



The Role of Communities in Stewardship Contracting

FY 2012 Programmatic Monitoring Report to the USDA Forest Service

Prepared by the Pinchot Institute for Conservation
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Cover Photo credit: USDA Forest Service

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EXECUTIVE SUMMARY

This report conveys findings and recommendations from the FY 2012 Programmatic Monitoring and Evaluation of the role of local communities in the development and implementation of stewardship contracts and agreements on the National Forest System.

The National Forest System contains 191 million acres, and according to the Forest Service 43% of these forests—82 million acres—are in need of restoration. As the agency overseeing the care and management of these lands, the Forest Service annually undertakes approximately four million acres of restoration work—via prescribed burns and mechanical thinning (Forest Service, 2012).

Before the 2012 fire season began, the Forest Service estimated that 65 million acres of National Forests—an area larger than Oregon—are at high or very high risk of severe wildfire. During 2012 over 9.2 million acres of the U.S. burned in wildfire, mostly on lands managed by the Bureau of Land Management (BLM) and the Forest Service (NOAA, 2012).

Over the past 10 years, 18 million acres of National Forests have seen widespread tree mortality associated with bark beetle damage. Recently, record drought, combined with insects, diseases, and storm events have also led to widespread die off. If these trends continue as predicted, the coming decades will see potential for increased build up of hazardous fuels and concomitant high-severity wildfires.

The USDA Forest Service (Forest Service) lists Stewardship End-Result Contracting (Stewardship Contracting) as one of the main tools being used to “*increase the pace and scale of restoration and improve both the ecological health of our forests and the economic health of forest-dependent communities*” (Forest Service, 2012).

An established tool with several years of pilot testing and nine years of authorization, the FY 2012 Monitoring effort finds that Stewardship Contracting authorities continue to be a catalyst for innovation on Federal forests. Despite a broad base of support, the ability of the Forest Service and BLM to use Stewardship End-result Contracting will expire on September 31, 2013 unless Congress reauthorizes it.

Successes and benefits of Stewardship Contracting perceived by stakeholders in 2012:

- ***Stewardship projects are measurably improving natural resource conditions on-the-ground.***
- ***Stewardship contracts and agreements provide employment opportunities and other economic benefits in rural locales where little opportunity exists.***
- ***Large landscape-level and multi-year (i.e. 10-year) contracts are realizing efficiencies and have enabled some contractors to make investments toward accomplishing ambitious programs of restoration work.***
- ***Private investments focused on processing the***

byproducts of restoration treatments are being made, to the benefit of rural economies and ecosystems.

- *Community collaborators like the retained receipt authority available through stewardship contracting, and are working with the public land management agency to help define how receipts are invested locally.*
- *Increasingly, cost-effective restoration work is being achieved with stewardship authorities. As collaboration builds trust between agencies and communities, less frequently used Stewardship Contracting authorities (e.g. designation by description or prescription) are being used and "best value" contractor selection leads to high quality work.*
- *Stewardship agreements remain very popular. Non-governmental partners bring in significant private funds to match publicly designated restoration dollars.*

Challenges to effective engagement by community members in stewardship contracts and agreements:

- *When agency leadership at the local level changes, this can derail collaboration and make or break projects.*
- *In many places, community engagement and community participation is minimal—limited to formulaic community involvement in the National Environmental Policy Act (NEPA) processes. In these places, agency personnel and community members may lack capacity and/or the inclination for collaborative work.*

- *Local interpretation of “the rules” can stifle innovation and the collaborative spirit.*
- *“Professionalized collaboration” has emerged in some areas, limiting opinions and views to only those interests which can afford to send paid staff during normal business hours. This can be the result of poor collaborative planning/facilitation.*
- *Some contractors perceive a conflict of interest when they are approached about participating in collaborative processes designed around projects they may someday want to bid on. Unfortunately this limits their ability to inform project design with their practical experiential knowledge of on-the-ground work.*
- *Regional Foresters are currently responsible for approving new Stewardship Contracts, but this level of oversight can slow progress for experienced Forests and Districts.*
- *There is tension between achieving work on a scale and pace that will make a difference ecologically—via multi-year large acreage contracts—and providing a consistent flow of work to multiple local contractors.*
- *County governments, particularly those in areas where timber volumes and/or values are high, are faced with strong incentives to not use or support Stewardship Contracting, as a result of discontinuation of the Secure Rural Schools Program.*



Stream Channel Restoration, Blue Mountains, Oregon.

Photo Credit: Brian Kittler

1 — INTRODUCTION

1.1 Background and Context

The Forest Service and Bureau of Land Management (BLM) are entrusted with stewarding 450 million acres of public land. The management objectives of these agencies increasingly address the legacies of unsustainable resource use and the growing challenges of climate change. Reducing hazardous fuel loads, diversifying forest age and structure, protecting watersheds, and controlling invasive species are but some of the management priorities. By directly engaging rural communities in these activities, land management objectives can be coupled with broader social objectives like providing local employment. Stewardship Contracting is a main way in which these agencies do this.

Over the past twenty years, Stewardship Contracting has evolved into what many believe to be an ideal tool for Federal land management in the 21st century—a flexible and efficient approach to accomplishing a diversity of on-the-ground work while supporting rural economies. The number of Stewardship Contracts and agreements annually awarded by the Forest Service has doubled in the last five years. As of December 2012, the Forest Service has approximately 500 active stewardship projects, 10 of which are 10-year contracts across entire landscapes.

May 18, 2012 marked another milestone as the Forest Service announced their largest stewardship contract to date.

Designed to restore 300,000 acres of Arizona Ponderosa Pine forests, it will jump start a restoration economy bringing hundreds of jobs to the rural southwest (Four Forest Restoration Initiative, 2012).

Despite this momentum and a broad base of support for this tool—both confirmed in this year’s Programmatic Monitoring effort—the Forest Service and BLM will lose the ability to use Stewardship End-Results Contracting unless reauthorized by Congress before September 30, 2013.

1.2 Purpose of this Report

The legislation authorizing Stewardship Contracting requires that the Forest Service and BLM report to Congress each year about their use of Stewardship Contracting in terms of both their physical accomplishments and engagement of communities. The agencies track their accomplishments in terms of on-the-ground land management outputs (e.g., acres treated), while the Pinchot Institute for Conservation provides an objective programmatic-level assessment of the role of communities and other stakeholders.

Since 2005, the Pinchot Institute and its regional partners have maintained five regional multiparty monitoring teams (Regional Teams) comprised of individuals from the Forest Service, BLM, the forest products sector, academia, state, county, and tribal governments, land trusts, environmental and wildlife conservation organizations, and others.

This approach allows us to identify the differences in

application from region-to-region and derive lessons learned from participants across our country's diverse public lands. In that vein, this report contains five regional summary reports (see appendix A) prepared by the Institute's regional partners, directly relaying key messages from the field. Programmatic monitoring and evaluation reports from previous years, including regional summary reports and interview data are available at: www.pinchot.org/gp/Stewardship_Contracting

1.3 A Brief History of Stewardship Contracting

Federal land management agencies have long relied on contractual mechanisms and a local workforce to achieve their objectives. For a long-time timber extraction was the primary land management objective in federal forests, and it remains an important one to this day.

With the broader decrease in timber sales that began in the late-1980s, the Forest Service began to explore alternative tools to finance and contract the various land management activities normally done in association with timber sales. As a consequence, Forest Service field staff began experimenting with an alternative approach that blended timber sale contracts with work usually accomplished through separate service contracts. These new contracts became known as "*bundled land management service contracts*" or "*end-result contracts*." The end-results focus came largely out of a desire to find an efficient and effective means to accomplish a variety of tasks. Out of this concept came an approach in which the Forest Service described the desired future condition (e.g., forest stand density, desired wildlife habitat, riparian

conditions, road conditions, etc.), while leaving contractors the flexibility to do the work as they saw fit, as long as the end-result matched the vision set forth in the contract.

Repeated experiments with end-results contracting led to a 1992 appropriations bill (P.L. 102-154) authorizing two "*Stewardship End-Results Contracts*" in the Kaibab and Dixie National Forests to exchange the value of timber for stewardship services.¹ The next two years saw additional projects authorized through Congress in the panhandle of Idaho, the Coconino National Forest in Arizona, and the Lake Tahoe Basin ((Mitsos & Ringgold, 1998) (Gorte, 2001).

In addition to these trials, the early 1990s found an agency ready to experiment with other contracting approaches—awarding contracts by less than free and open competition, multi-year contracts, best-value contracting, designation by description, designation by prescription, retention of timber receipts, and exchanges of goods-for-services. Many of these concepts evolved into the current stewardship authorities and are being used in the field today.

Following years of experimentation, Congress authorized a pilot program for the Forest Service to develop a small number of Stewardship End-Result Contracts and Agreements. The pilot legislation officially charged the agency to:

¹ Under P.L. 102-154 these services could include site preparation, replanting, silviculture programs, recreation, wildlife habitat enhancement, and other multiple-use enhancements.

- (1) More effectively involve communities in the stewardship of nearby public lands, and
- (2) Develop a tool in addition to the timber sale program that could more effectively address the complexity of forest ecosystem restoration.

The pilot program tested a number of contracting authorities that still exist to this day:

- *Best-value contracting.* Requires that other criteria (prior performance, experience, skills and connection to community-based stewardship enterprises) be considered in addition to cost when selecting contractors.
- *Multiyear contracting.* Allows for stewardship contracts and agreements to run for up to 10 years.
- *Designation by prescription.* Permits the agencies to contractually describe the desired on-the-ground end results of a particular project, while giving the contractor operational flexibility in determining how best to achieve that result.
- *Designation by description.* Allows the agencies to specify which trees should be removed or retained without having to physically mark them.
- *Less than full and open competition.* Permits the agencies to award sole-source contracts in appropriate circumstances.
- *Trading goods for services.* Allows the agency to exchange goods (e.g., the value of timber or other forest

products removed) for the performance of service work (e.g., hazardous fuels removal) in the same project area.

- *Retention of receipts.* Affords the agency the ability to keep revenues from projects in which the product value exceeded the service work to be performed and use those receipts to pay for other stewardship service work in the same stewardship project area or a new stewardship project area.
- *Widening the range of eligible contractors.* Allows non-traditional bidders (non-profit organizations, local governmental bodies, etc.) to compete for and be awarded stewardship contracts.

The environment in which Stewardship Contracting pilots were conducted promoted intensive training for agency personnel in the use of these new special authorities, with technical assistance being made available from regional offices. During this period, project-level multi-party monitoring² data were actively sought and regularly used to identify and resolve operational questions. Rich collaborative processes existed to engage stakeholders in project planning and design.

The pilot effort concluded early with Congress passing legislation³ in 2003 that removed the cap on the number of

² For information on multi-party monitoring in stewardship contracting see (Moote, 2011)

³ Interior Appropriation Act of 2003 Sec. 323 of P.L. 108-7 (16 U.S.C. 2104. Note, as revised February 28, 2003 to reflect Sec. 323 of H.J. Res. 2 as en-

projects, extended Stewardship Contracting authorities to the BLM, and offered a 10-year authorization to the agencies to use stewardship authorities through September 30, 2013 to *“perform services to achieve land management goals for the national forests and the public lands that meet local and rural community needs.”*

This legislation defined land management goals of stewardship contracts and agreements to include, among other things:

- (1) road and trail maintenance or obliteration to restore or maintain water quality;
- (2) maintenance of soil productivity, habitat for wildlife and fisheries, or other resource values;
- (3) prescribed fires to improve the composition, structure, condition, and health of stands or to improve wildlife habitat;
- (4) removing vegetation or other activities to promote healthy forest stands, reduce fire hazards, or achieve other land management objectives;
- (5) watershed restoration and maintenance;
- (6) restoration and maintenance of wildlife and fish habitat; and
- (7) control of noxious and exotic weeds and reestablishing native plant species.

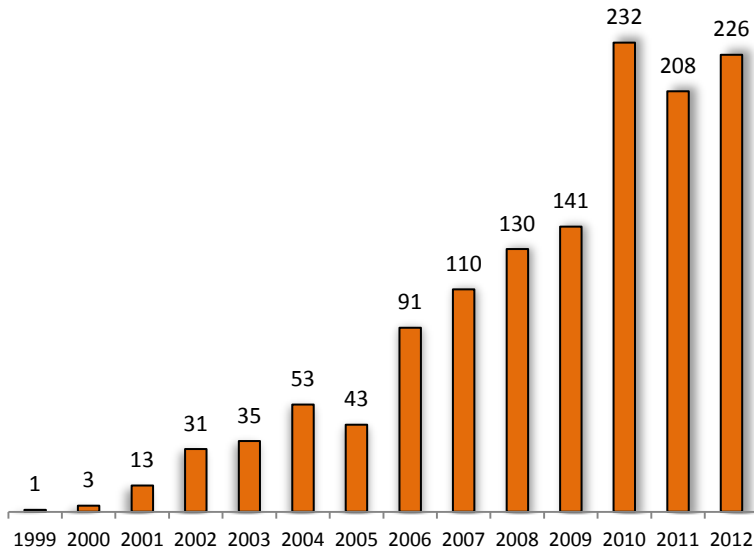


Shasta-Trinity National Forest. Photo Credit: Watershed Research and Training Center

Progress toward all of those goals has been impressive in recent years. In 2012, the Forest Service awarded 226 stewardship contracts or agreements, totaling 134,257 acres. One indication of growth is that roughly 15 percent of all timber sold from the National Forest System in 2007 was removed through stewardship contracts and agreements accomplishing needed forest restoration and hazardous fuels reductions, while in 2012 this figure increased to 25 percent.

rolled) the Consolidated Appropriations Resolution, 2003, amended P.L. 105-277, Sec. 347.

Number of USFS Contracts Awarded by Year



For the BLM, in 2012 stewardship contracts or agreements were used to remove 5% of the timber produced on BLM public domain lands during restoration work.⁴ The BLM project size has increased from an average of 87 acres per project in 2003, to 151 acres in 2011, and to 292 acres in 2012. In 2012, BLM set a target of establishing 27 new contracts, awarding 18 covering 5,549 acres. By comparison, in 2011, BLM aimed for 38 contracts, awarding 33 covering 5,000 acres. The overall growth in Stewardship Contracting underlies the integral and strategic way in which it is affecting management

⁴ When the O&C Trust lands are included in the count, the percentage is 5%, but when these lands are excluded the count is 26% because stewardship authorities are not presently used on the O&C lands very often.

of Federal public lands.

For instance, significant multi-year investments of private and public funds are being made in USFS Collaborative Forest Landscape Restoration Program (CFLRP) projects, much of which is happening through stewardship contracts and agreements. Likewise, dramatic increases in fire suppression spending⁵ on wildfire seasons of increased intensity and duration, coupled with spending cuts across the Federal government, further squeezes the agencies' ability to *proactively* restore forests, rather than *reactively* fighting uncontrollable wildfires and overwhelming insect and disease infestations—both forecasted to worsen in the future. All of this makes broadly supported and fiscally efficient tools like Stewardship Contracting very appealing.

Both agencies are calling for their stewardship authorities to be extended or made permanent before they expire this year. Several bills—including both Senate and House versions of the Farm Bill—have been introduced that would reauthorize Stewardship Contracting for an extended duration or permanently, however, none of these legislative proposals have progressed to voting. If legislation reauthorizing Stewardship Contracting is not passed before September 30, 2013, the Forest Service and BLM will no longer have authority to award new stewardship contracts or agreements.

⁵ Fire suppression has increased from around 10% of the Forest Service annual budget in the early 1990s to more than 40% in the last few budgets (see Southwest Region Report appendix a).



Montana Forest Recovering After Wildfire.

Photo Credit: Brian Kittler

2 — METHODS

The Pinchot Institute worked closely with four regional partner organizations to gather input from stakeholders involved with stewardship projects. The four partner organizations included:

- **Flathead Economic Policy Center** (Carol Daly) Northern Rockies and Northeast/Lake States
- **Michigan State University** (Dr. Maureen McDonough) Data Analysis/Synthesis
- **Watershed Research and Training Center** (Michelle Medley-Daniel, Nick Goulette) Pacific Coast

- **West 65, Inc.** (Carla Harper) Southeast and Southwest

Each of these partners conducted surveys via telephone interview. Data synthesis was performed by Michigan State University. Subsequent activities of the Regional Teams led by the regional partners included site visits, formal presentations, the study of both project-specific reports and regional programmatic monitoring data, and wide-ranging conversations with agency personnel, project contractors, local community members, interest group representatives, and other stakeholders.

2.1 Telephone Survey

A primary data collection method was a telephone survey that was conducted to determine the role that local communities play in the development of stewardship contracts or agreements. The sample set consisted of individuals involved with stewardship contracts such as USFS personnel, community members, and contractors. To facilitate this national-level monitoring effort, the Forest Service Washington Office provided a list of active stewardship contracts or agreements on National Forest System (NFS) lands. In 2012, the Forest Service reported 399 active stewardship projects across the National Forest System. From this list, 25 percent of Forest Service stewardship contracting projects in each of five regions were selected using a stratified random sampling protocol developed by Michigan State University (MSU). The five defined regions of the United States included:

Northeast/Lake States:	CT, DE, IA, IL, IN, MA, ME, MD, MI, MN, MO, NJ, NH, NY, OH, PA, RI, VT, WI, WV
Northern Rockies:	ID, MT, ND, SD, WY
Pacific Coast:	AK, CA, HI, OR, WA
Southeast:	AL, FL, GA, KS, KY, LA, MS, NC, SC, TN, VA
Southwest:	AZ, CO, KS, NE, NM, NV, OK, TX, UT

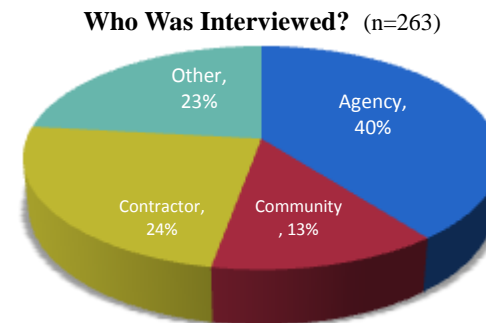
A questionnaire was developed collaboratively in 2005 by the Pinchot Institute, its partners, and the Forest Service and BLM, reviewed and approved by the Office of Management and Budget,⁶ and has since been used annually to collect data relevant to the programmatic monitoring effort (See Appendix C). As interviews are completed, resulting data are compiled into uniform reports and sent to Michigan State University for coding and analysis. Michigan State University compiles the results from these analyses and shares them with the Pinchot Institute and its regional partners for vetting at Regional Team meetings. These data become the basis for the graphs and tables in this report.

2.2 Response Rate

The stratified random sampling protocol identified a total of 102 Forest Service projects across the five regions monitored for FY2012. For each project, three interviews were attempted (the agency project manager and two external non-agency participants) and in most cases successfully conducted. Agency contacts for each project were asked to provide a list of community members and contractors involved in the project. Two external participants were randomly selected for

⁶ See OMB approved survey instrument # 0596-0201 in appendix C.

interviews. In some instances less than three interviews were undertaken due to difficulties in contacting project participants or because the project manager was unable to provide the names of two or more involved non-agency individuals—resulting in 306 possible interviews. A total of 262 individuals (104 agency personnel, 35 community members, 63 contractors, and 60 others) participated in the survey, resulting in a 94% response rate.⁷



2.3 Regional Team Meetings and Reports

The Regional Teams were responsible for synthesizing regional data analyzed by Michigan State University, analyzing the effects of regional conditions on the success and outcome of stewardship projects, studying and exchanging any lessons learned in the region, and highlighting the benefits of and obstacles to engaging communities in stewardship contracts in their region.

⁷ In 26 projects less than 3 interviews took place because there was no one else available to interview or the agency person could not direct us to col-laborators to interview.

The majority of these Regional Team members have participated in the annual programmatic review since 2005 and some also participated during the pilot phase of Stewardship Contracting prior to 2005. The collective knowledge and experience reflected in the Regional Summary reports provided in appendix A.

The Pinchot Institute and its regional partners convened and facilitated five separate Regional Team meetings at which representatives from the Forest Service, BLM, the forest products industry, academia, local governments, environmental and wildlife conservation organizations, and other interests were in attendance.

- **Southwest meeting:** Richfield, Utah, Oct. 4 – 5
- **Northern Rockies meeting:** Helena, Montana, Oct. 30
- **Southeast meeting:** Lufkin, Texas, Oct. 10 – 11
- **Northeast meeting:** Baldwin, Michigan, Nov. 01
- **Pacific Coast meeting:** Eugene, Oregon, Nov. 15

Regional meetings were conducted to reconcile national-level trends observed in the interview data with regional variability. These five meetings also provide a needed venue for information sharing and networking for individuals grappling with similar projects. These meetings fostered a constructive dia-

logue about the role of communities in Stewardship Contracting.

In each of the regional team meetings, team members used region-specific survey data as well as their own experiences to discuss the three core questions of the programmatic monitoring process:

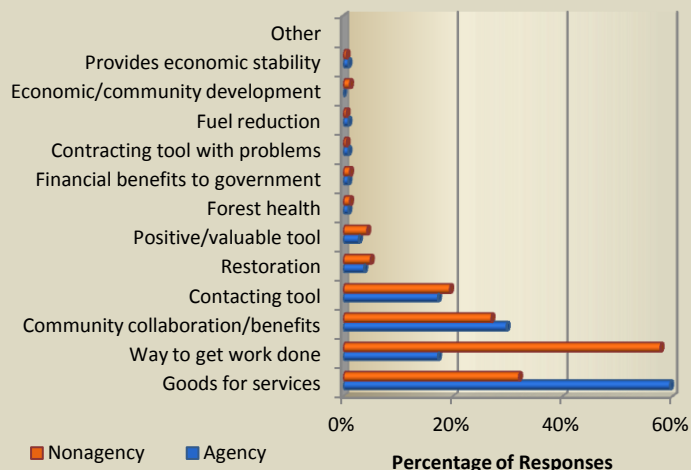
1. *What are the predominant problems in engaging communities in Forest Service stewardship contracts? BLM stewardship contracts? What are suggestions for improving the current situation for both agencies?*
2. *What successes have emerged within this region for engaging communities in Forest Service stewardship contracting? BLM stewardship contracting? What fostered these successes for both agencies?*
3. *What are the major perceived benefits of Forest Service and BLM stewardship contracts to communities within this region?*

3 — SURVEY RESULTS AND DISCUSSION

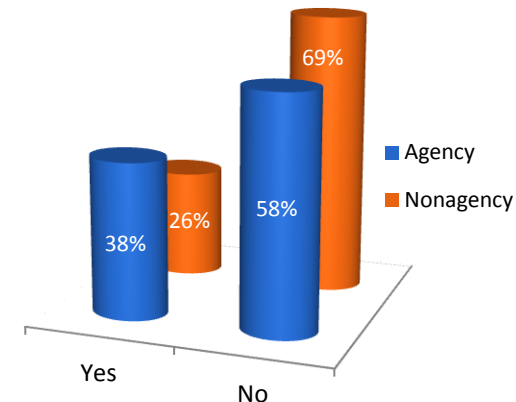
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3.1 Perceptions of Stewardship Contracting

Definition of Stewardship Contracting (n=263)



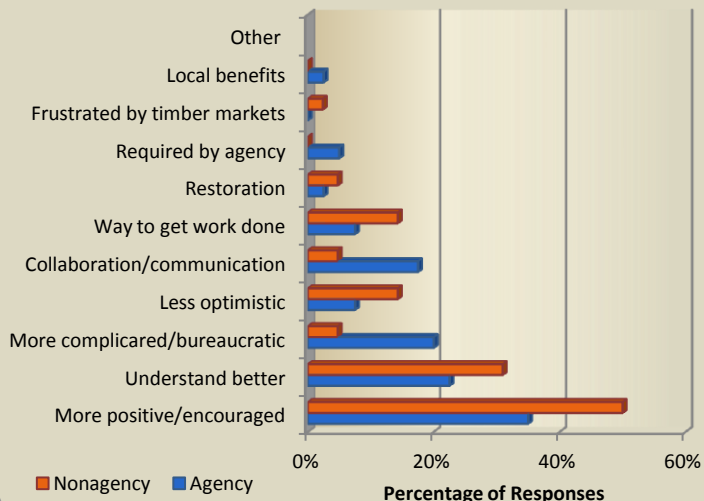
Did Your View of Stewardship Contracting Change? (n=263)



The majority (64%) of agency and non-agency respondents' views of stewardship contracting did not change as a result of their participation in a stewardship project.

For the 82 individuals saying their views had changed, 43% of them say their perception of Stewardship Contracting improved.

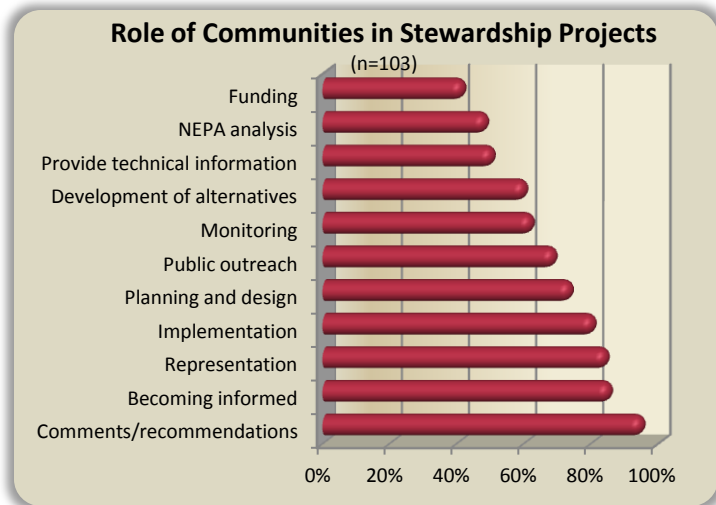
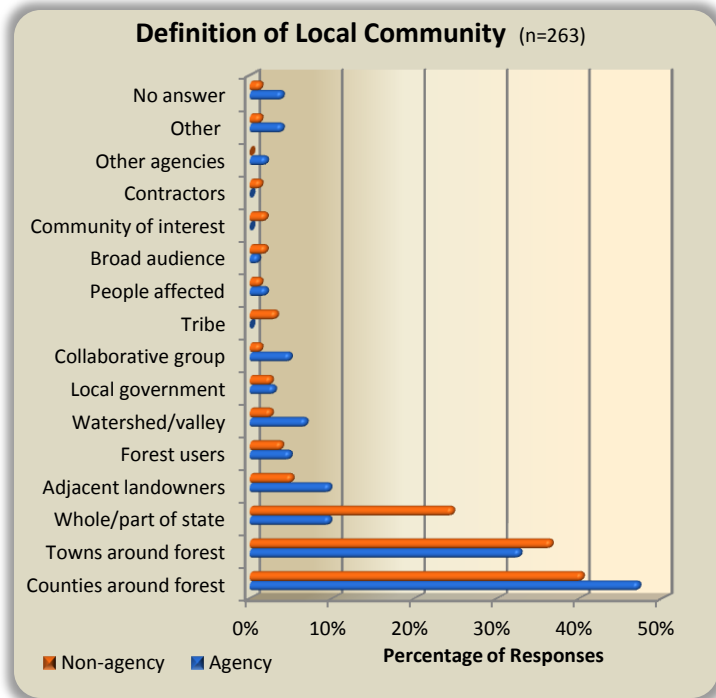
Changed views of Stewardship Contracting (n=82)



Additionally, over a quarter responded that they understood Stewardship Contracting better. The few who expressed a less favorable view, suggested that: *"NGOs are less involved than expected," "internal strife and resistance are a hurdle," "collaboration is not successful," "Stewardship Contracting is overused,"* and that *"Stewardship Contracting does not equal stewardship."* Another cited *"continued reservations"* about Stewardship Contracting and land management, while yet another suggested that Stewardship Contracting has improved their relationship with the agency.

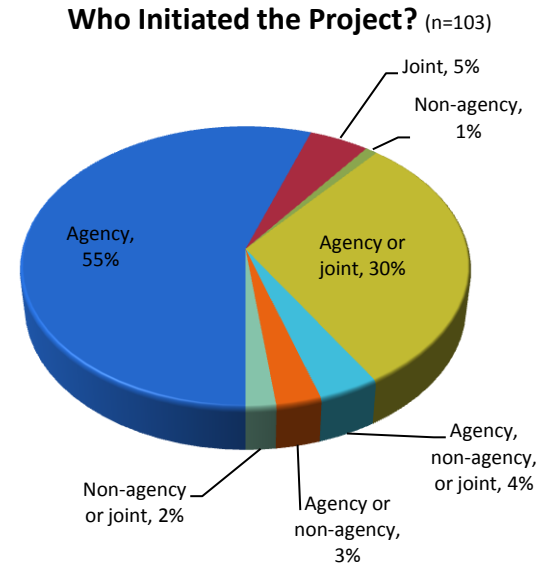
As was the case in years past, agency respondents' top definition of Stewardship Contracting (60%) is *"goods-for-services."* Non-agency respondents rates this high as well (32%), but their number one response (58%) is that Stewardship Contracting is *"a way to get work done."* Close to a third of all respondents offer a definition that emphasizes collaborative community benefits. Thirteen suggested their own unique definition of Stewardship Contracting: a barter system, *"responsible care of forests/land,"* a *"way of giving preference to local interests,"* a *"way for one contractor doing several tasks,"* *"reinvesting locally generated funds locally,"* a *"way of making improvements to land,"* *"not waiting on appropriations to do work because of retained receipts,"* and one negative response described Stewardship Contracting as an unfulfilled promise.

3.2 Community Involvement in Stewardship Contracting



As has always been the case, most (55%) stewardship contracts are initiated by the agency. However, in 39% of projects surveyed in 2012 respondents disagree about who initiated the project.

In most of these cases respondents suggest that projects are either agency initiated or jointly initiated. This may be a function of the large number of respondents who are contractors who likely avoid projects early on due to perceived conflicts of interest. While not often serving as the initiator, non-agency community members did *actively* participate.



