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*2007 ANNUAL REPORT
for Public Reserved, Non-reserved, and Submerged Lands
to the*

*JOINT STANDING
COMMITTEE
on
AGRICULTURE, CONSERVATION,
AND FORESTRY*



Denny Pond Campsite, Deboullie Unit

March 1st, 2008



MAINE DEPARTMENT
OF CONSERVATION
Bureau of Parks and Lands

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I. EXECUTIVE SUMMARY

The Bureau of Parks and Lands is responsible for the management and administration of Maine's Public Reserved and Non-reserved Lands, Submerged Lands, Coastal Islands, and other lands as provided by law. The Bureau is statutorily mandated to manage the Public Reserved and Non-reserved Lands in a manner consistent with the principles of multiple land use to produce a sustained yield of products and services in accordance with both prudent and fair business practices and the principle of sound planning (Title 12 MRSA 1833 and 1847).

The "Lands" division of the Bureau is a dedicated revenue component of the agency funding all of its administrative, planning, management, and operational activities from revenue generated from the land base. Fifteen year, multiple-use plans for the major properties guide the Bureau's management activities. Benefits from the wise management of these lands include:

- **Protection of unique natural and cultural resources**
- **Enhancement of wildlife habitat**
- **Access to recreational opportunities**
- **Production of forest products**

The Bureau also has responsibility for managing public trust rights to Submerged Lands, and, when granting leases for the use of Submerged Lands, includes conditions to maintain customary and traditional public access, navigation, and commercial marine uses.

II. 2007 HIGHLIGHTS

Acquisitions – Continuing its mission to expand conservation and recreation opportunities, in 2007 the Bureau acquired roughly 3,700 acres of fee lands, 38,000 acres of conservation easements, and 9,000 acres of public access easement. These acquisitions were financed largely by the Land for Maine's Future Board, the USDA/USFS Forest Legacy Program, private donations, and fees paid by motorized users. The Bureau conveyed roughly 235 acres

of fee lands pursuant to legislative directives. Acquisitions included additions to the Mahoosuc Public Reserved Lands Unit and a significant conservation easement over the Appalachian Mountain Club's land at Katahdin Iron Works.

Submerged Lands – The Bureau is nearing completion of an effort begun in 2005 to provide new conveyances to structure owners who were granted 30-year constructive easements when the leasing program was established in 1975. In 2008, the Bureau will focus on completing that effort for coastal areas and continue developing an inventory of structures on great ponds.

Forest Certification – The Bureau was awarded a new five-year certification in March 2007, and successfully completed the first joint FSC/SFI surveillance audit the following summer.

Timber Management Program – Harvest volume on Bureau lands exceeded 100,000 cords for the first time, as good operating conditions and an increase of field staff time spent on timber sales resulted in a significantly larger number of harvests. Markets were weaker for many products in 2007, but hardwood pulp demand was steady enabling the Bureau to market almost 60,000 cords of low quality wood - while improving the quality of the remaining stands.

Recreation – The Bureau developed and implemented volunteer stewardship programs for two popular public use areas, including an Adopt-a-Trail program for **Tumbledown Mountain** and the Cowans Cove campsite host program on the **Days Academy Unit**. In addition, numerous hiking trail and campsite improvements were made on the **Deboullie, Squapan, Holeb, Mahcias River, Seboeis, and Tumbledown Units**, while progress was made on expanding trail systems on the **Nahmakanta, Salmon Brook Lake Bog, and Seboomook Units**.

Wildlife - The fish barrier dam on Perch Pond on the **Deboullie Unit** was replaced through a joint venture between the Bureau and the Department of Inland Fisheries and Wildlife. This project

compliments a similar project the previous year on the outlet of Crater Lake, also in the Deobullie Unit.

Land Management Planning – Regional Management plans for the **Downeast, Seboomook, Flagstaff, and Northern Aroostook** areas of Maine, totaling over 200,000 acres of Bureau-managed lands, were adopted by the Department Commissioner.

III. PREFACE

This report constitutes required annual reporting pursuant to 12 MRSA 1853,1839 and elsewhere. This report includes reporting regarding vehicular access to Bureau acquisitions pursuant to 12 MRSA 1850(1) and 1836(1) and elsewhere. This report also fulfills legislative reporting requirements related to ecological reserves pursuant to 12 MRSA 1805 and 1853.

This report is submitted by March 1st of each year to the Joint Standing Committee on Agriculture, Forestry, and Conservation. The first section of this Report provides a summary of the Bureau's management activities during the 2007 calendar year in the following program areas:

- Land Management Planning
- Natural Resources
- Wildlife
- Recreation
- Timber Management
- Transportation
- Land Transactions
- Submerged Lands
- Public Access
- Shore and Harbor Management Fund
- Coastal Island Program
- Income and Expenditures Accounting
- Administration

As required, information on gates and barriers that prevent public vehicle access to Public Reserved and Non-reserved Lands, recreation facility fees charged for the use of these lands, and a status report on Ecological

Reserves is included. The report also contains information on income and expenditures for calendar year 2007.

Secondly, a Financial Report for FY 2009 is included as part of this document. The ACF Committee, in turn, has the obligation to report by March 15th to the Appropriations Committee on the Bureau's Lands Division FY 2009 budget.

IV. INTRODUCTION

The Bureau of Parks and Lands is an agency within the Department of Conservation. In addition to its responsibilities for the management of State Parks, Historic Sites, the Allagash Wilderness Waterway, the Penobscot River Corridor, Boating Facilities, and the Snowmobile and ATV Programs, the Bureau is responsible for the management of approximately 577,000 fee acres of Public Reserved Lands, 3,000 fee acres of Non-reserved Lands, nearly 300,000 acres of conservation easements, and various public access easements totaling 600,000 acres. Since 1995, the fee ownership managed by the Lands Division has increased 20%, with 70% of the new lands acquired within the last five years. Conservation easements totaled only 5,000 acres in 1995, with nearly 250,000 new acres acquired within the last 5 years. The public access easements were all acquired within the last 4 years (see accompanying chart on back page). In summary, the land acquisition activity has added a significant workload to the Bureau's land management responsibilities, particularly in the areas of recreation development, natural resource planning, and easement monitoring.

The Bureau also manages 2.3 million acres of the State's marine and freshwater Submerged Lands, and 1,316 publicly owned coastal islands. Bureau staff involved in managing Reserved and Non-reserved Lands include specialists in planning, forest transportation, wildlife, recreation, and field forestry. All collaborate to ensure an integrated and balanced approach to the management of the various resources on these lands.

Since the creation of the Bureau of Public Lands in 1973, many of the original public lots have been traded with other landowners to

consolidate the State's holdings into larger management units having greater public use values. Other lands, such as coastal islands, surplus institutional lands, and land acquired through the Land for Maine's Future Program have been assigned to the Bureau for management. The Bureau is statutorily mandated to manage Reserved and Non-reserved Lands "under the principles of multiple use to produce a sustained yield of products and services by the use of prudent business practices and the principles of sound planning" (12 MRSA ' 1833 & 1847).

Submerged Lands beneath coastal waters to the 3-mile territorial limit, and natural Great Ponds, are managed by the Bureau under the Public Trust Doctrine to protect the public trust rights to fishing, waterfowl hunting, navigation, and recreation. In addition, the Bureau maintains the Coastal Island Registry, which catalogs the ownership of all coastal islands.

V. LAND MANAGEMENT PLANNING

OVERVIEW

The Bureau owns and manages 150 parcels of public reserved land and 13 parcels of non-reserved public land. It also holds conservation easements on 20 properties with varying management responsibilities. Historically, resource management plans were prepared for each of the larger parcels (or Management Units), many of which are consolidations of former public lots. Today, management plans are prepared regionally, and a single plan addresses all of the reserved and non-reserved lands within a planning region.

The Bureau's *Integrated Resource Policy* adopted in 1985 and revised in 2000 guides resource management decisions and governs management planning for all Public Reserved and Non-reserved lands. The planning process allocates areas for specific uses including:

- **Special Protection (Natural/Historic)**
- **Wildlife**
- **Recreation**
- **Timber**

Because of the nature of multiple-use management, these areas often overlap, creating zones where management is designed to accommodate a variety of uses. The relative impact of one use upon another is carefully weighed to establish a hierarchy of resource management that protects the most sensitive resources and uses, while allowing other management to continue. For example, planned timber harvests in deeryards can provide a sustained yield of forest products and deer browse, while maintaining the winter shelter value of these areas.

Regional management plans are developed utilizing technical expertise at the State and Bureau level, while involving the general public in the plan development process. For each plan, Public Advisory Committees are established representing local, regional, and statewide interests. These committees serve as forums for discussion of draft plans. Public Meetings are held providing interested parties an opportunity to provide input on management issues and to comment on plan drafts. After consideration of these comments, the Bureau then submits to the Department Commissioner, upon recommendation by its Director, a final plan for adoption.

PLANNING INITIATIVES

Downeast Region Management Plan. The Downeast Region Management Plan was adopted by the Department Commissioner in March of 2007. The 48,000 acres of Bureau lands within the Plan area include the **Donnell Pond, Cutler Coast, and Rocky Lake Units** along with the **Great Heath**, and public lots in **Osborn, T24 MD, No. 21 Twp. and No. 14 Twp.**

Seboomook Region Management Plan. The Seboomook Region Management Plan was adopted by the Department Commissioner in March of 2007. The 51,000 acres of Bureau lands within the Plan area include lands around **Seboomook Lake, St. Johns Ponds, Baker Lake, and Spencer Mt.**

Flagstaff Region Management Plan. The Flagstaff Region Management Plan was adopted by the Department Commissioner in

June of 2007. The 55,000 acres of Bureau lands with the Plan area include the **Bigelow Preserve, Mt. Abraham, Chain of Ponds, Dead River Twp., Flagstaff Twp., Wyman Twp., Carrabassett Valley, Coplin Plt., Highland Plt., Redington Twp., King & Bartlett Twp., and Freeman Twp.**

Northern Aroostook Region Management Plan.

The Northern Aroostook Region Management Plan was adopted by the Department Commissioner in June 2007. The 56,000 acres of Bureau lands with the Plan area include the **Deboullie, Eagle Lake, and Salmon Brook Lake Bog Units and public lots in St. John Plt., Winterville Plt., New Canada, T17 R4, Cyr Plt., Caswell, Hamlin, Westmanland, and New Sweden.**

Kennebec Highlands Management Plan.

Progress continues on developing a management plan for the Kennebec Highlands. The 5,500-acre unit located in central Maine includes Bureau lands within the towns of **Rome, Vienna, Mount Vernon and New Sharon.**

Eastern Interior Region Management Plan.

Resource inventory work began on the next scheduled regional management planning effort, focusing on approximately 60,000 acres of Bureau lands within the eastern interior portion of the state. These properties include **Duck Lake Unit, Bradley, Machias River Lands, Matawamkeag Lake (T4 R3), and 18 small public lots.** A Public Advisory Committee is being formed, with public meetings scheduled to begin in 2008.

