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Siuslaw Stewardship Project Project Summary May 2004

The Siuslaw Stewardship Project is a model of community-driven forest restoration and collaboration. It is an innovative partnership between the Siuslaw National Forest and the Siuslaw Stewardship Group (a diverse group of residents and organizations), which is applying new stewardship contracting tools to improve watershed health and community vitality in the Siuslaw Basin. The project is demonstrating how a participatory approach to land management can restore watersheds, provide local jobs and wood to local mills, and rebuild trust between historical adversaries.

Goals and Objectives

The project is testing new ways to restore forests and watershed and rebuild communities in collaboration in the Siuslaw Basin. The project is taking a watershed-wide approach to issues and priorities in the 500,000-acre basin. Our strategy is to thin the overstocked stands on federal land and apply the value of those thinnings to other watershed and community priorities in the basin. The project builds on a history of positive relations between the Siuslaw National Forest their partners in the Siuslaw River Basin Restoration Partnership (Siuslaw Watershed Council, Siuslaw SWCD, Siuslaw Institute, and the recently formed Siuslaw Stewardship Group).

Stewardship Contracting

The Siuslaw Stewardship Project began as a national stewardship pilot project in 2002. Congress authorized the Forest Service experiment with stewardship contracting to find more effective ways of managing the land and to better meet the needs of rural communities. They instructed the agencies to give local communities a stronger role in the stewardship projects and to evaluate the projects through a multi-party monitoring process.

Stewardship contracting is a set of authorities that grants the Forest Service and the BLM more flexible and efficient ways of doing business. The authorities include: goods for services, which allows the agencies to trade the value of forest products for goods and services that they purchase and retention of receipts, which allows the agencies to keep the remaining funds from the sale positively valued forest products sales for use in other stewardship projects. Other authorities include best value contracting, designation by description, and 10-year contracts.

Accomplishments

Although the Siuslaw Stewardship Project is less than two years old, it has achieved some important milestones. The Siuslaw National Forest has three projects currently underway that are thinning small-diameter trees to improve forest health and promote old growth. Other ecological accomplishments include road maintenance, riparian

restoration, culvert replacement, noxious weed removal, and snag creation. The three projects have contributed \$2,200,000 to the local economy and have supported more than 30 local logging and trucking jobs and numerous local manufacturing jobs. As of September 2003, the Forest Service had removed 5,342,500 board feet of small-diameter timber that was all sold to local sawmills. Innovations such as selling logs by the load and designation by description have saved over \$100,000 in scarce resources.

In addition to improving watershed health, the project partners have built a strong partnership required to work together on the complex issues of watershed restoration and community development.

The Stewardship Fund

One of the innovations of stewardship contracting is the ability of the project to retain receipts for other stewardship activities. The opportunity to help guide the use of retained receipts is the main reason why local residents are at the table. Community members and local organizations spent numerous hours working out how to reinvest the retained receipts for maximum ecological and community benefit. The Stewardship Fund was launched in April and has \$200,000 available to support restoration and enhancement projects in the Siuslaw Basin. Project proposals will be reviewed and selected in May and funds awarded by June 2004.

The Siuslaw Stewardship Project is concerned with not only restoring the health of the watershed. The project also aims to enhance local rural communities by providing economic opportunities and supporting community development. Although the stewardship fund is currently limited to on-the-ground restoration projects, the partnership is seeking to broaden the current interpretation to include projects that support community, economic, educational, and scientific objectives.

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INNOVATION *and* **partnership**

SIUSLAW STEWARDSHIP PILOT
Siuslaw National Forest



by
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The
Siuslaw
Institute



Overview

Stewardship contracting is an innovative approach to managing watersheds and natural resources rooted in the belief that the health of watersheds and communities are interdependent. This case study provides a snapshot of the lessons learned, the innovations, and the challenges encountered in the Siuslaw Stewardship Pilot on the Siuslaw National Forest between Fall 2002 and Spring 2004. The Siuslaw experiment shows how the authorities provided by stewardship contracting, when combined with creative leadership and innovation, can lead to promising results. This case study is intended for practitioners, federal land managers, and community residents that are interested in learning how a set of new tools was applied to enhance watershed and community health.

Stewardship Contracting

Stewardship contracting originated from rural community leaders and Forest Service staff who recognized that their efforts to restore forestlands and improve community economies were limited by processes and procedures held over from the era of industrial timber production.

The promoters of stewardship contracting were seeking ways to address forest health problems within the current financial limitations, while creating more collaborative public participation processes. They also understood that these efforts would be experiments and should be reviewed by a multi-party monitoring and evaluation process.

