A Doubling of Outreach and Education success. Thanks to all who said Howdy Neighbor! in 2008.

The OSWA led Howdy Neighbor season came to an end with two tours in September. The tours across the state this year attracted over 370 people, close to doubling the 2007 total of 195.

The Oakes family played host to the fifth Howdy Neighbor tour of 2008 on Sept. 6th in Benton county. Over 60 people enjoyed a sunny day in the woods to share their forestry experiences. Forest Dan, OSWA Mike, Extension Rick and friends facilitated an active discussion.

The final tour of the year found us in Central Oregon for the first time. The tour was hosted by the Copeland Family at Mahogany Butte Ranch. The American Forest Foundation and American Bird Conservancy were co-sponsor of the event. We look forward to working with them in 2009 as we build upon these successful educational and outreach events. (Continued page 3)
The OSWA Vision

To see privately owned family woodlands are a thriving part of Oregon’s landscape in 2050.

Our Mission Statement

To provide opportunity to Family Woodland Owner by:

- Educating and informing the owners of forested tracts and the public regarding forestry and family forestland management issues.
- Providing a medium for the exchange of ideas about family forestland by land owners, public agencies, consultants and timber industry personnel.
- Serving as a forum to make recommendations for investigating and solving problems, and for improving forest management, harvesting, and marketing.
- Disseminating information on the establishment, growth, harvesting and marketing of forest crops produced on family forestlands, and to foster the wise use and protection of forests and encourage better forestry practices.
- Representing the owners of family forestlands to the general public and before legislative bodies and regulatory agencies.
- Complying with ORS Chapter 65 and as authorized by ORS 65.061.

President’s Message...

By Ken Faulk

Change is the one constant that we can count on. And as small woodlands owners, we have learned to prosper with the change that is all around us - on our land, in our communities and also within our association. Change is upon us again!

After serving as OSWA’s executive director for the past six years, Mike Gaudern announced that he is leaving the association to become the president of the newly-formed Woodlands Carbon Company. So Mike may be changing jobs, but he will still be working to serve the interests of small woodlands owners across the state.

The association has come a long way since the day we offered a job to a young, bright and passionate forester. We took a chance on this lad with a broad view, a strategic mind, boundless energy and a funny accent. And it has paid off for all of us.

There are many examples I could site that demonstrate the progress we have made with Mike on our team. I will share just a few that stand out in my mind.

First, OSWA’s activities are now guided by a strategic plan and policy positions approved by our Board. This helps our state office keep focused on its priorities and better serve the chapters – the life blood of our association. It also allows us to respond quickly and consistently across our membership to our stakeholders on important issues affecting our common interests.

We also have had some significant legislative victories, like thwarting the attempt to increase maximum non-negligent fire fighting liability beyond the present $300,000 limit. Also, our association’s influence has greatly improved with allies in other natural resources organizations, moderate environmental groups, state government and the legislature. Please join me in thanking Mike for a job well done and wishing him continued success in his career.

By the time you read this, the Executive Committee will be well on its way to hiring a new executive director. The position has been advertised and we already have several promising candidates. We hope to complete the hiring process by mid-October and have the new ED on board by November 1.

Change creates new opportunity and, in this case, a chance for us to write a new chapter in our association’s history. I invite all OSWA members and our partners to contribute to the new chapter we are about to write.

Finally, I want to congratulate and praise the efforts of the Oregon Tree Farm Committee for bringing the National Tree Farm Convention back to Oregon. It is fitting that this convention is being held in Portland, Oregon - the birth place of the American Tree Farm System, in the year that it received international recognition for its sustainable forestry standards by PEFC. This is a wonderful opportunity to showcase how Tree Farm and OSWA members care for and steward the private woodlands of this beautiful state… all thanks to the commitment and hard work of our sister organization… till next time.
News

(From page 1 Howdy!)

OSWA would like to thank all the local hosts and attendees for their active participation and making this year’s programs a wonderful success. We would also like to give a big shout of thanks to Forest Dan and our 2008 patrons who helped cover our costs and donated both time and effort to provide woodland owners the opportunity to get together with the public and learn about our diverse and productive forests in Oregon!

