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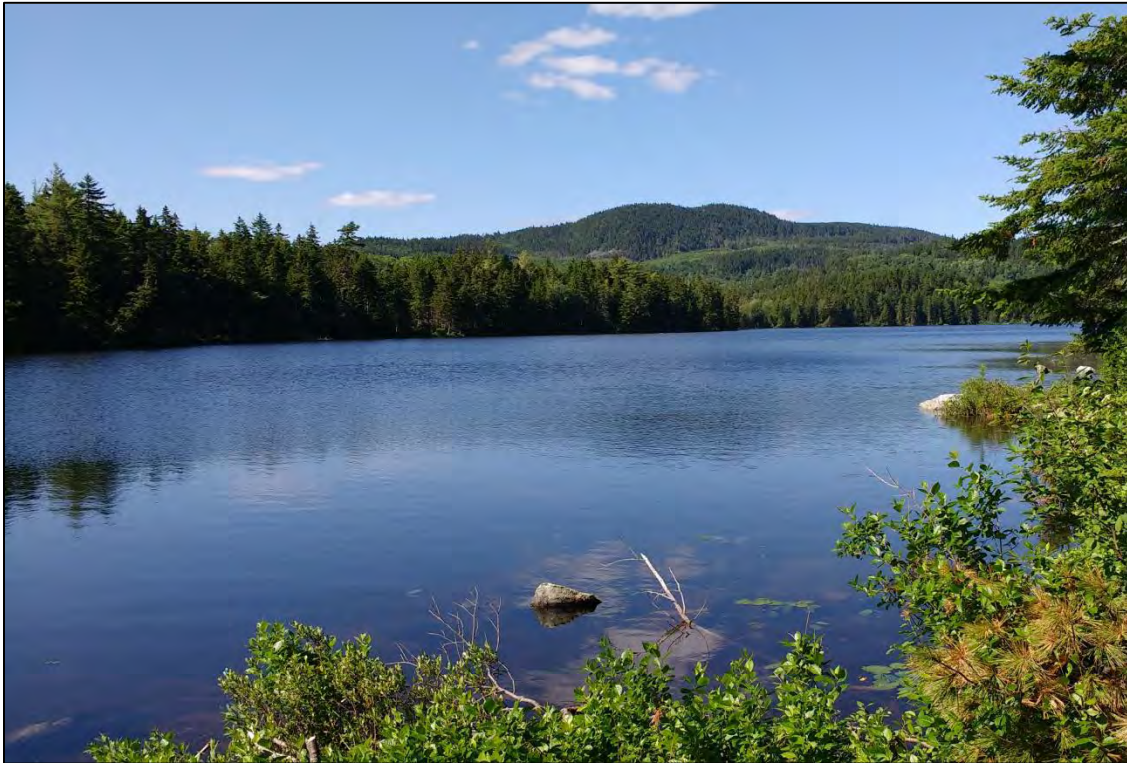
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FY 2016 ANNUAL REPORT

to

the JOINT STANDING COMMITTEE
on AGRICULTURE, CONSERVATION AND FORESTRY

MAINE PUBLIC RESERVED, NONRESERVED, AND SUBMERGED LANDS



Lang Pond within the Cold Stream Forest Unit, acquired in FY 2016

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

March 1, 2017

FY 2016 ANNUAL REPORT
Maine Department of Agriculture, Conservation and Forestry
Bureau of Parks and Lands

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	HIGHLIGHTS – FY 2016 & FY 2017 (to date).....	1
III.	SCOPE OF RESPONSIBILITIES.....	4
IV.	LAND MANAGEMENT PLANNING.....	5
V.	NATURAL/HISTORIC RESOURCES.....	6
VI.	WILDLIFE RESOURCES.....	9
VII.	RECREATION RESOURCES.....	10
VIII.	TIMBER RESOURCES.....	16
IX.	TRANSPORTATION.....	22
X.	PUBLIC ACCESS.....	22
XI.	LAND TRANSACTIONS.....	23
XII.	SUBMERGED LANDS.....	24
XIII.	SHORE AND HARBOR MANAGEMENT FUND.....	25
XIV.	COASTAL ISLAND PROGRAM.....	25
XV.	ADMINISTRATION.....	25
XVI.	INCOME AND EXPENDITURES ACCOUNTING – FY 2016.....	26
XVII.	FINANCIAL REPORT FOR FY 2016.....	34
XVIII.	CONCLUSION.....	42
Appendix A:	Map of BPL Property Interests in FY 2016.....	43
Appendix B:	Map of Public Reserved Lands Management Regions.....	45
Appendix C:	BPL Public Lands Harvest Data: FY 2007 - FY 2016.....	47

Cover Photo: Lang Pond within the Cold Stream Forest Unit, acquired in FY 2016 - Jim Vogel

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 2016 (FY 2016). 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. A review of FY 2017 highlights is also provided.

Income and expenditure information is provided for fiscal year FY 2016 and a report is also included for the upcoming FY 2018 budget. The ACF Committee has the obligation to report by March 15th to the Appropriations Committee on the Bureau's Public Lands upcoming FY 2018 budget.

The "Public 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 (631,205 acres in FY 2016) "*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).

The Bureau's Public Lands management activities are directed by 15-year, multiple-use plans for the major properties. 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. HIGHLIGHTS – FY 2016 & FY 2017 (to date)

FY 2016

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 FY 2016 (Nov. 2015), the Bureau had annual surveillance audits under both the FSC and SFI programs. The auditors working with our certification agency, Bureau Veritas, visited 17 separate sites on nine different townships in the Bureau's West Region, viewing exemplary timber harvests, high quality roadbuilding in challenging terrain, diverse wildlife management practices, and well-planned recreation management. They

particularly noted the thinning of immature stands and diversity of wildlife habitat.

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.

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. Activities in FY 2016 included continued harvesting under OBF in the West, and monitoring of success in the North and East.

Timber Management Program – In FY 2016, timber harvests from inventory on Bureau-managed lands totaled 111,900 cords, a 20% decrease from FY 2014. The decrease was the result of weaker markets plus a very mild winter. The Bureau and its contractors supplied wood to over 40 mills statewide in FY 2016. Prescriptions were completed on over 14,000 acres during FY 2016.

Sugar Bush Leases – The Lands Western Region currently has three sugar maple lease agreements, one at Bald Mountain Unit in Rangeley and two in Sandy Bay Township. The Bald Mountain operation covers about 40 acres while those in Sandy Bay cover about 400 acres.

Wildlife Management – The Bureau manages about 35,800 acres of deer wintering areas (DWAs) on Public Lands, and a 23,000 acre lynx habitat area at Seboomook managed under a MOU with IF&W.

Recreation – The Bureau's Lands division is responsible for over 420 campsites, over 175 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.

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 \$90,000 from federal allocations were awarded for trails projects on Public Lands in FY 2016.

Recreational trails work in FY 2016 focused on some of the Bureau’s most popular trail destinations across the State including:

- continued work on development of the “Great Circle Trail” on the Nahmakanta Unit in Piscataquis County, a backcountry loop connecting with the Appalachian Trail;
- rehabilitation and upgrading of trails on the remote Deboullie Unit and less remote Scopan Unit in Aroostook County;
- restoration of hiking trails on the heavily used Tumbledown Mountain lands in Franklin County;

A total of 4.5 miles of trail was constructed and about 8 miles were rehabilitated or improved.

Moosehead Region Trails Planning: In FY 2016 the Bureau continued working with funds from the Weyerhaeuser Company (formerly Plum Creek) to plan and develop an enhanced non-motorized trail system in the Moosehead Lake Region. The initiative is a result of the terms of the Land Use Planning Commission-approved Moosehead Lake 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 Weyerhaeuser Lands, can also include improvements to trails on Public Lands.

FY 2016 saw the completion of two significant portage trails on the Moose River in Sandwich Academy Grant TWP. The work involved coordination between a Maine Conservation Corps trails construction team and the Northern Forest Canoe Trail. Additionally, the Maine Conservation Corps and a team from the Appalachian Mountain Club made significant progress on a multi-use (non-motorized) trail that will span over 6 miles on Blue Ridge in Bowdoin College Grant West TWP. Over the course of parts of FY 2016 and the first part of FY 2017, the Appalachian Mountain Club crew also expanded the #4 Mt. Trail (Frenchtown TWP) nearly 2 miles further south toward Baker Mt.

The work referenced above is in addition to prior project work that added two notable trail resources to public ownership and management (the Eagle Rock Trail originating on the Little Moose Public Lands and redesign of the Number Four Mt. Trail in Frenchtown). More details on the

Moosehead Lake Region trail project can be found at: <http://www.maine.gov/dacf/mooseheadtrails>

State Comprehensive Outdoor Recreation Plan – The start of FY 2016 saw the completion and acceptance of the *Maine State Comprehensive Outdoor Recreation Plan (ME SCORP)* – a large planning effort statewide in scope which identifies trends, issues, and priorities for outdoor recreation in Maine. The plan qualifies Maine to receive federal Land and Water Conservation Funds which aid state and local governments in the acquisition and/or development of public outdoor recreation facilities. Relative to Public Lands, the ME SCORP identifies outdoor recreation issues and opportunities – some of which Public Lands management might be positioned to address.

Land Management Planning – During FY 2016, the Bureau completed (excepting final internal review), the Moosehead Region Management Plan covering over 31,000 acres of public lands.

