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FY 2014 ANNUAL REPORT
to
the JOINT STANDING COMMITTEE
on AGRICULTURE, CONSERVATION AND FORESTRY
**MAINE PUBLIC RESERVED, NONRESERVED,
AND SUBMERGED LANDS**



View from Hiking Trail Across Little Moose Unit

**MAINE DEPARTMENT OF AGRICULTURE, CONSERVATION
AND FORESTRY
Bureau of Parks and Lands**

March 1, 2015

FY 2014 ANNUAL REPORT
Maine Department of Agriculture, Conservation and Forestry
Bureau of Parks and Lands

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Cover Photo: View from Hiking Trail Across Little Moose Unit – Rex Turner

I. INTRODUCTION

The Bureau of Parks and Lands (BPL) within the Department of Agriculture, Conservation and Forestry (DACF) is responsible for the management and administration of Maine's Public Reserved and Nonreserved Lands, Submerged Lands, Coastal Islands, conservation easement lands, and other lands as provided by law.

This report constitutes required annual reporting pursuant to:

- 12 MRSA §1853, 1839 and elsewhere
- 12 MRSA §1850(1) and 1836(1) and elsewhere related to vehicular access to Bureau lands
- 12 MRSA §1805 and 1853 related to ecological reserves on Bureau lands.

The report is submitted by March 1st of each year to the Joint Standing Committee on Agriculture, Conservation and Forestry (ACF). It provides an overview of the scope of the Bureau's responsibilities and information on the Bureau's management activities during fiscal year 2014 (FY 2014). As required, the report includes information on gates and barriers that prevent public vehicle access to Public Reserved and Nonreserved Lands (Public Lands), recreation facility fees charged for the use of these lands, and a status report on Ecological Reserves. Also included in the report is information on timber, recreation and wildlife management carried out on Public Lands during the fiscal year. Income and expenditure information is provided for fiscal year FY 2014 and a report is also included for the upcoming FY 2016 budget. The ACF Committee has the obligation to report by March 15th to the Appropriations Committee on the Bureau's Public Lands upcoming FY 2016 budget.

The "Lands" division of the Bureau is a dedicated revenue component of the agency, funding almost all of its administrative, planning, management and operational activities from revenue generated from the land base, with some additional sources of funds provided through various grant programs.

The management of Public Lands is directed by statute. Title 12 MRSA §1833 and §1847 direct the Bureau to manage the Public Reserved and Nonreserved Lands (616,952 acres in FY 2014) "*under 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." In addition, management of Public Reserved Lands, the majority of Public Lands, must "*demonstrate exemplary land management practices, including silvicultural, wildlife and recreation management*" (Title 12 MRSA §1847).

Fifteen-year, multiple-use plans for the major properties guide the Bureau's Public Lands management activities. Benefits from the wise management of these lands include:

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

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

II. FY 2014 HIGHLIGHTS

Forest Certification – Since 2002, the Bureau's forest management activities have been certified as sustainable under two independent certification systems: the Forest Stewardship Council (FSC®) and Sustainable Forest Initiative (SFI®). Each year the Bureau's forestry operations and overall forest management system are "audited" by these two certification systems, with all criteria addressed over a period of three years for SFI certification and a "full" audit for FSC conducted once every five years.

In 2014, the Bureau had annual surveillance audits under both the FSC and SFI programs. The auditors working with our certification agency, Bureau Veritas, visited thirteen separate sites on eight different townships in the Bureau's North Region, viewing exemplary timber harvests, innovative and efficient water crossings, diverse wildlife management practices, and well-planned recreation management. They were particularly impressed with the quality of road construction, commenting on the roadwork at numerous sites.

The Bureau intends to conduct forest management in compliance with the 2010-2014 certification standards, principles, and criteria of

both SFI and FSC programs for all upcoming audits, transitioning to the 2015-2019 revisions as required. The Bureau also intends to conduct several forest management operations under the outcome-based forestry model described below.

Outcome Based Forestry (OBF) – “Outcome Based Forestry” refers to a section of Maine’s Forest Practices Act that offers land managers added flexibility for timber management in exchange for up-front planning and expert review. The Bureau has conducted harvests under OBF in each of its three regions. In the North, the objective is the establishment of high value hardwoods, yellow birch and sugar maple, while creating hardwood browse for wildlife, along with a companion project to accelerate the development of core winter cover for deer.

Rapid growth of prime white pine sawtimber is the OBF objective in the Eastern and Western regions, accomplished by thinning to relatively low stocking to allow this windfirm species to grow with minimal competition. Operations are ongoing in the Western Region and have been completed in the East and North, though the work to accelerate deer winter cover. Permanent growth plots were established at the East’s OBF site, to track how the pines are responding to the treatment. Additional opportunities for working within OBF will be evaluated as they become apparent.

Timber Management Program - In fiscal year 2014, timber harvests from inventory on Bureau-managed lands totaled 166,500 cords, a 13% increase over FY 2013. Autumn of 2013 was one of the best for timber harvesting in recent memory, with almost no “fall mud season”, that four to eight week period between leaf drop and freeze-up when most harvesting is put on hold. Then winter conditions lasted several weeks later than is the average, and markets were very good. The Bureau and its contractors supplied wood to 45 mills statewide in FY2014.

Firewood Permit Program - Individual firewood permittee volumes totaled about 300 cords in FY 2014, similar to the year before. Logging contractors delivered over 2,800 cords of firewood to customers, so over 3,100 cords of firewood was supplied from Bureau-managed lands in FY 2014.

Sugar Bush Leases –The Lands Western Region currently has two sugar maple lease agreements, one at Bald Mountain Unit in Rangeley and one in Sandy Bay Township. The Bald Mountain operation consists of approximately 2,200 taps, and includes a tap system and a collection tank. The sap is processed off site. The Sandy Bay Township operation, when fully utilized, will include approximately 14,000 taps (currently nearing that). The operation also includes facilities to produce finished maple syrup. In the spring of 2014 the operation processed its first batch of maple syrup onsite.

Western Region staff continues to explore additional sugar maple opportunities in Sandy Bay Township and at other locations in the region. The Bureau secured bids in FY 14 to establish a second sugar bush lease on 300 acres in Sandy Bay Twp., with approximately 20,000 taps. A lease will be issued in FY 2015.

In the Eastern Region, a timber harvest in Codyville on approximately 100 acres of selected hardwood stands was designed to enhance sugar bush potential. Healthy sugar maples were retained at the desired spacing where present, with the top quality sawlog and veneer sugar maples harvested prior to any maple sugar operation. A lease offering is expected in FY 2015.

Wildlife Management – The Bureau manages 31,000 acres of deer wintering areas (DWA) on Public Lands, under the review and recommendation of IF&W through the IF&W Wildlife Biologist permanently and exclusively assigned to the Bureau. In FY 2014 BPL coordinated harvesting activities on 907 acres of DWA with IF&W.

In FY 2014 the Bureau entered into a Memorandum of Agreement with IFW to manage a 23,000 acre portion of the 43,000-acre Seboomook Unit for the federally threatened Canada lynx. The MOA describes management actions the Bureau will undertake during the 15 year term of the agreement such as timber harvesting activities that will maintain and enhance 6,200 acres of optimum habitat for snowshoe hare, the primary prey of lynx.

Recreation – The Bureau's Lands division is responsible for 393 campsites, over 150 miles of day hiking and backpacking trails (excluding 71 miles of Appalachian Trail located on state-owned lands), 35 trailered and hand-carry boat launching

sites, and approximately 275 miles of public access roads.

Managing these assets takes both time and resources. To help keep this manageable, the Bureau has a long history of working with recreation and conservation partners, and supplements funds received from timber sales with federal *Recreational Trails Program (RTP) grants*. RTP funds totaling approximately \$300,000 from federal FY 2013 and 2014 allocations were available for trails projects on Public Lands in FY 2014 and 2015. Many projects on Public Lands are on challenging terrain that requires a specialized skillset which the Bureau acquires through contracts with the *Maine Conservation Corps (MCC)*.

Recreational trails work in FY2014 focused on some of the Bureau's most popular trail destinations across the State including:

- hiking trails on the Cutler "Bold Coast" Unit, and a new drive-to campsite on Fifth Machias Stream in Washington County
- continued work on the "Great Circle Trail" on the Nahmakanta Unit in Piscataquis County - a backcountry loop connecting with the Appalachian Trail;
- remote hiking trails on the Deboullie Unit and the Scopan Unit in Aroostook County;
- hiking trails on the Tumbledown Mountain lands in Franklin County (restoration);
- work on hiking trails on Tunk Mt. in the Donnell Pond Unit, and on Bald Mountain trail on the Amherst Unit in Hancock County;
- a "singletrack" mountain bike trail at the Kennebec Highlands in Kennebec County;
- a hike and mountain bike trail extension project at Pineland Public Lands in Cumberland County

Moosehead Region Trails Planning: In FY 2014 the Bureau received funds from Plum Creek Company to continue planning for a regional non-motorized trail system in the Moosehead Lake Region, as a result of the terms of the approved Plum Creek Moosehead Region Concept Plan. This is an unprecedented trails opportunity involving a public-private partnership. The trails system, primarily to be developed through trail corridor easements on Plum Creek Lands, can also include improvements to trails on Public Lands. FY 2014 saw the beginning of trail construction for two

projects – including the Eagle Rock Trail originating on the Little Moose Public Lands.

Land Management Planning During FY 2014, the Bureau completed the Central Penobscot Region Management Plan covering over 79,000 acres of public lands including the Nahamakanta, Seboeis, Wassataquoik East Turner Mountain and Millinocket Forest Public Lands Units. In addition, 5-year Plan Reviews were completed on the Northern Aroostook, Downeast, and Flagstaff Region Management Plans, all having 15-year Plans adopted in 2007. A 5-year plan review involves a status report on implementation of plan recommendations, and identifying any new issues that might require a plan amendment. As described later, one of these, the Flagstaff Region Plan, was amended to address some new trails opportunities.

Submerged Lands and Coastal Islands Program Submerged 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. Lease fees support shore and harbor management activities and improve public access.

The Bureau is responsible for managing coastal islands under public ownership. Funds from the submerged lands leases helped to support the Maine Island Trail Association (MITA) (\$50,000 in FY 2014), which manages recreation on public and private islands that are part of the Maine Island Trail. In FY 2014 MITA and the Bureau celebrated 25 years of partnership on the management of this island trail. The Trail system now extends 375 miles and consists of over 200 islands and mainland sites for day visits or overnight camping. This includes 50 BPL owned islands (five added in 2014).

The Bureau's brochure "Your Islands and Parks on the Coast" shows the location of approximately 40 State-owned islands suitable for recreational use and explains the visiting, camping, and resource protection policies.

Funds from the Submerged Lands program also support a position in the Department of Marine Resources within its Public Health Division shellfish program by transferring \$80,000 to DMR each year.

