

SELWAY-MIDDLE FORK COLLABORATIVE FOREST LANDSCAPE RESTORATION PROGRAM 2015 SOCIOECONOMIC MONITORING REPORT

Prepared for:

Clearwater Basin Collaborative

August 2016

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1. EXECUTIVE SUMMARY

The Selway – Middle Fork Collaborative Forest Landscape Restoration Program (CFLRP) 2015 Socioeconomic Monitoring Report is the fourth annual socioeconomic monitoring report for the CFLRP prepared by the Clearwater Basin Collaborative (CBC).

The Selway – Middle Fork CFLRP is located within the 6 million acre Clearwater Basin in Idaho and is characterized by its high percentage of federal lands, Nez Perce tribal lands, and congressionally designated Wilderness. The Selway-Middle Fork CFLRP area was chosen for its unique ecological value, for its restoration and socio-economic needs, and for its track record of forest collaboration. The Selway-Middle Fork CFLRP 5 Year Report (2015) says,

The desired outcome of [the Selway-Middle Fork CFLRP] is a measurable shift toward terrestrial and aquatic restoration that achieves the desired future conditions on a landscape scale while generating forest products and other opportunities that benefit local economies. (p. 5)

All CFLRP projects must be developed and implemented through a collaborative process. Founded in 2008, the Clearwater Basin Collaborative (CBC), which provides that collaborative process for the Selway-Middle Fork CFLRP, is an innovative partnership of twenty-one tribal, federal, state, local, industry, and conservation associations in central Idaho united by a shared vision to enhance and protect the ecological and economic health of the forests, rivers, and communities within the Clearwater Basin. The CBC seeks to develop resource management priorities collaboratively among historically conflicted parties, finding solutions that take all stakeholders' interests into account.

CFLRP projects are an innovative part of the ongoing development of collaborative partnerships promoted by both the U.S. Forest Service (USFS) and stakeholder groups as a better way of making land use decisions. The USFS recognizes that establishing communication and learning about the priorities of other stakeholders are the goals of collaboration along with forest restoration.

Ecosystem Research Group (ERG) was first contracted in 2012 by the Clearwater Resource Conservation and Development Council to collect existing baseline information as well as to conduct new research on the socioeconomic impacts that the CFLRP has had in the project area and nearby communities. The analysis herein is quantitative as well as qualitative. Examples of the quantitative analysis include the number of jobs supported with CFLRP funds and the number of board feet of timber sold. The qualitative analysis zooms in and communicates how the Selway-Middle Fork CFLRP has impacted the lives of local residents and helps to tell the story behind the numbers, tracing the impacts to individuals and firms.

LITERATURE REVIEW

The literature review for the 2015 monitoring report was largely focused on informing the 2015 special topic, which investigated the value of good faith and goodwill in a collaborative setting. The literature review showed that there is a growing trend in natural resource management toward adaptive, decentralized collaboratives that recognize the complexity and dynamism of natural resource management issues. Collaboration, though, is not a panacea. It exists and must function in the real-world political context, which can cause collaboration burn-out, among other issues. Collaboratives have become so numerous in forest management that the USDA Forest Service (USFS) often does not have the resources necessary to remain closely connected to them.

GOOD FAITH AND GOODWILL

ERG reached out to several of our business contacts in the forest management sector and asked about the value of good faith and goodwill between their organizations and the USFS, collaborative groups, communities, and their business partners. Everyone was in agreement that their investments in goodwill with the USFS resulted in tangible and intangible benefits to their organization. Most people made mid- to high-level investments in goodwill with the USFS, collaborative groups, communities, and their business partners and expected to increase the tangible or intangible benefits they receive from those organizations based on their investments by, on average, about 50%.

ECONOMIC IMPACTS

In 2015 there were \$1.2 million in CFLRP funds awarded in 14 contracts. Local contractors received nine contracts and five contracts were received by non-local contractors. Contracts were awarded for road decommissioning and other road work, culvert replacement, facilities construction and reconstruction, ecosystem restoration, hazardous fuels reduction, and forest health projects, and slide repairs.

There was \$1.06 million in CFLRP funds obligated to agreement partners in 2015. These funds were obligated for trail maintenance, weed inventories and treatments, wildlife habitat restoration, road work, watershed restoration, and the Clearwater Basin Youth Conservation Corp. Agreement partners contributed \$388,734 in non-cash contributions to agreements and the USDA Forest Service contributed \$171,308 in non-cash contributions to agreements in 2015.

The contracts, agreement funds, and matching funds are estimated to have supported 157 full and part-time jobs in the project area in 2015 and generated \$3,625,085 in direct, indirect and induced income.

FOREST PRODUCTS INDUSTRY

In 2015 there were two active harvest projects on Forest Service lands that harvested 10 million board feet (MMBF) of forest products, performed fuels reduction work in the WUI areas of Lowell and Elk City and improved the resilience of forests within the project area. Region One of the USDA Forest Service sold 279,585.12 MMBF of timber in 2015 while the Nez Perce-Clearwater National Forest sold 56,658.18 MMBF. The Idaho Department of Lands harvested 2,587,527 thousand board feet (MBF) of timber in their Maggie Creek and Clearwater Supervisory Areas in 2015, which makes up the bulk of the CFLRP project area. Industrial private lands and non-industrial private lands harvested 690,537,606 board feet of timber in 2015 in the five counties within the project area.

REDUCTIONS IN WILDFIRE COSTS

In 2015 there 65 fires in the project area that encompassed 74,899 acres. Fires managed to either move or maintain desirable forest conditions covered 20,885 acres and cost \$83,500 to manage. The Moose Creek Ranger District completed 13,392 acres of vegetation management within the wildland urban interface (WUI) and 6,049 acres of fuel treatments in the non-WUI in 2015.

FORMAL JOB TRAINING AND ON-THE-JOB TRAINING

Again in 2015, CFLRP agreement funds supported entry level, formalized job training for young people through the Clearwater Basin Youth Conservation Corps, the Montana Conservation Corp, and the Selway Bitterroot – Frank Church Foundation. This year, the Clearwater Basin Youth Conservation Corp saw 50 applicants apply for 20 jobs, which shows an increased level of demand for these positions. The success of the Youth Conservation Corp has drawn financial and in-kind support from other agencies such as the Army Corp of Engineers, the Idaho Department of Labor, and the Bureau of Land Management.

DISCUSSION

The Selway – Middle Fork CFLRP supported 157 jobs in 2015 with over \$3.6 million in income. Over 40,000 acres of forest were treated for fuels reduction and many miles of roads and trails were maintained to provide access and decrease erosion. What is the role of good faith and goodwill in achieving these kinds of successes? According to our contacts in the forest management industry, goodwill, or the strength of the connections between individuals and organizations, is an important component in achieving these successes. In the discussion, we identify some areas where goodwill can be strengthened, but conclude that without it, the successes of the CBC and the Selway – Middle Fork CFLRP would be diminished.

2. BACKGROUND

This report documents the 2015 socioeconomic impacts of the Selway-Middle Fork Collaborative Forest Landscape Restoration Program on jobs, the forest product industry, the reduction of wildfire costs, and on training programs for forest workers in the project area.

In the sections that follow, background information has been provided on the project area, on the methods for assessing socioeconomic impacts, and on the assessed impacts for 2010 through 2014. The socioeconomic impact analysis for 2014 is then presented, including the results of discussions held with agreement partners and contractors. Finally, we have provided a discussion section, where the "so what?" of the impact analysis is elucidated.

2.1 DESCRIPTION OF THE PROJECT AREA

The Selway–Middle Fork CFLRP project area encompasses of 1.4 million acres of the six million acre upper portion of the Clearwater Basin (Figure 1). National Forest ownership makes up 94% of the land base and includes portions of the Bitterroot National Forest and the Nez Perce-Clearwater National Forests. Most of the National Forest lands in the project area lie within designated Wilderness. Private ownership makes up 4% of the project area, while the Idaho Department of Lands owns 1% and the Nez Perce Tribe owns less than 1%.

2.2 PRIMARY AND SECONDARY AREAS OF ECONOMIC IMPACT

The primary area of economic impact is defined as the three counties in close proximity to the project area, including Clearwater, Idaho, and Lewis Counties (Ecosystem Research Group 2013). The secondary area of economic impact includes Asotin, Latah, Nez Perce, Ravalli, and Missoula Counties. There are three substantial communities close to the project area, two in Idaho and one in Montana. The two Idaho communities are in the primary economic impact area for the Selway-Middle Fork CFLRP. On the north edge of the project area is the Lowell and Syringa community and on the west edge is the Elk City and Red River Hot Springs community. The east side of the project area is accessed through Ravalli County in Montana and includes the Darby, Sula, and Hamilton community. This community is considered part of the secondary economic impact area. The cities of Missoula and Lewiston also lie within in the secondary economic impact area. For the purposes of categorizing the geographical distribution of contracting funds later on in this report, the primary and secondary areas of economic impact are considered the local area.



Figure 1. CFLRP project area, 50-mile buffer, and counties in the primary economic impact area.



Figure 2. CFLRP project area, 50-mile buffer, and counties in the economic impact area.

3. LITERATURE REVIEW

3.1 SOCIAL VARIABLES IN COLLABORATION

In the following sections we summarize recent literature that discusses social variables relevant to collaboration, especially good faith and goodwill, which is the special topic for this year's report. Other social variables related to collaboration and reviewed here include conflict, shared learning, trust, social capital, and sense of place.

3.1.1 Cheng, Gerlak, and Mattor (2015)

In their paper titled, "Examining the Adaptability of Collaborative Governance Associated with Publicly Managed Ecosystems Over Time: Insights from the Front Range Roundtable, Colorado USA" (2015), Anthony Cheng, Andrea Gerlak, and Katherine Mattor examine factors that influence the social capital,¹ shared learning, and flexibility of collaborative groups. They found that limited time and monetary resources within the public land management system challenged the Front Range Roundtable's ability to be flexible in the face of rapidly changing ecological conditions (an outbreak of forest insects and disease) that precipitated changing management imperatives. The authors also found that shared learning was hindered when the Roundtable failed to monitor the effectiveness of forest treatments they were involved in. As one representative put it, "We have to show that the actions we're pressing for are producing the ecological benefits we're assuming." Also, departure of members from the Roundtable due to their dissatisfaction with the Roundtable's progress or their pursuit of other career goals reduced the Roundtable's social capital. The researchers also identified an increasingly narrowed scope as another factor that may affect social capital and, therefore, the adaptability of collaboratives in general as described in the following quote:

As they move from direction-setting to implementation, the scope of the collaboration increasingly narrows around highly technical matters as collaboratively defined goals are translated into implementation actions. The narrowing has the potential to limit the adaptability of the [collaborative] as the broader set of participants grows distant to implementation details and is not part of the social networks and learning associated with technical experts.

In conclusion, Cheng, Gerlak, and Mattor found that limited resources, a lack of monitoring, the departure of Roundtable members, and a narrowing scope from direction-setting to implementation reduced the Roundtable's flexibility, ability to engage in shared learning, and their social capital.