FSC Sues U.S. Government for helping AFF and Family Woodland Owners

SEATTLE, Washington -- A coalition of conservation organizations filed a lawsuit Wednesday against the Bush administration alleging that federal officials diverted $350 million from the public treasury to forestry foundations “dominated by the timber industry.”

The suit alleges that the administration violated federal appropriations law when, in September 2006, without any public process or congressional approval, the administration steered $350 million from Canadian lawsuit settlement funds to the foundations.

The plaintiff organizations - the Forest Stewardship Council-US, Conservation Northwest, and the Center for Biological Diversity - say they filed the lawsuit because they are committed to promoting sustainable forestry in the United States.

The Washington Forest Law Center, a public interest law firm based in Seattle, filed the suit on behalf of the plaintiffs in federal court in Seattle.

The defendants are the U.S. Trade Representative, the Department of Commerce and the Bureau of Customs and Border Protection.

“Once again the Bush administration has made up its own rules,” said Joe Scott, International Programs director of Washington-based Conservation Northwest.

“Here, the administration illegally gave away hundreds of millions of public dollars to organizations whose programs are not clearly established to advance the public interest,” said Scott.

The groups are asking the court to declare that the Bush administration violated the law and asks the court to take reasonable and fair steps to ensure that the money is safeguarded until the administration follows the law.

One of the co-plaintiffs in the lawsuit, represents a forest certification system. (Continued page 5)

Resources

www.oswa.org

Your connection to the most recent news and information affecting family forestland owners including technical assistance, legislation and stories on great stewardship.

Visit the OSWA web site at www.oswa.org for information about your local chapter. Be sure to click on “Your Local Chapter” for a map link to your own chapter website!

Advertise in the Update!

The Update is sent to over 2,900 OSWA members and friends eight times per year.

Our members grow over one million acres of family forestland in Oregon!

<table>
<thead>
<tr>
<th>Size</th>
<th>1 Issue</th>
<th>4 Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/12 page</td>
<td>$70</td>
<td>$210</td>
</tr>
<tr>
<td>1/6 page</td>
<td>$90</td>
<td>$270</td>
</tr>
<tr>
<td>1/4 page</td>
<td>$110</td>
<td>$330</td>
</tr>
<tr>
<td>1/3 page</td>
<td>$145</td>
<td>$445</td>
</tr>
<tr>
<td>1/2 page</td>
<td>$170</td>
<td>$510</td>
</tr>
<tr>
<td>2/3 page</td>
<td>$200</td>
<td>$600</td>
</tr>
<tr>
<td>Full Page</td>
<td>$270</td>
<td>$800</td>
</tr>
</tbody>
</table>

Classified Ads Up to 40 words:

1 Issue: $70        4 Issues: $210

Rates include typesetting and ad preparation.
New Biomass Boiler in Enterprise.

Portions Reprinted from The Observer

September 20, 2008

Some 70 people attended a ribbon-cutting ceremony for the biomass boiler building at Enterprise School. Cutting the ribbon was Nils Christoffersen, executive director of Wallowa Resources.

Christoffersen noted that the new $1.5 million plant would save the school more than $100,000 per year in heating cost and would pay for itself within eight to 10 years.

The boiler was financed by a Renewable Business Energy Tax Credit and a low-interest loan from the U.S. Department of Education. This was the first such initiative to qualify for Oregon’s Renewable Energy Tax credit, and the first biomass boiler system to be installed in the state for more than 50 years, according to David Allen, co-owner of the McKinstry company that headed up the project.

“You can’t control the price of energy, but you can control where it comes from,” said Rick Wagner, Oregon Department of Forestry stewardship forester and biomass coordinator. Wagner noted that this also allows money to stay in the local economy.

Wagner noted that the wood chips would come from a five-year contract with Community Smallwoods Solutions, the new post and pole plant in Wallowa. The peelings and shaving from there would otherwise go to waste.

Back-up fuel sources are available from the Harry Merlo Ranch in Union County, the Oregon Department of Forestry and the U.S. Forest Service.

A demonstration was made with a chipper to show how otherwise useless small-diameter thinnings and underbrush are made into hog fuel for the boiler. Such thinning projects reduce the risk of catastrophic wildfire.