In 1999, Congress authorized the Forest Service to establish 28 stewardship contracting pilot



Cutting logs to length at the landing on the Eichler Thin.

projects to experiment with a set of stewardship contracting authorities intended to promote more effective ecosystem management and better meet the needs of rural communities. Subsequent authorizations in 2001 and 2002 raised the number of pilot projects to 84 across the country. Authorized until 2005, the pilot program was to be reviewed at that time by Congress to determine which aspects, if any, of the program merited permanent status. In 2003, Congress authorized stewardship contracting for both the BLM and the Forest Service until 2013.

The Siuslaw Stewardship Pilot

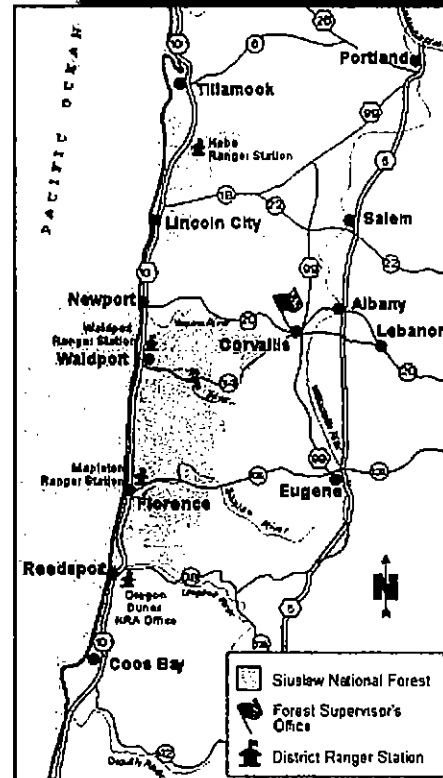
Project Background

The Siuslaw Stewardship Pilot is located on the Siuslaw National Forest in the central Oregon Coast Range. The project focuses on the Siuslaw River basin, one of the main rivers on the central Oregon coast. The basin has abundant rainfall (up to 100 inches per year) and mild winters, which create favorable growing conditions for a temperate rainforest and quick growing Douglas-fir forests.

A large portion of the Siuslaw National Forest is dedicated to the development of old-growth forest conditions as designated under the Northwest Forest Plan. The forest provides critical habitat for threatened species like the marbled murrelet and the northern spotted owl. Coastal streams and estuaries on the Siuslaw National Forest contain more miles of spawning and rearing habitat for anadromous fish than any other national forest in the lower 48 states, and salmon and other anadromous fish have historically thrived in the Siuslaw.

History of Forest Management and Community Involvement

The Siuslaw's fast-growing large conifers were an important source of forest products on the coast for decades. After World War II, the Siuslaw National Forest rapidly harvested its stands of large old-growth trees. Between 1960 and 1990,



The Siuslaw National Forest is located on the lush central Oregon coast and is indicated by the shaded area on the map.

for example, the Mapleton District cut more than 2 billion board feet. These harvest levels devastated salmon populations and the now-endangered northern spotted owl.

In 1994, the Secretaries of Agriculture and the Interior adopted the Northwest Forest Plan to address these issues at a regional scale. The plan designated much of the Siuslaw National Forest as late successional reserves—land managed for old-growth forest conditions. The Siuslaw National Forest subsequently shifted its management focus to watershed restoration. All of the timber now harvested from the Siuslaw National Forest is a by-product from thinning projects designed to improve the stand structure of the remaining trees.

Throughout the period of intense harvest in the 1970s, 1980s and 1990s, community residents



A second-growth Douglas-fir stand on the Green Thin.

resisted federal land management strategies such as aerial spraying and clearcut harvesting with appeals and litigation directed at management plans. In the 1990s, however, community members began collaborating with federal land management agencies on watershed restoration efforts through the Siuslaw Watershed Council and other partnerships. The landscape is a mix of public and private land and it was clear that restoration was needed across ownerships. In addition, the decline of the forest products industry over the past decades had left the economy in the Siuslaw struggling. Working with the Forest Service was an opportunity to create local economic benefit, based in part, on ecosystem restoration.

The Forest Service and the community partnered to enhance their efforts toward watershed and community health. The Forest Service leadership viewed the pilot as a way to strengthen their partnership with the community to improve habitat and restore species throughout the watershed. The

All of our lands are basically late-successional reserves with non-commodity primary objectives. It became evident, as we were working with some of the watershed groups and other partners toward watershed connectivity that the stewardship pilot was a tool to reinforce the relationship with our partners.

