

SPECIAL REPORT

Stewardship Contracting



Stewardship contracting, the new authority granted to the USDA Forest Service and the Bureau of Land Management, makes it possible to achieve forest health and fuels reduction successes (left). The alternative in many cases is to react after a fire (right) and attempt to sort and salvage timber and rehabilitate fire-ravaged sites. (NACD photos)

Entry points for districts

Following are some key points of entry for conservation districts that want to become stewardship contracting collaborators. Some of the information is taken from the USDA Forest Service's Strategic Communications Plan for Stewardship Contracting.

- ▶ Local constituents are identified as important avenues through which messages regarding stewardship contracting can be carried forward. Conservation districts are key educators on local resource issues.
- ▶ Stewardship contracting is intended to help federal partners work closer with communities and organizations to achieve common land management goals. Conservation districts are experts at identifying and addressing local resource concerns.
- ▶ Stewardship contracting seeks to provide new opportunities for different organizations to bid on projects. In many cases, conservation districts, either on their own or as part of collaborative efforts, are already contracting for National Fire Plan work. Here's another opportunity.
- ▶ Up-front collaboration with states, tribes, local communities and other interested parties is a basic underpinning of Stewardship contracting. Districts serve as the voice for local resource needs on private lands.
- ▶ Stewardship Contracting requires multi-party monitoring at the program level. Conservation districts have already been asked to participate on multi-party monitoring teams.

What is stewardship contracting?

Stewardship contracting is a new term for America's conservation districts and their partners to get to know.

It is an authority granted to the USDA Forest Service and the Bureau of Land Management in the 2003 Appropriations Act to undertake, for a period of 10 years, "stewardship end results contracting" projects.

The Forest Service successfully tested the concept over the past four years with various pilot projects. The authority was made permanent in last year's legislation.

Stewardship contracting allows the Forest Service and BLM to use a "goods for services" approach to contracting for fuels reduction, forest health and other projects. In short, it puts a value on the "goods" in a project area. This might include timber value, but also the value of byproducts of forest health and fuels reduction projects. These can include small-diameter wood used to produce an array of wood products, including furniture and construction materials. Another key component to a stewardship contract may be woody biomass that is chipped or otherwise prepared for use as bioenergy, including electrical production, fuels and other energy-related uses. The 10-year length of contract helps guarantee a supply of biomass for users, one of the key considerations in closing the loop on biomass utilization.

Stewardship contracting is a new tool in efforts to achieve the goals of the National Fire Plan and President Bush's Healthy Forests Initiative. The new authority opens the door to more opportunities to work both in the wildland-urban interface and on environmental restoration projects in forests and rangelands, watersheds and wildlife habitats.

Conservation districts in many states are active on those fronts, and they're being invited by our federal partners to take a close look at stewardship contracting and to become involved in many ways, including, potentially, as contractors.

Other key points about the new authority:

- Stewardship contracting seeks to achieve its goals by engaging interested local organizations through collaboration. Conservation district involvement in National Fire Plan efforts already includes education and outreach, technical assistance, and on-the-ground forest health and fuels reduction projects. Stewardship contracting is another tool available to achieve those improvements.
- Stewardship contracting enables federal partners to work with local communities to create jobs and develop new businesses to boost rural economies and improve environmental conditions in the public lands around them.
- Any funds that are left over from individual projects can be reinvested in additional environmental restoration efforts.
- Stewardship contracting is different from and fits between two other federal con-

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tracting authorities, timber sales and service contracts. Timber sales are awarded based on the economic value of the timber. Service contracts are used to achieve purchased services such as forest health and fuels reduction. Stewardship contracts can combine and/or use the other authorities and offer new possibilities.

- At this early stage of implementation, the Forest Service and BLM are reaching out to “key audiences” to receive and understand key messages about stewardship contracting in an effort to generate support for the collaborative approach to resource management.

Why should districts become involved?

