

**Class VI Hill City Seminar #6 Report
June 14, 17, 2011**

Tuesday, June 14, 2011 – Day 1 in Rapid City

Class VI began seminar number six at the new University Center, near exit 61, Rapid City, Bob Paulson, Western Dakotas Program Director, The Nature Conservancy, started the Black Hills Program for TNC in 1996.

Two of the primary conservation projects underway in western SD are Conata Basin, south of Wall, SD, where TNC-owned cattle are run on 32,000 acres of private and public land; and the Cheyenne River Canyons area south of Hot Springs which includes the 4,600 acre Whitney Preserve and 12,000 acres of adjoining conservation easements.

Grazing on Whitney Preserve is leased to a neighbor. TNC does pay property taxes on lands owned. Mr. Paulson was raised in Moorhead MN and also manages the Otter Tail county MN farm that has been in the Paulson family since 1892.

The second presentation of the afternoon was on the Black Hills Forest livestock permitting process. Travis Bies, SDARL class III, rancher, and current SDARL board member, presented as current grazing permit holder, discussing the various responsibilities that accompany a BH Forest grazing permit, including challenges and rewards of this type of arrangement. Representing the Black Hills National Forest was Mark Vedder, Range Management Specialist. He stressed the importance of communication between the forest service and permit holder, and how together many positive grazing arrangements are developed. This was a unique opportunity for class members to learn about this type of grazing option in western SD.

Mary Ellen Cammack, Reporter

Wednesday, June 15, 2011

Day 2 Forest and Timber Day

We started the day out by loading our bus and headed out to a logging operation just south of Hill City. This logging tract was being operated by Nieman Timber Co. L.C., one of just a few lumber companies operating in the Black Hills. This particular logging site was on federal ground but bordered private property. This site was chosen for logging now in order to control the pine beetle and to try and prevent the infestation of beetles onto neighboring private land. Patrick Brondos of Nieman Timber was the tour guide, along with Gayle Schockey of Spearfish who operates Schockey Enterprises with his son, Aaron. Schockey Ent. is one of 35 loggers that Nieman subcontracts with to do the actual harvesting of the timber. Gayle is very passionate about his job and his responsibility to nature. He stressed doing the right thing to manage the forest and controlling the pine beetle infestations. The pine beetle is destroying the forest by killing the trees. Once these trees die they are less desirable for making lumber and the dead trees increase the risk of forest fires by adding more potential fuel. Management of the forest is very important in order to keep the risk of fire and the pine beetle under control. The forest grows at a rate of 130 million board feet /year, logging is only removing 110 million board feet, and therefore the forest continues to grow by 20 million board feet /year. This growth makes controlling the pine beetle infestation that much more difficult.

These logging sites, like the one we visited, are put out for bids by the forest service. The timeline from bidding to harvest is generally three years. The USFS goes through and marks the trees that are available for harvest using a green paint that contains a traceable fluorescent dye. Trees that are 9" DBH (diameter Breast High) are the only ones harvestable. Logging operations operate year round, with September through March being the peak time for cutting in order to meet demands of the mills. Summer time cutting is quota-based with the spring slower due to ground and road conditions and restrictions.

Very similar to farming, the logging companies use very expensive equipment. The delimeter we saw costs between \$300,000 and \$400,000. The maintenance and up keep can be very challenging because of the rugged terrain and obstacles the machinery has to run on and over.

The next stop was back in Hill City at Rushmore Forest Products, a lumber mill owned by Nieman Timber Co. This is one of three mills in the Black Hills region, with the other two being in Spearfish and Hulett, Wyoming also owned by Nieman Timber. Rushmore Forest Products produces one inch material (ie: 1x4, 1x6, 1x8, 1x10) six to 16 feet in length. They produce 50,000 board feet of 1x4's /day, 750,000# chips/day, 500,000# dust/day and 300 cu. ft bark/day. The shavings are used in Rapid City to make OSB plywood; chips go to New Castle where they are then put on rail to Washington to be used in a paper mill for making bags. Pine makes a stronger and higher quality bag. (Grocery and cement). This mill employs 125 people requiring 35-40 trucks per day of logs. Each truck contains approximately 3,200 board feet. A board foot is equal to 144 cubic inches of wood.

After leaving the lumber mill we headed to a beautiful bed and breakfast called Black Forest Inn for lunch. Lunch on the patio was served by Cindy, who owns and operates the B&B with her husband, Isaac. This lodge was moved to its current location in 1953 before Lake Pactola and the dam were built. This facility is open year round and provides a warm homelike atmosphere to those staying there. After enjoying burgers and the scenery, we stopped at the Lake Pactola Visitors' Center to learn a little history of the dam and this wonderful recreational area. The dam was constructed in 1952; it provides a water source for Rapid City. When the dam was built it flooded the town of Pactola, which is now at the bottom of the lake.

An evening of good food and conversation was had by all at the Gaslight Restaurant in Rockerville. Many alumni and guests joined us for this fun-filled evening. This was a great end to a very educational day in the Black Hills.

Shane Odegaard, Reporter

Thursday, June 16, 2011

The day got started with a short, but scenic bus ride from Hill City to Keystone where the group was hosted by K Bar S for the morning meetings.

Book reports were the first order of business, followed by a farm bill discussion led by Danci Baker, Rebecca Rink, Chase Adams, and Ryan Wagner. Teams had been assigned farm bill programs to research and report back on. A lively debate and discussion ensued on which programs should be kept and which ones should be discontinued. The goal of the debate centered around coming up with a white paper framing the next farm bill. An interesting topic that drew much interest was doing away with the farm bill entirely. Sixty-seven percent of the farm bill goes towards nutrition programs.

