

Eastern Arizona Counties Resource Advisory Committee Case Study

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Introduction

This study of the Eastern Arizona Counties Resource Advisory Committee (RAC) and county “Title III” expenditures is part of a larger study of Public Law 106-393, the Secure Rural Schools and Community Self Determination Act. Since the early twentieth century, states and communities throughout the U.S. have received funds through the sharing of receipts from revenue producing activities on the Forest Service’s national forests and the Bureau of Land Management- administered Oregon and California (O&C) lands. In 2000, following many years of declining timber harvests, the primary revenue producers on much of this land, Congress passed P.L. 106-393 to restore and stabilize county revenue payments from both national forests and O&C lands. The legislation was also to replace the “safety net” county payments in the area of the Northwest Forest Plan.

The Secure Rural School and Community Self Determination Act is novel legislation for two reasons: 1) it standardizes road and schools payments for six years; and 2) perhaps most unique, it pays for something other than roads and schools (which virtually all of the previous “receipt payments” were used for) through potentially innovative mechanisms. The legislation combines the creation of employment opportunities and maintenance of existing infrastructure with the enhancement and restoration of forest ecosystems and watersheds. The legislation calls also for strengthening cooperative relationships between local people that use and care for the land and the agencies responsible for it, and it establishes mechanisms and money for these groups to do so. Direct local involvement is achieved through the establishment of Resource Advisory Committees (RACs) and local governing body involvement in project identification and recommendation. Title II establishes new roles for local stakeholders through the creation of Resource Advisory Committees that recommend projects to

fund. Title III in the legislation involves county officials recommending projects to fund.

The Secure Rural Schools and Community Self Determination Act calls for monitoring and evaluation. The unique aspects of this legislation offer important opportunities—but only if systematic monitoring and assessment are undertaken. Whether it represents a model for the future or not, implementation of the legislation and Title II and Title III projects needs to be assessed to determine if funded projects are innovative, achieve desired outcomes, and are genuinely successful.

With support from the U. S. Department of Agriculture, Forest Service and the U.S. Department of Interior, Bureau of Land Management, the Sierra Institute is evaluating Title II and Title III of the Secure Rural Schools and Community Self Determination Act. The Sierra Institute is evaluating the legislation by examining Title II and III projects and their outcomes in 16 cases across the country. In addition to examining specific project outcomes, Sierra Institute is assessing if and under what conditions stakeholder collaboration, as structured in the RAC process, leads to innovative approaches that satisfy both social and resource management objectives. The Sierra Institute is also evaluating the institutional mechanisms established to implement P.L. 106-393. A fundamental research issue is understanding how effective these mechanisms are for implementing P.L. 106-393, as well as how they might be improved. This assessment will provide valuable information that can enhance the effectiveness of the ongoing implementation of the Secure Rural Schools and Community Self Determination legislation and will contribute to the discussion about its reauthorization. Results of this assessment may also be used of inform broader policy discussions concerning community-based natural resources management approaches, such as the National Fire Plan.

Background

The Eastern Arizona Counties RAC encompasses five large, sparsely populated counties of eastern Arizona: Apache, Gila, Graham, Greenlee, and Navajo, (Figure 1). Together, these counties comprise nearly 29% of the state's land area, much of which is administered by the U.S. Forest Service, the Bureau of Land Management (BLM), and the state, or lies within Indian reservations. Of the four national forests within the RAC boundaries, the Apache, the Sitgreaves, and the Tonto National Forests are tied to the payment system under P.L. 106-393. Apache and Sitgreaves National Forests are jointly administered as the Apache-Sitgreaves National Forests (ASNF).

While nearly a third of Navajo County is in private hands, private ownership in the remaining counties ranges only between 2% (Gila) and 14% (Apache). All but one of the five counties (Greenlee) overlaps with one or more Indian reservations, including Hopi, Navajo, Fort Apache, and San Carlos. As such, four of the participating counties have significant Indian populations, ranging from 13% in Gila County to 77% in Apache County.¹ Unemployment and poverty remain well above national and state averages, and are linked to the high rates of poverty and unemployment among the American Indian populations within those counties. For example, poverty and unemployment rates (38% and 14%, respectively) are highest in Apache County, where approximately 66% of the land is within the Fort Apache and Navajo Indian reservations, respectively. In contrast, Greenlee County, with a relatively low population of American Indians (1.7%), has substantially lower poverty and unemployment rates (10% and 9%, respectively).² While limited economic opportunities increase impoverishment in the area, the dynamics of international

immigration through the Arizona-Mexico border also generate a stream of new residents living under the poverty line. These residents effectively replace long-term immigrant households that have pulled themselves out of poverty. As such, the rather static measure of the poverty rate misses the dynamics of impoverishment for individual immigrant households that improve their economic well-being over time.³

Recent years have seen substantial change in the rural economies of Arizona. Tourism is a fundamental economic activity for Arizona, particularly in rural areas where some communities concentrate on tourism to the exclusion of "other forms" of

Figure 1. Arizona counties



¹ U.S. Bureau of the Census, 2000 data. Retrieved October 10, 2005 from <http://quickfacts.census.gov/qfd/index.html>.

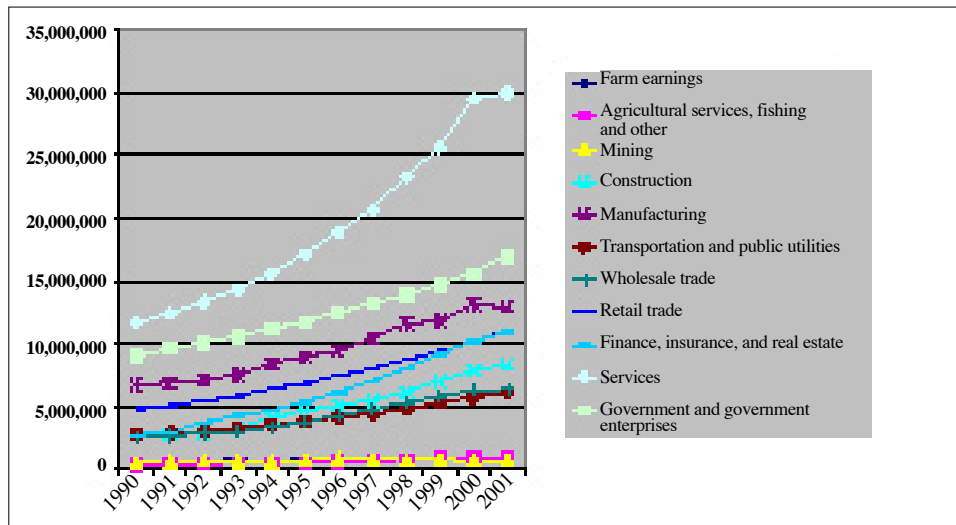
² Arizona Department of Commerce: County profiles. Retrieved October 2, 2005 from http://www.azcommerce.com/communities/county_profiles.asp.

