



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

MEMORANDUM

TO: Members of the MAC Group and other interested parties

FROM: Karl N. Stauber /^{1/6} Deputy Under Secretary
Small Community and Rural Development

SUBJECT: March visit to the Pacific Northwest

DATE: April 4, 1994

Jennifer Pratt and I visited Washington and California in late March. This was Jennifer's last trip as a USDA employee while it was my first venture into the northwest as a representative of the MAC and USDA.

In Olympia we meet with representatives of state government, the environmental community, private industry groups, and various native American groups. Several comments were shared by most of the people we meet with in Olympia; 1. make the supply decisions as soon as possible, 2. design all programs to acknowledge that different communities are in different places, 3. try and get the Federal government to send a more consistent message in terms of timber effected communities (for example, apparently the BIA has chosen to consolidate three offices located in Washington and do a single Olympia location. This means that they will be closing two offices that are in timber effected communities, thus causing the loss of another 30 to 40 jobs); 4. the linkage between the provence teams and the CERTS have been completely broken - they need to be reestablished, 5. state and regional CERT are largely seen as adding a layer of bureaucracy to the process - people are still skeptical about whether this new mechanism will actually deliver dollars and services.

Several fascinating ideas arose in our Washington discussions. Several environmental representatives indicated that they are ready to become involved in community economic development efforts in Washington State. However, they said they do not know how to do this. They suggested that we might wish to challenge the environmental community at the national, regional and state level to support community economic development. However, the warned that we could not do this until after the filing on the court decision related to supply issues.

Many of the groups that we meet with felt that current economic adjustment initiatives are largely ignoring the forest products industry as a potential source of rural economic development. There was a call for the creation of a equity-like pool of money to support specialization in job creation within the forest products industry in rural communities. There were strong suggestion that such an effort should be funded by the Feds but controlled by not-for-profit and trade on industry groups.

There is a general sense that most of the forest products industry and the environmental community are ready to move forward on to development and implementation of new strategies designed to put people back to work and improve the ecological help for the forest. To do this there is a great need for equity like patient capital and high quality technical assistance, outside the control of Federal and state bureaucrats.

There were serious questions raised in Washington state about the role of the U.S. Economic Development Administration in this effort. There was a general feeling that EDA was no longer a full participant in the initiative.

In California we meet with approximately 35 people from Hayfork and surrounding communities and representatives of the Governor's office. The first meeting occurred in Redding, and the second in Sacramento.

The majority of the folks in the Redding meeting were from Trinity County. For about three and a half hours I listened to an array of very angry people, many of whom appear not to have accepted the changes that are occurring within their region. They went into some detail to point out to me how the forest ecosystems in California are significantly different to those in Washington and Oregon and yet the programs that are being put into place are designed to meet the needs of their neighbors to the north. When I boil down all of the angry words, tears, threats and challenges, I'm left with a strong sense of helplessness. The further one moves away from Trinity County, the more one gets a sense of an empowered local constituency who are actually trying to make things happen. Put in its most positive context, the people I meet with in northern California had yet to see any money arrive in their communities that meet the twin tests of putting laid off timber workers back in meaningful jobs while also improving the ecological help of the forest.

I felt that there was a great need for high quality community development technical assistance in Trinity County. I also came away with real skepticism about whether the community would be willing to accept such assistance.

In Sacramento I meet with Terry Gorton, Assistant Secretary of the Department of Forestry and Economic Development. She is the Governor's lead person on timber issues in that state. She indicated that she had been told that Secretary Espy would be visiting timber effected communities in norther California April 21 and 22, 1994. She reviewed with me a list of projects under consideration for funding by the Forest Service that she felt could blow up in Secretary Espy's and Governor Wilson's faces, as they do nothing for laid off forestry workers.

Terry indicated that she had originally been extremely suspicious of the CERT process but had now come around to being a strong supporter. She indicated a willingness to work closely with the MAC and the regional CERT to insure that the most effective possible work is done in northern California.

MEMORANDUM

DATE: April 12, 1994
TO: Scott Duff, Bob Rhiener
FROM: Cal Mukumoto
RE: RCERT report to the MAC
CC: Joann Reynolds, ITC

The purpose of this memorandum is to provide my perception of the CERTs performance in relation to tribal involvement. Since there are forty or more tribes that can claim connection with the Northwest Economic Initiative, the response from tribes is varied. The Intertribal Timber Council has been involved with the initiative since November 1993. This is relatively a short time period given the significance of the CERTs mission. My observations of the CERTs performance are as follows:

The Good Things

- ✓The Co-chairs, Duff and Rhiener, deserve high marks for making the RCERT an inclusive process.*
- ✓A cohesive team has developed on the RCERT level. The potential for high performance teams exists.*
- ✓The CERT process offers a new way of doing business, one that can offer new opportunities and better leverage of resources for tribes.*
- ✓The CERT process has developed and been successful without increased organizational structures or processes.*
- ✓The CERT process promises to be a better way to manage and implement government programs.*
- ✓Members of the CERTs have been very willing to assist the ITC in reaching tribes with information about the CERT. For example, a tribal forum has been established on the electronic bulletin board. Also, Duff, Rhiener and Tuchman have all spoken at tribal meetings.*

Things to Be Worked On

- ✓On the State level, tribe's reaction to the CERT process ranges from very pleased to feelings of exclusion.*
- ✓Some CERT members do not fully understand or accept tribal sovereignty and the tribes' government to government relationship with the Federal government.*

Review

ITC's Involvement

The Intertribal Timber Council became involved with the RCERT by fulfilling a request from the Affiliated Tribes of the Northwest Indians that the ITC attend a meeting of the RCERT in November 1993. As a representative of the ITC, I attended the November RCERT meeting in Portland. The ITC was quickly accepted into the group as a representative for tribal interests. I believed this demonstrated the RCERT policy of inclusiveness.

The ITC has defined its role with the RCERT as follows:

The ITC does not purport to speak on behalf of tribal governments, nor can it commit them to any course of action. ITC's involvement with the CERTs is to further these basic goals:

1. to increase awareness and consideration of tribal issues and perspectives in the CERTs;
2. to help facilitate communication and coordination between the CERTs and tribal governments; and,
3. to provide insight and assistance in helping tribal governments receive the fullest benefit(s) possible from the "Economic Adjustment Initiative."

The Economic Adjustment initiative represents but one forum that can affect the economic and social well being of tribes. Tribes are faced with an increasing need to become involved with regional issues but are also faced with increasingly scarce resources of time, money and personnel to attend meetings. The ITC's involvement can benefit tribes by providing information on the CERT and facilitating tribal interests. A co-opting between tribes creates better leverage of tribal resources.

Team

The RCERT has developed into a team. An effective team possess elements that exist on the RCERT. These elements are:

1. The RCERT has a common mission and meaningful purpose. The RCERT is dedicated to creating economic recovery for the Northwest in terms of jobs and long term economic development.
2. The RCERT has acceptance of a common approach. The members of the RCERT believe in this coordinated approach to government. They also believe in the potential and capacity of communities to provide their own solutions to problems. The RCERT has practice a policy of inclusiveness. This policy recognizes the contribution that can be made by local communities and tribes.

3. The members of the RCERT possess a high level of skills and background. The RCERT has a broad and well developed mixed of skills and backgrounds. This has been particularly useful in problem solving. RCERT members have also shown a highly developed level of interpersonal skills that has resulted in a sense of trust among members.
4. The RCERT feels accountable. RCERT members are accountable on a daily basis to their constituents. Meeting displaced timber worker in a grocery store is not an uncommon occurrence for members of the RCERT.
5. There is good role definition among members. It is clear as to what are the roles and responsibilities of individual members of the RCERT.

The RCERT, in my opinion, can develop into a high performance team given more time. The large size of the RCERT is a barrier to optimum team performance. However, Duff and Rhiener have developed smaller working groups for specific issues. These smaller groups have the potential to become high performance cohesive teams. I am happy to be part of this team and I expect to see continued progress as a result of this team's efforts.

Things to Work On

Reaction of tribes to the CERT process has been varied. It ranges from being very pleased to feelings of exclusion. The feelings of exclusion are largely the result of actions by a few state CERT members. These actions demonstrated a lack of sensitivity for the sovereignty of tribes. In one instance, Tribes have been told that only one tribe from a state may sit at the CERT table. This approach is exclusionary of the individual and separate nature of tribal governments. In another instance, a tribal leader was told that a county supervisor would represent them to the CERT process. This does not respect the government to government relationship that the tribes have with the Federal government. The result of these actions has resulted in one tribe to pursue a "separate set aside" under the economic adjustment initiative.

For the most part, Tribes feel included in this process. There has been excellent outreach by Washington State to Tribes. Also the actions of the co-chairs by providing speeches and other assistance to tribes have been well received.

Communication of useful and timely information to the tribes about the Economic Adjustment Initiative has and continues to be a major challenge. The RCERT has assisted the BIA and ITC by providing access to the electronic bulletin board system used by the RCERT. Further, the ITC is looking forward to RCERT members participating in a planned tribal economic development forum. Cooperation from the RCERT has been very good when requested.

Summary

The progress of the RCERT has been excellent considering the short time period it has been in existence. This progress has been achieved through the hard work of

the leaders, members and limited staff of the RCERT. Given that all members of the RCERT have full time jobs outside this initiative, there should be additional recognition for the dedication they have demonstrated.

I believe that tribal involvement to this process will prove to be valuable for tribes as well as for the region as a whole. The knowledge, lessons and experience of tribes will add to the success of this initiative. A lesson that was learned through the development of option nine was that a landscape approach must be taken to forest management. In the same sense, a landscape approach to economic development must also be applied. Economic consequences do not end at the political boundary of the reservation line. A strong regional economy must include strong tribal economies.

A principle of ecosystem management is to "save all the parts," respect diversity. If the RCERT is successful, it will be a new way of doing business that respects diversity, understands the benefit of rural economies and has regard for the contribution of Tribes. I believe that the RCERT is making an honest attempt to create that reality.

CONTENTS OF THE ATTACHED PACKET

The attached are documents for the February 28, 1994 MAC meeting:

1. Draft Agenda
2. Tom Tuchmann's and Forest Management Team's Schedule of D.C. Briefings - Week of February 28 - March 4
3. Articles on the Supplemental Environmental Impact Statement (The Post) and the effort to date from a regional perspective (The Oregonian)
4. Introduction to the Electronic Bulletin Board - "Rural Development Net"
5. Notes from February 3rd MAC meeting
6. Phone List of MAC and MAC Working Group (**Please Verify Accuracy**)

MAC Meeting
Thursday, February 28, 1994
2-4 p.m.
U.S. Department of Agriculture
Room 221 A (Administration Building)

DRAFT AGENDA

2 - 3 p.m. --

Introduction of New MAC Members

- Nancy Hayes (replacing B.J. Thornberry), Acting Deputy Assistant Secretary for Land and Mineral Management, Bureau of Land Management

Successes

- Forks, WA and Port of Centralia
- SCERTs Support for Each Other

Update from Tom Tuchmann

- Supplemental Environmental Impact Statement
 - D.C. Briefings: For Industry and Environmental Groups -
March 3rd - 10:00 a.m. - Room 248 Old Exec. Office Bldg.
NOTE: Submit date of birth to Jennifer Pratt by March 2.
- Watershed Restoration Conference
- Staffing Up
- Opening of an East Side Regional Office

RCERT and SCERTs Update

- Interest in Broader Membership
- Oregon - Developing Relationships with Industry Associations and Banks

Future Role for the MAC

- What Role Can the MAC Play in the Legislative/Budgetary Process?
- Hiring a Researcher to Evaluate this Effort

3-4 p.m. --

Electronic Bulletin Board Training

Calendar

- **Next RCERT Meeting:** April 7 -8, Oregon
- **Next MAC Meeting:** Need to set a date
- **Tour of Region** (being taken by MAC Chair, Karl Stauber) - March /April

2

Feb. 28th -- Travel Day for Execs, Hennessey and Tuchmann

Tuesday, March 1st --

7 a.m. -- Group meets in Interior Dept. Cafeteria/basement floor of Interior

8 a.m.-9:30 a.m. -- Small group from Departments

Note: this practice session is to run through what we will be discussing with others for the next two days. There will be 8-10 Department employees who have been involved with this issue, working with the group, going over questions, etc.

Location: Room 472 in the Old Executive Office Building

10 a.m. -- 11:30 -- Interagency Steering Committee

This will be a briefing for the Interagency Steering Committee. It will be the same basic briefing we will be giving for the next two days.

Location: Room 248 at Old Executive Office Building

noon -- lunch

2 p.m. -- Congressional briefing

This will be a briefing for Hill staff in the Capitol. It will also be the same briefing on what the agencies have been working on. Hosted by Rep. Jolene Unsoeld's Office.

Location: in the Capitol/HC-2

4 p.m. -- day over for everyone but Tom Tuchmann and Bob Jacobs, who will meet with a few staffers individually

Wednesday, March 2nd

NO BRIEFINGS ON WEDNESDAY, IN LIGHT OF THE PACFISH MEETING THAT SOME OF THE EXECUTIVES ARE NEEDED AT. OTHER EXECUTIVES FREE UNTIL THURSDAY

Thursday, March 3

10 a.m. -- briefing for environmental and industry groups together

Location: Room 248 at Old Executive Office Building.

noon -- lunch somewhere

1 p.m. until 4:30 -- Briefing on Record of Decision for FS Chief, BLM Director, FWS, EPA, NMFS counterparts in DC by EIS Team and regional execs.

ROOM TO COME

Friday, March 4

(all day)

Interagency Steering Committee meeting on ROD

Location: eisenhower room, white house conference center

INFORMATION: FOR EMERGENCIES, YOU COULD CALL PETER HAMM AT CONGRESSIONAL AFFAIRS, DEPT. OF INTERIOR -- 202-208-7693, AND HE CAN FIND US.

Revised Clinton Plan Saves More Forest

Administration Concedes It Underestimated Logging's Job Losses

By Tom Kenworthy
Washington Post Staff Writer

The Clinton administration yesterday modified its plan for managing public forests in the Pacific Northwest, proposing additional restrictions on logging to protect the threatened northern spotted owl, salmon and other wildlife that depend on old growth forests.

The modified plan—in the form of an environmental impact statement to be presented to federal courts that have blocked new timber sales in the region—calls for wider buffers around streams and owl nesting areas and additional reserves where logging would be sharply restricted.

As a result, timber harvests in the region encompassing parts of Oregon, Washington and northern California are projected to be 1.1 billion board feet per year on average over the next decade, a drop of 100 million board feet from the administration's earlier proposal announced in July. During the 1980s, an average of about 4.5 billion board feet of timber was taken each year from federal lands in the region.

In unveiling the plan, the administration conceded that it had grossly underestimated the loss of timber industry jobs stemming from the effort

to preserve some of the Northwest's remaining blocs of ancient forest. The administration now predicts 9,500 jobs directly related to the industry will be lost, about double its earlier estimate.

The plan for managing forest land controlled by the Interior Department's Bureau of Land Management and the Agriculture Department's U.S. Forest Service is designed to break through a political and legal impasse that has paralyzed forest policy and the timber industry in the Northwest for years. Responding to lawsuits brought under several environmental laws, federal courts have enjoined the government from offering new timber sales in the region for the past three years.

Meeting those court tests demands protections beyond those proposed last July, said Tom Tuchmann, the administration's forest policy director. "We felt those were needed so it could pass legal muster," said Tuchmann at a news conference in Portland, Ore. "We are trying to get ahead of the curve for species that are not listed [under the Endangered Species Act] now, like salmon."