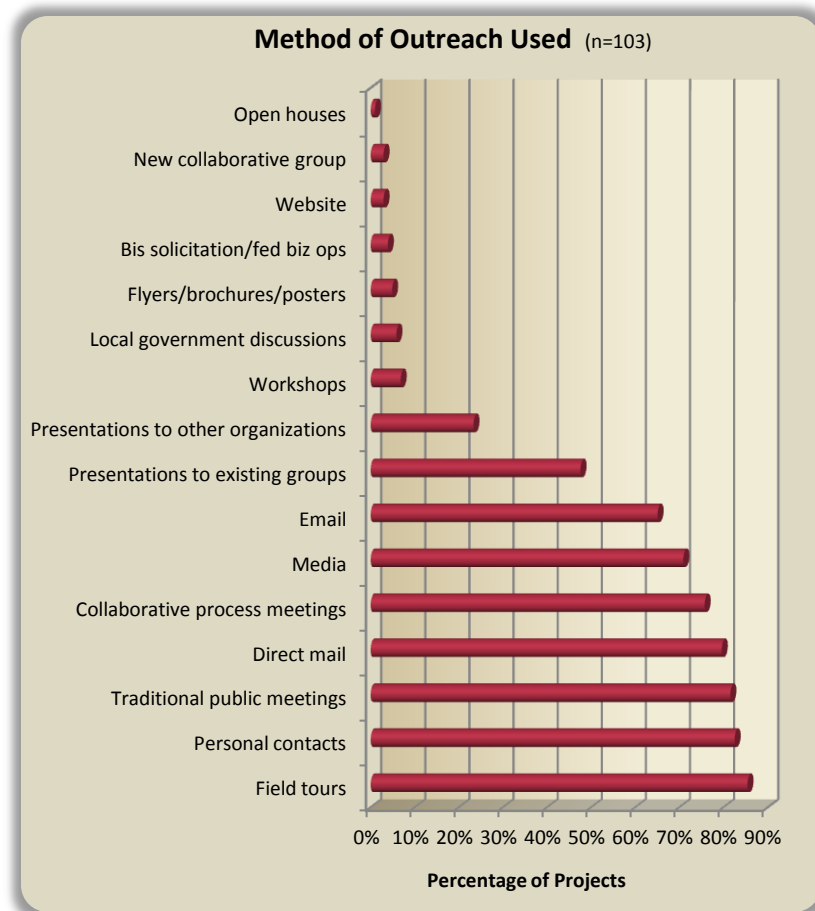
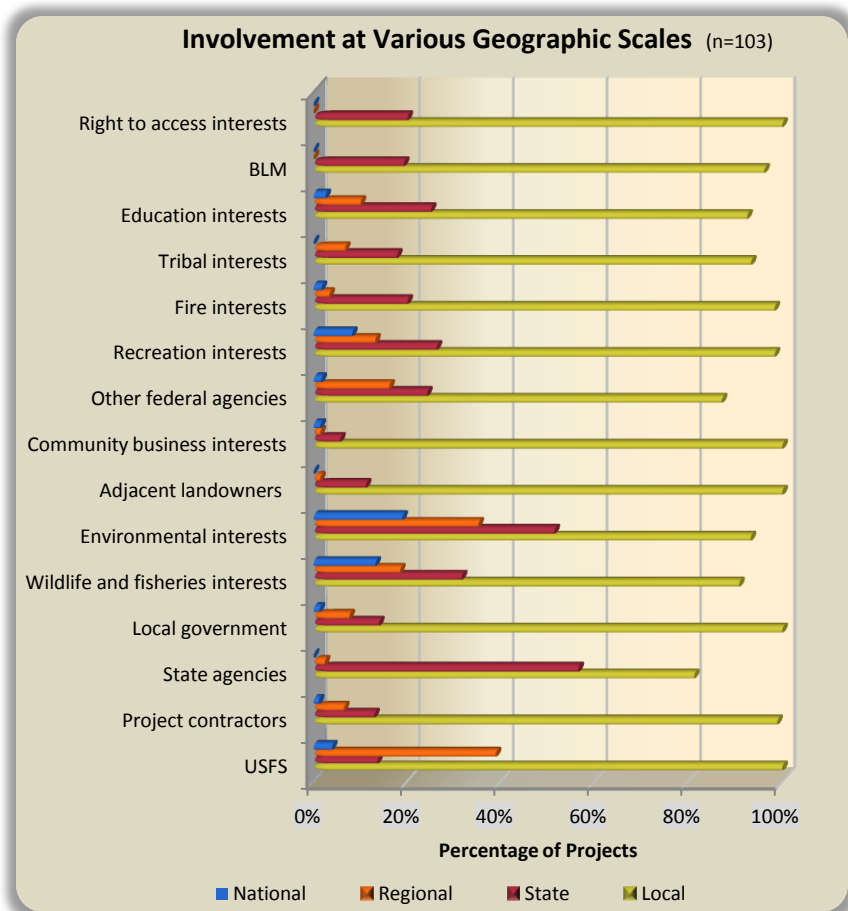
In 2012, community members' role in monitoring projects increased to 62%, up from the last two years. Community member's roles in project planning/design and implementation is up this year too. Non-agency funding remains relatively high, above 40%, but down from the last two years. The observed decrease in funding from non-agency partners may be an artifact of who was interviewed in 2012, but another factor may be the absence of match funds from the Rocky Mountain Elk Foundation, a significant partner in stewardship agreements that decided to discontinue their participation due to perceived liability issues that surfaced during an operations caused fire in 2011. Active Involvement is overshadowed by more passive forms of public engagement, "*becoming informed*" (85%) or "*providing comments/recommendations*" (95%) [e.g. via NEPA scoping].

Respondents provided their own definition of "local communities" engaged in stewardship contracting projects. While several definitions were given, the most common responses were counties around the forest (43%), towns around the forest (35%), and entire states or portions of the state (19%).

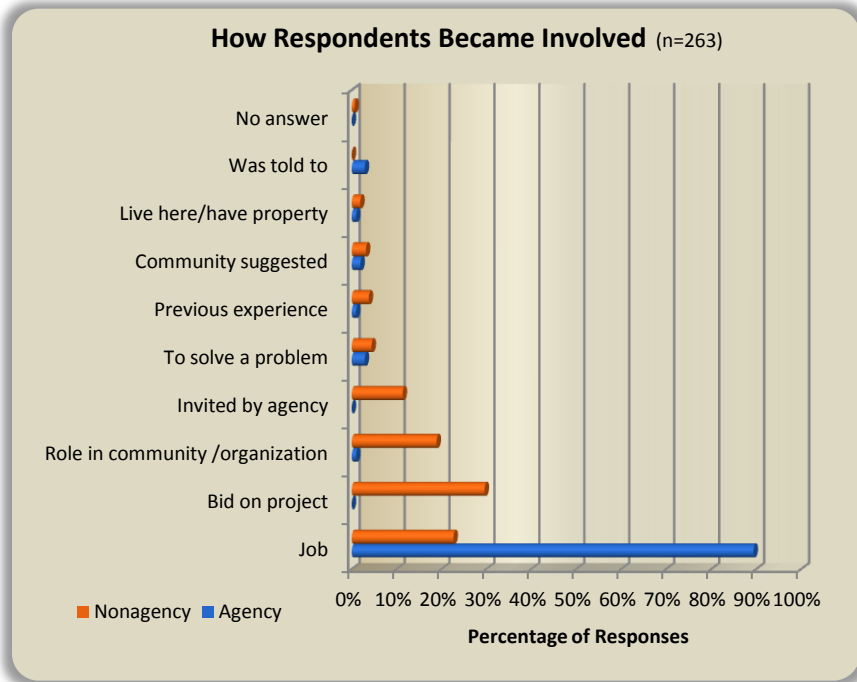
3.2 Community Involvement in Stewardship Contracting

Most engagement in stewardship contracts occurs at the local level, but Stewardship Contracting is increasingly becoming a priority for the Forest Service at the Regional Office level. In both 2011 and 2012, Regional Offices were cited as being involved in around 40% of stewardship projects, while from 2008 – 2010 Regional Office involvement occurred in 16 – 33% of projects. Respondents cited involvement by others including: local watershed groups, Native Plant Society, downstream water users, the timber industry, restoration collaboratives, and others.

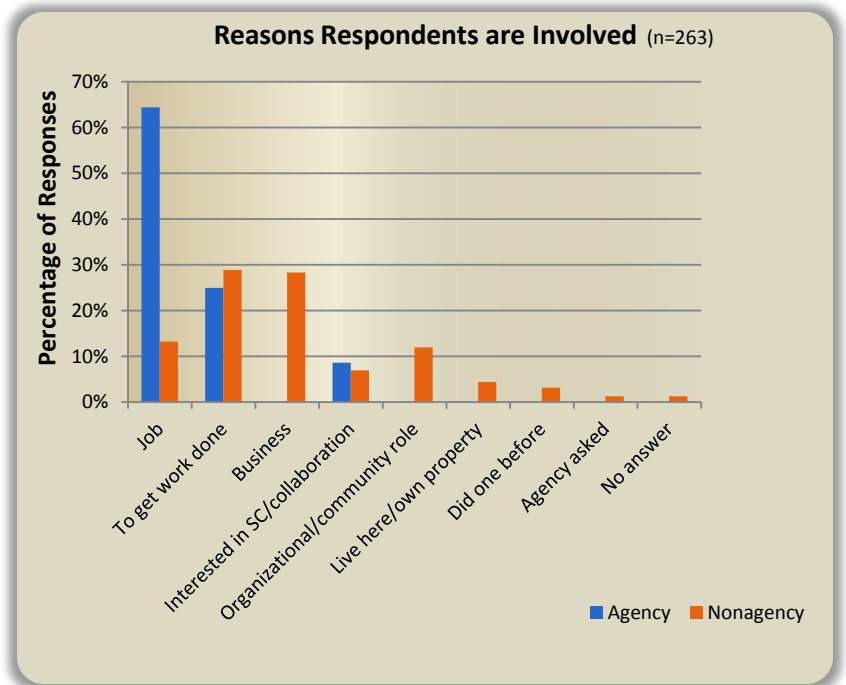
Field tours of project sites continue to be a popular method of public outreach in 85% of projects surveyed. Direct mailings and traditional public meetings [e.g. NEPA scoping] are again very common responses, with personal contacts (often with adjacent landowners) likewise occurring in over 80% of projects. The use of collaborative process meetings is cited in 76% of projects, up from 56% in 2010 and 2011.



3.3 Personal Involvement in Stewardship Contracting



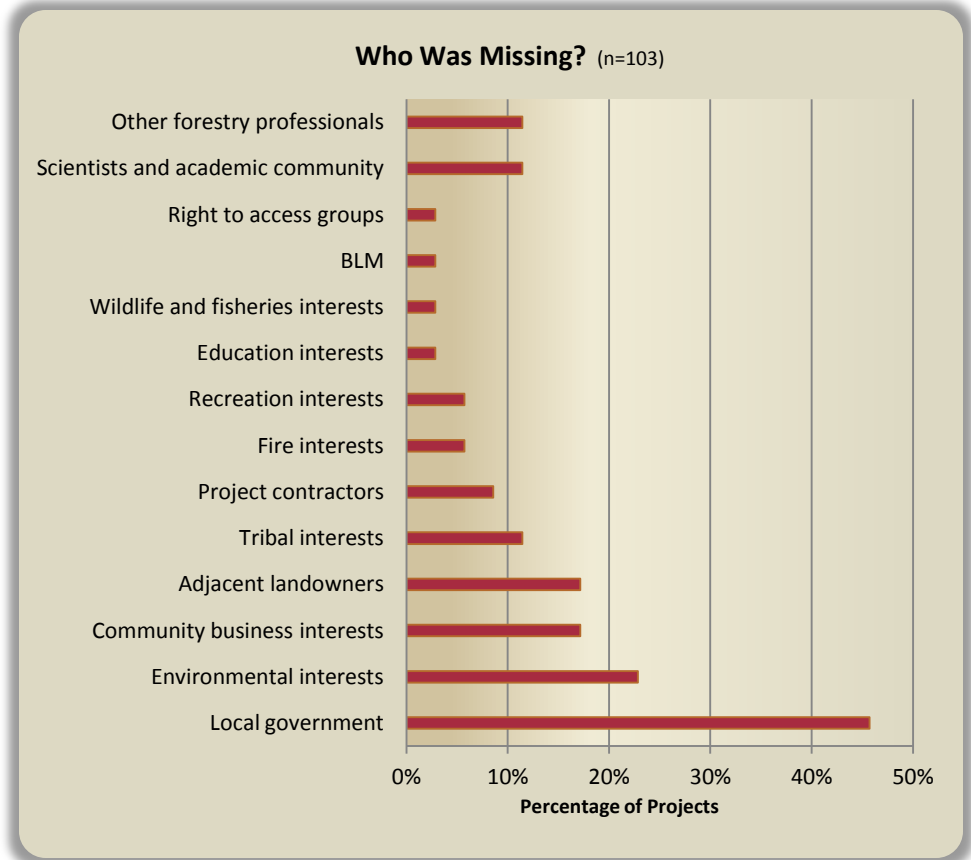
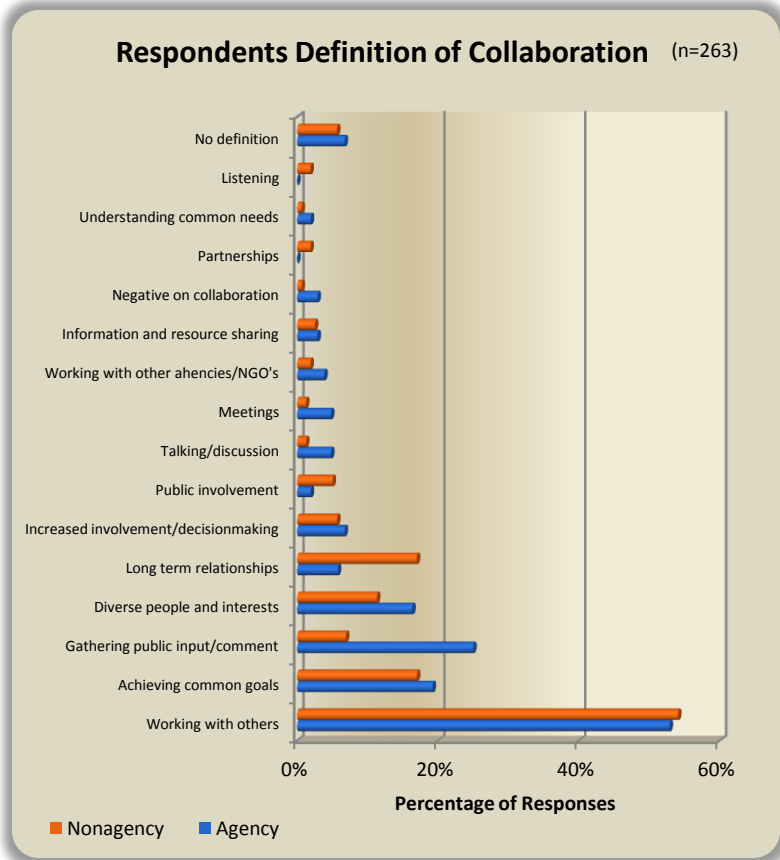
When asked *why* people became involved in Stewardship Contracting most non-agency personnel respond that they “*wanted to get some work done*” (29%), or that it was a business opportunity (28%). Most agency personnel say that it is “*part of their job*” (64%), with “*to get work done*” (25%) being a secondary answer for agency staff. Other less common responses were that people got involved because of the education aspects of a project and even because it was mandated by the Regional Office that Stewardship Contracting be used.



As was the case in previous years, most people get involved in stewardship contracts through their job (49%). This year, many non-agency respondents were contractors, which is reflected in the fact that 30% of non-agency respondents said they became involved through bidding on a stewardship contract. Also, 19% of non-agency respondents said they became involved through their “*role in the community,*” or their “*role in their organization.*” Other specific reasons respondents say they first became engaged include through participation in a collaborative group (1%), in the NEPA process (1%), or by attending a public meeting (1%).

3.4 Collaborative Process and Stewardship Contracting

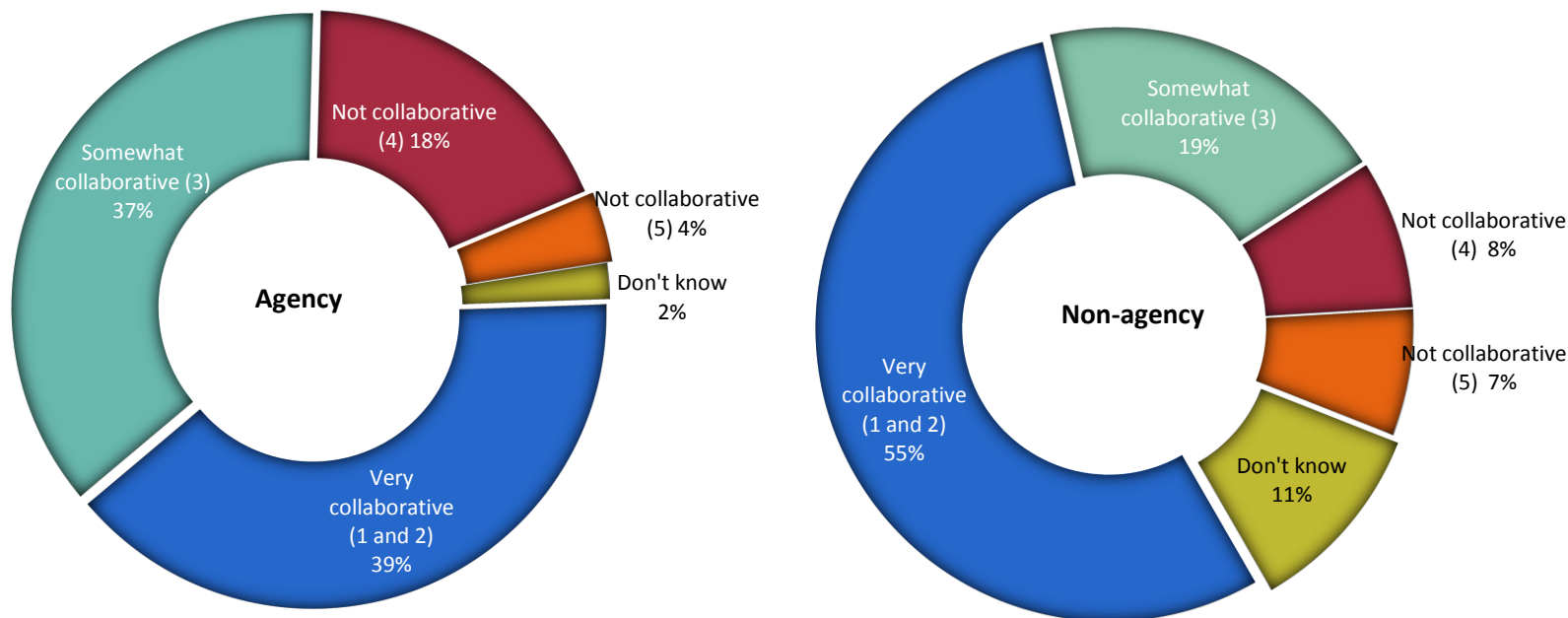
Most agency and non-agency respondents tended to define collaboration as working with others, or achieving a common goal. However, definitions of collaboration vary from there. Agency respondents suggest collaboration is “*gathering public input*” more often (25%) than non-agency (7%) respondents. Whereas, non-agency respondents tend to emphasize collaboration as “*long-term relationships*” (17%) more often than agency respondents (6%). These differences are indicative of variance in perspectives, positions, and approaches to collaborative work.



In about a third (34%) of the projects, respondents reported someone as missing from the collaborative process. Local government officials and environmental groups are most often cited as missing.

3.4 Collaborative Process and Stewardship Contracting

How Collaborative are Your Projects? (n=263)



Survey participants were asked to rate the degree of collaborative community involvement in their projects on a five-point scale (1 = very collaborative to 5 = not at all collaborative).

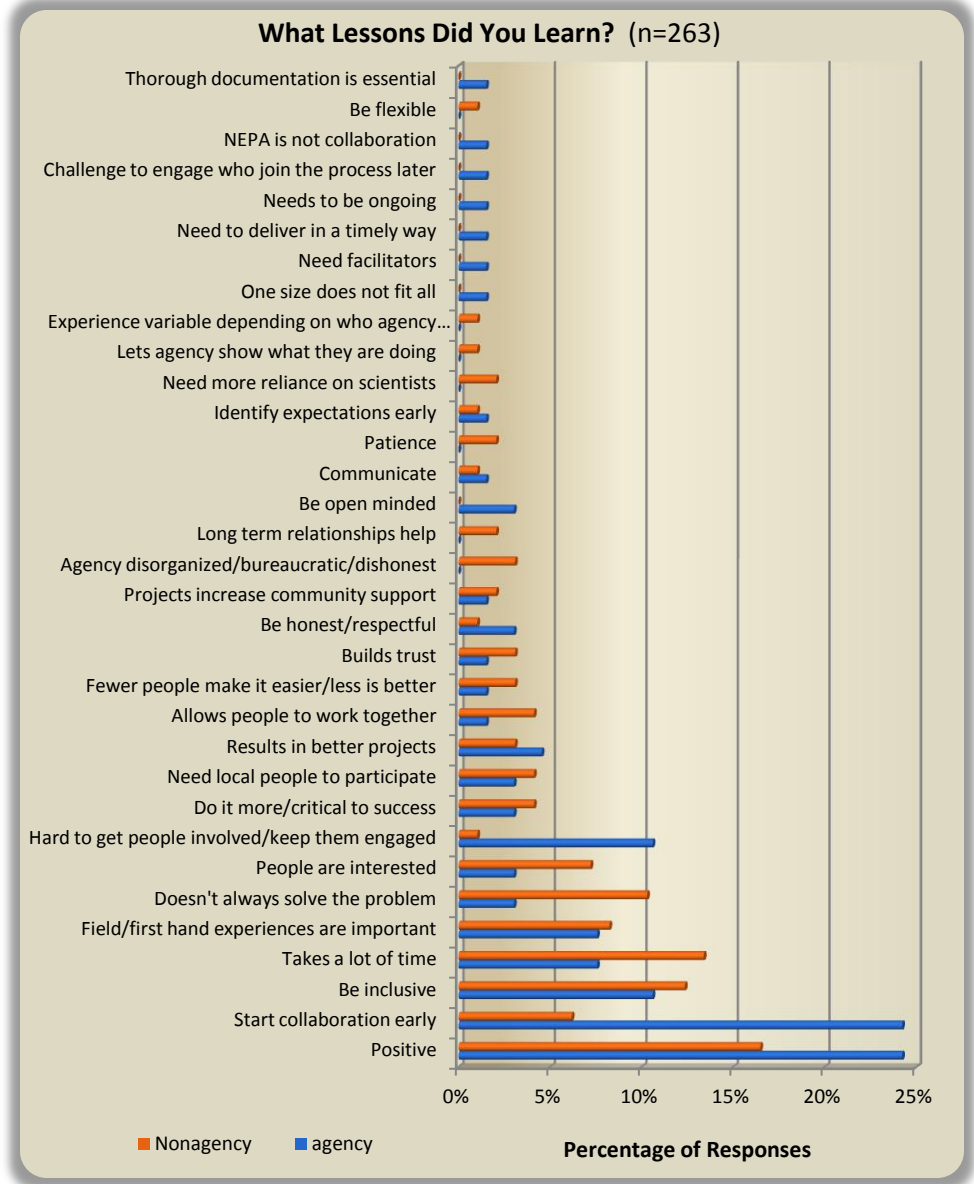
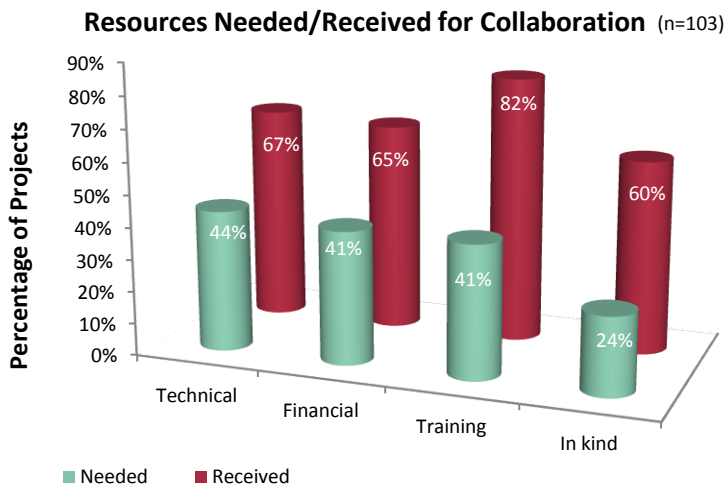
This year roughly three-quarters of both agency and non-agency respondents viewed projects as being either somewhat collaborative or very collaborative. Non-agency respondents are significantly more likely to say that their projects are very collaborative.

In 2012, 49% of agency and non-agency respondents feel that their projects are very collaborative. Conversely, 51% agency and non-agency respondents suggest that their projects are either only “*somewhat collaborative*,” “*not collaborative*,” or that they simply do not know whether or not their projects should be considered collaborative.

3.4 Collaborative Process and Stewardship Contracting

Over 60% of agency and non-agency respondents say that new lessons were learned as a result of their participation in stewardship contracting projects. The most frequently cited lesson learned is a sense of the positive benefits respondents attribute to Stewardship Contracting. Other lessons learned include the need to start collaborative work early (a top response for the agency), a need to be inclusive, and a realization that collaborative processes can take a while. Agency and non-agency respondents differed very slightly in what lessons the learned from community involvement in stewardship projects.

Forty percent of projects surveyed required financial assistance, technical assistance, or training resources to foster collaborative engagement. While these data show respondents reporting adequate resources being available, dialogue at Regional Team meetings and interviews (see section 4 and appendix A) reveal a need for training that emphasizes the philosophy behind stewardship contracting and not just the mechanics of the tool. This finding is consistent with the results in previous years.

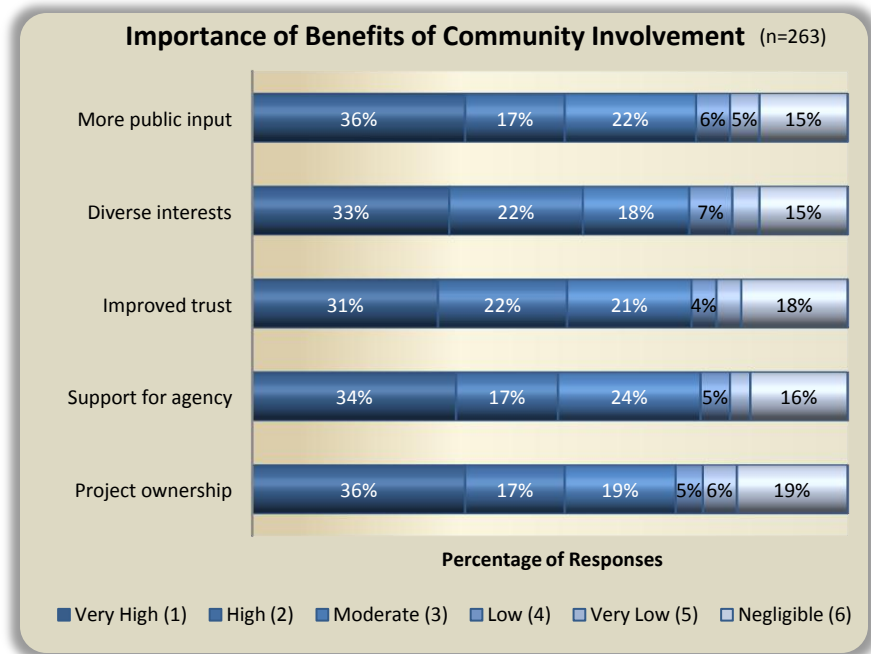
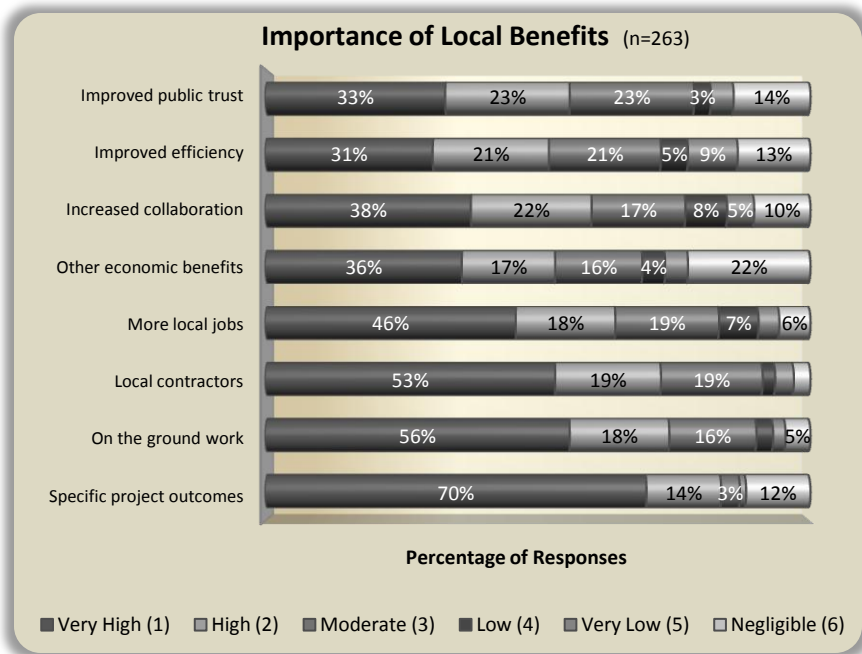


3.5 Local Benefits of Stewardship Contracting Projects

As has been the case in past rounds of this Programmatic Monitoring effort, respondents overwhelmingly cite “specific project outcomes” as being the top ranked local benefit from stewardship contracts or agreements. This category most often encapsulates the physical outcome of project activities (e.g., a thinned forest). Similarly, accomplishing “on the ground work,” is also rated highly. This year, “more local jobs” and employing “local contractors” were often mentioned as being local benefits of very high importance. This is likely in part attributable to the large number of contractors interviewed who directly benefited through their participation in stewardship projects. Respondents’ emphasis on jobs is likely associated with low employment in many rural communities.

