Forest Products Modernization

Western Partner Feedback Session
Regions 5, 6, and 10
October 10, 2018
Welcome and Overview

Ben Irey
National Forest Foundation

Allen Rowley
Acting Associate Deputy Chief, NFS
Welcome to the NFF Web Conference Room!

- MUTE or TURN DOWN computer speakers
- Ask questions! **Raise your hand and hit *# to join the discussion.**
- Try out the discussion pod and **introduce yourself!**
- This session is being **recorded.**
Session Objectives

• Create awareness
• Collect feedback on preliminary solution ideas and actions underway or planned
• Gather ideas on how to streamline our business practices for delivering forest products
• Strengthen existing, and develop new, relationships with our partners
Today we want to:

- Share why changes are important
- Support honest dialogue
- Discuss perceived barriers and solutions
- Identify opportunities for continued engagement
- Discuss how your feedback will be used
We hope to come away from this session with:

• Better understanding of specific actions to take to increase the pace and scale of forest restoration through an improved system for forest products delivery

• Better understanding of improved communication methods and continued partner engagement
Section 1- Forest Products Modernization Overview

Dave Wilson- Acting Assistant Director, Forest Products
USDA Strategic Goals

Goal 1: Programs delivered efficiently...with a focus on customer service

Goal 4: Facilitate rural prosperity and economic development

Goal 5: Strengthen stewardship on private lands through technology and research

Goal 6: Ensure productive and sustainable use of our National Forest System Lands
- Contribute to economic health of rural communities
- Ensure lands and watersheds are sustainable, healthy, and productive
- Mitigate fire risk

Photo courtesy of The Nature Conservancy
Forest Service Priorities

1. Uplift and empower employees
2. Be good neighbors and excel at customer service
3. Promote shared stewardship by increasing partnerships and volunteerism
4. Improve the condition of forests and grasslands
5. Enhance recreation opportunities, improve access, and sustain infrastructure
Forest Service Change Efforts

- Environmental Analysis and Decision Making (EADM)
- Forest Products Modernization
- Oil and Gas Leasing
- Land Exchange
- Special Uses Modernization
- Efficient Infrastructure Delivery
7 USDA
Strategic Goals

1. Work efficiently, effectively, with integrity and customer focus
2. Enable agricultural producers to feed and clothe the world
3. Promote American agricultural products worldwide
4. Increase rural prosperity
5. Apply technology and research to the stewardship of private lands
6. Foster sustainable use of our National Forest System lands
7. Provide Americans with a safe, nutritious, secure food supply

5 USFS
Agency Priorities

1. Uplift and Empower Employees
2. Deliver Remarkable Customer Service
3. Strengthen Shared Stewardship
4. Improve Forests and Grasslands
5. Enhance Outdoor Recreation, and Improve Access and Infrastructure

6 NFS
Change Efforts

1. Land Exchange Process Improvement
2. Special Uses Modernization
3. Forest Products Modernization (FPM)
4. Infrastructure Improvement
5. Environmental Analysis and Decision Making (EADM)
6. Oil and Gas Leasing in Forest Plans
What is EADM?

EADM Goal: To increase the efficiency of environmental analysis and decision-making procedures to accomplish more work on the ground

Six components of EADM goal:

• training our employees
• examining and reforming Forest Service policies
• improving efficiency through technology
• developing new performance standards
• improving consultation with other agencies
• changing the way we do business

What is FPM?

FPM Goal: A strategic effort designed to better align our culture, policies, and procedures with current and future forest restoration needs in order to increase the pace and scale of restoration, improve forest conditions, and improve efficiency of forest product delivery.
FPM Goals

Align Forest Service practices, policies, and guidance to be more agile, flexible, and adaptable to better meet current and future forest improvement goals.

Improve forest conditions, meet forest restoration needs, create sustainable landscapes, and increase the amount of forest products coming from National Forest System lands.
Why change now?

• Changing forest conditions
• About 80 million acres of forest and grassland are in need of restoration
• Current rate of restoration just over 5 million acres per year.
• Our current processes may be slowing us down
Why Change Now?

Our non-fire workforce is at its lowest capacity in years.