Table 1. Management Plans

1	Mount Abraham ¹	Adopted June 2007
2	Bald Mountain/Rangeley	To do
3	Bigelow Preserve ¹	Adopted June 2007
4	Chain of Ponds ¹	Adopted June 2007
5	Chamberlain	To do
6	Cutler Coast ²	Adopted March 2007
7	Dead River/Spring Lake ¹	Adopted June 2007
8	Deboullie ³	Adopted June 2007
9	Dodge Point	Adopted Nov. 1991
10	Donnell Pond ²	Adopted March 2007
11	Duck Lake	Revision in progress

12	Eagle Lake ³	Adopted June 2007
13	Four Ponds	Adopted Oct. 1989
14	Gero Island/Chesuncook	To do
15	Great Heath ²	Adopted March 2007
16	Holeb	Adopted Dec. 1989
17	Kennebec Highlands	Plan in Progress
18	Little Moose	Adopted Oct. 1988
19	Machias River	Plan in Progress
20	Mahoosuc	Adopted Feb. 1988
21	Moosehead	Adopted July 1997
22	Nahmakanta	Adopted Nov. 1995
23	Pineland	Adopted Sept. 1988
24	Richardson	Adopted Mar. 1990
25	Rocky Lake ²	Adopted March 2007
26	Round Pond	Adopted Dec. 1992
27	Salmon Brook Lake Bog ³	Adopted June 2007
28	Scraggly Lake	Adopted Oct. 1988
29	Seboeis	Adopted Feb. 1990
30	Seboomook	Adopted March 2007
31	Squapan	Adopted Mar. 1990
32	Telos	Adopted Feb. 1990
33	Tumbledown Mt.	To Begin in 2008
33	Wassataquoik	To do

¹ Flagstaff Region Plan

² Downeast Region Plan

³ Northern Aroostook Region Plan

VI. NATURAL/HISTORIC RESOURCES

NATURAL RESOURCE INVENTORIES

The Maine Natural Areas Program, a division of the Bureau of Geology and Natural Areas, conducts inventories of natural resources on lands managed by the Bureau under a Memorandum of Understanding. In general, inventories are done in advance of management planning to provide up-to-date information at the time these plans are developed or revised.

NRI's completed in 2007. Natural Resource Inventories were completed for **Dodge Point, Pineland, and the Kennebec Highlands.** Field work in preparation for NRI's to be developed in 2008 was conducted for the North Central Region including the **Scraggly Lake and Squapan Units.**

ECOLOGICAL RESERVES - OVERVIEW

Ecological reserves are designated areas containing representative native ecosystem types managed as special protection

areas. These areas serve as benchmarks against which to measure changes in both managed and unmanaged ecosystems, to provide habitat unlikely to occur where active management occurs, and to serve as sites for scientific research, monitoring, and education. The annual report must indicate the status of these reserves, including acres of reserved and nonreserved lands designated as ecological reserves and the results of monitoring, scientific research and other activities related to the reserves (12 MRSA §1839 and §1853). The bureau is also required to notify the committee when a management plan proposes designation of an ecological reserve (12 MRSA §1805). This section of the report addresses both requirements.

The bureau director may designate ecological reserves on bureau lands included in "An Ecological Reserves System Inventory: Potential Ecological Reserves on Maine's Existing Public and Private Conservation Lands," Maine Biodiversity Project, July 1998. The Director may designate additional reserves in conjunction with the adoption of a management plan, when that process includes public review and comment on the plan and notification to the committee of the proposal.

Original Ecological Reserves Designated in 2001 and Modifications Adopted in 2007		
Name	Original 2001 Acres	Acre Changes adopted in 2007
1. Bigelow Preserve ER	10,540	
2. Chamberlain Lake ER	2,890	
3. Cutler Coast ER	5,216	+5
4. Deboullie ER	7,253	-350*
5. Donnell/Tunk ER	5,950	+274
6. Duck Lake Unit ER	3,870	
7. Gero Island ER	3,175	
8. Great Heath ER	5,681	-40
9. Mahoosucs ER	9,974	
10. Nahamakanta ER	11,082	
11. Rocky Lake ER	1,516	
12. Salmon Brook Lake ER	1,053	
13. Wassataquoik ER	775	
Total Acres	68,975	-111

* Estimated acres at this time

ecological reserves totaling 68,975 acres on public reserved lands included in the above-referenced inventory. These original reserves were designated using the best available information at the time, with the understanding that adjustments would be needed as research in conjunction with management plans revealed different conditions on the ground and other factors affecting the lands included in the reserves. The Downeast Region Management Plan process recommended and adopted changes to three original reserves because of recent land acquisition for the **Donnell Pond Unit**, deed conditions affecting use of the **Great Heath** and fieldwork on the natural communities at Cutler Coast. The Northern Aroostook Region Management Plan process recommended and adopted changes to the ecological reserve at Deboullie where the boundary overlaps an area of 300-400 acres with developed facilities and significant public use. The change in ecological reserve acreage resulted in a net reduction of approximately 111 acres.

Between 2002 and 2004, the bureau acquired three areas with the condition that the lands be designated ecological reserves: Big Spencer Mountain, the Saint John Ponds and Mount Abraham. The March 2006 annual report to the ACF committee reported the acceptance of these reserves. These areas, acquired as public reserved lands, were formally designated as Ecological Reserves as part of the adoption of the Seboomook Unit Management Plan and the Flagstaff Region Management Plan in 2007. Opportunities for public comment on these management plans are noted under Section V, LAND MANAGEMENT PLANNING.

Ecological Reserves Formally Designated in 2007	
Name	Acres*
Big Spencer ER	4,249
Mount Abraham ER	5,186
St John Ponds ER	3,905
Total Acres	13,340

*Acres reported in deed.

As part of the Phase II acquisition of the Machias River project lands, a 3,870-acre Ecological Reserve was deeded to the state by

In 2001, the director designated thirteen

the Conservation Fund. This area abuts an existing Ecological Reserve on Fourth Machias Lake on the **Duck Lake Unit**, and includes frontage along Fifth Lake and Fifth Lake Stream. This reserve will likely be adopted as part of the Eastern Interior Region planning effort in 2008.

As part of the planned Lower Penobscot Phase I (Amherst) 2008 fee acquisition, the Town of Amherst has requested that a portion of the property proposed for acquisition be designated by deed as an ecological reserve. The Town has also asked that other portions of the property be designated for intensive recreation, forest management, and other purposes. The Bureau hereby provides notice of its intent to comply with the municipality's request to designate an eco reserve in the deed upon acquisition, to be reinforced later through the management planning process.

The total land acreage designated as ecological reserves may not exceed 15% of the total land acreage under bureau jurisdiction or 100,000 acres, whichever is less. No more than 6% of the operable timberland acres on public reserved and nonreserved lands may be designated as ecological reserves. Lands acquired after the effective date of the ecological reserve statute with the condition that the land be designated an ecological reserve are not included when calculating these acreage limits.

Ecological Reserves included in this calculation (qualifying reserves) currently comprise nearly 69,000 acres or 10.7% of the total land acreage under bureau jurisdiction as fee lands, which is well below the 15% or 100,000-acre limit set in statute. Of the current 378,000 acres of operable timberland on public reserved and nonreserved lands, 20,896 acres or 5.5% are located in qualifying reserves. This is 1,784 acres or 0.5% below the 6% limit set in statute.

A Memorandum of Understanding has been developed with the Maine Natural Areas Program to collect baseline data for the Bureau's Reserve inventory. These surveys are being conducted in accordance with established monitoring guidelines. This ongoing effort will provide information necessary for measuring ecological changes on Reserves over time.

Baseline Data Collection in 2007. Baseline data was collected on the **Wassataquoik, Mahoosuc, and Chamberlain Units**. A total of

Ecological Reserves as a Proportion of Total Acres Under Bureau Jurisdiction in 2007*	
<i>Land Type</i>	<i>Total Fee Acres</i>
State Park Lands	84,529
Boat Access Lands	495
Public Reserved Lands	569,264
Nonreserved Public Lands	3,786
Unregistered Coastal Islands	761
Subtotal	658,835
Land acquired on condition of ecoreserve designation	-13,340
Total	645,495
Acres in Qualifying Reserves	68,864
Ecological Reserves as a Proportion of Operable Timberland Acres on Public Reserved and Nonreserved Lands in 2007*	
<i>Land Type</i>	<i>Operable Timberland Acres</i>
Public Reserved Lands	376,800
Nonreserved Public Lands	1,200
Total	378,000
Acres in Qualifying Reserves	20,896
*Operable timberland acres are lands held in fee. Ecological Reserve acres include modifications proposed for adoption in 2007.	

16 Reserve inventories have now been completed as part of this ongoing project. A separate report on monitoring results is available from the Maine Natural Areas Program.

HISTORIC/CULTURAL INVENTORIES

The Bureau's Historic Site Specialist routinely conducts research into the history of parcels subject to the management planning process. This research, along with input from the Maine Historic Preservation Commission and the public process that accompanies Plan development, results in a resource inventory called a Cultural Landscape Inventory (CLI) for each Lands property. This information is then included in the management plans. The MHPC is the lead agency in identifying significant historic resources requiring preservation and protection of these resources on the State's ownership, including designating historically sensitive areas for special protection.

VII. WILDLIFE RESOURCES

OVERVIEW

A key component of the Bureau's integrated resource management program is coordinating land management activities with fisheries and wildlife habitat enhancement. Since 1984 a wildlife biologist from the Maine Department of Inland Fisheries and Wildlife has been assigned to the Bureau through a cooperative agreement between the two agencies. The primary responsibility of the biologist has been to develop and implement a habitat management program for Bureau-managed lands. Wildlife management activities conducted in 2007 on lands managed by the Bureau were as follows:

Wildlife Inventory and Survey Work. A seasonal Wildlife Technician conducted most of the inventory and survey work in 2007. Waterfowl brood counts were conducted at Blanchard Brook (**Dead River Unit**), Wiggins Brook (**Little Moose Unit**), Wytovitlock Stream, Shallow Pond and Stratton Brook Pond (**Bigelow Preserve**). High elevation bird surveys coordinated by the Vermont Institute of Science were conducted on **Mount Abraham and Spaulding Mountain**, with Bicknells Thrush detected on both routes.

Peregrine falcon monitoring took place at **Grafton Notch, Bigelow Mountain, Kineo and Little Kineo Mountains, and Barren Mountain.**

Prescriptions. Timber harvest plans for 13,237 acres of public lands were reviewed for fish and wildlife habitat compatibility.

Forest Certification. Planning and administration for fisheries, wildlife, and biodiversity issues related to forest certification conditions in both the Sustainable Forestry Initiative (SFI) and Forest Stewardship Council (FSC) programs continued. The Wildlife Biologists participated in yearly compliance audits conducted by both programs. Ongoing assistance was provided to IF&W staff preparing for its own third-party forestry audit, to be conducted in the near future.

Habitat Management. One hundred and forty four waterfowl nesting boxes were maintained and four replacements installed. Beaver control

devices were maintained at 3 sites, with a new device installed at Duck Lake on the **Duck Lake Unit.**

The Bureau's tow-behind ATV mower was used to mow 19 acres of remote fields at **Chain of Ponds, Adamstown, Bigelow, Days Academy Grant, Eagle Lake, and Hebron** providing significant savings over contracting this work out.

The Bureau's Wildlife staff participated in two Maine Forest Service invasive species control workshops conducted at **Mackworth Island.**

The fish barrier dam on Perch Pond on the **Deboullie Unit** was replaced through a joint venture between the Bureau and the Department of Inland Fisheries and Wildlife. The dam will prevent unwanted fish species from entering Perch Pond.