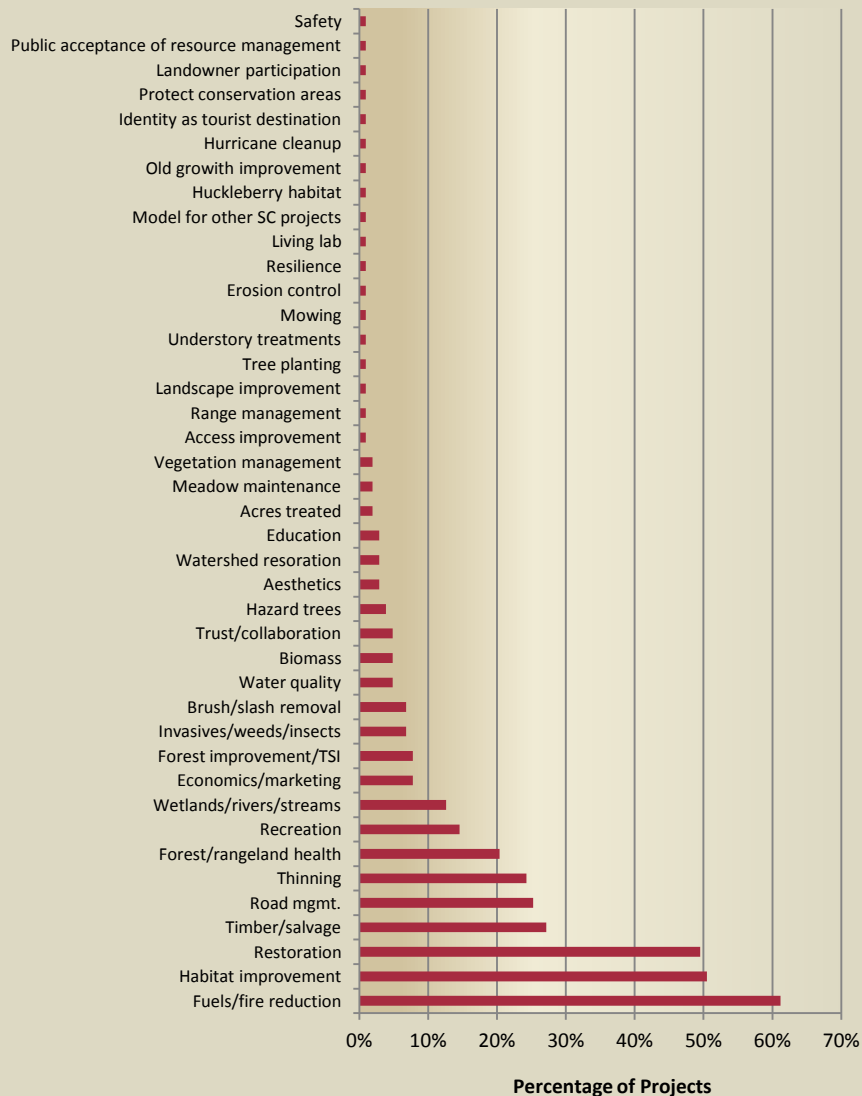
Respondents were asked to rate the benefits of involving communities in Stewardship Contracting projects. Benefits respondents were asked to rank include, “more public input,” involving “diverse interests,” “improved trust,” increased “support for the agency,” and “ownership of the project.”

On the balance, the majority of all responses (51 – 55%) found all benefits (see below) as being of high or very high importance. On average, 26% of responses (a range of 25 – 29%) categorized these same benefits as being of low to negligible importance.



3.5 Local Benefits of Stewardship Contracting Projects

Specific Project Outcomes Identified by Respondents (n=103)



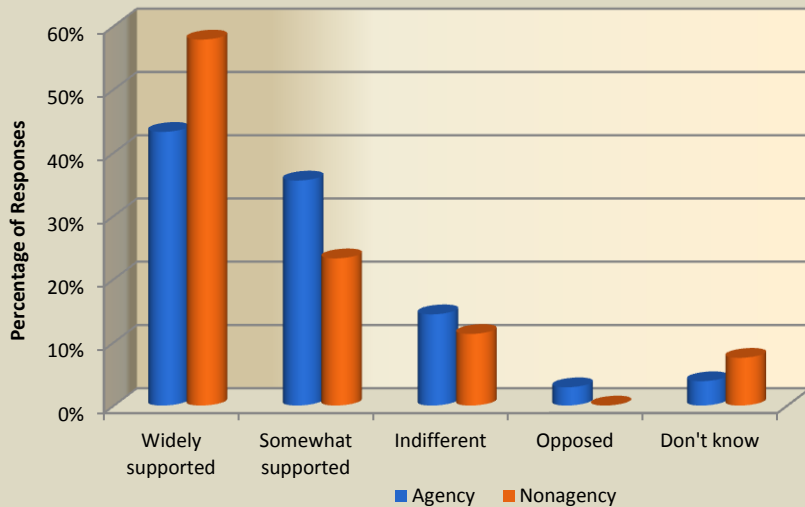
In a full 84% of projects surveyed, respondents ranked “*specific project outcomes*” as being of high or very high importance. This has historically been the highest rated benefit of stewardship contracts and/or agreements.

In 2012, 40 highly diverse project outcomes were associated with surveyed projects. Of these project outcomes, the top three were said to have occurred in at least half of projects. These outcomes are “*restoration*” (50%), “*habitat improvement*,” (51%) and “*fuels/fire risk reduction*” (61%). In around 25% of projects timber/salvage, road management, and thinning were also identified as important outcomes. Other less frequently identified project outcomes include:

- | | |
|---------------------------|-----------------------------------|
| ✓ Forest/rangeland health | ✓ Range management |
| ✓ Recreation | ✓ Landscape improvement |
| ✓ Wetlands/rivers/streams | ✓ Tree planting |
| ✓ Economics/marketing | ✓ Understory treatments |
| ✓ Forest improvement/TSI | ✓ Mowing |
| ✓ Invasives/weeds/insects | ✓ Erosion control |
| ✓ Brush/slash removal | ✓ Resilience |
| ✓ Water quality | ✓ Living lab |
| ✓ Biomass | ✓ Model for other SC projects |
| ✓ Trust/collaboration | ✓ Huckleberry habitat |
| ✓ Hazard trees | ✓ Old growth improvement |
| ✓ Aesthetics | ✓ Hurricane cleanup |
| ✓ Watershed restoration | ✓ Identity as tourist destination |
| ✓ Education | ✓ Protect conservation areas |
| ✓ Acres treated | ✓ Landowner participation |
| ✓ Meadow maintenance | ✓ Safety |
| ✓ Vegetation management | ✓ Public acceptance of mgmt. |
| ✓ Improved access | |

3.6 Support for Stewardship Contracting

Support for Stewardship Contracting in Community (n=263)

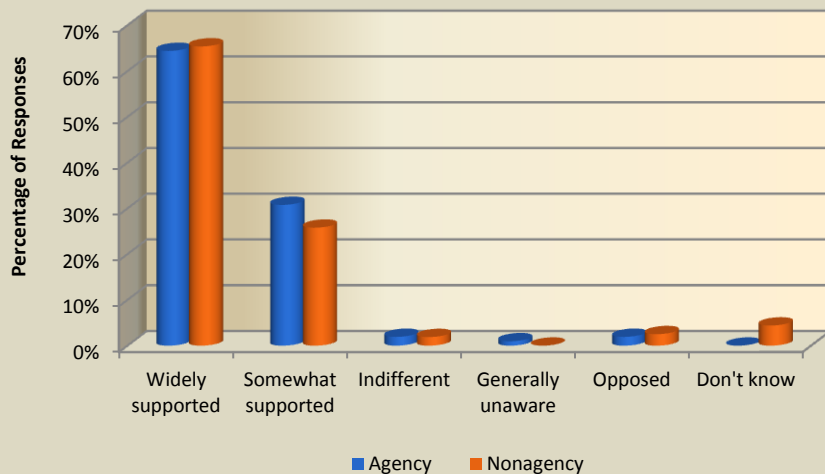


Respondents cite wide support within their communities for using stewardship contracts and agreements., with agency and non-agency respondents alike suggesting this.

Respondents overwhelmingly (92% non-agency and 90% agency) said that they would definitely participate in another stewardship contract or agreement. Only 2% said that they would not participate again, with 5% saying they *might* do so. Virtually every agency respondent said that they either would or might use Stewardship Contracting again if it was the right tool for the circumstances.

Those who said they would participate again (n=241), the top reasons suggested were: *"It is a good way to get more work done"* (24%), *"I am already participating again"* (20%), *"Stewardship Contracting is a great tool and a good concept"* (12%), *"It is good for business"* (9%).

Support for Stewardship Contracting in Agency (n=263)



For those who said they would not participate again (n=22), 33% of non-agency respondents (contractors and NGOs) said they would not participate again because it was too financially risky for them to do so, while 17% of non-agency respondents said they would participate again if the *"conditions were right."* Most agency respondents who did not come outright with saying that they would do another stewardship contract or agreement gave hints that they might do so. Their reasons being that *"It would have to be under the right circumstances"* (30%), *"I would if I had to or was told to"* (30%), and *"I am just getting started"* (20%). One agency respondent said that they would not use Stewardship Contracting when economic conditions are poor.

4 — SUMMARY FINDINGS / RECOMMENDATIONS

Through this Programmatic Monitoring effort we engage agency and non-agency personnel to better understand answers to our three main research issues:

1. *What are the predominant problems in engaging communities in Forest Service stewardship contracts? BLM stewardship contracts? What are suggestions for improving the current situation for both agencies?*
2. *What successes have emerged within this region for engaging communities in Forest Service stewardship contracting? BLM stewardship contracting? What fostered these successes for both agencies?*
3. *What are the major perceived benefits of Forest Service and BLM stewardship contracts to communities within this region?*

This section of the report summarizes our main findings and recommendations for improving community engagement in, and overall effectiveness of, Stewardship Contracting. In addition to the recommendations listed in this section, readers are strongly urged to review the findings and recommendations of the Regional Teams in appendix A as the recommendations included in this section address the most frequently cited issues, but each regional summary report contains many additional recommendations that policymakers and agency officials should address.

4.1 Predominant Problems with Engaging Communities in Stewardship Contracting

The findings and recommendations included in section 4 of this report are largely a compilation of findings and recommendations from the regional summary reports in appendix A, which are directly tied to the interviews and surveys carried out in each of the five regions. Findings and recommendations are also directly tied to the discussion occurring during Regional Team meetings.

Findings and Recommendations – Problems with Collaboration and Community Engagement

Collaboration is often characterized by dialogue undertaken to reach agreement on land management planning, design, and implementation. While collaboration around management of Federal public lands takes many forms from loose social networks to highly structured groups governed by a system of norms and principles, across this spectrum, key indicators of authentic collaboration are openness, transparency, and inclusivity. When first authorized by Congress, Stewardship End-result Contracting Pilot projects were afforded tremendous flexibility in large part because many of these early projects had long exhibited authentic collaboration. Many were operating with a high degree of community engagement and trust.

Since the pilot period, collaborative processes have proven to be the most effective mechanisms to build trust and ensure accountability in the use of stewardship authorities. However, the application of collaborative approaches is mixed. In some places everyone is at the table working together, while in other places it is more akin to “negotiations,” and in still other places, collaboration is absent all together. This section addresses some of the reasons why collaboration and community engagement are variable in Stewardship Contracting activities. It is worth noting that for agency respondents to the 2012 survey, the top lesson they took from their involvement in Stewardship Contracting is that collaboration should be started early.

- ***Finding: Changes in agency leadership can disrupt collaboration and make or break stewardship projects.*** Line Officers can be some of the biggest proponents of collaboration and Stewardship Contracting, but personality, aptitude for collaborative work, and multiple demands on their limited time are challenges. Changes in local agency leadership can lead to changes in vision and resource allocation, disrupting collaborative processes and even breaking promises.
- ✓ **Recommendation:** Promote staff in a manner that keeps them dedicated to the local communities and stakeholders they are working with. If agency staff do in fact move on from locations where

collaborative work is progressing, other agency personnel (e.g. local biologists involved with or at least familiar with the process) should commit to minimizing the negative impact to progress. Some districts have experienced success by involving the local collaborative in the recruitment and evaluation of candidates for the departing officer's replacement.

- ✓ **Recommendation:** When a staff transition occurs at the District Ranger level, the agency should work with collaborators to ensure that a record of decisions, roles, and responsibilities of collaborators is made available to incoming staff members. Trusting non-agency stakeholders to serve as the institutional memory can be important when smoothing potentially bumpy transitions.
- ***Finding: The survey found that 70% of community members were involved in planning and design of projects, and 75% were involved in project implementation. However, in some places community engagement is largely conducted through passive channels, and community participation is minimal—restricted to community members “becoming informed,” or “providing comments.”***
- ✓ **Recommendation:** Begin collaboration early and invest adequately. Explain agency processes to your stakeholders, use realistic timelines from the

outset, and engage stakeholders at the right moment in time to ensure authentic and substantive input.

✓ **Recommendation:** Ensure that agency staff are trained in collaborative engagement and recognize that while aspects of NEPA can engage the public, it is mostly in an informational manner. Public engagement through the NEPA process often does not lead to an ongoing exchange of ideas with reciprocity and mutual learning.

✓ **Recommendation:** Ask the non-agency stakeholders to assist and/or lead outreach and communications activities. This approach can more effectively access diffuse social networks and promotes a sense of project ownership within the community.

- **Finding:** *It is challenging for both agency and non-agency personnel to sustain engagement in collaboration over the long-haul.* Unless it is a priority, agency participation in collaborative processes may be left to individuals without the time, expertise, or natural inclination to be effective. While collaboration takes many forms, it can be useful for collaborative groups to ensure norms and rules for collaboration exist and are followed. Effective impartial facilitation can go a long way to moving the collaborative process forward towards project planning, design, implementation, and monitoring.

✓ **Recommendation:** Ensure that skilled and high-energy staff members are dedicated to working with communities and other non-agency stakeholders as a primary job function and not an “add on” duty. Deploy these individuals in places primed for collaborative work.

✓ **Recommendation:** Consider replicating Region 6’s Community Capacity Land Stewardship Award Program across the country. Pooling resources from the USDA Forest Service, USDA NRCS, and the National Forest Foundation, allows the region to support facilitation and capacity building of existing and up and coming collaborative groups.

✓ **Recommendation:** Where resources cannot be appropriated, pooled, or leveraged, encourage the use of retained receipts, if available, to offset the expense of facilitation and other collaborative activities deemed acceptable in the Forest Service Stewardship Contracting Handbook. As designated in the Handbook:

Receipts may be transferred to collaborators through reimbursements, including services contracts, agreements, and other approved mechanisms. Items to be monitored and monitoring protocols, as agreed upon within the collaborative group and recommended to the line officer, may be funded with retained receipts, appropriate funds, grants, volunteers,

contributions from organizations, and so forth. Forest supervisors shall approve monitoring activities and determine the appropriate levels of use of retained receipts and appropriated funds in support of project level multi-party monitoring. Regional foresters shall approve the use of retained receipts for project level monitoring.

Retained receipts (sec. 60. 5) from stewardship contracting may be used for:

Another stewardship contracting project in the same project area or may be transferred outside the original project area...other approved stewardship contracting projects outside the initial project area only if such transfer is identified in advance, made known to interested parties, and approved in advance by the regional forester... Supporting project level multi-party process monitoring when there is interest and support from local collaborative partners. Retained receipts may defray the direct costs of local multi-party process monitoring and support the collaborative process by paying for facilitation, meeting rooms, travel, incidental expenses, data collection, and dissemination of monitoring findings to the public. Process monitoring is distinct from environmental

monitoring. Environmental monitoring should occur within the framework of land and resource management plan monitoring subject to priority and funding.

- ***Finding: Unduly restrictive interpretation of “the rules” can stifle innovation and the collaborative. Often this occurs in the application of retained receipts.*** For example, as was discussed during Regional Team meetings, the Forest Service Stewardship Contracting Handbook says that retained receipts can be used for multi-party monitoring and facilitation, but this is often discouraged or not allowed at the local level because of the strong preference to stretch available resources as far as possible to maximize immediate restoration application.
- ✓ ***Recommendation:*** Offer training in the use of retained receipts for local process monitoring, two activities that can be central to collaborative processes. Encourage the use of resources for these activities where appropriate, while ensuring that resources are spent wisely.
- ***Finding: “Professionalized collaboration” has emerged in some areas, potentially limiting the opinions and views expressed during dialogue to those who can afford to be there.*** In some instances only individuals with the time and wherewithal to collaborate are paid employees of interest groups (e.g.

environmental organizations) and agency personnel (see *Involvement at Various Geographic Scales* on page 16). Less than 20% of non-agency people became involved in Stewardship Contracting projects due to their role in their community or their organization (see page 17). This is antithetical to the notion of “*open and inclusive*” that is broadly recognized as an essential aspect of authentic collaborative engagement in natural resources management. While collaborative processes take significant investments of time, they should not be exclusive to only those who can afford to be there.

- ✓ **Recommendation:** Identify ways to direct financial resources to offset the expense of community members and other non-paid stakeholders wanting to participate. For those who cannot attend every meeting, make sure that a transparent publicly available record of meeting minutes is kept for each collaborative engagement session.
- ✓ **Recommendation:** Sometimes all that is needed is to change the time of meetings, so that they do not conflict with non-agency participants' work or school schedules.
- ✓ **Recommendation:** Where there is not a good agency/community relationship, work to find and engage another credible party to help convene stakeholders and/or facilitate collaborative work.

- **Finding:** *As discussed in Regional Team reports, Contracting Officers often lack a firm grasp of the rationale behind management prescriptions that were decided during collaborative processes, largely because they are entirely removed from such processes.* This can short-circuit the vision articulated by collaborators and the intent of the project.
 - ✓ **Recommendation:** Consider field-based training opportunities for agency staff, including Contracting Officers, to endow them with a firm grasp of both the mechanics and philosophy behind Stewardship Contracting. Even better still, have the contracting officer (who likely will administer the contract) participate in the collaborative process from the beginning.
 - ✓ **Recommendation:** Circulate among field level managers a national list of Contracting Officers who excel in the development of Stewardship contracts and are willing and able to troubleshoot problems with field staff. Explore opportunities for contracting officers with little familiarity with stewardship contracting to “shadow” more experienced individuals throughout the development of new stewardship contracts.
- **Finding:** *As was discussed in Regional Team meetings and reported in the Regional Summaries (see Appendix A) some contractors perceive conflict of*

interest when approached about participating in collaborative processes that they may in fact want to bid on, even though they may offer essential operational ideas about work to be proposed.

- ✓ **Recommendation:** Create opportunities for contractors to engage in the collaborative process without voiding their ability to compete. Field tours for prospective contractors that also engage collaborative process participants can be a useful way for the practical knowledge they bring to the table to be integrated into project design.



Hughes Creek Project, Idaho.

Photo Credit: Rocky Mountain Elk Foundation

Findings and Recommendations – Technical/Policy/Economic Barriers

The five regional teams identified the most significant barriers associated with engaging local communities in Forest Service stewardship contracts and/or agreements and have determined that in addition to the barriers to effective community engagement and collaboration mentioned above, which are often social in nature, a variety of technical/policy barriers can limit opportunities to engage communities. While some of the barriers discussed below are more systemic in nature, affecting natural resource managers and other government entities more broadly, some of these barriers are specific to Stewardship Contracting.

- **Finding:** *Non-agency survey interviewees who are unfamiliar with agency rules and legal procedures often perceive the layers of approval needed to award a stewardship contract, as unnecessarily slowing progress.*
- ✓ **Recommendation:** Identify in each region instances where authority to approve stewardship contracts can be delegated from the Regional Office down to the Forest Supervisor level. Prioritization for delegating this authority should take into account the frequency of use of Stewardship Contracting by the Forest, the size and scope of contracts, and presence of collaborative groups.

- **Finding: Economic conditions must be right for Stewardship Contracting to be effective.** The economics of forest restoration are intimately tied to forest product markets, locally available wood processing infrastructure and workforce, and federal appropriations. There is a perception⁸ that Stewardship Contracting is most useful under certain economic conditions—i.e. when there is a strong market for timber to facilitate the use of the goods-for-services authority, or when there are sufficient appropriated funds to pay for service work. Yet, in some areas where favorable market conditions exist, some agency staff remain reluctant to use stewardship contracting for a number of reasons—burdensome paperwork, lack of trust/collaboration, a perceived “newness” of stewardship contracting, uninterested contractors/industry partners. Still, most of the time, after their first contract, agency personnel are comfortable with the tool and say they would like to use it again.

On the flip side, in areas with low timber value where the goods-for-services authority does not pencil out, regional interviews have revealed instances where contractors underbid projects in an effort to present a more competitive proposals.

⁸ This is especially the case among the ~60% of agency personnel interviewed who define Stewardship Contracting as goods-for-services transactions.

Contractors bidding low may soon find themselves with quite literally more than they bargained for. Anecdotal evidence from the interviews suggests that low bidding can lead to work of inferior quality and reduced compensation and benefits to workers. Another common outcome is that projects will not see a single bid at all.

- ✓ **Recommendation:** Provide “role playing” training resources to agency personnel to put them in scenarios in which they must determine whether Stewardship Contracting may be the right tool for the job.

- **Finding: County governments, particularly those in areas where timber volumes and/or values are high, are faced with strong incentives to not use or support stewardship contracting.** Unlike timber sales, county governments do not receive 25% of the revenue from receipts generated by stewardship contracts because those receipts are retained to be used locally to accomplish more work. There is a reluctance on the part of many county governments to support stewardship contracting, even when local economic benefits are (or could be) well documented.

- ✓ **Recommendation:** Replacement funding for the Secure Rural Schools program is needed.
- ✓ **Recommendation:** Commission a multi-scenario study comparing economic benefits of various

contracting mechanisms (timber sales, stewardship contracts, service contracts, etc.) in terms of revenue to counties as well as economic benefits associated with economic activity of retained receipt projects.

- ***Finding: Stewardship agreements are a popular approach when high-capacity partnerships emerge, but what qualifies as cost-share needs to be more clearly articulated.***
 - ✓ **Recommendation:** Develop clear, consistent national guidance on how the match requirements (cash, non-cash, and in kind) for agreements is to be determined by non-agency entities. Revising the Handbook is likely the most appropriate place for this for agency personnel, but this update should be accompanied with outreach to non-agency collaborators through other venues.
 - ✓ **Recommendation:** Define for various potential agreement holders, conservation groups, municipalities, etc., what type of activities or expenditures can be counted toward match, and how the value of in-kind contributions is to be determined. This will likely vary to some extent by organization type, and non-traditional partners (e.g. city water districts) who could potentially serve as ideal agreement holders will likely need some technical assistance. It is worth not-

ing that local governments are far and away cited as the most often missing party from stewardship contracts and agreements.



George Washington National Forest.

Photo Credit: Brian Kittler

4.2 Successful Outcomes from Engaging Communities in Stewardship Contracting

Successful outcomes from engaging communities in stewardship contracting that were most often thought to be of very high or high benefit include: “*involving diverse interests*” (55%), having “*increased opportunity for public input*” (53%), “*improving trust between the agency and the public*” (53%), “*increasing support for the agency*” (51%), and “*giving communities an improved sense of project ownership*” (53%).

An additional successful outcome of engaging communities is that agency and non-agency respondents feel there is wide support for Stewardship Contracting in local communities, with 80% of people being either “*widely supportive*” or “*somewhat supportive*” and only 1% being opposed to stewardship contracting. Another positive indicator is that many say they would participate in another stewardship contract. When asked why they would participate again 45% said “*it is a good way to get work done,*” “*that it is a good tool/concept*”, or that it was “*good for their business.*”

The five regional teams identified the most significant successes associated with engaging local communities in Forest Service stewardship contracts and agreements. Listed below are several key findings and recommendations. Readers are urged to also view the findings and recommendations of the Regional Teams in appendix A.

Findings and Recommendations – Successes in Community Engagement and Collaboration

- **Finding: *Stewardship projects designed, implemented, and monitored with community input are having a positive impact on natural resource conditions on-the-ground.*** Survey respondents cite specific project outcomes—i.e. on-the-ground restoration work as being of utmost importance locally, with fire risk reduction, habitat improvement, and restoration being the most often cited outcomes in surveys (see pages 21 – 22).
 - ✓ **Recommendation:** Build out, and subsequently market as an educational tool, a national list of Stewardship Contracting success stories.⁹ Many success stories and innovations in the use of Stewardship Contracting authorities remain untold.

- **Finding: *As discussed extensively in Regional Team meetings, communities like retained receipts and getting some say over how they are invested locally.***
 - ✓ **Recommendation:** Consult the local community and other non-agency stakeholders on where they would like retained receipts to be invested. Many collaborative groups find that having a third-party facilitator manage this dialogue is

⁹ www.forestsandranglands.gov/stewardship/index.shtml

very useful and can help steer clear of potential Federal Advisory Committee Act (FACA) complaints.

- **Finding: *People are being creative in their use of stewardship authorities, especially in projects exhibiting a high degree of collaboration.*** In one regional meeting, a discussion around exchanging goods-for-services focused on all sorts of non-timber forest products that could be exchanged for various land management services.
 - ✓ **Recommendation:** Encourage creative application of Stewardship Contracting authorities including exploring the exchange of non-timber forest products for service work.
- **Finding: *Collaboration has led to increased trust and a willingness to use more controversial but potentially cost-effective authorities, such as designation by prescription and designation by description.***
 - ✓ **Recommendation:** Encourage multi-party monitoring and other ways to promote accountability between contractors, the agency, and other collaborators, as a means to expand the use of potentially efficient and potentially controversial mechanisms.
 - ✓ **Recommendation:** Collaboration with local communities can help define Best Value Criteria.

When defined in consultation with local citizens, the definition of “local contractor” can be related back to collaborative project work.

- **Finding: *There has been increased acceptance of stewardship contracting by field managers.*** A full 90% of agency personnel suggest that they would participate in another stewardship project. Stewardship contracting has become the preferred way of doing business in some locations.
- **Finding: *Stewardship agreements remain very popular with conservation NGOs, particularly those with habitat restoration programs who can bring significant private resources to the table.*** The National Wild Turkey Federation (NWTFF) is the premier example of this. Since 2004, they have been involved in over 60 stewardship projects on over 40,000 acres, completing project work in excess of \$15 million and bringing in significant match and technical resources.

4.3 Findings - Perceived Benefits of Stewardship Contracting to Communities

The most important local benefit—rated as being of high or very-high importance—that results from engaging local communities is “*specific project outcomes*” (84% of responses), with “*fuels/fire risk reduction*” (61%), “*restoration*” (50%) and “*habitat improvements*” (50%) being the top mentioned. Other local benefits included outcomes ranked as being of high or very-high importance include, “*on the ground work*” (74%), “*the ability to use local contractors*” (73%), “*more local jobs*” (64%), “*increased collaboration*” (60%), and “*other economic benefits*” (53%).

- **Finding: Local communities directly benefit from projects that improve ecosystems locally.**

Improvements include reducing risk of wildfire to homes and private property, improving fish and wildlife habitat, restoring or maintaining water quality, making forests more resilient to the effects of climate change, improving recreational access, and improving views. In one example (see Northern Rockies Regional Summary report in appendix A and the images on this page), the fire behavior of the 340,659 acre Mustang fire was successfully altered when encountering a defensible space created through a community driven stewardship agreement near Hughes Creek. This project spared homes and property around Gibbonsville in Lemhi County, Idaho.



The Mustang Fire. Photo Credit: USDA Forest Service.



Evidence of altered fire behavior at Hughes Creek. Photo Credit: Salmon Valley Stewardship

- ***Finding: As mentioned in the Pacific Coast regional summary (see appendix A), “The public has some great ideas.” Engaging the public in project work can, where appropriate, provide a boost to agency capacity and efficiency in stewardship work.***

Contractors are knowledgeable about how to achieve desired end-results in an efficient manner.

- ***Finding: Stewardship contracts and agreements provide employment opportunities and other economic benefits in rural locales where little opportunity and economic activity presently exists.***

More than half of respondents said that using local contractors was of very high importance to them, while 46% and 36% cited more local jobs and other economic benefits as being of very high importance to them. In the presence of large Stewardship Contracts, appropriately scaled utilization infrastructure is starting up and contracting businesses are gearing themselves toward forest restoration.

- ***Finding: Large landscape-level and multi-year (i.e. 10-year) contracts are realizing efficiencies and have enabled some contractors to make investments toward accomplishing ambitious programs of restoration work.*** On the flipside, some contractors report that large long-term contracts can create “haves and have nots,” overlooking opportunities to provide employment and training to the local employment

pool. While lumping multiple tasks together can be cumbersome, when work items are ill-conceived, savvy and adept contractors have figured out how to effectively “staff out” these multiple activities or work through subcontractors to accomplish diverse programs of work.

APPENDICES

Appendix A: Regional Summary Reports

Northern Rockies Multi-Party Monitoring (MPM) Team USDA/Forest Service Stewardship End Result Contracting Fiscal Year 2012 Report

General Overview

Stewardship End Result Contracting (SERC) has become an established and significant part of the “tool box” that Forest Service personnel have to work with in addressing the multiple needs of the vast areas of the Northern Rockies which the agency manages. Agency interviewees are far more likely now to cite SERC’s value to them than they are to complain about its differences from standard timber sales or service contracts. One project manager interviewed this year reported:

Last September we got a regional award for putting out so many stewardship contracts. Other than a few small special purpose projects (hazard tree removal, etc.) we haven’t done a straight timber sale in the four years I’ve been here.