III. SCOPE OF RESPONSIBILITIES

HISTORY OF THE BUREAU

The Bureau of Parks and Lands is an agency within the Department of Agriculture, Conservation and Forestry. The Bureau of Parks and Lands was established through a merger of two previously separate Bureaus— the Bureau of Parks and Recreation and Bureau of Public Lands. The Bureau of Public Lands was created in 1973 to manage the state's interests in its "original public lots," which ranged from 1,000 to 1,280 acres and were set aside in each township as a source of revenue to support inhabitants when and if they became settled. In total, these included over 400,000 acres.

Beginning in the mid-1970s many of the original public lots were traded with lands of other landowners to consolidate the State's holdings into larger management units having greater public values (recreational, scenic, wildlife and ecological). Additional public lands have been acquired since 1990 largely through the Land for Maine's Future Program for the purpose of adding to these consolidated public lands, or creating new public lands to be managed for multiple uses including recreation, wildlife and forestry. Other lands, such as coastal islands, and surplus institutional lands were also assigned to the Bureau of Parks and Lands for management.

CURRENT LANDS AND PROGRAMS

The Bureau of Parks and Lands is now responsible for management of Public Reserved and Nonreserved Lands, State Parks and Historic Sites, the Allagash Wilderness Waterway, the Penobscot River Corridor and state-held coastal islands (see Appendix A).

In addition, the Bureau is responsible for protecting public rights and public values on certain lands. These include the public trust rights of fishing, waterfowl hunting, navigation, and recreation on submerged lands beneath coastal waters from mean low tide to the 3-mile territorial limit, on tidal portions of rivers, under natural Great Ponds, and under international boundary rivers. This responsibility also includes protecting public rights and values acquired from private landowners through conservation and public access easements donated to or purchased by the Bureau. Maine

statute authorizes the Bureau to acquire lands and interests in lands. Easements that provide for protection of public interests become a public trust responsibility for the Bureau which is supported by donated stewardship endowments and revenues from Public Reserved and Nonreserved Lands. Finally, the Bureau has an oversight role for public values associated with lands acquired by municipalities and local land trusts through the Land for Maine's Future Program with Bureau sponsorship.

In FY 2014, lands under the Bureau's ownership, management or oversight included

- 616,952 acres of Public Reserved and Nonreserved Lands held in fee;
- 2.3 million acres of marine and freshwater submerged lands and 1095 acres in publicly held coastal islands;
- 365,248 acres of conservation and recreation easements;
- 9,815 acres of Forest Legacy conservation easements delegated to the Bureau for enforcement by the US Forest Service;
- 378,140 acres of third-party conservation easements (the Bureau is a back-up Holder);
- 602,423 acres of public access rights granted by easement by three large private landowners;
- 85,265 acres of fee lands held as Parks, Historic Sites or Boat Access Sites;
- 968 acres of lands leased from or under agreement from others for management as Parks lands; and
- 52,326 acres of lands acquired by local interests through the Land for Maine's Future Program with Bureau sponsorship.

Beyond the Bureau's land management responsibilities, several programs within the Bureau support public recreational access and trails. These include the Boating Facilities program, which builds boat access sites on state lands and funds municipal boat access sites; the Snowmobile and ATV programs which provide grants to local clubs to build and maintain trails on both public and private lands; the Grants and Community Recreation Program, which distributes federal grant funds for state and local recreation projects; and the Maine Conservation Corps (MCC), which provides trail crews to construct or rehabilitate recreational trails using federal AmeriCorps funds and fees charged for MCC services. MCC trail crews are commonly used to improve trails on Bureau lands.

IV. LAND MANAGEMENT PLANNING

The Bureau owns 154 Public Reserved Land units and 14 Nonreserved Public Land units. The number of actively managed reserved and nonreserved units (not including lands leased to or managed by others, small islands, and lands with a minority common and undivided interest), is 151. These range in size from 60 acres to 47,440 acres.

The Bureau is statutorily mandated to manage Reserved and Nonreserved Lands for multiple public values. Land management planning is also a required element of forest certification. Bureau staff involved in managing Reserved and Nonreserved Lands include specialists in planning, forest transportation, wildlife, recreation, and field forestry. All collaborate to ensure a balanced approach to the management of the various resources on these lands.

The Bureau's ***Integrated Resource Policy*** (IRP), adopted in 1985 and revised in 2000, guides resource management decisions and governs management planning for all Public Reserved and Nonreserved lands. Management Plans are prepared consistent with the IRP and taking into consideration comments received from a defined public process. The planning process allocates areas for specific uses including:

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

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.

Management plans are prepared regionally for a period of 15 years, with five-year reviews. The Plans address all of the Reserved and Nonreserved lands within a planning region. The five-year review process provides an update on progress in implementing the Plan recommendations, and addresses any changing conditions that may warrant amendments to the Plan.

MANAGEMENT PLAN STATUS

1	Mount Abraham ¹	Adopted June 2007
2	Amherst	Adopted Dec. 2010
3	Bald Mountain ²	Adopted Jan. 2011
4	Bigelow Preserve ¹	Adopted June 2007
5	Chain of Ponds ¹	Adopted June 2007
6	Chamberlain	To do
7	Crocker Mountain	To do
8	Cutler Coast ³	Adopted March 2007
9	Dead Riv/Spring Lake ¹	Adopted June 2007
10	Deboullie ⁴	Adopted June 2007
11	Dodge Point	Adopted 1991
12	Donnell Pond ³	Adopted March 2007
13	Duck Lake ⁵	Adopted July 2009
14	Eagle Lake ⁴	Adopted June 2007
15	East Turner Mtn⁸	Adopted in 2014
16	Four Ponds ²	Adopted Jan. 2011
17	Gero Isl/Chesuncook	Adopted 1980
18	Great Heath ³	Adopted March 2007
19	Holeb	Adopted 1989
20	Kennebec Highlands	Adopted October 2011
21	Little Moose ⁹	Adopted 1988
22	Machias River ⁵	Adopted July 2009
23	Mahoosuc ²	Adopted Jan. 2011
24	Millinocket Forest⁸	Adopted in 2014
25	Moosehead ⁹	Adopted 1997
26	Nahmakanta⁸	Adopted in 2014
27	Pineland ⁶	Adopted Jan. 2011
28	Richardson ²	Adopted Jan. 2011
29	Rocky Lake ³	Adopted March 2007
30	Round Pond	Adopted 1992
31	Salmon Brk Lake Bog ⁴	Adopted June 2007
32	Scraggly Lake ⁷	Adopted August 2009
33	Seboeis⁸	Adopted in 2014
34	Seboomook	Adopted March 2007
35	Scopan ⁷	Adopted August 2009
36	Telos	Adopted 1990
37	Tumbledown Mt.	To do
38	Wassataquoik⁸	Adopted in 2014

¹ Flagstaff Region

² Western Mountains Region

³ Downeast Region

⁴ Northern Aroostook Region

⁵ Eastern Interior Region

⁶ Bradbury-Pineland Region

⁷ Aroostook Hills Region

⁸ Central Penobscot Region

⁹ Moosehead Region

Regional management plans are developed with robust public involvement. For each plan, a Public Advisory Committee is 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 considering these comments, the Bureau submits the final Plan to the Commissioner, upon recommendation by its Director, and the Plan is effective upon the Commissioner's approval.

In FY 2014, the Bureau adopted the Central Penobscot Regional Plan which included 8 separate Units and 79,175 acres. The Bureau also completed 5-year reviews on the regional Plans for the Downeast Region (10 Units), Northern Aroostook Region (13 Units), and Flagstaff Region (18 Units). The Flagstaff Region review resulted in amendments to the Plan specific to the Bigelow Preserve, related to new mountain biking, cross-country skiing, and hiking trails networks in the area seeking to connect to the Preserve.

V. NATURAL/HISTORIC RESOURCES

NATURAL RESOURCE INVENTORIES (NRI's)

The Maine Natural Areas Program within the Department of Agriculture, Conservation and Forestry, Bureau of Resource Information and Land Use Planning conducts inventories of natural resources on lands managed by the Bureau of Parks and Lands under a Memorandum of Understanding. In general, inventories are done in advance of management planning to provide up-to-date information for development of Plans.

NRI's completed in FY 2014: MNAP staff conducted field work on Public lands in the Moosehead and Upper Kennebec regions in FY 2014 in anticipation of management planning scheduled to begin for those units in FY 2015. Examples of completed Natural Resource Inventories and associated management plans are available at the Bureau of Parks and Lands website at: www.parksandlands.com

ECOLOGICAL RESERVES

History, Status Related to Statutory Acres Limits. Ecological Reserves are designated areas containing representative native ecosystem types managed as special protection areas. They serve as benchmarks against which to measure changes in both managed and unmanaged ecosystems, to provide habitat unlikely to occur in managed forests, and to serve as sites for long term scientific research, monitoring, and education.

This annual report includes the status of these 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 this requirement. 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 with notification to the Committee.

Since 2007, the Bureau has had an informal policy of deferring any additions to the ecological reserve system other than those required by the terms of the acquisition (and if recommended by the Ecological Reserves Scientific Advisory Committee), until management plans for all Public Reserved Lands have been updated under the 2000 IRP. As discussed below, the Bureau is constrained by statute on the number of acres that can be designated as an ecological reserve. Presently the Bureau is within 3,700 acres of that limit. Some areas have been noted in the recent management plans as potential additions to the ecological reserve system.

Original Reserves: In 2001, the Director designated thirteen Ecological Reserves totaling 68,975 acres on public reserved lands included in the above-referenced inventory (see table below). These original reserves were designated using the best available information at the time, with the understanding that adjustments may be needed as conditions on the ground are researched in conjunction with management plans.

The Downeast Region Management Plan (2007) adopted changes to three original reserves because of 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 (2007) adopted changes to the ecological reserve at Deboullie where the boundary overlaps an area with developed facilities and significant public use. The total change in ecological reserve acreage resulted in a net

reduction of approximately 111 acres; resulting in the current acreage of 68,864.

Original Ecological Reserves Designated in 2001 and Modifications Adopted in 2007		
Name	Original 2001 Acres	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 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 Brk Lake ER	1,053	
13. Wassataquoik ER	775	
Total Acres	68,975	-111
Adjusted Total Acres	68,864	

* Estimated acres at this time

Additions Based on Acquisition Conditions: Between 2002 and 2004 the Bureau acquired three areas with the condition that they be, in part or in whole, designated Ecological Reserves: Big Spencer Mountain, the Saint John Ponds and Mount Abraham. These areas were formally designated as Ecological Reserves as part of the Seboomook Unit Management Plan and Flagstaff Region Management Plan in 2007.

In 2006, as part of the Phase II acquisition of the Machias River project lands, 2,780 acres were conveyed to the state by the Conservation Fund subject to a deed restriction that the lands be designated as an Ecological Reserve. This area expanded by 400 acres an existing Reserve on Fourth Machias Lake on the Duck Lake Unit and added a 2,380-acre adjacent area that includes frontage along Fifth Machias Lake and Fifth Lake Stream. These additions to the Ecological Reserve system were adopted as part of the Eastern Interior Region management planning effort in 2009.

In 2009 the Bureau acquired 4,809 acres of land at Number Five Bog through a donation from The Nature Conservancy as a deeded Ecological Reserve.