*— Bob Turner, Timber Sale Officer,
Siuslaw National Forest*

community was curious about the work happening in their backyard and was intrigued to be involved at the watershed scale. Both parties saw the pilot as a means to design land management work in a way that supported the local economy.

The Stewardship Contracts

The Siuslaw Stewardship Pilot includes six contracts focused on thinning small-diameter trees on 3,640 acres in 35-40 year-old Douglas-fir plantations. Three contracts are underway. Project goals included restoring old growth forests through thinning and associated restoration tasks, such as road maintenance or closures, riparian restoration, and snag creation. These projects experimented with a suite of new contracting authorities and other innovations to achieve project goals.

The table provides an overview of the three projects underway at the time of this writing: the Green Thin, the Eichler Thin, and the associated Eichler Decks.

Green Thin

The first stewardship contract the Forest Service offered was the Green Thin. It involved thinning small-diameter trees in 900 acres of forest designated as late successional reserve. Georgia Pacific West, based in Philomath, Oregon, bought the Green Thin as a negotiated timber sale for alternative timber volume (ATV) from the volume reductions made to accommodate the Northwest Forest Plan. The Forest Service appraised the timber volume at 8,477 million board feet, with a value of \$1.3 million.

The project had a positive impact on the local economy. Georgia Pacific reported that twenty-five

people were working on the project, twelve from the local area. The company estimated 15,600 worker days to complete the project (260 days x 20 person x 3 yrs) at an average wage of \$18/hour.

Authorities and Innovations

The Forest Service structured the Green Thin as a timber sale with associated tasks and experimented with bundling tree removal and other restoration tasks into a single contract. Typically, the Forest Service uses timber sale contracts to remove commercial-sized trees and uses separate service or construction contracts to accomplish other related restoration, enhancement, or maintenance tasks

Green Thin					
Planned activities	Volume (mbf)	Contract type	Contractor-Price	Award Date	Authorities and Innovations
900 acres of small diameter thinning in late-successional reserve	8,477	Timber sale with associated projects Alternative timber volume	Georgia Pacific West, Philomath, OR \$1,372,765 paid to Forest Service	June 2002	<ul style="list-style-type: none"> • Goods for services • Designation by description • Multi-task contract • Retention of receipts • Load scaling
Eichler Thin					
Planned activities	Volume (mbf)	Contract type	Contractor-Price	Award Date	Authorities and Innovations
100 acres of Contract logging in late-successional reserves	n/a	Service contract logging and associated projects	Miller Timber Services, Philomath, OR \$396,936 paid to contractor	February 2003	<ul style="list-style-type: none"> • Goods for services • Designation by description • Multi-task contract • Retention of receipts • Best Value • Separating the logger from the log
Eichler Decks					
Planned activities	Volume (mbf)	Contract type	Contractor-Price	Award Date	Authorities and Innovations
Timber sale of logs harvested in Eichler Thin	1,063	Timber sale, decks only	Swanson Superior, LLC, Noti, OR \$432,755 paid to Forest Service	May 2003	<ul style="list-style-type: none"> • Separating the logger from the log • Decked timber sale • Load scaling

Definition of Stewardship Authorities

Goods for Services—The Federal Government is generally prohibited from trading goods for services because it cannot augment appropriated funds by exchanging something of commercial value for work. Stewardship authority allows a single contract in which the value of commercial forest products is used to offset the cost of acquiring land management services.

Retention of Receipts—Traditionally, the USFS and the BLM must send timber sale receipts (less deposits to trust funds) to the Federal Treasury. Congress must appropriate funds for service contracts. Stewardship authority allows receipts from positively-valued contracts to be used on part of the project or another stewardship project.

Designation by Description/Prescription—In a service contract, the USFS or the BLM may describe required actions or desired end results. In a timber sale contract, the agencies must either indicate trees to be removed or provide descriptions that would lead any two people to choose the same trees. This authority allows the agencies to describe the desired end results in a timber sale contract.

Best Value—Best value allows the USFS and BLM to award contracts based on a combination of criteria including of past performance, technical capability, price, and local economic benefit. Best value contracting is required in all stewardship contracts.

Multi-year Contracts—Stewardship authority allows the USFS and BLM to issue contracts for up to 10 years, twice the current limit. This authority is intended to provide more stable economic opportunities to contractors.

—from Ecosystem Workforce Program's Stewardship Chronicle, Spring 2002

at the site. In this case, it combined commercial tree harvesting with a variety of other activities including road maintenance, riparian planting and release, snag creation, road closures, and noxious weed control.

