



EVERGREEN

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**Will This Environmental Disaster
In Montana's Bitterroot National Forest
Be the U.S Senate's Forest Legacy?**

USFS photo



Jim Petersen



Jim Petersen



Mike McMurray



Or Will This Recent Thinning In South Dakota's Black Hills National Forest Be The Senate's Legacy?

Cover Photo: massive landslide along Sleeping Child Creek, following the disastrous Bitterroot Fire of 2000. The 356,000-acre conflagration destroyed 240 homes and other structures and more than one billion feet of timber. There is no estimate of the number of fish—including threatened bull trout—killed by landslides and silt.

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state's timber industry will collapse like a house of cards. If we lose these mills we lose our last hope for saving our state's national forests from the ravages of lethal wildfire."

Ellen Engstedt, Executive Director, Montana Wood Products Association.

The Future Starts Today

An essay by Jim Petersen

In the future, the West's federal forests will be cared for by two groups of service providers: garbage collectors and surgeons.

The garbage collectors will dispose of woody debris that accumulates over time in the public's ever changing forests. Seemingly worthless debris will be transformed into electric energy and cellulose-based chemicals that replace fossil fuels.

The surgeons will keep the West's forests healthy and verdant, thinning forests that contain too many trees, removing diseased trees, conserving native tree species, creating or maintaining wildlife habitat, controlling forest density in ways that replicate historic natural disturbance patterns associated with wildfire, strong winds and insect and disease infestations. The trees they remove—by-products of forest health care—will be transformed into an impressive array of structurally superior easy to assemble engineered wood products.

The result, fire ecologists tell us, will be a safer, healthier, more biologically diverse, more natural forest.

Getting to this future will not be easy.

But sometime before the Labor Day recess, the U.S. Senate—100 men and women representing constituencies with profoundly different views of what the nation's federal forests should be—will decide which fate awaits the West: the hopelessness of catastrophic wildfire or the hopefulness of a forest restoration vision President Bush outlined in a press conference last August in Medford, Oregon.

Some Americans believe forests should be left to nature. For them, active management of national forests—even to protect them from lethal wildfire—is absolute anathema.

For others, leaving forests to nature amounts to unconscionable neglect. Trees should never be wasted, especially the dead and dying ones that are fueling the West's wildfire crisis.



Jim Petersen

Jim Hurst, co-owner, Owens & Hurst Lumber Co. curtailed milling operations July 3 after U.S. District Court Judge Donald Malloy shut down two active timber sales the company had purchased from the Kootenai National Forest, leaving the Eureka, Montana mill with a two-day log supply. The shutdown leaves 40 of the company's 75 employees, and another 50 loggers and truckers without work. The mill last ran at capacity—220 employees—since January of 2000. More timber dies annually on the Kootenai—just one of nine national forests in Montana—than is consumed by the states' seven surviving family-owned mills.

In between lies a gnawing and widely held public suspicion that the horrible wildfires we've witnessed in recent years are no damned good, that protecting air and water quality, fish and wildlife habitat, communities and private property is a social and environmental responsibility Congress can no longer duck.

Even among urban Gore voters, hardly friends of the President, restoration forestry trumps wildfire. And the focus

group work that proves this point is now being shown to key Senators—Republicans and Democrats alike—on whose votes the future of the West is riding.

Among fire ecologists most familiar with the West's federal forests there is no doubt about the fact that the protagonists in this debate are down to their last two choices: increasingly frequent, increasingly destructive wildfires or implementation of a long-term thinning and forest restoration program.

Like the lightning rod it has become, the truth about the underlying cause of these awful fires jumps from the pages of dozens of government-funded scientific reports. And the barebones truth is that there are too many trees for the natural carrying capacity of the land, too many trees competing for sunlight, soil nutrients, moisture and growing space. The debilitating insect and disease infestation we are witnessing—and the inevitable wildfires that follow—have created an ecological crisis in western forests unlike anything for which scientists can find precedent in nature.

