

Vail Resorts Testimony
Mountain Pine Beetle: Strategies for Protecting the West
June 16, 2009

Good morning and thank you for the opportunity to present Vail Resorts' views on the mountain pine beetle (MPB) and strategies for protecting our natural resources.

My name is Brendan McGuire and I am the Manager of Government Relations at Vail Resorts. I also serve on Colorado Governor Bill Ritter's Forest Health Advisory Council.

This hearing is of critical interest to Vail Resorts and the following testimony will focus on these recommendations:

- Disentangling fire suppression costs from the Forest Service budget and increasing funding for forest health and recreation operations is the most important action Congress can take.
- The MPB outbreak has created forest health challenges beyond the capabilities of any single stakeholder and increased partnerships are essential to achieve the desired outcomes.
- Other opportunities to responding to the MPB include supporting forest products infrastructure, biomass energy, providing the Forest Service with increased flexibility to respond to the MPB, and reforestation.

Background

Vail Resorts is the premier mountain resort company in the world operating five of the 10 most visited ski resorts in the United States:

- Vail, Beaver Creek, Breckenridge, and Keystone located entirely or partially on the White River National Forest in Colorado; and
- Heavenly Mountain Resort in the Lake Tahoe Basin Management Unit in California & Nevada.

During the recent 2008/2009 season our resorts drew 5.9 million skier visits (approximately 10% of United States skier visits). In addition to the ski season, thousands of people visit the communities in which we operate to enjoy the beautiful summer weather and multitude of activities including recreating in the woods. These tourism/recreation based activities are the economic base for not only Colorado's forest communities but for Colorado's economy as whole. Tourism is Colorado's 2nd largest industry with over 143,000 employees and \$15 billion in annual travel spending.

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Vail Resorts operates its resorts on National Forests under special use permits from the United States Forest Service (USFS). Our resorts value the partnership we have with the USFS on the district, forest, regional and national level. This partnership is critical to the day-to-day operations of our resorts and we look forward to continuing to work closely with the dedicated men and women of the USFS.

Vail Resorts Forest Health & Response to Mountain Pine Beetle

This testimony is based on our operations in Colorado where the MPB is currently active. However, at the end of the testimony I will briefly comment on forest health at Heavenly Mountain Resort in Lake Tahoe.

The USFS are the forestry experts in the room so I will defer to them to elaborate on the state of forest health in the west and the MPB. However, for some context in my testimony, the Colorado State Forest Service's 2008 forest health report (to which the USFS contributed) estimates that the MPB has infested a total of 1.9 million acres 1996 when the outbreak was first noted. The MPB are primarily infesting lodgepole pines older than 30-40 years with a mortality rate of 90% and higher.

While our resorts are fortunate to be home to diverse species of trees (including aspen, spruce, and fir), the extent of the MPB activity in aging lodgepole pines at our resorts necessitates an increased level of forest health efforts. In carrying out these efforts, in conjunction with the USFS, Vail Resorts is committed to the safety of our guests and the responsible stewardship of the environment.

The safety of our guests and the resort infrastructure that serves them is our primary concern. To that end the identification and removal of hazard trees is an on-going initiative. Examples of hazard trees include:

- Trees within the wildfire defensible space of resort structures.
- Trees with the potential to dead-fall or blow-down onto lift lines, buildings, or trails.

Since the MPB outbreak began we have seen a dramatic increase in the number of hazard trees that need to be removed each year.

In addition to hazard tree removal, other forest health efforts are aimed at promoting increased species and age diversity through selective tree

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thinning, small patch cuts, and forest restoration work where the MPB has had or will have the greatest impact. Vail Resorts has also successfully utilized spraying to protect certain high value trees from MPB.

In the past our forest management was focused on identifying and removing individual trees that had succumbed to insects before the next generation of insects emerged. Now, with a widespread infestation beyond anything we have experienced before, we are shifting our focus to more of a landscape level, looking at entire stands of trees (including what younger vegetation is present), evaluating treatment options for those stands, and prioritizing treatments. Working closely with the USFS, we have consolidated this work into updated vegetation management plans that are in various stages of environmental review and implementation.

This landscape focus is leading to larger projects that accomplish the dual goals of protecting infrastructure as well as promoting reforestation. An example of that work is a project on Vail Mountain carried out in the fall of 2008. Over the course of three to four weeks, 16 acres of infested lodgepoles were treated along the Eagle Bahn Gondola line. Other species and small lodgepoles were retained. This pro-active treatment removed hazard and potential hazard trees as well as encourages accelerated reforestation by creating space for younger trees to thrive.

