

**From:** Sandy Dean  
**Sent:** Wednesday, August 02, 2017 3:48 PM  
**To:** 'David W. Simpson'  
**Subject:** follow up - Note to David Simpson

David,

Thanks for your various correspondence, calls and conversation on Rainbow Ridge. My apologies for only getting this letter together now, however I wanted to set aside the time this topic deserved in sending you a reply. Maybe some of what I am going to write will be information we have already covered, and if so please accept my apology in advance.

As backdrop, I enjoyed our conversations in Corpus Christi. You were a model of calm amidst an overall wild period. Our courtroom victory was unlikely, however it seems in the end Judge Schmidt worked hard to come up with the best solution for ALL the stakeholders around this important forest. Even with the significant effect of the great recession on the newly formed HRC, we have honored all the commitments made in conjunction with the reorganization process (including forest standards, harvest rate, employment, investment in the Scotia sawmill, support of former pension plan etc..).

Since 1998 in Mendocino County, and since 2008 in Humboldt, we have worked towards the simple mission of “be good stewards of the land and be a successful business.” As we enter our 20th year in forestry, the policies we employ in support of the mission have evolved, and hopefully we are learning from whatever mistakes we may have made and from the successes of others as well. During this time our commitment to the mission has been strengthened as others in California have moved their forest practices in the direction of our own, and as we have questioned the ecological benefit and value of some of the government funded conservation transactions that have been completed on the north coast. We have in particular thought state funds used to extinguish development rights on steep and remote industrial timberlands on the North Coast was of questionable ecological benefit, especially in relation to the alternative of on the ground restoration investment opportunities.

Independent third party Forest Stewardship Council® (FSC®) certification, protection of old growth down to the level of single identifiable trees, elimination of traditional clear cutting, harvest rates meaningfully below forest growth rates, substantial investment in aquatic habitat improvement (mostly keeping dirt out of coastal fish bearing streams) and upslope habitat improvement (reducing the overabundance of tan oak in particular), and operating in a transparent fashion are all pillars of our effort to be good stewards of the forest. Measurable results across the HRC (FSC® C031337) and MRC (FSC® C004495) lands are noteworthy – two favorites are well more than 1 billion board feet of standing timber inventory added to the forest, and more than 1.5 million cubic yards of dirt (150,000 dump trucks, enough to more than fill an empire state building) have been kept out of the coastal streams running through our properties.

Maybe none of the above matters in the conversations of the Mattole and Rainbow Ridge, however I start with the above as context for how the Mattole fits into our broader forest

approach. We are managing our lands to a high standard, harvesting less than ½ of the annual timber growth across our 440,000 acres, and investing to improve the health of our lands for the long term. The Mattole represents about 9% of our Humboldt forest in acres. The aggregate standing timber volume on these 18,000 acres is estimated at approximately 250 million board feet, and our cumulative harvest in this area since HRC's formation in 2008 has been less than 2 million board feet of timber (less than 1% of today's aggregate inventory in the Mattole). Our general desire to use selection harvests where appropriate, and meaningful retention on any harvest acres, necessarily means over time our management will make its way across our forest in "acres touched" faster than a company primarily using clear cutting or even aged management. In general most of our harvests leave significant volume of standing timber on the acres where we have harvested.

I have visited the Mattole several times myself, and I know the discussion of harvesting has attracted significant community interest over a long period of time. HRC staff has conducted more than a dozen field trips, six stakeholder meetings and something like 75 email and phone call conversations (probably more but the 75 made it into a log). We all agree the Mattole is special. Of course there are other special areas in the MRC and HRC forests as well. From our perspective the engagement around the Mattole has been valuable. The two initial timber harvest plans (Long Ridge and Long Reach) encompassed a plan area of 880 acres total, with 715 harvest acres and a proposed harvest volume of 8.5 million board feet. The foresters estimate the 880 acres in the entire plan area contains roughly 20 million board feet in total volume.

Hearing from interested stakeholders, seeing the special circumstances in this part of our forest, and challenging our own policies has all been a constructive process. After years of discussion and multiple revisions, the harvest acres have been reduced from 715 acres to 285 acres, and the proposed harvest volume has been reduced from approximately 8.5 million board feet to approximately 2.8 million board feet. Besides just the reduction of harvest acres and volumes, two other very important things have come out of the engagement around harvesting in the –

1. The reduction in harvest acres included designating 202 acres of the Mattole as a High Value Conservation Area in accordance with the FSC, and this designation will remain with these acres.
2. The longstanding MRC (and now HRC) individual old growth tree protection policy was enhanced with a refinement to the overlapping FSC Type 1 and Type 2 Old Growth stand protection policy, resulting in an additional 24 acres being set aside as meeting the FSC stand definition.

In our last phone call you expressed appreciation for the various improvements that have been made to these two timber harvest plans in time, as well as for the open communication that has occurred with the foresters and for HRC as a business in Humboldt County. You also said that in the end the Mattole and especially these 1100 acres are too special for any management regardless of the standard employed. I think this is where we

differ. We remain committed to management across the forest, to allow the efficiency of a business in the ongoing management and enhancement of a large amount of special and ecologically significant forest.

We also believe that forest management policy has to acknowledge the use of wood in our society. In recent years California has imported close to ½ the lumber consumed in the state. Further setting aside acreage in the Mattole in the name of the environment might feel good, especially for our closest neighbors, but it will result in other trees being harvested somewhere – most likely in Oregon Washington or Canada – where harvest standards are much different than the regulatory minimums for California and much much less than the standards employed by HRC. Where is the environmental win in that scenario?

We remain committed to protecting all identifiable individual old growth trees, consistent with the old growth policy we implemented dating back to 2000. We have refined and implemented the FSC stand level old growth designations for this plan as well. The harvest acreage and volumes have been reduced substantially, and the aggregate harvest volume now represents roughly 15% of the entire standing timber in the 880 acre plan area and just over 1% of the standing inventory in the entire Mattole. We would love to have your support for HRC's efforts to be good stewards of the land and a successful business, along with recognition of all the improvements that have been made to the proposed harvest plans for the Mattole.

Sincerely,

Sandy Dean