MEMORANDUM OF UNDERSTANDING

Between Arizona Forest Restoration Products, Inc., the Center for Biological Diversity and the Grand Canyon Trust, to Work Cooperatively to Restore Degraded Ponderosa Pine Ecosystems in Northern Arizona

April 2009

Background

The purpose of this Memorandum of Understanding ("MOU") is to outline the general terms and conditions under which Arizona Forest Restoration Products, Inc., an Arizona corporation ("AZFRP"), the Center for Biological Diversity, a New Mexico non-profit corporation ("CBD"), and the Grand Canyon Trust, an Arizona non-profit corporation ("GCT") will work cooperatively to restore degraded ponderosa pine forest ecosystems, manage fires, and protect communities in northern Arizona ("Agreement"). AZFRP, GCT and CBD are collectively referenced in this MOU as the "Parties," and individually as a "Party". AZFRP, CBD and GCT will work cooperatively and in good faith to execute the Agreement set forth below.

In connection with the execution of this MOU, the Parties acknowledge the following facts and circumstances:

(1) There is an urgent need to restore ponderosa pine forest ecosystems, manage fires, and protect communities from unnaturally severe fire in northern Arizona.

The Parties acknowledge and agree that there is a strong science and social basis for restoring ponderosa pine forests in northern Arizona. Since European settlement in the middle to late 1800s pervasive changes have homogenized ponderosa pine forests

in the Southwest. Logging has decreased the number of old and large trees. Livestock grazing and fire suppression have promoted unnaturally dense stands of small trees. This condition threatens the remaining large trees and ecological systems through competition and by fueling increasingly extensive crown fires. Alteration of stand structures and species compositions has in turn altered natural processes. Understory grasses and forbs have decreased in abundance and diversity, replaced by deep mats of pine needles. Nutrient cycling dynamics have been disrupted and overall biodiversity levels decreased. Old-growth ponderosa pine forests have become rare and meadows have shrunk due to tree encroachment. Some vertebrate animal species, such as the Northern Goshawk and Mexican Spotted Owl have declined in abundance due to habitat alterations. Others, such as Mexican Gray Wolf, Jaguar, Grizzly Bear and Merriam's Elk, have been extirpated or driven extinct. Non-native species have displaced native species and road construction has fragmented forest habitats. An increase in number, size, and severity of stand-replacing fires threatens both human and ecological communities. The aftermath of such fires includes short-term amplification of erosion and flooding. Landscape scars created by total canopy destruction may persist as grasslands, shrublands or small tree thickets for decades to centuries. If the current trajectories of anthropogenically driven change continue, serious ecological damage to ponderosa pine ecosystems will accumulate and, with global climate change, likely accelerate. These worrisome trends have long been evident to forest scientists and ecologists and have led to a broad scientific, social, and political consensus that restoration of southwestern ponderosa pine forest ecosystems is necessary and urgent to conserve the ecological systems upon which native biological diversity and human society commonly depend.

(2) Landscape-scale restoration is a corrective step for conserving ecological systems and native biological diversity

The Parties acknowledge and agree that habitat degradation and destruction is a foremost cause of global decline of biological diversity, and that restoration of ecosystems that have been damaged or destroyed is a proactive means of conserving

species and the ecological systems upon which they, their evolutionary processes and society ultimately depend. The Parties agree that ecological restoration in northern Arizona ponderosa pine forests is a corrective step to safely re-establish and conserve self-regulating ecological systems and their full suite of native biological diversity. The Parties further recognize that doing so involves a comprehensive program that strategically integrates community protection, ecological restoration, fire management and biodiversity protection in a landscape context. A central outcome of these efforts is to facilitate the safe management and re-establishment of ecologically beneficial fire regimes at landscape scales. Strategically located and sequenced treatments that conserve large trees and reduce small tree densities will facilitate the re-establishment of natural frequent surface fire regimes and the conservation of native species, including populations of canopy dependent wildlife species, within treatments and adjacent landscapes. Because fire regimes naturally track variability in climate, and because fire plays a keystone ecological role shaping forest structure and composition, ecological restoration that leads to the re-establishment of more natural fire regimes at landscape scales will allow forest changes to track climate changes over time. Coupled with other restorative management, strategically reducing small tree densities and re-establishing frequent surface fire regimes will also increase the resilience and persistence of ponderosa pine forest ecosystems and biological diversity therein by reducing the potential for and extent of rapid, widespread forest dieback amidst anticipated global climate change. The Parties acknowledge that the correction and release of heretofore heavily managed forest ecosystems into a self-regulating, disturbance-maintained condition in wildlands is both in conceptual and applied terms fundamentally different than industrial forestry management models such as and including uneven-age management. The Parties further acknowledge that the release of heretofore heavily managed forest ecosystems into a self-regulating, surface fire-maintained condition will yield ecological benefits including resilience, heterogeneity, adaptation, carbon sequestration and conservation of native biological diversity in the coming century of global climate change.

