

**REVIEW OF U.S.D.A. FOREST SERVICE
COMMUNITY-BASED WATERSHED
RESTORATION PARTNERSHIPS**

APPENDIX

Reviews of Watershed Projects

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BLUE MOUNTAINS DEMONSTRATION AREA **Completed Winter 2002**

Overview and Summary

The Blue Mountain Demonstration Area (BMDA) was initiated through an agreement between Oregon Governor John Kitzhaber, Chief of the Forest Service Mike Domback and Assistant Secretary of Agriculture Jim Lyons in June 1999. The key drivers behind the establishment of the BMDA were local community groups and governments who were concerned about the economic, social, and environmental risks facing their communities. The BMDA was selected as a large-scale watershed program demonstration area because its watersheds are considered high priorities for restoration, its communities are considered to be at risk economically and socially, and because of the demonstrated support for restoration that exists. Several ecological assessments, including those conducted by the Governor and the Interior Columbia Basin Ecosystem Management Project (ICBEMP), identified the Blue Mountains as an area of poor aquatic and forest health where wildlife, fish, water quality, recreation and forest resources are at risk from wildfires, forest insect and diseases, noxious weeds and roads. ICBEMP also considers several local communities to be at risk due to their natural resource dependency.

The BMDA includes approximately 1.6 million acres of federal land, and 1 million acres of state, tribal and private lands located in the Middle Fork of the John Day River, Desolation Creek and Grande Ronde watersheds. Fifteen communities are directly affected. There are ten federally listed threatened or endangered species and thousands of miles of Clean Water Act water-quality-listed streams. Lands ceded to the federal government by Confederated Tribes of the Umatilla Indian Reservation, the Nez Perce and Warm Springs Tribes, where the Tribes retain rights and interests, are included. Portions of eight Ranger Districts on the Malheur, Umatilla, and Wallowa-Whitman National Forests, and BLM's Baker Resource Area are within the project's boundaries.

The four project goals are to: 1) Restore forest health; 2) Restore watershed health; 3) Reduce risk of catastrophic fire; and 4) Produce benefits for the community.

The BMDA Can Claim A Number Of Achievements:

- A charter is now in place and has been agreed to by all of the partners.
- A single unified management and restoration plan is emerging for the region.
- Over 280 on-the-ground projects have been completed.
- Increase coordination has evolved among the three National Forests and the other public and private entities involved.
- Project prioritization has been completed.
- Efforts have been made to streamline the NEPA and ESA consultation process.

- Some innovative work has been accomplished on private lands.
- Contracting provisions have been changed to benefit local workers.

At the Same Time, The BMDA Faces a Number of Challenges:

- There are sharp differences of agreement between federal and non-federal governmental entities and between governmental and private/non-profit partners regarding the progress and success of the BMDA to date.
- Forest Service employees universally believe the program has been very successful. Most governmental partners outside of the Forest Service believe the program has achieved some success, but feel much more can be achieved, especially in addressing the concerns of non-governmental partners. Yet, many private, non-profit, and local government partners question how much the project has actually achieved over and above what additional funding would have normally produced, and/or feel the demo is at best "marginally successful." A few even believe the project is close to failing.
- Many people voiced confusion over the project's purpose, vision, and strategies, frustration over the lack of timber and local jobs produced, and say that outreach, communication, and leadership are weak or very poor.
- Despite these concerns, almost all of the government, private, and non-profit partners firmly believe the BMDA should continue and that much would be lost if it were ended.
- Some of the partners believe the past few years have been a ramp up and investment period, which will soon reap significant returns. Others believe that despite its weaknesses, progress has been made in some important areas and these benefits would be lost if the program were discontinued.
- Many U.S.F.S. personnel, however, seem to hold a different view. Most agency personnel said the project has produced significant outcomes. At the same time, a number of these people said that the new approaches being used in the BMDA have been incorporated into general Forest Service policy and procedures and would therefore continue without a special designation.
- A number of agency personnel voice concerns that funds specifically earmarked for the BMDA affect funding, decision-making, and morale within other National Forests.
- For these and other reasons, many Forest Service personnel either question the continued need for the BMDA, believe it should be modified in some way such as being merged with other programs or with the Oregon plan for salmon and watersheds, or simply be allowed to fade away.

- The different views may result, in part, from the disappointment that still lingers over the failure of the BMDA to produce the timber and jobs that many local people believe were promised.
- It also appears that the Forest Service has yet to successfully engaged all of the key players in the development of a common vision, goals, and strategy for the BMDA, and is struggling to determine how to work effectively with non-government partners.
- It does not appear as though an effective governance structure and decision-making system, specifically designed to meet the unique needs of the partners, has been established.
- The failure to streamline the NEPA and ESA consultation processes has also generated cynicism about the commitment to innovation that many people believe is needed for the BMDA to achieve its multiple goals.

As a Result of These Findings, We Conclude That:

- The high degree of civic capacity in the Blue Mountain area (e.g. non-profits, local governments, private sectors players) has been critical to the start-up and current success of the BMDA-- and will be the key to the future success of the demo. Relationships with non-governmental partners should be nurtured.
- Although misconceptions over the project's initial goals remain strong, they seem to be fading some, which may offer an opportunity to generate greater agreement on vision, goals and strategy and develop more effective governance structures and systems.
- Despite the concerns that exist, there is almost universal support among Forest Service field staff and all other governmental and non-governmental partners for continuing the BMDA.
- Conversely, there is great fear among all partners that ending the BMDA would be a serious setback because it would allow old habits to reemerge.

Based on These Conclusions, We Recommend That:

- The Forest Service increases its emphasis on understanding the needs and perspectives of non-governmental partners through shared partnership efforts. This may require a substantial increase in collaboration and involvement with non-federal partners.
- The governance structure and system be adjusted to allow for a more effective decision-making process and balance of power between federal and non-federal partners.
- To enhance the governance structures and systems, it may behoove all of the BMDA partners to spend time now re-clarify the project purpose, vision, goals, and strategy, and to re-clarify the rules of engagement.

- Once the project vision, goals, and strategy are re-clarified, a comprehensive relentless communication plan should be implemented to explain these elements to the community.
- The BMDA should institute a specific program to clarify the limits and flexibility allowed within existing laws and internal agency policies.
- Continued be made to develop a streamlined budgeting system to provide more flexibility in the type of projects funded, encourage interdisciplinary work, and allow projects to get out the door more rapidly.
- The Forest Service should consider adopting outcome-based employee performance measures and job incentives to encourage their employees to work in partnership.
- Consideration be given to adjusting the BMDA boundaries.
- Greater use be made of the Wyden Amendment.
- Funding levels be increased by leveraging existing dollars with new dollars and through other strategies.

Successes

- **Progress Has Been Made on At Least Two Out of The Four Initial Major Project Goals**

Many people we interviewed felt that the project had, to a large extent, made good progress towards achieving goals one and two (restore forest health and restore watershed health). There is much less confidence that progress has been made in addressing goal number three (reduce risk of catastrophic fire). Few people outside the Forest Service believe much progress at all has been made with goal four (produce benefits for the community). Goal four is the area of greatest disappointment. Making significant progress on two out of four goals in a relatively short time span could be considered a significant accomplishment. People from within and outside of government warned, however, that the lack of progress towards goal four would ultimately doom the entire project because without progress, community support for the BMDA will evaporate.

- **Expansion to the Landscape Level Provided a Context For the Development Of a Single Unified Plan**

Many people commented that the designation of the BMDA forced people from different agencies and geographic regions and with different responsibilities and interests to work together to forge agreement on a single objective and to implement a unified strategy. This is new for this area. Prior to the start of the BMDA, each National Forest and each of the other project partners pursued their own goals. The development of a landscape-level planning horizon helped to involve multiple public, private and non-profit entities in the development of a single plan. Now, all of the agencies and entities have a common plan to work from.

- **The Special Designation Put a Spotlight on the Demo, Which Helped to Focus Attention, Target Resources, and Unleash Innovation**

People from within and outside of government said that the demo put people and agencies in the spotlight, which helped to focus and target money, staff time, and other resources towards one "special place." For example, although \$2.8 million of additional money was available in 2001, this is just a fraction of the \$70 million or so combined budgets of the three National Forests involved, the spotlight created by the designation targeted these limited resources to specific locations within the Demo for the highest and best use. In addition, many individuals within the Forest Service said that being in the spotlight allowed agency staff to innovate in a number of ways, even if the general public does not see the different mindset and activities that have resulted. For example, despite many procedural problems, Forest Service district staff worked very aggressively to get Wyden amendment dollars to State Forestry for on-the-ground work. The Demo also seems to have provided an opportunity for a number of USFS employees to reinvigorate their focus on landscape level restoration and partnership building.

- **The Forest Service Has Significantly Increased Its Capacity to Work in Partnerships- Especially With Other Government Agencies**

In keeping with the point above, the involvement of numerous federal, state and local government, private, and non-profit entities in the development of a landscape-level plan has

increased the agency's understanding of the need for, and value of, partnerships. Almost every government employee we spoke with said the partnerships that have been developed are the most successful outcome of the BMDA so far. Governmental partners feel that the coordinating council is working well.

- **As a Result of The Partnerships, Priority Watersheds Have Been Identified and the Prioritization Process Is Now Extending to Private Lands**

For the first time, priority watersheds have been identified on the forests and region and people throughout the demo area know what the priority watersheds are. Many existing assessments (e.g. upper Grande Ronde water quality assessments) were used to accomplish complete the prioritization, so many people have a stake in how the process is used. Watershed analysis has started on private lands which, when completed, will allow whole basin planning to occur.

- **The Project Produced a Number of Tangible Outcomes**

286 projects have been completed (see the 2001 Annual Report for more detailed information). Many people--especially those within the federal government--felt this was significant.

- **The Wyden Amendment Allowed Priority Projects to be Completed**

The project has been able to use the Wyden amendment on a much wider basis than ever before to complete priority watershed projects. 26 projects have been funded (over \$800,000) through the Wyden Amendment and state and private authorities. This type of work has never been done at this scale before. The Forest Service's State and Private Forestry program in Portland has done an excellent job of finding ways to innovate and to get the dollars out the door in a timely manner.

- **Efforts Have Been Made to Streamline the NEPA and ESA Consultation Processes**

The need to streamline the NEPA and ESA consultation processes has been driven by community groups that want projects to proceed more rapidly to generate jobs and benefits for communities. The BMDA coordinator helped to facilitate a process, which eventually led the National Marine Fisheries Service to open a local office in La Grande. One outcome is that the local presence of NMFS, the streamlined process offered through the National Fire Plan, and other steps have reduced the consultation process a bit. A "template" for consultation is in development with the hopes that it leads to better coordination and efficiency. Steps have also been taken to increase the efficiency of surveys such as the idea of completing an overall carnivore survey rather than the traditional approach of separate surveys for Lynx, then Fox etc.

- **"Stewardship Contracts" Have Been Developed to Benefit Local Workers and the Environment**

The concept of a *Stewardship Contract* embeds timber sales within a larger package of work specifically designed for local contractors. The Forest Service traditionally utilizes two types of contracting procedures: service contracts are used to pay contractors to perform specific tasks for

the agency, and timber sales contracts are used when a private contractor pays the agency for board feet harvested. Restoration, however, requires a blend of the two contract types: salvage and thinning sales embedded in service contracts. The Stewardship Contract idea was in the pipeline before the BMDA was initiated. However, the existence of the BMDA put a spot light on the Blue Mt. region and on the difficulties of the Forest Service contracting procedures. Initially, Forest Service contracting officers were not fully aware of the authorities they had to develop these types of bundled contracts. At the urging of a local non-profit, Wallowa Resources, the BMDA coordinator organized a contracting steering committee, which worked with the USFS contracting office to identify the opportunities and barriers to stewardship contracts. This proved extremely helpful and a number of Stewardship Contracts and local jobs have resulted.

- **A "One Time Entry" Process Has Been Developed**

The focus on innovation within the demo allowed Oregon State Forestry to develop the concept of "one time entry" which allows a mix of commercial and non-commercial activity to occur during a single entry into a timber site. This increases resource and cost efficiencies and leads to better environmental outcomes.

- **In Sum, Despite Differences of Opinion, Every Government Official and Most Non-Governmental Partners Believe the BMDA Has Produced Important Outcomes, Has Significant Potential, and Should Be Continued**

Although people voiced concerns over various issues (see below), our research found that all governmental and most private and non-profit partners believe that the outcomes achieved to date have been important. Many people said they have come to realize how difficult it is to make changes in a large government agency--especially given the legal and funding constraints the Forest Service now works under. Even more important, almost everyone we spoke with said that they have come to realize that significant potential exist to achieve even greater benefits in the near future. For these reasons, we found almost universal support for the continuation of the BMDA. Most people said that withdrawal of the special Demo designation would be a serious setback.

Limitations/Obstacles

One of the most interesting aspects of the BMDA is that for every success we found, there is an alternative view. Indeed, of all of the large-scale watershed projects we reviewed, the BMDA seemed to have some of the largest contrast in views over issues.

- **The Initial Start-Up of the BMDA Created Expectations That Could Not Be Met**

The way the project was initially described by Oregon Governor Kitzhaber and others led a number of local government, private, and non-profit partners to believe that its underlying purpose was to rapidly increase the volume of timber harvested and local jobs created. When the project did not quickly produce more timber or jobs, many of these partners quickly conclude that the project was a failure. In addition, a number of environmental groups decided not to participate due to their belief that the BMDA was just a timber program. These early misconceptions put the BMDA in a hole with non-federal partners, a problem which it has yet to completely overcome. On the other hand, a number of people we interviewed acknowledged that their initial expectations may not have been realistic and that they are slowly developing a better sense of what is possible.

- **Although Inter And Intra-Agency Planning and Cooperation Has Improved, It Remains Difficult**

Many people pointed out that no formal framework or structure exists to support inter or intra-agency planning, coordination, and interdisciplinary work. No common goals or basic standards exist to guide landscape level management and restoration within or among agencies. The BMDA coordinating structure, goals, and standards had to be created from scratch and continual nurturing and attention are needed to keep the activities of the many parties involved with the BMDA aligned with a common plan. Even then, a number of people pointed out that landscape level management bumps up against the Forest Service's internal personnel performance standards, which primarily reward individual performance, not group or program level performance. There are three National Forests involved in the BMDA. Each forest has its own goals, programs, budget, and needs. Without a framework for coordination and cooperation, the different priorities and goals of each forest make it difficult to develop or implement a unified action plan or funding prioritization strategy. Numerous people said that the lack of an established framework and basic goals and standards to guide landscape level planning and implementation has been a major drain on resources and energy.

- **Despite the Development of a Single Plan, Many People Are Still Unclear About What the BMDA Is Striving to Accomplish or How the Goals Will Be Achieved**

During the course of our investigations we continually heard confusion among governmental and non-governmental partners over what the project is trying to accomplish, what the overall strategy is, how individual projects or activities fit into the overall strategy, and how they or their organization fit into the overall scheme. Part of this problem relates to the initial misconceptions over the socio-economic goals of the project, which have clearly not been resolved. But, the problem seems to go beyond this. Despite the development of a single action plan, a sense of

common purpose and a unified vision of the future have yet to emerge within the hearts and minds of many of the partners involved.

- **The Project Size and Boundaries Seem Problematic**

A number of Forest Service, government, and non-governmental partners said that the size and way the lines for the BMDA were drawn are problematic. The demo is very large, covering portions of three National Forests. The sheer size makes it very difficult for people in one location to see or understand the needs of another area. The demo does not include the whole ecoregion or economic region. In addition, the fact that only portions of each forest are included in the demo has led to budgeting and planning problems for some of the forests. A number of people suggested that the demo project boundaries should be changed to encompass the entire Blue Mt. region, or at least all three forests, or should be amended in some other manner to make planning, budgeting, and local involvement less onerous.

- **The Time Required for Ecosystem Restoration and Legal Requirements Do Not Match the Needs Of the Local Community**

Prior to the start of the project, 17.8 mbf of timber was generated within the area of the BMDA. Since the BMDA began, 30.5 mbf has been harvested each year. The spotlight of the demo generated increased cooperation between government agencies and led to some streamlining of the ESA consultation process. Better cooperation and different types of contracts sped up the release of about 22 mbf. These steps and other work generated about \$800,000 for the region. Nevertheless, these numbers are not sufficient to keep local mills operating or people employed. Most private, non-profit, state, and local government partners voiced major concerns about the inability of the Forest Service to accelerate the NEPA and ESA consultation processes and provide more timber and jobs for local communities.

- **Many Partners Are Frustrated By What They Believe Is a Lack of Innovation Within the Forest Service and Some Question If Anything Different Has Actually Occurred**

A common theme emerged among almost all partners outside of the Forest Service regarding the belief that the Forest Service has not been very innovative or been willing to push beyond easy "low hanging fruit" to tackle tougher, more complicated problems. People said that most of the 280 restoration projects that have been completed were in the pipeline before the BMDA was initiated and that, as one person said, "it was a no-brainer" to complete more projects if you have more money. The same holds true for stewardship contracts--while the demo project helped move the process forward, the concept was in the pipeline before the demo started. Many external partners also voiced concern that the agency does not know when it is limited by actual law or when internal policies, culture, and traditions are actually at the root of many problems. As a result of these and other concerns, many people voice a good deal of skepticism over the degree to which fundamental change or much innovation has actually occurred within the Forest Service as a result of the BMDA. In contrast, most Forest Service employees are proud of the significant amount of innovation they believe has occurred. They cite the reduced time for ESA consultation, the stewardship contracts, and other activities as examples of a new mindset and innovation.

- **Some Non-Governmental Partners Question Whether USFS Performance Measures Encourage Individual Achievements Rather Than Benefits for the Environment and Community**

More than one person said that because the Forest Service internal employee performance measures focus on individual achievements rather than ecological, social or economic outcomes, the major focus of the BMDA has been on generating projects, not on achieving each of its four goals. At least one forest supervisor essentially agreed with this point. The lack of effective outcome-based performance measures makes it difficult to know how successful the Demo has actually been in achieving its four overall goals.

- **The Project Coordinator Does Not Have Sufficient Resources**

A number of people (not the project coordinator) pointed out that the coordinator has no staff--not even a secretary--and must therefore rely on the good graces of other agency staff and the Forest Supervisors to carry out the work he and the BMDA task force have decided are important. Without his own resources and authority, the project coordinator has limited ability to make things happen within the agency.

- **The Attention Given to Fighting Forest Fires Diverts Resources, Time, and Attention From the BMDA**

Individuals from state and local government said that the culture of the USFS built around fighting forest fires significantly constrains the amount of work the project can accomplish. These people noted that the snow does not melt until May. Then, from August-October almost all other work on the forests ceases when people go off to the fire camps. More than one person said this was a cultural issue--people looked forward to and plan their schedules around getting into the woods to the fire camps. Many people then go on annual leave in December-January. This more or less leaves November and May-July to do most of the on-the-ground work. One senior government official from outside of the Forest Service called this pattern "ridiculous" and said it significantly constrained the project.

- **Lack of Funds, the Type of Funds, the Timing of Funds, and Accounting Issues Are Problematic**

The \$ 2.8 million that was earmarked to the project in 2001 is a fraction of the money needed for planning and restoration within an area as large as the Demo. Because the three National Forests involved are in the midst of budget and staff reductions, the additional funds provided for the project have essentially offset some of the losses, rather than increased budget capacities. In addition, the ability to get money where it is needed in a timely fashion has been a problem. For example, the Forests did not receive the funds for the demo until the end of their fiscal year in 2001, which was too late to spend in the way they had planned. State Forestry received only \$250,000 via the Wyden amendment to work with private landowners in the demo area, which--although very helpful--does not come close to covering the needs within such a large area. It also proved very difficult to get these funds out the door to the ground in a timely manner. Wyden amendment funds also have no administrative overhead build in, which has placed an added

burden on ODF because it is a small agency with limited staff and resources. Finally, keeping track of project funds has been "a nightmare," to quote one forest supervisor. The Forests want to keep track of every dollar spent on every BMDA activity. Yet, they also must keep track of all of the dollars spent for the fire plan. The result is that the agency must keep track of three budgets: the normal Forest budget, a budget for the demo project, and a budget for the fire plan.

- **The Demo Has Not Successfully Communicated Its Story**

A number of Forest Service employees and staff from other government agencies said they knew that the Demo was not doing a good job in communicating its vision, goals, or outcomes, nor have they succeeded in communicating how the Forest Service has changed. Funding constraints are part of the problem--the coordinator choose to save money by handling communication through in-house staff who have many other tasks on their plates. But a number of people said that legal constraints make it difficult to tell the real story. Because the NEPA and ESA consultation process are slow and it takes two years or so to get a project approved, the public has primarily seen projects that were planned years ago. People have not yet seen many of the new and different types of projects that have been planned. This gives the impression that little has changed within the Forest Service. In addition, the agency is increasingly taking a holistic approach to land management (even to the extent of planning a province level EIS to update the forest plans) but the fragmented nature of federal agency authorities and the slowness of the NEPA and ESA consultation process leaves the public with the impression that the Forest Service is inefficient and that little has changed.

- **There Are Sharp Differences of Opinion About the Forest Service's Ability to Work Effectively With Non-Governmental Partners**

Every government employee we spoke with said that the greatest successes of the BMDA are the partnerships that have been developed. Most of these people acknowledged, however, that the most successful partnerships have been among government agencies. In contrast, most non-governmental partners we spoke with said the partnerships were, at best, modestly successful. Many non-governmental partners said they had to struggle to stay at the table and be considered full partners. This difference of opinion appears to relate to two factors. First, many people said that the Forest Service is most comfortable with, working with other government agencies. The agency's ability to partner with non-profit and private partners appears to remain very weak. This problem is exacerbated by the fact that almost all of the private and non-profit partners are unhappy with amount of timber and jobs the demo has produced.

- **While the USFS Has Attempted to Streamline the ESA Consultation Process, Other Regulatory Agencies Have Not Necessarily Made Similar Commitments**

A number of government employees from outside of the USFS said that while the Forest Service has made important efforts to streamline the ESA consultation process, the other federal agencies involved with ESA consultation have not been willing to push the envelope. A major component of this problem may be that the funding and staff levels among the consultation agencies does not match that of the USFS nor does it match the needs in the region. They simply cannot handle

the volume of work to be done. There is a general feeling that if the other agencies do not work diligently to streamline the process, the demo project would ultimately fail.

Analysis

- **The High Degree of Civic Capacity In the Blue Mountain Area Has Been Critical to the Success of the BMDA and Should Be Nurtured**

The private, local government, and non-profits active in the Blue Mt. region, especially in La Grande and Wallowa County, have been key in engaging the Forest Service in landscape level planning, coordination, and partnerships. The project was initiated in large part due to the concerns raised by these groups. The push to streamline the ESA consultation process and to develop stewardship contracts came from the local community. These local leaders and groups thus appear to be key to the long-term success of the demo. The project is likely to achieve success only if the key civic groups and leaders involved buy into a unified mission and focus for the demo and for carrying it forward into the future. It will be vital to continue to nurture and support the local civic organizations, local governments and others engaged in the project.

- **While Progress Has Been Made, Most People Believe the Forest Service Remains Too Inwardly Focused**

We found an almost universal belief among people who work with private landowners and among private and non-profit partners that while the Forest Service has improved its ability to work with other government agencies, it still does not understand how to work with non-governmental partners. Numerous people said that the agency remains most comfortable directing activities, as it does on its own land. It still does not understand how to approach private landowners or how to collaborate effectively off Forest boundaries. A number of people said that part of the problem relates to the USFS internal performance measures, which place a major emphasis on rewarding outputs, not outcomes. Although the agency evaluates teamwork and external relationships, these are soft measures. The most important evaluation criteria are focused on annual targets related to visitor days, BF of timber sold etc. The criteria used for personnel performance drive employees towards individual achievements on the forest rather than towards landscape level work or effective collaboration. Most people said they understood that landscape level management was the only way to resolve fire, forest, and watershed health problems in the Blue Mountains. The Forest Service therefore needs to substantially improve its capacity to understand and collaborate with non-governmental entities to achieve these goals.

- **The Misconceptions Over the Project's Initial Purposes Are Beginning to Fade, Which May Offer an Opportunity to Generate Greater Buy-In**

A number of local government, private and non-profit partners acknowledged that their initial expectations were excessive and that over time they have developed more realistic expectations about what the Demo can produce. Even though most of these individuals still had major concerns about the BMDA's failure to produce timber and local jobs, they said they now realized that NEPA and ESA legal requirements--issues that were out of the direct control of local Forest Service--were the primary cause. The shift in expectations may offer the opportunity to engage a number of key people and develop greater buy-in for a common vision, goals, and strategy.

- **Some of the Remaining Problems Relate to the Widely Divergent Perspectives and Values Held By the Partners Involved**

The expectations held by the Forest Service and many other partners about what innovation means are like night and day. One local government partner summarize the feelings of many external partners when he said, "To the Forest Service, shaving 20 days off the ESA consultation which still takes 300 days is a great innovation. To those of us outside of the Forest Service, who think consultation should take no more than 30 days, that is no innovation at all." This indicates there is a huge gap in expectations among partners outside of the Forest Service and the agency itself.

- **The Demo Lacks a Carefully Tailored Governance Structure and System**

The existing governance structure appears to be an informal network. Yet, there are a number of other governance models that could be used. Some of the other models may help to resolve some of the questions consistently raised by the non-governmental partners about their role in the project and the amount of authority and power they have. It does not appear as though a careful analysis has been completed of the type of governance structure or system that could be most appropriate to the needs and goals of all of the partners involved. It may behoove the partners to spend time reconsidering the governance structure and system that would be most beneficial to the project.

- **Despite the Fact That a Number of Key Elements Are Missing Or Incomplete, There Is Almost Universal Support For Continuing The BMDA**

Almost all parties outside of the Forest Service strongly support the continuation of the BMDA project. We found support for continuing the Demo within the Forest Service as well, but the support was not as strong and was focused more on continuing the new procedures and practices being implemented than for the special project designation itself. Despite differences of opinion on a number of issues, and despite the fact that there are still a number of incomplete or missing elements (see section below), there is almost universal agreement among non-Forest Service partners that withdrawing the formal Demo designation would be a serious setback. It is likely that support for the continuation of the project has solidified despite the incomplete or missing pieces because the partners intuitively understand the need for landscape level management to address fire, forest, and watershed health issues and do not believe the Forest Service and other partners will develop collaborative plans without the special designation. It is also likely that even with the initial misperceptions over the project's purpose, and lack of clarity about the vision, goals, and strategy, the partners sense that the demo could be on the verge of producing a number of important benefits in the near future.

- **Conversely, There Is Great Fear That Ending the BMDA Would Be a Serious Setback**

Staff from the Regional Foresters office and some Forest Service field staff voiced confidence that the partnerships and new ways of doing things would continue even if the special BMDA designation were withdrawn. Few people outside of the Forest Service, however, feel this way. Most of the people we talked with do not believe the Forest Service has made the types of

fundamental changes needed to institutionalize landscape level management or to work collaboratively with non-federal agencies and partners. The vast majority of the people we talked with voiced concerns that without the Demo the Forest Service would slowly revert back to operating unilaterally, solely within their boundaries. People also fear that the old arguments and turf battles among other federal agencies and among private landowners and the federal government would reemerge without the BMDA special designation. They believe that all of the government agencies would slowly go back to pursuing their own narrow goals rather than the landscape level priorities that have been established in the demo area. The comments of one individual perhaps summarize this feeling best when he said, "Having the demo is critical. Without it, all of the old patterns will reemerge."

Recommendations

- **Adjust the Governance Structure and System So That They Lead to More Effective Collaboration with Non-Government Partners**

Now that the initial excessive expectations about the project have begun to fade, the Forest Service and other partners may benefit from a process to reconsider the demo's current governance structure and decision-making system. This process could start by asking all of the partners to examine the needs, perspectives, and operating styles of the other partners. Based on this assessment, the most appropriate structure and decision-making system can be chosen. Options include these and other governance structures:

Joint Ventures: The USFS combines with other organizations to form a new, distinct organization in order to pursue complementary objectives. When in a joint venture, information, decision-making, power, and resources are equally shared.

Strategic Alliances: Similar to a joint venture, where the USFS joins with others to pursue mutual gain, but a new organization is not created. In this case, the various organizations involved must agree to cooperate with and depend on each other. Clear rules of engagement must be established and agreed to.

Networks: Organizations join forces to capitalize on potential efficiencies in the production of specific outcomes. Each participating group is responsible for one area of output and the participating organizations are highly dependent on one another for the ultimate delivery of their products.

Consortiums: The USFS pools its resources with other organizations to procure access to information or technologies, or achieve goals that are too costly or difficult for one entity to do alone. No separate entity is created for the management of this relationship. Each entity makes decisions unilaterally, although in consultation with other partners.

- **Make a Concerted Effort to Nurture and Support Local Partners**

In keeping with the point above, many people said that the long-term success of the BMDA depends on securing the continued support of local government, private and non-profit partners. It may therefore behoove the agency to make a concerted effort to increase its efforts to understand the needs of local partners and find ways to support their efforts and increase their buy-in. The delivery of more timber and jobs may not be the only way to accomplish this. Better communication to thoroughly explain the constraints the agency is working under, all of the ways in which it has innovated and changed, and all of the outcomes that have been produced, may go a long way towards generating increased buy-in.

- **Re-Clarify the Project Purpose, Vision, Goals, and Strategy**

Because we consistently heard confusion over the purpose, long-term vision, goals, and strategy of the BMDA, it may prove fruitful at this time to revisit and re-clarify these issues. It appears as

though much of the groundwork has been completed so that the Forest Service can soon move forward with a number of new and innovative projects in the near future. This may be the perfect time, consequently, to engage the BMDA partners in a discussion that leads to greater clarity on purpose, vision, and strategy. The process of clarifying the vision and goals may prove helpful in generating greater buy in from non-governmental partners.

- **Implement a Comprehensive, Relentless Communication Plan**

The true power of a good vision and strategy for any program is released only when most of those involved develop a common understanding of its purpose, goals and direction. The shared sense of a desirable future helps motivate and coordinate all types of actions. Achieving a shared sense of a common and purpose is very difficult, especially in large programs with numerous partners. It requires relentless communication delivered through multiple channels. It also requires that people walk the talk and avoid inconsistent messages. The development of a comprehensive, relentlessly delivered communication plan may substantially increase local understanding and buy-in for the BMDA.

- **Clarify the Limits and Flexibility Allowed Within Existing Laws and Internal Agency Policies**

The more that new ideas are proposed and the more on-the-ground projects attempted, the more barriers that will be identified. In some cases the barriers are firmly grounded in existing laws. In these cases there may be little that the BMDA can do, except to streamline the processes in a programmatic way as much as possible. But in many other cases, the barriers may relate to long-standing internal agency policies, traditions, or cultural issues, which can be changed with awareness and concerted effort. The stewardship contract is a prime example. No law prohibited the development of stewardship contracts. The problem related to the need to change long-standing internal policies and procedures. It may behoove the Demo to institute a process specially designed to sort out the limits of law versus issues that relate to internal policy and procedure. This may open the door to greater flexibility and progress.

- **Continue Efforts to Streamline the Budgeting System**

It may make sense for the Forest Service to continue its efforts to develop a system to simplify the budgeting process. Requiring three different budget-tracking systems seems inefficient and not a good use of limited resources.

- **Consider Outcome-Based Performance Measures**

The issue of performance or outcome based performance indicators came up in a number of conversations. It should be noted that the development of outcome-based performance measures is a challenge faced by most public agencies, not just the Forest Service. However, it may behoove the agency to make a concerted effort to assess ways to develop outcome-based indicators and performance measures for the BMDA as well as for internal employee evaluation processes.

- **Adjust the Project Boundaries**

Because so many people raised concerns about the size and locations of the project boundaries, it would seem prudent to resolve this issue.

- **Make Greater Use Of the Wyden Amendment**

The Wyden amendment has allowed the Forest Service to provide dollars to State Forestry to work with private landowners. This process could be greatly expanded.

- **Increase the Funding Levels By Bringing in New Dollars and Other Strategies**

Although most people understand the funding constraints of the Forest Service and other government agencies, almost everyone felt that the level of work needed to restore the forests, reduce fire concerns, and improve watershed and community health far outweighed the level of funding that has been provided. It seems prudent to seek out ways to increasing the funding by bringing in new partners with resources.

CHATTOOGA RIVER WATERSHED **Completed in Winter/Spring 2002**

The Chattooga River was the first river system east of the Mississippi designated as National Wild and Scenic in the United States. The basin spans three states--Georgia, North Carolina, and South Carolina--and is very popular with whitewater boaters, trout fishermen, and other recreational interests. The watershed is part of the upper drainage for the Savannah River basin, which provides water sources for cities within both South Carolina and Georgia. About 68% of the 180,000 acre watershed is in public ownership.

The Chattooga large-scale watershed restoration program was initiated due to a joint proposal to the Chief's office from the Highlands, Tallulah, and Andrew Pickens Ranger Districts. The primary goal was to address water quality problems within the watershed. The Chattooga River Ecosystem Demonstration Project, completed in the early 1990's, had generated a significant amount of data related to sediment and fecal pollution problems in the watershed. However, the Ecosystem assessment demo did not lead to on-the-ground restoration activity. After TMDL's had been established in the Georgia portions of the watershed, interest grew for action to address water quality. The large-scale watershed program was thought to be a way to turn the research data into on-the-ground projects to resolve the water quality issues.

The long-term goals of the two and one-half year old project are: To maintain and enhance the integrity of the Wild and Scenic River ecosystem; to maintain a full range of naturally occurring ecosystems and healthy forests; to provide downstream users with cool, clear water into the next millennium; for public and private watershed interests to share responsibility for the watershed; and to have long lasting partnerships in place and continue to resolve future watershed issues across all ownerships. The short-term goals are: to reduce identified sedimentation by 50%; to improve riparian areas on public and private lands; and to establish a framework for transitioning the project from a Forest Service to a partnership-based project.

The Project Has Achieved a Number of Successes Including:

- The Forest Service is making an effort to be a role model for other organizations within and outside of the watershed by fixing problems on its lands. Over 100 miles of trails and over 60 miles of roads have been treated, 224 miles of improved road maintenance has been completed, 55 acres of illegal ATV trails have been revegetated, and 23 campsites have been rehabilitated on public lands.
- A number of federal government employees said that the watershed program has generated increased communication and collaboration between federal agencies.
- The watershed demo has helped to generate better communication and coordination between the three Ranger Districts involved with the project.
- The Coweeta Hydrologic Lab and other research programs have provided invaluable "real-world" research assistance.
- After a slow start, The USFS is now beginning to reach out to state and local governments and private stakeholders.
- The watershed demo has provided some staff within the USFS with the momentum and focus needed to begin to think in new ways about watersheds and partnerships.

- People within and outside of the USFS increasingly understand the need and benefits of the watershed-level partnership-based approach
- The project coordinator is highly regarded by people within and outside of the USFS.
- The Wyden amendment has been very useful as a means to fund priority projects off National Forest lands.
- The regional office and forest supervisors have been supportive.
- People said that Jim Sedell and his staff have been very helpful to the project.
- In sum, most people are very supportive of the project, said that the USFS has made an admirable attempt to do new things, and hope the project will continue.

While Progress Has Been Made, a Number of Limitations/Obstacles Constrain the Project Including:

- The project is viewed by many non-USFS partners and stakeholders as predominantly a USFS effort, not a true watershed-level partnership-based project. Due to the initial focus on completing projects on federal lands and the initial heavy federal government make-up of the board of directors, few state agencies or local governments, private parties, or non-profits are meaningfully involved and some do not consider themselves actual partners at all. The continued lack of full engagement by key stakeholders in decision-making process and/or on the board of directors may make it difficult to generate long-term support.
- Following the point above, a lack of clarity on key governance issues constrains the project. Through our interviews we heard many concerns raised by people within and outside of the USFS about the decision-making process, resource distribution, and power structure of the Chattooga project. Although improvements have been made, continued efforts will be needed to overcome some of the initial start-up problems related to governance.
- Despite being composed primarily of Forest Service members, the Chattooga River Watershed Board--the governing body for the project--meets quarterly at best which may not be sufficient to develop full understanding, buy-in, and long term support from the members.
- While communication and coordination between the three Ranger Districts involved with the watershed project have improved, they still often approach issues, treat problems such as road treatments, and make decisions in different ways. This problem underscores the lack of an overall framework for a watershed approach and internal agency integration.
- The Forest Service is struggling with how to innovate as well as how to complete interdisciplinary work due to the way the agency budget is organized, the way that programs and specialties are divided into siloed functional units, and other internal organizational issues.
- Following up on the point above, the rigid functional silos of the USFS organizational structure, which adds to the difficulty the agency faces in getting funding and projects out the door in a timely way, has created skepticism among some local government, private, and community groups in the Chattooga that the agency can deliver on what it promises. This problem makes it difficult for the agency to be seen as a leader.

- People within and outside of the USFS raise questions about the selection process, scientific credibility, and technical aspects of some of the treatments used for many of the projects that have been implemented. The Chattooga project was initially established to address sediment issues. While stakeholders concur with the need to address sediment, they question some of the road projects that have been chosen to address this issue. Further, a number of public and private stakeholders want to see other ecological issues, such as fisheries habitat and native tree restoration, become priorities. As additional issues receive more attention, and as a broader array of sediment projects are completed, concerns over the science and technical issues may diminish.
- While the project brought in new funds, it did not include new personnel other than the project coordinator, and the additional workload has created stress for existing staff.
- The initial lack of a full-time coordinator hurt the project. However, the expertise of the current coordinator has helped to overcome many of the early start-up problems.
- The project lacks a publicly vetted comprehensive restoration strategy. Although the Coweeta Hydrologic Research Station has produced a sediment assessment for the region, sediment is not the only issue of concern to stakeholders. The lack of a more inclusive watershed-level restoration strategy means that no framework or umbrella exists under which the many organizations and agencies active in the Chattooga can come together to pursue a common vision and goals for the basin. It also may be one of the reasons for the questions we heard about the selection process and scientific and technical aspects of proposed projects.
- Measures of success remain mostly *output*-based (e.g. number of projects completed) rather than *outcome*-based (i.e. results of projects) and the project has not done an adequate job of communicating the progress that has been made. The lack of understanding about what the project has actually accomplished may generate concerns down the road about the results that have been achieved with the investments made.
- The lack of clarity about the agency's long-term commitment to the project may undermine on-going efforts.

Our Analysis of the Limitations/Obstacles Suggests That:

- Although Forest Service employees voice increased understanding and support for the watershed approach and a desire to work in partnerships, through our interviews it became clear that many staff feel constrained by the existing agency structure, systems, budgeting process, and culture. These and other issues suggest that the Forest Service as an institution remains very inwardly focused, which constrains its employee's ability to fully understand or to develop the capacity to make watershed-level partnership-based planning and management part of standard operating procedure.
- Given the complex social challenges and the divergent views about the future of the Chattooga project, the long time frame required for ecological restoration, and the distrust that has historically existed about the USFS among local citizens, it may take quite a while for

significant progress to be made in the watershed. Yet, the time frame for progress appears short as off-the-top funding from the Chief's office is ending and people want to see quick results. Expectations may be too high for the project to ever meet the needs of many of the partners.

- Despite the concerns we heard, almost everyone we spoke with voiced strong support for the initial concept behind the large-scale watershed program and for the Chattooga project itself. Most people within and outside of the Forest Service seem to understand that the whole watershed is the scale at which they must work if key problems are to be resolved. Most stakeholders also believe that much progress has been made in the past few years. People see great potential in the Chattooga project and want it to continue.

Based on the Issues Described Above We Recommend the Following:

- Expand meaningful stakeholder involvement in the project. This can be accomplished by holding open houses and stakeholder meetings. The overall governance *structure* of the project should be expanded by either enlarging the board of directors and/or linking or merging the board with another entity within the Chattooga that can provide a wider representation of interests in planning and decision-making.
- In addition to expanding the number of people and organizations involved in the project, the *way* in which they are involved must continually be improved (i.e. improve the governance *systems*). It will be important to hold an open discussion and explicitly decide how information will be gathered and shared, how decision will be made, and how resources and funds will be distributed. Decisions about how the governance system will operate often determine the degree to which partners are willing to actively participate.
- Develop a comprehensive, well-prioritized restoration strategy and implementation plan that goes beyond sediment issues. The strategy should be developed by an independent objective team and should be thoroughly vetted with the public.
- As they take time and effort to develop, the project should begin to devise a mix of *output* and *outcome*-based indicators (indicators that measure the effects of the projects in a manner that allow the public to understand how they add-up to success). The combination of outcome and output-based measures of success may provide a more comprehensive set of indicators for the public. Effort should also be made to increase the level of communication about these measures so that partners and stakeholders know the progress being made.
- Make explicit efforts to find ways to remove the barriers to flexibility and innovation that exist within the USFS structure, systems, budgeting process, and culture.
- To provide more flexibility in engaging additional stakeholders, the full-time coordinator should be retained but the reporting lines should be shifted so that he reports to the Forest Supervisors, not local district rangers.
- Expand the use of the Wyden Amendment by identifying how other programs around the country are using it more broadly.

- Finally, given the concerns we heard about the need for continued support and direction, it appears certain that the Chief's office must provide continued support and oversight if the project is to achieve success over the long term

In the following section we discuss these issues in more depth.