Time was when a few well-placed wildfires might have solved this problem, or at least cut it down to size. But that was years ago, before the unintended consequences of passive management—or no management—could be seen in federal forests that have grown so dense they block out the mid-day sun. Now, paradoxically, the harder we work to control wildfires in national forests the worse the fires get. Millions of acres of once fertile forestland—political ground on which many a member of Congress artfully danced for his or her campaign contributions—lie in ash and ruin, proving that no matter which state or special interest group you represent, there is no such thing as a

“free environmental vote.”

The music stopped in the House of Representatives May 20. After 25 years of partisan posturing House members approved the landmark Healthy Forests Restoration Act on a bi-partisan 256-170 vote—opening the door to a more hopeful future for the beleaguered West.

But keeping the future alive long enough for the Senate to vote and—assuming a favorable vote—for conferees to work out differences in the House and Senate bills will be challenging. Which brings us back to the garbage collectors and surgeons waiting in the wings to do the public’s bidding. This isn’t the sort of work that the West’s major industrial timberland owners have even the remotest interest in doing. They believe they have more than enough land and fiber to run their now global enterprises.

No, this work—if it gets done—will be done by smaller outfits, most of them family-owned, and most of them teetering on the brink of ruin, a result the slow motion collapse of the federal timber sale program and their inability to find new sources of wood in a part of the country where most of the timberland base is publicly owned and the subject of litigation, appeals and what former Forest Service Chief, Jack Ward Thomas, called “a crazy-quilt of environmental laws” that have made it impossible for the Forest Service and the Bureau of Land Management to actively manage at-risk forests.

A good number of these companies are located in Montana and South Dakota, pivotal states in the looming Senate vote. Were Democrats Max Baucus, Montana, and Tom Daschle, South Dakota, to vote for the measure they would no doubt bring many as yet undecided Democrats with them—a possibility that has both state’s loggers, sawmill owners, foresters, county commissions, school boards and multiple use coalitions working furiously behind the scenes.

Montana’s survivors—the owners or managers of the state’s last eight independent, family-owned milling operations—met with the entire Montana delegation May 28 in Billings. The companies: Eagle Stud Mill, F.H. Stoltze Land and Lumber,

Mark’s Lumber, Owen & Hurst, Pyramid Mountain Lumber, Rocky Mountain Log Homes, Thompson River Lumber and Tricon Lumber wanted the delegation—Senators Max Baucus and Conrad Burns and the state’s lone Representative, Congressman Dennis Rehberg—to know just how bad things are in Big Sky Country.

“It was a very somber meeting,” said an unusually reserved Jim Hurst, Owens & Hurst Lumber Company, Eureka. “There was none of the informal banter or



John Deere

This summer, the federal government will put John Deere’s new slash bundler through its paces in Idaho, Oregon, Montana and California. The machine—the first of its kind in North America—bundles small diameter trees, limbs, tops and other forest debris, creating a biomass bundle that can be easily transported to a power plant. Transforming worthless forest debris into commercially valuable biomass—the work of forestry’s garbage collectors—will substantially reduce both the risk of catastrophic wildfire and the cost of forest restoration.

bravado you might expect. We talked and they listened.”

What Mr. Hurst and his colleagues told the delegation is that if two more Montana sawmills go down the state’s forest product industry may well collapse like the house of cards it has become. Since 1989, 26 Montana sawmills and one plywood plant have gone out of business, seriously undermining the ability of the survivors to profitably market log species and wood residues that they cannot utilize in their own operations.

“We are at the end of the line,” Mr. Hurst explained. “Unless we can find sufficient federal timber among the millions of board feet that die annually in Montana national forests, we’re finished, all of us.”

To illustrate his point, Mr. Hurst made up three maps for the Billings meeting;

two depicting the town-by-town implosion of the industry and one forecasting what might be left in 2008 if the downward economic spiral is now reversed. And while the delegation looked on he used a red marking pen to x-out the two most recent casualties: Vinson Timber at Trout Creek and Louisiana-Pacific’s Belgrade mill.

“It shocked them,” Mr. Hurst said when asked how the delegation reacted.