³ Ibid.

economic activity.⁴ With a population of 35 million, California provides the most newcomers to Arizona, many with an interest in rural Arizona.⁵ This rural in-migration from more populous areas represents not only a substantial change in demographics, but also a shift in the economic base of rural counties. Since 1990, growth in service industries, real estate, government enterprise, and other sectors has far outstripped natural resources as a source of occupational income (Figure 2). While this pattern of economic development is largely the product of rapidly growing urban areas, there is also substantial development and diversification along the “I-40 corridor,” which includes the communities of Flagstaff, Kingman, Winslow, Prescott, Casa Grande, Yuma, and Sierra Vista.⁶

To some extent, these trends for the state and its “destination” rural counties mask the socioeconomic dynamics of eastern Arizona. Logging, ranching, and mining are historically significant economic activities in rural eastern Arizona, yet they represent a small proportion of Arizona’s overall economy. Of the five counties in this case study, all but Graham County rank near the bottom in terms of economic diversity within the state.⁷ Hence, while educational, health, and social services are the major source of employment in all but Greenlee County (Table 1), tourism, recreation, copper and coal mining, manufacturing, wood products, agriculture, and ranching remain significant.⁸ Table 1 shows the percentage of employment in the major Census categories for each of the eastern Arizona counties.

Figure 2. Arizona personal income by major source, 1990-2001



⁴ Ad Hoc Committee on Arizona’s Business Climate: Chairman’s Report May 2002. Retrieved October 18, 2005 from <http://www.azcommerce.com/doclib/prop/azbusinessclimate02.pdf>.

⁵ Arizona Association for Economic Development Update, Vol. 31, No. 1, January 2004. Retrieved October 10, 2005 from http://www.aaed.com/updates/Update_0104.pdf.

⁶ Arizona Association for Economic Development, op. cit.

⁷ Arizona Department of Commerce: Arizona’s Economic Future, August, 2002. Retrieved October 23, 2005 from <http://www.commerce.state.az.us/pdf/prop/sesreports/AZEconFuture.pdf>.

⁸ Arizona Department of Commerce. County profiles, op. cit.

Table 1. Employed civilian population 16 years and over in five eastern Arizona counties. Figure represent total numbers (top row) and percent by industry category.

Industry	Apache	Gila	Graham	Greenlee	Navajo
Total Employment	16,469	18,051	10,692	3,460	29,575
Agriculture, forestry, fishing and hunting, and mining	3.1	7.6	13.4	48.1	3.7
Construction	10.9	11.2	8.7	9.4	11.1
Manufacturing	2.6	4.1	3.1	1.7	5.4
Wholesale trade	1	2.1	2	1.1	1.6
Retail trade	8.1	11.5	12.4	5.4	13
Transportation and warehousing, and utilities	7.2	4.5	3.1	3.2	7
Information	1.5	1.1	1.4	1.5	1.3
Finance, insurance, real estate, and rental and leasing	2.8	4.8	2.9	1.3	3.8
Professional, scientific, management, administrative, and waste management services	2.8	5.7	3.7	3.2	3.8
Educational, health and social services	35.6	19.6	24.9	12.7	25.4
Arts, entertainment, recreation, accommodation and food services	8.5	13.6	9	4.4	10.7
Other services (except public administration)	3.3	4.5	4.3	2.9	3.9
Public administration	12.6	9.6	11.1	5.1	9.2

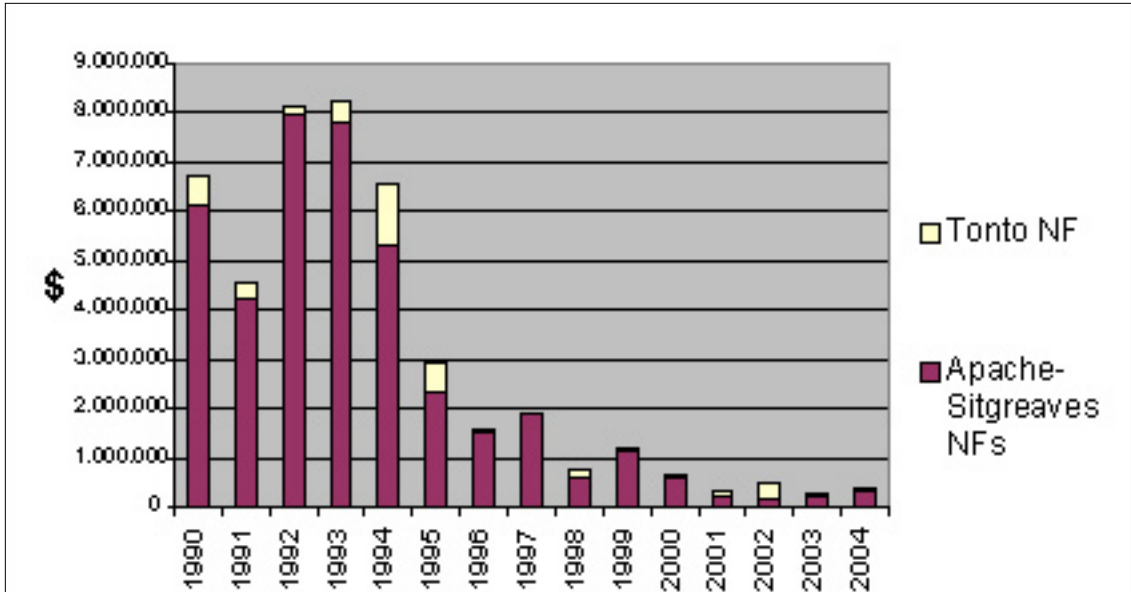
The natural resources sector, particularly the forest products industry, has been important historically, and is still viewed as significant to the area's future development.⁹ In Arizona, some 12,400 are employed in the forest products industry, earning an average annual wage of \$30,115. The potential for growth in the industry is seen as only moderate, however, because of uncertainties due to environmental regulations on public lands, and

the new technologies and markets that must be developed to utilize small-diameter logs. In the eastern Arizona counties, the 1993 "listing" of the Mexican spotted owl¹⁰ by the U.S. Fish and Wildlife Service (USFWS) as an endangered species without critical habitat was the last straw in a series of events that culminated in drastically reduced timber harvest levels on public lands, including the Apache-Sitgreaves and Tonto National Forests (Figure 3).

