WASHINGTON STATE DEPARTMENT OF

Natural Resources

Peter Goldmark - Commissioner of Public Lands

Annual Review of State Trust Lands Management Fiscal Year 2012

A Report to the
Board of Natural Resources

Kyle Blum
December 2012

WASHINGTON STATE DEPARTMENT OF
Natural Resources
www.dnr.wa.gov

Trust Lands Topics
Fiscal Year 2012

- 5-year Review of the Policy for Sustainable Forests
- Aspects of Forest Management
  - Investing in our Forest Stands
  - Seed Resources for Forest Ecosystem Health
  - Volume Sold/Value Earned
  - Sustainable Harvest
  - Forest Land Planning
  - Roads
- Leasing
- Transactions

Policy for Sustainable Forests

- Recently completed a year long implementation status review
- Findings
  - Found high levels of compliance with PSF
  - Noted areas for improvement
- Response to Findings
  - In process of developing new/revised internal procedures
  - May be back to the Board with policy recommendations in 2013

Investing in Forest Stands
Fiscal Year 2012

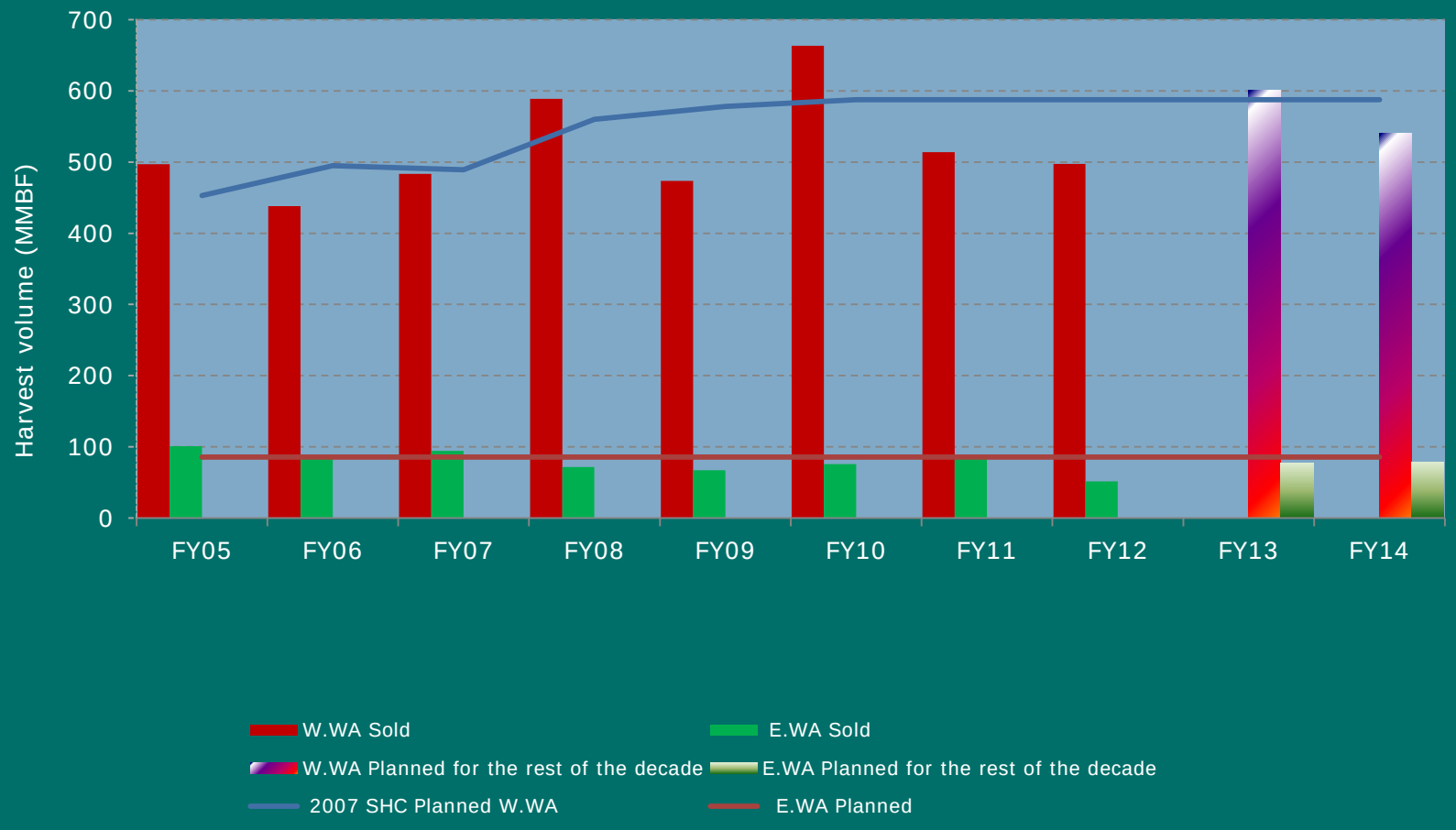
- Webster Nursery
  - Shipped 7.4 million seedlings to regions for reforesting trust lands
  - Sold 1 million seedlings to the public
- Silvicultural Activities
  - Planting and vegetation management fully funded for 11-13 biennium
  - Young stand thinning activities resumed in FY 13
- Genetic Resources
  - Established orchards for eastern Washington (Southeast and Northeast Regions)
  - DNR seed orchards, and Forest Service seed orchards in areas of critical need

