

The Forest Steward's Journal

Winter 2021

Volume 33

Journal of the Forest Stewardship Foundation

The MISSION of the Forest Stewardship Foundation is to “educate and inform landowners, natural resource professionals and the general public about the science and ecology of forest lands, the many values derived from forested lands and the principles of sustainable forest land development.”

DISCLAIMER: As in the past, we again advise that this information is submitted for your interest only. The Foundation's mission, as indicated above, is to “educate and inform”, not to advocate or persuade. The Foundation takes no position, either endorsing or opposing, approving or disapproving, any of the assertions or arguments in the contributed information.



From the Chair

Wow! What a year. I think all of us have about had it between COVID- 19 and politics. If nothing else we are learning to be more adaptable. For the Foundation, that means that we need to look at new ways to fulfill our mission of natural resource education for forest landowners, resource professionals and the general public. In 2020 we had to cancel the Helena Landowner Conference because of COVID-19 and once again we are faced with that same dilemma. However, our board recently agreed that although meeting in person in 2021 was still not practical, we could try doing a virtual conference via Zoom. We are currently contracting with a professional communication company to help us produce this conference on April 22nd and 23rd. The title of the conference is “Becoming the Best Forest Steward Possible”. There will be three hour sessions each day with numerous speakers and breaks. We believe we have come up with an outstanding array of speakers. Please mark this event on your calendar and look for additional information in the near future. An agenda and registration will be posted on our website at <https://www.foreststewardshipfoundation.org> as we firm up our schedule.

In this journal we have an article from Skyler Hoefler, forester for Idaho Forest Group in St Regis, on the “crazy” lumber market resulting from COVID-19. Eric Hoberg, forester with Northwest Management Inc. in Helena, gives forest landowners advice for on how to get cost share help for needed forestry practices. Tom Jones, a forester and forest landowner in Troy, gives the small woodland owner suggestions on marketing your forest products. Allen Chrisman and Deb Foley from the Montana Forest Owners Association inform us of a proposed update of the Montana forest taxation rates. Amy Gannon, insect and disease specialist with Montana DNRC, concludes our journal with an excellent overview of root diseases.

On a happier note, we remain enthusiastic and optimistic that 2021 will be a much less tumultuous and we can worry more about managing our forests and less about unforeseen events.

Happy New Year,

Ed Levert, Chair

EQIP Grant Program and Forest Management Goals

Eric Hoberg, Senior Forester-Northwest Management, Inc.

The Natural Resource Conservation Service (NRCS) and their Environmental Quality Incentives Program (EQIP) can be a highly effective and cost-efficient way to accomplish forest health projects on your land. Each county has an NRCS office with a conservation officer and a staff available to assist landowners. These can be easily found by entering your county name and “NRCS” into a search engine online. EQIP provides financial and technical assistance to landowners that are committed to improving their properties through conservation activities. This article will focus on how this program can be used in Montana to help with forest health issues, however, it is important to know that EQIP can be used for many other types of conservation activities that deal with agriculture and livestock as well. For more information on EQIP please reach out to your local NRCS office.

Applying for EQIP funding is quite easy. You would start by contacting your local NRCS office and request an application or visit their website online at www.nrcs.usda.gov. The NRCS has a few basic eligibility questions before they will walk you through the application process. If you already have a forest management objective, a consultant can draft a plan with projects and goals lined out that you can include with the application. If you do not already have a forest management objective, then a brief plan will be provided for you that covers the current issues. If you are considering property in any state besides Montana, you will want to consult the NRCS about the process in that state.

Once your application is submitted, a conservationist will visit your property to review potential projects. Some of the common projects are pre-commercial thinning, fuel reductions, forest health issues concerning insects and disease, and tree planting. Each project will be ranked based on the current year’s priority issues and project location. For example the county may be focusing on fuel reduction in the wildland urban interface. The closer the project is to public roads, structures, or developments, the higher it will rank. There are usually multiple objectives that can be funded for each project. For example, there would be a dollar amount for thinning and removing all of the dead and dying trees on each acre, a dollar amount for burning the piles on each acre, a dollar amount for site preparation and a dollar amount for planting.

Each year the application date and the funding dates vary depending on when the farm bill gets signed by Congress, so it is always good to stay in communication with the local NRCS office about due dates. Typically, the funds are available late spring or early summer. Once your funding has been approved, it is time to get the work done. Some landowners with smaller projects choose to do the work on their own, while others prefer to utilize a forestry consultant to manage the project. Either way, as your projects are completed, you can request the NRCS for an inspection and funding for the completed acres. Typically, these contracts occur over multiple years to allow for plenty of time to get the projects completed and inspected.

