook	12	1,476	\$2,761
Diamond Mill	Tillamook	8	1,508	\$2,192
Total:		264	36,391	\$132,190

¹ The Shellberg Falls Recreation Area was closed from July 1, 2010 to November 1, 2010, for public safety reasons, because of two active Santiam State Forest logging operations adjacent to the trail system and campgrounds in the area..



State Forests Reports



Tillamook State Forest—Tillamook and Forest Grove Districts

The Tillamook and Forest Grove districts manage the Tillamook State Forest under the 2010 NWFMP, adopted in 2001 and revised in 2010.

The Forest Grove District revised the District's IP to align with the 2010 NWFMP approved by the BOF and Species of Concern policy and strategies.

The Tillamook District is currently working on improving data sets and other planning processes to develop a revised Implementation Plan by June 30, 2013. These improved data sets include advanced GIS analysis of impacts of public safety and landslide rules, inner gorges, and debris flow tracts; and improvements to forest inventory through new technologies, such as LiDAR.

Both districts began to recover from the significant layoffs of FY 2009. Some important benchmarks for FY 2011 include filling key manager positions in Tillamook (District Forester, Contracts Unit Manager, and Engineering Supervisor); meeting all of the Tillamook State Forest harvest objectives; and a continued coordination of operational activities across district boundaries. Some examples of operational coordination included shared use of road maintenance crews, collective prioritization of recreation projects, and administration of timber sales prepared by adjacent districts.

The Tillamook and Forest Grove districts both received funding from the ARRA through the US Forest Service. The main projects accomplished were treatment of invasive species like Scotch broom and knotweed along roads (600 miles), trails (two miles), and within



units (100 acres). Additional dollars were spent on roadside spraying and brushing and pre-commercial thinning of over 1400 acres on the two districts. All work was completed through service contracts.

The Tillamook District has worked with Bonneville Power Association (BPA) on road and access upgrades to lines and towers for over three years. The money savings BPA realized through cooperative work with ODF was brought back to the district by replacing two culverts with concrete bridges and increased available salmonid habitat. A third bridge was installed over Cedar Creek for access, and designed to also allow for school groups and hikers to safely observe fish from the site.

In 2011, a multi-year project to complete bridge inspections on vehicle and recreation trail bridges began. All Forest Grove District vehicle bridges were inspected and about 20 percent of recreation bridges. Inspections were also completed in Tillamook District to continue a four-to-five-year cycle of inspections.

The Forest Grove and Tillamook recreation units also began an effort for inventorying motorized OHV trails. Work in Forest Grove was completed in 2011 while the process will continue for another year in Tillamook. Data is collected for location and identifying any resource concerns like rutting, erosion, stream crossings, and poor drainage. This work will better inform the future recreation implementation plan work in the two districts.

Tillamook District worked with Tillamook Bay Watershed Council and ODFW to acquire funding from OWEB and USFWS for in-stream work and road vacating in the Miami Basin. The project is scheduled for the summer of 2011 and funds total over \$135,000. The Forest Grove District worked with Tualatin River Watershed Council and ODFW to acquire funding from OWEB for in-stream work and road vacating in Gales Creek. One project was completed in September 2010 and a second project is scheduled for the summer of 2011. Approximately two miles of in-stream improvements will be completed and ½ mile of road vacated.

The Forest Grove and Tillamook districts continue to experience high demand for special forest products. In FY 2011, 209 Special Forest Products permits were sold, generating \$31,100 in revenue. Two commercial firewood sales were sold, generating \$300 in revenue. The two districts sold over 3,800 personal woodcutting permits generating almost \$40,000.



Clatsop State Forest— Astoria District

The Astoria District had another busy year managing the Clatsop State Forest. There was plenty of activity in the forest administering timber sales and project work associated from sales sold in the past several years. The FY 2011 AOP was completed, with 15 timber sales sold or prepared for sale by the end of the fiscal year. All of the scheduled stream improvement projects, threatened and endangered species surveys and recreation maintenance and improvements were also completed.