3.1.2 Albrecht, Buckley, and Severson (2015)

In their white paper titled, "Understanding and Addressing Emerging Frustration Among Citizens' Collaborative Groups Interacting with the USDA Forest Service" (2015), Mike Albrecht, John Buckley, and Gary Severson hope to begin a national dialogue concerning the growing trend of frustration among citizens' collaborative groups working with the USFS. They point to what they call "collaboration fatigue" as an outcome of the increasing number of collaboratives with vested interests in USFS decisions becoming

¹ Social capital is defined as the network of relationships among people in a particular society, enabling that society to function effectively.

disillusioned when the USFS fails to meet collaborative expectations. The authors suggest that the expansion of collaborative groups, both in stature and number, have strained the USFS' capacity to be involved with and meet the expectations of each group as stated in the following quote:

The authors recommend that a gathering of [USFS] leadership and representatives of citizens' collaborative groups be convened to begin a national dialogue that will: (1) Articulate the expectations of the [USFS] for encouraging the development and organization of citizens' collaborative groups to participate in [USFS] planning processes. (2) Articulate the expectations of citizen's collaborative groups for voluntarily participating in collaborative processes with the [USFS]. (3) Assess and develop actions to deal with the increasing frustrations that the citizens' collaborative groups and the agency's field units are currently experiencing. (4) Explore ways to continue to produce meaningful results in working with citizens' collaborative groups despite the reality of shrinking agency capacities. (5) Determine how to expedite decision implementation to achieve an increased pace and scale of forest actions by exercising the full extent of available laws, regulations, and policies where strong multi-stakeholder consensus exists that was derived through collaborative agreements. (6) Examine [USFS] personnel performance processes that encourage line and staff officers to work productively with legitimate citizens' collaborative groups through USFS planning processes to bring about timely decision implementation where broad collaborative support exists. (p. 8)

3.1.3 Nie and Metcalf (2015)

In a Bolle Center Perspective Paper titled, "Collaboration and Litigation in National Forest Management" (2015), Martin Nie and Peter Metcalf suggest that both litigation and collaboration can be effective tools in public land management. They specifically discuss the influence of collaboratives during the Nez Perce - Clearwater Forest Plan revision process, making the following observation:

Some people are concerned that collaboratives groups focused on these forest plans will have undue influence over the planning process and give it an "internal momentum" that will be difficult to correct once the wider public becomes involved during NEPA scoping. (p. 19)

While there is some cause for concern that these collaborative groups may be undercutting and devaluing the traditional NEPA scoping process, overall the authors come to the following conclusion:

If done with care, collaboration can help achieve two of NEPA's core goals: to promote meaningful public participation and to better inform government decisions. A particular benefit of a broadbased collaborative group is the ability to find the so-called "common zone of agreement," as doing so can help the [USFS] better understand how it can avoid proposal that are likely to trigger controversy and dissent. All the better if a collaborative group can shape a proposal so that negative environmental effects are avoided in the first place. (p. 27)

In conclusion, the authors imply that while collaboratives cannot serve as a substitute for agency accountability, in many situations they can help steer restoration to appropriate places and contexts.

3.1.4 McDougall and Bahjade (2015)

In their paper titled, "Social Capital, Conflict, and Adaptive Collaborative Governance: Exploring the Dialect" (2015), Cynthia McDougall and Mahi Ram Bahjade explore the dynamic intersections of conflict, social capital, and governance that arise as local groups and authorities transition to adaptive collaborative governance in natural resource management. They define adaptive collaborative governance as, "an approach in which groups of actors intentionally use social learning as the basis for decision-making [and]

emphasize inclusion and equity in processes and outcomes" (p. 2). Furthermore, adaptive collaborative governance "seeks to engender effective connections among actors and/or groups of actors" (p. 2).

The authors acknowledge that previously linear and centralized natural resource management and development paradigms are now recognizing that complexity and dynamism are at the heart of socioecological systems. That recognition is shifting governance towards more adaptive, decentralized, and collaborative types of natural resource governance.

The authors caution that all governance, including adaptive and collaborative approaches, take place in realworld political contexts. Those contexts influences the functioning and impairs the effectiveness of governance. Further, they suggests that a lack of awareness of existing social capital limits the opportunities for these groups to benefit from their social capital. Also, a lack of awareness of conflict, including a lack of understanding of power imbalances, contributes to a potential for collaborative groups to marginalize vulnerable stakeholders.

The authors define social capital as "the "goodwill² that is engendered by the fabric of social relations and that can be mobilized to facilitate action" (Adler and Kwon 2002; McDougall and Banjade 2015). The authors go on to describe how some scientists consider social capital to be a resource that is embodied in groups, while others believe it is a resource held by individuals. This dichotomy is likely attributable to differences in scale in which social capital can be defined at the group level or between two individuals within a group. These two types of social capital are categorized as "bonding" social capital. Moreover, within collaborative groups, a third type of social capital arises, termed "bridged" or 'linked" social capital³, which connects the group or individuals within the group to individuals or groups external to the collaborative. The authors suggest that increases in social capital correlate with an increase in connectivity between organizations and increased networking between individuals. At the outset of the authors' research, social capital was higher within elite groups (wealthy, high social class) than marginalized groups (less wealthy to poor and of a lower social class), implying that power sharing would breed goodwill between collaborative group members.

The authors suggest that conflict within collaboratives arises from three issues: (1) power and decisionmaking, (2) distributional equity of rights and resources, and (3) conflict not related to collaborative governance but to disputes between members and from inherent prejudices of group members. The authors go on to state that collaboration has the potential to convert latent tensions into open conflict, which provides an opportunity for the conflict to be addressed and resolved. With each open conflict that arises and is successfully dealt with, the collaborative becomes more adept at addressing conflict and in dealing with power imbalances.

Regarding the intersection of conflict and social capital, the authors expressed surprise that "the surfacing of conflict, in the context of facilitated social learning with an equity focus, was ultimately constructive in terms of social capital, in that it contributed to the more effective and equitable addressing of long standing issues and power imbalances" (p. 14). In fact,

 $^{^{2}}$ Goodwill can be defined in two ways: (1) friendly, helpful, or cooperative feelings or attitude, or (2) the established reputation of an individual or a group often regarded as a quantifiable asset.

³ Bridged social capital connects individuals or groups laterally in social hierarchies, whereas linked social capital connects individuals or groups vertically.

Although efforts to increase collaboration through adaptive collaborative governance necessitated more active conflict management and led to more effectiveness in that sphere, it also led to the surfacing of some [latent] conflicts. In fact, the path to more equitable and effective internal collaboration and the changes in social capital was arguably based on the underlying power relations and tensions, and conflict, being brought to the surface and addressed. (p. 16)

The authors conclude that individuals who are crafting policies and are involved in the practices of collaborative governance must remain cognizant of the nuances of groups and communities, including power relationships within the group and power relationships between the group and other entities, in order to maximize social capital and goodwill to support sustainable and equitable natural resource development.

3.1.5 Floress *ET AL*., (2015)

In their paper titled, 'The Role of Social Science in Successfully Implementing Watershed Management Strategies" (2015) Kristin Floress *et al.* state that individual behaviors with regard to protecting or restoring watershed resources are impacted by a variety of social, psychological, institutional, and economic factors that need to be understood for successful implementation of watershed management strategies. Their paper seeks to introduce watershed managers to the human dimensions of watershed management, including an overview of social science concepts that have been found to explain water-related behaviors, including attitudes, value orientations, social capital perceptions,⁴ trust, risk, and awareness.

The authors describe "sense of place" as being a filter that influences how individuals perceive their environment. In contrast, "place attachment" is the intensity of the bond that people have with places and communities. Further, the authors suggest that "place meanings" represent the value an individual places on a resource or community (as opposed to the intensity of a bond). Place attachment has been found to correlate with the willingness of individuals to engage in behaviors that protect their place. People associate memories, experiences, feelings of connectedness and belonging, and elements of individual and community identity with place.

The authors suggest that emotional identity with a place (as a part of an individual's identity), community character (feeling as though the resource is part of a community's identity), natural processes (how the resource provides ecosystem services), and income characteristics (the degree to which a person is economically dependent upon the resource) are important variables within a person's sense of place. By understanding sense of place, managers can increase the success of their projects, especially if that understanding is used to tailor outreach efforts to populations segmented by their sense of place.

3.1.6 Smith *ETAL*., (2012)

In their paper titled "Community/Agency Trust and Public Involvement in Resource Planning (2012), Smith *et al.* state that, theoretically, investing in social relationships will reduce costs of natural resource planning associated with litigation or stalled planning efforts, both in terms of time and money. Further, investments in social relationships should ultimately lead to more stable and more long-term relationships between resource management agencies and local communities. The authors identify five dimensions of

⁴ These authors define social capital as "the idea that we invest in our relations with those ties in the interest of achieving outcomes". (p. 89)

community-to-agency trust relationships that may influence individuals' willingness to engage in planning efforts, including (1) dispositional trust, (2) trust in the federal government, (3) the belief that management agencies share values similar to theirs, (4) the belief that agencies are morally competent, and (5) the belief that agencies are technically competent.

Individual's general tendency to trust or distrust others, their dispositional trust, is a relatively stable personality characteristic that previous research suggests might affect the extent of trust placed in a resource management agency...In interviews with local community members living near managed recreation areas in the Midwestern United States, Leahy and Anderson (2008) found that when individuals lacked information and experience with the management agency they defaulted to their disposition toward society as a whole. (p. 3)

The authors explain that individuals will determine whether or not an agency shares their values according to their "perception of whether their perspectives, opinions, and desired outcomes regarding resource management are reflected in an agency's planning and management efforts" (p. 4). Lastly,

In the resource management literature, numerous studies have found that local community members described their trust in a management agency as a product of whether or not that agency would make ethically grounded decisions (moral competence) guided by the best available scientific and technical knowledge (technical competence). (p. 4)

In this study, the authors found an inverse relationship between trust and an individual's willingness to engage in natural resource related management activities, with the strongest indicator being the level of dispositional trust. That is, the higher dispositional trust an individual possesses, the less willing they are to engage in natural resource related management activities. "If we accept that individual behavior is guided primarily by bounded rationality—the belief individuals' decisions attempt to maximize personal utility given a bounded decision-making environment—then these results become clearer (Jones 1999; Jones 2001)" (p. 16).

These findings suggest the central role of trust in natural resource planning and management efforts needs to be rethought, with attention given to the potential importance distrust plays in fueling public involvement in resource planning and management. Some research suggests distrust is essential to the continued functioning of modern social systems, as it encourages public discourse and representation in civic decision-making processes (Sunstein 2005; Warren 1999)....As Webler and Tuler (2000) succinctly state, the challenge of decision-making processes is to "produce effective policy outputs while meeting the democratic expectations of all involved" (566-567). (p. 16)

3.1.7 Synthesis of Literature Reviewed

The following bullet points provide a synthesis of the key points from the papers from this literature review:

- Shared learning is hindered when monitoring is not completed.
- As work of collaboratives becomes more technical, linking social capital with outside groups is challenged.
- Shift in natural resource governance towards adaptive, decentralized collaboratives is a growing trend, which recognizes the complexity and dynamism of natural resource management.
- Important to remember that all governance takes place in real-world political contexts, which can impair the effectiveness of governing bodies.
- Lack of awareness of social capital within governing bodies limits opportunities for groups to benefit from their social capital.

- Lack of awareness of conflicts, including power imbalances, contributes to a potential for collaborative groups to marginalize vulnerable stakeholders.
- The expansion of forest collaborative groups in the U.S., both in stature and number, have strained the USFS' capacity to be involved with and meet the expectations of each group.
- Some researchers have raised the concern that collaborative groups may undercut and devalue the traditional NEPA scoping process, but they acknowledge that, when done with care, collaboration can help achieve two of NEPA's core goals: to promote meaningful public participation and to better inform government decisions.
- Conflict arises in collaboratives from three issues: (1) power and decision-making, (2) distributional equity of rights and resources, and (3) conflict not related to collaborative governance but to disputes between members and from inherited prejudices of group members. Collaborative have the potential to convert latent tensions into open conflict, which provides an opportunity for the conflict to be addressed and resolved. With each open conflict that arises and is successfully dealt with, the collaborative becomes more adept at addressing conflict and in dealing with power imbalances.
- By understanding sense of place, managers can tailor outreach efforts for natural resource management plans to populations segmented by their sense of place.
- There seems to be an inverse relationship between a person's trust in a natural resource management agency and their willingness to engage in natural resource related activities. That is, the more an individual trusts the agency, the less likely they are to get involved.