Successes

- **The USFS Has Attempted to Lead by Example**

The Forest Service is making a solid effort to serve as a role model for organizations within and outside of the watershed by fixing problems on its lands. Agency staff believe that local governments and landowners will not be open to the Forest Service suggesting that they fix their problems if the agency has not first fixed problems on its lands. Over 100 miles of trails and over 60 miles of roads have been rehabilitated, 224 miles of road maintenance has been completed, 55 acres of illegal ATV trails have been revegetated, and 23 recreational campsites have been rehabilitated on public lands. The effort to lead by example has enhanced the public image of Forest Service. The counties and other local interests have observed their progress and learned techniques that can be applied to their lands.

- **Federal Partnerships Have Been Enhanced**

A number of federal government employees said that the watershed program has generated increased communication and collaboration between federal agencies. Work has occurred across the boundaries of each agency. The relationship between the USFS and US EPA, in particular, has been substantially enhanced through the watershed program. One person called this "novel" as the agencies did not work well together in the past. Every person who mentioned this issue attributed the increased collaboration to the large-scale watershed program.

- **The Coweeta Hydrologic Lab and Other Research Programs Have Provided Invaluable Assistance**

A number of Forest Service employees said that the ability to fund "real world" research by the Coweeta Hydrologic Research Lab and others has been invaluable. The lab has assessed sediment problems and road treatments, the effects of chemicals leaching from newly constructed roads, the water quality impacts of a wastewater treatment plant near Cashiers, and other issues. Over 54 miles of streams have been inventoried by Coweeta and other monitoring teams.

- **The USFS Is Beginning to Reach Out to State, Local, and Private Entities**

The initial 5 year plan for the project was to spend the first two years focused on public land issues and then to shift the focus to working with state, local, and private interests. The idea was for the project to essentially become self-sufficient at the end of five years with organizations other than the Forest Service funding and supporting the project. The Forest Service/federal agency board of director would essentially fade away. This plan appears to potentially be on track as new partners have recently been engaged and outreach to local governments and the private sector is increasing. For example, the State Foresters from Georgia, North Carolina, and South Carolina have recently been added to the board. The American Chestnut Foundation was recently contacted about potential involvement in a project to restore native chestnut trees. About \$40,000 has been transferred to NRCS through a cost share agreement to implement best management practices on private agricultural lands impacting the National Forest

The Forest Service provided 50% of the funding to change the flow regime to allow cool water to flow from Thrift Lake into the Chattooga, thus reducing temperature impacts on trout. The agency also created a challenge cost-share agreement with the county to pave two miles of road that were generating sediment into Wetstone Creek.

The project coordinator helped to organize and find funding for the Stekoa Creek Watershed Group, a stakeholder organization composed of representatives from local governments in Rabun County, logging, agricultural, development, recreational and environmental concerns. The Stekoa Creek group seeks to resolve TMDL water quality issues in this key sub-watershed of the Chattooga. The Georgia Environmental Protection Division and US EPA provided an \$183,208 Section 319 grant to complete a watershed restoration action strategy for the Stekoa Creek watershed. Feedback from an individual in a leadership role with the Stokoa Creek group was very positive. "The USFS has done almost everything for us. They called the first meeting, staff our meetings, help develop the agenda, and Randy has also found money to study the problems in the river. It's been 100% positive"

- **The Demo Provided Some Agency Staff With the Momentum and Focus Needed to Begin to Think in New Ways**

The USFS has emphasized partnerships and watershed level management for the past 6-8 years. However, lack of funding and staff resources and the everyday workload make it difficult for the agency to engage in this new way of thinking and acting. A number of agency staff we talked with said that the watershed program provided, for the first time, the focus and energy needed to allow them to actively test new ideas and operating methods and to engage in watershed-level partnership-based planning and management.

- **Coordination Has Improved Among the Three Ranger Districts**

Because the watershed extends into three Forests and three states, the Chattooga project includes three Ranger Districts. Traditionally, there has been limited coordination between these districts. People within and outside of the Forest Service said that they thought the watershed project helped to improve the coordination among the three districts.

- **People Within and Outside of the Agency Increasingly Understand the Need and Benefits of the Watershed-level Partnership-based Approach**

Many USFS staff members we spoke with said there have been past efforts to get beyond the agency's traditional siloed functional approach and engage in watershed-level partnership-based planning and management. For example, the three district rangers involved with the Chattooga project were meeting regularly prior to the start of the watershed program with the goal of sharing resources and cooperating. However, these efforts appear to occur mostly in the "gray area"--working around and tweaking the existing system. Through our interviews we found that the past efforts and the current watershed project have generated growing support for the watershed-level partnership-based approach. Many people inside the USFS said they have come to realize that the watershed approach is the way to accomplish the objectives of the agency.

People outside of the agency also said they are beginning to understand the need to address issues through the watershed, not just on their lands, and are pleased that the USFS has begun to address issues on public lands.

- **The Coordinator is Highly Regarded**

People from within and outside of the Forest Service consistently praised the current coordinator. People said he was team oriented, is a good communicator, understands how other agencies work, and in other ways is making a positive impact. One person captured the feeling of many by stating, "There has been an improvement in the way the agency is doing business. Most of this is due to the coordinator. It will take a while for his work to pay off." Another person from a group that the coordinator helped organize said, "Without Randy this thing would have not gone anywhere."

- **The Wyden Amendment Has Been Very Useful**

The Forest Service has utilized the Wyden amendment to rehabilitate 21 miles of county road on lands closely associated with Forest Service lands (e.g. inholdings) and has been used to facilitate the recent cost-share agreement with NRCS. The process is new to the employee's involved so they are hesitant to push the authorization very far. However, when the process has been used, it has proven very helpful.

- **The Regional Office and Forest Supervisors Have Been Supportive**

People consistently said that the RO and the three Forest Supervisors involved with the project have been very supportive. They have helped resolve problems, provided encouragement, and in other ways supported the project.

- **Jim Sedell and His Staff Have Been Very Helpful**

Numerous Forest Service employees told us that Jim Sedell and his staff have done a great job selling the large-scale watershed concept and supporting their efforts. One person summarized these comments by stating, "Put in a plug for Jim Sedell in the report. He deserves a lot of credit for this project. It should provide a great model for the agency."

Limitations/Obstacles

- **The Project Remains Primarily a USFS Effort, Not a True Watershed-Level Project**

The initial five-year plan was to engage state, local, and private parties after the first two years of operations that would focus primarily on federal lands. Many Forest Service staff said because the first years were to focus on federal lands, and because the Forest Service provided the funding, the original board was composed almost exclusively of agency employees and a few other federal agencies. However, through our interviews we also heard--implicitly and explicitly--other reasons for the exclusive inclusion of Forest Service and federal agencies on the board. Agency staff, for example, was unsure of how to select board representatives from the myriad of interest groups in the area. People were also nervous that the involvement of outsiders would lead to time and energy consuming discussions and controversy. In short, they were not sure about how to effectively engage or collaborate with non-federal partners. This led to a decision to keep the project essentially an internal process.

While the strategy of starting with a Forest Service/government agency board may have made sense at the time, it appears to have generated some residual side effects. The project coordinator reports to the board, which is composed primarily of government interests and the USFS in particular, not to a broad-based group, composed of government agencies and non-governmental stakeholders. A number of external partners said that they felt the project has a heavy federal bureaucratic "top-down" feel it. Because of the dominant initial focus on federal lands--not the whole watershed--no common theme has been developed and no overall strategy has been crafted which could attract or tie together the numerous subbasin watershed groups and agency activities within the Chattooga basin. Many external stakeholders said they feel uninvolved in the project. One local government representative summarized this feeling by bluntly stating, "This is just a Forest Service project."

The Forest Service/federal government flavor to the project can be observed by looking at the current board composition. The USFS still holds 8 of the 15 seats on the Chattooga River Watershed Board (not including alternatives) and the US EPA, NRCS, USFWS, and four State Forestry Commissions currently hold the other seats. The State Forestry Commissions was not included until they requested seats on the board, an issue that created some unease. The USFWS has yet to attend a meeting. No local government, private, non-profit, or community representatives hold board seats. At least one organization that was listed as a partner said that, although they have attended some meetings, they do not consider themselves real partners.

In the past 6-12 months the project coordinator has begun to engage external groups. Continued outreach and involvement may eventually overcome the feelings held by many that the project is primarily a Forest Service/governmental effort. However, the continued lack of meaningful involvement from non-government partners on the board may make it difficult to generate significant long-term civic support for the project.

- **Lack of Clarity On Key Governance Issues Constrains the Project**

Following the point above, through our interviews we heard many questions about the decision-making process, resource distribution, and power structure of the Chattooga project. These concerns are consistent with concerns raised by people when they do not feel included in a decision-making process. It appears it was difficult to get initial buy-in for the project from all of the key players within the Forest Service. Even today, our interviews found very different viewpoints about how the board should be organized, what the future direction of the project should be, and how decisions should be made. For example, many people outside of the Forest Service said they were initially encouraged because they were told that the Chattooga project would include full stakeholder involvement. This point seemed to be underscored when the original business plan was developed. However, when the first work plan was released some people were surprised to see that the focus was almost exclusively on roads, trails, and campground improvements on Forest Service lands. People within and outside of the Forest Service said that the lack of meaningful involvement of outside stakeholders in these decisions hurt the project.

While people generally agreed that sediment issues were a problem in the Chattooga, we heard many questions raised by people within and outside of the Forest Service about how and why decisions were made to use a majority of funds for a few road projects primarily in one Ranger District, why specific roads were chosen for treatment when the data apparently showed that other sources were generating more sediment, and how and why decisions were made to downplay or exclude other key issues that member of the public had apparently told the agency they were concerned about early on (such as brook trout habitat restoration, restoring American Chestnut trees, and other issues). Even though there appear to be good reasons for the way decisions were made (e.g. some projects had completed environmental assessments and were ready to go while others would take a year or more to prepare), these reasons were apparently not explained thoroughly enough to stakeholders.

In sum, our review found that the lack of clarity on how decisions would be made, how resources would be distributed, and how power would be shared, has created problems within and outside of the Forest Service. Although some of these problems seem to have dissipated, the bad feelings generated among some internal and external partners due to these issues have created a sense of discomfort for some. One external partner summarized this by stating, "The project got off on the wrong foot." Another said, "No one is really listening to people outside the agency and the Forest Service has a business-as-usual mindset."

- **The Forest Service Is Struggling with Innovation and Internal Integration**

A number of Forest Service employees said that it has been very difficult to get all of the specialties within the agency (e.g. fisheries, wildlife, road maintenance) to work effectively together in the watershed project. This problem is exacerbated by the fact that four states, three National Forests, and three Ranger Districts are involved in the Chattooga project. Each state, National Forest, Ranger District, and field specialty has different goals, budgets, and targets. There are many procedural hoops and turf issues to resolve to get the specialties and the different agency units to work in interdisciplinary teams or to share resources. For example, it apparently

took three weeks of time-consuming discussions to get a decision on whether \$40,000 could be given to SWCDs in South Carolina for a project on non-Forest Service lands when staff thought the decision should have taken "5 minutes." The problem apparently came down to concerns by some units about lost funding. One high-level agency employee summarized these problems by stating, "Thinking out of the box is very tough. People have chains on the top of the box and the goal of the large-scale program has been limited due to the agency structure."

- **Structural Problems Threaten to Undermine Community Trust-Building**

Following up on the point above, the rigid functional silos of the USFS has made it difficult for the agency to serve as a catalyst with community members. Local governments, private, and community groups in the Chattooga are skeptical that the agency will follow through on its commitments. An historic distrust exists between local citizens and the USFS. The agency must earn the trust of people and to do so it must consistently walk the talk and follow through on its commitments. One misstep can undermine months and years of effort to build trust. Yet, the slow and cumbersome budgeting process and difficulty in getting projects to the ground undermines public confidence in the agency. One USFS employee summarized this problem by stating, "Its hard to be a catalyst and then be the major hold-up in a project."

- **Infrequent Board Meetings May Lead to Reduced Support**

Despite being composed primarily of Forest Service members, the Chattooga River Watershed Board--the governing body for the project--meets quarterly at best. The infrequent meetings mean that some board members have yet to attend a meeting. The lack of active involvement may lead to inadequate understand of the vision and goals of the project and runs the risk of generating insufficient support for the project down the road.

- **People Within and Outside of the USFS Question the Scientific Validity and Technical Treatments Used in Many of the Projects**

One of the most consistent themes we heard through our interviews from people within and outside of the Forest Service, including other government agencies, were questions about the technical aspects of many of the projects that have been implemented. Part of this concern seems to relate to the questions that persist about the major initial emphasis on sediment that led to projects on public lands, trails, and campgrounds. A number of public agencies and private stakeholders also want to see a broader emphasis on native tree and aquatic habitat restoration. Yet, the concerns seem to go beyond this.

We heard serious questions about the technical expertise being used for some of the projects. For example, staff from one public agency raised significant concerns about the way NRCS assessed the costs of their 3,200 linear ft livestock fencing project on 2nd-3rd order stream that drains into the Chattooga, about the background science that was used to justify the installation of a hypolimnetic withdrawal in a 25 acre headwater impoundment, and about the riprap, dirt, steel plate, right-angle turn, and other actions that were taken on a land swap intended to acquire a defunct trout farm with concrete raceways, and other projects. One government employee summarized these concerns by stating that some of the projects "are just playing in the water."

Another said that a good deal of money has been wasted on poorly planned projects, some of which may do more harm than good to the watershed.

The public agencies that raised these technical concerns praised the Forest Service and NRCS for their efforts to lead by example and get projects on-the-ground, as well as the positive agency/landowner relationships that have been developed as a result of this work. It will be important to match the partnership development that occurs with technically sound projects. Failed or counterproductive projects will, down the road, undermine the progress that has been made.

- **The Project Lacks a Publicly Vetted Watershed-Level Restoration Strategy**

The watershed project appears to be operating primarily in an opportunistic manner, initially implementing projects on public lands that were already on the shelf and/or responding to willing private landowners. This approach made good sense in the early stages of the project as it can take 2-3 years to get projects through the NEPA process and it takes time to establish trust with private landowners. However, the lack of a more strategic approach may eventually constrain the project. The continued opportunistic approach alone, pursued without the prioritization framework provided by an overall comprehensive basin level restoration strategy (that includes but goes beyond sediment issues), seems likely to lead to continued questions about project selection and implementation. The lack of a comprehensive strategy also leaves no mechanism for linking the many entities in the basin together to pursue a common vision and set of goals.

- **Milestones Are Inadequately Communicated and Measured**

The USFS is measuring success so far primarily based on accomplishing the yearly work plan. The agency has attempted to measure the degree to which they did what they said they would do, how well they did it, and how involved partners were. Agency staff also said that there were monitoring previous work to determine how well it was holding up, what effect it is having, and how well the partners like what is being done. This type of "output-based" indicator is very reasonable for a new program. However, output-based measures alone do not provide sufficient information about progress. Our review also found that the milestones of success do not seem to be adequately communicated to the public. It is also unclear how the watershed project will measure whether their long-term goals are being achieved (e.g. do the existing projects add-up to success in a way that maintains and enhances the integrity of the Wild and Scenic River ecosystem; maintains a full range of naturally occurring ecosystems and healthy forests; providing downstream users with cool, clear water into the next millennium; leads to shared responsibility, reduces sedimentation by 50%; improving riparian areas etc). While it takes time and money to develop effective indicators, the lack of an effective mix of output and outcome-based measures and an effective way to communicate them may lead to concerns down the road about what the public got for the time and resources invested in the project.

- **Lack of Additional Staff Creates Stress for Existing Personnel**

Although the Chattooga watershed project provided additional funds, it did not include additional personnel to do the extra work that was required. Many of the Forest Service employees we spoke with said that the project doubled their workload. It requires extra people --

not just extra money - to work through the planning, analysis, public involvement, documentation etc required to complete the NEPA process and get projects out the door. The lack of additional staff created stress at almost all levels of the agency actively involved with the project.

- **The Lack of a Full-Time Coordinator Initially Hurt the Project**

The governance problems that initially plagued the project, along with the lack of outreach to the state foresters and potential non-governmental partners, would most likely have been reduced had a full-time coordinator been on board. The ability of a coordinator to reach out and share information with multiple parties in a timely manner, to facilitate communication and decision-making, and in other ways develop more effective governance systems could have gone a long way toward preventing some of the bad feelings that to some degree still plague the project today.

- **Lack of Long-Term Commitments May Undermine On-Going Efforts**

People from within and outside of the Forest Service said that the lack of commitment from the Chief's office and a stable long-term funding source may ultimately undermine the relationships and trust that have been generated by the existing project. Many Forest Service staff said they believe that the devolution of decision-making regarding the continuation of the large-scale watershed programs from the Chief 's office to the regions will eventually mean that funding and support for the projects will end. People believe that the RO has many competing interests and the pressure for business-as-usual will eventually overwhelm the desire to innovate and to continue the Chattooga project. If this occurs, people fear that the new thinking and behaviors that are emerging within the USFS and the commitments made to community groups will be undermined. One Forest Service employee summarized this concern by stating, "If support and funding ends, the fall out will lead to a breach of trust with folks we have agree to do projects with."

Analysis

- **Despite Progress, the USFS Remains Internally Focused and Is Constrained By Internal Barriers**

Although the Forest Service personnel we spoke with voiced increased understanding and support for the watershed approach and a desire to work in partnership, through our interviews it became clear that many staff feel constrained by the existing agency structure, systems, budgeting process, and culture. While other government agencies are listed as members of the board of directors, the Forest Service has struggled to bring them into the program as full partners. No local, private, non-profit, or academic entities sit on the board. The Forest Service continues to make decisions about projects on its lands with very little meaningful input from others outside of the agency. Programmatic and budget silos constrain interdisciplinary work and collaborative multi-stakeholder problem solving. Efforts to support or help organize local watershed groups are an extremely important and positive step. However, the full potential of partnership-based programs is achieved only when partner organizations find a synergy by working together such that they can achieve more by working together than they can be working alone. This does not seem to be occurring in all places yet.

These and other issues suggest that the Forest Service remains too inwardly focused and does not yet fully understand or have the capacity to make watershed-level partnership-based planning and management part of standard operating procedure. One high-level Forest Service employee summarized these problems by stating, "The agency is dabbling with watershed work, but its not quite ready to take the step. There is always resistance to new ideas. It will take leadership and commitment from the Chief to make watershed work a core part of our mission, but I don't see that happening now."

- **Expectations May Be Too High**

The complex social challenges and the divergent views about the future of the Chattooga project, the long time frame required for ecological restoration, and the distrust that historically exists between local citizens and the USFS, suggest that it may take quite a while for significant progress to be made. Yet, the time frame for progress appears short as off-the-top funding from the Chief's office is ending and people want to see quick results. Expectations may be too high to ever meet the needs of many of the partners.

- **Despite the Constraints, People Are Generally Supportive and Want the Project to Continue**

Despite the concerns, almost everyone we spoke with voiced strong support for the large-scale watershed program concept and for the Chattooga project itself. Most people within and outside of the Forest Service seem to understand that the whole watershed is the scale at which they must work if key problems are to be resolved. They see great potential in the Chattooga project. One person summarized the feelings of many by stating, "Its a great concept. If the project is ended it will be a real loss. This is an opportunity to do things at the scale that can really make a difference." Another person said, "The project has been helpful. It would definitely be a setback if it were ended."

Recommendations

- **Continue to Expand Stakeholder Involvement By Expanding the Current Governance Structure**

To ensure the long-term viability of the project, key state, local, private, and non-profit groups must be fully engaged and invested. Even though the Forest Service has helped to organize and fund projects off National forest lands, it may be prudent to formally include outside interests on the board of directors, or to somehow transform the board or merge it with an umbrella group that call pull together the many watershed-oriented programs and activities occurring within the Chattooga basin. The development of a governance structure that engages many of the key interests within the Chattooga and which leads to a common vision and goals for the watershed may be key to generating long-term stakeholder buy-in and support for the project.

There are a number of ways in which stakeholder involvement can be expanded. For example, a simple way is to hold a series of open houses and/or stakeholder meetings. One project partner said that, "We have continually been told that the agency was going to organize stakeholder meetings, but it never happened." Another way to expand involvement is to restructure the board of directors and project focus. There are a number of ways in which watershed programs can be structured. Each structure requires a different governance system. There is no single appropriate model. The model chosen should be based on the needs of the participants and the goals and critical tasks of the Chattooga project. Options include these and other governance structures and systems:

Joint Ventures: The USFS combines with other organizations to form a new, distinct organization in order to pursue complementary objectives. When in a joint venture, information, decision-making, power, and resources must be equally shared. These mechanisms often must be explicitly described and agreed to in writing by all partners and participants.

Strategic Alliances: Similar to a joint venture, where the USFS joins with others to pursue mutual gain, but a new organization is not created. In this case, the various organizations involved must agree to cooperate with and depend on each other. Clear rules of engagement must be established and agreed to (often in writing).

Informal Networks: Organizations join forces to capitalize on potential efficiencies in the production of specific outcomes (e.g. fundraising, information gathering). Each participating group is responsible for one area of output and the participating organizations are highly dependent on one another for the ultimate delivery of their products. Each entity makes decisions unilaterally, although in consultation with other partners.

Consortiums: The USFS pools its resources with other organizations to procure access to information or technologies, or achieve goals that are too costly or difficult for one entity to do alone. No separate entity is created for the management of this relationship. Each entity makes decisions unilaterally, although in consultation with other partners.

- **Continue to Improve the Governance Systems**

Each of the governance structures and systems described above operate under different rules of engagement. Once the board has been expanded or in other ways additional organizations have been directly engaged in the project, it will be important to explicitly decide how information will be gathered and shared, how decision will be made, and how resources and funds will be distributed. Decisions about how the governance system will operate often determine the degree to which partners are willing to actively participate.

- **Develop a Comprehensive Restoration Strategy and Prioritized Implementation Plan**

As improved governance structures and systems are being developed, it may be prudent to develop a comprehensive, scientifically credible restoration strategy and implementation plan. A sound strategy may go a long way toward eliminating concerns about project selection and implementation. It may also provide the umbrella needed to link parties together from throughout the entire basin to work toward a common vision and goals. The information generated by the Chattooga River Ecosystem Demonstration Project and the ongoing research of the Coweeta Hydrologic Lab should form the scientific underpinnings for a watershed analysis and subsequent project prioritization process.

To gain broad public understanding and support, the strategy should be developed by an independent objective multi-disciplinary team. Too many questions will arise if the USFS develops the strategy for its lands on its own. The strategy should also be vetted through a broad-based public involvement process. Meaningful engagement of state and local government agencies and key stakeholders in the process of developing the strategy will lead to better understanding and undoubtedly reduce subsequent challenges and controversies.

The development of an effective strategy requires agreement on vision, strategy and tactics. *Vision* refers to a picture of the future of the watershed as a restored and healthy system and to a related future of the partner organizations as more effective entities. An effective vision also includes a clear message about why people should strive to create this future. *Strategy* refers to the overall approach - the framework within which you make decisions - that will be used to achieve the long-term vision a partnership has developed. A sample strategy may be to first identify and protect the healthier areas of the watershed and then focus restoration activities around expanding and reconnecting these areas. *Tactics* are the specific actions the partners will take to implement the strategy. For example, in this example, federal agencies may target their assessment and land management activities on resolving sediment problems to protect and restore the best remaining areas on public lands while the states and non-profits may identify and work with parties that own the healthier private land areas to acquire conservation easements and/or help them adopt new management practices. *Implementation plans* detail the specific sequence of steps, time-lines, lines of responsibility, fiscal, and other resources that will be employed to implement all of the tactics consistent with achieving the strategy.

It is important to remember there is a direct link between the vision the partners develop, the generation of new ideas, and the development of an effective strategy. Innovative ideas that lead to synergy between all partners will arise only when partners agree on a common vision and

goals and open themselves to new ways of thinking. New ideas will not emerge through business-as-usual. It may behoove the federal and non-federal partners in the Chattooga to spend time to clarify the vision, goals, and strategy they want to use to employ.

- **Begin to Develop a Mix of Output and Outcome-based Indicators**

It takes a good deal of time and thought to developing effective indicators and data gathering systems to measure the extent to which projects add-up to long-term success. The process also usually requires a good deal of public involvement and debate. It may therefore behoove the partners to begin to develop a mix of output and outcome-based indicators sooner than later, so that they are not caught short if and when questions are raised about the ultimate results that have been achieved in the Chattooga.

- **Explicitly Find Ways to Remove the Barriers to Flexibility and Innovation**

Our review found that employees feel constrained by the existing agency systems, structure, budgeting process, and culture. To make it part of standard operating procedures and to embed the approach in the culture of the agency, watershed-level partnership-based planning and management must be integrated into the agency's goals and policy directives, employee hiring criteria, job performance evaluations, leadership successional planning, budgeting procedures, and other internal protocols and procedures. It must become a standard part of the message and constantly communicated by the Chief and his staff, Regional Foresters, and others within the agency. The budget constraints must be resolved and efforts made to reduce the siloed functionalism that staff seems frustrated by. Explicit steps to resolve these issues will go a long way toward helping the UFSF achieve its goals.

- **Retain a Full-Time Coordinator Who Reports to the Forest Supervisors**

One of the themes we consistently heard through our interviews was the importance of a full-time coordinator. Retaining a full-time coordinator will prevent many miscommunication problems from occurring, provide the resources needed to engage local, state, private and non-profit interests, and help generate additional funds. One Forest Service employee summarized the need for a full time coordinator by stating, "We need funds to pay for Randy's salary. If they totally zero out the budget we will not be able to continue to meet the commitments made to local governments and others. If the rug is pulled out before we meet our five year plan, it will really hurt."

At the same time, it may be prudent to have the coordinator report directly to the Forest Supervisors (or to the Chattooga board, should it be substantially expanded). Having the coordinator report to the district rangers involved with the project may have made sense when the initial focus was to complete projects on Forest Service lands. However, now that the emphasis is shifting to a focus on engaging external partners, the coordinator should report directly to those who have a somewhat broader perspective. Shifting the lines of authority in this manner may go a long way in expanding the scope and effectiveness of outreach efforts.

- **Expand the Use of the Wyden Amendment**

Many of the 15 other large-scale watershed restoration projects we have reviewed have used the Wyden Amendment on a much broader basis than the Chattooga program. This suggests that it may be possible to apply the process to activities other than inholdings, as long as the outcomes ultimately benefit public lands. The agency may want to investigate how other Forests are using the Wyden Amendment.

- **The Chief's Office Must Provide Continued Support and Oversight if the Project Is to Achieve Success Over the Long Term**

Although not everyone we spoke with felt this way, a common theme we heard was great concern over the future of the Chattooga watershed program if the Chief turned the project over to the RO. Although people said that the RO in Atlanta has been very supportive, they oversee 24 forests and have numerous competing issues to address. Many people said that it took an effort from the Washington office--not the RO-- to make the large-scale project happen in the first place and they are very skeptical that the project would continue without continued support from headquarters. One high level Forest Service employee said, "There is not enough change in the agency yet to allow the project to continue without support from Washington." Another Forest Service employee said, "If this type of work is as important now as it was in 1999 when it started, its got to be given oversight and led by Washington."

CONASAUGA RIVER WATERSHED **Completed Winter/Spring 2002**

The Conasauga River begins high in the Blue Ridge Mountains in northwest Georgia, flows north into Tennessee, then west, and finally south again into Georgia for the balance of its 90-mile length. The watershed includes almost 500,000 acres of land. About 125,000 people live within the watershed.

In 1995, the Limestone Valley Resource Conservation and Development Council (RC&D) secured a grant from the National Resource Conservation Service (NRCS) to study the Conasauga River watershed issues and to suggest ways that the community could work together. Through community meetings and a steering committee of local citizens, Limestone Valley RC&D brought together many different parties to analyze threats to the river (excess sediment, excess nutrients, and toxic chemicals) and to develop cooperative solutions to protect this economically important and biologically diverse river. The US Forest Service was one of several agency partners that participated in these community meetings.

After finishing the report in 1996, local landowners, businesses, conservation groups, and government agencies reorganized their independent efforts into a joint effort known as the Conasauga River Alliance. Beginning with the recommendations in the study report, the Alliance brought people together to for many types of watershed projects.

In 1997-98 the two Forest Supervisors with lands within the basin initiated a combined Conasauga River Watershed Ecosystem Assessment in the upper part of the watershed on Forest Service land. A team of 25 USFS specialists were involved. During this time the two supervisors began to meet and discuss how to manage the many local, state and federal issues affecting the USFS in the watershed. In 1998-99, a USFS Project "Coordinator" position idea was created by both forests. In 1999, Kent Evans was hired as the coordinator. The two Forest Supervisors also decided to use a business model to govern USFS efforts. This meant a Board of Directors that included: 1 director; and 5 board members including line officers and RO planning unit leader. The original idea was that the coordinator would have a 2-3 year horizon.

In 1999 the coordinator, districts, forests, and the citizen led Conasauga River Alliance submitted a proposal and were selected to become one of the Chief's Large-Scale Watershed Projects. This action led the USFS coordinator to become active with the Alliance Steering Committee. The Forest Service board was also expanded to include 2 members from the EPA, and one RCD coordinator. The project was promised a 5-year funding commitment.

The Alliance continues to be led by a steering committee of local citizens, with other 30 different participating groups and agencies such as The Nature Conservancy, Tennessee Aquarium, Dalton State College, the USDA Forest Service and the U.S. Fish and Wildlife Service. The Limestone Valley RC&D continues to sponsor the Alliance and is now leading a similar citizen-led watershed-based conservation effort on the Upper Etowah River near Atlanta, Georgia. The Nature Conservancy has been a major contributor by providing expertise and funding for work in the watershed. The TNC has also provided a TNC employee as the project manager for the Conasauga River Alliance for the past 5 years. Many of the partners also have their own guiding

plans and strategies for working in the watershed, such as the conservation strategy of The Nature Conservancy and the identification of the watershed as a priority area by the NRCS.

The priorities for work on Forest Service lands include: 1) Restoration projects on federal lands; 2) Conservation education and interpretation, and 3) Monitoring and applied research. The priorities of the Alliance for work on non-federal lands are to improve water quality and habitat for endangered species.

The Conasauga Project Has Achieved Numerous Successes:

- The USFS decided to start their work by leading by example to improve conditions on federal lands. Projects on USFS lands include reducing the impacts of dispersed camping on local streams, restricting vehicle access to water bodies, closing 25 miles of illegal ATV trails that often went through riparian areas, improving the management of horse trails, and reducing sediment erosion from forest roads. Monitoring and research projects have also begun.
- Over 20 local landowners and stakeholders are actively involved restoring their lands in watershed and major gaps have been bridged between government agencies, landowners, non-profits and others.
- The NRCS, TNC, RC&D as well as the USFS have effectively engaged private landowners and involvement in the project is growing, as evidenced by the fact that more farmers are coming forward asking for help.
- The involvement of the Forest Service enhanced the Alliance and broadened the focus of restoration efforts to the whole watershed.
- Public education has been a high priority. A two-day event in 2000, attended by over 550 people, allowed participants to see the riparian buffers that had been installed on private lands and what the healthier "reference sites" look like on public lands. The event also included snorkeling of the stream. A similar event was held in 2001 and 70 teachers were training in how to teach about watershed issues.
- The core team involved with the overall watershed project, composed of the Limestone Valley RC&D, the NRCS, USFS, and TNC, continually share information among themselves to ensure that overlaps and gaps in service are avoided.
- While some agencies, including the Forest Service, have experienced high staff turnover since the project was formed in 1995, the USFS watershed coordinator has been involved for the past three years and has consequently provided stability and consistency to watershed restoration efforts. The USFS coordinator is highly respected and has made a positive impression on community members who increasingly look to him for information, technical assistance, model practices, and advice.

- Due to the issues above, the USFS has become a key resource for many outside groups and is now working in 10 counties, even though the Conasauga watershed encompasses only 4 counties.
- The project has increased the effectiveness of all of the partners and most of the other government agencies involved say the project has benefited them.
- Due to the above issues, the project has generated positive public relations for the USFS.
- In sum, the project has very strong support and people want it to continue. In fact, the level of support we found for the Conasauga project was among the highest we found of any of the 14 large-scale watershed restoration projects we have reviewed.

While Significant Progress Has Been Made, the Project Faces a Number of Challenges:

- The project has not meaningfully involved all of the key players yet, including the carpet companies and other interests from the downstream community of Dalton and some federal agencies.
- Related to the above, the recent relocation of the Alliance's office to Dalton may allow better connection to the carpet industry yet may also pose a risk of reduced support from local landowners who have been so critical to the success of the project.
- The USFS budgeting process has constrained watershed-level partnership-based work, because funds come in pots that are difficult to shift from one funding pot to another and each line item comes with specific targets which separates the agency into functions and forces each unit to focus on producing outputs, not outcomes.
- Measurement indicators are limited which could lead down the road to questions about the value of the investments being made.
- Most USFS staff other than the project coordinator has too many responsibilities to actively participate in watershed program.
- Changing priorities within the Chief's office, such as the loss of off-the-top funding, as well as competing demands at the local forest level, may divert the project coordinator to other tasks and cause the agency to miss important opportunities for positive public relations, technology transfer between the USFS and other partners, and on-the-ground restoration.
- Questions exist regarding the Nature Conservancy's communication and fund raising style.
- The USFS coordinator and staff have become overburdened with requests for technical assistance, and without the resources and staff to meet the demand, opportunities may be lost.

Our Analysis of the Strengths and Obstacles of the Project Suggest That:

- The existing local civic capacity has been a key to success of the project and it seems unlikely that the agency could be able to achieve the same level of success had the existing civic capacity not been as high.
- The two-pronged governance model has proven effective and has reduced the fears held by some local landowners and stakeholders that the government or non-profits want to take their land.
- While the project has achieved a number of successes, the budget constraints, siloed functionalism promoted in part by the separate targets set for each unit, the lack of effective outcome or performance-based indicators and measurement systems, the inability for agency staff to actively participate due to work overload, and other problems indicate that the watershed-level partnership-based approach is not yet embedded in the standard operating procedures or culture of the USFS.

To Resolve the Obstacles and Help the Project Achieve Continued Success We Recommend:

- The USFS and other government agencies involved with the project make a concerted effort to continue to support, nurture, and assist the involvement of local landowners and civic leaders as these individuals and groups hold the key to the long-term success of the project. A special emphasis must be made to address the concerns and needs of local landowners if the Alliance office is moved to the downstream urban area of Dalton.
- A full-time coordinator should be maintained as the ability of an employee to focus full-time energy on this project is another key reason for its success.
- Explicit efforts be made to remove the constraints imposed by the budget, target setting, measurement and other obstacles and that concerted efforts be made to embed the watershed-level partnership-based approach within the operating procedures and culture of the USFS.

Successes

- **The USFS Has Led By Example By Improving Conditions on Federal Lands**

The extra funds and special designation created by the large-scale watershed program have allowed the Forest Service to make significant progress in addressing key problems on federal lands. The government agency Board of Directors felt that the Forest Service needed to, as one person said, "walk the talk and fix our problems before telling others downstream what they should do." As a result, the agency has reduced the impacts of dispersed camping on local streams, restricted vehicle access to water bodies, closed 25 miles of illegal ATV trails that often went through riparian areas, improved the management of horse trails, reduce sediment erosion from forest roads, and implemented other projects. An assessment of aquatic species and habitats should be completed in the summer 2002. An ecological classification of the watershed has also been completed, which addresses soils, geology, terrestrial vegetation communities and other issues. In addition, the Coweeta Hydrologic Research Laboratory has been engaged in projects to monitor sediment loading, evaluate vegetation management strategies to address beetle kill, assess ecosystem response to fire, and address other forest health issues.

- **Local Landowners and Stakeholders Are Actively Involved In the Alliance**

The Conasauga Alliance is composed of over 20 local landowners and organizations. The involvement of this group in efforts to improve water quality and habitat for endangered species is a major success. Major gaps have been bridged between government agencies, landowners, non-profits and others. There was a good deal of initial skepticism among local landowners about working with the USFS and The Nature Conservancy. People were concerned that the federal government wanted to take their land or that TNC would acquire it all. However, once people become involved and stayed at the table, most of these fears went away. Over 20 miles of riparian buffers have been installed on private lands on the main stem and tributaries of the Conasauga. Projects have been completed to address chicken waste and to create a composting system for dead chicken. These and other projects make people very pleased with the project so far. One person summarized the successful way in which the Alliance has operated by stating, "When you go to their meetings you see real enthusiasm around the table and wish that other programs were like this." Another landowner called this "a pilot for the rest of the country."

- **NRCS, Along with TNC, the RC&D and Even the USFS Have Effectively Engaged Private Landowners and Involvement is Growing**

Every person we spoke with said that the NRCS has been the key player in engaging private landowners in the project. People also said that Limestone Valley RC&D, The Nature Conservancy staff, who serve as coordinators for the Alliance, and even the Forest Service have also been important players. Everyone can claim a role in the success of the project so far. The installation of riparian buffers is one of the key needs on private lands within the watershed, and NRCS staff have had the contacts and skills required to encourage private landowners to begin to restore riparian areas. One respected major landowner agreed to install 18 miles of riparian buffers on his lands. This landowner also installed a waste treatment lagoon. The actions of this landowner have provided a highly visible model for other landowners. A number of people said

they have seen a visible change in the last 6 months and that more farmers are now coming forward asking for help. One person said that, "the challenge now is to find enough money for all of the demand."

- **The Involvement of the Forest Service Enhanced the Alliance and Broadened the Focus to the Whole Watershed**

Although the Conasauga Alliance was organized before the USFS got involved, many people said that the agency has helped the Alliance become more effective. For example, USFS staff manned the sites for the educational events they have operated and provided funds that made the events possible. The involvement of the USFS also broadened the focus beyond just private lands to the whole watershed. One private landowner said that, "The USFS have been a lifesaver. Kent Evans has helped us to do alot of educational projects and helped with on the ground projects." The expanded focus has also provided many benefits. For example, information sharing has been enhanced between the Forest Service and the Alliance. The USFS has provided significant resources to the Alliance to hire a coordinator and complete projects. In general, people are coming to realize that issues need to be addressed within the whole watershed in order to achieve the goals within any particular location.

- **A Significant Amount of Public Education Has Been Accomplished**

One of the major strengths of the project has been the emphasis placed on public awareness building and education. A two-day event was held in 2000, attended by over 550 people, which showed participants the riparian buffers that had been installed on private lands and what healthier areas looked like on public lands (the reference sites in the watershed). They also involved visitors in snorkeling the stream, which turned out to be a major success. A similar two day touring and snorkeling event was held in 2001 where 70 teachers were provided with training in how to teach about watershed issues. Many of the road sediment projects and other projects that have been implemented on federal lands have provided examples for local governments and private landowners can use on their lands.

- **The Partners Continually Share Information and Expertise**

Everyone we spoke with said that the USFS has been very forthcoming with its data, information, and expertise. The core team involved with the overall watershed project, composed of the Limestone Valley RC&D, the NRCS, USFS, and TNC, get together monthly, usually for breakfast, to share information, ensure that overlaps and gaps in service are avoided etc. This communication process has proven to be very instrumental in improving the work of all of the partners.

- **The USFS Has Provided Stability and Consistency to Watershed Restoration Efforts**

Most of the local agencies have recently experienced staff turnover that influenced their level of involvement and focus in the project. Although the USFS has also experienced staff changes, the agency has remained visibly committed to the program primarily due to the effort of the coordinator. The steadiness of the agency's commitment has made a big impression on

community members who increasingly look to the Forest Service for information, technical assistance, model practices, and advice.

- **The USFS Coordinator is Highly Respected**

Every person we spoke with voiced respect and support for the work of the project coordinator. Private landowners said he listens well, provides good information, and has been effective working on a personal basis. State and federal agency employees voice similar comments. One private landowner member of the Alliance summarized these views by stating, "Kent Evans has been a great leader to help us through things. He's done a great job."

- **The USFS Has Become a Key Resource for Many Outside Groups**

The way that the coordinator and others within the USFS have conducted themselves with private landowners and the way the Forest Service has shared its technical expertise generated a growing number of requests for help outside of the Conasauga watershed. The coordinator is now working in 10 counties, even though the Conasauga watershed encompasses only 4 counties. This underscores the level of respect that the coordinator and other agency staff have garnered through its involvement in the project.

- **The Project Has Increased the Effectiveness of All of the Partners**

Many of the partners we spoke with said that their agency has been able to accomplish much more by working together than they would by working on their own. The private sector and local governments have been able to learn effective management practices by observing some of the model roadwork and sediment projects that the USFS has completed. The USFS has learned a great deal by learning about and observing how management occurs on non-federal lands. None of the partners working alone could have organized the public education workshops and programs. By combining resources and funds, they were able put together programs that have had a major effect. One partner from a federal agency summed up the feelings of many public agencies by stating, "It's been extremely helpful and beneficial to my agency. Our program is better for it."

- **The Project Has Generated Positive Public Relations for the USFS**

Many of the external partners we spoke with said that the project has helped them develop a greater appreciation for the USFS. The agency has apparently generated significant good will and positive exposure within the local community.

- **In Sum, the Project Has Strong Support and People Want it to Continue**

Every private and public partner we spoke with voiced strong support for the project and said it should continue. In fact, the level of support we found for the Conasauga project was among the highest we found of all of the large-scale watershed restoration projects we have reviewed. People like what has been accomplished and want the project to continue. One person summarized the level of support that exists by stating, "The project has seen good results, strong

partnerships, people who want to maintain water quality and keep it clean. This is a real model for others."