But representatives of conservation organizations, though pleased by the tougher restrictions on timber cutting, said the plan falls short.

"It's an evolutionary step in the right direction," said Brock Evans, a vice president of the National Audubon Society. "But it still leaves one-third of the ancient forest open to logging. It's still not a legal plan."

Timber industry spokesmen also were critical. "We were hard pressed to call the draft a balanced solution," said Mark Rey, vice president of the American Forest and Paper Association. "Ergo, I guess you'd say we are even harder pressed to call this a balanced solution, since it reduces allowable harvest by another 10 percent."

Rey said implementation of the forest plan will be so complex and expensive that it is unlikely that any significant new timber sales will go forward this year and perhaps even in 1995, adding to the woes of an industry that has seen 16 mill closures in the Northwest since July.

Under the plan, about 4 million acres of forest in the region would be open to logging, about 7.4 million acres would be in protected reserves where only some thinning and salvage logging could take place, 1.5 million acres would be open to experimental logging techniques, and 2.6 million acres of land adjacent to rivers and streams would be off limits to logging.

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Oregonian
Sunday Feb. 6, 1994

REALITY CHECK



President Clinton's forest initiatives have hundreds of federal bureaucrats scrambling to produce results.



Tom Tuchmann

By KATHIE DURBIN
of The Oregonian staff

Tom Tuchmann's years inside Washington, D.C., couldn't have prepared him for what he's doing now.

From a small office high in downtown Portland's U.S. Bancorp Tower, he's trying to deliver on promises the Clinton administration made to the people of the Pacific Northwest at last year's Forest Conference.

MONDAY: Money from President Clinton's economic aid program is beginning to flow to Northwest timber towns, but new jobs won't sprout overnight.

Tuchmann is the slender link between the small army of scientists and federal bureaucrats that's working to break the timber gridlock in the Northwest and the high-level political team that's calling the shots 3,000 miles away in Washington.



Jose Gavillo helps plant seedlings on Lone Rock Timber Co. land near the Coos River.

ANGELA ENNA PANCRAZZO/The

He spends a lot of time on airplanes. Tuchmann knows forests. He has a master's degree in forestry from Pennsylvania State University and spent four years as staff administrator for the Senate Agriculture Committee during the Bush years, before going to work for Interior Secretary Bruce Babbitt a year ago. He's 39, bright, energetic and blessed with well-honed political instincts — the consummate Clintonite.

"I'll work with anyone who works with me," he says with a smile that reveals nothing.

But his current assignment would be daunting for even the most enthusiastic overachiever:

Playing midwife to a highly controversial forest plan for 24 million acres of federal land that must pass muster with a federal court to break the timber gridlock.

Making sure the government's forest policies for both public and private

Please turn to
FOREST, Page C4

KEY DATES



April 2, 1993:

The Clinton administration is approaching an important court deadline on its forest plan. Here are key dates:

President Clinton convenes the Northwest Forest Conference in Portland to hear from all sides in the forest conflict.

July 1, 1993:

Clinton unveils his controversial plan for federal forests in Oregon, Washington and northern California.

Nov. 1993:

Federal judge William Dwyer grants the administration a three-month extension for submitting the forest plan after the government got more than 100,000 comments on it.

Feb. 28, 1994

Deadline for publishing the final environmental impact statement on the forest plan.

March 31, 1994:

Deadline for submitting an adopted plan to Dwyer, who has stopped new timber sales in owl forests.

OPTIONAL FORM 99 (7-93)

FAX TRANSMITTAL

of pages 6

To: Jennifer Pratt From: L. W. Fackland
Dept./Agency Phone #

Fax # 202/690-1262
NSN 7540-01-317-7368 5000-101
GENERAL SERVICES ADMINISTRATION

REALITY CHECK

Forest: Much of Clinton plan tries to blaze new trails

Continued from Page C1
lands comply with the Endangered Species Act.

Funnelling money for economic revitalization to down-and-out timber communities throughout the Northwest.

And trying to get tradition-bound federal land-management agencies to speak with a single, progressive new voice.

Tuchmann is the point man on President Clinton's most important environmental initiative. Deadlines loom, lawsuits lurk and everyone wants his ear.

It's a high-risk job. The conflicts may be intractable. If they were easy to resolve, the issue wouldn't still be polarizing the Northwest, five years after the northern spotted owl became a household word.

Much of what the Clinton plan is trying to do never has been tried before: Putting loggers to work restoring streams; trying to figure out how to preserve whole ecosystems, from owls to salmon to salamanders; and bringing agencies together to study the health of entire watersheds.

Then there's the budget. Forest Service Chief Jack Ward Thomas told Congress last Thursday that the agency is \$52.3 million short of the \$554.1 million it needs to implement all parts of the Clinton plan in 1994. Tuchmann says the work will go ahead and the agencies will do the best they can with the money they have.

Adversaries in the forest wars agree that Tuchmann is the right choice for the task.

"It's an inevitable job," said Andy Kerr, conservation director of the Oregon Natural Resources Council. "Basically, it's a political job, but there are those laws you have to follow."

The test of Tuchmann's success, Kerr said, will be "what the plan looks like, and does it pass legal muster, and will it sustain a legal challenge."

"He's very pragmatic, he does have a forestry background and our access to him has been excellent," said James Oelsinger, executive director of the Northwest Forestry Association. "But unfortunately, he has been given an absolutely impossible task that is legally indefensible. If you look at everything they have to do administratively, there's no way they're going to produce any timber until 1996, even if everything works like greased machinery."

The job, says Tuchmann, is supposed to be tough. "We inherited two years of inaction. Some important time was lost. Given the fact that we are trying to tackle the integration of the nation's environmental laws, trying to assist the communities that are affected by this and trying to assist the agencies in working more closely together ... He stops to catch his breath.

"It's one thing to say 'Let's solve



Forester Dan Newton wants to let the trees on his land grow to maturity, but he says a proposed federal rule might force him to log now or not at all.

ANGELA SAYS PHOTOGRAPH BY THE OREGONIAN

CLINTON'S PLAN SOURCES OF REALITY CHECK

Preamble: On April 2, 1993, President Clinton promised to produce a "scientifically sound, ecologically credible, and legally responsible" plan for managing 24 million acres of federal forests in Western Oregon, Western Washington and Northern California.

✓ **Reality check:** Option 9, the draft plan Clinton unveiled July 1, has drawn criticism from foresters, biologists and other scientists that could make it vulnerable to legal challenge. The administration might change the final plan to increase protection for fish and possibly other species.

✓ **Preamble:** Interior Secretary Bruce Babbitt promised on July 1 that the government would move 2.2 billion acres of timber to the mills within one year. It is now

system is in place to funnel money to those that have the greatest chance of helping timber workers and rural communities. On Jan. 21 the administration announced a \$2.4 million package of aid to create an industrial park in Oakridge. The administration has committed money to train timber workers in Jackson and Josephine counties and to retrain workers for jobs at a new Borg plant in Springfield.

✓ **Preamble:** Clinton promised to concentrate protection for northern spotted owls and marbled murrelets on federal land and reduce logging restrictions on state and private land.

✓ **Reality check:** A proposed rule unveiled in December would limit logging on most private but require landowners to leave at least 40

acres in the three states and encouraging local citizens to get actively involved in planning for innovative forest management in those areas.

✓ **Reality check:** No one knows how to make this work as a federal policy. The Agriculture Partnership in South Oregon, a grass-roots effort that began 15 months ago, is still the only operating model. Critics say the adaptive management areas are too big to allow meaningful public involvement.

✓ **Preamble:** The Clinton plan says scientists will complete extensive studies of 139 watersheds that provide vital habitat to sensitive salmon stocks and 23 others that provide arctic water. Until the

KEY DATES

The Clinton administration is approaching an important court deadline on its forest plan. Here's what's happened in the past year:

■ April 2, 1993: President Clinton convened the Northwest Forest Conference in Portland to hear from all sides in the forest conflict.

■ July 1, 1993: Clinton unveiled the controversial plan for federal forests in Oregon, Washington and Northern California.

■ November 1993: Federal judge William Dwyer granted the administration a three-month extension for submitting the forest plan after the government got more than 100,000 comments on it.

■ Feb. 28, 1994: Deadline for publishing the final environmental impact statement on the forest plan.

leave at least 40 percent of the land within the owl circles as suitable owl habitat — stands at least 30 years old. In some cases, the rule would mean no logging could occur for years.

"One of the things that bothers landowners in this area is that the land stewardship we've done has created a habitat that's healthy for owls," Newton said. "But without some profit motive, stewardship is going to be relegated to the back seat."

Newton's land lies on the western edge of a landscape that poses a huge challenge to federal forest managers trying to enforce the Endangered Species Act. The Coast Range forests between Oregon 126 and Oregon 43 are scarred by large industrial clear-cuts on land owned by Weyerhaeuser Co., International Paper Co. and Georgia Pacific Corp. Those lands are interspersed with 40-acre clear-cuts and old-growth stands on state and federal forests.

Owls are plentiful on the federal

section. "But unfortunately, he has been given an absolutely impossible task that is legally insurmountable. If you look at everything they have to do administratively, there's no way they're going to produce any timber until 1998, even if everything works like greased machinery."

The job, says Tuchmann, is supposed to be tough. "We inherited two years of injunctions. Some important time was lost. Given the fact that we are trying to tackle the integration of the nation's environmental laws, trying to assist the communities that are affected by this and trying to assist the agencies in working more closely together..." He stops to catch his breath.

"It's one thing to say, 'Let's re-evaluate government.' It's another to make it happen."

For Bob Jacobs and his team, the clock is ticking. Jacobs heads the work group that had to wrestle with 110,000 comments that the Clinton administration received on Option 9. That's the forest management alternative the president unveiled last July 1 among 10 he had to choose from.

Only about 1,000 comments contained substantive new information for the scientists on the team to consider. The rest were mostly form letters generated by industry and environmental groups and emotional testimonials to the beauty of the forest or the plight of timber workers.

The substantive comments have been read, discussed and debated, both by the scientific team in Portland and by a high-level interagency steering committee in Washington, D.C. The revised plan must be at the printer's by Feb. 15 to meet a Feb. 28 court deadline.

Already the administration has had to ask U.S. District Judge William Dwyer for two extensions of the deadlines he imposed for adopting a new forest plan.

"The whole thing has been a fast and tough process," Jacobs said. Until very recently, he said, he's had a hard time getting the administration to make hard decisions about changes in the plan.

And changes are likely if the administration hopes to get the plan through the courts.

Option 9 was a compromise. It was drafted in a hurry late last spring as a last-minute move to preserve the western forest ecosystem while allowing at least a modest timber sale program to continue in the Northwest.

It creates a system of old-growth and stream-corridor reserves where most logging would be barred. That means thinning of trees up to 80 years old and some salvage logging would be allowed.

It protects most remaining old-growth forests — but opens 23 percent of old-growth stands and many roadless areas to logging.

It requires extensive studies of 163 watersheds, most of them critical to wild salmon, with virtually no log-

ging or road-building allowed until the studies are completed. But it reduces protection for spotted owls flying between reserves.

Health checks: Option 9, the draft plan Clinton unveiled July 1, has drawn criticism from foresters, biologists and other scientists that could make it vulnerable to legal challenge. The administration might change the final plan to increase protection for fish and possibly other species.

Presidents: Interior Secretary Bruce Babbitt promised on July 1 that the government would move 2.3 billion board feet of timber from the woods to the mills within one year, including sales under contract, sales released from a court injunction, and salvage sales both east and west of the Cascades.

Health checks: Between July 1 and Dec. 31, the government awarded new timber sales totaling 205 million board feet in Oregon, Washington and Northern California. Previously sold sales totaling 1.38 billion board feet were logged during that period. The government has not gone to court to seek the release of \$4 million board feet of timber agreed to by environmentalists.

Presidents: The government promised a coordinated package of assistance to timber communities, businesses and individuals totaling about \$200 million over the next year and \$1.2 billion over five years.

Health checks: Most counties have submitted lists of projects, and a state-by-state

for managing its timber lands in federal forests in Western Oregon, Washington and Northern California.

Health checks: A proposed rule unveiled in December would lighten restrictions on most private lands that require landowners to leave at least 40 percent of owl habitat unlogged within the owl's range in 10 "special emphasis areas." Biologists say these areas provide essential corridors for owls flying between reserves on federal land.

Presidents: The Clinton plan says scientists will complete extensive studies of 130 watersheds that provide vital habitat to sensitive salmon stocks and 23 others that provide pristine water. Until the studies are done, logging and roadbuilding will be restricted within these watersheds.

Health checks: At least 10 pilot watershed studies will be completed in 1994, but the specific watersheds haven't been chosen and procedures for doing the studies still are being developed. It will take several years to complete the work.

Presidents: Clinton promised that his administration would speak with one voice on forest policy, a departure from the conflicting messages sent during the Bush administration.

Health checks: After a rough start, federal agencies are now cooperating on forest management issues and on getting aid to timber communities. In December, the administration appointed Tom Tuchmann to oversee the Clinton plan as director of the new U.S. Office of Forestry and Economic Development.

Presidents: The Clinton plan calls for establishing 12 adaptive management

throughout their range on national forests. Under Option 9, two dozen species have less than a medium-high or 80 percent chance of surviving for the long term. The 24 include chinook salmon, fall and spring coho salmon, winter steelhead, sea-run cutthroat trout and rainbow trout, as well as salmonids, black-backed woodpeckers, true vireos and several kinds of bats. These biodiversity ratings, developed by the scientists who wrote the plan, could sink Option 9 in a legal challenge.

No one knows whether thinning will speed the development of old-growth forests, as the plan's authors hope. The prestigious Ecological Society of America questions whether the benefits of removing 80-year-old trees from reserves would be outweighed by the environmental impact of road-building and logging.

Option 9 shapes on protection for the small, isolated streams that lace the forested landscape. Although most of these small streams don't have fish, they do affect fish habitat downstream. The American Wildlife Society strongly urges full 100-foot buffers along international streams instead of the 50-foot buffers in Option 9.

Option 9 abandons a strategy to a 100 owl conservation plan that's designed to give owls cover from

predators as they fly between old-growth reserves. The Wildlife Society says Option 9's approach — depending on streamside buffers and riparian buffers to leave 15 percent of the trees on each side after logging — is inadequate and will contribute to an increasingly fragmented landscape.

The Pacific Seabird Group says the plan must include more federal land within 25 miles of the ocean to ensure nesting habitat for the marbled murrelet.

The Fish and Wildlife Service admits that Option 9 and proposed rules for private and state land would not guarantee the owl's survival throughout the range. That's because private lands are so heavily logged and owls on the Olympic Peninsula are so isolated. The agency hopes that state and federal cooperation will provide the extra margin of protection.

Moss prepared by The Wilderness Society reveals that Option 9 would allow logging and road building in large blocks of roadless old-growth. The Center for Conservation Biology urges no further roadbuilding in roadless areas to avoid harm to wildlife, forest fragmentation and erosion of streambeds.

Chadwick Oliver of the Universi-

ty of Washington says the authors of Option 9 failed to consider strategies that would allow more logging across the landscape and require fewer large reserves.

The administration won't say how its final plan, due at the end of the month, will address these issues.

U.S. Interior Secretary Bruce Babbitt said last week that only "very minor adjustments" would be made, though he hinted that fish protection measures may be expanded in an effort to head off listing of threatened salmon stocks.

Tuchmann said the administration was applying two tests.

"One, how does it meet the balance that the president laid out at both the forest conference and when he announced the plan? And second, how do we develop a plan that is legally responsible so we can move forward from the injunctions?"