In addition, a 5-year Plan Review was largely completed on the Aroostook Hills Region Management Plan adopted in August 2009 (the review began in December 2014 but was delayed to resolve questions related to potential sugarbush leases on the Scopan Unit). 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, the Aroostook Hills Region Plan, was amended to allow for potential sugarbush leases on the Scopan Unit.

Submerged Lands & Coastal Islands Program – Submerged lands (all land from the mean low-water mark out to the 3 mile territorial limit) 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) (\$70,000

in FY 2016), which manages recreation on public and private islands that are part of the Maine Island Trail. In FY 2016 MITA and the Bureau celebrated 26 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.

FY 2017 (to date)

Forest Certification – The audits conducted in early December of 2016 included an annual surveillance audit for SFI and a full recertification audit for FSC. Therefore the auditors visited all three BPL regions and over 30 sites.

Timber Management Program – Timber harvest volume for FY 2017 was at 83,000 cords through February 8, with much of the winter harvest yet to be added. Estimated total volume for all of FY 2017 is 120,000 cords. Prescriptions completed to date cover about 5,000 acres, with much of that work often done during the spring mud season while harvest operations are inactive.

The Bureau had a forest inventory conducted in the fall of 2016 on those acres where timber management is an important part of the allocations. The data shows that the Bureau forest continues to add volume, having increased from 23.0 cords per acre in the 2011 inventory to 23.8 cords per acre in 2016 on those acres included in the 2011 measurements. Spruce and pine showed significant increases. On the 27,565 acres not inventoried in 2011, volume averaged 16.4 cords per acre. These are all recent acquisitions, on which little if any Bureau timber management has occurred to date. Though forest inventories are only a sampling of the trees, the total volume estimates are quite reliable. (If twenty similar inventories were

conducted, nineteen should result in a volume within five percent of what is shown above.)

Timber management highlights for the Northern Region include treatment of a block of the sugarbush identified at Scopan in preparation for a sugarbush lease, and 350 acres of timber stand improvement completed on the Eagle Lake Unit. In the Eastern Region, 300 acres were treated at Seboeis and Nahmakanta to reduce the dominance of diseased beech and restore desirable species composition.

Staff from all three regions participated in the New Brunswick spruce budworm tour organized by the Insect & Disease Division of the MFS.

Recreation Facility, Transportation, and Historic Resources – In the Northern Region, staff completed the rehabilitation of the historic fire watchman cabin on top of Deboullie Mountain. The region is in the process of purchasing Chamberlain Bridge (within the AWW) from Katahdin Forest Management, which provides critical access for the recreating public and for land management.

In the Eastern Region, work was begun on the three-year process to complete the Great Circle Trail at Nahmakanta. Also, the region completed the Roaded Wood Project aimed at ensuring road access to three years' worth of harvestable timber, with the required construction and upgrading of roads and bridges.

In the Western Region, recreation facility improvements including a major rerouting of 12 miles of snowmobile trail on the Seboomook Unit, and rehabilitation of 15 Moose River Bow Trip campsites on the Holeb Unit. Also, about 1.5 miles of road at the Little Moose Unit was upgraded to the public use road standard.

Also in the Western Region, the Bureau continued its Moosehead Lake Region trails work with the Weyerhaeuser Company by completing two significant portage trails totaling 0.5 miles on the Moose River in Sandwich Academy Grant TWP. The work involved coordination between a Maine Conservation Corps trails construction team and the Northern Forest Canoe Trail. Additional Moosehead Lake Region Trails work included acquiring over 5 miles of new trail easements associated with portions of a developing multi-use (non-motorized) trail that will span over 6 miles on Blue Ridge in Bowdoin College Grant West TWP as well as additional trail easement mileage on the #4 Mt./Baker Mt. Trail in Frenchtown TWP. Trail

construction work in the last quarter of FY 2016 focused on the Blue Ridge Trail project.

Other Real Estate, Planning and Wildlife Highlights – The Northern Region constructed a 40'x50' storage building at the Ashland headquarters. The region has also completed the consolidation of all the common and undivided parcels within T10 R4 (Scopan Unit) with Prentiss & Carlisle.

In the area of management planning, the Moosehead Region Management Plan was finalized and adopted (most of the work on the Plan occurred in FY 2016). Also, the public process for development of the Upper Kennebec Region Management Plan was begun, including a public scoping meeting and a meeting with the Advisory Committee to discuss plan issues. Work has begun on the Draft Plan. That Plan will address 3 major and 12 smaller management units totaling over 43,000 acres. In addition, 5-year Plan Reviews have been completed for the Western Mountains Region Plan and the Bradbury Mountain State Park & Pineland Public Lands Plan, and the review of the Aroostook Hills Region Plan was finalized.

An update of the Bureau's Wildlife Guidelines is in review with completion expected this year. In the Western Region, 7 acres of field reclamation for wildlife was completed at Days Academy, and harvesting commenced on the Seboomook Unit in July 2016 to help address wildlife commitments contained in the Canada lynx MOU.

III. SCOPE OF RESPONSIBILITIES

The Bureau of Parks and Lands is responsible for management of Public Reserved and Nonreserved Lands, State Parks and Historic Sites, the Allagash Wilderness Waterway (AWW), the Penobscot River Corridor (PRC), submerged lands and state-held coastal islands (see Appendix A). The Director of the Maine Forest Service has been administratively assigned oversight of the Bureau's Reserved and Nonreserved Public Lands.

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 2016, lands under the Bureau's ownership, management or oversight included:

- 631,205 acres of Public Reserved and Nonreserved Lands held in fee;
- 373,081 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;
- 85,306 acres of fee lands held as Parks, Historic Sites or Boat Access Sites;
- 2.3 million acres of marine and freshwater submerged lands and 1,095 acres in publicly held coastal islands;
- 968 acres of lands leased from or under agreement from others for management as Parks lands; and
- 52,824 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 156 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 153. 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 Bureau's responsibilities for management of the Public Reserved Lands are divided among Northern, Eastern, and Western Regions (see Appendix B). The status of the management plans for each of the major Public Reserved Lands Units is provided in the table below, by management 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 (MAJOR UNITS)

Northern Region		
1	Chamberlain	To do
2	Deboullie ¹	Adopted June 2007
3	Eagle Lake ¹	Adopted June 2007
4	Gero Is./Chesuncook	Adopted 1980
5	Round Pond	Adopted 1992
6	Salmon Brk Lake Bog ¹	Adopted June 2007
7	Scraggly Lake ²	Adopted August 2009
8	Scopan ²	Adopted August 2009
9	Telos	Adopted 1990
Eastern Region		
10	Amherst Forest ³	Adopted Dec. 2010
11	Bradley ³	Adopted July 2009
12	Cutler Coast ⁴	Adopted March 2007
13	Donnell Pond ⁴	Adopted March 2007
14	Duck Lake ³	Adopted July 2009
15	East Grand Orient	To do (new acquisition)
16	East Turner Mtn ⁵	Adopted May 2014
17	Great Heath ⁴	Adopted March 2007
18	Machias River ⁴	Adopted July 2009
19	Millinocket Forest ⁵	Adopted May 2014
20	Nahmakanta ⁵	Adopted May 2014
21	Rocky Lake ⁴	Adopted March 2007
22	Seboeis ⁵	Adopted May 2014
23	Wassataquoik ⁵	Adopted May 2014
Western Region		
24	Bald Mountain ⁶	Adopted Jan. 2011
25	Bigelow Preserve ⁷	Adopted June 2007
26	Chain of Ponds ⁷	Adopted June 2007
27	Cold Stream Forest	To do (new acquisition)
28	Crocker Mountain ⁷	Adopted April 2015
29	Days Academy ⁸	Adopted Feb. 2017
30	Dead Riv/Spring Lake ⁷	Adopted June 2007
31	Dodge Point	Adopted 1991
32	Four Ponds ⁶	Adopted Jan. 2011
33	Holeb ⁹	Adopted 1989

34	Kennebec Highlands	Adopted October 2011
35	Little Moose ⁸	Adopted Feb. 2017
36	Mahoosuc ⁶	Adopted June 2007
37	Mount Abraham ⁷	Adopted Jan. 2011
38	Pineland	Adopted Jan. 2011
39	Richardson ⁶	Adopted Jan. 2011
40	Seboomook	Adopted March 2007
41	Sugar Island ⁶	Adopted Feb. 2017
42	Tumbledown Mtn.	To do

¹ Northern Aroostook Region

² Aroostook Hills Region

³ Eastern Interior Region

⁴ Downeast Region

⁵ Central Penobscot Region

⁶ Western Mountains Region

⁷ Flagstaff Region

⁸ Moosehead Region

⁹ Upper Kennebec Region

(1st Region Plan in-progress)

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 2016, the Bureau largely completed the Moosehead Region Plan, which addresses over 31,000 acres of public lands. Following final internal review, the Plan was adopted in February 2017. Also in FY 2017 to date, the Bureau completed 5-year reviews for the Western Mountains Region Plan and the Bradbury Mountain State Park & Pineland Public Lands Management Plan. The Western Mountain Region review resulted in amendments to the Plan specific to the Four Ponds and Richardson Units, related to a proposed new ATV trails.

