

UPPER DOLORES WATERSHED / MCPHEE RESERVOIR PROTECTION INTEREST MEETING
Tuesday September 22, 2015, 10am to 1pm
Dolores Water Conservancy District, 60 S. Cactus St., Cortez

Summary: Twenty-three stakeholders representing, local government, industry, CSFS, USFS, and non-government organizations came together for focused discussion the Dolores River Watershed upslope from McPhee Reservoir.

Recognizing that the health of the watershed impacted all stakeholders, the group listened to four timber company representatives as a critical industry component to accomplishing watershed restoration work. Dwayne Findley with Aspen Wall Wood and Findley logging and Eddie Comisky with Western Excelsior spoke to the Aspen industry. Harold and Bill Ragland gave a synopsis of their Ponderosa Pine mill. Norm Birtcher described Montrose Forest Products, which is currently the largest mill in Colorado. Limited outlets for low quality wood and milling byproducts, long NEPA process, road fees, winter harvest restrictions, and lower quality stands due to disease and forest health issues are all affecting the current state of business for the timber industry. Some of these issues are being addressed and have improved through industry relationships with the Forest Service. Western Excelsior is looking to biochar as a solution for excelsior waste wood while Montrose Forest Products is considering a pellet mill.

The Forest Service presented maps depicting their proactive approach to managing the forests on the Dolores Ranger District. There is a significant patchwork of units managed through timber harvest, mastication, prescribed burning, hand-thinning with pile burning, wildfires, and planned units ready for implementation. The Forest Service has approximately 8,000 acres in the ponderosa ready for treatment.

The group will continue working together to establish a set of goals, desired outcomes, and treatment selection criteria that align with our shared interests.

The meeting began at 10:06 with a full room.

Norm Birtcher, Manager of Montrose Forest Products

Travis Bruch, SJNF Forester

Jimbo Buickerood, San Juan Citizens Alliance

Eddie Comisky, Manager of Western Excelsior

Ken Curtis, Dolores Water Conservancy District

James Dietrich, Montezuma public lands program

Keenan Ertel, Montezuma County Commissioner

Dwayne Findley, Aspen Wall Wood/ Logging

Kent Grant, District Forester, CSFS

Lana Hancock, Town of Dolores

Paul Hollar, Montezuma Emergency Manager

Aaron Kimple, Mountain Studies Institute

James R. Lambert, Montezuma Commissioner

Rich Landreth, City of Cortez Water Plant

Randy McGuire, Town of Dolores

Derek Padilla, Dolores District Ranger, SJNF

Mike Preston, Dolores Water Conservancy

Bill Ragland, Stonertop Lumber

Harold Ragland, Stonertop Lumber

Matt Rathbone, Dolores District Forester

Larry Don Suckla, Montezuma Commissioner

Thurman Wilson, Mountain Studies Institute

Rebecca Samulski, FireWise of Southwest Colorado (facilitator)

Rebecca Samulski provided a quick review of the agenda and purpose of the meeting, to bring stakeholders for water and forest management together to

understand the current timber industry and fuels programs in the Dolores watershed and to determine our short term goals for working together. The opening concluded with a round robin of introductions including an interesting place that each of us has spent time.

Rebecca provided some background on the July 30th, 2015 stakeholders meeting. There was an overview of the Ponderosa Pine Forest Partnership and discussion of what has happened since that time. Ponderosa Pine Forest Partnership case studies and stories were available for attendees to take and read for additional background. The July attendees drafted lists of what resources they bring to the table and what challenges and concerns they see. Rebecca stepped through the resources that were identified in the first meeting, and asked the group to identify additional resources from new attendees. The group immediately jumped into questions for the existing industry, so the group agreed to move forward in the agenda to a more in-depth review by the attending timber representatives.