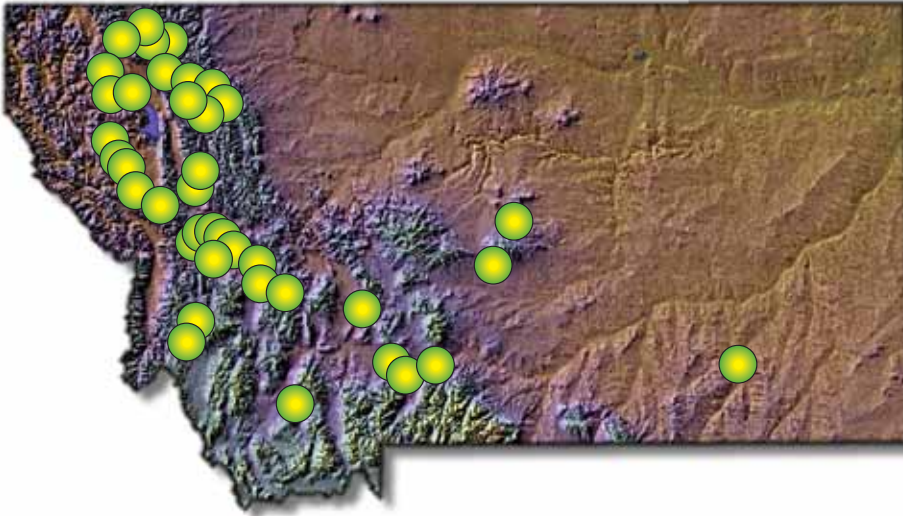
No doubt it did. Like other western delegations, Montana’s has grown accustomed to the industry’s ability to lift itself out of one crisis after another. But it does not appear that will be the case this time. The collapse of the federal timber sale program, lousy lumber markets and a flood of global imports have pushed Montana’s small independents beyond their own considerable survival skills. Minus a favorable vote on forest health legislation now making its way through the U.S. Senate, Montana appears destined to go the way of Utah, Colorado, Wyoming, Arizona and New Mexico—states with no viable milling infrastructure left, and thus no way of coping with the forest health crisis that has engulfed them.

According to a Forest Service report shared with *Evergreen*, 3.0 to 3.3 million acres—some 39 percent of all non-wilderness, non-roadless acres in the ten national forests that make up the

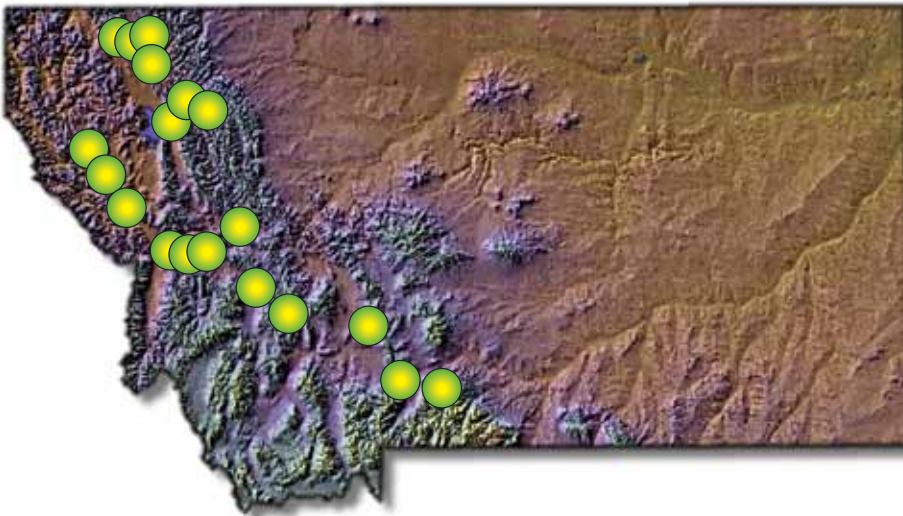
Forest Service’s Northern Region—are in Condition Class 2 or 3, meaning the historic range of ecological conditions in these forests has been moderately or significantly altered over time—meaning [in plain English] that they are firetraps or soon will be. More than a third of these at-risk acres lie in just three forests: the Kootenai and Lolo national forests in western Montana and the Panhandle in northern Idaho.