V. NATURAL/HISTORIC RESOURCES

NATURAL RESOURCE INVENTORIES (NRI's)

The Maine Natural Areas Program within the DACF Bureau of Resource Information and Land Use Planning conducts inventories of natural resources on lands managed by BPL 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 2016: MNAP staff conducted field work and drafted NRI reports for Public Lands in the Moosehead, Upper Kennebec, Allagash and St. John regions in FY 2016 in association with management planning underway (or scheduled to begin in FY 2017). 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 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 4,756 acres of that limit. Some areas have been noted in the

recent management plans as potential additions to the ecological reserve system.

Original Reserves and Changes: 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). In 2007, changes were adopted to four reserves in the Downeast and Northern Aroostook Regions due to land acquisition, deed conditions, and field work.

Original Ecological Reserves Designated in 2001 and Modifications Adopted in 2007		
<i>Name</i>	<i>Original 2001 Acres</i>	<i>Changes adopted in 2007</i>
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 2013 the Bureau designated six Ecological Reserves (see table below). These areas were acquired with the condition that they be, in part or in whole, designated Ecological Reserves.

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 718,157 acres. The 15% limit would then be applied to the total acres less 24,934 acquired with deed restrictions; or 103,983 acres. This means that 100,000 acres is presently the actual upper limit with regard to the first statutory condition.

Ecological Reserves as a Proportion of Total Acres Under Bureau Jurisdiction in FY 2016*	
Land Type	Total Fee Acres
State Park Lands	85,306
Boat Access Lands	552
Public Reserved Lands	627,540
Non-reserved Public Lands	3,664
Unregistered Coastal Islands	1,095
Subtotal	718,157
Land acquired on condition of ecoreserve designation	-24,934
Total	693,223
Lesser of 15% of Lands under Bureau Jurisdiction or 100,000	100,000

Regarding the 6% rule, there are approximately 427,600 acres of operable timberland on Public Reserved and Non-reserved Lands, with approximately 20,900 acres of these located in qualifying reserves. This is roughly 4,756 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 FY 2016*	
Land Type	Operable Timberland Acres
Total Operable Lands	427,600
6% of Operable Lands	25,656
Operable in Qualifying Reserves	20,900
Net avail. acres for ER designation	4,756

*Operable timberland acres are on lands held in fee, not including Ecological Reserves designated as a condition of the acquisition. The total includes an estimate of 9,000 acres for the newly acquired Cold Stream Forest and East Grand Orient Units, for which field data is not yet available. 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

Ecological Reserves Designated as a Result of Acquisition Conditions	
Name	Acres
Big Spencer (2007)	4,242
Mount Abraham (2007)	5,186
St. John Ponds (2007)	3,917
Machias River (2009)	2,780
Number 5 Bog (2009)	4,809
Crocker Mountain (2013)	4,000
Total Reserves acquired through acquisition terms	24,934

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 2016, MNAP conducted its fourth year of the 10-year re-sampling effort by revisiting the long term forest monitoring plots that were first established beginning 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 2016 MNAP revisited 71 permanent monitoring plots in the Big Spencer and St. John Ponds Ecological Reserves. As of summer 2016, MNAP has completed the 10 year 're-sampling' on more than 390 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. The Eastern Region is reviewing a book in progress about the history of lumbering and sporting camps at Nahmakanta.

VI. WILDLIFE RESOURCES

A key component of the Bureau's integrated resource management program is coordinating land management activities with fisheries and DWA 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 2016 on lands managed by the Bureau were as follows:

Habitat Management. One hundred sixteen (116) waterfowl nesting boxes were maintained by regional staff. Spraying for invasive species control was conducted on 40 acres at Hebron Demonstration Forest and 5 acres at Pineland Public Lands. Old field mowing activities were performed at several sites in the Western Region. Contracts for routine beaver control activities were developed by BPL regional offices. Planning for the replacement of the damaged water control structure at Moosehead Junction was undertaken affecting 75 acres of productive waterfowl nesting habitat. There were no wetland management activities involving maintenance of existing siphon pipe/fence installations required and no new structures were built.

The staff wildlife biologist participated in a spruce budworm fact finding trip to the north shore of Quebec with Baxter State Park staff to inform a response plan.

Seeding Program. 235 acres of herbaceous seeding was established on 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. In FY 2016 the BPL staff biologist coordinated harvesting activities on several thousand acres of DWA with IF&W. The BPL staff wildlife biologist worked with the IFW group that developed standards for cooperative biological deer wintering areas (BDWA), a landscape alternative to LUPC zoning.



White-tailed Deer

Lynx Habitat Management. Bureau staff completed field checks of portions of the 23,000 acre lynx ITP area at Seboomook for potential high quality hare habitat as part of the MOU entered into with IF&W in FY 2014. The Bureau has drafted a forest management plan for this area also as part of the MOU.



Canada Lynx – photo by Dorothy Fescke

Harvest Prescriptions. The wildlife specialist reviewed timber harvest plans for compartments totaling over 8,000 acres of Public Lands for fish and wildlife habitat compatibility and potential habitat enhancement.

Research Requests. Special activity permits for several research projects on BPL managed lands were issued.

Forest Certification. The biologist assigned to BPL participated in the concurrent Sustainable Forestry Initiative (SFI) and Forest Stewardship Council (FSC) annual audit in November 2015 (FY 2016) in the Western Region. Planning and administration for fisheries, wildlife, invasive plant management and biodiversity issues related to forest certification conditions were addressed as required.

VII. RECREATION RESOURCES

The Bureau's Public Lands Division is responsible for over 420 campsites, over 175 miles of day hiking and backpacking trails (excluding 71 miles of Appalachian Trail located on state-owned lands), 35 trailer accessible and hand-carry boat launching sites, and approximately 292 miles of public access road.

FY 2016 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. Five campsites were constructed and 45 were rehabilitated (most at Flagstaff Lake). In addition 4.5 miles of hiking trail was constructed and about 8 miles rehabilitated. A summary of FY 2016 projects follows.

Western Region: In FY 2016, this Region maintained about 220 campsites and 39 miles of hiking trails, 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 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 rehabilitation and improvement projects were undertaken in the Western Region. The Region was assisted by an AmeriCorps Environmental Steward placed at the Bigelow Preserve, and by MCC crews for many projects. Projects completed include:

- 40 individual campsites and one group campsite rehabilitated
- 2.5 miles of hiking trail constructed
- 4 miles of hiking trail rehabilitated
- 1 trailer boat launch constructed
- 12 vault toilet and privies constructed

Bigelow Preserve & Flagstaff Lake. Recreation facility improvements were completed at two major sites at Flagstaff Lake and on the Dead River and at more than half a dozen additional sites on the lake, most of which include multiple water and road access campsites. At several sites the work

included ADA access improvements. All of the improvements were completed in conjunction with FERC hydropower license requirements and were funded by the licensee, Brookfield Hydro, with a total value of over \$325,000.

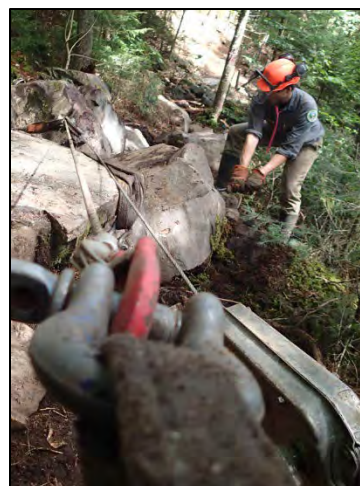
As was the case in the previous year, a 900-hour AmeriCorps Environmental Steward position assisted management efforts and visitor education at the Preserve and surrounding Public Lands. The Bigelow Lodge was kept open for 10 weekends beginning in January and during February school vacation week for snowmobilers and cross country skiers to stop in and warm up. The lodge is staffed with a Lands Ranger.

Tumbledown Mountain. In FY 2016 BPL continued hiking trail rehabilitation efforts on two miles of trail. An AmeriCorps position, split with nearby Mount Blue State Park, was used to assist with maintenance of the trail system.

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 with stewardship of the Parker Pond Islands owned by the Bureau by the Parker Pond Association.

Little Moose/Big Spencer Mountain. MCC crews continued rehabilitation work on the Little Moose Mountain trail, as well as at Big Spencer Mountain.



Trail construction in progress in the BPL Western Region.

Moosehead Lake. Campsite access improvements and campsite rehabilitation (four campsites) was completed at Jewett Cove on the lake's east shore. In addition, more than 50 new picnic tables were built and installed at the Cowan Cove and Spencer Bay campgrounds.

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.

Special Use Permits

The Western Region issued a number of permits for special events such as the Maine Forest Rally (car race on gravel roads), Carrabassett Backcountry Cycle Challenge (mountain bike race), Western Maine Mountains Jeepers trail ride, and an AT hiker support event. Individual permits were issued for fir tipping, mineral collecting, and ATV use (handicapped access off the designated trail network).

Eastern Region: In FY 2016 the Eastern Region maintained 132 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 Nahmakanta Lake Camp to maintain water access campsites, Sebouis Lake campowners in controlling water levels with the Bureau owned dam, the Town of Amherst on the Amherst Community Forest – a Public Reserved Land Unit, and National Trail Day event; and the Donnell Pond Campowners Association on construction of a new bridge, road maintenance and plowing to the boat launch. The Region was again assisted by MCC crews on a number of projects. Projects completed include:

- 2 miles of hiking trail constructed
- 0.5 miles of hiking trail rehabilitated
- 4 individual campsites and one group campsite constructed
- 1 trailer and 1 hand carry boat launch constructed
- 2 boat launch sites improved
- 1 vault toilet constructed

Seboeis. A new road, parking area and hand carry boat launch was constructed at the south end of the lake.

