

# The Blue Mountain Forester

Northeast Oregon Small Woodlands Association  
Quarterly Newsletter



Volume 2, Issue 1

Winter 2022

## **A Note from the President - Happy 2022**

With our two new board members Paul Harlan and Jack Kleinhoff, with their professional experience and passion for helping landowners, our Chapter is off and running into 2022! We will be sponsoring a high school field day on May 13<sup>th</sup> at the Valerio's Tree Farm and the following day will be our Annual Meeting and Spring Tour. We have decided to use some funds to purchase an education and safety kit that we will be able to bring to our events for hands-on demonstrations. As the lead in this Chapter and the Pine Valley Firewise Community, I personally will be working on disseminating information to help landowners understand ways to keep their structures safe for future wildland fires. If you are able to join a local Firewise community, I highly suggest getting in contact with their leaders, and if you do not have a Firewise community please reach out and I can help you start one.



Valerio's Tree Farm

I want to thank Wallowa Resources, who has been a huge partner in Northeast Oregon in many ways, currently they are the sponsor and driving reason why Northeast Oregon's Firewise communities were able to apply and will receive grant funding for helping private landowners conduct fuels reduction activities. We are grateful for their partnership. Another partnership we have is through the Women Owning Woodlands Network (WOWnet). This is a program within OSU Extension and free for ALL women to join. Tiffany Hopkins, Program Coordinator, does a fantastic job offering woodland classes and opportunities, in-person and virtually. Tiffany also coordinates the Master Woodland Manager (MWM) program. If you are interested in either of these programs, I encourage you to contact Tiffany ([tiffany.hopkins@oregonstate.edu](mailto:tiffany.hopkins@oregonstate.edu)), or your local Extension Forester (Jacob Putney, Baker & Grant; John Panches, Union & Wallowa).

Let us know if you have ideas or want to take the next step and get involved with what we are going to be offering in 2022! You are all invited to join us at any level.

Debi Lorence, NEOSWA President

## **Congratulations to NE OR Firewise Communities**

The Lostine Canyon, Pine Valley, and Ritter Firewise Communities in Wallowa, Baker, and Grant Counties, respectively, were selected for funding through the Small Forestland Grant Program's Firewise Community Grants. This grant program is part of the Senate Bill 762 legislative package, passed in 2021, that provides more than \$220 million dollars to help Oregon improve wildfire preparedness. These three Firewise Communities will receive funding to help with fuels reduction, defensible space, and a variety of other activities to help reach their preparedness goals.



**FIREWISE USA®**  
Residents reducing wildfire risks

A big congratulations to these Communities and those that collaborated to help prepare these proposals, way to represent NE Oregon!

## **Forest Carbon Projects for the Small Woodland Owner**

*Sandy Letzing, PNW Regional Forester, FCW*



Forests provide a myriad of ecosystem services valuable to our health and livelihood. When we think about forest ecosystems, we probably don't think of them being the earth's greatest source of terrestrial carbon storage. In the US 1/3 of our landmass is forested, and over 39% of that is privately owned. Forests sequester carbon by capturing CO<sub>2</sub> from the air via photosynthesis, and then store carbon in the tree as biomass. About half of the carbon is stored in the trunk, limbs, and leaves, while another half is stored in the roots and soil around the tree. Besides capturing carbon, forests are good at storing it for long periods of time.

Forest carbon sequestration and storage projects are now accessible to small woodland owners in the US. Forest carbon projects provide an economic incentive to grow trees longer or reduce harvest rotations. In 2013, California launched the first regulatory market in the U.S., also known as cap-and-trade program, in an effort to curb greenhouse gas emissions and slow climate change. The cap on greenhouse gas emissions (primarily CO<sub>2</sub>) places a firm limit on allowed pollution each year by major emitters. This limit is then reduced each year, which drives an overall improvement in practices to reduce emissions. The "trade" portion of the cap-and-trade program is a market for companies to buy (offsets) that let them emit a small percentage (up to 4%) of their emissions. An 'offset' is equal to one metric ton of carbon-dioxide equivalent. Carbon offsets can be generated by many different project types that reduce, sequester, or avoid emissions. Most of these projects fall under the "Improved Forest Management" category, for landowners committed to enriching their forests' biomass rather than business as usual harvesting practices. These offsets can be sold on the carbon market, and the holder of these credits (the forest landowner) receives those funds.