The Kootenai, long a favorite target of environmentalist litigators, faces an ecological crisis of perhaps unprecedented proportion. Annual mortality [159 truckloads per day] exceeds growth [57 truckloads per day] by a margin of nearly three-to-one. Still, the Forest Service can’t seem to find a way to legally free itself of what Chief Dale Bosworth called “the Gordian knot” posed by

Montana Mills 1990



Montana Mills 2002



Montana Mills 2008?



House of Cards

Restoration of the West's desperately ill national forests hinges on keeping struggling family-owned logging and sawmilling businesses in business. Without their experience, advanced woods and milling technologies, and the lumber and biomass markets they provide, the government can't proceed with thinning and fuels management work scientists say is vital to alleviating the West's wildfire crisis.

But Montana has lost 27 mills since the federal timber sale program began its collapse in 1989. So when the eight surviving independents met with the state's congressional delegation in May they used maps similar to these to illustrate the fact that the loss of another one or two mills makes forest restoration a virtual impossibility in the ten National Forests that make up the Forest Service's Northern Region.

The lynchpin in Montana's wood manufacturing cluster is Smirfit-Stone's paper mill at Missoula. The facility makes containerboard from low-cost wood waste it buys from the region's sawmills. One of the company's three paper machines has already been shut down because of poor markets and a lack of affordable fiber. It can't shut down another and operate profitably, so the loss of one or two more residue-providing sawmills might force the company to close the mill—an event that would probably force the rest of the state's family owned independents out of business because they would not be able to profitably sell their mill residues or market log species they can't utilize in their niche markets.

"You reach a point where it does not matter what Congress does about the wildfire crisis," says Paul Ehinger, an Oregon consultant who tracks mill closures across the West. "The fire ravaged Southwest—with its nearly complete lack of harvesting and milling infrastructure—is an excellent example of what awaits the rest of the West if something isn't done to revive the smaller family-owned outfits that provided robust markets for federal wood fiber for decades."

litigation and seemingly endless appeals. Just ask Stimson Lumber Company. In early June, the company auctioned off the pieces of its dismantled plywood mill in Libby. Community leaders pleaded with the Forest Service, Senators Baucus and Burns and Congressman Rehberg to identify the 20 million board feet of federal timber needed to keep the mill alive, but every effort failed. And now Libby—a town quite literally surrounded by the Kootenai National Forest—is without a sawmill for the first time in nearly a century. Meanwhile, 159 truckloads of Kootenai timber die daily—nine more than the 150 truckloads that all eight of Montana’s surviving independent mills need to stay alive.

In nearby Eureka, Mr. Hurst has thus far dodged the same fate that befell Stimson, first by eliminating a shift, then by purchasing fire-killed logs from provincial and private forests in Alberta. Last year, after waiting two years for the Forest Service to resolve several appeals, he was finally able to buy about 20 million feet of fire-killed timber from the Kootenai. It was a sale that was plainly visible from the window in his office.

“It saved us,” he says of painful ironies not lost on anyone living in Eureka.

With interest rates at a 30-year low, Mr. Hurst would like to modernize his mill, but he can’t justify the capital investment without knowing where he will turn next for logs. At the moment virtually all of them come from fire-killed forests, and that may not change. But of all the ironies he struggles to overcome none frustrates him more than the fact that less than ten percent of the 633 truckloads of new fiber that grows daily in Montana national forests is harvested. Another 332 truckloads dies daily, nearly three times the combined log consumption of the eight surviving independents.

Adding growth and mortality, Mr. Hurst reasons that the federal government could harvest about 350,000 truckloads annually from suitable timberlands in Montana national forests—more than ten

times the current harvest—without ever making a dent in the forest density problem that is the root cause of the wildfire crisis. But that is not likely to happen because much of the 5.25 million acres that is classified as being suitable for management is locked in process malaise or litigation involving grizzly bears, bull trout, West Slope Cutthroat Trout, water quality, old growth and lynx. Thinning and fuels management appear to be out of the question, despite the looming wildfire risk.

For conservation groups that have long

the case for more active management of public forests in both the East and West. Among WCP’s members: the 116-year-old Boone & Crockett Club, founded by Teddy Roosevelt, the Izaak Walton League of America, the Ruffed Grouse Society, the National Wild Turkey Federation, the Wildlife Management Institute and the International Association of Fish and Wildlife Agencies.