The District's State Forests staff also was involved in revising the District's IP to be aligned with the recently revised 2010 NWFMP. This planning effort required coordination and participation from agency staff as well as a number of stakeholders. There was a significant public involvement process that included input from many of our stakeholder groups and the public at large. Draft versions of the District's IP and the FY 2012 AOP were revised as a result of this good feedback.

The District managers participated in a number of meetings to develop interim policy and processes for recreation management of the Forest. The District reviewed the 2000 Clatsop State Forest Recreation Management Plan and, after revising, incorporated this plan into the revised District IP.

During FY 2011, the District hosted several tours on the Clatsop State Forest, including the Leadership Team tour in September 2010 and the State Forests Advisory Committee tour in June 2011.



Santiam State Forest— North Cascade District

The 47,000-acre Santiam State Forest is managed by the North Cascade District, consistent with the principles and strategies of the 2010 NWFMP. The Santiam State Forest includes 10 miles of recreational trails and five campgrounds, and recreation activities are developed and managed under the Santiam State Forest Recreation Management Plan adopted in 2006.

The economic downturn and decline in wood products demand caused ODF to reduce State Forests operating costs by approximately 40 percent through reduction of State Forests-funded personnel and reduction of non-revenue-producing activities in FY 2010, continued to impact the North Cascade District in FY 2011. The district has continued implementing reductions through eliminated position funding, deferring non-critical road maintenance and forest management activities for the short-term. Despite personnel reductions, which directly impacted timber sale lay-out and preparation resources, the district met or exceeded their AOP targets for FY 2011. Four timber sales that totaled 14.6 MMBF were sold in FY 2011.

Other forest management activities on the Santiam State Forest included 300 acres of initial tree planting, 243 acres of invasive weed control using ARRA funds, and 14 miles of fuels reduction, again, through the use of ARRA funding.

The Oregon Department of Corrections Mill Creek Inmate Crew located in Salem continued to provide valuable assistance with labor to complete both recreation and reforestation activities on the Santiam State Forest.



Sun Pass and Gilchrist State Forests— Klamath-Lake District

The Klamath-Lake District manages 101,739 acres of forest lands, including the newest state forest, dedicated in June 2010—the Gilchrist State Forest. The Gilchrist State Forest includes 43,000 acres of BOFL and an additional 25,000 acres of adjacent forestland owned by The Conservation Fund. These additional lands are expected to be transferred to ODF over the next few years as funds are allocated to do so.

The next largest block of forestlands managed by the district is the Sun Pass State Forest at 21,317 acres. This forest is located 40 miles north of Klamath Falls, near the southeastern corner of Crater Lake National Park. Remaining state-owned forestland is scattered in a number of small parcels throughout the district, with the exception of two larger blocks of forestland tracts—Bear Valley and Yainax Butte.

These lands are all managed under the direction of the Eastern Region Long-Range Forest Management Plan, adopted in 1995, generating revenue for both Klamath County and the Common School Fund. Of the 76,629 state-owned acres managed by the district, the bulk of those forestlands—69,802 acres—are BOFL and the remaining 6,827 acres are CSFL.

Gilchrist State Forest

The Klamath-Lake District has been gathering information on these forestlands from the previous landowner and incorporating that information into the district's systems, building relationships with the local community, and sharing current/future plans with them. The district currently has access to several grants that will provide some activity on the Gilchrist, primarily fuels reduction projects around the local communities. The district also is working on several small pulp sales from the forest to keep local operators working and providing some material to the local sawmill.

Klamath Outdoor Science School

State Forests staff continued support of the Klamath Outdoor Science School (KOSS) to meet the Forest Management Plan goal of forest



history and present-day management interpretations. The primary strategy to achieve this goal is to provide youth, teachers, and parents with education about the working forest. During FY 2011, KOSS provided forest science programs to 508 students and 57 teachers and chaperones at the school site in Sun Pass State Forest near Kimball State Park. They completed construction of an additional yurt that will provide housing for two instructors.

KOSS began operations in 2004 under a special use permit with ODF and the school.

