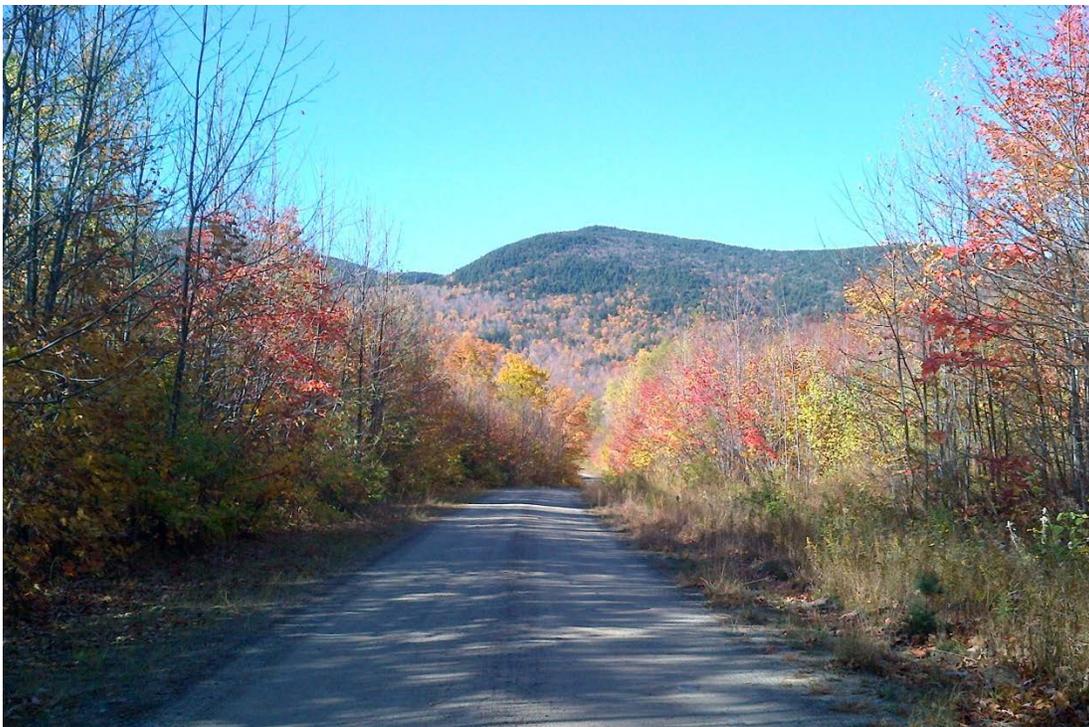


FY 2015 ANNUAL REPORT

to

the JOINT STANDING COMMITTEE
on AGRICULTURE, CONSERVATION AND FORESTRY

MAINE PUBLIC RESERVED, NONRESERVED, AND SUBMERGED LANDS



Autumn View of North Crocker Peak at the Crocker Mountain Unit

**MAINE DEPARTMENT OF AGRICULTURE, CONSERVATION
AND FORESTRY**

Bureau of Parks and Lands

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FY 2015 ANNUAL REPORT
Maine Department of Agriculture, Conservation and Forestry
Bureau of Parks and Lands

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	HIGHLIGHTS – FY 2015 & FY 2016 (to date).....	1
III.	SCOPE OF RESPONSIBILITIES.....	5
IV.	LAND MANAGEMENT PLANNING.....	6
V.	NATURAL/HISTORIC RESOURCES.....	7
VI.	WILDLIFE RESOURCES.....	10
VII.	RECREATION RESOURCES.....	11
VIII.	TIMBER RESOURCES.....	17
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 2015.....	28
XVII.	FINANCIAL REPORT FOR FY 2016.....	36
XVIII.	CONCLUSION.....	44
Appendix A:	Map of BPL Property Interests in FY 2015.....	45
Appendix B:	Map of Public Reserved Lands Management Regions.....	47
Appendix C:	BPL Public Lands Harvest Data: FY 2006 - FY 2015.....	49

Cover Photo: Autumn View of North Crocker Peak at the Crocker Mountain Unit – 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 2015 (FY 2015). 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 2016 highlights is also provided.

Income and expenditure information is provided for fiscal year FY 2015 and a report is also included for the upcoming FY 2017 budget. The ACF Committee has the obligation to report by March 15th to the Appropriations Committee on the Bureau's Public Lands upcoming FY 2017 budget.

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

The management of Public Lands is directed by statute. Title 12 MRSA §1833 and §1847 direct the Bureau to manage the Public Reserved and Nonreserved Lands (617,055 acres in FY 2015) "*under the principles of multiple land*

use to produce a sustained yield of products and services in accordance with both prudent and fair business practices and the principle of sound planning." In addition, management of Public Reserved Lands, the majority of Public Lands, must "*demonstrate exemplary land management practices, including silvicultural, wildlife and recreation management*" (Title 12 MRSA §1847).

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

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

The Bureau also has responsibility for managing and reporting to the ACF Committee public trust rights to Submerged Lands and Coastal Islands. When granting leases for the use of Submerged Lands, the Bureau includes conditions to maintain customary and traditional public access, navigation, and commercial marine uses.¹

II. HIGHLIGHTS – FY 2015 & FY 2016 (to date)

FY 2015

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

In 2014, the Bureau had annual surveillance audits under both the FSC and SFI programs. The auditors working with our certification agency, Bureau Veritas, visited 17 separate sites on nine different townships in the Bureau's East Region, viewing exemplary timber

¹ The Director of the Maine Forest Service has been administratively assigned oversight over the Bureau's Public Lands. Management oversight of State Parks and Historic Sites, AWW, PRC and state held coastal islands has been delegated to the BPL Acting Director of Operations.

harvests, innovative and efficient water crossings, diverse wildlife management practices, and well-planned recreation management. They were particularly impressed with the quality of road construction and some efficient use of temporary bridges.

The Bureau intends to conduct forest management in compliance with the 2010-2014 certification standards, principles, and criteria of both SFI and FSC programs for all upcoming audits, transitioning to the 2015-2019 revisions as required. The Bureau also intends to conduct several forest management operations under the outcome-based forestry model described below.

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

Rapid growth of prime white pine sawtimber is the OBF objective in the Eastern and Western regions, accomplished by thinning to relatively low stocking to allow this windfirm species to grow with minimal competition. Operations are ongoing in the Western Region and have been completed in the East and North, though the work to accelerate deer winter cover. Permanent growth plots were established at the East’s OBF site, to track how the pines are responding to the treatment. After a third year of annual monitoring in FY 2015, measurements will be on a 5-year cycle. Thinning was completed on 35 acres. An additional 40 acres were treated at the Bradley Unit, and 2,000 crop trees were pruned. Additional opportunities for working within OBF will be evaluated as they become apparent.

Timber Management Program - In FY 2015, timber harvests from inventory on Bureau-managed lands totaled 139,900 cords, a 16% decrease from FY 2014. Though autumn of 2014 was nearly as good for timber harvesting as autumn 2013 had been, there was a decided effort to bring the AAC in line with the legislature’s request. The Bureau

and its contractors supplied wood to over 40 mills statewide in FY 2015.

Firewood Permit Program - Individual firewood permittee volumes totaled about 200 cords in FY 2015, down about 100 cords from the year before. Logging contractors delivered nearly 1,500 cords of firewood to customers, so over 1,600 cords of firewood was supplied from Bureau-managed lands in FY 2015.

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 consists of approximately 2,200 taps, and includes a tap system and a collection tank. The sap is processed off site. The Sandy Bay Township operation, when fully utilized, will include approximately 34,000 taps. The operation also includes facilities to produce finished maple syrup. The Western Region continues to consider sugar bush lease opportunities.

Wildlife Management – The Bureau manages 31,000 acres of deer wintering areas (DWA) on Public Lands, under the review and recommendation of IF&W through the IF&W Wildlife Biologist permanently and exclusively assigned to the Bureau. In FY 2015 BPL coordinated harvesting activities on 2,025 acres of DWA with IF&W.

Bureau staff field checked 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 is working on a forest management plan for this area also as part of the MOU.

Recreation – The Bureau's Lands division is responsible for 396 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.

Managing these assets takes both time and resources. To help keep this manageable, the Bureau has a long history of working with recreation and conservation partners, and supplements funds received from timber sales with federal *Recreational Trails Program (RTP) grants*. RTP funds totaling approximately \$300,000 from

federal allocations were available for trails projects on Public Lands in FY 2015. Many projects on Public Lands are on challenging terrain that requires a specialized skillset which the Bureau acquires through contracts with the *Maine Conservation Corps (MCC)*.