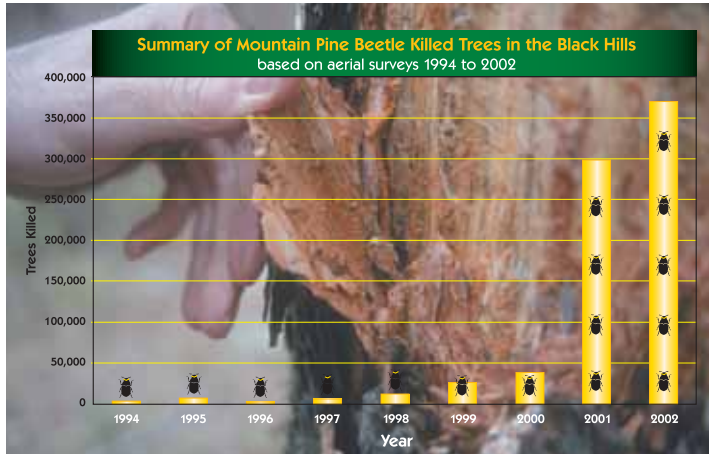
The report, written by biologists from the Ruffed Grouse Society and the Boone & Crockett Club, warns that the increasingly destructive cycle of insects, diseases and wildfire poses a significant habitat risk that can only be reduced through active forest management programs that approximate historic natural disturbance patterns. In a word: thinning, especially in forests that provide critical habitat for plant and animal species that thrive in openings created by natural disturbances or timber harvesting.

Fifteen WCP members also jointly signed letters to Interior Secretary Gale Norton and Agriculture Secretary Ann Veneman urging their support for regulatory reforms necessary to speed forest restoration and fuels management work in at-risk federal forests. Several of the group’s recommendations—including revisions in the appeals process and expedited judicial review of legal challenges to emergency projects—were included in the House-approved Healthy Forests Restoration Act that is now the subject of Senate consideration.

Meanwhile, back in Montana, where virtually every thinning project the Forest Service proposes is appealed, there are reliable reports the state will indeed lose at least one more sawmill this summer, perhaps the fatal two that led Mr. Hurst and his colleagues to their May 28

Billings meeting with the state’s congressional delegation.

“We’re not talking years here, or even months for that matter,” declared Ellen Engstedt, a meeting observer and executive director of the Montana Wood Products Association. “Some of Montana’s surviving family owned mills are down to



Mike McMurray

The Black Hills National Forest is experiencing its worst mountain pine beetle epidemic in anyone’s memory. Aerial surveys reveal that more than 300,000 trees were killed in 2000. Another 375,000 perished last year. Since 1997, the infestation has increased by an astonishing 6,000 percent. Thinning can help reduce the spread of such infestations by alleviating stresses associated with forest density, but once trees are attacked, they can’t be saved. Beetle-killed timber is a major fuel source for the West’s wildfires.

championed the habitat benefits of active, science-based forestry, federal inaction has become a matter of considerable concern. One group, Wildlife Conservation Partners, a coalition representing 4.5 million hunters and conservationists, took the unusual step of addressing President Bush directly in 2001 report in which it argued

their last weeks of log inventory. If we don't get some relief soon what is left of our state's timber industry will collapse like a house of cards. If we lose these mills we lose our last hope for saving our state's national forests from the ravages of lethal wildfire."

But hope may be rising from an unlikely place: the Black Hills of South Dakota, Tom Daschle-Tim Johnson Country. Last July, the pair quietly added language to a supplemental defense appropriations bill exempting portions of the desperately ill Black Hills National Forest from appeal and judicial review. The late night maneuver enraged western Republicans who felt the exemption should have applied to all federal lands in the West, not just Black Hills forests.

But Tom Troxel, executive secretary for the Black Hills Multiple Use Coalition takes a more pragmatic view.

"Senator Daschle's actions represent his public acknowledgement that the system is broken," Mr. Troxel explained. "After months of negotiation and a settlement agreed to by environmentalists, timber interests, the state, local governments and land use groups the Senator realized the only way we could implement our plan was to insulate it from outside interference in the form of frivolous appeals and lawsuits."