SERC provides an innovative set of expanded or special authorities which enable agency staff and participating stakeholders to get badly needed ecosystem restoration work done on the ground. That work directly creates new jobs and maintains existing ones in rural communities, reduces losses of life and property from wildfire by reducing hazardous fuels and restoring fire-adapted ecosystems, preserves and protects water and air quality and wildlife habitat, supports employment in manufacturing, tourism, and other economic sectors, and provides a variety of additional amenity values and ecosystem services. With the agency’s growing emphasis on large, longer-term landscape projects with multiple resource management objectives, there is a clear need for the continued use of SERC.

Recommendation #1. Provide permanent authorization for stewardship end result contracting.

Some MPM Team members believe SERC saw log volume should be included in Small Business Administration (SBA) set-aside calculations in order to help retain local mill infrastructure and employment. Previous agency and collaborative group comments seem to support such inclusion. It would be appropriate to address this issue when permanent authorization is received.

Along with permanent authorization should come additional training and technical assistance in the use of SERC. Many current agency personnel were not with the Forest Service when the SERC pilot authorization was received in Fiscal Year 1999 or in FY2003 when pilot status was lifted and authorization for SERC's general use through FY2013 was given to both the Forest Service and the Department of Interior's Bureau of Land Management. At that time considerable attention was devoted to the "why" of SERC – the opportunity for concerned communities, other stakeholders, and well qualified and experienced contractors to participate collaboratively in the stewardship of public lands, with a focus on achieving the desired on-the-ground conditions, and with the proceeds of any product necessarily removed in the course of that work reinvested in the land.

Since then, however, the training and technical support offered to field personnel has concentrated heavily on the internal technical issues related to contract development, administration, and accounting. The conceptual underpinnings of SERC have received minimal emphasis. Of particular concern is the lack of attention given to the "end result" focus of SERC – a concept so important that it was incorporated in the title of the enabling legislation.

To provide the necessary and timely training, mentoring, and technical assistance needed, both agency and non-agency resources should be tapped. The National Wild Turkey Federation, for instance, has provided both training classes and one-on-one help to many Forest Service personnel in working through SERC projects which have wildlife habitat restoration or maintenance components. Other non-government organizations (NGOs) – particularly those with expertise in collaboration, landscape restoration, and rural sustainability – have relevant training capability, and increasing numbers of colleges and universities are facilitating SERC-related research. To take advantage of those resources, funds should be made available, perhaps competitively, by region, to NGOs, educational institutions, and other appropriate entities to enable them to provide needed assistance to Forest Service field personnel, communities, contractors, and others to help them effectively develop and use stewardship contracts and agreements.

Recommendation #2. Increase training opportunities for staff and other participating stakeholders (including contractors) to learn more about SERC's purpose and uses, and provide readily available and accessible technical assistance to encourage and enable its most effective use.

The current Integrated Resource Timber Contracts (IRTCs) and Integrated Resource Service Contracts (IRSCs) incorporate provisions from the Forest Service's standard timber sale and service contract documents which do not mesh with each other and/or are at odds with the underlying philosophy of SERC. For some years agency personnel, contractors, and others have been told that a "blended" contract with a streamlined contracting process was being developed. The hope had been that it would offer some relief from the current contracting process, which is perceived to be cumbersome, inflexible, and unduly prescriptive. One agency interviewee, for instance, explained that:

The service contracts are very difficult with the embedded timber work – you operate through an acquisitions contract officer and then your timber contract officer, and you have two sets of contracts – it's been hard struggling through them.

A contractor expressed serious reservations about working on any more IRSCs:

We've purchased two stewardship service contracts where there wasn't enough timber, and people wanted too many bells and whistles [built into the projects], and they had to use appropriated dollars. I don't know if I would ever do another. They are way too complicated. They are transferred from the timber department to the acquisitions people in the Forest Service. You're dealing with the same people who buy pickups and outhouses, and they don't have a clue about timber sales, but since there are appropriated dollars involved, it's put under acquisitions and you are under the Federal Acquisitions Regulations that you've never had to deal with before. The work on the ground has been the same, but they are using appropriated dollars, which is fine, but I don't think I'd ever bid on another one. Way, way too much worthless paperwork.

A SERC project manager was concerned about district-level experience and knowledge being ignored or not given adequate weight in decisions made at higher levels in the agency regarding project design and management.

I would like to see higher level support for those of us on the ground in making the decision as to what tool to use and when it's appropriate – as opposed to being told when to use stewardship one way or the other. We have a lot of stewardship going on in this forest and in this region, and we get told what type of stewardship it is going to be and then we have to make it fit. We have [Indefinite Quantity/Indefinite Delivery contracts], and some 10-year stewardship contracts going on, and those bigger contracts are decided – how it's going to be – at a

different level. ...One of my issues – is that that level of a contract is pretty much driven at a regional and national level, although we're the ones stuck with it.

One regional office was criticized by both agency and non-agency interviewees for its perceived lack of cooperation in and support for district-level efforts to put together SERC contracts or agreements.¹ An agency interviewee said:

...You can see the general support for doing a stewardship project, but then it was like, "but if you're going to do it, you'll need to jump through these hoops and these hoops..." It was like [the project was] a burden to them, and they weren't generally helpful on the day-to-day stuff. Our contract person was more service contract-oriented and didn't understand [the IRTC] concept. It's because of the microcosms they work in....

A non-agency interviewee involved with a SERC agreement on another forest said:

Our biggest sticking point is not the agreements as much as it is the people – whether they agree with and want to do [agreements]. That's what it seems to be all about. One minute you're working with someone who will bend over backwards – and then you get to Grants and Agreements, and they don't seem to like them.

Recommendation #3. Resolve the internal inconsistencies that can complicate the administration of SERC contracts and agreements and cause friction both within and outside the agency.

The requirement for regional office approval of each SERC project is generally perceived as unnecessary, particularly for forests which have demonstrated experience in developing and administering successful SERC projects.

Recommendation #4. Delegate SERC project approval authority to the responsible Forest Supervisors.

¹ Forest Service Handbook 1509.11, Chapter 70 states that "Stewardship Agreements are the instruments used to work with a cooperator to perform services to achieve land management goals on National Forest System (NFS) lands that meet local and rural community needs. Activities under a Stewardship Agreement may include the exchange of goods (forest products) for services."

Project contractors who were interviewed had generally favorable views of SERC. Buyers for mills see it as another opportunity to acquire needed raw material, while smaller independent contractors see it as a promising way to sustain or expand their businesses through diversification. As a small operator in Montana explained,

It's a great deal for the community because you get all the work. You trade work for the timber, so like as far as me, it wasn't just a logging job, there was \$200,000 worth of stewardship credits that the guys that worked for me got to do. I'm a small contractor and it's hard to compete with the mills. It [SERC] gives me a better advantage in getting it because I'm doing all the work – slashing, excavator work, road work, etc. -- and you put it all together and it almost doubled my work.... It's a great deal if they set the projects up right. They keep the money in the community, and the Forest Service gets the work done for their timber.

Most contractor complaints relate to the amount of time involved in preparing detailed proposals, as opposed to just submitting a dollar bid. One contractor said:

There's a lot of work in the proposal process. That's what they need to make not quite so complex. You could spend a month straight going through the process and then never get the job.

Another foresaw some operators being discouraged from even competing.

Stewardship contracts are way more time consuming – three to four days for a technical proposal, and I can do a timber sale bid in an hour. You start to see [the effect of] that. We were the only bidder on one project. The bidding pool [for stewardship projects] now is just one or two [companies], where on a traditional timber sale you will see four or five. People are just going “I don't have the time to spend five days writing up a technical proposal that we don't know we're going to get.” I understand the best value thinking, but they are very time consuming,

A Forest Service project manager said he values the proposal process, but thought there might be ways to ease the burden on those offering proposals:

It's a pain in the butt, but in the long run it pays off. ...I was pretty impressed with the difference in the technical proposals that came in. One was “We will give you top dollar for your timber, but we're not going to do much from the technical proposal side.” Others were very explicit about how they were going to deal with all the fuel and how they would do the mandatory items, and they had very detailed proposals for doing the optional items. I liked the best value rating. We selected [the better] proposal on that basis – getting the most value for the buck and meeting the fuels objective.

He suggested that to make the process less complex “*the evaluation criteria could be more flexible. You can assign your weighted scores with each question.*”

Another possibility would be to select contractors based on their experience, past performance, and financial proposal, with the final contract award conditioned on the submission of acceptable unit treatment plans. That way, only the successful bidder on a project would have to invest the many costly hours of planning, writing, and (frequently) consultation with subcontractors required to prepare detailed treatment plans for all units.

In addition to the proposal process itself, the project-specific requirements that are included may create operational problems for both contractors and contract administrators. This is more likely to occur in IRSCs with multiple service components. A project manager described the dilemma he faced.

Some of the specialists don't know about timber harvesting. They didn't understand the effects on the ground [of how operations are carried out]. And [on this project] the NEPA was done by a non-local team based on using equipment that's not even available locally to do the work on the ground.

Recommendation #5. Explore ways to make the SERC proposal process and subsequent project administration more efficient and effective for both contractors and agency personnel.

This year's survey sample included a number of projects that were being implemented through SERC agreements, most of them with the Rocky Mountain Elk Foundation (RMEF) as the agreement partner. RMEF's withdrawal from those agreements, beginning last Fall, created significant problems for the Forest Service and the BLM, as well as RMEF's contractors carrying out the on-the-ground work, and local communities, and other stakeholders. Most of the projects are in the process of being restructured now, and at least one is moving forward with a new agreement partner who is receiving some transitional technical assistance and funding from RMEF.

There is no question that the unexpected termination of so many agreements has had a dampening effect on what had been a growing enthusiasm regarding their use, but the value of the work that was completed has not been lost, and in one case that work played a critical role in protecting lives and property threatened by a major 2012 wildfire event.²

Important lessons have been learned as well. The original failure to include a provision in SERC agreements limiting a non-agency partner's liability in cases of operationally-

² Chaney, Rob, “Firefighters say thinned forest stopped monster Idaho blowup”, *Missoulian*, 11/4/12 last accessed 12/16/12 at http://missoulian.com/news/local/firefighters-say-thinned-forest-stopped-monster-idaho-blowup/article_8fe13406-2636-11e2-91b5-0019bb2963f4.html

caused fires has already been remedied. Two other significant issues still need to be addressed.

Recommendation #6. Develop clear, consistent national guidance on:

- **how the percentage of match required for SERC agreements is to be determined,**
- **what types of activities or expenditures can be counted toward that match; and**
- **how the value of in-kind contributions is to be determined.**

Recommendation #7. When entering into multiple agreements with a single agreement partner, the agency should ensure that the partner has adequate capacity to provide direction and/or supervision of activities which it is conducting with its own employees, volunteers, contractors, and/or subcontractors in furtherance of its obligations under each and all of its SERC agreements.

Responses to Specific Forest Service Questions

A. What are the predominant problems in engaging communities in Forest Service stewardship contracting projects? What are the regional multiparty monitoring team's suggestions for improving the current situation?

Problems discussed in previous years' reports continue to exist. They include:

- differences in perceptions of how communities should be engaged;
- difficulties in forming and maintaining productive collaborative relationships;
- difficulties in engaging everyone who needs and/or wants to be involved;
- SERC administrative restrictions/sideboards that are interpreted differently from place to place, sometimes resulting in similar activities that enjoy broad community support being implemented on one forest and prohibited on another; and
- economic constraints and local infrastructure limitations.

A large number of SERC projects currently under development or in progress in the Northern Rockies are focused on hazardous fuels reduction in the wildland urban interface (WUI). The most extensive community outreach on such projects usually occurs before or during the NEPA analysis phase, a process which can take one or more years. Notices are sent to a wide range of stakeholders and public meetings and field tours may be held, with comments solicited at various stages of the process.

The NEPA analysis is usually done for a fairly large area, with the on-the-ground fuels work subsequently accomplished through one or more smaller SERC projects, each of which receives a name of its own. Those projects are advertised, but often there is little or no other public involvement effort. Since the names of the projects differ from the name on the NEPA document, community members may not even be aware of the connection. After the projects are awarded, the successful contractors become the main channels through which community involvement occurs, and that is generally only with the neighboring landowners and visitors to the project area (hikers, hunters, snowmobilers, etc.). One contractor said,

I'm really a proponent of public involvement. I think there's everything to be gained by early involvement. A lot of what we've experienced is that after the project is already underway, if there hasn't been good public involvement, it's like "Hey, what are you doing?"

A contractor working on a SERC agreement in another part of the state said,

The potential is there for collaboration. Some old retired guys came up on their snowmobiles every few days and watched us work. Sometimes [they wanted to talk so much] we had to say, "Come back tomorrow." We're working on an hourly rate, so we couldn't spend all day talking.

The time it takes to get a community actively involved, and the need for participants to see some tangible results of their efforts in order to remain engaged can be major hurdles in maintaining an active and on-going public involvement process. A timber purchaser for a local mill described the situation of a collaborative group in which he participates:

The local community has been working on the next project, and that [process is] in the third year, and it's still a year out. The collaborative process is a great idea, but the Forest Service route is extremely slow, and people get burned out. Meetings are down to just a handful of people. I don't mind going to meetings, but I want to see something happen. Three years later, people start to think "do I still want to go to a meeting?". Then it will be challenged, and people will say "why should I do this?", and then the usual yahoos appeal it anyway. That will be the collaborative downfall unless that's somehow changed.

An agency interviewee in a different community had a more encouraging view of the collaborative process he's involved in:

It works pretty much like the way the people who wrote the NEPA laws intended that they be implemented. In the past you mostly got environmental groups going in one direction and industry groups in the other. But now, I think this is what was envisioned – getting all the interests together to work on public projects. I think it's a good tool, and it works best with a collaborative process with some sort of a coalition involved.

Unfortunately, two financial issues that have been raised in the past now appear to have an increased potential to lessen community support for SERC projects and/or reduce the community benefit derived from them.

The first is the use of retained receipts. The Forest Service's current handbook guidance (sec. 60.5) says that retained receipts may be used for

another stewardship contracting project in the same project area or may be transferred outside the original project area. Retained receipts may be used on other approved stewardship contracting projects outside the initial project area only if such transfer is identified in advance, made known to interested parties, and approved in advance by the regional forester.

In 2009, in response to the interview question "Has your view of stewardship contracting changed since you became involved in this project?" a community member replied, "Yes." Asked how it had changed, she said,

I thought that retained receipts really meant that the receipts would be available for our district to reallocate, and I learned that isn't always the case. The retained receipts from our project went to the Supervisor's Office – to be used anywhere on the forest.

This was frustrating for the local collaborative group in which she is an active participant because (1) there were other restoration activities that could have been carried out in the same vicinity as the original project, and (2) the community had provided some funding and a great deal of volunteer labor to help the Forest Service organize and carry out multiparty monitoring of the SERC project which generated those receipts.

At this year's regional monitoring team meeting, a team member noted that a second forest in the region now has adopted a similar fund pooling and reallocation process. While it is understandable that in a time of scarce financial resources there would be competition for SERC retained receipts, moving them out of the community in which they were generated could prove counterproductive to the goal of encouraging and maintaining active community involvement.

Recommendation #8. Determine how widespread the practice of pooling and redistributing SERC retained receipts at the forest level has become and, if appropriate, develop guidance to ensure that it does not weaken community support for and/or reduce the community benefit from SERC projects.

The second issue is payments to states. The 25 Percent Fund Act of 1908 required the Forest Service to distribute 25% of the gross receipts from the sale of products from a national forest to the state in which the forest is located, which then allocates the funds to its forest counties. SERC's authorizing legislation provides that the product values of

stewardship contracts are not considered “receipts”, and hence are not subject to the 25% payment requirement. The steep decline in federal timber sales beginning in the 1980s drastically reduced most states’ 25 Percent Fund income, leading to the passage of the Secure Rural Schools and Community Self-Determination Act of 2000 (SRS), which provided direct funding to the states from the U.S. Treasury. That direct payment program recently expired, and if it is not renewed or replaced, all eligible states/counties will again be reliant on the 25 Percent Fund payments. At that point, the fact that SERC does not contribute to that fund will be a very contentious matter.

The director of an NGO that works actively with both the Forest Service and the BLM to facilitate the implementation of SERC contracts and agreements said,

My only concern with stewardship contracting is that the counties in the past have relied on timber receipts, yet there are none now, and the roads continue to be used, and they have to repair them. Now we’re looking at PILT³ sunseting, and we’ve already lost Secure Rural Schools. ...I had county commissioners who were seriously concerned, and rightfully so. They’re losing \$10 million out of their annual budget.

Other interviewees have expressed similar views about the need to address the local government revenue issue.

Recommendation #9. Collaborate with the National Association of Counties, the National Governors’ Association, and other concerned parties to seek a workable solution to the 25 Percent Fund problem that provides for local government needs but does not impair the overall effectiveness of SERC.

B. What successes have emerged within the region for engaging communities in stewardship contracting? What fostered those successes?

The Forest Service has committed to an all-lands approach to landscape-scale conservation and to an “accelerating restoration strategy”, and has announced that it is “expanding our stewardship contracting authority and improving the efficiency of our timber sales and stewardship contracts.”⁴ Coalitions or other collaborative groups that include a broad range of stakeholders, have clearly defined missions and goals, and have mutually agreed upon procedural guidelines and decisionmaking processes are ideally suited for effective participation in such efforts, working together to bring needed resources to their areas to restore and maintain landscapes of particular concern.

³ Payments in Lieu of Taxes (PILT) are federal payments to local governments to help offset losses in property taxes due to non-taxable federal lands within their boundaries.

⁴ Forest Service Chief Tom Tidwell, “State of the Forest Service”, speech at the Forest Service Reunion, Vail, CO, September 18, 2012., last accessed 12/15/12 at http://www.fs.fed.us/news/2012/speeches/09/state_of_fs.shtml

Often a local NGO – an environmental group, Resource Conservation and Development (RC&D) council, economic development organization, FireSafe council, etc. – will provide the necessary support services for a collaborative group. It is also likely to become the repository of the “institutional memory” of a community’s involvement in SERC projects and other restoration activities. When district rangers and/or other key Forest Service personnel move on to other assignments, the local organization remains in place, sustaining the collaborative effort during agency transitions.

The ideal collaborative group is a broadly representative, open, inclusive, and accessible assemblage of stakeholders working together to seek solutions to shared needs or problems. In practice, community involvement takes many forms and works in many ways, depending upon the circumstances and individuals involved. A BLM interviewee explained how her organization has been able to work well in a remote area with a scattered population that is not generally receptive to outsiders.

I know that with this community we definitely had to adjust our approach because the local radio station and the newspaper don't reach people who don't want to be reached, and public meetings tend not to attract anybody. We do fliers, and local NGO helps by knocking on doors and being a neutral party [to interface between the agency and the community].

A Forest Service specialist helped his district figure out a more effective involvement strategy than the traditional public meeting:

That process showed us that we need to get out in the field more and show people what we're going to do, and improve our presentations. Pictures are worth a thousand words. I used that lesson to help me with the next project. It was done with field participation and an open house. We seemed to get a better public response from that.

A contractor reported on the response to a public field tour of his SERC project.

We had a huge, diverse group of people involved with that project. Meeting with them on the ground, and just talking with them and with such a diverse group was a huge benefit.

3. What are the major perceived benefits of Forest Service stewardship contracts to communities within the region?

Getting work done on the ground is consistently cited as the primary benefit of SERC contracts and agreements. A Forest Service project manager said,

I believe we have great opportunities to provide good resource management on the ground where it is needed and provide economic growth for the communities. ...With federal budgets being what they are, I anticipate

stewardship contracting becoming more important in gaining resource benefits that will not happen any other way. We really support stewardship contracting. It has helped us. Everyone on our zone recognizes how much of the value has gone back into work on the ground, and that hadn't been the case in the past.

A contractor was impressed by how much was being accomplished through SERC.

The stewardship process has gotten thousands of acres treated. We'll treat around 18,000 acres this year, just our company alone. In prior years a lot of projects went "no bid", but now they're getting a lot of work done.

A community member looked at the long-term, cumulative results:

We are trying to get rangers to embrace stewardship contracting as a way to plan out ahead for the work to be done, counting on the retained receipts. ...It allows a small operator to invest in say some sort of mastication equipment because he knows the work will be on-going for ten years. It's thinking beyond one project to how this work can multiply and begin to impact a landscape.

Both "greater opportunity to use local contractors" and "more on the ground work accomplished by local contractors" are seen as highly important benefits by most survey respondents.

An NGO executive director said:

When I talk about [SERC] I emphasize best value contracting and an opportunity to keep funds in the local forests for needed projects.

A mill representative weighed the plusses and minuses of SERC projects, and ended up with a positive balance.

They're harder on our end. They take more time to administer, but you basically get more work done, and it's better than just a timber sale. You also employ more people – a weed sprayer, a couple of timber thinners, etc. – and that money stays locally, and that's a good thing.

In addition to providing jobs, some SERC projects are stimulating new business development. A contractor described his firm's expansion.

The stewardship contracts here require [that] ...the logging slash, and a lot of times the...small stems that otherwise would not be used for anything... all be chipped and then moved to the cogeneration facility at the mill. ...[There] was nobody around here with a grinder, so we decided that it was something we were interested in, and we got involved and started doing that as a separate part – a branch from our logging business. So now we do all of the grinding for

ourselves, plus for others who have grinding work on their jobs. [So the project] created more jobs and more work for a local contractor plus we started a thinning crew and we've maintained that crew since the beginning. The stewardship projects definitely created jobs.

An interviewee from Salmon Valley Stewardship, an Idaho NGO, shared a recently released socioeconomic report that tracked the ecological impact of a SERC agreement. It concludes that:

Between 2008 through the end of 2011, private sector and nonprofit partners earned more than \$750,000 in revenue thanks to the Hughes Creek Project. More than 41% of the work—or about \$300,000—went to contractors from Lemhi County. Nearly all of the dollars earned stayed within 150 miles of the project area.⁵

A Forest Service project manager saw multiple benefits from her projects.

These projects are focused on achieving desired future resource conditions in addition to providing wood products. Stewardship contracting contributes to the development of sustainable rural communities through: 1) restoring and maintaining healthy forest ecosystems, and 2) providing a source of income and employment opportunities to local residents.

Finally, as previously noted, the Hughes Creek project in the Northern Rockies has been widely credited with playing a significant role in wildfire mitigation this year, protecting lives and valuable local resources. According to the newspaper account,

The Mustang fire was on its way to burning 340,659 acres in the mountains along the Montana-Idaho border.... Through much of August, the fire ran about 18 miles west along the Salmon River. Around the last week of the month, its eastern flank made some huge runs, burning over multiple drainages and scorching 30,000 acres a day. The last defensible spot before it reached the U.S. Highway 93 corridor was in Hughes Creek....

Mike Smith was a fire division supervisor in Hughes Creek when the big burn came. He'd also been active in planning the logging and prescribed burning as a Forest Service fuels specialist. ...If the Mustang got past Hughes Creek, it had a clear shot at the community of Gibbonsville and the slopes of Lost Trail Powder Mountain ski area. ...The fire...reached the westernmost prescribed burn unit of Hughes Creek, which had been torched in 2009. Smith said ordinarily, the forest fire would have swept through the treetops. Instead, it lay down and became a backing fire. Then the weather shifted, and the fire

⁵ The full report, *Hughes Creek Fact Sheet #1*, can be accessed at http://www.salmonvalley.org/wp-content/uploads/2012/08/Hughes_socioeconomic_factsheet_final.pdf

momentum collapsed. The big test passed, without singeing any more of the treatment acres.

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(As of October 30, 2012)**

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Stewardship Contracting

2012 SOUTHWESTERN REGIONAL REPORT



Monroe Mountain, Utah

Executive Summary

The Southwest Regional Team collected information from telephone interviews, as well as from team members' own experiences to investigate and characterize collaboration, community benefits, and other trends in the use of Stewardship Contracting in the Southwestern region. In addition to answering the questions posed by this monitoring effort, our regional team spent time discussing the nuances of stewardship contracting including contract design and the role of stewardship contracting in landscape scale restoration.

In spite of continued poor economic and ecological conditions, Stewardship Contracting (referred to mostly as SC throughout) has gradually begun to leverage a positive impact on the management of public lands and development of businesses with jobs associated in the Southwest. The hard won progress is tied predominantly to lower bids on large, long-term contracts awarded in both Colorado and Arizona. Building capacity with small operators and the micro-economic benefit those businesses create is still found on a number of USFS Districts outside the scope of the large projects and the BLM estate.

More businesses seem to be expanding or opening than shutting down this year. Conservation groups such as the National Wild Turkey Federation (NWTF) are entering more Master Agreements, putting their own resources at risk to see that the work is done. The Grand Canyon Trust, an environmental group, has stepped up their role to mediate between extreme environmental groups, agency and communities. Serious and creative managers are pressing past the many procedural and oftentimes illogical barriers erected over the last twenty years. From governors to county commissioners, talk about the need for a larger, more meaningful localized role in taking care of forests is growing once again.

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Regional Summary Report:
Carla Harper

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Executive Summary (Continued)

The management prescriptions agreed to through collaborative and/or NEPA processes focus on the removal of dead, dying and otherwise non-commercial woody material. Trees of a condition and size with some value represent only a minimal component. Therefore, SC in this region remains almost entirely dependent on appropriated dollars to subsidize the work via the Integrated Resource Service Contract (IRSC), whereby companies are paid using the exchange of goods for services.

The retention of receipts, to be applied in the same or a new stewardship area, a cornerstone authority, is virtually useless. The three USFS Regions represented (2, 3 and 4) report varying receipts retained by the end of FY 2012. Region 4 had \$348,000 in the retained receipts fund. Region 3 had \$1,000, and Region 2 generated approximately \$135,000. The BLM reported zero receipts in the region.

The costs associated with pressing on to thin and otherwise cleanup the forests are very high, but according to most interviewed, the work must continue. Years of fire suppression and lack of active management set the Southwestern forested lands up for catastrophic wildfire as well as insect and disease outbreaks. These conditions worsen when the inevitable drought cycle that periodically plagues desert regions hit. Woodlands and forests both represent predominantly second growth, monoculture-like conditions. Much of this landscape will only become hospitable to a diversity

of plant and animal life with human or natural disturbance.

Wildfire seasons began increasing in intensity and duration around 2000 with the Los Alamos, New Mexico fire, which left an aftermath of billions in property damage. In 2001, Congress gave the US Forest Service (USFS) a 38 percent budget increase, mostly for fire activity. Fire expenditures have grown from about 10 percent of the USFS budget in the early 1990s to more than 40 percent of the budget. For the last few years, budgets have hovered around six billion dollars.

According to news reports, wildfire seasons [average \\$1 billion a year](#). This summer is proclaimed the “worst fire season on record.” Congress pulled an additional \$400 million from the [2013 Continuing Resolution](#) to payback USFS and BLM accounts raided to continue fighting fire.

As of today, the jury is still out on the future of SC. Renewal or permanence of the authorities rests within two versions of the 2012 Farm Bill. The 2008 Farm Bill was extended until September 30, 2013 as part of last minute negotiations around the “fiscal cliff” by Congress. The 2012 House version of the Farm Bill extends the authorities through 2017, while the Senate version makes them permanent.

The USFS reported placing 134,257 acres under some form of SC in 2012. The planned 2012 target was 300,000 acres.

How to Read This Report

The Pinchot Institute has led monitoring and evaluation of Stewardship Contracting (SC) since its reintroduction as a pilot in 1999. An annual Office of Management and Budget approved survey is conducted with three individuals associated with a 25 percent random sample of all SC projects “on the books” for the USDA Forest Service (USFS) and the Bureau of Land Management (BLM). In 2012, the sample produced 25 projects in the Southwest: Arizona, Colorado, New Mexico, Utah, Nevada, Nebraska and Kansas. In addition, a regional team process has been in place since 2003 aimed at summarizing “the role of local communities in the development of stewardship contracts and agreements.”

This 2012 “State-of-Stewardship Contracting” report relies on input from both sources to address these key questions:

1. What successes have emerged within this region for engaging communities in stewardship contracts? What fostered these successes?
2. What are the major benefits of stewardship contracts to communities within this region?
3. What are the predominant problems in engaging communities in stewardship contracts? What are suggestions for improving the current situation?

Southwest Project Highlights

Region 4 (Utah and Nevada) has not delved into a large SC, though they are expanding work via partnership with NWTF using the Master Agreement. BLM is matching budgets and staff to small, known operators with the capacity to have important micro-economic impacts predominately.

Monroe Mountain – USFS, Utah

The regional team visited Richfield, Utah this fall where the long-shelved Monroe Mountain Project, initiated in 1999 as a SC Pilot but entangled by litigation, has been reborn with the help of a young District Ranger, tenacious foresters, the NWTF and a “can-do” business. The new analysis area of 175,000 acres dwarfs the original 50,000 acres under an EIS, though the health of the landscape has deteriorated significantly over the last 15 years.

The 200,000-acre ecosystem once flourished with deer, elk and other wildlife as well as aspen and mixed conifer. Declining conditions led the Fishlake National Forest along with a wide range of partners called the Monroe Mountain Collaborative to propose a Stewardship Contracting Pilot in 1999.

The project emphasis was restoration of aspen, grasslands and a return of past biological diversity. Monroe Mountain was the only project selected in Region 4 for the SC pilot program and given funding to complete an EIS.

The Regional Forester denied an appeal from the Southern Utah Wilderness Alliance, a group opposed to all forest management, yet included in the collaborative process. Litigation ensued and the 10th Circuit Court ruled in favor of the environmental groups.

The appeal did not focus on treatments but sensitive species - southwest willow flycatcher and sage grouse.

The collaborative fell apart and the project went dormant.

With the appearance of a new Ranger, the Monroe Mountain collaborative effort has emerged from the proverbial ashes, including the same group that shut the project down, Southern Utah Wilderness Alliance. Others include NWTF, Grand Canyon Trust, Utah Farm Bureau, Utah State Lands and Forestry, County Commissioners, Permittees, homeowners and more.

