

2009 ANNUAL REPORT
FOR
PUBLIC RESERVED, Non-RESERVED, and SUBMERGED LANDS
to the
JOINT STANDING COMMITTEE
on
AGRICULTURE, CONSERVATION, AND FORESTRY



Before and After – Reconstruction of the Henderson Brook Bridge, Allagash Waterway

March 1st, 2010



MAINE DEPARTMENT OF CONSERVATION
Bureau of Parks and Lands

Table of Contents

I.	INTRODUCTION.....	1
II.	2009 HIGHLIGHTS	1
III.	PREFACE	3
IV.	SCOPE OF RESPONSIBILITIES	3
V.	LAND MANAGEMENT PLANNING	5
VI.	NATURAL/HISTORIC RESOURCES	6
VII.	WILDLIFE RESOURCES.....	9
VIII.	RECREATION RESOURCES.....	10
IX.	TIMBER RESOURCES.....	15
X.	TRANSPORTATION.....	18
XI.	PUBLIC ACCESS	18
XII.	LAND TRANSACTIONS	19
XIII.	SUBMERGED LANDS.....	20
XIV.	SHORE AND HARBOR MANAGEMENT FUND.....	21
XV.	COASTAL ISLAND PROGRAM.....	21
XVI.	ADMINISTRATION.....	21
XVII.	INCOME AND EXPENDITURES ACCOUNTING – CY 2009	24
XVIII.	FINANCIAL REPORT FOR FY 2011	27
XIX.	CONCLUSION.....	33
	Appendix A: MAP	34
	Appendix B : Summary of 2009 BP&L Acquisitions and Dispositions.....	35
	Appendix C: USFS Forest Legacy Program – Projects Approved and Pending.....	37
	Appendix D.....	38

I. INTRODUCTION

The Bureau of Parks and Lands is responsible for the management and administration of Maine's Public Reserved and Non-reserved Lands, Submerged Lands, Coastal Islands, and other lands as provided by law.

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 Bureau is statutorily mandated to manage the Public Reserved and Non-reserved Lands in a manner consistent with the principles of multiple land use to produce a sustained yield of products and services in accordance with both prudent and fair business practices and the principle of sound planning (Title 12 MRSA 1833 and 1847).

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

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

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

II. 2009 HIGHLIGHTS

Acquisitions – In 2009 the total lands held in conservation lands, in fee and easements, exceeded for the first time one million acres at 1,015,920 acres (not including 9,815 acres of Forest Legacy conservation easements delegated to the Bureau by the US Forest Service). Acquisitions in 2009 totaled 52,588 acres and included 12,936 acres in Public Reserved Lands; 39,606 acres in conservation easements, and 46 acres added to Parks.

Over one half of the funding for these acquisitions (56%) came exclusively from private sources – the result of hydropower licensing (1,335 acres) and development rezoning (28,280 acres). In addition, \$910,000 of private hydropower and wind power funds were used as match for public sources on other projects. Public funds contributed to acquisitions in 2009 included \$5,071,000 from the USDA Forest Legacy Program (FLP); \$3,653,104 from the Land for Maine's Future Program (LMF); \$550,000 from the US Fish and Wildlife Service – North American Wetlands Conservation Act (NAWCA); and \$270,000 from the National Park Service's Land and Water Conservation Fund (LWCF).

These acquisitions would not have occurred without the considerable efforts of many partners, including local clubs and land trusts (Canton Trailriders ATV Club, Damariscotta River Association, Belgrade Regional Conservation Alliance, Forest Society of Maine, Rangeley Lakes Heritage Trust, and Downeast Lakes Land Trust); and regional and national conservation organizations (The Conservation Fund, Appalachian Mountain Club, The Trust for Public Land, The Nature Conservancy, and the Northern Forest Canoe Trail).

In addition to these acquisitions, the Bureau continued to sponsor land trust and local government acquisitions through the LMF Program in 2009, with 10 projects closing (952 acres).

Plum Creek Moosehead Concept Plan Approved with BPL designated 3rd party reviewer to 359,000 acres of Conservation Easements: In 2009 LURC approved the Plum Creek Moosehead Region Concept Plan including the Moosehead Region Conservation Easement to be held by the Forest Society of Maine, with the Bureau as 3rd party enforcer. While the conservation protections

are in effect and being enforced, this deed is held in escrow pending resolution of administrative appeals.

Firewood Permit Program: Due to somewhat lower energy prices, and especially as people experienced the labor needed to harvest one's own firewood, individual firewood permit volume fell 62% from 2,020 cords in 2008, to 758 cords. However, logging contractors more than picked up the difference, supplying customers with over 4,800 cords of firewood, so that overall firewood sales increased by 38% in 2009.

Forest Certification – Dual surveillance audits under the Forest Stewardship Council and Sustainable Forest Initiative were conducted in the Bureau's Eastern Region, looking at high quality timber harvests, best management practices for water quality, and innovative management for wildlife and recreation.

The Bureau was awarded unconditional certification, reflecting its exemplary forest and land management practices.

Recreation – Advancing the recreation-related recommendations of many newly completed management plans, highlights of 2009 included:

- Removal of over 40,000 acres in the Seboomook Unit from the North Maine Woods system eliminating day use fees, and allowing an ATV connection to be established to Pittston Farm, supporting long distance ATV touring in the region.
- A new multi-use trail on Farrar Mountain in the Nahmakanta Unit including a scenic vista and planned lean-to and campsite; to replace a snowmobile club trail discontinued on Big Spencer Mountain;
- New backcountry trail and camping sites on the Bigelow Preserve, including a trail connection between the Appalachian Trail and the Western Mountains Foundation Hut to Hut Trail.
- Completion of a 3 mile connector trail between the Pinelands Reserve Lands and Bradbury Mountain State Park, serving ATV's snowmobiles, mountain biking, and horseback riding.
- Construction of 5 new Lifelight evacuation landing areas in the Eastern Lands Region.

Timber Management Program - The 2009 timber harvests on Bureau lands totaled 111,790 cords, taking advantage of good conditions in winter to offset the record rains of summer. Increased prices for energy wood enabled contractors cutting on Bureau sites to market nearly 14,000 cords of biomass, more than twice the amount for 2008.

Land Management Planning In 2009 Regional Management plans were complete for the 36,000 - acre Aroostook Hills Region which includes the Squapan and Scraggly Units and a number of small lots; and the 57,300-acre Eastern Interior Region including the Duck Lake, Bradley, Mattawamkeag and Machias River Units, and a number of small lots. The Plans also address Bureau-held conservation easements, which include easements in the Eastern Interior Region at Nicatous Lake, Mattawamkeag Lake, and along the Machias River.

This year the management plan process began for the Rangeley-Mahoosucs Region, which includes 66,275 acres of Public Reserved Lands including the Mahoosuc, Bald Mountain, Four Ponds and Richardson Lake parcels, and a number of smaller public reserved lots. The Plan is expected to be completed in 2010.

Transportation – The Bureau oversaw a major bridge replacement project in the Allagash Wilderness Waterway – the Henderson Brook Bridge, which is highlighted on the cover of this report. The new bridge improves safety, navigation, and flood control, and maintains a critical link in the logging road network.

Submerged Lands – In 2009, following recommendations from the Governor's Ocean Energy Task Force and enabling legislation, the Bureau designated three areas for testing of offshore wind energy technology near Monhegan, Damariscove, and Boon Islands. The Bureau also implemented legislative changes to the rent formula for submerged lands leases, and continues to provide conveyances for new proposals on submerged lands and to owners of coastal structures who were granted 30-year constructive easements when the leasing program was established in 1975. In addition the Bureau continues to develop an inventory of structures on great ponds.

III. PREFACE

This report is submitted by March 1st of each year to the Joint Standing Committee on Agriculture, Forestry, and Conservation. Sections IV through VI of the Report provides an overview of the scope of the Bureau's responsibilities, and information on the Bureau's management activities during the 2009 calendar year in the following program areas:

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

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

Sections VII and VIII of the report provide financial information on both a calendar year (2009) and fiscal year (2011) basis. The ACF Committee has the obligation to report by March 15th to the Appropriations Committee on the Bureau's Lands Division FY 2011 budget.

IV. SCOPE OF RESPONSIBILITIES

LANDS AND PROGRAMS

The Bureau of Parks and Lands is an agency within the Department of Conservation, that historically merged from two previously separate Bureau's – the Bureau of Parks and Recreation and Bureau of Public Lands. It is responsible for management of Public Reserved and Non-Reserved Lands, State Parks, Historic Sites, the Allagash Wilderness Waterway, and the Penobscot River Corridor. In addition it has

a Boating Facilities program to build boat access sites and fund municipal boat access sites; and includes the Snowmobile and ATV Programs which provide grants to local clubs to build and maintain trails.

The Bureau of Public Lands was created in 1973 to manage the state's interests in "original public lots," 1000 acres set aside in each township as a source of revenue to support schools when and if they became settled. In total these accounted for over 400,000 acres. Beginning in the mid-1970's many of the original public lots were traded with other landowners to consolidate the State's holdings into larger management units having greater public use values. 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 have been assigned to the Bureau for management.

In 2009 lands under the Bureau's ownership, management or oversight included:

- 590,853 fee acres of Public Reserved and Non-reserved Lands,
- 84,248 acres of fee lands held as Parks or Boat Access Sites;
- 338,757 acres of conservation easements;
- 9,815 acres of Forest Legacy Conservation Easements delegated to the Bureau to enforce by the US Forest Service);
- 2.3 million acres of the State's marine and freshwater submerged lands, and 1086 publicly owned coastal islands; and
- Three large public access easements on 624,768 acres of private lands.

The Bureau also works with local land trusts, conservation entities and municipalities seeking to acquire easements and fee lands with LMF funds for conservation and recreation purposes. Since 2001, non-state projects have been eligible for LMF funds, if sponsored by a state agency and subject to a Project Agreement which specifies terms for conservation and use. In 2009 10 BPL-sponsored projects were closed covering 952 acres. Total number of BPL Project Agreements in 2009 rose to 70, with approximately 30 others pending (including all pending projects from previous years).

The Bureau is statutorily mandated to manage Reserved and Non-reserved Lands “under the principles of multiple use to produce a sustained yield of products and services by the use of prudent business practices and the principles of sound planning” (12 MRSA ' 1833 & 1847). Bureau staff involved in managing Reserved and Non-reserved Lands include specialists in planning, forest transportation, wildlife, recreation, and field forestry. All collaborate to ensure an integrated and balanced approach to the management of the various resources on these lands.

The Bureau manages the State’s submerged lands beneath coastal waters to the 3-mile territorial limit, and the submerged lands in natural Great Ponds, and publicly owned coastal islands under the Public Trust Doctrine to protect the public trust rights to fishing, waterfowl hunting, navigation, and recreation. In addition, the Bureau maintains the Coastal Island Registry, which catalogs the ownership of all coastal islands.

TRENDS AND ISSUES

Since 1995, the fee ownership managed by the Lands Division has increased by roughly 117,000 acres (a 25% increase), with the majority (69%) of the new lands acquired between 2003 and 2009. Conservation easements have increased dramatically compared to fee lands, from only 5,000 acres in 1995 to now over 325,000 acres, with nearly 291,000 acres of these conservation easements acquired between 2003 and 2009. That is nearly a ten-fold increase in the past 7 years. The Bureau now holds 53 conservation easements; is delegated by the US Forest Service to enforce 3 others; and is 3rd party enforcer on an additional 11 easements (not including the pending Moosehead Region Conservation Easement).

In 2009, as a result of LURC’s approval of the Plum Creek Moosehead Region Concept Plan, the Bureau was designated 3rd party holder to 359,000 acres of conservation easements (the terms of these easements are being enforced pending resolution of administrative appeals to the LURC decision). Unlike other 3rd party easements held by the Bureau, this one obligates the Bureau to conduct periodic “audits” of the easement holder, the Forest Society of Maine, and so imposes a new responsibility for the Bureau.

Many of the largest easement held by the Bureau have been acquired with funds from the U.S. Forest Service’s Forest Legacy Program. As shown in Appendix C, another 66,500 acres of working forest conservation easements have been approved for Forest Legacy funding and will close sometime in the next one to two years.