Nahmakanta. LUPC approval was obtained for a five-year recreation management plan, a key aspect of which is continued development of the Great Circle Trail, which will enhance Nahmakanta as a backcountry hiking destination. FY 2016 was the first year of a three year contract to finish the trail. Also, a group campsite with two lean-to's and one tent platform was constructed at a former sporting camp site on Wadleigh Pond.

Machias River. A new four-site camping area was added on Fifth Machias Stream.

Donnell Unit: Work was completed to improve the boat launches on Donnell Pond.

Amherst Forest: Work was completed to relocate portions of and expand the Bald Bluff trail system.

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.

Special Use Permits

A permit was issued for fir tipping.

Northern Region: In FY 2016 this Region maintained 70 campsites and 38 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. Projects completed include:

- 3.5 miles of hiking trail rehabilitated/improved
- 1 campsite picnic table shelter constructed
- 1 vault toilet and 3 privies constructed

Deboullie. Repairs were begun on the Deboullie Mountain fire warden's cabin and an MCC crew rehabilitated and upgraded 3 miles of hiking trail using funding from the Recreational Trails Program (RTP).

Scopan. An MCC crew rehabilitated and upgraded 0.5 miles of hiking trail using RTP funding.

Scraggly Lake. The Maine Conservation Corps constructed a kiosk, installed a vault toilet and replaced a pit privy.

Eagle Lake. The Bureau replaced a picnic table shelter at a campsite and replaced two pit privies.

Chamberlain Lake. The Bureau completed layout of a proposed hiking trail from a logging road to the abandoned locomotives in the vicinity of the old tramway between Chamberlain and Eagle Lake.

PUBLIC INFORMATION

During FY 2016, 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 and new brochures in the color Guide & Map series.

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

New in FY 2016:

Viewable Campsites Google Earth Project – Additions

- Campgrounds Added: Lily Bay and Mount Blue.
- FY 2016: Lake St. George, Peaks-Kenny, Warren Island; and the Allagash Wilderness Waterway with links back to history pages on the web. Planned for FY 2017: Rangeley Lake, Sebago Lake (partial); and selected campsites on public lands.
- This project continues as a collaborative effort of the BPL Camping Reservations Manager, BPL field staff, GIS Coordinator, and Webmaster/ Interpretive Specialist. These virtual visits enhance visitor experience and safety by increasing the visitor knowledge about the campsites before their arrival.

Trail Conditions Webpages – Additions:

- Expanded to include the Allagash Wilderness Waterway in time for the 50th Year Anniversary. Drafts produced: the Penobscot River Corridor, Popham Beach, and Wolfe’s Neck Woods; planned for FY 2017 roll-out.
- Park and trail conditions made instantly available to the public from the field through connection of new webpages to a delivery system for alerts. Visitors subscribe to the alerts and select how to receive them: as an email or text message. Subscription is available online and by texting. The Park and Trails Conditions online pages include extensive related information beyond the conditions report, such as: trail descriptions, maps, current weather, programs and events. Currently available at nine park locations and the Allagash Wilderness Waterway. Several of these locations have over 1,000 subscribers.

Publications & Maps Webpage

www.maine.gov/dacf/parks/publications_maps/index.shtml

- Improved listing – all currently available color Guide & Maps, plus the statewide brochures: Your Maine Lands, Outdoors in Maine, Outdoors in Maine Mini-brochure, are listed alphabetically and linked online. This is in addition to the links on the individual property pages.

Hunting & Bear Baiting Webpage

www.maine.gov/dacf/parks/hunting_fishing/hunting.shtml

- Improved with addition of online bear baiting fillable form application and bear bait site maps by lands region. Posted in May for June applications; taken down after application period.

Guide & Map Brochures. The Bureau continues to develop a series of in-depth brochures to post online and make available in printed form. New during the FY were Bigelow Preserve & Flagstaff Lake, Deboullie, Moosehead Lake Shoreline, Nahmakanta and the Penobscot River Corridor/Seboomook. This project will continue in the next FY with updates & reprints for several guides and 10 new guides for public lands: Amherst Mts. Community Forest, Dodge Point, Duck Lake, Kennebec Highlands, Little Moose, Pineland, Salmon Brook Lake Bog, Scopan, Scraggly Lake,

and Donnell Pond. *(Note - additional Guide & Maps were produced for State Parks)*

Bureau Newsletter. A new e-newsletter that features Bureau news and events is sent out monthly to over 4,500 e-mail subscribers. Sign-up is through the State GovDelivery system at <https://public.govdelivery.com/accounts/MEDACF/s/subscribe/new> or by contacting BPL’s Interpretive Specialist and Webmaster at Jocelyn.Hubbell@Maine.gov.

Collaborations with Other Organizations.

Information about non-motorized trails on Parks and Lands may be found on the Maine Trail Finder website (www.maineTrailfinder.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, 40 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 2016. 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 2016, 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 with recreational duties.

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 2016 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 2016, NMW day use fees were \$7.00/person for residents and \$12.00/person for nonresidents. Camping fees were \$10.00/ person/night for Maine residents and \$12/person/night for nonresidents. Fees are expected to increase 15-20% in 2017 in line with the voter-approved increase in the state minimum wage. 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 2016, PRC camping fees were \$6/person/night for residents and \$12/person/night for nonresidents, plus a 9% Maine Lodging Tax. When these areas are accessed via a NMW Checkpoint, NMW day use fees (\$7.00 and \$12.00 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 boat-access campsites on Richardson Lakes

(Upper Richardson Lake) to South Arm Campground, a privately owned facility on adjoining private land. In FY 2016, the campground owner charged \$15.00 (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 2016, the Bureau issued 404 bear bait permits: 162 for personal sites and 242 for commercial sites, with permit revenues totaling \$20,590. Seven new bait sites were established in T1 R12 within the Nahmakanta Unit.

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 2016 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 and a designated AT side trail at Mt. Abram. 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 MATC 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. The local chapter of the New England Mountain Bike Association (NEMBA) provides mountain bike trail support.

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.

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

Frenchman's Hole, Mahoosuc. 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 Mahoosuc 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. The local chapter of NEMBA is working with the Bureau to construct 2 miles of mountain bike trail on the Unit.

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.

Nahmakanta. The Bureau has an agreement with Nahmakanta Lake Camps for maintenance of water access campsites.

Northern Forest Canoe Trail (NFCT). The Bureau has an ongoing relationship with the multi-state NFCT, which promotes canoe and kayak trips and stewardship across many public and private properties in Maine.

Parker Pond. The Parker Pond Association provides stewardship of several Bureau-owned islands in the pond.

Weyerhaeuser. As part of the Moosehead Lake Region Concept Plan, Weyerhaeuser Company (formerly 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 Weyerhaeuser 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 Weyerhaeuser 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 again in 2016, and continues to be important for both forest management planning, and third-party forest certification auditors.

Status of Current Inventory and Annual Allowable Cut. The table below shows the changes in AAC for FY2008 through FY2017. 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. The 2016 inventory (actually in FY2017) revealed a further increase of about 0.8 cords per acre on those lands sampled in both 2011 and 2016. Compared to the 1999 and 2011 volumes per acre, the current inventory shows that most softwood species have increased, especially spruce and white pine. Among hardwoods, aspen had the largest decrease in volume while most other hardwoods remained about the same. The drop in aspen comes both from the mortality of overmature stems on this relatively short-lived species, and Bureau harvests targeting it because of that overmaturity.

Fiscal Year	AAC Cords	Rationale, Support for Changes*
2008	114,860	Model 2006
2009	114,860	Model 2006
2010	114,860	Model 2006
2011	114,860	Model 2006
2012	114,860	Model 2006
2013	141,500	Model 2012, 15% discount
2014	141,500	Model 2012, 15% discount
2015	141,500	Model 2012, 15% discount
2016	149,000	Included 27,565 "new" ac.
2017	157,500	2016 inventory warrants 10% discount
2012-16	137,672	Avg. harvest: 131,364 cords

* "Discount" is net growth impractical to harvest, due to access costs or low volumes per acre.

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 FY 2013 and beyond by about 20%, from 115,000 to 141,500 cords (as previously reported for CY 2012). Inclusion of about 24,000 acres of operable land in recent acquisitions would result in a recalculated AAC of 149,000 cords per year. As part of the 2015 budget document, the legislature included the following: "...timber harvesting on public reserved lands and nonreserved public lands may not exceed in total an average of 160,000 cords per year over any 3-year period." The language also provided that any change of harvest levels must be implemented through the State's rulemaking process.

The Bureau conducted an updated inventory late in 2016 on the regulated acres portion of the landbase under its management, that portion on which net growth and AAC are calculated. This inventory provides a statistically rigorous look at how the increased harvest levels during the five years FY 2012 through FY 2016 may have impacted the stocking of the managed forest. Harvesting for those five years averaged 131,400 cords per year, and volume on those lands sampled in both 2011 and 2016 increased by 3.5 percent.

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 might limit future increases in timber inventory across the landbase, while adding 8,350 cords to the annual allowable cut. Expansion of the road system and harvesting in younger age class stands more capable of responding should further increase the AAC.