Recreational trails work in FY 2015 focused on some of the Bureau's most popular trail destinations across the State including:

- continued work on the "Great Circle Trail" on the Nahmakanta Unit in Piscataquis County - a backcountry loop connecting with the Appalachian Trail;
- remote hiking trails on the Deboullie Unit in Aroostook County (restoration);
- hiking trails on the Tumbledown Mountain lands in Franklin County (restoration);
- work on hiking trails on Tunk Mt. in the Donnell Pond Unit;
- a "singletrack" mountain bike trail at the Kennebec Highlands in Kennebec County;

Moosehead Region Trails Planning: In FY 2015 the Bureau continued working with funds from Plum Creek Company 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 Plum Creek Lands, can also include improvements to trails on Public Lands. FY 2015 saw the completion of two projects – the Eagle Rock Trail originating on the Little Moose Public Lands and the redesign and extension of the Number Four Mt. Trail in Frenchtown, where the Bureau now holds a trail easement. Trail easements were obtained and work began for portage trails on the Moose River between Jackman and Rockwood as well as for a hiking/biking/trail running trail on Blue Ridge in Bowdoin College West Twp.

Land Management Planning - During FY 2015, the Bureau completed the Crocker Mountain Unit Management Plan covering over 12,000 acres of public lands acquired in 2013 in Carrabassett Valley and Mount Abram Township. The public process for development of the Moosehead Region Management Plan was begun, including a public

scoping meeting and a meeting with the Advisory Committee to discuss plan issues. That Plan will address 2 major and 9 smaller management units totaling over 31,000 acres.

In addition, a 5-year Plan Review was completed on the Eastern Interior Region Management Plan and largely completed on the Aroostook Hills Management Plan, both having 15-year Plans adopted in 2009. A 5-year plan review involves a status report on implementation of plan recommendations, and identifying any new issues that might require a plan amendment. As described later, one of these, the Aroostook Hills Region Plan, may be amended to allow for a potential sugarbush lease on the Scopan Unit.

Submerged Lands and Coastal Islands Program

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

The Bureau is responsible for managing coastal islands under public ownership. Funds from the submerged lands leases helped to support the Maine Island Trail Association (MITA) (\$70,000 in FY 2015), which manages recreation on public and private islands that are part of the Maine Island Trail. In FY 2015 MITA and the Bureau celebrated 25 years of partnership on the management of this island trail. The Trail system now extends 375 miles and consists of over 200 islands and mainland sites for day visits or overnight camping. This includes 50 BPL owned islands (five added in 2014).

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

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

FY 2016 (to date)

Forest Certification – The annual surveillance audit, conducted in the West Region during November 2015, brought considerable compliments from the auditors for harvest quality, bridge and road work, and recreation management. One “clerical” minor nonconformance was given under the FSC program, and was quickly addressed by designating a 400-acre High Conservation Value area to protect the endangered Roaring Brook Mayfly at Bigelow.

Timber Management Program - Timber harvest volume for FY 2016 will probably be about 15% lower than the 139,900 cords for FY 2015. This is due mainly to weakening markets, with an extended fall mud season and very late freeze-up also playing a part. The FY 2016 harvest will be 20-25% below the legislatively set 160,000 cord limit. The Bureau is working to develop and expand markets for forest products from Public Lands.

The silvicultural advisory committee field trip took place in the East Region, revisiting several sites viewed three years before to see what the Bureau had done in the interim and, among other locations, a potential sugary on the Codyville lot. This stop included some vigorous discussion on the respective values of maple tapping versus veneer and sawlogs. A detailed protocol for comparing those values will be developed, including a harvest prescription and Net Present Value (NPV).

The Bureau is participating in acquisition of LiDAR, a remote sensing tool that promises to make forest inventory more accurate and less labor intensive, in western Maine. This project, with the recently added acres, will encompass about 43% of Lands Division fee acreage.

Prescriptions to be completed during FY 2016 should cover about 15,000 acres in 10 to 12 different compartments. The Bureau is taking advantage of the slow harvest season to prepare additional prescriptions. By July 2018, prescriptions covering 3 years of harvests are to be completed. Three years of roaded wood will also be available.

Lastly, a public lot in southern Maine was treated for several invasive species that were impacting the regeneration of commercial forest trees.

Recreation Facility, Transportation, and Historic Resources – In the Northern Region, rehabilitation of the historic fire watchman cabin on top of Deboullie Mountain was started, with assistance from a MFS helicopter. In partnership with several private landowners and with the assistance of the Maine National Guard, a bridge was replaced in T18R10 in time to restore access for a popular fishing derby, with considerable cost savings to the Bureau.

In the Eastern Region, a 3-year contract was executed to finish work on the Great Circle Trail at Nahmakanta, as was a contract for a preliminary engineering report to evaluate the Wadleigh Mountain Fire Tower for potential rehabilitation. The region is working with the Boating Facilities program to develop an ADA accessible boat launch at Seboeis Lake.

In the Western Region, 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. 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.

Also in the Western Region, the Bureau continued its Moosehead Lake Region trails work with Plum Creek by completing 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. Additional work in the first half of FY2016 near Moosehead Lake included acquiring a phase I trail easement for a developing multi-use (non-motorized) trail that will span over 6 miles on Blue Ridge in Bowdoin College Grant West TWP. Initial work on this emerging project also began at the start of FY 2016.

Other Recreation, Planning and Wildlife Highlights - FY 2016 also saw the completion and acceptance of the Maine State Comprehensive Outdoor Recreation Plan (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 and, relative to Public Lands, helps identify outdoor

recreation issues Public Lands management might be positioned to address.

In the area of management planning, work has continued on the Moosehead Region Management Plan, with a Draft Plan set to be released for Advisory Committee review and discussion in March 2016. Also, an amendment to the Central Penobscot Region Plan was completed to revise a Special Protection allocation on the Nahmakanta Unit to more appropriately provide the resource protection intended.

Staff in Augusta and well as field staff in all of the Lands regions have increased the use of technology (e.g., Ipads) to increase efficiency and accuracy in timber and recreation management and easement monitoring.

An update of the Bureau's Wildlife Guidelines is in review with completion expected this summer. Harvesting commenced on Seboomook in 2016 to help address wildlife commitments contained in the Canada lynx MOU.

III. SCOPE OF RESPONSIBILITIES

HISTORY OF THE BUREAU

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

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

institutional lands were also assigned to the Bureau of Parks and Lands for management.

CURRENT LANDS AND PROGRAMS

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

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

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

In FY 2015, lands under the Bureau's ownership, management or oversight included:

- 617,055 acres of Public Reserved and Nonreserved Lands held in fee;
- 2.3 million acres of marine and freshwater submerged lands and 1,095 acres in publicly held coastal islands;
- 371,034 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;
- 85,266 acres of fee lands held as Parks, Historic Sites or Boat Access Sites;

- 968 acres of lands leased from or under agreement from others for management as Parks lands; and
- 52,326 acres of lands acquired by local interests through the Land for Maine's Future Program with Bureau sponsorship.

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

IV. LAND MANAGEMENT PLANNING

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

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

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

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

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

Management plans are prepared regionally for a period of 15 years, with five-year reviews. The Plans address all of the Reserved and Nonreserved lands within a planning region. The 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 Isl/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 Turner Mtn ⁵	Adopted May 2014
16	Great Heath ⁴	Adopted March 2007
17	Machias River ⁴	Adopted July 2009
18	Millinocket Forest ⁵	Adopted May 2014

19	Nahmakanta ⁵	Adopted May 2014
20	Rocky Lake ⁴	Adopted March 2007
21	Seboeis ⁵	Adopted May 2014
22	Wassataquoik ⁵	Adopted May 2014
	Western Region	
23	Bald Mountain ⁶	Adopted Jan. 2011
24	Bigelow Preserve ⁷	Adopted June 2007
25	Chain of Ponds ⁷	Adopted June 2007
26	Crocker Mountain⁷	Adopted April 2015
27	Days Academy ⁸	Adopted July 1997
28	Dead Riv/Spring Lake ⁷	Adopted June 2007
29	Dodge Point	Adopted 1991
30	Four Ponds ⁶	Adopted Jan. 2011
31	Holeb ⁹	Adopted 1989
32	Kennebec Highlands	Adopted October 2011
33	Little Moose ⁸	Adopted 1988
34	Mahoosuc ⁶	Adopted June 2007
35	Mount Abraham ⁷	Adopted Jan. 2011
36	Pineland	Adopted Jan. 2011
37	Richardson ⁶	Adopted Jan. 2011
38	Seboomook	Adopted March 2007
39	Sugar Island ⁸	Adopted July 1997
40	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

(^{1st} Region Plan in-progress)

⁹ Upper Kennebec Region

Regional management plans are developed with robust public involvement. For each plan, a Public Advisory Committee is established representing local, regional, and statewide interests. These committees serve as forums for discussion of draft plans. Public meetings are held providing interested parties an opportunity to provide input on management issues and to comment on plan drafts. After considering these comments, the Bureau submits the final Plan to the Commissioner, upon recommendation by its Director, and the Plan is effective upon the Commissioner's approval.