The NRCS is using target areas to help them determine where the funding is allocated. Currently, one target area is Ashley Lake, just west of Kalispell. The landowners within the predetermined area have preference for funding over the next five years. Other target areas are being reviewed during the winter of 2020/2021 for future funding. Funding for new target areas may start as soon as 2022. The best way to become a preference area is to create a collaborative area with neighboring landowners and submit your applications at the same time. The NRCS has partnered with thousands of Montanans to help fund, advise, and facilitate great conservation projects. Hopefully, this brief overview of EQIP grant funding helps to get you started towards a healthier forest.



Left, Untreated acres / right treated acres



Dunn property near Ashley Lake Kalispell, MT. sustainable forest.”

One Ashley Lake area resident, Robert Dunn tells us about his experience with the EQIP program. “A few years ago, a retired forester and friend of mine suggested I apply for the EQIP grant. The land I own was quite dense with trees (which presented a fire hazard) and the health of the forest seemed to have been declining. After filling out an application and subsequently going through the required steps, I was awarded an EQIP grant that covered 31 acres of my property. The grant covers thinning, piling, burning and spraying for noxious weeds. I have now completed the thinning and piling part of the project. The forest looks wonderful with the trees nicely spaced out and now able to thrive. The grant has allowed me to do this with truly little out of pocket cost. I would highly recommend getting in touch with Sean and Karli from the NRCS to take advantage of funds that are available to help landowners achieve a healthy and

Salvage of Damaged Timber and Small Sawmills

Tom Jones, Forest Landowner

Small Salvage Operations

Over the past year in the Libby-Troy area we have had two strong wind events causing blowdown and fir engraver bark beetle attacks on scattered grand fir. On our property the blowdown amounted to two log trucks loads hauled last spring and the grand fir logging is still in progress and will amount to one truck load. If you have salvage logging you would like to do and it amounts to five loads or more you can probably find a small logger to do the job. Lesser amounts makes it difficult to find someone to do the logging because of the cost of moving equipment unless he is in the area.

Another option is to do small amounts of logging yourself with your own smaller equipment, but you must have suitable ground for your equipment to work on and the size of the timber must be suitable for your equipment. By buying equipment or adding to what you have is a long term commitment. I bought a used 2-wheel drive 30 HP farm tractor and a Fransgard winch that is similar to a Farmi and attached to the three-point and power-take-off 23 years ago and it has more than paid for itself. I added forks to the bucket on the front so I could deck logs better and load logs or firewood. About two years ago I bought a used 4-wheel drive tractor and sold the old one but kept the attachments. The 4-wheel drive sure makes it easier getting around. About 70% of our ground is accessible to our equipment and about 80% of the timber is suitable for the equipment.

There is other equipment available and there are other uses for equipment such as piling slash, gathering firewood, plowing snow, and roughing out skid trails. There are inventive people that come up with their own attachments for equipment. If you are interested in doing more work yourself, I encourage you to visit people on the ground that have equipment and check dealers for the equipment available.

Most of the time when I hunt for logs, I hire a self-loader log truck to haul the logs. It is more economical than me hauling five or six loads on a flatbed trailer. Once in a while I have hauled logs on a flatbed trailer to someone that has a small sawmill and has a small order to fill.

The closest large mill from our property is 35 miles but there are three small mills closer that buy logs in small amounts to keep their operation going. Last spring I contacted Frank Folkert's, a small mill owner, and asked if he would be interested in buying a load of lodgepole pine blowdown that had quite a bit of defect from cankers. He came out and looked at it and offered me a fair price. He wanted to buy it because he could utilize sound sections of the logs down to 6 feet plus trim for 6 foot fence boards. He let me cut longer lengths up to 40 feet to make it easier to log and he planned to cut logs out of the sound portions at the mill. This would never happen at a production oriented large mill.



Frank Folkerts and his mill

Frank and Marilou Folkerts have a small sawmill about 5 miles west of Troy on Highway #2. The sawmill is a Wood Mizer LT 40. It can handle logs up to 36 inches in diameter. They cut about 75 thousand board feet per year. All the logs that come to the mill are from small private forests. They buy logs to fill orders for different lumber products and custom cut logs into boards for people that bring their logs to the mill. These custom cut boards are not planed but save many dollars compared to the retail market.