⁹ Arizona Department of Commerce: Arizona's Economic Future, op. cit.

¹⁰ U.S. Fish and Wildlife Service website: "[t]he Mexican spotted owl...inhabits canyon and montane forest habitats across a range that extends from southern Utah and Colorado through Arizona, New Mexico, and west Texas, to the mountains of central Mexico." Retrieved October 15, 2005 from http://www.fws.gov/ifw2es/mso/critical_habitat/critical_habitat.htm.

Figure 3. Cut and sold report data. Source: Paul Fink, Region 3, US Forest Service.



In June 1995, a final rule designating critical habitat for the owl was published, and, by August, a court ruling shut down all timber operations in the designated areas. Based on subsequent court rulings, the USFWS removed critical habitat designation for the owl in 1998, but, by 2000, the agency was ordered to again propose critical habitat and complete a final designation. At present, some 4.6 million acres of critical habitat have been designated for the owl on federal lands in Arizona, Colorado, New Mexico, and Utah.¹¹ A significant proportion of designated habitat for the owl exists on both the Apache-Sitgreaves and Tonto national forests, and amendments to land management plans now require special management considerations in owl habitat.

While legal wrangling over the Mexican spotted owl continued, the summer of 2002 saw a critical social and economic event in eastern Arizona--the nearly 500,000-acre Rodeo-Chediski wildland fire. Burning mostly in the Fort Apache Indian Reservation and Navajo County, some 400 homes were destroyed. This and other large-scale fires across the West focused the attention of rural

communities in eastern Arizona on the current condition of their forests. Coupled with the recent designations of Mexican spotted owl habitat, the fires shifted attention toward smaller-diameter trees as a source of ecological benefit and economic revitalization.

Throughout these eventful years, the Eastern Arizona Counties Organization - a loose coalition of the five counties in this study - continued to speak for rural interests in this part of Arizona. In 2000, Eastern Arizona Counties Organization formed the private non-profit organization the Environmental Economic Communities Organization. The mission of the Environmental Economic Communities Organization is largely education and advocacy for balance between environmental, economic, and social uses of public land from a local perspective, and its members have been active in a number of projects, and in policy formulation. According to Dr. Marty Moore, Executive Director of the Environmental Economic Communities Organization, the Eastern Arizona Counties Organization was instrumental in the formation of the Eastern Arizona Counties RAC, approaching

¹¹ U.S. Fish and Wildlife Service website, op. cit.

then-supervisor of the ASNF John Bedell to initiate its formation.

Thus, the formation and operation of the RAC was part of the larger tapestry of historical events and capacity building in eastern Arizona, stimulated by the area's low economic diversity, declining timber harvests, and much-touted prospects for revitalizing the forest products industry.¹² The Rodeo-Chediski fire and the subsequent passage of the Healthy Forests Restoration Act came at a time of growing local interest in partnership and collaboration in forest management. This culminated recently with the award of a contract to a local firm¹³ for work in the White Mountain Stewardship Project, the nation's first large-scale

application of the goods-for-services concept in stewardship end result contracting.¹⁴ The project involved many partners, including the White Mountain Apache Tribe, the Arizona Department of Fish and Game, Four Corners Sustainable Forestry Partnership, The Nature Conservancy, and the Natural Resource Working Group.¹⁵ Over a ten-year period, 150,000 acres of wildland-urban interface around communities like Show Low and Pinetop-Lakeside will be thinned, in conjunction with similar, but smaller-scale Title II projects. The stewardship contract addresses a key barrier to local investment in the forest products sector by providing a reliable supply of material to the local forest products industry.¹⁶

County Elections for Titles II and III

Relative to regions like the Pacific Northwest, counties in the Eastern Arizona Counties RAC receive moderate amounts of funding via P.L. 106-393, as shown in Table 2. In these counties, the most striking feature is the unanimous election not to exercise Title III authorities.

According to the Executive Director of the Eastern Arizona Counties Organization and the Environmental Economic Communities Organization, the election by counties not to use Title III authority was motivated by what is perceived as a dollar-for-dollar potential offset in PILT

payments. Relative to P.L. 106-393 payments, these sums are substantial. Over the four fiscal years addressed in this case study (FY2002-FY2005), average PILT payments ranged from \$760,548 in Navajo County to \$1,720,798 in Gila County.

With the exception of Graham, each of the counties has elected to allocate the minimum allowable (15%) under the legislation to Titles II and III. Graham County contributes 0% to, and is largely a passive participant in, the RAC, reflecting the fact that its total annual P.L. 106-393 payments never exceeded \$100,000.

¹² The Arizona Industries of the Future Forestry Steering Committee: Arizona Industries of the Future Forestry Action Plan 2004. Retrieved November 10, 2005 from http://www.governor.state.az.us/FHC/documents/AZ%20IOF%20Forestry%20Action%20Plan_for%20Governor's%20Web.pdf.

¹³ Future Forests, LLC. The competitive bidding process stimulated capacity building as well, leading to the creation of the Eastern Arizona Stewardship Center. While the center bid unsuccessfully on the project, county officials behind this effort have stated that the center will continue its work.

¹⁴ US Forest Service: White Mountain Stewardship Contract. Retrieved November 10, 2005 from <http://www.fs.fed.us/r3/asnf/stewardship/>.

¹⁵ Also referred to at various points as the Blue Ridge Natural Resources Working Group and the White Mountains Natural Resources Working Group.

¹⁶ The Arizona Industries of the Future Forestry Steering Committee: Arizona Industries of the Future Forestry, op. cit.

Title II Projects

In fiscal years 2003, 2004, and 2005, the Eastern Arizona Counties RAC approved 31 of 59 proposals for Title II projects, allocating some \$1.3 million in their support (Table 3). Of the four counties, Navajo County received 25% of total Title II project expenditures, while Apache County received less than 17% of the total. Nearly a quarter of the funds have been allocated to projects in multiple counties, hence it is not possible to determine the exact proportion of dollars or benefits that accrued to individual counties.