The plant was also built with as much local business as possible. LD Perry constructed the building, and Enterprise Electric did the $400,000 complete lighting retrofit of the schools. The boiler was manufactured by Oregon-based Sola Gen.

Christoffersen noted that the new system is also better for the environment. It is estimated to save more than 45,000 gallons of fuel oil per year, and is expected to reduce CO2 emissions by 1.016 million pounds, equivalent to removing 67 cars from the road annually.

“This project demonstrates that by working together we can restore forest health, create economic growth in rural communities and help Oregon meet its ambitious goals to reduce carbon emissions,” Gov. Ted Kulongoski said in a press release.
Corey Brinkema, president of the plaintiff Forest Stewardship Council-US, said the organization joined the lawsuit because, “FSC-US and our partners work tirelessly to develop and promote the highest standards for forest management, as well as provide the public the opportunity to reward responsible forestry through choosing FSC-labeled products. The administration’s action is a huge setback that, if left unchecked, could significantly lower the bar for what is represented as sustainable forestry.”

The suit alleges that money the Bush administration earmarked to the two timber industry-dominated organizations, the U.S. Endowment for Forestry and Communities, Inc. and the American Forest Foundation, should instead have gone into the US Treasury.

“How this money is spent should have been up to Congress, not timber industry executives in a backroom deal with the administration,” said Bill Snape, senior attorney for the plaintiff Center for Biological Diversity.

The U.S. Endowment for Forestry and Communities is a not-for-profit corporation established in September 2006, at the request of the governments of the United States and Canada in accordance with the terms of the Softwood Lumber Agreement between the two countries and endowed with $200 million. The Endowment is one of three entities designated to share in a one-time infusion of funds to support “meritorious initiatives” in the United States.

The American Forest Foundation is a nonprofit organization that works with family forest owners. It was chartered in 1981 “to encourage the long-term sustainability of America’s forests, restore wildlife habitat, and develop quality environmental education programs.”

The AFF Board of Trustees includes officials of the National Audubon Society, the Aldo Leopold Foundation, and the American Bird Conservancy as well as packaging company MeadWestvaco and timber company Weyerhaeuser, as well as keyboardist Chuck Leavell, known for his work with The Rolling Stones, Eric Clapton, George Harrison, and The Allman Brothers Band, among others.

The AFF adheres to the sustainability standards of the Programme for the Endorsement of Forest Certification PEFC, based in Geneva, Switzerland, a rival of the plaintiff Forest Stewardship Council.

Reprinted from Environment News Service (ENS) 2008. All rights reserved.

**AFF Convenes Independent Standards Review Panel**

Washington, D.C. – The American Forest Foundation (AFF) announced that it is convening its Independent Standards Review Panel (ISRP) to begin review of the Foundation’s Standards of Sustainability for Forest Certification (Standards). These Standards will be the benchmark for all forest certifications carried out by the American Tree Farm System.® The Standards were last reviewed in 2004.

AFF follows protocols accepted around the world in developing their Standards and adheres to requirements as established by the Programme for the Endorsement of Forest Certification (PEFC), based in Geneva, Switzerland. The ISRP is an independent body convened to review the Standards and recommends enhancements and revisions to the AFF Board of Trustees.

The ISRP represents five key forest stakeholder groups interested in forest conservation and sustainable practices on family owned forests and other similar forest ownerships in the United States. These stakeholder groups include conservation organizations, forest workers, forest science and academia, forest owners, government agencies, and the forest industry. They represent the social, environmental and economic sectors associated with family forest ownership in the United States. (Continued page 6)
(From page 5 Review)

The AFF Board of Trustees will task the panel to draft the revision of the Standards based on the widely accepted criteria and indicators of sustainable forestry established through the Montreal Process. Using internationally accepted protocols, the Standards review process will be transparent, methodical, and inclusive. There will be several opportunities for public comment throughout the process. The 2004-2008 Standards include nine standards, 14 performance measures and 22 indicators.

To learn more about the process and how to comment, please go to www.forestfoundation.org or www.treefarmsystem.org.

Executive Committee Update from Salem

The Executive Committee met September 5 to address a number of important association business items, including the annual budget, a staffing change, a new fire policy and Oregon Department of Forestry’s budget proposal.