The forests of Eastern and Central Oregon are quite different from those we find on the West side. In my previous position as a stewardship forester in Central Washington, I had witnessed the increasing threat of devastation from wildfire east of the cascades; and the importance of forest health to reduce those risks to the forests, private property, and human life. Many folks have expressed their worry that engaging in a carbon project means they cannot cut, harvest, or maintain their forests in a way to protect them from wildfire or pests. At Forest Carbon Works (FCW) we believe in active stewardship and management of the land, as a healthy, resilient forest is ultimately the most carbon smart forest as well. I encourage and help all landowners east of the Cascades to continue with active management, thinning overgrown stands, removing diseased or dead trees, and engaging with state and federal programs (like cost share) to complete these projects. We hope that carbon payments could be another source of income for landowners to participate in these types of stewardship practices.

There are a few things that have made market access for small landowners possible. One, the price of carbon continues to increase, improving the viability for small landowners. Two, there are now companies, like FCW, that have streamlined access to the compliance market. Traditionally, developing carbon projects for a landowner with less than 5,000 acres was cost prohibitive due to project development costs. FCW has overcome this with new technology, boots in the woods, and program efficiencies. Payments can range from \$10 per acre per year to well over \$100, depending on forest type and location. Current projects range from 52 to 3,000+ acres in size, from coast-to-coast. Typical project development is 12-18 months, and credits can be earned from carbon in the compliance market for 25+ years.

This is a great time and opportunity for forest landowners to invest in this new conservation opportunity, considering the revenue from letting the forest grow, while also providing the co-benefit of protecting the legacy and ecological value of the land for generations to come. It's also compatible, and can help fund, management practices like thinning, fuels reduction, and selective harvesting. If you are interested in entering the market, talk to your forester or reach out to me to help you achieve your financial, forest, and family goals through FCW.

*For further information, please contact Sandy Letzing ([sandy@forestcarbonworks.com](mailto:sandy@forestcarbonworks.com))*

## **Tips for Tax Season**

*Adapted From: WoodsCamp, American Forest Foundation*



1. Deduct your Forest Management Expenses
  - Operating:
    - Items/services used in day-to-day management
    - You can deduct operating expenses every year
  - Capital:
    - Investments in longer-term improvement
    - If you grow timber for a profit, you can deduct both operating and capital expenses
    - If you're not growing timber as a business, deductions can't exceed income earned from selling timber that year
2. Claim the Reforestation Tax Benefit
  - Under federal tax code, owners of qualified woodlands can deduct up to \$10,000 in expenses each tax year.
  - Woodland must be in the U.S. and used to grow and cut timber used for commercial products
  - At least one acre has to be managed and planted according to standard practices.
  - Christmas trees or ornamental trees do not qualify
  - To claim benefit, fill out a specific tax form and include a statement:
    - Description of costs and dates incurred
    - Description of timber type and purpose for which it's grown
3. Claim Timber Income as Capital Gains
  - Requires more time and calculation, but taxed at a much lower rate
4. Set up a Conservation Easement
  - Voluntary, legal agreement to restrict development and certain industrial and commercial activities.
  - Established with government agency or land trust
  - Must be permanent – future landowners must be bound by it
  - Reduces land value, but provides tax relief
  - Typical conservation purposes:
    - Preservation for outdoor recreation, or education, or public
    - Protections of wildlife habitat
    - Preservation of aesthetics for scenic enjoyment of public
    - Preservation of historically important land area or certified structure
5. Enroll in a Current Use Program
  - Varies state to state, but calculates state taxes based on how the land is currently used, instead of if it were developed for residential/commercial use

**Note:** These are intended as tips and/or things to consider and should not be used as tax advice alone. Programs and tax codes/laws vary from state to state, so you should always consult with a tax professional when considering any of the topics above.

### ***More Information & Resources:***

*5 Tips for Tax Savings (Original Article)*, Tips for Landowners, WoodsCamp, American Forest Foundation  
<https://info.woodscamp.com/blog/5-tips-for-tax-savings>

*Choosing the Right Accountant or Tax Preparer for Your Family Forest*, EM 9169, OSU Extension Service  
<https://catalog.extension.oregonstate.edu/sites/catalog/files/project/pdf/em9169.pdf>

