

What has MAT Been Doing for You?

MAT joins Green Corps on forestry field trip

...AND MUCH MORE

The Good and The Bad

Timbermen's 43rd Annual Convention







Dear Members and Industry Colleagues:

I am pleased to announce we are once again working with Naylor, LLC, to produce our 2017 **Membership Directory and Resource Guide**.

I would like to personally <u>thank our 2016 advertisers</u> for their support and encourage you to participate in 2017.

The **Membership Directory and Resource Guide** is the "who's who" guide in our region. It is distributed and referenced throughout the year by top level decision-makers who make the final buying decisions at their companies. This is your chance to promote your products and services to Michigan's growing forestry industry.

By affiliating your organization with MAT, you are making an excellent investment in your business and brand. We are confident that our partnership with Naylor will continue to increase the unmatched educational, networking and promotional opportunities already included in our membership. MAT is proud to serve as the leader in Michigan's forest products industry as the voice of our profession.

On behalf of MAT, Naylor representatives will be reaching out to you soon to discuss these opportunities. If you wish to speak to someone now, please contact Raymond Strickland, Publication Director, at 352-333-3474 or restrickland@naylor.com

We thank you in advance and hope that you consider supporting our publication.

Sincerely,

Anna Frampton

Michigan Association of Timbermen Administrator

Jess Birtcher Memorial Scholarship Fund

The Michigan Association of Timbermen award a yearly scholarship of \$1,000 on behalf of Timbermen founding member Jess Birtcher and his family. This scholarship is open to anyone who is seeking a career or advancement in a natural resources field. The deadline for all applications and references is March 1st, 2017. We welcome your application and should you have any questions or need clarification, please contact Anna Frampton.

Please see our website for the 2017 Scholarship Application











LOG TRUCK

SAFETY

PLEASE JOIN US!

The Michigan Association of Timbermen and Forest Insurance Center will be hosting four Log Truck Safety seminars in 2017. These seminars will be presented by the Michigan Center for Truck Safety and Michigan State Police, Motor Carrier Division.

SFI Log Truck Safety Continuing Education

The Michigan Association of Timbermen and Forest Insurance Center joins Michigan Center for Truck Safety and Michigan State Police to promote safe hauling practices. Seminars will count towards your yearly four-credit requirement by the Michigan SFI Implementation Committee. Each session will include a two hour indoor presentation and a two hour outdoor demonstration with a provided loaded log truck, with the exception to MAT's Annual Meeting**. The following four seminars will be covering topics such as:

- General overview of the trucking industry relating to hiring practices
- Loss control principles including maintenance of equipment
- Load securement, and weight
- Pre-trip inspection
- Condition of equipment
- On-road responsibilities

Seminars are free of charge to MAT members, and the non-member rate is \$100.00. To register, please contact Anna at the MAT office: 906.293.3236 -or-annaframpton0@gmail.com.

Schedule of Events

Date: April 28th, 2017 **Time:** 2:30pm-3:30pm**

Location: Boyne Mountain Resort/MAT Annual Convention 1 Boyne Mountain Rd, Boyne Falls, MI 49713

Date: June 20th, 2017 Time: 8am-12pm

Location: Manton Masonic Lodge

9290 E 14 1/4 Rd, Manton, MI 49663

Date: June 21st, 2017 **Time:** 8am-12pm

Location: American Legion

7964 State Highway M123, Newberry, MI 49868

Date: June 22nd, 2017 Time: 8am-12pm

Location: Baraga Lakeside Inn

900 US Highway 41 S, Baraga, MI 49908











BY WES WINDOVER, VICE PRESIDENT, MICHIGAN ASSOCIATION OF TIMBERMEN

What Has MAT Been Doing for You?

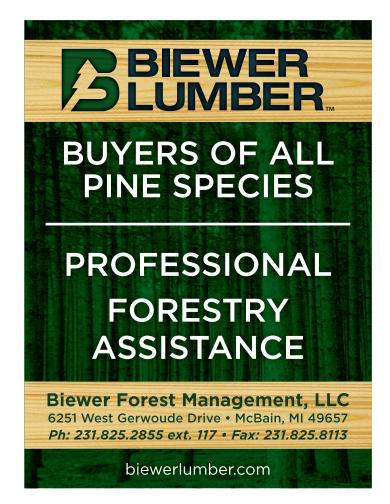


2016 has been a productive year for our industry in Lansing. Many of us in the Forest Products industry had fallen victim to many unfair fees and permits from County Road Commissions across our state. After many countless attempts to solve these issues one on one with the Counties we were forced to take measures at the State level. The Michigan Association of Timberman, Forest Products Counsel, GLTPA and many individuals within our industry worked together with Senator Tom Casperson to sponsor Senate bills 706, 707, and 708. I am happy to announce that these three bills have been passed and signed by the Governor. This is a great example of how as an industry we can all work together and make things happen when our industry is unfairly targeted by our Counties.