Limitations and Obstacles

- **Not All of the Key Players are Involved**

At least two people we interviewed said that, although the involvement of local landowners has been important, the carpet companies and other interests from the downstream community of Dalton needed to be engaged. The urban interests have not seen the benefits of participating, but this is apparently changing. In addition, the US Fish and Wildlife Service was not asked to sit on government Board of Directors despite being responsible for the ESA listings of muscles and other species.

- **Recent Changes In the Structure of the Alliance May Pose a Risk**

Connected to the issue above, a number of government employees and private individuals raised concerns about the relocation of the Alliance offices to Dalton, a large community at the southern end of the watershed. The Alliance was originally composed of local private landowners, many who have lived in the area for generations. This arrangement was key to generating significant local buy-in. A number of people voiced concern that, although it is important to involve the carpet companies and others from Dalton, local landowners may reduce their involvement after the Alliance office is moved to Dalton. One person summarized these concerns by stating, "Its a huge risk to move the Alliance office from the rural area to the city because the landowners may reduce their support."

- **Measurement Indicators are Limited Which Could Lead to Questions About Results**

A number of people from within and outside of government mentioned that although a number of projects have been implemented, few indicators exist to know if and when progress is being made. There is no data to know if muscles or fish, for example, are recovering as a result of activities. While recovery of these species will require long term effort, and it may be years before they can actually measure reductions in sediment and other impacts, the lack of clear indicators and measurement systems could eventually lead to questions regarding the value of the investments being made. Indeed, one government employee said that, "Some people are beginning to ask if the Conasauga is a money pit. There is lots of money going into the watershed. Could it be used better elsewhere?" Better measurement tools could provide an answer to this question.

- **The USFS Budgeting Process Has Constrained Interdisciplinary Work**

A number of USFS staff members said that the separate line-item budgets of the agency budgeting system has been difficult to use within the context of the large-scale watershed project. Funds come in different pots and it has been difficult to shift funds from one pot to another. For example, it has been difficult to get funds from other accounts into the road budget to address sediment problems. The separate funding pots come with targets, which forces agency staff to work on specific projects (wildlife, habitat enhancement etc) in isolation of other. It has been very difficult and time consuming to merge the funding pots and allow staff to work on interdisciplinary landscape level and ecosystem-based assessments, planning, and project

implementation. One senior agency official said, "Congress gives us money and wants outcomes, but the agency's budgeting process still deals with programs and outputs, not their eventual outcomes."

- **Most USFS Staff Have Too Many Responsibilities to Actively Participate in the Partnership-based Program**

Many USFS employees said that the success of the Conasauga project could be primarily attributed to the time and work of the project coordinator. Most other USFS staff members do not have the time available to focus on this work. One senior agency employee said that full-time coordinators are needed if the agency is to be involved with these programs. Yet, when money is short, partnership-based projects may not be top priorities. This could threaten the Conasauga project in the future.

- **Changing Priorities Within the Chief's Office and from Some of the Local Forests May Affect the Project**

Many Forest Service employees said that the changing priorities within the Chief's office and new directions set by at least one local Forest Supervisor could significantly dilute or even end the project. For example, the off-the-top money that has been provided for the large-scale watershed program was extremely helpful in elevating the project and getting work done. The funds support a full-time coordinator, which almost everyone we interviewed said was a key to accomplishing the work that has been so highly praised. The loss of off-the-top funds means that the project will have to compete for funds with other priorities within Region 8 and local Forests. While most people at Region 8 and within local Forests have been very supportive, the new Forest Supervisor on the Georgia side may establish new priorities. These changes will undoubtedly lead to less money and consequently less work being done. The project would become diluted as the coordinator and others become engaged in other work. While most of the agency employees we spoke with said that the change in direction is not necessarily bad, but if it leads to a significant dilution of the project the agency would have missed a major opportunity for positive public relations, technology transfer between the USFS and other partners, and on-the-ground restoration.

- **Questions Exist Regarding the Nature Conservancy's Communication Fund Raising**

Although they do not seem to be major impediments, and although things are apparently improving, a number of people had concerns over the communication style and fundraising approach of the Nature Conservancy. A few people mentioned that TNC had agreed to provide a \$25,000 match for a grant from the National Forest Foundation, then gave the funds to another group and asked for an extension to give them more time to find new money for the match. This caused considerable angst among those involved as people felt an agreement was broken. In addition, although they were not specific as to the issues, a few private landowners voiced concerns about TNC's communication style. The number of times we heard these concerns suggests that issues exist which should be looked at.

- **USFS Staff Has Become Overburdened with Requests for Technical Assistance**

The flip side of the success the USFS coordinator and other agency staff have had is that demand for their assistance outside of the Conasauga now has grown well beyond what can be provided. Staff simply does not have the time or resources to meet the demand. The growing number of requests for assistance suggests a major opportunity exists for agency to generate goodwill while helping to resolve important problems. Yet, without the resources and staff to meet the demand, the opportunity may be lost.

Analysis

- **The Existing Civic Capacity Has Been a Key to Success**

Much of the success of the Conasauga project can be attributed to the fact that a group of active local stakeholders already existed and that local agencies such as NRCS and non-profits such as the RC&D and Natural Conservancy were already engaged in restoration with private landowners. The Forest Service was able to append itself to existing efforts. It seem unlikely that the agency would have been able to achieve the same level of success had the existing civic capacity not been as high.

- **The Governance Model Has Proven Effective**

The Board of Directors, which makes decisions for projects on federal lands, serves in an advisory role for the Alliance. The USFS and other government interests provide information and feedback that may help to shape the decisions of the Alliance, but the Alliance makes its own decisions. Sometimes the Alliance has decided to go in directions that are at odds with the USFS's advice. This has proven to be an effective structure. The private landowners and stakeholders involved with the Alliance feel empowered to make their own decisions yet benefit from the perspective that USFS employees offer.

- **Despite the Successes, Numerous Barriers Prevent the Watershed-level Partnership-Based Approach From Becoming Embedded in the Operating Procedures and Culture of the USFS**

Most of the local Forest Service employees we interviewed said that although they are moving in the right direction, the watershed-level partnership-based approach is not yet embedded in the standard operating procedures or culture of the agency. The agency's leadership has not unequivocally declared the watershed approach to be a goal of the agency, not has the leadership provided consistent strong support for those engaged in these programs. The budget process encourages siloed functionalist, not interdisciplinary watershed and partnership based work, the majority of the staff within the agency are not assigned to or skilled at interdisciplinary partnership-based work, and even those who do understand and support the need for this approach have too much on their plate to participate. One Forest Service employee summarized this view by stating, "The agency is too quick to pat ourselves on the back. We have not done it yet. Except for one or two people, partnership-based programs are not really happening."

Recommendations

- **Continue to Support and Nurture Local Civic Capacity**

The high degree of local civic capacity that exists in the Conasauga watershed has been one of the dominant reasons for the success of the project to date. The USFS and other government agencies should continue to support, nurture, and assist these individuals and groups as they may hold the key to the long-term success of the project. Special attention should be given to ensuring that local landowners and government leaders continue to feel engaged and empowered if and when the Alliance office moved to Dalton.

- **Maintain a Full-Time Coordinator**

Given the number of times we heard that another key to the success of the project has been the skilled, full-time coordinator, it seems prudent to continue to employ a coordinator. If the project is to continue and the partners desire to achieve the same level of success, a full-time coordinator will be needed.

- **Take Explicit Steps to Remove the Barriers and Embed the Watershed-level Partnership-based Approach within the USFS**

If the USFS decides to continue to emphasize the watershed-level partnership-based approach, explicit steps should be taken to remove the many obstacles that constrain the process. Some of the obstacles that were identified through our interviews and research include the lack of consistent leadership and direction from the Chief's office, the budgeting process, program and staff performance targets and siloed functionalism these issues generate, the lack of sufficient staff time to participate, the continually shifting priorities within the agency, and lack of effective outcome-based measurement indicators. Efforts to resolve these issues and provide clarity on future direction and support for the project may unleash even more energy and creativity and lead to greater progress.

LOST RIVERS NATIONAL LEARNING SITE
Completed Fall 2002

Summary

The Lost Rivers large-scale watershed restoration program – called the Lost Rivers National Learning Site in Holistic Management Introduction – is unique among the Community-Based Watershed Restoration Partnerships. Its origin was a meeting in August of 1999 in Washington, D.C. when Allan Savory, Savory Center for Holistic Management, proposed that the Department of Agriculture support a project to reduce conflict by applying holistic management techniques on a specific site. Over the next year, the Lost River area was selected as the National Learning Site and then the Lost Rivers were incorporated into the Forest Service large-scale watershed program.

The Lost River valley is located in the Rocky Mountains of Idaho just over the hill from Sun Valley. Small towns and a heroic landscape characterize the valley. Craters of the Moon National Monument memorializes one of the largest lava flows in the world. Towns of Arco, Mackay and Moore are losing population. Increasingly conflict has arisen over natural resource use and management. A number of initiatives to address the changing economy, public land management, and effects on communities began in advance of the National Learning Site designation and the inclusion of the Lost Rivers in the Large-scale Watershed Restoration Program.

This project received no federal funding in the first year of the Large-scale Restoration Program. In the second year (FY 2001) the project received \$120,000 from the USDA Forest Service and \$55,000 from USDA Natural Resource Conservation Service. This was about half of the requested funding for the project. Most of the funding was used to establish the presence of the Center for Holistic Management in the Lost River Valley through workshops and contract services. This years funding (2002) was frozen in the summer as part of the call back of funds for fire fighting.

The Lost River Program Has Contributed In Some Expected and Some Unexpected Ways:

- Simply establishing the National Learning Site was a significant step.
- The Lost Rivers program has also established a very committed Core Team, the three-person local leadership team.
- Through the program a number of local community members have been exposed to different ways of approaching management that include environmental as well as economic and community issues. The additional funding allowed people in the Lost River valley exposure to sets of ideas they would not have been exposed to otherwise.
- The Program has completed some modest projects and established a presence of expertise through the devotion of a half time NRCS position to the project.
- Unexpected outcomes in the first years of the program include working with the City of Mackay to complete a comprehensive plan using the Holistic Management principles. Also, one staff person worked with local entrepreneurs to create a “Lost Rivers” brand for fruits, vegetables and crafts.

- Finally several local property owners or land managers have begun to express interest in holistic management and in applying the principles on their land.

However, the Lost Rivers Program Faces Significant Obstacles.

- First, the late involvement in the National Large Scale Watershed Restoration Program caused a slow start, as did less than optimum funding.
- A primary focus on finding a site of 50,000 acres on which to exhibit holistic management became an obstacle. The difficulty is that in the Lost the lands are largely public owned (96%) and many allotments are jointly held and managed in common.
- The national exposure of the Learning Site designation made landowners and leaseholders uncomfortable with the prospect of heightened national scrutiny. Indeed a national figure in the movement to eliminate cows from public lands is based locally.
- Major hurdles were noted in total funding and total staffing needed to be successful and in the difficult contracting procedures required to complete any work on the ground.
- The Learning Site was promised administrative support in assuring that actions taken by the Lost River initiative following holistic management principles would not be contested legally. This support has not been realized in tangible ways leaving the Learning Site with a difficult task of asking private property owners to try new approaches that have the risk of legal contest.
- The Lost Rivers Program also has the burden of being a focus of national attention by Senators, senior administrative officials, and senior agency leaders causing community members some doubt about volunteering local solutions.

Our Assessment of the Lost Rivers National Learning Site Suggests That:

- These problems exist in part because of the early stage of development of the project, the lack of sufficient financial and human resources, and to a real degree the contest of national interests with local solutions. In particular, one local party uses the threat of lawsuits to arrest commitment among community members to specific action projects.
- There is a common concern with fund restrictions for work on non-federal lands and with the difficulty of moving funds from federal to non-federal partners.
- The Lost River Program also seems overly focused on the goal of a single demonstration-learning site. Much of the first two years have been focused on locating a single large allotment where holistic management can be carried out. Only recently has the Program focused on the watershed as a whole and the range of alternative activities that could contribute to the Lost's goals of sustainability and local community well being.

As a Pathway to Future Success, We Recommend:

- The Lost Rivers National Learning Site should expand its vision to the whole watershed. Establish “learning sites” as a part of a larger pattern of programmatic activity. Use the successful “learning” components of the first several years to develop collaborative projects on public and private lands.

- Engaging the local communities on several fronts to spread the risks of being a single point of focus for both the local and national communities. Strike a deal providing for experimentation of several management regimes within the Lost River Valley including continuing the Savory model, but also adding areas of more conventional management and an area with livestock removal to compare effects.
- Taking other steps to success include working with the Forest Service and perhaps Congress to make funding a priority and to make fund administration flexible. This means clarifying the Wyden Amendment and the division of funds through State & Private forestry and National Forest Systems.
- Maintaining support from high level administrative, elected officials and agency leadership as well as growing local support will be important to future success.

Successes

- **The Lost Rivers National Learning Site in Holistic Management Has Been Established.**

Just establishing a national learning site to experiment with the application of holistic management principles is a significant accomplishment. This was accomplished through the matching of local interests with a national mandate. A high level meeting between senior executive branch officials, senior agency administrators and Alan Savory of the Savory Center for Holistic Management agreed to establish a national learning site in the interior west. During the period this was going on a number of Idaho based initiatives sought explore new ways of working together to address resource use conflicts. At the same time a number of people in the area of the Lost Rivers were exposed to Holistic Management principles. The result was a “match” between local interests and a national agreement.

- **The Lost Rivers Large-scale Watershed Program Has Exposed Local Community Members to Holistic Management Principles.**

The funding and program objectives of the Lost Rivers project included running a number of workshops and training events. Alan Savory and his staff as well as local people familiar with the techniques have run the workshops. The events have been successful in that a number of local community members have been exposed to new ideas about managing natural resource. In particular the idea of sustainability – simultaneously meeting the economic, social and environmental needs of the area – has taken root.

- **The Lost Rivers Program Has Established a Committed CORE Team and Re-Established Technical Resource Expertise Available to the Project.**

The Lost Rivers has established an extremely committed CORE team of three local people. A larger committee with broader stakeholder representation meets about quarterly to guide the CORE Team. The good collaboration within the CORE Team is noteworthy. The Lost has established working relationships with their primary partner, the Savory Center for Holistic Management. The Lost has also established technical expertise. In addition to the technical support from the Savory Center, the Lost Rivers negotiated for a person from the Natural Resource Conservation Service to work half time on the Lost Rivers program. While some voice concern that more technical expertise is needed, the program has established local expertise devoted to the projects and purposes of the National Learning Site.

- **The City of Mackay Completed a Comprehensive Plan Using Holistic Management Principles.**

An unexpected outcome of the Lost Rivers program was that people associated with the program were called on to help the City of Mackay in development of their first comprehensive plan. While not tied directly to the public lands targeted for experimentation, the effort is within the watershed and shows the local acceptance and use of the experimental principles.

- **Establishing the “Lost Rivers” Brand Identity for Locally Produced Fruits, Vegetables and Crafts.**

While people interviewed expressed frustration over not identifying a demonstration site and moving forward with the range management program seen to be central to the program, unexpected outcomes are evident. One was the establishment of a “Lost Rivers” brand for locally produced goods. The effort was the result a group of people many of whom had been exposed to Holistic Management principles. While rather independent of the primary focuses of the Lost River program in terms of watershed restoration, the effort reflects a significant community and economic success that can contribute to long-term watershed goals.

- **There Is Local Interest in Holistic Management**

A number of local property owners of their land managers have begun to express interest in applying Holist Management principles on their lands and leases. This is remarkable in the face of scrutiny at both the local and national level. While few are willing to “go public” and no large-scale site has been identified for demonstration, individuals are using the principles and others are expressing interest in using the principles in their resource management.

Obstacles and Limitations

- **There is Strain In Meeting National Goals and Serving Local Interests.**

This can be said about many western land issues, but here on the Lost it is a significant issue. The Lost Rivers National Learning Site in Holistic Management was established in concept to be a one in the nation place where the principles of holistic management as developed by Alan Savory could be applied on public lands. The intent is to engender local interest and support. This goal is largely compatible with the goals of the Large-scale Watershed Restoration program. The notable distinction is that the goal of the National Learning Site was a single large parcel that could be managed using the holistic principles where as the focus of the watershed program is the larger watershed. This coupled with the inevitable tension between local community agreement and national goals creates strain.

- **Regulatory Safe-Harbor Promise and High Profile Advocacy Are at Odds.**

One part of the agreement with Alan Savory in the establishment of the National Learning site was that the site would be protected from legal contest as long as the management practices were following the holistic principles. A nationally prominent advocate for cow free federal lands is located in the Lost. His interests are at direct odds with the national leaders agreement with the Savory Center. Even with the best efforts of local agency administrators no satisfactory assurances can be given to agency decision makers or leaseholders that they won't be subject to lawsuit and national public pressure even if there is local agreement for the management action they take and it is in accordance with the Holistic Management approach.

- **The Lost Rivers Program Has Been Slow In Getting Projects to the Ground.**

The Lost Rivers program was “folded” into the Large-scale Watershed Program and so was behind the curve initially. From all local reports, the Lost received about half the funding it had identified as essential to get the National Learning Site up and running. The CORE Team along with the Savory Center decided to go ahead and begin work knowing that the funding would limit personnel and other critical resources. The Lost Rivers has been slow in getting projects on the ground because of the desire for a single large block of land on which to focus management attention. A contributing factor is that a key person with local connections, acceptance in the community and knowledgeable about Holistic Management transferred to another position outside the area. This required the Lost to reestablish technical expertise, which they did. All in all, the Lost Rivers Program has been slow to get projects to the ground.

- **Joint Ownership and Common Management Slow Progress.**

Most of the Lost Rivers valley is in public ownership (96%). The grasslands are held in a variety of allotments. Most of the large allotments suitable for the goals of the Lost Rivers National Learning Site are jointly held by several families who manage the allotment in common. This means that all members of an allotment must agree to participate. The risk of

national exposure and legal proceedings added to the risks of a novel approach to range management has been insurmountable to this point.

- **Funding Is Insufficient to the Task.**

Mentioned above as a part of slow start, funding level is worth noting on its own. The Large-scale Watershed Restoration program has made significant resources available to targeted watersheds including the Lost. The message from the ground is the amounts of funding available don't match the task at hand. This leads to frustration. In the case of the Lost the original design was modified and this contributed to a lack of progress, .

- **One Allotment Focus Yields a Null Set.**

The Lost Rivers program intentionally began with a focus to identify a single large allotment held by a single willing leaseholder. This strategy failed for any number of reasons causing the program to begin to look in other directions. The Program is now looking at working with private landowners and their managers on private lands and perhaps working with the National Environmental Engineering Lab, a nuclear site, which has un-leased rangelands.

- **Fund Restrictions and Contracting Procedures Stymie Progress.**

The Lost Rivers assumed that its primary focus was going to be a large public land allotment. This has been hard to achieve for the reasons noted above. Attention then switched to privately held lands where projects could be initiated demonstrating the holistic management principles. Restrictions on the use of federal funds on non-federal lands made funding management with benefits to lease holders difficult and funding projects on private lands extremely difficult. Part of the issue seems to be that the money came through the National Forest Systems side of the Forest Service rather than State & Private Forestry. Additional difficulties with spending the project monies stemmed from the need to move federal money to non-federal people to implement program activities. Part of the idea of the National Learning Site was to collaborate with the Savory Center. This has been done but because of contract restrictions, the funds have been written as a series of discrete projects and limited the ability of people central to the success of the Lost River National Learning Site the free hand they need to accomplish the goals of the program. Whatever the exact cause, local administrators have had difficulty in delivering money as it was needed to accomplish the goals of the Lost Rivers National Learning Site.

Analysis

- **Single Site Focus Vs. Watershed Focus**

The Lost River partnership spent time trying to locate a single large allotment that could be used as the National Learning Site. This approach emphasized a narrow focus and under explored the alternatives to meeting the goals of the National Learning Site and the broader goals of the Large-scale Watershed Restoration initiative. The decision to include the Lost Rivers National Learning Site among the Large-scale Watershed Restoration Partnerships was in part administrative convenience. It has turned out to be critical to the future of the effort. By broadening the scope to the watershed as a whole, more opportunities are available for testing the ideas of holistic management and in restoring the Lost Rivers watershed. The watershed focus has promise.

- **Community Based Initiatives Contribute to Civic Capacity.**

The Lost Rivers partnership turned its attention to what it could do when the progress toward identifying a single large allotment slowed to a crawl. What the partnership could do was educate, train and provide technical assistance to local community members interested in the concepts of holistic mismanagement. This has established a network of people in the Lost Rivers Valley who know about holistic management and know about each other. The community-based initiatives, i.e. the “Lost Rivers” brand and the Mackay comprehensive planning effort, have contributed to civic capacity by providing successful instances of collective joint action, by creating new on- going relationships among community members and by contributing to the stock of knowledge in the community. Similarly the CORE Team and the advisory committee contribute to civic capacity.

- **Goals Are Complex and Not Altogether Clear.**

The goals of the Lost Rivers partnership are complex. They include the explicit goal of establishing a national learning site in holistic management. However, the project also has goals related to the watershed restoration initiative that, while largely compatible, are distinct. The Lost Rivers partnership also has had “goal creep” due to the difficulty in identifying a single large allotment and the local contest over management approaches. This has resulted in a set of “can be done” activities moving toward the top of the list of activities. Also, the Lost River Program took advantage of collaborative activities started prior to the Large-scale Watershed designation and supported other community based activities over the last two years. Two things are happening as a result of these occurrences. First, the values of holistic management are penetrating more deeply in the community. Second, there is a less clarity about the goals, objectives and performance targets for the partnership among those involved.

- **Social Scales and Political Agreement**

The Lost Rivers National Learning Site in Holistic Management struggles with the problem of social agreement being different at different social scales. There is also the problem of

national political issues being played out locally. There are also differences on the private side where ranch managers may be local and involved in the partnership process but ranch owners may be absentees and more loosely connected to the partnership. Similarly, the geographic distance between the Lost Rivers Valley and the Savory Center is a challenge to building and maintaining holistic management expertise in the local community. These elements are not unique to the Lost but they consolidate to create one of the significant challenges for success. Communities that have the ability to create and hold agreement in the face of the strain represented by the issues of social scales and political differences exhibit high civic capacity. The Lost will need to build civic capacity to be successful.

Recommendations

- **Expand the Vision to the Whole Watershed.**

We recommend that the Lost River National Learning Site expand its vision to the whole watershed. Complete the transition from focusing on a single large allotment to the watershed. The watersheds of the Big Lost and Little Lost rivers better capture the social and ecological dynamics of the area. Given that the social dynamics are critical to meeting the goals of the National Learning Site in Holistic Management, the greater watershed boundary must be the focus of attention. Use successful community-based initiatives to build civic capital that can hold agreements locally.

- **Establish the National Learning Site as a Part of a Larger Pattern of Programmatic Activity.**

Consistent with the recommendation to expand the focus of the partnership to include the whole watershed, the National Learning Site should be seen as a part of a larger pattern of activity. Use the successful “learning” components of the first several years to develop collaborative projects on public and private lands. Specifically explore the potential for demonstrating holistic management on the lands surrounding the Idaho National Environmental Engineering Lab (INEEL). Continue to identify and support opportunities related to the local community, economy and watershed.

- **Strike a Deal and Spread the Risks.**

Dealing with national and regional issues locally requires a strategy. We recommend that the Lost Rivers partnership engage the local communities on several fronts to spread the risks of any one project being a single point of focus for both the local and national interests. Strike a deal that provides for experimenting with several management regimes within the Lost Rivers Valley including the Savory model, but retain areas of existing management with enhanced watershed restoration goals and an area with livestock removal to compare effects. It is fine for the Holistic Management approach to be the primary focus, but include other regimes. The Lost would then become a National Learning Site with many learning opportunities.

- **Clarify Fund Restrictions and Revise Fund Administration.**

Other steps to success include working with the Forest Service and perhaps Congress to make funding a priority and fund administration flexible. This means clarifying the Wyden Amendment, the division of funds through State & Private Forestry and the National Forest System, and the administrative guidelines for contracting with partners.

- **Maintain High Level Support.**

Maintaining support from high level administrative, elected officials, and agency leadership as well as growing local support will be important to future success. It will be critical to

meet the goals of the Lost to create conditions where there is “safe-harbor” for designed and agreed to alternative management regimes having the goals of improving ecological conditions while meeting local community and economic needs. This will take support from high-level elected and administrative officials as well as greater support from the local communities and local agency offices.

LOWER MISSISSIPPI ALLUVIAL VALLEY
(RESTORING THE DELTA)
Completed Summer 2002

The Lower Mississippi Alluvial Valley large-scale watershed restoration project - called Restoring The Delta - started just over 16 months ago. It was originally conceived by the Center for Bottomland Hardwoods Research, a USFS Research lab in Stoneville, Mississippi. Proposals by Ducks Unlimited (DU) and the USFS were combined to form Restoring the Delta. No funding was provided for research when the large-scale program was developed, so the research center dropped out. Restoring the Delta is therefore a partnership primarily between DU, The Delta and St. Francis National Forests and the Arkansas Forestry Commission. Arkansas Game and Fish Commission and NRCS in Arkansas are also involved. The primary goal is to restore 2 million acres of vegetation and 1 million acres of hydrology over 20 years. To achieve this, they want to ensure that reforestation activities conducted by state forestry agencies and the Forest Service are integrated with the activities of the other state, local and federal agencies and non-profits in efforts to restore the Delta.

The five hundred thousand dollars in funding provided for the project in the first year was split between the Arkansas Forestry Commission and DU. Most of the funds were used to provide free tree seedlings to landowners.

Since Its Inception, the Project Has Provided Some Important Benefits:

- The partnership has broken down barriers and developed better working relationships between the USFS and the Arkansas Forestry Commission, Ducks Unlimited, and other state and federal agencies and non-profit groups.
- The project has also allowed the USFS to take on a larger role in efforts to restore the Lower Mississippi Alluvial Valley.
- The designation as a "national demonstration project" and the hiring of a project coordinator has opened the door to leveraging additional money.
- Coordination with and support from USFS Region 8 office has been good.

At the Same Time, When We Reviewed the Project, We Found a Number of Obstacles

- Some lingering hard feelings exist among the key partners over the "top-down" way that the project began.
- The partnership guidelines have continually changed which has drained valuable staff time and energy.
- Priority setting among the partners has been difficult to achieve.
- The funding provided for the project is insignificant compared to other public entitlement programs available to landowners and therefore has not been sufficient to entice much participation by landowners. As a result, at the time this review was completed only three projects have been completed.
- The Wyden Amendment has been difficult to use and has slowed decision-making.
- The direction and support from the Chief's office has been unclear at best.

- As a result of the above, Restore the Delta does not have much to offer private landowners and, consequently, its achievements have been, at best, modest.

Our Assessment of the Project Suggests That:

- Many of the constraints exist because not all of the key partners are fully committed to the project yet.
- There does not appear to be a person with sufficient credibility and trust among the partners to lead the process and help the groups develop a consensus on key priorities.
- The number of partners involved seems too limited to create the broad-based buy-in needed to achieve long-term success.
- The current partners view the project as primarily an extra source of funds, not as a means to develop a comprehensive restoration plan for the Lower Mississippi Alluvial Valley.
- As a consequence of the above, no strategy or overall framework has been developed to guide the overall project and the focus is primarily on individual projects.
- As a result, despite being relatively new, progress seems unusually limited.

To Overcome These Obstacles and Provide a Pathway For Potential Future Success, We Recommend:

- A credible, respected person should be identified or recruited to join the partnership board in a leadership role.
- Once a credible leader is engaged, continued improvement should be made to the governance system (the way information is generated and shared, decisions are made and enforced, and resources are distributed).
- An effective outreach, marketing, and communication plan should then be implemented to apprise more landowners, local governments, non-profits, community groups, and others about the program and expand awareness and participation.
- Enhanced outreach must be linked with efforts to obtain and/or leverage significantly more money for the project.
- Steps should be taken to clarify how the Wyden Amendment can be used more widely for priority projects off National Forest lands.
- Improved direction and support from the Chief's office will be vital to helping the project achieve long-term success.

Successes

- **The Partnership Has Broken Down Barriers and Developed Better Working Relationships**

Traditionally in this region a wall has existed between foresters and wildlife people. The partnership has developed better working relationships between the USFS, Arkansas Forestry Commission, and Ducks Unlimited. As a result of a series of meetings with senior leaders and line officers from Arkansas government agencies, the Forest Service and DU, a set of guidelines was developed on how the partnership will operate. This was a significant accomplishment and helped to establish a framework for working together.

- **The Lower Mississippi Alluvial Valley Large-Scale Watershed Project Has Allowed the USFS to Become More of a Player**

Most of the partners we spoke with said that, because bottomland hardwoods are so important to restoring the Lower Mississippi Alluvial Valley, the USFS and Arkansas Forestry Commission must play critical roles. Prior to the start of this project, the USFS and state forestry agencies played relatively minor roles. The large-scale watershed program has provided a platform for the USFS and AFC to become more active participants.

- **The Addition of Forestry Agencies Has Added an Important New Restoration Tool**

Related to the point above, the focus on reforestation has added an important new tool to the restoration toolbox in the Lower Mississippi Alluvial Valley.

- **The Designation as a "National Demonstration Project" and the Hiring of a Project Coordinator Has Opened the Door to Leveraging Additional Money**

Because of the national spotlight the demo provides, the project is currently trying to leverage one million dollars from the Army Corps of Engineers and seeking other non-traditional funds as well. The Arkansas Forestry Commission is trying to leverage funds from EPA for work on the L'Anguille River. The full time coordinator has been a key to having personnel who can identify funding sources and do the work needed to secure funds. The partnership provides an umbrella through which multiple funding sources could be secured.

- **Coordination with and Support from Region Eight Has Been Good**

The Forest Service staff involved said that they have received good support from staff at Region 8. Local staff said that the former Regional Forester, Elizabeth Estelle, was very supportive and allowed the Deputy Regional Forester Dave Holland and Ray Johnston to assist as needed.

Obstacles and Limitations

- **Hard Feelings Exist Over the Top-Down Way In Which the Project Began**

Every partner we spoke with said that lingering resentment exists over the fact that the project began through direction from the Chief's office. The project was dropped on people as a surprise and more than one partner said there is significant resistance among some state agencies within the Delta to doing new things. Ironically, at the same time, each of the partners acknowledged that the project would never have started without the proactive effort from the Chief and Jim Sedell's group.

- **The Partnership Guidelines Have Continually Changed and Priority Setting Has Been Difficult**

The initial guidelines that were developed for how the project would operate have been continually changed due to feedback from private landowners. This has frustrated the staff and consumed a good deal of time. Although there are many reasons for restoring bottomland hardwoods in the Delta, it was very difficult for the partners to come to agreement on what the priorities should be. A comprehensive watershed analysis is being developed. However, because it is not yet completed, agreement on priorities has been difficult to achieve. Almost every person we spoke with said that the effort to develop a common approach and priorities has eaten up significant time and energy with little result. Everyone wants something done, but the group cannot agree on priorities. As a result, projects have been pursued in a purely opportunistic manner and a common vision, goals, and strategy have not been developed.

- **The Funding Base Is Too Limited to Entice Landowners to Participate**

There are a number of federal programs within the Delta that provide funds to private landowners for various types of restoration. The partners have therefore tried to find ways to target their limited funds to fill niches not currently being served by the other programs. Only 100,000 acres of the almost 24 million acres involved in the project are on National Forest land, so targeting their efforts to private lands makes sense. The amount of funds available, however, is so small that the partners decided to limit the program to providing free tree seedlings to private landowners. This is not a sufficient enticement to landowners, especially when they are used to getting paid through entitlement programs for restoration activities, and when plantings on even marginal lands takes those lands out of production, thereby reducing farm income. One partner said that the three landowners who have responded so far were going to plant trees anyway. Without sufficient funds there is no way to develop an effective program. One state government employee summarized this problem by stating, "25 million acres in the Delta with \$100,000 is not restoration, its just planting a few trees." Another partner raised concerns that spreading the word about the program without insufficient funds to back it up could lead to trouble. Even though participation has been limited so far, "If this program grew really popular and we only had \$95,000 to give out, it could be even worse."

- **Outreach and Marketing to Landowners Has Found Limited Success**

The partners advertised the assistance available through the project to landowners in those areas that were deemed priorities, but got a very limited response. The partners believe the lack of response is due to the amount of funding and type of assistance available (free tree seedlings) and the fact that it takes time for word of the project to spread among landowners. Yet, most of the people we spoke with also acknowledged that outreach and marketing has been weak. As a consequence, only three projects have been implemented so far. One of the partners summarized the sense of constraints the program has worked under by stating, "In all fairness its brand new and we kept our focus narrow. But, we have not had people beating down the door."

- **The Wyden Amendment Has Been Difficult to Use**

The type of funds the program has received constrains the type of work that can be accomplished. Inventory and monitoring funds, for example cannot be used to buy and plant trees. The program has used the Wyden Amendment to channel funds for work off on high priority projects off Forest Service lands, but the qualification that Wyden Amendment funds must "benefit the USFS" has been problematic to agency staff. The partners we spoke with said there are many benefits that will accrue to the USFS through this program, but as National Forest lands are often far from the private lands in the Delta, the benefits are difficult to quantify.

- **As a Result of the Above, Decision-Making Has Been Slow**

It took 6 months for staff at Region 8 to respond to a request for clarification on what "beneficial to the USFS" means in relation to the Wyden amendment. Decision-making was put on hold while local USFS staff waited for the response from the RO. Hence, significant time was lost and the partners had to decide for themselves what "beneficial" meant.

- **State and Private Forestry Have Insufficient Funds**

Because so much of the land involved in the project is private land, the partners said that it would be best if at least 2/3 of the funding come through state and private forestry and only about 1/3 through the Wyden Amendment. The funding mix currently tilts the opposite way.

- **Direction and Support From the Chiefs Office Has Been Unclear**

At the time of this review, the partners said they were unsure about the level of support and direction from Washington about the importance and future of the project. Even if there will not be money available off-the-top in the future, the partners said that the Chief's office must continue to provide strong leadership and technical assistance for the project and ensure that a significant amount of additional money is provided if the project is to succeed.

Analysis

- **Not All of the Key Partners Are Committed to the Process**

Due to the lack of sufficient funding, the perceived lack of long-term support from the Chief's office, and other reasons, we found weak buy-in from some of the key partners. The lack of commitment and buy-in can be understood by comparing the views of Ducks Unlimited and the Arkansas Forestry Commission regarding the importance of the project. DU believes the project is very important and much would be lost if it ended. The Arkansas Forestry Commissions believes that because the funds are limited and not much has happened anyway, little would be lost if the program ended. Unless issues such as the level of funding, decision-making problems, and long-term concerns about the Chief's commitment are resolved, it seems unlikely that the key partners will fully commit or that many additional partners can be engaged in the program.

- **Lack of Sufficient Leadership Has Constrained Progress**

A person with exceptional leadership skills can often help groups with diverse views overcome their individual interests and develop agreement on difficult issues. This type of leader usually has a high degree of credibility with the participants and is viewed as fair, objective, and forward thinking. It appears as though this type of leader does not yet exist among the partners. Lacking effective leadership, the partners continue to struggle to forge a common mission, goals and strategy.

- **The Number of Partners Involved Seems Too Limited**

At the time this review was completed, the project had just four dominant partners. This number seems too small to achieve the goals that have been established for the project. Despite the fact that the project is aimed almost exclusively at private landowners, no private landowners or local governments apparently sit on the partnership. The addition of new state, federal, private and non-profit partners may substantially increase the funding base and open the door to new ideas and approaches. Conversely, without the active involvement and support from more partners, long-term success seems doubtful.

- **The Partners View the Project as Primarily a Source of Extra Funds, Not as a Means to Develop a Comprehensive Restoration Plan for the Lower Mississippi**

We could not identify an overall framework or strategy from which the partners were operating. We also found very little discussion about the need for an overall restoration strategy for the Delta or the role that the partnership could play in developing one. Instead we found that the key partners are focused almost exclusively on tactics--individual projects-- using an almost entirely opportunistic approach. As a consequence, the partners viewed the project primarily as a source of additional funding. The development of a common vision and overall strategy could help the partners raise their sights beyond the tactical, project-by-project approach, to a broader strategic approach. This step may be a key to leveraging significant additional dollars and engaging more partners, which could help resolve some of the key constraints the partners mentioned in this review.

- **Despite Being a New Program, as a Result of the Above, Progress Seems Unusually Limited**

As a result of the issues described above, at the time of this review, progress appears to be very limited. One of the key partners bluntly stated that, "this project has not done a damn thing yet." This comment summarizes the sense we got from most of the partners.

Recommendations

- **Identify or Recruit a Credible Leader**

Explicit efforts should be made to identify and recruit an individual or individuals whom all of the partners trust to provide leadership for the partnership. Staff can support this person. However, a leader is needed to help the group move beyond their own parochial interests so that a common vision, goals, and strategy can be agreed to and implemented.

- **Expand the Number of Partners**

For restoration of the Delta to succeed, numerous states, federal, local government, and non-profit partners must be engaged. Concerted effort must be made to contact and engage additional partners.

- **Develop Greater Clarity on the Vision, Goals, Strategy and Implementation Plan**

Our review suggests that it will be important to develop further clarity over the vision and goals for restoration of the Lower Mississippi and to then turn this information into a well thought out strategy that leads to an efficient implementation plan. The lack of clarity on vision, goals, and strategy may lead to continual confusion over how funds should be spent and which projects to pursue. It may also reduce the number of partners that are willing to fully commit to and participate in the project.

Vision refers to a picture of the future of the watershed as a restored and healthy system and to a related future of the partner organizations as more effective entities. An effective vision also includes a clear message about why people should strive to create this future. *Strategy* refers to the overall approach - the framework within which you make decisions - that will be used to achieve the long-term vision a partnership has developed. A sample strategy may be to first identify and protect the healthier areas of the watershed and then focus restoration activities around expanding and reconnecting these areas. *Tactics* are the specific actions the partners will take to implement the strategy. For example, in this example, federal agencies may target their assessment and land management activities on protecting and restoring the best remaining areas on public lands while the states and non-profits may identify and work with parties that own the healthier private land areas to acquire conservation easements and/or help them adopt new management practices. *Implementation plans* detail the specific sequence of steps, time-lines, lines of responsibility, fiscal, and other resources that will be employed to implement all of the tactics consistent with achieving the strategy.

It is important to remember there is a direct link between the vision the partners develop, the generation of new ideas, and the development of an effective strategy. Innovative ideas that lead to synergy between all partners will arise only when partners agree on a common vision and goals and open themselves to new ways of thinking. New ideas will not emerge through business-as-usual. It may behoove Restore the Delta to spend time to clarify the vision, goals, and strategy they want to use to employ.

- **Continue to Improve the Governance Structure and System**

Although the partnership is intended to produce group decisions on priorities, it does not appear as though the governance structure or system is working as well as people would like. For example, the group could not come to consensus over the priorities. One of the partners summarized the frustration with the unwillingness of the partners to make joint decisions by stating, "Supposedly everyone runs their plans through this group, but it does not really happen." Efforts should be made to re-clarify the way that information will be gathered and distributed, how decision will be made and enforced, and how funds and other resources will be distributed among the partners. This may require that underlying turf and other issues be surfaced and openly discussed.

There are a number of ways in which watershed partnerships can be structured. There are also a number of ways in which governance systems can be organized. The governance structure and system chosen should be based on the needs and goals of the participants. This process could start by asking all of the partners to examine the needs, perspectives, and operating styles of the other partners. Based on this assessment, the most appropriate structure and decision-making system can be chosen. Options include these and other governance structures:

Joint Ventures: The USFS combines with other organizations to form a new, distinct organization in order to pursue complementary objectives. When in a joint venture, information, decision-making, power, and resources are equally shared.

Strategic Alliances: Similar to a joint venture, where the USFS joins with others to pursue mutual gain, but a new organization is not created. In this case, the various organizations involved must agree to cooperate with and depend on each other. Clear rules of engagement must be established and agreed to (often in writing).

Informal Networks: Organizations join forces to capitalize on potential efficiencies in the production of specific outcomes. Each participating group is responsible for one area of output and the participating organizations are highly dependent on one another for the ultimate delivery of their products. Each entity makes decisions unilaterally, although in consultation with other partners.

Consortiums: The USFS pools its resources with other organizations to procure access to information or technologies, or achieve goals that are too costly or difficult for one entity to do alone. No separate entity is created for the management of this relationship. Each entity makes decisions unilaterally, although in consultation with other partners.

Each of these structures and systems operate under different rules of engagement. The partners involved with Restore the Delta need to spend time to understand the different structures and systems and choose a model that best fits their needs.

- **Institute Effective Outreach, Marketing, and Communication Programs**

Although limited funding has caused the partners to be hesitant to do much promotion, this may be a "Catch 22" situation. Lack of demand due to lack of public awareness may continue to limit the funding available. Increased demand may lead to new funding sources. Well-developed and executed outreach, marketing, and communication programs are needed to increase awareness of the project among private landowners and local governments.

- **Clarify How the Wyden Amendment Can Be Used**

The requirement that funds distributed through the Wyden Amendment must be "beneficial to the USFS" has proven confusing and difficult to apply. The partners said they are uncomfortable with having to continually decide on their own what "beneficial" means. It may prove helpful to clarify the scope of beneficial activities. Funds are needed that can be used as the partners sees fit to get the work done.

