

**APPROVED MINUTES
TIMBER ADVISORY COMMITTEE
June 7, 2005 MEETING**

The meeting was called to order by David J. Gau, Chairman, at 9:07 a.m. in Room 122, State Board of Equalization (BOE), 450 N Street, Sacramento, California, with the following in attendance. A quorum was present.

TIMBER ADVISORY
COMMITTEE (TAC) MEMBER

David J. Gau, Chair
Gerald D. Cochran, Vice-Chair/Secretary
Tim Holcomb
Marsha Wharff
Cris Andrews
Mike Mallory
Roy H. Richards, Jr.
Marty Olhiser

REPRESENTING

BOE
Assessor, Del Norte County
Assessor, El Dorado County
Assessor/Recorder/Clerk, Mendocino County
Assessor/Recorder, Shasta County
Assessor, Siskiyou County
Small-Scale Timber Owners
Large-Scale Timber Owners

OTHERS IN ATTENDANCE

Tom Hudson
Steven Kamp
Mickie Stuckey
John Davis
Jim Lehnus
Bev Lauer
Ben Tang
Sherrie Kinkle
Mitchell Cari
Larry Fogerson
Mike Doyich
George Felix
Peter Murphy
Art Tenneson
Tim Treichelt
Carole Ruwart

REPRESENTING

Board Member Bill Leonard's Office
Acting Board Member Betty Yee's Office
BOE, County Property Tax Division (CPTD)
Green Diamond Resources Co.
Green Diamond Resources Co.
Nevada County Assessor's Office
BOE, CPTD
BOE, Assessment Policy and Standards Division
BOE, CPTD, Timber Tax Section
BOE, Legal Department
BOE, Legal Department

1. Oath of Office

Mr. Ramon J. Hirsig, Executive Director of the BOE, administered the oath of office to all Timber Advisory Committee members present at the meeting (Mr. Christopher Zimney, the Board of Forestry TAC representative, was unable to attend the meeting).

2. Approval of November 9, 2004 Meeting Minutes

Tim Holcomb moved to approve the minutes from the November 9, 2004 meeting; Cris Andrews seconded the motion, which then passed without objection.

3. Harvest Value Discussion for Period July 1, 2005 – December 31, 2005

a. Proposed Changes to Instructions

Mickie Stuckey described staff's suggested changes to the Average Volume Per Log paragraph of the harvest values schedule instructions. Tim Holcomb moved to approve the proposed changes to the instructions; Jerry Cochran seconded the motion, which then passed without objection.

b. Tables G & S — Green and Salvage Values

David Gau opened the discussion of Tables G & S. Mitchell Cari provided a general overview of staff's suggested values and changes from the previous schedules. There was a discussion about the trend of a reduced spread in the values between small and large Douglas-fir logs.

Roy Richards questioned the "rounding" of values from the computed averages and asked why the suggested values weren't the same as the averages. Mitchell Cari explained that staff did not "round" the numbers in estimating the suggested values. Roy suggested that the values for TVA 6 PPG and ICG were too high, but did not have additional information for staff to consider. Mitchell explained that the most recent sales indicators of PPG3 in TVA 6 were much higher, which carried more weight in determining the value. Mickie Stuckey presented ranges of values for selected species and TVAs. Tim Holcomb asked some questions regarding ICG in TVA 3 and TVA 6. Roy questioned why there was no change in the values for FG and ICG in TVA 6 when adjoining TVAs' values went down. Mitchell explained that in TVA 6 the market trend was significantly up and supported the suggested values for both FG and ICG. Marty Olhiser commended the staff on the suggested values for TVAs 1, 2N, and 2S.

Tim Holcomb moved to approve staff's suggested values for Tables G & S; Marsha Wharff seconded the motion, which then passed with a vote of seven to one, with Roy Richards being the one objection.

c. Table 1 — Miscellaneous Harvest Values

Mitchell Cari provided a general overview of the suggested values and changes from the previous schedule. Marsha Wharff moved to approve the suggested values for Table 1; Jerry Cochran seconded the motion, which then passed without objection.

4. Other Business

a. 2004 Timber Harvest by County

Mitchell Cari handed out and discussed the summary of reported volumes by county for 2004.

b. Status of the *Timber Harvest Values Manual* Project

Sherrie Kinkle provided a short status update on the *Timber Harvest Values Manual* project. Sherrie mentioned that several responses were received and are being reviewed by staff for response. Sherrie is developing a matrix with all comments and responses that will go out to Interested Parties for discussion at the August 9, 2005 Interested Parties meeting on the manual. Sherrie handed out a draft of the matrix that included the input received and explained that the response column would be completed prior to mailing the matrix to Interested Parties. There was a short discussion on the logistics of the interested parties' process for Property Tax Committee projects such as this manual. The schedule for the *Timber Harvest Values Manual* project can be found on the Board's website at <http://www.boe.ca.gov/proptaxes/timharvals05.htm>.

c. Harvest Value Schedule Process

This item was on the agenda in error; therefore, there was no discussion on the item.

d. Date for Next Meeting

The date for the next TAC meeting to discuss suggested harvest values was tentatively set for November 9, 2005 at 1:30 p.m.

5. New Business

No items were discussed.

6. Adjourn

David Gau adjourned the meeting at 10:00 a.m.