SB 706 amends section 725 of the Michigan Vehicle Code. This bill amends the code not to allow counties to impose fees on vehicles engaged in silvicultural operations if the vehicle or combination did not exceed the Code's size, weight or load maximums. This bill amendment was necessary because some counties were requiring "Logging Permits" to harvest and haul timber in their counties.

SB 707 amends Public Act 200 of 1969 which requires permits for driveways providing direct access to a highway. This bill amends the act of "constructed or reconstructed" for the purpose of adding gravel or maintenance to an





existing driveway. These types of driveways will no longer require a County permit.

SB 708 amends Public Act 283 of 1909. This bill provides that a county road commission would not be authorized to require a permit for an activity otherwise permissible under state Law. The person working in the right of way will however be responsible for signage warning the public that work is being performed within the "Right of Way."

I want to thank Senator Tom Casperson and all involved in this long process. A special thank you to Judy Augenstein our Lobbyist for all the hours, countless calls, and follow ups to make sure these bills kept moving. We are stronger together and there is more to come in 2017.



Legislative Analysis



Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Analysis available at http://www.legislature.mi.gov

Senate Bill 706-707 as passed by the Senate Senate Bill 708 (Substitute H-1) Sponsor: Sen. Tom Casperson

House Committee: Transportation and Infrastructure

FOREST PRODUCTS TRANSPORTATION PERMIT

Senate Committee: Transportation

Complete to 11-30-16

SUMMARY AS REPORTED FROM HOUSE COMMITTEE ON 11-30-16:

Section 725 of the Michigan Vehicle Code (MCL 257.725), allows jurisdictional authorities to issue special permits for noncompliant vehicles. **Senate Bill 706** would amend the code to do the following:

- Specify that Section 725 could not be construed to allow the imposition of fees upon, or the enactment of regulations regarding, a vehicle or a combination of vehicles engaged in silvicultural operations if the vehicle or combination did not exceed the Code's size, weight, or load maximums and conformed to the Code.
- Say that this provision would not excuse a vehicle or combination of vehicles engaged in silvicultural operations from the Code's seasonal weight restrictions.

Senate Bill 707

Public Act 200 of 1969 (MCL 247.327) requires permits for driveways providing direct access to a highway. Senate Bill 707 would amend the act to specify that "constructed or reconstructed" (for the purpose of requiring corrections to a driveway that is in violation of rules) would not include maintenance activities performed on a driveway.

Senate Bill 708

Senate Bill 708 would amend Public Act 283 of 1909 (224.19b), the county road law, to provide that a county road commission would not be authorized to require a permit for an activity that was otherwise permissible under state law. A county road commission would not be held liable for the failure of a person performing work for which a permit is not required on a county road right-of-way to post a sign that gives advance warning of the work being performed in the right-of-way.

Each bill would take effect 90 days after it were enacted.

FISCAL IMPACT:

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These bills would have a negligible to no fiscal impact on state or local governments depending on the extent of the activity which these bills target. While restricting local governments from requiring fees for permits may limit some revenue for road maintenance, the narrow scope of the bills and the conditional nature of the activity it targets would likely have only an indeterminate but negligible negative fiscal impact to those governments in jurisdictions in which silvicultural operations are taking place.