A good deal of time was spent addressing proposed changes to the 2008-2009 annual budget proposal that will be presented to the Board on October 24 for approval. At its last meeting, the Board asked the Executive Committee to revise the proposed budget in a number of areas; including reinstating the full dues rebate for chapters, reevaluating a dues increase and reviewing the professional staff salary levels. The Executive Committee will finalize the proposed draft budget at its October 3 meeting. The draft budget will include the existing chapter dues rebate level ($10.00 per member), a $10.00 dues increase across all membership levels and funding for a full time executive director and part-time administrative services.

OSWA has been successful in launching the Woodlands Carbon Company. Initially, OSWA will be the sole owner of this new company, which will be incorporated and operating by early October. Mike Gaudern has accepted a position as the president of this new company. Thus, the OSWA Executive Committee passed a resolution to begin an immediate search for a new executive director. Ken Faulk, Dave Schmidt and Sonya Chapman will serve on a committee to screen the applicants. The Executive Committee hopes to have a new executive director on board by November 1.

The Executive Committee unanimously adopted a new fire policy. This policy states that OSWA supports aggressive fire prevention and suppression action. OSWA also supports a shared cost structure that evenly splits payments between landowners and the State of Oregon for readiness at the district level, severity resources, securing an insurance policy to protect state general fund exposure and equitably meet deductible requirements of that policy. A copy of the new OSWA fire policy is included as an insert in this newsletter.

The Executive Committee discussed the current Oregon Department of Forestry (ODF) budget proposal. Several committee members expressed concern over the lack of specific budget information for individual programs being made available by ODF. ODF continues to seek OSWA's support for their overall budget; however, there are budget components which are not priorities of the OSWA membership, such as urban forestry. The Executive Committee will work with the Government Affairs Committee to obtain the ODF budget information necessary to determine OSWA's position on ODF's proposed budget. This will become the basis of our efforts with the state legislature in the upcoming session.

Finally, the Executive Committee reviewed OSWA's participation in the State Fair. It was concluded that continued participation is warranted; however, the display location needs to be evaluated. In addition, it was suggested that since the wooden cookie giveaway is popular, next year we should have a forestry fact printed on each cookie to educate the public about forest management.
Help to Reduce Taxes

CORVALLIS, Ore. - A multimedia guide for establishing “basis” on forestland, produced by Oregon State University Forestry Extension, can help reduce federal tax liabilities for forestland owners.

“Establishing ‘basis’ is one of the fundamental topics in forestland taxation,” said Extension forester Bob Parker, who created the guide with Norman Elwood, Extension forestry specialist emeritus. “It represents the maximum amount the IRS allows to be deducted over time when making timber sales.”

The step-by-step guide shows how to establish “basis,” the financial starting point for calculating a forestland owner’s tax liability on income from timber sales.

“Although it’s easiest to establish ‘basis’ when property is purchased,” Parker said, “the guide also explains how to do retroactive ‘basis’ calculations any time after the purchase.”

The guide package includes a CD containing a 47-minute audiovisual presentation, lecture notes and a Basis allocation worksheet. It runs on PCs using Windows NT 4.0 or later, Windows 98 or Windows XP; with Microsoft PowerPoint 2003 or later.

Called “Forestland Taxes: The Importance of Establishing BASIS,” the guide can be purchased for $19.95 (plus shipping and handling) by going to the OSU Extension Service’s online catalog: http://extension.oregonstate.edu/catalog/abstract.php?seriesno=EM+8941
‘Tis the Election Season…
by Kristina McNitt

At OSWA, we collectively invest a large amount of time developing policies to best represent our membership, and then pursing or opposing legislation that best matches OSWA policy.

It is easy to forget that without strong legislators in leadership positions, all this policy work can be for nothing. You have to have the votes. Period.

I bring this up because I am spending most of my time focused on helping key legislators keep their seats in Salem. Without these legislators, natural resource issues are viewed differently on the agenda. Some hot issues likely to turn on just a handful of legislative seats: outlaw field burning, placing pesticide buffers around schools (1 mile), narrowing PURS reporting geography, and failure to re-balance fire funding between private and public sources.