## Eastern Oregon Log Market Report (As of: February 15, 2022)

Pendleton									
Species/Sort:	Douglas-fir/Larch	Ponderosa Pine			Grand/White Fir	Lodgepole Pine	E. Spruce	Pulp/Chip (Ton)	
		6-11"	12-18"	19"+					
Price (\$/MBF):	470-480	250	300	325	420	285	285	47	
La Grande									
Species/Sort:	Douglas-fir/Larch		Ponderosa Pine		Grand/White Fir		Lodgepole Pine	E. Spruce	Pulp/Chip (Ton)
	6-24"	25"+	6-7"	8"+	6-24"	25"+			
Price (\$/MBF):	520	200	250	280	420	200	300		
Elgin									
Species/Sort:	Douglas-fir/Larch	Ponderosa Pine			Grand/White Fir	Lodgepole Pine	E. Spruce	Pulp/Chip (Ton)	
Price (\$/MBF):	500				420	300	300	34	
Pilot Rock									
Species/Sort:	Douglas-fir/Larch	Ponderosa Pine			Grand/White Fir	Lodgepole Pine	E. Spruce	Pulp/Chip (Ton)	
		10-11"	12-16"	17"+					
Price (\$/MBF):		300	350	380					
Burns/John Day									
Species/Sort:	Douglas-fir/Larch	Ponderosa Pine				Grand/White Fir	Lodgepole Pine	E. Spruce	Pulp/Chip (Ton)
		6-7"	8-11"	12-17"	18"+				
Price (\$/MBF):	360	120	275	305	390	120-285		21	
Redmond/Bend/Gilchrist									
Species/Sort:	Douglas-fir/Larch	Ponderosa Pine			Grand/White Fir	Lodgepole Pine	E. Spruce	Pulp/Chip (Ton)	
		6-16"	17"+	SM					
Price (\$/MBF):		370	410	450					
Lakeview/Klamath Falls									
Species/Sort:	Douglas-fir/Larch	Ponderosa Pine			Grand/White Fir	Lodgepole Pine	E. Spruce	Pulp/Chip (Ton)	
		6-11"	12-16"	17"+	8"+	8"+			
Price (\$/MBF):		385	400	450	350	300			

Data Courtesy of John Lindberg (Oregon Log Market Report)

## **Event Calendar**

<b>Date &amp; Time</b>	<b>Event</b>	<b>Details &amp; Location</b>
March 3 <sup>rd</sup> 6:00pm	Board & Member Meeting NEOSWA	Small Meeting Room, Baker Co. Fairgrounds, (In-Person or Virtual) Agenda: 2022 Meeting, Events, & Activities Planning. Formal agenda and meeting information to be announced soon.
March – April Tuesdays, 6:00pm	Eastern Oregon Forests Webinar Series OSU Extension	We in Forestry & Natural Resources Extension interact with a variety of landowners and managers. Join us for our next series where we will cover common topics from these conversations, plus some other thoughts we have. More details on Page 7.
May 13 <sup>th</sup> 9:00am – 2:00pm	Youth Field Day NEOSWA, Baker High School, & OTEC	We are collaborating with Baker High School to offer a field day at the Valerio Tree Farm (Eccoci Ranch), where we will have a number of forestry and natural resource-focused activities for high school students. Planning is underway and we are looking forward to engaging with students.
May 14 <sup>th</sup> 9:00am – 3:00pm	Annual Meeting and Tour NEOSWA	Valerio’s Eccoci Ranch & Tree Farm, Medical Springs, OR Plans are currently underway for a tree farm tour at the Valerio’s, including a tour, invited speakers, and machinery demonstration, as well as the first NEOSWA Annual Meeting. Stay tuned for more details and let us know if you are interested in being involved.
July 7 <sup>th</sup> 6:00pm	Board & Member Meeting NEOSWA	Location, Program, and Agenda: TBA
July 15-17 <sup>th</sup>	Miner’s Jubilee Baker County	3-Day event in Baker City, OR celebrating the County’s gold mining heritage. NEOSWA would like to have a booth at this event. Stay tuned for more details.
August - September	County Fairs	NEOSWA would also like to have a booth at County Fairs in Baker, Grant, Union, and Wallowa Counties. If you are planning to attend, please let us know as we begin coordinating. More details to come.
September 1 <sup>st</sup> 6:00pm	Board & Member Meeting NEOSWA	Location, Program, and Agenda: TBA

## **Notes from the Board**

*From: January 6<sup>th</sup> Board Meeting*

### ***Business Items***

- Treasurers Report
  - \$10,647.41
  - Name Change: Submitted paperwork to IRS, waiting for approval. Following IRS approval, bank account name will be changed
- Sid Johnson Memorial Fund
  - Johnson's would like funding to benefit youth – in any County in NEOSWA
  - High School Field Day – Partner with Baker High School (5/13)
- Annual Meeting
  - Discussed annual meeting date, format, and details
  - Suggested rotating around NEOSWA Counties
  - Set 2022 Annual Meeting at Spring Tour – Valerio Tree Farm
- Spring Tour at Valerio's
  - Saturday, May 14<sup>th</sup> (All-day). Planning currently underway
- Upcoming Meetings and Events
  - Discussion on putting together a booth display that can be utilized around the four counties for various events
    - Including: County Fairs, Miner's Jubilee, etc.
    - Board will contact OSWA in Salem to see what materials might be available
    - Board will explore having a banner and/or tabletop display made with NE Oregon Chapter branding

**Next NEOSWA Meeting:** Thursday, March 3<sup>rd</sup> at 6:00 PM, Baker Co. Fairgrounds (In-person or Virtual)  
Meeting Information & Agenda will be sent out soon

