

BURNS FORESTRY NEWSLETTER

MASS TIMBER

More mass timber projects are being constructed in the United States, presenting a growing timber market for private forest landowners. Mass timber projects are built with cross-laminated timber (CLT), which consists of layers of dimension lumber oriented at right angles to each other and glued together. These layers of lumber (often three, five, or seven) form a structural panel with exceptional great strength and exceptional stability and rigidity.

While the pre-finished panels are more expensive than concrete or steel, they allow for quicker construction with less labor, making them competitive with steel construction. Construction time is 25% less than concrete or steel and there's 90% less construction traffic from trucks delivering materials. There are also 75% fewer active personnel, making mass timber projects more attractive to commercial builders.

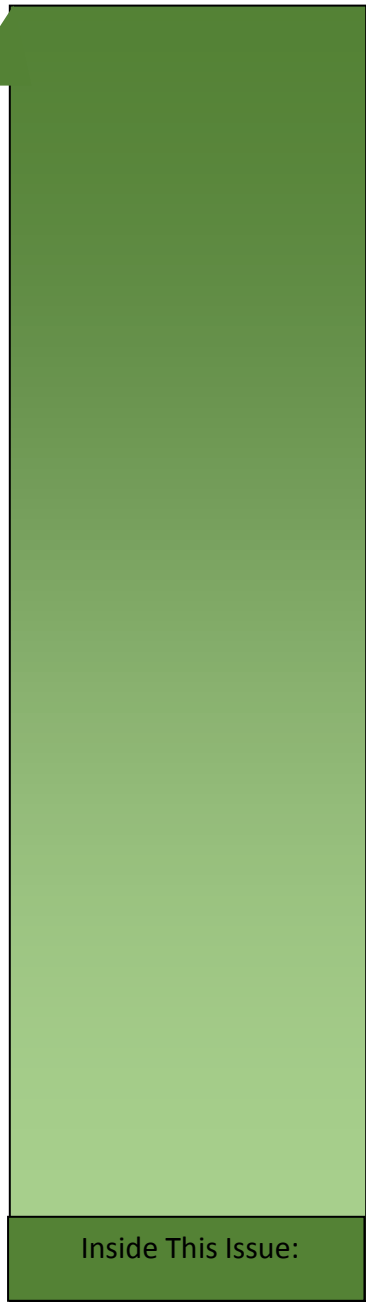
Timberland owners are hoping that the growing demand for pre-fabricated wood panels will be a welcome addition to the timber market in general.

INVASIVE WOODWASPS

The sirex woodwasp (*Sirex noctilio*) is a Texas invasive that feeds on healthy live pine trees, while native woodwasps only attack stressed, dying and dead trees. The sirex woodwasp is a horntail species, named for its spear shaped tail. It is usually 1.0 to 1.5 inches long with a metallic blue or black body. The males have orange middle abdomen segments.

To learn more, visit the Texas Invasives info page at:

https://texasinvasives.org/pest_database/detail.php?symbol=52



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NORTHERN BOBWHITE QUAIL

Northern Bobwhites (*Colinus virginianus*) have been in decline across their natural range since 1966 and have virtually disappeared from some northern states, such as Pennsylvania. Modern agricultural technologies have been detrimental to bobwhites as pastures have been converted from native 'clump grass' to sod forming fescue, Bermuda and Bahia grasses. Row crop fields have fewer fencerows and weedy borders and urbanization has reduced good bobwhite habitat.

Millions of acres of southern forests have been converted into dense pine plantations with closed canopies that reduce the amount of sunlight that can reach the forest floor to provide the native warm season grasses that bobwhite need for nesting, as well as forbs for seed and insect production. Scattered clumps of woody shrubs also offered protection from the weather and predators. In addition, the reduction in prescribed burning has prevented adequate control of the understory.