Since 2004 the Bureau has acquired nearly 625,000 acres of lands with public access easements (see accompanying map – Appendix A). The Bureau has the option but not the obligation to maintain or improve certain designated roads on 592,880 acres of these easements. However, holding these rights has altered the public’s perceptions about the Bureau’s role in providing access to private lands.

Since 2001 the Land for Maine’s Future Program has allowed non-state entities to acquire easements and fee lands for conservation under sponsorship by a state agency. The Bureau of Parks and Lands now holds 70 Project Agreements, and another 30 are pending. Project Agreements impose an unfunded obligation for the Bureau to ensure compliance with the terms of the Project Agreements.

The result of these various trends, most having emerged only in the last decade - the increases in land and easements acquired, changing expectations for public access, a new unprecedented role in protecting the public’s interest on landscape level conservation easements like the Plum Creek Moosehead Region easement, an increasing number of LMF Project agreements - has been to create an escalating management challenge. Together they add significantly to the Bureau’s land management responsibilities, particularly in the areas of recreation development, natural resource planning, and easement and Project Agreement monitoring.

These new and increasing responsibilities have fallen on regional management staff, and the Bureau’s Planning Division, all of which are supported in large part by timber revenues from Reserved Lands. However, despite the increased workload and cost for this added responsibility, the Bureau’s land management staffing has not increased since 2002 and options for revenue to cover increasing costs are lagging behind the needs. In addition the markets for selling timber products have significantly diminished in the downturned economy. Potential revenues from new fee lands

are not sufficient to cover the increased costs associated with the acquired lands – some lands acquired have included deed restrictions limiting timber harvest (deeded ecological reserves), while others have low volumes of standing timber at the time of purchase thus limiting the revenue generation potential for a decade or more, or are of high value for recreation such that timber management must be secondary to recreation.

Project Agreement and Easement Monitoring Funding Issues: Significantly, the Bureau can generate revenue from timber management to manage its fee lands for recreation and wildlife; but conservation easements and to a lesser extent Project Agreements impose management costs for compliance monitoring, with no revenue provided to support that cost. Timber revenues are increasingly falling short of the growing costs of managing Bureau-owned lands and cannot be realistically expected to also subsidize monitoring costs.

Conservation Easement monitoring endowments established by acquisition partners in the Maine Community Foundation (MCF) as part of acquisition fund raising has helped to cover part of these costs; but recent declines in the value of those endowments due to the global economic crisis (one third of the value lost in 2008) has underscored the fragility of those endowments.

V. LAND MANAGEMENT PLANNING

The Bureau owns 147 public reserved land units and 21 non-reserved public land units. The number of actively managed reserved and non-reserved units (not including lands leased to or managed by others, small islands, and lands with a minority common and undivided interest), is 152. These range in size from 60 acres to 47,440 acres.

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 Non-reserved lands. Management Plans are prepared consistent with the IRP and taking into consideration comments received from a defined public process. Historically, resource management plans were prepared every ten years for each of the larger parcels (or Management Units), many of which are consolidations of former

public lots. Today, management plans are prepared regionally, for a period of 15 years, and a single plan addresses all of the reserved and non-reserved lands within a planning region.

The planning process allocates areas for specific uses including:

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

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

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

MANAGEMENT PLAN STATUS

1	Mount Abraham ¹	Adopted June 2007
2	Amherst	Plan in Progress
3	Bald Mountain²	Plan in Progress
4	Bigelow Preserve ¹	Adopted June 2007
5	Chain of Ponds ¹	Adopted June 2007
6	Chamberlain	Scheduled 2011-12
6	Cutler Coast ³	Adopted March 2007
8	DeadRiver/Spring Lake ¹	Adopted June 2007
9	Deboullie ⁴	Adopted June 2007
10	Dodge Point	Adopted Nov. 1991
11	Donnell Pond ³	Adopted March 2007
12	Duck Lake⁵	Adopted July 2009
13	Eagle Lake ⁴	Adopted June 2007
14	Four Ponds²	Revision in Progress
15	Gero Island/Chesuncook	Scheduled for 2011-12
16	Great Heath ³	Adopted March 2007
17	Holeb	Adopted Dec. 1989
18	Kennebec Highlands	Plan in Progress
19	Little Moose	Adopted Oct. 1988
20	Machias River ⁵	Plan in Progress
21	Mahoosuc²	Revision on Progress
22	Moosehead	Adopted July 1997
23	Nahmakanta	Adopted Nov. 1995
24	Pineland	Revision in Progress
25	Richardson²	Revision in Progress
26	Rocky Lake ³	Adopted March 2007
27	Round Pond	Adopted Dec. 1992
28	Salmon Brook Lake Bog ⁴	Adopted June 2007
29	Scraggly Lake⁶	Adopted August 2009
30	Seboeis	Adopted Feb. 1990
31	Seboomook	Adopted March 2007
32	Squapan⁶	Adopted August 2009
33	Telos	Adopted Feb. 1990
34	Tumbledown Mt.	To Begin in 2010
35	Wassataquoik	To be scheduled

¹ Flagstaff Region Plan

² Western Mountains Region Plan

³ Downeast Region Plan

⁴ Northern Aroostook Region Plan

⁵ Aroostook Hills Region Plan

⁶ Eastern Interior Region Plan

VI. NATURAL/HISTORIC RESOURCES

NATURAL RESOURCE INVENTORIES (NRI's)

The Maine Natural Areas Program, a division of the Bureau of Geology and Natural Areas, conducts inventories of natural resources on lands managed by the Bureau under a Memorandum of Understanding. In general,

inventories are done in advance of management planning to provide up-to-date information.

NRI's completed in 2009. In preparation for the Western Mountains Region Management Plan, Natural Resource Inventories were conducted for the Mahoosuc Unit, Four Ponds Unit, as well as the Rangeley area lots, Richardson Lake Unit. An NRI was also substantially completed for the Tumbledown Mountain Unit in preparation for the Management Plan to begin in 2010.

ECOLOGICAL RESERVES

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

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

ORIGINAL RESERVES: In 2001, the director designated thirteen ecological reserves totaling 68,975 acres on public reserved lands included in the above-referenced inventory. These original reserves were designated using the best available information at the time, with

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

* Estimated acres at this time

the understanding that adjustments would be needed as research in conjunction with management plans revealed different conditions on the ground and other factors affecting the lands included in the reserves.

The Downeast Region Management Plan (adopted in 2007) recommended and adopted changes to three original reserves because of recent land acquisition for the Donnell Pond Unit, deed conditions affecting use of the Great Heath and fieldwork on the natural communities at Cutler Coast. The Northern Aroostook Region Management Plan (adopted in 2007) recommended and adopted changes to the ecological reserve at Deboullie where the boundary overlaps an area of 300-400 acres with developed facilities and significant public use. The change in ecological reserve acreage resulted in a net reduction of approximately 111 acres.

DEEDED ADDITIONS: Between 2002 and 2004, the Bureau acquired three areas with the condition that the lands be designated ecological reserves: Big Spencer Mountain, the Saint John Ponds and Mount Abraham. The March 2006 annual report to the ACF committee reported the acceptance of these reserves. These areas, acquired as public reserved lands, were formally designated as Ecological Reserves as part of the adoption of the Seboomook Unit Management Plan and the Flagstaff Region Management Plan in 2007.

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 Ecological 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.

Opportunities for public comment on these management plans are noted under Section V, LAND MANAGEMENT PLANNING.

In 2009 the Bureau acquired 4,809 acres of land called the Number Five Bog, an area originally considered for ecological reserve designation but not qualifying since not enough of it was in Bureau ownership. As noted below, in 2009 the Ecological Reserves Scientific Advisory Committee met to review the acquisition to determine if it qualified for Ecological Reserve designation, as called for in the acquisition deeds, and determined that it was qualified. This land will be managed as an Ecological Reserve, with formal designation pending adoption of a management plan subject to public review and comment.

Ecological Reserves Designated as a Result of Deed Restrictions	
Name	Acres*
Big Spencer ER (ADOPTED 2007)	4,242
Mount Abraham ER (ADOPTED 2007)	5,186
St John Ponds ER (ADOPTED 2007)	3,917
Machias River ER (ADOPTED 2009)	2,780
Total ER Designated by Restricted Deeds and adopted by Management Plan	16,125
Number 5 Bog (DEEDED 2009, pending adoption through Management Plan)	4,809
Total ER Acquired through deeds,	20,934

*Acres reported in deed.

STATUTORY LIMITS: By statute, the total land acreage designated as ecological reserves may not exceed 15% of the total land acreage under bureau jurisdiction or 100,000 acres, whichever is less. In addition, no more than 6% of the operable timberland acres on public reserved and nonreserved lands may be

designated as ecological reserves. *Lands acquired after the effective date of the ecological reserve statute with the deeded condition that the land be designated an ecological reserve are not included when calculating these acreage limits.*

Presently Bureau fee lands, including Parks, Public Reserved and Non-reserved Lands, and Boating Facility lands, total 675,100 acres. The 15% limit would then be 15% applied total acres less 20,934 acquired with deed restrictions; or 98,125 acres. This means that the 98,125 acres is presently the actual upper limit with regard to the first statutory condition. The current qualifying Ecological Reserves comprise nearly 69,000 acres, well under this limit.

<i>Land Type</i>	<i>Total Fee Acres</i>
State Park Lands	83,696
Boat Access Lands	552
Public Reserved Lands	581,885
Non-reserved Public Lands	8,968
Unregistered Coastal Islands	1,095
Subtotal	675,101
Land acquired on condition of ecoreserve designation	-20,934
Total	654,167
Lesser of 15% of Lands under Bureau Jurisdiction or 100,000 Acres in Qualifying Reserves	98,125
	68,864

Regarding the 6% rule, there are current 404,970 acres of operable timberland on public reserved and non-reserved lands, with 20,896 acres of these located in qualifying reserves. This is 3,080 acres below the 6% limit set in statute.

<i>Land Type</i>	<i>Operable Timberland Acres</i>
Public Reserved Lands	400,198
Non-reserved Public Lands	4,772
Total	404,970
6% of Operable Lands	24,298
Operable Acres in Qualifying Reserves	20,896
Net available acres for ER designation	3,080
*Operable timberland acres are lands held in fee, not including deeded ecological reserves. Operable acres on Ecological Reserves include modifications adopted in 2007.	

Baseline Data Collection in 2009. An annual Memorandum of Understanding has been developed with the Maine Natural Areas Program to collect baseline data for the Bureau's Reserve inventory. These surveys are being conducted in accordance with established monitoring guidelines. This ongoing effort will provide information necessary for measuring ecological changes on Reserves over time. One of the purposes for establishing an ER system was to compare natural processes with managed lands. This is particularly important with the ongoing dialogue around climate change.

In 2009 baseline data collection was completed at the 5th Machias Lake Ecological Reserve. The acquisition of the Number Five Bog in T5R7 along the Moose River in 2009 presents one more Ecological Reserve for baseline monitoring.

During eight field seasons MNAP staff established and measured permanent plots on 80,000 acres of ecological reserves thanks in part to significant funding assistance from the Maine Outdoor Heritage Fund Program. A summary report was completed in June of 2009 entitled *Ecological Reserve Monitoring Summary Report for the Maine Outdoor Heritage Fund and The Nature Conservancy*. The report may be found at http://www.maine.gov/doc/nrimc/mnap/reservesys/monitoring_update_june2009.pdf

The remeasurement cycle for the ER plots was designed to occur every 10 years. That ten year cycle is now approaching. It will be challenging to find new funding to continue the research as envisioned in the creation of the Ecological Reserve system.

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. Following the designation of Reserves on DOC lands in 2000, an Ecological Reserves Monitoring Committee (consisting of many of the same representatives as the original Advisory committee) was assembled to work with the Maine Natural Areas Program to create an Ecological Reserve Monitoring Plan (2003).