- Aspen Wall Wood and Findley Logging – Dwayne Findley
 - o Use high quality green aspen
 - o Only works because of partnership with Western Excelsior which can take lower quality aspen. Together, these businesses process 14-15,000 ccf per year of Aspen logs.
 - o SAD has resulted in the USFS putting lower quality stands up for sale
 - o In SAD stands, it will be 20 years before the regeneration can be used for anything.
 - o Process 10 mill. Board feet of wall wood per year
 - o Can get approx. 20,000 board feet per acre in good aspen whereas Ponderosa Pine typically yields only 4-5,000 board feet per acre.
 - o NEPA takes time
 - o Lack of timber supply and reduced log diameter caused loss of timber industry. The plywood plant closed due to a lack of stable timber supply.
 - o 2004 Aspens symposium brought people with varied interests to the same table to improve the aspen program, and there haven't been any appeals to Aspen sales since.
 - o Concerned about shift from aspen to spruce
 - o Maxed out with logging capacity, currently trucking about 6 loads per day from Groundhog area.
 - o Loss of Louisiana Pacific (2002) which took poorest quality logs to create OSB hurt all local timber harvesters and producers.
- Western Excelsior – Eddie Comisky
 - o Challenges
 - find uses for bi-product
 - Received USFS grant for biochar production at plant
 - Current USFS sales have winter logging restrictions with no logging after Dec. 15 – this is going to put W.E. in a bind this

winter, especially with the wet spring shortening the season on that end, too.

- Matt (SJNF Forester) agreed with value of winter logging. These restrictions were put together as part of the previous Aspen EA of several thousand acres. A current larger EA will allow a winter logging season into February.
 - Less impact on ground
 - Better response from trees
 - Primarily built around concerns with conflicts with recreation

Dwayne Findley urged the Commissioners to accept the current Forest Service Road agreement. The group had a conversation about the surface rock replacement fees.

- Derek approximated that the surface rock replacement fees may generate \$20-40,000 per year that is put directly back into roads. It primarily goes into the roads directly impacted by the use, but the three districts of the San Juan also pool their resources to accomplish larger road maintenance projects in each district as needed.
 - County holding of easement on certain roads would remove the SRR fees for logging using those roads.
 - Dolores County has already signed
 - USFS cannot take removal of easements off the table but county rights to pursue RS 2477 in the future are maintained
- Surface Rock Replacement costs from Groundhog have amounted to approx. \$40 per load.
- Stonertop Lumber – Harold and Bill Ragland
 - OSB plant closing, Surface rock replacement fees, and winter harvest restrictions are also hurting the Ponderosa industry
 - Processes ponderosa pine into house logs, post, poles, and rough cut lumber – ungraded, unstamped, has a peeler and sells some mulch
 - Waste is a challenge – wants to know more about the biochar
 - Grading
 - raises the price of product considerably
 - No local grader
 - can have very high quality wood without a stamp.
 - Larger diameter trees need to be included in sales in the pine.
 - Will cutting larger trees reduce crown fire? Let's look at cutting differently.
 - Which resource has the most value? Recreation or timber? Forests need trees removed. It's a garden, not a museum
 - Road costs should be spread out to all users or do away with road fees
 - Market curtails amount of removal
 - Currently doesn't support more removal
 - Almost need stewardship contract to address ponderosa forest stands

- Ponderosa Pine is well suited for treated posts. Some of Stonertop Lumber is going to Windsor. That is the nearest treatment plant.
 - Bill said aspen is Colorado's best renewable resource and needs the timber industry to keep it healthy.
- Montrose Forest products
 - Norm believe that protecting water is critical.
 - Processing Blue Spruce, sub-alpine fir, white fir, and Douglas fir into 2X4 and 2X6 stud lumber and some 1x
 - 32 million board feet a year
 - All lumber is kiln dried and grade stamped
 - Utilize different species than local industry. FS is committed to adding spruce fir timber projects without compromising existing Aspen Industry. There is also approx. 8,000 acres of Ponderosa with completed NEPA on the Dolores District.
 - 80% of lumber processed is beetle killed
 - 8" dbh and up – recent dead
 - Main factor in determining how long logs are usable for timber after beetle kill is how long bark stays on the tree
 - Up to 8 years depending on bark. Once bark falls off, they quickly start checking and cracking.
 - Harvest 24 loads of logs per day
 - Working circle includes all forests in Colorado except Arapahoe N.F.
 - Family that invested in Montrose mill also holds 2 operations in South Dakota
 - Currently not processing ponderosa pine – may in the future
 - West Fork Fire
 - Showed degradation of spruce fir forest and result of fire
 - Beetle is having expansive impact
 - 64 million board feet of lumber
 - Could employ more if have additional supply
 - Forest Service needs more up for sale
 - Would like to be part of working on Dolores Watershed
 - White fir sale on the San Juan
 - Sale coming on Wolf Creek in the spring
 - What do we do to get ahead of the spruce beetle
 - Regenerate stands now and get small tree growth – Norm
 - Age/ size class diversity
 - Maintain a seed source
 - Industry can be part of the solution
 - Can be done in environmentally sensitive manner
 - Looking at building a pellet mill in Montrose for lumber byproducts
 - Need assurance of supply
 - Some chips are currently going to Gypsum, drilling industry, poultry farms, landscaping, and anyone else who will take it.