Den Newton unraveled a map of southwestern Oregon and spread it on the front seat of his pickup. Overlapping the most checkerboard squares defining federal and private ownership were 258 yellow circles, each with a red dot at the center. Each dot represented a spotted owl nest. The landscape on the map, and the forest outside the window, were virtually covered with invisible owls.

One circle, radiating 1.3 miles from an owl nest on 11.4 land, was most of Newton's own 165 acres of timbered, 27-year-old fir, cedar and oak above the dry Unquaga River Valley.

Newton's financial future is locked in that timber. He could sell it tomorrow for a cool \$1 million. Or he could keep it growing for 30 years, let the volume increase fivefold and get \$4 million to see him through a comfortable retirement.

But he'd prefer to watch his investment grow. But he says the Clinton administration, by proposing what he regards as a punitive logging restriction, may force him to sell.

The rule would require landowners within 80 "special emphasis areas" in Oregon and Washington to

own," Newton said. "But without some profit motive, stewardship is going to be relegated to the back seat."

Newton's land lies on the western edge of a landscape that poses a huge challenge to federal forest managers trying to enforce the Endangered Species Act. The Coast Range forest between Oregon 124 and Oregon 82 are scarred by large industrial clear-cuts on land owned by Weyerhaeuser Co., International Paper Co. and Georgia Pacific Corp. These lands are interwoven with 40-acre clear-cuts and old-growth stands on state and federal forests.

Owls are plentiful on the federal lands, but harvesting on the private lands has left a legacy of clear-cuts and young plantations where owls can't long survive.

Babbitt wants to persuade private landowners that he can find ways to keep the effect of the Endangered Species Act to a minimum on private land. He negotiated an agreement with Southern California developers to protect a small bird called the gnatcatcher and another agreement, with Georgia Pacific in the Southwest, to protect the red cockaded woodpecker.

Now he has proposed lightening the impact of owl protection on private landowners in the Northwest. But because the owl's range is so large and because logging in places such as the Oregon Coast Range and the Olympic Peninsula has removed so much natural forest, he can't lighten restrictions everywhere and still protect owls on federal land.

The proposed rule has loused a small storm of protest, especially among small-woodland owners like Newton. It also drew an accusation from Rep. Peter DeFazio, D-Ore., that the administration had cut a deal with Weyerhaeuser to leave some of its lands out of special emphasis areas — a charge both the company and the administration deny.

Last week Assistant Interior Secretary George Frantz flew to Portland to help put out this latest forest fire. He said the administration would make no back-room deals.

But he emphasized that the Clinton forest plan represents a new way of doing business with ordinary citizens. This administration is looking for partnerships, not heavy-handed regulation, he said.

"This is not a preservation plan; it is a habitat restoration plan," Frantz said. "The private lands are a supplement to that. We are not trying to create reserves on private land. We would just an owl circle around every owl we know about in Washington, Oregon and California for the next 100 years, but we wouldn't get to where we want to go."

Instead, he said, he hopes states and private companies will work plans to protect wildlife and habitat voluntarily.

"This is what ecosystem management is all about," Frantz said. "It's not about compromise. It's about a long-term, intelligent approach to conservation."

The Oregonian

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FROM F M H A
FEB 9 '94 9:51

Oregonian
Monday, Feb 7, 1994

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MONDAY,
FEB. 7, 1994

The Oregonian METRO

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OBITUARY,
B6
EDIT./FORUM,
B6, 7

MONEY: Dividend tips/Section starts on back page B10

Up front

WHERE TO WRITE

Here are addresses and phone numbers for Oregon's congressional delegation:

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Project starts with one town, one hope

REALITY CHECK



The Clinton administration will devote \$2.4 million to turn Oakridge around, making it a model for Northwest communities

By KATHIE DUBBIN
of The Oregonian staff

OAKRIDGE — The Clinton administration has trained a spotlight on this down-at-the-heels town built on timber. Its concept has obvious appeal: A new industrial park rising on a closed, derelict 300-acre mill site at the edge of town. Small-scale entrepreneurs forming out wood products, pumping jobs and money into the local economy. A new life for a community battered by federal logging restrictions and a changing forest products economy that left it behind.

Officials unveiled the project Jan. 31 in a ceremony at the former Bald Knob Lumber and Timber Co. mill site. The ad-

ministration is banking \$2.4 million in federal, state and local money that the project will become a model for flatland timber towns throughout the Northwest. The money will be used to connect the property with city water and sewer lines, pave a road that circles the site and make other improvements.

The Oakridge project is the first visible evidence of President Clinton's other Northwest forest initiative. It's the one that keeps his promise not to forget the hard-hit timber communities he heard from last April at the Northwest Forest Conference.

"We're going to use Oakridge as a benchmark to ask: How could we have done it better? Was that process a success in the eyes of the community?" said Scott Duff, state director of the Federal Forestry Home Administration.

Please turn to
FOREST, Page B4



Linda Adkins home-schools her 7-year-old daughter, Heather, beside a refurbished building on the old Bald Knob mill site in Oakridge, home of the small company, Wilderness Wood Products, that she and her husband, Bob, run.

Westside light rail DIGGING IN

Explosions of dynamite early Tuesday morning

BLASTING THE TUNNEL

Engineers will blow the first eight feet into the westside light-rail tunnel at midnight Monday. About 300 pounds of dynamite will make the first dart into the tunnel wall next to U.S. 26 near the Oregon 217 interchange and open the eastbound tunnel.



or cheap.

Haro has other things on his mind. The Willamette and Forest's Riparian and Oakridge districts, both based in Oakridge, plan more layoffs this year. Between 1990 and 1992, employment at the two offices dropped from 178 to 131.

"There are a lot of contradictory issues that don't fit together very well in the Clinton forest plan," Haro said. "On the one hand, you have the administration talking about putting \$2.4 million in here, but on the other hand you're talking about large layoffs in our last remaining employer."

Another example: Oakridge is promoting the extensive network of trails and logging roads in nearby national forests for mountain bikers. But the Forest Service is closing a lot of logging roads because it doesn't have the money to maintain them.

The city's plan to purchase the Bald Knob site for \$800,000 in back taxes is not a done deal.

Wants no surprises

Bald Knob, which closed the mill for good in 1990, had to spend \$1.8 million in 1991 to remove soil and concrete contaminated with PCBs and truck it to the Arlington landfill. The city is hiring its own consultant and advertising in the local newspaper for information from former millworkers to make sure it doesn't inherit other hazardous wastes with the purchase.

"We remember that there was a major mill operating there for 40 years, doing fairly exotic things," Haro said. "The last thing you want to do is spend \$1 million of public money and then have someone come forward and say, 'Gee, if anyone had asked me...'"

But whatever happens at the old mill site, Haro insists that fading towns such as Oakridge are the real victims of the shift in federal forest management and deserve to be first in line for federal help — no matter how intractable the challenges seem.

"What I don't want to see is money from the timber initiative going to create jobs in places where jobs are already being created. For years, communities like Riddle, Oakridge and Drain were some of the most productive communities in the state. They weren't getting a lot in return."

"Now that times have changed," Haro said, "it's time for the flow of money to work the other way."

Pledged help

Last July, President Clinton pledged \$1.3 billion to the Northwest over five years to help depressed communities, businesses and workers. Projects funded under the initiative must benefit workers or communities affected by the new plan.

At the April 2 Northwest Forest

plan, towns were added into the plan. We had whole counties with 20, 25 percent unemployment."

Clinton added: "I cannot repeal the laws of change. In every state in every area of this country, the nature of work for the average 18-year-old will change seven or eight times in a lifetime now. What we have to find a way to do is to make it possible for more people to be faithful to their cultural roots and their way of life, and to work through this process in a humane way."

Since Congress appropriated new money and redirected existing money to fund the program in early November, an elaborate system has been set up to do just that.

Telling of needs

For the first time, local mayors, county commissioners and business people are sitting across the table from the federal bureaucrats who distribute the money. They're telling them what their towns need to weather the rough transition.

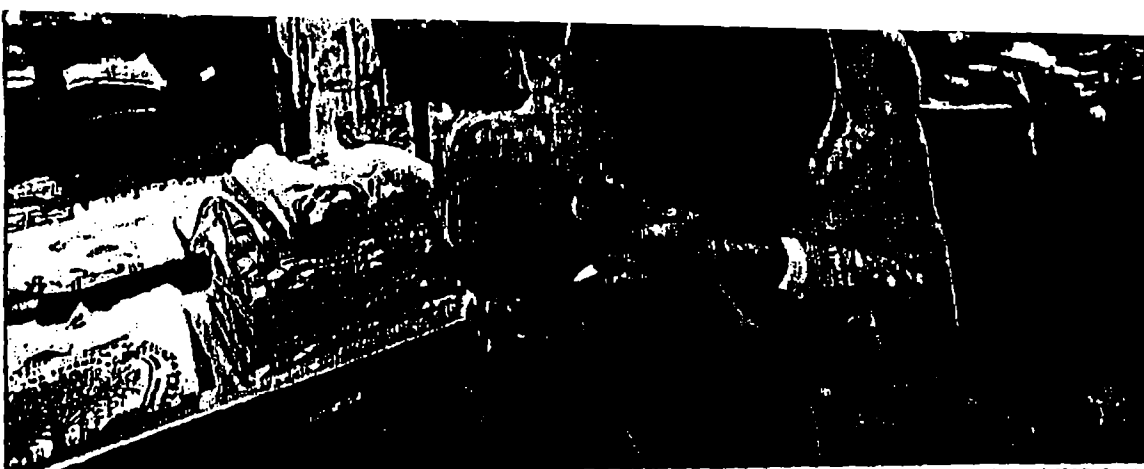
Each of the eight Oregon counties that qualifies for aid has produced its own ranked list of projects. Many are unglamorous. They reflect long-standing community needs for sewer system upgrades, expanded water systems, road improvements and natural gas lines. In cities such as Astoria and Yoncalla and Winston-Dillard, economic development can't go forward without those improvements.

Other proposals address the need to diversify: a dredging project to accommodate heavy barges in Coos Bay Harbor; replacement of the Port Orford dock; a motion picture sound stage in Columbia County; an arboretum in Williams Valley; expansion of a city park to attract campers in remote Powers.

In Northern California's rugged Trinity County, a cooperative marketing association called Trinity Alps Botanicals used a 1991 grant from the U.S. Department of Agriculture to enlist families in growing herbs and gathering forest products such as cones and mosses to sell to florists. The company now seeks money to build central storage warehouses where it can package its products and market them widely.

The Clinton program also includes money for worker retraining through the Department of Labor's Job Training and Partnership Act. Among the proposals submitted: Clackamas Community College wants \$47,300 to offer an introductory computer class for displaced timber workers; Lane Community College seeks \$1.68 million to offer aviation industry training; and Linn-Benton Community College wants \$125,000 to offer a construction skills training course in Philomath.

In Reedsport, a town of 6,000 on the mouth of the Umpqua River



Cindy Story says goodbye to her daughter, Sandi, at their The Merchants Co. in Reedsport. Her husband, Mike, says he'll be making ends meet.



Lee Hertz, a 77-year-old retired mill worker, stands where his office once was at the Georgia Pacific mill in Coquille, which closed in 1990. Coquille bought the site for \$10 and hopes to attract industries to locate there.

built on timber and salmon, tourism is the new holy grill.

Reedsport still is a plainspoken small town, where the local radio station broadcasts girls' volleyball games. But the shiny new Discovery Center on the south bank of the Umpqua has drawn lots of visitors since it opened last summer, and on the main street you can linger in an upscale art gallery or drink espresso from the new coffee bar at the local mercantile.

Reedsport has applied for \$21,000 from the Clinton initiative to spruce up its old downtown with trees, old-fashioned street lights and wider sidewalks.

"At one point all I did was log and own a log," said Knox Story, a

kind of rural Oregon renaissance man who owns and operates The Merchants with his wife, Cindy, in a high-ceilinged, 60-year-old building downtown. "At another point I quit that and did salmon fishing full time. Now I'm doing all three just to keep afloat."

No shortage of ideas

There's no shortage of ideas bubbling up in the rural Northwest. But there is a shortage of dollars.

Budget figures produced by U.S. Forest Service Chief Jack Ward Thomas last week reveal that there's only a \$16 million appropriation to cover a \$38 million budget in 1994 for the share of rural community assistance. The report

said the agency also is short \$19 million on the \$36 million it needs for a new program to employ timber workers repairing damaged watersheds.

Even if the funding were adequate, the task of rebuilding the rural Northwest is complex and difficult.

Many timber-dependent communities are remote from major transportation routes. Rough-edged towns such as Oakridge are short on tourist amenities. Some don't have the skilled work force or the public amenities such as schools and hospitals that would attract even mid-sized companies.

A new program designed to put loggers to work in the woods faces other hurdles: Environmental requirements and bureaucratic red tape may delay many projects. Federal contracting rules could eliminate small local companies from competitive bidding on projects to replace culverts, erase roads and plant seedlings along streams. Federal rules don't allow preference in awarding the contracts.

Jobs worth more than \$25,000 require national advertising in daily commercial journals, so the administration is concentrating on projects under that amount, which require only local advertising.

Still, Duff admits, "We can't really assure" that the jobs will go to displaced timber workers.

Some skeptics question how well the federal government can "do" economic development if the initiative doesn't come from the towns themselves.

The most significant development so far for displaced timber workers, Sony Corp.'s decision last month to build a \$50 million optical disc factory in Springfield, happened with marginal involvement from the Clinton team, although Gov. Har-

ris and local officials in Springfield and Eugene were closely involved.

The plant will employ 200 workers to start. The package of incentives to Sony includes \$1 million in federal and state worker retraining money for dislocated timber workers and others to attend a custom-designed training program at Lane Community College.

Keep some local

Loran Weiss, Coos County's economic development director, says at least part of the discretion for spending money in the Clinton initiative should stay with local leaders.

"The best thing the Clinton administration could do right now is allocate a portion of the money to the counties that they could grant or loan to small businesses, because 80 percent of job growth comes from business expansion," Weiss said.

That way the program could help the small entrepreneur who needs to buy a second pickup or the gas station owner who needs money to remove an underground storage tank so he can stay in business, Weiss said.

"You could put up \$75,000 to get that gas station going and that guy would put up a big sign saying, 'Thank you, President Clinton,'" he said. "If he's looking for advocates, we're here. We're not looking for failure, we're looking for success."

Duff said the Clinton plan will do just that through its Intermediate Rebuilding program, which will make up to \$2 million available to local communities at 1 percent interest for up to three years.

"We're working hard to get this money out — prudently," Duff said. "We don't have all the answers. We're trying to create family-wage jobs in rural America. My understanding is, it's a pioneering effort."

Businesses sprouting in Oakridge

Continued from Page B1

Since November, Doff has worn a second hat as co-director of Clinton's new Northwest Community Economic Revitalization Team. The team of state and local officials and its state counterparts in Oregon, Washington and four Northern California counties are charged with helping to distribute aid as quickly as possible through existing programs.

Already, two small forest products manufacturers are doing business at the Oakridge site. An oak furniture manufacturing company will set up shop soon. And a subsidiary of MacMillan Bloedel, the Canadian timber giant, uses part of the site to store high stacks of lodgepole pine logs, which it chips and mixes with cement to make roof tiles.

At Wilderness Wood Products, in a building refurbished last year with a \$40,000 grant from the Forest Service, former logger Bob Adkins makes planters from leftover cedar planks, and toys and furniture from hardwood. His wife, Linda, runs the business.