The project leaders pursued several objectives with this approach. They wanted to provide funding for restoration and enhancement by utilizing the value of the commercial thinning. They also aimed to decrease negative ecological impact by reducing the number of entries contractors made to the site. And lastly, they sought to enhance contractor capacity to be better stewards of the land by diversifying their skills.

First, the Forest Service traded **goods for services** to use the value of the timber removed to cover restoration tasks, such as the construction of a cattle fence, the creation of coarse woody debris, road improvement, riparian area restoration, and snag creation. This enabled them to accomplish restoration tasks that may not have otherwise received funding and made the restoration activities an equal priority with timber removal.



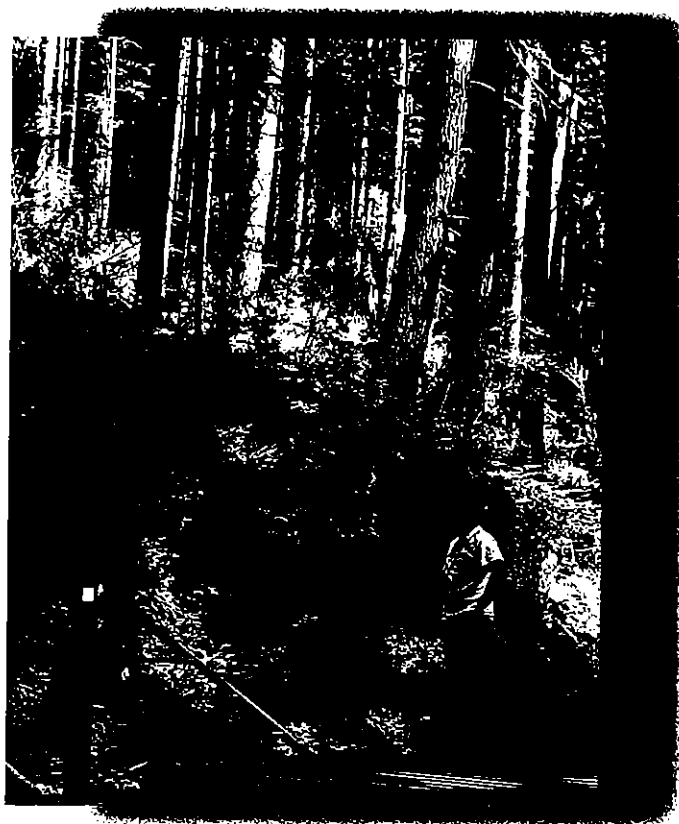
Dan Karnes of the Siuslaw National Forest shows a chunk of tree infected with root rot.

Secondly, using a **multi-task contract** on the Green Thin enabled a single-entry approach to the site. In the Green Thin multi-task contract, the contractor decommissioned roads as he worked, reducing negative impacts on soil, reducing disturbance to sensitive species, and decreasing sheet erosion.

Thirdly, moving from a single-task contract to a **multi-task contract** was an opportunity to enhance the capacity of contractors to perform stewardship tasks. Typically contractors specialize in certain kinds of services. The Siuslaw National Forest wanted to use stewardship to help train a workforce capable of accomplishing multiple stewardship objectives.

This aspect of the project had mixed results. The logging subcontractors were hesitant to perform other tasks ("Loggers just want to log"), and Georgia Pacific subcontracted to a variety of companies to get the work done. The Forest Service also found the limits of contractor capacity and equipment. For example, they included placing logs into streams as part of the contract but they removed that item when they discovered that logger's equipment could not accommodate dragging logs downhill into streams. Despite these challenges, the project increased the capacity of the purchaser to implement stewardship. Georgia Pacific appreciated the opportunity to try new methods and expressed the intent to bid on future stewardship projects.

The Forest Service also experimented with the **designation by prescription** authority. Typically, the Forest Service is required to mark every commercial tree to be cut. The costs in labor and paint can be significant, especially in small-diameter thinning projects where tree density is high. In the Green Thin, the Forest Service provided an end-results prescription to the contractor, which required him to produce a certain outcome rather than be responsible for harvesting specific trees. Not having to paint and mark trees reduced the Forest Service's sale



A local environmentalist inspects a cattle guard installed as a part of the Green Thin.

preparation costs by 33%, or about \$54,000. This approach also resulted in a more complex forest stand structure, because unlike marking usually done by spacing, this method typically produces more uniform tree stands.

