Upper Monument Creek West Range Reclamation Recommendations for Product Utilization June 21, 2013

Background Information

The Upper Monument Creek (UMC) watershed project will be implemented by West Range Reclamation, LLC, contractor on the Front Range long Term Stewardship Contract (FRLTSC). One of the primary drivers for developing the 10-year stewardship contract was awareness that there was a need for the utilization of small-diameter trees. It was agreed that a 10-year contract would ensure a steady stream of material and; therefore, more allow for greater utilization of 'unmerchantable' material. Although there is no guarantee for minimum quantities of biomass or timber within the contract, there is a recognition by all parties that a consistent volume of material every year is important to its success. The UMC project will benefit from the markets that West Range has developed as a result of this 10-year stewardship contract.

The estimated costs for implementing management treatments were based on available estimates at the time of the FRLTSC award in 2009. At this time, West Range estimated an annual average volume and type of material (species, diameter) and offset treatment costs accordingly in their bid. In many cases, the stewardship \$ paid per acre for service work does not offset all of the treatment costs. West Range sells the timber and biomass products removed in order to realize a profit. The volume per year that has been awarded to date through the FRLTSC is listed below. (These totals do not include biomass (slash) removed. It is subject to agreement and paid for as removed.)

Program Year	Total Volume
	(green tons)
PY1	36,321
PY2	46,163
PY3	34,924
PY4	32,757

The PSI NF has estimated that volumes will range between 23,500 – 27,000 total green tons annually in future years.

Local Lumber Mills and Businesses Currently Supported by the Front Range Long Term Stewardship Contract

McComb Lumber LLC, Canyon City, CO http://mccomblumber.wordpress.com



McComb has been family owned and operated since 1978 and specializes in rough cut wood products. McComb utilizes all of its by-products. With more than 30 years of experience in all phases sawmill growth and operation, owners Tom and Judy McComb readily pass along their legacy of good work ethics and the honesty this business was founded on to their kids and grandkids that help with the mill.



Products produced: rough cut lumber, firewood,

animal bedding, landscaping wood chips

Species: ponderosa pine, lodgepole pine and Douglass fir

Employees: 7

Casey's Lumber Mill, Woodland Park, CO

http://www.caseyslumber.com/



Casey's Lumber mill was established in 1986. They specialize in rough cut lumber and logs for homes and fencing. They also make custom handcrafted rustic log furniture.

Products produced: rough cut lumber, furniture

Species: ponderosa pine, lodge pole pine, spruce, aspen and

Douglass fir **Employees:** 12



Sawmill of the Rockies, Eaton, CO

Sawmill of the Rockies was established in 2012 as a partnership between Universal Forest Products and West Range Reclamation. The mill utilizes all of its by-product.

 Products produced: pallets, firewood, wood chips, biochar



• Species: ponderosa pine, lodge pole pine and Douglass fir

• **Employees:** 10-12?

Scotts Hyponex

West Range creates wood chip, mulch, bark fines and composted bark fines for Scotts. This work is done using a debarker, horizontal grinder, and tub grinder. Some of this work is done in the forest, with slash being chipped at the landing. Other times, processed 'Product other than Logs' (POL) trees are transported to our sort yard in Woodland Park, CO for processing and then delivered to Scotts in chip vans.

- Products produced by West Range: landscaping chips, bark fines, mulch, composted bark fines
- Species: ponderosa pine, lodge pole pine and Douglass fir (slash including tops, limbs,
- Employees at Scotts: 20?



Other Vendors

For the first four years of the contract, Pueblo Wood Products received the majority of the small diameter timber from the FRLTSC. Unfortunately because of our inability to supply a steady volume of material and a price increase on our part, we have lost our contract with Pueblo Wood. Both parties are interested in renegotiating a contract in the future. They are currently receiving 100% of their timber from private lands.

Pueblo Wood Products, Pueblo, CO

http://www.pueblowood.com/



Pueblo Wood Products was established in 1988 as a family owned and operated pallet and crate manufacturer. The specialize in small diameter trees. Their mission is to provide quality wood products and services to our customers at an affordable price while utilizing 100% of the timber received.

- Products produced: pallets, firewood, wood chips, biochar
- Species: ponderosa pine and Douglass fir
- **Employees:** 25-30



Suggested Recommendations from West Range

- Restoration activities should be designed in a manner that results in marketable products.
- Some restoration treatments may be more marketable than others, depending on many factors, such as the site index and species composition, the accessibility of the site, and the size of the treatment area. The Forest Service should work to have a balance of marketable and non-marketable projects each year.
- Because it is important to maintain a consistent volume of material for successful product utilization, the Forest Service should work to have a balance of mechanical treatments (with product utilization) and mastication and manual treatments (no product utilization) each year.
- The Forest Service should work to have a balance of species each program year. As an example, do not do all lodgepole pine treatments in one year, but space them out over multiple years.
 Our bark fines product is made from species with a thick bark like ponderosa pine.
- The Forest Service should work to provide a mix of sawtimber and non-sawtimber material annually. Many of our markets rely on a steady input of small diameter timber.
- When feasible, package less marketable treatments with those that have a higher value. This is particularly true when a site is 'marginal' in value and the addition of more valuable products in adjacent restoration areas. This will help offset costs for the operator and allow for a more steady stream of volume to fulfill contracts.
- When feasible, the Forest Service should set minimal operating restrictions on high priority fuels mitigation and restoration projects –barring of course common sense resource damage restrictions. Examples include: weekend and hours of operation restrictions. These restrictions add significant cost to the project and slow progress down.
- When treatments are finally designed and laid out, include opportunities for utilization of biomass in the forest. This requires larger landing sizes to allow the use of chipping/grinding equipment and use of chip vans. Some widening of corners to allow use of chip vans may also be required. Because of the opportunity to utilize biomass within this project, maximize opportunities for mechanical thinning as opposed to manual thinning. Also, when considering methods for reducing surface fuels, consider the biomass utilization option.

Given the economic challenges for accomplishing restoration work, creative approaches must be utilized to complete the necessary work and simultaneously contribute to the economic growth of local, rural communities.

If it becomes financially feasible, we encourage the Forest Service to use biomass and biofuels markets to utilize otherwise merchantable wood products, in order to help accomplish ecologically beneficial restoration.

1. It can facilitate the creation of a 'Restoration Economy' - allowing for the utilization of more byproduct material.

- Utilization of large quantities of dead trees, small roundwood and limb, tops and brush would not be possible without a 10 year commitment of supply.
- By utilizing woody biomass material, we can generate additional funds to further offset treatment costs, resulting in more work accomplished and support strong industry in the region.
 We also reduce waste and air pollution by limiting pile burning.

2. Establishes Cooperative Relationships and Open Communication Between Industry, Land Managers and Key Partners

- In contrast to working project-by-project, stewardship contracting allows for strong collaboration
- By maintaining strong communication and collaboration among partners and local communities, we can be more effective and efficient in managing our forests and natural resources.

3. Enables the Forest Service and Partners to accomplish more vital fuels reduction and forest health work in a more cost effective manner.

- More acres can be treated annually
- Treatment costs can be reduced for land management agencies by tying goods and services.
- Allows contracts to develop efficient practices for time and cost savings.

4. Allows for Long-Term Employment Opportunities

- We have attracted and hired highly skilled operators because of the ability to offer them year-round, long-term work.
- Most of our equipment operators are able to live in the surrounding communities near long term projects.