(3) Landscape-scale restoration affords an opportunity to realize socio-economic benefits in addition to ecological benefits

The Parties acknowledge and agree that economic benefits can result from utilizing small diameter trees removed during ecologically beneficial landscape restoration activities. The cutting, processing and sale of small diameter trees and products thereof can provide valuable employment in rural communities and tax revenue for local governments throughout the life of landscape-restoration efforts. The Parties agree that these economic benefits form an alignment of ecological and economic needs that, taken together, furthers the restoration and conservation of ecological systems upon which native biological diversity and human communities commonly depend.

(4) Landscape-scale restoration requires a comprehensive, integrated and strategic combination of ecological restoration, community protection, and fire management

The Parties acknowledge and agree that landscape-scale restoration involves a comprehensive, integrated and strategic combination of ecological restoration, community protection and fire management. The Parties further acknowledge and agree that:

(A) The scale of restoration planning and implementation must be commensurate to the scale at which dominant disturbance processes, especially fire, are now occurring—which is up to several hundreds of thousands of acres. Specifically, and importantly, a central challenge facing forest management in northern Arizona ponderosa pine forests is to safely re-establish and manage beneficial fires at landscape scales. Short of meeting this challenge, federal agencies, forest ecosystems and communities will remain subject to the current cycle of fire

suppression, wherein (1) most natural ignitions are suppressed, (2) inadequate federal resources exist to conduct prescribed fires or ecological restoration at ecologically significant scales, (3) unnatural fuel build ups therefore continue, escalating the risk of uncharacteristically severe fires, and, as a result (4) the only large fires burning on the landscape are those too severe to stop. Absent an economically viable, socially agreed-upon and ecologically rigorous strategy for safely restoring ecological beneficial fires to the landscape, as has been envisioned for northern Arizona forests in later-described consensus documents, the Parties are concerned that the ecologically, fiscally and socially costly cycle of fire suppression will persist. The Parties recognize that overcoming this de facto policy resulting in large, anomalously severe fire requires the creation of a landscape context that facilitates safe management of naturally and human ignited ecologically beneficial fires. Landscape-scale restoration plans and implementation can and should (1) anticipate and safely accommodate the keystone ecological process of fire, (2) account for and maintain habitat conditions necessary to conserve imperiled or sensitive wildlife species, (3) spatially distinguish fire and ecological management objectives and within that context, (4) facilitate the strategic location and sequence of treatment types, and, finally, (5) facilitate a system of integrated, hierarchical and science-based assessment and planning, implementation and monitoring to maximize the quality and efficiency of restoration activities.

(B) Fire management planning is a critical component of landscape-scale restoration activities and provides critical context to strategically locating and sequencing restoration and community protection treatments. Spatially delineating the location and

conditions under which fires should be suppressed versus managed for ecological benefit provides critical context for landscape-scale restoration that seeks among its foremost priorities the safe restoration of beneficial fires at ecologically relevant scales.

(C) Community protection activities are a critical component to landscape-scale restoration and a critical prerequisite to safely restoring landscape-scale fire processes. These activities must include a combination of home ignitability reduction, Community Protection Management Area treatments and other modes of community-level action that both prepare communities for wildland fire and facilitate fire managers' ability to safely manage unwanted and ecologically beneficial fires in wildland forests adjacent to communities.

(D) Strategically placed ecological restoration treatments are a critical component to landscape-scale restoration. Treatments should reduce small tree densities, seek to maintain the best existing forest structures, retain old and large trees, promote resilience, heterogeneity and conserve wildlife habitat while facilitating the restoration of beneficial fire regimes within treatments and in adjacent forests. Treatments should be designed, located and sequenced in conjunction with fire management planning and community protection activities to facilitate landscape-scale restoration of ecologically beneficial fire regimes within treatment areas and in forested landscapes adjacent to those treatments.