In FY 2015, the Bureau adopted the Crocker Mountain Unit Plan, which addresses 12,046 acres acquired in 2013, and amended it to the Flagstaff Region Plan. The Bureau also completed or largely completed 5-year reviews on the regional Plans for the Eastern Interior Region (15 Units), Aroostook Hills Region (12 Units), and Seboomook Unit (1 Unit and several smaller parcels). The Aroostook Hills Region review resulted in an proposed amendment to the Plan specific to the Scopan Unit, related to a potential sugarbush lease on Scopan Ridge.

V. NATURAL/HISTORIC RESOURCES

NATURAL RESOURCE INVENTORIES (NRI's)

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

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

ECOLOGICAL RESERVES

History, Status Related to Statutory Acres Limits. Ecological Reserves are designated areas containing representative native ecosystem types managed as special protection areas. They serve as benchmarks against which to measure changes in both managed and unmanaged ecosystems, to provide habitat unlikely to occur in managed forests, and to serve as sites for long term scientific research, monitoring, and education. This annual report includes the status of these reserves, and the results of monitoring, scientific research and other activities related to the reserves (12 MRSA §1839 and §1853).

The Bureau is also required to notify the Committee when a management plan proposes designation of an ecological reserve (12 MRSA §1805). This section of the report addresses this requirement. The Bureau Director may designate Ecological Reserves on Bureau lands included in "An Ecological Reserves System Inventory: Potential Ecological Reserves on Maine's Existing Public and Private Conservation Lands" (Maine Biodiversity Project, July 1998). The Director may designate additional reserves in conjunction with the adoption of a management plan, when that

process includes public review and comment on the plan, and with notification to the Committee.

Since 2007, the Bureau has had an informal policy of deferring any additions to the ecological reserve system other than those required by the terms of the acquisition (and if recommended by the Ecological Reserves Scientific Advisory Committee), until management plans for all Public Reserved Lands have been updated under the 2000 IRP. As discussed below, the Bureau is constrained by statute on the number of acres that can be designated as an ecological reserve. Presently the Bureau is within 4,436 acres of that limit. Some areas have been noted in the recent management plans as potential additions to the ecological reserve system.

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

The Downeast Region Management Plan (2007) adopted changes to three original reserves because of land acquisition for the Donnell Pond Unit, deed conditions affecting use of the Great Heath, and fieldwork on the natural communities at Cutler Coast. The Northern Aroostook Region Management Plan (2007) adopted changes to the ecological reserve at Deboullie where the boundary overlaps an area with developed facilities and significant public use. The total change in ecological reserve acreage resulted in a net reduction of approximately 111 acres; resulting in the current acreage of 68,864.

Original Ecological Reserves Designated in 2001 and Modifications Adopted in 2007		
Name	Original 2001 Acres	Changes adopted in 2007
1. Bigelow Preserve ER	10,540	
2. Chamberlain Lake ER	2,890	
3. Cutler Coast ER	5,216	+5
4. Deboullie ER	7,253	-350*
5. Donnell/Tunk ER	5,950	+274
6. Duck Lake ER	3,870	
7. Gero Island ER	3,175	

8. Great Heath ER	5,681	-40
9. Mahoosucs ER	9,974	
10. Nahamakanta ER	11,082	
11. Rocky Lake ER	1,516	
12. Salmon Brk Lake ER	1,053	
13. Wassataquoik ER	775	
Total Acres	68,975	-111
Adjusted Total Acres	68,864	

* Estimated acres at this time

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

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

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

Most recently, in June 2013, the Bureau acquired the 12,046-acre Crocker Mountain parcel, subject to a funding agreement to designate approximately 4,000 acres as an ecological reserve.

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

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 703,416 acres.

The 15% limit would then be applied total acres less 24,934 acquired with deed restrictions; or 101,772 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 2015*	
<i>Land Type</i>	<i>Total Fee Acres</i>
State Park Lands	84,714
Boat Access Lands	552
Public Reserved Lands	613,389
Non-reserved Public Lands	3,666
Unregistered Coastal Islands	1,095
Subtotal	703,416
Land acquired on condition of ecoreserve designation	-24,934
Total	678,482
Lesser of 15% of Lands under Bureau Jurisdiction or 100,000	100,000

Regarding the 6% rule, there are approximately 418,600 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 4,216 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 2015*	
<i>Land Type</i>	<i>Operable Timberland Acres</i>
Total Operable Lands	418,600
6% of Operable Lands	25,116
Operable in Qualifying	20,900

Reserves	
Net available acres for ER designation	4,216
*Operable timberland acres are lands held in fee, not including Ecological Reserves designated as a condition of the acquisition. Operable acres on Ecological Reserves include modifications adopted in 2007(see previous table).	

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

In FY 2015, MNAP conducted its third 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 2015 MNAP revisited 73 permanent monitoring plots in the Nahmakanta and Gero Island Ecological Reserves. As of summer 2015, MNAP reported it had 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 2015 on lands managed by the Bureau were as follows:

Wildlife Inventory and Survey Work.

During this reporting period no waterfowl brood counts were completed. A high elevation bird survey was conducted at Coburn Mountain as part of a New England wide effort coordinated by the Vermont Institute of Science.

Habitat Management. One hundred sixteen (116) waterfowl nesting boxes were maintained by regional staff and invasive species control was conducted 18.8 acres at 14 sites. Old field mowing activities were performed by BPL's western region with new equipment. 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.

Artificial burrows for the Maine endangered New England cottontail were constructed at Crescent Beach State Park by New England College as part of a winter survival study. One acre of NEC foraging strips were mowed by park staff.

The staff wildlife biologist participated in a spruce budworm fact finding trip to the north shore of Quebec with Baxter S.P. 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 2015 the BPL staff biologist coordinated harvesting activities on 2,025 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.

biodiversity issues related to forest certification conditions were addressed as required.

VII. RECREATION RESOURCES

The Bureau's Lands Division is responsible for 396 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 290 miles of public access road.

FY 2015 PROJECTS

In accordance with management plan commitments, and in response to public demand, the Bureau continued to develop or make upgrades to recreation facilities on its lands. A summary of FY 2015 projects follows.

Western Region: In FY 2015, this Region maintained 194 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 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.

Bigelow Preserve. 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 2015 BPL continued hiking trail rehabilitation efforts on two miles of trail. An AmeriCorps position, split with nearby Mount



Whitetailed
Deer

Lynx Habitat Management. Bureau staff field checked 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 is working on 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 8,357 acres of Public Lands for fish and wildlife habitat compatibility and potential habitat enhancement.

Research Requests. Special activity permits for 6 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 in the Western Region. Planning and administration for fisheries, wildlife, invasive plant management and

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 by the Parker Pond Association in improving signage on the Parker Pond Islands owned by the Bureau.

Richardson. The Bureau maintained the Mill Brook boat ramp on Upper Richardson Lake and the Mooselookmeguntic boat ramp.

Little Moose/Big Spencer Mountain. Trail construction was completed on the Eagle Rock Trail, a 3.7 mile trail leading from the northern boundary of the Little Moose Public Lands to a rock outcrop with dramatic views of the Moosehead Lake Region. The trail is primarily located on public trail easements on Plum Creek property but added greatly to the overall allure of the Little Moose Public Lands. MCC crews completed rehabilitation work on the Little Moose Mountain trail, as well as at Big Spencer Mountain.

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 2015 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 the Seboeis Lake campowners in controlling water levels with the Bureau owned dam, the Downeast Coastal Conservancy who housed MCC workers, the Town of Amherst on the Amherst Community Forest – a Public Reserved Unit; and the Donnell Pond Campowners Association on road maintenance and plowing to the boat launch. The Region was again assisted by MCC crews on a number of projects.

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

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

Cutler Coast. Bureau staff constructed two new campsites at this popular destination.

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

Donnell Unit: Work completed on the Tunk Mountain Trail.



Trail Signs on the Cutler Unit

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 2015 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.

Deboullie. Using funding from the Recreational Trails Program (RTP), the Maine Conservation Corps constructed wooden ladders, stone steps and water bars on hiking trails, constructed an Adirondack shelter, replaced 3 pit privies and constructed 2 trailhead kiosks.

Scopan. Four and a half miles of ATV trail were upgraded using funding from the Recreational Trails Program (RTP).

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

Eagle Lake. The Maine Conservation Corps constructed a picnic table shelter at the Mad Rock water access camp site.

PUBLIC INFORMATION

During FY 2015, 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.