Incredibly, work is being done on Monroe Mountain after all these years in the form of hazardous fuels reduction. Approximately 17,000 acres is slated for mechanical treatment. Prescribed fire is called for on another 38,000 acres. Guidelines for aspen regeneration established by the Utah Forest Restoration Group are being used.

“We are trying to do something that protects aspen regeneration and that includes range proposals along with tree removal, burning and other activities,” says the District Ranger.

The new collaborative is being facilitated professionally and operates under consensus. The Ranger is heavily involved.

The new Monroe Mountain Project is much bigger in terms of analysis area and treatments. Originally, the analysis was 50,000 acres with a proposed 5,000-acre treatment scope. The current effort analyzes 175,000 acres and proposes treating 55,000 acres.

Through the Master Agreement with the NWTF, the work is being tackled

in small increments with the help of a local contractor. So far, the project has yielded \$17,000 in product value against \$300,000 in service work.

“They [NWTF] are outstanding partners, getting things done, providing leadership and helping with inspections. We could not get this done without them,” says Fishlake National Forest representatives.

The business, based in Southern Utah, had not previously worked on federal lands. Understanding the process, what equipment to use and meaning of the term “partner” took a year or more. They learned quickly that the contract trumps most concerns and issues and that one person under the banner of an environmental group can prevent the project from ultimately moving forward. They too attribute NWTF with having made it possible to continue the work, learning as they go.

Region 3 (New Mexico and Arizona) continues to pursue large, long-term SC in Arizona. New Mexico National Forests are delving into the NWTF partnership approach on a limited basis. Efforts to work with tribal forestry appear discontinued. No BLM activity was reported this year.

White Mountain to Four Forest Restoration - USFS, Arizona -

According to White Mountain Stewardship Project (White Mtn.) manager [Future Forest LLC](#), a partnership between WB Contracting and pellet manufacturer Forest Energy Corp, 56,567 acres of ponderosa pine forest on the Apache-Sitgreaves National Forest has been treated since 2005.

The White Mtn. is credited with “an average of 319 jobs directly and indirectly (226 direct and 96 indirect), and contributing an estimated \$40 million dollars to the local [community].”

A ten-year plan for 150,000 acres set the stage back in 2004. The agency found they could “barely do 5,000 acres a year; not the 15,000 a year originally projected.” The per acre cost ranges between \$300 and \$1,200, depending on the restoration prescription for a given area. All material is weight-scaled. The contractor pays for any tree removed over 12 inches in size.

Region 3 was the first to tackle a large SC. The Regional Coordinator says, “we now do most things under stewardship instruments. We go to it first now, not strong armed any more; it has become more main stream.”

The Region has embarked on an even bigger undertaking with the help of SC called the [Four Forest Restoration Initiative](#) (see the 2011 report for more detail). This collaboratively developed endeavor is based on a four million acre area known as the Mogollon Rim.

After environmental scrutiny, 1.5 million acres were left for treatment. Phase One of the project involves treatment of 300,000 acres over the next ten-years via an IRSC, beginning with 10,000 acres per year in 2013 and 2014. Forty thousand acres per year are promised in the ensuing years.

[Pioneer Forest Products based in Montana received the award](#) based on promises to create 900 jobs and build a cellulosic biodiesel plant in Winslow, Arizona. Two local environmental groups heavily involved in the collaboration, Center for Biological Diversity and the Grand Canyon Trust, have publicly expressed great dissatisfaction with the USFS selection process and outcome.

A company called [Arizona Forest Restoration Products](#) had courted the project promising 300 jobs, construction of an Oriented Strand Board plant and a \$5 million “monitoring fund.” This is the company environmental groups, and perhaps others, wanted to do the job presumably because of the monitoring fund.

Managers took a very different approach in offering the Four Forest project. The Request for Proposal asked for creation of a desired condition based on the study of researchers from Northern Arizona University. The prescribed condition of open, park like meadows with very little understory and mixed age classes is based on pre-settlement forest patterns as reconstructed by tree ring and stump remnant study.

Contract specifications include full removal of logs and “biomass” that exceed prescription retention levels. The average cost for all 300,000 acres is estimated at \$23 per acre. Each task order will vary between \$186/acre to contractor and \$85/acre to the USFS. This IRSC can generate receipts potentially and as such optional service work will be taken from those receipts.

In **Region 2** (Colorado) the mountain pine beetle epidemic has devastated more than 1.7 million acres of lodgepole pine and ponderosa pine on the Front Range of Colorado alone over the last 15 years. Estimates hold that in some areas 80 percent of mature trees in those cover types as well as pinion-juniper woodlands have died statewide.

The Front Range Long-Term Stewardship Contract (Front Range Project) was awarded to Hotchkiss, CO based [West Range Reclamation](#) in 2009 with 4000 acre/year commitments from the Arapahoe-Roosevelt and Pike- San Isabel NF. This project treated approximately 5000 acres in 2012. The Region has expanded long-term SC offerings in the last year by committing to \$13.4 million in contracts with a promise to produce a minimum of 20,000 acres over the next ten-years.

The San Juan National Forest has committed to 1300 acres a year to supply a developing biomass power plant in the town of Pagosa Springs. The Medicine Bow -Routt NF entered a 1000-acre/10-year IRSC with a cost of \$4.75 million with Confluence Energy, a pellet manufacturer in Kremmling, Colorado.

West Range Reclamation won bid for the 1000 acre per year IRSC at \$8.66 million. This project will source Eagle Valley Clean Energy in Gypsum - an 11.5-megawatt electrical plant proposed for 2013 with a USDA loan guarantee.

BLM Colorado has chosen to offer small SC that suit the needs of family and/or one-man operations. This matches their staffing and funding capacity.

Front Range Stewardship Contract – USFS, Colorado - The Front Range Project covers a 1.5 million-acre landscape reaching south of Colorado Springs to the Wyoming border.

The project emerged from a long-standing collaborative effort and the largest fire season in history (2002). The Hayman Fire burned 137,000 acres, including 19 linear miles in one day and 133 homes. The cost of recovery exceeded \$120 million.

Partners include the Front Range Roundtable, Colorado Bark Beetle Cooperative, counties, The Nature Conservancy, Community Wildfire Protection Planning Committees, and more. These groups helped get broad agreement for work. The SC was awarded to start-up West Range Reclamation with no criticism or appeal. Colorado also received a coveted Collaborative Forest Landscape Restoration grant for the Colorado Front Range Landscape Restoration project, which comes with monitoring money.

West Range Reclamation has been successful at accessing both capital and markets and a lowering of per acre costs to \$300/acre in some places. The company has created at least 52 jobs and is shipping to 19 markets as far away as Washington and Texas. The wood they harvest is providing mulch for landscaping and playgrounds, chips, post and poles, shavings for animal bedding and kitty litter and pellets. They manufacture colored mulch and playground material because of a USDA Forest Products Lab grant.

Small Contractors – USFS, Colorado - A number of logging and construction companies have looked to SC for survival. Some expanded to accommodate expected SC work.

The loss of mills and steady downward spiral of log markets made staying afloat tough.

However, when the Front Range Stewardship Contract went to only one company some were disappointed. Smaller companies had hoped the Front Range

Project would be offered through a series of smaller contracts.

Companies of this scale are not big enough to compete with a West Range, yet too large and diversified to make-it as a sub-contractor under West Range. It's a frustrating position for a company with payments to be made on equipment purchased expressly to conduct forest restoration.

Poverty Mountain – BLM, Colorado - A family out of Cotopaxi, Colorado (population 47) work the woods in winter and run a small cattle operation in the summer. The small 30 to 50 acre projects with two-year horizons offered by the Canyon City BLM Office fit their lifestyle and work ethic.

“The Canyon City office and the Contracting Supervisor in Denver are so helpful. They treat us like people; walk through the rules with us. This is not the case when you simply apply on-line and compete against the guy in Florida with a migrant crew,” says the operator.

BLM reports that the handful of reliable, small operators in the region prefers SC to the IDIQ (Indefinite delivery; indefinite quantity) program in part because of the “best value” approach but also due to the opportunity for utilization, albeit limited to firewood.

“I find that those willing to work in the woods today for the meager return it affords are happier when there is some market to pursue, such as fire wood versus leaving material to rot or burn later,” said a BLM manager.

“Some people say stewardship is complicated. I say, find something that is not complicated in the agency contracting world,” commented the contractor. “Out here it is difficult to specialize. You must do a lot of stuff to earn a living.”

Many businesses lost over the last two decades

New business start-ups or revival of old facilities pale compared to the number of businesses and families, often third generation that have given up. Each year through the interviews, we learn for example that this guy is now driving a truck; another is now cleaning carpets after losing his equipment, and so forth.

One operator, now defunct, moved his entire family to the Southwest from another state based on the federal promise of conducting landscape-level fuels reduction.

The Southern Utah Stewardship Center has shut its doors. Even with a \$500,000 appropriation as start-up funds, this experienced group of land managers could not become self-sustaining with SC.

The New Mexico Mescalero Apache Tribe received ARRA funding to reopen their mill in 2010, but it only remained open for a few months. According to a tribal member interviewed, “We’ve just not been able to get markets back. We hope to reopen one day; that was a lot of jobs here.”

Role and Status of Business

The ecological crash coincided with a shakeout of the forest product-related business sectors in the Southwest, leaving managers with few economically viable options for dealing with the problems. Restrictions on forest management beginning in the 90s left few mills, truckers and loggers standing by 2005. Prior to that time, counties surrounded by forested ecosystems supported upwards of 20 small milling/logging operations. Without consistency in raw material and integration within the business sector, their markets could not be sustained. The collapse of the housing market and limited flow of capital for small businesses and consumers alike further depressed U.S. production of traditional products like furniture, plywood, paper, lumber, etc. pushing another wave of the survivors out of business in 2008.

Literally billions of federal dollars in the way of grants and loans have sought to encourage both businesses and markets for the “biomass” product coming from what in the late 90s was called forest restoration but now more commonly is referred to as “fuels reduction.”

“We all keep hoping that biomass will one day pay its way out of the woods. But so far that has not happened. These operations can’t make it work without the subsidy.” USFS Regional Coordinator

Business Opening or Reopening

There is good news emerging though, in part due to the large, long-term SC and to some extent the steady growth in Agreements with groups like NWTF. The BLM and USFS Districts that have remained committed to keeping a small but steady flow of projects to their contracting pool are also making a difference.

- Gary Ervin of Oregon is reopening the old Louisiana-Pacific sawmill in Saratoga, WY under the name Saratoga Forest Management in December with promises to immediately create 80 jobs in the mill and 40 to 50 positions for loggers.
- Neiman Enterprises out of the South Dakota Black Hills is reportedly reviving a moderately-sized mill in Colorado. Intermountain Forest Resources in Montrose went bankrupt a few years back. Neiman

Enterprises promises 90-jobs.

- Woody biomass power plants continue to develop such as Sanpete Clean Energy in Logan, Utah; Eagle Valley Clean Energy in Gypsum, Colorado and Renewable Forest Energy out of Pagosa Springs, Colorado
- [Renewable Forest Energy out of Pagosa Springs, Colorado](#), will open a five Megawatt electricity plant using gasification technology and sawmill with the long-term SC awarded to him by the San Juan National Forest.
- Pioneer Forest Products is building a biodiesel plant in Winslow, Arizona and promising 900 jobs.

“In today’s climate, a contract with the USFS gets your foot in the door with a bank,” Business Owner.

Are businesses big enough to make a profit okay again?

At the regional team meeting, federal land managers spoke cautiously about the appearance of profitability among contractors engaged in SC.

Many business owners have been interviewed through the monitoring and evaluation process, including the owners of companies managing large SC all the way to the one man and a chainsaw operation. These people always identify with the land and an obligation to help care for it. All want to make a profit for the investment of their time and energy, but there’s little evidence any are getting “rich” given the capital investment in equipment required and time to develop and nurture markets.

“People are on the landscape and have been for a very long time. We are here now and have an obligation to deal with the problems that have been created,” Colorado small stewardship contracting operator.

This return of a “tool” big enough to do the job, ironically favors the growth of larger businesses that were disdained for the last twenty-years by environmental activists. These businesses are not considered industrial scale, but what the USFS, in particular, has conceded is that scale is vital to generating markets capable of paying for the low-value woody material that presents such dire fire hazards.

“It does not make sense to use tax dollars to cut timber. In the past, the logger paid the government but not now. It takes more diesel fuel and time to get a load of logs than they are worth but this is how we do it now,” said a wildlife biologist

West Range Reclamation and Future Forests LLC have made a way for markets and revived some corollary businesses. They grew rapidly as their long-term government contracts allowed foot holds in low-value markets. For example, West Range has reportedly purchased a once thriving lumber mill in Wyoming as a staging center for chips going by rail to Washington State destined to become paper.

Do large, long-term stewardship contracts squeeze out the little guy?
The downside is that some of the small businesses created to conduct thinning or stewardship work are now being squeezed out. Managers are empathetic toward the smaller operators that cannot compete but as one commented, “the bottom line is hazardous fuel removal is very expensive. Our budget is very limited. We’ve got to treat as much as we can with those dollars and that often means lowest bidder.”

There are three Stewardship Contracting business categories.

The extension of SC coincided with the onslaught of “fuels reduction dollars.”

This allowed managers to use SC in places without timber value. It also piqued the interest of those still interested in making a go of it in the woods, laid off from the construction trades or connected to a dormant family business. These new “bidders” fell into three categories:

Experienced and capitalized businessmen. Small family or minimal employee operations invested in enough equipment to handle the range of service and tree removal required but independent, e.g. able to work year round via cattle ranches or other business endeavors. Man and truck set-ups willing to sub-contract under the larger operations or in touch with managers willing to offer small contracts.

“We have literally thousands of acres of dead timber, mostly accessible by road. The only market is biomass. The economics do not pay for loggers to log,” said a specialty contractor.

Why do businesses continue to fail?

Every business, small to large, interviewed supports SC and many even claim it the best tool for the conditions and times. Why they fail or can’t compete usually involves... Under bidding to get the job and then finding, the costs far exceed what they expected. Losing a bid to an out-of-state operation with a migrant crew or in the case of CO and AZ those companies that have been able to grow as a result of the larger projects under their purview. Tenuous markets made worse by the recession or in the case of firewood hurt by warmer winters. Inconsistency of contract offers due to the sporadic field-level budgets. “Black box” selection process with little understanding of the criteria. Confusing policy and implementation procedure, lack of computer skills.

Position changes at various levels resulting in lack of support for a project and understanding of objectives underway within a contract.

“I had no way of factoring into my bid the bureaucracy; that a new wildlife biologist would not like what the old one had signed-off on. There was no one person where the buck stopped. I could never find out who was really in charge of my contract,” said a small contractor.

What does “best value” look like?

Smaller operations need the “best value” provision of SC. They argue that being local and having a reputation for getting the job done should count. Some managers that have been burned by the contractors working nationally are now finding ways to gear their selection criteria to “best value” versus lowest bid. A handful of operations bid on SC across the country. In some cases they either don’t do a thorough job or take years to get around to doing the job

The very few remaining small operations attribute success to five factors:

1. Family labor and two to three reliable employees.
2. Complimentary businesses that keep equipment running year round.
3. Understanding the work and how to bid strategically.
4. Credit or capital to invest in more equipment.
5. Existing firewood market.

“I know what I’m getting into. Many don’t understand how many acres they can realistically do in a day,” said a small contractor.

Collaboration and Partnership

Collaboration is now a hallmark of all federal land management activity, especially SC. Ensuring that “local communities” play a role in developing and implementing contracts and agreements is written into the original authorizing legislation. In general, collaboration and partnering are terms used interchangeably and indicate a working side-by-side to achieve agreed upon outcomes. As one professional environmentalist stated, “collaboration means having skin in the game.”

For the most part, those engaged in collaboration have a financial stake and organizational mission relevant to land management. A number of on-going landscape-level collaborative groups operate in the Southwest, but only the White Mountain Project has a formal “monitoring” group commissioned in association with the SC.

Businesses are the most obvious partners, yet they are rarely engaged at a planning or negotiating level. In part because most don’t have time to engage in the many process meetings. However, some, like West Range in Colorado have hired a public relations person to participate in collaboration. In general, businesses are the implementers of a vision and carry the financial burden of making a project work or not.

Professional environmental organizations tend to be represented most heavily in terms of setting parameters for specific projects all the way up to landscape analysis. Over the years, environmental organizations have self-selected into two categories. There are those that pursue a revenue generating, appeals and litigation course and those that are more locally, resource rooted and pay staff to sit at collaborative process tables. Both categories generally share objectives to reduce human interaction with the land and create more wilderness, either designated or de facto.

The [National Environmental Policy Act](#) (NEPA) of 1969 was intended to ensure “man and nature existed in harmony” when it came to federal action as well as the public has a voice. It has been misused by extreme environmental groups to prevent any action. In the past “scoping” with the public was not always given a meaningful role by agencies.

At the Regional Team Meeting, there was discussion of a little known 1980s law called Equal Access to Justice Act that is being used in tandem with NEPA by the extreme groups such as those in Utah that have prevented the Monroe Mountain Project from going forward in the past. This law allows a recovery of legal fees from the federal government in cases where a plaintiff proves a wrong by the federal government.

The private non-profit argues that a proposed action by federal employees will harm a threatened or endangered species and asks for untenable proof otherwise or pushes for listing of a species. Judges sympathetic to the mission of these groups, most notably the [9th Circuit Court](#), regularly uphold the claims under litigation. The group makes money on the deal and stops land management.

A non-federal participant at the regional meeting asked, “Why keep working with groups that are only about suing and making money from the federal government?”

Some argue that getting environmental groups engaged early is the key as well as meeting the public on their turf such as via social media. Arizona is an example of where ten-plus years of steady collaboration around how to manage the over crowded forests surrounding northern communities have paid off in the form of the White Mtn. Project and the Four Forest Restoration Initiative. Devastating wildfires in the late 90s prompted those Arizona communities to take a more aggressive role in prompting public land management in the “wild land-urban interface.”

How far behind the curtain can partners be allowed to go?

[Grand Canyon Trust](#) is an example of a group that has developed a niche around mediating between the extreme groups, communities and land managers. They and partners playing similar roles are becoming more vocal about access to internal decision making with their agency partners, especially when it comes to setting criteria and selection of contractors.

Federal agencies have long claimed FACA ([Federal Advisory Committee Act](#)) a barrier to this level of sharing.

One long-term Arizona partner to the USFS efforts said this of collaboration:

“If an organization is serious, they should also be at the table designing criteria and selecting contractors. Flagstaff, Arizona passed a \$10 million bond to be collected via property tax to support management on public lands surrounding the community. Individual collection agreements will be set-up between city and agency. Should the city not expect to play a role in selection and management of this process? Shouldn’t all entities that get serious about working with these agencies to protect communities, such as Denver Water Board in Colorado, be at the decision table?”

Collaboration and Partnership: Master Stewardship Agreements

According to USFS Direction, “A Master Participating Agreement or Master Challenge Cost-Share Agreement may be entered into at the region, station, area, or forest level. A Supplemental Project Agreement (SPA) may only be used in conjunction with a Master Agreement. A SPA may not serve as a stand-alone agreement because it does not contain all of the mandatory provisions. Because it is supplemental to the Master Agreement, the mandatory provisions are incorporated by reference. A SPA contains some additional mandatory provisions and may contain additional provisions specific to the project described in the SPA.”

Implementation of SC under an Agreement is a win-win for all because the partner brings matching funds, ability to administer projects on-the-ground and guarantee of completion. The Agreement also allows for negotiated changes as needed whereas the contracts do not allow for adaptations easily.

Wildlife conservation groups and the Master Agreement – key to the future.

Groups with an action-oriented conservation mission such as NWTF are taking collaboration to a completely new level, putting time and money into showing real results for the land, communities and the agencies. Their approach, popular in the Southeast and growing in favor nationally, involves implementation of a stewardship agreement instead of the IRSC and IRTC.

In areas where trust relationships and tangible accomplishments have flourished, Supplemental Project Agreements (SPA) are tiered from a Master Agreement allowing for additional work across a broader landscape. For example, these arrangements are in place with the National Forests of Texas, Mississippi and Arkansas.

A non-agency survey respondent involved in two SPAs in the region, representing \$2 million dollars in work on the ground laments the decline in entire forested landscapes and the impact on water in addition to wildlife, as fires grow larger and more intense. “There’s not enough money in the treasury to pay loggers to remove all the dead and dying trees, and the problem is just getting worse.”

At this point, NWTF does not have SPA’s in Colorado, Nevada, Nebraska, Kansas or with the BLM. Collaboration and partnership discussions are reportedly on-going.

NWTF is taking a strategic approach to future work by honing in on priority landscapes versus spot projects. This

includes building additional partnership capacity, perhaps under the same Master Agreements in place. “There’s a growing need for partner capacity in order to leverage the type of hands-on assistance in the way of fund raising and technical management that NWTF provides,” says a NWTF coordinator.

Businesses working with both NWTF and the USFS find the arrangement helpful.

Since 2004, NWTF has been a national proponent of SC, blending public participation with resource enhancement via over 60 projects. Project work to-date exceeds \$15 million dollars combined federal and private and over 40,000 acres of work on public lands.

“Our goal is to build capacity for the habitat work to get done on federal lands. We like to bring a host of partners and resources to the table whether it be deer hunters or quail hunters or a state agency. We pool the resources to help the agencies get the work done. It’s all about habitat for us,” says the National Wild Turkey Federation Stewardship Contracting Program Lead

NWTF has also taken on “no-bid” sales, but does not compete with private industry on SC project bids. “We want to see viable markets and associated jobs. We are often contacted by a business that wants to partner on the technical proposal or simply is not ready to manage the service side. We can help ensure all the work gets done and appropriate businesses get a shot at whatever elements they want,” says the NWTF representative.

Twenty-five regional biologists work for NWTF nationally. Three cover the Southwest, including former Utah Division of Forestry, Fire and State Lands manager Stan Baker, a participant in this year’s regional team meeting. Three years ago, Baker was “very skeptical” that SC could work in Utah given the lack of markets and condition of the forests. Today, he’s “excited about the future; even potential markets, collaboration and ability to match funds.” Stan oversees two Master Agreements - one in Colorado and one in Utah. In addition, he manages six SPAs - Fishlake, Dixie and Manti La Sal National Forests.

“We were in the excavation business. It took a lot of time and patience to learn how to work with the feds, find some market, any market for this wood, and do this type of work on the land. If not for the National Wild Turkey Federation, we would have quit,” said a Stewardship Contractor

Wildlife Conservation Groups and Stewardship Agreements Make Good Partners

Other high-capacity non-profits such as the Mule Deer Foundation are considering similar arrangements. Rocky Mountain Elk Foundation was another that took on an active role in SC but concerns over fire liability issues caused them to put all SC endeavors on hold for the foreseeable future, according to staff.

The Mule Deer Foundation mission is mule deer conservation but according to their representative, “No revenue, no mule deer habitat projects. We know that endangered species listings further restrict the resource use activities like timber, oil and gas, grazing that generate revenue. So, we care about habitat broadly and want to see Stewardship Contracting and other management tools at work.”

The Mule Deer Foundation was awarded a grant through the Natural Resources Conservation Service to map sage grouse habitat in 2012. They are also working closely with NWF to learn how to oversee Agreements and implementation with SC. “We need mentoring and NWF is a great partner to do just that. It will take us another year but we foresee looking at SC project opportunities in a similar fashion,” said their representative.

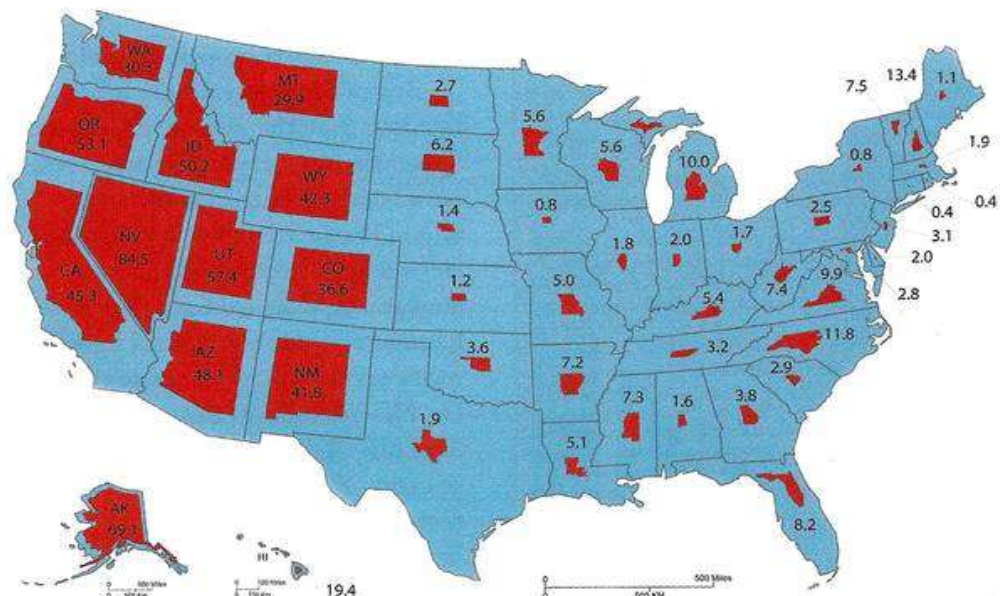
Leadership is still the most important factor.

The most common complaint regarding collaboration with federal agencies is the rapid turnover of leadership and the refusal of new leadership from Rangers and Forest Supervisors to specialists to honor commitments made by their predecessors.

When an active SC contractor, was asked through the survey how the project has worked out, his first response was, “Well, I’m on my third Forest Supervisor and fourth new District Ranger.” Another “collaborator” says, “Every time it [leadership] changes we must start over again; often the new ones don’t understand what we’ve been through and how hard it is to keep these small operations going.”

State and Local Government

WHO OWNS THE WEST? Federal Land as a Percentage of Total State Land Area



Data source: U.S. General Services Administration, *Federal Real Property Profile 2004*, excludes trust properties.

State and Local Government

The Secure Rural Schools and Community Self-Determination Act of 2000 (Pub.L. 106-393) was passed by Congress and signed into law by President Clinton as a temporary fix to the loss of payments to counties when revenue-generating activity such as timber harvest all but ceased. The program expired on September 30, 2011. How counties are compensated for the loss of tax revenue resulting from public land within their borders continues to be an overlapping concern to advocates of SC. For counties in the Southwest, retained receipts resulting from SC are not an issue since none exists.

According to [Oregon's KTVZ.com](#) a record \$393 million in PILT (Payment in Lieu of Taxes) payments were made to 2,000 local governments nationally in 2012. The 2012 authorized \$393.4 million included \$400,000 for program administration. Economically depressed counties need the money but they are also, "tired of watching the public lands deteriorate," said one regional economic development coordinator.

This was the last year of funding to counties under the [Emergency Economic Stabilization Act of 2008](#) (Division A of Pub.L. 110-343, 122 Stat. 3765, enacted October 3, 2008), which enacted a five-year authorization for funding full entitlement levels of the program. The 2013 budget proposes a one-year extension of the current PILT program, maintaining the existing formula for calculating payments to counties – considering acreage, population and prior year revenue payments.

Last year Senator Jeff Bingaman (D-NM) with twenty-nine cosponsors introduced the County Payments Reauthorization Act of 2011 (S. 1692) in the Senate Energy and Natural Resources Committee. The bill remains referred to the Committee on Energy and Natural Resources. It would keep payments at 95 percent of current levels through 2016 and allows for 10 percent of revenues to be used for "administrative expenses" associated with resource advisory committees.

State and county representatives seem resigned to the notion that the kind of economic returns once generated by timber will not return, but not content with the costs to local governments and residents as wildfires consume life and property. A state forestry representative said, "You [federal government] must either allow for markets to be created or pay for the work."

A community organizer in Utah said, "Local communities so want to be involved, especially the county commissioners, but they have been shut out over and over. That's why you only see the big environmental groups that are in it for the money coming back again and again. Now the agencies want to talk about a five-state biomass plan, yet they have no plan for the literally millions of acres of pinion-juniper right here in this state. This is why there's so much resentment. The feds have forgotten how to communicate with private and local leaders."

In 2000, Congress authorized a [Good Neighbor authority](#) to allow the Colorado State Forest Service to conduct certain activities, such as reducing hazardous vegetation, on USFS land. The BLM received the authority in 2004, as did the USFS in Utah. Stewardship contracts were the tool of choice for implementing this option.

According to a GAO report, "Fifty-three projects were conducted under Good Neighbor authority through fiscal year 2008, including 38 in Colorado and 15 in Utah, with most of the projects (44 of 53) conducted on USFS land. These projects included hazardous fuel reduction on about 2,700 acres of national forest and about 100 acres on state land.

Administrative Notes

Fire Liability – This issue led to Rocky Mountain Elk Foundation pulling away from SC. The FS stewardship agreement templates now have language limiting fire liability. The BLM has fire limitation liability clauses in their contracts. The USFS standard contract templates treat contractor fire liability differently for harvest operations and service work such as sowing seed, fixing culverts or other miscellaneous jobs.

Delegation Authority - BLM has new guidance in place that delegates SC decision making to the district manager level versus State Director. BLM Contracting Officers have up to \$100,000 authority to award contracts. Many recommend that the USFS revise handbooks to delegate authority for SC approval to Forest Supervisors.

“Single Blended Vegetation Management Contract” - Developed in 2011 but no longer being pursued. Reports are that there is not a way to disengage the FAR from contract language.

Performance Rating System – This internal system, which allows managers to share experiences with various contractors, is reportedly not available for SC.