(E) In addition to fire management planning, community protection and ecological restoration treatments, the scope of restoration planning should include factors that address both the causes and symptoms of ecological degradation including but not limited to

(1) reduction of road densities and maintenance of existing and creation of new un-roaded landscapes, (2) control and prevention of invasive exotic plant establishment and spread, (3) restoration of frequent, low-intensity surface fires, (4) domestic livestock grazing, (5) vehicle and recreation management, (6) identification and conservation of key wildlife habitats including (a) habitat sufficient to maintain and recover populations of imperiled, endemic and sensitive species, (b) wildlife movement corridors and other habitats necessary to maintain landscape and biologically functional connectivity between wildlife populations, and (c) conservation and restoration of other rare, biologically important or relict habitats.

(F) Landscape-scale restoration that involves a comprehensive, integrated and strategic combination of ecological restoration, community protection and fire management requires mobilizing state-of-the art data, models, and decision support tools to facilitate the development of science-informed landscape assessments and consensus restoration scenarios. Models, data and decision support systems such as developed by the ForestERA Project at Northern Arizona University provide the conservation biology, landscape, fire and restoration ecology necessary context for facilitating consensus- and science-based landscape assessment and scenario development for landscape-scale restoration.

(5) There is now a historic social, political and scientific consensus for landscape-scale restoration of northern Arizona ponderosa pine ecosystems

The Parties acknowledge and agree that there is now an historic social, political and scientific consensus for restoring northern Arizona ponderosa pine forest ecosystems. The Parties recognize that this agreement is unprecedented in the history of Arizona's

national forests and marks a historical shift in the nature of bio-political discourse attending northern Arizona ponderosa pine forest management. The Parties acknowledge that this agreement signals a new era in public forest management in Arizona, wherein science-informed discursive processes have yielded new agreements for advancing ecological restoration to facilitate the long term conservation of native biological diversity and the ecological systems upon which it and society ultimately depend. The preceding agreements and documents upon which this MOU explicitly emerges include (1) *Forests Forever*[1], (2) *A Declaration of Civic Principles for Responsible Forest Restoration*[2], (3) *Guiding Principles for Forest Ecosystem Restoration and Community Protection*[3], (4) *Guiding Principles for a New Economy Based on Forest Restoration*[4], (5) the *Statewide Strategy for Restoring Arizona's Forests*, (6) the *Analysis of Small Diameter Wood Supply in Northern Arizona*, (7) Arizona Governor Napolitano's letter supporting consensus-based ecological restoration of northern Arizona forests, (8) all seven Arizona Mogollon Rim county resolutions and separate resolutions by the Northern Arizona Council of Governments, County Supervisors' Association of Arizona, and the Eastern Arizona Counties Organization supporting consensus-based ecological restoration of northern Arizona forests, (9) U.S. Representative Kirkpatrick's letter supporting consensus-based ecological restoration of northern Arizona forests, and (10) Regional Forester Newman's letter to the Governor's Forest Health Council supporting implementation of the consensus scenario outlined in the *Analysis of Small Diameter Wood Supply in Northern Arizona*. The MOU hereby anticipates and integrates any subsequent county or other local or state government resolutions supporting consensus and science based ecological restoration of northern Arizona forests consistent with principles, needs, circumstances and agreements set forth in this MOU. These agreements rest on a strong foundation of science that describes the historical,

[1] 1996. Southwest Forest Alliance and (Southwest) Center for Biological Diversity.

[2] 1999. Grand Canyon Forests Partnership. Available at: http://www.gffp.org/pine/principle.htm

[3] 2003. Arizona Forest Health Advisory Council. Available at: http://www.azgovernor.gov/fhc/documents/FinalGuidingPrinciples.pdf

[4] 2003. Arizona Forest Health Advisory Council. Available at: http://www.azgovernor.gov/fhc/documents/RestorationEconomyGuidingPrinciples.pdf

contemporary and potential future ecologies of northern Arizona ponderosa pine forests, and form an impetus for responsible action. These agreements additionally rest in part on the application of that science through decision support systems such as developed by the ForestERA Project at Northern Arizona University. State-of-the-art models, data and decision support systems therein afford an information context within which stakeholders can develop, compare and evaluate planning scenarios.

(6) The historic consensus for landscape-scale restoration in northern Arizona forms a mandate for ambitious action.

The Parties acknowledge and agree that the consensus for restoration provides impetus and guidance for immediate action. Beginning in 2003, the Governor's Forest Health Advisory and Oversight Councils developed consensus-supported guiding principles relating to restoration, community protection, fire management, and sustainable restoration-based economic development needs across the state (http://www.azgovernor.gov/fhc/Resources.asp).