The committee continued meetings in 2009 to complete the report mandated by the Task Force Regarding Publically Held Easements. That report,

Ecological Reserves in Maine: A Status Report on Designation, Monitoring, and Uses was completed and submitted to Governor Baldacci in July of 2009. The report was also presented at the Conservation Recreation Access Forum. It may be viewed at:

www.maine.gov/doc/nrimc/mnap/reservesys/sci_ad_report_july2009.pdf

The report contains nine recommendations and proposes criteria that new ecological reserves must meet. At a fall meeting the ERSAC reviewed an application for a new deeded ecological reserve at Number 5 Bog near Jackman in Somerset County, using these criteria. The application met the criteria and 4,821 acres were approved for consideration as a new ER within the BP&L ER system subject to final adoption in the management planning process to be undertaken in 2011-12.

HISTORIC AND CULTURAL INVENTORIES

The Bureau's Historic Site Specialist provides information on the history of parcels subject to the management planning process. This information, along with input from the Maine Historic Preservation Commission and the public process that accompanies Plan development, is then included in the management plans. The MHPC is the lead agency in identifying significant historic resources requiring preservation and protection of these resources on the State's ownership, including designating historically sensitive areas for special protection.

VII. WILDLIFE RESOURCES

A key component of the Bureau's integrated resource management program is coordinating land management activities with fisheries and wildlife habitat enhancement. Since 1984 a wildlife biologist from the Maine Department of Inland Fisheries and Wildlife has been assigned to the Bureau through a cooperative agreement between the two agencies. The primary responsibility of the biologist has been to develop and implement a habitat management program for Bureau-managed lands. Wildlife management activities conducted in 2009 on lands managed by the Bureau were as follows:

Wildlife Inventory and Survey Work. Most of this work is performed by a seasonal Wildlife

Technician during a 16 week season, typically mid-May to mid-September. In 2009 the seasonal position was not filled until mid July, and continued until the end of October. Due to the late start, the early brood survey was missed; but was completed for the normal second inventory conducted in July. Also missed was peregrine falcon monitoring, Bicknell's thrush surveys and loon monitoring.

Habitat Management. One hundred and twenty two waterfowl nesting boxes were maintained by regional staff. With assistance from the seasonal position, 27 acres of old field were mowed; 30 old apple trees were released; and invasive species control was conducted on 12 acres.

Seeding Program. Fifty two acres of herbaceous seeding was established on public lands for wildlife forage and erosion control.

Habitat Agreements. The Bureau and IFW developed cooperative agreements for piping plover and least tern management on four state park beaches. With assistance from a contractor, the Bureau continues to work on a long-term model for the Round Pond deer yard, and harvest plan agreements for deer yards were completed with IF&W.

Prescriptions. Timber harvest plans for 17 compartments totaling 13,803 acres of public lands were reviewed for fish and wildlife habitat compatibility and potential habitat enhancement.

Forest Certification. Planning and administration for fisheries, wildlife, and biodiversity issues related to forest certification conditions in both the Sustainable Forestry Initiative (SFI) and Forest Stewardship Council (FSC) programs continued. The Wildlife Biologist participated in yearly compliance audits conducted by both programs.

VIII. RECREATION RESOURCES

The Bureau's Lands Division is responsible for 326 campsites, over 150 miles of day hiking and backpacking trails (does not include the 71 miles of Appalachian Trail located on state-owned lands), 35 trailered and hand-carry boat launching areas, and 131 miles of public access road.

2009 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 2009 projects is provided below.

Western Region

The Western Region of the Lands Division continued to maintain and provide a diversity of outdoor recreation facilities and resources. In addition to routine maintenance, a number of projects were undertaken.

Bradbury-Pineland Trail Corridor Project.

Thanks to prior acquisition efforts, BPL now has the legal right and approved permission to establish a multi-use trail connecting Bradbury Mt. State Park in Pownal with the Pineland Public Reserved Land Unit in Gray and North Yarmouth. In 2009, BPL's Off Road Division developed a multi-use motorized & nonmotorized trail segment of approximately 3 miles in length between the public lands adjacent to Bradbury Mt. State Park and the public lands at the Pineland Unit. This trail development will work towards the completion of a trail system linking Bradbury Mt. State Park and the Pineland Public Lands.

Bigelow Preserve. A site plan developed in 2008 to reroute the Appalachian Trail along the eastern shore of Flagstaff Lake was implemented in 2009. The completed reroute also provides additional lakeside campsites off the Appalachian Trail while also establishing a hiking trail connection to the Western Mountains Foundation Hut to Hut trail.

Tumbledown Mt. Trails. Access funds from the Lands for Maine Future program again funded 10 weeks of Maine Conservation Corps trail work to restore and upgrade the popular trail system at the

Tumbledown Mt. area. The Tumbledown Alliance also contributed financially to this effort.

Seboomook Unit. 2009 saw the moving of the Twenty Mile North Maine Woods Checkpoint to a new location across the bridge over the South Branch. The move allows the Bureau to open the Seboomook Unit to day use without fees, and to manage for uses that are not allowed in the NMW system, including ATV's, horses, and bicycles. A 6-mile multi-use trail was constructed on Bureau lands, connecting to a new 4 mile spur across Plum Creek lands, establishing a link with the regional ATV network that connects Jackman, Rockwood and Greenville. The link provides access to an important service hub, Historic Pittston Farm, embedded within the Seboomook Unit, and supports long-distance ATV touring. The new trail on the Seboomook Unit also serves snowmobiling, horseback riding, and potentially bicycling.

Another 2009 addition to management at Seboomook came in the form of an AmeriCorps Environmental Educator position dedicated to providing public information to visitors at the Unit. The educator also assisted with management activities and non-motorized trail development, gathered use and visitor preference data, and otherwise served as an on-the-ground contact for visitors.

Wright Trail, Mahoosuc Unit. The Wright Trail is a hiking trail originating from the Sunday River Rd. in Ketchum and leading to the summit of Goose Eye Mt. In total, there are approximately 5.6 miles of trail on BPL property. This rugged, challenging trail is in need of numerous stone steps, bog bridges, and waterbars (as well as trail brushing and blazing). In an effort to improve the rapidly deteriorating trail conditions and to improve visitor experiences and environmental quality, BPL contracted for 10 weeks of Maine Conservation Corps trail crew work in 2009.

Eastern Region

Eleven miles of new snowmobile/atv trails were constructed in cooperation with the Bureau's Off Road Vehicle Division to relocate sections off main haul roads, and access desirable areas. Five new bridges were constructed as part of the above project. Five new Lifeflight evacuation landing zones were constructed on various units within the region.

The Eastern Region benefitted this year from having additional staff capacity to address outreach to the broader recreation community in the Downeast Area, funded entirely with private funds (see Staff below). Part of the work of that position allowed the Bureau to actively collaborate with the Vacationland Resources Committee and the Downeast Nature-based Tourism Initiative to align planning and investments with regional tourism efforts. Additional projects possible through this position include efforts to work with the Blackwoods Scenic Byway Committee; exploring recreation impacts resulting from a proposed transmission line upgrade affecting the Donnell Pond Unit and Downeast Sunrise Trail; and interfacing with the Maine DOT on signage related to the Cutler Coast. These and other specific projects in the Eastern region are described below:

Donnell Pond Public Reserved Land Unit. In 2009 the Bureau conducted a trails inventory and assessment for the Donnell Pond Unit. This included working with the Blackwoods Scenic Byway Committee to define a designated hiking trail access from the Blackwoods Byway (Rt. 182) to the established hiking trail system at the Donnell Pond Reserved Land Unit. To fund this, a grant request application was submitted to the Recreational Trails Program for funding in 2010.

The Bureau also explored efforts to minimize potential recreation and other impacts to the Downeast Sunrise Trail associated with a proposed transmission line upgrade. The portion of the Downeast Sunrise Trail that passes through the Donnell Pond Unit had railroad ties removed in 2009. By the end of 2010, the trail will be fully surfaced through the Unit.

Nahmakanta Public Reserved Land Unit. The Bureau continued to develop an expanded backcountry hiking opportunity on this Unit in 2009. A trail segment was completed filling the trail gap between Tumbledown Dick Falls and Tumbledown Dick Pond. This trail segment links significant trail systems in the unit, namely the 8 mile plus Turtle Ridge Trail, a short section of the Appalachian Trail, and the 12 mile plus Debsconeag Backcountry Trail in the Debsconeag Ecological Reserve.

A new multi-use trail was developed on Farrar Mt. to enhance snowmobiling, ATV riding, and other trail uses. The trail includes a scenic lookout stop (vista) and is planned to include a

lean-to campsite. This trail is intended to replace a regional snowmobile viewing opportunity formerly available at the Big Spencer Ecological Reserve.

Additionally, the North Maine Woods Checkpoint at Henderson Brook on the Nahmakanta Unit was converted to an automated gate.

Cutler Coast Public Reserved Land Unit. A new set of stairs was constructed to a backcountry campsite located at Fairy Head. Inventory and planning work was completed for trail sign upgrades and improved trailhead public information. New trail signs and informational materials will be on site in 2010. In 2009 the Bureau worked with the Maine Department of Transportation on the placement of new road signs in the region directing visitors to the Cutler Unit.

Mattawamkeag Lake. In 2009, the Bureau installed two new water access campsites on Bureau land on Mattawamkeag Lake near with the Bible Point property.

Rocky lake. A new vault toilet was constructed at South Bay.

Northern Region

The Northern Region of the Lands Division continued maintenance of 65 campsites and 12.5 miles of hiking trails. In addition to the work discussed below, in 2009 regional staff prepared Recreational Trails Program grant applications for 2010 hiking trail development and improvement at the Deboullie and Scraggly Lake Units.

Deboullie Unit. The Bureau's Northern Region Public Lands staff, with assistance from the Maine Conservation Corps (MCC), constructed an Adirondack shelter at Togue Pond while upgrading parking and installing stone steps. MCC also completed the Deboullie Mountain Trail upgrade.

Salmon Brook Lake Unit. In 2009, the Bureau's northern region constructed a one mile hiking trail from the terminus of the multi-use trail spur constructed in 2008 on the Salmon Brook Lake Unit.

Recreational Trails Program

The Recreational Trails Program (RTP), administered by the Federal Highway Administration, is funded by a transfer of a percentage of gasoline taxes paid on non-highway recreational use in off-highway vehicles from the Highway Trust Fund. It is a significant source of funding for recreational trails for the Bureau of Parks and Lands, other qualifying sub-divisions of state government, non-profit groups, and municipalities. In 2009, the following RTP grants were awarded to aid in projects on Maine Public Land Units. Some of the projects summarized above were funded with these grants.

- \$62,258 for 6.7 miles of ATV trail work at the Squapan Unit
- \$42,699 for 5 miles of hiking trail construction/improvement at the Deboullie Unit
- \$30,000 for 5.6 miles of hiking trail rehab in the Mahoosuc Unit
- \$25,000 for 1.3 miles of hiking trail construction in the Salmon Brook Lake Unit
- \$11,000 for 1.25 miles of hiking trail work in the Bigelow Preserve
- \$121,250 for 8 miles of multi-use trail and bridge construction associated with the Bradbury Mt. State Park-Pineland Lands Unit project
- \$95,000 for multi-use trail construction and gate removal at the Seboomook Unit
- \$25,837 for a multi-use trail project at the Nahmakanta Unit
- \$7,100 for improved signage and kiosks in the Western Mts. Plan Area (several Lands Division properties in western Maine).

2009 – 2014 MAINE STATE COMPREHENSIVE OUTDOOR RECREATION PLAN (SCORP)

Every five years, the State of Maine is required to produce a State Comprehensive Outdoor Recreation Plan (SCORP) in order to qualify for the federal Land and Water Conservation Fund. While this plan is broader than the Lands Division and is intended to address recreation at a statewide level, it is noteworthy that the Bureau of Parks and Lands submitted its updated SCORP report to the National Park Service in December, 2009. Upon acceptance by the National Park

Service, the 2009-2014 Maine SCORP will be the guiding document for the use of Maine's stateside share of Land and Water Conservation Funds and will be looked to as a resource for recreation planning in general.

Priorities such as "connect outdoor recreation stakeholders to improve collaboration" and "connect trails to establish or improve regional trail systems" tie in directly with planning and management activities associated with Maine Public Lands. The SCORP document will help shape perspectives on recreation priorities for the Lands Division.

