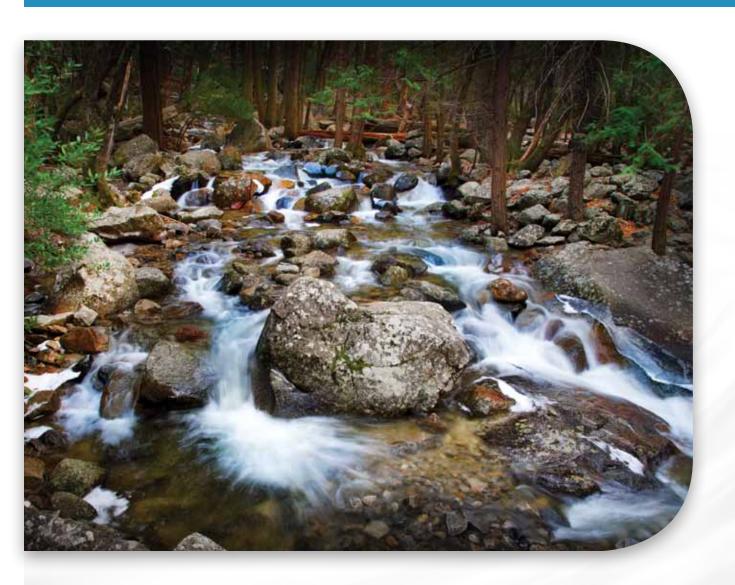
Policy Platform of the Healthy Headwaters Alliance May 2012







POLICY PLATFORMOF THE HEALTHY HEADWATERS ALLIANCE

Call for Action: Creating Resilient Western Headwaters



The mountain watersheds that provide most of the American West's drinking water are at risk. These forested headwaters are seeing a rapid spread of endemic species like the mountain pine beetle, increases in the number of uncharacteristic wildfires, and other, man-made stressors that can damage watersheds. Many headwaters are also weakened by past management legacies that must be remedied with restoration. These combined challenges are threatening our headwaters' ability to continue providing clean, reliable supplies of water to the millions of people in western communities who rely on them. A changing climate could exacerbate all of these problems as warmer conditions prevail, rain and snowfall become more erratic, and floods and droughts become more severe.

The United States Forest Service (Forest Service) has a unique opportunity to help address these threats as sixty percent of the water used in the American West originates on National Forest System land. But even as the agency is placing renewed emphasis on its 1897 Organic Act mission to "secure favorable conditions of water flows," tightening federal budgets, and other factors, are limiting its ability to respond to these emerging threats. This policy platform focuses on strategies and programs that can help the Forest Service and other partners achieve shared goals for watershed protection and downstream water security.

A NEW ALLIANCE IN SUPPORT OF HEADWATERS PROTECTION

The Healthy Headwaters Alliance is a coalition of water utilities, elected officials, land managers, scientists, conservationists, recreationists, timber companies, and business leaders working to promote the health and resilience of the headwaters that provide water security to communities across the American West. The Alliance believes such work is most effectively planned and carried out by broad-based partnerships at the local level. The Alliance is dedicated to providing the leadership necessary to support community-level headwater protection work, both through the effective use of existing programs and the development of new programs and policies designed to promote healthy, resilient headwaters systems.

MOVING FORWARD— A PLATFORM FOR CREATING RESILIENT HEADWATERS IN THE AMERICAN WEST

The Model: Collaborative Conservation Supported by Broad-based Investment

The Healthy Headwaters Alliance believes that headwaters protection and restoration are highly effective when: (1) carried out by broad-based, collaborative partnerships at the community level, (2) conducted in accordance with comprehensive, evidence-and-science-based watershed plans developed with public input, and (3) broadly funded by land managers, utilities, businesses, and other water users.

Collaborative, Community-based Partnerships

The American West's headwaters provide water security and other benefits—including flood control, groundwater recharge, recreation, and source water for fish and wildlife—that are important to all segments of western communities. For this reason headwaters restoration and protection programs are best designed through collaborative processes that engage a full range of stakeholders including utilities, conservationists, the business community, elected officials, agency personnel, scientists, and citizens. Diverse public-private collaboratives are a proven way to develop headwaters programs that are responsive to community priorities and that attract broad-based public support and diverse funding streams.