In fiscal year 2003, there were no non-Forest Service Title II projects, but in subsequent years about half of Title II funds went to projects that were “public” in origin, submitted by county governments and non-profit organizations. Of the 31 funded projects, 10 originated from local government or non-profit organizations, representing \$508,106, or just over 40% of total expenditures. Expenditures for projects specific to the four counties reflect only approximately the distribution of Title II allocations to these counties. While Greenlee County contributed \$377,687 to the RAC’s budget under Title II authority, only \$181,000 was allocated by the RAC to Title II projects specific to Greenlee County, a disparity that was also obvious in the multi-county projects (Table 3). However, the lack of parity under which Greenlee County operates was common knowledge among RAC members, and it was accepted that more projects were needed there in the future in order to balance previous funding patterns.

Project Solicitation

Several times per year, public service announcements are published in newspapers with readerships in the five counties announcing the availability of RAC funds, as well as information on the Title II application process. In addition, notifications are posted on the ASNF website. These announcements, as well as Federal Register Notices about upcoming meetings are handled by the ASNF

public affairs officer, Bob Dyson, who serves also as grant advisor and RAC coordinator. This signals the start of a four to six week interval during which Title II project proposals are accepted for review.

According to the RAC coordinator, solicitation for projects at the inception of the RAC was a tumultuous process because of the agency’s uncertainty about how to transfer Title II monies to project sponsors in the private sector. At first, it was assumed that conventional contracting mechanisms would be used, but after much discussion between the local Forest Service officials and Region 3 headquarters, the regional office directed that an already established granting process be used to support these projects. Coming as it did after submission of a number of proposals, this decision suddenly imposed a 20% matching funds requirement, a surprise to private applicants, and a source of problems for those unable to make the match. Beyond this, the current solicitation process appears to run smoothly and is enhanced by an informal “grapevine” that communicates news of the RAC’s activities.

Project Review, Prioritization, and Selection

An initial screening of project proposals by the Forest Service begins immediately after each submission deadline during the year. In this first phase of screening, projects are reviewed to assure they comport with the requirements of P.L. 106-393, the National Environmental Policy Act, and other statutes. Unlike previous years, private organizations that successfully pass this initial screening are now interviewed by the RAC coordinator about their financial status and capabilities in project implementation and administration. Following the initial screening, project proposals are packaged and sent to RAC members with a letter confirming the dates of the next meeting. While no direct consultation with county officials occurs at this point, Marty Moore, Executive Director of the EECO, is often waiting “in the wings” acting as liaison to the counties.

Table 2. P.L. 106-393 Receipts, Elections, and Allocations for Apache, Gila, Graham, Greelee, and Navajo Counties, 2002-2005.

County	Year	Full P.L. 106-393 Payment Amount	Title I \$ (Percent of Full Payment allocated to Title I)	\$ Amount Elected for Titles II/III (Percent of Full Payment Total)	Title III	4-Year Title II Total
Apache	2002	432,145	367,323 (85)	64,822 (15)	0	
	2003	435,603	370,263 (85)	65,340 (15)	0	
	2004	440,830	374,706 (85)	66,124 (15)	0	
	2005	446,561	379,577 (85)	66,984 (15)	0	
						263,270
Gila	2002	363,363	308,859 (85)	54,504 (15)	0	
	2003	366,270	311,330 (85)	54,940 (15)	0	
	2004	370,666	315,066 (85)	55,600 (15)	0	
	2005	375,483	319,161 (85)	56,322 (15)	0	
						221,367
Graham	2002	74,759	74,759 (100)	0 (0)	0	
	2003	75,357	75,357 (100)	0 (0)	0	
	2004	76,262	76,262 (100)	0 (0)	0	
	2005	77,253	77,253 (100)	0 (0)	0	
						0
Greenlee	2002	619,956	526,963 (85)	92,993 (15)	0	
	2003	624,916	531,179 (85)	93,737 (15)	0	
	2004	632,415	537,553 (85)	94,862 (15)	0	
	2005	640,636	544,541 (85)	96,095 (15)	0	
						377,687
Navajo	2002	711,734	604,974 (85)	106,760 (15)	0	
	2003	717,428	609,814 (85)	107,614 (15)	0	
	2004	726,037	617,131 (85)	108,906 (15)	0	
	2005	735,475	625,154 (85)	110,321 (15)	0	
						433,601
Total of all Title II Allocations						1,295,925

At present, the Eastern Arizona Counties RAC meets once annually. Prior to 2005, however, they typically met three to five times per year. According to the RAC coordinator, the decision by committee members to reduce the number of meetings was based on the view that relationships had been sufficiently established among RAC members. The reduced number of meetings did not compromise field trips, as these have been largely non-existent due to the broad geographic spread of the five counties. Since its inception, the RAC has had only one field trip and attendance was not good. The RAC coordinator, however, visits most of the Title II project sites and conveys his observations at RAC meetings.

The Forest Service does not directly convey to the RAC its priorities within the list of potential projects. However, if asked by RAC members, the designated federal officer (DFO) and Forest Supervisor, Elaine Zieroth, helps set priorities during discussions following the presentations of project proposals. One of the priorities that emerged from these discussions was the need to protect communities from wildfire. The RAC first met in October 2002, a few scant months after the Rodeo-Chediski fire, an event that continues to reverberate socially.

Generally, the RAC considers about a dozen new project proposals every year. At the RAC meeting, each of the three “groups” (comprised of five members representing specific interests, as required by P.L. 106-393) convenes separately to consider proposals. In past years, the groups would then apply a set of formal criteria developed at initial meetings to determine a “top five” preference ranking. Currently, however, the groups have internalized these criteria, relying on a “gut feeling” to establish preferences. When the committee convenes as a whole, project proposals that are unanimously favored by the three RAC groups are automatically approved, subject to funding availability. Proposals garnering a thumbs-up from only one or none of the groups are automatically rejected, while those favored by two groups are discussed extensively. A large-format “matrix” that compares the top five project proposals of each group facilitates this discussion by focusing

attention on areas of disagreement. According to many RAC members, this is the stage of political “give and take” that is roundly described in positive terms.

Following a RAC meeting, recommended projects are reviewed for approval by the DFO. Then, the RAC coordinator meets with sponsors of recommended proposals, where private applicants initiate paperwork for the agency’s granting process. According to the RAC coordinator, the granting process requires a level of operating capital that may preclude participation by smaller organizations. Project costs must be billed after they are incurred, and the time required for reimbursement can be significant.

