

Timber and Roads

The Natural Resources Management Plan states that there are two primary missions for the Timber and Roads Program.

The first is to plan and implement sustainable harvest prescriptions on the Tribe's forest and maximize the revenue obtained from the sale of forest products.

Secondly, the Timber and Roads Program is responsible for maintaining, improving and developing the forest road transportation system for the extraction of commercial products and for recreational access by the public.

Timber Harvest

From 2003 through 2010, the Natural Resources Division's Timber and Roads Department administered the harvest of 50,685 million board feet of timber and generated \$18,427,851 in income for the Tribe. The actual harvest by year is represented in the table below.

Through 2010, there were approximately 2,589 acres planned to be harvested. However, the actual area harvested has been 2,012 acres. This difference is primarily due to the land producing more volume than the harvest models projected.

These unforeseen harvest levels made it possible to forego harvesting young stands that were not economically feasible due to a declining timber market, while still maintaining anticipated harvest levels.

Natural Resources has recently started to direct market some logs from the Reservation. For example, between August 2009 and January 2012, the Tribe has sold 773,000 board feet of poles for an average value of \$810 per thousand board feet (gross value).

"The Tribe is practicing sustainable forestry, while maintaining the amenities the Reservation provides, such as recreational activities like hunting and fishing, along with gathering opportunities for the Tribal membership. I think we have struck a good balance with our intensity of management, which is unique to the Grand Ronde Tribe," says Jeff Kuust, Timber and Roads Program Manager.

2003-2012 Reservation Timber Harvest

| Calander Year | Sales Volumn (MBF) | Sale Revenue (\$) |
|-------------------------|--------------------|-------------------|
| 2003 | 6,093.020 | 2,322,120.48 |
| 2004 | 11,260.910 | 4,956,873.69 |
| 2005 | 5,757.486 | 2,502,771.55 |
| 2006 | 5,393.300 | 2,420,042.44 |
| 2007 | 9,786.140 | 3,382,956.56 |
| 2008 | 1,921.960 | 658,980.95 |
| 2009 | 2,550.700 | 381,059.94 |
| 2010 | 7,921.404 | 1,830,018.59 |
| Sub-totals thru 2010 | 50,685 | 18,454,824 |
| Average thru 2010 | 6,336.0 | 2,306,853 |
| 2011* | 10,000.851 | 2,992,587.17 |
| 2012* | 8,900.000 | 2,979,200.00 |
| EST. Totals thru 2012 | 69,586.00 | 24,426,611 |
| Est. Averages thru 2012 | 6,959.00 | 2,442,661 |

Tribal Roads

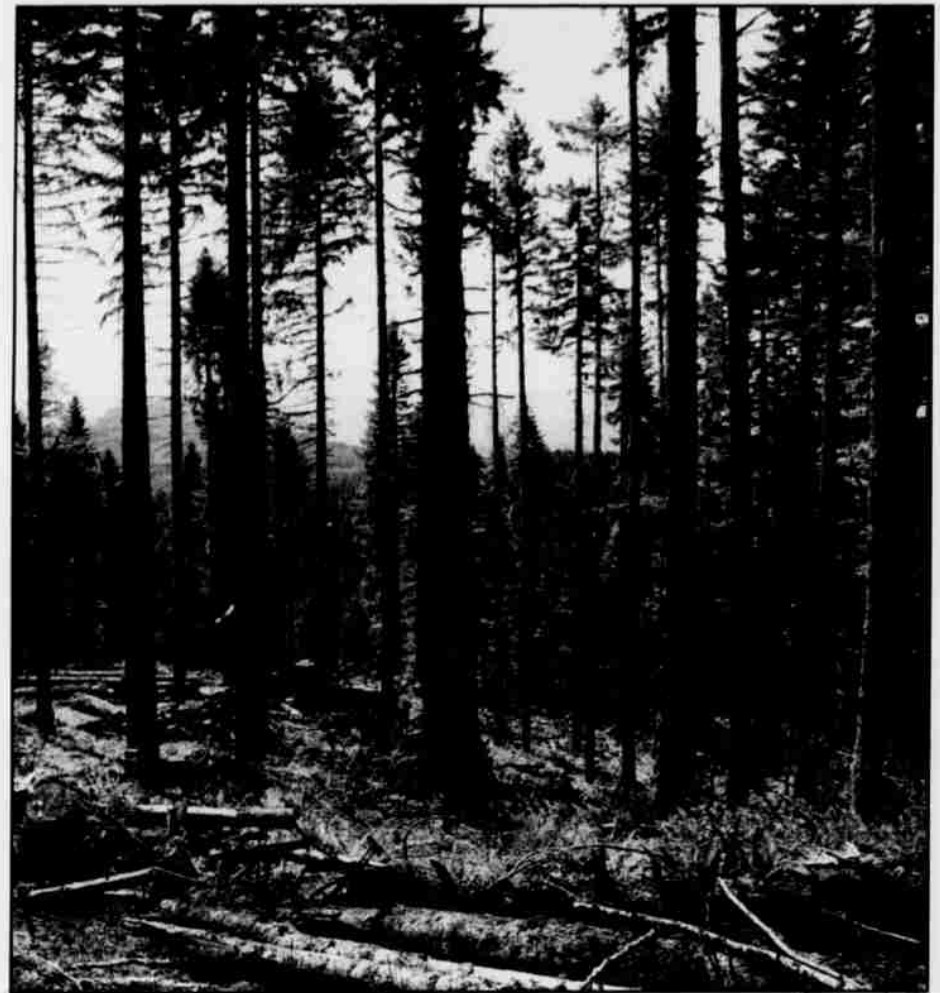
The Timber and Roads Program manages 115.79 miles of roads both on the Reservation as well as on privately held Tribal lands (paved: 9.14 miles; gravel: 87.89 miles; and dirt: 18.76 miles). This includes about 10 miles of gravel and dirt roads that have been constructed since 2003 to access stands of timber for harvest purposes.