The seasonal 16-week position assigned to the Bureaus' wildlife program conducted a variety of inventory and survey work including waterfowl brood counts at various wetland areas, a high elevation bird survey and loon nest monitoring. Habitat enhancement work took place on 7 Bureau properties.

Seeding Program. *Herbaceous seeding was established on 48 acres of public lands for wildlife forage and erosion control.*

Habitat Agreements. A plan was developed to survey the majority of Deer Wintering Areas (DWA's) on Bureau lands during the 2007-08 winter to update the deer use information. An agreement was drafted to hire a consultant to conduct Habitat Management Area modeling for two areas on Bureau lands. Plan agreements for harvesting within DWA's were developed in cooperation with the regional wildlife biologists for **Beaver Cove, Scraggly Lake, Magalloway and T8 R10 WELS** (pending).

Coordination of piping plover and least tern habitat management on state parks continued including several field visits to assess habitat conditions.

Training and Education. Training for recertification credits for pesticide applicators license was completed. The staff biologist

participated in the CFRU deer wintering area field tour at **Telos** and made presentations at a DWA workshop in Orono.

VIII. RECREATION RESOURCES

PROJECT OVERVIEW

In accordance with management plan commitments, and in response to public demand, the Bureau continued to develop or make upgrades to recreation facilities on its lands. The Bureau's Lands Division is responsible for 326 campsites, over 150 miles of day hiking and backpacking trails (does not include the 71 miles of Appalachian Trail located on state-owned lands), 35 trailered and hand-carry boat launching areas, and 131 miles of public access road. In 2007, projects completed or worked on included:

Public Lands Management Task Force. The Governor's Task Force on the Management of Public Lands and Publicly-held Easements completed its work in 2007 with a Report issued in January of 2008. The Bureau along with the Department contributed significant staff time in attending meetings and developing information for this project. Although the Task Force was concerned with all state lands managed for public use, the focus was primarily on recreation as it pertains to Public Reserved Lands. The Task Force recommendations included setting up an ongoing Recreational Access and Conservation Forum as means to continue the discussion of access and recreational issues, and to discuss future trends as it relates to all types of recreational use. Other recommendations included the establishment of a scientific review panel to look at recreational and other existing uses of ecological reserves; and the enhancement of the Bureau's information and mapping capability to better communicate to the general public the availability of and opportunities on the lands its manages.

Deboullie Unit. Following adoption of the Northern Aroostook Region Management Plan, a number of recreation facility improvements took place on the Unit, including: the construction of a barrier and parking area at

Black Pond to protect the shoreline and correct erosion problems; the construction of two new campsites near the recently-repaired Perch Pond dam and a new table shelter at the Perch Pond group use area; improvements to campsites on Crater Outlet and the parking area at the Upper Pond campsite; improvements to a wetland boardwalk also on Upper Pond; and the complete reconstruction of a section of the Deboullie Mountain Trail to resolve wear and erosion problems. A Recreational Trails Program application proposal has been submitted for other needed improvements along this trail, including construction of a new 3-mile section (Deboullie Loop).

Squapan Unit. Improvements were made to 6 miles of ATV trail on the Unit, with funds provided through the Recreational Trails Program.

Salmon Brook Lake Bog. As part of the Northern Aroostook Region Management Plan process, the Bureau has been working, on an on-going basis, with residents of the Town of Perham on a trail proposal to enhance recreational access to the property. The proposal includes fishing access to Salmon Brook and a walking trail to other portions of the property.

Chamberlain Unit. With the help of volunteers, repairs were made to the Allagash Mountain Tower, a former Maine Forest Service fire tower now used primarily for recreational use.

Donnell Pond Unit. The Donnell Pond initiative to address increased use and vandalism at Redman's Beach and Schoodic Beach continued to show success in 2007. This effort included maintaining a ranger presence along with continued law enforcement assistance from the Maine Warden Service and the Hancock County Sheriff's Office. A new ADA accessible vault toilet was installed at the Spring River Lake day use area. A lifeflight evacuation site was constructed on the "Thousand Road" in Township 10 SD.

Machias River Corridor. Vault toilet facilities at recreational use areas along the river were improved to meet ADA requirements. Five new

signposts were installed to provide recreational and educational information to the public. The access road into the Route 9 campsite area was improved to more easily accommodate two-wheeled vehicles.

Nahmakanta Unit. Construction of a new hiking trail network begun in 2006 was extended from Leavitt Pond to Tumbledown Dick Pond, with a new campsite constructed at Tumbledown Dick Pond. A snowmobile trail on Farrar Mountain was rerouted away from a management road currently in use for timber harvesting activities. Vegetation was also cleared along dangerous corners on the Penobscot Pond Road to improve safety for both vehicle and snowmobile travel. New mileage signs were also installed along the road system to improve safety for users.

Seboeis Unit. Two new water access campsites were constructed on recently-acquired lands along the southern end of Seboeis Lake utilizing LMF access improvement funds.

Staff participated in a regionally-based planning initiative addressing recreation and nature-based tourism opportunities identified in a recent study conducted by Formatta.

Moosehead Lake. A campground host program for the Cowans Cove camping area was developed and implemented in 2007. The program was well received by campers, and provided needed stewardship for this heavily used area.

Tumbledown Unit. The Maine Conservation Corp. reconstructed the entire two-mile section of the Brook Trail, the most direct and popular route to the summit of Tumbledown Mountain. An Adopt-a-Trail program was developed and implemented providing local volunteer stewardship assistance for the Tumbledown Mountain trail system.

Holeb Unit. Began replacement and reconstruction of bog bridges along the 1-mile portage trail between Attean and Holeb Ponds. This portage is an important component of the popular Bow canoe trip on the Moose River.

Seboomook Unit. As recommended in the recently-adopted Seboomook Unit Management Plan, western region staff began working with the owners of Pittston Farm to develop an equestrian trail system on the Unit.

PUBLIC INFORMATION - OVERVIEW

The Bureau, through its Interpretive Specialist, continued to develop, revise, and distribute informational brochures to visitors to its lands, which describe the location of hiking trails, campsites, and other recreation facilities and opportunities.

Table 2. Completed Brochures

Bigelow Preserve
Cutler Coast
Deboullie
Dodge Point
Donnell Pond
Duck Lake
Holeb
Little Moose
Mahoosuc
Nahmakanta
Pineland
Richardson/Bald Mountain
Rocky Lake
Scraggly Lake
Seboeis
Squapan
"Your Islands and Parks on the Coast"

Website Updates. The Bureau continues to use its website to provide photos, maps, and facility information for most of its consolidated units.

Information Signs. The Bureau developed public information signs for Mackworth Island, describing the reforestation techniques used by the Bureau in response to wind damage and subsequent public safety issues caused by the Patriots Day storm.

STAFFING - OVERVIEW

Six seasonal rangers were involved in recreation management activities in 2007. The western region also hired a 13-week seasonal intern from Unity College to assist with campsite

maintenance on **Moosehead Lake**. The seasonal rangers were responsible for recreation facilities maintenance and construction, and informing visitors about Bureau rules. The full-time **Bigelow Preserve** Manager spent much of the summer managing recreational use.

The Recreation Specialist position became vacant in the fall of 2007 and will be filled sometime in 2008.

FEES - OVERVIEW

Fees are generally not charged on Public Reserved and Non-reserved Lands managed by the Bureau; however, in four situations fees are charged because these lands are near or within private recreation management systems having similar management objectives. Fees were charged in 2007 on Public Reserved Lands as described below:

North Maine Woods. Approximately 135,500 acres of Public Reserved Lands managed by the Bureau, including the **Deboullie, Round Pond, Chamberlain, Telos, and Seboomook Units**, are within the three million-acre North Maine Woods (NMW) system. To access these lands, the public passes through NMW checkpoints, where fees are paid for day use and camping. Visitors then travel over roads on private land within the NMW system. In 2007, Maine resident camping fees were \$8.00 per night per person and \$5.00 per day per person for day use. Fees are retained by NMW for facility maintenance and development, except that camping fees on the **Deboullie Unit** are returned to the Bureau once the Bureau's seasonal park ranger assumes responsibilities for the summer months.

South Arm Campground. The Bureau leases campsites on the **Richardson Unit** (Upper Richardson Lake) to South Arm Campground, a privately owned campground on adjoining private land. In 2007, the campground owner charged \$15.00 (including tax) per night per site. The campground retains a portion of this fee for maintenance of the 12 campsites and the Mill Brook public boat launch facility at the north end of lake.

Penobscot River Corridor. The Penobscot River Corridor (PRC), managed by the Bureau's Parks Division, includes campsites on Public Reserved Lands on **Gero Island** on Chesuncook Lake, and the portion of the **Seboomook Unit** below Seboomook Dam, including the Roll Dam and Burbank campsites. PRC staff maintains recreation facilities at these sites. Visitors to the area pass through checkpoints operated by North Maine Woods, Inc., which collects the PRC camping fee of \$4 per person per night for residents and \$5 per person per night for nonresidents. A portion of these fees is returned to the Bureau for campsite management and maintenance. Resident and nonresident day use fees (\$5.00 and \$8.00 respectively) are charged for the day in and day out only, and retained by North Maine Woods to cover operating costs for the checkpoint system.

Baxter State Park. Management of recreation sites on Webster Lake in the **Telos Unit** have been assigned by mutual agreement to the Baxter State Park Authority. Most of the use of Webster Lake is connected with the Webster Stream canoe trip which traverses the northern end of Baxter State Park. Under the agreement, campsites at the west end of Webster Lake are administered through Baxter State Park and subject to its rules and policies

PARTNERSHIPS - OVERVIEW

For some properties, the Bureau has entered into partnership agreements with other organizations to assist in managing recreational use. Noteworthy examples of partnerships in place in 2007 were:

Appalachian Trail. The Bureau continued its partnership with the Maine Appalachian Trail Club to accomplish stewardship and trail maintenance along 43 miles of the AT corridor in the **Bigelow Preserve, Mahoosuc, Four Ponds, Bald Mountain, and Nahmakanta Units**. An additional 28 miles of the AT is located on state park lands.

Bigelow Preserve. An agreement is in place with the Maine Appalachian Trail Club to ensure a summer staff presence at the more heavily used areas of the Appalachian Trail; in

particular, the Horns Pond campsite near the center of the Bigelow Range.

Coastal Islands. The Bureau continued its partnership with the Maine Island Trail Association for the management of certain state-owned islands along the coast of Maine that are part of the Maine Island Trail.

Cutler Coast. The Cobscook Trails Coalition provided trail stewardship and visitor information through a management agreement with the Quoddy Regional Land Trust, The Nature Conservancy, Maine Coast Trust Heritage Trust, Moosehorn National Wildlife Refuge, Maine IF&W, local businesses, and the Bureau.

Dodge Point. An ongoing arrangement is in place with the Damariscotta River Association to assist with the maintenance of trails and facilities.

Frenchman's Hole, Mahoosuc Unit. A partnership is in place with the Mahoosuc Land Trust to assist in the maintenance of this day use area.

Grafton Loop Trail. The Bureau continues to be an active member of a coalition of non-profit organizations and private landowners that developed a 39-mile hiking trail in the Mahoosuc Mountains. The trail branches off from the Appalachian Trail on the **Mahoosuc Unit** and continues east over private land to Puzzle Mountain, where it then returns to the Appalachian Trail.

Kennebec Highlands. This recently acquired property is managed in part through a partnership with the Belgrade Regional Conservation Alliance.

