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Vernonia City Council Candidates Announced

Three positions on the Vernonia City Council (Mayor and two Councilor positions) will be open for the general election on November 3.

City Recorder Stephanie Borst announced on August 21 the following four persons have submitted to run for the two City Councilor positions for four-year terms: incumbents Bruce McNair and Susan Wagner, Lorna Poetter, and Grant Williams. The two candidates receiving the most votes will serve in the positions.

Incumbent Mayor Rick Hobart will run unopposed for re-election for a second two-year term.

WOEC 2020 Annual Meeting Report

The West Oregon Electric Cooperative (WOEC) held a brief version of their Annual Meeting on Saturday, August 22. The meeting was held virtually with members able to either listen by phone or watch a video feed of the meeting, which was held in the WOEC conference room and lasted approximately 20 minutes.

Three Board of Directors Officers were present in-person for the meeting, President Brett Costley, Vice President Jim Buxton, and Secretary Erika Paleck; Costley announced the rest of the Board was in attendance virtually, but did not introduce the Board members.

Also in attendance were staff members General Manager Bob Perry, Administrative Assistant Billie Kohler, and Parliamentarian Chuck Faley.

The Board approved the minutes from the 2019 meeting, and voted to approve all new members to the co-op.

There were no reports from staff, and there were no questions from the members.

Faley announced members had elected Jim Buxton as Director for District 3 and Mark Ludeman for District 7; both had run unopposed.

Faley also announced co-op members had approved a By-Law change which increased the length of time prior to the Annual Meeting that information is to be distributed to members from the current 30 days to 45 days.

The Timber Industry of Today, Part 2 Who Benefits From Logging in Oregon

By Scott Laird

Logging and the timber industry remain a big part of Oregon's history, culture, and economy. But the way it operates in Oregon, and especially in Columbia County, has been steadily changing, with much of our forestland now in the control of large corporations, many of them with little connection to the land they own. In this three part series we're taking a closer look at Oregon's timber industry. In Part 2 we examine who owns Oregon's timberlands and who is benefitting from the timber harvested is it the loggers in the woods and the communities that depend on the income and tax revenues, or is it the corporate shareholders?

In 1900 Frederick Weyerhaeuser and 15 partners initiated the largest private land transaction in American history to that time, when they purchased 900,000 acres of Washington state timberland from the Northern Pacific Railway. The company ran sawmills and was an innovator in the lumber business, creating numerous new wood products, while also expanding into the shipping and transport business. In 1929 they built the worlds largest sawmill in Longview, Washington. In 1937 the company pioneered the idea of trees as a "crop," developed the idea of "replanting" by transplanting seedlings in harvested areas, and in 1941 established the country's first "tree farm," creating a major shift in how timber companies managed their properties.

Over the next several decades the company continued as an innovator by increasing markets for wood fiber, plywood, particleboard, containers and paper products, and hardwood products. In 1961 the first harvest of a timber "crop" took place on their 135 acre, second growth tree farm in St. Helens.

In 1963 a major change occurred when Weyerhaeuser switched from being a self-fi-



Weyerhauser purchased Plum Creek Timber for \$8.4 billion, making them the largest private owner of timberland in the country, controlling about 13 million acres. The company also has long-term licenses to manage more than 14 million acres in Canada. Closer to home, the timberland giant owns over onethird of all forestland in Columbia County.

Over the last century Weyerhaeuser has helped changed the face of the timber industry, first through innovation, management practices, and product development, then through diversification, and finally by changing the ownership and financial model of today's timberlands, which allows them to "make higher distributions to our shareholders," and avoid paying taxes.

The impacts of those changes are felt directly in

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nanced enterprise to a publicly traded company that was listed on the New York Stock Ex-

change. Over the next several decades the company diversified into numerous fields including mortgage banking and financial services, real estate, and information services, while doing business in South America, Asia and Australia. In 2002 the company acquired Willamette Industries Inc, based in Portland, in a hostile takeover.

In 2010 Weyerhaeuser converted into a Real Estate Investment Trust (REIT) which allowed them to avoid paying any federal income taxes when it filed its 2010 tax return. The following is part of a press release Weyerhaeuser released on July 11, 2010 announcing this move: Weyerhaeuser Company today announced the board of directors has declared a special dividend of \$5.6 billion. This marks a major milestone in the company's plan



to convert to a real estate investment trust (REIT) by distributing its earnings and profits to shareholders. The special dividend includes the regular quarterly dividend of approximately \$11 million... "The REIT structure best supports our strategic direction and positions Weyerhaeuser for future growth," said Dan Fulton, president and chief executive officer. The tax efficiency of the REIT structure also will enable us to increase our timberland earnings and make higher distributions to our shareholders."

The REIT structure did in fact position Weyerhaeuser for future growth in timberland acquisitions while they also consolidated their focus, exiting the real estate, hardwoods, container packaging, and shipping industries. In 2013, Weyerhauser purchased Longview Timberlands LLC for \$2.65 billion. In 2016, the communities surrounded by timberland owned by Weyerhaeuser and other large corporations – mills

have closed and jobs have been lost; locals no longer have unlimited to access to lands that had been used for recreational purposes for decades; local environments have been degraded; and taxes on corporate landowners which fund schools and county services – community obligations we all share whether we actively use them or not – have virtually disappeared.

A recent article, published in partnership by ProPublica, the Oregonian, and Oregon Public Broadcasting (and going forward referred to as the "ProPublica article"), was especially critical of the large corporations that own timberlands in Oregon. An important aspect of the article examined the changes in Oregon's tax structure and how those corporately held timberlands *continued on page 3*