The agreement Mr. Troxel references is the Black Hills Fire Prevention Agreement, a Daschle-inspired accord that permits thinning and fuels management work to proceed on 15,000 acres within the 1.2 million acre Black Hills National Forest. In exchange for adding 3,600 acres to the 9,800-acre Black Elk Wilderness area, local environmentalists blessed plans for fuel breaks in beetle killed timber inside the Beaver Park roadless area and, further, two timber sales designed to improve wildlife habitat within the 34,000-acre Norbeck Wildlife Preserve.

"The agreement represents a reasonable compromise for all the parties," Mr. Troxel said. "We all held our noses over the parts we didn't like

and celebrated the things we liked."

In a manner of speaking, Senator Daschle seemed to agree with Mr. Troxel's assessment. "If other states are willing to gather all sides and negotiate agreements as we were able to do in the Black Hills, I'd be willing to support legislation for those areas," Mr. Daschle told Rapid City Journal reporter Bill Harlan in a July 25 interview.

To no one's surprise environmental extremists who were unhappy with the settlement walked away from the negotiations and, instead, went to court. In fact,

agreements," Mr. Troxel observed. "The question is should they be allowed to assume the spoiler's role in courtrooms after broad-based collaborative agreements are reached? Not in my opinion."

Just where Senator Daschle stands on the spoiler role appellants have for years played in collaborative efforts across the West is hard to discern, but in an October 7 letter to Mr. Troxel he expressed frustration that his legislative fix had been targeted.

"Excessive lawsuits delay critical forest management actions, and nowhere is that more evident than in the Black Hills," he wrote. "Nevertheless, I hope that this locally negotiated agreement will stand up to any legal challenge, and will usher in a new era of common-sense, multiple-use management of the Black Hills; one based on cooperation and results, rather than one more litigation."

But in a separate October 7 letter to Tom Berry, chairman of the South Dakota Society of American Foresters, Senator Daschle defended efforts to "maintain the integrity of our nation's environmental laws," then went on to say that he felt the appeals process should be streamlined to avoid excessive delays. "I agree that there are steps we should take to improve the way our forests are managed and to expedite thinning projects," he wrote without further elaboration.

Although Mr. Daschle gets most of the credit for insulating the Black Hills agreement for appeals and litigation it was Senator Johnson, who first brought together the parties to the negotiated settlement. A cynic would remind us that he was in the midst of a bare knuckles fight for his Senate seat and needed every vote he could find. And that would be true. But what is also true is that Senator Johnson correctly perceived that his handling of the Black

Hills forest health crisis was vital to his re-election, particularly in the aftermath of the 2002 wildfire season, one of the worst in South Dakota history. Less than a month before his photo finish win he wrote both Mr. Troxel and Mr. Berry expressing concern for abuse of the appeals process. "The current appeals



Western Montana's national forests hold some of the largest larch stands in North America. One stand, near Seeley Lake, was recently thinned [using a standard timber sale contract] to reduce the risk of catastrophic wildfire. The now altogether pleasing setting has come in for high praise from visitors and locals alike. The oldest living larch in North America—1,100 to 1,200 years old—is located in this grove. Abundant fire scars indicate Indians burned this forest frequently, probably to keep it open for hunting.

two lawsuits challenging the constitutionality of the agreement are winnowing their way through federal courts, but because no injunctions or restraining orders have been issued, work is proceeding at Norbeck and Beaver Park.

"Some environmentalists are never going to be happy with these kinds of

process lends itself to eleventh-hour delays that frustrate effective forest management,” he wrote. “I agree with many of the President’s proposals. Some on both sides of the debate have abused the appeals process that originally was intended as a path to avoid lawsuits and litigation by affording citizens the right to participate in the decision-making process. Now, unfortunately, the process has been used as a tool to deliberately delay management plans and tie up Forest Service personnel in litigation and red tape.”

It may be that the real credit for hope rising in the Black Hills should go to the South Dakota state legislature. In February 2002 it voted 66–0 to allow state and local officials to clear trees from the Black Hills National Forest to protect public safety.