With a plentiful supply of second-growth cedar and leftover cedar fence planks, Adkins sees nothing but growth ahead. He has his eye on an account with Wal-Mart to supply garden products nationwide. If that happens, he says, he could be employing 25 workers in jobs paying \$7 to \$9 an hour within five years.

"I applaud the Clinton administration as well as any bipartisan group that's involved in serious, non-partisan action for the recovery of these communities," Adkins says.

But others aren't so sure that Oakridge's salvation will rise from the ashes of the old mill.

City administrator Wes Hare has been helping to plan Oakridge's future for years. He's pleased that his town has been singled out. But as he shows a visitor the muddy mill site with its junk and falling-down sheds, he's also realistic.

"This is a black hole," he said. Turning it into a model secondary wood products center won't be easy or cheap.

Hare has other things on his mind. The Willamette National Forest's Hixson and Oakridge ranger districts, both based in Oakridge, plan major layoffs this year. Between 1990 and 1993, employment at the two offices dropped from 170 to 121.

"There are a lot of contradictory issues that don't fit together very well in the Clinton forest plan," Hare said. "On the one hand, you have the administration talking about putting \$2.3 million in



Steve Gary, a logger for nearly 20 years, relaxes at home after a day in the woods. He and his wife, Gary, have opened a shop in downtown Hoodport to help make ends meet.

Conference, Clinton showed he understood the plight of the rural Northwest when he reflected on the exodus from the rural South during the Great Depression.

That exodus "bespoke a terrible inability to manage a process of change so that people could stay with their roots and their culture and their lives," he said. "Our little towns were turned into ghost towns. We had whole counties with 20, 30 percent unemployment."

Clinton added: "I cannot repeal the laws of change. In every state in every area of this country, the nature of work for the average 18-year-old will change seven or eight times in a lifetime now. What we have to find a way to do is to make it possible for more people to be faithful to their cultural and their way of life, and to work





NATIONAL RURAL DEVELOPMENT PARTNERSHIP

MEMORANDUM

Date: February 25, 1994

From: Jennifer Pratt
MAC
Tom Unruh
National Partnership Office

To: Forest Plan Economic Adjustment Initiative
MAC

Subject: Introducing Rural Development Net

Crossing agency, intergovernmental, and public/private boundaries is a distinctive characteristic of the National Rural Development Partnership. Increased use of telecommunications is a natural step in increasing the effectiveness of the State Rural Development Council/National Rural Development Council network. The Rural Development Net (RDN) will provide improved communication between all the partners, taking us beyond the telephone, overnight mail, and fax.

The Rural Development Net is intended to serve as a pioneering communications network for the National Rural Development Partnership and other interagency, intergovernmental efforts focused on rural America. The success of the RDN depends on the active participation of individual users who make up this rural development network.

RDN will serve other interagency rural development-related efforts in addition to the SRDCs and NRDC. The MAC and the Regional and State Community Economic Revitalization Teams of the Forest Plan Economic Adjustment Initiative (FPEAI) are among the first users of the RDN. The RDN has five primary functions.

- **Electronic Mail** -- The system will provide 24 hour message capability (except for occasional maintenance). Users will be able to send messages to individuals or groups, and messages can be private or public. Data and text files can be attached to messages.
- **Forums**-- RDN will offer a variety of forums for SRDC/NRDC members and FPEAI participants. Individual SRDCs and CERTS can use their own forums for in-state issues. Partnership forums on rural development issues will be created, on topics like environmental infrastructure, local leadership and capacity, job training and economic development, and health care.
- **Libraries** -- RDN can offer the Partnership and the FPEAI a central, easily accessible "place" for important documents. An administrative library will include policy and operational documents like current budget procedures, executive director position descriptions and performance criteria, the SRDC memorandum of understanding, policy memos, and briefing

materials. A policy library will include Outcome Monitoring Team assessments, occasional papers, Economic Research Service reports, conference and seminar summaries. One library will be devoted to SRDC newsletters and works-in-progress reports.

- **File Transfer** -- RDN will make it possible for users to transfer data and text files electronically. Rather than mail or fax, for example, SRDC budgets can be submitted as spreadsheet files. This capability also will be useful for group work where people separated by distance will be able to send a document file back and forth in minutes for joint writing, editing, and review. Users also will be able to download files from the libraries.
- **Calendar** -- National and state level calendars are possible. The first method for handling scheduling will be through a designated person who will update a downloadable file. Options for users to enter events online are being explored.

How to connect -- RDN is available by modem and Internet. Federal employees are strongly encouraged to use FTS long distance service to reach the RDN at **206/586-6854** or the Internet. This will help us reserve our toll free funds for non-federal users. Toll-free telephone access at **1-800/557-8725 (800/55RURAL)** is available to non-federal members of the National Rural Development Partnership and other authorized users. The RDN can be reached via Internet at **rdnet.wseo.wa.gov**. The system currently can support up to 16 users simultaneously.

Training -- The National Partnership Office will provide training on basic access and use of the RDN to SRDC leadership at the April conference in Washington, DC. There are opportunities for online remote training as well. Executive directors can work with their desk officers to plan for remote training.

Online Assistance -- There are many sources for assistance with computer problems and users are encouraged to find local sources to deal with basic computer and modem setup, use, and training. Often, informal assistance is available from other users on the RDN, forum operators, and even MAC or NPO staff.

For technical difficulties in using the RDN itself, online assistance is available. The Rural Development Net is operated by the Washington State Energy Office's Electric Ideas Clearinghouse. The Clearinghouse provides online assistance via voice line at 1-800/594-2985 from 11:00 am to 8:00 pm EST. The staff at EICBBS are very helpful and can work with you on any question from login to advanced operations of the RDN.

User-id protocol -- To create their user-id, RDN users are encouraged to use the first letter of their first name followed by their last name, e.g., John Doe would use "jdoe."

Operation and Maintenance of Forums -- Each SRDC and CERT is responsible for the operation and maintenance of its forums. This means that each council wishing to use the RDN will need to assign these responsibilities to someone. Forum operators manage access to the forums, monitor message traffic, moderate on-line discussions, and perform simple maintenance, like referring messages to appropriate people and removing inactive messages. The National Partnership Office and Electric Ideas Clearinghouse will provide training for SRDC forum operators.

• Notes from February 3, 1994 MAC Meeting •

The MAC meeting was called to order at 1:00 pm by Bob Nash, Chair (Under Secretary for Small Community and Rural Development, USDA).

Introduction of New MAC Members

- Karl Stauber (Deputy Undersecretary , Small Community and Rural Development, USDA) was introduced to the MAC by Mr. Nash who indicated that Mr. Stauber would now be Chairing the meetings. Mr. Stauber comes most recently from the North West Area Foundation in Minnesota. This institution is, by Mr. Nash's assessment, one of the most progressive Foundations working in the economic development arena. Mr. Stauber has worked a great deal on timber-related issues, including sustainable rural development. He has also worked in the private sector with pulp-wood companies and International Paper. Over the last ten years, he has worked mostly at the community level. The Deputy Under Secretary then took the lead on the meeting.
- A transition from Tom Peterson of the Environmental Protection Agency as representative to the MAC to Bob Wayland of EPA's Office of Wetlands, Oceans, and Watersheds took place.
- Steve Marshall from the Forest Service was introduced as a new detailee to the MAC Working Group staff. The Chair expressed appreciation for the Forest Service's support in this effort.

Successes

- Recent successes at improving the system were presented including:
 - **EDA -**
 - The Economic Development Administration is in the process of trying to decentralize certain decision-making authorities based on regional strategies.
 - Approval authority has been granted to the Regional Office.
 - **Labor -**
 - The Department of Labor has waived (on a demand basis) requirements for participation in job training by workers who have ceased to qualify for unemployment compensation.
 - Waived the 25% limitation required for support services
 - If the region demonstrates a substantial use of funds for FY 94, DOL will consider waiving the three year limit on the life of the funds.
 - The prohibition of Federal employees to enroll in job training programs has been waived.
 - A test program to allow job training for children and families of timber workers is being considered in Northern California.

- **Rural Development Administration -**
 - The April pooling of funds will occur with pooled funds from the region being held for those states.
 - The National Office reserve funds for the three states will remain available until year end pooling
 - Regarding the Intermediary Relending Program --
 - applications will receive administrative points
 - reserve funds for the region will remain available until fourth quarter funding.
 - As Co-chair of the Regional CERT, the Oregon State Director will receive access to the Agency's Reporting System to monitor the funds in this region.
- An announcement was made regarding the first grant disbursed under the Economic Adjustment Initiative. Newspaper clippings discussing the presentation of the grant by Congressman DeFazio and Governor Barbara Roberts of Oregon were distributed along with other newsworthy articles and press releases.

Update from Tom Tuchmann

- Tom Tuchmann participated via phone from Portland, OR , discussing the upcoming media tours he and the co-chairs of the CERT will be undertaking and the Congressional briefings that they and the Forest Management team will be participating in sometime in March and April.
 - The Chair encouraged Tom to brief offices of inter-governmental relations in a manner which made it clear that this effort is an alternative way to do the business of government.
- A discussion regarding the potential for leveraging foundation and private sector dollars was held, and it was emphasized by the new Chair that there are more than two sides to this issue and effort. Several members commented on the need to involve the private and non-profit sectors in the future.
- Tom also discussed the development of an options paper sketching out a means to coordinate between the Forest Management effort and the Economic Adjustment effort. Included would be options for CERT participation in the Regional Inter-agency Executive Committee.
 - Tom was asked to also include a discussion on the benefits of such coordination - what outcomes were hoped for - and
 - What role he thought the private sectors could play in this process.

RCERT and SCERTs Update

- A presentation was made on the RCERT and SCERT processes to date. It was noted that all appointments have now been made, including tribal representatives. The process is engendering interest among communities, and California and Oregon have each already received over 500 applications. The quality of the applications seems to be high, with some very interesting/innovative projects including recycling being offered. Efforts to leverage private sector monies are also taking place.
- The individuality of each CERT process was noted and a comment was made about potentially studying these various efforts as models.

- It was noted that the CERTs seem to be becoming real teams. The levels of trust are noticeably improving and discussions of working together on efforts are frequent.
- A discussion held among the State and County representatives regarding working together on the legislative process was relayed, and a discussion among the MAC members ensued as to how the members of their own team could potentially help facilitate that process. The OMB representative indicated that they could certainly help by verifying budget figures, but how involved MAC members could become was unclear. This will be a topic of further discussion.

Process of Improving the System

- A brief presentation was made regarding the process being established to improve the system and the future use of the electronic bulletin board to do this.
 - A request was made that the RCERT submit an update on the dollar amounts which have been obligated and disbursed to date.
- A meeting among several MAC members and their representatives is being planned to discuss the possibilities of pooling Federal monies for use on a regional basis.
- It was noted by the Chair that there is a real need to institutionalize this effort and, therefore, an assessment of the process and progress is needed. A discussion was held about the potentiality of hiring, for example, Masters students to conduct studies of the success/experience of these efforts.

Electronic Bulletin Board

- An update on the progress of the electronic bulletin board was given and a date for MAC training on the system was set. It will take place during the next MAC meeting.

FOREST PLAN ECONOMIC ADJUSTMENT INITIATIVE
*** Multi-Agency Command***

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James Howe	Bureau of Indian Affairs	208-3962	208-7937
Roy Priest	Housing & Urb Devp	708-2290	708-7543
Ruth Saunders	OMB	395-3446	395-4941
Mike Schmidt	White House Domestic Policy Council	456-7777	456-7028
Karl Stauber, Chair	UDSA/Small Community and Rural Development	720-4581	720-2080
Will Steele	White House/ Off Envir Policy	456-6224	456-2710
Tom Tuchmann	Wh Hs Regnl Rep.	503-326-7608	326-6254
Gene Van Arsdale	Small Business Admin.	205-6460	205-7522
Jim Van Erden	Labor/Empl. & Train.	219-6540	219-5428
Bob Wayland	OWOW, Environmental Protection Agency	260-7166	260-6294
Peter Yu	Wh Hs/Off Econ Policy	456-2802	456-2223

Ex Officio Members:

Chris Alsop	USDA/Rural Dev.Admin.	690-3053	690-4737
Wayne Fawbush	USDA/Small Community & Rural Development	720-4581	720-8445
Mark Gaede Rick Grand	USDA/Undsec for Natural Resrcs and the Environmnt	720-8540	720-4732
Wilbur Peer	USDA/Rural Dev. Admin	690-4730	690-4737

Working Group Members

Bill Berry	Small Business Admin.	205-6470	205-7324
Felicity Gillette	Commerce/Ec Dev Admin	482-2659	482-0995
Doug Holl	Labor/Empl. & Training	219-5577	219-5938
Steve Marshall	Forest Service	205-1373	205-1271
Jennifer Pratt	Rural Dev. Administration	690-0758	690-7324
Roy Priest	Housing and Urb Devp.	219-5577	482-0995
Ed Shepard	Bureau of Land Mgmt	452-7755	452-7702

MAC Mtg 2-28-94

- VP gave letters of commitment/brants from RDA

- R-CERT Sent OR & WA Reps down to CA to help them organize

Tuchmann Report

- Thurs. March 3 Briefing for Enviro & Industry Groups - 10:00 am - Rm 248 OEOB

- 1,500 job loss in new EIS - up from 5400 in original July draft
25% due to ↓ in Timber harvest
75% due to calculation error in July draft

- Watershed Restoration conf -- Focus on Enviro & Jobs issues - Tuchmann

- Eastside office ~~also interest~~ opened on Forest Man Side - in Walla Walla

- R-CERT meeting went well

- want to Broaden Membership

- BIA
- HHS (?)
- Corps Engineers

Formal invite?

Sect 404 Clean Water Issue -- Need
to change Corps of Engineers

How to formally include?
or informally

- Tell R & S CERT to involve people from Corps informally
- tell Corps to let their regional folks know they want to be included
- letter from MAC to Corps
- Tracking System in place for funding
Monthly update

Budgetary

- ↳ Hadn't heard out of D in County Payments
- Don't know how that will work
- last time, reconciliation was great opportunity to put in county payments
- But other areas of country will look to this effort as model -- want similar payments guarantees

Evaluation

- hire researcher to do evaluation study?

CONTENTS OF THE ATTACHED PACKET

The attached are documents for the February 28, 1994 MAC meeting:

1. Draft Agenda
2. Tom Tuchmann's and Forest Management Team's Schedule of D.C. Briefings - Week of February 28 - March 4
3. Articles on the Supplemental Environmental Impact Statement (The Post) and the effort to date from a regional perspective (The Oregonian)
4. Introduction to the Electronic Bulletin Board - "Rural Development Net"
5. Notes from February 3rd MAC meeting
6. Phone List of MAC and MAC Working Group (**Please Verify Accuracy**)

MAC Meeting
Thursday, February 28, 1994
2-4 p.m.
U.S. Department of Agriculture
Room 221 A (Administration Building)

DRAFT AGENDA

2 - 3 p.m. --

Introduction of New MAC Members

- Nancy Hayes (replacing B.J. Thornberry), Acting Deputy Assistant Secretary for Land and Mineral Management, Bureau of Land Management

Successes

- Forks, WA and Port of Centralia
- SCERTs Support for Each Other

Update from Tom Tuchmann

- Supplemental Environmental Impact Statement
 - D.C. Briefings: For Industry and Environmental Groups -
March 3rd - 10:00 a.m. - Room 248 Old Exec. Office Bldg.
NOTE: Submit date of birth to Jennifer Pratt by March 2.
- Watershed Restoration Conference
- Staffing Up
- Opening of an East Side Regional Office

RCERT and SCERTs Update

- Interest in Broader Membership
- Oregon - Developing Relationships with Industry Associations and Banks

Future Role for the MAC

- What Role Can the MAC Play in the Legislative/Budgetary Process?
- Hiring a Researcher to Evaluate this Effort

3-4 p.m. --

Electronic Bulletin Board Training

Calendar

- **Next RCERT Meeting:** April 7 -8, Oregon
- **Next MAC Meeting:** Need to set a date
- **Tour of Region** (being taken by MAC Chair, Karl Stauber) - March /April

(2)

Feb. 28th -- Travel Day for Execs, Hennessey and Tuchmann

Tuesday, March 1st --

7 a.m. -- Group meets in Interior Dept. Cafeteria/basement floor of Interior

8 a.m.-9:30 a.m. -- Small group from Departments

Note: this practice session is to run through what we will be discussing with others for the next two days. There will be 8-10 Department employees who have been involved with this issue, working with the group, going over questions, etc.