Most recently, in June of 2013, the Bureau acquired the 12,046-acre Crocker Mountain parcel,

Ecological Reserves Designated as a Result of Acquisition Conditions	
Name	Acres
Big Spencer	4,242
Mount Abraham	5,186
St John Ponds	3,917
Machias River	2,780
Number 5 Bog	4,809
Crocker Mountain	~ 4,000
Total Reserves acquired through acquisition terms	24,934

subject to a funding agreement to designate approximately 4,000 acres as an ecological reserve.

Statutory Limits: By statute, the total land acreage designated as Ecological Reserves may not exceed 15% of the total acreage under Bureau jurisdiction or 100,000 acres, whichever is less. In addition, no more than 6% of the operable timberland on public lands may be designated as Ecological Reserves. Lands acquired after the effective date of the statute (2000) with a condition that the donated or acquired land be designated as an ecological reserve are not included when calculating acreage limits.

Presently Bureau fee lands, including Parks, Public Reserved and Non-reserved Lands, and Boating Facility lands, total 702,218 acres.

Ecological Reserves as a Proportion of Total Acres Under Bureau Jurisdiction in FY 2014*	
Land Type	Total Fee Acres
State Park Lands	84,713
Boat Access Lands	552
Public Reserved Lands	612,317
Non-reserved Public Lands	3,635
Unregistered Coastal Islands	1,095
Subtotal	702,218
Land acquired on condition of ecoreserve designation	-24,934
Total	677,284
Lesser of 15% of Lands under Bureau Jurisdiction or 100,000	100,000

The 15% limit would then be applied total acres less 24,934 acquired with deed restrictions; or 101,592 acres. This means that 100,000 acres is presently the actual upper limit with regard to the first statutory condition.

Regarding the 6% rule, there are approximately 418,500 acres of operable timberland on Public Reserved and Non-reserved Lands, with approximately 21,400 acres of these located in qualifying reserves. This is roughly 3,700 acres below the 6% limit set in statute, and is the maximum acreage that could be added under the current landholdings.

Ecological Reserves as a Proportion of Operable Timberland Acres on Public Lands in 2012*	
Land Type	Operable Timberland Acres
Total Operable Lands	418,500
6% of Operable Lands	25,110
Operable Acres in Qualifying Reserves	21,400
Net available acres for ER designation	3,700
*Operable timberland acres are lands held in fee, not including Ecological Reserves designated as a condition of the acquisition. Operable acres on Ecological Reserves include modifications adopted in 2007(see previous table).	

Ecological Reserve Monitoring: An annual Memorandum of Understanding with the Maine Natural Areas Program (MNAP) enables the collection of baseline ecological data for the Bureau's Reserve inventory. This monitoring fulfills two key purposes of the enabling legislation for Ecological Reserves: that they serve as a "benchmark against which biological and environmental change may be measured", and that they serve as sites for "ongoing scientific research, long term environmental monitoring and education". These surveys are conducted in accordance with established monitoring guidelines. This ongoing effort will provide information necessary for measuring ecological changes on Reserves over time. In 2010, with the completion of baseline monitoring at Number 5 Bog Ecological Reserve, baseline monitoring on all BPL ecological reserves was completed.

In FY 2014, MNAP conducted its second year of the 10-year re-sampling effort by revisiting the long term forest monitoring plots established in 2002. These forest monitoring plots were established to complement the sampling plots used by the US Forest Service's Forest Inventory and Analysis (FIA) Program. There are nearly 500 FIA-like permanent plots across 17 State Reserves. Adapting the FIA protocol allows MNAP

to compare results with those generated by the Maine Forest Service for Maine and by USFS for the broader region. During FY 2014 MNAP revisited 152 permanent monitoring plots in the following Reserves: Salmon Brook Lake, Duck Lake, Rocky Lake, Cutler, Mount Abraham, and Deboullie. As of summer 2014, MNAP reported it had completed the 10 year 're-sampling' on more than 320 of these plots. Information from this long term monitoring program will yield insights into how Maine's natural forests and natural communities are changing over time.

Monitoring reports may be found at MNAP's website at the Bureau of Natural Resource Information and Land Use Planning within the Department's website : <http://www.maine.gov/dacf>

Ecological Reserves Scientific Advisory Committee: An Ecological Reserves Scientific Advisory Committee was established in the mid-1990s to provide guidance regarding the inventory and assessment of a potential Ecological Reserve system in Maine. The committee produced a status report on Ecological Reserves in 2009 (*Ecological Reserves in Maine: A Status Report on Designation, Monitoring, and Uses*; available at the Natural areas website cited above.

The role of the Committee includes reviewing potential Ecological Reserve additions according to science-based criteria that new Ecological Reserves must meet.

Research on Ecological Reserves: State Ecological Reserves have been used for more than 15 ecological research and sampling projects, and researchers include staff from 8 universities, ranging from the University of Maine at Presque Isle to the University of Missouri, and research institutions ranging from the New York State Museum to the National Institutes of Health.

HISTORIC AND CULTURAL RESOURCES

The Bureau's 15-year Management Plans include information on the history of BPL parcels included in the Plan. This information is taken from historic reports, input from the Maine Historic Preservation Commission (MHPC) and the public process for Plan development. The MHPC is the lead agency in identifying and protecting significant historic resources requiring preservation on the State's ownership, including designating historically sensitive areas for special protection.

VI. WILDLIFE RESOURCES

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 (IF&W) 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 FY 2014 on lands managed by the Bureau were as follows:

Wildlife Inventory and Survey Work. During this reporting period, waterfowl brood counts were completed in early June and repeated in early July at five (5) man-made and natural impoundments under Bureau management. A high elevation bird survey was conducted at Coburn Mountain as part of a New England wide effort coordinated by the Vermont Institute of Science.

Habitat Management. Eighty six (86) waterfowl nesting boxes were maintained by regional staff. With assistance from a seasonal position, eighteen (18) acres of old field were mowed at five (5) sites and invasive species control was conducted on nine (9) acres at 7 sites. Five additional acres of old field on the Days Academy parcel were reclaimed by a contractor bringing the field complex there to 32 acres. Contracts for routine beaver control activities were developed by BPL regional offices. There were no wetland management activities involving maintenance of existing siphon pipe/fence installations required and no new structures were built.

Seeding Program. 127 acres of herbaceous seeding was established on thirty-one (31) Public Lands parcels for wildlife forage and erosion control.

Deer Wintering Areas (DWAs):

The Bureau monitors and assesses DWAs on public lands as part of its management strategy. Aerial surveys for deer activity are conducted on BPL managed lands when travel conditions for deer are restrictive using IF&W protocols. This information is used to delineate cooperative winter

habitat management areas for deer and other softwood dependent wildlife. No surveys were conducted during this reporting period due to a lack of restrictive snow conditions. In FY 2014 BPL coordinated harvesting activities on 907 acres of DWA with IF&W.

Lynx Habitat Management. The Bureau has entered into a Memorandum of Agreement with IF&W to manage a 23,000 acre portion of the Seboomook Unit for the federally threatened Canada lynx. The MOA describes management actions the Bureau will undertake during the 15 year term of the agreement such as timber harvesting activities that will maintain and enhance 6,200 acres of optimum habitat for snowshoe hare, the primary prey of lynx.



Canada
Lynx – photo by
Dorothy Fescke

Harvest Prescriptions. The wildlife specialist reviewed timber harvest plans for compartments totaling 9,875 acres of Public Lands for fish and wildlife habitat compatibility and potential habitat enhancement.

Research Requests. Special activity permits for 6 research projects were issued.

Forest Certification. The biologist assigned to BPL participated in the concurrent Sustainable Forestry Initiative (SFI) and Forest Stewardship Council (FSC) annual audit. Planning and administration for fisheries, wildlife, and biodiversity issues related to forest certification conditions were addressed as required.



Whitetailed
Deer

VII. RECREATION RESOURCES

The Bureau's Lands Division is responsible for 393 campsites, over 150 miles of day hiking and backpacking trails (excluding 71 miles of Appalachian Trail located on state-owned lands), 35 trailered and hand-carry boat launching sites, and approximately 270 miles of public access road.

FY 2014 PROJECTS

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. A summary of FY 2014 projects follows.

Western Region: In FY 2014, this Region maintained 194 campsites, worked with ATV and snowmobile clubs with trails on Public Lands, and continued its partnerships with organizations assisting BPL in managing public recreation facilities, including with the Damariscotta River Association, Belgrade Region Conservation Alliance, Mahoosuc Land Trust, Parker Pond Association, New England Mountain Biking Association, Maine Appalachian Trail Club, and Northern Forest Canoe Trail (see PARTNERSHIPS on page 15). In addition to routine maintenance, a number of projects were undertaken in the Western Region. The Region was assisted by an AmeriCorps Environmental Educator placed at the Bigelow Preserve, and by MCC crews for many projects.

Bigelow Preserve. A 900 hour Maine Conservation Corps Environmental Steward position assisted management efforts and visitor education at the Preserve.

Tumbledown Mountain. In FY 2014 BPL continued hiking trail rehabilitation efforts on two miles of trail.

Dodge Point. The trailhead welcome kiosk was upgraded.

Pineland. Continued trail construction efforts were undertaken to link the South Loop Trail to a multi-use trail corridor owned by Central Maine Power. In FY 2014 the Pineland Public Lands portion of trail construction completed. As a result, trail linkages now exist at both Bradbury Mountain State Park in

Pownal and at Pineland Public Lands, with the power corridor trail in between. Work also continued on the Pineland trails.



Portion of the South Loop Trail Constructed in the Pineland Public Lands

Kennebec Highlands. Work continued to develop a single track bicycle trail originating at the Round Top trailhead. Labor from the Central Maine Chapter of the New England Mountain Bike Association continued work on 1.5 miles of bike trail.

Parker Pond Islands. Western Region Lands was assisted by the Parker Pond Association in improving signage on the Parker Pond Islands owned by the Bureau.

Little Moose. Trail construction began on the Eagle Rock Trail, a 3.7 mile trail leading from the northern boundary of the Little Moose Public Lands to a rock outcrop with dramatic views of the Moosehead Lake Region. The trail is primarily located on public trail easements on Plum Creek property but will add greatly to the overall allure of the Little Moose Public Lands.

Winter Trailhead Maintenance

The Bureau maintained plowed parking areas at trailheads to popular winter trail destinations including the East Outlet of Moosehead Lake, Range Trail and Little Bigelow trails on the Bigelow Preserve, Dodge Point Unit in Newcastle, two trailheads on Kennebec Highlands, and the trailhead to Big Moose Mountain on the Little Moose Unit near Greenville.

Eastern Region: In FY 2014 the Eastern Region maintained 130 campsites and over 100 miles of hiking trail; worked with snowmobile and ATV clubs with trails on Public Lands and with a number of other partners on maintenance of public recreation facilities, including the Seboeis Lake campowners in controlling water levels with the Bureau owned dam, the Downeast Coastal Conservancy who housed MCC workers, the Town of Amherst on the Amherst Community Forest – a Public Reserved Unit; and the Donnell Pond Campowners Association on road maintenance and plowing to the boat launch. The Region was again assisted by MCC crews on a number of projects.