- **Secure Additional Funding**

A significant infusion of funding will be needed for Restoring The Delta to succeed. A number of the partners involved with the project said that because it seems it will not be possible to receive future funds off-the-top, and because the funds they have received have been difficult to utilize on private lands, the best funding approach for this particular program may be to consider a line-item appropriation from Congress. Other funding options should also be pursued.

- **Continued Support from the Chief's Office Is Vital for Long-term Success**

The Forest Service employees involved with Restoring the Delta said that if the direction and support from the Chief's office for the Large Scale Watershed Programs ended, they feared that project would eventually die. If support and direction from Washington ends, the Regional Office will be forced to choose among many priorities and as the large-scale watershed programs are new and not yet embedded in the culture of the agency, the program may most likely eventually die at the regional level. The program needs solid long-term national level support to succeed. One employee summarized this feeling by saying, "If they are not going to go out full force and make a full commitment to the program, they should get out of the business."

PACIFIC COAST WATERSHED
Completed Winter 2002

The Pacific Coast Large-Scale Watershed Project (Pacific Coast Watershed Partnership-- or coastal demo--PCWP) was created in 1999 when the Chief's office merged separate proposals for large-scale watershed projects from the Siuslaw and Siskiyou National Forests, the Columbia River Gorge National Scenic Area, and Ducks Unlimited into a single coast wide project. The PCWP now includes the Olympic and Mt. Baker National Forests as well.

The PCWP Has Provided a Number of Benefits to the Forests Involved Including:

- The designation has engaged Forest Service staff from the Canadian border to the California state line in discussions about the value of and potential strategies for a coast-wide restoration program.
- A number of projects were completed with the funds that were provided.
- The designation as a national “demonstration” project brought recognition that opened the door to leveraging additional funds for projects.
- The coast-wide focus and special designation also helped some Forest Service employees to expand their thinking beyond a project and forest level to a much broader landscape, and even coast-wide level.

Despite These Benefits, Overall Progress Has Been Limited By a Number of Factors:

- The way in which separate proposals were merged together at the start created a level of discomfort that has yet to be completely overcome.
- Until recently, the Regional office did not make its support for the project as evident as needed and support from headquarters in Washington was also somewhat cloudy.
- There are some sharp differences of opinion among the partners about what the PCWD should be and what working in partnership means.
- Due to the issues listed above, it has been difficult for the existing partners to identify the benefits of linking their efforts to restore watersheds from the Canadian border to California, and no common vision, goals, or strategy for the project has emerged.
- The coastal demo project has remained almost exclusively an internal Forest Service initiative and at the time this review occurred, no non-profits other than DU, and few private landowners, local, state, or other federal agencies are engaged in the project (although the Forests were working closely with these types of groups on local watershed programs).
- Some key issues must be resolved between some of the Forests involved and Ducks Unlimited.

- When this review was underway the program lacks a full-time coordinator, which had limited efforts to knit the forests together, develop a common strategy, and engage other partners in the effort (discussion was underway about hiring a coordinator when this review was being completed).
- Lacking agreement on purpose, strategy, and desired outcomes, the Pacific Coast demo has been viewed by Forest Service staff primarily as a source of additional funding.

As a result of these and other issues, the message from most Forest Service employees was mixed when we asked what would occur if the project ended. Some said that the project is just “getting started” and that momentum and major opportunities would be lost if it were terminated. Others said that because not much had happened yet, little would change if the demo died. At the same time, almost everyone we spoke with said that ending the project would in many ways be a significant loss. Even those who said not much would change if the project ended today said that the problems they face are so large and so complicated that they cannot be resolved without the addressing whole basins and even the whole coast. Consequently, many Forest Service employees said that in the past few months they had begun to realize there might be important benefits to a coast-wide watershed restoration initiative. Many agency staff members also said that if the project ended just a few years after it started, it would increase the cynicism among Forest Service staff about the agency's ability to follow through and diminish their willingness to be involved in new ventures the agency proposed. These findings are consistent with the summary of a USFS staff meeting dated 3/29/02 regarding the PCWP.

Because There Seems To Be a Very Strong Interest In Continuing the Project and Resolving the Bottlenecks, We Recommend That, If The Project Is to Continue, These Steps Should Be Taken:

- A full time coordinator should be hired. It may be beneficial to place the coordinator in a neutral location, not within a Forest Service office.
- The full-time coordinator, however, can succeed only if the Regional Office clarifies its support for the project.
- The partners should give careful consideration to the adoption of a governance structure and system that can meet the unique needs of partners spread throughout two states.
- A major outreach, marketing, and communication program should be instituted to engage key local, state, and other federal government agencies, non-profits, and private landowners in the project.
- After additional partners are engaged, the vision, goals, and strategies to be used by the project must be clarified, along with the size and boundaries of the project. This will require the resolution of the issues that exist between the National Forests and between some of the Forests and DU.

- If and when the fundamental questions of purpose and governance are resolved, a number of technical issues should be resolved, including how to make greater use of the Wyden amendment, how to leverage additional funds, and how to resolve budgeting problems.

Successes

- **The Designation as a Demo Created a Dialogue Among Coastal Forests.**

The involvement of National Forests from the Canadian border to the California state line precipitated a conversation that would not have occurred without the designation of the special Demo. Many people said the coast-wide scale of the project that was thrust upon them forced them to raise their sights and to begin to think at bigger scales and in broader terms. Meetings have been held to plan what would be funded each year across a broad area. The expanded perceptions and thinking that resulted could lead to new ideas and different approaches in the future, no matter what the future holds for the PCWP.

- **Some Projects Have Been Completed With the Additional Funds Provided.**

Each of the partners used their funds in different ways. The Mt. Baker National Forest used the funds they were given to sustain their existing efforts, bring in new partners, and link existing projects together. Ducks Unlimited has completed a number of projects in coastal estuaries and forests.

- **The Designation as a "National Demonstration" Project Opened the Doors to Leveraging Additional Money.**

Forest Service staff said that the designation as a national Demo project allowed staff to put “national priority” on grant applications and helped them receive additional funds.

- **The Large Geographic Scope of the Project Helped Some People to Look Beyond Their Own Tasks to a Watershed and Coast-wide Focus.**

Numerous partners commented that the large geographic scope of the demo project forced people to look at the coast on an ecosystem and watershed basis, instead of fragmented, isolated pieces. Strategies were discussed to connect the watersheds from Washington to Oregon. This is new for the region.

- **The Basic Concept Resonates With Many People**

Almost everyone we spoke with said that the original concept behind the demo makes a great deal of sense. People said that the size and complexity of the problems they face regarding watershed health and salmon cannot be resolved on Forest Service lands alone. A much broader framework is needed. Most people acknowledged that the framework had to go beyond their individual forests and associated watersheds. One person summarized this view by stating, "The problems are so huge that the demo is the only meaningful way to solve the problems. Nothing else has been created to do this type of work. No other overall strategy. Money, yes, but no strategy." Another person said, "It was a great idea to involve the Forest Service, DU, and privates together to focus on whole watersheds."

- **People See Potential and Support Exists for Continuing the Project**

Because most people seem to understand the need and support the basic concept behind the large-scale watershed program, we found that most people felt the project still had significant potential. Solid support seems to exist for continuing the program, especially if the key obstacles can be resolved. Some of the support is due to the lack of another vehicle in which to accomplish the goals. One person said, "I think it [the PCWP] should continue because there is nothing else there to fill the whole to work outside of our boundaries for watershed management." Other people said the project should continue because terminating it would reinforce the belief that the USFS can't follow through with its commitments. Many people said that canceling the project at this point would breed increased cynicism among employees about getting involved with any future new initiative the agency proposed.

Limitations/Obstacles

- **The Way the Project Came About Created Some Hard Feelings That Have Not Completely Dissipated**

Many people said that the structure of the watershed demo was dropped on them from the Chief's office without their knowledge or involvement. USFS staff was never asked if programs already existed that paralleled the demo project. No one asked if the demo could facilitate and improve what already was in place. Instead, they were given a new model to implement. The lack of input and the top-down nature of the process created some hard feelings that have not completely subsided.

- **The Size and Boundaries of the Demo Seem Problematic**

Almost every Forest Service employee we spoke with said that the size of the demo was a major problem. The two states involved are geographically, culturally, and politically different. There are many ecologically distinct watersheds included under the single umbrella of the coastal Demo. The almost 600 miles of coastline is too large to decide where money should be spent, given the small amount of money that is available. It is very hard for people to understand how a watershed close to the Canadian border relates to--or compares in terms of priority--with a watershed in southern Oregon.

- **Important Differences of Agreement Exist Regarding the Role of the Forest Service in Partnerships**

Sometimes explicitly and other times implicitly, it became evident through our interviews that sharp differences exist among the Forests involved over what it means for the agency to be involved in partnerships. Some people believe the PCWP is an opportunity for the agency to take a leadership role and demonstrate that they have a plan to address issues throughout whole basins and the coast as a whole. Others said it was an opportunity for the agency to provide additional resources to existing local watershed programs. Still others said that true partnerships mean that the agency is just one of many players that contribute on an equal basis to watershed restoration efforts and that the imposition of a pre-established strategy would undermine existing local efforts. Important questions remain unresolved about the role, responsibilities, decision-making process, and implementation methods the Forest Service should use when it is involved with partnerships.

- **No Formal Governance Structure or System Have Been Adopted**

Formal governance structures or systems for the partnership do not appear to have been adopted yet. Instead, the process appears to be informal, with the partners meeting when needed to decide how the funds will be divided. The lack of a conscious decision about the type of governance system that makes the most sense for the particular circumstances of the group may be one of the reasons behind the inability of the partners to agree on a common vision, goals or strategy.

- **The Lack of a Clear Governance System and Structure Has Created Unresolved Issues**

The lack of a clearly defined and agreed upon governance structure and system has generated a number of issues that need to be clarified between the National Forests involved and between the Forests and Ducks Unlimited. The issues relate primarily to the way funds are distributed and used and decisions are made.

- **Due to the Issues Described Above, People Are Unclear About the Vision, Goals, Strategies, and Benefits of the Demo**

Because of the issues described above, there is confusion over the project's purpose, vision, strategies, and potential benefits. Some Forest Service employees believe that work being completed through the demonstration project is parallel to work they have been doing for the past 5-10 years. They also do not want to adopt a new model when they have achieved success using an existing model. These people, therefore, have a hard time finding the added value of the demonstration project. Others said that although they work well with local watershed programs, the demo was a much broader model that required them to think and operate at larger scales. As a result of these and other issues, we found no common agreement on what the Demo, as structured, should strive to achieve, how it would achieve its goals, what the outcomes would be, or what the benefits of the program are.

- **Headquarters Has Not Provided Clear Direction and People Are Unclear About the Level of Support From the Regional Office**

At the time of this review, almost every person we spoke with said that they were unclear about the Regional Office's level of support for the project and, other than Jim Sedell's program, people said that support from headquarters was weak. Because the amount of money involved was small, people wondered if the regional office would not become fully invested in the project. More than one person said they felt that the RO had left it to the local forests to fight over the money. A number of people mentioned that they received no help from the fisheries or watershed program staff at headquarters in Washington. One person said that, "Even the fish group at headquarters does not mention the project in their "Fish Tales" publication. Only Jim Sedell's small group mentions the projects."

- **The Lack of a Full Time Coordinator Created a Major Gap in Leadership**

One of the most consistent themes we heard through all of our interviews was the need for an effective full-time coordinator. People said that it was only after Margaret Peterson became involved that they began to realize that, despite its current shortcomings, the PCWP had significant promise. People are thrilled with the help that Margaret has provided. However, she has other responsibilities and works on the project only part time. The lack of an effective full-time coordinator has delayed outreach efforts, limited the number of partners involved, and constrained efforts to leverage additional funds.

- **The Coastal Demo is Primarily an Internal Agency Initiative and No Local, State, and Other Federal Agencies, Non-Profits, or Private Landowners are Involved (Except at the Local Level)**

Although each National Forest works closely with local watershed groups, a glance at the e-mail list for the PCWP at the time of this review found that Ducks Unlimited was the only non-Forest Service group involved. Few state, local, or other federal government agencies, non-profits, or private landowners that we spoke with said they knew about or understood the purpose of the PCWP. Staff from the State of Oregon said that they were told about the Demo when it was first getting started, but had heard very little about it since that time. Forest Service staff said that marketing tools have been developed, but due to lack of a full time coordinator, sufficient funds, and direction from the Regional Forester, they have not been used. Many people pointed out that no framework or structure exists to support communication between other government agencies, non-profits, or the private sector. People felt that instructions were given to communicate with others, but no tools were provided to accomplish this task. Instead, people expressed desire for the Regional Forester to help facilitate communication between the Forests and the other government agencies and institutions that should be involved. No common goals or basic standards exist to guide landscape level management and restoration within or among agencies.

- **Funding Allocations Are Problematic**

Staff from at least one Forest complained that in reality the money that was provided for the PCWP was not additional funding--the funds were backfilled. When the forest received funding through the demo, their existing budget was reduced which left them essentially even, not ahead of the game. Although these individuals acknowledged that the agency was facing difficult choices regarding budget reductions, they also said that the lack of real additional funding reduced their incentive to spend time on the PCWP.

Analysis

- **As a Result of the Issues Described Above, The PCWP has Not Increased the Forest Service's Capacity to Work in Partnerships at the Watershed Scale**

The issues described above lead to the conclusion that the PCWP has not yet generated substantially better working relationship among the forests involved or between the USFS and the many local, state, and other federal government agencies, non-profits, or private landowners with major stakes in coastal watersheds. The PCWP also has not, to date, helped the agency develop an effective method to decide what the priorities are or how to build the Demo into a larger effort that could be more sustainable and bring in more money.

- **The Forest Service Remains Too Inwardly Focused**

Despite the Demo's goal of broadening the vision and thinking of the agency, the majority of Forest Service employees involved in the PCWP still seem to look at the project as simply a way to accomplish more on USFS lands. Many people said that this becomes apparent at planning meetings when the priorities for the agency all end up being on Forest Service lands. Due to budget shortfalls, the culture of the agency, and the mindset of employees, the agency still has a difficult time thinking or planning beyond its boundaries.

- **The Agency Seems Unclear About What Watershed Level Partnerships and Governance Entail**

In keeping with the point above, the Forest Service seems unclear about what working in partnership at the watershed level involves. Key questions regarding the type governance structure and system to be used must be resolved if the Demo is to successfully achieve its promise.

- **Until the Forest Service Brings More People into the Partnership, The PCWP Is Not Likely to Grow or Be Successful**

Following up on the points above, the PCWP is not likely to grow and succeed until and unless many other private, non-profit, and public partners are fully engaged. The perception to date is that the PCWP is simply an agency initiative. One prominent state government employee summarized this well by stating, "This is a Forest Service deal, its not a grass roots or community program."

- **The Lack of Leadership Is a Key Problem**

Many of the problems described above can be traced back to the lack of leadership provided for the project. Headquarters in Washington, and the RO's office have provided limited leadership, and the lack of an effective full-time coordinator meant there was no on the ground leadership. Until and unless the leadership issues are resolved, the project is not likely to succeed.

Recommendations

- **The Regional Office Must Make it Clear That the PCWP is a Priority**

The PCWP will succeed only if the Regional office makes it clear that it is a priority. This may involve the region dedicating funds to hire a coordinator for a sufficient number of years. It may also require statements and symbolic acts from the RO that show that the PCWP--and watershed-level partnership-based planning and management in general--is a priority.

- **Hire a Full Time Coordinator and Considering Housing This Person Outside of the USFS**

If the RO decides that the project should continue, a full time coordinator should be hired. Consideration should be given to housing the coordinator in a non-profit or in another public agency office, not in a Forest Service office. This may help to resolve the leadership issue and demonstrate that the PCWP is not just an internal Forest Service initiative.

- **Engage as Many Private Landowners, Non-Profits, Local, State, and Other Federal Government Agencies as Possible**

A key to success for the PCWP will be the ability to bring a diverse array of non-profits, local, state, and other federal government agencies (e.g. NMFS), and key private landowners into the coastal project (i.e. not just working with these groups at the local Forest level). This should be a top priority for the coordinator.

- **Adopt a Governance Structure and System Appropriate for the Coastal Demo**

Once more non-profits, private landowners, and public agencies are involved, it will be important to help them understand and agree on the type of governance structure and system they want to use. There are many types of governance structures and systems. Each of the different approaches use different rules of engagement, and lead to different ways in which information is gathered and distributed, decisions are made, and power and resources are allocated. It will be important for the partners to choose an approach that is most beneficial to their needs and goals. With an effective governance system in place, it seems more likely that the many partners involved can reach agreement on a common vision, goals, and strategy.

- **Clarify the Project Purpose, Vision, Goals, Strategy, and Benefits**

The development of an effective governance structure and system may allow the partners to come to agreement over the project's purpose, long-term vision, goals, strategy and benefits. The buy-in from additional non-profits, private landowners, and government agencies will be enhanced if they participate in the development of the vision, goals, and strategy.

- **Implement an Effective Outreach, Marketing, and Relentless Communication Program**

In order to engage other players in the partnership, continual outreach, relentless communication, and effective marketing programs must be developed. The overall vision, goals, strategies, and benefits of the PCWP must be continually communication through multiple channels to all of the players that may have an interest in coastal watersheds. The development of comprehensive communication and marketing programs would substantially increase understanding and buy-in for the demo.

- **Decide If the Boundaries Should be Changed**

Because so many people raised concerns about the scale of the project and its boundaries, it would seem prudent to resolve this question.

- **Resolve Some of the Funding Questions and Make Greater Use Of the Wyden Amendment**

One of the many technical issues that must be resolved is how project funding will be used. If the funds will be used as backfill when agency budgets are reduced, there will be little incentive for people to put time and energy into the demo. Consequently, this issue must be resolved. In addition, the Wyden amendment has allowed the Forest Service to provide dollars to State Forestry to work with private landowners. Consideration should be given to how this process could be expanded.

POTOMAC RIVER WATERSHED
Completed Spring 2002

The Potomac Large Scale Watershed Program (Potomac Watershed Partnership - PWP) was created through a merger of LSWP proposals from three different entities: the George Washington/ Jefferson National Forest, The Maryland DNR/ Forest Service, and Ducks Unlimited. Initially, the three proposals were aimed at work in different areas on different types of projects. However, the Potomac was used as a common theme to link the three projects together under one roof. The PWP is now about two years old.

The PWP Has Achieved a Number of Success Including:

- The partners have stayed together despite some major hills and valleys and now feel more committed than ever to the project. They are optimistic about the future.
- The process has developed better cohesion between public agencies, broadened the views about partnership-based watershed restoration, and led to increased understanding of the needs and roles of the individual partners.
- With one exception, the PWP has exceeded its project goals by 25%.
- Over \$170,000 has been leveraged from sources outside of the USFS for the project.
- The Forest Service has been able to develop model projects, educate their staff, generate good public relations, and create good will ambassadors due to the project.
- A conscious effort is being made to identify "signature projects" (such as the "Growing Native" native seed gathering project) which benefit all of the partners simultaneously.
- The project coordinator is highly respected.
- A non-profit organization, the Potomac Conservancy, was chosen as the lead organization and the partners are very pleased with the way this has worked.
- The PWP has developed its own identity and new partners, such as the Pennsylvania Department of Environmental Protection, are now joining because they believe the PWP can add value to their work.
- In sum, despite the ups and downs, a great deal has been achieved and the partners are beginning to see added value by working together.

Although The Partners Are Optimistic About the Future, They Face Some Important Challenges Including:

- While improving, the way the project was initially organized created some hard feelings and misconceptions that have not been fully overcome.
- Although significantly improved, cultural and programmatic differences exist between some of the partners, which has led to misperceptions and strained relations.
- A number of important governance issues remain unresolved related to how decisions are made and enforced, how partners use and distribute power, and how funds and other resources are shared.
- A diversity of views exists over the long-term vision and goals of the PWP. Some partners believe the PWP will be just a short-term project and therefore are primarily interested in the money that can be obtained. Others believe the PWP can be a whole new way of doing business and want to see long-term commitments established.
- Balancing the need for public recognition and fundraising between the individual partners and the PWP remains a challenge.
- Due to the issues above, the PWP operates primarily in a tactical, not strategic manner, which may limit the partners understanding of the increased synergy that could develop and the increased funding that could result if a clear strategy were developed.
- Although ultimately helpful, the development of the business plan was inefficient and very time consuming.
- The budgeting process has been problematic. The current budget system promotes functional silos, the majority of funds have come through the National Forest System and state/private forestry dollars have been limited, and the funds have been released late in the year causing problems for the non-profit which pays the coordinator.
- Support from the Washington office has been uneven

Our Analysis of These Issues Finds That:

- The presence of unresolved governance issues is a key constraint to future progress.
- The USFS is still struggling to let go and serve as an equal partner, a problem that has influenced the behaviors of many of the partners in ways that may not be beneficial to the long-term health of the PWP.
- Despite the hills and valleys, the increased level of mutual understanding and the sense of synergy that is growing have generated optimism about the future and commitment to continuing the project.

- At the same time, some partners fear that the time and energy given to the process will be wasted if the project ends due to the lack of commitment from headquarters and/or the lack of USFS funds.

Given the Issues Described Above, We Recommend That:

- Continued efforts should be made to build on recent progress and resolve the key governance issues.
- The project continue to employ a full-time coordinator to help steer the group through the governance issues and leverage the efforts of the individual partners into outcomes and benefits that are larger than what each partner alone could achieve.
- Time be spent clarifying the vision, goals and overall strategy of the project.
- Continued efforts be made to build landscape-level partnership-based planning into the culture of the Forest Service.
- Major efforts be made to resolve the budget problems to reduce the amount of time, energy, and stress that currently exist around this issue.

We Also Recommend That In the Future the Chief's Office Consider:

- Restructuring the business plans to focus more on strategic elements.
- Developing alternative methods to establish landscape-level partnership-based programs to avoid the types of problems the PWP experienced.
- Taking explicit steps to embed watershed level, partnership-based management into its policies, Washington office programs, and the core internal personnel and budgeting processes if it is to be a core agency value in the future.

Successes

- **The Partners Have Stayed Together Through Some Difficult Times**

The way in which the PWP came about created some hard feelings, which the partners are still in the process of overcoming. Even with the difficulties, the partners have stayed at the table. People continue to attend the meetings. Even DU, which initially did not attend many meetings, is now attending. The willingness to stay involved has generated a heightened sense of mutual understanding of the needs, attributes, and skills of the other partners. Every person we spoke with said that the group had overcome some important hurdles in the past 3-6 months and voiced optimism that great things were possible in the future.

- **The Process Has Developed Better Cohesion Between Agencies and Broadened the Views of Many Partners**

All of the government agency staff we spoke with said that enhanced working relationships and better alignment has resulted among the public agencies involved with the PWP. Almost everyone we spoke with said that although a steep learning curve was required, one of the major hurdles that has been overcome is the belief that the pie is limited and that if one partner gets more another will get less. The group has now agreed to specific ground rules on how they will operate in public. Each of the partners has agreed to tell other partners which funder they plan to seek funding from so that the partners don't compete against each other. A priority list of needs is developed and the appropriate group is chosen to seek funds from each potential funder. One of the tools employed that helped to achieve this breakthrough was a "SPOT" analysis. The project coordinator facilitated a process whereby the mission, goals, needs, constituencies, opportunities, and threats faced by each partner were identified. This process generated much greater awareness and understanding among the partners of the issues each faces.

- **The PWP Has Exceeded Its Project Goals By 25 Percent**

With the exception of riparian fencing on federal lands, the PWP has exceeded its project goals by 25%. So many projects have been completed with the dollars and staffing afforded by the PWP that staff are somewhat concerned about over-saturation. For example, 43 miles of road have been closed, 2000 ft of streams on federal lands have been fenced, 4 rainguards have been installed, one 1400 ft. greenway has been installed, 155 miles of riparian buffer have been planted, 71 acres of wetlands have been restored, 586.5 acres have been permanently protected on private lands through conservation easements and other tools, 29 riparian monitoring sites have been established, and the Growing Native program has become a flagship public outreach program. The large geographic scope of the project area means that various partners complete much of the work independently. However, more and more of the work is being done within the context of a full partnership. Field staff from the various partners are now sharing ideas and working together independent of the project coordinator.

- **A Significant Amount of Money Has Been Leveraged**

The PWP has generated over \$170,000 in additional funds and in-kind contributions. Some of this has come in the form of grants, about half in hard cash, and the balance in in-kind contributions from government, private, and non-profit sources.

- **The Forest Service Has Been Able to Develop Model Projects, Educate Their Staff, Generate Good Public Relations, and Create Good Will Ambassadors**

A number of Forest Service employees said that the PWP has allowed the agency to do things it could not do under normal operations. For example, a watershed characterization assessment is now being completed for a few of the subbasins within the Potomac. The purpose is to be able to set priorities, explain why they are working in certain locations, and to develop common indicators. A number of model projects have also been completed. These projects provided greater awareness and education for local rangers on watershed issues. They also generated good relations with private parties. For example, steep slope alternative logging workshops have been held with good attendance. The agency has improved range allotments and completed wetland restoration projects in the Shenandoah watershed. The successful work with a private allotment permittee created led this individual to become an ambassador for the USFS. The agency has also been able to work with the state partners to resolve some recreational access problems. In addition, the partnerships that have resulted from the PWP allowed the agency to expand their focus from the bottomlands to the uplands where arson and forest health problems have been addressed.

- **A Conscious Effort is Being Made to Identify "Signature Projects"**

The PWP partners are making a conscious effort to find projects that meet the needs of all of the partners simultaneously. Called "signature projects," the goal is to help all of the partners to feel good and shine the light on the added value that the PWP provides to each partner. The "Growing Native Program" (GNP) is an example of a very successful signature project. In 2001, the GNP mobilized almost 2500 volunteers from 108 organizations (including day care centers, senior centers, universities, Department of Defense, schools) who collected over 12000 pds of native hardwood seeds and delivered them to state nurseries which used them to grow seedlings for local reforestation programs. The GNP saved over \$40,000 in hard dollars and leveraged about \$102,000 in in-kind donations. They are shooting for 5000 people to be involved with the GNP in 2002. The GNP also generated a significant amount of positive publicity for the PWP and its partners. It also highlighted the role of forestry and foresters in restoring the Potomac.

- **The Project Coordinator Is Highly Respected**

Every person we spoke with said that current project coordinator has done an excellent job. One person called her, "a breath of fresh air." Agency staff served as the coordinator before the current coordinator was hired but was part-time and had many other commitments on their plate. The hiring of a coordinator with no past history in the project and good group instincts and facilitation skills has apparently proven to be pivotal in helping the group to overcome some key obstacles.

- **A Non-Profit Was Chosen as the Lead Organization**

One of the most interesting aspects of the PWP is that the Potomac Conservancy, a non-profit organization, was chosen to serve as the lead organization. Although the US Forest Service provides much of the money for the project, and although most of the other partners are much larger in terms of budget and staff, the project coordinator actually works for the Potomac Conservancy and from this position coordinates the activities of numerous public agencies, private groups, and other non-profits. Although this arrangement has led to a few problems (see below), almost everyone we spoke with voiced a high degree of satisfaction with the arrangement. Having a non-profit with no vested interest in the process serve as the lead entity has opened up new options that were previously unthinkable. The PWP has been able to leverage substantial additional resources and been able to shift resources around to where they can achieve the most benefit. These activities have been much easier to accomplish within the context of a non-profit than they would have been in a government agency. For example, the Maryland Forest Service can hire monitoring staff for only 8 months at a time, and then must let them go. The agency can rehire the people after 6 weeks. The six-week gap in employment can lead to the loss of staff and to consequent disruptions in the monitoring program. The PWP, acting through the non-profit Potomac Conservancy, plans to hire the employees for the 6 weeks that the state of Maryland cannot hire them, thus bridging the gap in employment. One federal government partner summarized the feelings of many by stating, "The best decision we made was to set up a system that provided non-profit leadership. This changed the whole dynamic."

- **The PWP Has Generated its Own Identity and New Partners Are Joining**

The on-the-ground successes of the project have given it an identity. People in the area now know a partnership is working to solve critical problems, and new organizations are asking to become involved. The Pennsylvania Department of Environmental Protection, for example, recently asked to join the PWP because they believe it can add value to their work. Other non-profits have also joined with the partners on a project specific basis.

- **In Sum, Despite Some Hills and Valleys, a Great Deal Has Been Achieved and the Partners Are Beginning to See Added-Value By Working Together**

Almost every person we spoke with said that although there have been some hurdles to overcome, and although some problems still must be resolved, they were committed to the effort and are beginning to see increased advantages to working together. The partners now seem to be realizing that they can each achieve their individual goals and more by working together. A growing sense of synergy and optimism exists about the future.

Limitations and Challenges

- **The Way the Project Was Initially Organized Created Some Obstacles**

The PWP was created as an overlay on top of a number of programs that the National Forest system, state agencies, and Ducks Unlimited already had in motion. One state agency official called this a "shotgun wedding." It has taken about a year and a half to overcome some of the problems that were generated due to the way the program began. Part of the problem seems to relate to the fact that people believe the Chief's office simply told everyone that this was the way the program would operate. A related problem was the fact that money was taken off the top of existing budgets and directed to the project. These two acts generated some hard feelings. It has taken some agencies a long time to get over the disappointment that was created due to the belief that money was taken from them and given to the PWP. Given the initial organizational problems, it has taken a significant amount of time and energy to sort through the misperceptions that exist to help the partners find a way to link their activities into a recognizable entity and to link this entity with the missions and objectives each of the partner organizations.

- **Although Significantly Improved, Cultural and Programmatic Differences Still Generate Tension Between Some of the Partners**

Although every person we spoke with said the relationships have significantly improved, it became apparent through our interviews that misperceptions still linger between some public agencies and Ducks Unlimited. The public agencies were apparently surprised to learn that DU would receive a substantial amount of money when the project began. Some state agencies viewed these dollars as funds that would normally go to them. The Forest Service had limited experience working with a non-profit like DU and therefore had a number of concerns. Further, misperceptions grew due to misunderstandings about an arrangement that had been discussed between DU and the USFS regarding how the funds would be spent. Further, some government employees feel that through their words and actions, DU disrespects them. These issues initially led some agency employees to feel that DU was not interested in being a full partner--they were just interested in the money the project provided. For their part, DU came into the program with the goal and expectation of upgrading its capacity to work with private landowners to restore wetlands. DU is very skilled at working with private landowners and at leveraging additional funds to support its work. As the Forest Service is not focused on or as skilled in these arenas, the involvement of DU in the partnership would seem to offer substantial benefits to everyone. DU, however, did not believe it had signed on to the PWP to participate in public education programs or other activities unrelated to their mission of working with private landowners to restore wetlands. DU, therefore, came to believe that the partners wanted it to perform duties that were well outside of their mission and expertise and outside of the framework of their original proposal. DU also felt that the Forest Service has unfairly singled them out for extra scrutiny. Through our interviews we discovered that some of the problems might exist due to significant operational and cultural differences between the government agencies and DU. Similar words and terms used by both parties actually mean different things to each group. The top-down "shotgun marriage" way in which the PWP was started also was a major cause of the initial misperceptions. It has taken time and effort to bridge the cultural and organizational gaps, but

almost all of the partners we spoke with said the misperceptions were now in the process of healing and that relationships between all parties were substantially improved.

- **A Number of Important Governance Issues Remain Unresolved**

A number of people shared important issues with us that they said they feared talking about openly with the full group. For example, the USFS has provided most of the money for the project. The agency occasionally "pulls rank" by trying to dictate how the project should operate. This sets the agency outside of the framework of being an equal partner. In addition, some of the partners are a bit fearful of doing or saying anything to offend the USFS for fear that they will lose their funding. A number of people said that partners sometimes shape their activities and comments based on what they believe is best for their organizations rather than the Potomac watershed or the partnership as a whole, out of fear of offending the USFS. These issues indicate that power is not yet equally distributed within the partnership. In addition, a number of people from public and private agencies said that despite the good work they have done, DU has been held to much higher standards of accountability than other partners for how funds are expended. This seems unfair to these individuals. Many people also noted that a high degree of tension exists over how money will be raised and distributed. A few people mentioned a growing sense of "territorialism" between the partners, such as when one partner gets the cold shoulder from another when they decide to expand their programs into another partners area of work. A few people said that decision-making ground rules have been agreed to, but that they are not always followed. Questions exist related to which public agencies and private or non-profit organizations should be given board positions, and how to balance the power and decision-making authority between smaller non-profits and larger public agencies (apparently one of the ways this issue has been resolved is to require large organizations to bring their own resources to the partnership rather than expecting the PWP to provide them with resources). These issues suggest that importance governance issues related to the way decisions are made and enforced, power is used and distributed, and resources are shared have yet to be fully resolved.

- **A Diversity of Views Exist Over the Vision and Goals of the PWP**

A number of people said that the initial top-down manner in which the project was started, the lack of a long-term funding and programmatic commitment from headquarters, concerns over money and turf, and other issues, have prevented the partners from agreeing on a long-term vision and goals for the project. Some of the partners apparently feel that the PWP is another project that will soon pass away. This view leads to the belief that the primary benefit of the PWP is the added money. As a result, some of the partners have a short-term focus and vision. In contrast, other partners said they are now beginning to see the added value that working together can provide, and that the PWP could be a whole new way to do business. These partners want to see a long-term vision and commensurate commitments developed by each of the partners. In sum, it became evident through our interviews that the partners have not yet developed a common agreement about the purpose, vision, goals, or long-term status of the PWP.

- **Balancing the Need for Public Recognition and Fundraising Between the Individual Partners and the PWP Remains a Challenge**

The partners established a new entity, the PWP, and housed it in an existing non-profit, to provide a way to coordinate the activities of a number of diverse organizations. As a result, the PWP has successfully developed a "brand name" and the public increasingly sees the PWP name associated with projects. Yet, each organization that is a member of the PWP also needs public recognition due to the need to show their supporters what they have achieved. For example, public agencies must demonstrate and get credit for their achievements to maintain support for their budget. Non-profits must do the same to secure contributions. The Potomac Conservancy, which houses the PWP, sometimes bumps-up against the PWP as it seeks public recognition and funds. Balancing the need for recognition of each partner organization while maintaining smooth relationships has been a challenge. Likewise, coordinating fundraising activities between the partners and between the partners and the PWP as a freestanding entity has also been a challenge.

- **Due to the Issues Above, An Overall Strategy Has Not Been Developed**

Although the partners seem to have bought into the vision of landscape level management, the initial start-up problems, lack of agreement on the long-term vision and goals, and the budget and fundraising concerns appear to have constrained the development of a systematic strategy for restoring the Potomac. As a result, although it is probable that all of the projects have produced environmental benefits, and although some very innovative projects have been implemented, the approach seems to be primarily tactical, not strategic in nature (i.e. for the most part, existing programs have been used as the vehicles for project implementation). The lack of an overall strategy may constrain the awareness of the value-added that the PWP can provide for each of the partners. It may also constrain the development of a fundraising strategy that can leverage even more money for all of the partners.

- **The Lack of a Clear Vision, Goals and Strategy Has Made Measurement and Tracking Difficult**

A number of people we spoke with mentioned that the partners have had a difficult time tracking all of the projects and finding a means to add them up in a way that allows progress to be measured. Part of the problem undoubtedly relates to the lack of clarity over vision, goals, and strategy. When the partners do not know what they are ultimately trying to achieve and how they will achieve it, it is very difficult to develop effective indicators and tracking systems. It should be noted that the development of an effective set of indicators for a large-scale program is difficult to develop and implement. Good indicators take time and effort and generally emerge only after a group has spent considerable time clarifying their goals and strategies.

- **Development of the Business Plan Was Problematic**

A number of partners said that although the business plan was a good idea and eventually resulted as a good document that provides important guidance, it was a nightmare to put together. The guidelines kept changing and people would not even complete a section before the

guidelines were changed again and the section had to be rewritten. In addition, because the proposal was going to the Chief's office, the USFS staff had to do most of the work and the other partners were not fully involved. Consequently, the process required a good deal of time and energy, much of which was wasted due to the constant changes that were required.

- **The Budgeting Process Has Created Many Types of Difficulties**

Many partners said that the budgeting process that the USFS employs has been a major obstacle to landscape (watershed)-level partnership-based management. Staff and funds are assigned to specific line items which each have their own performance targets. The PWP uses 11-15 budget line items across 2 USFS regions (NE and Southern) and 2 internal budget areas (State/Private Forestry, National Forest System funds). Trying to integrate this many line items and functions has been extremely difficult, especially when every one of the line items has a staff that thinks the money belongs to them. The result is a continuation of siloed functionalism; each of the programs continues to focus on their narrow niche. A number of partners noted there is no history or template for developing coordinated watershed or landscape level funding within the agency, which means they have had to piece the process together on their own each year. In addition, budgeting decisions made at headquarters have caused heartaches regarding accountability and the ability to move funds to the field in a timely manner. Two years ago, a cap was put on the amount of state/private forestry that could be allocated for the large-scale watershed programs. As a result, much of the state/private forestry dollars the PWP had been given were reallocated to other regions and the PWP was allocated more National Forest System dollars. This has proven to be problematic as much of the work of the partnership is off public lands but forest system money is difficult to use off forest. The Wyden amendment has been used to fund projects by private landowners, but agency staff is nervous about this due to accountability questions. An almost universal theme we heard was that more money needs to be allocated through state/private forestry. Due to these and other budgeting issues, funds have often arrived very late in the year. This has created major problems for the Potomac Conservancy, which is responsible for paying the project coordinator. The Conservancy had to take out a loan out to cover salaries because the USFS could not disburse funds in time. While headquarters has promised to simplify and speed up the process next year, agency staff is not convinced that next year's budgeting challenges will be any easier.

- **Support from The Washington Office Has Been Uneven**

A number of USFS staff said that they have received limited on-going support from headquarters other than the help Jim Sedell's group has provided. These people were very pleased with the funding they had received in the past. However, the watershed office at headquarters has not been involved with the large-scale watershed programs, and little support has been provided from the fisheries program and other units. This issue arose due to concerns that if Jim Sedell and his team left, the program would end because the lack of involvement from other programs at headquarters indicates that the large-scale watershed program approach has not been integrated into everyday agency operations. One person summarized the feelings of a number of agency staff by stating that, "It [the large-scale watershed programs] needs ownership by all of the departments and the Chief in Washington to survive."

Analysis

- **The Unresolved Governance Issues Are the Key Constraint to Future Progress**

The questions about how to balance recognition and credit, which entities to allow on the board, how to share and distribute power and decision-making authority between large and small partners, and how to coordinate fundraising between the individual partners and the PWP suggest that key governance questions need to be clarified. Lack of clarity on these issues seems to be the major barrier to even more success in the future.

- **The USFS Is Still Struggling to Let Go and Serve As an Equal Partner**

Many partners within and outside of the USFS said that the agency has struggled with the notion of being an equal partner and has been hesitant to share its power that stems, in large part, from the fact that the agency is the primary funder of the PWP. The agency has apparently also struggled with the notion of allowing a non-profit to take the lead. Many people noted that the USFS is used to doing things in a certain way and to being in control. A non-profit operates in much different ways, and has very different views, from the agency, and a real partnership requires that individual players be willing to relinquish some of their authority and control to the whole. Almost all of the USFS staff we spoke with acknowledged they have found it difficult to give up control, become an equal partner, and to allow a non-profit to take on many responsibilities. Until this occurs, many types of tensions and disruptions may exist.

- **Despite the Hills and Valleys, the Partners Are Optimistic About the Future**

Every person we spoke with said that because the partners have overcome some important hurdles and are now making significant progress, they are optimistic about the future. Most people believe the partnership would continue even if large-scale watershed programs were no longer a priority of the Chief's office. Most people said the PWP would continue to employ the coordinator and the project would continue, albeit at a much lower level of activity.

- **Some Fear That the Time and Energy Given to the Process Will be Wasted If the Project Ended**

The optimism about the future that we heard was balanced against concerns that a significant investment would be wasted if the PWP ended. Most people said that it has required a significant amount of time, energy, and emotional commitment to attend all of the meetings and work through the various issues. This investment will only prove beneficial if the project is continued and the desired synergy emerges between the partners. People fear that the perceived lack of commitment from the Chief's office could doom the project. They said that the failure to continue the project would be a real waste of time and a major loss.

Recommendations

Given our findings and analysis, we recommend that the PWP:

- **Continue to Build on Recent Progress and Resolve Key Governance Issues**

Given that so many of the partners feel a sense of relief and pride for having overcome some of the past obstacles, the time seems right to press ahead, surface and seek to resolve some of the governance issues that remain unspoken or unresolved. Taking the effort to surface and resolve these issues may unleash even more energy among group members and lead to more innovation and success. Resolution of the issues may also help to reinforce the realization that the PWP can make the sum of the whole larger than the individual parts. That is, by working together more can be accomplished than each of the partners can achieve working on their own.

- **Continue to Employ a Full Time Coordinator**

Almost every person we spoke with said that the turning point for the PWP came when the current coordinator was hired. Having an individual with top quality skills and a background in non-profit management has been key to resolving many of the complicated inter and intra-organizational misunderstandings that exist and generating a sense of optimism. To ensure continued progress, it seems prudent to retain a full time coordinator.