Approved Projects

The Eastern Arizona Counties RAC has funded a moderately diverse group of projects in the three fiscal years since its inception (Table 3). The Title II project categories in Table 3, as well as project assignments to categories, were adapted from those provided by the RAC Coordinator. While the majority of projects were assigned to a single category, five of the 31 had been assigned to two categories. For the purposes of classification and to avoid double counting, multi-category projects were “forced” into single categories based on appraisals of the project’s main focus.

In the following discussion of Title II projects, the nine Forest Service categories have been grouped into six themes that reflect the pattern of overlapping benefits that projects provide. These themes are Education and Planning; Forest Health, Habitat; Noxious Weeds; Roads and Trails; and Watersheds.

Community Wildfire Protection Plans

In the three fiscal years of this study, a sum of \$60,000, or 5% of the total, was awarded for Community Wildfire Protection Plans (CWPPs; Category 1). This represents the smallest proportion of the RAC’s total Title II allocations. In 2004, the Environmental Economic Communities Organization requested and received \$60,000 for its Community Wildfire Protection Plan Preparation

for Gila and Greenlee Counties. As mentioned previously, Community Wildfire Protection Plans are a prerequisite for federal funding under the Healthy Forests Restoration Act, and plans completed for the ASNF formed a foundation for the Environmental Economic Communities Organization’s planning work at the county level. The Title II funds applied to this Community Wildfire Protection Plan are working in concert with external funds--\$10,000 from the Environmental Economic Communities Organization, \$30,000 from Gila County, and \$20,000 from Greenlee County. Specifically, the Community Wildfire Protection Plan is being created with the help of open, collaborative community action groups that have broad participation from agencies, local governments, and community stakeholders and interest groups. Like the Community Wildfire Protection Plans it will be based on, this planning

effort entails a risk-based approach to reducing fire hazard, with a focus on the wildland-urban interface.

Education

In Category 2, Education, \$151,799, or 12% of the total, was distributed among six projects. For example, the Northeast Arizona Training Center Design is a collaborative effort among multiple jurisdictions in federal, state, county, and municipal governments to provide training in wildland fire suppression and other emergency professions.¹⁷ A relatively modest sum of \$52,500 was requested to complete architectural and engineering design for a 20-acre training facility in Taylor, Arizona. Northeast Arizona Training Center Design partners have already pledged approximately \$1.5 million, in addition to \$40,000 of in-kind services.

Table 3. Eastern Arizona Counties RAC allocations by county for fiscal years 2003-2005. Sums include 5% overhead.¹⁸

Category	COUNTY					TOTAL
	Apache	Gila	Greenlee	Navajo	Multiple counties	
1. Community wildfire protection plans	0 (0)	0 (0)	0 (0)	0 (0)	60,000 (1)	60,000 (1)
2. Education	0 (0)	59,799 (1)	0 (0)	18,000 (2)	74,000 (3)	151,799 (6)
3. Forest health improvement	50,000 (1)	36,000 (1)	0 (0)	148,800 (3)	0 (0)	234,800 (5)
4. Noxious weeds	0 (0)	149,807 (2)	14,000 (1)	18,000 (1)	0 (0)	181,807 (4)
5. Road inventory and maintenance	0 (0)	0 (0)	40,000 (1)	0 (0)	180,000 (3)	220,000 (4)
6. Stream restoration	0 (0)	0 (0)	35,000 (1)	45,000 (1)	0 (0)	80,000 (2)
7. Trail maintenance	18,000 (1)	0 (0)	50,000 (1)	0 (0)	0 (0)	68,000 (2)
8. Watershed restoration	0 (0)	0 (0)	42,000 (1)	92,000 (3)	0 (0)	134,000 (4)
9. Wildlife habitat improvement	150,000 (3)	0 (0)	0 (0)	0 (0)	0 (0)	150,000 (3)
TOTAL	218,000 (5)	245,606 (4)	181,000 (5)	321,800 (10)	314,000 (7)	1,280,406 (31)

¹⁷ See www.natctraining.org.

¹⁸ Source: personal communication with Robert Dyson, Apache-Sitgreaves National Forests.

Forest Health Improvement

A total of \$234,800, or 18% of the total, was allocated for Forest Health Improvement (Category 3), which includes fuels reduction work and equipment purchases. The Woodland Lake Fuels Reduction project was a notable example of synergism among government entities. This \$58,800 project was sited in a 583-acre parcel of Forest Service land leased to the city of Pinetop-Lakeside. The Woodland Lake Park Tract, or the “park,” as it is more commonly known, is a prime example of a wildland-urban interface, one at high risk of wildfire. The goal of the project is to treat a 128-acre area, the most heavily used portion of the park. Notably, this project “piggybacks” on the existing White Mountains Stewardship Contract, an arrangement that facilitates the removal of thinning residue along with tree boles. Moreover, the project coordinates with work on adjacent private lands. In fiscal year 2004, Navajo County, Pinetop-Lakeside, and Showlow obtained three Forest Health Restoration Grants from the Forest Service Region 3 Forest Health Protection funds. Pinetop-Lakeside received \$400,000 out of the \$1,000,000 total.¹⁹

As an adjunct to thinning and fuels reduction work, much mention was made of the Mobile Air Curtain Destructor, a proposal from the Tonto National Forest that was awarded \$35,000. Fuels reduction projects generate large quantities of residue, which in wetter regions of the country are generally piled and burned or reduced by burning the entire site. However, in Arizona, dry conditions and concerns about air quality make these approaches unfeasible. An air curtain destructor facilitates near-smokeless burning by placing woody debris and residue in a large steel combustion chamber. A controlled high-velocity “curtain” of air across the upper portion of the box traps unburned particles in a high temperature zone. The device is currently being used in conjunction with the Payson Regional Area Project, an educational and hazardous fuels reduction effort aimed at private landowners.

Noxious Weeds

Noxious weeds (Category 4) are a perennial problem in Arizona, prompting the RAC to allocate \$181,807, or 14% of the total to four projects, only one of which was “in-house” to the Forest Service. A prime example is the Tamarisk Inventory conducted by the Arizona Wilderness Coalition with a \$14,000 Title II award. Tamarisk, also known as salt-cedar, is an invasive tree species that has detrimental effects on river flows, soil salinity, and local biodiversity. Its presence also creates an abnormally high fire danger for riparian areas. In partnership with the Sky Island Alliance, the Arizona Wilderness Coalition initiated a number of combined survey and educational activities along the Blue River in summer 2005, and their hope is to create interest among private landowners, ranchers, interest groups, and other users of public lands for future removal and monitoring of tamarisk.