North Maine Woods. The NMW provides maintenance and monitoring services on the **Seboeis** and **Nahmakanta Units**. The NMW partnership with the Bureau has many other facets, as discussed elsewhere in this report.

Northern Forest Canoe Trail (NFCT). The Bureau has an increasingly strong relationship with the multi-state NFCT, which promotes

canoe and kayak trips and stewardship across many public and private properties in Maine.

Machias River Corridor. The Bureau cooperates with the Maine Atlantic Salmon Commission, the U.S. Fish and Wildlife Service, NOAA, Project SHARE and local watershed councils to protect and enhance Atlantic salmon habitat. This year, two open-bottom "arches" were installed under roads to facilitate fish passage. In addition, the Bureau's property within the corridor was the site of a road grading workshop held to improve practices that protect Atlantic salmon habitat.

Western Mountain Community Foundation (Huts and Trails). In 2007 the Bureau entered into several new and formal relationships with WMCF in order to facilitate the development of a network of large huts connected by trails. In 2007 the Bureau acquired a conservation easement over portions of the trail, and entered into agreements authorized by the legislature to allow the trail to cross portions of the Bigelow Preserve. The growth of the Huts & Trails network will come with many new and expanding formal and informal relationships between the Bureau and WMCF.

IX. TIMBER RESOURCES

The Bureau manages the natural resources on the lands under its care through a carefully planned multiple use program that balances timber management with all other resource values. An important facet of the timber management program is examination and inventory of the forest resource. The field data acquired in 1999 detailed timber, site, and natural resource measurements, important for both forest management planning, and third-party forest certification auditors.

Status of Current Inventory. The 1999 analysis revealed a total inventory of over 7 million cords on 349,414 regulated acres (the acres used in calculating sustainable harvest levels), or a stocking of 21 cords per acre. This level of stocking is approximately 30 percent more than the average for all of Maine's timberland as reported by the U.S. Forest

Service in 1995. This inventory was updated in 2006 as part of the Bureau's forest modeling project, which predicted that volume now exceeded 8 million cords, and when the 35,000 regulated acres on the Seboomook Unit are added, over 8.5 million.

PREScriptions - OVERVIEW

Planning for the timber management of Public Reserved and Non-reserved Lands is a two-step process:

- A management plan for the unit as a whole is prepared and adopted;
- More detailed plans for discrete areas between 500 - 2,000 acres (known as compartments) are then developed for the unit.

Compartments are examined on a 15-year cycle to identify timber and wildlife resources and recreational opportunities. Based on the field examination and the information collected, work plans called "prescriptions" are developed to ensure adequate protection of special resources and a sustained yield of forest goods and services, which include timber, wildlife, and appropriate recreational uses.

Prescriptions in 2007. Bureau staff examined and prescribed 21 compartments totaling 19,261 acres for a wide range of resource management activities. In addition, Bureau staff participated in developing a prescription for a state park demonstration forest project.

TIMBER SALES - OVERVIEW

If a timber harvest is prescribed in a compartment, a timber sale is developed. The majority of timber sales are put out to competitive bid, following State rules and procedures governing the sale of State property and purchase of services. Most timber is sold as stumpage. Under this system, the contractor agrees to pay the Bureau a bid price per unit for each type of forest product harvested. Occasionally timber is sold using contracts for logging services. Under this system, the Bureau pays the contractor to harvest timber and deliver it to specified mills; these mills then pay the Bureau directly for these products. This type of

contracting requires substantially greater Bureau resources to find and secure markets for harvested timber. In 2007 no timber was harvested under contracts for logging services.

Once the timber contracts are awarded, Bureau foresters and forest technicians work closely with contractors to ensure contract compliance, and that timber management objectives are met. Bureau staff closely supervises each harvest by marking individual trees for removal or by providing loggers with strict harvesting criteria. These criteria specify which trees are to be harvested. All harvest operations are inspected by Bureau staff on a weekly basis; more often when individual situations warrant.

Summary of Timber Sales in 2007. The implementation of prescriptions resulted in:

- A total of 108,917 cords (allowable cut is 115,000 cords) harvested from 10,230 acres.
- A total of 36 operations were ongoing in 2007, not including firewood sales to individuals. These operations are a combination of newly established sales and sales carried over from previous years.
- In concert with the Bureau's contractors, wood was marketed to over 50 mills statewide.

2007 Harvest and Market Analysis. In 2007 the Bureau harvest was up 35,000 cords from that reported the previous year. This harvest represents 95% of the Bureau-established "allowable cut." The increase in volume was mostly due to field staff having initiated several long term timber sales in the past two years and in 2007. Winter operating conditions came late but lasted long, and summer/fall did not have the very large rainstorms of recent years.

Average stumpage price per cord decreased 14% from that of 2006, 10% due to product price changes and 4% because a lower proportion of sawlogs (especially in hardwoods) were harvested. Sawlog and veneer prices dropped 15-17% for both softwoods and hardwoods. Pulpwood prices remained similar to those in 2006, but as usual were only a small fraction of the log/veneer prices. The harvest volume was 60% hardwoods, well above the

32% predicted by the growth curves in the Allowable Cut model and very similar to that for 2006, as the Bureau continued to remove low quality wood to favor the better trees for the future.

As part of its multiple use management the Bureau will continue to emphasize maintaining the harvest volume at a level near the allowable cut, while continuing to practice the highest quality silviculture. In future years the hardwood-to-softwood ratio is likely to be more balanced, which will increase the average revenue per cord. Larger volume, multi-year sales have been initiated during the past two years in an effort to provide stability for contractors, which in turn should increase annual harvest volumes. These contracts have attracted contractors with desired harvesting equipment. In addition, this approach should foster better working relationships and improve efficiency. However, economic conditions that result in poor markets, and weather events that can reduce harvest levels, will remain beyond the Bureau's control.

SILVICULTURAL ADVISORY COMMITTEE - OVERVIEW

In 1986, the Bureau established a Silvicultural Advisory Committee with representatives from environmental groups, academia, and forest managers from public and private landowners, to review and critique forest management policies and practices on public lands. Each year the Bureau sponsors a field trip on which the Committee examines work the Bureau has completed or is planning, providing valuable input to staff through on-site dialogue.

Committee Tour in 2007. This year's field tour revisited a number of Western Region parcels seen by the committee in 1989, and included a first visit to the Holeb Unit where a large multi-year timber sale had recently started. Some of the revisited lots had received their second BPL harvest in the year or two before this trip, offering committee members longer term, multi-treatment perspectives. We visited many lots on or near Route 201, and discussed "Island forestry" (small BPL tracts within a private forest matrix), tradeoffs among equipment, silviculture, and supervision needs, restoration forestry, management of uncommon species (in this

case, jack pine), cooperative work on a major river crossing, and hiding from strong thunderstorms.

BOUNDARY LINES - OVERVIEW

The Bureau continued to make progress on the maintenance of boundary lines this past year, with 12 miles maintained on 8 different parcels in 2007, most of which were in the northern region.

FOREST CERTIFICATION - OVERVIEW

The Bureau was awarded certification of its forestlands under the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC) programs in 2002. These third-party audits were conducted to determine if these lands were being managed on a sustainable basis. The process for conducting the audit was rigorous and unique in that the Bureau underwent the two audit programs simultaneously. The audit was comprised of a field analysis of forest management practices at selected sites around the state, and an analysis of the Bureau's financial, personnel, policy development, and record-keeping systems. Successful completion of the FSC/SFI systems also qualified the Bureau to enter into the "chain of custody" program to market its "green-certified" wood. The process for enrollment in this program was completed in 2003, with certified wood now being marketed from Bureau managed lands.

A Bureau-wide certification team was implemented to address "conditions" and "minor nonconformances" stipulated in the audit reports, including: significant enhancements to forest inventory data, development of a computerized forest-modeling program, a timeline for updating management plans for the entire land base; improvements in the use of Best Management Practices to protect water quality; and new commitments to public outreach and education programs. The Bureau is required to meet these conditions within certain timeframes in order to keep its certification status in good standing over the five-year certification period.

Certification Accomplishments in 2007. After undergoing the field portion of full FSC

recertification late in 2006, the Bureau earned a new 5-year certificate for exemplary forest management in March, 2007. The Bureau hosted its first joint FSC/SFI surveillance audit in August of 2007, visiting a number of Northern Region sites to view recent and ongoing timber harvests, along with visiting a joint DIFW/DOC fisheries project on the **Deboullie Unit** (restoration of an old dam to prevent warm water fish species from migrating into a wild brook trout pond). Certifiers were very complimentary toward timber harvest, wildlife, and recreation management projects seen and discussed during the audit.

X. TRANSPORTATION

OVERVIEW

The Bureau continued to improve road access within consolidated units and other properties, focusing primarily on recreational needs and implementation of its timber management program.

BRIDGES

Allagash Wilderness Waterway. Northern Region Manager served on the Commission to Study Henderson Brook Bridge in the Allagash Wilderness Waterway. Temporary repairs were made to the Henderson Brook Bridge, with Army Corp. and LURC permits obtained in 2007 for the eventual replacement of this bridge.

Machias River Corridor. The Bureau cooperates with the Maine Atlantic Salmon Commission, the U.S. Fish and Wildlife Service, NOAA, Project SHARE and local watershed councils to protect and enhance Atlantic salmon habitat. This year, two open-bottom “arches” were installed under roads to facilitate fish passage. In addition, the Bureau’s property within the corridor was the site of a road grading workshop held to improve practices that protect Atlantic salmon habitat.

Round Pond Unit. A bridge was constructed within the Schedule Brook watershed.

Blake Gore, Sandy Bay Twp. An adjacent landowner replaced an undersized culvert with a

bridge on Bureau property to facilitate access, with the Bureau providing oversight for the project.

ROADS & ACCESS IMPROVEMENTS

Road Construction. To facilitate both summer and winter timber harvesting activities across the state, approximately 34 miles of road was constructed or reconstructed.

Access Improvement Projects. Access improvements funds through the Land for Maine’s Future Program were provided for the following projects:

Seboeis Unit. Two new water access campsites were constructed on recently-acquired lands along the southern end of Seboeis Lake utilizing Land for Maine’s Future access improvement funds.

Tumbledown Unit. Two parking lots were constructed and a vault privy at trailhead areas serving the Tumbledown Mt. trail system.

Mahoosuc Unit. A parking area was relocated and a vault privy installed at the popular swimming and day use area known as Frenchman’s Hole.

Road Maintenance. Each year the Bureau contracts for maintenance services for grading and brushwork on public use roads. In 2007, approximately 140 miles of roads were maintained.

Hebron Lot (Non-reserved Lands, former Maine State Sanatorium). Demolished and removed 3 dilapidated buildings and an old water tower that were public safety hazards on what was once State Sanatorium lands. The Bureau of General Services assisted with the removal of asbestos from the buildings prior to demolition. The former main access road was also repaired and blocked for safety reasons.

XI. PUBLIC ACCESS

OVERVIEW

Three-fourths of the Public Reserved Lands are accessible to the public without fee or special arrangements. There are a few circumstances where public vehicle access is limited or restricted. As required in 12 MRSA § 1853, the following is a report of barriers that affect primary motor vehicle access.