To improve Stewardship Contracting for business:

- Minimize the time between bid date and award date.
- Allow contractors the option of a periodic review of service related costs such as fuel, gravel, wages, etc.
- Provide options to trade other “goods,” such as gravel or secondary forest products.
- Disperse cash to stewardship operators first enabling them to open additional units versus forcing business to wait until the contract is closed-out to receive cash for service work.
- Allow contractors the same 45-days to pay for a unit the government has to pay a contractor for services.
- Reinstate use of the 2400-2 timber contracts embedded in service contracts for minor amounts of low value wood. *The USFS claims this contracting arrangement was removed as a way to reduce conflict between the Timber and Service Contracting Officers.
- Remove all “black-box” perception from bid selection. Clarify how technical proposal, past performance and any other factor will be evaluated. Ensure that technical proposal evaluation criteria include technical proposal (ecological impact, community benefit, and utilization plan), past performance (including payment of prevailing wages, skill level of workers, and safety record on the job), and key personnel. These factors should be weighted equal to or greater than price.

The BLM has placed Wade Salverson (wsalver@blm.gov) in the DC Office as the National Stewardship Contracting Coordinator. The Washington Office welcomes Megan Roessing (mroessing@fs.fed.us) as the new National Stewardship Contracting Coordinator.

2013 Meeting Participants

Troy	Peterson	Barco Excavation Company
Stan	Baker	National Wild Turkey Federation
Dave	Wilson	National Wild Turkey Federation
Greg	Montgomery	Manti-LaSalle NF
Dennis	Dwyer	Region 3 Stewardship Coordinator
Earl	Kerns	Region 4 Stewardship Coordinator
Miles	Moretti	Mule Deer Foundation
Doug	Page	BLM Utah
Dusty	Moller	University of Nevada, Las Vegas
Don	Okerlund	Fish Lake NF
Allen	Henningson	Fish Lake NF
Jim	Gerleman	Dixie NF
Jason	Kling	Fish Lake NF, Richfield District Ranger
Aaron	Wilkerson	BLM Utah



Pacific West Regional Stewardship Contracting Multiparty Monitoring Team Fiscal Year 2012 Report

The Pacific West Regional Team collected information from telephone interviews (conducted by the Watershed Research and Training Center as a subcontractor for the Pinchot Institute for Conservation), as well as from team members' own experiences to investigate and characterize collaboration, community benefits, and other trends in the use of Stewardship Contracting in the Pacific West. In addition to answering the questions posed by this monitoring effort, our regional team spent time discussing the nuances of stewardship contracting including contract design, project marking and efficiencies, and the role of stewardship contracting in landscape scale restoration.

This year, 37 USFS projects and 18 BLM projects were selected for review. Regarding the USFS projects, we spoke to 38 agency representatives, 16 community members, 21 contractors and 17 other collaborators. For the 18 selected BLM projects, we spoke to 18 agency people, 4 community representatives and 18 contractors. Nearly all of the sampled projects reported diverse participation.

Regarding community benefit and stewardship projects, interviewees had the following to say:

- An agency representative reported, *"Keep an open mind. The public has some great ideas."*
- An interviewee stated, *"My community is very supportive of the idea of retained receipts. One of the selling points of stewardship contracting is the local investment."*
- A community member shared, *"In my community, and others, the collaborative has out-paced the capacity of the local agency. We know they're doing their best, but it won't work unless we can build the capacity of the agencies to match the capacity, vision and ambition of the other stakeholders."*

Regarding stewardship contracting in general, interviewees offered the following:

- *"Stewardship contracting is integral to the system we've developed. Without this tool we couldn't accomplish landscape-scale restoration."*
- *"Reauthorization of stewardship contracting is a community priority."*

This year, our Regional Team meeting was held in Eugene, OR. We have held meetings in Portland, OR, Redding, CA and in Medford, OR in years past.

This report details the answers to the three questions the Forest Service and BLM were interested in answering about the community benefits of stewardship contracting in the Pacific West region:

1. What are the predominant problems in engaging communities in stewardship contracting projects? What are the team's suggestions for improving the current situation?
2. What successes have emerged within the region for engaging communities in stewardship contracting? What fostered those successes?

3. What are the major perceived benefits of stewardship contracts to communities within the region?

What are the predominant problems in engaging communities in Stewardship Contracting projects? What are the team's suggestions for improving the current situation?

At our team meeting, we discussed several challenges to initial engagement and relationship maintenance with communities. Among the issues discussed, were changes in leadership, difficulty in sustaining engagement and limitations in the ways retained receipts can be used. Individual personality differences and challenging power dynamics between stakeholders and agency personnel continue to strain working relationships in some areas; while in others, planning capacity has emerged as the most significant issue.

Identified Barriers and Team Recommendations

1. **Barrier:** Limited capacity, whether on the part of the agency or stakeholders, is a significant barrier to successful outcomes in stewardship contracts and collaborative efforts in general. **Recommendation:** Build the capacity of agencies at the district and field office levels so that effective project planning and collaboration can be achieved. Continue to invest in the capacity of community partners and stakeholders through programs like the National Forest Foundation's Community Capacity Land Stewardship program.
2. **Barrier:** Changes in agency or key stakeholder leadership can derail progress. The loss of personal relationships and shared learning experience is oft cited by community members as a frustration. **Recommendation:** Reward agency personnel with collaborative skills and behavior. Plan transitions to transfer as much knowledge to the successor as possible. Develop strategies to begin another shared learning process with new participants. Enroll them in the culture the collaborative has developed. Allow community members to act as the institutional memory.
3. **Barrier:** When engagement and collaboration is done in order to "check the box" rather than authentically, it can be very detrimental to the ability of that group to make progress and can limit opportunities for future engagement. **Recommendations:** Build an *agency culture* that rewards authentic collaboration and assign personnel who are passionate about working with partners to participate in collaborative processes. Share credit for successes and actively pursue shared learning experiences. Consider the various viewpoints of stakeholders who may have alternate definitions of collaboration and work to identify early on the kind of engagement parties are seeking.
4. **Barrier:** Retained receipts can be expended in limited ways. Facilitation and monitoring are not allowable. **Recommendations:** Review and revise appropriate activities to be funded through retained receipts. Add monitoring and facilitation to the activities allowable. Consider the planning bottle neck and determine if planning might also be an appropriate use of retained receipts.
5. **Barrier:** The agency's role in the collaboration unclear or unacceptable to the group. **Recommendation:** How the agency engages in collaboration with other stakeholders is very important. A third party facilitator can often help, particularly as by having line officers facilitate it has sometimes opened the door for FACA complaints. The dynamics

of an agency initiated collaboration vs. a non-agency or jointly convened collaboration can be tricky. Regardless of who initiates the collaboration, an engaged and passionate line officer will improve the odds of a payback on the investment.

6. **Barrier:** The length of the collaborative process can be challenging for sustained collaboration. This can lead to the professionalization of collaborative groups, as subsidized participation can ease the burden for people who are able to participate as part of their job. **Recommendations:** Solutions to these issues include at least two tracks: 1. increasing the efficiency of the collaboration, and 2. maintaining the participation of diverse interest groups and individuals. Regarding increasing efficiency, the topics the collaboration chooses to take on will affect how much time the process will take. For example, if the group works on high level principles and large planning areas rather than project by project, they may be able to establish guidelines that allow them to engage less frequently as their collaboration matures. Of course, every location is different and there are no one-size-fits-all solutions. Suggestions for maintaining participation by diverse groups include: having a retained receipts grant program for participants; keeping the process open and inviting new members and participants; and effectively managing the group's expectations so that individual responsibilities, timelines and outcomes are clear.
7. **Barrier:** Difficult relationship dynamics between players in your collaboration effort. **Recommendation:** Many places face a history of animosity between stakeholders who may be engaging in a collaborative effort. In these situations a third party facilitator is often needed to set boundaries and move discussions forward. Third party facilitators can also be very effective in places where there relationships are generally good, but where all stakeholders want to fully participate as collaborative group members. Facilitators can also help clearly define decision space, and enroll outliers.

What successes have emerged within the region for engaging communities in stewardship contracting? What fostered those successes?

Many communities in the Pacific West have emerged as national models of effective collaboration and leaders in effectively partnering with federal land management agencies. Several members of the Pacific West regional team are members of standing collaborative groups that function in concert with the federal agencies across their entire program of work.

With regard to the telephone interviewee responses about successes in engagement, nearly all of the sampled projects reported diverse participation. One reason for this may be that they also reported multiple forms of outreach tailored to different stakeholders and interest groups.

Some of the key principles of success cited by the regional team in engaging communities include understanding that collaboration is dynamic and takes many forms; it is also built upon relationships and shared learning. The team also offered ideas for initial engagement, longer term process suggestions and advice for managing difficult dynamics/situations. Team members remarked that, "long-term relationships can change minds and expand what is possible," and "don't be hesitant to aspire to more... keep trying."

Identified Successes and Recommendations

- 1. Success:** Regarding initiation of collaboration, recognize that stakeholder dynamics shape most conversations. Personalities matter, when people are invited to participate and what the expectations of collaborators are, matters. **Recommendation:** Be clear and transparent with all participants from the beginning. Make sure to invite stakeholders in a way that allows them to engage positively. If a negative relationship exists between two parties, find a trusted party to deliver the invitation. Go to stakeholders if they don't come to you. Many people attend numerous meetings and adding another to their calendar is not possible; finding kindred organizations or forums in which to engage stakeholders can be very effective and efficient. Make sure people feel heard. Embrace collaboration as a new way of working.
- 2. Success:** Collaboration that prioritizes clarity and communication between participants and the general public can be very effective. **Recommendation:** For collaborative groups that have standing meetings and whose purview extends beyond a single project; it is a good idea to consider how the collaborative group will keep both its members and the general public aware of their current and past work. Several collaborative groups in the Pacific West have developed websites and/or communication plans that facilitate not only sharing the work of the collaborative, but provide a means of passive engagement and serve as a record for the groups. Examples of content groups have developed include monitoring results, project descriptions and maps, and general principles and guidelines for their joint work.
- 3. Success:** Clearly defined roles and responsibilities of collaborative group members. **Recommendation:** Engage the right level of authority and clarify decision space to avoid the relationship damage that will occur if collaborative group recommendations for project design are not acted upon.
- 4. Success:** Collaborative efforts that are structured and facilitated in a manner that supports participants' engagement are often effective. **Recommendation:** Design the collaboration so that there are built in checks and balances, and so that learning and power sharing are part of the system and culture of the group. This may or may not be formalized depending on the context, purpose, and individuals working in the collaborative.
- 5. Success:** Groups that have a range of representatives with priorities for social, environmental and economic values can be very successful. **Recommendation:** Encourage stakeholders to describe a set of desired conditions, including on-the-ground outcomes and other community benefits, so that the group can leverage the resulting shared landscape vision beyond single projects and value positions.
- 6. Success:** Upfront investment in collaboration can be expensive, but in the long term it can significantly improve efficiencies. **Recommendation:** Don't skimp on the design, launch, and maintenance of your collaborative process. Leverage the resources and energy of collaborative group members to keep your interactions productive and moving forward.

What are the major perceived benefits of Forest Service and BLM stewardship contracts to communities within the region?

The benefits of Stewardship End Results Contracting to communities are many. They range from local environmental health to economic viability and increased local capacity (both within the agencies and externally) to steward the landscape. This year, when asked to describe stewardship contracting, interviewees often cited the intent for community benefit in addition to the goods-for-services and best value aspects of the authority.

Perceived Benefits and Recommendations

- 1. *Perceived Benefit:*** Restoration of areas that are important to the values of local residents and the ecosystem service values that are supported when public lands are stewarded. On-the-ground outcomes are important to people and achieving them builds trust in the agencies. ***Recommendation:*** Prioritize projects that will have high ecological returns and work with stakeholders to publicize the specific benefits of the project you are undertaking.
- 2. *Perceived Benefit:*** Improvements to agency performance and efficiency. Investments in collaboration have paid off in many areas where planning and implementation are now quicker and much less contentious. ***Recommendation:*** Leverage the collaborative capacity built by stewardship contracting to work with other contracting tools and modes.
- 3. *Perceived Benefit:*** Successful projects familiarize stakeholders with the process and can form the foundation for long-term good working relationships. In many areas, stewardship contracts and agreements have functioned as such a foundation. ***Recommendation:*** If you are just starting out with collaboration, start with a manageable project and take the time to make it successful. Building from a point of joint success is much easier than working at odds.
- 4. *Perceived Benefit:*** The Best Value Contracting provision of stewardship is an opportunity for the collaborative to provide input and shape local benefit. ***Recommendation:*** Work with stakeholders to define “local.” In some places stakeholders have defined levels of locality that help contracting officers make best value choices.
- 5. *Perceived Benefit:*** Stewardship contracts and programs have provided for workforce training and local jobs in many areas. ***Recommendation:*** Engage local agencies and non-profits working on local economic development and job training. These organizations may be able to help leverage a stewardship agreement and add benefit by investing in local workforce capacity.
- 6. *Perceived Benefit:*** 10 year contracts have, in some cases, allowed companies to make long-term investments. ***Recommendation:*** Supply is a major issue for the wood products industry. Long-term contracts can give businesses the security they need to invest in keeping their operations competitive.

7. **Perceived Benefit:** Leveraged investment through the use of agreements and Wyden Authority. **Recommendation:** By utilizing these tools, collaborative groups are able to maximize benefits to public resources by leveraging and investing funds where they can have the most impact. Continue to seek opportunities to leverage resources.
8. **Perceived Benefit:** While relationships and trust can be built in a variety of contexts, stewardship contracting has created the forum for positive working relationships in many areas. **Recommendation:** Continue to use stewardship contracting as an opportunity to deepen relationships with stakeholders.
9. **Perceived Benefit:** Stewardship has been a catalyst for innovation. In many places, stewardship contracts and agreements have opened the door for a new way of working with stakeholders. This tool has been a catalyst to “rethink what we can achieve” with public lands management. **Recommendation:** Keep utilizing tools like stewardship contracting to improve public lands.

Pacific West Regional Team Meeting Attendees

Jason Anderson
USFS

Michelle Medley-Daniel
Watershed Center

Lindsey Babcock
BLM

Blair Moody
BLM and USFS

Terry Baker
USFS

Cassandra Moseley
Ecosystem Workforce Program

Marc Barnes
Integrated Resource Management

Nathan Poage
Clackamas Stewardship Partners

Gordie Blum
USFS

Liz Redon
North Santiam Watershed Council

Don Boucher
USFS

Andrei Rykoff
USFS

Jim Bowmer
BLM

Kirk Schimeall
Alsea Stewardship Group

Marie Buell
Watershed Center

Patrick Shannon
Blue Mountains Forest Partners

Nils Christoffersen
Wallowa Resources

John Squires
Pinchot Partners

Karen Harding
USFS

Jeff Trejo
USFS

Brian Kittler
Pinchot Institute

Jim Walls
Lake County Resources Initiative

Dylan Kruse
Sustainable Northwest

Alice Williamson
Sustainable Northwest

Chandra LeGue
Oregon Wild

Trish Wilson
USFS

If you have questions about any of the issues outlined in this report, please contact us at wrtc@hayfork.net or 530.628.4206

Stewardship Contracting

2012
SOUTHEASTERN
REGIONAL
REPORT



Executive Summary

The Southeast Regional Team collected information from telephone interviews, as well as from team members' own experiences to investigate and characterize collaboration, community benefits, and other trends in the use of Stewardship Contracting in the Southeast region. In addition to answering the questions posed by this monitoring effort, our regional team spent time discussing the nuances of stewardship contracting including contract design and the role of stewardship contracting in landscape scale restoration.

The US Forest Service (USFS) reported placing 134,257 acres under some form of Stewardship Contract (SC) in 2012. The planned 2012 target was 300,000 acres. According to Region 8 data, the Southeast is responsible for 28,000 of the acres

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Stewardship Contracting 8

Regional Summary Report:
Carla Harper

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Executive Summary Continued

Support for SC continues to grow each year among professionals concerned with land management. SC is perceived as having helped restart the federal land management engine. A strong majority of projects in Region 8 are geared toward habitat restoration. The movement away from silviculture and refocus on fuels reduction has left funding for wildlife related projects sparse. SC and the vigorous engagement of the National Wild Turkey Federation (NWTF) has created opportunity for meaningful partnership and vital work on the land.

A mill owner said, “We are not limers and pond builders by trade, but if that’s what it takes to keep our people employed and the land healthy, we will do it.”

A state government employee added, “It’s refreshing. We are finally seeing the Forest Service work in these complex ecosystems that have been locked up with controversy. I credit stewardship contracting.”

The trend throughout interviews and the annual meeting is continued growth in interest for the use of SC. New stand alone stewardship contracting efforts have not increased much in the last two years, but partnership with the NWTF has.

In areas where trust relationships and tangible accomplishments have flourished, Supplemental Project Agreements (SPA) are tiered from a Master Agreement allowing for additional work across a broader landscape.

Since 2004, NWTF has been a national proponent of SC, blending public participation with resource enhancement via over 60 projects, representing \$15 million dollars combined federal and private expenditures and over 40,000 acres

of public land treatment.

Eleven regional biologists work for NWTF in Region 8; 25 nationally. Many specialists, foresters and line officers alike have begun to see the benefits of working with business, non-governmental organizations (NGOs), and state agencies through the Master Agreements as well as stewardship contracts. All are telling stories of success and a desire to do more with stewardship authorities.

In general, these partnerships begins after NEPA analysis and project packaging. In some cases, projects are built through on-going partnership work.

In the Southeast, the number one reason given for growth in SC and desire to do more is an ability to “get things done.” All share a frustration over the backlog of silviculture, habitat, road, weed, pond, etc. management across the 193 million acres of National Forests and Grasslands. USFS budgets have steadily increased over the last ten years, hovering for the last three years around \$6 billion dollars.

As of today, the jury is still out on the future of SC. Renewal or permanence of the authorities rests within two versions of the 2012 Farm Bill. The 2008 Farm Bill was extended until September 30, 2013 as part of last minute negotiations around the “fiscal cliff” by Congress. The 2012 House version of the Farm Bill extends the authorities through 2017, while the Senate version makes them permanent.

How to Read Regional Report

The Pinchot Institute has led monitoring and evaluation of stewardship contracting (SC) since its reintroduction as a pilot in 1999. The current annual survey, based on a 25 percent random sample of all active projects (a total of 14 in 2012 within Region 8), and regional team process has been in place since 2003, aimed at summarizing “the role of local communities in the development of stewardship contracts and agreements.”

This 2012 “State-of-Stewardship Contracting” report relies on input from both sources to address these key questions:

- 1. What successes have emerged within this region for engaging communities in stewardship contracts? What fostered these successes?**
- 2. What are the major benefits of stewardship contracts to communities within this region?**
- 3. What are the predominant problems in engaging communities in stewardship contracts? What are suggestions for improving the current situation?**

Regional Successes



Fort Caswell, North Carolina Coast

Angelina-Sabine and Davey Crocket National Forests

In 2009, Hurricane Ike ravaged many acres of prime red-cockaded woodpecker (RCW) habitat in southeastern Texas. Under the Stewardship Agreement, an NWTF corporate partner salvaged 35,000 tons of blow down in nine weeks to help the USFS remain in compliance with US Fish and Wildlife habitat requirements. According to both agency and NWTF staff, without the Agreement in place, the corporate partner would not have guaranteed the market for the salvage to the three independent loggers working for NWTF. The result would have been untenable fuel build-ups, damaged habitat, and wasted wood product.

Ike created enormous resource and public relations problems for the USFS. SC enabled them to begin tackling myriad issues due to the Stewardship Agreement with NWTF as well as the ability to fund priority projects through the ability to move retained receipts around.

In total NWTF and National Forests of Texas accomplished nine projects, \$820,000 worth of service work and treated 30,000 acres of hurricane damaged RCW habitat. The projects will ultimately generate \$2.4 million dollars in retained receipts, allowing for a wide range of service work including helicopter

ignition, timber marking, Wilderness prescribed burn lines, wildlife openings, RCW insert installation, recreation area reopening, and more.

The National Forests and Grasslands in Texas are an example of partnership combined with SC mitigating enormous damage resulting from natural disaster. “Our ability to use NWTF during the drought was phenomenal and saved us,” said a USFS District Ranger.

“The Agreement is the foundation of our relationship and is based on mutual trust,” said an NWTF representative.

“The key was the horsepower NWTF possessed through a corporate partner and convincing them to take the timber from contract loggers. In addition, they performed a tremendous amount of service work, including clean-up of eight illegal dumping sites and much non-native invasive treatment,” said another USFS representative.

Ouachita and Ozark National Forests

The habitat and forest restoration efforts that began in Bear Cat Hollow with collaboration between USFS, NWTF, Bibler Brothers Lumber, Rocky Mountain Elk Foundation, The Nature Conservancy, Arkansas Wildlife Conservation Fund, Arkansas Game and Fish and more continues to expand. The Arkansas Wildlife Conservation Fund has won awards for their work on the landscape.

Arkansas partners huddled in 1998 to form an oak ecosystem restoration coalition. This began a trend toward landscape level thinking and eventually a series of stewardship contracts and agreements to implement a vision. The prescription involved fire and thinning hardwood stands. The partners invested a lot of upfront time and money into public awareness and education as well as intensive plot monitoring. The results have been public support for larger scale landscape restoration and the appearance of plant species not seen in those ecosystems for 100 years.

The Bearcat Hollow Stewardship Agreement came about because a former Ranger on the Little Piney Ranger District saw the potential in both SC and his wildlife biologist.

NWTF partnered with James Bibler, whose great grandfather bought the first timber sale ever offered by the Ozark National Forest. Bibler Brothers Lumber completed the first 500 acres of restoration that generated receipts for more burning, weed control and other work.

This partnership claims the secret to success involves first a clear goal with a focused set of objectives and

a core group of decision makers with ownership.

Oconee National Forest

The Oconee was historically a mix of loblolly, shortleaf and mixed hardwoods. Based on the most recent Forest Plan, RCW management is the almost exclusive focus.

Partnership with NWTF and a host of other partners, including National Fish and Wildlife Foundation, Helena Chemical Company and others began in 2005. Through a combination of SPAs, the SC Integrated Resource Timber Contract and grants over 4,000 acres of RCW habitat has been improved.

Local contractors have been instrumental in ensuring success. Fourteen different businesses have been involved in plantings, wildlife opening construction, grass planting and much more.

Managers have initiated an 82,000 acre plan, with a goal of accomplishing 2,000 to 4,000 acres a year, for a wide range of forest health and habitat work.

Desoto National Forest

The Desoto National Forest, and in particular the Chickasawhay Ranger District, has demonstrated excellence in building partnerships. For example, NWTF, US Fish and Wildlife, Mississippi Department of Wildlife, Fisheries and Parks, Wild Law, University of Southern Mississippi, Laurel Garden Club, Southeastern Bat Diversity Network, Mississippi Power, Quail Unlimited, and many local businesses work together to improve habitat for a wide range of animals from amphibians to wild

turkeys. Accomplishments include 1,650 acres of commercial thinning, 2,650 acres of mid-story reduction, 41 acres of noxious weed eradication, and \$1.2 million in receipts.

The positive attitude and success of the Chickasawhay SC has spread beyond the District to some purchasers previously opposed to the concept, and the receipts are benefiting habitat on neighboring Forests, including the Bienville. The Chickasawhay Ranger District is already implementing SC projects for their region, representing 18 MMBF, and close to \$1.5 million in additional excess receipts. Partners have continued to work on invasive weed mapping and an educational nature trail.



Success Factors and Benefits

www.seesouthernforests.org

Master Agreements

According to USFS Direction, “A Master Participating Agreement or Master Challenge Cost-share Agreement may be entered into at the region, station, area, or forest level. A Supplemental Project Agreement (SPA) may only be used in conjunction with a Master Agreement. An SPA may not serve as a stand-alone agreement because it does not contain all of the mandatory provisions. Because it is supplemental to the Master Agreement, the mandatory provisions are incorporated by reference. An SPA contains some additional mandatory provisions and may contain additional provisions specific to the project described in the SPA.”

The impact of leadership - from regional forester to field forester- stands out as the most often cited “make or break” factor for SC. The success of SC, or any management approach, hinges on experiences between people where commitments are honored and fairness as well as consistency is practiced.

Collaboration is, for the most part, no longer seen as a unique part of SC. “We just do collaboration as a part of regular business,” is a common sentiment from agency staff. Often heard also is the notion that “right objectives and strong collaboration are the keys to success.” It seems that most people living and working in communities want to see common sense land management, products and jobs where possible, less government subsidy of land treatments and no out-of-control fire. Few have the time or inclination to truly “collaborate” beyond a basic statement of those ideas. These sentiments and conditions enable those who work for good land stewardship to collaborate for maximum impact.

There has been a notable shift in attitude toward SC by field managers in the last two years. Most interviewed report liking the tool as an addition to their other options ranging from a timber sale to forest accounts. Many even express concern that SC might go away. Yet, they clearly indicate a desire to keep all other options for management as well.

The NWTF appears to have been

gradually but effectively helping the agency rebuild trust with communities and meet land management objectives creating a win/win for all concerned. In most areas, they are a primary partner or helped initiate early projects. There’s an enormous benefit when NWTF local chapters can tell their members, as in the case with Texas, that every dollar they give is doubled or better with a match from other sources.

NWTF is expanding their staff and outreach. Their Georgia representative has nine projects and two grants underway. The once two-state position for Louisiana and Mississippi is being doubled. Alabama is expanding as well. As USFS Districts see the benefits of SC, they are reaching out to form new partnerships and agreements with NWTF to multiply the opportunities.

The Stewardship Agreement is the instrument of choice when working with NWTF. In addition to being easily modified if conditions change, it allows for sharing the burden of planning and implementation as well as bringing in additional financial and human resources. The partner organization always brings a minimum of 20 percent to the table in a project and actively recruits like-minded wildlife advocacy organizations and/or state wildlife agencies, all with grant dollars to contribute.

“SC helps us bring our habitat improvement mission to the membership, which enjoys being a part of the management of their forests,” said Dave Wilson, NWTF National Stewardship Coordinator. Their primary mission is to conserve habitat for the wild turkey but that goal includes all upland species that utilize early succession forests.

Each year more stories emerge that illustrate NWTF facilitating problem solving, exploring “outside the box” thinking along side managers, helping the agency achieve its mandate and creating opportunities for locals to not only work but engage in improved land conditions. In the coming year, NWTF will begin to approach their partnership with the USFS using SC more strategically by analyzing key landscapes of concern.

“We know that to treat the often thousands of acres involved in a landscape, we must work strategically and long-term in partnership with the agency and others,” says Dave Wilson.

The Southeast is positioned to successfully implement SC because value in wood products and infrastructure still exists. In addition, the rate of appeals and litigation is much lower than in

other regions. SC is seen as a way to “stabilize” the USFS forest product offering due to the longer duration of contracts.

Factors that have improved or expanded bids on stewardship contracting projects include the following:

- Early assistance of the NWTF, “showing us how.”
- Businesses that own a land base or conduct comprehensive work on private land, thus knowing how to act as a General Contractor and/or own needed equipment.
- “Primary way to manage forests now without getting sued.”
- “Keeps our employees on; doing something while wait for more opportunities to come; the economy to get better.”
- “Everything we do means that somebody gets paid; this helps the economy.”

Some of the activities included in service work – plowing and liming fields, road repair work, weed control, pond maintenance, deconstruction or restoration of aging buildings, removing barbed wire.

Suggestions for Improvement and Problems Encountered

1. A need for wood throughout all segments of the forest products industry drives a willingness to bid on SC.

Factors limiting bids include the following:

- “very long and drawn out process.”
- “Don’t generate all bidding opportunities in the last quarter because it takes extra time to bid well on a SC due often to unfamiliar service work. This leads to inflated bid prices to cover the many unknowns. Sprinkle SC in the fray throughout the year.”
- “USFS projects are almost always under what the cruise description indicates and it’s whatever value exists in the timber that makes a project sell. We can do service work but volume of timber must be there to cover. For example, in the Appalachian mountains marking and cruising formulas used for pine stands do not work in hardwood forests.”
- Remove all “black-box” perception from bid selection. Clarify how technical proposal, past performance and any other factor will be evaluated. Ensure that technical proposal evaluation criteria include technical ability (ecological impact, community benefit, and utilization plan), past performance (including payment of prevailing wages, skill level of workers, and safety record on the job), and key personnel. These factors should be weighted equal to or greater than price. “If we are man enough to put a bid in; we are man enough to know what we did wrong,” said one regular SC operator.
- Minimize the time between bid date and award date. This is very important to businesses.

“We could all (agency and businesses) do so much more if they would just take the handcuffs off.”

– Stewardship Contractor

2. Revise handbooks to delegate authority for SC approval to Forest Supervisors.
3. Revise handbook to eliminate a 75 percent requirement of goods for services ratio in contracts. This is a barrier for Districts with valued timber. Encourage field staff to do as much as possible with goods for service and then make-up the rest with retained receipts.
4. Allow decisions at District level to choose the appropriate balance of KV and stewardship that will most effectively and efficiently accomplish the management objectives.
5. Create accounting codes for individual Districts that mirror KV codes to enable better tracking of retained receipts across forests and the region. The existing system is good for accounting incoming receipts but not for expenditures. This creates “a mess” for local districts

To view the 2011 programmatic monitoring reports follow the links below:

<http://www.pinchot.org/articles/381>

<http://www.fs.fed.us/forestmanagement/stewardship/reports/index.shtml>

Summary of 2012 Survey

Each year we survey a 25 percent sample of all stewardship contracts on a regional basis. For Region 8 in 2012, 14 projects are represented. Three individuals are surveyed for each project. Below is a sampling of findings from the survey data.

A majority (71.8 %) say “getting work done on the ground” defines SC and 82 % have not changed their opinion about SC since first learning about the tools.

Projects are primarily initiated by the US Forest Service and all tend to include partnerships with contractors, wildlife organizations (NWTF), and state agencies.

The role of partners mostly includes comments and recommendations, implementation and becoming informed.

The USFS is considered “very collaborative” by 61.5 % of respondents, with collaboration defined primarily as “working with others” and “achieving a common goal”.