John Kanta, South Dakota Game, Fish & Parks wildlife manager for the western one third of SD, gave a presentation on management of western South Dakota wildlife. Elk, deer, cougar, and sage grouse are but a few of the wide range of species under his management. He also covers wildlife depredation and mitigating the damage they cause producers. He presented data on the mountain lion population and the impact they are having on other species in the Paha Sapa region. Ninety percent of a cougar's prey are deer and only 3% elk. Approximately 20% of their food comes from scavenge finds. In 2011 49 cougars were harvested during the hunting season, which included two taken from within Custer State Park. The population objective for the Black Hills is 150-200 lions. Mr. Kanta discussed the fact that the numbers of elk are declining. He said it is in not in any way due to the lion population, based on their research, but is in fact related to the number of hunting licenses issued. He showed a direct correlation between the increase in elk licenses issued and the decline in the elk population in the Black Hills. Expect approximately 450 licenses to be issued for the 2011 hunting season, which will be down considerably from previous years.

The group then hopped aboard the bus and headed towards Lead, with a quick stop to view the now barren Homestake Mine pit. Next stop was Wharf Resources, an open-cut gold mine near Lead. Kenan Sarratt and Jacob Thaler briefed the group on the operations of the mine. Although gold is its target, twice as much silver is actually obtained during the process. The mine employs approximately 150 people. The mine discovers about 65,000 ounces of gold per year. Members were shocked when they found out that the mine removes only about .02 ounces of gold for every ton of ore that is mined, or two ounces per 100 ton! The group then drove around the rim and viewed mining in progress.

Todd Mortenson, Reporter

Friday, June 17, 2011

Basel Ranch - An early start to the concluding day of the SDARL Class VI Black Hills seminar provided an opportunity to travel north of the hills to see some beautiful rangeland. Tammy and Dalliss Basel hosted the group with a first class breakfast that made the early morning start well worth it.

The ranch, toured by Class VI, was first settled by Tammy's ancestors in 1919 as a part of the Deseret Act. In the beginning the ranch featured horses, which were sold to the military, and like today – Rambouillet sheep. Cattle were added to the ranch shortly after World War II. It was after his service in World War II that Tammy's father acquired the property the class visited. Today the Basel family is working to help Tammy's son, Ryan, acquire equity to continue pursuing this long family tradition.

Their production system requires tremendous flexibility to the changes that Mother Nature provides. Year to year differences in range production require varied stocking rates to best utilize their resources without causing damage. A good example of flexibility came during a dry period in the early 2000s when wells were dug to provide water for their livestock. That well now provides water for a couple neighbors as well.

While the group was welcomed by a set of Red Angus heifers, it was the flock of Rambouillet ewes that was highlight of the tour. The Basels purchase certified rams from the test station in North Dakota. They emphasize the selection of large ribeyes, fleece quality, and feed efficiency. Twinning is not considered a hindrance, but it is not selected for. They have both retained ownership and sold weaned lambs in the past, depending on market conditions.

Also joining Class VI was Larry Prager, General Manager of Center of the Nation Wool, Inc. Larry provided the class insight on wool harvesting and marketing. His company handles about five million

pounds of greased fleece annually – of which up to 70% is exported. It has been a great time in the sheep business, as they have not only seen new highs in sheep prices, but wool has been able to recapture its value. Some of the highest quality wool can be worth as much as \$4 per pound. A typical 450 pound bale will be worth \$1,200.

Union Center, SD

The morning continued by discussing entrepreneurship and vitality in rural communities. It started with SDARL Class I alumni, Gary Cammack, who along with his wife, Amy, own and operate Cammack Ranch Supply. This small business makes an impact, providing products for producers from as far away as 250 miles and in multiple states. They produce three catalogs per year and are always trying to innovate, now providing online marketing. While we recognize his contribution as a small business owner in rural South Dakota, it is his community spirit and entrepreneurship that really shine through.

Class VI then loaded two stock trailers for a tour of this vibrant small town. Two shining examples were Gary's sons, Reid and Chris. Reid runs a successful woodworking/cabinet manufacturing business, which has upgraded to increase automation, increasing productivity while providing job security for community members. While we may recognize what a typical taxidermist does, Chris has distinguished himself by providing unique services including the design and engineering of large and complex trophy rooms.

Small communities will not move forward without great leadership. This was demonstrated by Gary and Union Center Senator Larry Rhoden, and the effort they put into making the Central Meade County Community Center a reality. They recognized that this success story could be attributed to having a committed core group with a clear vision and communicating that. This facility was built with grant funds that were leveraged by a \$60,000 cash investment collected through donations and volunteer labor that went into construction.

While there we visited with Jeff Dragseth, General Manager of the newly renamed CBH Cooperative. He talked about their growth, with their business being primarily built around energy commodities. It is a growing company that will achieve about \$40 million dollar in sales this year.

The trailers next stopped at the Union Center Community Baptist Church. Again a community spirit influenced by tremendous leadership and a lot of donated hours helped build this beautiful facility. Pastor Wes Labrier is not only the spiritual leader for these folks, but also pretty handy at c-sections on cattle when needed. Around the area there have been 20 babies born in the past 18 months within 20 miles. Talk about having your prayers answered.

The day wrapped up with a fantastic meal, with Class III alum, Sam Johnston and wife, Cary, on the grill. Lunch and fellowship were enjoyed in the sunshine as Class VI wrapped up their Black Hills seminar. Farewells were said as the class departed back to home – tired yet excited about the growing network and experience they continued to build upon.

Respectfully submitted,

Tyler Melroe, Reporter