



Stewardship Contracting

Collaboratively Addressing Forest Health and Job Creation throughout the West

June, 2011

The stewardship contracting authority has been used across federal lands in the West over the past ten years to improve forest health, stimulate forest-based economies, and improve collaborative project development among diverse constituencies. This authority, which enables both the Forest Service (USFS) and Bureau of Land Management (BLM) to enter into collaboratively-developed contracts, is set to expire in 2013. *The Western Forestry Leadership Coalition (WFLC) supports the stewardship contracting authority. Long-term viability of stewardship contracting is important to assure its continued use in forging new contracts and thus helping to sustain healthy forests now and into the future.*

What is Stewardship Contracting?

The stewardship contracting authority directs the USFS and BLM (agencies) to focus on three interacting areas: 1) the development of sustainable rural communities, 2) restoration and maintenance of healthy forest ecosystems, and 3) provision of continuing sources of local income and employment. Stewardship contracting uniquely allows for the exchange of goods for services, thus facilitating land restoration and enhancement efforts by using the value of traded goods to complete and complement management at a landscape scale. The agencies can contract for a variety of services including, but not limited to, pre-commercial thinning, road or trail maintenance, and fuels reduction. A the benefits of stewardship contracting includes offsetting treatment costs with the value of the vegetative material removed in the course of the work. Additionally, retained receipts from past stewardship contracts can be applied to future stewardship contracts. The contracts are awarded through “best value contracting” and can last up to 10 years, which assists local contractors in qualifying for loans and capital-intensive purchases.

Western Implications

While stewardship contracting is utilized by and is important to the entire U.S., its impact is especially salient in the West due to substantial federal ownership. Federally managed forests account for more than 60 percent of all forests in the West. Because of this large federal ownership, people in the West are more likely to live near federal forest lands and to rely on these lands to provide clean air and water, jobs, and recreation, among other values. Because of the importance of federally owned forests in the West, the WFLC supports the continued use of the stewardship contracting authority to build on the successes already achieved under the authority and to expand its use and positive impact on forests and rural communities.

Successful Implementation

Since 1999, the USFS, partners, and communities have derived enormous benefits from stewardship contracts. The use of the authority has spread to all regions of the country, and has been used to address a range of management challenges. Every USFS region has seen a marked increase in both the number of contracts awarded and number of acres treated (Figure 1). The utilization of stewardship contracting by the USFS in past years has seen significant increase; from 2009 to 2010 the USFS increased the number of contracts by 65 percent (from 141 to 232) and increased the number of acres treated under stewardship contracts by 73 percent (from 88,304 acres to 152,834 acres).



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Figure 1 – Stewardship contracts awarded and acres treated by USFS Region

USFS Region	Contracts		Acres Treated	
	FY 1999-2005	FY 2006-2010	FY 1999-2005	FY 2006-2010
Region 1	36	57	14,307	60,249
Region 2	35	117	14,512	42,890
Region 3	14	60	24,096	58,462
Region 4	13	51	8,509	45,470
Region 5	14	81	14,341	68,494
Region 6	28	171	20,375	87,207
Region 8	29	82	14,566	65,351
Region 9	16	67	2,226	16,836
Region 10	1	2	40	89
Total	186	688	112,972	445,048

Stewardship Contracting Improves Forest Health

Stewardship contracts provide a means for addressing the millions of acres across the West in need of restoration to improve forest health, reduce the risk of catastrophic wildland fire, and provide resource benefits such as watershed improvement for salmon habitat and trail improvements for recreational use. Insect and disease infestations have left millions of standing dead trees that threaten human safety and affect the quality of water flowing from our forests. Many western forests are overly dense, unhealthy, and in need of active management. Stewardship contracts facilitate the removal of traditionally lower-value products (e.g., dead trees, small diameter material) in combination with saw log removals through one contract mechanism. Receipts from the sale of commercial timber are then re-invested locally to maintain roads, improve habitat for fish and wildlife, plant trees following timber harvest or wildland fire, and improve recreation sites and trails, among other uses.

Success Story - Addressing Fire Risk and Forest Health in Colorado's Front Range

In Colorado's Front Range, hundreds of thousands of acres of forests are in need of restoration and thinning to reduce fire risk to communities and increase resiliency to pine beetle outbreaks. In response to these needs, a 10-year, long-term stewardship contract to treat and restore up to 10,000 acres per year on the Arapaho-Roosevelt and Pike-San Isabel National Forests was implemented in July 2009. The contract is one of the many successes of the Front Range Roundtable, a diverse coalition of individuals from state and federal agencies, local governments, environmental and conservation organizations, academic and scientific communities, industry, and user groups working together to develop a long-term vision and roadmap to reduce the risks of wildfire to communities and restore forests to sound ecological conditions.