Diligent oversight by the contract officer's representative ensured that accountability was maintained. Accountability, using **designation by prescription**, focused less on the individual small-diameter trees and more on the results at the stand level. This was consistent with the end-results approach of stewardship.

The Forest Service experimented with **load count scaling** on the Green Thin to reduce scaling costs. Typically, each log from a timber sale is scaled individually. With load scaling, the Forest Service used a volume per load figure calculated from 20 random sample truckloads. This innovation saved

the Forest Service about \$60,000 total on the Green Thin and the Eichler Decks projects.

Retention of receipts was also an important authority in the project. The Forest Service had retained \$728,000 in receipts from the Green Thin as of September 2003. The retention of receipts enabled them to invest \$10,000 of these funds into economic development and allowed them to invest \$396,936 into the second stewardship project, the Eichler Thin to experiment with separating the logger from the log.

As of September 2003, **biophysical accomplishments** in the Green Thin included 390 acres of thinning, 61 acres of noncommercial

thinning, installation of one cattle guard, construction of 1,650 feet of cattle fence, 30 acres of upland underplanting, creation of 16 snags, the creation of coarse woody debris from 1,362 trees, maintenance of 2 waterbars, 16 acres of riparian restoration, 4 acres of noxious weeds treated, 30 acres of disease (*phellinus*) treatment, 5 acres of meadow clearing, and 3 acres of meadow rehabilitation.

We wanted the logs and wanted to experiment with a new approach. We wanted to get in early on the deal.

— Todd Merritt, Georgia Pacific

Eichler Project

The Forest Service used **retained receipts** from the Green Thin to accomplish thinning and other restoration tasks on 100 acres of late successional reserve in the Eichler Project, the second stewardship project. As in the Green Thin, it used a **bundled contract** approach and **goods for services** to accomplish tree removal and other tasks under a single contract. In this project, however, the Forest Service experimented with using a service contract with associated tasks instead of a timber sale contract with associated tasks. This enabled them to respond to political and social concerns about timber theft and log accountability in timber sales by structuring the project in a way that '**separated the logger from the log.**' On Eichler, the contractor was required to conduct an array of management activities on the site, but did not have any financial investment in the timber.

To 'separate the logger from the log,' the Forest Service structured the Eichler Project into two contracts, the Eichler Thin—a service contract to accomplish land management goals and the Eichler Decks—a timber sale contract to sell the trees removed from the project area. The contractor awarded the service contract was paid to complete the treatments on the site and the Forest Service sold the timber to a separate bidder. This approach created an incentive for the contractor to do quality work because part of his reputation would be based on how well he performed.



Whole tree skyline yarding on the Eichler Thin.

Eichler Thin

In the Eichler Thin, the Forest Service bundled tree thinning, slash treatment, creation of downed woody debris, and temporary road construction and maintenance into a service contract. The Forest Service used **receipts retained** from the Green Thin to acquire the funding to implement a **multi-year contract** that guaranteed two years of work for the contractor. Although the Forest Service could already provide multi-year contracts, it is not widely used for large contracts because the agency is required to have full funding before awarding the contract.

The Eichler Thin project contract used the **best value authority** to evaluate proposals based on criteria other than price. This enabled them to evaluate local community benefit, and to choose a contractor based on quality of work. The criteria were as follows: 30% past performance history, 40% technical capability, 30% local workforce preference, and all three combined roughly equal to price.

Four bidders expressed interest, yet the requirement of a 100% performance bond deterred all but one bidder. Miller Timber Services, located in Philomath, captured the Eichler Mechanical Thinning contract valued at \$396,936. The project employed 8 people from the local area, providing approximately 1,600 worker days at an average wage of \$15/hour plus benefits.

*Stewardship improves our ability to
do the job right.*

— Brian Cornell, Miller Timber Services

As in the Green Thin, the Forest Service minimized ecological impact through using a **single-entry approach**. They saved labor and paint using **designation by prescription**, and enhanced contractor capacity by **bundling multiple tasks**



A member of the Siuslaw Stewardship Group talks with the contractor on the Eichler Thin.

together. In general, both the contractor and the Forest Service were pleased with the contract and were able to "work the bugs out" along the way.

In Eichler Thin, the Forest Service found that the service contract was an effective tool to pursue an **end results prescription**. Although the contractor had some difficulty making a transition from estimating volume to estimating acres treated, the focus on end results gave him the flexibility needed to achieve a quality result. In addition, the end results approach provided both the contractor and the Forest Service more flexibility in the placement of downed woody material on the site. As mentioned, 'separating the logger from the log' removed worries about log accountability.