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 2015:

Viewable Campsites Google Earth Pilot Project

- Allagash Wilderness Waterway with links back to history pages on the web.
- Campgrounds: Lake St. George, Peaks-Kenny, Warren Island.
- This pilot was a collaborative effort of the BPL Camping Reservations Manager, BPL field staff, GIS Coordinator, and Webmaster/Interpretive Specialist. Similar work will be adapted to Public Lands as key areas are identified. These virtual visits enhance visitor experience and safety by increasing the visitor knowledge about the campsites before their arrival.

Trail Conditions Pages Pilot Project

- 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.
- Piloted at nine park locations and planned for expansion in 2016 to include River Condition Alerts for the Penobscot River Corridor and Allagash Wilderness Waterway, as well as select State Park Beaches.

Conservation Lands in Maine

- This online interactive map, Conservation Lands in Maine, was transitioned by the GIS Coordinator and Earth Resources Director by replacing the embedded Google Page with an Arc GIS Online Application (AGOL) showcasing all conservation lands in Maine. It functions much like the original searchable 2005 Google release. Additionally, by toggling the layer list users can view the data by:
 - State, Federal, Municipal and Private conservation holdings
 - Easement Lands
 - Other conservation Interests like project agreements
 - LMF funded projectsIn the Base map Gallery users can toggle the background map from Imagery, Terrain and Topo's. There's also a measuring tool, area

tool (with interchangeable units) and a print option.

Public Boat Launches Sortable Table

- Online sortable table of Public Boat Launches added to the Bureau website with assistance of boating staff and the Earth Resources Director. Sortable by many features including: location (waterbody, town, or county), type of ramp, and water type (fresh/salt).

Online Outdoors in Maine Mini-brochure.

Updated to include a statewide location map, this online guide to recreation facilities at State Parks and Public lands shows recreational features available at 37 of the most popular Public Reserved Lands properties, including camping, boat access, fishing, trails, and historic and scenic features .

Outdoors in Maine brochure. This full-size guide was updated from its last version in 2010.

- Enhancements include:
 - Latitude/Longitude coordinates plus written address and phone numbers
 - Activity and amenity/facility icons
 - Web addresses, easy to remember shortcuts added (e.g., www.maine.gov/donnellpond).
 - Photographs updated and increased

Map and Guide Brochures. Using Recreational Trails Program funds, 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 the combined guides for Grafton Notch State Park/Mahoosuc Public Lands, Mount Blue State Park/Tumbledown Public Lands, and Seboeis Public Lands. To date color guide & maps are available online for: Androscoggin Riverlands, Cobscook Bay, Cutler Coast, Grafton/Mahoosuc, Lily Bay, Machias River Corridor, Mount Blue/Tumbledown, Peaks-Kenny, Quoddy Head, Rangeley Lake, Rocky Lake, Roque Bluffs and Seboeis. This project will continue in the next FY with updates/reprints and new guides for: Bigelow, Deboullie, Moosehead Lake Shoreline, Nahmakanta and the Penobscot River Corridor/Seboomook.

Collaborations with Other Organizations

Cobscook Trails Coalition Trail Guide. Received additional copies of the brochure from the coalition for BPL's Downeast Region Lands and Parks to distribute to the public. Originally, in FY 2014, the Bureau collaborated with a coalition of interests who developed a trail map and guide for the Cobscook and Bold Coast Region of Washington County. The brochure includes trails on the Bureau's Cutler Coast Public Lands, the Down East Sunrise Trail, along with trails on IF&W lands and a number of local land trust and community trails in this most eastern area of the state.

Donnell Pond Public Lands Map. Updated and made available online by the Bureau plus made into a roadside informational panel in collaboration with Hancock County Planning Commission and Maine Department of Transportation.

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 2015. 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 2015, 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 2015 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 2015, 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 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 2015, PRC camping fees were \$4/person/night for residents and \$8/person/night for nonresidents. When these areas are accessed via a NMW Checkpoint, NMW day use fees (\$7.00 and \$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 campsites on Richardson Lakes (Upper Richardson Lake) to South Arm Campground, a privately owned campground on adjoining private land. In FY 2015, the campground owner charged \$18.00 (including tax) per night per site. The campground retains a portion of this fee to cover its costs for maintenance of the 12 campsites and the Mill Brook public boat launch facility at the north end of lake.

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

Bear Bait Permit Program. By state rule (04-059-Chapter 54), a permit from the Bureau is required before placing bait for bear on Public Reserved and Nonreserved Lands that are not managed jointly with another entity. The permit program is administered by the Bureau's three regional offices. Since 2006, the annual permit fee has been \$30 for a personal bait site and \$65 for a commercial bait site. In FY 2015, the Bureau issued 373 bear bait permits: 183 for personal sites and 190 for commercial sites, with permit revenues totaling \$10,620.

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 2015 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, and has begun a partnership with Friends of Wadleigh Mountain Fire Tower to explore potential restoration of the tower.

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

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

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

VIII. TIMBER RESOURCES

The Bureau manages the natural resources on the lands under its care through a carefully planned multiple use program that balances timber management with all other resource values. Timber revenues support the Bureau's Public Reserved and Nonreserved Lands management costs, including provision of recreation facilities and opportunities, and wildlife management. Other public benefits include contribution to the local economy through employment opportunities for contractors and supply of raw materials to area mills, provision of low-cost firewood through the

Bureau's firewood harvest permit program, and demonstration of exemplary multi-aged management focused primarily on mature quality timber.

TIMBER INVENTORY

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

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

When both the inventory increase and the harvest volumes during the previous twelve years are considered, the net growth rate on the Bureau's Public Reserved and Nonreserved Lands is 18 percent higher than that for Maine's forests as a whole. As a result, the yield curves from which the AAC was calculated have been reworked using the new and greater stocking levels, with adjustments for timber harvests essentially achieving the existing AAC over the past six years. This resulted in the AAC being increased for 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 intends to conduct 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 is intended to provide 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.

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 the current timber types. It is anticipated that modeling will begin late in FY 2016 or early in FY 2017, with initial results within three months of that time. Landbase-wide modeling had to await air photo capture of the final 70,000 acres in autumn of 2015 and subsequent timber typing, and should be available sometime in calendar 2016.

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 2015. Bureau staff examined and prescribed 11 compartments totaling 12,600 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).

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.



Timber Taken from Day's Academy Grant

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.

In FY 2015, 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 2014, despite markets that were becoming less favorable. CLS sales were also conducted in each of the other regions, making up about 20% of harvest volume in those regions and 45% of the total FY 2015 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 2015. The implementation of prescriptions in FY 2015 is summarized below.

- A total of 148,500 cord equivalents was harvested from 12,500 acres. After deducting the portion of biomass that came from tops and limbs (not included in AAC calculation), the harvest was 139,900 cords, very close to the then-current AAC of 141,500 cords, keeping the ten-year BPL harvest at about 9 percent under the total allowable cut for that period.

- A total of 42 operations were ongoing in FY 2015. 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 2015. This is down about 100 cords from last year's volume. Firewood harvests by logging contractors also decreased; however, over 1,400 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 Bald Mountain operation consists of approximately 2,200 taps, and includes a tap system and a collection tank. The sap is processed off site. The Sandy Bay Township operation, when fully utilized, will include approximately 34,000 taps. This includes two full service sugar houses to produce finished maple syrup, one serving 14,000 taps and the other 20,000 taps. All regions continue to consider sugar bush lease opportunities.

FY 2015 Harvest and Market Analysis. Timber harvested in FY 2015 on Bureau lands from inventory totaled 139,900 cords (148,500 cords including biomass). The FY 2015 figure is 1% below the current Bureau-established "allowable cut" of 141,500 cords. Favorable weather through fall and winter balanced weakening markets to allow harvest volumes to nearly match AAC.

The average price paid to the Bureau per cord was 10% higher in FY 2015 than it had been in FY 2014 (and FY 2014 had been 20% higher than FY 2013.) On average, the stumpage rates for individual products rose for some and declined for others, but the increased revenue from CLS enabled the significant rise in average price per cord. The hardwood harvest of 56% 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 11% 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 positively (as noted above for FY 2015) and negatively, such as when economic conditions result in poor markets or insect/weather damage affect growth, and weather events reduce harvest levels. Appendix C provides a summary of BPL harvests for the past 10 years, through FY 2015.

HARVEST OPERATION CHALLENGES

In the recent past, the Northern Region had difficulties in securing contracts for harvests, especially for winter harvests. The winter is the best time to harvest wood and usually when most of the harvesting activity occurs. Contributing to the difficulty is an equipment and labor shortage, especially the latter during the winter season. 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.

