

IV. Timber Management
Kevin Boling

Good evening. It's a pleasure to be up here. I have been with FCP since 2002. We are a relatively new company. I was their first region manager in Idaho, and then when we acquired the Boise property I had the privilege of working with the Boise folks here in La Grande to manage this property as well as our property in North Idaho as well as our property in Washington. I'm not new to this country. My first job in the woods was working with Vince Noughton of Boise Cascade back in 1974. My wife and I moved to Elgin and we lived above the hardware store next to Odie's Bronco Room. Spent a little time in Odie's. One night I was in Odie's having a piece of pie and a drink and I looked out and there was a guy in a white Rolls Royce. He parked his Rolls Royce in front of the café to keep an eye on it. There was a pulp market that year. Everything was coming down off Tollgate and making that right turn. There was a truck that made that right turn, and the reach broke, and that whole load fell on the Rolls Royce. I'll never forget that.

I might take a minute or two to tell you about Forest Capitol and who we are. We are a company that is one of the largest private land owners in the United States. With the Boise purchase we became the 4th or 5th largest. We are privately held by a small group of investors who invest in large blocks of timber land to preserve their capitol. They had to take a long term view of ownership of lands. The length of our investment is over 30 years and we are very committed to the communities where we live and work, which is why when we identified Mt. Emily as a tract which really did not fit with our long term plans, our first choice was to see if we could figure out a way to work with the community to allow you to own that and manage it as you would. Our first priority is for you to buy the whole thing but we worked with Hanley and Chris and the Coalition to see if we could create some options that you might find appealing that would be affordable, and to make this a reality.

Our timber harvest plan, if that is implemented, would be the harvest of 8 units over 4 years. The maps of those harvest units are scattered around the building and I suggest you take a look at those. The harvest of those tracts is going to be a commercial thin, overstory removal of multi-age classes depending on which tract you are in. To take a couple of examples, the first two units scheduled for 2008; one of those called Baxe is on the front. It is an older stand of Douglas fir and Ponderosa pine. Our intent for the stand is a selective harvest. We will pre-mark it, tallying the trees as we go. We will take about half of the trees, or 2/3 of the commercial volume. One the other unit called Fox, not observable from the community, is a variety of age classes and vertical structures. Harvest will be targeted at removing most of merchantable volume. That sounds a little worse than it will be because there are a lot of younger age classes within that unit that we will leave. The 6 other units have some variety to that approach. All harvest will meet or exceed that Oregon Forest Practices Act. There are springs and streams on the property and we will be careful to protect those. Our intent is to be transparent with how

those harvests are completed but when we are there logging, if Option 2 is selected, we would ask that you do not visit. It is not a safe place to be when harvesting. That is our intent and at the end of this presentation feel free to ask any questions.