The RAC also awarded \$64,807 to Gila County, the Tonto National Forest, and the Arizona Department of Transportation for noxious weed management along county and Forest Service roads. The county provided \$50,176 of labor and equipment as a matching in-kind contribution, and has hired two temporary employees to hand pull weeds in the spring and fall. The crew works in conjunction with road grader crews who have GPS units to record the location of weed infestations for later removal. Other labor sources are an integral part of this project, including the state prison, and junior high and high school clubs, such as Future Farmers of America.

Road Inventory and Maintenance

In all, \$222,000, or 17% of the total, was allocated to projects in Road Inventory and Maintenance (Category 5). For example, the Environmental Economic Communities Organization requested and received \$100,000 in Title II funds for the County Road R-O-W Treatment project that spans all five counties in the RAC area. While the goal of the project is to mitigate traffic safety hazards along

¹⁹ Arizona Forest Health: University of Arizona Cooperative Extension. Retrieved November 19, 2005 from http://cals.arizona.edu/extension/fh/pdf_files/2004_USFS_annual_report.pdf.

roadways and highways within national forests, its benefits will be two-fold. First, dead and standing trees along key routes will be removed. Not only do such trees represent a hazard to motorists, they may also block routes needed by fire fighters and other emergency personnel. Second, the project will reduce slash and ground fuels along rights-of-way, thereby reducing the risk of wildfire ignition from motorized vehicles.

Stream restoration

Two projects were funded in the area of Stream Restoration (Category 6), with a sum of \$80,000, or 6% of the total. ANSF personnel are conducting the Eagle Creek, Blue, and San Francisco River Stream Surveys using a \$35,000 Title II award, coupled with a projected \$14,480 from the agency. The project continues work on stream classification, macro-invertebrate surveys, and woody species regeneration begun earlier in watersheds of the Upper Eagle Creek and Blue River. In particular, this survey work along the San Francisco River, Clifton Ranger District will support monitoring of the ecological effects of the Pigeon Ecosystem Restoration Project, where approximately 36,600 acres is to be treated with prescribed fire. Information generated by the survey will be shared among other agencies and interest groups in the area, for example, the Gila Watershed Partnership.

Trail maintenance

Two projects garnered \$68,000, or 5% of the total, allocated by the RAC in the area of Trail Maintenance (Category 7). The Blue River/KP Fire Trails Restoration project originated in the ASNF Alpine Ranger District, receiving \$50,000 in Title II funds matched against \$60,000 from the Forest Service, as well as \$20,000 from the Arizona Game and Fish Department and the State Parks Trails Heritage Fund. Two large fires in 2003 and 2004 damaged large portions of the area's trail system, increasing erosion and sedimentation into waterways. The goal of the project is to re-open or restore over 85 miles of trails for foot and horse traffic. Twelve seasonal jobs are being created, and

continued collaborations with the Youth Corp and volunteer groups in the Alpine area are anticipated.

Watershed Restoration

The RAC allocated \$134,000, or 10% of total, to work in Watershed Restoration (Category 8). The Clay Springs Watershed Restoration project matched \$57,000 in Forest Service funds against a \$50,000 Title II award to address erosion and sedimentation, and to retain straw mulch on a 1,000-acre portion of the Rodeo-Chediski Fire. The approach taken was "contour-felling" of all trees nine inches or less in diameter to arrest the downhill movement of sediments. Typically, such sites have ample downed woody material (for example, dead trees) to serve as barriers to erosion and microsites for tree regeneration. Following intense wildfire, however, much of this dead material is consumed, necessitating a diverse array of short- and long-term restoration activities.

A controversial watershed restoration project, Removal of Feral Horses, was allocated \$25,000 in Title II funds against \$40,000 from the Forest Service. Following the Rodeo-Chediski Fire, the number of feral horses along the Mogollon Rim increased to a herd size of 300-400. Many of the horses are believed to have strayed from the adjacent Fort Apache Indian Reservation, as most boundary fences were burned in the fire. The Forest Service views this growing herd as unauthorized stray domestic horses. For this project, a contractor will round up the horses and sell them at auction. However, a number of animal rights groups maintain that a significant number of the horses warrant protection under the Wild Free-Roaming Horse and Burro Act of 1971, and therefore cannot be sold for slaughter as part of the removal process. Regardless of their designation, the horses' negative impact on post-fire ecological recovery processes such as native seed planting is viewed as significant, and removal in either case is seen by many as necessary.

Wildlife Habitat Improvement

A sum of \$150,000, or 12% of the total, was granted to projects addressing Wildlife Habitat

Improvement (Category 9). For example, a Black Bear Wildland Urban Interface Monitoring Project initiated by the Arizona Game and Fish Department combined \$50,000 of Title II monies with another \$50,000 from federal and other sources. The Title

II funds will purchase equipment for radio-collaring and tracking back bears in the wildland urban interface of Greer and Nutrisoso, some of Arizona's best bear habitat. Funds will also support contract labor for bear capture and release.

RAC Formation, Operation, and Process

The diverse projects recommended by the Eastern Arizona Counties RAC and funded under Title II authorities are part of a larger story that includes a web of relationships among counties, the Forest Service, private organizations, and the public. While many of the institutional dynamics among these entities pre-date the advent of P.L. 106-393, the legislation has shaped the manner in which people and processes in the RAC and elsewhere interact. This interaction is the focus of this section on RAC formation, operation, and relationship building.

RAC Formation

As mentioned previously, the five counties, via the Eastern Arizona Counties Organization, approached ASNF supervisor John Bedell about how to implement P.L. 106-393 locally. These conversations ultimately led to the formation of the RAC. The Eastern Arizona Counties RAC was chartered in 2002, and met for the first time on October 11, 2002. Its 15 members represent all but one county in the RAC, Graham County, which made no election for Titles II and III. The majority of members (seven) are from Navajo County, and there are two each from Graham, Greenlee, and Gila Counties, and one each from the heavily populated counties of Maricopa and Pima. The latter two members fill slots for a nationally recognized environmental organization and grazing permittee or other land-use permittee, respectively.

The RAC has had one elected chair since its inception--Jan Mathis, of the University of Arizona Cooperative Extension, Navajo County. Ms. Mathis occupies the School Official or Teacher slot on the RAC, and in her position she has testified about the RAC and P.L. 106-393

before the House Subcommittee on Forests and Forest Health. The RAC has had a stable membership during most of its existence.