Districts are already at work on forest health, fuels reduction and other National Fire Plan goals. The stewardship contracting authority for the Forest Service and BLM specifically calls for collaboration from an array of partners, with emphasis on local partners. Districts are well-suited

to be involved.

Stewardship contracting provides another opportunity for conservation districts to cooperate with federal land managers in their areas and with their state forestry agencies. Much progress has been made on these collaborative efforts in many areas of the country. The role of districts has increased by multiples in a short time, and there is much more work to be done on forest health and fuels reduction, and in educating people about why those efforts are necessary.

Where can districts learn more?

Detailed information on stewardship contracting is available at www.fs.fed.us/forestmanagement/projects/stewardship/index.shtml.

A list of Forest Service and Bureau of Land Management contacts can be found on page 4 of this NACD Special Report.

NACD contacts for more information on stewardship contracting are:

Bill Berry, billnick@coredcs.com, 715-341-9119.

Bill Horvath, billhorvath@nacdnet.org, 715-341-4021.

Key Connections

Stewardship contracting is a tool in the National Fire Plan. It can also be another tool for America’s conservation districts to meet local resource needs. Here are some key resource-based connections for districts:

- Stewardship contracts focus on healthy forests in the wildland-urban interface. Districts daily address issues at the interface, with projects, technical assistance, education/outreach, volunteer coordination and other activities.
- Stewardship contracting focuses on environmental restoration projects in forest and rangelands. Districts have their sleeves rolled up and are working on local forest and rangeland resource needs across the country.
- Stewardship contracting focuses on watersheds, where districts are historic local leaders. Many districts are active in watershed associations and other citizens groups that work to protect watersheds.

Taking success to another level

America’s conservation districts have a new opportunity to build on their work as National Fire Plan collaborators. Stewardship contracting provides that opportunity as a new tool in the Fire Plan.

In addition to achieving forest health and fuels reduction, it’s hoped that stewardship contracting will also open the door to new opportunities for small-diameter wood usage and utilization of woody biomass for bioenergy.

There is potential for making gains in all those areas.

“Some districts are already participating in National Fire Plan efforts, including education, post-fire rehabilitation, fuels reduction and biomass utilization. Many other districts can find ways to help implement the 10-year strategy, and stewardship contracting is another important tool,” says Forest Service Director of Cooperative Forestry Larry Payne. He reminds districts that the Fire Plan is a national effort, focusing on all regions of the country. Likewise, biomass utilization will need to be national in scope if it is to be ultimately successful.

As with the Fire Plan in general, stewardship contracting offers districts many options. “It might be education, it might be fuel treatments, perhaps working with others to help develop small-enterprise businesses that utilize small-diameter wood to manufacture products,” Payne says.

“Stewardship contracting is another tool in our efforts to manage the forest to meet our ecological and forest health concerns,” says John Stewart, biomass and forest health specialist in the Office of Wildland Fire Coordination, Department of Interior. Both Stewart and Payne have been active in advisory roles to NACD’s Forest Resources Committee, encouraging more district collaboration with federal and state partners.

Stewardship contracting doesn’t supplant timber sales or service contracts in the toolboxes of the Forest Service and BLM, but it offers an opportunity to put the byproducts of healthy forest restoration and fuel treatments to use. “We see it as a fairly big tool, one that can help us to utilize material that couldn’t otherwise be used. Therefore, it’s an important part of our biomass strategy,” says Stewart. One key to the success of biomass ventures is the guaranteed availability of supply.

The 10-year provision of stewardship contracts helps to address that concern.

Both BLM and the Forest Service are in the process of awarding stewardship contracts under the authority.

“Conservation districts should get involved anywhere there are BLM and public lands,” says Kenny McDaniel, BLM forester-senior specialist and advisor to the National Association of Conservation Districts’ Forest Resource Committee. “Districts need to get involved with Fire Plan, especially.” BLM has set a target of 15 stewardship contracts in this fiscal year.