4. SPECIAL TOPIC: VALUE OF GOOD FAITH AND GOODWILL

ERG proposed the special topic of inquiring into the value of good faith and goodwill in the work plan for socioeconomic monitoring of 2015 data because the CBC seems to be one of the more successful collaboratives our firm is aware of in terms of getting work accomplished on the ground. We became curious how good faith and goodwill contribute to that success. What follows are the results of several lines of inquiry ERG pursued to understand more about the impact of good faith and goodwill in in a collaborative setting. The literature review in Section 3 of this paper should be a good primer to prepare the reader for the following section.

4.1 **DISCUSSIONS**

ERG sent three questions to a selection of our business contacts who work with informal or formal natural resource governance collaboratives. In the introduction to the questions, we provided our contacts with the following briefing bullets regarding good faith and goodwill:

- Ecosystem Research Group is attempting to account for the benefits accrued by stakeholders through the adaptive collaborative governance of the Clearwater Basin Collaborative⁵ in central Idaho.
- Adaptive collaborative governance can be defined as an approach in which groups of actors intentionally use social learning as the basis for decision-making and emphasize inclusion and equity in processes and outcomes (McDougall and Banjade 2015).
- Adaptive collaborative governance seeks to engender effective connections among actors and/or groups of actors (McDougall and Banjade 2015).
- The connections among actors and/or groups of actors is often termed "goodwill" or "social capital".
- Goodwill is defined in two ways: (1) friendly, helpful, or cooperative feelings or attitudes, or (2) the established reputation of an individual or a group often regarded as a quantifiable asset.
- Social capital is defined as the goodwill that is engendered by the fabric of social relations and that can be mobilized to facilitate action (Adler and Kwon 2002).

We then asked the following three questions. The data for those questions is included with the answers.

Please indicate your level of agreement with the following statement: "My organization's good faith and goodwill with the U.S.D.A. Forest Service results in tangible or intangible benefits to my organization." [Strongly agree, agree, neither, disagree, strongly disagree]

One person strongly agreed with this statement, while the other three agreed with it.

Please approximate how much your organization has invested in building social capital with the following organizations.

	No Investment	Low-level	Mid-level	High-level	Max-level
USFS			2	1	1
Collaboratives				2	1
Business partners		1	1	1	1
Communities		1	1	1	1

⁵ The Clearwater Basin Collaborative provides adaptive collaborative governance for the Selway – Middle Fork Collaborative Forest Landscape Restoration Program.

How much has your organization increased the tangible or intangible benefits it receives from the following organizations through its investments in social capital?

	0% or less	1-25%	26-50%	51-75%	100% and over
USFS		2	1	1	
Collaboratives			1	2	
Business partners		2	1	1	
Communities		2		1	

4.1.1 Discussions Notes

Some of the respondents provided narrative regarding good faith and goodwill. One respondent said that he has found that the benefits of good faith and goodwill differ depending on which level of the agency you are engaged in good faith and goodwill with. He has found that good faith and goodwill produces benefits at the Department of Agriculture, Washington Office, and Supervisor Office level. It produces really well at the Regional Office level and not so well at the Ranger District level. Another respondent said that individual purchasers go out of their way to work with the USFS, including local and regional offices.

Another respondent said that he had concerns about how we mixed tangible and intangible benefits in the survey. He said that we all received intangible benefits from investments in good faith and goodwill, but few tangible one. Most of what we seek is tangible, which keeps us frustrated.

Another respondent suggested that we use the Lolo National Forest, Missoula Ranger District's Marshall Woods project as an example of how good faith and goodwill works. Planning for the Marshall Woods project began under one District Ranger and the Finding of No Significant Impact was signed by the next District Ranger. The Lolo Forest Restoration Committee, a collaborative that worked with the USFS to plan the project, could not find consensus on several of the proposed treatments in the draft environmental assessment (EA). Most of, if not all, of those treatments were commercial and mechanical harvests and were downgraded to non-commercial and hand treatments in the findings of no significant impact (FONSI). There were two objectors to the project, one from a member of the Committee, who objected to the downgraded treatments, and one who objected that the downgraded project would not achieve the desire results. The Marshall Woods project shows that good faith and goodwill might not be so much about the benefits that are received, at least on collaboratives, but the costs that are avoided by good faith and goodwill.

4.1.2 Conversations with USFS Regional Economists and the Regional Social Scientist

ERG sat down with the USFS Region 1 Economists and Regional Social Scientist to discuss how to measure good faith and goodwill. What follows are excerpts from those conversations (Larson et al. 2016).

Goodwill can be thought of, in a business or retail sense, as the value of the brand—it is reputation. When you think about the value of goodwill in collaborative groups, you should probably be thinking of the net value of goodwill, because, what are the costs of collaboration? When comparing the value of goodwill, say in CFLRPs or non-CFLRPs one must ask, "who values it?" Are we talking about the USFS, the collaborators, or the public? Are these the same thing? If one person benefits, does another person lose out? Or, are successful collaboration, where the major interests are at the table, maximize the benefits and minimize the costs across the forest?

Is a good corollary for goodwill political donations? That is, if you look at the returns on investments in political donations, is that the same thing as goodwill? You deliver what you can for me, I'll deliver what I can for you. Do political donations measure returns on investments in terms of avoided costs or as benefits accrued?

Methodologically, perhaps it would be good to start with the timber industry. They have small margins, and so, need to keep their pencils sharp. Perhaps they have thought critically about their investments in time and the returns they see on those investments.

4.1.3 Conversations with a Retired Forest Service Line Officer

The public should be the ultimate beneficiary of good faith and goodwill in a collaborative setting. Examples of goodwill in action: Backcountry Horsemen adopting trails to maintain for the Forest Service; the Missoula Mountain Bike Club adopting trails - both of these organizations could not function if they could not trust the Forest Service to hold up their end of the bargain. Likewise, the Forest Service needs to be able to trust these organizations will do their work on the ground in a way that holds up their end of the bargain. One example of a challenge that faces the forest service in engaging in good faith and goodwill relationships is in regards to the plethora of new initiatives that come down from the Washington Office, which make the Forests compete for resources. This changes the Forest's goals and objectives and can disrupt these relationships.

4.1.4 Conversations with an Accountant

Accountants have developed methodologies for valuing the goodwill of businesses. They generally define goodwill as the value of a business above and beyond their equipment, property, and human capital. This can be the value of the company's reputation, or brand. Similarly, it can include the value of a company's relationships. Accountants must be able to defend their valuations in a courtroom, therefore, they often follow the fact patterns in case law when developing their valuations and methodologies for valuations. Perhaps looking at how judges consider, or value, collaborations on Forest Service projects is a line of inquiry worth pursuing. How do judges consider, or not consider, the value of social capital?

4.1.5 Conversations with a Conservation Organization Staff Member

Many conservation organizations invest significant time and energy in promoting goodwill and working to find solutions, therefore, they seem to think that this approach pays dividends in terms of better decisions, access to information and the ability to fulfill their mission statements. That said, the efforts of groups that take a more confrontational position also contribute to the success of conservation organizations. That is, because there are groups out there who are taking a harder line, it allows more middle-of-the-road groups to maneuver and operate more easily. So, while more middle-of-the-road groups may not necessarily agree with all the tactics and strategies of the more confrontational groups, their approach allows them to have more latitude to find creative solutions and to build goodwill with the agencies, partners, and stakeholders.

4.1.6 NEPA Planning Time Comparisons

Figure 3 shows the number of months for NEPA planning for fuels and restoration projects on the Nez Perce-Clearwater National Forests, from the date the Notice of Intent is published to the date the Record of Decision is published. ERG developed Figure 3 to follow the line of inquiry that the length of time required for restoration projects to go through the NEPA process might be indicative of the level of goodwill between

30 25 20 15 10 5 Hon Wountain Vege ation Management. Forestwide Precommercial thirmine Forestwide Precommercial thirmine Forestwide Preconnecta thinning Clear cleak Precom thinning Doc Denn^{Vegeation Project} 0 Preconnectal trimine Johnson Batfire Salvage Preconnecial thinning

the agencies and stakeholders. We also compared length of time a project is in the NEPA process to acres to be treated. The two did not appear to be correlated.



Figure 4 shows the number of months for NEPA planning for fuels and restoration projects on the Bitterroot and Lolo National Forests. As in Figure 3, this graph represents ERG's effort to pursue the line of inquiry that the length of time required for NEPA planning could be an indicator for the goodwill between the USFS and stakeholders. Note that the length of time required for planning the Marshall Woods project, spoken of in section 4.1.1.



Figure 4. Lolo and Bitterroot National Forests time for completing NEPA (in months).

4.1.7 Qualitative Descriptions of NEPA Projects in 2015

This subsection describes the status of NEPA projects on the Nez Perce-Clearwater National Forest in 2015, relying exclusively on writings of Mike Ward (2016d). The intent here is to provide greater detail as to the factors involved in the timeframe for NEPA analysis.

The impacts from the Johnson Bar Fire in 2014 forced the reassessment restoration opportunities in the CFLRP in 2015. Work on the Middle Fork Vegetation Management Project EIS was cancelled because a large portion of the project was burned in 2014. Instead, on-the-ground efforts were shifted toward post-fire salvage and restoration opportunities.

Salvage planning is time sensitive and in 2015 ongoing NEPA planning projects needed to be reprioritized in order to meet the timeframe for the Johnson Bar Fire Salvage EIS. Scoping for the fire salvage began in mid-October 2014 and proposed 3,000 acres of harvest with the goals of creating desired conditions including (1) the establishment of resilient species and early serial conditions, (2) reducing future fuel loadings, (3) restoring the watershed, and (4) recovering some of the timber value from the acres burned by the fire. The Draft EIS was released for comment in mid-April 2015. Early involvement from other agencies in developing the proposed action and in subsequent consultations has been cited as a positive factor in increasing the time efficiency of this project. Release of the Final EIS and the ROD were delayed by the historic 2015 fire season.

The Clear Creek Integrated Restoration Project has been the focus and cornerstone of the CFLRP since the early days of the program. At over 10,000 acres of treatment, the project is ambitious and controversial. Considerable energy has been invested in resolving the controversy through the objection process, collaborative efforts, and other diplomatic approaches. The Final EIS and Draft ROD for the Clear Creek

Project Integrated Restoration Project was released in late February, 2015 and three objections were received and addressed. The Nez Perce-Clearwater National Forests received instruction from the Regional Forest to update the wildlife and fisheries sections through consultations with regulatory agencies and the Nez Perce Tribe.

Scoping for the Lowell WUI Project was initiated in October of 2014. The proposed action was to reduce fuels on approximately 300 acres surrounding the community of Lowell, Idaho. The project was scoped as an EA under the Healthy Forests Restoration Act (HFRA), however, after discussions with the Idaho Roadless Commission, it became clear that the 2014 Farm Bill, which amended the categorical exclusion (CE) authorities of the HFRA, would be a better planning tool, considering the increasing insect and disease mortality within the project area. These amended CE authorities would also allow for additional time efficiencies during the planning process. Like other projects, the Lowell WUI Project was suffered from delays as a result of the historic 2015 fire season.

4.1.8 Synthesis of the Lines of Inquiry into the Value of Good Faith and Goodwill

Adaptive collaborative governance seeks to engender effective connections among actors and/or groups of actors. The connection among actors and/or groups of actors is often termed "goodwill" or "social capital". Goodwill is defined two ways: (1) friendly, helpful, or cooperative feelings or attitudes, or (2) the established reputation of an individual or a group often regarded as a quantifiable asset. Goodwill can be thought of, in a business or retail sense, as the value of the brand - its reputation. Accountants generally define goodwill as the value of a business above and beyond their equipment, property, and human capital. Social capital is defined as the goodwill that is engendered by the fabric of social relations and that can be mobilized to facilitate action. In the end, the public should be the ultimate beneficiary of good faith and goodwill in a collaborative setting.