- **Build on Recent Progress and Develop Greater Clarity on the Vision, Goals and Strategy**

Vision refers to a picture of the future of the watershed as a restored and healthy system and to a related future of the partner organizations as more effective entities. An effective vision also includes a clear message about why people should strive to create this future. *Strategy* refers to the overall approach - the framework within which you make decisions - that will be used to achieve the long-term vision a partnership has developed. A sample strategy may be to first identify and protect the healthier areas of the watershed and then focus restoration activities around expanding and reconnecting these areas. *Tactics* are the specific actions the partners will take to implement the strategy. For example, in this example, federal agencies may target their assessment and land management activities on protecting and restoring the best remaining areas on public lands while the states and non-profits may identify and work with parties that own the healthier private land areas to acquire conservation easements and/or help them adopt new management practices. *Implementation plans* detail the specific sequence of steps, time-lines, lines of responsibility, fiscal, and other resources that will be employed to implement all of the tactics consistent with achieving the strategy. It is important to remember there is a direct link between the vision the partners develop, the generation of new ideas, and the development of an effective strategy. Innovative ideas that lead to synergy between all partners will arise only when partners agree on a common vision and goals and open themselves to new ways of thinking. New ideas will not emerge through business-as-usual. It may behoove the PWP to spend some time to clarify the vision, goals, and strategy they want to use to employ.

In Addition To The Above, We Also Recommend That In The Future The Chiefs Office Consider:

- **Restructuring the Business Plan to Focus More On Strategic Elements**

Because the business plan proved very helpful to the coordinator and others in providing a framework and initial direction, the process should be continued. However, it may prove beneficial to restructure the process to focus more on the development of a strategic plan than on a business plan per se.

- **Resolve the Budgeting Problems**

The budget problems the PWP has faced need to be resolved, or at least eased. Funds must be distributed in a timely manner so that the Potomac Conservancy does not have to take out a loan to cover salaries and the project coordinator does not have to spend time and emotional energy ensuring she will be paid. State/Private Forestry does not have a line item for landscape-level partnership-based work. A more effective process should be considered for distributing the funds and for tying together all of the accounting mechanisms. Although it may support budget building from the ground up, the BEFUS process still does not provide a way to integrate line items so that the budget supports landscape-level work.

- **Consider Alternative Ways to Establish Future Landscape-Level Partnership-based Programs**

Many partners said that the top-down "shotgun marriage" way in which the program began generated significant obstacles that has taken about two years to overcome. Yet, at the same time, most people acknowledged that the project would probably not have begun without the direction from the Chief's office. There may be ways to provide leadership from the Chief's office to initiate these types of projects without generated as much tension as resulted in the PWP. Additional start-up options should be pursued.

- **Continue to Build Landscape-Level Partnership-Based Planning Into Agency Culture**

The budgeting challenges, stresses related to working in partnership with a non-profit, and other issues indicate that landscape-level partnership-based planning and management is not yet part of standard agency operations. To become embedded in the culture of the agency, the landscape-level partnership-based approach must be integrated into the agency's goals and policy directives, employee hiring criteria, job performance evaluations, leadership successional planning, budgeting procedures, and other internal protocols and procedures. It must also become a standard part of the message and constantly communicated by the Chief and his staff, Regional Foresters, and others within the agency.

RIO PENASCO RIVER WATERSHED **Completed Spring 2002**

The Rio Penasco is a 160,000-acre watershed that feeds the Pecos River and Tularosa Basin. Three quarters of the watershed is national forest land. A number of communities, subdivisions and private inholdings exist within the forest. The watershed is home to a unique mix of rare plant, amphibian, insect and bird species that have federal or state status. The Mexican Spotted owl and other organisms that inhabit the Forest are protected under the Endangered Species Act.

The project started in 1998 when the local district ranger decided that it made sense to expand the scale at which he was working. The Ranger had been involved with a number of small urban-wildland interface fire treatment projects that often blew up into complicated projects because of issues such as the Mexican Spotted Owl. The ranger decided to complete a 120,000 acre watershed analysis rather than pursuing activities on a project-by-project basis. The ranger hoped this would change the way he was doing business. About the same time, the Chief's office asked for proposals for large-scale watershed restoration programs, which led to the Lincoln Forest's proposal for the Rio Penasco. The development of the proposal itself initiated a major collaborative process. A two-day workshop was hosted by the BLM and USFS in Cloudcroft to develop the plan. About 50-60 people attended from numerous local, state, and federal agencies, and the private sector. Out of this and subsequent activities, four goals were developed for the Rio Penasco Large Scale Watershed Restoration Program: improve water yield and water quality; reduce fire hazards for communities and individuals; achieve a healthy forest that supports biodiversity; achieve economic stability.

After the original proposal was approved by the Chief's office, progress stalled for about eight months. The lack of a full time coordinator and a vehicle in which to organize and facilitate partnership development were the primary reasons. Most of the private parties and public agencies wanted the USFS to take the lead for the program. The mayor of Cloudcroft, however, voiced strong opposition to this. Due to the opposition of the Cloudcroft mayor and other reasons, the USFS was gun shy about taking the lead. They wanted the community to do it. This led to stalemate.

A major fire then occurred, leading to two deaths. The sense of urgency for action dramatically increased. Eventually the mayor of Cloudcroft and key staff from the USFS were able to come to an agreement. The mayor told the USFS that the agency was not working at a large enough scale to address the problems that he thought existed, and that his community needed clarity on what they could expect from the USFS in the future. The forest staff responded by developing fire plans for the area the mayor wanted help with around his community. In order to build a framework for a larger landscape level plan, the agency also started a major vegetation assessment to identify habitat for the Mexican Spotted Owl, riparian needs, archeological sites etc. This was a turning point, as the community understood that the Forest was trying to respond to its concerns. The Partnership formed as a result of this effort.

The partnership has achieved a number of successes. Despite numerous obstacles, many government agencies and a few private parties are still at the table talking. For perhaps the first time, the government agencies involved are trying hard to work together. The partners give the

USFS credit for making significant changes in the past three years. The partners have a clear understanding of the most dominant problems that must be addressed within the forest, and the sense of urgency for action is high. Two assessments of watershed and forest conditions are underway. Over two million dollars has been leveraged for projects on public and private lands within the forest. People feel cautiously optimistic that some of the major problems can be resolved.

The successes have been achieved against the backdrop of a number of obstacles. The community is deeply polarized over the causes of the existing problems, how the problems should be resolved, and what future management on the forest should encompass. The partnership board does not necessarily represent all of the interests within the area, a problem that some people say generates a false impression about the desires of the community at large. As a result of these problems, no agreement exists over the future vision, goals, or strategies for the forest or watershed. Although improving, communication is weak among the partners. People question the credibility of both of the assessments that are underway. Because of the polarization and the lack of consensus on a future path, The Forest Service has developed a bunker mentality that it is still struggling to overcome. The agency is struggling to make a transition to landscape level planning and partnership-based operations and suffers from weak internal collaboration as well. As a consequence of these issues and the constraints of NEPA and ESA consultation, the agency has tread lightly and existing projects do not match the scale of the problems that exist within the forest. The lack of a long term commitment of funding and difficulties in getting the money they do have where they want it to go in a timely manner have also plagued the project.

Despite these obstacles, although cautious, the partners are committed to the project if for no other reason than the fact that most people understand that no one is going to achieve their goals working on their own and that they must work in partnership to resolve key issues. People believe there is no alternative but to continue forward and to try to work through the obstacles. To facilitate continued forward movement we recommend the following:

- A credible person deemed as "neutral" be asked to chair the partnership board.
- Once a new leader is secured, membership of the partnership board should be broadened.
- A governance structure and system applicable to the needs and desires of the partners should then be adopted.
- With a new governance structure in place, a process should be instituted to surface unspoken issues which seem to be the cause of concern with the goal of clearing the air so that the partners can find areas of common agreement related to the future vision, goals and strategy for the project.
- One or more full time coordinators should be hired to facilitate this process, broaden outreach to the community, and to speed up project planning and implementation.
- An independent science panel should be formed to review both of the assessments and provide a way to integrate them in a credible manner.

- A monitoring and evaluation system should be established to determine the efficacy of proposed management practices.
- Continued leadership from the Chief's office and more support from the Regional Office will be needed to ensure the long-term success of the project.

Strengths

- **Despite The Obstacles That Exist, People Are Still At the Table and Like the Way the Program is Evolving.**

The polarization that has been created due to past controversies and a dramatic change in the economic and population mix of the region have generated intense feelings on all sides about how the Rio Penasco Watershed and Lincoln National Forest should be managed. The diversity of opinions and passionate interests of stakeholders make it very difficult to develop an effective collaborative partnership program. Yet, despite these problems, people are still at the table. Almost everyone we spoke with voiced support--and great hope--for the project. This indicates that something is going well: participants see a purpose and reason to participate. The private partners like the fact that the program is locally based. The many public agencies and local governments involved like the increased collaboration that has evolved. People continually praised the Forest Service for its effort to open dialogue and work in partnership with others. There has been an obvious improvement in the ability of those involved to hold an open dialogue, to talk about issues without blame, and to focus on solutions. People are optimistic about the future, even if the voice concerns about the ability to generate a consensus on key issues and about the ability of the Forest Service to produce.

- **Many Government Agencies Are Working Together**

For perhaps the first time, the NRCS, Utah State Game and Fish, State Forestry, the County, the village of Cloudcroft, and other public agencies are working collaboratively to resolve problems and develop a common plan for the forest. Numerous people praised the work of Howard Shanks of NRCS RC&D and Barbara Luna of State Forestry in working with private landowners. Many others praised for Forest Service (see below). The mayor of Cloudcroft summarized the new feelings by stating, "we have been remise at not being at the table. We now realize we need to have collaborative partnerships."

- **Many People Give the USFS Credit for Making Big Changes**

Numerous private and public partners said that they have seen the USFS make dramatic improvements in the past few years in their willingness and ability to work with others. The Forest Supervisor, the watershed program coordinator, and many other USFS staff are widely admired and liked. People say the top people within the agency have been very responsive. A number of people praised the agency for securing grants and trying to create jobs through the use of small diameter material. One person summarized the feeling of many by stating, "The Lincoln wants to work with others now. I have seen a remarkable desire and improvement in working together."

- **There Is a Clear Sense Of Urgency and a Gut Level Understanding That the Watershed and Forest Have Serious Problems**

Although a common vision and goals for the program have not yet emerged among the partners (see below), there is common agreement on the key problems that exist which need urgent attention, even if there is little agreement on their cause or what to do about them.

- **Assessments Are Underway**

Two different assessments underway: an assessment by the county and the USFS vegetation study. Although there is discomfort with the interpretation and conclusions of these assessments, once completed they may provide the basis for the development of a common vision and action plan.

- **Over Two Million Dollars Has Been Leveraged For Various Projects and Local Leaders and Private Landowners Have Seen That the USFS Can Produce.**

The USFS has directly leveraged money or helped other partners to write grants and secure over 1.2 million dollars. For example, the agency found \$225,000 in federal dollars and \$227,000 in matching dollars to support the Mescalero Mill, owned by the Mescalero Tribe, retool to process small diameter material. Over \$40,000 was provided, via the Wyden Amendment, to help Cloudcroft Estate complete fire prevention activities. The agency responded to the requests for help from the mayor of Cloudcroft. Many agencies and individuals have provided in-king services, which leads to cost savings and enhanced opportunities. These and other actions have increased the standing of the USFS in the eyes of local government leaders and private landowners.

Obstacles

- **The Community Is Deeply Divided About the Future of the Forest**

The Lincoln National Forest is a region in the midst of a major economic and social transition. The forest products and agricultural industries that once dominated the area have shrunk considerably and are no longer the sole contributors to the economy. New economic engines such as the two observatories and associated tourism, and new residents such as retirees, have substantially changed the make up of the community. The Mexican Spotted Owl and other ESA issues have also split the community. Indeed, there are many "communities" of interest in the region today, not one. Each group has different needs and holds different views about how the forest should be managed. The strong and divergent beliefs held by all sides about the future of the forest and watershed make it very difficult for the Forest Service and other partners to find strong support for almost any type of project.

- **The Partnership May Not Represent the Community at Large**

Although the Forest Service has worked very hard to engage people, and although 40 or more people often attend meetings, a number of people within the public and private sectors noted that the forest products and agricultural industries still dominate the process. People said that despite the changing demographics of the region, these two interests still hold most of the local political power, are the most vocal about the type of management that should occur on the forest, and give the impression that their views represented the views of the community at large. Further, people from the private and public sectors said that the agricultural and forest interests intimidated others with different views, causing those who see things differently to stay away from meetings and not fully participate in the project. Some key economic interests have stayed on the sidelines. The environmental community has refused to participate. One person from a public agency summarized these concerns by stating that, "those who actively participate are the vocal minority." Another person said, "that's why most of the meetings focus on timber production." Thus, many people said that the views of those at the table in the partnership about the type of management that should occur within the forest do not represent the views of the majority of local economic interests or residents.

- **The Partnership Lacks a Credible Leader**

It is possible that some of the issues described above could be overcome or resolved if a leader existed within the partnership that everyone trusted and respected. We could not identify such a person. Due to past history and ongoing tensions, people question the motivations of others. The lack of a leader who seems above reproach to all of the partners may be limiting the projects ability to come to consensus and involve other key players.

- **Little Agreement Exists on a Common Vision, Goals, or Desired Outcomes**

In large part due to the problems described above, we found little agreement about the cause of the problems, what to do about them, what restoration meant, or how the forest and watersheds should be managed in the future. There have been few attempts to meld the many views into a common vision of the future. We were left with a feeling of ships passing blindly past each other in the night. To some, restoration means thinning and salvaging trees to reduce the risk of fire to private homes, the two observatories, and other structures. To others restoration meant thinning and salvage to provide wood for local mills and to increase grasses within the forest for grazing. Some local interests oppose most thinning projects because they fear it will lead to the reintroduction of industrial forestry. Still others fear that slash burning from thinning will harm visibility for the local observatories, causing major economic impacts. Some people believe that low stream and spring flow problems are caused by excessive tree density and that cutting trees is the key to increasing flows. Others said that low flows had more to do with the dramatic increase in development and associated wells that had been drilled in the last ten years, and with five years of draught, than with forest density. Even the assessment sponsored by the county was questioned. A number of people said that the data was good but the interpretation and conclusions were not accurate. The lack of a common vision, goals, and desired outcomes make strategy development very difficult.

- **Current Projects Do Not Match the Scale of the Problem or Project Goals**

The 2001 Annual Report states that the fire reduction goal is to reduce fuel loads on 80% of all lands within the watershed. The Rio Penasco watershed incorporates 160,000 acres. The Partnership and related efforts hopes to expand to an even larger scale by including the Sacramento Mountains (450,000 acres) or the entire Lincoln National Forest (and possibly two other National Forests as well). Yet, only 1,532 acres were treated within the Wildland-Urban Interface zone in 2001, and 30,000 to 35,000 acres are planned for 2002 plus. This suggests that the scale at which projects have been planned does not match the size of the problem nor can it achieve the stated goals of the program. Further, the projects that have been completed have been those with a strong consensus of support. This suggests that future progress may be much more difficult, especially with the lack of agreement on vision, goals, and strategy, and a number of important issues are yet to be discussed.

- **Although Improving, Communication Is Still Weak Internally and Between Project Partners**

Through our discussions it became clear that, although people are making an extraordinary effort to stay at the table, keep communication open, and work together, many important issues still lie below the surface and have not been discussed openly. Fundamental questions regarding the nature of the problems, their solutions, and the long-term management of the forest remain unresolved or off the table entirely. Although it makes sense to tackle the tougher issues after the group develops greater trust, keeping core issues off the table could spell trouble in the not to distant future.

- **The Public Is Unclear About The Overall Strategy**

In large part due to the two issues described above, many private partners voiced confusion about the strategy for resolving the major problems and who was actually in charge. Questions about which agency or organization was going to make the key decisions affecting the forest, how those decisions would be made, who would supervise the activities, how accountability would be assured, and, perhaps most importantly, when activities would actually get beyond the planning stage, permeated almost every discussion we had.

- **Although Changing, the USFS Has a Poor Public Image—In Part Because of the Changing Values in the Area and, In Part, Due to Its Own Missteps**

Although this appears to be changing somewhat, the problems described above have combined with the Los Alamos fire and other events to give the USFS a poor public image. Some private landowners, for example, complained that the USFS did not adequately supervise contractors that were hired to do fire treatments near their properties. Slash fires were apparently left unattended and a great deal of woody debris was left on the forest floor after the contractors left. A partner from a public institution complained that the USFS keeps changing its views and backsliding on previous commitments. The USFS has apparently promised this organization that they will find funds to complete an EA and implement a fuel treatment project for almost ten years, but despite numerous proposals and plans, no on-the-ground projects have been implemented. The inability of the USFS to get projects out the door in a timely manner was another common complaint. The USFS has much work to do improving its image with the community at large.

- **The USFS Is Struggling with Landscape Level Planning and Collaboration.**

A number of USFS staff members and almost every outside partner said that, although improvements have been made, the agency was still struggling to overcome the state of shock it has experienced due to the ESA listings and the consequent polarization that has occurred in the past years. Consequently, the agency is struggling to learn how to work at the landscape (watershed or forest) level and to work collaboratively with private and local government partners. One federal agency employee said that the USFS had too many people representing too many separate compartmentalized units to be able to develop a coherent landscape level plan. The transition to working with other government units and the private sector, rather than just on their own lands, has also been difficult. For example, contracting procedures, the handling of grants for outside parties, methods for listening to outside interests, and other activities have placed a strain on the agency which is already strapped for personnel and resources. Further, a number of USFS staff said that agency employees do not like the fact that they are not proficient in these areas. The agency had a clear mission and methods for many years (e.g. to prevent fire) but the traditional mission has been discredited and the agency has struggled to develop clarity on a new one. The agency is used to knowing what to do and to being in charge. These people said that lack of clarity of mission, knowledge, and skills embarrasses the staff and makes them gun shy about getting involved with the community. Because of this problem, more than one staff members said that the agency often falls back to the safe position of blaming environmental

laws for constraining their activities when in reality the problems relate as much to their lack of confidence and skills as it does to the laws.

- **The Internal Capacity of the USFS to Work Together is Limited**

Although improvements have occurred, a number of agency staff said that internal collaboration is difficult for many USFS employees. The organizational structure of the agency is fragmented and siloed among specialty units. People focus on their tasks or specialties and cross-functional communication and planning is difficult. Because of the way the agency has historically operated and the way employees were trained, a number of people noted that a majority of employees are not comfortable with collaboration. Collaboration "does not feel right" one person said.

- **The Scientific Credibility of Both Assessments and Some of the Proposed Management Strategies Are In Question**

There are at least two different assessments underway: one by the county and a vegetation assessment by the USFS. Members of the partnership have questioned the scientific credibility of both. In addition, a number of people believe that harvesting trees is the key to increasing streamflows. Yet, others said that no scientifically credible monitoring program exists to verify these claims. A number of people said that a mechanism was needed to verify and integrate the various assessments and that long-term monitoring programs were needed.

- **Getting Money To The Ground Has Been Difficult**

Although \$40,000 was given to Cloudcroft Estates through the use of the Wyden amendment for fire prevention, a major effort was required by USFS staff to resolve the bureaucratic processes and get the money out the door. Although the lessons learned should make the process easier in the future, getting money on the ground has been a major drain of time and energy.

- **The Lack of Long Term Funding Commitments and Delays In Funding Have Limited the Program**

When the program first started, the Lincoln Forest was under the impression that there would be five years of committed funds, which would be followed by an evaluation that would allow the successful programs to continue to receive funding. The change in direction from the Chief's office has been disappointing to staff and made program planning problematic. Further, the money that has been received often came late in the year, which made it difficult to plan.

Analysis

- **The Agency and Its Partners Have No Choice But to Continue Forward**

Despite the polarization and the many issues that remain unresolved, it is clear that the process launched by the partnership cannot be reversed without major, perhaps even tragic, consequences. If the private parties involved bail out, the Forest Service and other public agencies involved will have no support and their ability to work effectively will be further diminished. If the Forest Service pulls the plug or scales back the program, it will generate more cynicism and distrust within the community. Either action is certain to re-ignite past controversies and lead to confrontation. All of the parties seem to agree that no single entity can resolve the problems of the Lincoln Forest. Despite the problems that exist, it appears as though there is little choice but to continue to pursue the partnership-based approach, work out the problems, and come to agreement on how to resolve key problems such as forest health, the risk of fire, water supply etc.

- **The Window of Opportunity for Success is Small and the Lack of Agreement on Vision, Goals, and Strategy Threatens Future Progress**

Despite the fact that people praise the effort of the Forest Service and generally like the direction the program has taken, the window of opportunity for the program to prove its worth appears small--perhaps a year or less. People from both the public and private sectors consistently said they would lose interest if on-the-ground projects fail to materialize in rather short order. Yet, the lack of agreement on the nature of the problems and the proper solutions make it very difficult to achieve success in the small window of time that exists. This suggests that some careful planning is needed to provide a sufficient amount of visible short-term successes to keep the partners engaged and enthusiastic.

- **Despite the Urgency, The Agency Is Still Struggling To Make a Major Transition**

Working at the landscape level in partnership with other government agencies and private interests is still a relatively new approach for the USFS. The agency is obviously struggling to make the transition while also fulfilling its legal requirements and its internal responsibility to manage Forest Service lands. The pressure to produce results for the local community adds to the stress the agency feels. The agency has instituted a number of education and training programs to help employees address these issues. Continued efforts are needed to help agency employees make the transition.

Recommendations

- **Identify or Recruit a Credible Person to Provide Leadership on the Board**

Problems related to mistrust and the lack of agreement on vision, goals, and strategy may be overcome by identifying or recruiting a person who all of the partners have confidence in to take on a major leadership role. An individual seen as objective and fair, with no cross to bear, could prove to be a very positive addition to the board.

- **Develop a Clear Governance Structure and System for the Partnership**

There are a number of ways in which watershed partnerships can be structured. There are also a number of ways in which decisions can be made. The governance structure and system chosen should be based on the needs and goals of the participants. This process could start by asking all of the partners to examine the needs, perspectives, and operating styles of the other partners. Based on this assessment, the most appropriate structure and decision-making system can be chosen. Options include these and other governance structures:

Joint Ventures: The USFS combines with other organizations to form a new, distinct organization in order to pursue complementary objectives. When in a joint venture, information, decision-making, power, and resources are equally shared.

Strategic Alliances: Similar to a joint venture, where the USFS joins with others to pursue mutual gain, but a new organization is not created. In this case, the various organizations involved must agree to cooperate with and depend on each other. Clear rules of engagement must be established and agreed to (often in writing).

Informal Networks: Organizations join forces to capitalize on potential efficiencies in the production of specific outcomes. Each participating group is responsible for one area of output and the participating organizations are highly dependent on one another for the ultimate delivery of their products. Each entity makes decisions unilaterally, although in consultation with other partners.

Consortiums: The USFS pools its resources with other organizations to procure access to information or technologies, or achieve goals that are too costly or difficult for one entity to do alone. No separate entity is created for the management of this relationship. Each entity makes decisions unilaterally, although in consultation with other partners.

Each of these structures and systems operate under different rules of engagement. The partners need to spend some time to understand the different structures and systems and choose a model that best fits their needs.

- **Broaden Representation on the Board**

Although the Forest Service has worked hard to engage diverse interests in the process, the existing make up of the partnership means that the Forest Service primarily deals with other government entities and a select few private interests. Given the concerns we consistently heard that the current board does not represent the full range of interests within the area, expanding the group may be prudent. More private landowners, tourism, and environmental interests should be included. To expand the membership, new participants will need to feel comfortable that their views will be heard, that they will have equal power within the group, and that they will not be overwhelmed or intimidated by those with different views. Broadening the board may therefore not be possible until a credible leader be recruited and a new governance structure is developed. It will also require willingness among the current partners to listen to and accept the validity of the views and needs of others.

- **Institute a Process to Surface and Openly Discuss Major Issues and to Develop Agreement on Vision, Goals, and Strategy**

Once the board is expanded, a process should be implemented to find areas of common agreement on the vision, goals, and strategy for the watershed program and the forest. Again, this will require careful thought and planning and is certain to be fraught with problems. Some people may not want to participate in more group processes given the concerns we heard about delays that have occurred in getting projects on the ground. Nevertheless, the failure to make progress on the development of a unified vision, goals, and strategy may threaten the entire project in the near future.

- **Hire a Full Time Coordinator(s) and House the Individual(s) In a Neutral Place**

The level of work required to complete EAs, educate the public about the program, and keep the partners informed and engaged requires a full time employee. Two or more full time staff could be involved with the project and the workload would still be significant. It may be best if the staff were housed in a neutral facility. The location of the office may best be determined after the appropriate structure for the partnership is clarified. One of the primary jobs that need to be done is to keep people informed about what is going on and to keep people communicating with each other. Another important task is public education. Some of the private landowners we spoke with, for example, said that the Forest Service needed to provide educational materials and in other ways help them sell the fire prevention program to other landowners.

- **Institute a Broad Scale Outreach and Public Education Program**

Outreach and educational programs to apprise the partners about the full range of forest health problems, the relationship between biodiversity and watershed health, and other issues, could broaden the awareness and understanding of the members and help avoid single focused projects that become stalled due to court ordered procedures or other objections.

- **Establish An Independent Science Team to Provide Objective Scientific Overview**

Given the concerns we heard about the credibility of the two assessments underway, it may be prudent to subject them to review by an independent scientific committee. A team of academic scientists could be organized for this purpose. This type of team may also be able to meld the two assessments together in a manner that could provide a solid starting point for a forest or watershed plan.

- **Institute a Credible Monitoring And Evaluation System**

A scientifically credible monitoring program is needed to ascertain the effectiveness of different management strategies, such as the use of timber harvest to increase flows from springs and surface waters.

- **National Leadership Is Needed to Keep the Project Going**

Every Forest Service employee we spoke with said that the project would never have been launched without the seed money and priority status provided by the Chief's office. Most Forest Service employees also said the advice and encouragement from Jim Sedell's group was vital to keep the program alive, given that it takes a great deal of time and energy and each of the employees involved have other job responsibilities as well. When asked what would occur if these services were no longer provided by the Washington office, every public and private partner we spoke with said it was too early for the chief's office to terminate their role. People uniformly said that the program is not yet institutionalized, the regional office still does not fully understand or support the program, and that leadership and direction from the Chief's office was needed to keep momentum going. One key partner from a non-Forest Service federal agency summarized these feelings well when he said that he would be disappointed if the Chief pulled the plug on national leadership because the partnerships and collaboration which are at the core of the program were, "not going downhill yet, its still on flat ground. You can't quit until its going downhill on its own."

ST. JOE ECOSYSTEM **Completed Fall 2002**

The St. Joe Ecosystem Restoration Project began when the USFS Community-Based Large-Scale Watershed Restoration Program offered help to improve conditions in the St. Joe drainage. The St. Joe had been identified in several regional assessments as a high priority restoration area and had developed restoration projects ripe for funding. With the support of a key person in the USFS Regional Office, the St. Joe Ranger District moved forward with the steps to compete for participation in the national program. Two local counties, Benewah County and Shoshone County, wrote letters in support of the application. Since it began, the St. Joe has completed a number of significant restoration projects including in stream work, road decommissioning and wildlife improvements.

The St. Joe Ecosystem Restoration Project covers a sub-basin of 1.5 million acres – about half federal land in the Idaho Panhandle National Forest. It includes most of the St. Joe Ranger District. The St. Joe is tucked against the Montana-Idaho state border, backed up to the Bitterroot Range and adjacent to the Coeur D’Alene Indian Reservation on the south end of Lake Coeur D’Alene. St. Maries, the largest community in the St. Joe, is located at the confluence of the St. Joe and the St. Maries Rivers. The St. Joe is a National Wild & Scenic River known for its fly-fishing and other recreational opportunities. The area depends on timber and the recreation industries as its economic base.

Broadly speaking the US Forest Service manages the half of the drainage. About half the St. Joe watershed is in non- forest service lands. Several large private timber companies are the major private landowners. The state manages checker-bordered lands in several locations. Snow on rain events in 1996 contributed to over 400 road failures making road work a major priority in the restoration of the St. Joe basin.

Areas Of Success In the St. Joe Project Include:

- Completing a number of significant watershed improvement projects
- Project level partnering and leveraging dollars especially for in-stream work and road decommissioning
- Funding for inventory work beyond a project basis allows for a broader look at the watershed
- Building relationships among key people like County Commissioners and developing recognition among these people of the value of stream health
- Project level partnering success may lead the way for greater collaboration

Limitations and Obstacles Identified in the Case Study Include:

- Little time and few resources are available to build partnerships.
- The lack of community partner participation in overall watershed restoration initiative is a critical challenge.

- Forest Service centered nature of the project is limiting.
- There is no commitment to a common overarching future vision held by all those involved in the watershed.
- Lack of broad tribal involvement is limiting.
- There is perception of limited support within the Forest Service beyond a few key people.
- Uncertainty of funding stream impacts partnering ability.

These Things Should Be Taken Into Consideration in Enhancing the St. Joe Project:

- Engagement with local partners at the watershed and project level takes dedicated staff time and resources. It can't be done "on the side".
- The support of County Commissioners, project level partnering success, the history of leveraging funding and the "payments to counties" funding stream through the new Resource Advisory Committee (RAC) combine to offer the St. Joe the opportunity to create a community-based watershed-level partnership.
- Future success will require the generation of new projects focused on the critical areas of the St. Joe. The early success of completing projects was due to the "ready to go" nature of many of them.
- Current projects have focused federal dollars on federal lands. The lower St. Joe is largely on non-federal ownership and has not received attention in project selection to date.

Recommendations For Improving the Effectiveness Of The Community-Based Large-Scale Watershed Restoration Project In the St. Joe Include:

- Create a meaningful community based oversight group that includes interests and ownerships important to restoring the St. Joe.
- Build on positive project level partnership experiences.
- Hold a partners workshop where collaborative projects are generated, selected and initial documents for cooperation are developed to jump-start partnering in the St. Joe.
- Develop a working partnership with the Coeur D'Alene tribe.
- Work collaboratively to identify opportunities for restoration projects on non-federal lands, i.e. beyond the Forest Service boundary.
- Work to create greater certainty over funding streams for projects by leveraging restoration program dollars with RAC¹ directed funding and non-federal monies.

¹ The Resource Advisory Committee (RAC) was created as a result of the Secure Rural Schools and Community Self-determination Act of 2000. This federal legislation makes certain transfer payments from the federal government to the states and through states to counties that were historically tied to timber sale receipts and other forest revenue. This is known as the "payments in lieu of taxes" issue. Title II requires that a RAC be established and that 50% of all funds be used for road work or watershed restoration. See the authors for more information on this act and the requirements.

Successes

- **Completing Significant Watershed Improvement Projects**

The St. Joe Ecosystem Restoration Project has completed an impressive array of projects including hundreds of miles of roadwork. They have decommissioned roads, obliterated roads, replaced culverts and recondition roads aimed at improving in-stream conditions, reducing risks of failure and improving fish & wildlife habitat. Projects were also targeted at improving stream structure through the addition of large wood in streams. Other projects tied to the St. Joe Ecosystem Restoration project goals were completed as well: controlling of noxious weeds, riparian planting and wildlife habitat improvements, for example. All agreed that completing restoration projects was the area where the St. Joe has had the largest success.

- **Project Level Partnering Has Been Successful.**

Most of the St. Joe's success has been at the project level. This includes success in partnering. Any number of road decommissioning projects represent significant efforts at leveraging funding by matching funds from the large-scale watershed restoration initiative with National Forest level funding, county funding and others sources. In-stream projects exhibit the best examples of in-kind contributions. For example, a local timber company with landholdings in the St. Joe provided 600 logs for the Heller Creek Restoration Project. This was an area where past practices and history (mining and fire) left few large conifers, hence the need for logs. Logs were then flown in and a "spider" was used to place them in stream. Multiple funding sources were combined to complete the project. In all 600 logs were placed in over 120 sites. Riparian planting was also a part of this project. This is just one example of successful project level partnering on the St. Joe.

- **County Commissions Recognize the Value of Watershed Restoration Work.**

A significant outcome of the large-scale watershed restoration project in the St. Joe was the engagement of county commissioners from Benewah and Shoshone Counties. The counties were approached as a part of the application process to be selected for the national program. Subsequent partnering on projects and the recent creation of a Resource Advisory Council have contributed to a growing relationship between the St. Joe Ranger District and the counties. Through these interactions county commissioners have come to value watershed restoration because of the potential to create health streams as well as the instrumental value of job creation.

- **Funding For Inventory Work Beyond a Project Basis Allows For Broader Look**

One of the values of the large-scale watershed restoration designation was the associated funding available for inventory work that was not tied to specific project. Having this funding allowed specialists to complete inventory work that takes a broader look at watershed conditions.

- **Project Level Partnering Success May Lead the Way For Greater Collaboration**

Success in local project partnering has improved relationships among collaborators. The funding associated with the large-scale watershed restoration project designation allowed the District to deliver on their side of the bargain. The interpersonal relationships created by project level partnerships are in good shape. Successful experience in joint ventures should be transferable to other partnering and through that toward greater community-based collaboration.

Limitations

- **Time and Resources to Build Partnerships Are Limited.**

Building partnerships takes resources. Time and money must be committed to the task. In an area like St. Joe where many partners are local but others need to be included from areas further away like Coeur D’Alene or even Moscow and Pullman, the identification and cultivation of partners is not a task that can be carried out as “corollary duties.” The St. Joe is limited in its capacity to build partnerships at the watershed level because of the lack of time and resources devoted to the task. There is not a full time or dedicated coordinator in this project. This fact contributes to the limitation of time and resources.

- **Agency Centered With Limited Community Partner Participation In Overall Watershed Restoration Initiative.**

As suggested earlier, there is a limited degree of involvement of community partners in the overall watershed restoration project in the St. Joe. Project level partnering has been successful but no real effort has been made to create a watershed board. This limits the ability of the project to develop a commonly held vision for watershed restoration across ownerships, among interests and through time. The St. Joe has accomplished good on the groundwork but the project has been very agency centered in how the work has been accomplished.

- **Special Attention to the Lack of Tribal Involvement**

There is limited involvement of tribes in the overall restoration project. The Coeur D’Alene tribe has partnered on fish enhancements projects. There is a significant opportunity to work with the tribes to connect the St. Joe Ecosystem Restoration Project with their interests.

- **Limited Agency Support For the Initiative Outside of a Few Key People**

The St. Joe project has the strong support of one person in the Regional Office. Otherwise, those involved do not feel much support for the restoration initiative beyond project-by-project support associated with traditional planning and appropriated funding. The St. Joe has been successful in competing for pooled funds at the Forest Level, but it is not clear that the large-scale restoration initiative contributed to that success.

- **Uncertainty of Funding Stream Impacts Partnering Ability**

Several people pointed out how critical it is to have more funding certainty for successful partnering. In a tale of two sides of the same coin, one person described the positive impact of funds associated with the community-based large-scale watershed restoration initiative. These funds allowed the Forest Service to make solid commitments to project partners. On the other side of the coin, another person pointed out that the lack of certainty of this years funding (with the fire funds pulled back) and of future year funding is hampering partnering.

Analysis

- **Engagement With Local Partners At the Watershed and Project Level Takes Dedicated Staff Time and Resources.**

Partnering takes specialized knowledge and skills. Grant writing, building relationships, negotiating collaboration agreements, and understanding the legal agreements available for Forest Service partnering all are hurdles to success. Within the Forest Service this is problematic and could perhaps be addressed by the way duties are assigned. The same issues are important to community partner organizations. They may not have the knowledge or skills in place to collaborate. Finally, there is a resource question. Even if knowledge, skills and experience are available, if the key people involved have overly full plates, there will be limited success. This reinforces the need for a dedicated watershed coordinator.

On the positive side, the project-by-project success in partnering should be enhancing skills, knowledge and experience. One novel suggestion to improve partnering is to create a workshop for likely partners. At the workshop the skills and information about partnering could be developed. Relationships could be built. The workshop could use real life potential projects as examples and through the workshop develop the paperwork necessary to accomplish the collaboration. This would enhance competencies in the community, increase commitment to watershed restoration and create a generation of projects ready to go forward.

- **There Is an Opportunity to Create a Community-based Partnership.**

The support of County Commissioners, the success in project level partnering, the history of leveraging funding and the “payments to counties” funding stream through the new RAC combine to create a real opportunity for the St. Joe project to create a community-based watershed level partnership. Agency staff in the St. Joe reported good relationships with those they have been partnering with on a project basis. The County Commissioners have been engaged and have now an established relationship with the St. Joe Ranger District. The recently create RAC with access to in-lieu payments to counties monies creates yet another reason to collaborate in the St. Joe. Finally, the history of leveraging funding and in-kind support for projects suggests recognition within the community of the synergy created by working together.

- **The Future Will Require the Generation of New Projects Focused On the Most Critical Areas of the St. Joe.**

Part of the reason for current success in completing projects was the “ready to go” nature of many of the projects completed. The St. Joe had any number of projects that had been planned and signed. They had gone through NEPA and final decision-making. They were ready to go. The early projects were selected by matching existing Forest Service projects with the goals and criteria of the St. Joe Ecosystem Restoration Project business plan. A similar sort of matching process occurred to leverage funding at the Forest level and with counties and other partners. This is all well and good. The projects were in a drainage with a

high restoration priority. Partnering was a key selection criterion. Success has left a track record of success and established good relationships among partners.

However the future will require the generation of new projects. New projects should be tied to needs of the watershed overall and not just federal lands. Current projects have focused federal dollars on federal lands. The lower St. Joe is largely in non-federal ownership and has not received attention in project selection. In order to be successful in prioritizing across the landscape, the St. Joe will need assessment information across the watershed, a watershed based group to generate, develop and select projects and commitment among partners to a common vision, mission and plan. This is the opportunity before the St. Joe Ecosystem Restoration Project.

Recommendations

- **Create a Meaningful Community-based Oversight Group That Includes Interests and Ownerships Important to Restoring the St. Joe.**

The primary recommendation is to create a community-based watershed wide group that can take responsibility for guiding the St. Joe Ecosystem Restoration Project. The opportunity is before the St. Joe to move in a direction that includes the whole watershed – private and public lands – and accounts for a wide range of interests. The support of the County Commissioners, the existing relationships among local partners, and the potential to partner with additional groups all suggest that this is doable in the St. Joe at this time. Creating such a group is the best way to move forward with a basin wide restoration program.

- **Develop a Partnering Workshop.**

Take on the novel idea of creating a partners workshop where collaborative projects are generated, selected and initial documents for cooperation are developed to jump-start the partnering process in the St. Joe. This could be an activity of the new watershed oversight group.

- **Develop Working Partnerships With the Coeur D’Alene Tribe.**

Tribes value healthy streams. The proximity of the Coeur D’Alene tribe suggests that a relationship be established that allows for collaboration beyond a project-by-project basis. Governance issues are critical to success. Approach the Coeur D’Alene tribe to learn how best to engage the tribes officially in restoration to the St. Joe. The St. Joe flows through reservation land to join the St. Maries River. Beyond tribal interests in the upper St. Joe, the Coeur D’Alene tribe has a vest interest in the St. Joe because of its effect downstream on the St. Maries and on Lake Coeur D’Alene. Tribes have been powerful partners in watershed restoration in other settings. The opportunity is there for those in the St. Joe.

- **Work Collaboratively to Identify Opportunities For Restoration Projects on Non-Federal Lands, i.e. Beyond the Forest Service Boundary.**

As suggested above, the St. Joe Ecosystem Restoration Project must focus beyond Forest Service lands to be successful in its goals. In other places we have made recommendations about how to proceed. Here, we underscore the importance of working collaboratively to restore the health of the St. Joe watershed in areas of non-federal ownership.

- **Work to Create Greater Certainty Over Funding Streams For Projects.**

There seems to be an opportunity to create greater certainty over funding at this time by thinking broadly about the match among interests. The St. Joe has been very successful in leveraging project level funding by looking at opportunities for matches among funding streams. By stepping up to the watershed level, there may be opportunities to identify levels

of funding needed and targets of funding availability. This would allow the St. Joe Project to think strategically rather than tactically about funding.

UPPER KOOTENAI RIVER WATERSHED **Completed Fall 2002**

The Upper Kootenai Watershed Restoration Project began in 2000, sparked by local concerns over growing unemployment, declining timber harvests, and the opportunity that restoration work represented to the area. A mill closure exasperated County Commissioners who had watched unemployment rise to double digits in the 1990's. They called on the Governor who had grown up in the area. In July the Governor visited the area with the Regional Forester. This visit produced a commitment by the Forest Service to support the local community through the designation of the area as a Large-scale Watershed Restoration project. The Kootenai National Forest was asked to take on the project. Since then the Upper Kootenai Watershed Restoration Project has completed a watershed assessment and carried out a number of restoration activities within the watershed.

The Upper Kootenai is an extensive (1.4 million acres), remote watershed in the northwest corner of Montana and bordering Idaho and Canada. It has some of the wettest and lowest elevation lands in Montana with some of the most productive and biologically diverse forests. About 80% of the land is federally owned and managed by the US Forest Service. Employment has been tied to the national forest. Some 18,000 people live in the area and many more use the area for recreation drawn by the lake, the river, the mountains and the backcountry. While population is concentrated in Troy and Libby on the west and Eureka and Fortine on the east, the Upper Kootenai also draws users from Whitefish and Kalispell. The Kootenai is the third largest tributary to the Columbia River system and is dammed at Libby to create Lake Koocanusa. Lake Koocanusa is 90 miles long, about half in the US and half in Canada. The Lake and the roads surrounding it run through much of the designated large-scale watershed. The Interior Columbia Basin Final Environmental Impact Statement identified the Upper Kootenai sub basin as a high priority restoration area.