Our forest products delivery workforce was nearly 40 percent larger in 1980 than 2016.
Achieving Our Goal

- This effort is relying on ideas and support from our employees in the field and also our partners
- We want to learn what is working well in forest product delivery and to share what is learned nationally
- We want to strengthen existing, and develop new, relationships
- We are identifying short-, mid-, and long-term actions
What We Are Doing

• Updating training for our employees
• Examining and reforming our policy
• Improving efficiency through better use of technology
• Changing project management and delivery system processes
• Changing the way we do business to get more work done on the ground
• Exploring opportunities for change in all aspects of the forest products delivery system
Forest Products Modernization Team Structure, 8/30/18

Executive Team
Chris French, Acting Deputy Chief, NFS – Project Sponsor
Greg Smith, Associate Deputy Chief – Executive Leader
Allen Rowley, Acting Associate Deputy Chief – Executive Leader
John Crockett, Acting Director, FMRMVE – Executive Leader

Core Team
Greg Smith, Allen Rowley
John Crockett, Dave Wilson
Debbie McGlothlin, Dave Cawrse
Ken Cormier, Gary Church
Wendy Zirngibl, Ashley Warriner

Solution Teams
Personnel, Recruitment, Staffing and Training
Sale Layout
Timber Sale Accounting, Scaling and Accountability
Certification
Appraisals
Contracting and Permitting

Guiding Team
Leanne Martin, Carol McKenzie & Jeanne Higgins – R1
Brian Ferebee & Steve Lohr – R2
Cliff Dils & Neil Bosworth – R3
Keith Lannom & Rick Schuler – R4
Barnie Gyant & John Exline – R5
Diane Guidry & Aly Warren – R6
Frank Beum & Nick Larson – R8
Steve Kuennen & Paul Strong – R9
Earl Stewart – R10

Extended Team
Emilee Blount
World Nieh
Steve Marshall
Melissa Jenkins
Tina Terrell
Laura Nance
George Sears
Shawna Legarza
Brian Brashaw
Nicholas DiProfio
Lori Jones
Kevin Heikkel

Implemented Team
Dave Cawrse
Team Leader
Chris Miller
Gary Church
Gerald Bednarzcyk
Additional short- and long-term detailers as assigned

Dave Wilson
Project Leader
Debbie McGlothlin
Project Manager
Wendy Zirngibl
Communications Leader

Cross-Deputy Team
Emilee Blount
World Nieh
Steve Marshall
Melissa Jenkins
Tina Terrell
Laura Nance
George Sears
Shawna Legarza
Brian Brashaw
Nicholas DiProfio
Lori Jones
Kevin Heikkel
Phase 1: Identify Potential and Design & Implement Short-Term Actions

4/1/2017

- Build awareness
  9/1/2017 - 6/30/2018
- Prioritized needs for change
  10/1/2017 - 3/30/2018
- Internal and external engagement
  1/1/2018 - 11/1/2018
- Risk, performance, decisions
  3/1/2018 - 9/28/2018
- Innovations expansion
  8/1/2018 - 12/31/2018
- Generating solutions
  12/1/2017 - 11/1/2018
- Implement in-progress & high leverage actions
  10/1/2017

Phase 2: Address and Transform Current State; Implement Mid-Term Actions

1/1/2018

- Implement mid-term actions
  6/1/2017 - 10/1/2017
- Risk, performance, decisions
  3/1/2018 - 9/28/2018
- Innovations expansion
  8/1/2018 - 12/31/2018
- Generating solutions
  12/1/2017 - 11/1/2018
- Implement in-progress & high leverage actions
  10/1/2017

Phase 3: Develop Comprehensive Strategy for Long-Term Actions

10/1/2018

- Strategy review & finalize
  12/1/2018 - 3/24/2019
- Initiate policy reform
  9/1/2018 - 3/31/2019

Phase 4: Roll-Out Comprehensive Strategy

3/31/2019

- Today

- 2017
  - Apr
  - Jun
  - Aug
  - Oct
  - Dec
  - Feb

- 2019
Progress to date

1. Delivering new, updated, and expanded training courses and launching sale administrator academy

2. Purchasing and distributing new equipment and developing new applications for use in forest products measurements

3. Implementing interim direction via Chief’s February 2018 letter; working now on second letter

4. Using bar code readers for tracking log loads

5. Initiating virtual boundaries pilot

6. Initiating pilot for market-based appraisal and testing simplified appraisal tool prototypes

7. Initiating handbook and manual updates
Innovations Underway

1. One-page summaries of innovative ideas in use across the country
2. Several available on our public website, 15 drafted, more planned
3. These include some demo projects and learning journeys
4. Working on better ways to share and spread these ideas to other units
Planned Next Steps

1. Gathering feedback from our employees and our partners
2. Continuing implementation of actions already underway
3. Immediately implementing other high leverage/priority actions
4. Strategizing on best approaches for longer-term actions

Figure 1. Simplified Forest Products Modernization Process: Needs for Change to a Comprehensive Strategy
Section 2- Key Issues

Dave Cawrse, Forest Products Modernization Implementation Team Leader
What We Are Examining

1. Personnel, recruitment, staffing, and training
2. Sale layout, including transportation and logging systems
3. Timber sale accounting, scaling, and accountability
4. Certification
5. Appraisals
6. Contracting and permitting
7. Project and program management
8. Permanent and trust funds
9. Information management
10. Forest products utilization and markets
11. Silviculture
12. Reviews and audits
Solution Team Summary