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 44.6 miles

maintained in FY 2015. 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 November 2014 the Bureau underwent the annual surveillance

audits required to maintain certification between full audits. The audit was done by an agency new to BPL in 2011, Bureau Veritas. Their auditors visited sites throughout the Eastern Region, though a major early November snowfall limited where they could explore. Accompanied by the appropriate Bureau field staff, auditors looked at harvest areas on ten separate operations within the region. Auditors were especially complimentary toward the condition of recently harvested stands, several major water crossings, and recreation management, especially for aesthetics. They did find one minor crossing where the operator, instead of moving elsewhere, had used a skidder bridge in muddy conditions, resulting in some siltation. The crew was immediately moved, and the site was stabilized the following day. The proposal for increasing the Bureau harvest levels beyond 141,500 cords was discussed with the auditors during both the opening and closing meetings. In their opinion, this increase could be accomplished well within the standards and criteria of both FSC and SFI certification programs.

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

Committee Tour: The field tour was held during August of 2014 in the Northern Region, and had numerous themes, among them harvests from stands that have had multiple harvests under BPL management, spruce budworm, cedar management, and harvest quality evaluation. On the first day the group visited several smaller lots plus the Salmon Brook Lake Bog Unit. It was on this latter tract that management of dense cedar stands and planning for the potential spruce budworm infestation were explored. On the Beaver Brook (T13R5) Public Lot we viewed a harvest from 5-6 years ago, evaluating the residual stand and the progress of regeneration, both of which are doing well.

Day two began on the Scopan Unit, where we discussed potential maple sugarbush

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

Cooperative Forest Research Unit (CFRU). The Bureau participates in a research cooperative, originally formed in 1975 in response to the spruce budworm outbreak at that time. Membership includes forest landowners (BPL and 26 private landowners representing 8.3 million managed forest land acres), representatives of two wood processors, and 6 corporate/individual members. Together, contributions amount to approximately \$500,000 per year to support research projects of interest to the members. With the threat of another spruce budworm outbreak, research is again focused on that issue. The Bureau contributes proportionate to acres in managed timberland, approximately \$24,000/yr.

IX. TRANSPORTATION



Management Road Construction at Nahmakanta

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

BRIDGES

In FY 2015, the Bureau's Eastern Region redecked the Nahmakanta Stream bridge; the Western Region rebuilt a management road bridge on the Richardson Unit; and the Northern Region replaced the Imlos Stream bridge on the Telos Unit.

ROADS & ACCESS IMPROVEMENTS

Timber Management Road Construction. To facilitate both summer and winter timber harvesting activities across the state, approximately 40 miles of road were constructed or reconstructed in FY 2015, and a number of temporary wood and concrete bridges were installed.

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 2015, approximately 65 miles of public use roads were maintained under contract in the Northern region, 100 miles in the Western Region, and 125 miles in the Eastern region (99 miles of public use roads and 26 miles of management roads designated for shared ATV use) for a total of 290 miles of public use/shared use road maintained under contract. These figures include 1 mile of new public use road and 3 miles of upgraded roads in the Eastern Region and 2.5 miles of improved public access road on the Dead River Twp. at Flagstaff Lake in the Western Region. Roadside vegetation control was conducted on 40 miles of public/shared use roads in the Eastern Region, and 20 miles in the Northern Region.

X. PUBLIC ACCESS

Eighty four percent of the Public Reserved Lands were accessible to the public without fee or special arrangements in FY 2015. 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 2015. 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). At the close of CY 2012 the Bureau reported total acreage available for hunting 600,591 acres. In June 2013 the Bureau acquired 12,046 acres on Crocker Mountain, bringing the total available for hunting to 612,637 (over 99% of Public Reserved Lands). This is the acreage available in FY 2015 as well.

XI. LAND TRANSACTIONS

ACQUISITIONS

There was one fee acquisition of land in FY 2015; the 72-acre Little W Twp. inholding to the Seboomook Unit. The Bureau also acquired a working forest conservation easement in FY 2015,

the 5,774-acre Orbeton Stream Forest easement in Madrid, Franklin County. 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 Plum Creek pursuant to a requirement of its Moosehead Region Concept Plan (see Recreation Highlights on page 3).

Both the Little W-Seboomook Inholding Project and the Orbeton Stream 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. In FY 2015 there were two other Forest Legacy Projects in process - the East Grand Lake-Orient Project in Aroostook County (a FY 2013 project involving 5,992 acres in fee, and 1,494 acres in working forest conservation easement), and the FY 2014 Cold Stream Forest Project in Somerset County, a fee acquisition of 8,150 acres focused on brook trout and deer wintering habitat. A third project had been approved for funding for FY 2015 and was in the process of securing a grant agreement—the Gulf Hags-Whitecap Project, involving a 5,425 acre working forest easement, 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.

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 does not have guaranteed vehicle access to the recently acquired Little W inholding parcels, as is the case for the Seboomook Unit as a whole. However, access has been available across private lands on private roads for a number of years, and the Bureau is scheduled to obtain deeded access in the future.

DISPOSTIONS

There were no dispositions of Public Lands in FY 2015.

XII. SUBMERGED LANDS

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

Project/Permit Applications. In FY 2015, the Submerged Lands Program processed 121 applications for proposed and existing waterfront structures and dredging projects. Fifty-seven (57) leases and easements were granted and an additional 64 projects were determined to require no conveyance. With these new projects, the program now administers 1,998 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 873 new leases and easements for these structures.

Sunken Logs. No new applications to recover sunken logs from public submerged lands were received in FY 2015.

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 2015, funds were provided to the Bureau of Parks and Lands for float replacement at Colonial Pemaquid; Maine DOT for Small Harbor Improvement Program (SHIP) and Boating Infrastructure Grant (BIG); 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 construct two new 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 289 residential camplots and 10 commercial sporting camps and campgrounds across the state. In FY 2015, 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 62 leases on public lands, for a variety of purposes as shown below. These leases have terms that range from 5 to 25 years. Twenty-seven 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 2015 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
- 2 sugarbush leases

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



Communications Tower on
Bald Mountain Unit
Rangeley

CURRENT AND UPCOMING CHALLENGES

Management Issues: The broad scope of management objectives defined in statute for Public Reserved Lands, to be managed for “multiple use” includes “outdoor recreation, timber, watershed, fish and wildlife, and other public purposes.” Bureau expertise spans all of these areas, in order to properly address the ongoing challenge of balancing these objectives across the landbase. No one Unit provides it all. The task of defining what uses or values are of primary importance for the individual management units is addressed through our management plans, developed with broad public input. They set the vision and hierarchy of values to be reflected in future actions for timber harvest prescriptions, wildlife habitat initiatives, and recreation infrastructure development.

The Ongoing Imprint of Past Initiatives. Beginning in 1999, a number of initiatives were undertaken that were to shape the Bureau’s management of its lands thereafter: (1) The Bureau began a 3+year process to attain dual third party certification for its forest management, under the Sustainable Forestry

Initiative (SFI) and Forest Stewardship Council (SFC) programs; (2) Revision to the Integrated Resource Management Policy document; adopted in December of 2000; and (3) Establishment of an ecological reserve system on Public Reserved Lands following authorization by statute in 1999.

Public Involvement. For many reasons, awareness about and interest in Public Reserved Lands increased significantly after 2000, in part due to the three high profile initiatives just mentioned. Also contributing to this was a change in the process of developing management plans to include multiple units in a region, which drew public interest from a broader constituency; an increasingly user-friendly Bureau web presence providing information about these lands, including in 2011 a partnership with MaineTrailFinder.com as a central source of information about non-motorized trails; the rapid expansion of statewide trails systems for ATVs and snowmobiles with interest in these lands as connectors and destinations; the rise of eco-tourism; and some high profile additions to the system, including Big Spencer Mountain, Seboomook, Mount Abraham, Tumbledown Mountain, the Machias River Corridor, Cutler Coast, additions to the Mahoosuc Unit and most recently Crocker Mountain. Managing public expectations for Public Reserved Lands, which are supported by the timber revenues generated from them, is an ongoing challenge.

Public/Private Partnerships. The Recreation Resources section of this report describes 13 partnerships between the Bureau and other entities involved in recreation or wildlife management (see pp. 16-17). Most of these are land trusts and non-governmental organizations, but one, our partnership with Plum Creek Maine Timberlands, is a private landowner, granting trail easements to the Bureau for non-motorized trails in the Greenville area. In addition, the partnership involves donation of small targeted lands for trailheads, campsites, and boat access facilities in the greater Moosehead area. This is an extensive project requiring a significant investment of time by the Bureau’s recreation specialist. It will generate a greatly expanded set of public outdoor recreation opportunities (including 27 miles of new trails; and a dozen or more boat access sites); and it will also challenge the Bureau to provide the appropriate stewardship of these opportunities. The trails component of this partnership is scheduled for completion in FY 2017. Acquiring the adjunct

trailheads and campsites will also logically be concluded at the same time, while the acquisition of the boat access sites will occur more gradually over the next five to six years (until May 2022). Partnerships will continue to be key to managing these resources.

Energy Development and Transmission Corridors.