The new Forest Health Restoration Act emphasizes community fire plans, and McDaniel sees that as an opportunity for the conservation district involvement. That can lead to stewardship contracting opportunities. “There is language that allows us to award stewardship contracts to nontraditional sources. It could, for instance, be a neighborhood organization, so long as it meets proper bonding requirements,” he says. Watershed associations and Resource Conservation and Development Councils are also logical organizations for such involvement, and many conservation districts have active roles in those groups. “Districts need to get in at the planning level, where they can provide input in Fire Plan activities,” McDaniel says.

How an MOU can help

Memorandums of understanding are all about getting together to accomplish mutual goals. Stewardship contracting is yet another reason why districts should sign MOUs with partners like the USDA Forest Service and the Bureau of Land Management.

MOUs are often first steps to long-lasting relationships. “This is one of the reasons why NACD’s Forest Resource Committee is working so hard to get conservation districts to have formal relationships with the Forest Service and the Bureau of Land Management,” says Committee Chair Charles A. Holmes of Marion, Alabama.

“What’s the first step in writing an MOU? It’s two parties getting together. If your district is interested in getting involved with stewardship contracting, the district ought to take the first step,” says Holmes. “Call the Forest Service and/or BLM contact person closest to you, at the field level, and talk to them about stewardship contracting.”

There are many reasons to enter into MOUs with federal and state partners. Stewardship contracting is but the latest example, Holmes says.

USDA Forest Service Director of Cooperative Forestry Larry Payne agrees. Payne has been working to encourage MOUs between conservation districts and the Forest Service for several years.

“An MOU is a strong statement of intent and means you can have a darn good partnership,” Payne says. “It opens the door to the creativity and imagination of local managers. That’s where the rubber meets the road and action takes place.”

Stewardship contracting offers just such an opportunity.

There’s pretty good evidence pointing to the fact that conservation districts entering into such MOUs often take the next step, to cooperative agreements that accomplish agreed-upon work goals.

Two examples:

The Claunch-Pinto Conservation District in New Mexico

was the first in the nation to sign a three-way MOU with the USDA Forest Service and the state conservation agency.

In the current fiscal year, the district has received a \$152,000 USDA Forest Service grant administered by the state forester to address fire concerns in the wildland-urban interface. The district also shares a \$292,000 New Mexico Water Trust grant with two other conservation districts, the East Torrance and Edgewood districts, for brush management in the Mensano Mountains. This complements fire control and water conservation efforts of the state forester and in the Cibola National Forest. “Our work complements theirs in several ways,” says Deirdre Tarr, district administrative assistant. “The MOU definitely paved the way.”

The Western Shasta Resource Conservation District in Anderson, California, is a big believer in MOUs. It has signed them with the USDA Forest Service, BLM, Fish and Wildlife Service, Natural Resources Conservation Service and California Department of Forestry and Fire Protection. The district has obtained dozens of grants to conduct strategic fuels reduction at the watershed scale. Some of the work includes woody biomass utilization. The district has its own chipper. Biomass is chipped on site and trucked to a nearby biomass electrical generating facility. National Fire Plan grants have come from the state forester, and directly from BLM and the Forest Service. Some BLM grants have funded work by the district on BLM land. Five years ago, the district had one full-time and two part-time employees. It now employs 25 people.

“An MOU is a strong statement of intent and means you can have a darn good partnership.”

— Larry Payne



Better woody biomass utilization is one of the goals of stewardship contracting. The 10-year “goods for services” stewardship contract can address one of the key areas of concern for biomass utilization, that of a reliable source of supply. At left, byproducts of fuels reduction work in California create huge chip piles that feed biomass power plants. At right, the Burney Forest Power Biomass Power Plant in Shasta County, California, is a 31-megawatt generating facility. The West Shasta Conservation District has contracted for fuels reduction work in the county that has generated biomass for another power plant in the county, the 50-megawatt Wheelabrator Shasta facility in Anderson. California has 38 biomass energy facilities. (NACD photos)

Another forestry opportunity circles around

The level of interest and activity in forestry is at an all-time high for America's conservation districts and the National Association of Conservation Districts. From local to state and national activity, the circle is unbroken.