EXTERNAL GATES TO PUBLIC LANDS

North Maine Woods Checkpoints. There are seven checkpoints, staffed seasonally, controlling primary access from Maine points to 135,500 acres of Public Reserved Land within the nearly three million acre North Maine Woods area, including the **Deboullie, Round Pond, Chamberlain, Telos, and Seboomook Units**. These checkpoints are all on private land and facilitate management of recreational use on both public and private land.

KI/Jo-Mary Checkpoints. The Katahdin Iron Works checkpoint controls access to the 960-acre public lot in **Bowdoin College Grant East**. Free public access to the **Nahmakanta Unit** has been established from the west, with the unit no longer managed as part of the KI/Jo-Mary system. However, the Bureau funds a checkpoint at Henderson Brook and a fee for access from Route 11 to the unit through the KI/Jo-Mary system continues as in the past.

Cary Plantation, Aroostook County. A locked cable gate on private land restricts access to this 230-acre parcel.

Magalloway Plantation, Oxford County. A locked metal gate on private land restricts access to this 1,000-acre parcel.

Dallas Plantation, Franklin County. A chained, metal gate on private land restricts access to the north lot in **Dallas Plantation**, and to the lot in **Davis Twp.** The total area of the two lots is 1,050 acres. The gate is owned and maintained by the camp owners on the south end of Kennebago Lake.

Cupsuptic Gate, Franklin County. A staffed gate leased by the Kennebago Campowners Association on private lands limits access to the 62-acre public lot in **Stetsontown Twp.** on Kennebago Lake. A public access agreement with the Association allows up to three vehicles at any one time to access the lake via the public lot, and to park at the Grants Camps lease site located on the lot.

INTERNAL GATES

The Bureau maintains 18 internal gates for safety purposes, to protect sensitive areas, to limit vehicle traffic on service roads, or to control certain recreational uses. None of the barricades restrict foot traffic into these areas. Many of these barriers are left open during the winter season to allow safe passage by snowmobiles. The inventory was adjusted in 2007 to reflect the sale of the North Lagrange public lot in 2006, and the addition of an internal gate on the **Hebron** lot.

XII. LAND TRANSACTIONS

ACQUISITIONS

Appendix B provides a list of all Bureau acquisitions in 2007. In addition to these acquisitions, the Bureau continued to sponsor many land trust acquisitions through the Land for Maine's Future program requirements. Dozens of Bureau-sponsored land trust acquisitions also closed in 2007. Significant lands division acquisitions in 2007 included:

Mahoosuc Legacy Lands. The 3,688-acre Grafton Notch property lies at the heart of the Mahoosuc Mountains that stretch from the White Mountains of New Hampshire into western Maine. This heavily wooded parcel encompasses the southern slope of Old Speck, Maine's highest mountain outside Baxter State Park, and runs adjacent to the most rugged mile of the Appalachian Trail – the famed Mahoosuc Notch. The property is also nestled within over 30,000 acres of existing State conservation lands and will be managed as part of the **Mahoosuc Unit**. In addition to the preservation of this parcel as a working forest, the acquisition, made possible through the

Forest Legacy Program, protects other public values, including public recreation, riparian areas/wetlands, significant fish & wildlife habitat and scenic resources, all of which contribute to the enhancement of local economies.

Katahdin Iron Works Easement. This 37,000-acre easement located in Bowdoin College Grant West (T8 R10 NWP), Bowdoin College Grant East (T7 R10 NWP), and T7 R9 NWP was acquired through the Forest Legacy Program. The acquisition provides multiple public benefits, including the protection of significant natural areas, enhanced recreational opportunities, and the preservation of a working forest - all of which contribute to the economic development efforts of the State and local gateway communities. A wide array of recreational opportunities ranging from multi-day backpacking to snowmobiling to fishing are available on the KIW property and will be enhanced as a result of this conservation effort.

Enchanted Road, Johnson Mt. Twp. The Bureau acquired public access rights from the Somerset County Commissioners along a two-mile section of road from Route 201 to the former Enchanted Ski Area property. The right-of-way is one of several steps involved in providing public access to a popular hiking and motorized trail system on the public lot on Coburn Mt.

OTHER DISPOSITIONS

Appendix B provides a list of all 2007 dispositions, all of which were authorized by legislative action in 2007 or in previous years. The 231-acre Greenfield lot was sold in 2007, the last remaining public lot sold as part of the Katahdin Lake transaction in 2006.

ACQUISITIONS IMPACTING VEHICULAR ACCESS

Pursuant to various sections of law, "if an acquisition is made that does not include guaranteed public vehicular access, the bureau shall describe the acquisition (in this report) and the justification for that acquisition." Below is the required justification for selected acquisitions from Appendix B:

Wassataquoik Valley Pedestrian Easement. The landowner who donated this easement declined in negotiations to allow vehicular access. The new pedestrian easement is contiguous with pedestrian trails and rights on BP&L and Baxter State Park Lands.

Little Big Wood Pond Campsite Donation. The landowner who donated this remote water access campsite did not possess vehicular access rights, and the Bureau would not have accepted the campsite donation if vehicular access were allowed, due to management challenges.

Western Mountains Community Foundation (Huts & Trails). The portion of the trail now burdened by a Bureau conservation easement has limited public vehicular access only at some at trail heads. The goal of the acquisition was to secure as much permanent trail connectivity as possible, recognizing the risks of some gaps in permanent access guarantees.

2007 LAND TRANSACTIONS BILL

Resolves of 2007, chapter 91 (LD 1913) authorized certain dispositions of Bureau lands and interest in lands including:

An easement for electric transmission lines across 2 state-owned parcels to TransCanada Maine Wind Development, Inc. The parcels are in **Wyman Township** abutting existing utility corridors and proximate to or abutting State Route 27 and the Appalachian Trail Corridor;

An easement for electric transmission lines across state-owned parcels in **Bradley and Township 21** to Bangor Hydro-Electric Company.

Conveyance of land on Upper Richardson Lake, **Richardson Unit** that was leased, with the lessee owning the buildings on the property.

Certain of these authorized dispositions occurred in 2007. Others are expected in 2008 or in later years

XIII. SUBMERGED LANDS

These lands are managed under the Public Trust Doctrine to ensure protection of the public trust rights of fishing, waterfowl hunting, navigation, and recreation. The Submerged Lands Program plays an important role in maintaining a balance among competing uses of submerged lands and resolving conflicts between public trust rights and the demand for private and commercial uses of these lands.

Project/Permit Applications. In 2007, the Submerged Lands Program processed 358 applications for proposed and existing waterfront structures and dredging projects requiring a submerged lands lease or easement. This includes 186 constructive easement conversions, and 47 leases and easements for new development projects, bringing the combined program total to 2,013 conveyances. The Bureau also reviewed an additional 125 environmental permit applications and determined that no conveyances were required.

Constructive Easements. The Bureau continues to research information on constructive easements (structures in existence prior to October 1, 1975) and has identified approximately 1,000 structures that will require a new conveyance. To date, the Bureau has received over 830 applications and executed 650 new leases and easements for these structures.

Advisory Board. The Submerged Lands Advisory Board met once during the year. This group, established by the legislature in 1997 to provide advice to the Director, discussed a variety of topics relating to submerged lands, including constructive easement conversions, draft rule changes, and support for public infrastructure improvements and coastal planning efforts if the current cap on lease rental fees is removed.

Sunken Logs. No applications to recover sunken logs from public submerged lands were received in 2007.

XIV. SHORE AND HARBOR MANAGEMENT FUND

In 1991, the Legislature created the Shore and Harbor Management Fund in anticipation that annual revenues from the Submerged Lands Program would exceed operating costs. These funds could then be used to support shore and harbor management activities by providing grants to municipalities.

The \$1,200 cap on submerged lands rents that was passed by the legislature in 1997 has significantly reduced the anticipated revenues. In 2007, the Bureau contributed \$50,000 to the Maine Island Trails Association in support of continuing partnership for ongoing recreation management of State owned coastal islands.

Pending the outcome of legislation to remove the current lease rental cap that would substantially improve revenue available to the Shore and Harbor Fund, the Bureau will continue to work with other natural resource agencies, leaseholders, and other interest groups to identify public infrastructure and planning needs along the coast and the appropriate level of contribution to those efforts from this fund.

The Bureau completed a review of its fees under the submerged lands leasing program and reported its findings to the Legislature.

XV. COASTAL ISLAND PROGRAM

OVERVIEW

Maine's Coastal Island Registry was created by the 106th Legislature as a means of clarifying title to 3,000 coastal islands by establishing and registering ownership. By now most island owners have registered their islands. The Bureau continues to receive periodic requests to register an island or make changes in existing registrations (address or ownership changes). There are also many requests for ownership information from persons with a general interest in Maine islands.

The Bureau's brochure "Your Islands and Parks on the Coast" continues to be

updated each year. This brochure shows the location of approximately 40 State-owned islands suitable for recreational use and explains the Bureau's visiting, camping, and resource protection policies. The Maine Island Trail is a water trail extending along the entire coast of Maine and includes both publicly and privately owned islands. The Bureau continues its partnership with the Maine Island Trail Association in the management and oversight of the State-owned islands on the Trail.

XVI. INCOME AND EXPENDITURES ACCOUNTING

OVERVIEW

The Bureau has several different accounts established for specific purposes with statutory restrictions on their use. **The statutes require that financial summaries be prepared on a calendar year basis.** The figures presented below do not match those reported elsewhere **on a fiscal year basis**, and may tend to exaggerate the Bureau's income and expenditures in any one calendar year, depending upon where the income and expenses actually fall within the fiscal year.

Public Reserved Lands Management Account (014.04A.0239.22)

This account is restricted to uses related to the management of lands that have Public Reserved Lands status, which includes the original public lots, land acquired through trading Public Reserved Lands, and other lands designated as Public Reserved Lands. Sources of income to this account include the sale of timber stumpage, camplot leases and other special leases on the Reserved Lands, and interest on the account balance. Income for calendar year 2007 was \$4,081,941 with expenditures of \$3,942,893. Because the Bureau's largest source of revenue is timber, income fluctuates from year to year in response to the amount of wood harvested and economic conditions that affect timber markets.

In 2007 the Lands Division has gone through a staff-intensive green certification process, dealt with depressed timber markets,

and personnel challenges- factors contributing to reduced revenues, even though harvest volumes exceeded 100,000 cords for the first time. At the same time expenses for personnel services, vehicle operations, information technology and management costs for non-revenue generating activities have increased.

Revenue generated in 2007 was only \$139,048 more than expenditures, due to the factors described above.

Not shown in either the income or expenditure figures above are the portion of moneys received from camplot leases and timber sales that are shared with towns and plantations pursuant to 12 MRSA §1854. Based on the income received in 2007 (payable in 2008), the Bureau revenue sharing amounts total \$126,245.59, paid to 23 towns and plantations.

Income from the Reserved Lands Account supports most of the administrative, planning, timber, transportation, recreation, and wildlife management activities on the land base.

At this time the balance in this primary account is precariously low due to the factors described above. Concerted efforts to reduce costs and increase revenue, including developing new sources of recurring revenues will be necessary to maintain financial viability in this dedicated revenue account.

Public Non Reserved Lands Management Account (014.04A.0239.23)

This account is used for the management of lands not in the Public Reserved Lands System. These Non-reserved Public Lands include institutional lands (those lands considered surplus by other State agencies) assigned to the Bureau for natural resource management, and coastal islands. Income is primarily derived from agricultural leases, though the sale of timber contributes occasionally when timber harvests are completed on Non-Reserved Lands. Income for calendar year 2007 was \$1,998 with expenditures of \$8,091. Expenses were primarily for the demolition of 4 buildings and associated structures on the Hebron property that represented public safety concerns. The cash balance is drawn down when expenses exceed revenues.

