Notes on Management Committee Review of JAG Report - 2011-03-01

Here is a brief report of the highlights of the Management Committee meeting on Tuesday. These are my personal notes and reflect my personal impressions and reflections. They have no official status.

Eric started the meeting by presenting a quite comprehensive list of questions he felt the committee should address before making any recommendations to the Board [distributed to JAG on March 9].

There was considerable discussion of the chain of authority governing JDSF, with a review of the history and comments about the difficulty that could be created by the dual authorities (the Unit and Sacramento). In the end, it was decided that this was something for the future.

The main part of the meeting was devoted to discussing Helge's projection. He emphasized, as he did at the JAG meeting, that the projection incorporated his best estimates, "based on 30 years of forestry experience," of the effects of the JAG recommendations. Gary pointedly and repeatedly challenged Helge to explain what were the causal factors behind the major drop in harvests relative to Option A. Helge repeatedly resisted Gary's efforts to have sensitivity runs made with different assumptions.

My documents<sup>1</sup> I submitted to the Committee were never directly discussed, but after considerable discussion, I interjected my alternative analysis, which showed less than 1 mmbf/year reduction in harvest from the Option A analysis. I also pointed out that under Helge's model, less than 30% of growth was being harvested. Gary used these points of information to further challenge Helge to explain. At one point, Gary said that perhaps a major reason for the very low initial harvests was Helge's imposition of non-declining harvests. Helge said, "You are very perceptive." I pointed out that the harvest levels in Option A fluctuated and were not non-declining.

There was considerable discussion about what determined the "long-term sustainable yield." Eventually Helge said that it was equal to the long-term annual growth. When it was pointed out that long-term growth was higher under the JAG recommendations than Option A, Helge agreed that implied that LTSY was higher under the JAG recommendations.

When Gary asked Helge what would happen if the assumption of non-declining harvests was relaxed, Helge said that all growth would be harvested. This put a premature ending to this line of discourse, which was unfortunate, because Option A doesn't require monotonically increasing harvests, but all growth is not harvested.

There was considerable discussion of budget needs and whether or not they could be met with the JAG recommendations, to what extent staffing levels were limiting nearterm harvests, and what could be done to remove the limits. Not too much concrete came out of this. Russ did remark that even-aged management would allow them to cut more timber for given staff input. To me, the most interesting point was made by Jim

<sup>&</sup>lt;sup>1</sup> 2011-02-25 Summary Figures and Tables for MV IV and Alternative Analysis.pdf,; 2011-02-24 Analysis of Effects of JAG Changes From 2008 MP v4.pdf

<sup>2011-03-02</sup> Taylor Notes on Management Committee Review of JAG Report.doc

Little, who said, "There is no way you could sell 15 mmbf if you tried this year. There is simply not the demand in Mendocino County." Another timber person chimed in, "That's for sure, nor would you be able to sell that much next year either." This suggests that the sustainable yield level is not a near term issue.

[The remark of Jim Little reminded me that Mike Jani wrote in an email that JDSF needed to reduce the size of its sales in order to make them more feasible for mills to bid on. The JAG should take this up soon.]

Gary came back to the point he made in our meeting: as there is much uncertainty and much unknown, why not stick with the 2008 MP suggested harvest levels of 20-25 mmbf while doing monitoring and evaluation to see if problems of sustainability arise in the next 10 years. He asked me how I felt about that, and I indicated that it seemed reasonable based on my analysis.

At the end, Gary again pressed Helge on the need to do some variations of his projections to see what were the major causes of the difference from Option A. Finally, Helge agreed to a proposal from Gary that he do a run in which 1/2 of the Matrix received Matrix silviculture and 1/2 received the silvicultural mix used in Option A. He said the results could be available in about 2 weeks.

I was asked by one person attending if I was okay with this. I said I thought it was a start but not an end of what was needed. I said that the allocation between the two methods needed to be representative and not biased by putting high quality land in the Option A category. This was agreed. Upon reflection, it would also be important to apply the Option A silvicultures proportionately to what was done in Option A. As Russ remarked, a lot of even-age management at the beginning would yield higher initial harvests (at the expense of later harvests).