Seboeis. A new section of public access road was added to the southern parcel acquired in 2011.

Nahmakanta. Trail development continued on the Great Circle Trail to enhance Nahmakanta as a backcountry hiking destination offering several loop trail options ranging in duration from moderate day hikes to multi-day backpacking excursions.

Cutler Coast. The Maine Conservation Corps, funded through the Recreational Trails Program, continued work rehabilitating trails at the Cutler Coast Trail.



Trail Signs on the Cutler Unit

Amherst Community Forest. MCC crews completed trail work including relocation of a portion of the Bald mountain trail.

Machias River: A new drive-to campsite was added on Fifth Machias Stream. This campsite is also accessible from a local ATV trail.

Donnell Unit: Work continued on the Tunk Mountain Trail.

Winter Use Trailhead Maintenance: The Bureau plowed the parking lot at the boat launch at Donnell Pond to facilitate winter activities on the lake and the Unit.

Northern Region: In FY 2014 this Region maintained 69 campsites and 36 miles of hiking trails; collaborated with 6 motorized trail clubs; and provided access to numerous water bodies. The Northern Region continues to partner with North Maine Woods, the Allagash Wilderness Waterway, the Penobscot River Corridor, and Baxter State Park to manage recreation. MCC crews assisted in a number of projects.

Deboullie. Staff replaced 4 privies on the Deboullie Unit. The Maine Conservation Corps constructed 1.5 miles of hiking trail and performed numerous trail upgrades. Staff constructed trailhead parking at the Denny Trail.

Scopan. MCC constructed a new, 3 mile hiking trail on Scopan Mt. using funding from the Recreational Trails Program (RTP). Trailhead parking, a vault toilet, and kiosk were installed.

Salmon Brook Lake Bog. Installed a new privy at the Salmon Brook Lake Bog Unit day use area.

PUBLIC INFORMATION

During FY 2014, the Bureau continued to develop, revise, and distribute information on the location of hiking trails, campsites, and other recreation facilities and opportunities available on Bureau lands. This was accomplished primarily via the Bureau website.

Website Updates. The Bureau continues to use its website www.parksandlands.com to provide photos, maps, and facility information for most of its Parks and Lands. As resources allow, enhancements are added to increase its usefulness to visitors and to the broader conservation and environmental education communities. A newly

redesigned Departmental website was released in 2014.

Downeast Sunrise Trail Downloadable Guide: A Guide is available on the Bureau's website under the Find Parks and Lands feature (Multi-Use Trails option), created through a collaboration with the Sunrise Trails Coalition. Completed in the Fall of 2013, it highlights trail amenities, trailside attractions, and interesting nearby destinations. Among the destinations promoted are the Public Lands: Cutler Coast, Rocky Lake, Great Heath, and Donnell Pond.

Online Outdoors in Maine Mini-brochure: In FY 2014 an online guide to recreation facilities at State Parks and Public lands was completed. It shows recreational features available at 36 of the most popular Public Reserved Lands properties, including camping, boat access, fishing, trails, and historic and scenic features .

Cobscook Trails Coalition Trail Guide. In FY 2014 the Bureau worked with a coalition of interests who developed a trails map and guide for the Cobscook Bay and Bold Coast Region of Washington County. The brochure includes trails on the Bureau's Cutler Coast Unit along with trails on IF&W lands and a number of local land trust and community trails in this most eastern area of the State.

Map and Guide Brochures. Using Recreational Trails Program funds, the Bureau has begun to develop a series of in-depth brochures to post online and make available in printed form. To date these include the Cutler Coast, Rocky Lake, Donnell Pond, Mahoosuc Unit, Nahmakanta, and Deboullie Units.



Information about non-motorized trails on Parks and Lands may be found on the Maine Trail Finder

website (www.mainerailfinder.com), operated by the nonprofit Center for Community GIS in Farmington. The Bureau works with the Center to develop online trail descriptions and interactive maps, which are then posted on the website. To date, 38 trails or trail systems located on Maine Public Lands and 57 trails/systems at State Parks

and Historic Sites appear on the website. Additionally, with support from the Maine Outdoor Heritage Fund and the Recreational Trails Program, the Bureau has worked with the Center to expand trail listings on the website, adding trails managed by other groups such as land trusts, municipalities and the National Park Service.

RECREATION MANAGEMENT STAFFING

One year-round and six seasonal rangers were involved in recreation management activities in FY 2014. The seasonal rangers were responsible for recreation facilities maintenance and construction, and informing visitors about Bureau rules. The Western Lands Region continued its Volunteer Campground Host program at two Bureau-owned campgrounds on Moosehead Lake: Cowan's Cove and Spencer Bay. These campgrounds are free to the public, and like all Bureau campsites, stay is limited to 14 days in a 45-day period. The volunteers oversee these campgrounds in return for extended stays at the campground.

Also in FY 2014, the Western Lands Region utilized the AmeriCorps Environmental Educator program and Recreational Trail Program grants to provide a resident staff person at Bigelow Preserve to assist the full-time Preserve Manager with recreation management.

FEES

Fees are generally not charged on Public Reserved and Nonreserved Lands managed by the Bureau. However, in some circumstances fees are charged because these lands are within or accessed through private recreation management systems (NMW and KI-Jo-Mary); or because the Bureau has contracted the management with nearby recreation providers having similar management objectives (South Arm Campground and Baxter State Park). Fees charged in FY 2014 on Public Reserved Lands are described below.

North Maine Woods Recreation Management

This is a privately operated system involving 3 million acres of primarily private lands where public recreation is allowed subject to fees collected at a series of checkpoints. Approximately 95,500 acres of Public Reserved Lands managed by the Bureau, including Baker Lake, Deboullie, Round Pond, Chamberlain, Telos, Gero Island, and the North

Branch, South Branch and Canada Falls portions of Seboomook are within the North Maine Woods (NMW) system. To access these lands, the public passes through NMW checkpoints, where fees are paid for day use and camping. (NMW camping fees apply, except for campsites on the Allagash Wilderness Waterway and the Penobscot River Corridor, where Parks fees set for those campsites apply.) Visitors then travel over roads on private land within the NMW system.

In FY 2014, NMW day use fees were \$7.00/person for residents and \$10.00/person for nonresidents. Camping fees were \$10.00/person/night for Maine residents and \$12/person/night for nonresidents. Fees are retained by NMW for facility maintenance and development, except that the camping fees are returned to the Bureau when the Bureau assumes maintenance responsibilities, as at Deboullie.

Penobscot River Corridor. The Penobscot River Corridor (PRC), managed by the Bureau's Parks program, includes campsites on Public Reserved Lands on Gero Island on Chesuncook Lake, and on a portion of the Seboomook Unit (Seboomook Lake, South and West Branches of the Penobscot River, and Canada Falls Lake). PRC staff maintain the campsites at these locations, and charge Bureau-set camping fees. In FY 2014, PRC camping fees were \$4/person/night for residents and \$8/person/night for nonresidents. When these areas are accessed via a NMW Checkpoint, NMW day use fees (\$7.00 and \$10.00 per person respectively for residents and nonresidents) are also charged for the day traveled in and the day traveled out and retained by North Maine Woods to cover operating costs for the checkpoint system. If the trip involves passing through only one NMW checkpoint, a single day use fee is charged (as in trips originating at Seboomook and ending at the takeout on lower Chesuncook Lake).

An exception to this general rule is that the NMW day use fee is charged for all trip days for access to the PRC sites on the South Branch, North Branch, and Canada Falls Lake as these allow vehicular access to the entire NMW system.

Camping fees at sites operated by the PRC on Seboomook are collected onsite by a ranger or with "iron ranger" collection boxes. However, visitors to these areas that pass through checkpoints operated by North Maine Woods, Inc., pay camping fees at the checkpoints, which are

then paid to the Bureau (a portion of the fees is retained by NMW to cover administrative costs.)

KI-Jo Mary Recreation Management System.

Similar to the NMW system, this is a privately operated gated system involving 175,000 acres of primarily private lands where public recreation is allowed subject to fees. The 960-acre Bowdoin College Grant East Public Reserved Land lies within this system.

Day use fees (\$7/person/day resident and \$12/person/day nonresident) are charged at checkpoints in Katahdin Ironworks and West Bowdoin College Grant for access to this property and other lands within the system. Camping is \$10/person/night for residents and \$12.00 per night for non-residents. Public access to the Nahmakanta Unit, which abuts the KI/Jo-Mary System, is free from the west, but if accessed from the south via the KI/Jo-Mary System, a day use fee for the day-in and day-out applies. Exit from Nahmakanta through the south will also involve a fee, if access was gained from the west.

South Arm Campground. The Bureau leases campsites on Richardson Lakes (Upper Richardson Lake) to South Arm Campground, a privately owned campground on adjoining private land. In FY 2014, the campground owner charged \$18.00 (including tax) per night per site. The campground retains a portion of this fee to cover its costs for maintenance of the 12 campsites and the Mill Brook public boat launch facility at the north end of lake.

Baxter State Park. Management of campsites at the west end of Webster Lake at Telos has been assigned by mutual agreement to the Baxter State Park Authority (BSPA), and the sites are subject to BSPA rules and policies. Most use of Webster Lake is connected with the Webster Stream canoe trip, which traverses the northern end of Baxter State Park.

Bear Bait Permit Program. By state rule (04-059-Chapter 54), a permit from the Bureau is required before placing bait for bear on Public Reserved and Nonreserved Lands that are not managed jointly with another entity. The permit program is administered by the Bureau's three regional offices. Since 2006, the annual permit fee has been \$30 for a personal bait site and \$65 for a commercial bait site. In FY 2014, the Bureau issued 378 bear bait

permits: 174 for personal sites and 204 for commercial sites, with permit revenues totaling \$18,480.

PARTNERSHIPS

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 FY 2014 are described below.

Appalachian Trail (AT). The Bureau continued its partnership with the Maine Appalachian Trail Club (MATC) to accomplish stewardship and trail maintenance along 43 miles of the AT corridor in the Bigelow Preserve, the Mahoosucs, Four Ponds, Bald Mountain, and Nahmakanta Unit. An additional 28 miles of the AT is located on lands within state parks or on lands subject to Bureau-held conservation easements.

Bigelow Preserve. In addition to providing trail maintenance of the AT on the 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-held islands along the coast of Maine that are part of the Maine Island Trail.

Cutler Coast. The Downeast Coastal Conservancy provided support for Maine Conservation Corps work crews doing trail reconstruction on the Cutler Coast in FY 2014.

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, Mahoosucs. 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 nonprofit organizations and private landowners that

developed this 39-mile hiking trail in the Mahoosuc Mountains. The trail branches off from the Appalachian Trail in the Mahoosucs public lands and continues east over private land to Puzzle Mountain, where it rejoins the Appalachian Trail.

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

Northern Forest Canoe Trail (NFCT). The Bureau has a growing 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 in this area.

Maine Huts and Trails (MHT).

