

**CITY OF COOS BAY CITY COUNCIL**  
**Agenda Staff Report**

MEETING DATE	AGENDA ITEM NUMBER
March 19, 2013	

**TO:** Mayor Shoji and City Council

**FROM:** Jennifer Wirsing, Engineering Service Coordinator  
Jim Hossley, Public Works and Development Director

**Through:** Rodger Craddock, City Manager *pec*

**ISSUE:** Consideration of Approval to Acquire Timber Land from Coos Bay North Bend Water Board (CBNBWB)

**BACKGROUND:**

The City of Coos Bay owns forest land within the Pony Creek Watershed. This watershed is nearly 3,000 acres, of which the City of Coos Bay owns approximately half and the CBNBWB manages the other half. Stuntzner Engineering & Forestry, LLC was the City's consultant for the 2012 Timber Sale. In preparation of this sale, Stuntzner performed a timber cruise to assess the units for the timber sale. Based on the results of the timber cruise it was observed that a unit of land that comprises 0.88 acres, located on the western side of the Loop Road, was managed by the CBNBWB. The land surrounding these 0.88 acres is owned by the City. As such Stuntzner recommended that the City and CBNBWB conduct a joint Timber Sale that not only included the City land but the 0.88 acres owned by the CBNBWB. It was further recommended that after the sale the City purchase the 0.88 acres from the CBNBWB.

As a result of Stuntzner's recommendation, the City and the CBNBWB entered into a Memorandum of Understanding (MOU) at the beginning of the 2012 Timber Sale. One of the line items associated with the MOU was an option to purchase the 0.88 acres "at a price to be mutually determined and agreed to by the City and CBNBWB". Greg Stone, from Stuntzner, prepared an appraisal of the land (see attached). From the appraisal it was determined that the value of the newly planted land is \$788. Staff will need to prepare a lot line adjustment if this property is purchased.

**ADVANTAGES:**

If the purchase of the land is approved, it will increase the acreage that the City currently owns. Since the City owns the land surrounding this unit, the next time this area is ready to be logged, the City will also be able to log this portion and benefit from the revenue.

**DISADVANTAGES:**

Staff sees no disadvantages with this recommendation.

**BUDGET:**

The purchase of this land shall be funded by the proceeds from the 2012 Timber Sale.

**RECOMMENDATION:**

If it pleases the Council, approved the preparation of a lot line adjustment and the purchase of the 0.88 acres from the Coos Bay North Bend Water Board for a cost of \$788.

**ATTACHMENTS:**

Greg Stone's appraisal of the 0.88 acres.

## Jennifer Wirsing

---

**From:** Greg Stone <gregstone@stuntzner.com>  
**Sent:** Monday, December 31, 2012 10:13 AM  
**To:** Ron Hoffine; Jennifer Wirsing  
**Cc:** Chris Hood  
**Subject:** RE: 0.88-Acre  
**Attachments:** 20121231221004276.pdf

Ron and Jennifer,  
Here is the email with the attachments

Greg

---

**From:** Greg Stone [<mailto:gregstone@stuntzner.com>]  
**Sent:** Monday, December 31, 2012 9:48 AM  
**To:** Ron Hoffine ([ron\\_hoffine@cbnbh2o.com](mailto:ron_hoffine@cbnbh2o.com)); Jennifer Wirsing  
**Cc:** Chris Hood ([chood@stuntzner.com](mailto:chood@stuntzner.com))  
**Subject:** 0.88-Acre

Ron and Jennifer

One of the action-plan items to consider for 2013 is the MOU between the City and Water Board to transfer 0.88-acres of Water Board land to the City. This small parcel is a hold-over from the land trade completed several years back. The land has never been surveyed to "precisely" locate the parcel but it has been accurately mapped on ortho-rectified satellite imagery. The satellite imagery is coordinated with several found property monuments within the watershed. The overall accuracy of the mapping is less than one-half of one percent different between the GIS mapping area and assessor area. The parcel may in fact be more or less than 0.88-acres but the accuracy of the mapping has proved very accurate overall. It would cost significantly more to precise locate the parcel than the parcel is worth.