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Stewardship Contracting Encourages Collaboration

One of the cornerstones of stewardship contracting is collaborative project development. Stewardship contracting fosters collaboration between agencies, contractors, and environmental groups to devise projects that meet land management needs, create tangible economic benefits to communities, and address environmental concerns. This collaboration also fosters development of projects that stretch beyond agency boundaries. Many of the largest current threats to western forests such as wildland fire, insects and disease, and climate change stretch across ownership boundaries. The use of stewardship contracting helps build the relationships that allow for landscape-scale management.

Success Story - Fostering Collaboration in Southwestern Oregon

The Rogue River-Siskiyou National Forest and its partners saw stewardship contracting as an opportunity to collaboratively address longstanding ecological, economic, and social needs. The National Forest, the Lomakatsi Restoration Project, the Siskiyou Project, and other local stakeholders collaboratively developed a 10-year stewardship master agreement in 2008 to treat 10,000 acres. The project focus is on restoring forest complexity and improving road conditions in



order to mitigate impacts on water resources, while also bolstering the local economy and training the local workforce. The master agreement lays out the collaborative process under which development and implementation of subsequent stewardship contracts should occur to achieve the mutual benefit of all stakeholders. During 2009, project partners treated 1,300 acres as part of the Hope Mountain Stewardship Project, infusing local communities with almost \$1 million in wages and salaries. For more collaborative success stories, please see: <http://www.fs.fed.us/forestmanagement/stewardship/collaboration/index.shtml>.

Stewardship Contracting Creates Economic Stimulus

Stewardship contracting has had profound positive economic impacts on forest-based rural economies across the West. Contracts help maintain industry capacity in areas that have been hit by decades of decline in the forest products industry and help keep skilled employees working. Stewardship contracts create new niche skills, such as restoration, thus helping local laborers diversify their skill sets. The variety of income sources generated from stewardship contracts allows for money from contracts to find its way into local communities through many different avenues.



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Success Story - Economic Stimulus and Job Creation in Eastern Arizona

On the Apache-Sitgreaves National Forest in eastern Arizona, the first ever 10-year stewardship contract was implemented in 2004. The White Mountain Stewardship Contract focuses on the restoration and thinning of approximately 150,000 acres of largely ponderosa pine forest with the goals of reducing wildfire risk to communities, reducing the cost of forest treatments, and encouraging the development of new industry in support of job creation. The contract has resulted in the creation or maintenance of 319 jobs, 226 direct forest industry jobs, and an additional 93 indirect jobs annually. In addition, 114 of these jobs are renewable energy jobs. Twenty businesses have purchased material from project treatments, creating a wide range of finished products including wood pellets, biomass electricity, lumber, furniture, soil fertilizer, and animal bedding. It is estimated that \$13 million has been spent annually in local communities over the first five years of the White Mountain contract by these businesses and project contractors.



Stewardship Contracting is a Wise Federal Investment

Stewardship contracts enable a greater return on federal investment. Long-term contracts create local economies for service work that, over time, lead to reductions in costs per acre to agencies for landscape treatments and allow the treatment of more acres with limited budgets. Through active collaboration with nongovernmental organizations and other private groups on stewardship contracts, agency funds are leveraged by matching funds and donor contributions to address landscape-scale management challenges. Additionally, the more collaborative form of project development fostered by stewardship contracting often saves time and money in the long run by reducing project challenges and litigation.

Moving Forward with Stewardship Contracting

As the current stewardship contracting authority expires in 2013, there is a need to address reauthorization. One of the biggest impediments to more widespread use is uncertainty over how long the authority will be applicable for. How much time and effort everyone involved spends on honing the use of the authority and learning how to collaboratively implement projects is dependent upon how long into the future they see that skill set being useful. Permanent authorization would address this concern by institutionalizing the authority.

The Western Forestry Leadership Coalition represents a unique partnership between state and federal government forestry leaders across the West. The Coalition works to address critical resources issues across ownerships and jurisdictions, improving forest health, encouraging land conservation, and stimulating community economic recovery. The mission of the WFLC is to promote science-based forest management that serves the values of society and ensures the health and sustainability of western forests.

For more information visit our website at www.wflcweb.org. Contact us by email at

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