6. Alleviate the unnecessary collision points between federal acquisition regulations (FAR) and timber sale regulations. Efforts to “figure out” how to force the two systems together continues to confound managers in spite of some improvements. “From a Washington Office perspective things look good from a big picture, but nuts and bolts are still difficult and when we combine procurement and timber it’s apples and oranges,” said a Contracting Officer.

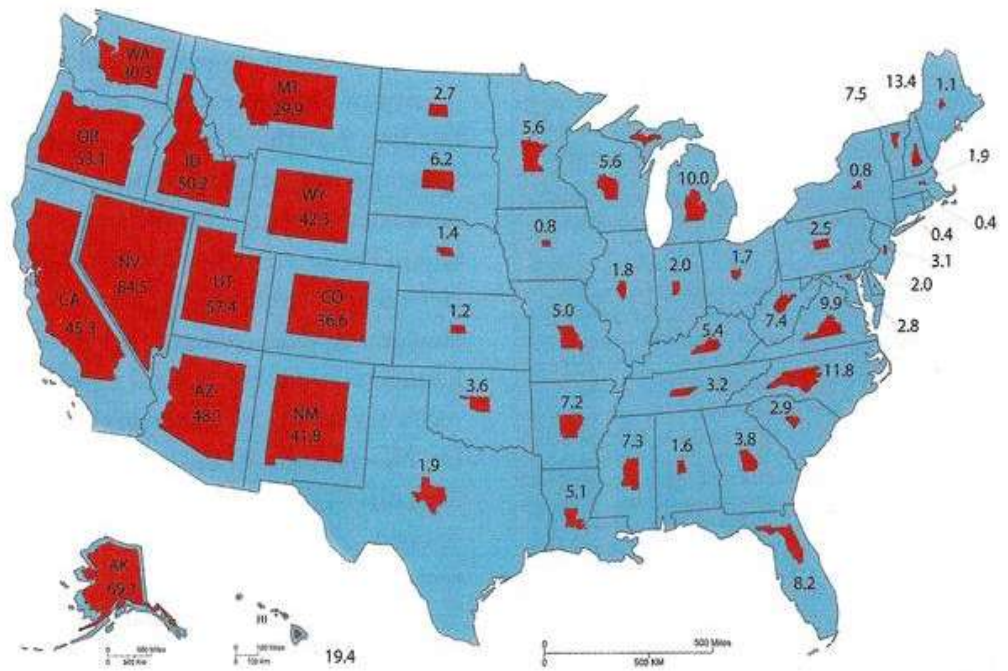
There’s a lot of grey area that creates consternation for the field. The intent of SC was more flexibility, yet the same framework guides all contracts such as a regional timber theft plan, what’s allowed and not allowed, whether value exists or not, guidelines for calling in law enforcement, etc.

On-going specific examples include:

- Undertake periodic rate redetermination for service related costs such as fuel, gravel, wages, etc.
- Disperse cash to stewardship operators first enabling them to open additional units versus forcing business to wait until the contract is closed to receive cash for service work, at times stretching out to a year.
- Ask the government to adhere to the same rules as business in paying invoices. When a contractor desires to open a unit, they have 15 days to pay for the unit or interest charges begin to accrue.

County Payments and Stewardship Contracting

Federal Land as a Percentage of Total State Land Area



Data source: U.S. General Services Administration, *Federal Real Property Profile 2004*, excludes trust properties.

The Secure Rural Schools and Community Self-Determination Act of 2000 (P.L.106-393) was passed by Congress and signed into law by President Clinton as a temporary fix to the loss of payments to counties when revenue-generating activity such as timber harvest all but ceased. The program expired on September 30, 2011. How counties are compensated for the loss of tax revenue resulting from public land within their borders continues to be an overlapping concern to advocates of SC.

According to Oregon's KTVZ.com a record \$393 million in PILT (Payment in Lieu of Taxes) payments were made to 2,000 local governments nationally in 2012. The 2012 authorized \$393.4 million included \$400,000 for program administration.

This was the last year of funding to counties under the Emergency Economic Stabilization Act of 2008 (Division A of Pub.L. 110-343 , 122 Stat. 3765, enacted October 3, 2008), which enacted a five-year authorization for funding full entitlement levels of the program. The 2013 budget proposes a one-year extension of the current PILT program, maintaining the existing formula for calculating payments to counties – considering acreage, population and prior year revenue payments.

Last year Senator Jeff Bingaman (D-NM) with twenty-nine cosponsors introduced the County Payments Reauthorization Act of 2011 (S. 1692) in the Senate Energy and Natural Resources Committee. The bill remains referred to the Committee on Energy and Natural Resources. It would keep payments at 95 percent of current levels through 2016 and allows for 10 percent of revenues to be used for “administrative expenses” associated with resource advisory committees. See Rep Greg Walden (D-OR) testimony on Youtube.

<http://www.youtube.com/watch?v=vgdJ2dreOQc>

Data Summary Continued

The US Forest Service is considered “very collaborative” by 61.5 % of respondents, with collaboration defined primarily as “working with others” and “achieving a common goal”.

In ranking local benefits of SC on a scale of 1 – very high to 5 – very low, achieving specific project outcomes is the highest ranked at nearly 90 percent very favorable. Improved efficiency using SC, creating local jobs and other economic benefits also rank high.

Increasing community support is also considered a high ranking factor for SC.

Perceptions of public support were ranked at 84.6 % “widely supported” and for the US Forest Service 69.2% perceive “widely supported.” The next rank was 28.2 % as somewhat supported for the agency of SC. Of all respondents, 87.2% said they would participate in SC again.

Region 8 and 9 will soon announce a joint Regional Stewardship Contracting Coordinator. The Washington Office welcomes Megan Roessing (mroessing@fs.fed.us) as the new National Stewardship Contracting Coordinator.



Meeting Participants

Eric	Taylor	Texas NF and Grasslands
Scotty	Parsons	National Wild Turkey Federation
Dale	Bounds	National Wild Turkey Federation Volunteer
Dave	Wilson	National Wild Turkey Federation
Eddie	Taylor	Angelina-Sabine NF
Jason	Engle	Angelina-Sabine NF
Jr.	Lawrence	Angelina-Sabine NF
AJ	Bregance	Arkansas National Forests
Mark	Van Every	Angelina-Sabine NF
Linda	Brett	Director of Forest Management, Region 8
Lanton	Chumley	Angelina-Sabine NF
Brian	Townsend	Angelina-Sabine NF
Bob	Allen	Angelina-Sabine NF
Kathleen	Ward	Angelina-Sabine NF
George	Weick	Angelina-Sabine NF
Joe	Piazza	Piazza Timber Company

**Eastern Region Stewardship End Result Contracting
Multiparty Monitoring Team
Fiscal Year 2012 Report**

In preparing this report the Eastern Region Monitoring Team considered information from a number of sources including, but not limited to:

- telephone interviews conducted by the Pinchot Institute for Conservation (through its regional partner, the Flathead Economic Policy Center) with Forest Service personnel, community members, contractors, non-government organizations (NGOs), and other project participants in a stratified random sample of existing stewardship contracting projects in the region;
- team members' own personal observations of and experiences with stewardship contracting; and
- a November, 2012, team meeting on the Huron-Manistee National Forest which included discussions with representatives of the USDA/Forest Service and National Wild Turkey Federation (NWTf) and a site visit to a project area being managed under a stewardship agreement between the agency and NWTf.

While the regional team focused primarily on issues related to community engagement in Stewardship End Result Contracting (SERC) and the benefits of SERC to communities, team members also discussed other aspects of SERC that were commented upon by this year's survey interviewees, by team members, or by other participants in the regional team meeting. The findings and recommendations in this report were drawn from those conversations and included in a draft report prepared for the team by the Flathead Economic Policy Center. The draft report was sent to all team members and FY2012 team meeting attendees for review and any needed additions or corrections. Following that, the team's report was finalized.

Overview

The Forest Service's Eastern Region continues to have difficulties fitting Stewardship End Result Contracting (SERC) into its land management "toolbox", but is making progress. A Forest Service project manager who was first interviewed some years ago said now:

I've come a long way since the last time [we talked]. I'm more familiar with the [SERC] sideboards. Some things fit well with stewardship, and some don't. ...This [project] was kind of a test case, and it showed we could implement a stewardship contract successfully. There was lots of resistance from industry and contractors.

In its truest form, [stewardship contracting] can be a great thing – [you can involve] more interests and get a better sense of what to ask for from contractors – what to do and what not to do. Its other big benefit is that we can get a lot more work done on the ground than we're budgeted for. We've done many, many thousands of acres of treatments [on this forest].

Another agency interviewee was equally positive:

We've been involved in stewardship for at least seven years. You get more educated and can see more possibilities the more you are exposed to it. We can use it more effectively now. The more we get into this, the more comfortable we get, and the more efficient we get."

Some agency staff, however, still question SERC's appropriateness for the region, *I just wish that the constraints – once you cross a certain geographic area in the country – weren't there. In the Eastern US we struggle with trying to come up with the uses that are listed in the guidance. We can't use retained receipts to finance anything within the Forest Service itself. It's unfortunate that we can't use retained receipts to support the timber work we do which supports the local industries here.*

Others think its potential usefulness has been oversold.

I'm not convinced stewardship contracting is the most efficient way to spend money. We don't have an established core of stewardship contractors who know how it works and how to bid, and so [those who do bid] are shy and kind of tend to bid conservatively – low bids for the timber and high bids for the service work. I don't think we're getting the best value – but, on the other hand, we can use 100 percent of our collections on the ground and not for K-V overhead, so it's kind of a mix.

A number of agency interviewees attribute their lack of enthusiasm to the actual or expected difficulty of getting more contractors in the region to accept SERC:

The local timber companies are about one-third bought into [stewardship contracting]. They want the timber, so they do it – but they have to prepare proposals, and we have to evaluate and rank them, so it's more time consuming for everyone. There is more service work getting done, but it's the same contractors doing it that we would normally use. There are not any new folks coming into the mix per se.

Tribes in the region, on the other hand, have been fairly quick to recognize SERC's advantages to their forest management and employment programs, and it is being used fairly often and apparently quite effectively by tribal contractors, who are often awarded the work on a sole-source basis. One tribal forestry manager said,

The primary benefit for the tribe is demonstrating the capability of the tribal departments so that we can be involved for consideration in future projects. We can build bridges. We can build roads. We can do whatever needs to be done.

Across the region, those contractors' interviewed were generally positive in their assessment of SERC, although with some concerns about the variety of skills and/or equipment needed to carry out multi-faceted projects. Said one:

When it first came out I wasn't in favor of it, but it brings some timber to market which we need and the projects are much more reasonable than when we first started. When they first came out they had a lot of things that weren't even related to our industry – paving parking lots, doing recreational things, -- now they've changed them to more conservation-type projects that I can get workers and contractors to do.

Those sentiments were echoed by another company owner:

I think the Forest Service is moving in the right direction. The more they do, and the more people get involved and [get an] understanding of it, I think more people will get interested, The first one, I didn't have any competition on, but the second one I did. And there will probably be more.

Meanwhile, community involvement in SERC projects in the Eastern Region remains minimal at best. There were 15 SERC projects in this year's sample. In nine of those, the Forest Service project manager was unable to provide the name of a community member (other than, in some cases, the project contractor) likely to be familiar with the project. Among the remaining six projects, however, there were some examples of public engagement that did go beyond the standard public notice and comment opportunity requirements of the National Environmental Policy Act (NEPA). One non-governmental organization (NGO) interviewee said,

My experience has been that it's a new tool for the Forest Service to use on doing projects within their forest system where they could retain receipts to be used on the forest and, as importantly, an opportunity to involve local publics in what they might use the retained receipts for. For an NGO organization like ours it's been an opportunity to not only be involved but actually bid on contracts and do the work. We've been able to go further than just providing comments.

General Observations

There is a growing acceptance of Stewardship End Result Contracting. Analysis of the data gathered through the FY2012 programmatic monitoring of SERC in the Eastern Region shows continuing evolution in how agency and non-agency participants view SERC. While the “goods for services” exchange is still seen by many as SERC's defining characteristic, there is an increasing recognition of its other valuable authorities. An agency interviewee said:

It's an opportunity to leverage resources and basically increase the scale and complexity of projects because it enhances your ability to work with partners and utilize their funds to leverage against our retained receipts. You end with a lot more funds and can work with local contractors so you enhance the local economy

Getting needed work done on the ground is SERC's big plus. One agency respondent said:

Under the stewardship contract authority the Forest Service can use timber sale receipts to accomplish projects such as watershed restoration, improvement of fish and wildlife habitat, re-establishment of native plant communities, or improvement of forest health. Stewardship contracting is an excellent way to utilize local contractors and support the local economy. The best value selection process focuses on the quality of the workmanship as well as the economics.

Community involvement and community benefits were also acknowledged as important element of SERC. A local government official said:

It's a way to reinvest locally-generated money back into our local forest and local communities. I only have 82 residents in my community, but [the Forest Service] steered over \$1.1 million in Stimulus [American Recovery and Reinvestment Act] money to us for doing road construction, improving access, providing more interpretative information, etc. This [SERC project] was to continue where we left off with that other [ARRA] project. This will allow us to do some more road construction, provide access to the river, and deal with some erosion problems.

A community member in the Lake States said:

We've been logging forever here, either on state or federal forests. But it has been a declining industry, so the Forest Service projects – the fuels mitigation in over-aged stands – have kept the loggers alive in the county. Its kept the logging jobs here that would have gone away. As they've worked around the WUI [wildland-urban interface], the Forest Service has gotten federal dollars to help people hire people [contractors] to come up and clean out their land, and so people all over the county have cleaned out the roads going into their property. It's pretty hard work. A number of people [contractors] have bought chippers and skid loaders and cutters, and they are very, very busy all the time.

Recommendation #1. Provide permanent authorization for stewardship end result contracting.

There is still little substantive community involvement in SERC projects in the region. The most common community engagement in SERC projects are the traditional activities associated with the NEPA public involvement process – being asked for comments during NEPA scoping, providing comments and recommendations on proposed projects, and becoming informed about proposed or planned activities. The overall level of non-agency involvement in individual SERC projects in the region has increased very little.

Sometimes with smaller, non-controversial projects, little or no attempt is made to stimulate local involvement.

It's a small timber sale, and we had 30-40 acres of chain saw work and the construction of some small wildlife ponds. It just didn't merit community involvement. Such a straightforward project, it didn't merit special involvement.

At other times community input is sought informally, in one-on-one discussions.

We just didn't get the feedback [comments in response to mailings] we wanted, but I know that the ranger was out there talking to people face-to-face. People were interested and asked questions face-to-face, but it wasn't in a traditional public meeting, and they didn't send in comments.

A Forest Service interviewee explained the difficulties in getting communities engaged on her district.

It's very time consuming – and it's difficult to get people involved. They want the agency to lead. We'd like it the other way around. We don't have enough staff – and they [industry and other stakeholders] don't have enough staff. There are not enough people to go around. We [Forest Service] have had a huge turnover. We've lost two-thirds of our leaders in community involvement.

Her comment points out the difficulty of achieving meaningful community involvement when it is viewed as a special activity rather than as part of the normal way agency business is conducted. The retirement or transfer of a staff member who has regularly and positively reached out to local citizens and organizations can have a disruptive effect on the agency's relationships with the community if there are not others to fill the gap.

In too many cases, the passive role of “becoming informed” most frequently defines the community's role vis-à-vis the agency. A contractor said:

They [Forest Service] discuss [upcoming projects] before they send out the request for bids, but as far as the planning and stuff, I'm not sure who else they get involved in that. They had meetings with contractors [to tell them] about planned projects, but I don't remember them asking for anybody's input.

Agency personnel are not unaware of the problem. When given a list of potentially concerned stakeholder categories (environmental interests, community business interests, neighboring landowners, etc.) and asked which ones should have been involved in a SERC project but weren't, one interviewee said:

I probably could have checked all those boxes. We have had a hard time getting any involvement. It's not like we're creating jobs for local mills or anything. Our area is more like a hunting and recreation area. It's hard for us to know how to reach all those groups and get them interested.

Which is not to say that all the responsibility for involvement lies with the Forest Service. A member of a recreation-related group said:

The community really hasn't been involved, but it's not the Forest's fault. [This project is] basically a snowmobile trail. We have a large ski area, and if [a project] isn't directly involved with that, it might as well not even exist, even though the snowmobile industry here outnumbers the skiing about 3-to-1 [in terms of the number of people it attracts]. Even though when you drive by one of our main trails and there's a gas station or restaurant nearby, you're going to see 40-50 sleds [snowmobiles] there, [local people] don't see us [snowmobilers] as a viable industry. They don't realize the dollar value of what's been brought into the area.

A local government official in another state took the long view.

The only thing that we know is you have to keep after it. You have to keep giving the communities the opportunity to be involved, even if they don't take advantage of it.

Recommendation #2. Funds should be made available, perhaps competitively, to non-profit organizations, educational institutions, and other appropriate entities to enable them to assist Forest Service personnel in developing and maintaining more effective community involvement programs.

The region continues to have operational and capacity issues that hinder the effective use of SERC. Even after nine years, Eastern Region agency interviewees still frequently call SERC a “new” tool. That delay in adoption ordinarily would have been expected to make it easier for forests in the region to integrate SERC into their overall programs of work. Theoretically at least, many of the operational “bugs” would already have been worked out, policies and procedures would be well formulated and understood, and appropriate training and technical assistance resources would be in place. That theory does not seem to have held up in practice, however.

A. Training and technical assistance continues to be an area of significant deficiency, and a major source of frustration for project personnel. One manager said,

We don't have training [resources]. There are two people on the district who know how to do stewardship contracting – and one guy at the regional office, and one on a new district that's just started. We get no training. We have no training resources. We try to call around, glean information from other areas, and get information wherever we can about the practical side of things.

A project manager on another forest agreed.

I still think (at least in Region 9), we need more support. We're still kind of on our own yet with regards to asking smaller, simple questions. There's only one guy who works both Regions 8 and 9. He's one of the only folks I know to go to.¹

A manager on a third forest was plowing ahead, however:

We've never let ignorance slow us down. Rex was a big help, and he was a real strong advocate of stewardship. He tried to explain how things would work. It took a long time to get used to the accounting part. We have a cuff record we use. The ATSA system I don't quite trust yet.

Recommendation #3. Increase training opportunities for staff and other participating stakeholders (including contractors) to learn more about SERC's purpose and uses, and provide readily available and accessible technical assistance to encourage and enable its most effective use.

B. Although forest and district personnel may see the potential advantages of using SERC, many still are not comfortable and/or proficient with the process and mechanics of developing, offering, evaluating, awarding, and managing Integrated Resource Timber Contracts and Integrated Resource Service Contracts. One agency project manager was clearly frustrated:

Stewardship contracts are a pain in the rear to go through the entire process before a sale award. They are very tough. The contract prep alone is very intense, plus the proposal process and the increased collaboration.

One agency interviewee unaccustomed to working directly with the contracting process found that her lack of knowledge caused the project to take longer than it should have to go to contract.

¹ The reference is to Rex Ennis, the stewardship coordinator for R8 and R9 who has since retired.

It's been a real learning curve for me and for my technicians to get a feel of what to do and how to prepare the specs for the contracts. [We thought we had done it], but it seemed we needed to be even more specific. We were driven by other people's timelines –the timber group on the forest. They kept coming back and saying, "you need to GPS this" and "paint that", and we'd already been out there a couple of times already. But we learned a lot.

A biologist preparing a project on another forest was similarly frustrated.

These different tools are not well understood. For instance, when should you use an agreement versus an IR timber contract. No one tells you that. You have to learn from trial and error – which is a very inefficient and expensive way. We have five-hour seminars on climate change – and you can't have five hours on stewardship?

Regional Office targets for SERC projects, plus tight RO control over project content/design can be frustrating for field staff. One agency respondent said:

I would like to see an approval process at the Forest Level by the Forest Supervisor to expedite the process and not require a target for each Forest but encourage the tool to be used strategically where opportunities exist.

The rationale for using SERC to accomplish particular activities is not always clear, as one project manager commented:

At least where there is a strong timber industry, it seems as if we can accomplish the same kind of work with our trust funds. Generally, in the Lake States area, it seems as though stewardship contracts are used to meet quotas and not necessarily to get more work done. In this project we added work that we otherwise would have done in-house into a stewardship contract. We have the expertise in the agency to do the work efficiently and effectively – and now we're teaching someone else how to do it effectively and efficiently. In the long run that may be a good thing, but....

A representative of an NGO which has carried out projects under both SERC contracts and agreements is cautiously optimistic about moving beyond some of the internal barriers to more widely and effective use of both tools.

The thing we still seem to struggle with is that it still doesn't seem to be easy, and there still seems to be some reluctance out there to get involved with this outside contracting. I think we have a long way to go to gain that acceptance. If you find folks who are kind of gung ho about that opportunity, you'll be successful. It won't always be easy, but if [Forest Service staff] feel they are being made to do something, it's a bit of a struggle. There still seems to be a lot of reluctance, a lot of unknown about it. Whether that's a lack of training or

they don't want any more on their plate, it remains a struggle to get people to participate and want to participate. Seems to be a lot of work, a lot of paper to push, a lot of people with their fingers in it. If we could move some of that closer to the forest, and make some of the decisions there [instead of at the regional level], it would help.

Recommendation #4. Delegate SERC project approval authority to the responsible Forest Supervisors.

C. Contractors seem to be more willing now to undertake a SERC project than was the case earlier. In past years a number of agency project managers reported having problems getting contractors to submit proposals for SERC contracts. This year's interviewees have generally had a more positive outlook. One contractor had some suggestions about increasing contractors' comfort with SERC.

I think in anything we've participated in thus far we've [bid on] some stewardship proposals that are pretty far off base from what we actually do – like a bridge project. It was cool that we had the opportunity to build a bridge, but that's not what we [normally] do. I build forest roads to get raw materials out. Doing herbicide [application] and cleaning and weeding is more relevant to what we do, and we have subcontractors for that kind of work. We would prefer to do more of the basic specified road work packages. There's some large specified road work that they have out there that, if they put it into stewardship work, it would be better for us. Also, they would be able to get more bidders if [bidders] didn't have to put up so much money for the timber [portion of the project] and [it didn't] take such a long time to get your money recouped.

[Jobs that include timber removal] – the best value selection puts 50% of the weight on the price offered for the timber. We weren't the highest price on the timber on many of them, so we weren't considered the best value. [If we could just bid on the work we do], we could be more timely [in getting that work done for the agency].

Recommendation #5. Explore ways to make the SERC proposal process and subsequent project administration more efficient and effective for both contractors and agency personnel.

Expanding and enhancing the forest contracting community's skill set is important to the broad and long-term applicability of SERC.

Recommendation #6. Agency resource professionals should identify and cultivate the operational skills and abilities within the contracting community and design SERC projects which can make the best possible use of those talents to meet the unique needs of the the forest.

D. Agreements are being used more frequently now, and are particularly attractive to non-profit groups whose organizational missions dovetail with one or more Forest Service management objectives, such as enhancing wildlife habitat, maintaining important cultural or recreational resources, or creating and maintaining local economic resiliency. The National Wild Turkey Federation (NWTF) played a major role in developing and facilitating the use of stewardship contracts and, particularly, agreements² is very active in the Eastern Region.

Agreements provide much valued operational flexibility, leverage scarce Forest Service resources, and often come with significant training and technical assistance support from the agreement partner. Not all agency personnel are persuaded that they are a good idea, however.

It depends on who you talk with – contracting officers, for instance. COs are trained in timber contracts, where you have to account for all the logs. Agreements have flexibility, and that terrifies [COs]. When you have other people, like partners, managing contracts, they [the COs] aren't comfortable. You need a whole new set of operating procedures. The wildlife people thought the agreements were fabulous, because you got more work done on the ground. The CORs thought it doubled their work. You need something to release them from some of the responsibility [they feel they are under]. If CORs are dealing with wood, they're still being held liable. ...They should create a base value for stewardship agreements.

For agency personnel used to working directly with the contractors performing the on-the-ground work on SERC integrated resource contracts or conventional timber sales or service contracts, it can be frustrating to have to work through a third party (the agreement partner). Some agency personnel view agreements as an infringement on their authority rather than as a savings of their time or the efficient use of another management resource. Some agency foresters, contracting officers' representatives, etc. continue to spend a great deal of time on-site, essentially duplicating the oversight work the partner is responsible for performing. Not only can this be confusing for the partner's subcontractors, but (intentionally or not) it tells the partner that the agency lacks confidence in the partner's ability to do the job properly.

² The authorizing legislation for Stewardship End Result Contracting projects provides for work to be accomplished "via agreement or contract as appropriate..." The terminology can be confusing. Not all stewardship *contracting* is accomplished through the use of a stewardship *contract*, but may also be done through a stewardship agreement.

The flip side of this is that it is essential that the partner provide readily available and competent direction and supervision of the work that it is responsible for under the SERC agreement. How that is accomplished will differ from partner to partner and from project to project. For instance, if the partner is mentoring local contractors and non-government organizations (NGOs) to build community capacity to compete directly for future Forest Service restoration projects, then more intense supervision and direction may be needed than if the partner is using already highly qualified and experienced subcontractors. In either case, however, partner project managers must provide the necessary interface between Forest Service staff and project subcontractors in dealing with any questions, problems, changes in plans, and/or unanticipated events or conditions that are encountered.

Recommendation #7. When entering into an agreement, the agency should ensure that its agreement partner has adequate capacity to provide direction and/or supervision of all activities which it is conducting with its own employees, volunteers, contractors, and/or subcontractors in furtherance of its obligations under its SERC agreement(s).

E. The net financial impact of SERC on states and counties continues to be debated. The Twenty-Five Percent Fund Act of May 23, 1908, (the 25% Fund) requires the Forest Service to distribute 25% of the gross receipts from the sale of products from a national forest to the state in which the forest is located, which then allocates the funds to its forest counties. SERC's authorizing legislation provides that the product values of stewardship contracts are not considered "receipts", and hence are not subject to the 25% payment requirement.

The steep decline in federal timber sales beginning in the 1980s drastically reduced most states' 25% Fund income, leading to the passage of the Secure Rural Schools and Community Self-Determination Act of 2000 (SRS), which provided direct funding to the states from the U.S. Treasury, usually at a considerably higher level than would have been received through the 25% Fund at that time. Forest counties could choose to opt out of SRS and continue to receive their share of the 25% Fund payments, but only about 15 percent of the eligible counties in the country did so. Those counties, whose timber receipts have generally remained high, are predominantly in the eastern half of the country.

The SRS payment program recently expired, and if it is not renewed or replaced in FY13, all eligible states/counties will again be reliant on the 25% Fund payments. The fact that SERC does not contribute to that fund will then be an even more contentious matter than it has been in the past. A wildlife NGO said,

I hear a lot about the 25% Fund issue from industry and local communities. There's a lot of people questioning [the exemption of stewardship contracting receipts from the normal 25% payments to the counties]. We see the schools or the counties getting [affected by] the money not coming down. [If it's only] a

little bit here and there, it's not a problem, but when you do a lot [of SERC projects] it takes a lot [of money out of the fund], and schools already are getting [financially] pinched [from the current economic situation]. Some are having to consolidate, and anything that the Forest Service does to reduce the 25% money coming in is something that we're conscious about. That's one reason why we, as a conservation organization, can't get into this full scale. Our contributors would not be happy if we took money off the table and put it into stewardship.

A local government official stated it bluntly:

We depend on the 25% Fund. If it disappears we will all go bankrupt immediately. If people would look at it and see the benefit of keeping the money locally, it would be good, but I'm worried about the day the folks in DC see that money not going into the general revenue fund and stop it.

A contractor had a different perspective:

With stewardship a percentage of those dollars is not returned to the local government. They get local jobs but they don't get the local benefits in the way of revenues. Local governments think that's a way of [the federal government] hiding money.

Recommendation #8. Collaborate with the National Association of Counties, the National Governors' Association, and other concerned parties to seek a workable solution to the 25 Percent Fund problem that provides for local government needs but does not impair the overall effectiveness of SERC.

Responses to Specific Forest Service Questions

I. What are the predominant problems in engaging communities in Forest Service stewardship contracting projects? What are the regional multiparty monitoring team's suggestions for improving the current situation?

A. Differences in perceptions of how communities should be engaged – These are reflected in the many different views of community involvement provided by this year's interviewees and discussed earlier in this report.

B. Difficulties in engaging everyone who needs and/or wants to be involved – Agency personnel frequently experience low levels of community response to their initial outreach efforts.

C. Project restrictions/sideboards that eliminate some proposed project activities that have broad community support – Recreation-related projects (trails,

signage, work in and around campgrounds, river access improvements, etc.) are particularly challenging because the agency interpretation of what is and is not a permissible activity through SERC varies from office to office, and sometimes from manager to manager. Since sporting/recreational opportunities bring so many people into the national forests in the Eastern Region, it is not surprising that activities that support or enhance those uses tend to be high on community members' lists of priorities. When such activities are deemed ineligible, there can be a concomitant loss of interest in the SERC project as a whole by at least some of the affected community interests.

Recommendation #9. Resolve the internal inconsistencies that can complicate the administration of SERC contracts and agreements and cause friction both within and outside the agency.

II. What successes have emerged within the region for engaging communities in stewardship contracting? What fostered those successes?

Rather than initiating new community involvement efforts in their areas, most of the forests monitored this year have built on the extensive outreach that was done as part of their most recent forest planning process. In addition, they have sought input from already organized constituent groups – a forest industry association, local chapters of the NWTF or other wildlife organizations, a scenic river protection coalition, Resource Advisory Committees, local government officials, and forest user groups (snowmobile clubs, ATVers, hiking clubs, grazing permittees, etc.). One-on-one conversations with neighboring landowners and other concerned individuals have often proven more productive than traditional public meetings or the large mailings done during project scoping.

III. What are the major perceived benefits of Forest Service stewardship contracts to communities within the region?

Specific project outcomes – the actual restoration work being done – topped the list of local benefits again this year. A “greater opportunity to use local contractors” and “more on the ground work [being] accomplished by local contractors” were also highly valued in the current economic environment.