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. The Bureau is setting up a working group of people with experience in past budworm outbreaks, and/or an interest in the condition of the spruce/fir forest and its role as winter deer cover. This group will develop strategies for responding to the possible threat, and to an actual outbreak should it occur, including options for protecting such stands through the use of narrowly targeted insecticides. Shifts in harvest areas and targeting fir and white spruce will continue.

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 FY 2014 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 FY 2015. 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 timber types updated in 2016. It is anticipated that modeling will be completed late in FY 2017.

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 and allocating lands to their dominant uses;
- 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 2016. 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.

Prior to 2012, 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).



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

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. The development of accurate electronic tracking devices mounted in harvest machinery has often allowed Bureau field staff to precisely target areas to be treated without having to individually mark the trees. All harvest operations are inspected by Bureau staff on a weekly basis, more often when individual situations warrant.

Contract Logging Services (CLS) Project.

Beginning in FY 2016, the Northern Region implemented CLS on all harvests except some windthrow salvage and the individual firewood permits. This resulted in an increase in revenue per cord harvested compared to FY 2012, and despite a decrease in per cord rates in FY2016 due to much poorer markets, that 2016 rate is still far above that from before CLS became the norm. CLS sales were also conducted in each of the other regions, making up about 25% of harvest volume in those regions and 55% of the total FY 2016 volume. Objectives for CLS are two-fold: 1) to improve stability in achieving harvest goals, and 2) to enhance Bureau timber revenues. Where CLS has been 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, especially for road building (while increasing the quality of construction), 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 FY 2016. The implementation of prescriptions in FY 2016 is summarized below.

- A total of 115,700 cord equivalents was harvested from 9,500 acres. After deducting the portion of biomass that came from tops and limbs (not included in AAC calculation), the harvest was 111,900 cords, significantly below the 2016 AAC of 149,000 cords, keeping the ten-year BPL harvest at about 10 percent below the total allowable cut for 2007 through 2016.
- A total of 47 operations were ongoing in FY 2016. 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 over 40 mills statewide.

Firewood Permit Program: Individual firewood permits totaling 200 cords were issued by the Bureau in FY 2016. This is about the same as last year's volume. Firewood harvests by logging contractors also decreased; however, over 1,200 cords of firewood were supplied by these contractors from lands managed by the Bureau.

Sugar Bush Leases: The Lands Western Region currently has three sugar bush lease agreements, one at Bald Mountain Unit in Rangeley and two in Sandy Bay Township. The 40-acre 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 operations, when fully utilized, will include approximately 34,000 taps on up to 400 acres. This includes two full service sugar houses to produce finished maple syrup, one serving 14,000 taps and the other 20,000 taps. Currently, the two Sandy Bay leases are at about 50% and 25% of full utilization, respectively, with plans to add taps each season. 2016 was the first year of production for the older of the two leases; 2017 will be the first year of production for the newer lease.

In FY 2016, the Northern Region began work to initiate sugar bush leases on the Scopan Unit; the first phase of this effort could bid out 5,000 taps, with potential to expand to 10,000 taps. All regions continue to consider sugar bush lease opportunities.

FY 2016 Harvest and Market Analysis. Timber harvested in FY 2016 on Bureau lands from inventory totaled 111,900 cords (115,700 cords including biomass). The FY 2016 figure is 26% below the 2016 Bureau-established "allowable cut" of 149,000 cords. Significantly weaker markets had a major effect on harvests, and winter 2015-16 was late in arriving and much milder than average, resulting in harvest volumes well below AAC.

The average price paid to the Bureau per cord was very similar in FY 2016 to that in FY 2015, holding steady on average despite the markets, mainly because a larger share of that volume came from the all-CLS North but also because softwood proportion rose to 50% from FY 2015, when it was 44%. (The 2016 inventory showed softwoods making up 59% of the volume on Bureau-managed lands.) Stumpage rates decreased significantly for all products except hardwood logs and veneer, which showed only a slight decrease. The decline was especially steep for softwood pulpwood. The hardwood harvest of 50% 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 7% of the hardwood volume came from sawlogs and veneer while the inventory showed a considerably greater proportion of hardwood volume in those products, 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 sustainable level, while continuing to practice the highest quality silviculture. However, operational issues and natural events can affect harvest volumes both negatively (as noted above for FY 2016) and positively.

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 preferred time to harvest wood and often when land managers conduct most of their harvesting, such that logging contractors have more than enough work. 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 further increase stability, harvests are spread out over the summer and fall seasons as well as winter. Implementation of CLS has enabled the Bureau to better match scheduling with the availability of harvest equipment.

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. The Bureau-managed forest holds nearly three cords of spruce for each cord of fir, while the overall Maine forest has 1.6 cords of spruce per cord of fir. 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 about 40 miles maintained in FY 2016. 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 FY 2016 (Nov. 2015) the Bureau underwent the annual surveillance audits required to maintain certification between full audits. The audit was done by Bureau Veritas, grantor of the Bureau’s certificates. Their auditors visited sites throughout the Western Region. 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 recent roads recently constructed on challenging terrain, and recreation management, especially for aesthetics. They did find one area that should have been added to the Bureau’s identified High Conservation Value (HCV) areas, habitat for the Roaring Brook mayfly, Federally listed as endangered. The watercourses on steep terrain where this insect is found have been included among Bureau HCVs.

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: The field tour was held during August of 2015 in the Eastern Region, and had numerous themes, among them visits to observe harvests on areas seen on the 2012 trip, before harvesting. These included low-density management of white pine and thinning in red pine plantations. We also looked at careful harvesting on a lot with significant acres of late successional forest, and on steep-ground harvests and roadwork on a tract where establishment of a maple sugar operation is possible. A stop at an original public lot surrounded by heavy harvests by abutters allowed discussions of “island forestry”, selection harvests that leave stands valuable for deer winter cover, and herbicide application to secure desirable regeneration in hardwoods.

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 \$24,000/yr.

DEMONSTRATION FORESTS

As a means to display the benefits of woodland ownership, the Bureau of Parks and Lands partnered with the Maine Forest Service to develop “Demonstration Forests” on two separate parcels owned and managed by Public Lands, beginning in 2016. Keeping forests as forests in Southern Maine’s rapidly changing environment is one of the most challenging efforts for those involved in land conservation today. Thousands of woodland owners throughout our state all have their own legitimate reasons for owning and managing their woodlands. The future of these continuous forest blocks cannot be secured by focusing on these landowners alone.

The Hebron public lot, also known as the Ernest Rand Memorial Forest, is on the site of the former Western Maine Sanatorium, and has been in state ownership since 1915. Once the sanatorium was closed, through a series of conveyances, the lot came under the management of the Maine Forest Service in 1966 for the explicit purpose of becoming a State Forest Demonstration and Research area. Many experimental plots were established on the lot throughout the 1960’s and ‘70’s, but the concept of a Demonstration Forest on site was never fully realized, and management of the parcel was transferred to Public Lands in 1976 along with all other State Forests. In 2016, Public Lands in partnership with the Maine Forest Service re-established this goal, upgrading access to the site, installing a kiosk for display materials, and continued efforts to control the many invasive plants impeding forest growth. Future management includes restoration of the apple orchard, and development of interpretive materials for the range of silvicultural treatments used on the lot

The Skowhegan Public Lands have a similar origin, having been part of the former Women’s Correctional Center. The management of these parcels was assigned to the Bureau of Public Lands in 1976. In 1982, the Department assumed a cooperative role with the Yankee Woodlot Demonstration Program – an informal effort of several organizations to provide public education in small woodlot management. The cooperative nature of management on this lot still exists, and in 2016 the Maine Forest Service assumed responsibility to oversee the management alongside BPL and the Somerset County Soil and Water Conservation District. A series of forestry workshops on site are ongoing through May 2017, and are centered around a timber harvest occurring on the property. The workshops are designed to educate woodland owners (current and future) with their own management activities.

Funding for the development of these demonstration forests is supported through several federal and state grants, timber harvesting revenue on the Skowhegan lot is deposited to a special Yankee Woodlot account held by the Somerset County Soil and Water Conservation District, and supports the ongoing management of the Yankee Woodlot. Continued support for these projects is through the Maine Forest Service.

IX. TRANSPORTATION

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 288 miles of public use roads on Public Lands.

BRIDGES

In FY 2016, the Bureau's Eastern Region built three bridges and redecked one bridge at Nahmakanta; bridges were also built at Donnell Pond (3), Duck Lake (2), East Turner Mtn. (2) and Rocky Lake (1). The Western Region rebuilt a public use road bridge on the Bull Branch Road in the Mahoosuc Unit. The Northern Region replaced the Falls Brook bridge on the T18 R10 WELS lot and repaired two other bridges.



Installation of a management road bridge in the Eastern Region

ROADS & ACCESS IMPROVEMENTS

Timber Management Road Construction. To facilitate both summer and winter timber harvesting activities across the state, approximately 54 miles of road were constructed or reconstructed in FY 2016, and a number of temporary wood and concrete bridges were installed. In addition, 40 miles of management road were maintained in the Northern Region under CLS contracts.

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 2016, approximately 65 miles of public use roads were maintained under contract in the Northern region, 100 miles in the Western

Region, and 212 miles in the Eastern region (110 miles of public use roads and 100 miles of management roads designated for shared ATV use) for a total of 376 miles of public use/shared use road maintained under contract. These figures include 11.4 miles of new public use road and 25.6 miles of upgraded management roads in the Eastern Region. Roadside vegetation control was conducted on 55 miles of public/shared use roads in the Eastern Region, 26 miles in the Northern Region, and 2 miles 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 2016. 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 15-16.