- Nominations from Regional Foresters
- 6 teams comprised of district, forest, and regional forest management staff
- Each team focused on one high-priority change need
- Kicked off a series of 4 virtual workshops in April and concluded in May
- Effort coordinated by the FPM implementation team
Solution Ranking

• Over 300 solution ideas generated between all 6 teams

• About 100 solution ideas from other employees and partners

• About 170 individual ideas categorized and ranked by the implementation team

• Sorted by broad change category, delivery system change need, and gate
Solution Ranking

- Implementation time
- Effort to Implement
- Benefit / payback including range of influence

Each idea was given a score on a scale of 1 to 10.
Workshop Results

• Director identified 10 high-leverage actions based on his review of June workshop results

• Guiding Team weighed in during a July workshop

• Guiding Team helped develop approaches to several recommendations

• Allen Rowley sharing this list today
Key Issues

1. Personnel recruitment, staffing, and training
2. Sale layout, including transportation and logging systems
3. Timber sale accounting, scaling, and accountability
4. Certification
5. Appraisals
6. Contracting and permitting
Sale Layout

• Determine which sale layout policies and procedures can be altered or eliminated to increase efficient and effective timber sale layout

• Streamline policies and procedures for logging systems and transportation analysis
Sale Layout

Some things we have learned:

• Paint is expensive
• Designation by Prescription is a new authority we can use
• Many opportunities to embrace new technologies in sale layout
Timber Sale Accounting

- Includes timber sale accounting, sale administration, scaling, and financial accountability.
- Want to increase flexibility and efficiency in our financial system, accountability standards, and timber measurement policies and procedures by determining which ones can be eliminated, changed, or streamlined.
Timber Sale Accounting

Concerns include:
• Low-value material is generally treated the same as high-value material
• Opportunities to better use new technology in sale administration

Have implemented a new Forest Products Financial System (FPFS)
Appraisals

We are required to appraise timber and other forest products to determine fair market value prior to offering them for sale.

- Determine whether to eliminate, change, or streamline appraisal policies and procedures to increase efficiency and effectiveness
- Review transaction evidence appraisal system policies and procedures to determine the accuracy of appraisals for low-value forest products.
Contracting & Permitting

- Examine our policy and procedures for timber sale contracting and non-commercial forest products permitting to determine if any can be eliminated, changed, or streamlined when in the best interest of the parties involved
- Consider low-value markets, post-contract awards, term adjustments, award timeframes, road package contracts, end-results clauses, and stewardship and Good Neighbor Authority contracts
Section 3 – Director Recommendations

Dave Wilson- Acting Assistant Director, Forest Products
Director Recommendations

1. Continue training on new tools, authorities, and methods

2. Develop sale administration position description and standardize nationally

3. Improve strategies for recruitment and retention of employees to meet staffing demands for delivery of forest products

4. Continue staff work on certifications and determine return on investment if changes are needed

5. Form TIM team and develop business requirements for a modernized TIM system

6. Continue application of new technologies and the infrastructure support needed
Director Recommendations

7. Form national team to streamline and simplify contracting process

8. Engage appraisals team and develop a simple appraisal process to test. Continue review of the new base price system being piloted. Consider short-term and long-term system needs

9. Form national team to look into FPFS and consider desk guide/task book concepts

10. Define “low value” and develop a new process/policy on identification, management, and disposal of low-value material in conjunction with land management objectives.
Questions?
10-minute break
Feedback & Discussion

1. How do the priorities we’ve shared today resonate with you? What feedback do you have for us on what has been presented here today?

2. If you could do one thing to improve the Forest Service's business practices in the delivery of forest products, what would you do?

3. What practice, process, or implementation tool from state or private timber operations would you recommend the Forest Service consider in order to achieve forest restoration objectives?

4. Other questions or suggestions?
Leadership Close-Out

Reflections and Takeaways
Next Steps

2018
• Oct 10-12: Regional feedback sessions
• Oct 24 and Nov 8: Employee webinars
• Nov: analyzing feedback and adjusting path forward as needed
• Nov - Dec: Preparing comprehensive strategy for long-term actions

2019
• Dec – Jan: strategy review periods
• Jan – Mar: finalizing strategy

*Mar, July, Oct: anticipated policy reform comment periods
How to Stay Engaged

Your input is welcome on any materials shared

Request additional sessions/presentations

Look for policy reform comment opportunities

Stay informed about our progress: https://www.fs.fed.us/science-technology/forest-products-modernization

Send us an email: dwwilson@fs.fed.us
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Additional Dialogue Sessions

For all sessions: Dial 888-844-9904

Access codes by region:

• Region 10 Session (Alaska): 6419479#
• Region 5 Session (California): 7517863#
• Region 6 Session (Washington and Oregon): 7806242#