Biophysical accomplishments on the Eichler Thin as of September 2003 included 35 acres of thinning and 6,000 feet of temporary road management.



A local trucking company hauling logs to the mill from the Green Thin.

Eichler Decks

The Forest Service sold the material removed from the Eichler Thin as a separate timber sale. Swanson Superior, LLC, of Noti, Oregon, bought the sale for \$432,755. The company was considered local, and employed two subcontracted truck drivers at an average hourly wage of \$15 to haul the material to the mill. The contractor doing the service contract loaded the trucks directly from roadside landings as the trees were harvested, eliminating the need to deck the logs in the woods or create large landings. This approach worked well for all involved, and the Forest Service received a bid premium on Eichler Decks.

The innovation of selling logs by the load worked well and provided more flexibility on the trucking.

— Todd Miller, Georgia Pacific

The Siuslaw Stewardship Group

The Siuslaw Stewardship Group became the forum for collaboration between the Forest Service and the community. It functioned as the local multi-party monitoring team for the pilot and became a rich partnership for mutual learning, pooling resources, and working towards watershed health.

Beginnings

The Siuslaw Stewardship Group was formed in the fall of 2002, after the Forest Service had completed the NEPA planning process and one project was already underway. Forest Service partnered with the Siuslaw Watershed Council and the watershed council invited other community members. The SSG has representation from local government, non-profits organizations, private landowners, and regional environmental organizations.

The group spent early meetings learning about stewardship contracting and establishing norms, roles, and rules for the group. They created a mission statement that focused on promoting a stable economy, the sustainable use and enhancement of natural resources, and ensuring accountability and transparency in the pilot projects. The regional coordinator for stewardship pilots, from the Watershed Research and Training Center, facilitated group meetings, provided information about stewardship pilots, and helped the group through its formative stages.

The group chose a consensus-based decision-making process, but agreed to fall back on two-thirds majority voting if consensus could not be reached. The SSG created its own agenda, managed

itself, and provided recommendations to the board of directors (composed of four Forest Service staff) who would then submit recommendations to

Through partnerships we can achieve so much more. We can bring together the very talents of a community and make it a much more meaningful project.

— SSG Community Member

the forest supervisor. Although the Forest Service was not bound to follow these recommendations, the participants were confident that their input was highly valued.

Innovation through partnership

The Siuslaw Stewardship Group was successful, in part, because the Forest Service invested in the group's development in several ways. Financially, the Forest Service provided funds for the group to hire a facilitator through an agreement with Cascade Pacific Resource Conservation and Development Council (CPRC&D), for economic development work, and for administrative support through the Siuslaw Watershed Council. These funds enabled the SSG to run efficient meetings, record and distribute their proceedings, and to hire a contractor to research and evaluate local economic development opportunities.

Perhaps more significantly, the Forest Service embraced the SSG as a partner in the pilot project. Although the group was convened after the pilot project had begun, missing the opportunity to involve the group in initial project design, the group subsequently took on a substantive and meaningful role.

The Siuslaw Stewardship Group fulfilled the monitoring activities required by the pilot designation and extended their focus far beyond monitoring. Much of their energy centered on designing a reinvestment strategy for funds gained



Site visits and field trips were key to building understanding and making informed decisions.

through the retention of receipts authority, which gave them an immediate role in shaping efforts to restore watershed health in the basin.

The real collaboration and the real partnership is when the project wouldn't succeed or wouldn't work if any of those partners or collaborators weren't there.

— Siuslaw community member

The Siuslaw Stewardship Fund

The Forest Service and the SSG jointly designed the Siuslaw Stewardship Fund as a funding source for projects that would benefit the Siuslaw National Forest directly or indirectly, including work to be done on adjacent private lands. The Siuslaw National Forest and the SSG, in partnership with CPRC&D, launched the stewardship fund in February 2004, soliciting the first round of project proposals. The Siuslaw Stewardship Fund believed this would be the first time funding for watershed health was generated directly from the restoration of federal forests.



Members of the Siuslaw Stewardship Group on a site visit to the Green Thin.

Local Economic Development

In addition to completing the annual monitoring report and working on the stewardship fund reinvestment strategy, the SSG hired a contractor through an agreement with CPRC&D to address local economic development opportunities associated with the pilot project. This included assessing local contractor capacity, making connections with the local small-diameter wood group, and coordinating available information from existing economic development reports. The

People are motivated by the potential to have an effect on the landscape and the future of the forest. I think the driving force is the potential to have a say about how the receipts are spent on the ground and in our community... potentially creating work for folks in the community.