PUBLIC INFORMATION

The Bureau, through its Interpretive Specialist and other staff support, continued to develop, revise, and distribute information on the location of hiking trails, campsites, and other recreation facilities and opportunities available on Bureau lands.

In 2008, the Bureau undertook a pilot effort in Washington County to develop new standards for maps and guides detailing property features and opportunities. This effort culminated in new materials being available in 2009 via the Bureau's website www.parksandlands.com for the Cutler Coast, Machias River Corridor, and Rocky Lake Units in addition to Shackford Head, Roque Bluffs, Cobscook Bay, and Quoddy Head State Parks.

In 2009, the map & guide effort was expanded; 9 land units have had maps and guides in development in 2009. The Phase II (2009) properties should be complete and available at least on the web by spring or early summer 2010.

New or Updated Public Land Unit Brochures In progress in 2009

Cutler Coast (2008)
Machias River Corridor (2008)
Rocky Lake (2008)
Bigelow Preserve (2009-10)
Deboullie (2009-10)
Kennebec Highlands (2009-10)
Mahoosuc (2009-10)
Nahmakanta (2009-10)
Moosehead Shoreline (2009-10)
Seboeis (2009-10)
Seboomook (2009-10)
Tumbledown (2009-10)

Website Updates. The Bureau continues to use its website www.parksandlands.com to provide photos, maps, and facility information for most of its consolidated units. The website was enhanced with new search features, expanded content, print-at-home maps and brochures. The Unit brochures and corresponding web descriptions were updated to showcase a new format with more complete descriptions and information.

STAFFING

Six seasonal rangers were involved in recreation management activities in 2009. The western region also hired a 13-week seasonal intern to assist with campsite maintenance on Moosehead Lake. The seasonal rangers were responsible for recreation facilities maintenance and construction, and informing visitors about Bureau rules. The full-time Bigelow Preserve Manager spent much of the summer managing recreational use.

In addition, in 2009, the Bureau launched a pilot project working with the MCC-administered AmeriCorps Environmental Educator program to provide a resident staff person at the Seboomook Unit. This was funded using a combination of RTP and MOHF funds, and was particularly targeted to increased management needs arising from moving the 20-Mile NMW gate.

Also in 2009, the Bureau created a project position funded with outside grants to assist in recreation and management plan activities in the Eastern Region's Downeast area. A planner worked specifically on trails issues at the Donnell and Cutler Units; and coordinated with Maine's Office of Tourism in addressing regional signage needs. Because of the success of this position, the Bureau is seeking to extend this project position another year with additional grant funds.

FEES

Fees are generally not charged on Public Reserved and Non-reserved Lands managed by the Bureau; however, in some situations fees are charged because these lands are near or within private recreation management systems having similar management objectives. Fees were charged in 2009 on Public Reserved Lands as described below:

North Maine Woods Recreation Management System. This is a privately operated system involving 3 million acres of primarily private lands where public recreation is allowed subject to fees collected a series of Checkpoints. Approximately 95,500 acres of Public Reserved Lands managed by the Bureau, including the Deboullie, Round Pond, Chamberlain, Telos, Gero Island, and portions of the Seboomook Units, 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. Visitors then travel over roads on private land within the NMW system. In 2009, camping fees were \$8.00/person/night for Maine residents and \$10/person/night for non-residents; and day use fees were \$6.00/person for residents and \$10.00/person for non-residents. 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 (Deboullie Unit).

In 2009, the 20-mile Checkpoint gate was moved to allow 40,500 acres of the Seboomook Unit to be removed from the NMW system, eliminating the NMW day use fees. However, this only applies if the Unit is approached from the south via Rockwood and the 20-mile road. Visitors arriving via other gated Checkpoints within the NMW system, such as the Caribou gate, must still pay NMW day use fees. Because the West Branch, Seboomook Lake, South Branch, North Branch and Canada Falls Lake were officially added to the Penobscot River Corridor (PRC) in 2007, camping fees are charged by the Bureau at PRC rates (see additional discussion under the Penobscot River Corridor below).

Penobscot River Corridor. The Penobscot River Corridor (PRC), managed by the Bureau's Parks Division, includes campsites on Public Reserved Lands on Gero Island on Chesuncook Lake, and a portion of the Seboomook Unit. PRC staff maintain recreation facilities (primarily campsites) at these sites, and charge camping fees. In 2009 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 (\$6.00 and \$10.00 per person respectively for residents and non-residents in 2009) are also charged and retained by North Maine Woods to cover operating costs for the checkpoint system.

Because most of the PRC system is partly within the NMW system and partly outside of it, day use fees may be charged for the day-in and day-out only when both the access to and exit from involve passing through a NMW checkpoint, and the entirety of the trip is on water (generally includes Gero Island Public Reserved land); or if the trip involves passing through only one NMW checkpoint, a single day use fee is charged (as in trips originating at the Seboomook Unit and ending at the Takeout at the head of Chesuncook Lake).

In a third scenario, because access to the PRC sites on the South Branch, North Branch, and Canada Falls Lake, and the Seboomook Unit (if accessed through the Caribou gate), all also allow vehicular access to the rest of the NMW system, the NMW day use fee is charged for all trip days for these sites.

Camping fees at sites operated by the PRC on the Seboomook Unit 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 for administering the fees system for the Bureau).

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 Unit lies within this system. Day use fees (\$6/person/day resident and \$9/person/day non-resident) are charged at checkpoints in Katahdin Ironworks and West Bowdoin College Grant for access to this Unit and other lands within the system. 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, KI/Jo-Mary fees apply. Exit from the Nahmakanta Unit through the south will also involve a fee if access was gained from the west.

South Arm Campground. The Bureau leases campsites on the Richardson Unit (Upper Richardson Lake) to South Arm Campground, a privately owned campground on adjoining private land. In 2009, the campground owner charged \$15.00 (including tax) per night per site. The campground retains a portion of this fee to cover its

costs for maintenance of the 12 campsites and the Mill Brook public boat launch facility at the north end of lake.

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

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 2009 were:

Appalachian Trail. In 2009, the Bureau continued its partnership with the Maine Appalachian Trail Club to accomplish stewardship and trail maintenance along 43 miles of the AT corridor in the Bigelow Preserve, Mahoosuc, Four Ponds, Bald Mountain, and Nahmakanta Units. An additional 28 miles of the AT is located on lands within state parks or on lands subject to Bureau-held conservation easements.

Bigelow Preserve. In addition to providing trail maintenance of the AT on the Bigelow Preserve, an agreement is in place with the Maine Appalachian Trail Club to ensure a summer staff presence at the more heavily used areas of the Appalachian Trail; in particular, the Horns Pond campsite near the center of the Bigelow Range.

Coastal Islands. In 2009 the Bureau continued its partnership with the Maine Island Trail Association for the management of certain state-owned islands along the coast of Maine that are part of the Maine Island Trail.

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

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

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

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

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

KI-Jo-Mary / NMW System. The *KI-Jo-Mary System* is similar to the NMW system; in fact the two systems share administrative services. The Nahmakanta Unit and Sebois Unit both lie near or adjacent to the *KI-Jo-Mary System*. Because of the proximity of the Sebois and Nahmakanta Units to this existing managed system, NMW provides maintenance and monitoring services for these Units under contract with the Bureau. The NMW partnership with the Bureau has many other facets, as discussed elsewhere in this report.

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

Machias River Corridor. The Bureau cooperates with the Maine Atlantic Salmon Commission, the U.S. Fish and Wildlife Service, NOAA, Project SHARE and local watershed councils to protect and enhance Atlantic salmon habitat.

Western Mountain Community Foundation (Huts and Trails). In 2007 the Bureau entered into several new and formal relationships with WMCF in order to facilitate the development of a network of large huts connected by trails. The Bureau holds a conservation easement over

portions of the trail, and entered into agreements authorized by the legislature to allow the trail to cross portions of the Bigelow Preserve. In 2009 the Bureau worked with the MATC and WMCF to establish a connector trail from the new Flagstaff Lake Hut to trail systems on the Bigelow Preserve and through to the Poplar Stream Falls Hut south of the Preserve. The growth of the Huts & Trails network will come with many new and expanding formal and informal relationships between the Bureau and WMCF (see also Projects: Bigelow Preserve - in this Recreation section).

IX. TIMBER RESOURCES

The Bureau manages the natural resources on the lands under its care through a carefully planned multiple use program that balances timber management with all other resource values. Timber revenues support the Bureau's public reserved and non-reserved management costs, including provision of recreation facilities and opportunities, and wildlife management. Other public benefits include contribution to the local economy, 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 detailed timber, site, and natural resource measurements. This inventory and subsequent updates continues to be important for both forest management planning, and third-party forest certification auditors.

Status of Current Inventory. The 2006 modeling update of the 1999 analysis revealed a total inventory of over 8 million cords on about 360,000 regulated acres (the acres used in calculating sustainable harvest levels). With Seboomook included the inventory is over 8.5 million cords on just under 400,000 acres, nearly 22 cords per acre.

This level of stocking is approximately 30 percent more than the average for all of Maine's

timberland as reported by the U.S. Forest Service in 2004. The most abundant tree species on Bureau lands is red spruce, and its volume per acre is over 50 percent greater than that shown statewide in the 2004 report.

PRESCRIPTIONS

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

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

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

Prescriptions in 2009. Bureau staff examined and prescribed 17 compartments totaling 13,803 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, following State rules and procedures governing the sale of State property and purchase of services. Most timber is sold as stumpage. Under this system, the contractor agrees to pay the Bureau a bid price per unit for each type of forest product harvested. Occasionally timber is sold using contracts for logging services. Under this system, the Bureau pays the contractor to harvest timber and deliver it to specified mills; these mills then pay the Bureau directly for these products. In 2009 no timber was harvested under contracts for logging services.

Once the timber contracts are awarded, Bureau foresters and forest technicians work closely with contractors to ensure contract compliance, and that timber management objectives are met.

Bureau staff closely supervises each harvest by marking individual trees for removal or by providing loggers with strict harvesting criteria. These criteria specify which trees are to be harvested. All harvest operations are inspected by Bureau staff on a weekly basis; more often when individual situations warrant.

Summary of Timber Sales in 2009. The implementation of prescriptions resulted in:

- A total of 111,790 cords (allowable cut is 115,000 cords) harvested from 9,781 acres.
- A total of 34 operations were ongoing in 2009. These operations are a combination of newly established sales, and sales carried over from previous years, and do not include permits for firewood sales issued to individuals (see below).
- In concert with the Bureau's contractors, wood was marketed to 45 mills statewide.

Firewood Permit Program: Individual firewood permits totaling 758 cords were issued by the Bureau in 2009. This is considerably less than last year's volume, due both to less lofty fuel prices and to last year's experiences of how labor-intensive cutting one's own firewood can be. However, firewood harvests by logging contractors more than tripled, so that nearly 4,800 cords of firewood were supplied from lands managed by the Bureau, about 1,400 cords more than in 2008.

2009 Harvest and Market Analysis. Timber harvesting on Bureau lands totaled 111,790 cords, about 10,000 above the 2008 total. This was accomplished despite record summer rainfall, though winter conditions were favorable. The 2009 figure is 97% of the Bureau-established "allowable cut". However, the harvest volume included nearly 14,000 cords of biomass energy wood, most of which would not meet the merchantability standards that were assumed for calculating allowable cut. Without those "sub-merchantable cords, the harvest was closer to 90% of the allowable.

The price paid to the Bureau per cord was 14% lower in 2009 than it had been in 2008, for two main reasons. The first is product mix, and

especially the more than doubling of biomass energy wood. Though the price for biomass actually increased in 2009 and on some operations exceeded that for hardwood pulp, those two were still the lowest-price products. The second factor, responsible for about 60% of the decline, was a significant decrease for spruce/fir products, though they were as always the major revenue source, producing over half of stumpage income from one-third of the volume. Sawlogs/studwood rates decreased by 12% and S/F pulpwood by nearly 20%.

Total volume for all softwoods was almost exactly the same as in 2008 while hardwood volume increased by over 10,000 cords. Thus the hardwood share of the total rose from 55% in 2008 to 59.5% in 2009, as the Bureau continued to remove low quality wood to favor the better trees for the future. In coming years the hardwood-to-softwood ratio is likely to be more balanced, which should increase the average revenue per cord.