Total Revenue Earned

Fiscal Year 2012 – Dollars in Millions	
Leasing	$36.8
Timber Revenue	$165
Total Revenue	$201.8

Timber Volume Sold

FY05-FY12 Sold Sales + Projected Sustainable Harvest Targets to End of Planning Decade

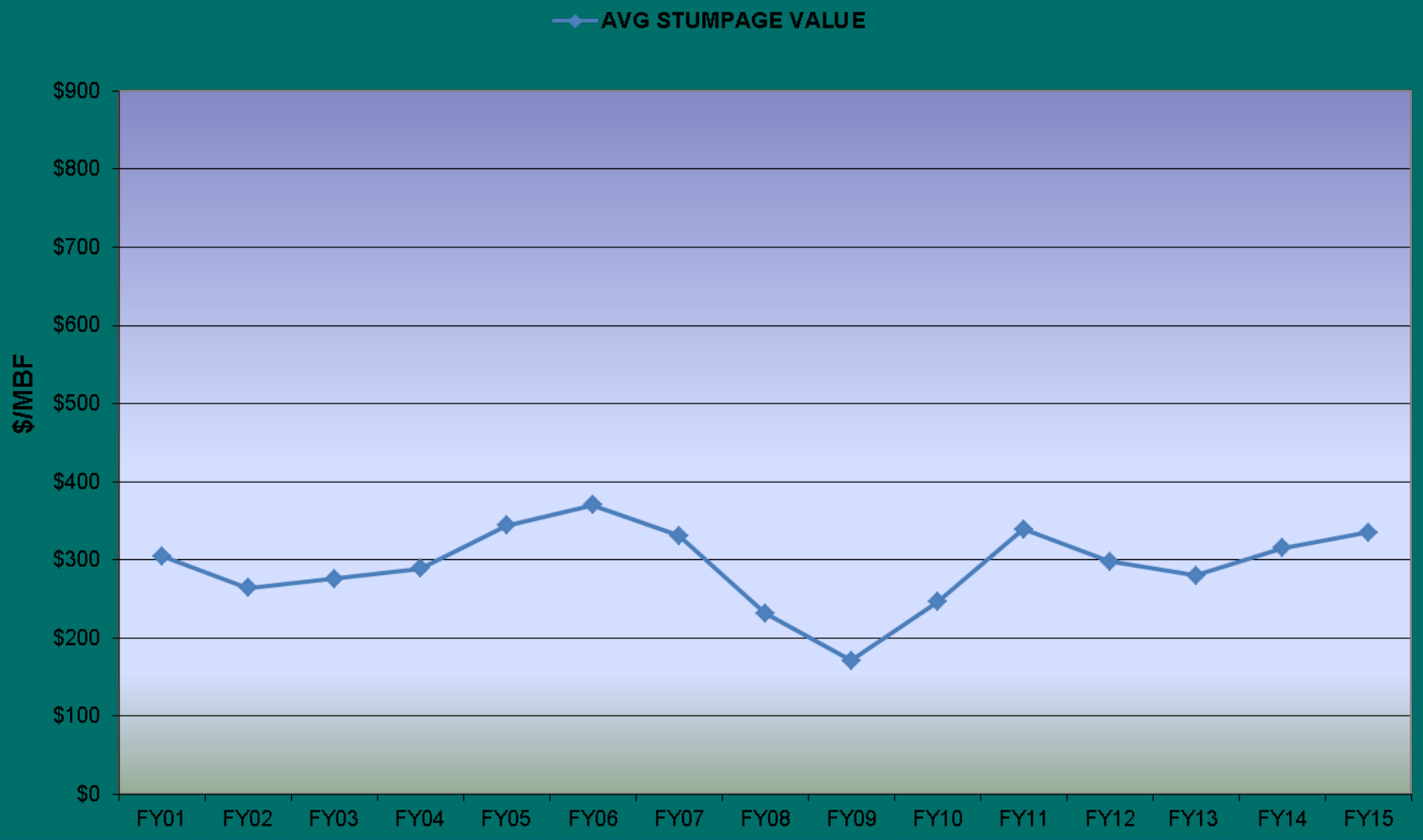


Western Washington Sustainable Harvest Units

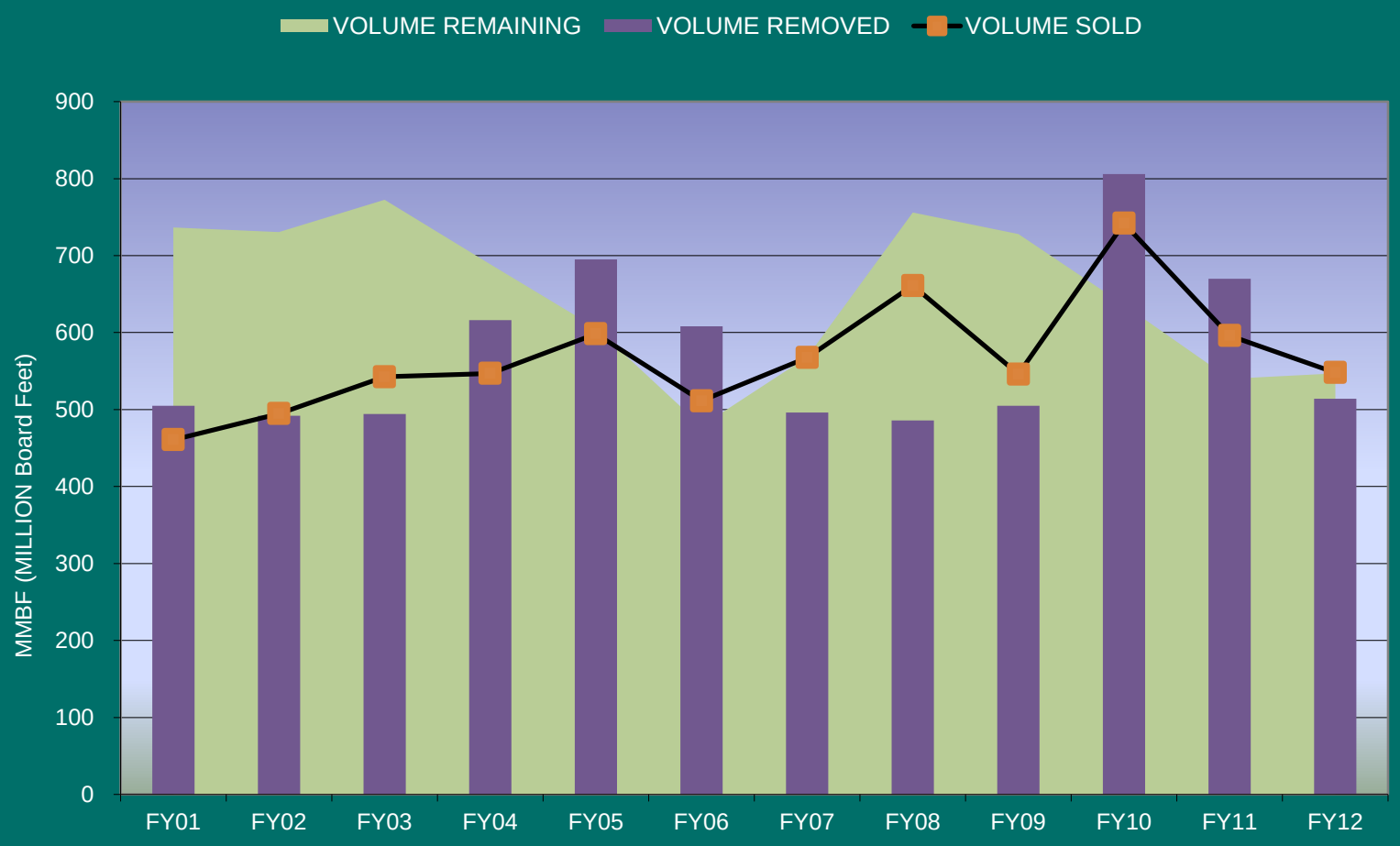
FY05-FY12 Sold Sales and Percent of Projected Sustainable Harvest