— SSG community member

group aimed to create stronger linkages between the pilot project, the local workforce, and future economic opportunities.

Learning Curves

The Road to Stewardship: Misery Thin

As noted earlier, the Siuslaw Stewardship Group was formed after the Forest Service had designed the first stewardship project. Thus, the group did not have an opportunity to test its vision of stewardship in an actual project. However, the Forest Service solicited the group's advice on a potentially controversial project—the construction of a road on a steep hillside in a project known as the Misery Thin.

The Forest Service was legally obligated to provide access to a state land in-holding within the national forest. Recognizing, however, that the group may not want to construct this road under the auspices of "stewardship," the agency organized a field trip where the engineer and other staff discussed the road and its impacts.

The Forest Service encouraged group discussion and queried the group to see if the road project met their vision of stewardship. The group subsequently supported the road construction. This event marked the first time that the Forest Service presented the group with a project design issue, helped educate them about it, and solicited their feedback.

There and Back Again

The Forest Service illustrated their commitment to work with the community when they inadvertently created contention around the issue of hiring a coordinator through an agreement with CPRC&D. CPRC&D was to hire two coordinators for the project—one for multi-party monitoring and one for economic development. The group wrote a job description for the monitoring coordinator, reviewed applications, and recommended a candidate.

When the Forest Service staff announced that they and the selected monitoring coordinator agreed to fold the economic development study into the monitoring contract the group thought that its authority had been bypassed. The group promptly withdrew the economic development contract from the package and put it back on the table for discussion. They eventually agreed to combine the two contracts. Although the outcome remained the same, the action symbolized the group's desired role in the process and sent a clear message to the Forest Service about their expectations.

Forest Supervisor Leadership

The examples above show how the Siuslaw National Forest remained open to community collaboration while upholding their responsibilities as stewards of federal lands. The proactive support of the forest supervisor enabled and encouraged this innovative approach. Support from above gave the Forest Service staff the confidence to take risks and confidence to community members that their participation was supported and their recommendations would be valued.

Barriers & Challenges

Despite significant progress as a meaningful partnership, the collaboration between the Siuslaw National Forest and the Siuslaw Stewardship Group faced several challenges.

Lack of Diversity

The Siuslaw Stewardship Group was an effective forum but a lack of diversity limited their ability

to address economic development and to build a broader base of support. The majority of people involved with the SSG also participated actively on the Siuslaw Watershed Council and had a long history of working together. Representatives from local economic interests, however, were

not regularly at the table, which meant that information and perspectives important to creating a restoration economy were often missing. As discussed previously, however, the SSG was making efforts to connect with a local economic development group,

which would strengthen the project and bring this knowledge to the table. Additionally, property rights interests were not well represented and some group members feared that those interests could try and derail the process at a later date.

I admit that we're learning as we're going. Because this is different, and it really did catch me completely by surprise. It's a heads-up for us to line up for a different way of doing business.

— Bob Turner, Timber Sale Officer,
Siuslaw National Forest



Finding ways to add value to forest products was an important goal of the Stewardship Group.

The Need for Progress

Despite a strong start and continued support from the Forest Service, the group wanted to make progress toward their vision of community and watershed health. The group focused on helping establish the stewardship fund and to getting new projects going on the ground. One of the concerns reported in the annual monitoring report in September 2003 read, "If the carrot is held out too long, it could rot." The February launching of the stewardship fund was an important step towards tangible progress.



Stream channel improvement in Karnowsky Creek.

Changing Horses Midstream

The Siuslaw Stewardship project began under the national stewardship pilot program. When Congress granted 10-year stewardship authority to the Forest Service and the BLM the agencies created new permanent guidelines. Unfortunately for the group, the new rules did not accommodate the Siuslaw's vision of holistic watershed and community health.

The community and the Forest Service were excited about the using receipts retained from the project to promote a variety of ecological and socio-economic objectives in the local community. However, after working together to develop and

launch the Stewardship Fund, they were informed that the money could only be used for on-the-ground restoration projects.

This news shocked both the local Forest Service staff and the community members. Despite the setback, the group and the Siuslaw National Forest remain committed to the idea of linking watershed and community health.

The group decided to collect information on potential projects and to fight for a more flexible interpretation of the use of retained receipts.

The community is more than ready for stewardship contracting. My intent as forest supervisor is to embrace the community's willingness to work with the Forest Service. I will keep my promises to the community, which probably means many battles with the internal bureaucracy. The community and the Siuslaw are in it to win it... together.