Building upon the foundation of agreement expressed within these principles, the Governor's Forest Health Councils initiated an ambitious effort in 2005 to develop explicit strategic recommendations for forest restoration across the state. Working with hundreds of citizens over a period of two years, the Councils developed the *Statewide Strategy for Restoring Arizona's Forests*, a 151-page strategic plan for the state outlining critical findings, needs, and strategies across nine forested landscapes in the state.[5] The document was vetted in town hall meetings across the state, receiving strong support from Tucson to Eagar to Flagstaff. After incorporating input from hundreds of citizens across the state, the Councils unanimously supported and Governor Napolitano endorsed a final *Statewide Strategy* document in June 2007.

[5] A *Statewide Strategy* website with a pdf version of the document is currently nearly finished, and can be accessed at: http://indigo8.net/clients/ssf/build/index.htm. We hope to have the website transferred to www.azforests.org within a week or so.

The *Statewide Strategy* outlines five key strategies, 14 major recommendations, and 50 action items ranging from appropriation needs to research priorities, to land use strategies, to collaboration and public education mechanisms. One key chapter in the document addresses one of the most historically contentious aspects of forest management in the Southwest. Chapter 6 of the *Statewide Strategy*, titled "Economic Considerations for Restoring Forest Health", identifies critical challenges and strategies relating to the utilization of forest restoration by-products. Recognizing that restoration objectives must explicitly and continuously drive any utilization and industry creation, the Strategy recommends bolstering appropriately-scaled and restoration-driven industries capable of offsetting restoration costs. More specifically, the Strategy identifies the need to characterize the amount of wood and biomass available to industry across the state as a function of ecologically appropriate, social agreement-based restoration activities.

As the *Statewide Strategy* moved closer to completion in late 2006, the Forest Service agreed to fund the *Analysis of Small Diameter Wood Supply in Northern Arizona* - an effort aimed at characterizing availability of restoration-generated wood and biomass across northern Arizona. Over the course of nine months in 2007, the Forest Ecosystem Restoration Analysis Project convened a wide spectrum of stakeholders including industry, environmental NGO, community representatives, and others) to develop agreement regarding the extent and type of restoration treatments that should occur across the Mogollon Rim over the next twenty years. After nine months, the group developed a consensus agreement describing the nature of such treatments across nearly two-thirds of the 2.4 million acre Mogollon Rim study area. As part of this agreement the group identified approximately 1 million acres of the landscape that should be considered available for some form of mechanical thinning of small diameter trees. The *Analysis of Small Diameter Wood Supply in Northern Arizona* was published in February 2008.

The agreement reached in the *Statewide Strategy*, and in the consensus recommendations adopted by the *Analysis of Small Diameter Wood Supply in*

Northern Arizona working group is unprecedented in the state of Arizona and across much of the West in terms of its breadth of support, its comprehensive and explicit nature, and its integration of and dependence on rigorous science. Such agreement provides a strong social license for moving forward with ambitious landscape-scale restoration as previously described.

(7) The mandate for ambitious actions requires expeditiously translating agreements into on-the-ground treatments.

Moving forward with ambitious landscape-scale restoration requires expeditiously translating agreements into on-the-ground treatments. Constituencies and forest ecosystems should not and cannot be asked to wait any longer for concrete steps toward action. Advancing landscape-scale restoration requires a comprehensive, integrated and strategic combination of ecological restoration, community protection, and fire management, as described earlier. The U.S. Forest Service must work collaboratively toward designing a large-scale stewardship contract and/or a corresponding set of agreements and plans that facilitate an additional 30,000 acres of thinning annually, and to do so with the intent to release a Request for Proposal (RFP) by August 2009, and to award a contract by February 2010.

Recognizing these facts and circumstances, the Parties hereby agree to the following terms and conditions of the MOU (the "Agreement"):

(1) The Parties agree to cooperatively participate in planning, implementation and monitoring of ecological restoration, fire management, and community protection efforts in accordance with all relevant laws, consensus agreements including the *Statewide Strategy for Restoring Arizona's Forests*, and consensus agreement reached within the *Analysis of Small Diameter Wood Supply in Northern Arizona*, and subsequent consensus-based iterations or manifestations thereof.