The opposite of goodwill may have benefits to certain organizations engaged in collaborative forest management. Some conservation organizations take a hardline or confrontational position that may be akin to the opposite of goodwill. While more middle-of-the-road conservation organizations may not agree with their position, the hardliners allow the middle-of-the-road organizations to have more latitude to find creative solutions and to build more goodwill with the agencies, partners, and stakeholders.

One responded suggested that the benefits of good faith and goodwill differ depending on which level of the agency you are engaged in good faith and goodwill with. Goodwill generally is more productive at the higher levels of the agency and is less productive with Ranger Districts. Another respondent said that individual timber purchasers tend to go out of their way to work with the local and regional USFS offices to engender goodwill. Methodologically speaking, perhaps it would be good to look more deeply into goodwill, starting with a look at the timber industry. They tend to have small margins and therefore need to "keep their pencils sharp". Perhaps they have thought critically about their investments in time and the returns they see on those investments.

Although there may be some correlation between the time it takes to complete NEPA planning for a forest management project, there are many other factors that complicate this relationship. For example, early involvement in NEPA planning from other agencies in developing the proposed action and in subsequent

consultations has been cited as a positive factor in increasing the time efficiency of a project. Factors like a severe fire season can disrupt the planning process.

Can successful collaboration, where the major interests are at the table, maximize the benefits and minimize the costs of projects across a National Forest?

5. SOCIOECONOMIC CONDITIONS AND TRENDS

This section describes the recent trends in socioeconomic conditions such as population, employment, labor force, the forest products industry, and in wildfire activity, prevention, and suppression within the project area.

5.1 **POPULATION**

The three counties in the primary economic impact area, Clearwater, Idaho, and Lewis Counties, have the lowest population levels within the primary and secondary area of economic impact. Asotin County has the lowest population within the secondary area of economic impact.

County	2000	2010	2015 (estimates)
Clearwater County	8,930	8,761	8,496
Idaho County	15,511	16,267	16,272
Latah County	34,935	37,244	38,778
Lewis County	3,747	3,821	3,789
Nez Perce County	37,410	39,265	40,048
Missoula County	95,802	109,299	114,181
Ravalli County	36,070	40,212	41,373
Asotin County	20,551	21,623	22,105

 Table 1. County population census 2000 and 2010 and estimates for 2015 (U.S.Census Bureau 2016).

5.2 PRIMARY AND SECONDARY LABOR FORCE AND EMPLOYMENT

Figure 5 shows the historical trend in unemployment. In the primary area of impact, unemployment levels are highest in Clearwater County. In the secondary area of impact, Asotin and Ravalli Counties have tended to alternate as the Counties with the highest unemployment since 2006 with Ravalli being higher in since 2013. In the primary area, Lewis County has had the lowest unemployment rate from 2003 until 2014, when it saw a 2% spike. In 2015, the three Counties in the primary area of impact had higher levels of unemployment than all of the Counties in the secondary area. In the secondary area, Missoula, Latah, and Nez Perce County have been on similar trends of relatively low unemployment since 2000. In general, unemployment rates dropped until 2007, when they rose precipitously across several counties. The rates peaked in about 2011 and have been declining ever since, except for Lewis County in 2015. As of 2014, no county in the primary or secondary area has returned to their low unemployment rates of 2006 or 2007.



Figure 5. Percent unemployment by county, 2000 to 2015 (Bureau of Labor Statistics 2016a).

5.3 PRIMARY AREA LABOR FORCE AND EMPLOYMENT

The following subsections provide an overview of labor force and employment within the primary area of economic impact, which includes Clearwater, Idaho, and Lewis Counties.

5.3.1 Clearwater County Labor Force and Employment

Labor force is the sum of employed people and those looking for work. Figure 6 shows the yearly trend in the labor force in Clearwater County shows the labor force is generally highest in July and lowest around the end and beginning of each year, though Clearwater County's labor force is relatively flat, except for in 2009 and 2010. The underlying cause of the outlying peaks in labor force in March and June in Clearwater County in 2009 and 2010, respectively, is as of yet unknown. Presumably they correspond to a one month peak in spring and early summer economic opportunity in the County, reflected here as a spike of 300 and 200 individuals entering Clearwater County's labor force, respectively. If these short-lived peaks in labor force are a direct result of short-lived peaks in economic opportunity on public lands, it might behoove the Selway-Middle Fork CFLRP in these yearly socioeconomic reports to provide insights into what the underlying cause of those peaks are and how they affect socioeconomic conditions of the primary and secondary area.



Figure 6. The labor force by month in Clearwater County, Idaho (Bureau of Labor Statistics 2016b).

The 2009 and 2010 peaks in labor force are also reflected in Figure 7, which shows the number of employed individuals in Clearwater County, by month, from 2009 to 2015. Comparing 2009 in both figures, the peak in labor force was composed of 315 people, while the peak in employed individuals was closer to 242 individuals, suggesting that the peak in labor force was due to a short term increase in economic opportunity and a corresponding influx of individuals into the county for short-term employment. The June 2010 peak was 141 people in the labor force and 379 people employed, suggesting that most of the spike in employed individuals were already a part of Clearwater County's labor force. Also, the March 2009 peak in employed individuals. The broad peak in July corresponds to a lower peak in the labor force (143), suggesting that most of the peak in employed people was not associated with an influx of individuals to the labor force.

The number of people employed in Clearwater County tends to be less flat than the labor force throughout the months of the year. From 2009 to 2015, April was a month of relatively low employment when compared to March and May. Perhaps too, this is a result of seasonal economic factors, such as spring "break up" when work in the mountains is not as feasible as it is when the ground is either frozen or dry. The April down time in employment may be a good time to schedule job training programs for forest workers. If 2009 was a notably good year for the number of employed people in Clearwater County, 2013, while less notable, was a bad year for employment in Clearwater County.



Figure 7. People employed in the workforce in Clearwater County (Bureau of Labor Statistics 2016b).

Figure 8 shows monthly trends in the unemployment rate in Clearwater County for 2009 through 2015. There was a notable drop in unemployment levels in 2014 and 2015, which corresponds to notably low numbers of people in the workforce in 2013 through 2015 (Figure 5).



Figure 8. Unemployment rate in Clearwater County by month (Bureau of Labor Statistics 2016b).

5.3.2 Idaho County Labor Force and Employment

Figure 9 shows that the monthly labor force for Idaho County for 2014 and 2015 were notably lower than they were in 2009 through 2013. Table 1 shows that Idaho County's population grew by five people between 2010 and 2015, so the decline in the labor force does not correspond to a decline in population.

Therefore, of the 900 people that left the labor force in 2014 and stayed out of the labor force in 2015, few left the County. For 2009 through 2013, the yearly average labor force in Idaho County was relatively stable. Annual variation in labor force of about 475 people is most likely related to an influx of seasonal workers and represents an 8% increase in the labor force.



Figure 9. The labor force by month in Idaho County, Idaho (Bureau of Labor Statistics 2016b).

The total number of people employed in Idaho County declined by about 400 people in 2014 and remained close to that in 2015 (Figure 10). Therefore, the socioeconomic conditions that created a notable decline in the labor force in 2014 (Figure 9) had an effect on the total number of people employed in Idaho County in 2014. If about 900 people left Idaho County's workforce in 2014 and 750 of those people were employed, then approximately 83% of the labor force that left Idaho County in 2014 were employed. Outside of 2014, the number of employed individuals in Idaho County has remained stable for 2009 through 2013.



Figure 10. The number of people employed in Idaho County, Idaho (Bureau of Labor Statistics 2016b).

The peak unemployment rate for Idaho County between 2009 and 2015 occurred in 2011, and the lowest unemployment rate occurred in 2015 (Figure 11). Both the 2014 and 2015 unemployment rate suggests that, while the labor force has declined notably since 2013, employment has increased by 3.6%.





5.3.3 Lewis County Labor Force and Employment

Lewis County had a decline in the labor force of about 140 individuals after 2013 (Figure 12). Similar to Idaho County, the underlying cause of the decline is unknown at the writing of this report. From 2009 to

2013, the labor force of Lewis County remained relatively stable. Lewis County shows a similar trend in seasonal variation of the labor force to Idaho County. Lewis County sees a seasonal increases of about 200 individuals in the labor force in the summer, which equates to about a 13% increase in labor force during the summer.



Figure 12. The labor force by month in Lewis County, Idaho (Bureau of Labor Statistics 2016b).

Comparing peak annual employment, Lewis County showed a decline of 87 employed people in 2014 and another 42 people in 2015. This decline in employed individuals is related to the decline in labor force.



Figure 13. The number of people employed in Lewis County, Idaho (Bureau of Labor Statistics 2016b).



The lowest annual average unemployment rate between 2009 and 2015 in Lewis County occurred in 2014 (4.2%) while the highest annual average unemployment rate was 6.3 in 2011 (Figure 14).

Figure 14. Rate of unemployment by month in Lewis County, Idaho (Bureau of Labor Statistics 2016b).

5.4 FOREST PRODUCT INDUSTRIES

There are 16.6 million acres of unreserved timberland in Idaho,⁶ but the presence of these lands is not a strong indicator of harvest activity in recent years (Simmons et al. 2014). Markets and policy issues have an influence on the location, ownership, and volume of timber harvested in Idaho. More than three quarters of Idaho's available timber resources are on federal lands (Cook et al. 2015).

The timber harvest volumes in the last decade in Idaho ranged from 1.1 billion board feet in 2005 to 760 million board feet in 2009 (Simmons et al. 2014). The recent low harvest years in Idaho are the lowest years seen since World War II and represent the period of greatest impact on Idaho's timber industry from the collapse of the housing market associated with the Great Recession (Simmons et al. 2014).

Federal timber sales provided 30-40% of the timber volume in the early 1990s and declined to less than 15% by 2000 (Simmons et al. 2014). The decline in federal timber sales was met by a corresponding increase in timber harvest volumes from private lands in the mid to late 1990s and early 2000s and a doubling of harvest volumes from state lands in the mid-2000s (Simmons et al. 2014). Also, as federal harvest volumes declined in the 1990s and 2000s, the source of Idaho's timber volume shifted north of the Salmon River, which now accounts for 80 to 90% of the annual harvest volume (Simmons et al. 2014). Since 1995, six out of Idaho's 44 counties, all north of the Salmon River (Shoshone, Clearwater, Benewah,

⁶ Unreserved timberland is defined here as land capable of producing 20 cubic feet per acre per year of wood from trees classified as a timber species on land designated as a timber forest type that is not designated as reserved, such as is the case with designated Wilderness.

Latah, Kootenai, and Bonner), have supplied the vast majority of timber harvest volume in the state (Simmons et al. 2014).

Figure 15 shows the volume of timber sold by the U.S. Forest Service in Region 1 from 1980 to 2015, which includes the area north of the Salmon River in Idaho and Montana and North Dakota. Figure 16 shows the volume of timber sold per year on the Nez Perce-Clearwater National Forests between 1980 and 2015. Both of these figures demonstrate the precipitous decline in timber volume sold on National Forest System lands north of the Salmon River in Idaho in the early 1990s, even as the areas of greatest timber volume harvested in Idaho shifted in that direction.



Figure 15. Sold timber volume in millions of board feet for the U.S. Forest Service Region 1 (Headwaters Economics 2015; U.S.D.A.Forest Service 2016b).



Figure 16. Sold timber volume in millions of board feet for the Nez Perce-Clearwater National Forests (Headwaters Economics 2015; U.S.D.A.Forest Service 2016a).

