



## Stewardship Contracting: Successes in the Field

Stewardship end-result contracting is an innovative way for the USDA Forest Service (Forest Service) and USDOJ Bureau of Land Management (BLM) to collaboratively restore public lands and create economic benefit for rural communities. Stewardship contracting authorities increase the ability of districts and field offices to carry out high quality restoration projects by lowering project administration costs. In addition, stewardship contracting projects have helped improve the collaborative climate of many national forests and BLM districts. Stewardship contracting, with its best value contracting authority, helps improve the quality of work on the ground and increases economic opportunities and jobs for communities located near public lands. It can bring significant private, technical, and financial resources to restoration efforts that might not otherwise be available to the Forest Service and the BLM.

Between fiscal years 1999 and 2010, the Forest Service awarded 874 contracts and agreements for restoration treatments on over 558,020 acres nationwide. Current stewardship contracting authority expires at the end of federal fiscal year 2013. This paper highlights the ways the Forest Service, BLM, and their partners are using various stewardship contracting authorities to create administrative efficiencies, increase biomass utilization, restore ecosystems, collaborate, and create jobs and economic opportunities on and around public lands.



A thinning project provides funds for reinvestment in public forests

### Catalyzing restoration on public and private lands by combining stewardship contracting and the Wyden Authority

*Siuslaw Watershed ~ Siuslaw National Forest, Oregon*

The Siuslaw National Forest has used stewardship contracting extensively since 2002. By collaborating with local stakeholders - including local government officials, non-profit organizations, commercial timber interests, private landowners, and regional environmental organizations - the forest managers chose to develop a whole watershed approach to stewardship contracting. This approach served as the catalyst for utilizing stewardship contracting to spur larger landscape-scale restoration in the area. The Forest Service and stakeholders have used retained receipts acquired through restoration thinning of overstocked stands of Douglas-fir to fund needed habitat restoration projects throughout the Siuslaw Watershed.

From 2002 to 2007, the forest treated 2,000 acres of forestland and sold almost 50 million board feet of timber. Sixty percent of the funds generated by stewardship activities were reinvested in public-lands restoration. Using the Wyden Authority, the remaining 40 percent of the funds were invested in private lands in the watershed, primarily for salmon habitat restoration. By 2007, over \$700,000 of retained receipts had been spent on restoration on Forest Service and adjacent nonfederal lands. Including leveraged state and private funds, the total investment was \$1.7 million for aquatic, riparian and terrestrial restoration in the Siuslaw watershed. All of these projects and activities met the criteria of providing benefit to federal lands and habitat and meeting restoration guidelines.



A stewardship group meets to discuss restoration treatments

## Bringing together national partners to cultivate local capacity for restoration

*Hughes Creek Stewardship Agreement ~ Salmon-Challis National Forest, Idaho*

The Salmon-Challis National Forest has entered into a stewardship agreement with the Rocky Mountain Elk Foundation to undertake restoration on 13,000 acres in the Hughes Creek watershed. A central challenge to implementing restoration has been a lack of contractor capacity to take risks and engage in restoration activities.

As part of a broad collaborative effort, Rocky Mountain Elk Foundation is working with local partners and the Lemhi County Economic Development Association to develop strategies to tailor contracts to match the capacity of local and regional businesses, increase local contractor capacity, and to measure the impact of the project on the local economy.

To date, more than 90% of the revenue has gone to Lemhi County businesses; the potential economic benefit for local contractors, industry, and auxiliary businesses is expected to be significant as stewardship contracting activities increase. In addition, using an agreement mechanism has allowed the Forest Service to leverage philanthropic funds and volunteer effort to expand the amount of restoration the Forest can complete. Public awareness and support of the Hughes Creek project has been raised to an unprecedented level on the Salmon-Challis.



Crews work on a stream restoration project

## Resolving conflict and tailoring projects to meet local community needs

*Weaverville Community Forest ~ Redding District, BLM, and Shasta-Trinity National Forest, California*

The Weaverville Community Forest is a multi-year stewardship agreement on approximately 13,000 acres of forested BLM and Forest Service lands located in and around the town of Weaverville in Trinity County, CA. The BLM Redding District decided to implement a stewardship agreement to help resolve challenging land management issues regarding many small parcels of public land mixed in with private forestland and residential areas. As an alternative to turning the land over to private management, a number of interested constituents entered into conversation about other ways to engage the community in managing the land.

The Weaverville Community Forest now embodies a high level of public involvement, a broad range of objectives, and represents diverse interests in the community. The project provides a variety of outcomes including forest products for the town mill, educational and historical venues for local and tourist populations, and important environmental rehabilitation.

Activities such as timber harvest, firewood collection and sales, and harvest of boughs from the forest to make and sell holiday wreaths have produced \$113,000 (as of 2008). These funds are used for subsequent projects that meet the objectives of the stewardship agreement and community goals.