In general, supervisors from the five county area have rarely expressed interest in serving on the RAC, notwithstanding the Forest Service's direct solicitation. This may be explained partly by the role played by Executive Director of the Environmental Economic Communities Organization, who serves as liaison between the counties, the Eastern Arizona Counties Organization, and the RAC. At the writing of this case, Robert Lacapa, a member of the White Mountain Apache tribe, will no longer serve as the Commercial Timber representative on the RAC. His duties as forester for the Bureau of Indian Affairs (BIA) on the White Mountain Apache Reservation precludes further participation, but his presence on the RAC has provided a valuable, if tenuous link between the tribe, the Forest Service, and neighboring communities. Applicants currently are being sought for Commercial Timber position.

The RAC has no representatives in the categories of Organized Labor, Archaeological and Historical Interests, or Nationally or Regionally Recognized Wild Horse and Burro Interest Groups. These three slots have instead been allocated to additional representation from the categories of Dispersed Recreation, Grazing Permittee or Other Land-Use Permittees, and Nationally Recognized Environmental Organization. The decision to "beef up" these latter areas of representation may be a pragmatic recognition of the importance of recreation and tourism, ranching, and environmental quality to local livelihoods.

RAC Operation

The Eastern Arizona Counties RAC now meets approximately twice per year, in towns and cities across the five counties. Coupled with the large geographic area involved, some RAC members view this as justification for not making field trips to project sites. However, one member continues to lobby for geographically localized RAC subcommittees that can visit the sites of ongoing projects. Increasingly, the trend in the RAC is to request accomplishment reports with photos, a practice that is common among Forest Service project sponsors.

At its inception, RAC members received no formal training from external sources in how to conduct their business. Some guidance was provided by then-supervisor of the ASNF, John Bedell. For this and perhaps other reasons, the RAC was “slow to start” as members struggled to define their identities and roles within the Title II funding process. One interviewee reported that it was a challenge to move past the interest group positions to a thoughtful discussion of the issues. Early RAC meetings also were spent learning about the requirements of the legislation and in determining criteria for evaluating project proposals. For example, it was at this point the RAC decided that forest thinning projects met the legislative requirements under P.L. 106-393 for “watershed restoration and maintenance.”

Referring to Title II projects, RAC member and state legislator Jack Brown referred to “dollars about as well spent as I’ve seen.” However, among RAC members there is some ambivalence about Forest Service Title II projects. While no interviewees disputed that project funds were allocated to worthy projects, some did express dissatisfaction that Title II funds were being applied to the “basic business” of the Forest Service, or work that they thought should be supported from other agency sources. In general, RAC members who were interviewed did not express a desire to change the status quo by funding more outside projects, a sentiment perhaps related to the fact that the number of non-Forest Service applicants are few. Of the 26 project proposals not funded by the RAC, only three were submitted from outside the Forest Service.

In sum, this RAC has created an effective, collaborative method for recommending Title II projects to the DFO. Relative to other RAC’s that deal with a larger workload over a shorter time period, the Eastern Arizona Counties RAC focuses substantial attention on individual projects. Notwithstanding its recent decision to meet once per year, a conversation about the possibility of forming sub-committees to conduct field trips continues.

Public, Tribal, Agency, and Interest Group Relationship Building

The collaborative successes of the Eastern Arizona Counties RAC, with its diverse representation of historically contentious interest groups, stem from a number of sources. First, as reviewed earlier in this report, collaborative efforts such as the Natural Resource Working Group have provided a social template for RAC members who wanted to create a productive alternative to conflict and stalemate. Many interviewees spoke of “the STP,” or “the same 10 people,” a phrase commonly used to denote the extensive influence that a small core group of committed activists can exert in a community. The RAC is peopled by some of these key individuals who bring a wealth of experience and a belief in collaborative processes.

In the course of several interviews, it became apparent that P.L. 106-393 has had a positive impact on the collaborative dynamic of these committed individuals. Several interviewees described a steep learning curve as people of often-divergent interests were brought together to work in a way that was yet to be fully defined. Early on in the RAC, it quickly became apparent that each of the five-person groups had absolute veto power over any proposal. While this might have led to stalemates, it produced a collaborative process of negotiation in which new project proposals were amended to satisfy all three groups. RAC member Don Hoffman speaks eloquently about how RAC members learned from each other in this process, and attributes much of the impetus for collaboration to the veto power conferred by the legislation. A former Wilderness Program Manager for the ASNF, Hoffman is direc-

tor of Arizona Wilderness Coalition and fills the RAC's slot for a local environmental organization. His neighbor and former "arch-rival" Barbara Marks also serves on the RAC as a representative of grazing permittees, and they remain divided on many land-use issues of the day. However, on the RAC, they and other members have found more common ground than usual. For example, Ms. Marks presented the Arizona Wilderness Coalition's Tamarisk Inventory project proposal to the RAC in Hoffman's place.

Most notably absent in the roster of Title II project applicants is the neighboring White Mountain Apache tribe. Arnold Taylor, Hopi tribal member and RAC member fulfilling the American Indian Tribes Within/Adjacent to RAC Area slot, argues that the RAC should have greater representation of tribal interests, beyond the single space reserved for a tribal representative. However, Forest Supervisor Elaine Zieroth and RAC coordinator Robert Dyson refer to their unsuccessful efforts to "draw out" tribal interests. Speaking in general terms, one RAC member speculated that tribal interest in the RAC process was overshadowed by a focus on casinos. Other RAC members suggested that the White Mountain Apaches are currently embroiled in tribal politics, perhaps related to the recent Rodeo-Chediski Fire. Yet another member suggested that tribes are not enamored of the legal implications of hosting a Title II project on their land, including the Freedom of Information Act requirements.

White Mountain Apache tribal member Robert Lacapa described a more complex situation when asked about the absence of White Mountain Apache applicants for RAC monies. First, he cited the importance of proprietary information held by the tribe, mainly related archaeological sites and sensitive and endangered species. Any such information connected to a project supported by Title II funds would by necessity become public information. Second, the requirements under the National Environmental Policy Act (NEPA) were seen as a significant hurdle for potential project applicants. Finally, Mr. Lacapa referred to a "lack of confidence" and a "lack of capacity" within the tribe to respond to the availability of Title II monies, despite previous outreach and

training activities on the part of the Forest Service. Past and current involvement by ASNF supervisors and other agency representative was evident, for example, in quarterly meetings between the agency and tribal representatives. These were occasions to discuss issues related to the long boundary between national forests and the reservation, as well as the availability of contracts. The other area of agency outreach consisted of training conducted by the Forest Service on the reservation in how to acquire Forest Service thinning contracts and manage small businesses.