Location: Room 472 in the Old Executive Office Building

10 a.m. -- 11:30 -- Interagency Steering Committee

This will be a briefing for the Interagency Steering Committee. It will be the same basic briefing we will be giving for the next two days.

Location: Room 248 at Old Executive Office Building

noon -- lunch

2 p.m. -- Congressional briefing

This will be a briefing for Hill staff in the Capitol. It will also be the same briefing on what the agencies have been working on. Hosted by Rep. Jolene Unsoeld's Office.

Location: in the Capitol/HC-2

4 p.m. -- day over for everyone but Tom Tuchmann and Bob Jacobs, who will meet with a few staffers individually

Wednesday, March 2nd

~~NO BRIEFINGS ON WEDNESDAY, IN LIGHT OF THE PACFISH MEETING THAT SOME OF THE EXECUTIVES ARE NEEDED AT. OTHER EXECUTIVES FREE UNTIL THURSDAY~~

Thursday, March 3

10 a.m. -- briefing for environmental and industry groups together

Location: Room 248 at Old Executive Office Building.

noon -- lunch somewhere

1 p.m. until 4:30 -- Briefing on Record of Decision for FS Chief, BLM Director, FWS, EPA, NMFS counterparts in DC by EIS Team and regional execs.

ROOM TO COME

Friday, March 4

(all day)

Interagency Steering Committee meeting on ROD

Location: eisenhower room, white house conference center

INFORMATION: FOR EMERGENCIES, YOU COULD CALL PETER HAMM AT CONGRESSIONAL AFFAIRS, DEPT. OF INTERIOR -- 202-208-7693, AND HE CAN FIND US.

Revised Clinton Plan Saves More Forest

Administration Concedes It Underestimated Logging's Job Losses

By Tom Kenworthy
Washington Post Staff Writer

The Clinton administration yesterday modified its plan for managing public forests in the Pacific Northwest, proposing additional restrictions on logging to protect the threatened northern spotted owl, salmon and other wildlife that depend on old growth forests.

The modified plan—in the form of an environmental impact statement to be presented to federal courts that have blocked new timber sales in the region—calls for wider buffers around streams and owl nesting areas and additional reserves where logging would be sharply restricted.

As a result, timber harvests in the region encompassing parts of Oregon, Washington and northern California are projected to be 1.1 billion board feet per year on average over the next decade, a drop of 100 million board feet from the administration's earlier proposal announced in July. During the 1980s, an average of about 4.5 billion board feet of timber was taken each year from federal lands in the region.

In unveiling the plan, the administration conceded that it had grossly underestimated the loss of timber industry jobs stemming from the effort

to preserve some of the Northwest's remaining blocs of ancient forest. The administration now predicts 9,500 jobs directly related to the industry will be lost, about double its earlier estimate.

The plan for managing forest land controlled by the Interior Department's Bureau of Land Management and the Agriculture Department's U.S. Forest Service is designed to break through a political and legal impasse that has paralyzed forest policy and the timber industry in the Northwest for years. Responding to lawsuits brought under several environmental laws, federal courts have enjoined the government from offering new timber sales in the region for the past three years.

Meeting those court tests demands protections beyond those proposed last July, said Tom Tuchmann, the administration's forest policy director. "We felt those were needed so it could pass legal muster," said Tuchmann at a news conference in Portland, Ore. "We are trying to get ahead of the curve for species that are not listed [under the Endangered Species Act] now, like salmon."

But representatives of conservation organizations, though pleased by the tougher restrictions on timber cutting, said the plan falls short.

"It's an evolutionary step in the right direction," said Brock Evans, a vice president of the National Audubon Society. "But it still leaves one-third of the ancient forest open to logging. It's still not a legal plan."

Timber industry spokesmen also were critical. "We were hard pressed to call the draft a balanced solution," said Mark Rey, vice president of the American Forest and Paper Association. "Ergo, I guess you'd say we are even harder pressed to call this a balanced solution, since it reduces allowable harvest by another 10 percent."

Rey said implementation of the forest plan will be so complex and expensive that it is unlikely that any significant new timber sales will go forward this year and perhaps even in 1995, adding to the woes of an industry that has seen 16 mill closures in the Northwest since July.

Under the plan, about 4 million acres of forest in the region would be open to logging, about 7.4 million acres would be in protected reserves where only some thinning and salvage logging could take place, 1.5 million acres would be open to experimental logging techniques, and 2.6 million acres of land adjacent to rivers and streams would be off limits to logging.

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Oregonian
Sunday Feb. 6, 1994

REALITY CHECK

President Clinton's forest initiatives have hundreds of federal bureaucrats scrambling to produce results.



Tom Tuchmann

By KATHIE DUBBIN
of The Oregonian staff

Tom Tuchmann's years inside Washington, D.C., couldn't have prepared him for what he's doing now.

From a small office high in downtown Portland's U.S. Bancorp Tower, he's trying to deliver on promises the Clinton administration made to the people of the Pacific Northwest at last year's Forest Conference.

Tuchmann is the slender link between the small army of scientists and federal bureaucrats that's working to break the timber gridlock in the Northwest and the high-level political team that's calling the shots 3,000 miles away in Washington.



Jose Calvillo helps plant seedlings on Lone Rock Timber Co. land near the Coos River.

ARIELA CARA PANCHAZOVA

He spends a lot of time on airplanes. Tuchmann knows forests. He has a master's degree in forestry from Pennsylvania State University and spent four years as staff administrator for the Senate Agriculture Committee during the Bush years, before going to work for Interior Secretary Bruce Babbitt a year ago. He's 33, bright, energetic and blessed with well-honed political instincts — the consummate Clintonite.

"I'll work with anyone who works with me," he says with a smile that reveals nothing.

But his current assignment would be daunting for even the most enthusiastic overachiever:

Playing midwife to a highly controversial forest plan for 24 million acres of federal land that must pass muster with a federal court to break the timber gridlock.

Making sure the government's forest policies for both public and private

Please turn to
T, Page C4

KEY DATES



April 2, 1993:

The Clinton administration is approaching an important court deadline on its forest plan. Here are key dates:

President Clinton convenes the Northwest Forest Conference in Portland to hear from all sides in the forest conflict.

July 1, 1993:

Clinton unveils his controversial plan for federal forests in Oregon, Washington and northern California.

Nov. 1993:

Federal Judge William Dwyer grants the administration a three-month extension for submitting the forest plan after the government got more than 100,000 comments on it.

Feb. 28, 1994

Deadline for publishing the final environmental impact statement on the forest plan.

March 31, 1994:

Deadline for submitting an adopted plan to Dwyer, who has stopped new timber sales in owl forests.

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL

of pages = 6

To: Jennifer Pratt
Dept./Agency
From: L. W. Fackland
Phone #

Fax # 202/690-1262
NSN 7540-01-317-7068
5008-101
GENERAL SERVICES ADMINISTRATION

REALITY CHECK

Forest: Much of Clinton plan tries to blaze new trails

Continued from Page C1
lands comply with the Endangered Species Act.

Funding money for economic revitalization to down-and-out timber communities throughout the Northwest.

And trying to get tradition-bound federal land-management agencies to speak with a single, progressive new voice.

Tuchmann is the point man on President Clinton's most important environmental initiative. Deadlines loom, lawsuits lurk and everyone wants his ear.

It's a high-risk job. The conflicts may be intractable. If they were easy to resolve, the issue wouldn't still be polarizing the Northwest, five years after the northern spotted owl became a household word.

Much of what the Clinton plan is trying to do never has been tried before: Putting loggers to work reforesting streams; trying to figure out how to preserve whole ecosystems, from owls to salmon to salmonids; and bringing agencies together to study the health of entire watersheds.

Then there's the budget. Forest Service Chief Jack Ward Thomas told Congress last Thursday that the agency is \$57.3 million short of the \$153.1 million it needs to implement all parts of the Clinton plan in 1994. Tuchmann says the work will go ahead and the agencies will do the best they can with the money they have.

Adversaries in the forest wars agree that Tuchmann is the right choice for the task.

"It's an unenviable job," said Andy Kerr, conservation director of the Oregon Natural Resources Council. "Basically, it's a political job, but there are these laws you have to follow."

The test of Tuchmann's success, Kerr said, will be "what the plan looks like, and does it pass legal muster, and will it sustain a legal challenge."

"He's very pragmatic, he does have a forestry background and our access to him has been excellent," said James Galsinger, executive director of the Northwest Forestry Association. "But unfortunately, he has been given an absolutely impossible task that is legally indefensible. If you look at everything they have to do administratively, there's no way they're going to produce any timber until 1998, even if everything works like greased machinery."

The job, says Tuchmann, is supposed to be tough. "We inherited two years of injunctions. Some important time was lost. Given the fact that we are trying to tackle the integration of the nation's environmental laws, trying to assist the communities that are affected by this and trying to assist the agencies in working more closely together ... He's one thing to say. 'Let's go.'"



Forester Ben Newton wants to let the trees on his land grow to maturity, but he says a proposed federal rule might force him to log now or not at all.

ANGELA DAVIS PHOTOGRAPHY/Steve Stanger

CLINTON PLAN FOR THE FOREST: REALITY CHECK

Premise: On April 2, 1993, President Clinton promised to produce a "scientifically sound, ecologically credible, and legally responsible" plan for managing 24 million acres of federal forests in Western Oregon, Western Washington and Northern California.

✓ **Reality check:** Option 2, the draft plan Clinton unveiled July 1, has drawn criticism from foresters, biologists and other scientists that could make it vulnerable to legal challenge. The administration might change the final plan to increase protection for fish and possibly other species.

Premise: Interior Secretary Bruce Babbitt promised on July 1 that the government would move 2.2 billion board feet of timber from the woods to the mills within one year, including

system is in place to funnel money to those that have the greatest chance of helping timber workers and rural communities. On Jan. 21 the administration announced a \$2.4 million package of aid to create an industrial park in Oakridge. The administration has committed money to train timber workers in Jackson and Josephine counties and to train workers for jobs at a new Bony plant in Springfield.

Premise: Clinton promised to concentrate protection for northern spotted owls and marbled murrelets on federal land and reduce logging restrictions on state and private land.

✓ **Reality check:** A proposed rule unveiled in December would tighten restrictions on most private lands but require landowners to leave at least 40

acres in the three states and encouraging local citizens to get actively involved in planning for innovative forest management in those areas.

✓ **Reality check:** No one knows how to make this work as a federal policy. The Applegate Partnership in Southern Oregon, a grass-roots effort that began 15 months ago, is still the only operating model. Critics say the adaptive management goals are too big to allow meaningful public involvement.

Premise: The Clinton plan says scientists will complete intensive studies of 139 watersheds that provide vital habitat to sensitive salmon stocks and 23 others that provide pristine water. Until the

KEY DATES

The Clinton administration is approaching an important court deadline on its forest plan. Here's what's happened in the past year:

■ April 2, 1993: President Clinton convened the Northwest Forest Conference in Portland to hear from all sides in the forest conflict.

■ July 1, 1993: Clinton unveiled his controversial plan for federal forests in Oregon, Washington and Northern California.

■ November 1993: Federal judge William Dwyer granted the administration a three-month extension for submitting the forest plan after the government got more than 100,000 comments on it. ■ Feb. 28, 1994: Deadline for publishing the final environmental impact statement on the

leave at least 48 percent of the land within the owl circles as suitable owl habitat — stands at least 10 years old. In some cases, the rule would mean no logging could occur for years.

"One of the things that bothers landowners in this area is that the land stewardship we've done has created a habitat that's healthy for owls," Newton said. "But without some profit motive, stewardship is going to be relegated to the back seat."

Newton's land lies on the western edge of a landscape that poses a huge challenge to federal forest managers trying to enforce the Endangered Species Act. The Coast Range forest between Oregon 126 and Oregon 43 are secured by large industrial clear-cuts on land owned by Weyerhaeuser Co., International Paper Co. and Georgia Pacific Corp. Those lands are interspersed with 40-acre clear-cuts and old growth on state and federal forests.

Owls are plentiful on the federal

socialism. "But unfortunately, he has been an absolutely irresponsible task master in legally indefensible. If you look at everything they have to do administratively, there's no way they're going to produce any timber until 1990, even if everything works like greased machinery."

The job, says Tuchman, is supposed to be tough. "We inherited two years of injunctions. Some important time was lost. Given the fact that we are trying to tackle the integration of the nation's environmental laws, trying to assist the communities that are affected by this and trying to assist the agencies in working more closely together... it's one thing to say, 'Let's reinvent government.' It's another to make it happen."

For Bob Jacobs and his team, the clock is ticking. Jacobs heads the work group that had to wrestle with 110,000 comments that the Clinton administration received on Option 9. That's the forest management alternative the president unveiled last July 1 among 10 he had to choose from.

Only about 8,000 comments contained substantive new information for the scientists on the team to consider. The rest were mostly form letters generated by industry and environmental groups and emotional testimonials to the beauty of the forest or the plight of timber workers.

The substantive comments have been read, discussed and debated, both by the scientific team in Portland and by a high-level interagency steering committee in Washington, D.C. The revised plan must be at the printer's by Feb. 15 to meet a Feb. 28 court deadline.

Already the administration has had to ask U.S. District Judge William Dwyer for two extensions of the deadlines he imposed for adopting a new forest plan.

"The whole thing has been a fast and tough process," Jacobs said. Until very recently, he said, he's had a hard time getting the administration to make hard decisions about changes in the plan.

And changes are likely if the administration hopes to get the plan through the courts.

Option 9 was a compromise. It was drafted in a hurry late last spring as a result of more than 100 actualists tried to figure out how to preserve the western forest ecosystem while allowing at least a modest timber sale program to continue in the Northwest.

It creates a system of old-growth and stream-corridor reserves where most logging would be barred. But some thinning of trees up to 80 years old and some salvage logging would be allowed.

It protects most remaining old-growth forests — but opens 23 percent of old growth stands and many roadless areas to logging.

It requires extensive studies of 182 watersheds, most of them critical to wild salmon, with virtually no log-

ging or road-building allowed until the studies are completed. But it relaxes protection for spotted owls flying between reserves.

It allows an annual timber sale level of 1.85 billion board feet in forests within the range of the northern spotted owl. For perspective, 10-year federal forest plans adopted in 1980 predicted sales of about 3.6 billion board feet for those same forests.

Like most compromises, Option 9 is unloved by all sides, just as Clinton predicted at the close of the April 3 Northwest Forest Conference.

"The process we began today will not be easy," he said then. "Its outcome cannot possibly make everyone happy. Perhaps it won't make anyone completely happy. But the worst thing we can do is nothing."