A summary our records of comparable sales of land and reproduction are attached. The timberland is judged to be Site II-timberland worth \$580 per acre. The reproduction, after planting, will be worth approximately \$316 per acre. Planting costs include seedlings at \$0.435 each, planting at \$0.335 each, inspection, transport and cold storage at approximately \$0.02 each for a total of \$0.79 each. The target planting spacing is 400 trees per acre giving a total planting expense of \$316 per acre plus timberland at \$580 per acre. **So, the total value of the planted land is approximately \$896 times 0.88-acres or \$788.**

In terms of the transfer documents, you might want to talk to Chris Hood in our office. Chris is very knowledgeable about County Planning issues and may have some ideas about how to simplify the transfer without expensive legal research, partitions or complicated legal descriptions. A 'quit-claim' deed may be appropriate in this case.

Greg

# BARE TIMBERLAND VALUE BY SITE QUALITY

Site Class	Site Index (50)	Large Sales \$/Acre	Small Sales \$/Acre
Non-Productive			175
IV-	80	\$220	No Data
IV	85	\$250	No Data
IV+	90	\$280	No Data
III-	95	\$310	No Data
III-	100	\$340	\$425
III	105	\$370	\$470
III+	110	\$410	\$505
III+	115	\$445	\$545
III	120	\$485	\$580
II	125	\$520	\$615
II+	130	\$590	\$670
I-	135	\$655	\$725
I	140	\$725	\$780
HBU			

Date compiled: 5/16/2012  
 Number of Large Sales included: 8  
 Number of Small Sales included: 25  
 Combined acres 151,806

The Break Used Between Small and Large Sales is 1,000 Acres  
 Includes timberland sales From Western Oregon and Washington  
 All Sold between 1/1/2010 and 6/1/2012  
 Ranging in size from 38 to 82,000 acres



**Premench Value Table For Sales Smaller Than 1,000 Acres**  
 BASED UPON TRANSACTION DATA FOR WESTERN OREGON TIMBERLAND SALES  
 VALUES REPRESENT WELL STOCKED, PREMERCHANTABLE STANDS OF DOUGLAS FIR  
 VALUE PER ACRE BY AGE AND SITE QUALITY  
 Compiled May 2012

AGE	SITE INDEX (50 YEARS)															Count
	80	85	90	95	100	105	110	115	120	125	130	135	140	145	150	
5	\$433	\$450	\$468	\$485	\$502	\$520	\$545	\$579	\$596	\$621	\$648	\$675	\$702	\$729		9
10	\$596	\$638	\$679	\$721	\$763	\$804	\$865	\$947	\$987	\$1,048	\$1,116	\$1,183	\$1,251	\$1,319		8
15	\$762	\$877	\$992	\$1,108	\$1,223	\$1,338	\$1,459	\$1,598	\$1,701	\$1,822	\$1,952	\$2,081	\$2,210	\$2,340		8
20	\$1,137	\$1,272	\$1,406	\$1,541	\$1,676	\$1,811	\$1,996	\$2,217	\$2,368	\$2,554	\$2,766	\$2,979	\$3,192	\$3,404		14
25	\$1,373	\$1,564	\$1,755	\$1,947	\$2,138	\$2,329	\$2,591	\$2,909	\$3,114	\$3,376	\$3,695	\$4,013	\$4,332	\$4,650		9
30	\$1,632	\$1,892	\$2,153	\$2,414	\$2,674	\$2,935	\$3,290	\$3,727	\$3,999	\$4,354	\$4,811	\$5,267	\$5,724	\$6,181		4
35	\$1,782	\$2,104	\$2,425	\$2,747	\$3,068	\$3,390	\$3,825	\$4,370	\$4,686	\$5,132	\$5,724	\$6,316	\$6,908	\$7,500		2
<b>SITE CLASS</b>																
IV-	IV	IV+	IV+	III-	III-	III	III+	III+	II-	II	II+	I-	I	I		
100	110	120	125	130	135	140	150	160	170	180	190	200	205			
<b>SITE INDEX (100 YEARS)</b>																



Date of sales ranges from 1/2010 to 12/2011  
 Total number of sale transactions utilized  
 Total acres included in sale transactions  
 Total acres of premerchtable timber in sale transactions

Small Sales  
 24 Sales  
 6,501 Acres  
 3,933 Acres