They take a wide variety of log lengths because they sell a wide variety of board lengths which helps utilization when cutting the logs in the woods. They take a wide variety of species to use for different products. To utilize the slabs cut off logs, they bundle them with straps in 1/2 cord bundles and sell them for firewood.

Marilou has started a business called "Marilou Creations" that can be found online. She makes wood Christmas toys by cutting the parts she needs from the boards she selects as Frank is sawing lumber from the logs. This is truly an efficient operation and both Frank and Marilou pride themselves in doing a good job. Stop by and visit to see what types of logs they purchase. Maybe they would like to visit your property to see what you have. Let them know before you start any logging to see if they are interested in purchasing logs at that time. If you have a wood building project, consider hauling your logs to be milled into the boards you need.

Support your local businesses and they will also put money into the local economy.



Marilou Fokerts with some of her Christmas Toys

Lumber Market 2020

Skyler Hoefler, Idaho Forest Group St. Regis

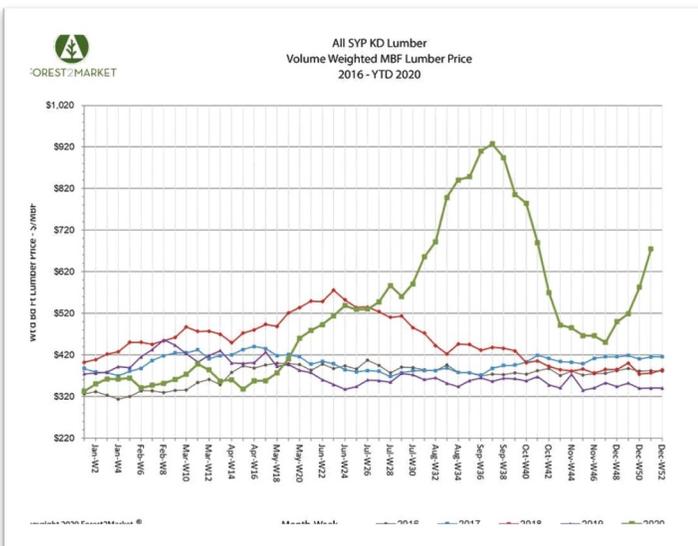
I can say with confidence the 2020 lumber market is something that will likely, never happen again. If you were to ask a lumber sales person, “do you think an 8’ Douglas-fir 2x4 will ever sell for \$1000/1000?” They would likely laugh and say, “that will be the day!” Well, in 2020 it happened.

When COVID-19 found its way into the U.S in February, everyone’s lives started to change. COVID-19 quarantine, and record low interest rates, offered an opportunity for many families to take on home repairs and remodels that had been put off for years. Homes were being put on the market and sold as fast as the papers could be signed. Investing in quiet bare land became desirable, new houses were being built at record speed, and nothing was going to slow down. This required an unfathomable amount of lumber.

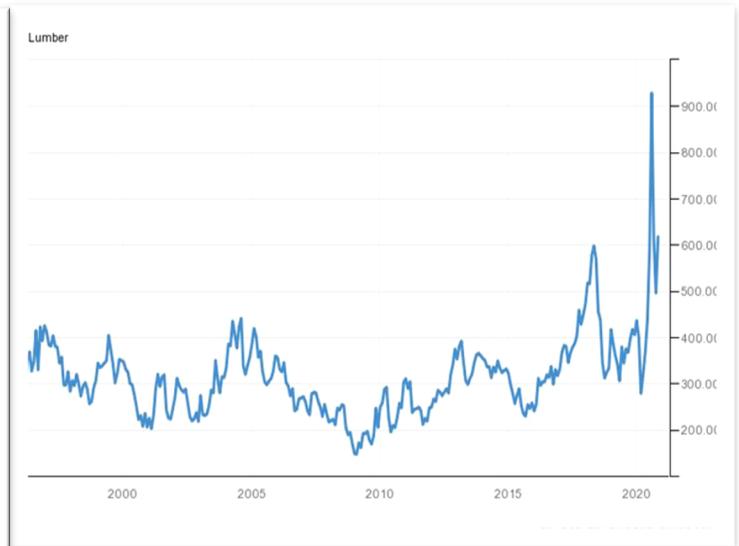
The lumber market is affected by many variables. 2020 was packed with many obstacles to overcome. COVID-19 regulations being the first. While wood manufacturers were deemed an essential service and were able to continue production. Many manufacturers implemented plans to prevent or slow the spread of COVID-19. This resulted in lower production and some production curtailments. As box stores, lumber buyers and lumber brokers looked to stock up on lumber, their outlooks were filled with consumer uncertainty. By the time lumber started to move off the shelves, they miss any chance of stocking up. Weather also played an important role. Spring weather is a gamble for reliable logging conditions here in the intermountain. As mills and loggers navigated spring weather and the ever changing COVID environment, logging startup and log deliveries were slowed. Most logging operations started up around April-June but some started as late as July. Once logging operations started to produce, wildfire season hit. Oregon and California sadly burned and many local loggers left to help suppression efforts.