Particular Successes Of The Upper Kootenai Project Include:

- Completing an assessment of the Upper Kootenai watershed.
- Enhancing the restoration of Graves Creek watershed.
- Funding other watershed restoration projects including road closures, eradicating noxious weed, improving roads and reducing fire risk.
- A new Resource Advisory Committee was formed in spring of 2002. This is not a result of the watershed project but is noteworthy because the RAC has emphasized recommending watershed restoration projects for funding.

The Constraints And Limitation Identified In This Project Include:

- Community partners have limited involvement. Partner involvement is limited to the individual, site-specific project level.
- There is tension within the Kootenai Forest about what the watershed assessment was and what it can do for Ranger district level decision-making.
- Funding is limited.
- Forest Service commitment to the large-scale watershed project is seen as limited.

To Understand The Status Of The Upper Kootenai The Following Must Be Considered.

- The initial political agreement to include the Upper Kootenai in the set of watersheds selected for inclusion in the national program planted seeds of discord. The “outside-in” and “top-down” nature of the decision process leaves the Upper Kootenai feeling like it is unique and those in the Forest Service unsure about the level of commitment there is to the Kootenai in the long run.
- This, the lack of involvement of community partners, and the lack of “social work” in initial program activities means that mission, values, and vision are unfocused. There is not a common understanding or commitment to the community-based watershed restoration partnership.
- The Upper Kootenai has relied on processes internal to the Forest Service to accomplish the work it has completed. This has meant at best an incremental change in patterns of decision-making and in governance.
- The Upper Kootenai has a complex authority system that is not reflected by the structure, processes or activities of the Upper Kootenai Large Scale Watershed Project.
- A key to success in this project will be designing projects that support the emerging political economy of the area, contribute to community resilience and enhance local economic vitality.

Based On These Findings And Analysis, We Recommend:

- Involving many more community partners
- Managing at the landscape (watershed) level as well as project-by-project.
- Maintaining interest and commitment from high-level policy actors to leverage progress in the Upper Kootenai.
- Working through project design and selection to enhance community well being and economic vitality as well as watershed restoration.

Success

- **An Assessment Of The Upper Kootenai Watershed Was Completed.**

A major accomplishment of the Upper Kootenai project was completion of an assessment of the watershed identifying conditions and flagging problem areas, i.e. wildlife & fish, hydrologic, and water quality. This assessment has the potential to shift the priority of areas for restoration. It has the potential to target project funding from multiple sources: US Forest Service, US Fish & Wildlife Service, other federal agencies and potential community partners. The assessment will provide a platform for analysis in the Forest Plan revision now underway on the Kootenai and Panhandle National Forests. The assessment process also allowed Forest Service staff to develop several analytic methods that will be useful in the future. The assessment has the potential to guide and affirm decisions related to restoration priorities.

- **The Graves Creek Watershed Has Been Enhanced**

The large-scale restoration project provided new money to implement high priority watershed restoration activities. Graves Creek was a focus of funding allowing for removal of a dam, in channel improvements and roadwork to reduce sedimentation in the stream. This creek is a key bull trout habitat area. The dam removed was an irrigation dam and so the project involved the local irrigation district to meet irrigation needs while improving fish passage and in stream habitat conditions. State fish & game and federal fish & wildlife agencies were involved in Graves Creek restoration efforts. The efforts are on going.

- **Funding of Watershed Restoration Projects**

The new funding available through the large-scale watershed restoration program did allow for a number of projects to be completed in the three Ranger Districts in the Upper Kootenai. Major efforts were made to decommission roads and improve other roading by culvert replacement, regrading, etc. In-stream conditions were enhanced in Graves Creek and other locations. Other projects funded ran from noxious weeds to improving conditions for species of concern. Funding also provided for interface burns to improve forest condition and reduce fire danger.

- **Shift Funding of Forest Service Projects**

The large-scale watershed program was initiated in the Kootenai in response to a request from Lincoln County Commissions for the Forest Service to respond to reductions in timber harvest and related mill closures. The assessment and funding associated with the large-scale watershed designation did add to the shifting focus of Forest Service project funding in the area from timber harvesting to watershed restoration. Recreation, a major value in the Upper Kootenai, is seen as linked to the watershed restoration efforts. Local businesses are involved in the restoration work but as contractors rather than partners. Other agencies, i.e. Army Corps of Engineers and US Fish & Wildlife Service, have been able to support the watershed restoration focus by collaborating on some projects and funding parallel efforts independently. For example, Trout Unlimited worked with the Army Corps of Engineers to increase access to the Kootenai for river users.

- **New RAC Formed in Spring of 2002**

A new RAC, Resource Advisory Committee, was created in the spring of 2002 for Lincoln County. The RAC is a group with a variety of interests represented. New moneys from the federal payments to counties legislation are available through the RAC. This year half the monies approved by the RAC went toward watershed restoration projects. All the projects had been through NEPA. The Upper Kootenai assessment provided some guidance in project selection.

Obstacles and Limitation

- **Community Partners Have Limited Involvement**

A key limitation in the Upper Kootenai Watershed Restoration Project is the lack of involvement. This is especially noticeable in the lack of community partners who are aware of or involved in the project over all. A number of people and organizations have been involved in individual projects but few if any have been involved in the overall governance of the project. The exception is Lincoln County Commissioners who stimulated the creation of the project. They know about the overall project but have not been fully involved. Partnering groups are available in the region to work with the Upper Kootenai have not been involved in meaningfully in over all watershed governance.

- **Tension Within Forest About What The Assessment Was and How It Can Help Ranger District Level Decision Making**

A lack of involvement is also characteristic within the Forest Service. The assessment is seen as a forest level staff effort lead by planners using specialists as needed. While most agree that the assessment is valuable, debate continues about its utility. Critics raised questions about the “course” screen evaluation and its relationship to decisions about projects in particular stream reaches. Proponents argue that it does provide support for decisions and about priority setting at the level of the Upper Kootenai sub basin. All Forest Service staff interviewed independently suggested that more involvement, earlier in the process would have helped in the roll out of the assessment, in its acceptance and its use. As one person said, “We’ve had to sell.”

- **Limited Regional Support**

The people involved in the Upper Kootenai project have not felt support from the Regional Office, the Washington Office or really the Watershed Restoration Program staff. The exception is the Chief who has Regional Forester when the Upper Kootenai was added to the set of large-scale watershed restoration projects. This feeling may be a result of the political origin of the Upper Kootenai project but people involved in the project feel limited support for their effort.

- **Limited Funding**

While everyone acknowledged that the additional large scale watershed program funding allowed for work to be done that would not have been done otherwise, there was a general feeling that it is modest by the standard of what needs to be done. The Upper Kootenai also was one of the Forests that did not get this year's dollars committed before the fire funding call back. This has left participants frustrated with the prospect of having worked on restoration projects that may not get done.

- **Limited Long Term Commitment**

More than one person said that the large scale watershed seemed like another Forest Service Washington Office initiative that would be “three years and out.” Others echoed the sentiment

that the Forest Service needs to make a serious sustained commitment to a program like this if it is going to work. Several people raised concerns about how the large-scale watershed project fits with other forest management direction. Also, a question was raised about funding priorities across the landscape. The concern was not about individual projects like Graves Creek. People feel good about the projects that have been done. The concern is how targeted funding will be reviewed and balanced across the whole national forest landscape.

- **Limited Community Awareness Of The Watershed Restoration Initiative**

Lack of involvement came up in another context – public meetings. When asked who in the community knows about the large-scale watershed initiative most people interviewed responded, “not many did” or “few if any.” When pressed for a reason people offered several responses. The first response was a reminder acknowledging that Forest Service staff is very aware that a true community partnership had not been formed. This would limit community understanding. A second response was that few of the individual projects required new public involvement because they had already gone through a NEPA process. A final comment was that watershed restoration projects seldom bring out the public. Road closure projects do.

Analysis

- **Initiation Of The Project Sows Seeds Of Discord**

The Upper Kootenai project was added to the list of watersheds included in the national initiative because of the concerns of local county commissioners who called the Governor of Montana (who was born in the area). The Governor visited the area with the Regional Forester in July of 2000 resulting in a commitment leading to the designation of the watershed as a part of the national initiative. This political origin is not unique to the Kootenai but does mean the project is different. The origin is a seed of discord rather than an accord of common interest in watershed restoration. The business plan was developed largely as a staff exercise. The watershed assessment was carried out largely as a staff function. The funding has been allocated by identifying projects meeting the watershed restoration initiative and business plan criteria. Rather than establishing a new governance process for approaching watershed restoration on a landscape level, the Upper Kootenai represents a marginal change in traditional practices. This gives rise to many of the weaknesses apparent in this forward assessment.

- **Confusion Over Mission, Vision, and Commitment**

Consistent with a lack of involvement by the community and within the Forest Service and a sense of a lack of commitment from the higher levels of the Forest Service is the finding that people were confused about what the mission and vision of the Community-based Watershed Restoration Partnerships is and how the Upper Kootenai fits within this mission and vision. Further, there was a lack of agreement about mission and vision of the Upper Kootenai project among those interviewed. Several thought this reflected the playing out of the general confusion about Forest Service mission and vision. One person said, “What are we? We’re not the Park Service. We’re not a timber company. What are we? How do we serve people and care for the land?”

- **Confusion Over Patterns Of Governance**

The Upper Kootenai is a good example of “new wine in old skins.” The governance system implementing the Upper Kootenai Watershed Restoration Project is the traditional system where planning guides on the ground project decisions. Who gets to make what decisions according to what rules remains unchanged by the community-based partnership program in this instance. The lack of community involvement or partner involvement in the assessment and project planning is both the cause and the effect of this finding. The RAC, newly created in the spring of 2002, has the potential to bring community partners into the governance process. The residual question is one of scale and authority structure. The large-scale watershed defined as the Upper Kootenai covers about 2/3 of the Kootenai National Forest, encompasses most of three Ranger Districts and rather overlaps the Lincoln County boundary. The RAC makes advisory recommendations over the Lincoln County area advising primarily the Kootenai National Forest in project selection.

- **Managing A Landscape With Complex Authority Structure**

Including the Canadian lands, the Kootenai River is the second largest contributory by water volume and the third largest tributary area to the Columbia River. It was a part of the Interior Columbia Assessment carried out by the federal government in the mid-1990's. In the Upper Kootenai drainage designated a part of the large-scale watershed restoration program, a dominant feature is Lake Koocanusa impounded by the Libby Dam and managed by the US Army Corps of Engineers. In the Upper Kootenai the US Forest Service manages almost 80% of the land. Private ownership is concentrated at the ends of Lake Koocansua and along major highways. This mix of ownership and ecological scales makes managing the landscape challenging.

- **Supporting The Emerging Political Economy Of The Area**

The primary concern of county commissioners three years ago was job loss caused by a local mill closure. The closure was attributed to changes in federal land harvest volumes. The Upper Kootenai is an area in economic transition. The heavy dependence on timber harvesting and processing is changing. While timber remains important in the region, recreation is of increasing importance. The upper end of the drainage is with in easy access of Whitefish and the greater Kalispell area. The Tobacco River Valley gives access to a variety of recreational areas and uses. The southern end of the drainage is the Cabinet Mountain Wilderness area. The Upper Kootenai has all the policy issues of balancing flows for Columbia River at risk fish stocks, energy production and local irrigation. A major attraction of the watershed restoration program was the potential to create jobs around restoration activities that would provide work for those traditionally employed in the woods and jobs that would support the emerging recreation economy. The continuation of restoration funding is important to such a strategy.

Recommendations

- **Involve More Community Partners**

The Upper Kootenai Watershed Restoration Project should take advantage of the opportunity to engage local community in true partnerships. There are a variety of different models to choose among from collaborations to joint ventures. Considered the alternatives and adopt a strategy to deeply involve community partners. It may be that the newly formed Lincoln County RAC can serve the purpose of a partnership board for watershed restoration. It maybe that a good strategy is aligning with the Kootenai River Network for full basin scale oversight and with councils for smaller watersheds, i.e. Graves Creek, for smaller scale engagement. There are a number of possibilities, but engaging others in the process of restoring the Kootenai is essential to meet both the local and national goals of economic and community well being and ecological restoration.

- **Manage At The Landscape Level**

The Upper Kootenai Project must create governance structures that balance the allocation of efforts among drainages and across districts and over landownership. The current strategy of funding pre-existing projects that fit within the new funding priorities is short lived. From here on out, the Upper Kootenai Project must generate new projects meeting the criteria of restoration and look for ways to partner in these projects to leverage funding. In general there is acceptance that the Upper Kootenai assessment can serve to integrate at the landscape level by attending to priorities identified in the assessment.

- **Maintain Interest And Commitment From High-Level Policy Actors To Leverage Progress In The Upper Kootenai**

The Upper Kootenai has a strategic advantage in the personal knowledge and professional relationship the Chief of the Forest Service has with key actors in the project area. The Upper Kootenai would do well to maintain these relationships. The Upper Kootenai also seems to have the support of Lincoln County Commissioners. Maintaining these relationships is important. The Upper Kootenai can improve relationships within the Kootenai National Forest, the Regional Office and with other key national staff.

- **Work Through Projects To Enhance Community Well Being**

A key component is the success of the Upper Kootenai Watershed Restoration Project will be its contributions to enhancing community resilience and economic vitality. Keeping an eye on how projects are carried out, who is involved and what impact it makes on the social fabric of the area will be a key to success. Involving local partners will contribute to community resilience and identifying ways to contract locally for restoration work will aid in economic revitalization.

UPPER PIT RIVER WATERSHED **Completed Spring 2002**

The Pit River watershed is located in northeastern California. The watershed includes roughly 3 million acres and provides 20% of the water to the Sacramento River, a major California river. Less than 10,000 people live in the portions of the three counties that the watershed runs through. There is roughly a 60-40 split of federal lands to private lands within the basin. Agriculture/livestock production and forestry are the dominant activities occurring within the basin.

The Upper Pit Large Scale Watershed Restoration Program actually involves three essentially separate projects. Two are Forest Service projects and the third is a private landowner/stakeholder group that the Forest Service helped organize. The long-term goal is to merge the two projects into one basin level project. Currently, however, the projects operate more or less independently. The watershed demo was initially started through a merger of two separate proposals from the Modoc National Forest that were submitted to the Chief in response to the RFP for Large Scale Watershed Restoration Programs. One was a rangeland improvement project on the Warner Mt. District and the other was the Hackamore fuels reduction project. These two projects are geographically separated by roughly 25-50 miles and represent the federal lands components of the watershed demo.

In addition to continued work on the two federal land components of the watershed demo, Modoc Forest staff helped organize a stakeholder group with the original goal of tying together restoration activities on federal and private lands in the watershed under one umbrella. In December 1999 USFS staff members convened a meeting attended by about 40 private landowners, local government officials, and others where the agency announced that it had been given \$600,000 to initiate a large-scale watershed restoration program. Agency staff said they wanted the involvement of the key partners in the project and that the USFS did not want to be the lead organization. As a result, in March 2000 the Pit River Watershed Alliance (PRWA) was formed. The North Cal-Neva RC&D agreed to be the fiscal sponsor.

The PRWA is currently composed of over 20 people representing state and federal agencies, local landowners, private firms, fishing organizations and others. The Alliance sees its primary role as coordinating, supporting, and enhancing existing activities. The partners have signed a Memorandum of Understanding that clarifies the purpose, goals, and responsibilities of all of the signers. The primary purpose of the PRWA is "to foster partnerships that achieve integrated long-term cultural, economic and environmental health of the watershed through active community participation". Three main objectives were established for the first five years including to: 1) Obtain funding to conduct watershed assessments to determine base-line conditions and identify additional opportunities for improvements; 2) Implement key watershed improvement and demonstration projects throughout the watershed; and 3) Obtain funding to develop a computerized watershed database connected to a geographic information system including available monitoring data, digital photos, and maps. The PRWA does not actually implement restoration projects-- it relies on partners, such as the RCDs, to do this. USFS staff attends the meetings, provide advice and guidance, and in other ways have been instrumental to the success of the PRWA. The agency has used the funds it received for the Large Scale

Watershed Project primarily to complete work on federal lands. Only \$15,000 has been provided to the PRWA so far, as the USFS did not want to be the dominant partner and the Alliance has been successful in raising its own funds.

The Upper Pit Large-Scale Watershed Project Has Achieved A Number Of Successes:

A. The USFS Component

- The Modoc National Forest has completed a number of projects on its lands with the extra money that has been provided including wetland restoration, hazardous fuel reduction, rangeland allotment projects, and wildlife enhancement. Some Forest Service employees said that the ability to complete on-the-ground project with the extra money was the main benefit of the large-scale demo project.
- Collaboration has been enhanced somewhat between the two USFS projects that form the main components of the federal land aspects of the watershed demo.
- The designation as a National Demonstration project also helped the Modoc Forest to garner increased public attention and to raise additional funds. Some USFS employees said the project was taken seriously only after the extra funds appeared and, conversely, the project would probably fade away if the special designation and extra funding ended.
- The Wyden amendment has proven to be a helpful tool for the USFS to allocate funds for priority work off National Forest lands.
- The original business plan proved to be helpful in developing the strategy and path forward for the USFS.
- The designation as a National Demo helped Modoc Forest employees to expand their focus beyond National Forest boundaries to the whole watershed. This led to the decision to help organize the Pit River Watershed Alliance.

B. The PRWA Component

- The PRWA was successfully organized and is intended to serve as an umbrella organization to coordinate the activities among the USFS, local RCDs, private landowners, and others.
- The PRWA has succeeded in establishing ground rules, more agencies and stakeholders are participating, and momentum seems to be growing.
- Despite concerns about the potential risks to private landowners about obtaining negative information about private lands, the stakeholders involved with the PRWA agreed to seek funds for a watershed assessment so that good decisions can be made. This indicates that trust is emerging among the participants.

- As a result of having many key stakeholders involved with the PRWA, the USFS, BLM, and other agencies were able to organize a project to assess the problems associated with increasing encroachment of Juniper in the watershed and a common GIS system is in development that will include Juniper data relevant to all lands in the watershed.
- The PRWA has been able to raise over \$140,000 on its own and has a commitment for more than \$450,000 from the State of California to complete a watershed assessment.
- Key PRWA partners, such as the Central Modoc RCD, have started or completed important activities such as riparian restoration projects and the establishment of a River Center in Alturas, which is intended to serve as an educational/informational center for schools and general public.
- The current PRWA coordinator is highly respected.
- An increasing number of landowners have initiated stream restoration projects on their lands as a result of the awareness that has been generated about the importance of healthy streams--and the potential economic benefits--as well as the presence of the PRWA.
- Most alliance members praise the USFS staff for the way they have worked with the community and the large-scale demo project has improved the image of the agency within the community.

The Project Also Faces a Number of Limitations and Challenges Including:

A. The USFS Component

- Although this is improving, and the long-term intent is to develop a unified effort, through our interviews we found a lack of integration between the two USFS public lands components of the watershed demo and the PRWA. In essence, the watershed demo currently is three separate projects operating under the same name. It is not yet a full-blown integrated watershed restoration project that links public and private land efforts within the basin.
- Part of the reason for the lack of integration is that the watershed assessment has not been completed. Once the assessment is completed integration may improve. Another reason for the lack of integration is that the Hackamore Fuels project is not really associated with the other components and probably should be spun off from the watershed project in the future.
- The indicators being used by the project so far are primarily "output" based--they measure the number of projects completed. While a number of specific water-quality monitoring parameters have been established, baseline data must be gathered before the indicators can be finalized. In addition, indicators for issues such as fuels reduction and upland forest health have not been completed, but this may prove to be beyond the scope of the Upper Pit effort.

- People within the USFS and from other public agencies questioned the technical and scientific credibility of many of the projects that have been implemented on public lands. Many people felt that the agency is struggling with how to gather, share, and use credible information.
- Although understanding and support for watershed-level partnership-based management is growing within the agency, many Forest Service employees said that internal budget and staff problems constrain the adoption of the approach.
- Internal agency incentives, structures, and systems do not support watershed-level partnership-based management.
- The USFS-BLM "Service First" initiative is constrained by the overhead charges for shared services.
- The Wyden Amendment is not user friendly. The agency has to justify why the funds are being used on private lands, but as the guidelines are not clear, staff fear that someone will eventually challenge their decisions.
- In sum, despite progress, a number of people from within and outside of the USFS said not much has actually changed within the agency as a result of the watershed demo.

B. The PRWA Component

- Despite attempts to expand the composition of the Alliance, it currently includes mostly private landowners and ranchers. Other potentially key players, such as the irrigation districts and environmental groups, are not involved yet.
- Consistent funding is a major concern for the PRWA.
- Although people were generally very positive about the role the USFS has played in the Alliance, and although improvements have been made in this area, more than one person said that the attitudes and style of some agency staff members in working with private landowners have slowed the process down.

Our Analysis of the Strengths and Limitations of the Demo Project To Date Suggest:

A. The USFS Component

- The USFS appears stuck between two different views of how it should operate: as an internally oriented agency that makes its own decisions regarding its lands with little meaningful involvement from others, or as an open and transparent organization that seeks out and meaningfully incorporates new information and different views from all sources in its planning and decision-making processes. The direction the agency ultimately takes on this issue will have profound consequences. Failure to resolve this dilemma seems likely to keep the agency mired in controversy.

- In keeping with the issue above, our review found a lack of clarity about what collaboration and working in partnerships means. The lack of clarity over these issues constrains the agency's ability to build public support and engage in watershed-level planning and management.
- As a result of the above, although improving, we conclude that the watershed-level partnership-based approach is not yet embedded in the operations or culture of the USFS.
- While not embedded in agency culture, USFS staff has gained a better understanding of the need to work collaboratively at the watershed scale.

B. The PRWA Component

- Both fear and hope drive local interest in the PRWA and supporting and nurturing the existing local civic capacity is a key to future success.
- Despite the constraints, our research found that sufficient progress and momentum exists to keep the watershed demo project moving forward.

To Address the Limitations We Recommend:

- The USFS may benefit from a meaningful dialogue to clarify what collaboration and partnership building means for the agency. Failure to clarify these issues seems likely to leave the agency mired in internal dissention and external controversy.
- Following the point above, the USFS may benefit from candid dialogue that leads to agreement on and continued improvements in the way information is gathered, shared, and used, decisions are made and enforced, and financial and staff resources are distributed. Again, failure to clarify these issues seems likely to leave the agency mired in internal dissention and external controversy.
- The two Forest Service projects and the PRWA that together comprise the watershed demo would benefit in many ways from the development from further clarity on the vision and strategy to be used to restore the Upper Pit watershed. Completion of the watershed assessment may go a long way toward improving the clarity over vision and strategy.
- Once a vision and strategy for the Upper Pit are developed, "outcome"- based indicators and a monitoring system that can measure progress towards the vision and goals should be completed. While challenging, the lack of effective indicators may result in questions being raised down the road about the value of the dollars, time, and resources being invested.
- Strong consistent leadership is needed from the Chief if the USFS is to adopt meaningful landscape level scientifically sound collaborative management.
- Because we consistently heard concerns about the internal budget and target setting processes, it seems prudent to continue to try to improve these processes so that they better

support watershed-level partnership-based management. The timing of what funds arrive, how they are packaged, and other issues must be addressed.

- Given the number of times we heard questions from people within and outside of the Forest Service about technical and scientific issues, it may behoove the Modoc National Forest to ask independent science teams to evaluate assessments and project implementation plans.
- Many Forest Service staff said that if watershed-level partnership-based programs are to grow and succeed, the agency needed to take care not to unduly burden the process with bureaucratic rules and procedures.
- Steps should be taken to resolve the overhead problems that seem to constrain the USFS-BLM "Service First" initiative.
- Continue to utilize and use the business planning process

Successes

A. The USFS Component

- **The Modoc National Forest Has Completed a Number of Projects**

The Modoc Forest has used the majority of the funds it has received for the large-scale watershed project to complete projects on federal lands. Projects include 25 acres of wetland enhancement, 6000 acres of hazardous fuel reduction through burning or mechanical thinning, 5000 acres of layout for out year fuel treatment, two in-stream watershed restoration projects, 26 range land allotment projects which improve or maintain riparian conditions, and 1700 acres of wildlife enhancement. One Forest Service employee said that the ability to compete on-the-ground projects with the extra funds that have been provided was the most important benefit of the project.

- **The Two USFS Projects Involved with the Demo Have To Some Degree Increased their Communication and Collaboration**

The two primary federal land components of the large-scale watershed restoration demo--the Warner Mt. Rangeland Improvement Project and the Hackamore fuels reduction project--are different in focus and in geography. The Warner Mt. project is in the headwaters of the Upper Pit, while the Hackamore project is 25-50 miles away and only tangentially affects the Pit River. Some Forest Service employees said that the watershed demo has led to some increase in communication and collaboration between these two essentially separate projects, although others said that budget reductions had already forced the two ranger districts to share staff and resources, so nothing new has actually occurred.

- **The Wyden Amendment Has Proven Vital to Working with Private Landowners**

The Wyden amendment has proven to be a helpful tool for the USFS to allocate funds for priority work off National Forest lands. Forest Service staff said that without the Wyden Amendment, the project would not work.

- **The Business Plan Was Helpful**

The process of developing the original business plan proved helpful in developing clarity on a course of action for the project. It also helped to shape the project so that it could compete successfully with other projects. The ability to learn what other large-scale watershed projects were doing during a meeting held in Denver prior to the start of the project proved very beneficial to staff. Some Forest Service staff said that, in retrospect, they might have achieved more success had they put more time into the development of the business plan. For example, they might have been able to develop better ways to monitor and check progress. However, time constraints in producing the business plan and the fact that the process appeared to become more bureaucratic as time when on prevented this.

- **The Designation as a National Demonstration Project Helped The USFS Garner Attention, Increase Its Credibility, and Raise Additional Funds**

The USFS has been able to capitalize on the designation of the Upper Pit as a National Demo to focus attention on the region and raise additional money. One Forest Service employee said that people took the project--and the need to collaborate with other partners--seriously only after the additional funds arrived. The importance of the national demo title and the extra funds that came with it was reinforced by a number of people. Losing the designation title and/or the extra funds that accompany it would seriously harm the project.

B. The PRWA Component

- **The Forest Service Was the Key Catalyst Behind the PRWA, and the Alliance Is Gaining Momentum**

The local RCDs have organized partnership-based programs in the past to address resource issues. This project, however, represents the first time an umbrella organization--the PRWA--has been organized to coordinate efforts of many public and private entities within the Upper Pit watershed. The Forest Service was the primary catalyst for the creation of the Alliance and everyone we spoke with gave the agency credit for this work. Many ranchers in the region are suspicious of the federal government in general and the USFS in particular. Consequently, it has not been easy to develop an on-going dialogue between the USFS, ranchers, and local governments. However, the USFS made a major outreach effort to involve every entity possible in the PRWA and it has successfully engaged a number of interests in a dialogue about important resource issues.

One of the key initial steps the PRWA took that helped to build trust was to establish ground rules. These include: the Alliance would not duplicate the efforts of others or add more bureaucracy, people came first (i.e. while the environment was important, the needs of the people and their families are the priority), and that group members would respect each other and not cut off people when they speak. In addition, an MOU was developed and signed by 20 people. While some people are participating out of fear over potential new regulations being developed because the river is on the 303 d list of water quality impaired streams, and others are participating simply to keep abreast of the activities, many are involved because they are concerned about water quality in the watershed. No matter what the motivations may be, the fact that people are still at the table and that participation is growing is indicative of substantial momentum. One person summarized the feelings of many by stating, "It's been a great opportunity for people to get together. We are making great progress."

- **As a Result of the Stakeholders Represented on the Alliance, a GIS System Is Being Developed to Monitor Juniper Encroachment**

The encroachment of Juniper is one of the biggest threats to the Pit River Watershed and USFS staff said that Juniper management has traditionally been haphazard. The encroachment effects mule deer habitat, sage grouse, and other species, and increases the risk of fire. The diverse constituency of the PRWA provided a platform from which the USFS, BLM, RC&D and other

groups could move forward with the development of a GIS system that will include information about Juniper canopy conditions and potential solutions. The GIS system will provide a comprehensive database covering the entire watershed and allow a more systematic response to be instituted. It should be operational within about a year.

- **The Members of the PRWA Agreed to Seek Funds for a Watershed Assessment**

Despite concerns about government gathering information that could affect private landowners, the stakeholders involved with the PRWA agreed to pursue funding to complete a watershed assessment. The group agreed that information is beneficial and they, while there is some risk to gathering information on private lands, credible information is needed to make good decisions. This action suggests substantial process in the understanding and trust levels among the partners.

- **The Alliance Has Been Able to Raise Its Own Funds**

The PRWA secure approximately \$100,000 to hire a Watershed Coordinator from the State of California Proposition 13, Bay-Delta Watershed program and the Forest Service. \$40,000 was obtained from the California Regional Water Quality Control Board to establish baseline water parameters of the main stem of the Pit River. Approximately \$460,000 was obtaining from the Cal-Fed Bay Delta Program for a watershed assessment (although the funds may now be in jeopardy). The Forest Service has contributed just \$15,000 to the Alliance so far.

- **Key Alliance Partners Have Started or Completed Important Projects**

The Central Modoc RCD, one of the key partners in the Alliance, has completed 3000 feet of riparian restoration and a re-vegetation project along main stem of Pit River. In addition, the RCD, in concert with the local school district and the PRWA, have established a River Center in Alturas, which is being developed to serve as an educational/informational center for schools and general public. The program, which includes rent of a temporary location, Coordinator, field trips and educational materials, is funded by a \$160,000 state grant.

- **The Current PRWA Coordinator Is Highly Respected**

The current PRWA coordinator grew up in the area, which provided some instant credibility. However, the coordinator has also handled things well and we found that he is widely respected.

- **An Increasing Number of Landowners Have Initiated Projects as a Result of the PRWA**

In part due to the trust that local people have in the coordinator, and in part due to other reasons, an increasing number of private landowners have become engaged in stream restoration projects. Some of the landowners have begun to understand that a healthy stream can produce economic benefits and that there are other ways to make a living besides ranching. For example, a few landowners have given up farming to essentially become full time fishing guides. The watershed coordinator has received about 10-20 invitations from private landowners to look at work they are doing on their lands. In addition, as a result of learning about the Upper Pit project, a

watershed program has been initiated in the Fall River area. These activities suggest that awareness, understanding, and support for watershed restoration is growing.

- **Most Alliance Members Praise the USFS Staff and Said That the Project Has Improved the Local Image of the Agency**

Through our interviews we found that the staff that helped organize the PRWA and other USFS employees are highly regarded. Many stakeholders said that they initially had concerns about working with the USFS and that the agency did not have a good image among landowners. However, people generally were highly complimentary of the way that agency staff has handled themselves and with the technical assistance, advice, in-kind contributions, and other support they have provided. The project has clearly improved the image of the agency among community members.

Limitations and Obstacles

A. The USFS Component

- **A Lack of Integration Exists Between the USFS and PRWA Projects and an Overall Restoration Strategy Has Yet to Be Developed**

Through our interviews we found a lack of integration between the two USFS public lands components of the watershed demo and the PRWA that focuses on private lands. Although there is communication between those involved with the Warner Mt project on Forest Service lands and the PRWA, and although the long-term goal is to develop an integrated strategy, in essence, the Upper Pit large-scale watershed demo is three separate projects operating under the same name. It is not yet a full-blown integrated watershed-level restoration project. The Hackamore fuels reduction project is really a totally separate project that may not belong under the roof of the watershed project. Although collaboration exists between the Warner Mt rangeland project and the PRWA, the two components are not yet tied together through a common restoration. The completion of a watershed assessment--which is to cover all lands in the watershed--will help resolve this issue. The lack of integration and a unifying strategy became very apparent to us when we were halfway through our interviews before anyone-- within or outside of the USFS-- mentioned the Warner Mt. rangeland project to us.

- **Outcome-based Indicators and Measurement Systems Are Still In Development**

None of the three components of the watershed demo have developed effective indicators to measure the ultimate outcome of all of the various projects. Agency staff said they could track the number of projects that have been completed and how the money was spent. That is, they can only report on *what* was done. But, the agency has no system to measure the *outcomes* of those activities--for example, whether the activities achieved the objectives of the Forest Plans or of plans outlined in various EAs or EISs. One Forest Service employee described this problem by saying, "We give allot of lip service to this but don't really have a program to do it. We need to spend more time and resources figuring out how to measure the outcome of our activities." Another agency staff members said that they would need new staff with different skill sets and knowledge to be able to develop effective indicators and measurement systems. A number of water quality parameters have been established, but a good deal of baseline data must be generated before it will be possible to know if these parameters are the correct measures to monitor water quality improvements. In addition, we could find no real indicators for fuels reductions or upland habitat improvement. However, given the resources available, developing a broader set of indicators may be beyond the scope of the project at this time.

- **People Within and Outside of the USFS Question the Technical Credibility of Many of The Agency's Projects**

People within the USFS and from other public agencies questioned the technical and scientific credibility of many of the projects that have been implemented on public lands. Questions were raised about the number and type of trees being proposed for thinning in the Hackamore Fuels reduction project, about the degree to which the Warner Mt. rangeland improvement projects

have actually benefited riparian areas and the aquatic system, and about other issues. One Forest Service employee said that the agency is currently struggling with how to do good science and some agency employees said that people within the agency often try to influence the science. Others said that the agency simply does not have people with the right technical skills to do good science (e.g. complete technical analysis, develop EAs and EISs) or to do the type of assessments necessary for interdisciplinary landscape level work. Many people felt that the agency is struggling with how to gather, share, and use credible information.

- **Turf and Budget Issues Within the USFS Constrain Watershed-Based Planning and Management**

Although understanding and support for watershed-level partnership-based management is growing within the agency, many Forest Service employees said that internal problems constrain the adoption of the approach. Some staff is very protective of their line-item budget. Taking funds out of any line item to use in an interdisciplinary program and/or to work on private lands generates significant concern. The timing of funds is also a problem. The funds for the large-scale demo usually appear in mid-year, which is too late to complete the preplanning needed before projects can be implemented. In addition, the project requested \$1.2 million in 2001 but only received \$600,000. While the agency is experienced in working with budget shortfalls, the inability to know how much money they will get early-on combined with the late arrival of the funds has made it difficult for staff to effectively engage in watershed-level planning and management.

- **Internal Agency Incentives, Structures, and Systems Do Not Support Watershed-Level Partnership-Based Management**

A number of Forest Service employees said that although they were beginning to understand the benefits of the watershed-level partnership-based approach, the agency's existing incentives and management structures do not support this type of work. One individual said that an example is the targets that are set (management attainment reports). Each Forest, and therefore each unit and employee, must accomplish certain activities on federal lands. There are few if any hard targets for work on private lands or for working in partnership with stakeholders. Consequently, there is no reward for or accountability system to measure collaboration or partnership-based work--even if working with private landowners or stakeholders can help the agency achieve its internal targets. For example, reducing the risk of catastrophic fire on private lands can reduce the risk of catastrophic fire on federal lands, but the way that internal agency targets are set do not encourage or support work on private lands. In addition, the budgeting process is cumbersome. While different line items can usually eventually be shifted to achieve ecosystem-based work, this takes a good deal of time and lots of effort is required to justify the change. For example, you need to build a strong case for treating potential fire risks as a way to protect wildlife habitat in order to use wildlife dollars for fire prevention.

- **The USFS-BLM "Service First" Initiative is Harmed by the Overhead Charges for Shared Services**

An 18% overhead fee is tacked on to resources shared between the USFS and the BLM. The fee apparently results in each agency often charging the other the same overhead costs. The USFS Forest Supervisor has the ability to waive the fee. The BLM, however, must seek approval from Washington. This process is very time consuming and often deters BLM staff from developing service exchanges because the window of opportunity will be gone before the approvals are completed. This practice ultimately undermines the "Service First" initiative that the two agencies have promoted, which seeks to promote better integration of services for the public.

- **The Wyden Amendment Is Not User Friendly**

Although the Wyden amendment has proven to be a helpful tool to fund priority work off National Forest lands, Forest Service staff said it was difficult to use and made them nervous. The agency has to justify why the funds are being used on private lands, but as the guidelines are not clear, staff fear that someone will eventually challenge their decisions.

- **In Sum, Despite Progress, People From Within and Outside of the USFS Said Not Much Has Actually Changed Within the Agency as a Result of the Watershed Demo**

People at many levels of the USFS, as well as people from outside of the agency, said that despite the progress that has been made, they have not seen a major change in the mindset or operational style of the USFS as a result of the watershed demo project. People said that, although collaboration appears on paper as an agency objective, with the exception of a few people, in reality it is not meaningfully practiced. A number of reasons were mentioned for this. For example, staff workloads are high and few people have the time to engage in true collaboration. Budgets are also shrinking.

However, a number of people within the USFS said that the real problems were not just financial. People said that the agency does not have the right type of staff to engage in landscape (watershed) level planning or in meaningful collaboration (e.g. the agency historically hired foresters but timber harvest is no longer a top priority), young people who have the technical and personal skills required for this type of new work are not coming up through the ranks of the agency, and poor management means that funds are often not used or leveraged efficiently. Further, we continually heard people say that many Forest Service employees want to retain their full power and decision-making authority. A number of USFS employees said that the dominant benefit of the watershed demo in their minds was the additional funds it provided for on-the-ground work--a view that underscores the lack of enhanced awareness and perspectives. In sum, although progress has been made, it appears that the watershed demo has not yet generated new thinking or operating procedures within the agency. One Forest Service employee summed up the challenge the agency faces around these issues by stating, "The bridge is not there yet [to watershed-level partnership-based management]. However, there is an awareness that there needs to be a bridge built."

B. The PRWA Component

- **The Alliance Includes Predominantly Landowners and Ranchers and Other Potentially Key Players Are Not Involved**

Although efforts have been made to expand the composition of the Alliance, it is currently composed primarily of ranchers or agencies that work with the livestock industry. While this may make sense in the start-up phase, the absence of others who could be potentially key groups may constrain progress in the future. Prior to the start of the project, many landowners had concerns about the USFS. The reductions in timber harvest levels, changes in grazing allotments, and other issues left some hard feelings that are just beginning to heal. In addition, some landowners have fears that working with government agencies could lead to loss of their rights or to more restrictions. Some of the existing state and local agencies and organizations initially feared that the PRWA would end up as another layer of bureaucracy and/or compete with existing programs. Few representatives from environmental groups live in the local area and those that do may not feel welcome in a group dominated by ranchers. As a consequence, it has taken considerable time to build trust between landowners, stakeholders, and the USFS, and to clarify the governance system to be utilized by the PRWA. Some of the key partners within the watershed, such as the irrigation district, have observed the process but have not yet formally signed the MOU or participated. No environmental or fisheries group is actively participating, although they have been invited. These and other groups could prove important down the road, one way or another.

- **Consistent Funding is a Major Concern for the PRWA**

Although the PRWA obtained over \$450,000 for the watershed assessment, the funds have been put on hold due to the State of California's budget crisis. Consequently, the availability and stability of funding is a major concern for the PRWA.

- **The Forest Service Is Still Learning How to Work with Private Landowners**

Although people were generally very positive about the role the USFS has played in the Alliance, and although improvements have been made in this area, more than one person said that the attitudes and style of some agency staff members in working with private landowners have slowed the process down. The agency is used to being in control, making decisions, and moving quickly. Taking the same approach with private landowners, who are focused on making a living and do not have much spare time for extra work, can be harmful. One person summarized this concern by stating, "some people within the Forest Service need to tone down their attitudes when working with private landowners. They need to be more aware of the mindset of landowners."

Analysis

A. The USFS Component

- **The USFS Seems Stuck Between Two Different Views of How It Should Operate**

Our review found that the USFS appears stuck between two different views of how it should operate: as a internally oriented agency that makes its own decisions regarding its lands with little meaningful involvement from others, or as an open and transparent organization that seeks out and meaningfully incorporates new information and different views from all sources in its planning and decision-making processes. The direction the agency ultimately takes on this issue will have profound consequences. Failure to resolve this dilemma seems likely to keep the agency mired in controversy for years to come.

- **USFS Staff Seem Unclear About What True Collaboration and Partnership-Building Involves**

In keeping with the issue above, our review found a lack of clarity about what collaboration and working in partnerships means. Some agency employees believe that collaboration involves talking with reliable people they know from outside of the agency, requesting public comment, and then making unilateral decisions. Other agency personnel said this did not constitute collaboration. These people said that true collaboration involves spending the time and resources needed to reach out and listen to all interests and then actively engaging them in assessments, planning, monitoring, and problem-solving so that a mosaic emerges that allows every perspective and need to be achieved as much as possible. In short-true collaboration occurs when people feel their views were meaningfully listened to and acted upon.

The same lack of clarity seems to exist over partnership building. Some agency employees believe that attending meetings and supporting the work of other organizations, such as the PRWA, constitutes partnership building. Others believe that a true partnership emerges only when each of the participants finds greater success and benefits by working together than they could have by working alone--that is, only when the sum is greater than the individual parts. Despite the initial intention of involving the Mule Deer Foundation, The Rocky Mt. Elk Foundation, Ducks Unlimited, Cal Trout, and others in the Hackamore fuels reduction project, due to lack of staff expertise, insufficient number of staff, and time pressures, none of these groups actually were engaged or participated. This example illustrates the struggle the agency faces with partnership building.

The lack of clarity over these issues constrains the agency's ability to build public support and engage in watershed-level planning and management.