House Fiscal Agency Page 1 of 2

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- A representative of Bisballe Forest Products testified in support of the bills. (11-29-16)
- A representative of Great Lakes Timber Professionals Association testified in support of the bills. (11-29-16)
- A representative of Brewer Lumber testified in support of the bills. (11-29-16)
- A representative of Weyerhaeuser testified in support of the bills. (11-29-16)
- Michigan Association of Timberman supports the bills. (11-29-16)
- Michigan Forest Products Council supports the bills. (11-29-16)
- A representative of County Road Association of Michigan testified on the bills, and is neutral on Senate Bills 706 and 708; working with the sponsor on Senate Bill 707. (11-29-16)

Legislative Analyst: E. Best

Fiscal Analyst: Michael Cnossen

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

House Fiscal Agency Page 2 of 2 Senate Bills 706-708 (as reported from House committee)







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BY JIM CAREY, J CAREY LOGGING, INC

The Good and The Bad





With all the complaints heard over the years abthe un-level playing field in the logging ranks, and how some loggers have an economic advantage, I thought I would express my opinion on the subject. This is a problem we all talk about, but nothing has ever been done to address the problem let alone correct it for good. The topic of not enough, or too many, loggers comes up each time the wood pile gets too big or too small. It is obvious that in the Lake States, for the present time anyway, there is more than enough logging capacity to satisfy demand. The wood inventories are currently full, so many loggers are home unable to sell their wood and truckers are calling everyone they know looking for a load to haul.

A few months ago there was talk suggesting we had a severe shortage of loggers and truckers. The conversation also centered on the perception no young people were coming in to the forest, the theme was common at nearly every meeting I attended.

The perceived shortages of wood and suppliers all came to an end when the purse strings were opened a short time ago. It is amazing what a crew of hardworking loggers and truckers can do when they are given the chance to make a reasonable return on their substantial investment in people and equipment.

The up and down times associated with high and low used to happen every few years with economic changes. Now they seem to change in 18-24 months. When the prices go too high who profits? I don't think the mills do by what they tell us or by looking at their financial reports. Do loggers profit by the high prices? I think any logger who can control his cost or at least knows what his cost are do very well in times of high delivered prices. One mill representative told me they raised the prices during the last shortage just to help the loggers get financially stronger. I am not sure but I think it had more to do with the size of the wood pile But I'll let you be the judge of that one.

It seems that some loggers make money regardless of the financial peaks and valleys. I think that's in part because not all loggers share the same operational costs. Some loggers are just inefficient so their costs may be too high. Others may have a significant advantage because they





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BY JIM CAREY, J CAREY LOGGING, INC

The Good and The Bad



may not play by the same rules as others. Either way I will try to explain what I would consider the model of a good logger and the model of a logger that we might consider a little less than sterling, and how that impacts the wood procurement system.

I am going to list just a few ways some loggers cut corners or whatever term you may want to use, to explain the less than stellar activities. One way is for the logging company to call their employees "independent contractors" or "subs". There are other terms and they all allow the company to avoid paying all the labor related expenses that go with employing people. Payroll taxes, social security, work comp, safety meeting costs, training as required by law just to name a few. The same goes for overtime pay. Some logger and trucker employers do not pay overtime for over 40 hours worked in a week. Some pay cash at the straight time rate and an uninformed employee may think he is getting a good deal only to find out later in life they have no, or reduced social security or other benefits. The items previously listed are a list of bare minimum labor costs which should be paid by a good employer. The short cuts listed above are a very popular scenario used in the Lake States to cut or eliminate some costs.

Another way used a lot is weight conversions. Some loggers and even mills convert tons to cords using factors which are not standard published conversion numbers. By doing this the landowner, sub-

contractor, and trucker may not be getting full compensation for all the wood produced, and the logger using this practice has the opportunity to make a substantially higher profit at the expense of everyone else involved.

Short term ways to be more profitable in trucking are to haul grossly overweight loads, cut corners on maintenance, and maybe claim longer zones on short zone wood. As offensive at this may sound it does happen on a regular basis by some less than sterling loggers and truckers.

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Another way to increase profits would be to purchase timberland and to cut it in a way that gives the new owner the most money per acre today. This is



maybe not what we would preach as the best way to manage timber for the future, but if the wood inventories are low it can and often does go un noticed. I would never want to see laws that tell me how to manage my own timberland but we should have some principles to follow regardless how low pulp inventories are.

Now that I made it look like we have a terrible industry, we don't, we just need to make it better and maybe convince the bad actors to raise their bar a bit. The items above are what I would call a list of things that show the model of what a logger should not be.

Now let's look at what a model of a good logger might be. Some of the comments we've heard multiple times are: there are no new people coming to look for logging jobs, we can't find help, we train someone to work and they go somewhere else.