Managing for bobwhite quail requires heavier thinnings and frequent prescribed fire to maximize sunlight to the forest floor. The ideal is to have a large landscape intermixed with one-third nesting cover, one-third habitat, and one-third escape cover. Bobwhite management also enhances the habitat for such species as songbirds, deer, turkey and pollinators. While bobwhite management can be intensive and expensive, it can provide productive habitat for a wide spectrum of species, increasing the diversity and productivity of your forestland.



www.pets4homes.co.uk

LONGLEAF ECOSYSTEM

The longleaf pine ecosystem includes a diverse population of herpetofauna. To learn more, see the TLT website at: <https://txlongleaf.org/why-longleaf-pine/longleaf-pine-ecosystem/reptiles-and-amphibians-of-the-longleaf-pine-ecosystem/role-of-reptiles-and-amphibians-in-the-longleaf-pine-ecosystem/>

SOLAR PANEL FARMS

Some forest landowners are being approached to lease their land to solar companies for solar panel farms. While the financial returns appear to be very good, it may take eight or nine years before you get to the operations period: 3-7 years to develop the project and one or two years for construction of the project. The returns are modest during this stage. The commitment, however, may be for 40-plus years.

Unlike timber income which can be treated as capital gains after a one year holding period, solar income is annual payments that are taxed as ordinary income, similar to other non-forest income, such as hunting club leases, cell phone leases, and bee leases. The project may very likely be sold, similar to an oil and gas lease. Therefore, the landowner should have a solid contract ensuring the new owner accepts the terms of the original lease agreement.

Ideally, the solar panel farm needs relatively flat terrain that is next to electrical transmission infrastructure so it can connect to the grid. It can't be next to wetlands that are flood prone areas. While the projects may withstand hurricanes, they are not resistant to hail, and a hailstorm might put the project out of commission for a long time. Therefore, you need to know what happens to your payments when the panels are not operating.

It may be a good precaution to carry general liability insurance for your property. While the lease agreement may provide indemnification to the landowner with the operator maintaining insurance, the landowner needs to be named as an additional insured. In addition, it may help to have a removal or decommissioning clause even though it may be hard to enforce if the company is no longer there.

So, while a solar panel farm on your rural property may be appealing, it is best to ask a lot of questions first to be sure you know what to expect.



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TIMBER TAX MANUAL

The proposed update to the manual for the Appraisal of Timberland was recently published by the State Comptroller's Office in the issue of the Texas Register. The proposed manual can be found at: <https://comptroller.texas.gov/taxes/property-tax/rules/index.php>.

THE FUNDING CONNECTOR

The Funding Connector website is located on the Texas Forest Information Portal. It is a clearinghouse for information about various natural resource programs that offer financial assistance to Texas landowners. You can search available programs by entering your address, selecting a county, or placing a point on the map. You can also search by conservation practice or the actual program name. Results are displayed on a map along with a table summarizing the program details.

The Funding Connector also allows users to download reports of their search results. The reports include additional program details, such as the funding organization, program description, approved practices and rates, and the priority areas for the program. To access the Funding Connector, go to <http://texasforestinfo.tamu.edu/fundingconnector/>.

WILDFIRE

Wildfire burned 6.92 million acres nationwide through September of this year. While this is above the 10-year average, it is below the 2018 and 2020 levels when over 7 million acres had burned by September.

Acres burned in the South, however, were the highest of the past five years, mostly due to our high fire count here in Texas.

TEXAS FORESTRY UPDATES

An agreement has been announced by Stella-Jones to purchase the wood pole manufacturing assets of Texas Electric Cooperatives, Inc. treating facility in Jasper, Texas. The transaction is expected to close this year.

Manulife Investment Management sold 119,000 acres of timberland in East Texas and western Louisiana to Caddo Sustainable Timberlands. Manulife Investment Management was formerly Hancock Natural Resource Group. Caddo Sustainable Timberlands, (CST) is an investment platform created by BTG Pactual Timberland Investment Group and British Columbia Investment Management Corporation. CST is the largest private timberland owner in Texas.

RoyOMartin is continuing construction on its manufacturing mill expansion in Corrigan, Texas. The facility is expected to open in late 2023.

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