We took a lunch break with sandwiches provided by Once Upon a Sandwich. The group was asked to review the lists of what we have to offer and the needs and challenges drafted on July 30th, and add any missing information during lunch.

San Juan Citizens Alliance committed to sending a synopsis of what they bring. The timber industry shared their resources and challenges thoroughly through that discussion. Other attendees representing the Town of Dolores, Montezuma County Emergency Management, and the Cortez water treatment plant had to leave at lunch.

Some of the challenges identified included:

- Aspen and Spruce regeneration cycles
- Winter restrictions on logging
- Road fees
- Limited local opportunities to utilize low value wood and processing byproducts
- Species being mixed in sales. Sales should be put up for each species independently.
- There was additional discussion on the information gap for which areas should get the highest priorities for treatment and timber sales.

Following lunch, Derek Padilla and Matt Rathbone shared maps. One map showed vegetation types across the district. The other highlighted all forestry, fuel, and fire activity, including planned units, on the Dolores District over the past twenty years. This map showed the large area where work has been clustered and gave an indication of the variables considered in selecting areas and prescribing treatments or sales. There were clusters of work on Haycamp, Chicken Creek, Groundhog, Granath, and along the lower Dolores. The map clearly depicted the nearly 8,000 acres of planned work ready for action in the Ponderosa forest. The Narraguinnep was the only significant fire on the Dolores District in the past 10 years.

Derek expressed an interest in continuing the dialogue with all of the partners at the table to help guide and support the continued work on the forest. Discussions like these influence the conversations and directions of forest work, and will inform the high values risk assessment that the Dolores District is embarking on this Fall.

Matt Rathbone has taken a job in Idaho and Mark Krabath has retired. This leaves Travis Bruch out of the Durango office temporarily short-handed while he takes over all forestry on the Dolores District in addition to his forest level position. *Since the meeting, the Dolores office has found out that they will be bringing on a detailer to assist with coverage of the West Zone Timber program. They should be on board October 19th.

The group moved on to identifying next steps that we can take together. Mike Preston indicated key areas that he thinks the group needs to engage in at our next

meeting. Becca will share a doodle poll to set another meeting for mid-November.

Topics for the next meeting may include:

- Defining goals and outcomes desired by the group (Some of our concerns focus around water, public safety, and the Wildland-Urban Interface)
- Thinking through site selection criteria for on the ground projects (may involve brainstorming around maps)
- How to advocate for managed fire as a critical element of forest restoration, through our extensive networks

The group was also invited to send representatives to a tour and discussion with state and federal forestry representatives on October 15th in Bayfield and Durango. James Lambert may be able to attend representing Montezuma County. Others likely to attend include Mike Preston, Derek Padilla, Travis Bruch, Aaron Kimple, Jimbo Buikerood, Kent Grant, Pam and Thurman Wilson, and Rebecca Samulski.

FireWise of Southwest Colorado currently has funding to support one more meeting before the end of 2015. Rebecca will work to get Dolores County, Rico, Empire Electric Association, Region 9 Economic Development Association, and Colorado Parks and Wildlife engaged in our conversation.

Notes by Rebecca Samulski 9/30/15