During 2015 the Bureau saw increased requests for new powerline corridor leases across its lands, reflecting continued interest in wind generation for supplying more “green” energy to the demand centers in southern New England. One lease completed in FY 2015 involves a 300-foot corridor 4,700 feet in length crossing two small public lots in the Forks area; another still in process in Western Maine is for a new high voltage line across several units in Carrabassett Valley (total of approximately five miles, adding 125 feet to an existing 125-foot corridor) affecting high value ecological and recreational resources. Bureau planners are working closely with the Attorney General’s Office to ensure the terms adequately protect public resources. The Bureau has one staff person covering all of its leases, easements and agreements. A single project like this can consume a major amount of staff time, due to the complexity of the issues.

Challenging Conditions Affecting Harvests and Markets.

Continuing loss of major Maine wood processing mills in FY 2016 and the worldwide reduction in demand for fiber and wood will be an ongoing challenge for marketing product from the Public Reserved Lands in FY 2017. A weak market for softwood further complicates the objective of removing more fir from Public Reserved Lands as a strategy to control a threatened spruce budworm outbreak. Unpredictable and unfavorable weather conditions also present an increasing challenge to harvesting operations that can limit planned harvest volumes.

XVI. INCOME AND EXPENDITURES ACCOUNTING – FY 2015

OVERVIEW

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

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

This account is restricted to uses related to the management of lands that have Public Reserved Lands status, which includes the original public lots, land acquired through trading Public Reserved Lands, and other lands designated as Public Reserved Lands. Sources of income to this account include revenue generated from the harvest of forest products, camplot leases and other special leases on the Reserved Lands, and interest on the account balance. In FY 2015, the Lands Program conducted timber harvests that yielded 139,790 cords.

Expenses for personnel services, vehicle operations, information technology, and management costs for non-revenue generating activities have increased. Income for fiscal year 2015 was \$7,902,459 with expenditures of \$5,814,907. 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, 2015 was \$8,001,049.

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.

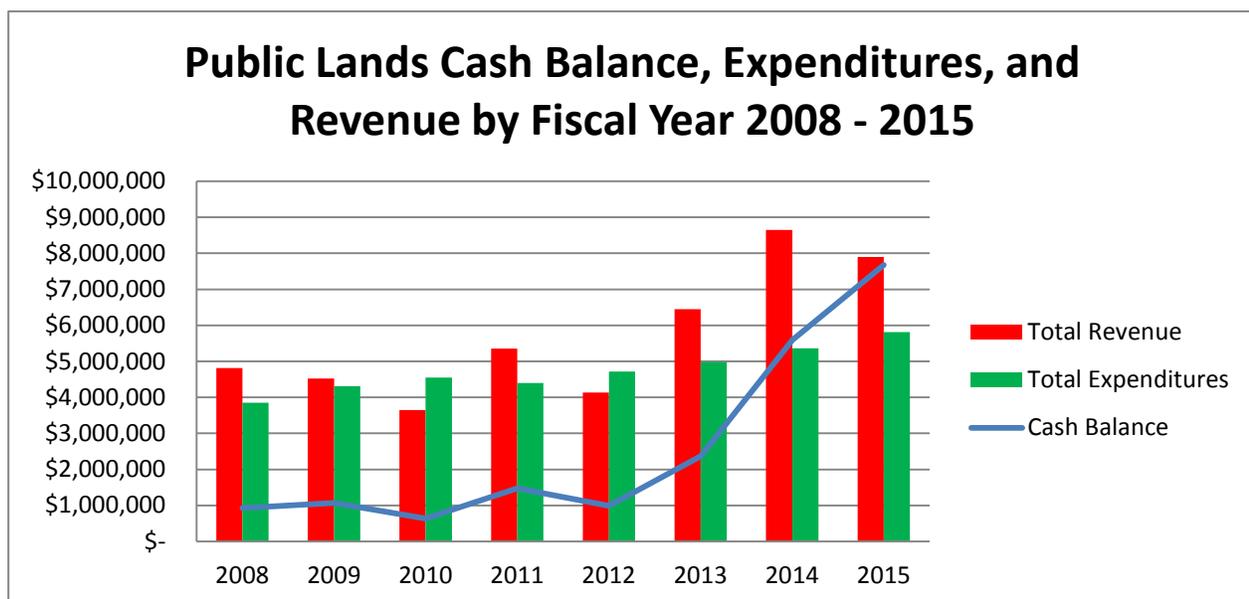
Included in the income or expenditure figures above are the portion of monies received from camplot leases and timber sales that are shared with towns and plantations pursuant to 12 MRSA §1854. Based on the income received in calendar year 2014 (payable in 2015), the Lands Program revenue sharing amounts total \$232,875.70 paid to 13 towns and plantations.

Income		Expenses	
Earnings on Investments	(\$25,842)	Personal Services	2,984,845
Rent of Lands*	(\$997,860)	All Other (not including STACAP)	1,953,926
Grants from State Agencies	(\$39,236)	Capital	689,773
Camp lot Leases*	(\$415,698)		
Misc. Rents & Leases	(\$9,012)		
Recreational Use of Lands			
Registration Fees	(\$20,653)		
CLS & Stumpage *	(\$7,020,074)		
Sale of Forest Products *			
Sale Timber/Gravel/Grass	(\$14,541)		
Recovered Cost	(\$27,023)		
Reg Transfer Personal Svcs			
Legis Transfer of Revenue	\$73,393		
DICAP**	\$628,615	STACAP	186,364
Trust & Private Contributions	(\$11,242)		
Service & Late Fees Misc. income	\$52,439		
Adj. To Balance Forward	(\$75,725)		
Total Income	(\$7,902,459)	Total Expenses	5,814,907

* 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 - 2015



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 2015 was \$1,987 with \$88 in expenditures ending with a cash balance of \$23,062. 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	
Earnings on Investments	\$0	All Other (not including STACAP)	\$85
Rent on Lands and Buildings	(\$1,998)	Capital	\$0
Sale of Stumpage	\$0	STACAP	\$3
DICAP**	\$11		
Total Income	(\$1,987)	Total Expenses	\$88

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 2015 were \$217,086 with expenses of \$208,382. In addition, transfers of \$80,000 to DMR and \$500,000 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 2015 was \$529,216.

Income		Expenses	
Earnings on Investments	(\$2,342)	Personal Services	\$186,440
Rent of Lands	(\$823,739)	All Other (not including STACAP)	\$14,180
Reg Transfer Personal Svcs	\$0	STACAP	\$7,762
Transfer to S&H	\$500,000		
DICAP**	\$24,767		
Legis Transfer of Revenue	\$80,000		
Private Contributions	\$4,880		
Misc Income	(\$652)		
Total Income	(\$217,086)	Total Expenses	\$208,382

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 2015, \$450,000 of revenue was transferred from the Submerged Lands Fund. The Maine Coastal Program received a cash transfer \$150,000. Other expenses in fiscal year 2015 were \$60,000 in grants to public and private Agencies. Total revenues in fiscal year 2015 were \$544,851 from transfers from the Submerged Lands Fund and interest. This revenue contributed to a fiscal year-end balance of \$984,902.

Income		Expenses	
Earnings on Investments	(\$2,649)	Grants to Cities & Towns	\$0
Transfer from Submerged Lands	(\$450,000)	Grants to Public/Private Agencies	\$60,000
Adjustment to Balance Forward	(\$92,202)		
Total Income	(\$544,851)	Total Expenses	\$60,000

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 2015 was \$652 against expenditures of \$118,253. Balance at the end of the fiscal year was \$654,161.

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	(\$2,603)	All Other (not including STACAP)	\$17,299
Sale of Land	\$0	Capital	\$100,285
DICAP**	\$1,951	STACAP	\$669
Total Income	(\$652.22)	Total Expenses	\$118,253

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

This account was established to receive revenue from the sale of Public Nonreserved Lands. There was no income or expenses for fiscal year 2015. Balance at the end of the fiscal year was \$219,227 which was the same as the year before. Funds from this account are restricted by constitutional amendment (Article IX, Section 23) to the acquisition of lands having significant conservation and recreation value in the same county in which the sale of lands generating the funds took place.

Income		Expenses	
Earnings on Investments	\$0		
Sale of Land	\$0	All Other (not including STACAP)	\$0
DICAP**	\$0	STACAP	\$0
Total Income	\$0	Total Expenses	\$0

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 2015 was \$1,642 with a transfer of \$7,036. The cash balance at the end of fiscal year 2015 was \$14,009 from the interest accrued to date.