With the above average need for lumber and the many hurdles wood producers had to face, there just was not enough loggers, log trucks, logs, and lumber to supply the demand. This helped fuel high lumber prices. In September, lumber prices finally peaked and started to come down as consumer needs dwindled and lumber priced itself out.

On the second page I have included two graphs that show current and historic Lumber MBF Prices. As you can see Lumber prices are creeping back up. We still have lots of uncertainty as we navigate the COVID-19 environment. My prediction is this, Lumber prices will stay solid for the next few months and will stay above average through the spring. This Lumber markets success hinges on when life returns to normal. There is also an incredible amount of building projects that are backlogged. This will continue to fuel consumption. Normal prices will come back soon but it will take some time. When people can vacation, travel, and take a breath of relief, the prices will fall. But until “normal” comes back, we can expect nothing to be normal, including Lumber Prices.



Graph 1, Lumber MBF Prices 2020



Graph2, Historic lumber values

Taxing Montana Forest Land—What Is Reasonable?

Allen Chrisman, Vice President, Montana Forest Owners Association

If you are like me, and are fortunate enough to own forest land in Montana, you are thankful that the property tax on the forest land itself is pretty reasonable. If you have a structure on that forest land, you know that most of your property taxes are a result of those improvements.

The 1991 Montana “Forest Lands Tax Act” eliminated the standing inventory tax system and replaced it with the forest land productivity tax. Your forest land is taxed on its productivity, and not on its standing timber. The minimum acreage to qualify as forest land is 15 contiguous acres of productive forest land, which is reappraised every six years.

The Legislature established a Forest Land Taxation Advisory Committee (FLTAC) consisting of seven members to make recommendations to the Department of Revenue on valuing Montana’s forest land properly. This Committee was supposed to be commissioned in October, 2018, and involved in the process of determining the valuation of forest lands for this reappraisal period, due in January 2021. Instead, it was convened on November 9, 2020, *two years late*, with only *two months* to be involved in this critical process.

The State of Montana failed to follow their own process and it is a disservice to private forest owners.

The Valuation method is detailed and laborious. The short version is that Montana Department of Natural Resources Timber Sale data is used to get an estimated value per acre by Region around the State. The proceeds from the DNRC Timber Sales do not accurately reflect the values that private forest owners get from their timber sales.

Dr. David Jackson, an expert economist, did the analysis of the DNRC data, but he left out direct sales – usually of small volume - because they were often due to abnormal circumstances, including lack of access. We are concerned about this – because the volume of sales from private forest owners – sometimes 100 to 200 thousand board feet – was not represented in the DNRC data. Dr. Jackson acknowledged that the DNRC sales were much larger, and small sales were not included in his analysis. Obviously, mobilization and other costs are significantly higher per thousand for the smaller sales. We are convinced the DNRC data does not accurately reflect timber values on private forest ownerships. We are concerned that this could result in an estimated 80% increase in forest land property taxes.

The Montana Forest Owners Association and Montana Tree Farm participated in all meetings and submitted comments on the record stating our concerns. We urged the FLTAC to recommend to the Department of Revenue that they either:

1. Adjust downward the Valuation on private forest lands (which at this late stage in the process would be arbitrary and not supported by analysis), or
2. Adopt a tax rate that would result in a revenue neutral tax schedule for private forest land.

The Forest Land Taxation Advisory Committee’s Recommendation to the Department of Revenue echoed our Recommendations perfectly.

We thanked the members of the Committee for their service, and their dedication to engage on this issue with the extremely short time period that was forced on them.

We will need to wait and see what action the Department of Revenue takes, and how that is affected by the new Governor and any new appointments to the Montana Department of Revenue.