Sun Creek Project

The District, in partnership with ODFW, Crater Lake National Park (the Park), and USFWS has implemented a project to expand bull trout distribution downstream from the Park onto the State Forests' portion of Sun Creek. This effort supports a USFWS Draft Recovery Plan for Bull Trout in the Klamath Basin. Re-establishing headwater populations and increasing downstream distributions of bull trout have been represented by USFWS and ODFW as the most important recovery actions for bull trout in the Klamath Basin.

The first action taken for this restoration project was to install two temporary barriers that prevent upstream migration of non-native fish into the bull trout recovery reach, but allow for downstream migration of bull trout. These two barriers were installed in November 2010.

The barriers can eventually be removed when bull trout have been established throughout Sun Creek and the threat from non-native fish has been mitigated. The removal of the non-native fish through a chemical treatment will take place above these barriers in the fall of 2011.

This approach was used in the upstream portion of Sun Creek flowing through the Park. The Park project has been declared a success, with large increases in bull trout population and distribution with the Park.



Elliott State Forests— Coos District

Oregon Plan for Salmon and Watersheds

The following activities were accomplished during FY 2011 under the Oregon Plan for Salmon and Watersheds:

- There were seven timber sales completed during the reporting period where additional trees were retained along stream buffers under ODF Harvest Measure 62 for the Oregon Plan. Two of these sales included large wood placement into coho streams to improve fish habitat as part of the timber sale.
- The Coos District cooperated with the Coos Watershed Association (CWA) and ODFW to complete three large in-stream projects during FY 2011. Trees and logs were placed in Upper Elk Creek and Marlow Creek, and tree/log/boulder structures were placed in the West Fork Millicoma River to provide winter refuge and capture/retain spawning gravels for coho salmon.
- The Coos District cooperated with the Partnership for the Umpqua Rivers (PUR) and ODFW to complete three large in-stream wood placement projects to benefit coho salmon during the summer of 2010 using a chinook helicopter to place whole trees in Charlotte, Luder, and upper Dean Creeks.
- The Coos District continues to have voting board members on the CWA and the Tenmile Lakes Basin Partnership

Carbon Storage

In FY 2011, Ecotrust completed a study of forest carbon regimes in the Elliott State Forest. Working closely with USFWS and ODF staff, Ecotrust utilized the latest forest inventory data from the Elliott State Forest to model carbon sequestration potential of the proposed draft HCP associated management prescriptions and three different annual harvest volumes: 30, 35, and 40 MMBF. In addition, Ecotrust developed a maximum storage scenario, in which all Elliott State Forest lands are managed for maximum standing forest biomass; a minimum storage scenario, in which all Elliott State Forest lands are managed for timber production while meeting the legal requirements of both the Oregon Forest Practices Act and the Endangered Species Act; and a regional average provided by U.S. Forest Service



inventory data.

To develop these scenarios, Ecotrust:

- Selected a recognized and applicable third-party forest carbon offset protocol;
- Adapted the protocol to evaluate management proposals for the Elliott State Forest;
- Defined carbon pools to be included in the analysis;
- Modeled carbon storage over time, following management prescriptions and optimizing harvest schedules; and
- Calculated carbon storage on the forest, while accounting for storage in wood products. The modeling outputs provide a long-term look, in five-year increments, at scenarios for forest growth, timber yield, and carbon storage under varying management plans.

The full report is available on the Ecotrust website at:

http://www.ecotrust.org/forestry/Carbon_Analysis_of_Elliott_State_Forest.pdf.

As reported in the FY 2010 annual report, ODF conducted a careful investigation of the feasibility of carbon storage on the Elliott State Forest as a means to improve overall revenues. Results indicated that, as a number of protocol requirements, selling carbon offset credits sales would not be feasible. While carbon markets have changed since 2010, the basic barriers to public land sales of carbon offset credits are still in place. Investigation into carbon and carbon markets continues.

Marbled Murrelet Protocol Surveys

In FY 2011, 569 surveys were completed at 381 stations representing 60 survey sites on the Elliott State Forest. These 60 sites represented 20 planned timber sales. Detections of marbled murrelets were recorded during 123 surveys at 43 different sites with 30 surveys recording sub-canopy behavior. Of the surveys with significant, sub-canopy detections, all were associated with protocol surveys of seven planned sales.