Income		Expenses	
Earnings on Investments	(\$1,642)	All Other (not including STACAP)	\$0
DICAP**	\$0	STACAP	\$0
Reg Transfer	\$7,036		
Total Income	\$5,393	Total Expenses	\$0

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 2015 were \$1,826,504 which included \$39,916 in administrative grant expenses. Total Forest Legacy revenues in fiscal year 2015 were \$1,820,660. At the end of fiscal year 2015 the account had a balance of \$-140 for associated DICAP charges with the administrative grant.

Income		Expenses	
		Personal Services	5,298
Federal Grants	(\$1,830,669)	All Other (not including STACAP)	34,618
	\$0	Capital	1,785,044
DICAP**	\$8,372	STACAP	1,544
ADJ OF ALL OTHER BALANCE	\$1,636		
Total Income	(\$1,820,660)	Total Expenses	\$1,826,504

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 2015 was \$90 with no expenses. The cash balance at the end of fiscal year 2015 was \$1,010.

Income		Expenses	
Registration Fees	(\$90)	All Other (not including STACAP)	\$0
		STACAP	\$0
Total Income	(\$90)	Total Expenses	\$0

XVII. FINANCIAL REPORT FOR FY 2017

OVERVIEW

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

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

The FY17 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 balance in its contingency fund is sufficient to carry it through until additional revenues are received. If both revenue projections and contingency funds are insufficient, then the Bureau postpones planned expenditures until revenue returns to an adequate level. The Bureau has established internal financial management procedures to accomplish this process and reviews budgetary matters on a monthly and quarterly basis.

The Bureau continues to manage the State-owned Public Reserved and Nonreserved Lands (the "Public Lands Program") to produce timber on a sustained yield basis and within established levels for allowable harvest to generate revenue to support resource protection, wildlife, and recreation programs. The addition of new lands and management responsibilities places increasing demand on the Bureau. Recent increases in revenue in the Public Reserved Lands Management Fund are used to meet these additional responsibilities. Presented below are the FY 2017 budget allocations proposed for each of the ten dedicated accounts within the Bureau's Public Lands Program. These allocations represent the limits within which the Bureau must operate.

FY 2017 ACCOUNT SUMMARIES

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

Income		Expenses	
Earnings on Investments	\$11,000	Personal Services	\$3,340,640
Grants from State Agencies	\$150,000	All Other (not including STACAP)	\$1,247,105
Rent of Lands*	\$923,000	Capital	\$0
Camp lot Leases*	\$400,000		
Recreational Use of Lands	\$14,000		
Misc. Rents & Leases	\$12,000		
Registration Fees	\$25,000		
Sale of Forest Products *	\$4,301,418		
Sale Timber/Gravel/Grass	\$2,400		
Recovered Cost	\$29,000		
Reg Transfer Personal Svcs	\$37,500		
Legis Transfer of Revenue	(\$116,723)		
DICAP**	(\$587,656)	STACAP	\$174,895
Total Income	\$5,200,939	Total Expenses	\$4,762,640

* 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, 2015, had an account balance of \$8,001,049 in the Public Reserved Lands Management Fund which serves as its contingency fund. Because most of the Program's timber harvesting took place during the winter, there was a significant seasonal fluctuation in income. This seasonal fluctuation is expected to even out over the next couple years. The contingency fund enables the Program to operate during the first half of the fiscal year when income is low and expenses are relatively constant. It also serves as a buffer to cover operating costs when expenses exceed revenues.

Increases in annual allowable cut (AAC) and transition from stumpage sales to contract logging services have resulted in increased revenue 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 around \$7 million in revenue. 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.

New Initiative

Dedicated Revenue	Income	Requested for 2017	Expenses
Sale of Forest Products	\$1,340,500	All Other	
DICAP	(\$140,530)	Professional Services	\$690,000
		All Other - STACAP	\$1,740
		All Other Subtotal	\$691,740
		Roads/Bridges Construction & Materials	\$508,260
		Capital Subtotal	\$508,260
TOTAL	\$1,199,970	TOTAL	\$1,200,000

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

New Initiative

Dedicated Revenue	Income	Requested for 2017	Expenses
Sale of Stumpage	\$42,500	Capital - Equipment	\$42,500
TOTAL	\$42,500	TOTAL	\$42,500

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

New Initiative

Dedicated Revenue	Income	Requested for 2017	Expenses
		Personal Services	(\$80,692)
TOTAL		TOTAL	(\$80,692)

This initiative eliminates one vacant Forester I position.

New Initiative

Dedicated Revenue	Income	Requested for 2017	Expenses
Rent of Lands	\$53,582	Personal Services	\$53,582
TOTAL	\$53,582	TOTAL	\$53,582

This initiative provides funding for the approved reclassification of 3 Forester I positions to Forester IIs and 6 Forest Technicians to Forester I positions.

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

Income		Expenses	
Earnings on Investments		All Other (not including STACAP)	\$32,761
Rent on Lands and Buildings	\$2,500	Capital	
Sale of Stumpage	\$33,580	STACAP	\$761
DICAP**	(\$2,558)		
Total Income	\$33,522	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 \$23,062 at the end of fiscal year 2015, 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 16/17 will generate sufficient income to cover budgeted expenses.

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

Income		Expenses	
Earnings on Investments	\$2,100	All Other (not including STACAP)	\$201,672
Sale of Land	\$233,592	Capital	
DICAP**	(\$26,217)	STACAP	\$7,803
Total Income	\$209,475	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 2015 this account had a balance of \$654,161. 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	\$70,754	All Other (not including STACAP)	\$60,542
DICAP**	(\$7,870)	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 2015 this account had a balance of \$219,227.

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

Income		Expenses	
Earnings on Investments	\$2,200		
Rent of Land	\$940,944	Personal Services	\$206,194
		All Other (not including STACAP)	\$70,743
Reg Transfer Personal Svcs	(\$37,500)	STACAP	\$10,667
Transfer to S&H	(\$500,000)		
DICAP**	(\$35,840)		
Legis Transfer of Revenue	(\$80,000)		
Total Income	\$287,604	Total Expenses	\$287,604

** 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 \$536,721 at the end of fiscal year 2015. 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.

New Initiative

Dedicated Revenue	Income	Requested for 2017	Expenses
Rent of Lands	\$35,061	Prof Services-not by state	\$30,000
DICAP	(\$3,900)	STACAP	\$1,161
TOTAL	\$31,161	TOTAL	\$31,161

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

New Initiative

Dedicated Revenue	Income	Requested for 2017	Expenses
Rent of Lands	\$150,000		
Transfer to S&H	(\$150,000)		
TOTAL	\$0	TOTAL	\$0

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

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

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

This account was set up by the legislature in 1991 in anticipation that the Submerged Lands Program would eventually yield revenues that could provide benefits to the public beyond what was needed to administer the program. These funds are set aside in a special account and made available to municipalities and state agencies for grants to enhance shore and harbor management, planning, and public access efforts. A portion of the fund is also available to support management programs on coastal islands under the Bureau's jurisdiction. As noted above, with the implementation of a new lease fee schedule, the Bureau anticipates improved funding for municipal coastal planning and public access projects over the next several years. At the end of fiscal year 2015 this account had a balance of \$984,902.

New Initiative

Dedicated Revenue	Income	Requested for 2017	Expenses
Transfer from Submerged Lands	\$150,000		
Transfer to Coastal Program	(\$150,000)		
TOTAL	\$0	TOTAL	

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

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

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

Funding in this program covers the cost of reviewing new applications for island registrations. Most private coastal island titles have been reviewed and current program activity, for the most part, involves providing information to the public and occasionally reviewing application and deed information. At the end of fiscal year 2015 the account had a balance of \$1,010.

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

Income		Expenses	
Earnings on Investments	\$4,563	All Other (not including STACAP)	\$3,904
DICAP**	(\$508)	STACAP	\$151
Total Income	\$4,055	Total Expenses	\$4,055

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

This account is used to manage public recreational activities and related resources on land under the Bureau’s care on Mackworth Island in Falmouth, Maine. Section 2 of Chapter 102 Public Law 1998, authorizes the proceeds from the sale of a 157 acre Bureau of Parks and Lands property in Colorado to be invested as a separate trust fund and managed by the State Treasurer for the benefit of Mackworth Island. In November 1999, the Colorado property was sold. The proceeds of \$60,000 have been deposited into this trust fund. A non-lapsing account receives interest income from the trust fund. At the end of fiscal year 2015 the account had a balance of \$14,009, over and above the principle.

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

Income		Expenses	
		Personal Services	
Federal Grants	\$42,258	All Other (not including STACAP)	36,158
		Capital	0
DICAP**	(\$4,701)	STACAP	1,399
Total Income	\$37,557	Total Expenses	\$37,557

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

This account is used for 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 2015 the account had a balance of \$-140 for the associated DICAP charges.