In 2007, the Bureau worked with MHT to facilitate the development of a network of large huts connected by trails. The Bureau holds a conservation easement over portions of the trail, and as authorized by the legislature, a short section of the trail crosses over the Bigelow Preserve. Since 2009, the Bureau and MHT have cooperated on a connector trail from the Flagstaff Lake Hut to trail systems on the Bigelow Preserve and through to the Poplar Stream Falls Hut south of the Preserve. The new Stratton Brook Hut's connector trail passes through Bureau land in the Town of Carrabassett Valley. The growth of the Huts and Trails network will require ongoing cooperation between the Bureau and MHT.

Plum Creek. As part of the Moosehead Lake Region Concept Plan, Plum Creek and the Bureau are now working cooperatively to implement a provision by which the Bureau is granted the right, through easements, to establish a non-motorized trail system in the Moosehead Lake Region on Plum Creek and/or Bureau lands. Up to 121.8 acres of trail easements may be developed (potentially resulting in up to 40 or 50 miles of trail, depending on the width) and a fund has been established by Plum Creek for trail planning and construction.

VIII. 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. Timber revenues support the Bureau's Public Reserved and Nonreserved Lands management costs, including provision of recreation facilities and opportunities, and wildlife management. Other public benefits include contribution to the local economy through employment opportunities for contractors and supply of raw materials to area mills, provision of low-cost firewood through the Bureau's firewood harvest permit program, and demonstration of exemplary multi-aged management focused primarily on mature quality timber.

TIMBER INVENTORY

An important facet of the timber management program is examination and inventory of the forest resource. Benchmark field data acquired in 1999 provided detailed timber, site, and natural resource measurements. This inventory was fully updated in 2011 and continues to be important for both forest management planning, and third-party forest certification auditors.

Status of Current Inventory and Annual Allowable Cut (AAC). The landbase-wide inventory completed during the autumn of 2011 shows that the total merchantable timber volume on just over 400,000 acres is about 9.3 million cords. This is an increase of about two cords per acre since 1999. Compared to the 1999 volumes per acre, the current inventory shows that all softwood species have increased, especially white pine and hemlock. Spruce remains the most common species, and it's per acre volume is more than 75% higher than the statewide average. Among hardwoods, beech, paper birch, and aspen have decreased in volume while most other hardwoods remained about the same. The drop in paper birch and aspen comes both from the mortality of overmature stems on these relatively short-lived species, and Bureau harvests targeting them because of that overmaturity. Natural mortality in beech is an increasingly common statewide phenomenon across essentially all landowners.

When both the inventory increase and the harvest volumes during the previous twelve years are considered, the net growth rate on the Bureau's Public Reserved and Nonreserved Lands is 18 percent higher than that for Maine's forests as a whole. As a result, the yield curves from which the AAC was calculated have been reworked using the new and greater stocking levels, with adjustments for timber harvests essentially achieving the existing AAC over the past six years. This resulted in the AAC being increased for FY2013 and beyond by about 20%, from 115,000 to 141,500 cords (as previously reported for CY 2012).

During 2012/2013 the Maine Forest Service (MFS) expressed concern about the high timber inventory (merchantable cords/acre) being carried on Public Reserved lands. MFS advocated for the Bureau to reduce its inventory and lower its discount level to avoid continued increases in stocking, excess mortality, and lessen risk from spruce budworm and other potential insect/disease problems.

For a number of years the Bureau has discounted (reduced) the calculated annual gross growth by 15% to determine AAC because not all growth occurs on acres with sufficient volume to harvest economically or is accessible. This rate was applied to intentionally increase stocking levels until new inventory information was obtained. With new inventory information now available the discount rate may be adjusted to 10%, which would limit future increases in timber inventory across the landbase, while adding 8,350 cords to the annual allowable cut.

Carrying higher levels of inventory does come with the risk of higher levels of mortality and 2006 MFS data indicates that the level of mortality on public lands was 13% higher than that on total forest ownership surveyed. However, net growth on public lands was also higher than the state average by 18%.

Regarding the risk of losses from a spruce budworm outbreak, spruce budworm impacts historically have become epidemic throughout northern New England and eastern Canada every 30 to 40 years. Populations are building to our north, and it seems likely that this major threat to the State's fir and spruce resource will arrive in large numbers sometime in the next three to five years.

To address concerns of mortality and risk, the Bureau intends to gradually reduce the current merchantable volume per acre, 23 cords per acre, by about 6.5% over a twenty-year period, to a stocking level of 21.5 cords per acre. To accomplish this will require that the timber harvest objective be increased to 180,000 cords per year from the current AAC of 141,500 cords per year. The Bureau intends to increase the target harvest level to 160,000 cords for FY2016 and to 180,000 cords for FY2017.

As harvest levels are increased, they will be guided by more up-to-date timber typing and a spatially explicit forest model. These tools will allow the Bureau to identify the most appropriate places to consider for achieving the increased harvest.

Late in FY2014 the Bureau sought proposals for a project to fully update the timber typing of the forestland, which had last been done landbase-wide in the mid 1990s. A contract was awarded and work begun on this project early in FY2015. This re-typing, when completed, will be an important resource for Bureau field staff when examining and prescribing management activities in the forest, and will be employed along with the data from the 2011 inventory to create an updated forest growth model based on the current timber types. It is anticipated that modeling will begin late in FY2015 or early in FY16, with initial results within three months of that time. Landbase-wide modeling must await air photo capture of the final 70,000 acres in autumn of 2015 and subsequent timber typing, and should be available early in calendar 2016.

In addition, the Bureau will establish a series of Continuous Forest Inventory (CFI) plots that will allow the Bureau to gather additional data on the health of the forest and to monitor the results of harvests by checking at approximately five-year intervals to evaluate whether the greater harvest is accomplishing the inventory reduction objective. It is expected that the Bureau will contract for the installation of these plots in FY 2016. In this evaluation, Bureau staff will also be looking at potential impacts to both timber and non-timber values, to ensure that management continues to follow the management mandates of the Bureau's enabling legislation and the overall direction provided in the Management Plans.

PRESCRIPTIONS

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

- A management plan for the unit as a whole is prepared and adopted providing broad management direction;
- 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 FY 2014. Bureau staff examined and prescribed 11 compartments totaling 13,000 acres for a wide range of resource management activities.

TIMBER SALES

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 (highest responsive bid), following State rules and procedures governing the sale of State property and purchase of services. Occasionally sales are negotiated when no bids are received, for special circumstances, and for small volumes to allow new contractors to gain experience working on Bureau lands to Bureau standards.

In the past, most timber was 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 was sold using contracts for logging services (CLS). 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. The Bureau has increasingly used this option over the past two fiscal years (see discussion below).

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 supervise each harvest by providing loggers with strict harvesting criteria. These criteria specify which trees are to be harvested. In some cases, the Bureau will mark individual trees for removal, such as when there are high value stands, or other high value resources in special management areas having specific Bureau harvest protocols such as riparian areas or deer wintering areas. Also, when working with a new contractor, the Bureau may mark trees in a demonstration area. All harvest operations are inspected by Bureau staff on a weekly basis; more often when individual situations warrant.



**Timber Taken from
Day's Academy Grant**

Contract Logging Services (CLS) Project.

In FY2014, the Northern Region continued to increase harvesting through CLS, from about 60% in FY 2013 to about 80% of its overall harvest volume. CLS sales were also conducted in each of the other regions. Objectives for CLS are two-fold: 1) to improve stability in achieving harvest goals, and 2) to enhance Bureau timber revenues. Where utilized, the feedback from the mills and contractors has been positive. The mills prefer contracting directly with the landowner. In Northern Maine, most logging contractors are used to working under CLS contracts, not stumpage contracts. CLS projects require increased up-front costs, which in turn will require a higher level of cash reserves to be maintained in order to be successful with this initiative.

Summary of Timber Sales in FY2014. The implementation of prescriptions in FY2014 is summarized below.

- A total of 177,000 cords was harvested from 14,100 acres. After deducting the portion of

biomass that came from tops and limbs (not included in AAC calculation), the harvest was 166,500 cords, significantly above the updated AAC of 141,500 cords, though the ten-year BPL harvest is still about 9 percent under the total allowable cut for that period.

- A total of 41 operations were ongoing in FY2014. These operations are a combination of newly established sales, and sales carried over from previous years, and do not include permits for firewood sales issued to individuals (see below).
- In concert with the Bureau's contractors, wood was marketed to 45 mills statewide.

Firewood Permit Program: Individual firewood permits totaling 300 cords were issued by the Bureau in FY 2014. This is similar to last year's volume. Firewood harvests by logging contractors remain high, with nearly 3,000 cords of firewood supplied by these contractors from lands managed by the Bureau.

Sugar Bush Leases – The Lands Western Region currently has two sugar maple lease agreements, one at Bald Mountain Unit in Rangeley and one in Sandy Bay Township. The Bald Mountain operation consists of approximately 2,200 taps, and includes a tap system and a collection tank. The sap is processed off site. The Sandy Bay Township operation, when fully utilized, will include approximately 14,000 taps (currently nearing that). The operation also includes facilities to produce finished maple syrup. In the spring of 2014 the operation processed its first batch of maple syrup onsite.

Western Region staff continues to explore additional sugar maple opportunities in Sandy Bay Township and at other locations in the region. The Bureau secured bids in FY 14 to establish a second sugar bush lease on 300 acres in Sandy Bay Twp., with approximately 20,000 taps. A lease will be issued in FY 2015.

In the Eastern Region, a timber harvest in Codyville on approximately 100 acres of selected hardwood stands was designed to enhance sugar bush potential. Healthy sugar maples were retained at the desired spacing where present, with the top quality sawlog and veneer sugar maples harvested prior to any maple sugar operation. A lease offering is expected in FY 2015.

FY2014 Harvest and Market Analysis. Timber harvested in FY 2014 on Bureau lands from inventory totaled 166,500 cords (177,000 cords including biomass). The FY 2014 figure is 18% above the current Bureau-established “allowable cut” of 141,500 cords. This was accomplished with the assistance of very favorable weather through fall and winter, plus strong markets. In FY 2014, three major wind events in the Northern Region resulted in the harvest of several thousand cords of blowdown. Also, for the multi-year sale on the south part of the Holeb Unit which was coming to an end, with the final acres lying at the end of 25+ miles of road being used only by the Bureau, we took advantage of the extended period of frozen-ground harvesting to complete the sale. Even though this resulted in several thousand extra cords being harvested, it avoided the expense of plowing all that road to finish the harvest a year later.

The average price paid to the Bureau per cord was 20% higher in FY2014 than it had been in FY2013 (and FY2013 had been 18% higher than FY 2012.) On average, the stumpage rates for individual products rose somewhat, but the increased revenue from CLS plus some better markets for utilizing hardwoods enabled the significant rise in average price per cord. The hardwood harvest of 57% of total volume continues the Bureau objective of increasing the proportion of softwoods by preferentially harvesting hardwoods: the current yield curves show softwoods producing 62% of net growth and hardwoods just 38% of that growth. Since only 5% of the hardwood volume was sawlogs and veneer, these harvests are also increasing overall resource quality and value by targeting the poorer quality and over-mature stems.