### **NEOSWA Leadership**

Debi Lorence, *President*  
[debilorence@gmail.com](mailto:debilorence@gmail.com)



Maurizio Valerio, *Vice-President*  
[maurizio.valerio@gmail.com](mailto:maurizio.valerio@gmail.com)



Randy Guyer, *Treasurer*  
[randy@guyercpa.net](mailto:randy@guyercpa.net)



Jacob Putney, *Secretary*  
[jacob.putney@oregonstate.edu](mailto:jacob.putney@oregonstate.edu)



Paul Harlan, *Board Member*  
[paulmharlan@gmail.com](mailto:paulmharlan@gmail.com)



Jack Kleinhoff, *Board Member*  
[jrkleinhoff@gmail.com](mailto:jrkleinhoff@gmail.com)



## **Classifieds**

Do you have something to sell or rent? We invite members to submit appropriate items to be listed in this section of the newsletter. If you are interested in listing an item, please submit a photo and description to Jacob Putney ([jacob.putney@oregonstate.edu](mailto:jacob.putney@oregonstate.edu)) and it will be listed in the next issue of the newsletter.

## **Newsletter Distribution**

*The Blue Mountain Forester* will be distributed either by email or mail, depending on what information we have on file. Additionally, the newsletter will be posted on our website ([neoswa.com](http://neoswa.com)). If you would like to change how you receive this newsletter, please send your preference to Jacob Putney ([jacob.putney@oregonstate.edu](mailto:jacob.putney@oregonstate.edu)). Note, email is the quickest way to receive information from the Chapter.

## **Eastern Oregon Forests – Webinar Series**

We in OSU Forestry & Natural Resources Extension interact with a variety of landowners and managers. Join us for our next series where we will cover common topics from these conversations, plus some other thoughts we have.

### ***Series Schedule***

- 3/1 Introduction to Management Planning on Your Land  
*John Rizza, NE Oregon Fire Specialist, OSU Fire Program*
- 3/8 Establishing a Forest Inventory: The Basics  
*Jacob Putney, OSU Extension Forester, Baker & Grant Counties*
- 3/15 You Thinned Your Forest, Now What?  
*John Punches, OSU Extension Forester, Umatilla, Union, & Wallowa Counties*
- 4/5 The Forest Beneath Your Feet: How to Support Soil & Fungal Life  
*Ariel Cowan, Central Oregon Fire Specialist, OSU Fire Program*
- 4/12 Collective Action for Wildfire Risk Reduction  
*Katie Wollstein, SE Oregon Fire Specialist, OSU Fire Program*
- 4/19 Adaptive Forest Management  
*Thomas Stokely, OSU Extension Forester, Central Oregon Counties & Warm Springs*
- 4/26 Before Wildfire Strikes: Getting Your Firewise Wisened-Up  
*John Rizza, NE Oregon Fire Specialist, OSU Fire Program*

### ***Series Information***

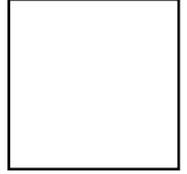
Selected Tuesdays, Mar. 1<sup>st</sup> – Apr. 26<sup>th</sup>  
Zoom Webinars, Starting at 6:00pm, 90-minute sessions

Class Website: <https://beav.es/eofor22>

Registration: <https://beav.es/nWy>

Registration QR:





## **The Blue Mountain Forester**

Northeast Oregon Small Woodlands Association  
Baker, Grant, Union, and Wallowa Counties

*A Newsletter for Small Woodland Owners in Northeast Oregon*

### ***At a Glance***

- Happy 2022
- SB 762 – Congrats to NE Oregon Firewise Communities
- Forest Carbon Projects
- Tips for Tax Season
- Eastern Oregon Log Market Prices
- Upcoming Meetings and Events

### ***Resources to Explore***

- 2022 Starker Lecture Series. "Women of Forestry: Inspiring Leadership"  
<https://www.forestry.oregonstate.edu/starker-lectures>
- Forest Health in Oregon: State of the State 2022. March 1<sup>st</sup> & 2<sup>nd</sup>, 8:00am-12:00pm  
<https://www.forestry.oregonstate.edu/cpe/forest-health-2022>
- Master Woodland Manager Opportunity – Program Promotional Video  
Help develop and be featured in a video for the MWM Program  
If interested, contact Tiffany Hopkins ([tiffany.hopkins@oregonstate.edu](mailto:tiffany.hopkins@oregonstate.edu))
- Life on the Dry Side Newsletter  
[extension.oregonstate.edu/newsletter/life-dry-side-forestry-newsletter](https://extension.oregonstate.edu/newsletter/life-dry-side-forestry-newsletter)