Target class	Percent of Sustainable Harvest Level Achieved	Sustainable Harvest Units
Exceeded target	>100%	Clark, Cowlitz, Mason and Pierce
Near or On-target	60-100%	Kitsap, Lewis, Snohomish, Pacific, Skagit, Whatcom, Capitol Forest, Clallam, Jefferson, King, Thurston, Wahkiakum, Federally Granted Trusts and State Board Purchase
In-arrears	< 60%	OESF, Skamania

Stumpage Sales Values FY01-FY15



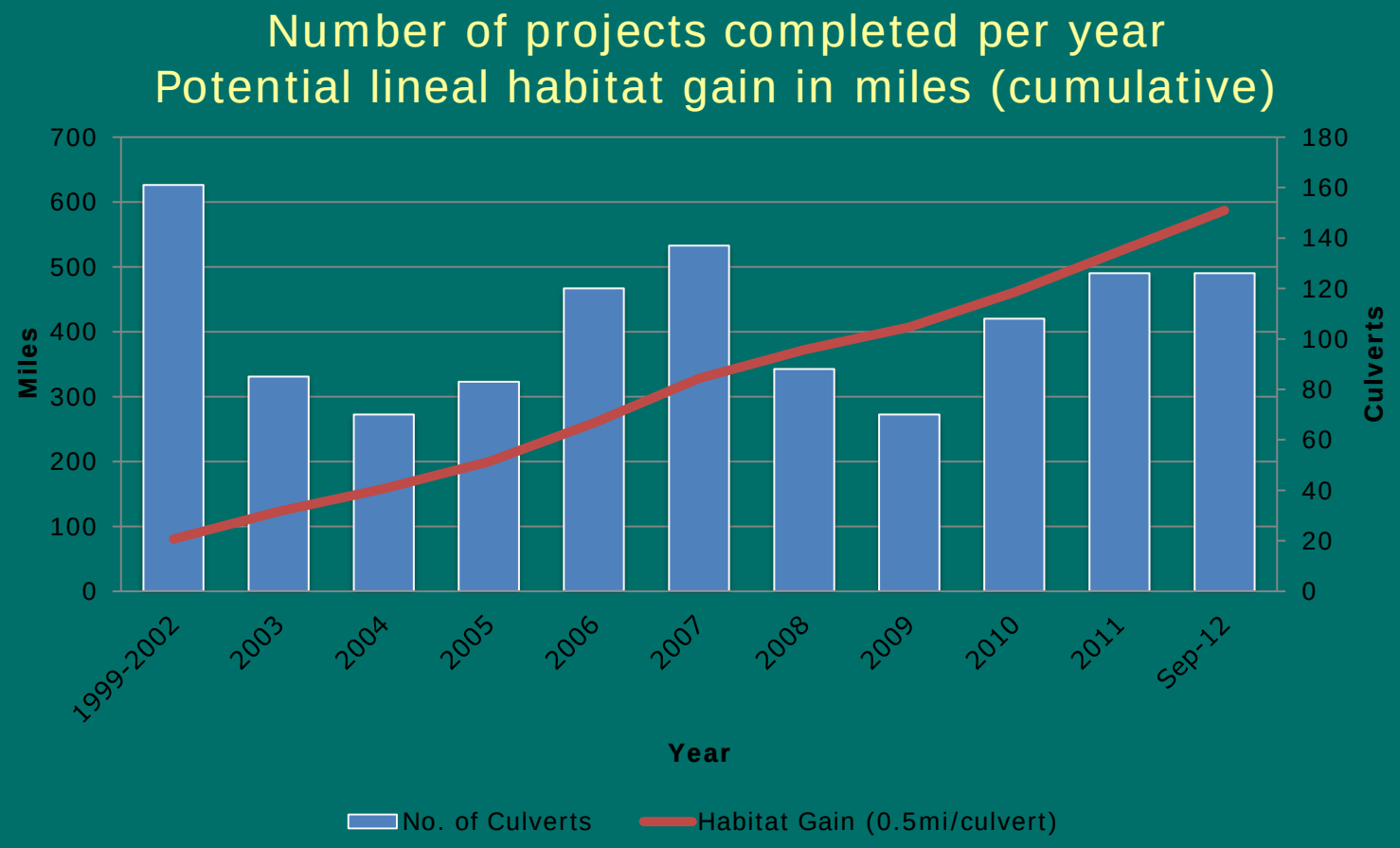
Volume: Sold, Removed, Remaining FY01-FY12



Forest Land Planning

- Plan for the Olympic Experimental State Forest (OESF) HCP Planning Unit
  - Completed Draft EIS – June 2010
  - Revised Draft EIS expected in 1st quarter of 2013
- OESF Research & Monitoring Strategy
  - Components to be included in OESF Forest Land Plan
  - Installation of monitoring site for Status and Trends completed during summer/fall 2012 in collaboration with USFS PNW Research Station

RMAPS: Fish Passage Culverts



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Leasing Programs Revenue Earned

Fiscal Year 2012	
Agricultural Leases	$17,473,000
Grazing	$904,000
Commercial Real Estate	$10,256,000
Special Forest Products	$581,000
Property Leases	$2,137,000
Communication Sites	$3,823,000
Minerals, Oil, & Gas	$147,000
Rock, Sand, & Gravel	$787,000
Rights of Way	$634,000
Miscellaneous Revenue	$122,000
Leasing Total	**$36,864,000**

Land Transactions Objectives
Fiscal Year 2012

- Improve financial performance of trust assets
  - Consolidate/block up trust lands
  - Transition out of under performing assets
- Acquire productive natural resource lands
- Protect the existing land base
- Diversify State Trust Land Portfolio

Transactions Highlights
Fiscal Year 2012

- 12,000 acres of checkerboard ownership consolidated in Phase 2 of the DNR-DFW exchange
- 5,400 acres of replacement farm and forest land acquired for trusts
- 3,100 acres transferred under TLT for conservation and recreation

Oak Creek Parcel (from DFW)

Sandpiper Farm

Morning Star NRCA

2012 Purchases under $100,000
BNR Resolution 1164

Property	Acres	Price	County	Trust	Date	Benefit
Belcali	5	30,000	Spokane	School	12/28/11	Provides access to timber sale

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