For more information on Forest Land Taxation and the Committee, go to their website:

<https://mtrevenue.gov/resources/government/forest-land-taxation-advisory-committee/>

Root Diseases

Amy Gannon, Montana DNRC Forest Pest Management Program Manager

Bark beetles and wildfire get a lot of attention for killing trees across the West, yet millions of trees are killed by root disease with little fanfare. *Armillaria* is one of the most common root diseases in western Montana and impacts trees across millions of acres each year. Douglas-fir beetle is often targeted as the tree-killing agent, whereas the trees were in fact stressed by an *Armillaria* infection and the beetles were simply opportunistic in finishing off the weakened tree. And even though landowners may not necessarily want trees to die, root diseases are important in shaping forests by creating openings and providing diverse structure and habitat for wildlife. It's valuable for landowners to recognize when root diseases are present and understand how they might affect their particular management objectives.

Root diseases are not very mobile; they grow at very slight increments and persist on a site over time. Nor are they readily apparent. Root diseases are fungi that exist primarily in the soil, below the root collar and under the lower bark, slowly spreading from infected roots into those of healthy trees. Usually root diseases are detected by a pattern of decline in a stand, commonly characterized by mortality that has occurred over a sequence of time. A center can sometimes be identified by presence of a stump or uprooted tree, surrounded by a periphery of more recently killed trees, and symptomatic trees beyond this margin. Snapped and windthrown trees are also common in a root disease patch. Root diseases can also impact individual trees or occur in a diffuse scattering, but keying into this general pattern can lead to closer inspection.



Douglas fir Armillaria mellea mycelium

Up close, root diseases can be identified by some distinct symptoms. Infected trees oftentimes have crowns that thin from the interior and appear off-color (versus insect feeding that generally occurs from the branch tips and progresses inward). Needles may be stunted and crowns rounded. Infected trees may also put out a batch of stress cones as they succumb to disease. Although Douglas-fir commonly exudes long streamers of pitch, a concentrated patch of resin near the base may be an indication of *Armillaria*. The most telling confirmation of *Armillaria* is the presence of a mycelial fan of fungi just under the bark near the root collar. A mycelial fan is generally whitish in color and has the texture of a chamois cloth with faint rays of fiber.

Root diseases can be a perennial issue on a site and difficult, if not impossible, to treat. But knowing which tree species are more severely impacted by a particular disease can help determine which species to promote instead. In the case of *Armillaria*, Douglas-fir and true firs (grand fir, subalpine fir) are most susceptible whereas larch and ponderosa pine are more tolerant. Vegetation management that promotes larch and ponderosa pine will help to prevent losses from *Armillaria*. Fire is not an effective control tactic as it generally does not permeate deep enough into the soil or elevate temperatures to kill the fungi, but it can serve as an intermediate treatment that ultimately promotes ponderosa pine and larch.

Other root diseases are present and active throughout Montana. Heterobasidion, for example, impacts ponderosa pine. Tomentosus is a common disease in spruce. The first step is to identify the possibility that a root disease might be an underlying issue in your forest. From there, you can identify which trees are impacted and the corresponding diseases that might be present. Learning to read patterns in the forest will tune your eyes not only into more insects and diseases, but also help you to see the varied habitats and microcosms within a single forested stand.

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Save the Date

11th Annual Landowner Conference
“Becoming the Best Forest Steward Possible”

April 22nd and 23rd, 2021

Via Zoom

Schedule and registration will be posted at
<https://www.foreststewardshipfoundation.org>



2021 Forest Stewardship Workshop

Schedule



Frenchtown	May 6-7 & 14
Bozeman	June 3-4 & 11
Kalispell	July 15-16 & 23
Helena	August 5-6 & 13
Billings	September 9-10 & 17

For more information and to register go to:
<https://forestry.msuextension.org/calendar/index.html#mfsp>

You can provide additional support by designating the Forest Stewardship Foundation as your charity of choice on AmazonSmile.



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The Forest Steward's Journal is a publication of the Forest Stewardship Foundation. Comments, articles, and letters to the editor are welcome.

Please Join the Forest Stewardship Foundation

Through memberships of only \$25/year we have been able to secure grants, publish and distribute the semi/annual Forest Stewards Journal to over 1200 addresses and co-sponsor the annual forest landowner conference and insect and disease workshop. Making forest education happen across the state is what we are all about. Over the past 25+ years these efforts have also included conservation easement and succession planning workshops, sponsorships of forest stewardship workshops along with a host of other efforts.

As a non-profit organization our board members are not paid, but are passionate about this cause. Your membership means a great deal to our continuing success. Our membership has steadily increased over time to 130 members. Please consider joining the foundation by completing the membership application form/envelope found in each winter's edition of the Journal or by going to our website at: <https://www.ForestStewardshipFoundation.org>.

Thanks for your help.
Ed Levert, Chair