As part of its multiple use management, the Bureau will continue to emphasize maintaining the multi-year harvest volume at a level near the allowable cut, while continuing to practice the highest quality silviculture. However, operational issues and natural events can affect harvest volumes both positively (as noted above for FY 2014) and negatively, such as when economic conditions result in poor markets, and weather events reduce harvest levels.

HARVEST OPERATION CHALLENGES

In the recent past, the Northern Region had difficulties in securing contracts for harvests, especially for winter harvests. The winter is the best time to harvest wood and usually when most of the harvesting activity occurs. Contributing to the difficulty is an equipment and labor shortage, especially the latter. Since 2011, the Bureau has significantly increased the proportion of CLS contracts for timber harvest operations to create more stability for both the Bureau and contractors.

To address the threat of a spruce budworm outbreak, the Bureau has for decades discriminated against the more budworm-susceptible balsam fir when harvesting, resulting in a spruce-to-fir ratio much higher than for the state as a whole. Going forward, this fir-targeting practice will be intensified, both by taking the otherwise healthy younger fir that might have been retained in the absence of budworm, and in some alteration of harvest plans to focus on areas with higher fir components.

BOUNDARY LINES

The Bureau progressed on the maintenance of boundary lines, with 41.3 miles maintained in FY 2014. This is an area that can use more attention as additional resources become available.

EXEMPLARY MANAGEMENT MANDATE

By Maine Statute (12 MRSA § 1847) the Bureau must manage Public Reserved Lands “to demonstrate exemplary land management practices, including silvicultural, wildlife and recreation management practices.” Towards this, the Bureau’s forest management is guided by dual third party certification - the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC) programs; a Silvicultural Advisory Committee, and participation in the Cooperative Forest Research Unit (CFRU)

Forest Certification. 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 Bureau underwent the two audit programs

simultaneously, a rigorous and unique process. The audit included 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 qualified the Bureau to enter into the "chain of custody" program to market its "green-certified" wood. Since 2003, green-certified wood has been marketed from Bureau managed lands.

Following its initial certification, a Bureau-wide certification team was implemented to address "conditions" and "minor non-conformances" 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 2014. This year the Bureau underwent the annual surveillance audits required to maintain certification between full audits. The audit was done by an agency new to BPL in 2011, Bureau Veritas. Their auditors visited sites throughout the Eastern Region, though a major early November snowfall limited where they could explore. Accompanied by the appropriate Bureau field staff, auditors looked at harvest areas on ten separate operations within the region. Auditors were especially complimentary toward the condition of recently harvested stands, several major water crossings, and recreation management, especially for aesthetics. They did find one minor crossing where the operator, instead of moving elsewhere, had used a skidder bridge in muddy conditions, resulting in some siltation. The crew was immediately moved, and the site was stabilized the following day. The proposal for increasing the Bureau harvest levels was discussed with the auditors during both the opening and closing meetings. In their opinion, this increase could be accomplished well within the standards and criteria of both FSC and SFI certification programs.

Silvicultural Advisory Committee. 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 2014: The field tour was held during August of 2014 in the Northern Region, and had numerous themes, among them harvests from stands that have had multiple harvests under BPL management, spruce budworm, cedar management, and harvest quality evaluation. On the first day the group visited several smaller lots plus the Salmon Brook Lake Bog Unit. It was on this latter tract that management of dense cedar stands and planning for the potential spruce budworm infestation were explored. On the Beaver Brook (T13T5) Public Lot we viewed a harvest from 5-6 years ago, evaluating the residual stand and the progress of regeneration, both of which are doing well.

Day two began on the Scopan Unit, where we discussed potential maple sugarbush establishment, then looked at several locations where a selection harvest was ongoing in hardwood and mixedwood stands. Possible release of high value harvests from the dominant beech regeneration was also discussed, as was appropriate harvest technology and control. From there we traveled to the Oxbow Public Lot, and looked at where terrain had dictated yarding to a Public Use Road, which is generally not Bureau practice. Here it had been done in winter, when the road was seldom used by recreationists, with very little impact on the visual character. We then visited a newly begun operation, where a second-entry selection harvest was being conducted. As with a number of Northern Region contractors, the Bureau has acquired I-Pads that are being mounted in the harvest machinery, making control and monitoring of the harvest much more efficient.

Cooperative Forest Research Unit (CFRU). The Bureau participates in a research cooperative, originally formed in 1975 in response to the spruce budworm outbreak at that time. Membership includes forest landowners (BPL and 26 private landowners representing 8.3 million

managed forest land acres), representatives of two wood processors, and 6 corporate/individual members. Together, contributions amount to approximately \$500,000 per year to support research projects of interest to the members. With the threat of another spruce budworm outbreak, research is again focused on that issue. The Bureau contributes proportionate to acres in managed timberland, approximately \$23,000/yr.

IX. TRANSPORTATION



Management Road Construction at Nahmakanta

The Bureau continued to improve road access within its public lands, focusing primarily on recreational needs and implementation of its timber management program. There are currently about 275 miles of public use roads on Public Lands.

BRIDGES

In FY 2014, the Bureau's Eastern Region rebuilt the Seboeis Stream bridge; the Western Region re-decked two bridges on the Bigelow Preserve; the Bemis Stream bridge (Richardson Unit) and the Kelly Dam Road bridge (Sandy Bay Twp Lot); and the Northern Region replaced the Imlos Stream bridge on the Telos Unit.

ROADS & ACCESS IMPROVEMENTS

Timber Management Road Construction. To facilitate both summer and winter timber harvesting activities across the state, approximately 59 miles of road were constructed or reconstructed in FY 2014.

Public/Shared Use Roads Each year the Bureau contracts for maintenance services for grading and brushwork on public use roads and shared use

roads. In FY 2014, approximately 65 miles of public use roads were maintained under contract in the Northern region, 100 miles in the Western Region, and 198 miles in the Eastern region (112 miles of public use roads and 86 miles of management roads designated for shared ATV use) for a total of 363 miles of public use/shared use road maintained under contract. These figures include 10 miles of new public use roads in the Eastern Region (8 miles of newly constructed public use road on the Seboeis unit, and 2 miles of new road on the Duck Lake and Nahmakanta Units) and 2 miles of improved public access road on the Bigelow Preserve (East Flagstaff Road) in the Western Region.

X. PUBLIC ACCESS

Eighty four percent of the Public Reserved Lands were accessible to the public without fee or special arrangements in FY 2014. There are a few circumstances where public vehicle access is limited or restricted. The following is a report of barriers that affect primary motor vehicle access *as required in 12 MRSA § 1853.*

EXTERNAL GATES TO PUBLIC LANDS

North Maine Woods Checkpoints. There are seven checkpoints, staffed seasonally, controlling primary access from Maine points to 95,000 acres of Public Reserved Land within the nearly three million acre North Maine Woods area, including Deboullie, Round Pond, Chamberlain, Telos, and portions of Seboomook. These checkpoints are all on private land and facilitate management of recreational use on both public and private land. See also discussion on fees on pages 12-13.

KI/Jo-Mary Checkpoints. The Katahdin Iron Works checkpoint controls access to the 960-acre public lot in Bowdoin College Grant East. A gate has been funded and operated by the Bureau at the border between Nahmakanta and the KI/Jo-Mary system at Henderson Brook. This controls access from Nahmakanta into the KI/Jo-Mary system. In 2009 the checkpoint was converted to an electronic gate, which is operated remotely from the Route 11 Checkpoint. See also discussion on fees on pages 12-13.

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.

Cupsuptic Gate, Franklin County. A staffed gate leased by the Kennebago Camp owners' 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.

Davis Township Lot, Franklin County. A locked gate on the private road north of the Dallas Plantation Public Lot was added in 2010, restricting use of the Loon Lake Road out of Rangeley to access the Bureau's Davis Twp Lot on Kennebago Lake. However, this lot can still be accessed via the Bridge Road off Route 16 in Langtown Mill (Lang Twp).

Seboeis Plantation Lot, Penobscot County. A new external gate was installed on a private road by the camp owners' association, after repeated vandalism of private camps, limiting vehicular access to the 1136-acre Seboeis Plantation lot.

INTERNAL GATES

The Bureau maintains 24 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.

LAND OPEN TO HUNTING

Public Law, Chapter 564 of the 123rd Legislature, amending 12 MRSA § 1847 sub-§ 4 (Public Reserved Lands Statute), requires that lands open to hunting on Public Reserved Lands include at least the acreage open to hunting on January 1, 2008. Since 2008, no land has been removed from the acreage available for hunting at that time.

The law also requires the Bureau to report annually to the Inland Fisheries and Wildlife Committee the acreage of Public Reserved Lands available for hunting, and any changes from the January 1, 2008 levels. There were 587,184 acres of Public Reserved Lands on January 1, 2008; of which 586,505 were available for hunting (excludes three small game preserves). At the close of CY 2012 the Bureau reported total acreage available for hunting 600,591 acres. In June 2013 the Bureau acquired 12,046 acres on Crocker Mountain, bringing the total available for hunting to 612,637 (over 99% of Public Reserved Lands). This is the acreage available in FY 2014 as well.

XI. LAND TRANSACTIONS

ACQUISITIONS

There were no acquisitions of lands in FY 2014. The Bureau did acquire by donation several hiking trail easements in the Moosehead Region during this period, as part of the partnership effort with Plum Creek pursuant to a requirement of its Moosehead Region Concept Plan (see Recreation Highlights on page 3).

The Bureau's Forest Legacy program manages federal Forest Legacy Program grant funds and other grant funds (including Land for Maine's Future funds) and private donations that acquire forest lands with high public recreation and wildlife values and working forest easements. There were two open projects in FY 2014: Orbeton Stream Forest easement in Madrid, Franklin County (a 5,774 acre- working forest); and East Grand Lake -Orient in Aroostook County (5,992 acres in fee, and 1,494 acres in working forest conservation easement). In addition, in FY 2014 the Bureau was a partner in processing grant agreements for two Forest Legacy grants for projects selected for FY 2014 federal funding: Cold Stream Forest Project in Somerset County, a fee acquisition of 8,150 acres focused on brook trout and deer wintering habitat, and Little W Twp inholding to the Seboomook Unit, a 72-acre fee acquisition.

IMPACTS TO 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.” There were no land acquisitions in FY 2014.

DISPOSTIONS

There were no dispositions of Public Lands in FY 2014.

XII. 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 FY 2014, the Submerged Lands Program processed 136 applications for proposed and existing waterfront structures and dredging projects. Sixty three (63) leases and easements were granted and an additional 73 projects were determined to require no conveyance. With these new projects, the program now administers 1,996 conveyances.

Lease Rental Rate Changes. In 2010, the Program began implementing the lease rental rates that were approved by the legislature to improve equity statewide in conjunction with the repeal of a \$1,200 annual rental cap in 2009. The new rent structure provides fair compensation while reducing the average rental rates. In FY 2014, the Program continues its 5-year phase-in of rents for larger lease holders.

Constructive Easements. The Program continues to research information on constructive easements (structures in existence prior to October 1, 1975) to identify those that may require a submerged lands conveyance. To date, the Program has executed 873 new leases and easements for these structures.

Sunken Logs. One application to recover sunken logs from public submerged lands at Moosehead Lake was received in FY 2014. In total, 72 logs were recovered with a total volume of 8,240 board feet.