The diameter of harvested trees in Idaho has been decreasing over time (Simmons et al. 2014). With less volume per tree, more small trees are required to produce the same mill-delivered volume. Small trees produce more logging residue per unit of mill-delivered volume. The growing volume of small trees and the associated unutilized material represents a source of material for the burgeoning woody biomass or biofuels industry and for the pulp and paper industry (Cook et al. 2015; Simmons et al. 2014).

Table 2 shows the timber harvests in 2015 for the Idaho Department of Lands (IDL) within their Maggie Creek Supervisory Area, in thousands of board feet (MBF). The IDL's Maggie Creek and Clearwater Supervisory Areas make up the bulk of the project area of the CFLRP. Grand fir made up 45% of IDL's timber harvest volume, followed by Douglas fir at 28.2% and Red cedar at 17.1% within the Maggie Creek Supervisory Area. The 16 to 24 inch diameter at breast height (DBH) class comprised the most board feet harvested at 37.4% of the harvest volume, followed by 12 to 16 inch DBH trees at 25.8% of the total volume and 24 inch trees and over at 19.9% of total volume. Grand fir contributed more board feet at all size classes than any other species.

Species	8-12" DBH	12-16" DBH	16-24" DBH	24"+ DBH	Species	% of Total
					Totals	
Subalpine fir	18	0	0	90	108	0.3%
Douglas fir	31,253	67,467	109,714	36,896	245,330	28.2%
Engelmann spruce	915	926	690	65	2,596	0.3%
Grand fir	79,777	110,894	144,313	63,064	398,048	45.8%
Lodgepole pine	1,562	1,672	627		3,861	0.4%
Ponderosa pine	4,508	5,396	15,553	25,787	51,244	5.9%
Red cedar	25,329	32,348	46,515	44,841	149,033	17.1%
Western larch	1,059	5,114	6,286	2,142	14,601	1.7%
White pine	511	155	602	383	1,651	0.2%
DBH Class Totals	144,931	223,971	324,300	173,268	866,470	
Percent of Total	16.8%	25.8%	37.4%	19.9%		

 Table 2. Idaho Department of Lands Maggie Creek Supervisory Area timber harvests in 2015 (MBF) (Idaho Department of Lands 2016a).

The majority of the timber harvest volume in IDL's Clearwater Supervisory Area was made up of grand fir, at 51.2%. As with the Maggie Creek Supervisory Area, next highest share of the total timber volume went to Douglas fir at 28.7%, followed by red cedar at 12.1%. Like in the Maggie Creek Supervisory Area, the highest percent of total timber harvest volume in the Clearwater Supervisory Area came from trees at 16-24 inches at DBH (33.3%) followed by trees 12-16 inches at DBH (31.4%). Unlike the Maggie Creek Supervisory Area, the fourth highest percent of total volume in the Clearwater Supervisory Area came from trees 8-12 inches at DBH. Grand fir contributed more board feet at each size class than any other species.

Table 3. Idaho Department of Lands Clearwater Supervisory Area timber harvests in 2015 (MBF) (Idaho Department o
Lands 2016a).

Species	8-12	12-16	16-24	24+	Species totals	% of Total
Subalpine fir	1,566	754	327		2,647	0.2%
Douglas fir	109,201	158,340	180,292	46,650	494,483	28.7%
Engelmann spruce	9,123	7,188	7,929	3,649	27,889	1.6%
Grand fir	220,462	291,873	287,630	81,050	881,015	51.2%
Lodgepole pine	9,544	6,441	1,521		17,506	1.0%
Ponderosa pine	1,472	2,776	4,270	12,550	21,068	1.2%
Red cedar	33,426	51,934	74,007	49,403	208,770	12.1%
Western hemlock				123	123	0.0%

Species	8-12	12-16	16-24	24+	Species totals	% of Total
Western larch	11,957	15,773	12,520	10,785	51,035	3.0%
White pine	3,577	4,676	4,595	3,668	16,516	1.0%
DBH Class Totals	400,330	539,755	573,093	207,879	1,721,057	
Percent of Total	23.2%	31.4%	33.3%	12.1%		

Table 4 shows the number of board feet harvested on private lands within the five counties in Idaho within the CFLRP project area in 2015. These five Idaho accounted for 43% of the total private land harvests in the state for 2015. The vast majority of private land timber harvest volume came from industrial timberlands in Clearwater County at 160,529,810 board feet. The next highest industrial timber land harvest came from Latah County at 52,094,137 board feet. The largest volume on non-industrial timber lands came from Idaho County at 30,302,301 board feet. Overall, industrial timber lands contributed almost three-times the volume of non-industrial timber lands.

Table 4. Board feet of privately owned timber harvested in 2015 in the five counties in Idaho within the project area compared to total for the state (Idaho Department of Lands 2016b).

County	Private Industrial	Private Non-industrial	Private Lands Total
	Timberlands	Timberlands	
Clearwater	160,529,810	18,128,617	178,658,427
Idaho	3,275,396	30,302,301	33,577,697
Lewis		4,641,091	4,641,091
Latah	52,094,137	17,935,024	70,029,161
Nez Perce		4,751,030	4,751,030
Total	215,899,343	75,758,063	294,357,406
Idaho Total	510,484,645	180,052,961	690,537,606
County percent of total	42%	42%	43%

Table 5 shows the trend in timber harvest volume by land ownership in the primary area of socioeconomic analysis in Idaho. Since at least 2002, industrial timber lands have produced the greatest share of volume of timber each year. The next highest producer was IDL, followed by private and tribal lands or USFS lands, depending on the year.



Table 5. Trends in timber harvest volumes (MBF) by land ownership in the primary area in Idaho (Bureau of Business and Economic Research 2016a; Bureau of Business and Economic Research 2016b; Bureau of Business and Economic Research 2016c).

Table 6 shows the trend in timber harvest volume by land ownership in Idaho. At this scale of analysis, non-industrial private and tribal lands made up the largest share of the timber harvest volume in 2002, 2004, and 2005. The rest of the years shown were dominated by industrial timber lands. In 2008, IDL harvest volumes exceeded non-industrial private and tribal harvests, a trend which continued through 2015.



Table 6. Trends in timber harvest volumes (MBF) by land ownership in Idaho (Bureau of Business and Economic Research2016d; Idaho Department of Lands 2016b; USDA Forest Service Region 4 2016).

Table 7 shows that in Idaho County, timber harvest volumes hit low levels in 2008 and 2009, before rebounding to higher levels than seen in the decade before the Great Recession. The rebound was largely made up of volume from IDL lands, though USFS lands show and increase as well.



Table 7. Trends in Idaho County timber harvest volumes (MBF) by land ownership (Bureau of Business and EconomicResearch 2016c).

Table 8 shows the recent trend in timber harvest volumes for Clearwater County, which is dominated by industrial timber land production. While harvest volumes in Clearwater County show a little dip in 2009, the overall volume has remained consistent, largely thanks to industrial timber lands, followed by IDL lands.



Table 8. Trends in Clearwater County timber harvest volumes (MBF) (Bureau of Business and Economic Research 2016a).

Table 9 shows the trend in timber harvests volume for Lewis County, which shows a more precipitous fall and rise in timber harvest volumes due to the great recession. Lewis County was dominated by private and tribal land timber harvests until the great recession, while the rebound after the great recession is largely the result of increases in IDL timber harvest volumes.





5.5 COLLABORATIVE FOREST LANDSCAPE RESTORATION PROGRAM FIVE-YEAR REPORT

In March 2015, the USFS released a five year report on the CFLR Program (USDA Forest Service 2015). What follows is a summary of this report as it relates to the socioeconomics of the Selway-Middle Fork CFLRP. The CFLR Program was initiated through the passage of the Title IV of the Omnibus Public Land Management Act of 2009. Part of the purpose of Title IV is to: (1) support ecological, economic, and social sustainability; (2) facilitate the reduction of wildfire management costs and risks, including through reestablishing natural fire regimes; and (3) use forest restoration byproducts to offset treatment costs while benefiting local rural economies and improving forest health. Landscapes were selected for this program in-part by the accessibility for woody biomass utilization and the strength of the Collaborative's investments and funding plans.

The five-year report claims that the CFLRP is on track to meet its 10-year goals. Thus far, the CFLRP has generated more than 1,256 million sold board feet of timber, \$661 million in local labor income, and has supported on average 4,360 jobs per year. Additionally, CFLRP projects have leveraged more than \$76.1 million in partner matching funds.

At the time of the five year CFLRP report, 23 CFLR programs have been funded nationwide, 10 in 2010, 10 more in 2012, and 3 more in 2013. The Selway-Middle Fork CFLRP was first funded in 2010.

CFLRP dollars invested in forest restoration have direct impacts in the form of local wages and purchasing. The 2015 CFLRP five year report says that, "every \$1 million spent on restoration activities generates 15 to 24 local jobs, comparable to the construction and infrastructure sectors" (p. 5). Those hired to get the work done also generate indirect impacts by spending a portion of their salaries on goods and services in the local community. Those businesses providing goods and services to the workers then spend and invest locally, creating an induced impact. Healthy forests and improved infrastructure generates and provides access to more ecosystem services, which benefit users at the local, regional, and national scale.

While substantial, the investments of CFLRP funds have not been enough to overcome the hurdles caused by a lack of local markets and infrastructure for forest products in some CFLRP project areas.

5.6 WILDFIRE CONDITIONS AND TRENDS

Unless otherwise noted, the following descriptions of wildfire conditions and trends have been excerpted from the Selway-Middle Fork CFLRP Annual Report: 2015 (Ward 2016d).

The 2015 wildfire season was extremely active on the Nez Perce-Clearwater National Forest. Unseasonably warm and dry conditions started in June and persisted through October. Lightning occurred early in June, resulting in many fire starts throughout North Central Idaho and within the CLRP planning area. The Bailey fire, which burned 1,527 acres, started on June 13 and continued to be active through the end of September. Hot and dry conditions persisted through mid-July, when a much needed rain event suppressed fire behavior. Initial attack efforts on new fire starts was moderate in July and those efforts were successful on all fires within the 'roaded front'. Three fires started in the Selway-Bitterroot Wilderness in mid-July, including: (1) the Meeker Fire, which burned 2,406 acres, (2) the Roll Creek Fire, which burned 8,382 acres, and (3) the Rock Point Fire, which burned 220 acres. The Rock Point Fire was suppressed in an effort to keep the fire from spreading into the Bitterroot Valley. The Meeker and Roll Creek Fires were managed for their resource benefits.

Hot, dry conditions returned after the mid-July rain and persisted for another six weeks. On August 10, a dry lightning storm rolled through North Central Idaho, resulting in 130 new fire starts, including numerous fires threatening the communities of Kamiah, Syringa, and Lowell. By the end of that week, North Central Idaho had over 245 new fire starts, including 120 fires within the Forest Service's jurisdiction. Local resources were stretched thin due to the sheer amount of fire and the fires threatened local communities and infrastructure. Within the CFLRP, five new fire starts occurred during this time in the backcountry, and over 35 new fires started in the roaded front country. Initial attack was successful on all but the Slide Fire, Wash Fire, and Woodrat Fire in the front country. Type One Incident Command Teams were brought in by the Forest Service to manage these fires.

The Slide Fire threatened the communities of Selway and Lowell for three weeks and in the end, burned 10,000 acres and cost approximately \$6 million to suppress. The slide fire managers used structure protection plans developed for the proposed Fenn Face Prescribed Burn. They also used the Fenn Face fire lines, which eventually stopped the fire's progression toward the community of Lowell. Burned Area

Emergency Response (BAER) teams have requested \$153,500 to help rehabilitate recreation facilities, repair trails, treat noxious weeds, and repair road damage that resulted from the Slide Fire.