XVIII. CONCLUSION

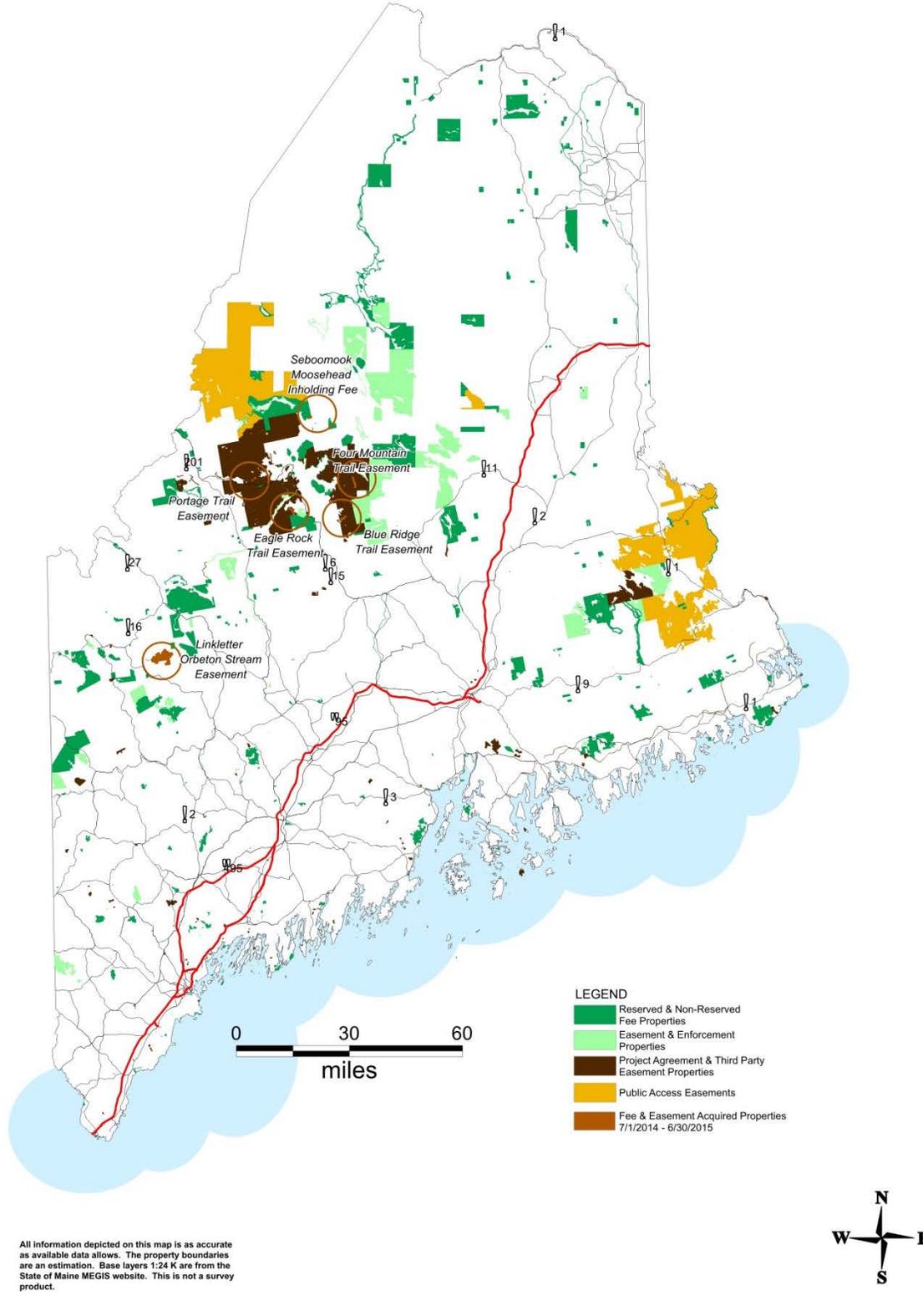
Expenditures will be managed to operate within the Bureau's financial means for all accounts.

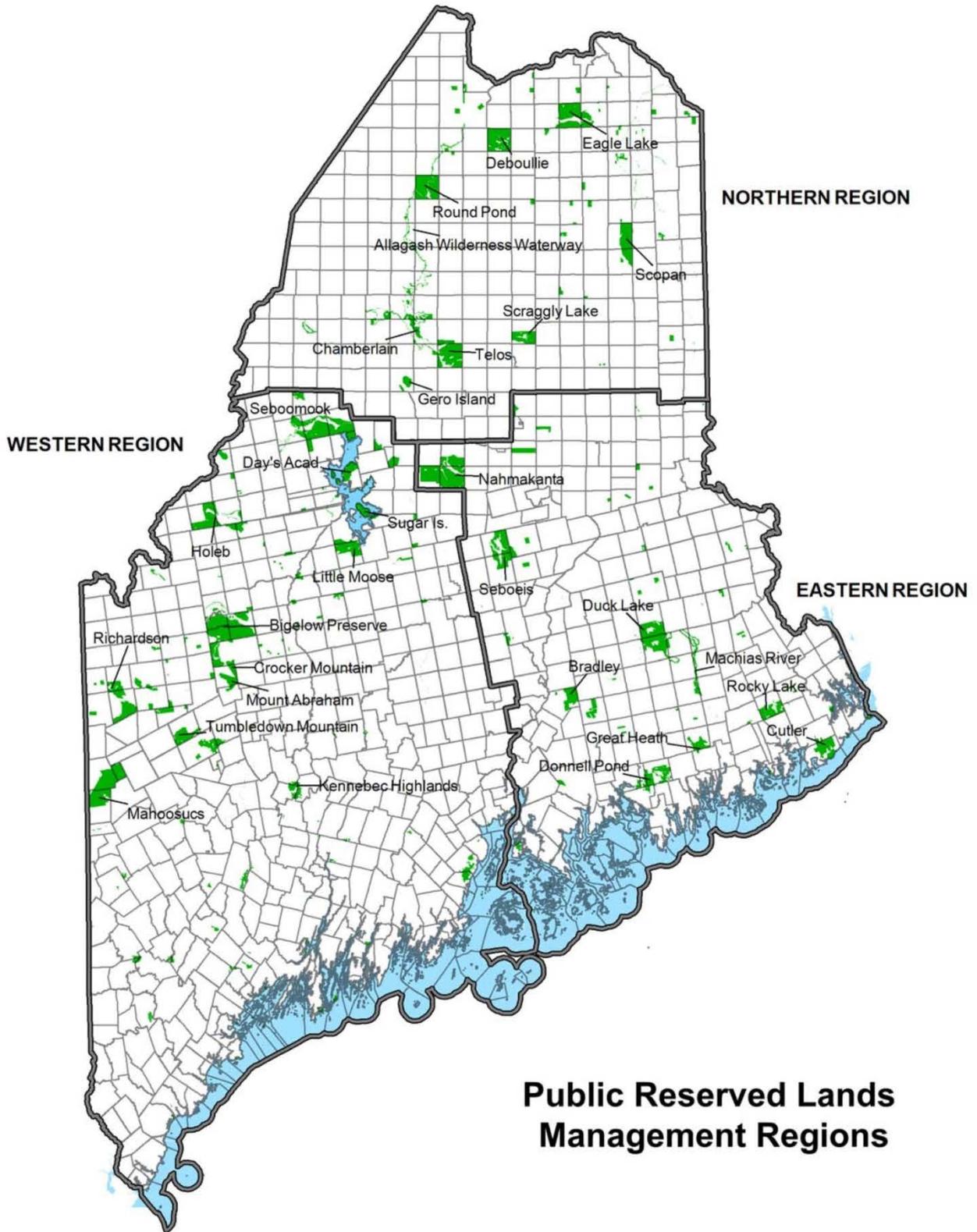
After three successive years of revenue exceeding expenditures, the Public Reserved Lands Management Fund is in position to meet increasing demands to cover rising costs in such areas as personnel services, health care, vehicle rental, information technology, and public information, while assuming management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

The annual allowable cut was increased in 2013 as a result of the recently completed timber inventory, and further increases can be realized with adjustments to the applied discount rate, and as growth is accelerated. The increase in allowable cut based on inventory growth and adjustments to the discount rate would suggest an annual allowable cut target of 160,000 cords for FY16. This increased harvest effort will place increased demands on staff related to timber management responsibilities and will need to be balanced with continued demands related to non-timber responsibilities, including recreation.

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

January, 2016





APPENDIX C

BPL Public Lands Harvest Data				
Total Harvest, Comparison to Sustainable Harvest Level (SHL)				
FY 2006 – FY 2015				
Fiscal Year	Regulated Acres	Sustainable Harvest Level (cords)	Harvest from Inventory (cords)	SHL minus harvest from inventory * (cords)
2006	352,129	111,881	67,237	44,644
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
10 Year Totals		1,225,541	1,134,535	91,006
Annual average		122,554	113,454	9,101
* Negative numbers = overcut				