As the visual impact of the MPB killed trees grew, it was important for us to inform our guests that the changing forest landscape was the result of a naturally occurring MPB. We deliver this message on our trail maps, websites, local resort television, and through the “Ski with a Ranger” program in partnership with the USFS.

Through our charitable giving, employee engagement, and environmental stewardship program, Vail Resorts 360, we have also engaged our guests to actively support restoration work on the forest through a partnership with the National Forest Foundation Ski Conservation Fund. Our guests have the opportunity to support the fund with \$1 when they purchase lift tickets, ski passes, or stay in our lodges. The National Forest Foundation uses these contributions for on-the-ground conservation work in the National Forests.

Recommendations for Protecting the West

- *Forest Service Budget Flexibility & Funding*

First and foremost, the Natural Resources Committee is to be commended for re-introducing and passing the FLAME Act out of the full House. Beginning to untangle the fire suppression budget from the rest of the USFS budget is a critical step to let USFS focus resources on forest health and recreation.

The need for sustained funding increases to address forest health challenges related to MPB is well documented. The USFS has responded with some additional funds, however the need for additional funding grows every year.

Congress should consider additional funding for the USFS to specifically address critical forest health issues related to MPB in our region.

- *Partnerships*

Congress has long recognized the importance of partnering with local stakeholders and prioritizing finite resources for forest health projects that provide the most “bang for the buck.” In that spirit, the USFS should be commended for its existing partnerships in Colorado including its close work with ski resorts.

Given the unprecedented scale of the management challenges facing the USFS and ski resorts, encouraging increased partnerships through greater funding to achieve successful forest management outcomes is warranted. Increased funding to USFS for the development, approval, and implementation of vegetation management plans for special use permit areas will greatly assist the USFS and its partners in managing MPB areas.

- *Safety*

Vail Resorts would like to thank the USFS for working closely with our mountain crews to facilitate the timely removal of hazard trees

presenting safety issues to our guests and infrastructure. The importance of this work cannot be overstated.

- *Timber/Biomass Markets*

A major challenge facing all stakeholders is what to do with the relatively low value timber coming off the forest.

To help create and ensure a viable forest products infrastructure in the West, Congress should continue to look for opportunities to promote the use of forest biomass in renewable energy efforts, such as a national renewable energy standard and the Biomass Commercial Utilization Grant Program in the Healthy Forests Restoration Act.

- *Increased Flexibility for the USFS*

The USFS, operating within the relevant laws and regulations, has demonstrated a great willingness to work with stakeholders in a collaborative and flexible manner to facilitate the response to MPB related forest health challenges.

However, with the extreme challenge presented by the current MPB outbreak it may be appropriate to consider allotting more flexibility to the USFS to address forest health challenges.

This flexibility does not need to call the NEPA process into question. Rather, Congress should work with the USFS and other stakeholders to determine if there are very specific areas (such as stumpage fees for MPB killed trees) where the USFS response to MPB would benefit from increased flexibility.

- *Reforestation*

Ecologically speaking, many western forests have evolved to naturally regenerate after disturbances such as fire, insects, or logging.

However, in some cases it is appropriate to aid reforestation through replanting of native species. On national forests, this reforestation must be done with specifically approved species that are ecologically appropriate. The USFS provides these stocks of trees (grown from cones and seeds collected from the local area) from its system of nurseries. Congress should provide the USFS with the resources

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needed for the collection of cones and seeds and the development of a stock of seedlings for reforestation efforts to help accelerate the natural reforestation.

Lake Tahoe

I would like to briefly comment on forest conditions at Heavenly Mountain Resort in Lake Tahoe.

Currently, forest insect hot spots are developing in Lake Tahoe where a mix of conditions is creating what could be an ideal environment for an insect outbreak. The Lake Tahoe region is experiencing reduced precipitation levels and large swaths of the forest are over-stocked with aged trees in the 80 to 120-year age class. Recognizing these conditions has led stakeholders in the region to look towards increased active management to stay ahead of potential insect outbreaks.

Conclusion

Thank you for the opportunity to present the views of Vail Resorts. I am happy to take any questions that the Committee may have and we look forward working closely with the Committee, Members of Congress, and the USFS on this and other issues.