The question facing the administration now isn't who likes Option 9. "We didn't get a lot of positive comments, period," Jacobs said.

The question is: Does Option 9 compromise good science?

A review of comments and several scientific groups submitted on Option 9 found pointed criticisms in several areas:

• The National Forest Management Act requires the Forest Service to preserve vertebrate species

throughout their range on national forests. Under Option 9, two dozen species have less than a medium-high or 80 percent chance of surviving for the long term. The 34 include coho salmon, fall and spring chinook salmon, winter steelhead, northwestern trout and rainbow trout, as well as salmonids, black-backed woodpeckers, true vireos and several kinds of bats. These vital wildlife, developed by the scientists who wrote the plan, could sink Option 9 in a legal challenge.

• No one knows whether thinning will speed the development of old-growth forests, as the plan's authors hope. The prestigious Ecological Society of America questions whether the benefits of removing 10-year-old trees from reserves would be outweighed by the environmental impact of road-building and logging.

• Option 9 shapes up protection for the small, intermittent streams that lace the forested landscape. Although most of those small streams don't have fish, they do affect fish habitat downstream. The American Fisheries Society strongly urges full 100-foot buffers along intermittent streams instead of the 50-foot buffers in Option 9.

• Option 9 abandons a strategy in a 1988 owl conservation plan that's designed to give owls cover from

predators as they fly between old-growth reserves. The Wildlife Society says Option 9's approach — depending on streamside buffers and requiring loggers to leave 15 percent of the trees on each site after logging — is inadequate and will contribute to an increasingly fragmented landscape.

The Pacific Birding Group says the plan must include more federal land within 25 miles of the ocean to ensure nesting habitat for the marbled murrelet.

• The Fish and Wildlife Service admits that Option 9 and proposed rules for private and state land would not guarantee the owl's survival throughout the range. That's because private lands are so heavily logged and owls on the Olympic Peninsula are so isolated. The agency hopes that states and state companies will provide the extra strength of protection.

• Maps prepared by The Wilderness Society reveal that Option 9 would allow logging next to some wilderness areas and parts, fragmenting large blocks of roadless old-growth. The Center for Conservation Biology urges no further road-building in roadless areas to avoid harm to wildlife, forest fragmentation and spread of disease.

• Chadwick Oliver of the University

of Washington says the authors of Option 9 failed to consider strategies that would allow more logging across the landscape and require fewer large reserves.

The administration won't say how its final plan, due at the end of the month, will address these issues. U.S. Interior Secretary Bruce Babbitt said last week that only "very minor adjustments" would be made, though he hinted that fish protection measures may be expanded in an effort to head off listing of threatened salmon stocks.

Tuchman said the administration was applying two tests:

"One, how does it meet the balance that the president laid out at both the forest conference and when he announced the plan? And second, how do we develop a plan that is legally responsible as we can move forward from the injunctions?"

Clinton nattered a man of southwestern Oregon and spread it on the front seat of his pickup. Overlapping the next checkerboard square defining federal and private ownership were 268 yellow circles, each with a red dot at the center. Each dot represented a spotted owl nest. The landscape on the map, and the forest outside the window, were virtually covered with invisible owls.

One circle, radiating 1.2 miles from an owl nest on 11.44 land, covers most of Newton's own 165 acres of burned-over, 27-year-old fir, cedar and oak above the dry Umpqua River Valley.

Newton's financial future is locked in that timber. He could sell it tomorrow for a cool \$1 million. Or he could keep it growing for 30 years, let the volume increase fivefold and get \$4 million to see him through a comfortable retirement.

He'd prefer to watch his investment grow. But he says the Clinton administration, by proposing what he regards as a punitive logging restriction, may force him to sell.

The rule would require landowners within 10 "special emphasis areas" in Oregon and Washington to

allow meaningful public involvement.

Clinton promised that his administration would speak with one voice on forest policy, a departure from the conflicting messages sent during the Bush administration.

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Oregonian
Monday, Feb 7, 1994

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MONDAY,
FEB. 7, 1994

The Oregonian METRO

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B5
EDIT./FORUM,
B6, 7

Up front

WHERE TO WRITE

Here are addresses and phone numbers for Oregon's congressional delegation:

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Washington, D.C. 20510
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Project starts with one town, one hope

REALITY CHECK



The Clinton administration will devote \$2.4 million to turn Oakridge around, making it a model for Northwest communities

By KATHIE DUNN
of The Oregonian staff

OAKRIDGE — The Clinton administration has trained a spotlight on this down-at-the-heels town built on timber.

Its concept has obvious appeal: A new industrial park rising on a closed, derelict 300-acre mill site at the edge of town. Small-scale entrepreneurs turning out wood products, pumping jobs and money into the local economy. A new life for a community battered by federal logging restrictions and a changing forest products economy that left it beached.

Officials unveiled the project Jan. 31 in a ceremony at the former Bald Knob Lumber and Timber Co. mill site. The ad-

ministration is banking \$2.4 million in federal, state and local money that the project will become a model for flat-topped timber towns throughout the Northwest. The money will be used to connect the property with city water and sewer lines, pave a road that circles the site and make other improvements.

The Oakridge project is the first visible evidence of President Clinton's other Northwest forest initiative. It's the one that keeps his promise not to forget the hard-hit timber communities he heard from last April at the Northwest Forest Conference.

"We're going to use Oakridge as a benchmark to ask: 'How could we have done it better? Was that process a success in the eyes of the community?'" said Scott Duff, state director of the Federal Forestry Home Administration.

Please turn to
FORREST, Page B4



Linda Adkins home-schools her 7-year-old daughter, Heather, inside a refurbished building on the old Bald Knob mill site in Oakridge, home of the small company, Wilderness Wood Products, that she and her husband, Bob, run.

Westside light rail DIGGING IN

Explosions of dynamite early Tuesday morning

BLASTING THE TUNNEL

Engineers will blow the first eight feet into the westside light-rail tunnel at midnight Monday. About 300 pounds of dynamite will make the first cut into the tunnel wall next to U.S. 26 near the Oregon 217 interchange and open the eastbound tunnel.



or camp.

Haro has other things on his mind. The Willamette National Forest's Highline and Oakridge ranger districts, both based in Oakridge, plan more layoffs this year. Between 1990 and 1993, employment at the two offices dropped from 170 to 131.

"There are a lot of contradictory issues that don't fit together very well in the Clinton forest plan," Haro said. "On the one hand, you have the administration talking about putting \$2.4 million in here, but on the other hand you're talking about large layoffs in our last remaining employer."

Another example: Oakridge is promoting the extensive network of trails and logging roads in nearby national forests for mountain bikers. But the Forest Service is closing a lot of logging roads because it doesn't have the money to maintain them.

The city's plan to purchase the Bald Knob site for \$200,000 in back taxes is not a done deal.

Wants no surprises

Bald Knob, which closed the mill for good in 1980, had to spend \$1.1 million in 1991 to remove acid and concrete contaminated with PCBs and truck it to the Arlington landfill. The city is hiring its own consultant and advertising in the local newspaper for information from former millworkers to make sure it doesn't inherit other hazardous wastes with the purchase.

"We recognize that there was a major mill operating there for 40 years, doing fairly exotic things," Haro said. "The last thing you want to do is spend \$1 million of public money and then have someone come forward and say, 'Gee, if anyone had asked me...'"

But whatever happens at the old mill site, Haro insists that federal towns such as Oakridge are the real victims of the shift in federal forest management and deserve to be first in line for federal help — no matter how intractable the challenges seem.

"What I don't want to see is money from the timber initiative going to create jobs in places where jobs are already being created. For years, communities like Riddle, Oakridge and Drain were some of the most productive communities in the state. They weren't getting a lot in return."

"Now that times have changed," Haro said, "it's time for the flow of money to work the other way."

Pledged help

Last July, President Clinton pledged \$1.2 billion to the Northwest over five years to help depressed communities, businesses and workers. Projects funded under the initiative must benefit workers or communities affected by the forest plan.

At the April 2 Northwest Forest

plan was adopted into ghost towns. We had whole communities with 20, 25 percent unemployment."

Clinton added: "I cannot repeal the laws of change. In every state in every area of this country, the nature of work for the average 18-year-old will change seven or eight times in a lifetime now. What we have to find a way to do is to make it possible for more people to be faithful to their cultural roots and their way of life, and to work through this process in a humane way."

Since Congress appropriated new money and redirected existing money to fund the program in early November, an elaborate system has been set up to do just that.

Telling of needs

For the first time, local mayors, county commissioners and business people are sitting across the table from the federal bureaucrats who disburse the money. They're telling them what their towns need to weather the tough transition.

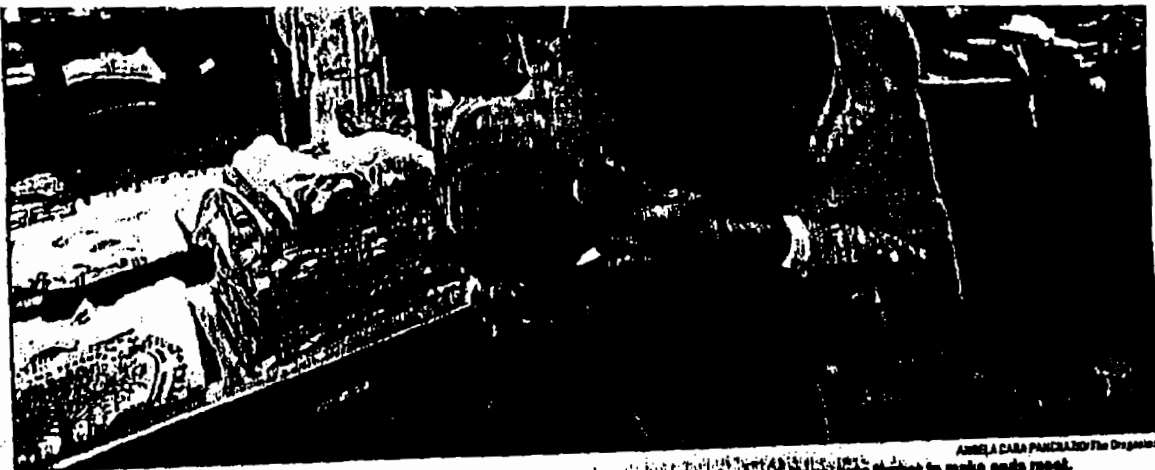
Each of the eight Oregon counties that qualifies for aid has produced its own ranked list of projects. Many are unglamorous. They reflect long-standing community needs for sewer system upgrades, expanded water systems, road improvements and natural gas lines. In cities such as Estacada and Yoncalla and Willamette-Dillard, economic development can't go forward without those improvements.

Other proposals address the need to diversify: a dredging project to accommodate heavy barges in Coos Bay Harbor; replacement of the Port Orford dock; a motion picture sound stage in Columbia Valley; an arboretum in Williams Valley; expansion of a city park to attract campers in remote Powers.

In Northern California's rugged Trinity County, a cooperative marketing association called Trinity Alps Botanicals used a 1991 grant from the U.S. Department of Agriculture to enlist families in growing herbs and gathering forest products such as cones and mosses to sell to florists. The company now seeks money to build central storage warehouses where it can package its products and market them widely.

The Clinton program also includes money for worker retraining through the Department of Labor's Job Training and Partnership Act. Among the proposals submitted: Clackamas Community College wants \$47,500 to offer an introductory computer class for displaced timber workers; Lane Community College seeks \$1.86 million to offer aviation industry training; and Linn-Benton Community College wants \$125,000 to offer a construction skills training course in Philomath.

In Reedsport, a of 6,000 near the mouth of the Umpqua River



Angela Lara says goodbye to her daughter, Sami, at their The Merchants Co. in Reedsport. Her husband, Steve, was killed in a logging accident.



Lee Mori, a 77-year-old retired mill worker, stands where his office once was at the Georgia Pacific mill in Coquille, which closed in 1990. Coquille bought the site for \$10 and hopes to attract industries to locate there.

built on timber and salmon, tourism is the new holy grail.

Reedsport still is a plainspoken small town, where the local radio station broadcasts girls' volleyball games. But the shiny new Discovery Center on the south bank of the Umpqua has drawn lots of visitors since it opened last summer, and on the main street you can linger in an upscale art gallery or drink espresso from the new coffee bar at the local mercantile.

Reedsport has applied for \$221,000 from the Clinton initiative to spruce up its old downtown with trees, old-fashioned street lights and wider sidewalks.

"At one point all I did was log and own a living," said Knox Story, a

kind of rural Oregon renaissance man who owns and operates The Merchants with his wife, Ginny, in a high-ceilinged, 60-year-old building downtown. "At another point I quit that and did salmon fishing full time. Now I'm doing all three just to keep afloat."

No shortage of ideas

There's no shortage of ideas bubbling up in the rural Northwest. But there is a shortage of dollars.

Budget figures produced by U.S. Forest Service Chief Jack Ward Thomas last week reveal that there's only a \$16 million appropriation to cover a \$38 million budget for the agency's share of rural community assistance. The report

said the agency also is short \$15 million on the \$30 million it needs for a new program to employ timber workers repairing damaged watersheds.

Even if the funding were adequate, the task of rebuilding the rural Northwest is complex and difficult.

Many timber-dependent communities are remote from major transportation routes. Though-adjacent towns such as Oakridge are short on tourist amenities. Some don't have the skilled work force or the public amenities such as schools and hospitals that would attract even mid-sized companies.

A new program designed to put loggers to work in the woods faces other hurdles: Environmental requirements and bureaucratic red tape may delay many projects. Federal contracting rules could eliminate small local companies from competitive bidding on projects to replace culverts, erase roads and plant seedlings along streams. Federal rules don't allow preference in awarding the contracts.

Jobs worth more than \$25,000 require national advertising in daily commercial journals, so the administration is concentrating on projects under that amount, which require only local advertising.

Still, Duff admits, "We can't really assure" that the jobs will go to displaced timber workers.

Some skeptics question how well the federal government can "do" economic development if the initiative doesn't come from the towns themselves.

The most significant development so far for displaced timber workers, Sony Corp.'s decision last month to build a \$60 million optical disc factory in Springfield, happened with only marginal support from the Clinton team, although Gov. Barla-

ri Roberts and local officials in Springfield and Eugene were closely involved.

The plant will employ 300 workers to start. The package of incentives to Sony includes \$1 million in federal and state worker retraining money for dislocated timber workers and others to attend a custom-designed training program at Lane Community College.

Keep some local

Loran Weiss, Coos County's economic development director, says at least part of the discretion for spending money in the Clinton initiative should stay with local leaders.

"The best thing the Clinton administration could do right now is allocate a portion of the money to the counties that they could grant or loan to small businesses, because 80 percent of job growth comes from business expansion," Weiss said.

That way the program could help the small entrepreneur who needs to buy a second pickup or the gas station owner who needs money to remove an underground storage tank so he can stay in business, Weiss said.

"You could put up \$75,000 to get that gas station going and that guy would put up a big sign saying, 'Thank you, President Clinton,'" he said. "If he's looking for advocates, we're here. We're not looking for failure, we're looking for success."

Duff said the Clinton plan will do just that through its Intermediate Relending program, which will make up to \$2 million available to local communities at 1 percent interest for up to three years.

"We're working hard to get this money out — prudently," Duff said. "We don't have all the answers. We're trying to create family-wage jobs in rural America. My understanding is, it's a pioneering effort."