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 1,136-acre Seboeis Plantation lot.

INTERNAL GATES

The Bureau maintains 26 internal gates for safety purposes, to protect sensitive areas, to limit vehicle traffic on service roads, or to control certain recreational uses. Two new gates were installed at the Round Pond Habitat Management Area in FY 2016. 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. Some temporary gates are used by BPL contractors for security during harvest operations.

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). For FY 2015, the Bureau reported total acreage available for hunting as 612,637 acres. In FY 2016 the Bureau acquired a total of 14,151 acres on Cold Stream and East Grand Lake (details on these acquisitions are provided in the next section), bringing the total available for hunting to 626,787 (over 99% of Public Reserved Lands).

XI. LAND TRANSACTIONS

ACQUISITIONS

There were two fee acquisitions of land in FY 2016; the 8,159-acre Cold Stream Forest in Somerset County and the 5,992-acre East Grand Orient in Aroostook County. The Bureau also acquired a 1,494-acre working forest conservation easement as part of the East Grand Orient acquisition, and 553 acres added to the existing conservation easement surrounding Wyman Lake. In addition, the Bureau acquired by donation several hiking trail easements in the Moosehead Region during this period, as part of the partnership effort with Weyerhaeuser pursuant to a requirement of its Moosehead Region Concept Plan (see Recreation Highlights on page 3).

Both the Cold Stream Forest Project and East Grand Orient Project were funded in part with Forest Legacy Program grants. Maine's Forest Legacy program, administered by the Bureau, acquires lands and interests in forest lands with high public recreation and wildlife values through a national competitive grant program. These are federal grants awarded by the USDA Forest Service. In FY 2016 there was one other Forest Legacy Project in process - the Gulf Hags-Whitecap Project, involving a 5,425 acre working forest easement and state acquisition of 1,225 acres along the West Branch of the Pleasant River, including established campsites and access to the popular Gulf Hags Gorge as well as a section of road that is part of a regional snowmobiling trail. This project closed in December 2016.

Another project, the Big Six Forest Project, has been approved for Forest Legacy grant funding. The \$3.8 million federal grant was approved in August 2016. Upon completion, this project would result in a working forest conservation easement on 23,600 acres in northern Somerset County, on Maine's western boundary with Canada. The lands include a major segment of the state maple sugaring industry, with 8 maple sugar leases.

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."

The Bureau has guaranteed vehicle access to the recently acquired Cold Stream Forest (fee) and East Grand Orient (fee and easement) parcels. The Wyman Lake easement parcels are shorelands, most without public roads and primarily accessed by boat from the lake.

DISPOSTIONS

The sole disposition of Public Lands in FY 2016 was the sale of 1.5-acre Halfway Rock (a Nonreserved Land) in Casco Bay.

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. The SLP received 92 applications for new coastal development projects. Of these, 63 were determined to be exempt from the leasing requirements under the program rules, and 29 new lease and easement documents were prepared and completed. SLP staff undertook a 2015 coastal inventory to identify any new or existing structures that have not been brought into compliance with the SLP. As a result

of the inventory effort, staff processed 5 applications for new leases and easements for structures that were in non-compliance. Staff also received and completed 52 requests for conveyance renewals, amendments, and transfers; and 13 applications to convert "grandfathered" structures from constructive easements to conventional 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 2015, 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 1,513 new leases and easements for these structures and structures from the 2015 inventory.

Sunken Logs. No new applications to recover sunken logs from public submerged lands were received in FY 2016.

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 2015. 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 2016, funds were provided to the Bureau of Parks and Lands for pier reconstruction at Lamoine State Park, pier and float rehabilitation at Fort Point State Park and pier rehabilitation at Eagle Island Historical Site; Maine DOT for Small Harbor Improvement Program (SHIP); Maine Coastal Program's Shore and Harbor Planning Grant Program to fund municipal harbor management planning and engineering projects and to develop policy recommendations that addresses abandoned and derelict vessels; Maine IFW to reconstruct four public boat launch facilities; and 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.

XV. ADMINISTRATION

LEASES

Camplot Leases: The Bureau administers a Camplot Leasing Program for 288 residential camplots and 10 commercial sporting camps and campgrounds across the state. In FY 2016, the Bureau was in the middle of the current five-year term (2013-2017) for camplot leases. New fee schedules will be developed in 2017 with updated tax-assessed values for the next 5-year lease term (2018-2022). The Bureau has a statutory requirement to charge lease fees based on these values. The camplot program also administers 7 tent site rental agreements.

Other Leases: The Bureau administers 63 leases on public lands, for a variety of purposes as shown below. These leases have terms that range from 5 to 25 years. Twenty-eight 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 2016 included:

- 18 utility leases
- 9 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
- 3 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.

XVI. INCOME AND EXPENDITURES ACCOUNTING – FY 2016

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.** 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***
- ***Forest Legacy Fund***
[The Following Accounts are not managed by the Director of the Maine Forest Service]
- ***Submerged Lands Fund***
- ***Shore and Harbor Management Fund***
- ***Coastal Island Registry***
- ***Mackworth Island Trust***

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, campplot leases and other special leases on the Reserved Lands, and interest on the account balance. In FY 2016, the Lands Program conducted timber harvests that yielded 111,983 cords.

Expenses for personnel services, vehicle operations, information technology, and management costs for non-revenue generating activities have increased. Income for fiscal year 2016 was \$5,938,641 with expenditures of \$5,876,768. 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. The cash balance as of June 30, 2016 was \$8,053,185.

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

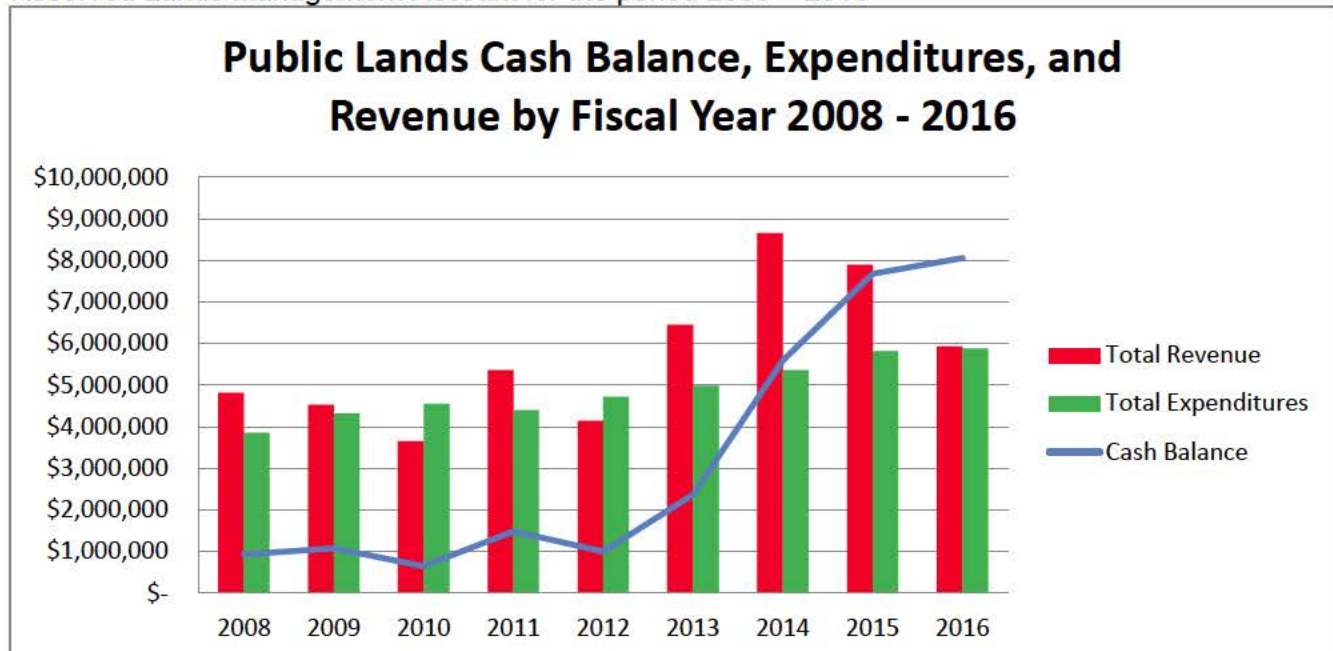
Included in the income or expenditure figures above are the portion of monies received from campplot leases and timber sales that are shared with towns and plantations pursuant to 12 MRSA §1854. Based on the income received in calendar year 2015 (payable in 2016), the Lands Program revenue sharing amounts total \$269,531.97 paid to 21 towns and plantations.