Please take the time yourself to make sure you know your legislator. Give them a call and volunteer to go door-to-door, write a letter to the editor on their behalf, host a neighborhood coffee, put up lawn and field signs… ask them how you can help them out. Remember, in January, we will be asking them – incessantly – for their help on legislation. It’s our obligation to make sure they receive the grassroots support they’ve earned.

Don’t be surprised if you get a call from me asking for your help, too! I am particularly focused on the following legislators:

Rep Scott Bruun, West Linn
Rep Chuck Burely, Bend
Rep Linda Flores, Clackamas
Rep Vic Gilliam, Silverton

Although all 60 House seats are up for election, only 8-10 are truly competitive races. Without exception, these hot races (including the ones listed above) are either incumbent Republicans, or seats previously held by Republican legislators who have chosen not to run for re-election. There is a probability of several “pick-ups” by Democrats, possibly moving House Democrat leadership from the current 31 votes to the 36 votes needed to pass tax increases without relying on any Republican support.

Vote counting is a political exercise. However, supporting legislators who have a proven voting record on OSWA issues is not political. It’s the decent thing to do.

Please join me and work to re-elect our friends. Kristina McNitt
503.763.1833
To the Editor:

Should Oregon divert a staggering amount of water from other uses so that a Nevada corporation can grow trees in the desert? Should Oregon adopt special rules so they do not have to comply with wage and hour laws, do not have to pay overtime and do not have to pay harvest taxes? Finally, should Oregon subsidize an environmental and economical disaster by using Lottery funds to build a sawmill for this private corporation?

GreenWood Resources, Inc. has proposed these very things so they can grow transplanted Cottonwood trees in Oregon’s high desert near Boardman. They want Oregonians to focus on the “green” in their name, not the tremendous amounts of water, energy, fertilizers, herbicides and pesticides required to fight nature and grow trees in the desert.

GreenWood also does not want the public to know that their request to extend their agricultural classification to 20 year old trees exempts them from wage and hour laws, including overtime requirements. It also exempts them from paying the harvest tax paid by all other timber operators.

How is it that I am familiar with the Cottonwood project? I was responsible for a similar program for a different company. We planted the first trees on the Boardman property as part of a scientific test. The water, electricity (to power water pumps), fertilizers, herbicides and pesticides required quickly demonstrated this was both an environmental and economic disaster.

Fortunately, nature has provided a “green” alternative. Red Alder is a native species. It will grow almost anywhere in western Oregon and Washington without additional water, electricity, fertilizers, herbicides or pesticides. Mills and infrastructure already exist. Harvest tax is paid to the state. Nature’s “green wood” is even far more valuable than the transplanted Cottonwood.

The Oregon Board of Forestry and the Oregon Lottery Commission should deny special wage and hour exemptions, special overtime exemptions, special harvest tax exemptions and special Lottery funds for operations that divert scarce water resources, add new power demands and require tremendous amounts of chemicals to grow trees where nature did not intend. Instead they should promote sustainable native Oregon species such as Red Alder.

Quite simply, Oregon cannot afford commercial desert tree farms.

Yours sincerely,

Al Thayer
Prairie Ponderings
Reprinted from the Great Falls Tribune
We Choose the Dirt over the Sky, but End Up with the Same Results
By Lisa Schmidt

A businessman from Minnesota called to ask why Steve and I have contracted to sell carbon offset credits. Are we in it for the money? Will it pay for the ranch? Are we serving a higher plane of morality by doing our part to reduce global warming? He wanted to know.

Plants sequester carbon dioxide in the soil when they grow, removing it from the atmosphere where it seems to cause so much trouble. Trees sequester the most carbon because they add the most mass. Crops grow rapidly so they sequester quite a lot of carbon, too. Rangeland grasses at the Graham Ranch are short and grow for only a narrow span of time, but still they store carbon in the ground.

U.S. companies that emit carbon dioxide and other greenhouse gases can purchase “carbon credits” from people who own land where plants grow, through companies who aggregate acres from various landowners. Individuals can buy credits, too. For example, Al Gore purchases carbon offset credits because he uses so much electricity in his home.