- **As a Result of the Above, Although Improving, the Watershed-level Partnership-based Approach is Not Yet Embedded in the Operations or Culture of the USFS**

Although questions exist about the outcomes, a number of people from within and outside of the USFS commented that the Warner Mt. rangeland project is an example of a new way of thinking within the USFS as staff has tried to collaborate with stakeholders. Others said that the organization of the PRWA was also a major step for the Forest Service. The USFS usually directs processes it is involved with and even when the private sector or local governments are engaged, they are usually relegated to subcommittees and in other ways made tangential to the process. The PRWA is a very different model. The board is composed of private landowners and citizens and the USFS and other federal agencies are advisory to the board or equal partners. This role reversal has increased the understanding of agency employees about the benefits of being partners, not the dominant player in a relationship. Nevertheless, the lack of clarity about the future direction of the agency, the lack of clarity about collaboration and partnership building, the budget and turf issues that we heard about, the concerns from some of the partners about the way some Forest Service employees deal with private landowners, and other issues, suggest that the watershed-level partnership-based approach is not yet embedded in the USFS.

- **While the Watershed-level Partnership-based Approach Is Not Embedded in Agency Culture, USFS Staff Has Gained a Better Understanding of the Need to Work Collaboratively at the Watershed Scale**

Although the watershed-level partnership-based approach is not yet embedded in the USFS, a number of agency employees noted that the watershed demo project has helped them understand the need and benefits of working at the watershed scale rather than on a site-by-site or project-by-project basis. Many people said they now realize that individual projects on Forest Service lands would not resolve key landscape problems unless they were linked with efforts on private lands throughout the watershed. For example, small fire treatment projects on federal lands would not make much difference if a major fire broke out on private lands where similar fire prevention efforts had not been made. This understanding has become clearer to some agency staff due to listening to and working with the stakeholders involved with the PRWA.

B. The PRWA Component

- **Both Fear and Hope Drive Local Interest in the PRWA and Existing Local Civic Capacity is a Key to Future Success**

It appears as though two key factors have converged to drive the stakeholders participate in the PRWA. The first is fear. Almost every person we spoke with said that fear of the potential regulatory implications of the Pit River's 303 (d) listing as a water quality impaired stream was a key reason why landowners and local stakeholders are participating. The 303 d listing has created future negative scenarios that the community wants to avoid. Yet, it seems doubtful that the stakeholders would have come to the table without the successful partnerships that local RCDs have organized in the past (e.g. the Goose Lake fisheries group) and without the community's history of working together to solve problems (e.g. the local Rotary is very active). These efforts underscore the civic capacity that exists within the community to solve their own

problems. Thus it appears as though both fear of the future and a vision of an alternative are key to the success of the project. Nurturing the existing civic capacity would seem to be a key to the long-term success of the PRWA.

- **In Sum, Sufficient Progress and Momentum Exists to Keep the Project Moving Forward**

Through our interviews it became clear that support is strong and people want to see the large-scale demo continued. Sufficient progress has been made within the USFS and among the members of the PRWA such that the project would continue if sufficient funds were available. This is an important conclusion given the uncertain commitment to true collaboration and partnerships we found within the USFS and the distrust that existed--and to a large degree still exists--between local landowners and the USFS. If sufficient leadership and support is provided, the USFS may be able to resolve its lack of clarity over future directions, collaboration, and partnerships. If the PRWA can secure funds, they seem likely to be able to continue to pay a coordinator and enhance their work. Most people said that it would be a big loss if the USFS had to reduce its involvement due to budget reductions or other issues. However, even if this were to occur, it's likely that the federal and private land PRWA component of the watershed demo project would continue.

Recommendations

- **The USFS May Benefit from a Meaningful Dialogue to Clarify What Collaboration and Partnership Building Means for the Agency**

The different viewpoints we heard about the capacity of the agency to engage in true collaboration suggests that a meaningful dialogue is needed with employees at all levels of the agency to clarify what true collaboration and partnership-building involves. This type of dialogue may be challenging as it can strike at the heart of the agency's traditions, culture, staffing patterns, structures, and systems. However, failure to clarify these issues seems likely to leave the agency mired in internal dissention and external controversy.

- **Continue to Improve Agency Governance Systems**

Following the point above, the USFS may benefit from candid dialogue that leads to agreement on and continued improvements in the way information is gathered, shared, and used, decisions are made and enforced, and financial and staff resources are distributed. Our review found significant differences of agreement within the agency about how these elements organizational governance systems should be organized and performed. Again, failure to clarify these issues seems likely to leave the agency mired in internal dissention and external controversy.

- **Develop a Common Vision and Strategy for the Upper Pit Watershed**

The two Forest Service projects and the PRWA that together comprise the watershed demo would benefit in many ways from the continued development of a common vision and strategy for restoring the Upper Pit watershed. The completion of the watershed assessment will provide important baseline data for developing a strategy. However, the watershed assessment will be helpful only if all of the partners agree on what it is they want to achieve and how they will make decisions to achieve those goals.

Vision refers to a picture of the future of the watershed as a restored and healthy system and to a related future of the partner organizations as more effective entities. An effective vision also includes a clear message about why people should strive to create this future. *Strategy* refers to the overall approach - the framework within which you make decisions - that will be used to achieve the long-term vision a partnership has developed. A sample strategy may be to first identify and protect the healthier areas of the watershed and then focus restoration activities around expanding and reconnecting these areas. *Tactics* are the specific actions the partners will take to implement the strategy. For example, in this example, federal agencies may target their assessment and land management activities on protecting and restoring the best remaining areas on public lands while the states and non-profits may identify and work with parties that own the healthier private land areas to acquire conservation easements and/or help them adopt new management practices. *Implementation plans* detail the specific sequence of steps, time-lines, lines of responsibility, fiscal, and other resources that will be employed to implement all of the tactics consistent with achieving the strategy.

It is important to remember there is a direct link between the vision the partners develop, the generation of new ideas, and the development of an effective strategy. Innovative ideas that lead to synergy between all partners will arise only when partners agree on a common vision and goals and open themselves to new ways of thinking. New ideas will not emerge through business-as-usual. It may behoove all of the partners in the Upper Pit large-scale watershed demo to spend time to clarify the vision, framework, and strategy they want to use to employ.

- **Continue to Develop a Mixture of Output and Outcome-Based Indicators**

While support for the Upper Pit large-scale watershed demo is strong at this time, the project may benefit from the continued development of indicators and a monitoring system that can measure progress towards the vision and goals of the project. While the development of appropriate indicators will be challenging, the lack of effective indicators may result in questions being raised about the value of the dollars, time, and resources being invested in the project.

- **Strong Consistent Leadership is Needed from the Chief If the USFS is to Adopt Meaningful Landscape Level Scientifically Sound Collaborative Management**

Some Forest Service employees have increased their awareness of the need and advantages of working at the watershed rather than a project only scale, and working in partnership with local landowners and stakeholders rather than solely on federal lands. However, the understanding and behaviors are clearly not yet embedded within the thinking, perspectives, and daily activities of the agency. One Forest Service employee said that to embed the process in the culture of the agency, the Chief needed to send a strong and consistent direction to the Regions and to staff in general about the importance of these issues. The message must be reinforced by symbolic actions and with funding, staffing, and other steps that demonstrate the Chief's resolve. Strong consistent direction may also include direction to the watershed, fisheries, and other programs at headquarters to become engaged in these efforts. Clear direction would also require steps to improve the budgeting process and target setting process (see below).

- **Continue to Improve the Internal Budgeting and Target Setting Process**

Because we consistently heard concerns about the internal budget and target setting processes, it seems prudent to continue to try to improve these processes so that they better support watershed-level partnership-based management. The timing of what funds arrive, how they are packaged, and other issues must be addressed. One USFS employee cited the VW (vegetation and watershed management) budget as an example of a more appropriate budgeting approach. Funds for forest, range, noxious weed treatment and other items have been put in one larger pot and the local forest can decide how to allocate funds to best address vegetation issues. Means to adjust the target setting process so that incentives exist to work on private lands and in partnerships would also benefit watershed-level management. It will also be important to adjust the process so that the funds arrive early enough to allow for preplanning work or so that staff at least knows how much they will eventually receive.

- **Independent Third-Party Science Assessments May Help Resolve Key Technical Questions**

Given the number of times we heard questions from people within and outside of the Forest Service about technical and scientific issues, it may behoove the Modoc National Forest to ask independent science teams to evaluate assessments and project implementation plans. Third party reviews may go a long way toward assuring people that a credible scientific framework exists and that the science and technical methods used in projects meets the highest professional standards.

- **Don't Overburden the Development of Watershed-level Partnership-Based Programs**

Many Forest Service staff said that if watershed-level partnership-based programs are to grow and succeed, the agency needed to take care not to unduly burden the process with bureaucratic rules and procedures. These people said that new initiatives often get stymied for a year or more due to questions about priority setting and constraints created in the decision-making process at headquarters and the regional levels.

- **Resolve the Overhead Problems That Harm the USFS-BLM "Service First" Initiative**

The goal of improving the integration of the local BLM and USFS offices and services seems to be a worthy one. Effort should be made to remove the barrier to the "Service First" initiative related to the need to charge the other agency an 18% overhead fee.

- **Continue to Utilize and Improve the Business Planning Process**

The support we heard for the process of developing the original business plan, and the comments we heard about how they could be enhanced, leads us to conclude that if the process were improved they could prove extremely valuable. For example, if future partnership-based programs were required to develop business plans, they could be used by the agency as an incentive to develop more effective strategies. Business plans that demonstrate the highest potential for success could be chosen for funding and implementation. This type of competition would generate better strategic planning and other important outcomes. To achieve this goal it will be important to avoid making the business planning process cumbersome and filled with complex or time consuming requirements.

UPPER SEVIER RIVER COMMUNITY WATERSHED
Completed Spring 2002

Located in rural southwestern Utah, The Upper Sevier watershed encompasses 1.2 million acres. The Large Scale Watershed Program--called the Upper Sevier River Community Watershed Project--was initiated after the Utah Water Quality Division had already engaged the local SWCD in a project to address water quality problems. The river is listed on the state 303(d) list of water quality limited streams. A steering committee had been formed and the program was already expanding beyond water quality to a full CRMP when the Forest Service became involved. When the Chief of the Forest Service asked for large-scale watershed program proposals, staff at the Dixie National Forest saw an opportunity to join the existing effort and help expand it.

The project has four goals: restoration and maintenance of watershed ecosystems; cooperation, coordination and collaboration; research, monitoring and adaptive management; and demonstrating restorative techniques.

The Project Has Taken Important Steps Towards These Goals Including:

- Many government agencies are now at the table discussing watershed-related problems.
- Over 100 projects were implemented on the National Forest in 2001 and 65 projects were completed by program partners. \$4,223,500 has been spent on the project as of the end of 2001.
- The Forest Supervisor and local agency employees are strongly committed to the program. Some important local landowners and government leaders show strong support for the program.
- A watershed assessment is nearly complete.
- The Upper Sevier project provided a model for other programs, such as the Virgin River watershed program.

Although Progress Has Been Made In Many Areas, A Number Of Obstacles Exist Which Constrain The Program Including:

- Significant time and momentum has been lost due to staff changes at the USFS, and the lack of a full-time coordinator.
- While individual assessments have been completed, they have not been integrated into a comprehensive watershed plan.

- Many projects have been implemented but because the watershed assessment is not completed, they may not be high priority projects.
- Most of the measurement indicators that exist are focused on project outputs, not outcomes, and there are no indicators specifically focused on the socio-economic benefits of the project.
- Not all of the key government agencies with interests in the watershed have committed to the program.
- Few private landowners and no environmental groups are directly involved.
- While communication and decision-making within the partnership appear good for a start up program, a number of important governance issues have yet to be addressed which could threaten future progress.
- Support for the program is tepid at the regional level, which, combined with reduced support from the Chief's office, could seriously harm the project.
- Despite the obstacles, the project has generated a significant level of support among the partners.

Resolution Of The Key Obstacles Would Provide For Continued And Greatly Expanded Future Success. In Specific, We Recommend That:

- One or more full time coordinators/staff be hired.
- A major effort should be made to complete the integrated watershed plan.
- Outreach to private landowners, non-profits, and others be expanded so that additional constituencies are engaged.
- Key governance issues such as how decisions will be made, and the roles and responsibilities of each partner, should be explicitly clarified.
- The BLM should be encouraged to become fully engaged in the project.
- The USFS take specific steps to embed landscape-level partnership-based thinking and behaviors into agency culture.
- Consideration be given to expanding the authority of the Wyden amendment.
- In addition, we find that continued leadership is needed from the Chief of the USFS and that the Regional Office must also become a champion if the program is to survive and prosper over the long term

Successes

- **The Program Has Engaged A Number Of Public and Private Entities in the Development Of A Common Vision For The Watershed**

Many federal, state, and local government agencies are working together to develop a common vision, assessment, and future plan for the watershed. This is an unprecedented step for the parties. The vision now goes beyond the original water quality focus: it's a full-fledged watershed restoration programs covering all resources. Some key private landowners and landowner groups are involved, although most are represented by government agencies. Numerous people praised the efforts of Tyce Palmer and Alan Henry for their efforts to bring private landowners and local government into the process. Tyce works for the Utah Association of Conservation Districts. Alan chairs the watershed program steering committee and is a local rancher, landowner, city manager in Panguich, and SWCD board member. One government employee summarized the feeling of many by stating, "This has been a very good experience for everyone. Getting around the table has been invaluable. This is new thinking."

- **The Original Business Plan Was Helpful In Developing the Initial Vision.**

USFS staff said that the business plan was "a terrific idea." The process of developing the original business plan was instrumental in helping all the parties involved develop a common vision and focus. Many people with different skills and roles helped to develop the business plan. The authors shared their document with many of the agencies and private parties that eventually become partners in the project. Thus, it also served a useful role in educating and engaging others in the process.

- **The Forest Supervisor and the Original Project Coordinator Have Provided Solid Leadership.**

Mary Wagner, supervisor of the Dixie National Forest, has provided strong support for the program. Mary is a leader with a big picture perspective and a future orientation. Steve Robertson, the original project coordinator, has been vital to the success of the project in many ways.

- **Over 100 Projects Were Implemented on the Forest in 2001 and 65 Projects have Been Completed by Program Partners**

The projects include 8500 acres of prescribed fire and fuel reduction treatments, 85 miles of recreational trail development and improvement, 440 acres of riparian restoration and 2 miles of stream bank stabilization, 23 miles of road improvement, 10 wildlife habitat improvements, 3 miles of water development improvement to help protect riparian areas, an increased emphasis on watershed monitoring, and 5 environmental education projects.

- **A Significant Amount of Money Has Been Leveraged By The Program.**

As a direct result of the partnership and common focus that has developed due to the project, a significant amount of money has been leveraged from USFS grants, the EPA and other sources. For example, \$154,000 was generated from the EQIP program. Many of the partners acknowledge that they were successful in raising these dollars because the steering committee that has been formed and the common plan are being developed.

- **Many Issue Specific Environmental Assessments Have Been Complete.**

An effort was begun three years ago to develop a comprehensive landscape assessment. Most of the individual assessments (e.g. water quality, soils, wildlife) are complete or near completion. Many state and federal agencies have provided data and participated in the development of the assessment. The process is linked with the partnership which means that the local government and private partners know that the process is underway. Completion of an integrated watershed plan may provide a platform for generating consensus on project vision and goals while providing a systematic method for project prioritization.

- **A Public Education Program Has Been Initiated**

With support from staff at the Forest and the effort of local volunteers, 3 newsletters have been published about the project. The Extension Service and local newspapers publish articles about project events and funding opportunities. A seven-week outdoor school has been developed which serves about 40 children from the Panquich school district. Three "watershed days" are planned for the spring, 2002, where school children will become involved with fencing, wildlife habitat enhancement, and other projects. Tours of the watershed are given annually to show local citizens what is going on.

- **The Model Provided by the Upper Server Stimulated the Development of Additional Programs and Projects.**

The Virgin River watershed program, the Governor's "Rail to Trails" program, and other initiatives have either been launched as a result of the Upper Sevier project or have benefited from links to the project.

- **As A Result Of The Above, Many People Believe That The Local Image Of The USFS Has Substantially Improved.**

The large-scale program has allowed the USFS to demonstrate that they will use their resources to help the community. USFS dollars were used to help people do restoration work via the Wyden amendment in 2001. The sharing of resources and the willingness to work in partnership has improved the local public image of the Forest Service.

Obstacles

- **The Lack of a Full Time Coordinator Has Constrained the Project**

Significant momentum was lost after Steve Robertson moved to a new position the project coordinators position sat empty for almost 8 months. Many people said that, other than work on issue specific environmental assessments and some project implementation, the project essentially came to a stop during that time period. Lack of staff created a void in project oversight and some of the funded projects have not been completed. The partners seem pleased that Rich Jerrald has recently been assigned to take Steve's position, but Rich is working just ½ to ¾ time on the project. At the time of this writing there was also talk of hiring a coordinator who lives in the community.

- **The Failure to Finalize the Watershed Plan Have Hurt the Program**

In large part as a result of the lack of dedicated staff, while individual pieces of the watershed assessment have been completed, they have yet to be integrated into a comprehensive watershed plan. Due to the delay in finalizing the plan, numerous projects have been implemented without the benefit of knowing if they address priority issues and projects are no longer targeted to "focus" areas. Many people said that the complete assessment was the key piece of information needed to take the project to the next level, but it was at least a year overdue. Further, members of the technical teams question if a sufficient number of qualified staff exist to integrate the various reports into a single coherent watershed plan. Some of the momentum for the project among the partners has been lost as a result of the delays in completing the assessment, the lack of steering committee meetings, and other signs of forward progress. One person summarized these concerns by stating, "Its been disappointing that it [the assessment] has taken three years. Two years would have been alot, but OK. Three years is just too long." In short, the sense of urgency is waning, which may threaten future work.

- **Few Measurement Indicators Exist and There is Little Focus on Socio-Economic Linkages and Measurements**

Although some site-specific monitoring protocols have been implemented (e.g. photo plot monitoring), and although it is too early to know the ecological outcomes and effectiveness of the various projects, few indicators have been developed to measure progress. The achievements that have been quantified relate to outputs--projects completed, miles of stream treated, money spent etc. Further, despite the fact that the community within the watershed faces significant economic challenges, there are no indicators aimed at measuring the linkages between the environmental outcomes and community well being. Consequently, some local residents question how the project will benefit them economically and socially.

- **Not All Key Government Agencies Have Committed To The Program, And Few Private Landowners Or Non-Profits Are Directly Involved**

Many partners singled out the Bureau of Land Management as an important agency that has not fully engaged in the project. Despite being responsible for about 50% of the land in the watershed, including key riparian areas, the BLM apparently decided the Upper Sevier was not a top priority. People complained that the BLM has not been forthcoming with data relevant to the assessment and in other ways failed to contribute to the process. The BLM has many issues on its plate and its closest office is in Kanab, about 80 miles from Cedar City. Nevertheless, the level of concern voiced by the partners indicates that the absence of this agency is a significant issue. Numerous people also said that the NRCS has also not been very helpful or effective in apprising or involving private landowners in the project. Although private landowners participate in the process, government agencies or leaders represent them. It has been difficult to get private landowners to attend meetings or fully participate in other ways. Part of the problem is that many landowners fear government. Insufficient outreach, communication, and public education are other likely causes. One person summarized the private landowner issue by stating, "Its getting better, but more work is needed to get information to landowners and to explain the benefits." There are no environmental groups involved. Despite the progress that has been made, the limited participation means that there is still a ways to go before watershed level planning will be fully implemented in the basin.

- **The USFS Is Driving The Process And Other Partners Have, To Some Degree, Abdicated Their Responsibilities to the USFS**

Although numerous public agencies are involved with the partnership, a number of people said that it was difficult to get people other than USFS staff to actively promote the vision, goals, and activities of the project. Once the USFS received funds and hired the coordinator, people looked at the agency as the primary driver of the project and consequently reduced their own efforts to secure additional funds and promote the project to potential participants.

- **Key Governance Issues Have Yet To Be Clarified**

This issue is related to the point above. Through our interviews we heard a number of issues raised that suggest the way in which information is shared and decisions are made by the steering committee would benefit from further clarification. For example, almost all of the partners agree that the project should not be federally driven or government controlled. Yet, the steering committee is heavily weighted towards government agencies and only 2 private landowners sit on the committee (although landowners are represented by some of the government agencies on the committee). Despite the representative imbalance, the committee has apparently not clarified how decisions will be made (e.g. majority rule, consensus etc) and how conflicts will be handled. For example, how will decisions be made if and when the USFS decides it should pursue projects on its lands

that conflict with the views of other government agencies or private landowners and local governments? These and other key governance issues should be resolved. Further, the steering committee apparently has not had much to do (primarily because the assessment is not completed) and therefore not met very often in the past 8-12 months. The steering committee has also not reviewed or had a say in all of the projects the USFS has implemented on their lands, and other agencies apparently have implemented projects without the review of the committee. The steering committee may not be aware that agency line officers apparently changed the make up of at least one important project that was approved by the steering committee over the objection of the technical staff. These issues suggest that the projects governance system could be improved.

- **Numerous Funding Obstacles Exist.**

While the Wyden amendment allowed USFS funds to be used to assist private landowners, many agency employees said that it was very difficult and time consuming to get funds where they wanted it to go. The restrictions on how money can be distributed to private landowners, and other issues make the distribution of funds difficult.

- **NEPA Processes Take Too Long – But More Than One Person Said This Was as Much an Internal USFS Problem as a Legal Issue.**

It takes a year or more to get projects through the NEPA process. The long time lag means that many of the projects the steering committee has initially reviewed, and those which have been implemented, were in the pipeline for some time. Only recently have some of the newer projects made it through the NEPA process. Although people generally understand the legal constraints the USFS works under, the delays in getting projects out the door have frustrated many of the partners. One private partner summarized the feeling of many by stating, "I hear lots of lip service [to watershed restoration], but not much action." A number of partners from outside of the USFS and at least one USFS employee said that the delays are a much the result of the fragmented and siloed management structure of the agency and their lack of expertise with NEPA as they are with NEPA itself. "We are not very efficient," said the USFS employee.

- **Public Education and Communication Efforts Need Expansion.**

The newsletters, news articles, and other educational tools are excellent starts on education and communication programs. However, through our discussions we found a lack of awareness and understanding among private landowners and the general public about the purpose, vision, and goals of the project and grant opportunities available. This suggests that current education and communication efforts may not be sufficient to build broad understanding, support, and participation in the project. One government employee summarized this issue by stating, "Once we developed the broad partnership, we fell down on the need to constantly communicate and share the vision."_

- **People Seem Unsure About the Support From The Regional Foresters Office and Headquarters.**

Numerous USFS employees said that Jim Sedell and his team have done a good job initiating and supporting the project. The only concern we heard about Sedell's efforts was the lack of effective marketing program. At the same time, these individuals said that they receive mixed direction from the Regional office or almost no support from others at the Washington D.C. headquarters office. Many USFS employees asked why the national fisheries, wildlife and the watershed staff did not originate the large-scale watershed programs and why they are not providing on-going technical support. One person seemed to summarize the feeling of many when he said "This is the only way those people can achieve their goals, but they just don't seem to get it."

Analysis

- **Although Many of the Technical Aspects of Partnership-Based Landscape Level Management Have Been Adopted, It is Still Not a Central Part Of Agency Culture**

Every Forest Service and non-agency partner we spoke with acknowledged that while the Forest Service was moving in the right direction, the mindset and behaviors related to managing at the watershed scale and achieving its goals through partnerships are not yet integrated into the culture of the agency. The effort is seen as separate project within the agency, not as a standard way of doing business. The agency still has powerful functional stovepipe, tends to manage on an opportunistic project-by-project basis rather than on a programmatic basis, and gravitates to operating as a lone ranger. As one senior staff member said, “only when the private partners can describe the new way the Forest Service is operating will we know its become cultural.”

- **The USFS Has Not Determined How to Share Decision-Making and Power.**

In part because of the issue above, in part because the watershed assessment is not completed, and due to other reasons, the USFS is still struggling with key questions about how to distribute decision making authority when working in partnership with others. The USFS--and other project partners--move forward with their own projects based on their view of needs and opportunities on the lands. USFS is the key driver of the project, complains about this fact, but then reinforces this problem by not sharing planning and decision-making authority with the steering committee. The agency needs to decide how decision making and power will be distributed when it works with partnerships.

- **Only The Low-Hanging Fruit Has Been Addressed.**

Due to the issues described above and the lack of a completed watershed plan, most of the projects that have been implemented involve little controversy. Tougher issues such as vegetation projects have yet to be attempted. To move beyond low hanging fruit, the project will need to complete the watershed plan, clarify its decision-making processes, and involve more key private landowners and non-profit groups.

- **Confusion Seems To Exist Between Communications, Marketing, and Outreach.**

Marketing involves identifying the desires and needs of consumers and matching them with the attributes of a product or service. Communication is an interactive process of continually sharing and developing a mutual understanding of views and values. Outreach is a process of reaching out to others to inform them of products or services and engaging them in communication. The project is weak in marketing, communication, and outreach.

- **Significant Potential Exists for Further Progress and Success.**

Despite the loss of some momentum and the obstacles that exist, every person we spoke with voiced a great deal of hope and optimism about the future of the program. If the bottlenecks can be addressed, the USFS and its partners have a unique opportunity to reshape the image of the agency, resolve a number of important watershed issues, improve the efficiency of the operations of the USFS, and provide important benefits to the community.

Recommendations

- **Hire a Full Time Coordinator(s).**

One or more full time staff is needed to coordinate the program and complete important tasks. Failure to properly staff the project may doom the initiative.

- **Develop An Integrated Set of Environmental, Social and Economic Indicators and a Monitoring and Reporting System to Measure Progress Over Time.**

A system of "lead" and "lag" (pressure-response) indicators focused on environmental, economic, and social outcomes should be developed. A systematic monitoring and evaluation system should also be installed to gather data relevant to the indicators, measure, and report progress towards all three goals.

- **Upgrade and Expand Outreach, Marketing, and Communication Efforts to Private Landowners, The BLM, The General Public, and Others.**

More private landowners, the BLM, and non-profits must be engaged if the project is to generate sufficient credibility to prosper over the long run. More direct outreach to private landowners, the BLM, environmental groups and others is needed. A well thought out marketing program may be needed to achieve this goal. An effective communication system will also be required.

- **Further Clarify the Project Governance Structure and System.**

The partners involved in the project need to clarify the governance *structure* to be used by the partnership as well as the *system* to be used to make decisions and ensure accountability. By structure we mean organizational arrangement. The governance system relates to how information will be gathered and distributed, how decisions will be made and conflicts resolved, and how rewards and resources will be shared among the partners. Clarification of these issues will require that the roles and responsibilities of each of the partners be clarified. Accountability mechanisms must be developed to help all of the partners feel confident that group decisions will be carried out by those responsible. Options may include these and other governance systems and structures:

Joint Ventures: The USFS combines with other organizations to form a new, distinct organization in order to pursue complementary objectives. When in a joint venture, information, decision-making, power, and resources are equally shared.

Strategic Alliances: Similar to a joint venture, where the USFS joins with others to pursue mutual gain, but a new organization is not created. In this case, the various organizations involved must agree to cooperate with and depend on each other. Clear rules of engagement must be established and agreed to (often in writing).

Informal Networks: Organizations join forces to capitalize on potential efficiencies in the production of specific outcomes. Each participating group is responsible for one area of output and the participating organizations are highly dependent on one another for the ultimate delivery of their products. Each entity makes decisions unilaterally, although in consultation with other partners.

Consortiums: The USFS pools its resources with other organizations to procure access to information or technologies, or achieve goals that are too costly or difficult for one entity to do alone. No separate entity is created for the management of this relationship. Each entity makes decisions unilaterally, although in consultation with other partners.

Each of these structures and systems operate under different rules of engagement. The partners need to spend some time to understand the different structures and systems and choose a model that best fits their needs.

- **Continue to Take Steps to Embed Landscape-Level Partnership-Based Thinking and Behaviors into Agency Culture.**

Time alone will not allow watershed level management to become embedded in agency culture. The forest supervisor and others may benefit from careful examination of a variety of steps and tools that can facilitate cultural change.

- **Consider Expanding The Authority Of The Wyden Amendment.**

To facilitate the distribution of funds to private landowners for important projects, consideration should be given to ways to expand the authority of the Wyden amendment.

- **Continued Support from The Chief's Office and the Regional Office Seem Vital to the Long-term Success of the Project.**

The project is not likely to survive or prosper over the long term if the Chief's office reduces its leadership and supportive roles and the Regional Office remains somewhat indifferent. Every Forest Service employee we spoke with said that earmarked money, priority status, and national tie established by the previous chief (Domback) were critical to launching the program. These employees said that continued prioritization from the Chief and support from Jim Sedell's shop are needed to keep the project moving forward. People feel that the watershed assessment must be completed and the community needs more time to get engaged before the Washington office backs off. In fact, one federal government employee said that national support should be broadened. The Department's of Interior and Agriculture as well as the EPA should declare the watershed projects to be a top priority. This would force the BLM and other federal agencies to make the watershed project a local priority. Without continued support from headquarters, improved support from the Regional office, and without Jim Sedell's shop continuing to champion the program, there is great fear that the positive efforts that have been started will soon lose steam and fade away.

UPPER SOUTH PLATTE RIVER WATERSHED **Completed Fall 2002**

The Upper South Platte Watershed Protectional Restoration Project (USPWPRP) is located within the Pike National Forest southwest of the City of Denver. The watershed supplies 80% of the water used by 1.5 million Denver metropolitan residents. National Forest Service land occupies approximately 500,000 acres of the watershed, while the State Forest Service, Denver Water, Bureau of Land Management and the City of Aurora, and private landholdings own the remainder. Population in the watershed has grown during the past decade, which has also increased recreation use. Recreation use was estimated at 1,650,000 visitors days in 1995.

Restoration efforts began to form in 1995 with the initiation of research on historical forest landscape conditions in the watershed. In May 1996, a catastrophic fire burned 11,900 acres in the basin, resulting in the loss of homes and forest cover. Thirteen days of intense rains followed, resulting in flooding and the transport of large amounts of sediment and fire debris downstream to a water storage facility for the Denver area. This event was a major wake-up call. The Denver Water Department (Denver Water) spent millions of dollars cleaning up this debris and it is estimated that they will spend millions more to dredge out the reservoir. A group of stakeholders came together in 1997 as a result of these events to develop a Watershed Protection Project to conserve water quality over the long term. In 1998, the USFS saw the importance of working across landscapes to reduce the potential of catastrophic fires and began working with Denver Water, Colorado State Forest Service, the Environmental Protection Agency, Colorado State University, and the Rocky Mountain Research Station to create the Upper South Platte Watershed Protection and Restoration Project. In 1999, the project was selected by the USFS Chief's office as one of the National Large-scale Watershed Demonstration Projects. The Colorado State Forester and Regional Forester of the USFS Rocky Mountain Region created a steering committee in March 1999 for the project.

The Steering Committee of the USPW developed three main goals for the watershed: Reduce the probability of fires the magnitude of Buffalo Creek Fire across the landscape; Reduce fire hazards near residential areas or critical areas for water supply, and; Restore sustainable forest conditions across the landscape.

As with many projects where there are numerous views about the causes of, and solutions to, forest health and fire problems, it should be no surprise that for every positive outcome people identified through our more than 20 interviews, there was usually an alternative contrasting point of view. People from within federal, state, and municipal government agencies and outside of the agencies voiced the contrasting views. This indicates the complexity of the issues the project is involved with. The plethora of conflicting views also underscores the need to develop governance and management systems that removed personal and institutional barriers and meaningfully engages as many stakeholders as possible in the project. Failure to take the steps needed to effectively engage public and private stakeholders may threaten the long-term viability and support for the project.

Since Its Inception the Project Has Achieved A Number Of Successes:

- The project has completed a number of on-the-ground projects (see list of achievement on Page 4 of the report).
- The USPRPP has engaged a number of public agencies in a process to develop a common vision for the watershed.
- The designation as a National Demonstration Project opened the doors for additional funding.
- Land management activities are increasingly based on scientific assessments.
- The steering committee helped create a platform for agency partners to weigh in and improve decision-making about projects.
- The partnership has completed several outreach and educational programs and has hired staff to be the liaison to stakeholder groups.
- Innovation from steering committee members was used to expedite the Upper South Platte Watershed Landscape Assessment.
- The project coordinator and steering committee chair have provided good leadership for the primary partners.
- The watershed project is beginning to evolve from a demonstration project to standard operating procedures.

Although the Project Has Achieved a Number Of Successes, a Number Of Challenges Remain:

- Existing USFS departments, such as the contracting office, have not necessarily embraced the approach proposed by the project.
- The steering committee's governance system does not seem to be working as effectively as everyone would like. Our interviews found many questions raised by government and non-government people alike, about the way information is generated and decisions are made.
- Our interviews found that government and non-governmental partners and stakeholders have concerns over the perceived "go-it-alone" attitude of the core steering committee.
- Some public agencies, as well as stakeholders, have questions about the Upper South Platte Watershed Landscape Assessment.
- Getting projects on the ground on USFS land has been difficult.
- Some people feel that there is a lack of support for the project at the regional office.

Our Analysis of These Obstacles Suggests:

- Our research found that a number of important issues have not been openly discussed by the steering committee and the lack of open discussion and resolution may constrain future progress. Some people seem to feel that the key power brokers on the steering committee are not open to feedback that conflicts with their views and disregard the ideas and views of outsiders. Simply providing "time slots" during meetings for stakeholders to raise issues does not resolve these problems. When a

number of people from government agencies and outside of government voice these types of similar concerns, it usually indicates problems with power and authority relationships.

- In keeping with the comment above, while a strong coalition of primary partners has been built, it does not seem to represent all of the stakeholders in the basin, and power does not seem to be equally distributed among partners. Some partners that we spoke with even said that they thought the real power lies outside of the steering committee and that the committee is often used as a formal stamp for what others have already decided to do. This was the reason several federal and non-federal agency representatives did not participate in meetings. Although there are many reasons why key stakeholders may choose not to participate, steering committee members must ask themselves why others are not participating, and if their style and approach plays a role in this.
- These issues suggest that a number of unresolved governance issues might constrain future progress in the project. The way information is currently gathered and vetted, decisions are made, and power and authority are distributed may undermine long-term community support for the project. Currently, those that contribute the most funds to the project tend to have the most power. While this approach may make sense initially, it can constrain the involvement of partners that may not have significant resources to give but still have legitimate claims on activities occurring within the basin. As evidenced by many of the other fifteen large-scale watershed projects occurring across the nation, there are numerous ways to interface power and authority with funding contributions.

Based on the Issues Described Above We Recommend the Following:

- Given the concerns we heard about the Upper South Platte Watershed Landscape Assessment and fuel reduction projects, it may behoove the project to ask an independent science panel to review the analysis and proposed treatments.
- Due to the overwhelming message we heard that three partners dominate the steering committee, the project may be enhanced by revisiting the Charter and MOU and developing a governance structure and system that ensures that decision-making authority is inclusive.
- In keeping with the recommendation above, once the project reclarifies the governance system, extensive efforts should be made to explain to the public how decision-making will occur in the future and make concerted effort to broaden representation on the steering committee.
- Once the committee is expanded, it should institute a process to surface and openly discuss major unresolved issues that are of concern and to develop a common agreement on vision, goals, and strategy for the project. Simply saying that any group or individual is welcome to participate in the steering committee is not sufficient.

There are reasons groups chose not to participate and until these issues are addressed, meaningful involvement--and therefore long-term public support-- may be hard to achieve.

- Given the above, the USFS would benefit from a meaningful dialogue to clarify what collaboration and partnership building means. Our research found confusion over these issues. Agency staff must clarify issues such as is the community-based watershed project intended solely to provide additional funds to get work done, or is it intended to devise a new way of doing business such that synergy is developed between multiple public entities and non-governmental stakeholders.

Strengths

- **The Project Has Completed a Number Of On-The-Ground Projects**

- Mechanical treated 200 acres on Denver Water land (December – April 2000)
- Rehabilitated 25 miles of unclassified roads (April 2000)
- Public education in newsletters, meetings, and news paper articles
- Prepared Prescribed Burn Plan for 1,200 acres
- CSFS foresters began working with private landowners within the Lower Elk Creek Management Unit and nearby subdivisions to develop and implement fire protection measures

Most USFS employees we spoke with believe that major progress has been achieved. For example, two decision notices were approved for trail improvements and for revegetation projects. Two other decision notices were approved for vegetation treatments in “roadless” areas (5,200 acres) and in “non-roadless” areas (12,200 acres). However, the decision notice for treatments in roadless areas has now been appealed twice. Over 250 miles of roads and trails have been mapped using GIS technology to identify and prioritize problem areas. 90 volunteers repaired trails in Dutch Fred Gulch and 1.5 miles of the Gill Trail were restored. Over 100 defensible spaces around homes and structures have been identified, 76 of which have been treated with 75 more acres slated to be cleared in the future. In addition, burned areas in Hi Meadow and Buffalo Creek have been revegetated. The Upper South Platte Watershed Landscape Assessment (landscape assessment) has been completed in a short-time frame. A monitoring strategy was approved to provide a scientific basis for decision-making and a tool for implementing adaptive management. Staff at the USFS Rocky Mountain Research Station, as a result of the USPRP, has published two recent articles outlining their findings. The funding provided by the national watershed project has allowed the Research Station to complete research that is broader in scope and more related to the issues necessary for restoration of the forests in the project.

- **The Project Has Engaged a Number of Public Agencies to Work Together to Develop a Common Vision.**

People involved with the Upper South Platte Watershed Protection and Restoration Project (USPWPRP) steering committee said that the members were selected based on their technical ability to assist in research, planning, implementation, and monitoring restoration projects. The USPWPRP has successfully involved seven primary partners and several other partners including local, county, and state governments, non-profit groups, and community groups (including Volunteers for Colorado Outdoors and the Colorado Mountain Club). This group is working collaboratively to resolve problems and develop a common plan for the Forest. Several people said that many of these relationships had been strained or non-existent prior to the Large-Scale Demo Watershed Project, but through this collaborative effort people have gotten over or are slowly resolving bad feelings and misunderstandings and beginning to develop a common vision

for the watershed. The group is still in the process of ironing out the wrinkles to create a strong, working steering committee.

Several people stated that because of the special National Demo designation, they have been allowed by their agencies to participate and provide input to the watershed project. A forum has resulted where people share or ask for information. Communication and collaboration among members has been encouraged, resulting in members participating in projects not associated with the watershed project. Combining efforts has assisted the USFS to gain even broader stakeholder representation.

- **The Designation as a National Demo Project Opened the Doors for Additional Funding**

The USFS has leveraged money for the project by receiving contributions from various partners in the form of cash and in-kind matches. For example, the \$100,000 that was given to the Rocky Mountain Research Station by USPRP partners has been leveraged by two major grants to \$540,000 per year for three years. Funding has also been obtained from the Joint Fire Sciences Project and NASA to study and develop landscape treatments and research towards preventing catastrophic fires.

- **Land Management Practices Are Increasingly Based on Science Assessments**

The proposed land management treatments are based on research completed by Dr. Merrill Kaufman of the USFS Rocky Mountain Research Station. USFS staff and some non-USFS people said that a key attribute of the watershed project steering committee is that they have decided to base their treatments on scientific research. Because of this research, members of the steering committee have learned a great deal about the area and how fires have burned in the past. Fuel reduction treatments have been applied on Denver Water land prior to being implemented on USFS land. This aided the USFS in gaining support and approval of their treatments because people could view these projects and gain a better understanding of what would occur when treatments were applied to larger landscapes.

- **The Project Has Provided a Platform for Members to Improve Decision Making.**

Overall, communication among the key partners seems relatively positive. The steering committee meets once a month and members feel comfortable contacting each other at other times when necessary. All the people we interviewed stated that they felt comfortable resolving problems at the steering committee meetings and are open to new suggestions. (Although, when pressed, we found a number of important issues that people, when pressed, feared to bring up. See the next section for details.)

In one instance, the forum provided by the steering committee assisted two parties in resolving a potentially detrimental activity. A forester had prescribed certain vegetative management treatments in one area of the forest without telling others about the proposal.

At a steering committee meeting the forester presented the proposal and timeline. After a member of the committee reviewed the maps, it was determined that the area to be treated was located in an important research plot. This conflict was resolved through a discussion at the steering committee meetings.

- **A Significant Amount of Public Outreach and Education Has Been Accomplished.**

A major strength of the project has been the emphasis placed on outreach to private landowners. As part of the business plan the steering committee developed a communication plan strategy. Seven communication objectives resulted. They include the publication of a monthly newsletter, articles in the local newspapers, public meetings, as well as field visits with the public, media, and public officials. The catastrophic fires of 1996 made people aware of a problem, assisting the steering committee in promoting the project.

One of the biggest outreach successes has been giving people tours at the fuels reduction test sites on Denver Water property. These tours have allowed people outside of the USPRP to understand what the watershed project is about and what the fuels treatments look like. Because a majority of the project boundary occurs within the urban-rural interface zone, the State Forest Service hired a full-time forester to work with private landowners by identifying defensible spaces and conducting fuel reduction treatments.