Submerged Lands Account **(014.04A.0239.27)**

The Submerged Lands Account is comprised of funds generated from leases and easements on the State's submerged lands. Most of the fund's income is derived from leases of coastal waterfront properties to allow commercial uses such as marinas, piers, and boatyards. In 1997, additional income was generated as part of a registration program requiring holders of constructive easements to pay a \$50 fee. This fee was collected again in 2001, for the period of January 1, 2001 to December 31, 2005. Additional revenues were generated from the sale of gravel. Total revenues in 2007 were \$384,715 with expenses of \$248,804.56. Funds for personnel services (salaries) comprise the majority of the program's budget.

Shore and Harbor Management Fund **(014.04A.0239.29)**

A Shore and Harbor Management Fund was established in 1991 to provide grants to municipalities for harbor planning, public access, and similar local management activities on submerged lands. This account receives funds from the Submerged Lands account when income from leases exceeds the operating costs of the program. The rental cap of \$1,200 has significantly limited the amount of money available in this fund. In 2000 and 2001, one-time revenues totaling \$1,537,500 from the sale of submerged lands and dredge materials to BIW were deposited to this account. Since 2005, a significant portion of this revenue totaling \$1,455,000 has been transferred to provide funding for municipal grants (\$550,000), the Bureau's Boating Facilities Program (\$600,000), and coastal island management (\$305,000). Total expenses in 2007 were \$50,000 for the management of the Maine Island Trail and Casco Bay State owned islands. Total revenues in 2007 were \$7,784.85 mostly from interest. This revenue contributed to a year-end balance of \$99,972.

Land Acquisition Fund **(014.04A.0239.24)**

Funds from this account are restricted by statute to the acquisition of lands of significant public use and value for the Public Reserved Lands

system, and acquisition-related costs. These funds cannot be used for operation or maintenance of existing land, and therefore, expenditures do not take place on a regular basis. Income that accrues as a result of sales, trades, or interest is carried forward until needed for future acquisitions. Income for calendar year 2007 was \$456,496 against expenditures of \$398,299. Income this year was derived from interest earned on the account balance and reimbursements from state grants. Expenses included the acquisition of 3,700 acres in fee and 38,000 acres in conservation easements, with additional expenditures on legal, appraisal, and survey costs associated with these acquisitions. In all cases, funds were expended in conjunction with other funding sources outside of the Bureau. Funds from this account are restricted by constitutional amendment (Article IX, Section 23) to the acquisition of lands having significant conservation and recreation value in the same county in which the sale of lands generating the funds took place.

Non-Reserved Land Acquisition Fund **(014.04A.0239.37)**

This account was established to receive revenue from the sale of Public Non-Reserved Lands. Income and expenses for calendar year 2007 were minimal. Funds from this account are limited by constitutional amendment (Article IX, Section 23) to the acquisition of lands having significant conservation and recreation values in the same county in which the sale of lands generating the funds took place.

Mackworth Island Trust Fund **(014.04A.0239.30)**

Section 2 of Chapter 102 Public Law 1998, authorized the proceeds from the sale of a 157 acre Bureau of Parks and Lands property in Colorado to be invested as a separate trust fund and managed by the State Treasurer for the benefit of Mackworth Island. In November 1999, the Colorado property was sold. The proceeds of \$60,000 have been deposited into this trust fund. A non-lapsing account receives interest income from the trust fund. This account is used to manage public recreational activities and related resources on land under the Bureau's care on Mackworth Island in Falmouth. Income

for calendar year 2007 was \$1,755, with no expenditures.

XVII. ADMINISTRATION

OVERVIEW

During 2007, staff responsibilities to support the Bureau's various programs and activities and to manage responsibilities over newly acquired land continued to increase.

The Bureau received approval of a Part II budget request in FY 2002 to address current and future responsibilities and management needs by increasing staff. The new positions included in that budget are necessary to continue to assist with an increasing workload.

Budget constraints warranted a conservative approach in filling new positions, although the Chief Forester, Interpretive Specialist, the part-time Planning & Research Associate II have since been filled. Two new Forester I positions were filled in 2005.

The Bureau continues to explore and utilize new technology, and to look for ways to deal effectively with its increasing workload, increased expenses and inadequate revenue to fund all program activities.

CAMPLLOT LEASE PROGRAM

The Bureau continues to administer a Camplot Leasing Program for approximately 300 residential camplots and 8 commercial sporting camps and campgrounds across the state. In 2007 the Bureau reissued leases for a new five-year term, and made adjustments to the lease rental schedule to reflect recent increases in tax-assessed values. The Bureau has a statutory requirement to charge lease fees based on these values.

CONSERVATION EASEMENT MONITORING

In response to legislation enacted in 2007 (33 MRSA 477-A-3) requiring all conservation easement holders to monitor easements for compliance with easement terms at least once every three years, Bureau staff spent considerable time developing monitoring protocols for the 42 easement parcels (totaling more than 300,000 acres) within its ownership. A breakdown of the costs associated with this

requirement is found in Appendix C of this Report. Although stewardship accounts were established for some of these easements at the time of their acquisition, the Bureau is responsible for all remaining costs associated with these statutory requirements.

XVIII. FINANCIAL REPORT FOR FY 2009

OVERVIEW

Pursuant to Title 12 M.R.S.A., ' 1839 and 1853 the Joint Standing Committee on Agriculture, Conservation, and Forestry must review allocations for the Bureau of Parks and Lands dedicated funds and revenue accounts pertaining to Public Reserved and Non-reserved Lands for the upcoming fiscal year, and submit a written report to the Joint Standing Committee on Appropriations and Financial Affairs by March 15th. To assist in the preparation of that report, the Bureau is submitting information regarding Bureau income, expenditures, and management of the following seven dedicated accounts:

- ***Public Reserved Lands Management Fund***
- ***Public Lands Management Fund (Non-reserved Public Lands)***
- ***Public Reserved Lands Acquisition Fund***
- ***Public Non-Reserved Lands Acquisition Fund***
- ***Submerged Lands Fund***
- ***Shore and Harbor Management Fund***
- ***Coastal Island Registry***
- ***Mackworth Island Trust***

These accounts derive revenue from the sale of forest products, from lease fees, from interest on cash balances, and from the sale of land. Programs funded by these accounts receive no support from the State's General Fund. The dedicated revenues in these accounts must cover all operating expenses. The Bureau plans its expenditures for each fiscal year based on a level of income it projects to receive from its various revenue sources. If projected income is not sufficient, then the Bureau determines whether the balance in its contingency fund is sufficient to carry it through until additional revenues are received. If both revenue projections and contingency funds are insufficient, then the Bureau postpones planned expenditures until revenue returns to an adequate level. The Bureau has established internal financial management procedures to accomplish this process and reviews budgetary matters on a monthly and quarterly basis.

In the past, this internal management has proven successful. The Bureau has adjusted its expenditures and managed its financial resources so that core program activities have continued to be funded. The Bureau continues to manage the State-owned Public Reserved and Non-reserved Lands to produce timber on a sustained yield basis and within established levels for allowable harvest to generate revenue to support resource protection, wildlife, and recreation programs. However, it is becoming more difficult to maintain the financial viability of this arrangement with existing sources of revenue as personal services and fixed costs continue to increase. The addition of new lands and management responsibilities places increasing strain on the Bureau's capacity to remain financially self-sufficient. Presented below are the FY 2009 budget allocations proposed for each of seven dedicated accounts within the Bureau's "Lands" division. These allocations represent the limits within which the Bureau must operate.

FY 2009 ACCOUNT SUMMARIES

1. Public Reserved Lands Management Fund Account # 014.04A.0239.22

Income		Expenses	
Earnings on Investments *	\$95,000	Personal Services	\$3,111,889
Rent of Lands*	\$825,000	All Other (not including STACAP)	\$916,240
Camplot Leases*	\$235,000		
Registration Fees	\$21,000		
Misc Services & Fees	\$32,000	Capital	
Fed Grants for Other Purposes	\$12,000		
Recreational Use of Lands	\$11,000		
Sale of Stumpage *	\$3,419,710		
Misc Income	\$50,000	Capital Subtotal	
Legis Transfer of Revenue	(\$67,523)		
DICAP**	(\$429,650)	STACAP	\$164,983
Total Income	\$4,203,537.00	Total Expenses	\$4,193,112.00

* Represents the major components of the Bureau's income stream.

** Consistent with state accounting practices, DICAP is shown as a "revenue debit," although it is actually an expenditure.

The Bureau, as of February 20, 2008, has an account balance of \$770,896.50 in the Public Reserved Lands Management Fund which serves as its contingency fund. Because most of the Bureau's timber harvesting takes place during the winter (to minimize environmental impacts and potential conflicts with recreational users), there is a significant seasonal fluctuation in income. The contingency fund enables the Bureau to operate during the first half of the fiscal year when income is low and expenses are relatively constant. It also serves as a buffer to cover operating costs when expenses exceed revenues.

The current balance is significantly below the optimum level, which would be half of the annual operating expense. It is below the level necessary to remain self sufficient and support program needs. A concerted effort, with particular emphasis on the timber management program, and modifications to harvest preparation and sale practices, is ongoing and will be necessary to build up this contingency fund. In addition, many desired program expenditures will need to be curtailed and alternative sources of revenue will need to be explored and developed.

New Initiative

Dedicated Revenue	Income	Requested for 2009	Expenses
Sale of Stumpage	\$166,857	Personal Services	
DICAP	(\$1,400)	All Other	\$5,000
		Increase in the cost of legal services from the AG's office	
		increase in CFM cost	\$67,097
		Consolidation of IT cost to a centralized account	(\$56,387)
		STACAP	\$2,744
		All Other Subtotal	\$18,454.00
		Capital Equipment	\$23,000
		Roads and Bridges	\$67,000
		Capital Subtotal	\$90,000.00
TOTAL	\$165,457.00	TOTAL	\$108,454.00

Increases in all other are requested to address increased rates being charged to the Bureau for legal services provided by the Attorney Generals office and for rental vehicles by Central Fleet Management. In addition, increased funds are requested to cover the costs associated with the consolidation of computer services to a central account.

2. Public Non-Reserved Lands Management Fund Account # 014.04A.0239.23

Income		Expenses	
Earnings on Investments	\$3,000	All Other (not including STACAP)	\$32,772
Rent on Lands and Buildings	\$16,850	Capital	
Sale of Stumpage	\$17,582	STACAP	\$750
DICAP**	(\$3,468)		
Total Income	\$33,964.00	Total Expenses	\$33,522.00

** Consistent with state accounting practices, DICAP is shown as a "revenue debit", although it is actually an expenditure.

Both income and expenses will be less than the budgeted allocations in this account. The account has a balance of \$7,626.04, which is used as a contingency fund to cover expenses that occur between the relatively small and infrequent timber harvests on these lands. It is unlikely the Bureau will harvest the amount of timber needed to meet the proposed revenue projection. Therefore, management expenditures and associated activities will be limited.