The [bill] “says to the feds, ‘We beg you to act, and we beg you to act now,’ explained state representative John Tuepel, R-Spearfish, in a Feb. 8 Rapid City Journal interview.” “But if you fail to act, then we will.”

Whether states have the legal authority to carry out such a threat on federal property is an open question. But according to Mr. Troxel the state’s legislature’s unanimous vote to step into the wildfire breach got the congressional delegation’s attention. “They got the message, loud and clear,” Mr. Troxel observes.

South Dakota’s ponderosa pine forests have been devastated by a mountain pine beetle outbreak that claimed more than 300,000 trees in 2001 and another 375,000 last year. Since 1997, the infestation has increased by nearly 6,000 percent, aided by a politically driven 1999 Clinton Administration ruling that the Black Hills forest plan was illegal. Meanwhile, the beetles moved on, much to the dismay of local residents who began to fear for their own safety—and with good reason. But for a change in wind direction, the 2002 Grizzly Gulch Fire would have overrun historic Deadwood.

Forest growth is metastasizing in the Black Hills, just as it is elsewhere in the Interior West. According to Forest Service 1999 records, annual growth has surpassed 189 million board feet. [It was 153 million in 1988] Total inventory stands at 6.1 billion board feet—a billion feet more than the 1988 inventory



Stephanie Steck

In the future, the West’s federal forests will be cared for by two groups of service providers: garbage collectors and surgeons. These businesses will evolve from what is left of the West’s small, family-owned logging culture—firms like Smith Logging, Kalispell, Montana, owned by Rick and Deb Smith. Together, garbage collectors and the surgeons will keep the West’s public forests healthy, disposing of excess woody debris, controlling forest density, thinning out diseased trees, protecting watersheds and wildlife habitat from catastrophic wildfire.

and 3.2 billion feet more than the 1948 inventory. Faced with such outsized growth and a nearly non-existent timber sale program, the forest has become a death trap for all but pine beetles.

Yet for all of its difficulties, the Black Hills National Forest contains some picture-perfect examples of what forest restoration looks like. Which brings us back to the garbage collectors and surgeons mentioned earlier in this essay. Compare the photographs on the cover and Page 2 of this report; then ask yourself which forest future you prefer. The question might seem like a no-brainer, but inside the Beltway, where power gets you everywhere, the forest restoration debate has been made far more complex than it deserves to be. Personally, I think the reason radical environmentalists are fighting so hard to block implementation of large-scale thinning projects—to keep the garbage collectors and surgeons out of the woods—is because they know you’ll like their visually pleasing work. And if you

like what you see, they lose power.

Amid the sky-is-falling rhetoric you’re sure to hear in the coming weeks, remember these two things. First, thinning around at-risk communities is a public safety issue, not an environmental issue. While it’s very important, it doesn’t do a thing for sick forests, at-risk fish and wildlife habitat, clean air or clean water. Second, we already have the science, technology and cultural know-how needed to complete vital thinning and fuels management projects in forests that lie well beyond community environs.

So the real question up for discussion as this year’s wildfire season gathers momentum is will the U.S. Senate muster the political will to turn away from the fear mongers and power brokers? The House finally did, but the Senate is a much different and, some say, less public body. Time will tell. But don’t be confused by all the sound bite moaning and groaning you’ll be hearing about loss of citizen access to courts or big payoffs for greedy timber barons that support the President. Neither accusation is true. What is true is that the United States Senate is down to its last two choices. It can choose the hopelessness of catastrophic wildfire or the hopefulness of restoration forestry. If you haven’t talked to your Senator recently, now would be a good time to do so. The future starts today.

Postscript: *On Thursday, July 3, as this special report went to press, Owens & Hurst Lumber Company became the 28th Montana mill to close its doors since 1989. In a short note to his employees, embattled co-owner Jim Hurst wrote that company sawmilling operations “would cease at the end of the day due to a severe log shortage.” Mr. Hurst made his decision after U.S. District Judge Donald Malloy shut down two active timber sales the company had purchased from the Kootenai National Forest, leaving the Eureka mill with a two-day log supply. The loss of one more sawmill will probably cause the states’ timber industry to collapse, leaving the federal government with no way to implement its forest restoration strategy in Montana.*