Comprehensive Watershed Plans

Headwaters protection and restoration should be guided by comprehensive watershed management plans that address all sources of impairment to the quality and quantity of water originating on both public and private lands. Watershed plans are the best means of identifying the most effective protection and restoration measures, prioritizing actions based on public values, and engaging affected landowners, agencies, and the public. They are also an important tool for attracting the investment necessary to carry out headwaters work.

Science-and-Evidence-Based Approach

Successful headwaters restoration and protection are built on a solid foundation of both science and evidence, including local knowledge based on observation of conditions over time. Ecosystems, forest types, climate, and other factors vary widely across the geography of the American West; one-size-fits-all prescriptions are to be avoided as measures will be most successful when tailored to local conditions. Because knowledge and experience are gained over time, adaptive management is a key component of effective watershed plans.

Long-term Resilience

In an era dominated by an uncertain climate, volatility and change are the new norm and therefore will demand adaptive management and monitoring. The most effective focus of headwaters protection and restoration is not simply to address immediate threats, but rather to promote watersheds that are resilient to disturbance over the long term. This means that the goal of restoration and protection cannot be to establish a desired set of outcomes. Rather, the goal is to establish functioning systems capable of evolving in response to the unpredictable conditions that will occur in coming decades, and to manage systems adaptively as new information is gained over time.

Broadly-shared Investment

The cost of headwaters restoration and protection should be shared broadly by federal land management agencies, local ratepayers, the business community, state programs, and other funding sources on an equitable basis. This mix of funding sources will vary from community to community depending upon factors such as the relative acreage of public and private land and the size of the local ratepayer base.

Public Lands Management

Public lands within municipal source watersheds should be managed in a way that gives high priority to protecting downstream water quality and quantity. Likewise, public land restoration activities should be prioritized in a manner that recognizes the importance of watersheds to downstream municipal use. In addition, public land acquisitions should be prioritized to reflect their value for municipal watershed protection.

OPPORTUNITIES FOR WATERSHED PROTECTION

A number of existing programs provide the essential building blocks that communities can use to increase watershed resiliency and water security. These programs include the following:

U.S. Forest Service

The Watershed Condition Framework ("WCF") sets restoration priorities, guides the implementation of projects, and monitors the results of restoration work on the 15,000 watersheds of the National Forest System nationwide. Because the factors guiding watershed priorities include the importance of downstream use, and the availability of partners to help fund restoration, the WCF is emerging as a key opportunity for leaders in western communities to engage with the Forest Service in setting priorities for, investing in, and implementing watershed restoration.

The *Collaborative Forest Landscape Restoration Program* ("CFLRP") provides an ideal tool for communities to implement science-and-evidence-based forest restoration projects at the landscape level on both public and private lands. Across the nation, 23 individual CFLRP collaboratives composed of partners ranging from conservation groups, to timber companies, to water utilities are guiding the development and implementation of forest restoration initiatives, funded by tens of millions of dollars of CFLRP funds leveraged by a similar amount from private sector partners. The CFLRP has played a key role in the work of the Denver Water and Aurora Water utilities to fund fire suppression projects and protect municipal watersheds on Colorado's Front Range.

The *Hazardous Fuels Budget* funds forest treatments that can help protect drinking water in certain forest types where a history of human fire suppression has increased the danger of uncharacteristic wildfire. Prominent examples of this scenario occur in the ponderosa pine forests of the Rocky Mountain Front and Southwest, where fuels thinning and prescribed burning have been important components of municipal watershed protection programs like the Denver Water—Forest Service Forest-to-Faucet Partnership and the Santa Fe Watershed

Plan. However, because the relationship between fire suppression, fire intervals, and vegetation treatment projects can be complex, varying widely among ecosystems, it is crucial that the use of fuel reduction projects to protect municipal watersheds be supported by robust, site-specific science subjected to peer review and public participation.

The *Travel Management Planning* budget is an important source of funds for reducing sediment pollution by maintaining and/or removing roads on National Forest lands. Erosion from poorly maintained portions of the road network is a leading source of sediment pollution in many western headwaters; travel planning funds can be used for erosion control efforts such as culvert replacement and removal of unneeded roads.