## Creating local capacity to effectively channel funding for ecologic and economic benefit

*Wild Rivers Master Stewardship Agreement ~ Rogue-Siskiyou National Forest, Oregon*

In November 2008, the Rogue River National Forest, Lomakatsi Restoration Project, and the Siskiyou Project entered into a 10-year master stewardship agreement for collaborative restoration, workforce training, and hazardous fuels reduction on 10,000 acres in the Wild Rivers Ranger District. With this agreement already in place, the Forest Service was able to quickly deliver American Recovery and Reinvestment Act funds to implement a hazardous fuels reduction project.

In April 2009, the Forest Service provided \$1.4 million to begin work on the Hope Mountain Stewardship Project. The project created 35 local jobs in an area where unemployment rates were among the highest in the nation. Lomakatsi provided these workers with paid, on-the-job training in workplace safety and skills for holistic ecosystem management. The

workers learned about selective logging of small diameter trees and other treatments focused on using restoration by-products to create value-added wood products. In addition to providing high-quality jobs, the work relieved overcrowded forest conditions, thereby protecting local communities from unnatural wildfire, enhancing wildlife habitat, and nurturing biodiversity.

## Leveraging funds from private partners and markets to increase restoration

*Wyoming Front Aspen Restoration Project ~ High Desert District BLM, Wyoming*

In April of 2006, the Rocky Mountain Elk Foundation (RMEF) signed a 10-year stewardship agreement with the Wyoming BLM to treat 240,000 acres of ecologically endangered aspen stands on federal, state, and public lands. After three years of the agreement, the partnership had successfully treated over 2,000 acres of “at risk” aspen stands, producing 1.1 million board feet of saw timber, 2,000 tons of biomass, 1,500 tons of firewood, 115 tons of wood chips, and 1,500 Christmas trees.

RMEF focused a great deal of energy toward expansion into new biomass product markets, making it possible for all of the by-products to be processed and sold locally, providing jobs and economic stimulus to the local community. All of the profits from the sales of by-products were reinvested into additional treatments. The project has been successful in large part due to the strong community relationships RMEF had created prior to the inception of the project, and their ability to collaborate with private landowners to include and engage them in the project. As a result, private landowners have, and continue to seek permission to include their land in the project. This has effectively expanded the scope of the project and allows for more continuous treatments, benefiting the entire landscape instead of treating blocks of land delineated by public boundaries.

The local contractors hired expressed very positive attitudes about working on the project, and have indicated to other contractors in the community that working with the partnering agencies is worthwhile. The long-term agreement has allowed the inclusion of additional partners as they see the success building, and possible future opportunities for their involvement. With an initial investment of \$150,000 (\$50,000/year) from the BLM and RMEF as “seed money”, the project secured additional funding totaling \$1.12 million invested in both public and private lands.

## Increasing local benefits by using the stewardship contracting best value requirements

*Holland-Pierce Fuels Reduction and Forest Health Stewardship Project ~ Flathead National Forest, Montana*

The Holland-Pierce Fuels Reduction and Forest Health Stewardship Project in the Flathead National Forest is an example of stewardship contracting utilizing best value, multiparty monitoring, goods for services, and community collaboration. Prior to the initiation of the contract, both the Forest Service and local environmental organizations had already created high levels of credibility within the community, making the collaborative success of this particular contract possible.

Initially a single large contract, they divided the project into two contracts to make bidding more feasible for smaller, local contractors, and to emphasize the importance of the Best Value Authority. This strategic change allowed for the contract to be awarded to a local business, creating new local jobs and additional economic benefits. Several local logging contractors worked as subcontractors creating employment for 60 people (for periods of time ranging from two days to eight months). The project generated \$2,064,800 in income to loggers, log haulers, road and other heavy equipment operators, and stumpage to the Forest Service.

As a project under the Healthy Forest Restoration Act, the Holland-Pierce contract had significant multiparty



A collaborative group visits a restoration site

monitoring, which was especially important to wildlife interests. Volunteers trained in both pre-treatment and continuous project techniques completed the multi-party monitoring. Volunteers will continue to measure forest health, fuels reduction, invasive plants, wildlife habitat, and community and economic benefits throughout the contract's entirety.

The goods for services authority resulted in additional public benefits, including culvert replacement, fuels reduction on logging units, roadside fuel reduction, and noxious weed control. After years of polarization among the community's many stakeholders, the implementation of the Holland-Pierce contract illustrates the cumulative positive impact of stewardship contracting as the community worked together to create the best value benefits for their people, the economy, and the environment.

### **Transitioning to a focus on cultural values and local economic development**

#### *Kake Community Forest - Tongass National Forest, Alaska*

In the fall of 2009, the Forest Service was close to finalizing a large timber sale on the Tongass National Forest. The Central Kupreanof sale, near the small community of Kake, would have been inaccessible to local contractors due to its size and would likely have been sold to an out-of-the-area mill or gone without bid. A diverse collaborative including the Alaska Native community, environmental organizations, local businesses, industry, and the Forest Service organized to develop alternatives to this sale. The goal was to develop community-based projects that would be accessible to local contractors, reflect social and cultural values, build community capacity for stewardship, and result in a healthy



Forest restoration byproducts are removed for utilization in wood heating

ecosystem. Stewardship contracting, with its focus on providing best value to the government and creating local community benefit, is allowing the collaborative to develop new strategies to structure contracts so that local contractors can successfully bid on the contracts while providing important ecological, economic, and cultural outcomes. The Forest Service hopes to begin offering the first stewardship contracts in the summer of 2011.