As it first pointed out in its FY2010 report, and as the Regional Team continues to believe, there is a need to better quantify the economic, social, and environmental benefits of SERC to communities. Policymakers, the agency, communities, and other stakeholders then could make better informed decisions about such matters as the trade-offs between using SERC and traditional timber sale contracting and between contributing to the 25% Fund versus using the money for additional local restoration work. Better monitoring data would give the agency and communities valuable

information on the community employment aspects of SERC, the effectiveness of long-term (up to 10 years) contracts in accomplishing large-scale restoration projects (e.g., restoring fire adapted ecosystems), and/or the product supply base necessary to rebuild or maintain an area's forest industry-related infrastructure. And, of course, good monitoring information is essential to enable appropriate and effective adaptive management.

***Recommendation #10.* A broad range of stakeholder interests should be substantively involved in designing, carrying out, and evaluating the results of relevant socio-economic and environmental monitoring of SERC. Further, the current cross-sectional data collection should be supplemented with in-depth, longitudinal case studies to look across time at a variety of types of projects and measure local and community benefits (including, but not limited to jobs).**

**Eastern Region
Stewardship Contracting Multiparty Monitoring Team Members
As of 11/1/12**

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Minnesota Forest Industries

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Appendix B: Data Tables

Table 1	Respondents' definitions of stewardship contracting.
Table 2	Changed views of stewardship contracting since involvement in project.
Table 3	How respondent's views changed.
Table 4	Entity which initiated the stewardship contracting project.
Table 5	Outreach methods used to involve local communities.
Table 6	Amount of time entities participate in projects at various scales.
Table 7	Definition of "local" community.
Table 8	Frequency of the different roles local communities play in stewardship projects.
Table 9	How respondents personally first became involved in stewardship contracts.
Table 10	Why respondents became involved in stewardship projects.
Table 11	Respondent's definition of collaboration.
Table 12	Degree to which projects are collaborative.
Table 13	Resources needed for community participation
Table 14	Lessons learned about community involvement.
Table 15	Importance of benefits to local communities from stewardship contracts
Table 16	Specific project outcomes cited by respondents.
Table 17	Benefits of community involvement in stewardship contracting projects.
Table 18	Support for stewardship contracting projects in local communities.
Table 19	Support for stewardship contracting projects within the agency.
Table 20	Respondents interest in participating in another stewardship contracting project.
Table 21a	Reason respondents would participate in another project.
Table 21b	Reason respondents would not participate in another project.

Table 1. Respondents' definitions of stewardship contracting.

	Total (n=263)		Agency		Non-agency	
Goods-for-services	113	43%	62	60%	51	32%
Way to get work done	110	42%	18	17%	92	58%
Community collaboration/benefits	74	28%	31	30%	43	27%
Contacting tool	49	19%	18	17%	31	19%
Restoration	12	5%	4	4%	8	5%
Positive/valuable tool	10	4%	3	3%	7	4%
Forest health	3	1%	1	1%	2	1%
Financial benefits to government	3	1%	1	1%	2	1%
Contracting tool with problems	2	1%	1	1%	1	1%
Fuel reduction	2	1%	1	1%	1	1%
Economic/community development	2	1%	0	0%	2	1%
Provides economic stability	2	1%	1	1%	1	1%
Other	13	5%	-	-	-	-

*Respondents were allowed to provide more than one response.

Table 2. Changed views of stewardship contracting since involvement in project.

	Total (n=263)		Agency		Non-agency	
Yes	82	31%	40	38%	42	26%
No	169	64%	60	58%	109	69%
Maybe	4	2%	3	3%	1	1%
Don't know	8	3%	1	1%	7	4%

Table 3. How respondent's views changed.

	Total (n=82)		Agency(n=40)		Non-agency (n=42)	
More positive/encouraged	35	43%	14	35%	21	50%
Understand better	22	27%	9	23%	13	31%
More complicated/bureaucratic	10	12%	8	20%	2	5%
Less optimistic	9	11%	3	8%	6	14%
Collaboration/communication	9	11%	7	18%	2	5%
Way to get work done	9	11%	3	8%	6	14%
Restoration	3	4%	1	3%	2	5%
Required by agency	2	2%	2	5%	0	0%
Frustrated by timber markets	1	1%	0	0%	1	2%
Local benefits	1	1%	1	3%	0	0%
Other	8	10%	-	-	-	-

Table 4. Entity which initiated the stewardship contracting project.

(n=103 USFS projects)		
Agency	57	55%
Joint	5	5%
Non-agency	1	1%
Disagreement		
Agency or joint	31	30%
Agency or non-agency or joint	4	4%
Agency or non-agency	3	3%
Non-agency or joint	2	2%

Table 5. Outreach methods used to involve local communities.*

USFS (n=103)		
Field tours	88	85%
Personal contacts	85	83%
Traditional public meetings	84	82%
Direct mail	82	80%
Collaborative process meetings	78	76%
Media	73	71%
Email	67	65%
Presentations to existing community groups	49	48%
Presentations to other organizations	24	23%
Workshops	7	7%
Local government discussions	6	6%
Flyers/brochures/posters	5	5%
Bis solicitation/fed biz ops	4	4%
Website	3	3%
New collaborative group	3	3%
Open houses	1	1%

*Respondents were allowed to provide more than one response.

Table 6. Amount of time entities participate in projects at various scales of governance.*

	Total (n=103 projects)		Local		State		Regional		National	
USFS	103	100%	103	100%	14	14%	40	39%	4	4%
Project contractors	93	90%	92	99%	12	13%	6	6%	1	1%
State agencies	85	83%	69	81%	48	56%	2	2%		0%
Local government	79	77%	79	100%	11	14%	6	8%	1	1%
Wildlife and fisheries interests	76	74%	69	91%	24	32%	14	18%	10	13%
Environmental interests	74	72%	69	93%	38	51%	26	35%	14	19%
Adjacent landowners	72	70%	72	100%	8	11%	1	1%		0%
Community business interests	71	69%	71	100%	4	6%	1	1%	1	1%
Other federal agencies	62	60%	54	87%	15	24%	10	16%	1	2%
Recreation interests	61	59%	60	98%	16	26%	8	13%	5	8%
Fire interests	60	58%	59	98%	12	20%	2	3%	1	2%
Tribal interests	45	44%	42	93%	8	18%	3	7%		0%
Education interests	40	39%	37	93%	10	25%	4	10%	1	3%
BLM	26	25%	25	96%	5	19%		0%		0%
Right to access interests	25	24%	25	100%	5	20%		0%		0%
Quincy Library Group	2	2%	2	2%	-	-	-	-	-	-
Native Plant Society	2	2%	2	2%	-	-	-	-	-	-
Local watershed group	1	1%	1	1%	-	-	-	-	-	-
Permittees	1	1%	1	1%	-	-	-	-	-	-
Downstream water users	1	1%	-	-	1	1%	-	-	-	-
Allegheny Hardwood Association	1	1%	1	1%	-	-	-	-	-	-
Timber industry	1	1%	1	1%	-	-	-	-	-	-
Forest Coalition Collaborative	1	1%	1	1%	-	-	-	-	-	-
Garden Club	1	1%	1	1%	-	-	-	-	-	-
Congressional office	1	1%	1	1%	1	1%	-	-	-	-

*Respondents were allowed to provide more than one response.

Table 7. Definition of local community.*

	Total (n=263)		Agency		Non-agency	
Counties around the forest	113	43%	49	47%	64	40%
Communities/towns around the forest	92	35%	34	33%	58	36%
Whole state/large region of the state	49	19%	10	10%	39	25%
Adjacent landowners/neighbors	18	7%	10	10%	8	5%
Forest users	11	4%	5	5%	6	4%
Watershed/valley	11	4%	7	7%	4	3%
Local government	7	3%	3	3%	4	3%
Collaborative group	7	3%	5	5%	2	1%
Tribe	5	2%	0	0%	5	3%
People affected	4	2%	2	2%	2	1%
Broad audience	4	2%	1	1%	3	2%
Community of interest	3	1%	0	0%	3	2%
Contractors	2	1%	0	0%	2	1%
Other agencies	2	1%	2	2%	0	0%
Other	6	2%	4	4%	2	1%
No answer	6	2%	4	4%	2	1%

*Respondents were allowed to provide more than one response.

Table 8. Frequency of the different roles local communities play in stewardship projects.

(n=103 USFS projects)		
Comments and recommendations	98	95%
Becoming informed	88	85%
Representation	87	84%
Implementation	83	81%
Planning and design	76	74%
Public outreach	71	69%
Monitoring	64	62%
Development of alternatives	62	60%
Provide technical information	52	50%
NEPA analysis	50	49%
Funding	43	42%

Table 9. How respondents personally first became involved in stewardship contracts.

	Total (n=263)		Agency		Non-agency	
Job	129	49%	93	89%	36	23%
Bid on project	47	18%	-	-	47	30%
Role in community/organization	31	12%	1	1%	30	19%
Invited by agency	18	7%	-	-	18	11%
To solve a problem	10	4%	3	3%	7	4%
Previous experience	7	3%	1	1%	6	4%
Community suggested	7	3%	2	2%	5	3%
Live here/have property	4	2%	1	1%	3	2%
Was told to	3	1%	3	3%	-	-
No answer	1	0.4%	-	-	1	1%
Through collaborative group	2	1%	-	-	2	1%
NEPA process	2	1%	-	-	2	1%
Attended public meeting	1	0.4%	-	-	1	1%
Not involved	1	0.4%	-	-	1	1%

Table 10. Why respondents became involved in stewardship projects.

	Total (n=263)		Agency		Non-agency	
Job	88	33%	67	64%	21	13%
To get work done	72	27%	26	25%	46	29%
Business	45	17%	0	0%	45	28%
Interested in SC/collaboration	20	8%	9	9%	11	7%
Organizational/community role	19	7%	-	-	19	12%
Live here/own property	7	3%	-	-	7	4%
Did one before	5	2%	-	-	5	3%
Agency asked	2	1%	-	-	2	1%
No answer	2	1%	-	-	2	1%
Educational aspects of project	1	0.4%	1	1%	-	-
Mandated by regional office	1	0.4%	1	1%	-	-
Not involved	1	0.4%	-	-	1	1%

Table 11. Respondent's definition of collaboration.

	Total (n=263)		Agency		Non- agency	
Working with others	141	54%	55	53%	86	54%
Achieving common goals	47	18%	20	19%	27	
Gathering public input/comment	37	14%	26	25%	11	7%
Diverse people and interests	35	13%	17	16%	18	11%
Long term relationships	33	13%	6	6%	27	17%
Increased involvement/decision making	16	6%	7	7%	9	6%
Public involvement	10	4%	2	2%	8	5%
Talking/discussion	7	3%	5	5%	2	1%
Meetings	7	3%	5	5%	2	1%
Working with other agencies/NGO's	7	3%	4	4%	3	2%
Information and resource sharing	7	3%	3	3%	4	3%
Negative on collaboration	4	2%	3	3%	1	1%
Partnerships	3	1%	0	0%	3	2%
Understanding common needs	3	1%	2	2%	1	1%
Listening	3	1%	0	0%	3	2%
No definition	16	6%	7	7%	9	6%
Consensus/conflict resolution	2	1%	-	-	2	1%
Cooperating	2	1%	-	-	2	1%
Using best science	1	0%	-	-	1	0%
Collaborative learning	1	0%	-	-	1	0%
Volunteering	1	0%	-	-	1	0%
Having a collaborative group	1	0%	-	-	1	0%
Working with the agency	1	0%	-	-	1	0%
Engaging the private sector	1	0%	-	-	1	0%
Sense of project ownership	1	0%	-	-	0	0%
It's not compromise/should not be democratic	1	0%	-	-	1	0%

*Participants were allowed to provide more than one response.

Table 12. Degree to which projects are collaborative.

	Total (n=263)		Agency		Non-agency	
Very collaborative (1)	97	37%	24	23%	73	46%
Very collaborative (2)	31	12%	17	16%	14	9%
Somewhat collaborative (3)	69	26%	38	37%	31	19%
Not collaborative (4)	32	12%	19	18%	13	8%
Not collaborative (5)	15	6%	4	4%	11	7%
Don't know	19	7%	2	2%	17	11%

Table 13. Resources needed for community participation.

Resources needed? (n=103 projects)				
Yes		41	40%	
If yes, what?				
	Needed		Received	
Technical	18	44%	12	67%
Financial	17	41%	11	65%
Training	17	41%	14	82%
In kind	10	24%	6	60%

Table 14. Lessons learned about community involvement.

Any lessons to share about community involvement? (n=263)						
	Total		Agency		Non-agency	
Yes	163	62%	66	63%	97	61%
No	100	38%	38	37%	62	39%

Table 14. (Continued)

If yes, what? (n=163)	Total		Agency		Non-agency	
Positive	32	20%	16	24%	16	16%
Start collaboration early	22	13%	16	24%	6	6%
Be inclusive	19	12%	7	11%	12	12%
Takes a lot of time	18	11%	5	8%	13	13%
Field/first hand experiences are important	13	8%	5	8%	8	8%
Doesn't always solve the problem	12	7%	2	3%	10	10%
People are interested	9	6%	2	3%	7	7%
Hard to get people involved/keep them engaged	8	5%	7	11%	1	1%
Do it more/critical to success	6	4%	2	3%	4	4%
Need local people to participate	6	4%	2	3%	4	4%
Results in better projects	6	4%	3	5%	3	3%
Allows people to work together	5	3%	1	2%	4	4%
Fewer people make it easier/less is better	4	2%	1	2%	3	3%
Builds trust	4	2%	1	2%	3	3%
Be honest/respectful	3	2%	2	3%	1	1%
Projects increase community support	3	2%	1	2%	2	2%
Agency disorganized/bureaucratic/dishonest	3	2%	0	0%	3	3%
Long term relationships help	2	1%	0	0%	2	2%
Be open minded	2	1%	2	3%	0	0%
Communicate	2	1%	1	2%	1	1%
Patience	2	1%	0	0%	2	2%
Identify expectations early	2	1%	1	2%	1	1%
Need more reliance on scientists	2	1%	0	0%	2	2%
Lets agency show what they are doing	1	1%	0	0%	1	1%
Experience variable depending on who agency person is	1	1%	0	0%	1	1%
One size does not fit all	1	1%	1	2%	0	0%
Need facilitators	1	1%	1	2%	0	0%
Need to deliver in a timely way	1	1%	1	2%	0	0%
Needs to be ongoing	1	1%	1	2%	0	0%
Challenge to engage who join the process later	1	1%	1	2%	0	0%
NEPA is not collaboration	1	1%	1	2%	0	0%
Be flexible	1	1%	0	0%	1	1%
Thorough documentation is essential	1	1%	1	2%	0	0%

Table 15. Importance of benefits to local communities from stewardship contracts.*

(n=263)	1		2		3		4		5		6		Mean
Specific project outcomes	184	70%	36	14%	9	3%	0	0%	3	1%	31	12%	1.28
On the ground work	147	56%	48	18%	42	16%	8	3%	6	2%	12	5%	1.72
Local contractors	140	53%	51	19%	49	19%	6	2%	9	3%	8	3%	1.8
More local jobs	121	46%	48	18%	50	19%	19	7%	10	4%	15	6%	1.99
Other economic benefits	95	36%	45	17%	42	16%	11	4%	11	4%	59	22%	2.01
Increased collaboration	99	38%	58	22%	45	17%	20	8%	13	5%	27	10%	2.11
Improved efficiency	81	31%	56	21%	54	21%	13	5%	24	9%	35	13%	2.31
Improved public trust	87	33%	60	23%	60	23%	8	3%	11	4%	37	14%	2.91

*Responses based on a five point scale: 1=Very high importance to 5=Very low importance.

Table 16. Specific project outcomes.

(n=103)		
Fuels/fire reduction	63	61%
Habitat improvement	52	50%
Restoration	51	50%
Timber/salvage	28	27%
Road mgmt.	26	25%
Thinning	25	24%
Forest/rangeland health	21	20%
Recreation	15	15%
Wetlands/rivers/streams	13	13%
Economics/marketing	8	8%
Forest improvement/TSI	8	8%
Invasives/weeds/insects	7	7%
Brush/slash removal	7	7%
Water quality	5	5%
Biomass	5	5%
Trust/collaboration	5	5%
Hazard trees	4	4%
Aesthetics	3	3%
Watershed restoration	3	3%
Education	3	3%
Acres treated	2	2%
Meadow maintenance	2	2%
Vegetation management	2	2%
Access improvement	1	1%
Range management	1	1%
Landscape improvement	1	1%
Tree planting	1	1%
Understory treatments	1	1%
Mowing	1	1%
Erosion control	1	1%
Resilience	1	1%
Living lab	1	1%
Model for other SC projects	1	1%
Huckleberry habitat	1	1%
Old growth improvement	1	1%
Hurricane cleanup	1	1%
Identity as tourist destination	1	1%
Protect conservation areas	1	1%
Landowner participation	1	1%
Public acceptance of resource management	1	1%
Safety	1	1%

Table 17. Benefits of community involvement in stewardship contracts.*

(n=263)	1		2		3		4		5		6		Mean
Project ownership	94	36%	44	17%	49	19%	12	5%	15	6%	49	19%	2.11
Support for agency	90	34%	45	17%	63	24%	13	5%	9	3%	43	16%	2.12
Improved trust	82	31%	57	22%	55	21%	11	4%	11	4%	47	18%	2.13
Diverse interests	87	33%	59	22%	47	18%	19	7%	12	5%	39	15%	2.15
Increased public input	94	36%	44	17%	58	22%	15	6%	13	5%	39	15%	2.15

*Responses based on a five point scale: 1=Very high importance to 5=Very low importance.

Table 18. Support for stewardship contracting in local communities.

	Total (n=263)		Agency		Non-agency	
Widely supported	137	52%	45	43%	92	58%
Somewhat supported	74	28%	37	36%	37	23%
Indifferent	33	13%	15	14%	18	11%
Opposed	3	1%	3	3%	0	0%
Don't know	16	6%	4	4%	12	8%

Table 19. Support for stewardship contracting projects in the agency.

	Total (n=263)		Agency		Non-agency	
Widely supported	171	65%	67	64%	104	65%
Somewhat supported	73	28%	32	31%	41	26%
Indifferent	5	2%	2	2%	3	2%
Generally unaware	1	0%	1	1%	0	0%
Opposed	6	2%	2	2%	4	3%
Don't know	7	3%	0	0%	7	4%

*Responses based on a five point scale: 1=widely supported, 5=Opposed.

Table 20. Respondent interest in participating in another stewardship project.

	Total (n=263)		Agency		Non-agency	
Yes	241	92%	94	90%	147	92%
No	6	2%	4	4%	2	1%
Maybe	14	5%	5	5%	9	6%
Don't know	2	1%	1	1%	1	1%

Table 21a. Reasons respondents would participate in another stewardship contracting project.

	Total (n=241)		Agency(94)		Non- agency(147)	
Good way to get work done	58	24%	27	29%	31	21%
Already doing more	49	20%	20	21%	29	20%
Great tool/good concept	29	12%	14	15%	15	10%
Good for business	22	9%	5	5%	17	12%
Under the right circumstances (financial, contractual)	14	6%	5	5%	9	6%
Community involvement/community support	9	4%	4	4%	5	3%
Job	6	2%	4	4%	2	1%
Integral to mission/way to do business now	4	2%	0	0%	4	3%
Too much paperwork/too complicated	4	2%	1	1%	3	2%
Financially risky	4	2%	0	0%	4	3%
Keeps things local	3	1%	3	3%	0	0%
If I have to/if told to	3	1%	3	3%	0	0%
Just getting started/learning	2	1%	1	1%	1	1%
Way to monitor agency activities	1	0%	0	0%	1	1%
Bad experience with the agency	1	0%	0	0%	1	1%
Overused	1	0%	0	0%	1	1%
No response	31	13%	7	7%	24	16%

Table 21b. Reason for not participating again.

	Total (n=22)		Agency(10)		Non-agency (12)	
under the right circumstances	5	23%	3	30%	2	17%
If have to/told to	3	14%	3	30%	0	0%
Just getting started	2	9%	2	20%	0	0%
Too financially risky	4	18%	0	0%	4	33%
Bad economy	1	5%	1	10%	0	0%
No response	7	32%	1	10%	6	50%

Appendix C: Survey Questionnaire

OMB # 0596-0201

Expiration Date: January 31, 2013

Survey Instrument

[Note: This document will be mailed to potential interviewees and will also be used as a transcript for interviewers conducting the telephone survey.]

Date:

BLM/USFS:

Region/State:

Project:

Who:

- Agency person
- Community member
- Contractor
- Other:
 - State agency
 - NGO _____
 - _____

FY_____ PROGRAMMATIC MONITORING:

The Role of Local Communities in Development of Stewardship Contracting Agreements or Contract Plans

Participants: When Congress authorized the Forest Service (FS) and the Bureau of Land Management (BLM) to use stewardship contracting, it also required that the agencies provide an annual report on the role of local communities in the development of agreements or contract plans under that authority. In the preparation of this report, a stratified random sample among existing stewardship contracting projects is surveyed each year, and the _____ stewardship contracting project you are involved in was one of those selected for review. We anticipate that your involvement in this telephone survey/interview will take no longer than 30-minutes.

A sample survey form has been included with this e-mail, so that you may have the opportunity to review the questions prior to the telephone survey/interview. Plans are to conduct the telephone surveys/interviews from [*insert Month xx, year xxxx through Month xx, year xxxx*].

The Pinchot Institute for Conservation is coordinating this study under contract with the Forest Service and the Bureau of Land Management. Your name will not be associated with the interviewer's notes from the phone survey and the names of those interviewed will not be retained. The information collected in this interview will be analyzed and used by both the Forest Service and Bureau of Land Management to inform the agencies' yearly report to Congress on stewardship contracting implementation. The survey responses will not be shared with other organizations inside and outside the government but the results of the analysis of the survey responses, through its inclusion in the Forest Service's and Bureau of Land Management's reports to Congress, will be available for use by organizations both inside and outside the government.

Participating in the interview is completely voluntary. Your participation assumes your understanding and acceptance of this voluntary agreement. Your decision to participate or not will not affect your current or future relations with the Forest Service, Bureau of Land Management, the Pinchot Institute for Conservation or _____(*insert local/regional subcontractor name here*).

On behalf of the Forest Service and Bureau of Land Management, the Pinchot Institute would like to thank you in advance for your thoughtful and candid responses to the following questions related to stewardship contracting in your community.

You are/have been involved in the _____ stewardship contracting project.

1a. If someone asked you to explain stewardship contracting, what would you say? *Please check all that apply.*

- A new contracting mechanism
- Goods for services

- A way to get work done on the ground
- Collaboration with local communities
- Benefits to local communities
- Other. *Please specify.* _____

1b. Has your view of stewardship contracting changed since you became involved in this project? Yes No Maybe Don't

know

If yes, how has it changed? *Please check all that apply.*

- Perceive stewardship contracting to be more complicated
- More positive and encouraged about stewardship contracting
- Less optimistic about stewardship contracting
- Positive about community collaboration
- Understand it better
- View stewardship contracting as required by the agency
- Stewardship contracting is too bureaucratic
- Believe stewardship contracting is way to get work done
- Perceive local benefits
- Didn't know anything before
- Other. *Please specify.* _____

I want to ask about community involvement in your project.

2. **Who initiated the project?** Agency Non-agency Joint Don't know

3. **Who has been involved?** _____

	<i>Check all that apply.</i>	<i>What is the scale of involvement</i>			
		Local	State	Regional	National

USDA Forest Service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bureau of Land Management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Federal agencies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tribal interests	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
State agencies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Local governmental interests	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Community business interests	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environmental conservation groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fire interests/organizations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adjacent landowners/residents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recreation interests/users	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Educators/educational interests	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wildlife and fisheries groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Right to access groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Project contractors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (Please specify) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4a. What is/was the role of the local community in the _____ stewardship contracting project?

	<i>Check all that apply.</i>
Planning and design.	<input type="checkbox"/>
Development of alternatives.	<input type="checkbox"/>
Comments and recommendations.	<input type="checkbox"/>
Public outreach and education.	<input type="checkbox"/>
Participation in NEPA process.	<input type="checkbox"/>

Implementation.	<input type="checkbox"/>
Provision of technical information.	<input type="checkbox"/>
Becoming informed.	<input type="checkbox"/>
Providing and/or acquiring funding.	<input type="checkbox"/>
Monitoring.	<input type="checkbox"/>
Representation of concerned/affected local interests	<input type="checkbox"/>
Other: (Please specify) _____	<input type="checkbox"/>

4b. What did you use as a definition of “local community” when you answered this question?

- | | |
|--|--|
| <input type="checkbox"/> Counties/Parishes around the forest | <input type="checkbox"/> Tribal nations |
| <input type="checkbox"/> Communities/towns around the forest | <input type="checkbox"/> Other agencies |
| <input type="checkbox"/> Whole state/large region of state | <input type="checkbox"/> All affected people/areas |
| <input type="checkbox"/> Adjacent landowners/neighbors | <input type="checkbox"/> Other: <i>Please specify.</i> _____ |
| <input type="checkbox"/> Forest users | |

5. What outreach efforts are being/have been used specifically by the Forest Service, BLM, or others to get people involved in the project? *Please check all that apply.*

- | | |
|--|--|
| <input type="checkbox"/> Traditional public meetings | <input type="checkbox"/> Field tours |
| <input type="checkbox"/> Collaborative process meetings | <input type="checkbox"/> Presentations to existing community groups |
| <input type="checkbox"/> Direct mail | <input type="checkbox"/> Presentations to other organizations other than existing community groups |
| <input type="checkbox"/> Email | <input type="checkbox"/> New Collaborative Group |
| <input type="checkbox"/> Personal contacts | <input type="checkbox"/> Other: <i>Please specify.</i> _____ |
| <input type="checkbox"/> Media (newspaper, radio, television) | |
| <input type="checkbox"/> Discussions with local government | |
| <input type="checkbox"/> Workshops | |
| <input type="checkbox"/> Meetings with existing collaborative groups | |

6a. To what degree would you consider community involvement in the _____ stewardship contracting project to be collaborative?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Very		Somewhat		Not	Don't
Collaborative		Collaborative		Collaborative	Know

6b. How did you define collaborative when you were answering this question?

- | | |
|--|--|
| <input type="checkbox"/> Working with others | <input type="checkbox"/> Developing, establishing, or building Long-term relationships |
| <input type="checkbox"/> Achieving a common goal | <input type="checkbox"/> Including diverse people and interests |
| <input type="checkbox"/> Commenting on a proposed project | <input type="checkbox"/> Having meetings |
| <input type="checkbox"/> Working with other agencies | <input type="checkbox"/> Other: <i>Please specify.</i> _____ |
| <input type="checkbox"/> Increased level of public participation | |

7. What were the reasons you personally decided to become involved with this project (what were the circumstances)? *Please check all that apply.*

- | | |
|--|---|
| <input type="checkbox"/> Part of your job responsibilities | <input type="checkbox"/> Live near the project |
| <input type="checkbox"/> Interested in accomplishing work on the ground | <input type="checkbox"/> Own property near the project |
| <input type="checkbox"/> Initiated the project | <input type="checkbox"/> A business opportunity |
| <input type="checkbox"/> Contacted to bid on the project | <input type="checkbox"/> Interested in collaboration |
| <input type="checkbox"/> Due to experiences with previous stewardship contracting projects | <input type="checkbox"/> Interested in using /trying stewardship contracting tool |
| <input type="checkbox"/> Due to your role in the community | <input type="checkbox"/> There was a problem to solve |
| | <input type="checkbox"/> Other: <i>Please specify.</i> _____ |

8a. Are there individuals or interests you believe should be/should have been involved in the _____ stewardship contracting project that aren't/weren't?

- Yes
- No
- Don't know

8b. If yes, who?

	Check all that apply.	At what scale should these individuals or interest be involved?				Why should they be involved? <i>See list below for options -Include all that apply.</i>
		Local	State	Regional	National	
USDA Forest Service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Bureau of Land Management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other Federal agencies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Tribal interests	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
State agencies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Local government interests	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Community business interests	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental/conservation groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Fire interests/organizations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Adjacent landowners and residents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Recreation interests/users	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Educators/educational interests	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Wildlife and fisheries groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Right to access groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Project contractors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other: (Please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

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- (a) To avoid misunderstanding.
- (b) Because they are users of the area
- (c) To avoid appeals and/or litigation
- (d) Because they are a constraint to implementation
- (e) A need to be inclusive
- (f) Because they have valuable expertise to share
- (g) A need for local knowledge
- (h) Because they are potentially affected by the project
- (i) Other (*please explain*)

Other: <i>Please describe</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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11. Please rate the benefits of community involvement in the _____ stewardship contracting project on a scale of 1-5 with 1 being very high and 5 being very low.

	Very High				Very Low	Don't Know
	1	2	3	4	5	
Broader understanding and consideration of diverse interests	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Improved trust	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased opportunity for public input	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Improved sense of project ownership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased support for the agency	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other: <i>Please describe</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

12. What level of support do you believe this stewardship contracting project is/was in the community?

- Widely supported
- Somewhat supported
- Indifferent
- Somewhat opposed
- Widely opposed
- Generally unaware
- I don't know

13. What level of support do you believe this stewardship contracting project is/was in the agency [Forest Service and/or BLM]?

- Widely supported
- Somewhat supported
- Indifferent
- Somewhat opposed
- Widely opposed
- Generally unaware
- I don't know

14. Are there any lessons that you learned about community involvement through this project that you would like to share? _____

15. Based on your experience in this project, would you participate in another stewardship contracting project? Yes No Maybe

Please explain. _____

16. Are there any additional comments you want to make about either stewardship contracting generally or your personal experience with it? _____

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Appendix D: References

Four Forest Restoration Initiative. (2012). Retrieved January 03, 2013, from <http://www.fs.usda.gov/detail/4fri/home/?cid=STELPRDB5376641>

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