

**DRAFT Meeting Minutes
Timber Advisory Committee
Thursday, May 22, 2025**

The meeting was called to order by Mr. James Dahlen, Chair, at 10:06 AM

COMMITTEE MEMBERS IN ATTENDANCE

James Dahlen, Chair

Jennifer Perry
Howard LaHaie
Craig Kay
Lennart Lindstrand
Dan Stapleton

COMMITTEE MEMBERS NOT ATTENDING

Leslie Morgan, Vice-Chair/Secretary
Cynthia Froggatt
Marty Olhiser

OTHERS IN ATTENDANCE

Susanne Buehler, Deputy Director
Mike Doyich
Mark Collins
Charles Holthaus
Leslie Ang
Tuan Nguyen
Rachel Zou
Sam Evans

REPRESENTING

California Department of Tax and Fee
Administration (CDTFA), Program Compliance
Bureau (PCB)
Assessor, Del Norte County
Assessor, Humboldt County
Assessor, Siskiyou County
Small-Scale Timber Owners
Board of Forestry

REPRESENTING

Assessor, Shasta County
Assessor, Plumas County
Large-Scale Timber Owners

REPRESENTING

CDTFA, Business Tax and Fee Division (BTFD)
CDTFA, BTFD, PCB
CDTFA, BTFD, PCB
CDTFA, BTFD, PCB
CDTFA, Legal Division
CDTFA, BTFD, PCB
CDTFA, BTFD, Program Administration Branch
CALFIRE

1. Call to Order and Opening Comments – Mr. James Dahlen

Mr. Dahlen, Chair of the committee, called the meeting to order at 10:06 AM and welcomed the committee members.

2. Roll Call

Chairman Dahlen called the roll. All committee members were present except for:

- Shasta County Assessor, Ms. Leslie Morgan
- Plumas County Assessor, Ms. Cynthia Froggatt
- Large-Scale Timber Owner Representative, Mr. Marty Olhiser

With a quorum present, the meeting was allowed to proceed.

3. Review and Approval of Meeting Agenda

The Chair called for additions to the agenda. Hearing none, the meeting proceeded to the next order of business.

4. Discussion and Approval of the Minutes from the November 7, 2024, Meeting

The Chair asked if there were any errors or omissions to the minutes from the November 7, 2024, meeting. Hearing none, Mr. Lennart Lindstrand made a motion to approve the November 7, 2024, meeting minutes as submitted. Mr. Dan Stapleton seconded the motion. The motion passed unanimously.

5. Opening Comments and General marketing trends – Mr. Mike Doyich

Mr. Doyich began his presentation by stating there is a lot of uncertainty in the log markets and the overall economy in general due to a fluctuating stock market, ongoing conflicts overseas, uncertainty about inflation, fuel and energy costs, unemployment, global tariffs, trade wars and the potential of a recession looming. Log sales have been slow for the first part of this year due in part to the large mill log inventories carried over from 2024 and slow market conditions in the fourth quarter so far this year. For these reasons, the 2H25 values proposed for discussion and a vote for approval by the committee are heavily reliant on our in-house log index.

Mr. Doyich provided an industry update stating Sequoia Forest Products, based in Seattle, Washington, has purchased three sawmills in Humboldt County and will be reopening them under that name. The Redcrest mill was previously updated and remodeled and will remain unchanged. The old Arcata Forest Products mill is being entirely re-tooled, and it will be a state-of-the-art fencing plant when completed. The old R & L mill on the south end of Arcata will remain open until the newly remodeled Arcata Forest Products facility comes back online later this fall, and possibly longer if there is enough demand. In Timber Value Area (TVA) 2, the Conrad Forest Products mill has had a change of ownership, and it will be operating under the name of Agwood once again. The Tahoe Forest Products mill in Carson City, Nevada, is currently in the process of adding a planing mill and drying kilns to their facility. The lone mill in TVA 9, Sierra Forest Products, sold to a new ownership group in July of 2023, and they have been off to a slow and rocky start so far this year. There has been very little harvesting in southern portions of the state for the past year, but things are expected to pick up later in the year. Fire salvaging operations have mostly been completed statewide except for the 2024 Park Fire in TVA 7. That work is expected to be completed by the end of this year.