- **Innovative Thinking Expedited the Upper South Platte Watershed Landscape Assessment.**

A landscape assessment was completed in August 1999 covering 645,000-acres of the Upper South Platte Watershed. USFS staff said that the assessment was innovative because agency staff looked beyond traditional agency procedures to complete it in a shorter than usual amount of time. The shortened time frame was attributed to the use of the Colorado State University contracting office instead of the USFS contracting office. USFS staff found opposition to using an outside contractor because USFS regulations state that when they fund over 50 percent of a project, the USFS contracting office must be used. Agency staff's experience was that using the internal USFS contracting office would slow the process, but they needed to act fast to get the project completed. As a result, the Regional Forester approached Chief Domback directly to request a one-time waiver to use an outside contracting office, which was approved. This is an excellent example of the "out-of-the-box" thinking and breaking down barriers to get things done by some of the key partners of the project.

- **The Project Coordinator and Steering Committee Chair Have Provided Good Leadership for the Key Partners.**

Several people said that leadership from the project coordinator and the steering committee chair works effectively for the key partners. These two people promote innovation in order to find better ways of doing things. This is apparent in how USFS

staff completed the Upper South Platte Watershed Landscape Assessment in a shorter than usual amount of time. The watershed project coordinator and steering committee chair are well respected. People say that they have been very responsive, are open to new ways of doing things, and work well together. This has created a good foundation for the group.

- **The USPRP Is Beginning to Evolve From a Demonstration Project to Standard Operating Procedure.**

Several steering committee members had strong feelings that their watershed projects should not be considered, “demonstration” because they felt that this should be the standard way the agency operates. The Regional Forester and Colorado State Forester made this clear at the outset--it had to be a long-term effort, not a short-term pilot. A number of people said that the project is beginning to move past the initial pilot phase and into a phase where things are becoming institutionalized.

Limitations and Obstacles

- **Existing USFS Units, Such as the Contracting Office, Have Not Necessarily Embraced the Means to Achieve Project Goals**

Although understanding and support for watershed-level partnership-based management is growing within the agency, many USFS employees said that internal procedures and ingrained historical practices constrain the adoption of the new watershed approach. Because of the way the agency has historically operate, a number of people we interviewed said that they felt the USFS contracting office was not comfortable with new contracting processes as it means changing what they have always done. On the other hand, the contracting office has multiple priorities. In addition, one USFS employee said that the contracting office was under pressure from the national office because of questions related to performance audits and this was the reason for its reticence. Nevertheless, right or wrong, many people have the impressive that it was resistance from the contracting office that led the Regional Forester to ask the Chief for a variance on the Forest Service policy which states that if the Forest Service covers more than 50 percent of the costs of a Challenge Cost Share Agreement, Forest Service contracting will issue the contract. The request for variance on standing policy generated some hard feelings that have not yet completely subsided.

- **Government Agencies Dominate the Steering Committee**

The USFS has worked hard to include several groups in the steering committee, but the committee appears to have evolved into a predominantly governmental partnership. There are seven original primary partners that consist of mostly federal and state agencies, with one private group represented by the Upper South Platte Watershed Protection Association (USPWPA). A number of people within government agencies and the private sectors told us that they feel that the USFS, Colorado Forest Service, and Denver Water dominated the steering committee. Numerous people observed that these three organizations hold most of the political power on the committee, are the most vocal about the type of management that should occur in the forest, and give the impression that their views represented the views of the community at large. People we spoke with said that this alliance does not allow for participation or meaningful input from other groups. This has resulted in some groups dropping their support for the project.

This imbalance of power is evident in the text of the Business Plan. The partners are identified as being the USFS, the State FS, and Denver Water. The stakeholders are identified as being local and county governments, fire departments, landowners, and the business and environmental communities. The separation of partners and stakeholders results in little decision-making power by other agencies or stakeholders.

The feeling of concern about a perceived imbalance of power were depicted by representatives from the private *and* public sectors who told us that when they questioned the steering committee's vegetative management, the three dominant players would not fully explain their plans. USFS staff, on the other hand, feels that they have bent over

backwards to address the questions raised by government agencies and stakeholders. Field trips and many meetings were held to discuss issues. These contradictory views suggest the presence of communication, decision-making, and power and authority problems--which people may equate as being an imbalance of power on the steering committee.

A few federal and non-federal government people we spoke with said they thought that the real power does not lie within the steering committee, but with one individual in the District Office. These people feel that this person uses the committee as a formal stamp to get his decisions approved. As a result, some people said that the steering committee has no real power.

- **The Steering Committee's Governance Systems Are Not Working as Effectively as Many Would Like.**

Following from the point above, through our interviews we heard a number of issues raised about the way in which information is shared and decisions are made by the steering committee. For example, some people are confused about the decision-making process because it appears to them that decisions must go through the District Ranger prior to receiving approval. Despite the written statements provided in the Charter, many partners also expressed confusion over the goals and expectations of their involvement. This confusion has resulted in some partners no longer participating. It appears as though the committee needs to reclarify how decisions will be made (e.g. majority rule, consensus, etc.), if the Charter reflects the way people want these core steering mechanisms to work, and how conflicts will be handled. For example, how will decisions be made when the USFS pursues projects on its lands that conflict with the views of other government agencies or private landowners and local governments? These and other key governance issues should be resolved.

Although there is no doubt that USFS managers maintain the responsibility for making the ultimate decision, the tendency to centralize authority and decision-making to agency personnel undermines the basic purpose and goals of a community-based watershed project. While it appears paradoxical, to be successful in watershed partnerships, Forest Service decision-makers must retain their authority legally and, at the same time, decentralize decision making to partners and stakeholders. There are numerous training programs and books focused on how to accomplish these types of leadership tasks.

- **Some People Mistrust the True Intent and Outcome of Specific Projects.**

Despite the stated purposes of the project, through our interviews we found that people held many different theories as to the true purpose of the watershed project. They ranged from a belief that the primary purpose of the project was to benefit Denver Water by fire proofing the forest to protect the water supply, to a belief that the real purpose was to clear-cut the forest. The most apparent division is between the steering committee and environmental advocacy groups who appealed the EA decision for roadless areas. However, through our interviews we found that even some USFS employees and other

public agency employees had a hard time describing the true purpose of the project. Each of the key partners have different needs and hold different views about how the forest should be managed. The USPRP is also playing out amidst the national controversies surrounding the causes and best solutions to forest health and fire problems.

Nevertheless, the strong and divergent beliefs held by the three dominant agencies on the steering committee (USFS, State Forest Service, Denver Water) and other partners and stakeholders about the future of the watershed may make it difficult for the USPRP to find common ground and achieve long-term success.

- **Lingering Resentment Exists Due to The Perceived Go-It-Alone Attitude of the Steering Committee.**

The partnership has provided an atmosphere whereby the key partners can propose new ideas. This approach was applauded by some and criticized by others. Some USFS staff feel that strong and decisive leadership is needed to overcome the procedural hurdles that they believe stand in the way of actions to reduce the risk of fire and restore forest health. Other government partners and non-government stakeholders said that this pattern has created an image of a "hot dog" group that is fast and loose with regulations. One instance of being loose with the regulations was the example of the regional Forester going directly to Chief Domback to request a waiver to use an outside contracting office. Our interviews found that this resulted in resentment from some people within the USFS. At the same time, each of the partners acknowledged that the assessment would not have gotten off the ground without this waiver.

Our interviews also found that many people feel that--right or wrong--the steering committee does not always seek or accept outside council or suggestions. Some government employees we spoke with feel that the "cowboy attitude" of the steering committee has contributed to threats of appeals, which may ultimately slow the process. In some cases we heard that competing opinions and diverse ideas about needs and solutions are acceptable among the key members of the steering committee, but not from outside interests

The failure to more fully engage and address the concerns of all stakeholders may delay the project and lead to withering long-term support.

- **Questions Exist About the Upper South Platte Watershed Landscape Assessment**

Some public agencies as well as private stakeholders feel that the landscape assessment, completed in August 1999, was too broad and coarse-scale. However, USFS staff seems to like the fact that the assessment was broad because it allowed for flexibility in the field. Again, it must be noted that these types of problems are not unique to the USPRP because the project is playing out amidst the context of a national debate surrounding the causes and best solutions to forest health and fire problems. Although there are differences of opinion in how the assessment was completed, if consensus can be reached

on the assessment it could provide the basis for the development of a common vision and action plan for the watershed.

- **Getting Projects On-The-Ground on USFS Land Has Been Difficult**

The USFS has struggled to get projects on the ground on their lands. Some progress has been made, but getting projects on the ground is a major drain of energy and money. A roadblock in getting projects to the ground is a disconnect with support within the USFS. In one instance, it took several months for USFS staff to receive computers to start work on the watershed project. USFS and non-USFS committee members perceived this as the USFS not being supportive of the project. A number of agency staff told us that they did not think that other USFS staff members have buy-in to the success or failure of the project. Some members of the steering committee said that another reason for delays in getting projects on the ground is that USFS staff working on the project often ends up focusing on other issues during some months of the year (i.e. Christmas tree sales). This slows the progress of the watershed project and has created frustration among some members of the group.

Analysis

- **Several Key Concerns Have Not Surfaced In the Steering Committee and May Constrain Future Progress**

Despite the fact that steering committee members said they felt that the group communicated well, our research found several underlining issues that ultimately affect the project's distribution of power, trust, and decision-making mechanisms, which have not been openly discussed. Some people said that private meetings have held to resolve some of the problems, but that none of these issues have been raised publicly. The fact that key issues were resolved in private, and not discussed with the entire steering committee, has obviously left some people with the belief that the problems have not been resolved. On the other hand, a number of other government agencies said that they did not want to publicly discuss problems for fear of jeopardizing inter-governmental relationships. Many partners within and outside of the USFS have suggested that these key unspoken governance problems have slowed progress and resulted in some groups not participating. Lack of resolution and clarity on these issues may be a major barrier to future success.

- **Power Is Not Equally Distributed.**

While the USFS has built a strong coalition with the Colorado State Forest Service and Denver Water, there appears to be problems related to the inclusion of other groups in the decision-making process. For example, despite apparently being asked to participate, no environmental groups are involved and only one group representing private landowners is involved. Some USFS staff believe this is not their problem--people were asked to participate but choose otherwise. Yet, this very attitude and the way it may play out in communication and decision-making may be at the core of the problem. Many people we spoke with from government agencies told us that the USFS is used to doing things in a certain way and to being in control and not listening to other group's suggestions. This has led to an unwillingness to meaningfully respond to issues raised by outsiders. As a result, groups resort to actions such as administrative appeals in order to get their issues/concerns expressed to the USFS. Despite the way the original MOU and Charter were written, effective partnerships require that individual players be willing to relinquish some of their authority and control to the whole, even as they retain the ultimate legal responsibility for their lands. Until this occurs, many types of tensions and disruptions may exist.

- **Many People Believe the USFS Remains Too Inwardly Focused**

Almost every non-USFS person and private landowner we spoke with felt that the USFS has improved its ability to work with other government agencies. At the same time, these people said that the agency still does not understand nor know how to interact with the smaller governmental and non-governmental partners. Numerous people said that the agency remains most comfortable directing activities, as it does on its own land, without input from others. On the other hand, some agency staff members believe that the

watershed project has allowed them to operate differently and get much-needed projects going to reduce the risk of fire and improve forest health. It appears as though much greater two way listening and dialogue is needed to bridge the gaps between the way the USFS views itself and the way many partners and external stakeholders view the agency.

- **The Unresolved Governance Issues Are a Constraint to Future Progress**

The questions about which entities to engage in the steering committee and how to share and distribute power and decision-making authority between large and small partners suggest that key governance questions need to be clarified. The issue of how decisions will be made must also be resolved. Lack of clarity on these issues may be the major barrier to long-term support and success.

- **Despite the Obstacles, People Are Working Together and Progress Is Being Made**

Almost everyone we interviewed had strong feelings about the continuation of the watershed project and felt that if it did not continue, catastrophic fires would continue and more homes and lives would be lost. Most people feel that the partners have overcome some important hurdles and are now starting to work together more effectively. Most people believe the partnership would continue even if large-scale watershed programs were no longer a priority of the Chief's office, because it is a priority of the state. Several steering committee members stated that they would complain loudly if the USFS discontinued funding and would appeal to higher authorities to continue the program. Entering a drought year in Colorado, where the risk of fire seems very high, exemplifies the need to continue this project.

Recommendations

- **An Independent Science Panel Should Review the Assessment and Proposed Treatments**

Given the concerns we heard about the landscape assessment and fuel reduction projects, it may be prudent to subject them to review by an independent scientific committee. A team of academic scientists could be organized for this purpose. Although this requires additional time and resources, vetting the work through an independent team may alleviate the concerns we heard and therefore lead to few objections and greater long-term support.

- **Develop a Clear Governance Structure and System For the Partnership**

Due to the overwhelming sense that three partners govern the partnership, it is essential to reach a balance of power and improve communication and authority relationships. There are a number of ways in which watershed partnerships can be structured. There are also a number of ways in which decisions can be made. The governance structure and system chosen should be based on the needs and goals of all of those with interests in, or who are affected by, activities within the basin. This process could start by asking all of the partners to examine the needs, perspectives, and operating styles of the other partners. Based on this assessment, the most appropriate structure and decision-making system can be chosen.

- **Broaden Representation On the Steering Committee**

Although the Forest Service has worked hard to engage diverse interests in the process, the existing make-up of the steering committee means that the Forest Service deals primarily with other government agencies. Given the concerns we consistently heard that the current committee does not represent the full range of interests, expanding the group may be prudent. If people can become convinced that a more inclusive governance system will ensure that they have a meaningful say in the way decisions are made, more private landowners, environmental interests, and others may be willing to join the steering committee. To expand the membership, new participants will need to feel comfortable that their views will be heard, that they will have equal power within the group, and that they will not be overwhelmed or intimidated by those with different views. Broadening the committee may therefore not be possible until a new governance structure is developed. It will also require willingness among the current partners to listen to and accept the validity of the views and needs of others.

- **Institute a Process to Surface and Openly Discuss Major Issues and to Develop Further Agreement On Vision, Goals, And Strategy**

One way to enhance the governance system and provide assurance to others that their participation in the steering committee will lead to meaningful decisions is to ensure that some of the unspoken concerns we heard are surfaced and openly discussed. Only though

an open discussion--as difficult as this may be--can areas of common agreement be found on the vision, goals, and strategy for the watershed program. This will require careful thought and planning and is certain to be fraught with problems. Some people may not want to participate in more group processes given the concerns we heard about delays that have occurred in getting projects on the ground. Some USFS staff may feel that people can today come and discuss their concerns and that the failure to do so is not the problem of the steering committee members. This is false. When people fear or hesitate to engage in open discussion, it usually indicates two-way problems related to trust, authority, and power. The failure to surface and address the unspoken issues of concern and to make progress on the development of a unified vision, goals, and strategy may threaten the entire long-term prognosis of the community-based watershed project.

- **The USFS and Members of the Steering Committee May Benefit From a Dialogue to Clarify the Meaning of Collaboration and Partnership Building**

The different viewpoints we heard about the capacity of the USFS and others on the steering committee to engage in true collaboration suggests that a meaningful dialogue is needed to clarify what true collaboration and partnership-building involve. At least two aspects of landscape-level community-based watershed management must be clarified. One element has to do with the nature of the work. Is this an effort to accomplish a new set of goals related to watershed health or a way to get additional funds to achieve old goals? In many cases it is both, but evidence found from our interviews that confusion exists around this element. A second element has to do with how the work is to be carried out. For some partnership means any kind of collaborative effort between the Forest Service and other actors. For others community-based is the key phrase and their interest and focus is on engaging the local community and local interests. These two views can lead to very different organizing and decision-making processes.

The confusion about collaboration suggests that USFS and the steering committee would benefit by a meaningful dialogue to clarify what landscape-level, community-based and partnership-based thinking, practices, and outcomes involve. Failure to clarify these issues seems likely to leave the watershed project mired in controversy and stuck in a crisis response mode of operation.

WHITE RIVER PARTNERSHIP **Completed Spring 2002**

The White River is the longest undammed tributary of the Connecticut River. The system is a 454,000-acre watershed that encompasses 21 towns in central Vermont. Only ten percent of the watershed is National Forest land while the remainder is comprised of 84 percent private and 5 percent municipal and state lands. The river is a part of the Connecticut River Atlantic Salmon Restoration Program, a Special Focus Area of the Conte National Fish and Wildlife Refuge, and a major tributary to an American Heritage River (Connecticut River).

The White River Partnership (WRP) was formed prior to the USFS Large-Scale Watershed Restoration Project. This program was developed to be a self-governing, non-profit organization. In 1996, staff from the Green Mountain National Forest (GMNF) started looking for assistance to complete river/fishery projects to restore the river for Atlantic salmon. The GMNF had been running into obstacles created by forest ownership and boundaries. As a result, the District Ranger and fisheries biologists helped organize public forums in conjunction with members of the George D. Aikens Resource Conservation and Development Council to identify issues and concerns about the watershed and to build a coalition to address them. This resulted in the formation of the WRP in 1996, which is lead locally and consisted of a community driven group of citizens, conservation groups, and federal and state agencies.

The public forum, consisting of over 150 people, identified several major issues in the watershed ranging from concerns about river instability due to decades-old mining, loss of riparian forests, loss of land due to eroded river banks, and floods. The top seven concerns were, water quality, riparian habitat, streambank erosion, public awareness of problems, public access to the river, point source and non-point source pollution, and maintaining a working landscape (agriculture and forest).

Resolving these issues forms the vision and goals for the WRP. Through formation of this community driven group, the GMNF and partners were able to free-up money to hire a part-time coordinator for the WRP. This coordinator took on the role of organizing the public forums and continued formation of the WRP while the GMNF was able to step back and transform their role to that of technical advisors. Two part-time coordinators were hired before the full-time coordinator was hired.

The call for proposals from the Chief's office for large-scale watershed restoration programs appealed to the GMNF because they already had a working watershed restoration program that met the goals and vision of the national program. After the proposal was approved by the Chief's office, a full-time coordinator position was funded and an office space was established for the WRP in the GMNF office. At that point, the existing part-time coordinator stepped down and was replaced by a new full-time coordinator. Once funding and a full-time coordinator were established, the WRP took off. The push to complete projects in the watershed through the WRP was also fueled in

part by major floods in 1998. The GMNF drew even further back from a supervisory role and became more of a partner by providing money and technical expertise.

The WRP consists primarily of citizens who are given funding and support from the USFS and are left alone in order to run their own show. The citizens, along with the WRP coordinator, have formed five stream teams. Each stream team has a point person who reports back to the coordinator. The role of these teams is to complete public outreach to identify concerns and problems in the watershed and to prioritize projects identified during this analysis. Each stream team has or will conduct physical assessments and stream bank analysis. Once the stream team completes these assessments, they prioritize the projects, and submit their list to the Stream Corridor Advisory Team (SCAT), which prioritizes all of the projects from each team. This refined list goes to the USFS watershed coordinator for implementation. The WRP views this USFS person as being on loan to the WRP to conduct project design and implementation.

Once a stream team has identified a project, they request final authorization from GMNF staff, who review the proposals to ensure they are the appropriate treatments. No project has been turned down.

This Approach has Achieved Several Successes Including:

- The national designation gave the WRP the ability to leverage \$214,000 from partners.
- People said that the WRP meetings were fun and that everyone was open to sharing ideas and information.
- The WRP is lead by grass-roots citizens and as a result, feels empowered to take responsibility of the project, freeing up time for GMNF staff to focus on other projects.
- The partners have agreed upon a common goal which has allowed the partners to work on their own knowing that they are all aiming at the same goals.
- Hiring of the full-time coordinator has brought structure to the WRP and has helped the WRP go to the next level. This success is also attributed to the coordinator being well liked.
- The public's perception of the USFS has changed because of the WRP. The perception now is that the USFS is interested in the entire watershed and in hearing the communities concerns.
- One of the WRP's main goals is to implement outreach and education projects. This has resulted in changing the public's view of the river.
- Public knowledge about the WRP is starting to snowball due to community outreach and getting projects on-the-ground.
- The WRP provided a forum in which all agencies came together and developed better communications. Without the WRP, most said that this would not have happened.
- In sum, the WRP has gained broad support from several groups around the state including the agricultural community, local towns and counties, and federal agencies.

Despite These Successes, the WRP Faces a Number of Obstacles:

- Some people feel unclear about their role and feel left out of the group/decision making process. Several groups do not know how they fit into the process.
- The way funds have been allocated has created some bad feelings between Vermont State Forestry and the WRP.
- Several people said that by not having an initial assessment completed of the river, project implementation has slowed because of the lack of technical information.
- The WRP has not yet established a formal programmatic strategy for choosing projects, instead the process is opportunistic.
- Following on the previous point, people are concerned that approved projects are not ecologically based and that the treatments are just bandaids.
- The addition of money to the WRP from the large-scale demonstration project allows more projects to be completed, but there is not enough manpower to complete them.
- A barrier to innovation is that the budget process is confining and comes with its own targets for what should be completed.
- There are different views of success between USFS staff and non-USFS staff. Some USFS feel that the WRP is behind while the non-USFS people see great success.
- The WRP is still struggling with people's traditional views of what should be done in the river. For example, a common thought is that gravel mining in the river is beneficial.
- Funding from the large-scale watershed project helped jumpstart the program but, if funding were cut now, the WRP would survive, but seriously flounder.

Our Analysis of the Strengths of the WRP To Date Suggest:

- A key success in the watershed is its civic capacity--the local groups and citizens--which existed prior to the project.
- The lack of a credible strategy and prioritization process could eventually harm the WRP.
- The program lacks a formal governance structure and system between the WRP and partners.
- Without funding from the USFS, progress made by the WRP will take a serious setback.

To Address The Limitations We Recommend:

- The GMNF continue to support the WRP's civic capacity and the local groups involved in it.
- Formalizing and adopting a clear governance structure and system for the WRP and partners. A few suggestions are provided.
- Streamlining the system to cut down operating costs and to promote innovation.
- The WRP develop future funding strategies to help get on the right track.
- To continue to support the full-time coordinator because this person helped the WRP gain momentum, structure, and success.

- The GMNF and citizens develop common “output” and “outcome-based” performance measures so that all parties use the same language when developing progress. Currently, the terminology measuring success is different between the USFS and the WRP.

Successes

- **The National Designation Gave the WRP the Ability to Leverage Funds.**

Being designated a national watershed demonstration project has focused the attention of people and increased the WRP's ability to get funds and support. The money has allowed the WRP to think big and attract other groups that have money to contribute.

Approximately \$214,000 in additional funds and in-kind contributions were made to the partnership in FY 2001.

- **The Meetings Are Fun and a Forum for Information Sharing**

Everyone we spoke with that attend the WRP meetings said that they are fun and a great place for information sharing. The meetings are productive because their guiding principle is to "have fun". No one dominates the meetings, and there is an open atmosphere allowing people to feel comfortable voicing their opinions and ideas.

- **Grass-Roots Citizens Have Taken Responsibility for the WRP, Allowing the GMNF to Focus on Other Projects.**

The WRP was formed prior to its national watershed demonstration designation when the GMNF ran into obstacles with working across boundaries. This prompted the GMNF to help create a community-led watershed group. The strategy was to hand the project over to local citizens and have them communicate with the community by speaking the same language. This was seen as a way to gain more support and buy-in for the project. Local citizen members of the WRP have said that they are thrilled to do this work and have taken responsibility by forming five stream teams which focus on problems within certain reaches of the White River. Because the community has taken over and started to address their concerns about the river, the GMNF has been able to pull back from a leadership role and play a technical advisory role. This allows the USFS to work across boundaries and accomplish some of their goals without dedicating all of their staff time to the project. Several people thought that had the GMNF taken a more dominant controlling role, there would be a different feel and a different local reaction to the project. Not stepping into the program with a heavy hand and leaving the WRP alone has not only helped the GMNF focus on other pressing issues, but has also empowered people, giving them a sense of ownership of the river. Most people said that it is not a surprise that the community has run with the project because Vermont has a long tradition of community involvement.

- **A Common Vision and Goal Has Been Agreed Upon, Which Allows Different Partners to Work Independently.**

The community, along with many federal and state government agencies, have been working together to develop a common vision and set of goals for the watershed. One person stated that the WRP group reflects the people of New England, and that they have set aside what they typically squabble over to look at one goal, or one focus for the

watershed. The vision and goals were decided on in public forum prior to the designation as a national watershed. This helped everyone get on the same page, which allowed people to work independently while keeping the vision and mission as their goals. Getting community members on the same page has allowed the USFS to pull back and play more of a technical advisory role. The GMNF has not become involved in how the WRP coordinator and the stream teams manage the watershed. This has allowed citizens in the WRP to take control of the project without feeling confined or lacking in technical expertise.

- **The Full-Time Coordinator is Well-Liked, Has Brought Structure to The WRP, and has Helped it Blossom.**

Most of the people we spoke with said that a major turning point in the success of the WRP was the hiring of a full-time coordinator. A part-time coordinator was hired before the WRP became a national designation, but this person had many other commitments, and could not devote too much time on the WRP. Once the WRP became a national watershed demonstration project, the GMNF felt it important to hire a full-time coordinator who could devote all their time to this project. Once this occurred, the WRP took off and gained structure, formalizing the partnership. Members of the WRP have high respect for the coordinator and recognize that she effectively reaches out to various groups of people, listens well, and provides good information. Everyone we spoke with was astonished with her ability to pull the WRP together and maintain structure with so many different players.

- **The Community's Perception of the USFS Has Improved Because of the WRP**

At first, the USFS was timid about going beyond their federal lands to complete projects, but through the WRP they have gained access to the public and are reaching beyond their boundaries to work on private property. The public is starting to see this change and is asking what the USFS can do for them. These steps are leading to changes in perception mistrust to trust. Because the USFS has made a conscious effort not to control the WRP, they are viewed more as technical advisors. This is helping the USFS gain support from landowners for the project and has generated good public relations.

- **Due to Several Outreach and Educational Projects, the Public's Views Of the River Are Changing.**

Everyone we spoke with said that in order to gain support and to change public's view of the river, outreach and education must be a top priority. As a result, the WRP has hired an outreach coordinator to plan, organize, and publicize events, and to provide education on the watershed. Their strategy is to involve the landowners at all levels of the restoration work, from collecting data on the river, to implementing restoration treatments. For example, three locally led watershed assessments and water quality monitoring programs have been completed, 8,300 feet of riparian buffers have been planted, 5,100 feet of stream channel has been restored, and 6,882 hours of volunteer time has been donated to complete projects and conduct outreach and education within the watershed. These

activities have resulted in widespread buy-in of the project from landowners and a paradigm shift in the attitude about the river. For example, private landowners are starting to understand that impacts to the river upstream directly impact conditions downstream and are looking at the watershed in a more holistic way.

- **Public Knowledge About the WRP Is Starting to Grow.**

Landowners are losing land along the river and are beginning to realize how important it is to restore stream banks. State and Federal government agencies have observed that the WRP is successfully reaching out to these people by publishing informational documents and organizing community outreach events. For example, along one segment of the stream, people are starting to see and hear from their neighbors about steps being taken to stop the loss of stream bank due to erosion. People see their neighbors working to restore their stream banks and are starting to contact the WRP to ask what can be done on their land.

- **WRP Provided a Forum in Which All Agencies Developed Better Communications.**

All of the government agency staff we spoke with said that enhanced working relationships and even friendships have resulted among the public agencies involved with the WRP. The agencies are also forging relationships with local citizens, which is not an easy task. For the most part, they are succeeding because they are receptive to new ideas and created a forum to focus on community needs. By banding together to assist the public, the agencies have gained better working relationships and communication. Non-USFS people said that the GMNF has really shined through this project because staff are patient, listen well, have respect for the balance, and are very good partners with local communities. One local citizen felt that the best of the best agency staff were assigned to the WRP.

- **In Sum, the WRP Has Gained Broad Support and People Want the Program to Continue.**

Every private and public partner we spoke with voiced strong support for the project and said it should continue. Non-USFS and local citizens have said that staff at the GMNF have gone out of their way to support the project. USFS staff praise the USFS Regional Office for their enthusiasm and willingness to assist in the WRP. Local support is also high because private landowners involved in the WRP have been hosting landowner workshops and have been passing the project goals to their neighbors and friends in the community. The technical guidance provided by the GMNF helped to get projects on the ground and volunteers have been organized to complete the projects. For example, over 200 volunteers contributed 575 hours to plant 2,000 trees in the watershed, 6 communities have voted at town meetings to financially support the WRP, and the partnership contains over 120 dues paying citizens and members from 14 local, state, and federal agencies. People are excited about what has been accomplished and want the project to continue.

Limitations/Obstacles

- **Some People Feel Left Out of the Group and Do Not Know How They Fit In**

A number of people we spoke with, including USFS staff, were concerned that the role of the partners in the watershed have not been defined. This has led to frustrations and lack of support for the project from some groups. Some people said that they helped get the WRP up and running and now that the WRP is moving forward, they are not sure what their role is and how they fit in. No one has defined this for them. One person even said that it was hard to tell if they were still partners.

- **The Way Funds Have Been Allocated has Created Some Bad Feelings Between the State and the WRP**

Several people in the GMNF and in the Vermont State Department of Forestry expressed concerns over the allocation of funds for the WRP. State Forestry feels that they are being left out of the loop because they see money coming through the USFS Private and State Forestry office directly to the WRP. Usually, money that goes through this office must get approval from the State Forester before going out the door. In this case, the State Forester found out that USFS State and Private Forestry received a substantial amount of money for the WRP, but they were not asked to review or approve of the funds before they were allocated to the WRP. This has harbored resentment because State Forestry is concerned that these funds are coming from their own state programs and being concentrated on one watershed, which they do not support. State Forestry has a contact person at USFS State and Private Forestry, but are reluctant to complain because they do not know him well. This issue has impacted the relationship between State Forestry and the WRP. The USFS State and Private Forestry has a different view of this issue. They believe that the State Forester does not need to approve of the money because the money goes to the George D. Aikens RCD Council and does not need approval from the state.

Stakeholders in the WRP recognized that this was a touchy issue and tried to patch things up by describing the transfer of money and by trying to get State Forestry more involved in decision making. As a result, they have worked together to create a GIS database and maps of the watershed that benefits both organizations. Most people feel that the hard feelings are behind them and that the state is very involved now and in fact have begun a basin plan and are using the WRP as their model. According to several people involved in the WRP, this has helped the State engage in the partnership. However, we still heard resentment and confusion over the transfer of funds from State Forestry, which indicates a continuing need for communication.

- **The Lack of a Watershed Assessment has Slowed Project Implementation.**

Most everyone we spoke with said that the lack of an environmental assessment was a major initial roadblock to getting projects on the ground. Scientific information was not available to make good, scientific findings on what projects should be completed. Some of the projects in the watershed commenced without this assessment to keep the public

enthusiasm going. However, this also slowed the process because the GMNF was unsure about what was going on in the watershed. They didn't have a clear view of the priorities. Stakeholders in the WRP realize this problem and are now taking the time and using the money to complete assessments in the watershed. Members of the stream teams are conducting these assessments with the help of environmental consultants and GMNF staff.

- **No Formal Strategy Has Been Developed, and Projects Are Chosen on an Opportunistic Rather Than a Programmatic Basis.**

Several people we interviewed expressed concern over how the projects were being chosen and that no strategy is in place to determine how and when projects should be completed. However, GMNF staff said that their strategy is to keep building momentum to maintain interest. Also, different funds are available to fund all of the projects. Because they have the money, they feel that if the projects are not funded, that they would lose people's interest in the watershed. On the other hand, a few governmental employees believe that this approach lacks strategic focus and that there is a bit of randomness to getting projects on-the-ground.

Since the completion of this assessment, the WRP has formalized a group called SCAT. This group comprises of people from each stream team. This group receives lists from each stream team and prioritizes these projects to create a master list. While this is an improvement, it appears that no formal structure for prioritizing these projects has been created.

- **Because the Approach Is Opportunistic, People Are Concerned That the Projects Are Not Ecologically Based**

Some people we interviewed felt that the projects completed by the stream teams were bandaids on the symptoms and not treatments for the cause. Two assessments have been completed on two reaches of the White River, but some people questioned the accuracy of results because volunteers completed them. State and federal staff expressed some concern over the proposed treatments because they don't have good baseline data on the streams. Even some citizen members were uncomfortable about implementing the projects without more scientific data. These people said that it would be desirable to hire project managers that have more technical skills to direct the work. On the other hand, some people said that by having volunteers complete the assessments, they learned a great deal about the stream and gained a sense of ownership of the restoration projects. Budget issues were another reason why volunteers completed assessments. They may not have been completed otherwise.

- **Money From the Demonstration Project Allows More Projects to be Completed, but Manpower Is Short**

Although great progress has been made because of additional funding, stakeholders in the WRP are concerned about the future level of demand for their assistance now that the

WRP is gaining so much attention. Staff simply does not have the time or resources to meet the growing demand. Some speculate that this will create resentment among the public because they will question why their project was not completed while their neighbor's project was. One USFS employee stated that it is difficult to balance their internal commitments within the USFS with work for the WRP. There has been little guidance from supervisors on how to prioritize this new commitment. The growing number of requests for assistance suggests a major opportunity for the USFS to generate goodwill while also helping to resolve important watershed problems. Yet, without the resources and staff to meet the demand, the opportunity may be lost.

Members of the WRP are starting to recognize this potential problem and have recently formed a group called the Stream Corridor Advisory Team (SCAT) that includes a member from each stream team, the WRP coordinator and possibly governmental members of the WRP. This team will prioritize projects in the watershed based on the completed assessment.

- **The Budget Process Is Confining**

Our research found that the funds for the WRP comes from several small grants lumped into one large pot. These grants are funneled from the D.C. office, to the State/Private Forest Service office in Vermont and then to the George D. Aikens RCD Council. Staff in the George D. Aikens RCD Council administers these grants. Because the small grants are attached to different goals and matching requirements, each project must meet the specific requirements of each grant. For example, if a stream team wants funding for education, they must find matching dollars related to education. Staff administering these grants have found this to be a stumbling block because they try to match the goals of the WRP with specific requirements of the grants. This is sometimes very restrictive because some projects cannot be completed in the watershed even if they are deemed a high priority.

- **Lack Of Agreed Upon Indicators Generates Varying Views of the Success of the WRP**

Some USFS staff said that they felt the WRP is behind, while non-USFS people said that the WRP has made great progress. Non-USFS partners we spoke with are frustrated by this difference of opinion and feel that it is because they measure success differently than the USFS. Non-USFS partners think that the USFS is more concerned about number of miles of restoration completed while citizens are more interested in number of volunteers. No one has brought these issues to the table for resolution, which has created frustration between the two groups. There is clearly a difference between measuring outcomes (the results of the projects) versus outputs (the number of projects). Both the WRP and the USFS measure outputs (i.e. number of volunteers, number of stream miles treated, etc.). Neither measures outcomes (i.e. the result of the activity). These problems suggest that an effective set of indicators to measure success has not been developed which cause people to question what has happened.

- **Changing Perceptions About Acceptable Practices Is Difficult**

In this region, gravel mining used to be an accepted practice and was thought to be beneficial for the river. The WRP still struggles with this perception and has been working to educate landowners on why gravel mining and other such practices are detrimental to the river. A majority of the community consists of people who have lived in the watershed for many years and are set in their ways. Another traditional practice the WRP is trying to change is that landowners spend a lot of time clearing land to make the river pretty. It has been difficult for the WRP to find ways to change perceptions and promote ecological values in these areas. Almost everyone we spoke with said that these are big concerns that the WRP must resolve in order to make progress.

- **If Funding Were Cut Now, the WRP Would Flounder.**

When asked what would happen to the WRP if funding went away, everyone we spoke with said that it would be a huge setback, but that the WRP would not cease because of its well-established local involvement. Some people fear that a cut back in funds might result in cutting the coordinator's position, which would be very detrimental to the program. With no coordinator, it would be hard to keep up local support and enthusiasm and it would be difficult to maintain structure, citizen interest, and volunteer commitment. Every member of the WRP we spoke with said they would continue to support the WRP, but could not sustain their support at the current level. We also heard that the State may pick up some funding through their new basin planning program, although, funding would be no where near what the USFS currently provides. Members of the WRP recognize this threat and have started to seriously examine future funding strategies. For example, the WRP is organizing a membership drive.

Analysis

- **The Civic Capacity That Existed Prior to the Project Is Key to the Success of the WRP.**

The WRP was initiated in large part due to the GMNF reaching out to private landowners and asking what their concerns were about the watershed. By not dominating the process and instead, sharing the power, people took over and have made the WRP a community-based effort, like they often do in Vermont. The USFS needs to continue and nurture this process because the local citizens and groups will be critical to long-term success. It seems unlikely that the agency would have been able to achieve the same level of success had civic capacity not been as high.

- **The Lack of a Credible Strategy Could Eventually Harm the WRP**

Several people questioned the GMNF's strategy of approving and funding every project that is proposed. This opportunistic approach to project development makes sense as a means to get people engaged and build momentum. However, the lack of a scientifically credible restoration strategy and a framework for project prioritization may lead to serious questions about the value of the entire effort. Rapid completion of a comprehensive restoration strategy may prove vital to ensuring long term project success. Even with formation of the SCAT group, an overall formal strategy is not evident for how projects are prioritized.

- **The WRP Lacks a Formal Governance Structure and Systems**

The existing governance model used by the project appears to be an "informal network". There is no clear sense that a "team" exists between members of the WRP and partners. Yet, there are a number of other governance models that could be used. Some of the other models may help to resolve some of the questions consistently raised by various partners about how decisions are made related to project selection and funding allocations and about the role of some members. It does not appear as though a careful analysis has been completed of the type of governance structure or system that could be most appropriate to the needs and goals of all of the partners involved. It would be beneficial for the partners to spend time developing a governance structure and system that would be most beneficial to the project.

- **Expectations Have Been Raised And a Cut In Funding Now Would Be a Serious Setback**

Government staff and private citizens are confident that the WRP would continue even if funding were cut because the partnership was formed prior to the national demonstration designation and because of its strong citizen base, however, momentum has grown and expectations have been raised. Therefore, if funds were significantly cut, the WRP would revert back to its original structure and become more focused on education instead of

implementing projects and the GMNF would go back to business as usual. This type of roadblock would generate hard feelings all around the area.

Recommendations

- **Continue to Support the WRP's Civic Capacity**

The high degree of local civic capacity that exists in the White River watershed has been one of the dominant reasons for the success of the project to date. The USFS and other government agencies should continue to support, nurture, and assist these individuals and groups as they hold the key to the long-term success of the project. Special attention should be given to ensuring that local landowners and local and state government leaders continue to feel engaged and empowered.

- **Formalize and adopt a Clear Governance Structure and System for the WRP**

Because people were confused about their roles in the WRP and because questions were raised about how projects were selected and funds were dispersed, now would be a good time to engage the partners in a dialogue aimed at generating understanding and agreement on the type of governance structure and system they want to use. There are many types of governance structures and systems. Each of the different approaches use different rules of engagement, and lead to different ways in which information is gathered and distributed, decisions are made, and power and resources are allocated. It will be important for the partners to choose an approach that is most beneficial to their needs and goals. With an effective governance system in place, it seems more likely that the many partners involved can reach agreement on a common vision, goals, and strategy and better understand their role in the partnership. Based on this assessment, the most appropriate structure and decision-making system can be chosen. Options include these and other governance structures:

Joint Ventures: The USFS combines with other organizations to form a new, distinct organization in order to pursue complementary objectives. When in a joint venture, information, decision-making, power, and resources are equally shared.

Strategic Alliances: Similar to a joint venture, where the USFS joins with others to pursue mutual gain, but a new organization is not created. In this case, the various organizations involved must agree to cooperate with and depend on each other. Clear rules of engagement must be established and agreed to (often in writing).

Informal Networks: Organizations join forces to capitalize on potential efficiencies in the production of specific outcomes. Each participating group is responsible for one area of output and the participating organizations are highly dependent on one another for the ultimate delivery of their products. Each entity makes decisions unilaterally, although in consultation with other partners.

Consortiums: The USFS pools its resources with other organizations to procure access to information or technologies, or achieve goals that are too costly or difficult for one entity to do alone. No separate entity is created for the management of this

relationship. Each entity makes decisions unilaterally, although in consultation with other partners.

Each of these structures and systems operate under different rules of engagement. The partners need to spend some time to understand the different structures and systems and choose a model that best fits their needs.

- **Streamline the Budgeting System**

Because the funding issue led some organizations to question their involvement in the partnership, it may make sense for the USFS to develop a system to simplify the budgeting process. Several small grants, each with their targets and requirements, seems inefficient and ineffective to support interdisciplinary watershed level work.

- **Develop Future Funding Strategies**

While the WRP has begun to formulate plans for funding, they have a long way to go. They have developed a membership drive to raise funds, are asking for contributions from local communities, and are fostering relationships with grantors. However much more needs to be accomplished in regards to writing grants, finding matching funds, and engaging corporations and larger businesses in contributing funds or materials.

- **Continue to Employ a Full Time Coordinator**

Every person we spoke with said that the turning point for the WRP came when the current coordinator was hired. Having an individual with top communication and coordination skills that is not afraid of innovation has been key to resolving many of the complicated inter and intra-organizational roadblocks. To ensure continued progress, it seems prudent to retain a full-time coordinator.

- **Develop a Mix of “Output” and “Outcome-Based” Performance Measures.**

Both the GMNF and the citizens involved with the WRP have their own definition of success. It seems prudent at this time for the WRP to spend time developing a common set of effective output and outcome based indicators. A more refined measurement approach agreed to by all parties and widely communicated can help ensure long term buy-in by helping the partners and the public understand the progress being made.