Businesses sprouting in Oakridge

Continued from Page B1

Since November, Doff has worn a second hat as co-director of Clinton's new Northwest Community Economic Revitalization Team. The teams of state and local officials and their state counterparts in Oregon, Washington and four Northern California counties are charged with helping to distribute aid as quickly as possible through existing programs.

Already, two small forest products manufacturers are doing business at the Oakridge site. An oak furniture manufacturing company will set up shop soon. And a subsidiary of MacMillan Bloedel, the Canadian lumber giant, uses part of the site to store high stacks of lodgepole pine logs, which it chips and mixes with cement to make roof tiles.

At Wilderness Wood Products, in a building refurbished last year with a \$40,000 grant from the Forest Service, former logger Bob Adkins makes planters from leftover cedar planks, and toys and furniture from hardwood. His wife, Linda, runs the business.

With a plentiful supply of second-growth cedar and leftover cedar fence planks, Adkins sees nothing but growth ahead. He has his eye on an account with Wal-Mart to supply garden products nationwide. If that happens, he says, he could be employing 25 workers in jobs paying \$7 to \$8 an hour within five years.

"I applaud the Clinton administration as well as any bipartisan group that's involved in serious, non-partisan action for recovery of these communities," Adkins says.

But others aren't so sure that Oakridge's salvation will rise from the ashes of the old mill.

City administrator Wes Hare has been helping to plan Oakridge's future for years. He's pleased that his town has been singled out. But as he shows a visitor the muddy mill site with its junk and falling-down sheds, he's also realistic.

"This is a black hole," he said. Turning it into a model secondary wood products center won't be easy or cheap.

There has other things on his mind. The Willamette National Forest's Hines and Oakridge ranger districts, both based in Oakridge, plan more layoffs this year. Between 1980 and 1993, employment at the two offices dropped from 179 to 121.

"There are a lot of contradictory issues that don't fit together very well in the Clinton forest plan," said. "On the one hand, you have the administration talking about putting \$2.4 million in here,



Bob Adkins, a logger for nearly 25 years, relaxes at home after a day in the woods. He and his wife, Glary, have opened a place in downtown Hoodport to help make made wood.

Conference, Clinton showed he understood the plight of the rural Northwest when he reflected on the exodus from the rural South during the Great Depression.

That exodus "bespoke a terrible inability to manage a process of change so that people could stay with their roots and their culture and their lives," he said. "Our little towns were turned into ghost towns. We had whole counties with 20, 25 percent unemployment."

Clinton added: "I cannot repeal the laws of change. In every state in every area of this country, the nature of work for the average 18-year-old will change seven or eight times in a lifetime now. What we have to find a way to do is to make it possible for people to be faithful to their cultural roots and their way of life, to work





NATIONAL RURAL DEVELOPMENT PARTNERSHIP

MEMORANDUM

Date: February 25, 1994

From: Jennifer Pratt
MAC
Tom Unruh
National Partnership Office

To: Forest Plan Economic Adjustment Initiative
MAC

Subject: Introducing Rural Development Net

Crossing agency, intergovernmental, and public/private boundaries is a distinctive characteristic of the National Rural Development Partnership. Increased use of telecommunications is a natural step in increasing the effectiveness of the State Rural Development Council/National Rural Development Council network. The Rural Development Net (RDN) will provide improved communication between all the partners, taking us beyond the telephone, overnight mail, and fax.

The Rural Development Net is intended to serve as a pioneering communications network for the National Rural Development Partnership and other interagency, intergovernmental efforts focused on rural America. The success of the RDN depends on the active participation of individual users who make up this rural development network.

RDN will serve other interagency rural development-related efforts in addition to the SRDCs and NRDC. The MAC and the Regional and State Community Economic Revitalization Teams of the Forest Plan Economic Adjustment Initiative (FPEAI) are among the first users of the RDN. The RDN has five primary functions.

- **Electronic Mail** -- The system will provide 24 hour message capability (except for occasional maintenance). Users will be able to send messages to individuals or groups, and messages can be private or public. Data and text files can be attached to messages.
- **Forums**-- RDN will offer a variety of forums for SRDC/NRDC members and FPEAI participants. Individual SRDCs and CERTS can use their own forums for in-state issues. Partnership forums on rural development issues will be created, on topics like environmental infrastructure, local leadership and capacity, job training and economic development, and health care.
- **Libraries** -- RDN can offer the Partnership and the FPEAI a central, easily accessible "place" for important documents. An administrative library will include policy and operational documents like current budget procedures, executive director position descriptions and performance criteria, the SRDC memorandum of understanding, policy memos, and briefing

materials. A policy library will include Outcome Monitoring Team assessments, occasional papers, Economic Research Service reports, conference and seminar summaries. One library will be devoted to SRDC newsletters and works-in-progress reports.

- **File Transfer** -- RDN will make it possible for users to transfer data and text files electronically. Rather than mail or fax, for example, SRDC budgets can be submitted as spreadsheet files. This capability also will be useful for group work where people separated by distance will be able to send a document file back and forth in minutes for joint writing, editing, and review. Users also will be able to download files from the libraries.
- **Calendar** -- National and state level calendars are possible. The first method for handling scheduling will be through a designated person who will update a downloadable file. Options for users to enter events online are being explored.

How to connect -- RDN is available by modem and Internet. Federal employees are strongly encouraged to use FTS long distance service to reach the RDN at **206/586-6854** or the Internet. This will help us reserve our toll free funds for non-federal users. Toll-free telephone access at **1-800/557-8725** (800/55RURAL) is available to non-federal members of the National Rural Development Partnership and other authorized users. The RDN can be reached via Internet at rdnet.wseo.wa.gov. The system currently can support up to 16 users simultaneously.

Training -- The National Partnership Office will provide training on basic access and use of the RDN to SRDC leadership at the April conference in Washington, DC. There are opportunities for online remote training as well. Executive directors can work with their desk officers to plan for remote training.

Online Assistance -- There are many sources for assistance with computer problems and users are encouraged to find local sources to deal with basic computer and modem setup, use, and training. Often, informal assistance is available from other users on the RDN, forum operators, and even MAC or NPO staff.

For technical difficulties in using the RDN itself, online assistance is available. The Rural Development Net is operated by the Washington State Energy Office's Electric Ideas Clearinghouse. The Clearinghouse provides online assistance via voice line at 1-800/594-2985 from 11:00 am to 8:00 pm EST. The staff at EICBBS are very helpful and can work with you on any question from login to advanced operations of the RDN.

User-id protocol -- To create their user-id, RDN users are encouraged to use the first letter of their first name followed by their last name, e.g., John Doe would use "jdoe."

Operation and Maintenance of Forums -- Each SRDC and CERT is responsible for the operation and maintenance of its forums. This means that each council wishing to use the RDN will need to assign these responsibilities to someone. Forum operators manage access to the forums, monitor message traffic, moderate on-line discussions, and perform simple maintenance, like referring messages to appropriate people and removing inactive messages. The National Partnership Office and Electric Ideas Clearinghouse will provide training for SRDC forum operators.

● Notes from February 3, 1994 MAC Meeting ●

The MAC meeting was called to order at 1:00 pm by Bob Nash, Chair (Under Secretary for Small Community and Rural Development, USDA).

Introduction of New MAC Members

- Karl Stauber (Deputy Undersecretary , Small Community and Rural Development, USDA) was introduced to the MAC by Mr. Nash who indicated that Mr. Stauber would now be Chairing the meetings. Mr. Stauber comes most recently from the North West Area Foundation in Minnesota. This institution is, by Mr. Nash's assessment, one of the most progressive Foundations working in the economic development arena. Mr. Stauber has worked a great deal on timber-related issues, including sustainable rural development. He has also worked in the private sector with pulp-wood companies and International Paper. Over the last ten years, he has worked mostly at the community level. The Deputy Under Secretary then took the lead on the meeting.
- A transition from Tom Peterson of the Environmental Protection Agency as representative to the MAC to Bob Wayland of EPA's Office of Wetlands, Oceans, and Watersheds took place.
- Steve Marshall from the Forest Service was introduced as a new detailee to the MAC Working Group staff. The Chair expressed appreciation for the Forest Service's support in this effort.

Successes

- Recent successes at improving the system were presented including:
 - **EDA -**
 - The Economic Development Administration is in the process of trying to decentralize certain decision-making authorities based on regional strategies.
 - Approval authority has been granted to the Regional Office.
 - **Labor -**
 - The Department of Labor has waived (on a demand basis) requirements for participation in job training by workers who have ceased to qualify for unemployment compensation.
 - Waived the 25% limitation required for support services
 - If the region demonstrates a substantial use of funds for FY 94, DOL will consider waiving the three year limit on the life of the funds.
 - The prohibition of Federal employees to enroll in job training programs has been waived.
 - A test program to allow job training for children and families of timber workers is being considered in Northern California.

- **Rural Development Administration -**
 - The April pooling of funds will occur with pooled funds from the region being held for those states.
 - The National Office reserve funds for the three states will remain available until year end pooling
 - Regarding the Intermediary Relending Program --
 - applications will receive administrative points
 - reserve funds for the region will remain available until fourth quarter funding.
 - As Co-chair of the Regional CERT, the Oregon State Director will receive access to the Agency's Reporting System to monitor the funds in this region.
- An announcement was made regarding the first grant disbursed under the Economic Adjustment Initiative. Newspaper clippings discussing the presentation of the grant by Congressman DeFazio and Governor Barbara Roberts of Oregon were distributed along with other newsworthy articles and press releases.

Update from Tom Tuchmann

- Tom Tuchmann participated via phone from Portland, OR , discussing the upcoming media tours he and the co-chairs of the CERT will be undertaking and the Congressional briefings that they and the Forest Management team will be participating in sometime in March and April.
 - The Chair encouraged Tom to brief offices of inter-governmental relations in a manner which made it clear that this effort is an alternative way to do the business of government.
- A discussion regarding the potential for leveraging foundation and private sector dollars was held, and it was emphasized by the new Chair that there are more than two sides to this issue and effort. Several members commented on the need to involve the private and non-profit sectors in the future.
- Tom also discussed the development of an options paper sketching out a means to coordinate between the Forest Management effort and the Economic Adjustment effort. Included would be options for CERT participation in the Regional Inter-agency Executive Committee.
 - Tom was asked to also include a discussion on the benefits of such coordination - what outcomes were hoped for - and
 - What role he thought the private sectors could play in this process.

RCERT and SCERTs Update

- A presentation was made on the RCERT and SCERT processes to date. It was noted that all appointments have now been made, including tribal representatives. The process is engendering interest among communities, and California and Oregon have each already received over 500 applications. The quality of the applications seems to be high, with some very interesting/innovative projects including recycling being offered. Efforts to leverage private sector monies are also taking place.
- The individuality of each CERT process was noted and a comment was made about potentially studying these various efforts as models.

- It was noted that the CERTs seem to be becoming real teams. The levels of trust are noticeably improving and discussions of working together on efforts are frequent.
- A discussion held among the State and County representatives regarding working together on the legislative process was relayed, and a discussion among the MAC members ensued as to how the members of their own team could potentially help facilitate that process. The OMB representative indicated that they could certainly help by verifying budget figures, but how involved MAC members could become was unclear. This will be a topic of further discussion.

Process of Improving the System

- A brief presentation was made regarding the process being established to improve the system and the future use of the electronic bulletin board to do this.
 - A request was made that the RCERT submit an update on the dollar amounts which have been obligated and disbursed to date.
- A meeting among several MAC members and their representatives is being planned to discuss the possibilities of pooling Federal monies for use on a regional basis.
- It was noted by the Chair that there is a real need to institutionalize this effort and, therefore, an assessment of the process and progress is needed. A discussion was held about the potentiality of hiring, for example, Masters students to conduct studies of the success/experience of these efforts.

Electronic Bulletin Board

- An update on the progress of the electronic bulletin board was given and a date for MAC training on the system was set. It will take place during the next MAC meeting.

FOREST PLAN ECONOMIC ADJUSTMENT INITIATIVE
*** Multi-Agency Command***

		<u>Phone</u>	<u>Fax</u>
Bruce Beard	OMB	395-4806	395-6899
Felicity Gillette	Commerce/ Econ Dev. Admin.	482-2659	482-0995
Nancy Hayes	Bureau of Land Mgmt	208-6734	208-3144
James Howe	Bureau of Indian Affairs	208-3962	208-7937
Roy Priest	Housing & Urb Devp	708-2290	708-7543
Ruth Saunders	OMB	395-3446	395-4941
Mike Schmidt	White House Domestic Policy Council	456-7777	456-7028
Karl Stauber, Chair	UDSA/Small Community and Rural Development	720-4581	720-2080
Will Steele	White House/ Off Envir Policy	456-6224	456-2710
Tom Tuchmann	Wh Hs Regnl Rep.	503-326-7608	326-6254
Gene Van Arsdale	Small Business Admin.	205-6460	205-7522
Jim Van Erden	Labor/Empl. & Train.	219-6540	219-5428
Bob Wayland	OWOW, Environmental Protection Agency	260-7166	260-6294
Peter Yu	Wh Hs/Off Econ Policy	456-2802	456-2223

Ex Officio Members:

Chris Alsop	USDA/Rural Dev.Admin.	690-3053	690-4737
Wayne Fawbush	USDA/Small Community & Rural Development	720-4581	720-8445
Mark Gaede Rick Grand	USDA/Undsec for Natural Resrcs and the Environmnt	720-8540	720-4732
Wilbur Peer	USDA/Rural Dev. Admin	690-4730	690-4737

Working Group Members

Bill Berry	Small Business Admin.	205-6470	205-7324
Felicity Gillette	Commerce/Ec Dev Admin	482-2659	482-0995
Doug Holl	Labor/Empl. & Training	219-5577	219-5938
Steve Marshall	Forest Service	205-1373	205-1271
Jennifer Pratt	Rural Dev. Administration	690-0758	690-7324
Roy Priest	Housing and Urb Devp.	219-5577	482-0995
Ed Shepard	Bureau of Land Mgmt	452-7755	452-7702

MAC Meeting
Thursday, February 28, 1994
2-4 p.m.

U.S. Department of Agriculture
Room 221 A (Administration Building)

DRAFT AGENDA

2 - 3 p.m. --

Introduction of New MAC Members

- Nancy Hayes (replacing B.J. Thornberry), Acting Deputy Assistant Secretary for Land and Mineral Management, Bureau of Land Management

Successes

- Forks, WA and Port of Centralia
- SCERTs Support for Each Other

Update from Tom Tuchmann

- Supplemental Environmental Impact Statement
- Watershed Restoration Conference
- Staffing Up
- Opening of an East Side Regional Office

→ extending county payments - (Quincy Library Group?)
opt 2
south
east
California
spotted owl

RCERT and SCERTs Update

- Interest in Broader Membership
- Oregon - Developing Relationships with Industry Associations and Banks

Future Role for the MAC

- What Role Can the MAC Play in the Legislative/Budgetary Process?
- Hiring a Researcher to Evaluate this Effort

3-4 p.m. --

Electronic Bulletin Board Training

Calendar

- **Next RCERT Meeting:** April 7 -8, Oregon
- **Next MAC Meeting:** Need to set a date
- **Tour of Region** (being taken by MAC Chair, Karl Stauber) - March /April



DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20250

APR 11 1994

Jack Ward Thomas
Chief, Forest Service
Auditor's Building
201 14th Street, S.W.
Washington, D.C. 20250

Dear Chief Thomas:

I have considered your request and accompanying justification for an exemption from the Competition in Contracting Act's full and open competition requirements. Based on the following determination and finding made pursuant to 48 C.F.R. 6.302-7(c)(4) and 48 C.F.R. 1.700 et seq., I have decided it is in the public interest to make an exception to the full and open competition requirements for each procurement listed in Attachment A.