The Legacy Roads and Trails Program is another important source of funds for addressing headwaters pollution from aging roads. The program was created in 2007 to reclaim unneeded, fiscally draining, and environmentally problematic roads and trails. Since that time, Congress has appropriated over \$200 million for this work.

The Land and Water Conservation Fund (LWCF) is overseen by the Department of the Interior, but is listed here for its role in funding many additions to the National Forest system that protect watersheds. LWCF was established by Congress in 1964 to provide funds and matching grants to federal, state and local governments for the acquisition of land and water easements. The program is funded annually by a portion of federal offshore oil and gas receipts. Congress funds projects annually based on recommendations by the President, which are in turn based on requests from communities and input from federal land management agencies.

The *Forest Legacy Program* is a voluntary program that supports state efforts to obtain conservation easements on private forestlands and, in some cases, to acquire such lands. Acquisitions are funded up to 75% with federal funds, matched by at least 25% state and private funds. Watershed conservation has long been a leading criterion for project selection.

The *Community Forest Program* is a new federal 50-50 matching grant program to fund acquisition of threatened forestland by Tribes, local governments, and local non-profit entities. Project criteria emphasize local conservation needs, including watershed protection.

Stewardship End Results Contracting is a mechanism that the Forest Service (and Bureau of Land Management) can use to fund and implement watershed restoration activities. Under a stewardship contract, revenues from timber sales can be retained or applied as an offset to pay for restoration work such as road maintenance or decommissioning. Congress will need to renew the statutory authority for stewardship contracting projects by September 2013.

The Abandoned Mine Land program provides approximately 5 million dollars per year to clean up and improve safety at abandoned mines, the single largest category of contaminated sites on National Forest System lands.

Other Federal and State Agencies

In addition to the previously mentioned Forest Service programs, other agencies offer potentially important tools that community partnerships can use to support watershed protection work. These include EPA's State *Drinking Water Revolving Loan Fund* and *Source Water Protection Program*, the Natural Resource Conservation Service's *Environmental Quality Incentive Program* and *Conservation Security Program*, and numerous state-level programs.

Local Programs Leverage Federal Investments

An increasing number of utilities and local governments in western communities are instituting programs to invest in protecting the watersheds that produce their drinking water. Some of these programs are financed by surcharges on monthly water bills, others by voluntary check-offs, and still others are rolled into regular water rates as part of the utility's normal operating budget. Funds are dedicated to a variety of watershed protection and restoration activities, including land acquisition and cost-sharing for forest restoration work on federal lands. A survey of such programs is provided in the Carpe Diem West report Watershed Investment Programs in the American West.

A CALL TO ACTION

Join the Healthy Headwaters Alliance in calling stakeholders to action at the federal, state, and local level to protect the vital watersheds that provide water security and ecologically vibrant landscapes for communities across the American West. Help ensure that:

- ► Federal decision makers fully fund programs that support collaborative-based forest restoration where forest health is compromised, and protect headwaters lands that are already in a healthy condition
- ► State decision makers manage state lands to protect drinking water for downstream communities, and provide those communities with the authority to protect drinking water sources
- Local water utilities and municipal governments adopt programs to share the cost of watershed investment and to educate water users about the importance of protecting the water sources on which they rely
- ► Ratepayers become aware of the role of healthy headwaters in providing their water supply and other benefits, and support investment in those watersheds through rate surcharges, bond measures, and other financing mechanisms
- ► Recreational users and businesses understand the degree to which they rely on healthy headwaters to support their activities, and play an active role in developing, funding, and implementing headwaters protection measures

Carpe Diem West leads a network of water decision makers and scientists in the American West that is developing collaborative, innovative actions and policies to create water security for our communities, the food we grow, our economy and our environment.

www.carpediemwest.org

The **Healthy Headwaters Alliance** is led by a coalition of upstream land managers, down-stream water utilities, scientists, recreationists, elected officials and conservation advocates whose goal is to increase the climate resiliency of the headwaters systems that provide the West's drinking water.

www.healthyheadwaters.org