New Initiative

Dedicated Revenue	Income	Requested for 2009	Expenses
Sale of Stumpage	\$60,000	Personal Services	
		All Other	
		Capital Land	\$25,000
		Structures	\$35,000
		Capital Subtotal	\$60,000
TOTAL	\$60,000.00	TOTAL	\$60,000.00

This initiative provides allocation for capital improvements to existing structures and for culvert replacements, if funds become available.

3. Public Reserved Lands Acquisition Fund Account # 014.04A.0239.24

Income		Expenses	
Earnings on Investments	\$144,000	All Other (not including STACAP)	\$201,859
Sale of Land	\$90,254	Capital	
DICAP**	(\$21,672)	STACAP	\$7,616
Total Income	\$212,582.00	Total Expenses	\$209,475.00

** Consistent with state accounting practices, DICAP is shown as a "revenue debit", although it is actually an expenditure.

By statute, the money in this account is used only for purposes related to the acquisition of interest in land. Lands purchased with the funds from this account have Public Reserved Land status. These funds are necessary to acquire rights-of-ways, in-holdings, conservation easements, and additions to the existing land base. As in most years, it is difficult to predict the timing, income, and expenditures involved in potential land transactions. This budget allows the Bureau, if the opportunity arises, to acquire land or other interests within the available allocation. The "All Other" expenses are used to cover the cost of legal assistance for title searches, drafting deeds, appraisals, and related items. This account currently has a balance of \$1,274,559.89. At this time all of the funds in this account are limited for use in specific counties from which the revenue was generated, as required by the Constitution. This situation will limit the Bureau's ability in the future to pursue acquisition projects in counties without funds.

New Initiative

Dedicated Revenue	Income	Requested for 2009	Expenses
Sale of Land	\$700,000	Personal Services	
		All Other	
		Capital Land	\$700,000
TOTAL	\$700,000	TOTAL	\$700,000

This initiative provides funding for land acquisitions and related closing costs. Land acquisitions require appraisals, title searches, and other legal matters in order to protect the State's interests.

4. Public Non-Reserved Lands Acquisition Fund Account # 014.04A.0239.37

Income		Expenses	
Sale of Land	\$69,544	All Other (not including STACAP)	\$60,578
DICAP**	(\$6,506)	Capital	
		STACAP	\$2,306
Total Income	\$63,038.00	Total Expenses	\$62,884.00

** Consistent with state accounting practices, DICAP is shown as a "revenue debit", although it is actually an expenditure.

The money in this account is used only for purposes related to the acquisition of interest in non-reserved land. Lands purchased with the funds from this account have Public Non-Reserved Land status. These funds are necessary to acquire rights-of-ways, in-holdings, conservation easements, and additions to the existing land base. As in most years, it is difficult to predict the timing, income, and expenditures involved in potential land transactions. This budget allows the Bureau, if the opportunity arises, to acquire land or other interests within the available allocation. The "All Other" expenses are used to cover the cost of legal assistance for title searches, drafting deeds, appraisals, and related items. This account currently has a balance of \$438,070.14.

New Initiative

Dedicated Revenue	Income	Requested for 2009	Expenses
Sale of Land	\$200,000	Personal Services	
		All Other	
		Capital Land	\$200,000
TOTAL	\$200,000	TOTAL	\$200,000

This initiative provides funding for land acquisitions and related closing costs.

5. Submerged Lands Fund Account # 014.04A.0239.27

Income		Expenses	
Earnings on Investments	\$21,000	Personal Services	\$211,701
Rent of Lands	\$264,505	All Other (not including STACAP)	\$19,914
		STACAP	\$8,818
DICAP**	(\$24,875)		
Total Income	\$260,630.00	Total Expenses	\$240,433.00

** Consistent with state accounting practices, DICAP is shown as a "revenue debit," although it is actually an expenditure.

Most of the rental income for the program is not received until late in the fiscal year because rent payments are due in February. Like the Public Reserved Lands account, the Submerged Lands account carries a balance that funds the program through the first portion of the fiscal year. This account currently has a balance of \$829,035.40. As constructive easements have been brought under lease beginning in the fall of 2005, rental income has begun to meet program expenses, but continues to be constrained by the \$1,200 rental cap. To address this revenue constraint, the Bureau has carefully managed expenses and carried a larger balance to ensure that program costs are covered. As revenue projections stabilize with the substantial completion of the constructive easement conversions, the bureau anticipates transferring more of the balance to the Shore and Harbor Management Fund.

New Initiative

Dedicated Revenue	Income	Requested for 2009	Expenses
DICAP	\$371		
		Personal Services	
		All Other Consolidation of IT cost to a centralized account	(\$4,424)
		Capital	
TOTAL	\$371.00	TOTAL	(\$4,424.00)

Additional "all other" funds are requested to cover costs of consolidating computer costs to centralized account.

6. Shore and Harbor Management Fund Account # 014.04A.0239.29

Income		Expenses	
Transfers and Earnings on Investments	\$120,527	Grants to Cities & Towns	\$120,527
Total Income	\$120,527	Total Expenses	\$120,527

This account was set up by the legislature in 1991 in anticipation that the Submerged Lands Program would eventually yield revenues that could provide benefits to the public beyond what was needed to administer the program. These funds are set aside in a special account and made available to municipalities and state agencies for grants to enhance shore and harbor management, planning, and public access efforts. A portion of the fund is also available to support management programs on coastal islands under the Bureau's jurisdiction. As noted above, with the substantial completion of the constructive easement conversions, the Bureau anticipates improved funding for municipal coastal planning and public access projects. This account currently has a balance of \$100,366.60.

7. Coastal Island Registry Fund Account # 014.04A.0241.26

Income	\$120	Expenses	\$107
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Funding in this program covers the cost of reviewing new applications for island registrations. Most private coastal island titles have been reviewed and current program activity, for the most part, involves providing information to the public and occasionally reviewing application and deed information. The account currently has a balance of \$589.71.

8. Mackworth Island Trust # 014.04A.0239.30

Income		Expenses	
Earnings on Investments	\$5,000	All Other (not including STACAP)	\$3,906
DICAP**	(\$419)	STACAP	\$149
Total Income	\$4,581	Total Expenses	\$4,055

** Consistent with state accounting practices, DICAP is shown as a "revenue debit", although it is actually an expenditure.

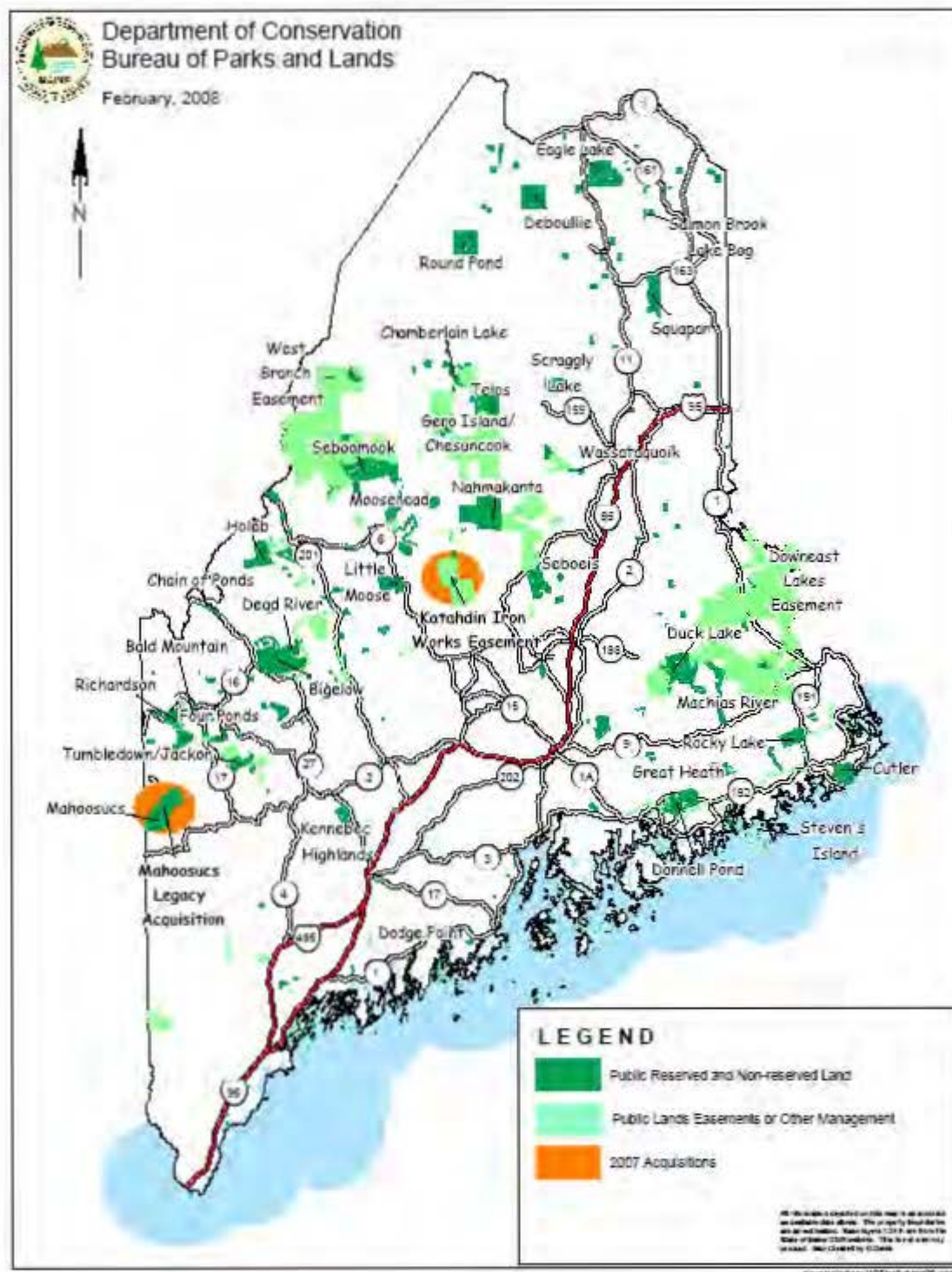
This account is used to manage public recreational activities and related resources on land under the Bureau's care on Mackworth Island in Falmouth, Maine. Section 2 of Chapter 102 Public Law 1998, authorizes the proceeds from the sale of a 157 acre Bureau of Parks and Lands property in Colorado to be invested as a separate trust fund and managed by the State Treasurer for the benefit of Mackworth Island. In November 1999, the Colorado property was sold. The proceeds of \$60,000 have been deposited into

this trust fund. A non-lapsing account receives interest income from the trust fund. The account currently has a balance of \$12,274.61.

XIX. CONCLUSION

Expenditures will be managed to operate within the Bureau's financial means for all accounts. The Public Reserved Lands Management Fund is under considerable pressure to meet increasing demands to cover rising costs in such areas as personnel services, health care, land acquisition, vehicle rental, information technology (computer), and public information while assuming management responsibility for more and more non-revenue generating acres and activities. The Bureau continues to make a concerted effort to further increase the volume of timber harvested to an amount closer to the sustainable harvest level, in anticipation of a more favorable forest products market. However, with a continuation of these trends it will be necessary to identify new non-timber sources of revenue available on an annual basis. This effort will need to be balanced with continued demands on staff time related to new acquisition initiatives and non-timber related responsibilities, including recreation. The Bureau will continue to explore ways to stabilize revenues in all accounts, while managing Public Reserved and Non-reserved Lands on a sustained yield basis.