Water Quality Monitoring. In 2009, the legislature authorized funding from the submerged lands leasing program be provided to support water quality monitoring efforts at the Department of Marine Resources shellfish program. Funding at \$80,000 per year has been extended through FY 2016.

Tidal Energy Pilot Project. In 2012, the first tidal energy pilot project was installed on the seafloor at Cobscook Bay with testing and environmental monitoring continuing through FY 2014. Power generated by the facility connects to the grid by a submarine cable to the shore at Lubec. Eighty percent of the lease revenue is directed to the Renewable Ocean Energy Trust Fund and is utilized by the Department of Marine Resources for fisheries research and mitigation efforts associated with offshore energy projects.

XIII. 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 and improve public access.

In FY 2014, funds were provided to continue the rehabilitation of the public access pier at Colonial Pemaquid, begin the Maine Coast Mapping Initiative and support municipal harbor planning efforts such as improving pedestrian access to Wiscasset's waterfront. In addition, \$50,000 was provided to the Maine Island Trail Association in support of our continuing partnership for ongoing recreation management of State owned coastal islands.

XIV. COASTAL ISLAND PROGRAM

OVERVIEW

Maine's Coastal Island Registry was created in 1973 by the 106th Legislature as a means of clarifying title to 3,166 coastal islands by establishing and registering ownership. Most island owners have registered their islands. The Program

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 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. In addition, the Bureau provides a brochure "Your Islands and Parks on the Coast" showing the location of approximately 40 State-owned islands suitable for recreational use and explaining the Bureau's visiting, camping, and resource protection policies.

V. ADMINISTRATION

OVERVIEW

The Bureau's forest management staff has increased by one position since 2002 (a forest technician position was filled in the Eastern Region in 2011), while acreage being managed has increased by 143,000 acres. Increased use of Contracted Logging Services, and increased harvesting from recent adjustments to annual allowable cut are expected to increase demands on administrative and forest management staff.

There also have been no staff increases for land management support, including management plans (required statutorily and for forest certification); or for easement and project agreement monitoring corresponding to the increased demands for these responsibilities over the last two decades. The Bureau now holds 64 easements which, since 2007, by statute must be monitored at least once every 3 years, and the 17 Forest Legacy easements (90% of the easement acreage) must be monitored annually. In addition, the Bureau has acquired over 100 LMF project agreements in the last 15 years. The Bureau continues to explore and utilize new technology and contracting to address this growing workload.

LEASES

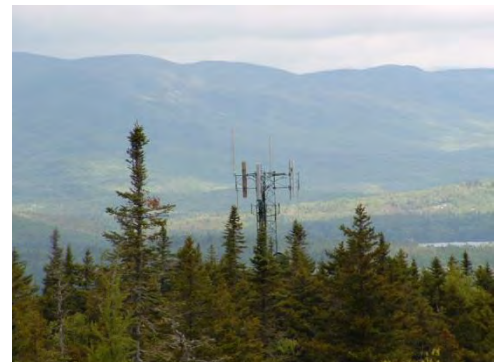
Camplot Leases: The Bureau administers a Camplot Leasing Program for 291 residential camplots and 10 commercial sporting camps and campgrounds across the state. In FY 2014, the Bureau reissued camplot leases for a new five-year term (2013-2017), and made adjustments to the lease rental schedule to reflect any recent increases in tax-assessed values. The Bureau has a statutory requirement to charge lease fees based on these values. The camplot program also administers 8 tent site rental agreements.

Other Leases: The Bureau administers 62 leases on public lands, for a variety of purposes as shown below. These leases have terms that range from 5 to 25 years. 27 include annual lease payment provisions, and the remainder involve no payment or payment of a one time administrative fee to the Bureau. Leases in FY 2014 included:

- 17 utility corridor leases
- 10 agricultural leases
- 6 telecommunication facility leases
- 20 miscellaneous leases
- 1 dam lease
- 1 boat access lease
- 3 warden camp leases
- 1 University camp lease
- 2 University seismic research leases
- 2 Sugarbush leases

The no-rent leases include state lands leased to communities; recreation associations such as the Capital Area Recreation Association (CARA) ball fields in Augusta; nonprofit environmental organizations such as the Viles Arboretum in Augusta; municipal utilities for waterlines and pumping stations; and the Maine Warden Service for staff housing in remote locations. All no-rent leases either allow public access or are providing a public service.

Communications
Tower on
Bald Mountain
Unit
Rangeley



XVI. INCOME AND EXPENDITURES ACCOUNTING – FY 2014

OVERVIEW

The Public Lands Program (Lands Program or Program) has several different accounts established for specific purposes with statutory restrictions on their use. The Program is funded entirely from dedicated fund sources with no General Fund support. **The revised statutes require that financial summaries be prepared on a fiscal year basis instead of the previous calendar year summaries.** The figures presented below may not compare to those reported in previous years on a calendar year basis.

Public Reserved Lands Management Account (014.01A.Z239.22)

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 revenue generated from the harvest of forest products, camplot leases and other special leases on the Reserved Lands, and interest on the account balance. In FY 2014, the Lands Program conducted timber harvests that yielded over 177,000 cords.

At the same time, expenses for personnel services, vehicle operations, information technology, and management costs for non-revenue generating activities have increased. Income for fiscal year 2014 was \$8,576,406 with expenditures of \$5,358,064. Because the Program'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. The cash balance is drawn down when expenses exceed revenues. Revenue generated in fiscal year 2014 was \$3,218,342 more than expenditures, resulting in an account balance of \$5,919,450 as of June 30, 2014.

Income from the Reserved Lands Account supports most of the administrative, planning, timber, transportation, recreation, and wildlife management activities on the land base. The increase in revenue described above will support the increased cash balances needed for contracted logging services, and the Bureau's overall ability to support the Lands management program.

Not shown in either the income or expenditure figures above are the portion of monies 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 calendar year 2013 (payable in 2014), the Lands Program revenue sharing amounts total \$182,889.53 paid to 15 towns and plantations.

Public Nonreserved Lands Management Account (014.01A.Z239.23)

This account is used for the management of lands not in the Public Reserved Lands System. These Nonreserved Public Lands include institutional lands (those lands considered surplus by other State agencies) assigned to the Bureau's Lands Program 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 Nonreserved Lands. Income for fiscal year 2014 was \$3,727 with no expenditures ending with a cash balance of \$21,163. The cash balance is drawn down when expenses exceed revenues. The Lands Program 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 Program 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 Program postpones planned expenditures until revenue returns to an adequate level.

Submerged Lands Account **(014.01A.Z239.27)**

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. Additional revenues were generated from application and easement registration fees and the sale of gravel. The legislature directed on-going transfers from the Submerged Lands Fund to the DMR Shellfish Fund of \$80,000 per year. Total revenues in fiscal year 2014 were \$800,623 with expenses of \$221,542. In addition, transfers of \$80,000 to DMR and \$700,000 to the Shore & Harbor account were made from the cash balance. The cash balance is drawn down when expenses exceed revenues. Funds for personnel services (salaries) comprise the majority of the program's budget. The cash balance at the end of fiscal year 2014 was \$529,216.

Shore and Harbor Management Fund (014.01A.Z239.29)

A Shore and Harbor Management Fund was established in 1991 to provide grants to municipalities and state agencies 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. In 2014, \$700,000 of revenue was transferred from the Submerged Lands Fund. The Maine Coastal Program received a cash transfer \$150,000 with \$20,000 for municipal grants and \$130,000 for their Ocean Mapping Project. Other expenses in fiscal year 2014 were \$214,287 with \$60,000 for the management of the Maine Island Trail and Casco Bay state-owned islands and \$154,287 to support the Colonial Pemaquid Pier Project. Total revenues in fiscal year 2014 were \$700,502 from transfers from the Submerged Lands Fund and interest. This revenue contributed to a fiscal year-end balance of \$500,051.

Land Acquisition Fund **(014.01A.Z239.24)**

Funds from this account are restricted by statute and the constitution to the acquisition of conservation lands, 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 fiscal year 2014 was \$994 against expenditures of \$25,708. Balance at the end of the fiscal year was \$771,762.

Income this year was derived from interest earned on the account balance and a few federal grant reimbursements. Expenses included various acquisition-related costs such as surveys and appraisals. 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.

Nonreserved Land Acquisition Fund **(014.01A.Z239.37)**

This account was established to receive revenue from the sale of Public Nonreserved Lands. There was no income or expenses for fiscal year 2014. Balance at the end of the fiscal year was \$219,227 which was the same as the year before. 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.

Mackworth Island Trust Fund
(014.01A.Z239.30)

Section 2 of Chapter 102 Public Law 1998, authorized the proceeds from the sale of a 157 acre Bureau of Parks and Public 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 fiscal year 2014 was \$1,443 with no expenditures. The cash balance at the end of fiscal year 2014 was \$19,402 from the interest accrued to date.

Forest Legacy Fund
(013.01A.Z239.35)

This account was established to receive grant revenue from the federal Forest Legacy Program for purchase of unique valuable land and interests in land. Land acquisition projects are reviewed and approved at the national level. We also receive annual administrative grants that support the pre-acquisition costs for the Forest Legacy land purchases. Land for Maine's Future funds are typically used as match for these Forest Legacy grants to purchase land and interests in land. Total acquisition expenses in fiscal year 2014 were \$126,891.70 which included \$34,377.80 in administrative grant expenses. Total Forest Legacy revenues in fiscal year 2014 were \$146,951.78. At the end of fiscal year 2014 the account had a balance of \$5,704 for associated DICAP charges with the administrative grant.

Coastal Island Registry Fund
(014.01A.Z241.26)

This account was established to review new applications for island registrations. Most private coastal island titles have been reviewed so current program activity involves providing information to the public and occasionally reviewing application and deed information. Income for fiscal year 2014 was \$130 with no expenses. The cash balance at the end of fiscal year 2014 was \$920.

XVII. FINANCIAL REPORT FOR FY 2016

OVERVIEW

Pursuant to Title 12 M.R.S.A., Sections 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 Nonreserved 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 nine dedicated accounts:

- ***Public Reserved Lands Management Fund***
- ***Public Lands Management Fund (Nonreserved Public Lands)***
- ***Public Reserved Lands Acquisition Fund***
- ***Public Nonreserved Lands Acquisition Fund***
- ***Submerged Lands Fund***
- ***Shore and Harbor Management Fund***
- ***Coastal Island Registry***
- ***Mackworth Island Trust***
- ***Forest Legacy Fund***

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, supplemented by grants and other outside sources of revenue, 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.

The Bureau continues to manage the State-owned Public Reserved and Nonreserved Lands (the "Public Lands Program") 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. The addition of new lands and management responsibilities places increasing demand on the Bureau. Recent increases in revenue in the Public Reserved Lands Management Fund are used to meet these additional responsibilities. Presented below are the FY 2016 budget allocations proposed for each of the ten dedicated accounts within the Bureau's Public Lands Program. These allocations represent the limits within which the Bureau must operate.