Parties agree to cooperatively engage in the planning, implementation and monitoring of ecological restoration, fire management, and community protection efforts that are consistent with (1) *Forests Forever*[6], (2) *A Declaration of Civic Principles for Responsible Forest Restoration*[7], (3) *Guiding Principles for Forest Ecosystem Restoration and Community Protection*[8], (4) *Guiding Principles for a New Economy Based on Forest Restoration*[9], (5) the *Statewide Strategy for Restoring Arizona's Forests*, (6) consensus agreement defined within the *Analysis of Small Diameter Wood Supply in Northern Arizona*, and (7) subsequent iterations of manifestations of one or more of these documents, insofar as Parties are in unanimous agreement to those iterations or manifestations. In keeping with those consensus agreements, Parties agree that those efforts should:

(A) Restore natural fire regimes, conserve biological diversity, and protect human communities from unnaturally severe fire;

(B) Clearly integrate and prioritize restoration, fire management, and community protection efforts at project, landscape, and regional scales;

(C) Strategically place mechanical thinning treatments at the landscape scale to reduce the threat of landscape-scale fire events, and to facilitate the safe re-establishment of ecologically beneficial fire;

(D) Employ prescribed fire and Wildland Fire Use as restoration and management tools;

(E) Adopt and make full use of rigorous landscape-scale science, such as that provided by the ForestERA Project, to prioritize, plan, implement, and monitor treatments at the landscape scale;

---

[6] 1996. Southwest Forest Alliance and (Southwest) Center for Biological Diversity.

[7] 1999. Grand Canyon Forests Partnership. Available at: http://www.gffp.org/pine/principle.htm

[8] 2003. Arizona Forest Health Advisory Council. Available at: http://www.azgovernor.gov/fhc/documents/FinalGuidingPrinciples.pdf

[9] 2003. Arizona Forest Health Advisory Council. Available at: http://www.azgovernor.gov/fhc/documents/RestorationEconomyGuidingPrinciples.pdf

(F) Employ adaptive management to continually refine management approaches and increase strategic efficiency;

(G) Implement the *Analysis of Small Diameter Wood Supply in Northern Arizona* consensus agreement parameters;

(H) Limit the cutting of ponderosa pine trees in restoration projects outside the Community Protection Management Areas as defined within the *Analysis of Small Diameter Wood Supply in Northern Arizona* to ponderosa pine trees smaller than 16" dbh;

(I) Analyze and address causes in addition to symptoms of ecological degradation, including but not limited to road densities, recreation management, fire management, invasive, non-native plant populations, predator extirpation, livestock overgrazing and other factors;

(J) Provide habitat protections sufficient to facilitate the viability and recovery of:

1. Imperiled, endemic, or otherwise sensitive species;
2. Canopy dependent species most at-risk of population decline by reduced tree densities or canopy cover;
3. Wide-ranging species and the habitats and movement corridors upon which they depend.

(K) Support and be supported by explicitly collaborative planning, implementation, and monitoring;

(L) Support and be supported by a diverse, multi-scale, restoration-based forest economy that is ecologically and economically sustainable through the life of restoration efforts;

(M) Utilize state-of-the-art, low impact restoration technologies and techniques to minimize potential negative impacts of restoration treatments to wildlife, residual vegetation, soils, aquatic systems and other ecological and biological values.

(2) AZFRP formally recognizes and supports the Center for Biological Diversity and Grand Canyon Trust as principal and founding partners in its efforts to provide ecologically responsible and economically viable mechanisms for small diameter ponderosa pine tree density reduction and utilization. AZFRP renders this recognition and support because:

(A) The Center for Biological Diversity and Grand Canyon Trust have significant experience in and standing on issues related to forest ecology, collaborative conservation and restoration planning, public lands administration and regulation in northern Arizona. For well over a decade both organizations have been working to advance ecological restoration solutions for degraded northern Arizona ponderosa pine forests. During this time both organizations have invested substantial time and resources in the endeavor, including (1) collaborative, science-based planning, (2) development, testing, demonstration, implementation and monitoring of restoration treatments and projects, (3) substantial engagement and principled leadership in public and scientific discourse attending ecological restoration, and (4) forging and facilitation of new alliances, partnerships, and agreements that form the social license upon which ecologically and economically viable restoration, fire management, and community protection programs ultimately depend for success;

(B) The Center for Biological Diversity and Grand Canyon Trust exhibit uniquely different though complimentary experience, leadership and vision.