Appendix A



Appendix B

2007 BP&L Acquisitions

Parks or Lands	Name	Town	County	Fee Acres	CE Acres	Access Acres	Total Acres
Lands	Johnson Mtn ROW (2 miles)	Johnson Mtn Twp	Som	0	0	y	0
Parks	Bradbury Mountain State Park addition (McMahon donation)	Pownal	Cumb	9.31	0	0	0
Lands	KIW Conservation Easement	Bowdoin Coll Grants East & West	Pisc	0	37,011	0	37,011
Lands	Mahoosucs addition (Grafton - Bayroot)	Grafton Twp	Oxf	3,688	0	0	3,688
Lands	Wassataquoik Valley Pedestrian Easement	T3 R8 Wels	Pen	0	0	8,900	0
Lands	Little Big Wood Pond Campsite donation	Dennistown	Som	5.03	0	0	5
Parks	Androscoggin Riverlands addition (Turner Cove)	Turner	And	326	0	0	326
Parks	Camden Hills State Park expansion (TNC)	Camden	Waldo	0.35	0	0	0.4
Parks	Camden Hills State Park expansion (TNC)	Lincolntonville	Knox	250.3	0	0	250
Parks-ORV	Southern Aroostook Trail Campsite	Monticello	Aroos	5	0	0	5
Parks-ORV	Millinocket to Matagamon Snowmobile Trail Easement (variable mileage, see deed)	T2 R8; T3 R7; more	Pen	0	0	y	0
Parks-ORV	Lagrange Rail Trail Easement (3.2 miles)	Medford	Pisc	0	38.4	0	0
Parks-ORV	Downeast Sunrise Trail (85 mile agreement, MDOT ownership)	Many	Han + Wash	0	0	0	0
Parks-Boat	Mopang Lake boat access	T29 MD	Wash	6.43	0	0	6
Parks-Boat	Pleasant River Lake boat access	T29 MD	Wash	4.52	0	0	5
Parks-Boat	Upper Lead Mountain Pond boat access	T28 MD	Hanc	3.31	0	0	3
Parks-Boat	Lower Lead Mountain Pond boat access	T28 MD	Hanc	1.87	0	0	2
Parks-Boat	Spectacle Pond boat access	Osborn Twp	Hanc	3.01	0	0	3
Lands	Western Mountains Community Foundation (Huts & Trails) Conservation Easement (escrow closing in 2007 final closing in 2008)	West Forks, Lower Enchanted, more	Som	0	1,120	0	1,120

2007 BPL Dispositions

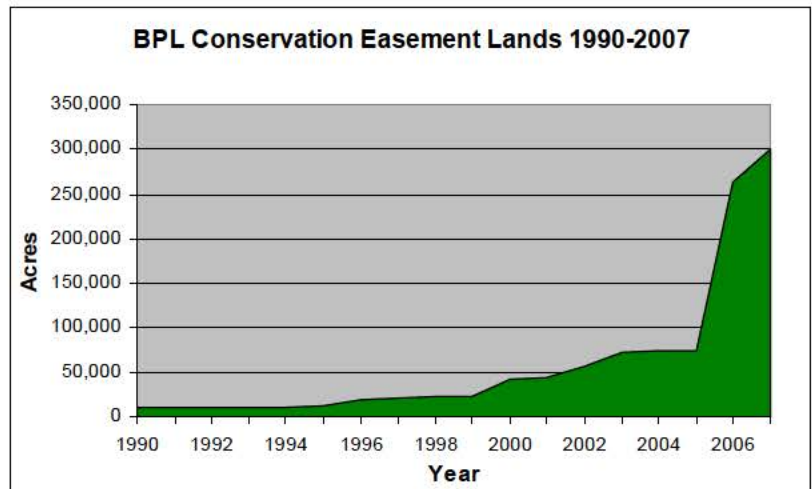
Parks or Lands	Name	Town	County	Fee Acres	CE Acres	Access Easement Acres	Total Acres
Lands	Greenfield Public Lot sale (escrow closing in 2006 final closing in 2007)	Greenfield	Pen	-231	0	0	-231
Parks	Bradbury Mountain State Park transfer to Town of Pownal	Pownal	Cumb	-4.24	0	0	-4.24
Parks	Bradbury Mountain State Park easement transfer to McMahon	Pownal	Cumb	0	0	y	0

Appendix C

Conservation Easements –the Full Cost

The full cost of less than fee land protection and public recreation rights is challenging the Bureau of Parks and Lands' budget.

1. The Bureau of Parks and Lands presently holds over **300,000 acres of conservation easements in more than 42 separate easements**. Most of these were acquired since 1994.
2. **282,000 acres of these easements are working forest conservation easements** funded substantially through the federal Forest Legacy Program.
3. In 2008 the Bureau expects to acquire another 43,000 acres of conservation easements that have secured funding and will be ready for closing by year's end. In addition, another project was recently approved for Forest Legacy funding and may be ready for closing in 2009 - the Machias River Phase III encompassing 33,000+ acres. Of this additional **76,000 acres expected over the next two years**, over 74,000 acres will be working forest conservation easements.
4. **Working forest easement terms are complex** as they provide multiple public benefits and are generally large tracts of lands (in the thousands of acres compared to most others in the tens and hundreds of acres). They **require an increased level of oversight** to ensure compliance with the easement terms. They also **often include rights granted to the Bureau (and expectations the Bureau will exercise those rights) for development of recreation facilities and maintenance of public access roads**.
5. **Many of these easements have come with endowments** to help offset the Bureau's administrative and monitoring costs. However, when these endowments were established, no one really understood the full costs these easements imposed on the holders, as they were largely unprecedented in size and scope. Funders have established endowments for BPL easements **amounting to \$1.10 million to date; of which \$43,000 is available annually for Bureau costs**. **Significantly more resources are needed, as described below**.
6. In 2007 the State enacted legislation requiring all conservation easement holders to monitor these easements for compliance with easement terms at least once every three years. See 33 MRSA 477-A(3). The Forest Legacy Program requires annual compliance monitoring. State legislation also required the State Planning Office to maintain a registry of all conservation easements, to ensure greater accountability of easement holders. See 33 MRSA 479-C.
7. The estimated **current annual shortfall for administering and monitoring Bureau-held or enforced conservation easements** (annually for Forest Legacy easements and once in three years for all others) including those to be held by the end of this year, **is approximately \$160,000 (see next page)**, even while noting a constant strategic drive for efficiencies. The Bureau must find these resources, either through timber revenues, appropriations



or additional grants or endowments. (The sustainability or weakness of timber and other revenues available to the bureau is the subject of separate needed analysis.) In the alternative, Maine's conservation community must accept some informed risks from underfunded stewardship expectations. To fully cover this shortfall, an **additional endowment of \$4.0 million would be needed. In any event, stewardship of all future conservation easements accepted or acquired by the Bureau should be fully funded with endowments or other stewardship solutions.**

8. **The discussion above does not cover other unfunded commitments and liabilities of the Bureau. The Bureau has acquired rights but not obligations to maintain hundreds of miles of roads** within conservation easements and in various public access easements totaling hundreds of thousands of acres. **Nor does the discussion here cover costs and liabilities for development and management of recreation facilities** as provided in various conservation easements. Various public access easements create liability or insurance obligations upon any change in the liability exposure of the fee owner. Easement negotiations include constant pressures for the Bureau to accept share maintenance obligations for roads and other assets.
9. The discussion above does not cover current and future unfunded commitments of the Bureau regarding "third party" easements. The role of third party easements may be more prominent in 2008 and future years due to emerging regulatory best-thinking at the Land Use Regulation Commission, and as the new SPO registry exposes primary easement holders who fail to report or monitor easements.

Addressing the Costs of Holding Conservation Easements

Being in the forefront of protecting working forests, habitat and public recreation values with large scale conservation easements has required the Bureau to operate on the cutting edge while new approaches for cost-effectively monitoring large scale conservation easements were developed and tested. What we now know, and what we are doing to meet the challenges of responsibly holding these conservation easements.

1. **Large scale working forest easements are a relatively new as a conservation tool**, holding the promise of accomplishing major land protection with limited up-front funds. The Forest Legacy Program, the prime source of funds for this tool, has funded research by the University of Maine to develop cost-effective tools for monitoring these easements. This **research, relying on remote sensing techniques employing satellite imagery, has now been tested on a number of large scale easements** in Maine, Vermont and New Hampshire, and appears ready for wide-scale application.
2. **Between 2004 and 2007, the Bureau concentrated on assembling baseline documents for the conservation easements it held**, with the help of two MOHF grants and assistance from the State Planning Office. Baseline documents were missing from most of the 40+ easements the Bureau held.
3. In addition, **beginning in 2000, the Bureau issued contracts with the Forest Society of Maine to monitor three easements – one of its smallest** (Wyman Lake shoreland, 740 acres) **and two of its largest** (Nicatous at 20,260 acres, and most recently, Katahdin Forest at 189,968 acres). These contracts are providing the Bureau with a **basis for determining the cost of monitoring using standard approaches, and also**, with the Katahdin Forest Easement, **the costs of also using satellite imagery technology**.
4. **In 2007, the Bureau contracted with the researchers at the University of Maine that had developed the satellite imagery monitoring techniques to design a monitoring protocol for nine of its working forest easements, and to test its application on three of these**. That contract, still in progress, provided a **preliminary estimate of the cost per acre** of applying satellite imagery technology, according to the size of the easement. In the past five years, the costs of obtaining satellite images has been dramatically reduced, making this technology affordable in applications like easement monitoring.
5. As a result, **the Bureau is able now, for the first time, to estimate the costs of monitoring its conservation easements**. That cost, estimated at \$204,000 per year (of which \$43,000 is presently covered by endowments), was based on the following (subject to refinement as we continue to learn from studies and experience).

Size of Conservation Easement (acres)	Cost of Annual Monitoring	Endowment Fund ¹
Scenic easements	Min. \$3,000	\$40,000 – 50,000
Standard Conservation/Recreation CE	Min. \$4,000	\$80,000 – 100,000
Working Forest-Up to 3,000	Min. \$6,000 (\$2.00/acre)	\$120,000 – 150,000
10,000	\$7,500 (\$0.75/acre)	\$150,000 – 187,500
50,000	\$10,000 (\$0.50/acre)	\$200,000 – 250,000
100,000	\$15,000 (\$0.15/acre)	\$300,000 – 375,000
150,000	\$20,000 (\$0.133/acre)	\$400,000 – 500,000
200,000	\$25,000 (\$0.125/acre)	\$500,000 – 625,000
¹ Based on average available funds from the endowment of 4 -5%/year. Costs include monitoring, plus related tasks such as reviewing 3rd party certification reports, required forest management plans, responding to information requests, and occasional meetings with the landowners.		

6. **Additional costs not included in the above table include** development and maintenance of **GIS files and database systems for tracking and documenting easement monitoring and reporting requirements; and development and/or maintenance of recreational facilities or roads**, were those rights granted to the Bureau.

The pressing challenges are thus summarized:

- **to find the resources to cover these unfunded costs, in the context of other expenditure and revenue trends facing the Bureau;**
- **to continue to refine cost estimates and search for efficiencies and best new practices;**
- **to more fully fund stewardship on all new easements;**
- **to educate decision makers on the conservation risks presented by underfunding, while maintaining Maine's reputation as a national leader of conservation easement practice;**