### **Increasing biomass utilization while reducing hazardous fuels and creating local jobs**

#### *Brush Hollow Biomass Project Stewardship Agreement ~ Allegheny National Forest, Pennsylvania*

The Brush Hollow Biomass Project stewardship agreement between the Kane Area School District and the Allegheny National Forest was initiated in November 2009 to reduce hazardous fuel loads caused by wind-thrown timber, while concurrently providing wood chips to fuel the biomass heating systems at the local high school and health center. In 2003, the Allegheny experienced a severe windstorm creating excessive wind-thrown trees on 500 acres. However, due to a 30-year moratorium placed on timber harvest, the timber was not harvested in a timely manner. No longer suitable for a normal salvage sale, the timber could still be burned in wood-fired heating systems. The stewardship agreement allows the wood to be used for chips in wood-burning heating systems, and guarantees a source of chips to both Kane High School and the Elk Regional Health Center. The estimated \$89,000 spent annually to purchase the wood chips will stay in the local economy and has subsequently produced 30 full-time local jobs.

Additionally, the agreement provides a comprehensive restoration plan for the forest, and will engage local high school students enrolled in the Kane High School forestry-vocational program.

### **Increasing efficiency while promoting restoration and collaboration**

#### *Mason Creek Stewardship – Desoto National Forest, Mississippi*

The 27,000-acre Mason Creek Stewardship project is a 10-year collaborative habitat improvement effort to provide longleaf pine habitat for endangered species. The stewardship authority has been a critical tool for accomplishing multiple resource objectives while streamlining administrative and contracting costs on the Desoto National Forest.

The Mason Creek project provided a forum for diverse stakeholders to become meaningfully engaged in landscape-scale restoration. Overstocking in pine stands, noxious weed invasions and an encroaching hardwood mid-story left the Mason Creek area in need of expensive restoration work. Appropriated funding for this project would have been hard to come by. Instead, the District utilized the stewardship authority to meet ecological goals using the landscape's own resources as payment. The project has engaged a diverse array of partners including state and federal wildlife agencies, conservation groups, the local garden club, a regional energy provider, and contractors, in restoring the longleaf Pine ecosystem in southern Mississippi. For example, the Mason Creek project drew the participation of the local chapter of the National Garden Club. Twenty-two volunteers from the club worked to GPS the locations of non-native plant populations. As a result of their efforts, 512 cogongrass-infested sites were identified and mapped. The club members are also designing and installing educational kiosks along trails and have planted native wildflower seeds where non-natives have been eradicated.

### Providing opportunities for small, local businesses to restore public lands

#### *Upper Caribou Trail – Superior National Forest, Minnesota*

The Upper Caribou Trail stewardship project in Northeastern Minnesota has spurred a local contractor to diversify his stewardship skills, thus improving his marketability. The contractor has cut overly-mature hardwoods to create openings for birds of prey and to prepare areas near the Wildland Urban Interface for fire-resistant pine species planting. The treatments required under the stewardship contract are also creating year-round work for the contractor; in addition to logging, he has been able to undertake road improvements, noxious weed removal, fuels reduction and site preparation.

With the timber market down, stewardship contracts have been instrumental in accomplishing restoration on the Superior National Forest. Where conifers and brush species have begun to encroach, creating a fire hazard and degrading wildlife habitat, restoration efforts focused on harvesting the dying hardwoods and replanting fire-resistant pine species are being developed using the stewardship authority. Although the Forest may have been able to harvest the overly-mature hardwoods in the Upper Caribou Trail Project area if the market were to improve, none of the intensive site prepa-

rations required to plant the site back to pine would have been affordable without stewardship contracting.

### Institutionalizing collaboration for effective forest management

#### *Nordic Project - Green Mountain National Forest, Vermont*

The Nordic Project in Vermont's Green Mountain National Forest is a landscape-scale project comprised of 15 different stewardship contracts and agreements. The Forest has used these contracts and agreements to create new management strategies that integrate restoration and community engagement. The Forest convened an internal Stewardship Contracting Activity Team (SCAT), made up of experts in contracting, resource integration, silviculture, collaboration and line officers, among others.

SCAT is an innovative team model that creates "institutional memory" for those involved. Instead of passing projects between Forest Service staff, losing nuance and relationships along the way, the same internal team is engaged in the stewardship projects from design through implementation and monitoring, creating valuable continuity and lasting relationships with stakeholders.

The SCAT engaged a large number of stakeholders in the design of the Nordic Project. SCAT is now a standing team that guides stewardship contract development in the Forest, providing support to environmental planners and collaborative groups, and helping to conduct outreach. Local communities and governments became very involved in the Nordic Project's design and implementation. The Forest and their partners have been able to sustain the collaborative efforts catalyzed by the Nordic Stewardship project, and continue to work together to achieve their common objectives.



A collaborative group discusses a forest restoration project



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