As part of its multiple use management, the Bureau will continue to emphasize maintaining the harvest volume at a level near the allowable cut, while continuing to practice the highest quality silviculture.

Larger volume, multi-year sales have been initiated during the past three years in an effort to provide stability for contractors, which in turn should increase annual harvest volumes. These contracts have attracted contractors with desired harvesting equipment. In addition, this approach should foster better working relationships and improve efficiency. However, economic conditions that result in poor markets, and weather events that can reduce harvest levels, will remain beyond the Bureau's control.

SILVICULTURAL ADVISORY COMMITTEE

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

Committee Tour in 2009: The 2009 field trip included the committee's first visit to the Bradley

tract, and a return to several sites on the Tunk-Donnell Unit which had generated considerable discussion when visited during the 2006 trip.

The featured species at Bradley was white pine. The group looked at ongoing shelterwood management, with some acres having been treated three times by the Bureau since 1993, each harvest coinciding with a heavy seed crop on the pine. The group also discussed management around vernal pools, and improvement harvests favoring pine and oak.

At Tunk-Donnell we saw the "after" of several stands seen pre-harvest in 2006, a biomass improvement harvest in a low-value fire origin stand, and several selection harvest sites in higher quality stands of spruce-hemlock or spruce-pine. We also visited an area where individual firewood permittees had harvested along a public access road, generating considerable discussion both of the firewood program and Bureau visual management standards.

BOUNDARY LINES

The Bureau continued to make progress on the maintenance of boundary lines this past year, with 18 miles maintained in 2009.

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 nonconformances" stipulated in the audit reports, including: significant enhancements to forest inventory data,

development of a computerized forest-modeling program, a timeline for updating management plans for the entire land base; improvements in the use of Best Management Practices to protect water quality; and new commitments to public outreach and education programs. The Bureau is required to meet these conditions within certain timeframes in order to keep its certification status in good standing over the five-year certification period.

Certification Accomplishments in 2009. The joint FSC/SFI surveillance audit was done this year on Eastern Region lands, evaluating Bureau performance at Bradley, Duck Lake, and Tunk-Donnell. The first and last of those had been visited a month earlier by the Bureau's Silvicultural Advisory Committee, offering BPL staff two opportunities for peer review. Though the audit reports included some Opportunities for Improvement, formerly known as "Recommendations", the Bureau continues to have no pending Corrective Action Requests.

X. TRANSPORTATION

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

BRIDGES

Allagash Wilderness Waterway, Henderson Brook Bridge. The Bureau's Northern Region Manager oversaw the construction of a replacement for the Henderson Brook Bridge in the Allagash Wilderness Waterway in 2008-2009. This involved 2,592 staff hours. The 65 weeks of labor costs will be reimbursed through bridge tolls. (see Cover photos)

In the Eastern Region, two vehicle bridges were replaced and three new ones added; while in the Western Region 3 bridged were re-decked.

ROADS & ACCESS IMPROVEMENTS

Road Construction. To facilitate both summer and winter timber harvesting activities across the state, approximately 20 miles of road were constructed or reconstructed.

Road Maintenance. Each year the Bureau contracts for maintenance services for grading and brushwork on public use roads. In 2009, approximately 85 miles of roads were maintained under contract in the Eastern and Northern regions, and another 71 in the Western Region, for a total of 156 miles.

XI. PUBLIC ACCESS

Eighty percent of the Public Reserved Lands were accessible to the public without fee or special arrangements in 2009. There are a few circumstances where public vehicle access is limited or restricted. As required in 12 MRSA § 1853, the following is a report of barriers that affect primary motor vehicle access.

EXTERNAL GATES TO PUBLIC LANDS

North Maine Woods Checkpoints. There are seven checkpoints, staffed seasonally, controlling primary access from Maine points to 95,000 acres of Public Reserved Land within the nearly three million acre North Maine Woods area, including the Deboullie, Round Pond, Chamberlain, Telos, and portions of the Seboomook Units. These checkpoints are all on private land and facilitate management of recreational use on both public and private land. This is down from 135,000 acres due to the removal of the Seboomook Unit from the NMW system in 2009. The South Branch, North Branch and Canada Falls Portion of the Seboomook Unit remain within the NMW system and must be accessed through a NMW Checkpoint gate. Further, the 40,500 acres of the Seboomook Unit "removed" must still be accessed via a NMW checkpoint if coming from the West over the Golden Road or up the eastern side of Moosehead Lake to the Caribou gate.

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 the Nahmakanta Unit and KI/Jo-Mary system at Henderson Brook. This controls access from the Nahmakanta Unit into the KI/Jo-Mary system. In 2009 the checkpoint was converted to an electronic gate, which will be operated remotely from the Route 11 Checkpoint, and will result in savings to the Bureau.

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

INTERNAL GATES

The Bureau maintains 20 internal gates for safety purposes, to protect sensitive areas, to limit vehicle traffic on service roads, or to control certain recreational uses. Two of these were added in 2009 on the Nahmakanta Unit to keep trucks and other vehicles off new ATV/snowmobile trails constructed there this year; the third was located in the Western Region. 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.

In 2009 one gate was added on Bureau-held lands in Davis Township, which replaces the gate in Dallas PLT that had been maintained by the camp owners on the south end of Kennebago Lake. The new gate is owned and maintained by the campowners. This new arrangement allows public access to two Public Lots - the north lot in Dallas Plantation, and the lot in Davis Twp. The total area of the two lots is 1,050 acres. These two lots previously had not been accessible due to the location of the gate in Dallas PLT.

XII. LAND TRANSACTIONS

ACQUISITIONS

Appendix B provides a list of all Bureau acquisitions in 2009. Forest Legacy Program funding has been approved for expected 2010 acquisition of an additional 22,000 acres of conservation easements; other forest Legacy

Program funding approved for future acquisitions include potentially another 44,600 acres primarily in conservation easements with some fee.

In addition to these acquisitions, the Bureau continued to sponsor land trust acquisitions through the Land for Maine's Future program requirements. In 2009, ten Bureau-sponsored LMF acquisitions also closed with a total of 952 acres, bringing the total number of Bureau-sponsored projects to 70.

OTHER DISPOSTIONS

Appendix B also provides a record of dispositions in 2009. These dispositions were authorized by Legislative Resolve or statute and totaled approximately 4 acres.

ACQUISITIONS IMPACTING VECHICULAR ACCESS

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

Seboomook Wilderness Campground lacks deeded public vehicular access from a public road. The acquisition is adjacent to vast BPL holdings which similarly lack deeded vehicular access. BPL made a breakthrough in 2009 by removing the Seboomook Unit from the gated NMW system and by advising LURC to include public vehicular access to the Seboomook Unit as one of many conditions of full build-out of Plum Creek Concept Plan implementation.

Moose River & No. 5 Bog lacks deeded public vehicular access from a public road. The acquisition is adjacent to BPL holdings which have deeded vehicular access, but connectivity to the new acquisition would come via river paddling. The public interest in use of the acquisition parcel is primarily as a river paddling trip. The acquisition did come with deeded vehicular access rights for management purposes.

Upper Androscoggin River and Wild River. This acquisition includes several parcels, including a majority with deeded public vehicular access and public road frontage. Various parcels including islands and riverfront parcels are separated from

public roads by a railroad corridor with water access only due to no railroad crossing rights or limited railroad crossing rights.

Conservation easements acquired on Ragged and Caucomgomoc Lakes and the Great Lakes Hydropower America, Inc Penobscot Headwaters Lakes all explicitly allow public recreational access, but do not have deeded access – rather, access is over private roads all within the North maine Woods system. However, these easements are part of a Federal Energy Regulatory Commission license that requires public benefits including public recreation. GLHA is required to report to FERC every six years on the availability of public access and the cost to the public. The report requires GLHA to identify how it will rectify loss of access due to road closures or excessive fees.

2009 LAND TRANSACTIONS BILL

Resolves of 2009, chapter 64 authorized certain dispositions of Bureau lands and interest in lands. Below is a summary and status report for these:

1. **To convey in the Town of Damariscotta, Lincoln County**, any portion of the 4 ½-acre Shell Heaps Lot, with written approval of the Director of the maine Historic Preservation Commission and any required approvals by heirs of the donors of the parcel or required approvals by court of law. The conveyance may only occur in order to advance a plan for recreational trail development on adjacent parcels of land. Not conveyed in 2009.

2. **To convey in the Town of Van Buren, Aroostook County** a crossing easement across the Bangor and Aroostook Trail. To benefit any property, including but not limited to property currently controlled by Mid-Ozarks Investments, LLC, located on the Lake Road. Conveyed in 2009.

3. **To convey in Brownville, Piscataquis County**, access rights either by fee or easement over an old woods road and portions of other lands owned by the Bureau adjacent to the Katahdin Ironworks Multi-Use Trail, to benefit any party, including but not limited to property currently controlled by abutter Paul Foulkes. Not conveyed in 2009.

4. **To convey in T12 R17 WELS, Aroostook County** all minority interests in common undivided interests in lands owned by the Bureau of Parks and Lands in T12 R17 WELS to any party, estimated to be approximately 1,006 acres.

5. **To convey in T5 R13 WELS, Chesuncook Township, Piscataquis County** a parcel of land to Bruce Bailey as the Successor Trustee of the Bailey Family Trust . The parcel contains about 12/100 of an acre. Conveyed in 2009.

6. **To convey in T5 R13 WELS, Chesuncook Township, Piscataquis County** a parcel of land to the government of Picataquis County. The parcel contains approximately 63/100 acres. Conveyed in 2009.

XIII. SUBMERGED LANDS

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

Offshore Alternative Energy. The Bureau provided assistance to the Governor's Ocean Energy Task Force in developing recommendations to facilitate research and development of alternative energy technology, primarily wind and tidal currents, in Maine's coastal waters and to improve permitting and leasing procedures. In addition, three areas suitable for the testing of deep water alternative energy technology were identified in state waters near Monhegan, Damariscove, and Boon Island following an extensive 6-month public outreach and site selection process conducted in cooperation with the State Planning Office.

Project/Permit Applications. In 2009, the Submerged Lands Program processed 105 applications for proposed and existing waterfront structures and dredging projects requiring a submerged lands lease or easement. This includes 23 constructive easement conversions, and 82 leases and easements for new development projects, bringing the combined program total to 2,035 conveyances. The Bureau also reviewed an additional 100 environmental permit applications and determined that no conveyances were required.

Lease Rental Rate Changes. In 2009, lease rental rates for submerged lands were revise to

improve equity statewide in conjunction with the repeal of a \$1,200 annual rental cap. The new rates will be implemented beginning in 2010 and phased in for larger lease holders.

Constructive Easements. The Bureau continues to research information on constructive easements (structures in existence prior to October 1, 1975) and has identified approximately 1,000 structures that require a new conveyance. To date, the Bureau has received over 880 applications and executed 701 new leases and easements for these structures.

Sunken Logs. One application to recover sunken logs from public submerged lands at Moosehead Lake was received in 2009. Over 480 logs were recovered with a total volume of 78,398 board feet.

XIV. SHORE AND HARBOR MANAGEMENT FUND

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

The \$1,200 cap on submerged lands rents that was passed by the legislature in 1997 significantly reduced anticipated revenues but has improved somewhat following the expiration of constructive easements in 2005 and the steady increase in the number of leases since that time. In 2009, the Bureau contributed \$71,000 for 12 municipal shore and harbor planning grants in cooperation with the State Planning Office Coastal Management Program. In addition, \$50,000 to the Maine Island Trails Association in support of continuing partnership for ongoing recreation management of State owned coastal islands.

The Bureau anticipates that with the removal of the lease rental cap and implementation of the new rent fee structure beginning in 2010 that revenue available to the Shore and Harbor Fund will continue to improve. The Bureau will continue to work with other natural resource agencies, leaseholders, and

other interest groups to identify public infrastructure and planning needs along the coast and the appropriate level of contribution to those efforts from this fund.