FY 2016 ACCOUNT SUMMARIES

1. Public Reserved Lands Management Fund Account # 014.01A.Z239.22

Income		Expenses	
Earnings on Investments	\$11,000	Personal Services	\$3,386,400
Rent of Lands*	\$920,000	All Other (not including STACAP)	\$1,245,489
Grants from State Agencies	\$150,000	Capital	\$0
Camplot Leases*	\$400,000		
Misc Rents & Leases	\$12,000		
Recreational Use of Lands	\$14,000		
Registration Fees	\$25,000		
Sale of Stumpage *	\$1,629,558		
Sale of Forest Products *	\$2,771,431		
Sale Timber/Gravel/Grass	\$2,400		
Recovered Cost	\$29,000		
Reg Transfer Personal Svcs	\$37,500		
Legis Transfer of Revenue	(\$118,279)		
DICAP**	(\$593,084)	STACAP	\$176,511
Total Income	\$5,290,526	Total Expenses	\$5,318,144.00

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

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

The Public Lands Program, as of June 30, 2014, had an account balance of \$5,919,450 in the Public Reserved Lands Management Fund which serves as its contingency fund. Because most of the Program'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 Program 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.

Increases in annual allowable cut (AAC) and transition from stumpage sales to contract logging services have resulted in increased revenue, and a need for increased cash balances to support contract logging services. Increased revenues will also support increased costs for personnel services, vehicle operations, information technology, management costs for non-revenue generating activities such as conservation easement monitoring, as well as deferred maintenance, development and installation of a continuous forest inventory system, management activities related to a potential outbreak of spruce budworm, and commitments to develop or expand recreational facilities.

New Initiative

Dedicated Revenue	Income	Requested for 2016	Expenses
Sale of Forest Products	\$1,923,569	All Other	
DICAP	(\$122,200)	Professional Services	\$640,000
		Rents (CFM)	\$100,000
		Road Maintenance	\$200,000
		All Other - STACAP	\$36,369
		All Other Subtotal	\$976,369
		Roads/Bridges Construction & Materials	\$825,000
		Capital Subtotal	\$825,000
TOTAL	\$1,801,369	TOTAL	\$1,801,369

This initiative provides funding for increased operating expenses including repairs to roads, maintenance contracts, capital construction materials and capital improvements to bridges and roads. Revenues are expected to increase from the harvest of additional timber from public lands at sustainable levels. Increases in all other are requested to address increased road repair and maintenance as well as other increases in operating costs to include contract costs for forest certification, Central Fleet Management rates, building rental rates, along with development of permanent inventory plots (continuous forest inventory), and the potential need to protect high value/importance forest stands from spruce budworm. The capital requests are for routine capital improvements on roads and bridges to support expanded timber harvest operations and maintain recreational trails and sites used by the public.

New Initiative

Dedicated Revenue	Income	Requested for 2016	Expenses
Sale of Stumpage	\$178,000	Capital - Equipment	\$178,000
TOTAL	\$178,000	TOTAL	\$178,000

This initiative provides funding for capital equipment replacements and new equipment.

New Initiative

Dedicated Revenue	Income	Requested for 2016	Expenses
Misc Rents & Leases	\$46,844	Personal Services	(\$237,998)
Sale of Stumpage	\$273,752	STA-CAP	(\$9,208)
Transfer unallocated	(\$166,953)		
TOTAL	\$153,463	TOTAL	(\$247,206)

These initiatives reallocate several positions due to the reorganization moving Public Lands to the Bureau of Forestry.

New Initiative

Dedicated Revenue	Income	Requested for 2016	Expenses
		Personal Services	(\$79,212)
TOTAL		TOTAL	(\$79,212)

This initiative eliminates one vacant Forester I position.

New Initiative

Dedicated Revenue	Income	Requested for 2016	Expenses
Rent of Lands	\$19,970	Personal Services	\$19,970
TOTAL	\$19,970	TOTAL	\$19,970

This initiative provides funding for the approved reclassification of 3 Forester I positions.

2. Public Nonreserved Lands Management Fund Account # 014.01A.Z239.23

Income		Expenses	
Earnings on Investments	\$0	All Other (not including STACAP)	\$32,761
Rent on Lands and Buildings	\$2,500	Capital	
Sale of Stumpage	\$33,580	STACAP	\$761
DICAP**	(\$2,558)		
Total Income	\$33,522.00	Total Expenses	\$33,522.00

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

The account has a balance of \$21,163 at the end of fiscal year 2014, which is used as a contingency fund to cover expenses that occur between the relatively small and infrequent timber harvests on these lands. Timber harvests scheduled for FY 15/16 will generate sufficient income to cover budgeted expenses.

3. Public Reserved Lands Acquisition Fund Account # 014.01A.Z239.24

Income		Expenses	
Earnings on Investments	\$2,100	All Other (not including STACAP)	\$201,672
Sale of Land	\$233,592	Capital	0
DICAP**	(\$26,217)	STACAP	\$7,803
Total Income	\$209,475.00	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. At the end of fiscal year 2014 this account had a balance of \$771,762. Funds generated from sales of properties may only be used for land acquisitions in the same county as required by the Constitution. This limits the Bureau's ability to use this fund to pursue acquisition projects in counties without funds.

4. Public Nonreserved Lands Acquisition Fund Account # 014.01A.Z239.37

Income		Expenses	
Earnings on Investments	\$0		
Sale of Land	\$70,754	All Other (not including STACAP)	\$60,542
DICAP**	(\$7,870)	STACAP	\$2,342
Total Income	\$62,884.00	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 nonreserved land. Lands purchased with the funds from this account have Public Nonreserved 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. At the end of fiscal year 2014 this account had a balance of \$219,227.

5. Submerged Lands Fund Account # 014.01A.Z239.27

Income		Expenses	
Earnings on Investments	\$2,200	Personal Services	\$207,477
Rent of Lands	\$940,388	All Other (not including STACAP)	\$70,696
Reg Transfer Personal Svcs	(\$37,500)	STACAP	\$10,714
Transfer to S&H	(\$500,000)		
DICAP**	(\$36,001)		
Legis Transfer of Revenue	(\$80,000)		
Total Income	\$289,087	Total Expenses	\$288,887

** 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 had a balance of \$529,216 at the end of fiscal year 2014. In 2011, the Bureau began implementing a revised lease fee schedule adopted in 2009 with larger rental fees being phased in over a 5-year period ending in 2014. As revenues improve over the phase-in period, the Bureau will continue to carefully manage expenses and anticipates transferring more of the balance to the Shore and Harbor Management Fund.

New Initiative

Dedicated Revenue	Income	Requested for 2016	Expenses
Rent of Lands	\$35,061	Prof Services-not by state	\$30,000
DICAP	(\$3,900)	STACAP	\$1,161
TOTAL	\$31,161	TOTAL	\$31,161

This initiative provides funding for increased contract costs for structure inventory and scanning application records.

New Initiative

Dedicated Revenue	Income	Requested for 2016	Expenses
Rent of Lands	\$150,000		
Transfer to S&H	(\$150,000)		
TOTAL	\$0	TOTAL	\$0

This initiative provides funding for ongoing grant expenditures and special projects (based on MOU with Coastal program).

Note: This account is proposed to be changed to account # 014.01A.Z241.27 in the budget.

6. Shore and Harbor Management Fund Account # 014.01A.Z239.29

Income		Expenses	
Earnings on Investments	\$500	Grants to Cities & Towns	\$150,085
Transfer from Submerged Lands	\$580,000	Grants to Public/Private Agencies	\$50,442
Total Income	\$580,500	Total Expenses	\$200,527

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 implementation of a new lease fee schedule, the Bureau anticipates improved funding for municipal coastal planning and public access projects over the next several years. At the end of fiscal year 2014 this account had a balance of \$500,051.

New Initiative

Dedicated Revenue	Income	Requested for 2016	Expenses
Transfer from Submerged Lands	\$150,000		
Transfer to Coastal Program	(\$150,000)		
TOTAL	\$0	TOTAL	

This initiative provides funding for ongoing grant expenditures and special projects (based on MOU with Coastal program).

Note: This account is proposed to be changed to account # 014.01A.Z241.29 in the budget.

7. Coastal Island Registry Fund Account # 014.01A.Z241.26

Income		Expenses	
Registration Fees	\$107	All Other (not including STACAP)	\$105
		STACAP	\$2
Total Income	\$107	Total Expenses	\$107

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. At the end of fiscal year 2014 the account had a balance of \$920.

8. Mackworth Island Trust # 014.01A.Z239.30

Income		Expenses	
Earnings on Investments	\$4,563	All Other (not including STACAP)	\$3,904
DICAP**	(\$508)	STACAP	\$151
Total Income	\$4,055	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. At the end of fiscal year 2014 the account had a balance of \$19,402, over and above the principle.

Note: This account is proposed to be changed to account # 014.01A.Z241.30 in the budget.

9. Forest Legacy Fund # 013.01A.Z239.35

Income		Expenses	
Federal Grants	\$41,148	All Other (not including STACAP)	\$36,500
DICAP**	(\$3,591)	STACAP	\$1,057
Total Income	\$37,557	Total Expenses	\$37,557

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

This account is used for Forest Legacy grant expenses related to the acquisition of nationally approved Forest Legacy land parcels and any associated pre-acquisition costs. The figures above represent the All Other pre-acquisition budget. For the land acquisitions, financial orders are sent to the Governor for signature and to establish the capital needed for the land purchase. Land For Maine's Future funds are typically used as match for these Forest Legacy grants to purchase land. At the end of fiscal year 2014 the account had a balance of \$5,704 for the associated DICAP charges.

XVIII. CONCLUSION

Expenditures will be managed to operate within the Bureau's financial means for all accounts.

After three successive years of revenue exceeding expenditures, the Public Reserved Lands Management Fund is in position to meet increasing demands to cover rising costs in such areas as personnel services, health care, vehicle rental, information technology, and public information, while assuming management responsibility for more non-revenue generating acres and activities.

The annual allowable cut was increased in 2013 as a result of the recently completed timber inventory, and further increases will be realized with adjustments to the applied discount rate, and if stocking levels are reduced by 1.5 cords per acre, from 23 to 21.5 cords. The increase in allowable cut based on inventory growth, adjustments to the discount rate, and further reduction in stocking levels over time would suggest annual allowable cut targets of 160,000 cords for FY16 and 180,000 cords for FY17. This increased harvest effort will place increased demands on staff related to timber management responsibilities and will need to be balanced with continued demands related to non-timber responsibilities, including recreation.

These increased harvest volumes, coupled with the transition from stumpage sales to contract logging services for many sales, will result in increased revenue and improved financial stability to the Public Reserved Lands Management Fund. Funds are now available to support the increased cash balances needed for contracted logging services, invest in forest management activities such as timber stand improvements, forest inventory, and protection initiatives. In addition, funds should be adequate to address deferred operational activities such as boundary line and road maintenance, pursue commitments in adopted management plans to develop recreational facilities, and address capacity issues related to operational and support staff, as well as the growing responsibilities related to conservation easements.

Department of Agriculture, Conservation & Forestry
Bureau of Parks and Lands
Property Interests & Facilities

January, 2015