The Wash Fire burned 36,555 acres and cost \$3 million to suppress. This fire threatened the communities of Selway and Elk City for three weeks. BAER teams have requested \$163,400 to rehabilitate recreation facilities, repair trails, treat noxious weeds, and repair road damage associated with the Wash Fire.

The Woodrat Fire burned 6,459 acres, mostly within IDL jurisdiction, with a suppression cost of \$4 million. Suppression efforts were able to make use of previously burned areas, including the Swan Creek Prescribed Fire, and mechanically treated areas, including the Interface Fuels project, to help protect the community of Syringa and to facilitate suppression efforts. This fire threatened the communities of Syringa and Middle Fork for three weeks. BAER has requested \$78,175 to rehabilitate recreation sites, treat noxious weeds, and repair road damage associated with this fire.

Wilderness fires burned over 21,885 acres and costs approximately \$283,500. Structure protection operations on bridges and buildings were all successful. An unknown amount of BAER funds have been requested to rehabilitate trails within the fire area.

In summation, the CFLRP had 65 wildland fires in 2015, encompassing over 74,899 acres. Fires managed for resource benefits totaled 20,885 acres and cost \$83,500.

Moose Creek Ranger District also accomplished 13,392 acres of vegetation management within the WUI and 6,049 acres of fuel treatment within the non-WUI areas of the CFLRP.

The Interface Fuels Project was recently completed and reduced fuels around the community of Syringa. The project was completed over the last few years and functioned exactly as it was planned, giving firefighters a safe and effective place that they could anchor their containment lines to when they engaged with the Woodrat Fire.

Preparedness funds spent to train and maintain local fire management forces amounted to \$500,000.

The 2014 and 2015 fire seasons within the CFLRP have underscored the need for landscape restoration and strategically placed fuel treatments.

There are now several examples across the CFLRP where past forest management has slowed or stopped fire spread entirely. On the other hand, the fires of 2015 re-burned intensely through several areas that had recently burned, which raises the question of how future fires will be affected by the areas that burned in 2015. The USFS, CBC, and other partners are currently working to capitalize on post-fire monitoring opportunities that will validate the need for and location of proposed treatments that can affect future fire behavior while acknowledging its importance as a needed ecological process.

6. CFLRP SOCIOECONOMIC MONITORING METHODOLOGIES

Each of the methodologies used to collect and analyze the data in 2015 is provided in this section.

6.1 2011 CFLRP OUTCOMES AND INDICATORS

In 2011, the National Forest Foundation partnered with CFLRP collaboratives to develop five national indicators to be reported in each program's five year report. Those five indicators include: (1) economic impacts, (2) fire risk and costs, (3) ecological conditions, (4) collaboration, and (5) leveraged funds. These indicators are designed to tell a national story about the CFLRP, to measure outcomes across projects, to encourage regular collection and reporting of data, and to provide a course-scale picture of the impacts of the CFLRP. These indicators form the basis for this report.

6.2 DATA COLLECTION

Both primary and secondary data were used to complete this analysis. The secondary data included Bureau of Labor Statistics data, Headwaters Economics timber data, USFS timber data, USFS contracts and agreements data, USFS TREAT data, U.S. Census Bureau data, and information about R-CAT. The collection of primary discussion data followed similar methodology from the prior year.

6.2.1 Design of Discussion Questions

Discussions for 2015 identified direct and indirect impacts of CFLRP funds and, new this year, identified the level of awareness of contractors and agreement partners of the CBC and the CFLRP. The discussions were held with non-local and local contractors and agreement partners. These discussions focused on the purchase of materials and supplies, hiring of workers and subcontractors, and time spent in the communities closest to the project area. The discussions with agreement partners were focused on the impact of CFLRP funds on the group's programs and on the community. Both contractors and agreement partners were asked a series of questions on their awareness for the CBC and the CFLRP.

A supplementary set three discussion questions were given to ERG's clients and business partners that are involved in natural resource collaboration. These questions assess the level of investment individuals and companies make in social capital with agencies, communities, collaboratives, and other businesses.

6.3 TYPES AND SOURCES OF FUNDS

There are several types of funds associated with the CFLRP: matching, partner, leverage, USFS, contracts, and agreements. A clear understanding of these funds is essential in order to measure and monitor the impacts of the program funds. The TREAT program uses only the funds that are obligated through USFS contracts or agreements. Funds that other organizations contribute are either matching funds or leveraged funds. Matching funds are a requirement of the program and are included in the TREAT program's measures of impacts of all CFLRP funds. Leveraged funds are those funds or in-kind services that help the project achieve objectives as outlined in their proposal within the defined landscape, but do not meet the qualifications for match (U.S.D.A.Forest Service 2015). Matching funds include USFS appropriated funds, partnership funds, and partnership in-kind services. An important component of the CFLRP is attracting partnerships and resources to accomplish work across all ownerships. Generally speaking, "matching"

funds are spent on the federal ownership, while "leveraged" funds are generally funds spent on private lands. This enables individual projects that cross the borders of the project area to achieve restoration goals.

6.4 TREAT

The new version of TREAT was used to analyze the economic impact of the Selway-Middle Fork CFLRP in 2015. TREAT requires the user to input information on the distribution of funds spent, the distribution of the timber volume by product, and the percentage of funding that left the local area. The distribution of funds spent is important for determining indirect impacts, as each job type produces different levels of indirect impacts (U.S.D.A.Forest Service 2015).

6.5 ESTIMATING REDUCTIONS IN FIRE COSTS

R-CAT was assembled by the USDA Forest Service to analyze the effectiveness of CFLRP funds in meeting the goals of: (1) facilitating the reduction of wildfire management costs, including through reestablishing natural fire regimes and reducing the risk of uncharacteristic wildfire; (2) affecting wildfire activity and management costs; and (3) using forest restoration byproducts to offset treatment costs while benefiting local rural economies and improving forest health. The USDA Forest Service R-CAT User's Guide (2010) provides the following rationale for developing R-CAT, stating that, the goals above,

Can be met through a combination of cutting edge fire and economics modeling and reporting. However, to meet the wildfire management cost reporting requirements described in Title IV, spatially explicit treatment schedules for each strategy, with at least a coarse estimate of projected implementation timing and costs, are mandatory. (p. 1)

In 2014, 12 of the 23 CFLRP projects reported to the Forest Service that they were struggling with the R-CAT process. The Forest Service maintains that the tool is still useful for helping CFLRPs to "tell our story" to Congress regarding the impact that treatments are having as they relate to suppression costs. For the Selway-Middle Fork CFLRP, the Johnson Bar Fire that occurred in 2014 burned through many of the areas that were slated for treatment. Due to this fire and staffing issues, the Forest Service suspended the implementation of the R-CAT process in the Selway-Middle Fork CFLRP. According to Mike Ward with the Forest Service, "The upshot is that [the Johnson Bar Fire] will tell a very powerful story, and we plan on really examining the forgone opportunities, fire costs, [and] ecological effects" (Ward 2015).

6.6 DATA ANALYSIS

Due to the small sample sizes available for this socioeconomic analysis of the CFLRP, the data do not lend themselves to statistical analysis. Similarly, it is not possible to correlate the jobs produced by TREAT with the secondary employment data due to the nature of the TREAT program and the relatively small sample size.

The best method of analysis is to draw themes from the discussions held with those associated with the project. Using this method, general statements can be gathered about the impact that the project has had on the local area. It is important to keep in mind the small size of the communities within the project area. In some cases, the addition of a few jobs can make a substantial impact on small rural communities. One of the primary purposes of conducting annual monitoring in addition to TREAT is to provide the qualitative data, or story, behind the TREAT analysis.

7. SUMMARY OF IMPACTS FROM PREVIOUS YEARS

This section contains a description of the data for the previous years. This information is helpful for setting the context within which the 2015 impacts are viewed.

7.1 ECONOMIC IMPACTS

7.1.1 Summary of Contracts Awarded, 2011 through 2014

Table 10 contains information on contracts awarded with CFLRP funds from 2011 through the 2014 calendar year. Contracts were awarded to 42 contractors, 23 of which were local contractors in the TREAT economic impact area. There were 72 contracts awarded, 52 of which were awarded to local contractors. Total CFLRP funds distributed to contractors from 2011 through 2014 was \$7.16 million. CFLRP funds distributed to local contractors during this same time period was \$5.54 million.

There were 19 non-local contractors that received contracts between 2011 and 2014. They received 21 contracts over this time period. The non-local contractors were awarded \$1.62 million in CFLRP funds between 2011 and 2014.

Of the \$7.16 million in total contracts for the CFLRP between 2011 and 2014, 23% of the total funds were used by non-local contractors to perform work in the project area, with 77% going to local contractors. The geographic distribution of contract funds is important for calculating the local economic impact of CFLRP funds.

	Number of Contractors	Number of Contracts	Total Contract Values
Non-local	18	20	\$1,614,845
Local	23	54	\$5,544,129
Total	41	74	\$6,359,671

Table 10. CFLRP funds awarded to contractors in 2011 through 2014 (Ruklic 2016a).

Table 11 shows the distribution of CFLRP contract awards from 2011 to 2014. Road decommissioning and other road work is the largest category of contracting, followed by facilities and ecosystem restoration, hazardous fuels reduction, and forest health contracting. Local contractors have received more in contract value than non-local contractors, except for contracted monitoring and ecosystem restoration, hazardous fuels, and forest health.

Table 11.	Distribution of CFLRP	contracting awards h	y project category.	, 2011 through 201	14 (Ruklic 2016a).
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Project Category	Total Local	Total Non-Local	Total
Facilities, Watershed, Roads and			
Trails			
Decommissioning & Other	\$758,070	\$149,154	\$907,224
Road Work			
Trail Maintenance	\$91,609	\$34,413	\$126,022
Culverts	\$758,070	\$149,154	\$907,224
Facilities	\$472,718	\$729,332	\$1,202,049

Project Category	Total Local	Total Non-Local	Total
Slide Repairs	\$560,375	\$0	\$560,375
Ecosystem Restoration, Hazardous Fuels, and Forest Health	\$327,952	\$542,156	\$870,108
Commercial Firewood	\$0	\$0	\$0
Contracted Monitoring	\$66,046	\$572,338	\$638,384
Total	\$406,1267	\$2,298,404	\$6,359,671

7.1.2 Summary of TREAT Results, 2010 through 2014

An overview of the TREAT results for 2010 through 2014 are presented in Table 12. The results produced by TREAT are based on the contracts awarded and agreement funds obligated during the project year. Most projects, both with contractors and agreement partners, span several years. Therefore, the TREAT results should be used more as a guideline for project impacts for each year, rather than absolute values for each year.

	2010	2011	2012	2013	2014
Commercial Forest Product Activities					
Direct Jobs	20.3	36.8	24.2	33.5	26.9
Indirect and Induced Jobs	19.6	43.0	28.3	37.3	29
Total Commercial Forest Products Activities	39.9	79.8	52.5	70.7	55.9
Other Project Activities					
Direct Jobs	47.6	69.4	60.0	93.9	83.8
Indirect and Induced Jobs	20.4	14.0	14.3	28.2	11.7
Total Other Project Activities	68.0	83.4	74.3	122.0	95.3
Total Jobs	107.9	163.2	126.8	192.8	151.3

Table 12. Overview of the impact of CFLRP supported forestry activities on jobs, 2010 through 2014 (TREAT).

Table 13 shows the types and sources of funds distributed to agreement partners for work in the project area during 2010 through 2014. It is noteworthy that \$30.9 million has gone towards restoration efforts associated with the Selway-Middle Fork CFLR Program between 2010 and 2015 and that \$16.9 million of that was directly through CFLRP funds awarded.