Chairman Dahlen asked if there were any questions or comments regarding the general marketing trends. Hearing none, the meeting proceeded on to the next agenda item.

6. Suggested Immediate Harvest Values for the Period of July 1, 2025, through December 31, 2025

a) Table G – Green Timber Harvest Values

Mr. Doyich then presented the green timber value proposals and stated coastal Redwood values are flat to down, while coastal whitewood values are flat or up slightly. Inland Pine, Fir, and Cedar prices are up slightly except for TVA 7 Fir going down \$40 per thousand board feet. The demand for Douglas-fir continues to be strong with log quotes and log prices for Douglas-fir up considerably. Mr. Doyich then directed the committee to pages 8, 10, and 11 of the *Appraisal*

Summary where the green timber values are found. The floor was then opened for questions and discussion.

Mr. Lindstrand stated some of the proposed values deviated from the calculated weighted averages presented in the *Appraisal Summary* and asked for an explanation from CDTFA staff, and specifically regarding the Size Code 3 Pine value in TVA 5 and the Size Code 3 Douglas-fir value in TVA 7. Mr. Charles Holthaus responded there were no private sales so far this year in TVA 5, and the current year Forest Service sales had relatively low value with large volumes, resulting in skewing in the 24-month calculated values exceptionally low. Mr. Holthaus went on to explain Forest Service sales typically involve a significant number of adjustments, making them poor indicators of current market value without any private sales to go along with them for a balanced view of the market. Therefore, he considered the more balanced 2024 data set, rather than relying solely on current year sales or the 24-month weighted average for developing the TVA 5, Pine value proposals. Mr. Doyich addressed the TVA 7, Douglas-fir values and explained they were based on a camp run value structure because that is how industry has turned to buying Douglas-fir in today's market. The 24-month weighted average value for all size classes combined was the method used to value Doug-fir in TVA 7, because the data strongly supported that value. After further discussions with CDTFA staff, Mr. Lindstrand stated he understands the principals discussed, and he will defer to the appraisal skills of the CDTFA appraisers and their proposed values. After no further questions or discussion from the committee members, Mr. Stapleton made a motion to approve the Green Timber Harvest Values as proposed. Ms. Jennifer Perry seconded the motion. The motion passed unanimously.

b) Table S – Salvage Timber Harvest Values

Mr. Doyich stated the number of current year fire salvage sales has dropped significantly because most of the fire salvage operations have already been cut out, with the exception of the Park Fire in TVA 7. He explained the salvage market has changed significantly in the last two years and it was also time to run the salvage study to check if the current percent factors were still valid. The results of the new salvage study indicated the new salvage percent factors had all increased due to the better salvage marketing conditions. The new *Percent-of-Green Factors* are all listed on page 14 of the *Appraisal Summary*. Only 9% of all salvage sales are current year sales, so the 2H25 salvage values relied heavily on the new percent of green factors.

The floor was opened for comments on Table S - Salvage Timber Harvest Values. There were no comments or discussions on the Table S proposed values. Mr. Lindstrand made the motion to approve the Salvage Timber Harvest Values as proposed, Mr. Howard LaHaie seconded the motion. The motion passed unanimously.

c) Table 1 – Miscellaneous Forest Products Harvest Values

Mr. Doyich stated the only proposed change to Table 1 values are in the Small Sawlog Miscellaneous (SSM) category. The proposed value is \$150 per thousand board feet (MBF), which is an increase of \$10 per MBF from the previous half.

The floor was opened to questions and discussion on Table 1 – Miscellaneous Forest Products Harvest Values. Hearing none, Mr. Stapleton made the motion to approve Table 1 as proposed. Mr. Lindstrand seconded the motion. The motion passed unanimously.

7. Old Business

There was no old business.

8. New Business

The tentative date for the next meeting is November 6, 2025, at 10:00 AM, via video conference or in person, at CDTFA 651 Bannon Street, Room NE 133, Sacramento, CA 95811.

Chairman Dahlen asked the committee if the next TAC Meeting tentatively scheduled for November 6, 2025, worked for everyone. Hearing no objections, the committee agreed to that date for the next TAC meeting.

9. Adjourn

After making some closing comments, Chairman Dahlen adjourned the meeting at 10:44 AM.