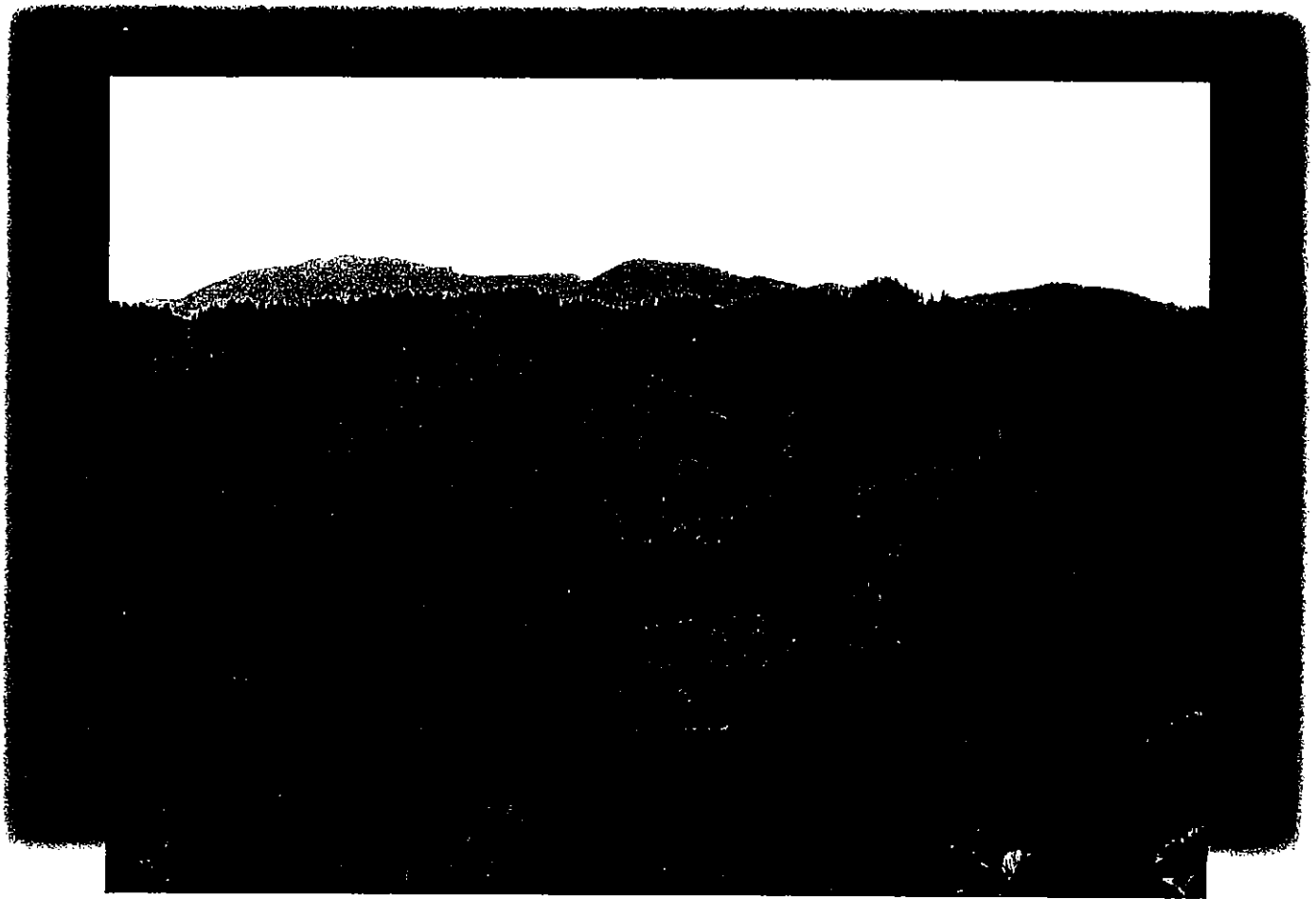
— Gloria Brown, Forest Supervisor, Siuslaw National Forest

Conclusion

The Siuslaw Stewardship Pilot has been a collaborative test to link watershed and community health. The innovation and creativity of the community, the contractors, and the Forest Service showed that the stewardship authorities are important tools for forest and watershed restoration.

The barriers encountered by the project highlight the difficulty of developing effective collaborations with the Forest Service. This case study illustrates the potential of collaborative stewardship to address forest and watershed health but also reveals the limitations of the current regulations to address community priorities beyond on-the-ground restoration, despite the emphasis in the authorizing language on "projects that meet local and rural community needs."





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