

# Trumbull Creek Times



VOL. XXVII, No. 1

F.H. Stoltze Land & Lumber Company

June 2019



## Manager's Message



### THIS ISSUE

News From The Plant -  
Page 2

Logging & Forestry -  
Page 2

Sales Office -  
Page 3

Editors Message-  
Page 6

First, I would like to congratulate all of the Stoltze employees for their safety efforts so far in 2019. Since January 1, 2019 through May, we have only had one recordable (minor) accident. Please continue to strive towards zero accidents for the remainder of this year and future years. Safety is a culture and it takes a conscious effort and continuous awareness by everyone to maintain that safety. Again, I would like to remind everyone that we implemented on 1/1/2019 a **"Safety Briefing"** policy and signature form for all visitors, vendors, and contractors before entering onto the Stoltze plant site.

It is quite obvious to everyone who travels around the plant site that we have an over-abundance of lumber inventory. It is due to the simple dynamics of supply and demand. All the sawmills in North America continued to produce lumber at a record pace throughout the winter, while mother nature threw a long cold snowy curve ball to the construction industry. Some of our retail and wholesale customers claim they didn't haul lumber to job construction sites for over two months and even longer in the upper Midwest. This was combined with a simultaneous major transportation failure by the railroad severely limiting shipments when they were needed the most. There have been a number of mill curtailments and shift reductions in both the US and Canada trying to bring the supply down into balance with demand.

We will curtail production of our night shift in the sawmill beginning June 10<sup>th</sup> until further notice. Hopefully demand will catch up with supply sooner rather than later and we can return to regular operations. These are never pleasant decisions to make, especially when the sawmill has been operating so smoothly and at a record pace YTD.

On a positive note, we were very fortunate to acquire two of the USFS fire salvage sales on the Kootenai National Forest and worked all winter and into the early Spring harvesting and milling this timber. Though the long cold winter limited the work of building construction contractors and consequently the sale of lumber, it did allow for an extra-long logging season and facilitated harvesting much of our fire salvage timber volume.

Most all economic forecasts we hear and read are optimistic about the future in regards to new construction and the general economy. Consumer confidence is still at record highs and the unemployment rates are still at record lows across the country. The forest products industry has always been a roller coaster ride throughout the course of my career and I know better times are around the corner. Thanks to everyone for all your hard work.

Chuck Rody

General Manager



F.H. STOLTZE  
LAND & LUMBER CO.  
Lumber Manufacturers

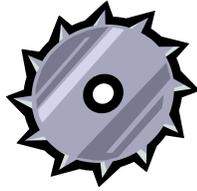
P.O. Box 1429  
Columbia Falls, MT 59912  
Phone: 406-892-7000  
Fax: 406-892-1612  
info@stoltzelumber.com





# NEWS

From The Plant



## Logging & Forestry Department



### Stump Speech

Wow! June is already upon us. Really, where has the first five months gone? They have gone by entirely too fast. These first five months of 2019 have been really good ones, from both a safety and production standpoint. Safety has been tremendous! You all have been conscious of your surroundings and taken the time needed to get things done, and it shows. One recordable, knock on wood, since the start of the year and a very minor one at that. Great Job ALL! Let's make it one for the year; just keep taking your time and paying attention to tasks at hand. You not only have been safe, but also have been producing at record levels! Which just shows that yes, you can take your time and still produce well. The Sawmill is on pace to shatter records, and, with the new schedule at the Planer, the Planer will be breaking records as well. GREAT JOB ALL!

We don't have a lot of "big" projects planned for 2019. We are going to concentrate more on some little ones to make us more efficient, and some future projects. The one project that is scheduled is replacing the south chipper in the Sawmill, which will happen in August. We are planning on removing the cyclone and adding a couple of conveyors. The new chipper will be more reliable, and the elimination of the cyclone means reducing plug ups and downtime. Most of this work will be done on weekends, with the final install being on a four day weekend, so no downtime is required.

Another "project" that will be happening is looking into an Auto-Grader. We will be researching and planning on which style best fits our needs. We will be sending some people to look at some models and watch them in action. The planning process will involve: where to place the machine, whether or not we want to upgrade any other machine, and any other ideas to make the entire process more efficient. We are hoping to sign a contract and start the engineering process by the end of this year.

As I type this update, a security fence is being installed. We are installing an eight foot security fence along Braig Road; hopefully this will deter John Q Public from just walking in whenever they want and also deter/eliminate theft.

