## Written Testimony of David Dodd Enviro Land Management, LLC

"Logs in the Road: Eliminating Federal Red Tape and Excessive Litigation to Create Healthy Forests, Jobs and Abundant Water and Power Supplies."

Montrose, Colorado May 14, 2014

Thank you Chairman Bishop, Chairman McClintock, and Representative Tipton for your interest in national forest management and the opportunity for me to testify this morning.

My name is David Dodd. We have owned and operated DDI Equipment in Grand Junction since 1979. We specialize in sales and service of forest vegetation management equipment, and we have worked with dozen of sawmills, loggers, and forestry contractors throughout Colorado, New Mexico, Arizona, and South Dakota. We also own a company called Enviro Land Management LLC (ELM) located in Whitewater, Colorado, just south of Grand Junction. ELM was started in 2001 to offer services in forestry and fuels mitigation. We are considered the pioneers of the industry and have a modest fleet of equipment, including feller bunchers, skidders, forwarders, wood grinders, log trucks, and chip trucks. We normally employ 15 people with up to 25 during our peak season.

We have 4 current projects with the US Forest Service - a 3,000 acre fuels mitigation project that we are just completing near Prescott, AZ, and three roadside hazard tree removal projects in Summit County, and near Steamboat Springs and Vail, CO. We have a very good rapport with the U.S. Forest Service and the Colorado State Forest Service, and we enjoy working with both.

These types of projects are very expensive to the landowner, in some cases private landowners but most often the U.S. Forest Service. As long as there are adequate markets, forestry projects that include trees meeting sawlog standards makes a tremendous difference in the project economics, either reducing the cost to the landowner or allowing more acres to be treated.

In our opinion, the industry's largest challenge is markets for forest products. The Montrose sawmill (Intermountain Resources) is the best option for sawlogs. Our company delivers 200 to 300 loads per year to Intermountain Resources, which is a small percentage compared to the mill's total needs, but critical to our business and the economics of the projects we work on. The sawmill is a critical part of the ELM business plan as we work on projects from government agencies and private individuals.

These projects also require us to remove products other than logs (POL). With better markets, POL could be a great resource, but now it is a great liability. Depending on the contract, we have to remove down to a 3" top, and lop and scatter or pile for burning the unmerchantable slash, limbs, tops, and cull material. A biomass co-generation power plant is in the planning stages near Gypsum, CO, and that could be a tremendous outlet for the slash and unmerchantable

small material. One of their biggest issues is the need for an assured supply of raw materials at the right price.

Our goal now is to do everything we can do to help Intermountain Resources survive, for the health of our business and for other logging and forestry contractors who depend on that mill. We continue to provide equipment, parts and service to a number of other contractors, and those jobs are critical both for the work they accomplish in the woods and for the jobs and economic benefits to local communities in western Colorado.

In Arizona, we believe the best option for small diameter trees is an oriented strand board (OSB) plant. That is under consideration in Arizona as we speak. The biggest challenge has been, and will be, a sustainable supply of raw materials, and whether the Forest Service can offer a predictable, sustainable supply, especially with the constant threat of appeals and litigation.

I understand the challenges with the federal budget, but in the long-run, it makes a lot more sense to do proactive work in our forests to reduce the potential for catastrophic fires and beetle epidemics, while simultaneously providing jobs and economic benefits in our local communities.

In closing, I want to thank you for the privilege of testifying here today. Managing the national forests is complex and I appreciate you taking the time to hold this hearing to learn more about the issues and potential solutions. Our company is committed to sustainable forest management, jobs, families and communities. I would be delighted to work with you and your staffs in finding solutions to the issues discussed here today.