Type of Fund	2010	2011	2012	2013	2014	2015
Program Award	\$1,000,000	\$3,400,000	\$4,000,000	\$3,760,000	\$2,270,924	\$2,460,677
Obligated Funds	\$998,125	\$3,030,467	\$2,778,394	\$2,310,204	\$1,481,200	\$1,057,096
Partner in Kind Contributions	\$1,048,920	\$1,250,019	\$1,218,629	\$1,314,865	\$1,368,918	
Partner Contributions through Agreements	\$374,700	\$584,400	\$397,659	\$671,157	\$490,458	\$388,734
Forest Service Matching Funds	\$545,049	\$1,595,149	\$1,574,127	\$1,651,418	\$946,392	\$171,308
Leveraged Funds	\$0	\$0	\$401,450	\$149,124 ⁷	\$0	
Total for Use in TREAT All Funds Analysis	\$2,592,094	\$5,875,635	\$5,968,809	\$5,947,644 ⁸	\$6,557,892	\$4,027,815

Table 13. The types and sources of funds for CFLRP work done in the project area, 2010 through 2015.

⁷ This amount includes \$137,124 from Idaho County's Fire Mitigation and \$12,000 from Montana Conservation Corps. It does not include the other two amounts listed in the Annual Report for the Clear Creek Project. The \$230,000 in grant funds were listed as pending and the \$748,000 was listed as matching and leveraged funds over the next three years.

⁸ The amount actually used in the TREAT all funds calculations was \$6,941,251. It is unclear how this number was obtained.

8. SOCIOECONOMIC IMPACTS IN 2015

8.1 CFLRP FUNDED CONTRACTS FOR 2015

Table 14 shows the distribution of local and non-local contracts and contractors in 2015. It is notable that local contractors captured about two-thirds of the total contract for 2015⁹. According to the contracting officer that reported the data in Table 14, the local workforce criterion being used is working, as the split between local and non-local capture shows.

Table 14. Distribution of CFLRP funds to contractors in 2015 (Ruklic 2016b).

	Total Local	Non-local
Contractors	6	4
Contracts	9	5
Total Contract Amount	\$951,387	\$279,942

Table 15 shows the distribution of CFLRP contracting funds in 2015 by project type. Culvert replacement, road decommissioning, and other road work made up the bulk of the work performed this year, followed by ecosystem restoration.

Project Type	Total Local	Non-Local
Facilities, Watershed, Roads and Trails		
Decommissioning & Other Road Work	\$341,529	\$25,550
Trail Maintenance		\$18,200
Culverts	\$321,391	\$170,098
Facilities	\$128,180	
Slide Repairs		26,094
Ecosystem Restoration, Hazardous Fuels, and Forest Health	\$160,288	\$40,000
Commercial Firewood		
Contracted Monitoring		
Total	\$951,387	\$279,942

 Table 15. Distribution of contract CFLRP funds by project type, 2015 (Ruklic 2016b).

8.2 CFLRP FUNDED AGREEMENTS FOR 2014

Table 16 shows the distribution of CFLRP agreement funds and other agreement distributions for 2015. The Forest Service obligated amount equates to the distribution of CFLRP agreement funds. Forest Service non-cash contributions are goods and services leveraged toward the project. Cooperator non-cash are goods and services leveraged toward the project. In total, \$1.72 million in agreement funds went toward CFLRP projects in 2015; 61% of the total agreement funds for 2015 were CFLRP

⁹ Readers should also note that some local contracts were not captured in this analysis, as the contracting data was not available at the time this report was written.

agreement funds; 9% were Forest Service non-cash contributions; 28% were agreement partner non-cash contributions.

Project	Forest Service Obligated Amount	Forest Service Non- cash	Cooperator Non-cash
Monitoring	\$144,537	\$24,982	104,917
Trail Maintenance	\$162,800	\$34,848	\$90,641
Trail Liaison	\$82,500	\$41,209	\$59,927
Weed Inventory and Treatment	\$109,000	\$10,272	\$58,217
Wildlife Habitat Restoration	\$100,000	\$5,425	\$61,500
Road Work	\$28,265	8,505	\$0.00
Watershed Restoration	\$399,999	\$31,907	\$109,076
Youth Corp	\$30,000	\$14,160	\$13,530
Total	\$1,057,101	\$171,308	\$497,808

Table 16. CFLRP and other agreement distributions for 2015 (Ward 2016a).

8.3 ECONOMIC IMPACTS OF CFLRP FUNDS IN 2015

Table 17 shows the TREAT results for the number of jobs directly and indirectly supported and induced in 2015 through CFLRP funds. In essence, the \$4,027,815 of CFLRP funds used in the TREAT analysis supported 157 jobs.

Table 17. Direct, indirect, and induced	jobs through CFLRP funds in the proje	ect area for 2015 (TREAT) (Ward 2016b).
	,	

Direct and Indirect Jobs	2015
Commercial Forest Product Activities	
Direct Jobs	26.9
Indirect Jobs	29
Total Commercial Forest Product Activities	56
Other Project Activities	
Direct Jobs	91
Indirect and Induced Jobs	10
Total Other Project Activities	101
Total Jobs	157

Table 18 shows the distribution of jobs supported through CFLRP funds in 2015, by job type. There was a notable split in 2015 between jobs supported in the commercial forest products industry and jobs supported in other industries.

	2015				
	Employment(Number of Part and Full-time Jobs)				
Јор Туре	Direct	Indirect and Induced	Total		
Commercial Forest Products					
Logging	10.5	6.1	16.6		
Sawmills	11.6	14.1	25.7		
Mills Processing Roundwood/Pulp Wood					
Facilities Processing Sawmill Residue	4.2	7.9	12.1		
Other Timber Products	0.6	0.7	1.4		
Total	26.9	29	56		
Other Project Activities					
Equipment Intensive	10.4	0.2	10.6		
Labor Intensive	12.8	1.4	14.1		
Material Intensive	16.1	3.8	19.9		
Technical Services	3.1	1.7	4.8		
Professional Services	3.7	1.5	5.2		
Contract Monitoring	1.2	0.0	0.0		
FS Implementation and Monitoring	1.2	0.5	1.7		
Total of Other Project Activities	47.2	9	56		
Forest Service implementation and monitoring	36.6	2.7	39.3		
Total All Inputs	111	41	151		

Table 18. Jobs by Type for 2015 (TREAT) (Ward 2016e).

Table 19 shows the direct and indirect and induced labor income that results from the distribution of CFLRP funds in 2015. In total, \$3.63 million in income was generated through CFLRP funds.

Table 19. Direct, indirect, and induced income from CFLRP funds in the project area for 2015 in 2014 dollars (TRI	EAT)
(Ward 2016e).	

Type of Projects	Direct Labor Income	Indirect and Induced Labor Income	Total
Timber harvesting	\$494,803.00	\$149,573.00	\$644,376.00
Forest and watershed			
restoration	\$2.00	\$709,908.00	\$709,910.00
Mill processing	\$861,599.00	\$665,692.00	\$1,527,291.00
Implementation and			
monitoring	\$599,929.00	\$84,893.00	\$684,822.00
Other project activities	\$43,266.00	\$15,420.00	\$58,686.00
Totals	\$1,999,598.00	1,625,486.00	\$3,625,085.00

8.4 CFLRP IMPACTS ON THE FOREST PRODUCTS INDUSTRY FOR 2015

In the calendar years for 2015, 2014, and 2013, Region One of the Forest Service, which includes the project area, sold 279,685.12 million board feet, 265,708.90 million board feet, and 197,645.68 million board feet, respectively. The sold value of timber in Region 1 for 2015, 2014, and 2013 was \$27 million, \$29.5 million, and \$17.6 million, respectively. In 2015, 2014, and 2013, the Nez Perce-Clearwater National Forests sold 56,658.18 million board feet, 44,985.71 million board feet, and 10,630.63 million board feet of timber, respectively. The sold value of timber on the Nez Perce-Clearwater National Forest in 2015, 2014, and 2013 was \$10.2 million, \$3.6 million, and \$1.3 million, respectively. In 2015, the Nez Perce-Clearwater National Forests sold about 20% of the timber in the Region 1 total by volume and 38% by sold value.

8.5 CFLRP IMPACTS ON FORMAL JOB TRAINING AND ON-THE-JOB TRAINING

The Clearwater Basin Youth Conservation Corp (CBYCC), Initiated through the CFLRP as a pilot project in 2012, has developed into a robust program that has attracted considerable attention from partners and other agencies in the Clearwater Basin. Outreach efforts in 2015 drew a much larger number of applicants to the program than in 2014, with over 50 young adults applying to 20 positions. The CBYCC's model pairs an educational component with project work to provide youth with an opportunity to develop their work ethic while accomplishing restoration work.

The CBC and USFS vision is that the investment in the CBYCC will pay dividends toward maintaining the relevance of public lands in the younger generations of the local communities. Many of the exit interviews with Corp members in 2015 indicated gratitude for the opportunity to work locally and outdoors.

The success of the CBYCC has drawn financial and in-kind support from other agencies such as the Army Corps of Engineers, Idaho Department of Labor and the Bureau of Land Management.

In past years, the CBC has made plans to expand the CBYCC into other communities and possibly to expand to include veterans and college students. Those plans do not seem to have come to fruition at this point.

Also providing formalized training opportunities for forest workers, Montana Conservation Corps (MCC) uses CFLRP funds to provide trail maintenance services within the project area using AmeriCorps recruits. The Selway Bitterroot-Frank Church Foundation (SBFCF) recruits interns every year and provides them with entry level on-the-job training opportunities in wilderness work. MCC and SBFCF act as "farm teams" for forestry field workers and wilderness field workers.

Many other businesses and organizations provide on-the-job training in forest restoration work.

8.6 **RESULTS FROM DISCUSSIONS WITH CONTRACTORS AND AGREEMENT PARTNERS**

These discussions with contractors and agreement partners provided excellent context for how CFLRP funds impact the local and regional communities by supporting employment opportunities, local spending, and induced economic effects.

8.6.1 Discussion Highlights with Agreement Partners

Montana Conservation Corps used CFLRP funds to provide trail maintenance services within the project area. MCC is staffed by AmeriCorps recruits, where diversity is a big initiative. MCC uses CFLRP funds to help agencies meet their trail maintenance targets. Their niche is to cost effectively send crews into remote locations for long periods of time. It is hard for the agencies to get that kind of remote work done. MCC does no usually interact with the CBC or the CFLRP but has been aware of the CFLRP since 2009. Sometimes the USFS cannot provide stock support, but this year, all packing was provided by the CBC. MCC tries to recruit in Idaho colleges and communities, but finds it difficult to get some youth because of the way AmeriCorps works and because many youth need more pay from their summer jobs. During this year's discussion, MCC shared their appreciation to the Selway – Middle Fork CFLRP for the opportunity to work on trails in the project area. They hope they can continue past the expiration date of their agreement in 2019. In 2015, the USFS obligated \$80,000.00 to MCC and provided a non-cash match of \$21,585.18. MCC contributed a non-cash amount of \$66,648.00. MCC says that the funding the CFLRP provides allows them to provide AmeriCorps members with meaningful opportunities to engage in natural resource restoration—this is a training ground for future leaders in restoration.

Kidder Harris Highway District, out of Kooskia, Idaho, worked on the FS Road 651 Aggregate Placement project in 2015. The district maintains 75 miles of roads on the Clearwater National Forest, therefore, they work a lot with the Forest Services. Mr. Agee first heard about the Selway – Middle Fork CFLRP when he read about it in the newspaper, which is also when he first heard of the Clearwater Basin Collaborative. The work that the District does in relation to the CFLRP is to reduce the movement of sediment into streams through road repair. They will potentially be doing the same work for the CFLRP this fall. The District hires a lot of Mexican immigrants to do a lot of their work. Mr. Agee finds the burn to be unattractive. In fact, Mr. Agee believes there should be more logging in the area.