In local districts across the country, healthy forests are frequently a major resource concern. District activities and local private landowner forestry needs are as diverse as the country itself. The list of activities by districts is in the thousands and grows yearly. One example is National Fire Plan. In just a few years, districts across the country have become involved, often as the first line of contact for private landowners. It's logical that our forestry partners would want districts to take an interest in stewardship contracting. It is a new and significant tool in the National Fire Plan.

In many areas, the local-state connections between conserva-

tion districts and their state forestry agencies are strong. State foresters have a wide range of responsibilities for forest stewardship on both private and public lands. Many of them have found conservation districts to be willing and able to help meet mutual resource goals.

At the national level, NACD's Board of Directors - comprised of conservation district representatives from across the country - has identified forestry among its top three resource concerns.

Engagement is also strong at the national committee level. NACD's Forest Resource Committee has made the National Fire Plan one of its top priorities for each of the past three years.

NACD's Urban, Community and Coastal Resources Committee is also at the table. The wildland-urban interface is among the committee's top priorities.

Yes, the circle is unbroken.

Contacts & Connections

FOREST SERVICE

The USDA Forest Service has identified Regional Stewardship Coordinators in each of its nine regions as contact people for those with questions about stewardship contracting. Here's the list of coordinators, by region:

Region 1

(Northern Idaho, Montana, North Dakota)
Dan Castillo, 406-329-3608

Region 2

(Colorado, Kansas, Nebraska, South Dakota, parts of Wyoming)
Bruce Short, 303-275-5074

Region 3

(Arizona, New Mexico)
Paul Fink, 503-84203423

Region 4

(Southern Idaho, Nevada, Utah, parts of Wyoming)
Doug Austin, 801-625-5524

Region 5

(American Samoa, California, Commonwealth of Northern Mariana Islands, Federated States of Micronesia, Guam, Hawaii, Marshall Island, Palau)
Don Golnick, 707-562-8684

Region 6

(Oregon, Washington)
Mike Daugherty, 503-808-2519

Region 8

(Alabama, Arkansas, Florida, Georgia,

Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia)
Kathy Andregg, 404-347-3964

Region 9

Northeastern Area
(Connecticut, Delaware, Illinois, Indiana, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Washington, D.C., West Virginia, Wisconsin)
Sharon Nygaard-Scott, 414-297-3349

Region 10

(Alaska Region)
Dennis Campbell, 907-586-8742

BLM

The Bureau of Land Management is in the process of naming state-level contacts to answer questions on stewardship contracting. Currently, questions can be directed to:

Scott Lieurance, BLM forester
Washington, D.C.
202-452-0316

OTHER CONTACTS

Local Federal Land Managers:

Local land managers are a good first contact for questions about federal land management policies and their impact on nearby or adjacent private lands. Get in touch with them.

State foresters:

The state forestry agency administers a variety of forestry projects, including Forest Stewardship, portions of National Fire Plan and other private lands forestry programs. The National Association of State Foresters Web site at www.stateforesters.org provides an updated list of state foresters.

MORE INFORMATION

NACD Web site:

The NACD Web site at www.nacdnet.org has regular updates on forestry news. This Special Report, along with Forestry Notes newsletter, are available for downloading and use in your district newsletter. Spread the word about stewardship contracting.

National Fire Plan Web site:

Stewardship Contracting is another tool in the National Fire Plan. Go to www.fireplan.gov to learn about opportunities for national, state and local collaboration on Fire Plan.

USDA Forest Service Web site:

Located at www.fs.fed.us, the site has detailed information on Stewardship Contracting. Included are success stories from pilot projects.

BLM Web site:

The site, at www.blm.gov, provides information about the agency and its activities. Information on stewardship contracting will be available on the site.