XV. COASTAL ISLAND PROGRAM

OVERVIEW

Maine's Coastal Island Registry was created by the 106th Legislature as a means of clarifying title to 3,166 coastal islands by establishing and registering ownership. By now most island owners have registered their islands. The Bureau continues to receive periodic requests to register an island or make changes in existing registrations (address or ownership changes). There are also many requests for ownership information from persons with a general interest in Maine islands.

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

XVI. ADMINISTRATION

OVERVIEW

During 2009 staff responsibilities to support the Bureau's various programs and activities and to manage responsibilities over newly acquired land continued to increase.

The Bureau has not had any staff increases since 2002, as noted in Section IV, Trends and Issues, despite a significant increase in the Bureau's land management responsibilities, particularly in the areas of recreation management and facilities development, natural resource planning, and easement and Project Agreement monitoring.

Budget constraints have further limited staff resources, with furlough days cutting into

the Bureau's ability to harvest wood and generate revenues; and limited revenues necessitating delays in filling vacant positions, including the Interpretive Specialist. The Bureau has, in fact, left four forestry-related positions unfilled since authorized in 2002 due to ongoing budget constraints.

The Bureau continues to explore and utilize new technology, and to look for ways to deal effectively with its increasing workload, increased expenses and inadequate revenue to fund all program activities. With generous grant support from the Maine Outdoor Heritage Fund, (MOHF), private foundations, and the Recreational Trails Program (RTP), in 2009 the Bureau was able to augment staff with a Planner focused on the Downeast Region public reserved lands and recreation management issues; and an AmeriCorps Environmental Intern to assist with recreation management issues on the Seboomook Unit (see Section VIII, page 13 – Staff). In addition, MOHF and other private grants have for some time substantially supplemented Bureau resources for costs associated with Natural Resource Inventories and Ecological Reserve Baseline Monitoring services provided by the Maine Natural Areas Program, and easement monitoring (further discussion below).

CONSERVATION EASEMENT MONITORING

In 2007 legislation was enacted (33 MRSA 477-A-3) requiring all conservation easement holders to monitor conservation easements for compliance with easement terms at least once every three years. The Bureau now holds 53 conservation easements; is delegated by the US Forest Service to enforce 3 others; and is 3rd party enforcer on another 11. These conservation easements comprise 325,000 acres; another 3 totaling 66,500 acres are expected to be acquired in the next two years with USFS Forest Legacy funding (Appendix C).

In 2008 and 2009, with the help of two AmeriCorps interns, and with further assistance from the University of Maine School of Forestry graduate program (both secured with MOHF funds and conservation easement monitoring endowment funds), the Bureau successfully completed monitoring every conservation

easement it holds, and so reported to the State Planning Office as required by law.

The Bureau is continuing to develop a system for monitoring its growing number of easements and Project Agreements that will realize savings with technology and systemic efficiencies. In 2009 the Bureau received another MOHF grant to fund another AmeriCorps Environmental Intern to assist with the final phase of developing and implementing its easement monitoring program in 2010.

Although stewardship accounts were established for some easements at the time of their acquisition, these are not sufficient to cover the costs for the designated easements in many cases, and there are no endowments for the majority of the easements. Nevertheless, the Bureau is responsible for all costs associated with these statutory requirements.

In 2009 the Bureau contracted a consultant to review and assess best current thinking on determining the appropriate dollar amount for endowments to support monitoring of working forest conservation easements. These easements are the most demanding type of conservation easement to monitor, and are also the fastest growing type of conservation easement in number and size being acquired by the Bureau. The expanding interest in "keeping forests as forests" in order to support vital economic and ecological functions benefiting the State portends an even greater expansion of working forest conservation easements. Excerpts from that report are included in Appendix D.

CAMPLLOT LEASE PROGRAM

The Bureau continues to administer a Camplot Leasing Program for approximately 300 residential camplots and 8 commercial sporting camps and campgrounds across the state. In 2008 the Bureau reissued leases for a new five-year term, and made adjustments to the lease rental schedule to reflect recent increases in tax-assessed values. The Bureau has a statutory requirement to charge lease fees based on these values.

OTHER LEASES

The Bureau administers 46 leases on its public reserved lands, for a variety of purposes as shown below. The leases have terms that range from 5 to 25 years. Many of these involve no payment to the Bureau – only 27 include lease payment provisions. Leases in 2009 included:

- 7 Utility Corridor leases
- 6 agricultural leases
- 7 telecommunication facility leases
- 20 miscellaneous leases
- 1 dam lease
- 1 boat access lease
- 3 warden camp leases
- 1 University camp lease

XVII. INCOME AND EXPENDITURES ACCOUNTING – CY 2009

OVERVIEW

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

Public Reserved Lands Management Account (014.04A.0239.22)

This account is restricted to uses related to the management of lands that have Public Reserved Lands status, which includes the original public lots, land acquired through trading Public Reserved Lands, and other lands designated as Public Reserved Lands. Sources of income to this account include the sale of timber stumpage, camplot leases and other special leases on the Reserved Lands, and interest on the account balance. In 2009 the Lands Division again, dealt with weather conditions that restricted harvest operations, but was still able to accomplish harvest volumes exceeding 100,000 cords for the third year in a row. However, due to poor market conditions and increased percentage of low value products the average price paid the Bureau per cord was 14% lower in 2009. At the same time expenses for personnel services, vehicle operations, information technology and management costs for non-revenue generating activities have increased. Income for calendar year 2009 was \$4,032,721 with expenditures of \$4,791,674. Because the Bureau's largest source of revenue is timber, income fluctuates from year to year in response to the amount of wood harvested and economic conditions that affect timber markets. The cash balance is drawn down when expenses exceed revenues. Revenue generated in calendar year 2009 was \$758,953 less than expenditures, due to the factors described above.

Not shown in either the income or expenditure figures above are the portion of moneys received from camplot leases and timber sales that are shared with towns and plantations pursuant to 12 MRSA §1854. Based on the income received in 2008 (payable in 2009), the Bureau revenue sharing amounts total \$87,216, paid to 21 towns and plantations.

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

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

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

This account is used for the management of lands not in the Public Reserved Lands System. These Non-reserved Public Lands include institutional lands (those lands considered surplus by other State agencies) assigned to the Bureau for natural resource management, and coastal islands. Income is primarily derived from agricultural leases, though the sale of timber contributes occasionally when timber harvests are completed on Non-Reserved Lands. Income for calendar year 2009 was \$10,390 with expenditures of \$15,336. The cash balance is drawn down when expenses exceed revenues. The Bureau plans its expenditures for each fiscal year based on a level of income it projects to receive from its various revenue sources. If projected income is not sufficient, then the Bureau determines whether the balance in its contingency fund is sufficient to carry it through until additional revenues are received. If both revenue projections and contingency funds are insufficient, then the Bureau postpones planned expenditures until revenue returns to an adequate level.

Submerged Lands Account
(014.04A.0239.27)

The Submerged Lands Account is comprised of funds generated from leases and easements on the State's submerged lands. Most of the fund's income is derived from leases of coastal waterfront properties to allow commercial uses such as marinas, piers, and boatyards. Additional revenues were generated from application and easement registration fees and the sale of gravel. The legislature directed one-time transfers from the Submerged Lands Fund to the DMR Shellfish Fund of \$80,000 on or before July 15, 2009 and again on or before July 15, 2010 for a total of \$160,000. Total revenues in 2009 were \$183,414 with expenses of \$278,016. The cash balance is drawn down when expenses exceed revenues. Funds for personnel services (salaries) comprise the majority of the program's budget.

Shore and Harbor Management Fund (014.04A0239.29)

A Shore and Harbor Management Fund was established in 1991 to provide grants to municipalities for harbor planning, public access, and similar local management activities on submerged lands. This account receives funds from the Submerged Lands account when income from leases exceeds the operating costs of the program. In 2000 and 2001, one-time revenues totaling \$1,537,500 from the sale of submerged lands and dredge materials to BIW were deposited to this account. Since 2005, all of this revenue plus contributions from the Submerged Lands Fund, totaling \$1,765,000 has been transferred to provide funding for municipal grants (\$751,000), the Bureau's Boating Facilities Program (\$600,000), and coastal island management (\$405,000). Total expenses in 2009 were \$71,000 for municipal planning grants and \$50,000 for the management of the Maine Island Trail and Casco Bay State owned islands. Total revenues in 2009 were \$31,610 mostly from transfers from the Submerged Lands Fund and interest. This revenue contributed to a calendar year-end balance of \$276,079.

Land Acquisition Fund
(014.04A.0239.24)

Funds from this account are restricted by statute to the acquisition of lands of significant public use and value for the Public Reserved Lands system, and acquisition-related costs. These funds cannot be used for operation or maintenance of existing land, and therefore, expenditures do not take place on a regular basis. Income that accrues as a result of sales, trades, or interest is carried forward until needed for future acquisitions. Income for calendar year 2009 was \$174,225 against expenditures of \$1,158,159. Income this year was derived from interest earned on the account balance and the sale of the Smilow lease lot in the Upper Richardson Lake Public Reserved Lands Unit. Expenses included the acquisition of 47.33 acres in fee and 8,153 acres in conservation easements, with additional expenditures on legal, appraisal, and survey costs associated with these acquisitions. In all cases, funds were expended in conjunction with other funding sources outside of the Bureau. Funds from this account are restricted by constitutional amendment (Article IX, Section 23) to the acquisition of lands having significant conservation and recreation value in the same county in which the sale of lands generating the funds took place.

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

This account was established to receive revenue from the sale of Public Non-Reserved Lands. Expenses for calendar year 2009 were \$206,653 with no income. Funds from this account are limited by constitutional amendment (Article IX, Section 23) to the acquisition of lands having

significant conservation and recreation values in the same county in which the sale of lands generating the funds took place.

Mackworth Island Trust Fund

(014.04A.0239.30)

Section 2 of Chapter 102 Public Law 1998, authorized the proceeds from the sale of a 157 acre Bureau of Parks and Lands property in Colorado to be invested as a separate trust fund and managed by the State Treasurer for the benefit of Mackworth Island. In November 1999, the Colorado property was sold. The proceeds of \$60,000 have been deposited into this trust fund. A non-lapsing account receives interest income from the trust fund. This account is used to manage public recreational activities and related resources on land under the Bureau's care on Mackworth Island in Falmouth. Income for calendar year 2009 was \$1,143, with no expenditures.

XVIII. FINANCIAL REPORT FOR FY 2011

OVERVIEW

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

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

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

In the past, this internal management has proven successful. The Bureau has adjusted its expenditures and managed its financial resources so that core program activities have continued to be funded. The Bureau continues to manage the State-owned Public Reserved and Non-reserved Lands to produce timber on a sustained yield basis and within established levels for allowable harvest to generate revenue to support resource protection, wildlife, and recreation programs. However, it is becoming more difficult to maintain the financial viability of this arrangement with existing sources of revenue as personal services and fixed costs continue to increase. The addition of new lands and management responsibilities places increasing strain on the Bureau's capacity to remain financially self-sufficient. Presented below are the FY 2011 budget allocations proposed for each of eight dedicated accounts within the Bureau's "Lands" division. These allocations represent the limits within which the Bureau must operate.

FY 2011 ACCOUNT SUMMARIES

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

Income		Expenses	
Earnings on Investments *	\$95,000	Personal Services	\$3,346,445
Rent of Lands*	\$825,000	All Other (not including STACAP)	\$975,688
Camplot Leases*	\$235,000		
Registration Fees	\$21,000		
Misc Services & Fees	\$32,000	Capital	
Recreational Use of Lands	\$11,000		
Sale of Stumpage *	\$3,580,000		
Misc Income	\$100,000	Capital Subtotal	
Legis Transfer of Revenue	(\$72,123)		
DICAP**	(\$346,964)	STACAP	\$123,989
Total Income	\$4,479,913.00	Total Expenses	\$4,446,122.00

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

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

The Bureau, as of December 31, 2009, had an account balance of \$351,103.69 in the Public Reserved Lands Management Fund which serves as its contingency fund. Because most of the Bureau's timber harvesting takes place during the winter (to minimize environmental impacts and potential conflicts with recreational users), there is a significant seasonal fluctuation in income. The contingency fund enables the Bureau to operate during the first half of the fiscal year when income is low and expenses are relatively constant. It also serves as a buffer to cover operating costs when expenses exceed revenues.