Many times in these pages, you have heard me lament the lack of a strong leadership voice on the need for active management of our forest lands for the multiple benefits of society. I've asked for strong voices like those of Gifford Pinchot, Teddy Roosevelt, Hugh Hammond Bennett and other great conservation minded leaders to rise to the top, and lead public conversations on how we act as stewards of our public lands. All with the hope that the conversation will turn into an action plan, and, finally, implementation of change.

Well, it looks like we may finally have the beginnings of that leadership and strong voice.

On December 21, 2018, President Donald Trump issued Executive Order 13855 "**Promoting Active Management of America's Forests, Rangelands and Other Federal Lands to Improve Conditions and Reduce Wildfire Risk**". The opening sentence reads "*It is the policy of the United States to protect people, communities, and watersheds, and to promote healthy resilient forests, rangelands and other Federal lands by actively managing them through partnerships with the States, tribes, communities, non-profit organizations and the private sector.*"

I have to be honest, at the time of its release, I was not overly excited. There did not seem to be anything new in the order that we had not been talking about for years and years. What I underestimated was the value of the "Leaders Intent" element of the Executive Order. When was the last time we saw an Executive Order promoting active management?

Our President is commonly derided for his comments about "cleaning the forest floor" as a solution to our wildfire crisis. While he may not have the jargon down, he gets the concept! Doing nothing to manage our forests leaves only one option, to let Mother Nature do it for us. As we continue to see year after year, her "broom" is wildfire and those fires are not playing by our rules... She will clean house, one way or another.

Continued on Page 3 . . .

Continued on Page 4 . . . .



## \$ALES OFFICE

What a difference a year makes. Lumber pricing on May 24<sup>th</sup> 2019 was at 335.00, compared to a year ago on May 25<sup>th</sup> 2018 it was at 578.00, a 243.00 drop. Whew!

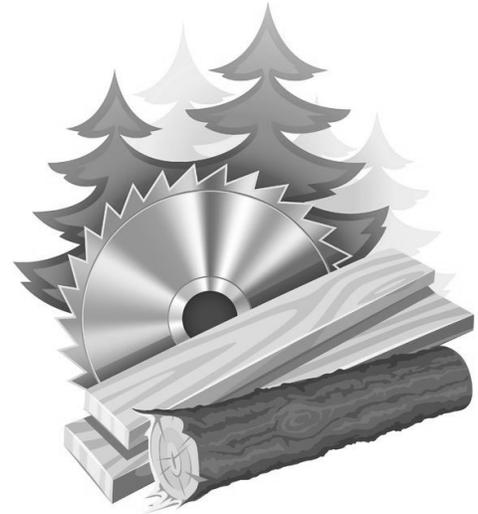
The drastic price change had pretty much happened by the end of December. Buying was limited to covering immediate needs and there was a lot of “cautious optimism” about how 2019 would play out. We were hoping for a spring run like we had experienced in 2017 and 2018, but to no avail. We did, however, have a little run at the end of January and saw the order file go up 1.3 million board feet.

We met with our BNSF representative and he asked what the railroad could do to get us to do more business by rail. That was a loaded question. To do more rail business, I would have to sell our lumber at prices lower than the Canadians-which is hard to do because they are usually the cheapest ones out there. I have been able to move the bulk of what would go by rail on trucks to customers, in the inland region, that are very loyal to our product. Now back to the loaded question; I told our representative that I would be needing extra cars the second week of March, thinking that would give them plenty of time to plan, and getting cars would not be a problem. Wrong! With a late winter, flooding in the Mid-west, and unexpected logistics issues with the railroad, we were unable to get those much needed rail cars in a timely manner.

Mother Nature continued to let us know who was really in charge and brought key end use markets to a virtual standstill. The talk of a lot of pent up demand was proving to be just that, talk.

All of the curtailment announcements have failed to create much of a spark and sales have been measured at best. Traders continued to be conservative and the sluggish market has persisted. It is probably the worst kind of market that I have to deal with, as it doesn't seem to matter what you have, very little is moving at any price.

Kris Page  
Sales Manager



### News from the Plant continued from Page 2. . . . .

I will end this by saying, keep moving forward, keep plugging away, take one day at a time, and remember tomorrow is a bright new day. Keep a positive attitude, you, and only you, can control your outlook on what lies ahead. Work safe, play safe, hug your loved ones a little tighter, smile a little longer; tomorrow is not promised to anyone!

Thank you all for all your hard work and dedication!

Trevor Kjensrud

Continued ➤



Continued from Page 2 . . .

More importantly, the President's leaders, including Secretary of Agriculture, Sonny Perdue, Undersecretary of Ag in charge of the Forest Service, Jim Hubbard and Forest Service Chief, Vicki Christiansen heard the message loud and clear and are actively implementing the actions outlined in the Executive Order.