A good logger employer would pay a living wage, provide a good benefit plan that would include some sort of health and life insurance and provide a pension or 401K plan. They would also provide a real work/comp insurance plan which provides coverage and helps create a safer work environment. They



BY JIM CAREY, J CAREY LOGGING, INC

The Good and The Bad





would provide training in all aspects of the job in which an employee might become engaged and provide a work schedule that ensures for enough time to spend with family. A good logger may take some time to teach proper forestry to a young class at the local school. There are enough people telling the other side of the story and it is better to teach the young folks before they get the wrong message. He may even get involved in his logging association to help make things better for all involved. I could list a bunch of loggers that not only work hard at their every day job but they also work in local, state, and national logging issues for the benefit of ALL loggers.

Now that we have made a distinction between the good and the bad, we didn't judge anyone because that is not our job. We just made a list of criteria for the best and the worst.

If you were in the position of picking your logger from one group or another which group would you

chose? I know today the second group would cost you more than the first group, at least in the short term. I also know when you deal with the second group you have a lot less public outcry about what we do, as a stable workforce, with less turnover, provides more consistent and reliable results.

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If loggers were rewarded by living up to these higher standards and not so much by desperation purchases I do believe our future and the future of our industry would be a lot stronger, and brighter, for future generation of loggers young and old. There would be plenty of room for new firms that are willing to play by the rules.

I will end with a couple of quotes from some old seasoned loggers- when I asked Keith Olson in Montana if there was room for new loggers there he said "yes there is, for good ones" Charles Johns from Florida" If you continue to do what you always did, you continue to get what you always got" and last but not least, from Tom Clisch, the logger not the salesman, "at least all loggers are born honest" We have a fantastic industry if we just make some needed improvements it will be even better, let's not be judged by our lowest common denominator. God Bless.









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BY MATT KELLY

MTA Article



When I arrived in Houghton just over a year ago, one of the first things I noticed were the log trucks. They would roll through town with a regularity that made me excited to join the faculty at Michigan Tech's School of Forest Resources and Environmental Science. To me, seeing those trucks meant opportunities to work with loggers and landowners on future research projects.

It also meant that the forest products industry, which is so important in rural areas like the Western U.P., is visible in the community. This visibility is important. Seeing those trucks drive through town can help raise awareness of the many benefits that forests provide. They can also help raise awareness of the role that loggers and truckers play to help sustain healthy, productive forests while contributing to rural economies. This is a good place to be.



Since starting at the school this past January, I've managed to keep pretty busy. I was involved in an SFI Logger Training event where I spoke on emerging technology; my research on hand-felling operations in New York was recently published in the International Journal of Forest Engineering; I recently presented my work on the impacts of BMPs on logging costs and productivity at the Society of American Foresters national conference; and I've been teaching a course on Forest Resource Management to our senior forestry majors.

Looking ahead, there are a number of exciting projects that I'll be working on in the coming months that might be of interest to you. First, I've been collaborating with researchers from Michigan, Wisconsin, and Minnesota on a survey of logging business owners throughout the region. The purpose of this study is to get a better understanding of the challenges and trends affecting the logging sector throughout the region. The survey will be mailed out in late spring (be on the lookout!). I'm also preparing to conduct a time and motion harvest study at Michigan Tech's Ford Forest this winter. The focus of that research is to measure how various silviculture treatments affect logging productivity. Finally, I'm preparing to co-instruct a graduate level course on Advanced Timber Harvesting this spring semester. Lots to do.

I'm always on the lookout for opportunities to work with loggers on research projects that help solve problems or might lead to opportunities to improve operations. So please, don't hesitate to contact me to discuss how we might work together. Until then, stay safe out there.

Matt Kelly Assistant Professor School of Forest Resources and Environmental Science Michigan Technological University Houghton, MI

E: mackelly@mtu.edu P: (906) 487-3403



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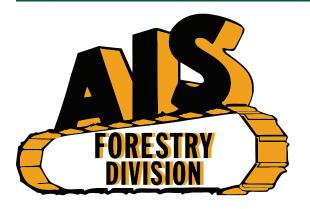




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LEGISLATIVE REPORT

January 2017

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LEGISLATIVE REPORT FOR MICHIGAN ASSOCIATION OF TIMBERMEN

Judy Augenstein January 2017



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Increased speed limits in some areas of the state and limitations on seclusion and restraint practices in schools are one step closer to becoming law after being presented to Governor Rick Snyder this week along with the "driveway bills, SB 706, 707 & 708. The Governor is expected to sign the bills any day now.