The current balance is significantly below the optimum level, which would be half of the annual operating expense. It is below the level necessary to remain self sufficient and support program needs. A concerted effort, with particular emphasis on the timber management program, and modifications to harvest preparation and sale practices, is ongoing and will be necessary to build up this contingency fund. In addition, effort to identify new, recurring sources of revenue must be aggressively pursued if this system is to remain financially viable in the future. As a result of those circumstances many desired program expenditures will need to be curtailed and alternative sources of revenue will need to be explored and developed.

New Initiative

Dedicated Revenue	Income	Requested for 2011	Expenses
Sale of Stumpage	\$260,428	Personal Services	\$67,632.00
DICAP	(\$2,907)	All Other	
		Utility Services	\$763.00
		Rents - CFM	\$8,061.00
		Fuel	\$1,213.00
		STACAP	\$233.00
		All Other Subtotal	\$10,270.00
		Buildings	\$20,000.00
		Capital Equipment	\$24,000.00
		Roads and Bridges	\$135,000.00
		Capital Subtotal	\$179,000.00
TOTAL	\$257,521.00	TOTAL	\$256,902.00

Increases in personal services are to cover the reclass of the Foresters. Increases in all other are requested to address increased rates being charged to the Bureau for fuel oil, utility services, and for rental vehicles by Central Fleet Management. The capital requests are for routine capital equipment purchases, as well as capital improvements on buildings, roads, and bridges.

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

Income		Expenses	
Earnings on Investments	\$3,000	All Other (not including STACAP)	\$32,947
Rent on Lands and Buildings	\$16,850	Capital	
Sale of Stumpage	\$77,582	STACAP	\$575
DICAP**	(\$1,610)		
Total Income	\$95,822.00	Total Expenses	\$33,522.00

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

Both income and expenses will be less than the budgeted allocations in this account. The account has a balance of \$2.642.03, which is used as a contingency fund to cover expenses that occur between the relatively small and infrequent timber harvests on these lands. It is unlikely the Bureau will harvest the amount of timber needed to meet the proposed revenue projection. Therefore, management expenditures and associated activities will be limited.

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

Income		Expenses	
Earnings on Investments	\$144,000	All Other (not including STACAP)	\$203,579
Sale of Land	\$90,475	Capital	
DICAP**	(\$16,498)	STACAP	\$5,896
Total Income	\$217,977.00	Total Expenses	\$209,475.00

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

By statute, the money in this account is used only for purposes related to the acquisition of interest in land. Lands purchased with the funds from this account have Public Reserved Land status. These funds are necessary to acquire rights-of-ways, in-holdings, conservation easements, and additions to the existing land base. As in most years, it is difficult to predict the timing, income, and expenditures involved in potential land transactions. This budget allows the Bureau, if the opportunity arises, to acquire land or other interests within the available allocation. The "All Other" expenses are used to cover the cost of legal assistance for title searches, drafting deeds, appraisals, and related items. At the end of calendar year 2009 this account had a balance of \$957,976.11. At this time all of the funds in this account are limited for use in specific counties from which the revenue was generated, as required by the Constitution. This situation will limit the Bureau's ability in the future to pursue acquisition projects in counties without funds.

New Initiative

Dedicated Revenue	Income	Requested for 2011	Expenses
Sale of Land	\$700,000	Personal Services	
		All Other	
		Capital Land	\$700,000
TOTAL	\$700,000	TOTAL	\$700,000

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

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

Income		Expenses	
Sale of Land	\$269,544	All Other (not including STACAP)	\$61,114
DICAP**	(\$4,952)	Capital	
		STACAP	\$1,770
Total Income	\$264,592.00	Total Expenses	\$62,884.00

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

The money in this account is used only for purposes related to the acquisition of interest in non-reserved land. Lands purchased with the funds from this account have Public Non-Reserved Land status. These funds are necessary to acquire rights-of-ways, in-holdings, conservation easements, and additions to the existing land base. As in most years, it is difficult to predict the timing, income, and expenditures involved in potential land transactions. This budget allows the Bureau, if the opportunity arises, to acquire land or other interests within the available allocation. The "All Other" expenses are used to cover the cost of legal assistance for title searches, drafting deeds, appraisals, and related items. At the end of calendar year 2009 this account had a balance of \$229,916.65.

New Initiative

Dedicated Revenue	Income	Requested for 2011	Expenses
Sale of Land	\$200,000	Personal Services	
		All Other	
		Capital Land	\$200,000
TOTAL	\$200,000	TOTAL	\$200,000

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

5. Submerged Lands Fund Account # 014.04A.0239.27

Income		Expenses	
Earnings on Investments	\$21,000	Personal Services	\$220,344
Rent of Lands	\$400,000	All Other (not including STACAP)	\$17,422
		STACAP	\$6,886
Transfer to S&H	(\$100,000)		
DICAP**	(\$19,269)		
Total Income	\$301,731.00	Total Expenses	\$244,652.00

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

Most of the rental income for the program is not received until late in the fiscal year because rent payments are due in February. Like the Public Reserved Lands account, the Submerged Lands account carries a balance that funds the program through the first portion of the fiscal year. This account had a balance of \$253,985.12 at the end of calendar year 2009. As constructive easements have been brought under lease beginning in the fall of 2005, rental income has begun to meet program expenses. To address this revenue constraint, the Bureau has carefully managed expenses and carried a larger balance to ensure that program costs are covered. As revenue projections stabilize with the substantial completion of the constructive easement conversions, the bureau anticipates transferring more of the balance to the Shore and Harbor Management Fund.

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

Income		Expenses	
Transfers and Earnings on Investments	\$20,527	Grants to Cities & Towns	\$120,527
Transfer from Submerged Lands	\$100,000		
Total Income	\$120,527.00	Total Expenses	\$120,527.00

This account was set up by the legislature in 1991 in anticipation that the Submerged Lands Program would eventually yield revenues that could provide benefits to the public beyond what was needed to administer the program. These funds are set aside in a special account and made available to municipalities and state agencies for grants to enhance shore and harbor management, planning, and public access efforts. A portion of the fund is also available to support management programs on coastal islands under the Bureau's jurisdiction. As noted above, with the substantial completion of the constructive easement conversions, the Bureau anticipates improved funding for municipal coastal planning and public access projects. At the end of calendar year 2009 this account had a balance of \$257,688.83.

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

Income	\$120	Expenses	\$105
DICAP**	(\$8)	STACAP	\$2
Total Income	\$112.00	Total Expenses	\$107.00

Funding in this program covers the cost of reviewing new applications for island registrations. Most private coastal island titles have been reviewed and current program activity, for the most part, involves providing information to the public and occasionally reviewing application and deed information. The account currently has a balance of \$609.71.

8. Mackworth Island Trust # 014.04A.0239.30

Income		Expenses	
Earnings on Investments	\$4,374	All Other (not including STACAP)	\$3,941
DICAP**	(\$319)	STACAP	\$114
Total Income	\$4,055.00	Total Expenses	\$4,055.00

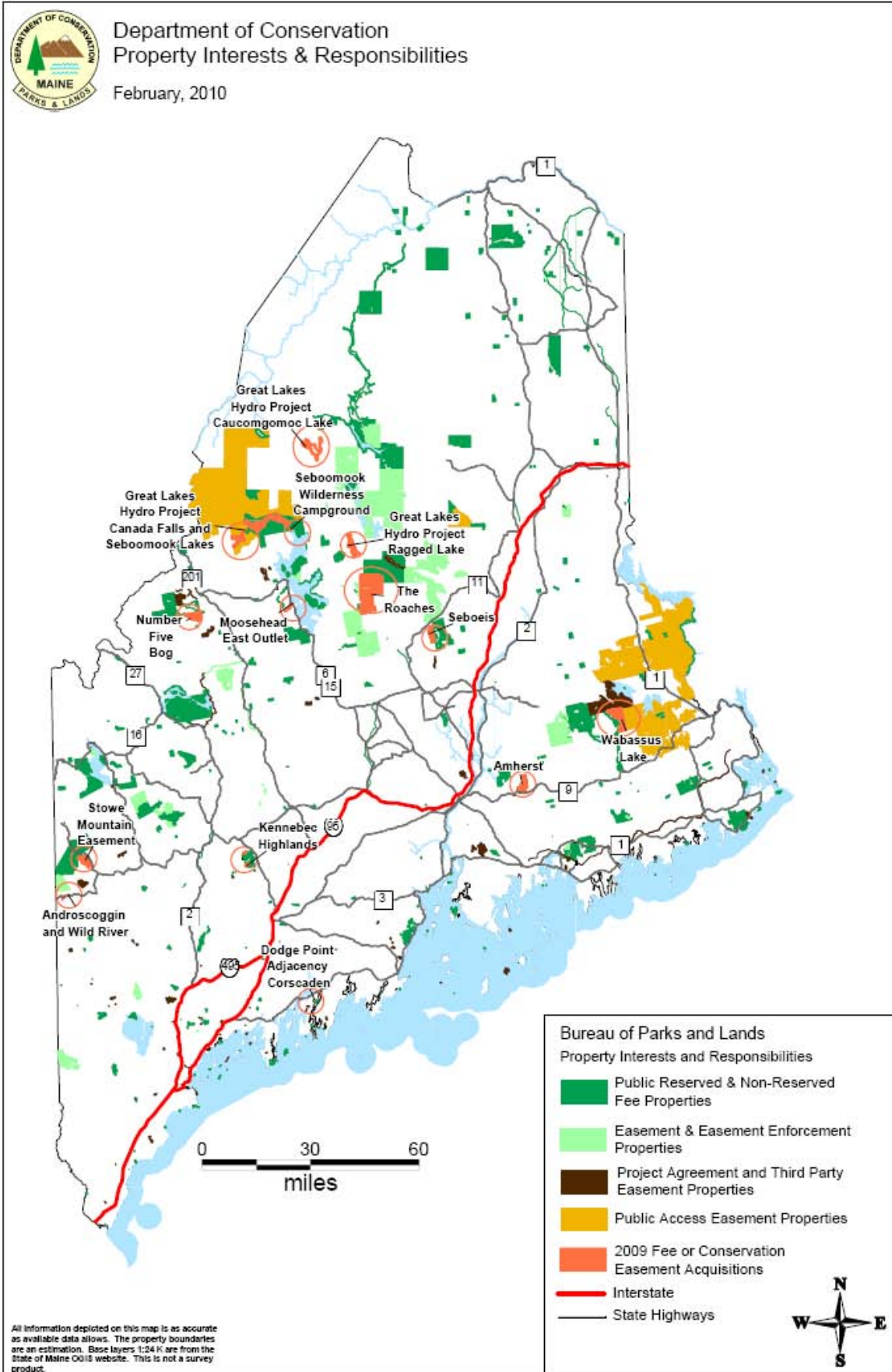
** Consistent with state accounting practices, DICAP is shown as a “revenue debit”, although it is actually an expenditure.

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 calendar year 2009 the account had a balance of \$14,035.44.

XIX. CONCLUSION

Expenditures will be managed to operate within the Bureau’s financial means for all accounts. The Public Reserved Lands Management Fund is under considerable pressure to meet increasing demands to cover rising costs in such areas as personnel services, health care, land acquisition, vehicle rental, information technology (computer), and public information while assuming management responsibility for more and more non-revenue generating acres and activities. The Bureau has made a concerted effort to further increase the volume of timber harvested and currently harvests over 95% of the sustainable harvest level. However, with a continuation of these trends it will be necessary to identify new non-timber sources of revenue available on an annual basis. This effort will need to be balanced with continued demands on staff time related to new acquisition initiatives and non-timber related responsibilities, including recreation. The Bureau will continue to explore ways to stabilize revenues in all accounts, while managing Public Reserved and Non-reserved Lands on a sustained yield basis.

