

Senator Coram:

We appreciate your leadership in Senate Bill 17-302. The passing of this bill is of great importance to our community scaled project in Pagosa Springs, CO. The passing of this bill will allow Forest Health Company, LLC to continue to expand and purchase additional forestry equipment to increase the quantity of treated acres.

Forest Health Company, LLC, under my direction, has obtained a ten year stewardship contract with the United States Forest Service as well as private contracts to thin the forest. Our geographic area of thinning is the San Juan Forest in the southwest corner of our state. Forest Health Company, LLC is scheduled to thin 800 to 1500 acres of the San Juan forest in 2017. Thinning of our overcrowded forests results in wildfire mitigation, a primary concern in mountain communities, protects our community water shed, and also creates a better habitat for our precious wildlife. This is just the beginning of the benefits of forest thinning.

Forest Health Company, LLC entered into a stewardship partnership with the USFS for the long term as well as several private forest thinning contracts. We have recently purchased over \$2,000,000.00 in forestry equipment under the Agricultural program with the understanding that our equipment would remain in the property tax exempt status. The tax exempt status of our equipment was also a substantial factor in the bidding process for all of our contracts. The participation of our equipment within the Ag program has allowed us to remain economically feasible as a small start-up company. The added tax expense would be detrimental to our existence.

Our results have been like no other forest thinning company in the United States. We are able to thin the forest and remove logs and slash (slash being the most undesirable by-product of thinning) with minimal disturbance to the forest floor. This achievement would not be possible without our specialized forestry equipment.

Finally, we are able to take the undesirable non value by-product, slash, and transform it into a value added products, biochar/mulch. Biochar/mulch has several applications within Agriculture and is the end result of our mission.

Passing of SB 17-302 would enable our small start-up company to grow while maintaining our quality of work performed. Our equipment was purchased with the consideration of the Agricultural program as a primary factor in determining our project feasibility. We anticipate to purchase an additional \$1,200,000.00 in forestry equipment within the next eighteen (18) months. We have worked very hard to obtain the USFS Long Term Stewardship and private contracts. We have also proven that our quality of work for fire mitigation, water shed integrity, and support of our wildlife habitat is unsurpassed thus far. Our end goal is to create the renovation of a perceived non-value waste to a value added commodity to supplement agriculture activities.

Thank you for addressing our necessity and support for SB 17-302.

Kind regards,



James R. (J.R.) Ford
Forest Health Company, LLC