The speed limit legislation allows speeds in Michigan to rise to 75 miles per hour for some highways and 65 mph on some highways. The new maximums are limited to only 600 miles of freeway and 900 miles of what would likely be mostly rural highways where the base speed limit now is 55 mph. Speed limits could only be changed if a study conducted by the Department of State Police and paid for by the Department of Transportation determined such a change was feasible. The bills also would allow reduced speeds in hospital zones in some cases.

The bills limiting seclusion and restraint practices in schools were a major initiative for Lt. Governor Brian Calley. The legislation would prohibit seclusion and restraint in non emergency situations, something Lt. Gov. Calley has said he heard about often on his special education listening tour across the state. Lt. Calley is the parent of a special needs child.

Julie Calley, wife of the Lt. Governor was elected to represent the 87th House District. She was the only House candidate who did not have a primary challenge as the district is 85% Republican. She was chair of the Ionia County Commission and Chair of the Michigan Community Service Commission. It is expected she will be named to one of the many committees dealing with children, special needs issues or mental health issues. 2017 House committee assignments will not be available until sometime in January.

The driveway bills, SB's. 706, 707 & 708 prohibit a local government from requiring a special permit for a logger to enter/exit a state or federal forest.

House Bill 4142, legislation to cap fines on truck mis-loads has been presented to the Governor and has been signed into law. This bill was sponsored by Rep Ken Goike, and it amends section 724 of the Michigan Vehicle code (PA 300 of 1949) to change provisions related to civil fines associated with vehicles operating in excess of normal or permitted weight limits due to mis-loads.

This bill would amend the vehicle code to put a cap on the maximum amount of the civil fine for misloads. If a vehicle has one or more axles exceeding legal weight limits but the vehicle combination could be made legal by a proper distribution of the load across axles, this will be determined a "mis-load." This does not however apply if the vehicle or combination of vehicles exceeds its allowable gross weight.

The amendment would constitute the following changes to the civil fines to a vehicle that is under its gross allowable weight but has axles which exceed the allowable weight for that axle:

- 1. Axles that are at least 1000 pounds over but under 4000 pounds will be assessed a \$200 per axle fine not to exceed 3 axles for a maximum fine of \$600.
- 2. Axles that are more than 4000 pounds over but under 8000 pounds will be assessed a \$400 per axle fine not to exceed 3 axles for a maximum fine of \$1200.
- 3. Axles over 8000 pounds will be assessed the normal fines set in place per section 724(3). There is no change to fee structure.







LEGISLATIVE REPORT FOR MICHIGAN ASSOCIATION OF TIMBERMEN Judy Augenstein

January 2017

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A special thanks to Representative Ken Goike for sponsoring this bill. This bill will be especially beneficial to our industry hauling forest products from the woods. Truckers are unable to verify their weights with the variability of species and lengths. Although this will not eliminate the fines for being overweight on axles, it will significantly reduce the fees associated with "mis-loads."

The 2017-18 Legislature will commence session on Wednesday, January 11 at noon. The Senate was not up for re-election so all current 38 members will remain the same. The 43 "newbie" House members will be sworn in and the re-elected 67 members will be sworn into office for two more years.

Moving crews are in the process of moving the 38 senators to their new and controversial offices in the "Capitol View" Building on Townsend Street, directly south of the Capitol Building. Four years ago former Senate Majority Leader Randy Richardville sealed the deal to move into the \$70 million dollar to \$134 dollar building. The Senate is purchasing 7 floors of the building as a lobbying firm is located on the 8th floor and building owner, Boji Group, is located on the 9th floor. Richardville stated that security and asbestos concerns was why he wanted to move out of the 57 year old Farnum Building. Repairs to the building were quoted as being around \$26 million for the Farnum Building also known as the Senate Office Building.

Governor Rick Snyder is considering implementing some sort of small levy on water as one way to raise \$4 billion a year to repair the state's sagging infrastructure. That could include a levy on sewer systems, local water bills and a variety of other uses of water that the administration will "brain storm", as he puts it. The governor's Infrastructure Commission forecasted a multi-year proposal funded at \$4 billion a year to refurbish not only the roads, but the sewer drainage system in the state, the expansion of broadband, the lead pipe water problem and similar issues. The Governor conceded he does not plan to start with raising \$4 billion each year immediately, but rather start small and get bigger.

Judy Augenstein

Legislative Consultant, Michigan Association of Timbermen











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