Aggregators contract with landowners who meet specific management criteria that, theoretically, encourage plants to store the maximum amount of credit in the soil.

All to reduce global warming.

My dad is disgusted with this “storing carbon” idea because the plants will store the carbon whether landowners are paid for it or not. The actual net benefit to the environment from the carbon trading market is nonexistent, he says.

Sure, I say, but a contract to sell carbon offset credits will pay the ranch property taxes – somewhere around $2500 at current market prices. Steve and I rotate our cattle and sheep through our pastures anyway because that is best for the grass so we meet the required management criteria. Why not be paid?

The Minnesota businessman hit the nail on the head when he asked how much it cost us to rotate our cattle instead of allowing them to graze where they want year-around. I dug out a pencil to calculate an answer I did not want to know. The water and fencing improvements that we need to build so we can care for our land the way we want will cost about $100,000.

A $100,000 investment for a $2500 annual return? Mr. Minnesota could not understand our decision. We do it for the land, not to reduce global warming or for the maximum return on investment, I told him. Next, he asked what we planned to do if the next president implemented mandatory caps on carbon emissions – a likely scenario given our presidential candidates. Conventional wisdom predicts the carbon market will rise from $4 to $30 or $35 per metric ton. Trees do not grow well on the short-grass prairie, but would we plow our rangeland and plant crops to garner more carbon credits?

No.

Sure, we could pay off more of that $100,000 investment by planting crops, but that would not be best for our rangeland.

Editor’s note: Lisa is the daughter of OSWA member Dave Schmidt.
Thank You!!!

OSWA / Family Forests of Oregon 2008 Patrons

Platinum: Davidson Industries, Oregon Forest Resources Institute
Gold: Stimson Lumber Co, Port Blakely Tree Farms
Silver: Starker Forests, Edmund Hayes Jr., Marion and Polk SWA Chapter, Washington SWA Chapter, Lone Rock Timber, Oregon Forest Industries Council
Bronze: Coast Range Conifers, JD Fulwiler Insurance, SafeCo Insurance, IFA Nurseries

Thank you patrons!

To become a patron, please visit http://www.oswa.org/OSWA-FFO_Patron_letter.pdf, or call Mike Gaudern at the State Office.

---

Forest Landowners & Christmas Tree Growers
Your Complete Source for Seedlings to Buy & Sell

www.forestseedlingnetwork.com

• Easy-to-use interactive website
• Buy & Sell Your Seedlings
• NOW SERVING Oregon, Washington, Idaho, Montana & California
• Also featuring the most comprehensive Vendor Services Directory—Find over 1,100 forestry-related vendors

bob@forestseedlingnetwork.com 503-769-9806
Forest Seedling Network
1740 Shaff Rd. #306
Stayton, OR 97383
The UPDATE

The Woodlander Update is the official publication of the Oregon Small Woodlands Association-

OFFICERS

President   Ken Faulk
tel: (503) 538-7316
kfaulk@peak.org

First Vice President Sonya Chapman
tel: (541) 469-6254
milepost@harborside.com

Second Vice President Roy Hendrick, III
tel: (541) 758-5510
milepost@harborside.com

Second Vice President Dave Schmidt
tel: (541) 758-5510
lakehouse9@msn.com

Second Vice President Nancy Hathaway
tel: (541) 758-5510
nlope@eoni.com

Past President Michael Barnes
tel: (503) 860-6723 (cell)
mbarnes@viclink.com

Secretary Nancy Hathaway
tel: (541) 758-5510

Treasurer Lyn Boniface
tel: (541) 247-2479
bonilyn@hughes.net

STAFF

Executive Director Mike Gaudern
oswaed@oswa.org

The UPDATE

Editor David Ford
oswa@oswa.org

Welcome New OSWA Members!

We encourage you to take full advantage of your local chapter activities and share your experiences with your new friends and neighbors. And, remember to have fun as you protect, manage, use and enhance your family forest resources!

August 21 - Sept 29

Clackamas
Gary Buford

Central
Thomas O'Leary

Columbia
Tony and Nancy Morrow

Lincoln
Roy Foss

Marion Polk
Tom and Kimberly Newton

Back to OSWA Home Page