(3) The Center for Biological Diversity and Grand Canyon Trust formally recognize and support Arizona Forest Restoration Products as a principal partner and appropriately-scaled industry project in their efforts to advance ecological restoration and biodiversity conservation in

degraded ponderosa pine forest ecosystems of northern Arizona. CBD and GCT render this recognition and support because AZFRP:

(A) Is hereby committed to advancing and advocating consensus-based ecological restoration, fire management, and community protection projects and treatments as envisioned and advocated by the Center for Biological Diversity and Grand Canyon Trust;

(B) Has a demonstrated track record of collaboration and cooperation in the affected region;

(C) Is genuinely interested in helping to facilitate ecologically responsible forest restoration across northern Arizona;

(D) Has a demonstrated track record of building unprecedented social and political support for ecologically sustainable industry involvement in forest restoration, fire management, and community protection in the region;

(E) Has developed and demonstrated an economically viable and self-sustainable utilization economic model capable of processing low value small diameter wood in high value engineered wood product;

(F) Has demonstrated verifiably the ability of this utilization economic model to dramatically offset the costs of restorative treatments;

(G) Has undertaken an independent validation of AZFRP's economic viability by the NAU School of Business;

(H) Has made a credible public commitment to support other local small diameter wood industries;

(I) Has made a credible and verifiable public commitment to utilize renewable energy to offset fossil fuel-based electricity consumption through biomass utilization;

(J) Has made a credible and verifiable public commitment to use best available technologies for reducing water consumption and using only non potable water in the manufacturing process;

(K) Has made a credible and verifiable public commitment to use non urea formaldehyde adhesive resins in the manufacturing process;

(L) Has demonstrated a commitment to evaluating ecological and social dimensions of northern Arizona ecological restoration to ensure that its economic model serves ecological and social needs;

(M) Is of an appropriate scale for the ecological needs of restoration of northern Arizona ponderosa pine forests, thinning only small diameter trees less than 16" dbh outside of community protection management areas and implementing 30,000 acres per year of strategically located and sequenced restoration treatments across a 20 year lifespan;

(N) Has undertaken an independent analysis of AZFRP's economic impact by the NAU School of Business that documents AZFRP's contribution of 600 jobs and $170 million annually to northern Arizona local economy and rural development.

(4) In the context of this mutual recognition and support, the Parties agree to aggressively and cooperatively pursue the development of long-term stewardship contracts and/or agreements (beyond those already in place) that support an additional annual 30,000 acres of mechanical thinning over a 20-year period as prescribed by the *Analysis of Small Diameter Wood Supply in Northern Arizona* consensus agreement parameters:

(A) The Center for Biological Diversity, Grand Canyon Trust and Arizona Forest Restoration Products agree to support and contribute to the development by the Forest Service of a fair, transparent and open process to identify, advertise, and award long-term stewardship contracts and/or agreements (beyond those already in place) that support an additional annual 30,000 acres of mechanical thinning over a 20-year period;

(B) Without prejudice to other potential interested parties the Center for Biological Diversity and Grand Canyon Trust further agree to assist Arizona Forest Restoration Products in its efforts to compete for and be awarded such long-term stewardship contracts and/or agreements (beyond those already in place) that support an additional annual 30,000 acres of mechanical thinning over a 20-year period. The Center for Biological Diversity and Grand Canyon Trust agree to strongly support the release of a Request for Proposal (RFP) by August 2009, and a contract award by February 2010 or as soon as possible thereafter.

(5) The Parties agree to clearly identify additional federal appropriations needed to support acceleration of consensus-supported and scientifically informed forest restoration treatments across northern Arizona, and support Arizona's congressional delegation in its efforts to secure those appropriations.

(6) The Parties agree to identify and support smaller-scaled wood products industries that may be able to support and benefit from implementation of the aforementioned long-term landscape-scale stewardship contract and/or agreement.

(7) The parties agree to work together to create much-needed jobs in northern Arizona that support and are supported by landscape-scale forest restoration. Furthermore, the parties agree to work together to create and/or support workforce training programs in northern Arizona that will help ensure that contractor-based restoration activities are conducted in an ecologically responsible fashion.

(8) Finally, the Parties commit and agree to good faith cooperation, partnership, and mutual support through all phases and manifestations

of this agreement for the purpose of facilitating its implementation with efficiency and effectiveness.

IN WITNESS WHEREOF, the parties have hereto set their hands and approved this Agreement as of the date first written above.

Pascal Berlioux
President & Chief Executive Officer
Arizona Forest Restoration Products, Inc.

Date

April 22, 2009

Ethan Aumack
Director of Restoration Programs
Grand Canyon Trust

Date

April 22, 2009

Taylor McKinnon
Public Lands Program Director
Center for Biological Diversity

Date

April 22, 2009