

Tyler County Forest Landowner Association

Regular Meeting Minutes

Saturday, September 19, 2009 - 9:30am

In Attendance: Forty-two members, new members and visitors -- including Charles Zimmerman (President), Jack Clark (Vice President), Bill Tetley (Treasurer), Tim Parker (Dir.), Rick Huffman (Dir), Sarah Reinemeyer (Dir), and Betty Zimmerman (Secretary). The meeting was held at the Tyler County Extension Office, 201 Willow Street, Woodville.

Charles Zimmerman welcomed the attendees, recognized the officers present and introduced the speakers.

- **Eddie Chalmers**, Chief Appraiser of Tyler County, explained that there are nine steps defined by the state for calculating timberland valuation. The formula includes the price of timber, which is averaged over five years to avoid volatility. For more information access <http://www.timbertax.org/statetaxes/states/proptax/texas.asp>. The Texas Reforestation Act of 1999 provides for reduced tax valuation for land that has restricted use; e.g., streamside management. For more information access http://www.nacocad.org/forms/Restricted_Use_Brochure.pdf. Tyler County is experiencing a shortfall in tax revenue in 2009 because of state changes in mineral interest appraisals that reduced their value. If a landowner is converting pasture to timberland, the landowner can keep the agriculture valuation (which is lower than timber valuation) for fifteen years – if the landowner submits the proper form to the county appraiser's office.
- **Lonnie Grissom**, North American Procurement Company, provided an overview of his company which was formed in 2004 and now includes chip mills in Cleveland and Woodville, in addition to the initial round wood production. Lonnie was instrumental in initiating plans for a biomass power plant in Woodville and will supply the wood chips. **Keith Stapleton**, East Texas Electric Cooperative (ETEC), discussed plans for the Woodville Biomass Power Plant. Bob Boyd, Tyler County's ETEC representative, was present. The Woodville plant is scheduled to begin producing 50 megawatts of electricity in 2014 from over 60 truckloads of wood chips per day. Each megawatt requires 10,000 tons of fuel per year. Guaranteeing a thirty-year supply of wood chips is necessary to acquire \$190 million funding for the plant. The projected fuel source for the Woodville plant will be supplied from a 50 mile radius around Woodville. NAPCO's commitment to provide the fuel may push opening the Woodville plant ahead of other plants planned for East Texas; e.g., Lufkin (50 megawatts), Nacogdoches (100 megawatts), Lindale (50 megawatts), Sun Mark (60 megawatts). Keith explained that Tyler County is in the Entergy power grid which is connected with the Southeast Electric grid, rather than the Texas power grid. Today, 20% of ETEC's electric power is generated by owned assets; the goal is to increase that percentage. Electricity from coal is still the least expensive source of electricity, but no new coal plants are being built. ETEC is implementing two new natural gas-fired peaking plants this year. These plants, one is Shepherd and the other in Kountze, will be fired-up only during peak loads or during limited generation events such as after hurricane damage. The Lake Livingston Hydro Project scheduled for operation in 2013 will add 24 megawatts to the grid. While Texas leads the nation in wind generation, there is insufficient wind in East Texas for it to be a viable source of

electric power. Processing wood chips in the Woodville power plant is more environmentally friendly than burning the wood or than letting the wood decay naturally.

- **Ron Hufford**, Executive Vice President of the Texas Forestry Association, reviewed the list of services provided by the Texas Forestry Association (TFA). Webinars on a number of subjects are available to members. The TFA Annual Meeting and Summit will be October 20-22 in Nacogdoches, Texas. Ron reported that TFA provided a \$1000 scholarship for the high school Woodland Clinic Content winner and that this year's TFA Tailgate Rally was a success. Ron listed a number of issues that he monitored and influenced during the recent Texas Legislative session, including water reservoirs, eminent domain, and metal power poles. He encouraged everyone to vote for the eminent domain constitutional amendment on the November ballot. The amendment will limit acquisition of property for economic development. Additional eminent domain reforms needed are provision for landowners to buy-back their land at the original cost if it is unused and compensation for access limitations when the land taken severs the remaining land and limits access. While it appears that the scope of the Trans-Texas Corridor has been reduced, it is still in the code. Senate Bill 801 specifies that if timber land is converted to wildlife management, it can retain its timberland valuation for taxation. For more information access <http://www.legis.state.tx.us/> and type *SB 801* in the appropriate box. The Prescribed Burning Board is now under the Texas Department of Agriculture. The Texas Forestry Service (TFS) received \$8 million for forest fire fighting during the last session. For the first time, TFS will be going through "sunset review" next session to determine whether it should be continued. Redistricting will be conducted during the next session. Unfortunately, the influence of rural Texas is frequently diminished by districts that include narrow strips of rural areas in nearby cities. The rural PAC groups work together in Austin to ensure that the interests of rural Texans are recognized.

Charles Zimmerman called the business meeting to order. The minutes from the March meeting were distributed. Fred Reinemeyer moved that the March Regular Meeting minutes be approved as published; the motion was seconded and carried.

Betty Zimmerman, Co-Chairman of the Education Committee, reported that four scholarships were awarded to Tyler County Teachers for TFA's Teacher Conservation Institute.

Bill Tetley presented the treasurer's report which lists 110 paid members, including 14 new members and 2 who were reinstated. There is a balance of \$4,626.77 in the treasury.

Sarah Reinemeyer, webmaster, displayed a chart showing TCFLOA website (tcfloa.org) activity. The Web Statistics are as follows:

- Each month this year our unique visitors and number of visits increased. We have received contact from people who found the website.
- Last month, usage access still shows the USA visitors as the most frequent visitors (.com, .net). A small number of educational entities (.edu) and organizations (.org) also accessed our website.
- Last month the second highest country to access our website was Germany with Russian Federation as a close third.

- Last month, the top website pages accessed in order of access are: join us, about us, events, tips, library, links...etc.

The next TCFLOA meeting will be a board meeting on Saturday, January 9, 2010. There was no new business.

Fred Reinemeyer moved that the meeting be adjourned. The motion was seconded and carried.

Jack Clark blessed the meal. Attendees enjoyed the bar-b-q lunch and personal networking.