Sub-canopy detections of marbled murrelets resulted in the creation of five new Marbled Murrelet Management Areas (MMMA's) totaling 378 acres. In addition to five new MMMA's being created, a total of 68 acres were added to three existing MMMA's from sub-canopy detections.



Nine sales, or portions of sales, were released for sale preparation after no significant detections were observed within the sale area during protocol surveys. The 2010 surveys began May 3 and ended August 4.

Northern Spotted Owl Density Surveys

In FY 2011, Kingfisher Ecological conducted Northern Spotted owl density surveys on the Elliott State Forest. Based on demographic protocol, there were eight pair sites, two resident single sites with pair status unknown, and nine resident single sites for a total of 29 owls and 19 activity centers. These estimates could be overestimates since some responses that were considered a new site may actually be from birds whose sites has shifted, possibly due to effects from barred owls. Observations of barred owls increased significantly since surveys were last conducted in 2003. The last density surveys on the Elliott State Forest were conducted in 2003 where 25 northern spotted owls and 13 activity centers were observed. Density estimates will again be conducted on the Elliott State Forest in FY 2012.





Forest Trust Land Advisory Committee

In 1987, the Oregon Legislature established the FTLAC, consisting of seven county commissioners who represent counties that in the past deeded forestlands to the state. The committee advises the governing BOF on matters where counties may have a responsibility related to forestland managed by ODF. Revenue generated from management activities on these lands is used primarily for local schools, and also helps fund county government and local taxing districts. Counties with forest trust lands include Benton, Clackamas, Clatsop, Columbia, Coos, Douglas, Josephine, Klamath, Lane, Lincoln, Linn, Marion, Polk, Tillamook, and Washington.

Summary of FTLAC Activity— FY 2011

In FY 2011, the FTLAC continued to be active and engaged in various issues relating to state forests and BOFL management, including many of the subjects already discussed throughout this report—the INR Report, revised IPs for northwest Oregon state forests to align with the 2010 NWFMP, the Elliott FMP process, the Department’s overall budget and specific State Forests Division budgeting processes, and BOFL revenue projections. The Committee met four times during FY 2011, and also participated in numerous BOF meetings, public comment periods, and other opportunities for input and discussions about Oregon’s forestlands.

The Department appreciates the interest, expertise, and commitment demonstrated by the FTLAC members, and views the committee as a valued partner in issues relating to Oregon’s forestlands.

Information about the FTLAC meetings, meeting agendas, and meeting summaries are available on the Department’s website at: http://www.oregon.gov/odf/BOARD/Forest_Trust_Land_Advisory_Committee.shtml.



FTLAC Members

Through statutory amendment, passed by the Oregon Legislature in 1997, the FTLAC is composed of the Board of Directors of the Council of Forest Trust Land Counties—county commissioners who represent the 15 counties that receive revenues from BOFL. Each November, at an annual AOC meeting, this CFTLC Board of Directors, and, consequently, FTLAC members, are elected by the county commissioners who compose the CFTLC.

The following county commissioners are those who were elected and served as the CFTLC Board of Directors, and as FTLAC members, from November 2010 through November 2011.

Tim Josi, Chair Tillamook County Commissioner	Patricia Roberts Clatsop County Commissioner
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Jim Bernard, Vice-Chair Clackamas County Commissioner	Annabelle Jaramillo Benton County Commissioner
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Anthony Hyde Columbia County Commissioner	Faye Stewart Lane County Commissioner
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Chuck Hurliman
Tillamook County Commissioner





Board of Forestry Forestland Acreage

**Table 21. Acres of Board of Forestry Lands
Effective June 30, 2011**

COUNTY	STATE FOREST ACRES
BENTON	8,401
CLACKAMAS	7,266
CLATSOP	146,941
COLUMBIA	6,459
COOS	7,224
DOUGLAS	8,625
JOSEPHINE	2,482
KLAMATH	70,105
LANE	24,734
LINCOLN	15,530
LINN	21,357
MARION	18,331
POLK	6,048
TILLAMOOK	310,613
WASHINGTON	46,886
TOTAL:	701,002



Oregon State Board of Forestry Lands