The Timber and Roads Program regularly brushes an average of 26.2 miles of Reservation roads each year. The following table summarizes the miles of road brushed each year since 2003.

Regular road maintenance activities include ditch cleaning, roadside brushing, road grading and spot-rocking, culvert maintenance, culvert repair, culvert replacement and road sign maintenance.

On top of regular road maintenance activities, the Tribe plans and administers several special road improvement projects on a regular basis. These special projects include bridge installations, pavement overlay projects, landslide repairs and clearing of roads after storms, as well as various other special projects.

The cost of maintaining and improving road access on Reservation lands can be expensive. To provide funding for road-related projects, the Tribe collects maintenance fees from the hauling of timber and rock over Reservation roads, as well as seeks outside funding sources, such as federal grant money for road maintenance and special road projects.

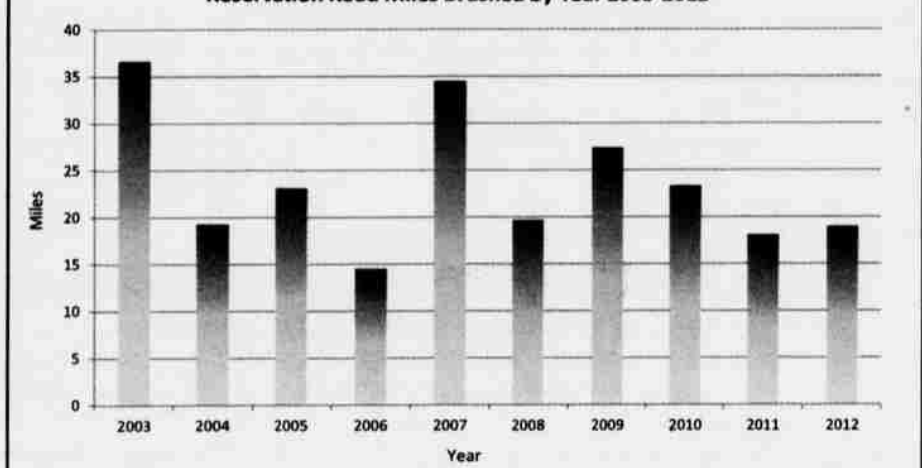


Eastside thin project

Courtesy photo

To be eligible for federal grants, the Tribe also must maintain a road inventory under the Indian Reservation Roads Program. This involves documenting the condition of roads that access Reservation land as well as the level of use. The inventory must be updated on a regular basis by Tribal staff to ensure that it accurately reflects the need for road repairs, maintenance and upgrades for current and future demands.

Reservation Road Miles Brushed by Year 2003-2012



Future Challenges and Opportunities

As the Tribe moves forward with managing its timber resources and transportation needs, it faces several challenges. Some of these include:

- Constructing and maintaining roads with secure funding sources;
- Harvesting profitably in young stands (less than 40 years old) to maintain forest health as well as enhance future timber marketing opportunities;
- Planning timber harvests and other land management activities on other Tribal lands outside of the main Reservation;
- And maintaining consistent levels of timber revenue in the midst of a volatile local, national and global economy that heavily influences the demand and value of timber.

Considering the above challenges that the Tribe is facing as it looks to the future, there are also several opportunities. Some of these include:

- Marketing delivered logs directly to wood processing facilities rather than selling stands of timber under contract to the highest bidder;
- Seeking new markets, such as power transmission and distribution poles, export logs and special product logs;
- New large-scale forest land investments;
- And accessing new funding sources through grant programs for road maintenance, road improvement, road construction and timber management. ■