Income		Expenses	
Earnings on Investments	\$41,153	Personal Services	\$2,998,152
Rent of Lands*	\$1,054,847	All Other (not including STACAP)	\$1,573,430
Grants from State Agencies	\$198,259	Capital	\$1,119,946
Camp lot Leases*	\$372,731		
Misc. Rents & Leases	\$9,248		
Recreational Use of Lands	\$2,142		
Registration Fees	\$8,965		
Sale of Stumpage/CLS *	\$4,961,186		
Sale of Forest Products *			
Sale Timber/Gravel/Grass	\$15,105		
Recovered Cost	\$39,803		
Reg Transfer Personal Svcs			
Legis Transfer of Revenue	(\$75,273)		
DICAP**	(\$598,290)	STACAP	\$185,240
Trust & Private Contributions	\$6,814		
Service & Late Fees Misc. income	(\$87,836)		
Adj. To Balance Forward	(\$19,950)		
Total Income	\$5,928,904	Total Expenses	\$5,876,768

* 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 Chart below shows the total revenue, the total expenditures, and the cash balance for the Public Reserved Lands Management Account for the period 2008 – 2016



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 2016 was \$5,442 with \$0 in expenditures ending with a cash balance of \$28,503. 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.

Income		Expenses	
Recreational Use of Parks	\$678	All Other (not including STACAP)	\$0
Rent on Lands and Buildings	\$4,764	Capital	\$0
Sale of Stumpage	\$0	STACAP	\$0
DICAP**	\$0		
Total Income	\$5,442	Total Expenses	\$0

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 2016 was \$2,050 against expenditures of \$19,062. Balance at the end of the fiscal year was \$637,149.

Income this year was derived from interest earned on the account balance. 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.

Income		Expenses	
Earnings on Investments	\$3,290	All Other (not including STACAP)	\$8,709
Sale of Land	\$0	Capital	\$10,000
DICAP**	(\$1,240)	STACAP	\$353
Total Income	\$2,050	Total Expenses	\$19,062

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

This account was established to receive revenue from the sale of Public Nonreserved Lands. Income for fiscal year 2016 was \$38,606 and expenses were \$3,155. Balance at the end of the fiscal year was \$254,678. 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.

Income		Expenses	
Earnings on Investments	\$0		
Sale of Land	\$39,000	All Other (not including STACAP)	\$3,032
DICAP**	(\$394)	STACAP	\$123
Total Income	\$38,606	Total Expenses	\$3,155

Forest Legacy Fund (013.01A.Z239.35)

This account was established to receive grant revenue from the federal USDA Forest Service 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 2016 were \$7,330,848 which included \$24,841 in administrative grant expenses. Total Forest Legacy revenues in fiscal year 2016 were \$7,330,803. At the end of fiscal year 2016 the account had a balance of \$-184 for associated DICAP charges with the administrative grant.

Income		Expenses	
		Personal Services	\$0
Federal Grants	\$7,334,316	All Other (not including STACAP)	\$24,841
	\$0	Capital	\$7,305,000
DICAP**	(\$3,513)	STACAP	\$1,007
Total Income	\$7,330,803	Total Expenses	\$7,330,848

The following accounts are not managed by the Director of the Maine Forest Service.

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 net revenues in fiscal year 2016 were \$102,568 with expenses of \$244,828. In addition, transfers of \$80,000 to DMR and \$600,000 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 2016 was \$394,460.

Income		Expenses	
Earnings on Investments	\$2,650	Personal Services	\$210,057
Rent of Lands	\$807,718	All Other (not including STACAP)	\$25,237
Reg Transfer Personal Svcs	\$0	STACAP	\$9,534
Transfer to S&H	(\$600,000)		
DICAP**	(\$30,557)		
Legis Transfer of Revenue	(\$80,000)		
Private Contributions	(\$4,880)		
Misc Rents	\$6,412		
Misc Income	\$1,225		
Total Income	\$102,568	Total Expenses	\$244,828

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 2016, \$28,578 of revenue was transferred from the Submerged Lands Fund. Expenses in fiscal year 2016 were \$80,000 in grants to public and private organizations and \$265,000 in grants to cities and towns. Total revenues in fiscal year 2016 were \$32,803 from transfers from the Submerged Lands Fund and interest. This revenue contributed to a fiscal year-end balance of \$672,704.

Income		Expenses	
Earnings on Investments	\$4,225	Grants to Cities & Towns	\$265,000
Transfer from Submerged Lands	\$600,000	Grants to Public/Private Agencies	\$80,000
Transfer to Other State Agencies	(571,422)		
Adjustment to Balance Forward	\$0		
Total Income	\$32,803	Total Expenses	\$345,000

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 2016 was \$1,766. The cash balance at the end of fiscal year 2016 was \$15,775 from the interest accrued to date.

Income		Expenses	
Earnings on Investments	\$1,766	All Other (not including STACAP)	\$0
DICAP**	\$0	STACAP	\$0
Reg Transfer	\$0		
Total Income	\$1,766	Total Expenses	\$0

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 2016 was \$20 with no expenses. The cash balance at the end of fiscal year 2016 was \$1,030.

Income		Expenses	
Registration Fees	\$20	All Other (not including STACAP)	\$0
		STACAP	\$0
Total Income	\$20	Total Expenses	\$0

XVII. FINANCIAL REPORT FOR FY 2018

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***
- ***Forest Legacy Fund***
[The Following Accounts are not managed by the Director of the Maine Forest Service]
- ***Submerged Lands Fund***
- ***Shore and Harbor Management Fund***
- ***Coastal Island Registry***
- ***Mackworth Island Trust***

The FY18 account summaries are generated from the State of Maine Budget & Financial Management System (BFMS) as approved by the legislature. 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 in part 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 cash balance is sufficient to carry it through until additional revenues are received. If both revenue projections and the cash balance 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 2018 budget allocations proposed for each of the nine dedicated accounts within the Bureau's Public Lands Program. These allocations represent the limits within which the Bureau must operate.

FY 2018 ACCOUNT SUMMARIES

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

Income		Expenses	
Earnings on Investments	\$42,000	Personal Services	\$3,376,208
Grants from State Agencies	\$200,000	All Other (not including STACAP)	\$1,916,025
Rent of Lands*	\$1,100,000	Capital	\$0
Camp lot Leases*	\$400,000		
Recreational Use of Lands	\$14,000		
Misc. Rents & Leases	\$12,000		
Registration Fees	\$25,000		
Sale of Stumpage	\$2,001,366		
Sale of Forest Products *	\$2,400,000		
Sale Timber/Gravel/Grass	\$2,400		
Misc Income	\$15,000		
Recovered Cost	\$40,000		
Reg Transfer Unallocated	(\$81,667)		
DICAP**	(\$680,151)	STACAP	\$197,715
Total Income	\$5,489,948	Total Expenses	\$5,489,948

* 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, 2016, had an account balance of \$8,053,186 in the Public Reserved Lands Management Fund. Because most of the Program's timber harvesting took place during the winter, there was a significant seasonal fluctuation in income. The cash balance 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 per harvest unit, 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 periodic forest inventory system, and commitments to develop or expand recreational facilities.

The Public Lands Program anticipates harvesting 150,000 cords of wood which will generate an estimated \$5.6 million in revenue from recent internal assessments, which is slightly higher than amounts submitted in the budget. Concurrently the Public Lands Program anticipates spending over \$2 million on roads, bridges, and maintenance. Budgeted Allotment levels will be modified to reflect the planned activities through Financial Orders until the increased activity can be built into the Biennial Budget Process.

Lands FY18 New Initiatives

Z239-22 Public Lands (6 new initiatives/change packages)

Change Package C-A-320: Capital equipment replacements

Capital Equipment Replacements Exp	\$56,000
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Change Package C-A-342: Transfers and allocates the cost of multiple positions to align work effort with appropriate funding.

Position	Current Funding	New Funding
Pol Dev Spec	100% Parks	100% Lands
Sr. Planner	50% Parks/50% Lands	100% Lands
GIS Coord.	100% Lands	50% Parks/50% Lands
Secretary	100% Lands	20% Parks/25% Submerged Lands/ 55% Lands
Outdoor Rec Planner	100% Lands	25% Parks/75% Lands
Plng & Res Assoc. II	100% Lands	50% Parks/50% Lands
Plng & Res Assoc. I	100% Lands	25% Parks/75% Lands

Change Package C-A-344: Eliminates vacant PS Mngr III & related All Other

Position	Current Funding	New Funding
PS Mngr III	100% Lands	Eliminate
EXP	Pers Svcs	(\$119,425)
EXP	All Other	(\$4,513)
TOTAL		(\$123,938)

Change Package C-A-346: Reallocates Director of BPL to 100% Parks GF

Position	Current Funding	New Funding
Director BPL	50% Parks/50% Lands	100% Parks
EXP	Pers Svcs	(\$84,611)
EXP	All Other	(\$2,443)
TOTAL		(\$87,054)

Change Package C-A-348: Reorganizes Senior Planner to Planning & Research Assoc I transfers to MFS-FHM with 50%GF/50% Fed

Position	Current Funding	New Funding
Sr. Planner	100% Lands	Forestry (FPM) 50% GF/50% Fed FHM
EXP	Pers Svcs	(\$82,159)
EXP	All Other	(\$3,090)
TOTAL		(\$85,249)

Change Package C-A-7000: Adjusts office lease fees at Dorothea Dix Center (Bangor).

EXP		
All Other	4600 Rents	\$2,339
All Other	8511 STACAP	\$88
TOTAL		\$2,427

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

Income		Expenses	
Recreational Use of Parks	\$700	All Other (not including STACAP)	\$32,761
Rent on Lands and Buildings	\$2,500	Capital	
Sale of Stumpage	\$33,580	STACAP	\$761
DICAP**	(\$2,560)		
Total Income	\$34,220	Total Expenses	\$33,522

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

The account has a balance of \$28,503 at the end of fiscal year 2016, 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 17/18 will generate sufficient income to cover budgeted expenses.