Clearwater Resource Conservation and Development Council (CRCDC) is the fiscal sponsor for the CFLRP. They are a not-for-profit and are governed by a board of directors. They also hold the general liability insurance policy for the Clearwater Basin Collaborative. One project of note that the CRCDC sponsors in the Clearwater Basin Youth Conservation Corp (YCC). The YCC targets youth in the local area most of which come from diverse backgrounds. The Corp seems to be especially diverse economically.

8.6.2 Discussions with Non-local Contractors

Allied Engineering Services, out of Bozeman, MT, worked on the Moose Creek Slide Repair Final Designs project in 2015, out of the Lowell area. Their firm first became familiar with the Clearwater Basin when they first started working over there in 2011. That is also when they first heard of the Selway – Middle Fork CFLRP. The gentleman we spoke to couldn't recall if he had heard of the Clearwater Basin Collaborative before this call. The firm wasn't in the Basin very long, so their interactions with the local community were minimal. They stayed in a hotel near Lowell for three days.

Northwind Construction Services, out of Kellogg, Idaho was contracted in 2015 for culvert replacement on the Big Smith Road. They were never able to start on the project, though, as fires kept shut them down. They will be starting the project in August of 2015. CFLRP contracts are different for his company, because

they usually work in decontamination. Before this discussion, Northwest Construction Services had not heard of the Selway – Middle Fork CFLRP, nor had they heard of the Clearwater Basin Collaborative. Northwind has not worked on a CFLRP contact before. Of the list of stakeholders represented on the Clearwater Basin Collaborative, Northwind feels that recreation representatives can best represent his interests. Northwind generally hears about USFS contracting opportunities when they are contacted by the USFS. He also uses fedbizopps to find government work.

Great West Engineering performed a bridge inspection and design for the CFLRP in 2015. Two people stayed two nights in Syringa for this project. Meals, fuel, lodging, and incidentals were purchased in the local area to perform this work. Great West frequently works for the Forest Services as an IDIQ contractor and has worked on CFLRP contracts in the past.

8.6.3 Discussions with Local Contractors

Bond LLC, out of Saint Maries, Idaho, contracted with the CFLRP to set up a timber sale in 2016. The work took two weeks at full-time, for four people to complete. Mr. Bond used two local employees and two subcontractors for the job. He is not able to provide his employees with health insurance. Half of his crew was experienced, the other half gained experience during this job in cruising timber. There were no job related injuries during the performance of this contract. No heavy equipment was used. About \$25,000 of equipment was used for this project, most of which was purchased in Oregon or Minnesota. Mr. Bond had not heard of the CFLRP until this call, but he said he is scheduled to do two more projects for the CFLRP in 2016, both being salvage logging projects. Mr. Bond had not heard of the CBC until this call, although he mentioned that he may have heard their name before. He did know that the money from this contract was coming from somewhere different than his usual Forest Service contracts. Mr. Bond's company mainly works in Region 6 on fires. Mr. Bond said that of all the people involved in the CBC, Forest Service managers best represent his interests on the Collaborative. Mr. Bond said that about 10 to 15% of his work was for the USFS in 2015, which was more than for 2014 (none). He said that sometimes he gets information about USFS contracts when they contact him, but most often he sees USFS contracting opportunities on FedBizOpps.gov. Mr. Bond worked for the USFS for a long time. He doesn't believe in ripping out trees. In his experience, Region 1 has a thoughtful harvest approach. Mr. Bond suggested that there is a disconnect between environmentalists and the USFS. He said he is frustrated by this disconnect and feels that people misunderstand what a timber harvest can be.

Mark Hargens, out of Stites, Idaho, had a contract in 2015 to decommission the Little Kay road. One subcontractor and the owner worked on this contract. Both live in the local area. Mr. Hargens has health insurance. It took four months of full-time work for the two of them to complete this project. They started work on this project in September, worked for two months, got snowed out, and returned in the spring to finish. They started in September because fire kept them from completing the work earlier in the year. They used a 225 CLC John Deere excavator to complete the project. They purchased grass seed locally. The first time they had hear of the Selway – Middle Fork CFLRP was when they were hired for the contract. To the best of their knowledge, they have worked on several other CFLRP contracts, doing road decommissioning on the Powell Ranger District. CFLRP projects are not different in any from the work they usually do. Mr. Hargens first heard about the Clearwater Basin Collaborative in 2009. Of the stakeholder groups represented on the CBC, foresters best represent his interests. About half of Mr.

Hargens work is Forest Service work, because the other half of the year he cannot work on USFS projects because of winter conditions. In 2014, he worked on USFS projects about as much as he did in 2014. Mr. Hargens gets information about USFS contracting opportunities through Fedbizopps.

Jon Binninger, out of Troy, Idaho, worked as the horse packer for trips to Long Lake, Fish Lake, Gold Meadows, Mocus Point, and Warm Springs in 2015. Mr. Binninger lives and works in the area of the Clearwater Basin and first heard of the Selway – Middle Fork CFLRP when taking this call. He first heard of the Clearwater Basin Collaborative about six years ago. The project-specific money he spent in the local area was for gas, seed, feed, and tack. Mr. Binninger says that he is just trying to make a living and feed a family. He is a supporter of wilderness and of the collaborative effort. He believes collaboration is the way to get things done and believes the CBC is working in the right direction.

9. TRENDS IN THE ECONOMIC IMPACTS OF THE SELWAY-MIDDLE FORK CFLRP

Figure 17 shows the amount of CFLRP funds distributed in the form of contracts in 2011 through 2015 and the proportion of those dollars that went to local and non-local contractors. Between 2011 and 2015, \$7.42 million in CFLRP funds have been applied to contracting. CFLRP funds for contracts averaged \$1.48 million per year. The lowest year of contracts was 2013, which was also the only year thus far that non-local contracts were a higher proportion of total than local contracts.¹⁰



Figure 17. Total contract amounts by local and non-local economic area, 2011 through 2015.

Figure 18 shows the total number of contracts distributed between 2011 and 2015 and the split between local and non-local contracts. In all years more local contracts were issued than non-local.

¹⁰ Figure 17 shows a lower total contract amount for 2015 than for 2013. At the time of writing, local contracting award amounts were not available for contracts issued by the Bitterroot National Forest in 2015. Based on the TREAT analysis, we know that the total contract awards for 2015 was closer to \$2.4 million. We will insert the Bitterroot National Forest contracting data for 2015 into the graph when completing the 2016 report.



Figure 18. Total number of contracts by local and non-local economic area, 2011 through 2015.

Figure 19 shows the total amounts of agreement funds in 2010 through 2015. These funds have been relatively stable in the six years reported, except for in 2013. The ratio of obligated funds, USFS non-cash, and cooperator non-cash has also been fairly stable.



Figure 19. Agreement fund totals by type 2010 through 2015 (Ward 2016c).

Table 20 shows the Forest Service's results from TREAT analysis for 2010 through 2015. CFLRP contract and agreement funds and matching and leveraged funds have supported, on average, 148.4 full and part-time jobs between 2010 and 2015; the average jobs supported is down by 2.6 jobs since 2014.

	2010	2011	2012	2013	2014	2015
Commercial Forest Products Activities						
Direct Jobs	20.3	36.8	24.2	33.5	26.9	26
Indirect and Induced Jobs	19.6	43	28.3	37.3	29	30
Total Commercial Forest Product Activities	39.9	79.8	52.5	70.7	56	56
Other Project Activities						
Direct Jobs	47.6	69.4	60	93.9	83.8	99
Indirect and Induced Jobs	20.4	14	14.3	28.2	11.7	10
Total Other Project Activities	68	83.4	74.3	122	95.3	101
Total Jobs	107.9	163.2	126.8	192.8	151.3	157

 Table 20. Forest Service TREAT results for 2010 through 2015 (Ward 2016e).

10. DISCUSSION

The special topic for this 2015 socioeconomic monitoring report was to inquire into the value of good faith and goodwill in a collaborative setting. This topic was chosen because ERG has witnessed the CBC's outstanding successes in accomplishing work on the ground and we were curious if good faith and goodwill has been a factor in those successes. In the context of a collaborative group, goodwill can be thought of as the connections among members and/or between members and other groups. In the social science literature, goodwill is often termed "social capital".

To inform our inquiry into goodwill, we looked more broadly into recent social science literature to find information about how collaborative groups function. We found that shifts in natural resource governance towards adaptive, decentralized collaboratives is a growing trend. While collaboratives tend to recognize both the ecological and social complexity and dynamism of natural resource management, they should be cautioned that they too exist in a real-world political context which can impair their effectiveness.

We found that shared learning in a collaborative setting is often hindered when monitoring is incomplete. That is, you need to understand how management activities affect the landscape in order to learn from past actions as a group and better inform future actions. But as a collaborative learns together, there is the possibility that the representatives on the collaborative move to a place of shared understanding that leaves their constituents outside the collaborative behind. This can decrease the social capital that connects representatives to their constituents.

We found that collaboratives can have an indirect benefit to the communities in which they exist because, in bringing divergent interests and perspectives to the table, collaboratives have the potential to convert latent tensions into open conflict. This provides an opportunity for the conflict to be resolved. Indeed, one of the three major forms of conflict that tends to arise in collaboratives is not related to collaborative governance at all but to disputes between members and from inherited prejudices of members. It seems that collaboration in one venue in a community where those underlying conflicts can surface and be confronted.

By reaching out to several of our contacts in forest management, ERG was able to have several valuable conversations about the value of goodwill between organizations and collaboratives, between organizations and the USFS, and between organizations themselves. We asked several individuals to answer a few questions for us regarding their investment in goodwill and the returns on their investment. What we found was that most people we spoke with made mid- to maximum-level investments in social capital with the USFS, collaboratives, business partners, and their communities. Most thought that thought that they increased the benefits they received from these organizations by their investments within the range of 20% to 60%. All the people that answered these questions agreed that their organization's investments in good faith and good will with the USFS resulted in tangible or intangible benefits.

We also compared the length of time a NEPA planning processes have taken from the Notice of Intent to the signed decision. While we were unable to make a clear correlation between length of time and level of goodwill, we did get the sense that the more controversial a project was, the longer it was likely to take. Controversy is not a function of low levels of goodwill alone, but it makes sense that if the USFS has strong connections in a community through a diverse group of stakeholders in a collaborative, then it is less likely that projects will develop without community input.

Social capital between groups is termed linking social capital and we included some questions in our discussions with local and non-local contractors and agreement partners this year to try to understand how much linking social capital exists between these entities and the USFS and between these entities and the CBC. From these discussions, we have drawn the conclusion that contractors are much less likely to know who the CBC is or what the Selway – Middle Fork CFLRP is than agreement partners. As one might expect, non-local contractors are even less aware of the CBC or the Selway – Middle Fork CFLRP than are local contractors. The lack of awareness for the CBC and the Selway – Middle Fork CFLRP is largely due to the fact that contractors mostly interact with the USFS when they are negotiating contracts and they often work in areas outside of the CFLRP. Does this matter? Would strengthening the connections between the CBC and contractors benefit the public? Answering that question is beyond the scope of this report, but may be worth the consideration of the CBC.

The Selway – Middle Fork CFLRP makes sizeable, yearly contributions to the wellbeing of the residents of the Clearwater Basin. Through its restoration efforts, the CFLRP supported 157 jobs with over \$3.6 million dollars of income in 2015. Also through restoration efforts, the CFLRP continues to produce greater volumes of timber than most regions of Idaho and surrounding states. That timber volume maintains capacity for processing wood products from materials harvested in restoration efforts. With its investments in erosion prevention, fuels mitigation, and ecological restoration, the CFLRP is also improving the wellbeing of the residents and visitors to the Clearwater Basin. While there may be room for improvement, it is apparent that the strength of the connections between communities, businesses, and agencies is an essential element to continuing down the road to success in improving the social and ecological wellbeing of the Clearwater Basin.

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