In many respects, the RAC continues to play a role in building relationships within local communities that is small by some standards, yet highly significant to a rural area that has limited economic resources and a limited capacity for acquiring them. The Eastern Arizona Counties RAC does not wield millions of dollars, as do its richer neighbors in the Pacific Northwest. Its \$1.3 million has been spread over three fiscal years and across a large geographic area. Yet positive results are apparent, for example, as Title II projects continue to diversify, and interest grows in using these funds in concert with existing fiscal, human, and ecological assets in the community. A logical follow-up to these positive outcomes is to take advantage of opportunities to reach out to potential Title II applicants in the surrounding communities, in particular, the neighboring White Mountain Apache tribe. While the barriers are many, it is clear that this RAC has gained considerably experience in surmounting whatever obstacles are placed before it, and will continue to do so.

County-RAC-Forest Service Relations

Relations between the Forest Service and the RAC are congenial and productive. While some have suggested that the Forest Service has a "tight rein" on the RAC, others, like RAC member Suzanne Sitko suggest the agency does not "dominate" RAC operations. Instead, most interviewees spoke highly of Elaine Zieroth's role in RAC affairs, and coordinator Bob Dyson appears to have set the tone for the civility and congeniality that reigns in RAC deliberations. Some of the impressions of a strong Forest Service

influence may stem from the fact that all funded Title II projects in the first fiscal year of RAC operation were proposed by the Forest Service. Later fiscal years have seen a growing interest in Title II funds within counties and the private sector.

From the perspectives of the five counties, attitudes toward the RAC are more ambivalent, while feelings towards the Forest Service verge on the contentious, reminiscent of the sagebrush rebellions of days past. For example, reflective of the attitudes of a number of the county supervisors he represents, Marty Moore of the Environmental

Economic Communities Organization expressed a desire to have a true government-to-government relationship with the Forest Service. Those in county government remain generally unaware of the RAC's deliberations over Title II projects. Because of this lack of awareness and a feeling by some that they should be more closely consulted regarding the project selection process, there remains a county-agency distance. While some counties are in the mood to reconsider their Title II elections, the potential for a PILT offset tends to dictate a more pragmatic decision.

Conclusions

The Eastern Arizona Counties RAC has effectively implemented the purposes of the Title II program under P.L. 106-393, adhering in large part to both the letter and spirit of the legislation. In particular, the RAC has responded to the law's mandate "to improve collaborative relationships and to provide advice and recommendations to the land management agencies." It is notable that, of the five counties involved with this RAC, none have elected to exercise Title III authorities, a decision influenced at least partially by their estimates of resulting offsets in PILT payments.

Because the RAC operates in a historical context of previous collaborations, its projects also reflect a pre-existing synergy among county governments, federal agencies, and local organizations, as well as an emerging common rationale for managing forest landscapes. Much of this agreement stems from recent wildfires, events that have transformed average forest thinning projects into instruments for restoring social, economic, and ecological well-being. For example, many Title II projects funded by this RAC often are conceived based on "communities at risk," and informed by Community Wildfire Protection Plans that have emerged from existing collaborative energy in the area. The RAC enhances and propagates this shared vision, in the extensively leveraged Title II projects it funds, as well as in the high propor-

tion of on-the-ground restoration work that results from these projects.

Estimating the economic effects of Title II projects in the five counties, particularly in the area of job creation, is a technically daunting task. However, absent the monitoring of social and economic impacts of these projects, the agency, the RAC, and project sponsors are all deprived of a much-needed perspective on economic development. For example, there are a diverse array of strategies (including Title II projects) that might enhance local economies and local job creation. If monitoring revealed an undesirable number of job "exports" from the local economy, then the RAC might consider an outreach process encouraging greater risk-taking in the local private and non-profit sectors. Using long-term multi-variable monitoring, Title II project proposals would be assessed not only for immediate benefits such as fire hazard reduction, but also for potential long-term gains in the community's capacity to effect such work. Assessing projects from this perspective would build on social and economic monitoring of past and current projects.

While projects developed within the Forest Service are largely coherent with its rational vision of conserving ecological values and restoring landscapes, the agency's mission does not emphasize the well-being of local communities, per se. That responsibility - "incubating" local social, economic,

and ecological well-being - rests with the residents of eastern Arizona, some of whom are members of the RAC. To build the capacity to define and achieve local wellbeing requires greater outreach by the RAC and the Forest Service into local communities, particularly the neighboring White Mountain Apache tribe. While such outreach entails some risk and great time and effort, a more inclusive and community-oriented focus to the Title II program might stimulate local entrepreneurs and other risk-takers, thereby bringing social and economic benefits to all of Eastern Arizona.

One particular obstacle to this type of capacity-building is the predilection shown by RAC members for projects that leverage Title II monies with other funding sources. This preference is institutionalized in the Forest Service granting process with its 20% matching fund requirement for applicants from the private sector. While some RAC members view this constraint as an efficient leveraging of scarce Title II funds, this stance may not effectively serve all of the organizations who could develop and implement good Title II projects. While it may maximize on-the-ground productivity in the short term, it could also discourage the diversity of economic development efforts as smaller entities are penalized for their size and inability to achieve a 20% match requirement. In extreme cases, a preference

for highly leveraged products may encourage outflows of local capital - Title II monies, for example - to import labor and other resources from non-local sources, thereby discouraging local capacity to accomplish the same work.

It is also suggested that the RAC and Forest Service engage more extensively with the five counties about RAC projects before they are funded. In other states where RACs operate, such communications have been shown to improve relations between counties and the federal government without appreciable alterations in the pattern of projects funded. Eastern Arizona is no exception to the rule that collaboration is a more efficient and productive approach than conflict, as the Eastern Arizona Counties RAC has demonstrated in its few short years of existence.

Finally, the foregoing criticisms have been offered in support of the continuing successes of the Eastern Arizona Counties RAC. The Title II program and the RAC are hardy examples of how effective collaborations can lead to measurable improvements in the well-being of a place and its people. The Forest Service and RAC members have shared many lessons learned in the few short years they have worked together, and they should endeavor to consolidate their gains and explore new avenues to build on their accomplishments.