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

Income		Expenses	
Earnings on Investments	\$3,300	All Other (not including STACAP)	\$201,672
Sale of Land	\$234,000	Capital	
DICAP**	(\$26,240)	STACAP	\$7,803
Total Income	\$211,060	Total Expenses	\$209,475

** 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 2016 this account had a balance of \$637,149. 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			
Sale of Land	\$70,761	All Other (not including STACAP)	\$60,542
DICAP**	(\$7,877)	STACAP	\$2,342
Total Income	\$62,884	Total Expenses	\$62,884

** 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 2016 this account had a balance of \$254,678.

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

Income		Expenses	
		Personal Services	
Federal Grants	\$42,300	All Other (not including STACAP)	36,158
		Capital	0
DICAP**	(\$4,705)	STACAP	1,399
Total Income	\$37,595	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 USDA Forest Service Forest Legacy Program 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 2016 the account had a balance of \$-184 for the associated DICAP charges.

The following accounts are not managed by the Director of the Maine Forest Service.

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

Income		Expenses	
Earnings on Investments	\$2,650		
Rent of Land	\$1,201,197	Personal Services	\$229,161
		All Other (not including STACAP)	\$100,743
Reg Transfer Personal Svcs	(\$37,500)	STACAP	\$11,828
Transfer to S&H	(\$270,000)		
DICAP**	(\$42,959)		
Legis Transfer of Revenue	(\$80,000)		
Total Income	\$773,388	Total Expenses	\$341,732

** 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 \$394,460 at the end of fiscal year 2016. 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.

FY18 New Initiatives

Change Package C-A-7016: Transfers 3 Submerged Lands positions (Chief Planner, P&R II, and P&R1) in the Land Management & Planning program to the Coastal Island Registry program within the same fund for administrative efficiencies. Also reallocates 25% of a secretary position to the Coastal Island Registry.

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

Income		Expenses	
Earnings on Investments	\$4,500	Grants to Cities & Towns	\$150,085
Rent of Lands	\$80,000	Grants to Public/Private Agencies	\$50,442
Transfer from Submerged Lands	\$270,000		
Transfer to Coastal Program	(\$150,000)		
Total Income	\$204,500	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 2016 this account had a balance of \$672,704.

FY18 New Initiatives

Change Package C-A-7017: Transfers funding for Shore & Harbor Management from the Land Management & Planning program to the Coastal Island Registry

8. 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 2016 the account had a balance of \$1,030.

9. 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 2016 the account had a balance of \$15,775, over and above the principle.

FY18 New Initiatives

Change Package C-A-7018: Transfers funding for Mackworth Island Trust from Land Management & Planning to the Coastal Island Registry program to achieve administrative efficiencies.

XVIII. CONCLUSION

Public Lands has tremendous opportunities to continue serving the interests of Maine's citizens and visitors. The land base is distributed over much of Maine and is reasonably accessible from populated areas. The public's perspective is always sought as plans are developed to guide future management decisions.

The types of recreational activities promoted on Public Lands, in general, satisfy people wanting minimal amenities and the feeling of being in a remote setting. Expansion of activities on Public Lands can occur without jeopardizing traditional values people seek. Wildlife habitats providing viewing and hunting/fishing opportunities are given very special attention and rely heavily on the expertise of the Inland Fisheries and Wildlife Department.

The modest facilities suggested above can be provided at reasonable cost, and Public Lands is expected to provide such services, principally from revenues generated from uses such as timber harvesting and camplot leases.

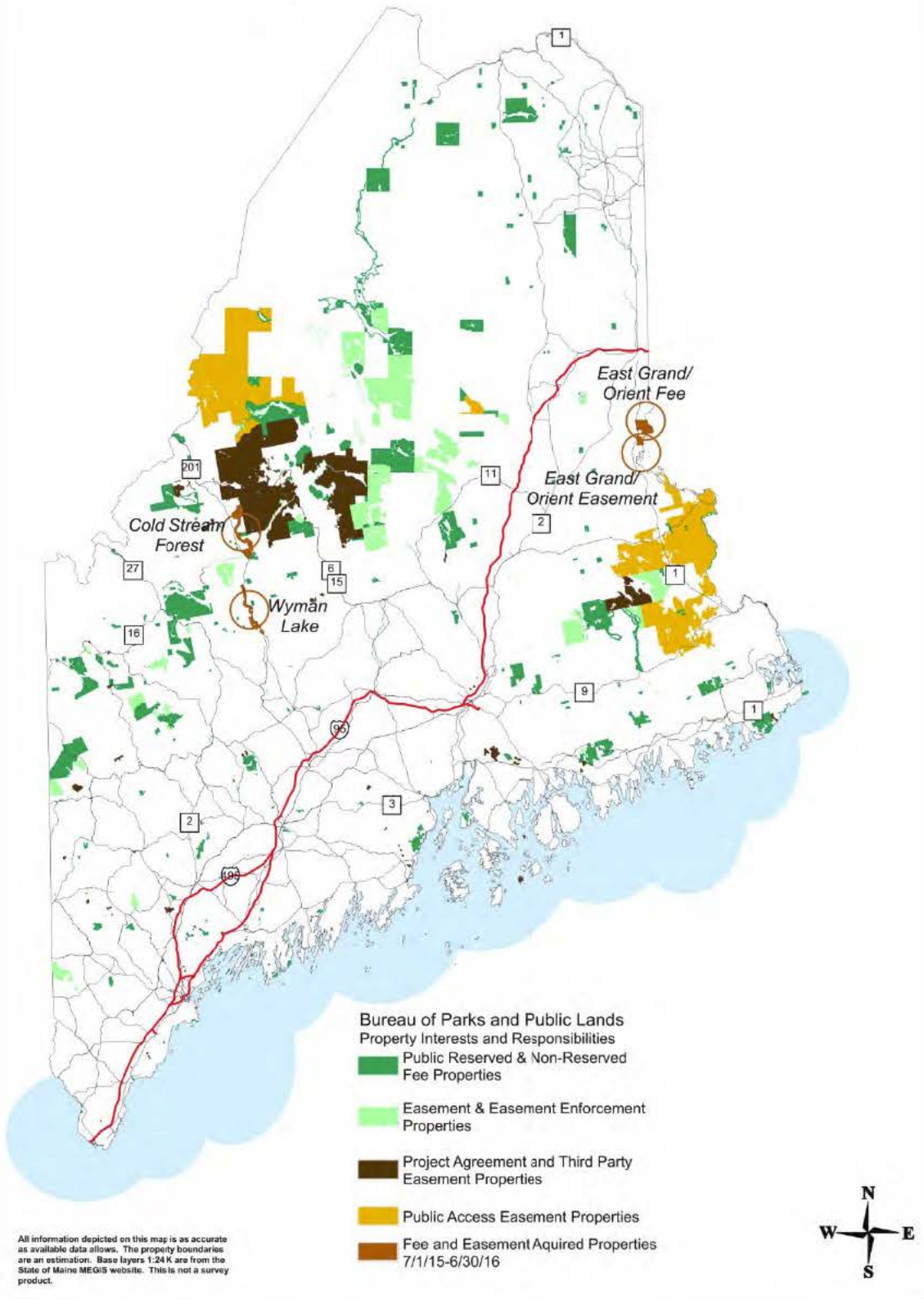
There will likely always be some tension between what people want for experiences, the cost of their expectations and the impact on the land. While written policies can help guide Public Lands in determining a balance, dedicated Public Lands employees are invaluable in crafting and implementing successful management initiatives.

Challenges in carrying out the Public Lands mission are numerous. Two significant challenges today are the pending spruce budworm outbreak and market conditions for forest products. Both the budworm issue and low current wood prices threaten to limit the services available to the public. Poor market conditions have eroded Public Lands net revenues. With no substantial relief in market conditions expected through the FY 2018, addressing recreational needs and biological challenges will occupy much of Public Lands time.

The poor market conditions impact more than the flow of cash. Several tree species and forest products have no markets at all, making forest management very complicated. The loss of markets for hemlock and fir pulp has impacted many forest stands that need harvesting. While yet to arrive, the budworm, which kills fir trees, can only further complicate market conditions.

The financial conditions facing Public Lands are duplicated throughout the forest industry. The near future will be a time for everyone interested in Maine's forest to work together on many issues.

January, 2017



APPENDIX C

BPL Public Lands Harvest Data				
Total Harvest, Comparison to Sustainable Harvest Level (SHL)				
FY 2007 – FY 2016				
Fiscal Year	Regulated Acres	Sustainable Harvest Level (cords)	Harvest from Inventory (cords)	SHL minus harvest from inventory * (cords)
2007	395,695	114,860	71,087	43,773
2008	395,695	114,860	121,945	-7,085
2009	395,695	114,860	88,885	25,975
2010	395,695	114,860	109,444	5,416
2011	395,695	114,860	130,563	-15,703
2012	395,695	114,860	101,669	13,191
2013	396,447	141,500	139,798	1,702
2014	396,447	141,500	164,011	-22,511
2015	396,447	141,500	139,896	1,604
2016	418,572	149,000	120,629	28,371
10 Year Totals		1,262,660	1,187,927	74,733
Annual average		126,266	118,793	7,473
* Negative numbers = overcut				