DETERMINATION AND FINDING

(a) Identification of the agency and the contracting activity.

The Forest Service, United States Department of Agriculture, is the agency requesting the public interest determination. Forest or Region level contracting officers will make award of these procurements. A list of the specific procurements to be awarded is found in Attachment A.

(b) Nature and/or description of the action being approved.

Congress directed the Forest Service to expend \$20,000,000 for watershed restoration from its construction appropriation. The Conference Report for the Forest Service's Fiscal Year 1994 appropriations stated that the funds are to be used for both road projects such as road closure, obliteration, revegetation and drainage improvements, and watershed projects such as riparian revegetation, erosion control, and slide stabilization. Types of projects include:

- a) road erosion and sedimentation- services will include such work as stream diversion, upgrade, and rerouting drainage.
- b) road upgrading- improving drainage ditches, rocking road surfacing, mulching and revegetating road cuts and fills.
- c) riparian silviculture- services will include such work as river, streamside and high-bar planting or seeding, conifer interplanting and aerial seeding.

- d) upland improvement- services will include intensive reforestation, interplanting, thinning, snag creation, light prescribed burning and stand improvement.
- e) stream channel restoration- services will include habitat improvement of fish and aquatic resources, restoring rearing and holding habitat and improving stream passage, catchments creation, bank stability and floodplain or channel restructuring.

Some combination of the above activities would be included in each watershed restoration procurement. See Attachment A for an identification of the individual procurements. Included in the listing is a brief description of the types of services that will be required on each procurement.

- (c) An identification of the statutory authority permitting other than full and open competition.

Other than full and open competition is authorized under 41 U.S.C. 253(c)(7), which allows for a determination by the head of an agency that it is necessary in the public interest to use procedures other than competitive procedures in specific procurements. (48 C.F.R. 6.302-7).

- (d) Findings that detail the particular circumstances, facts, or reasoning essential to support the determination.

On April 2, 1993, at the conclusion of the Forest Conference, President Clinton stated: "Where sound management policies can preserve the health of forest lands, sales should go forward. Where this requirement cannot be met, we need to do our best to offer new economic opportunities for year-round, high-wage, high-skill jobs."

To further this goal, eleven Federal officials, including Cabinet secretaries, heads of independent agencies and White House officials signed an Interagency Memorandum of Understanding for Economic Adjustment and Community Assistance. As a principal signatory to the Memorandum of Understanding, I directed the Forest Service to reprogram \$16 million this fiscal year for watershed restoration projects in areas affected by decreased timber harvesting on federal lands in Washington, Oregon, and Northern California. This initiative is referred to as "Jobs in the Woods." The initiative is intended to provide community assistance and increased employment opportunities in the affected areas. To accomplish this goal, however, the Forest Service needs to be able to limit competition for watershed restoration projects to businesses located in the affected areas.

The Forest Service has considered a number of options, and while each affords partial assistance, none fully satisfies the goals established by the President, Congress, and the Interagency Memorandum of Understanding. Only the public interest determination at 41 U.S.C. 253(c)(7), which allows for use of other than full and open competition, effectively accomplishes the goal of providing new economic activity in the areas affected by decreased timber harvesting on federal lands.

If the Forest Service uses full and open competition, a contractor from outside the affected areas could be awarded a watershed restoration contract, and hire employees from outside the high unemployment area to perform the work. While the watershed restoration projects would be completed, the goal of decreasing unemployment in the affected areas would not be accomplished.

Similarly, using Labor Surplus Area set-asides for these procurements would not fully accomplish the goal of providing increased economic activity in affected communities. All of the proposed watershed restoration projects listed in Attachment A are located on National Forest System lands. Any business is eligible to compete for a procurement in a Labor Surplus Area if it performs over 50% of the contract work within that area. Thus, if a watershed is located within a Labor Surplus Area, any company would be eligible to compete for the procurement--even if its primary place of business is located elsewhere in the country. If businesses from outside the affected areas are awarded contracts, the opportunity for local businesses to perform the work diminishes, and the goal of decreasing local unemployment cannot be accomplished.

Moreover, setting the procurements aside for small businesses does not fully meet the goal of providing new economic activity in affected communities. Under the procedures for small business set-aside procurements, small businesses from outside the affected areas could be awarded these procurements. As stated above, this result diminishes the potential for award to businesses in these affected areas. In furtherance of the goal to provide new economic activity, small businesses in the affected areas will be encouraged to compete for the individual watershed restoration procurements.

Finally, I have reviewed the exemptions to full and open competition available under 41 U.S.C. 253(c)(1)-(c)(6), and have determined that none of them apply to the procurements in Attachment A.

(e) A determination, based on the findings, that the proposed action is justified under the applicable statute or regulation.

Based on the above findings I have determined that the only short-term method of fully accomplishing the President's goal to provide new economic activity to areas affected by decreased timber harvesting on federal lands in Washington, Oregon, and Northern California is found in 41 U.S.C. 253(c)(7), the public interest exception. Once the public interest determination and finding is signed, the advertising (see, 48 C.F.R. 5.202(a)(10)) and time limitations (see, 48 C.F.R. 5.203) normally associated with full and open competition will not apply to the procurements listed in Attachment A. Furthermore, the public interest determination will allow the Forest Service to limit competition to areas affected by decreased timber harvesting on federal lands.

(f) Expiration date of the Determination and Finding

This determination and finding will expire when the contract work is completed on all of the procurements listed in Attachment A.

(g) Signature of authorized official

Sincerely,



MIKE ESPY
Secretary



Date: April 11, 1994

INFORMATIONAL MEMORANDUM FOR THE SECRETARY

THROUGH: JAMES R. LYONS
Assistant Secretary for Natural Resources and Environment

FROM: JACK WARD THOMAS *Jack Ward Thomas*
Chief

SUBJECT: Request for Public Interest Determination under
41 U.S.C. 253(c)(7), (48 C.F.R. 6.302-7)

ISSUE: Justification for other than full and open competition

DISCUSSION: While no justification is required (see, 41 U.S.C. 253(f)(2)(c)) when an exemption is requested pursuant to 41 U.S.C. 253(c)(7) and 48 C.F.R. 6.302-7, the following material satisfies the requirements contained in 48 C.F.R. 6.303-2 for each of the procurements set forth in Attachment A.

On April 2, 1993, at the conclusion of the Forest Conference, President Clinton stated: "Where sound management policies can preserve the health of forest lands, sales should go forward. Where this requirement cannot be met, we need to do our best to offer new economic opportunities for year-round, high-wage, high-skill jobs."

To further this goal, eleven Federal officials, including Cabinet secretaries, heads of independent agencies and White House officials signed an Interagency Memorandum of Understanding for Economic Adjustment and Community Assistance. The Secretary of Agriculture, as a principal signatory to the Memorandum of Understanding, directed the Forest Service to reprogram \$16 million this fiscal year for watershed restoration projects in areas affected by decreased timber harvesting on federal lands in Washington, Oregon, and Northern California. This initiative is referred to as "Jobs in the Woods."

To provide new economic activity to areas affected by decreased timber harvesting on federal lands, Congress directed the Forest Service to expend \$20,000,000 for watershed restoration from its construction appropriation. The Conference Report for the Forest Service's Fiscal Year 1994 appropriations stated that the funds are to be used for both road projects such as road closure, obliteration, revegetation and drainage improvements, and watershed projects such as riparian revegetation, erosion control, and slide stabilization. Projects with the greatest long-term positive impact should be favored over those with short-term benefits.



Under the Competition in Contracting Act of 1984, contracts for watershed restoration projects of this type are normally awarded after full and open competition. The Forest Service is requesting that the Secretary make a determination that it is in the public interest, pursuant to 41 U.S.C. 253(c)(7), to limit competition for solicitations offered to implement the "Jobs in the Woods" initiative. This is necessary to ensure that contracts for the proposed watershed restoration projects are awarded in communities affected by reduced timber harvesting on federal lands in Washington, Oregon, and Northern California, and to provide increased employment opportunities for workers displaced from their jobs in these affected areas. The list of specific procurements is found in Attachment A.

The following information, while not required (see, 41 U.S.C. 253(f)(2)(c)) when an exemption is requested pursuant to 41 U.S.C. 253(c)(7) and 48 C.F.R. 6.302-7, satisfies the justification provisions set forth in 48 C.F.R. 6.303-2 for each of the procurements set forth in Attachment A.

(1) Identification of the agency and the contracting activity.

The Forest Service, United States Department of Agriculture, is the agency requesting the public interest determination. Forest or Region level contracting officers will make award of these procurements. A list of the specific procurements to be awarded is found in Attachment A.

(2) Nature and/or description of the action being approved.

The President, Congress, and the signatories to the Interagency Memorandum of Understanding established the common goal of providing increased economic activity in communities affected by reduced timber harvesting on federal lands in Washington, Oregon, and Northern California. Therefore, it is necessary to ensure that Forest Service contracts for proposed watershed restoration projects are awarded in these affected areas.

The Forest Service has considered a number of options, and while each affords partial assistance, none fully satisfies the goals established by the President, Congress, and the Interagency Memorandum of Understanding. Only the public interest determination at 41 U.S.C. 253(c)(7), which allows for use of other than full and open competition, effectively accomplishes the goal of providing new economic activity to areas affected by decreased timber harvesting on federal lands.

Using full and open competition, a contractor from outside the affected areas could be awarded a watershed restoration contract, and hire employees from outside the high unemployment area to perform the work. While the watershed restoration projects would be completed, the goal of decreasing unemployment in the affected areas would not be accomplished.

Similarly, using Labor Surplus Area set-asides for these procurements would not fully accomplish the goal of providing increased economic activity in affected communities. All of the proposed watershed restoration projects listed in Attachment A are located on National Forest System lands.

Any business is eligible to compete for a procurement in a Labor Surplus Area if it performs over 50% of the contract work within that area. Thus, if a watershed is located within a Labor Surplus Area, any company would be eligible to compete for the procurement--even if its primary place of business is located elsewhere in the country. If businesses from outside the affected areas are awarded contracts, the opportunity for local businesses to perform the work diminishes, and the goal of decreasing local unemployment cannot be accomplished.

Moreover, setting the procurements aside for small businesses does not fully meet the goal of providing new economic activity in affected communities. Under the procedures for small business set-aside procurements, small businesses from outside the affected areas could be awarded these procurements. As stated above, this result diminishes the potential for award to businesses in these affected areas. In furtherance of the goal to provide new economic activity, small businesses in the affected areas will be encouraged to compete for the individual watershed restoration procurements.

Finally, I have reviewed the exemptions to full and open competition available under 41 U.S.C. 253(c)(1)-(c)(6), and have determined that none of them apply to the procurements listed in Attachment A. Accordingly, the only method of effectively providing increased economic activity in areas affected by decreased timber harvesting on federal lands in Washington, Oregon, and Northern California is found in 41 U.S.C. 253(c)(7), the public interest exemption. Once the public interest determination and finding is signed by the Secretary, the advertising (see, 48 C.F.R. 5.202(a)(10)) and time limitations (see, 48 C.F.R. 5.203) normally associated with full and open competition do not apply. Furthermore, the public interest determination will allow the Forest Service to limit competition to areas affected by decreased timber harvesting on federal lands in Washington, Oregon, and Northern California.

(3) A description of the supplies or services required to meet the agency's need (including the estimated value).

Congress directed the Forest Service to expend \$20,000,000 for watershed restoration from its construction appropriation. The Conference Report for the Forest Service's Fiscal Year 1994 appropriations stated that the funds are to be used for both road projects such as road closure, obliteration, revegetation and drainage improvements, and watershed projects such as riparian revegetation, erosion control, and slide stabilization. Types of projects include:

- a) road erosion and sedimentation- services will include such work as stream diversion, upgrade, and rerouting drainage.
- b) road upgrading- improving drainage ditches, rock road surfacing, mulching and revegetating road cuts and fills.
- c) riparian silviculture- services will include such work as river, streamside and high-bar planting or seeding, conifer interplanting and aerial seeding.

d) upland improvement- services will include intensive reforestation, interplanting, thinning, snag creation, light prescribed burning and stand improvement.

e) stream channel restoration- services will include habitat improvement of fish and aquatic resources, restoring rearing and holding habitat and improving stream passage, catchments creation, bank stability and floodplain or channel restructuring.

Some combination of the above activities would be included in each watershed restoration procurement. See Attachment A for an identification of the individual procurements. Included in the listing is a brief description of the types of services that will be required on each procurement.

(4) An identification of the statutory authority permitting other than full and open competition.

Other than full and open competition is authorized under 41 U.S.C. 253(c)(7), which allows for a determination by the head of an agency that it is necessary in the public interest to use procedures other than competitive procedures in specific procurements. (48 C.F.R. 6.302-7).

(5) A description of efforts made to ensure that offers are solicited from as many potential sources as is practicable, including whether a CBD notice was or will be publicized as required by Subpart 5.2 and, if not, which exception under 5.202 applies.

Once the public interest determination and finding is signed by the Secretary, a Commerce Business Daily notice is not required pursuant to the exception contained at 48 C.F.R. 5.202(a)(10), and the response times set forth in 48 C.F.R. 5.203 are inapplicable. Nevertheless, offers will be solicited from as many sources as practicable. For example, the availability of specific procurements will be advertised within the affected areas to ensure that local contractors are aware of these procurement opportunities. Furthermore, all procurements over \$10,000 will be forwarded to other federal procurement offices serving the affected communities for posting on their public notice boards. In the event no qualified local businesses are capable of performing work on specific procurements, these procurements will be made available to companies outside of the identified geographic areas.

(6) A determination by the contracting officer that the anticipated cost to the Government will be fair and reasonable.

The Forest Service will seek competition for each procurement in areas affected by reduced timber harvesting on federal lands in Washington, Oregon, and Northern California. Furthermore, in the event no qualified local businesses are capable of performing work on specific procurements, these procurements will be made available to companies outside of the affected areas. These competitive measures should ensure that the anticipated cost to the government will be fair and reasonable.

(7) A description of the market survey conducted (see 7.101) and the results or a statement of the reasons a market survey was not conducted.

To the extent practicable, market surveys will be conducted to determine the interest in specific procurements. Every effort will be made to ensure that the local businesses in the areas affected by reduced timber harvesting on federal lands in Washington, Oregon, and Northern California are given notice of these procurement opportunities.

(8) A listing of the sources, if any, that expressed in writing, an interest in the acquisition.

Offerors have not yet been solicited, so none have expressed an interest in specific procurements. All prospective offerors within the market area of the proposed acquisition will be given the opportunity to compete. It is anticipated that the magnitude of the available watershed restoration contracts, and their concurrent operation, will give all prospective offerors such an opportunity. In general, it is well known that contractors in the affected areas are interested in acquisitions.

(9) A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for the supplies or services required

The Forest Service request for a determination that it is in the public interest, pursuant to 41 U.S.C. 253(c)(7), to use other than full and open competition is limited to the procurements listed in Attachment A. The Forest Service will continue to pursue the goal of providing new economic activity to areas affected by decreased timber harvesting on federal lands, with a range of other options suited for the implementation of short-term and long-term goals.

As Head of the Contracting Agency, I certify that the above information satisfies the justification requirements contained in 48 C.F.R. 6.303-2 for each of the procurements set forth in Attachment A, allowing for use of other than full and open competition pursuant to 41 U.S.C. 253(c)(7) and 48 C.F.R. 6.302-7.

Reviewed by: 