Montana Forest Products Marketing News

MSU Extension Forestry

September 2004

Delivered Prices for Posts, Poles, & House Logs

After posting delivered *log* prices last month, several readers wrote to say that it would also be useful to publish prices for other common Montana forest products such as pulpwood, posts, poles, and house logs.

The post, pole, and house log prices are included in this issue and next month I'll publish prices for pulpwood. The prices are determined by the University of Montana's BBER.

QUARTER 1, 2004

Post, pole, and house log prices for material delivered to the mill

POLES - western larch and lodgepole pine. Units = $/piece

Small End Diameter	Length 10'	20'	25'	30'
3.0 "	0.64	3.00		
6.0 to 6.5"	3.25	12.00	15.00	
7.0"	4.00	12.00	15.00	20.00
8.0"	4.00	12.00	15.00	20.00

POSTS - lodgepole pine only. Units = $/piece

Small End Diameter	Length 6.5'	7.0'	8.0'
3.0"			0.63
3.5"	0.63		0.80
4.0"	0.70		0.80
4.5"	0.88	1.05	0.90
5.0"	0.95	1.13	1.05
5.5"	1.30	1.63	2.00
6.0"	1.43	1.88	2.16
8.0"	1.55	2.25	3.00

HOUSE LOGS - western larch, lodgepole pine, & Engleman spruce. Units = $/linear foot

Small End Diameter	Length < 20'	> 20'
8"	1.60	4.66
9-12"	2.78	5.60
> 13"	3.72	6.30

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Fuel Mitigation Cost Sharing Funds Available

Housing subdivisions located at the interface of Montana's urban and wild lands are eligible to receive funds that will cover up to 75 percent of the cost for removing flammable vegetation from the areas around their home. The cost sharing funds, however, are only available if the vegetation removed has no commercial value.

Greg Larson, coordinator of Montana's Northwest Resource Conservation Development office says, "the idea behind this program is to reduce fire hazards around homes at a community-wide scale, rather than at the single landowner level."

The bulk of this year's funding is available through the Northwest, Bitterroot and Headwaters RC&D offices. Click here for contact information.

Check it out:

- China aggressively expanding its wood processing industry click here
- Private Land makes up most of Oregon's annual timber harvest click here
- Boise sells its timberland click here
- World's fastest growing trees click here

Stewardship Contracting: An Exciting New Tool

The US Forest Service manages 60 percent of Montana's forest land. In 1976, those lands supplied 45.4 percent of the timber processed in Montana. In 2000, a roughly equal amount of timber was processed, but the national forests supplied only 14.4 percent. The reduced harvest levels translate into an increased chance for catastrophic wildfire and fewer opportunities to perform other land management activities.

Today, national forest harvest levels remain low, but thanks to legislation passed by Congress in 1999 there is an exciting new tool available to the Forest Service's land managers—*Stewardship Contracting*. Using this tool, the Forest Service can harvest timber *and* meet other land management objectives.

The nation's largest stewardship project to date is the Clearwater Project on the Seeley Lake Ranger District in Montana's Lolo National Forest. One part of the project involved harvesting 5 million board feet of timber from stands susceptible to mountain pine beetle. Rather than paying a stumpage fee to harvest the timber, Pyramid Mountain Lumber Company, the project contractor, agreed to complete a variety of land management activities to meet the project's other objectives. For example, about 50 miles of roads were obliterated to improve Grizzly Bear habitat. Seven small to moderate size bridges and numerous culverts were installed on roads to reduce sediment in the Clearwater River drainage, a primary watershed for endangered Bull Trout. In area campgrounds, 18 vault toilets replaced pit toilets. The switch is expected to protect nearby Seeley Lake's municipal water supply. Vistas were created along existing forest service roads so that visitors can see the nearby Swan Mountain Range. And finally, noxious weeds were treated along almost 13 miles of road.

Tim Love, Seeley Lake District Ranger and project coordinator says, "Thanks to the hard work of a lot of good people, the Clearwater Stewardship Project allowed us to accomplish land management objectives in a few years that would have taken decades using normal procedures." That's because the stewardship contracting approach, exchanges goods for services. In other words, all of the timber's value is exchanged for services that yield improved water quality, roads, and wildlife habitat, all of which benefit the local community. This contrasts with the traditional model which exchanges timber for money. In that model, only 25 percent of the timber sale revenue is returned to the local community, while the balance is kept by the Federal Treasury. You can learn more about stewardship contracting by clicking here.

Tim Love, District Ranger on the Seeley Lake District in Montana's Lolo National Forest

"The Clearwater Stewardship project allowed us to accomplish management objectives in a few years that would have taken decades"

Montana's Fuels for Schools Program Heats Up

In the fall of 2003, Montana's Darby School District became the first in the West to install a wood-fired boiler to heat its buildings. The project, funded by a US Forest Service grant, demonstrates that there are viable uses for small diameter timber and logging slash.

This June, Tom Coston a forester for the Bitteroot Resource Conservation and Development Office in Hamilton, Montana and the project's coordinator, testified to a US House of Representatives Congressional Resources Committee about the project's outcome.

The highlight of Coston's testimony was his revelation that the wood fired boiler had dramatically cut the school's fuel bill. According to Coston, the school switched from burning fuel oil to wood chips last October 30th. Prior to the switch, $11,000 had already been spent on fuel oil. During the rest of the winter, 640 tons of wood chips, the amount about 50 acres of forest thinning would yield, were used to heat the school at a cost of $18,500. Had the school burned fuel oil all winter the cost would have been an estimated $60,000.

That's the good news. The bad news is that Darby's fully automated boiler cost $870,000. Coston estimates it would take a school 10 years of fuel cost savings to recover that kind of upfront investment, assuming the school was heating between 50,000 and 100,000 square feet of floor space. He also testified that upfront costs could be reduced to about $600,000 if the boiler were not fully automated.

Other Montana schools in Phillipsburg and Victor are slated to begin heating with wood this fall. A fourth school district, Eureka, is applying for grant funding.

In the upcoming Federal Interior Bill for fiscal year 2005, $2.0 million has been penciled in for the fuels for schools program, but the bill has yet to be approved by the House and Senate.

Coston believes the program has a bright future based on the success demonstrated at Darby. He expects new schools applying for the program will be awarded grant money to cover 50 percent of the upfront capital investment.

Logging slash and wood chips that come from locally harvested small diameter trees are used to heat the school buildings in Darby, Montana

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Montana State University Extension Forestry is a branch of the MSU Extension Service and is housed cooperatively with College of Forestry and Conservation at the University of Montana in Missoula, Montana.

The mission of Extension Forestry is to provide education and outreach to non-industrial private forest landowners, forestry industry, and other forestry-related organizations in Montana.

Extension Forestry carries out its mission by providing its clients with educational workshops, publications, news releases, brochures, and videos. Common topics include forest stewardship planning, forest insect and disease, windbreaks/living snow fences, alternative forest management practices, wildfire hazard reduction, forest products marketing, and tree pruning & care.

We're on the Web:

http://www.forestry.umt.edu/hosting/forestproducts/index.htm

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If so, sign up and we can send the newsletter directly to your email address.

Do you have comments, story ideas, or other suggestions?

If so, send them to Roy Anderson, newsletter editor

Calendar of Upcoming MSU Extension Forestry Events

Forest Stewardship Workshop

September 13,14, & 20
Anaconda

Montana Tree Farm
Annual Conference

9:00 AM to 5:00 PM
October 2
Lolo

For further information about any of these events contact:

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