

Tripod Fire Salvage Project Record of Decision

Attachment 4: Economic Analysis of Alternative E - Modified

Implementing a modified Alternative E will recover about 3.7 million board feet (MMBF) of sawtimber averaging 2.9 MBF per acre, with an estimated average stumpage value of -\$63 per MBF and a combined total value of about -\$234,000. About twenty-five percent of the harvest volume will be recovered in comparison to the original Alternative E as described in the FEIS, due to a combination of fewer treatable acres (tractor logging limitations on steeper ground) and a revised estimate of recoverable sawtimber (less marketable volume per acre and additional sawtimber deterioration).

Average stumpage value becomes deficit due primarily to the advanced deterioration of the sawtimber. Spot checks for wood boring beetles in late May and late June 2007 found that the fire-killed trees were being quickly infested with the beetle larvae. By early October over 70 percent of the sawtimber was infested with continued degradation of the sawlog material. Sawtimber infested with wood boring beetle larvae is considered as "wormwood" with a much reduced value, averaging about forty percent less value than sound green sawtimber. Stumpage value of the sawtimber also decreased about 10 percent due to reduced logging efficiency from lower volumes per acre. In addition, fuel prices have continued to increase, causing increased hauling costs, and, the market value of sawtimber has continued to fall, further reducing the potential stumpage value of the burned trees. Thus, the potential value of the salvage volume is now deficit.

The Forest Service cannot sell sawtimber at negative prices so will offer the salvage sale at minimum rates, with a minimum bid rate of about \$4 per MBF. Tractor volume, currently valued at -\$63,000 (-\$27 per MBF) will be offered at a minimum bid of about \$9,000. Skyline volume, currently valued at -\$171,000 (-\$124 per MBF) will be offered at a minimum bid of about \$5,000. These estimates may vary depending on TEA appraisal rates and values at the time of sale.

Refer to the following table for a comparison of the sawtimber volume recovered and the potential economic benefits of Alternative E - Modified.

Total Area, Volume, and Value		
Total Area	1,284	Acres
Total Volume	3,698	MBF
Total Value	-\$234,000	
Average Stumpage	-\$63	\$/MBF
Minimum Bid Rate	\$4	\$/MBF
Minimum Value	\$14,000	
Harvest area by logging system		
Tractor	869	Acres
Skyline	415	Acres
Harvest volume by logging system		
Tractor	2315	MBF
Skyline	1383	MBF
Harvest value by logging system		
Tractor Value	-\$63,000	
Tractor Stumpage	-\$27	\$/MBF
Skyline Value	-\$171,000	
Skyline Stumpage	-\$124	\$/MBF
Harvest volume by species		
Douglas-fir	2,301	MBF
Ponderosa pine	1,069	MBF
White woods	328	MBF
Averaged stumpage value by species		
Douglas-fir	-\$55	\$/MBF
Ponderosa pine	-\$83	\$/MBF
White woods	-\$59	\$/MBF