Appendix A



Appendix B : Summary of 2009 BP&L Acquisitions and Dispositions

Parks or Lands	Name	Town	County	Fee Acres	CE Acres	Trail/Road Easement	Total Acres
Acquisitions							
Lands	Kennebec Highlands - DiStefano	New Sharon	Franklin	106			106.0
Lands	Kennebec Highlands - Gordon	New Sharon	Franklin	147			147.0
Lands	Kennebec Highlands –Chalaby & Krause	Vienna	Kennebec	64.25			64.25
Lands	Kennebec Highlands – Gordon Phase I	Vienna	Kennebec	180			180.0
Lands	Kennebec Highlands - Krause	Vienna	Kennebec	28.6			28.6
Lands	Seboomook Wilderness Campground – land only	Seboomook Twp	Somerset	154			154.0
Lands	Seboeis Lake – Northwest Pond Tract	T4R9 NWP	Piscataquis	2,256			2,256.0
Lands	Amherst Mountains	Amherst	Hancock	4,974			4,974.0
Lands	Moose River & No. 5 Bog	T5 R7	Somerset	4,809			4,809.0
Lands	Dodge Point - Corscaden	Newcastle	Lincoln	11.63			11.6
Lands	Upper Androscoggin River and Wild River*	Gilead	Oxford	206			206.0
					Subtotal –Fee (Lands)		12,936.4
Lands	Moosehead-East Outlet	Big Moose Twp	Piscataquis		190		190.0
		Sapling Twp	Somerset		164.6		164.6
Lands	Ragged & Caucomgomoc Lakes	Multiple	Piscataquis		794		794.0
Lands	GLHA Penobscot Headwater Lakes	Multiple	Somerset		120		120.0
		Multiple	Piscataquis		65.9		65.9
Lands	The Roach Pond Tract	Multiple	Piscataquis		28,276.4		28,276.4
Lands	Machias Phase III - Wabassus & Getchel Pug Lakes	T42 MD BPP; T43 MD BPP	Washington		6,632		6,632.0
Lands	Stowe Mountain – Mahoosuc Range	Newry	Oxford		3,363		3,363.0
Lands	Plum Creek Moosehead Roads Easement	Lily Bay, Spencer Bay, Days Academy, T1R13	Piscataquis			X	
Lands	Plum Creek Flagstaff Roads Easements	Eustis, Flagstaff Twp	Som/Franklin			X	
Lands	2-yr Option on Nahmakanta Road from AMC	T1 R12 Wels	Piscataquis			X	
					Subtotal- Easements (Lands)		39,605.9
				Total Fee and Easements (Lands)			52,542.3
*Escrow closing in 2009							

Parks or Lands	Name	Town	County	Fee Acres	CE Acres	Trail/Road Easement	Total Acres
Parks	Canton Multi-Use Trail	Canton	Oxford	17.36			17.4
Parks	Rangeley Lakes State Park expansion	Rangeley	Franklin	29			29.0
				Subtotal – Parks Fee lands			46.4
				Total Fee & Easement: Parks and Lands			52, 588.7
Dispositions – Authorizing Law							
Lands	Chesuncook Village – to Suprenant Maine Resolves 2005 Chapter 97, sec 1	Chesuncook Twp	Piscataquis	-3.06			-3.06
Lands	Chesuncook Village – Release to Bailey Maine Resolves 2009, Chapter 64, Sec 5	Chesuncook Twp	Piscataquis	-0.12			-0.12
Lands	Chesuncook Village – Release to County Maine Resolves 2009, Chapter 64, Sec 6	Chesuncook Twp	Piscataquis	-0.63			-0.63
				Subtotal Lands Dispositions			-3.81
Parks	Lily Bay – Beaver Cove to ME DOT 12 MRSA ss 1815	Beaver Cove	Piscataquis	-0.19			-0.19
Parks	Bangor & Aroostook RR Trail crossing ROW Maine Resolves 2009, Chapter 64, Sec 2	Van Buren	Aroostook			-0.114	-0.114
Parks	St. John Heritage RR Trail crossing ROW Maine Resolves 2007, Chapter 91, Sec 6	Saint Francis	Aroostook			-0.048	-0.048
Parks	St. John Heritage RR Trail crossing ROW Maine Resolves 2007, Chapter 91, Sec 5	Saint John Plt	Aroostook			-0.47	-0.47
				Subtotal Parks Dispositions			-0.82

Appendix C: USFS Forest Legacy Program – Projects Approved and Pending

Federally Funded Forest Legacy Tracts Closings expected in calendar 2010 (authorized FY2008)

No.	Name	Acquisition Rights	Location	Acres	Total Cost	FLP award
25a	Lower Penobscot – Great Pond	Easement	Penobscot and Hancock Counties	21,910	Pending final accounting	2,896,000

Federally Funded Forest Legacy Tracts Closings expected calendar 2010 and 2011 (authorized FY2010)

No.	Name	Acquisition Rights	Location	Acres	Total Cost	FLP award
27	Katahdin Forest Expansion (Seboeis Lake South Tract & Millinocket/East Branch Tracts)	Four tracts: Mix of Fee and Easement	Piscataquis & Penobscot Counties	17,491	9,000,000	\$3,700,000

Federally Funded Forest Legacy Tracts Closings expected in calendar 2011 or later (Authorized FY2009)

No.	Name	Acquisition Rights	Location	Acres	Total Cost	FLP award
26	Machias River Phase III Washington Bald Tract	Easement	Washington County	27,164	3,332,000	2,060,000

Federal Priority Requests pending congressional action for FY2011 (Closings expected calendar 2011 or later)

No.	Name	Acquisition Rights	Location	Acres	Total Cost	FLP request
28	West Grand Lake	Easement	Washington County	21,700	\$14,897,000	\$6,675,000
29	KFE III (Gulf Hags Mtn)	Mix of fee/easement	Piscataquis County	32,000	\$4,700,000	\$3,335,000

Appendix D

2009 Update on Conservation Easements – Monitoring Costs and Issues

1. **Legal requirements:** In 2007 the State enacted legislation requiring all conservation easement holders to monitor these easements for compliance with easement terms **at least once every three years**. See 33 MRSA 477-A(3). The Federal Forest Legacy Conservation Easement Program **requires annual compliance monitoring**. State legislation also required the State Planning Office to maintain a registry of all conservation easements, to ensure greater accountability of easement holders. See 33 MRSA 479-C.
2. The Bureau of Parks and Lands presently holds or directly enforces over **348,000 acres of conservation easements in 56 separate easements**. Most of these were acquired since 1994. **327,000 acres of these easements are working forest conservation easements** funded substantially through the federal Forest Legacy Program. In 2010 and 2011 the Bureau expects to acquire another 66,000 acres of working forest conservation easements that have secured federal funding and are in negotiations.
3. Working forest easement terms are complex as they provide multiple public benefits and are generally large tracts of lands (in the thousands of acres compared to most others in the tens and hundreds of acres). They require an increased the level of oversight to ensure compliance with the easement terms. They also often include rights granted to the Bureau (and expectations the Bureau will exercise those rights) for development of recreation facilities and maintenance of public access roads.
4. **Many of these easements have come with endowments** established at the Maine Community Foundation (MCF) to help offset the Bureau's administrative and monitoring costs. However, when these endowments were established, no one really understood the full costs these easements imposed on the holders, as the easements were largely unprecedented in size and scope. Further, recent losses from endowment investments have further diminished resources available to the Bureau. In 2008 the total value of endowments supporting Bureau-held easements dropped from \$1,136,000 to \$840,000 (a 26% loss), and the recommended allowable withdrawals dropped from roughly \$43,000 to \$30,860. During 2009 values had recovered somewhat, but not wholly, and the Bureau began to draw from these funds to establish and carry out required monitoring for easements not monitored regularly under contract. **Total value of these endowments at the end of 2009 after BPL withdrawals was \$831,093. Assuming annual growth of 3.5% this would yield only \$29,000 per year for monitoring, with the bulk of this dedicated to 5 easements.**
5. **Significantly more resources are needed to meet the Bureau's responsibilities.** Estimated total costs for monitoring all easements may be as high as \$200,000 even while noting a constant strategic drive for efficiencies. The estimated current annual shortfall for administering and monitoring Bureau-held or enforced conservation easements, based on reduced expectation of annual yields including those to be held by the end of this year, will exceed \$170,000. The Bureau must find these resources, either through timber revenues, appropriations or additional grants or endowments. To fully cover this shortfall, an additional endowment of \$4 to 5 million would be needed. (The sustainability or weakness of timber and now endowment funds available to the bureau is the subject of separate needed analysis.) In the alternative, Maine's conservation community must accept some informed risks from underfunded stewardship expectations. In any event, stewardship of all future conservation easements accepted or acquired by the Bureau should be fully funded with endowments or other stewardship solutions.

6. **2009 – Advancing the Bureau’s understanding of monitoring costs on working forest conservation easements.** This year the Bureau contracted with consultant JoD Saffair to develop a state-of-the-art review of current practice for determining appropriate funding levels for conservation easement monitoring endowments. Excerpts are provided below, including Recommendations:

E. A Proposed Approach for the Maine Bureau of Parks and Lands for Determining Working Forest Conservation Easement Monitoring Endowment Amounts

Several years of easement monitoring costs have now been tracked on large forestry easements in northern New England. Nevertheless, there is considerable variability in the size of these easements (from 21,000 to 335,000 acres); the number of years of monitoring history (from ten to only a few years); the terms of the easements (from simply no development to complex terms affecting how the forest is managed); and the methods used to monitor them. Consequently, the experience from these easements can only be considered as general guidance from which we can produce a range of cost figures reflecting monitoring costs for easements of various sizes. To develop a greater level of accuracy, an individual property could be analyzed to see if an adjustment, upwards or downwards, can be supported.

The table below represents then, a modified hybrid approach, and is a logical method for Maine to use in establishing endowment levels for future working forest easements. This table should be updated regularly to reflect increased experience with easement monitoring, particularly given that the Maine Bureau of Parks and Lands is only beginning to employ recently developed standardized protocols for its working forest conservation easements, using advanced tools including satellite imagery change analysis.

**Conservation Easement Endowment Guideline Table
for Maine Bureau of Parks & Lands Working Forest Easements**

Easement Size	Endowment Size	Endowment \$/Acre	\$ Available/Yr (@3.5%)	\$ Available per Acre/Yr
less than 10,000 acres	\$100,000	-	\$3,500	-
~10,000 acres	\$150,000	\$15	\$5,250	\$0.53
Township Size + (20,000 acres)	\$200,000	\$10	\$7,000	\$0.35
~100,000 –	\$750,000	\$7.50	\$26,250	\$0.26
200,000 acres+	\$850,000	\$4.25	\$29,750	\$0.15

F. Recommendations

The following are specific recommendations that address the need for more consistent policy in regards to stewardship endowments for BPL-held easements:

1. *BPL should adopt a policy to more formally guide its approach to stewardship and endowments). . . It should aim to approach Land Trust Accreditation Commission standards which depend upon an articulated policy. BPL's policy should include:*
 - a. *an approach to setting required endowment levels;*
 - b. *an approach to clearly defining at the beginning of project development the expected partnership between BPL and the lead non-profit partner, with respect to raising a stewardship endowment;*
 - c. *an approach to setting expectations of funding for pre-closing baseline development, pre-closing or post-closing easement monitoring protocols, and other post-closing "start-up" easement expenses;*
 - d. *an approach to reviewing and adapting to evolving policy and practice;*
 - e. *compliance with state and federal stewardship and reporting; and*
 - f. *additional annual reporting (beyond mandated reporting) to the Legislature on stewardship funding and stewardship trends.*

2. *The Maine Forest Legacy Program and the Land for Maine's Future Program should modify their application scoring approaches to include evaluating the adequacy of proposed endowment levels, using best available guidance including, as applicable, the requirements articulated in the draft BPL Policy: Conservation Easement Stewardship and Easement Stewardship Endowments dated December 1, 2009.*

3. *The Land for Maine's Future Program and the Maine Forest Legacy Program should amend model easement and guidance documents to require that endowments be supplemented as a result of certain actions (e.g. subdivisions).*

4. *The Maine BPL should systematically track its conservation easement monitoring costs, including staff time, related expenses, and consulting costs, and should revise and otherwise update this paper by the end of 2011, to stay current.*

7. The pressing challenges are thus summarized:

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