It is being referred to with the catch phrase "**Shared Stewardship**" to embody the initiative, to take an attitude of active management to our public, private and State lands in a coordinated effort to look at forest health and managing wildfire risks to the extent we can.

Even before the Executive Order, Governor Bullock released "**Forest in Focus 2.0.**" Which is a broad plan to employ a "Cross Boundary - Collaborative Approach" to dealing with what is quickly becoming a forest health crisis in Montana. Governor Bullock's plan envisions the creation of a "Forest Action Plan" guided by an advisory committee made up of citizens, landowners and resource management professionals from various agencies that will act as a cohesive road map with defined action items for active management across our forested landscapes.

Prioritization and coordination of management efforts in a strategic manner, looking at landscapes, then engaging landowners to implement treatments that can build upon each other while addressing individual landowner objectives just makes sense.

The Montana Dept. of Natural Resources (DNRC), Natural Resource Conservation Service (NRCS) and private landowner advocates like the American Forest Foundation (AFF) are already working hard to target high priority landscapes. They are working together to focus available grant monies and technical assistance in a coordinated manner, and knitting together treatments on private lands in a manner that compounds the benefits of active management on adjacent federal, state and private lands.

The USFS and BLM have been working on the "**National Cohesive Wildland Fire Management Strategy**" since 2014. I have been critical of one of the main tenants, which is "Fire Adapted Communities" and the underlying theme of communities becoming comfortable with wildfire on the landscape. However, in the context

Continued ↗

of *Shared Stewardship*, where communities participate in the planning and implementation of a risk reduction strategy through active management, it makes more sense.

So, what does this all mean to you? I see a huge opportunity where we will have a short window in which to have our voice heard. You will see public meetings in many neighborhoods sponsored by local fire departments to discuss wildfire readiness. You will see working groups hosted by the NRCS and DNRC to identify priority areas for landowner outreach and grants. You will see the Forest Action Plan working group convene to develop a statewide strategy. Now is the time to reach out, attend a meeting, talk to one of the representatives and let them know your thoughts.

It could happen fast, much faster than a forest plan revision, and could have a long standing influence on public policy and how we manage our forested landscapes into the future. The "Leaders Intent" has never been clearer, both at the State and National level. The combined efforts of all land management agencies, both focused on fire management and vegetation management, is an opportunity that rarely exists.

For the first time in a long time, I see the opportunity for many of us to pull on the same rope and take an active role in dealing with this forest health crisis. For a guy who is getting pretty tired of trying to push that same rope up hill, this is a reason to be hopeful. Those of us here at Stoltze cannot do it alone. Whether you own a home or tree farm in the Wildland Urban Interface, like to hunt, fish, bike, hike or just look at our State and National forests, or value having clean air to breathe, you have an interest and a responsibility to get involved.

Spend some time with Google and read up on some of this stuff. Will you agree with everything you read? I doubt it. Is it perfect? Certainly not. Can you find things to complain about and poke holes in? I guarantee you will. But the one bright point I see is the term "**Shared Stewardship**" I cannot think of a better common ground from which to approach this challenge. The successfulness of implementation lies on our shoulders.

In the words of Hugh H. Bennet, founder of the Soil Conservation Service during the Dust Bowl, "*Take care of the land and the land will take care of you*"

The good news is, the trees are still growing!

Paul McKenzie  
Lands & Resource Manager



Have a fun  
& safe  
summer!





---

## Editorial

As you can tell from the articles, there are always changes and adaptations going on. The office is no different, and there are some changes that have been made since the last Trumbull Creek Times.

Leah has been training with Russ and will be taking over effective, July 1<sup>st</sup>. Yes, that is right-that means Russ is retiring after 34 years. Russ is lucky enough to be retiring just in time to enjoy the summer weather. I have only known Russ since 2015, but he is a great person, dedicated employee and will be missed here at Stoltze. Since Leah is taking over for Russ, we hired a new receptionist in March. I am assuming most have now had a chance to interact with Shauna, but if you haven't, please stop in and introduce yourself. I feel that Shauna and Leah are getting a good handle on their new positions.

I spent a lot of time in May studying for my drone pilot license. Yes, to fly a drone for a company you need to have a license. I did not realize that there would be so many rules and regulations to fly around a little drone. It was a little intimidating, as it has been years since I have had to study and take tests. Now I get to do it every two years. I did pass and we are now licensed to fly for work. I will say that it is worth it. The drone is a fun toy, I mean tool.

Have a great summer.

Josef Kuchera  
Editor