

**Connecticut Lakes Headwaters Tract  
Monitoring, Stewardship, and Road Maintenance Endowments  
RSA 216:8, 9, and 11**

**ANNUAL REPORT  
FY 2008**

In accordance with RSA 216:8, 9, and 11, the Department of Resources and Economic Development (DRED) and New Hampshire Fish and Game Department (NHFG) herewith submits its report to the Speaker of the House, the Senate President, the Governor, the House Clerk, the Senate Clerk, and the State Library.

Connecticut Lakes Headwaters Tract Monitoring Endowment. Pursuant to RSA 216:8, this report shall include a: 1) Listing of lands and interests in lands subject to the monitoring provisions of RSA 216:7; 2) Complete financial accounting of the funds in the monitoring endowment; and 3) Summarize monitoring activities and findings for each property.

*Listing of lands and interests in lands.* The monitoring endowment was established “for the purpose of ensuring a perpetual source of funds to monitor compliance with the terms and conditions of the conservation easement interests acquired by the state in the Connecticut Lakes headwaters tract.” In accordance with Chapter 148, Laws of 2002, 146,400 acres shall be privately owned subject to a perpetual conservation easement held by the state of New Hampshire under the jurisdiction of the department of resources and economic development. One hundred acres shall be managed by the department of resources and economic development as an addition to the Deer Mountain campground.

*Financial accounting.* The monitoring endowment was established on October 22, 2004 with a deposit of \$1,250,000. According to the State Treasurer, the balance of the monitoring endowment is \$1,328,779.59, dated June 30, 2008. Of the \$57,747.18 interest earned in the fiscal year, \$28,873.59 (50%) was allocated to DRED and \$28,873.59 (50%) was allocated to NHFG, as set forth by Memorandum of Agreement (MOA) between the agencies. DRED took a disbursement of \$33,000.00 of its allocated accrued balance. NHFG took a disbursement of \$57,100.00 of its allocated accrued balance. A summary of account activities follows:

Beginning balance	\$1,361,132.41
2008 Interest earned	\$57,747.18
2008 Disbursements	<u>(\$90,100.00)</u>
Ending balance	\$1,328,779.59

*Monitoring activities and findings.* Monitoring of timber harvesting operations and associated activities has been conducted on an ongoing basis by DRED Division of Forests and Lands and Fish and Game staff. Operations and activities have been found to be in compliance with the terms of the conservation easement. A summary of each agency’s activities is attached in Appendix A-1 and B; more detailed reports are available upon request.

Connecticut Lakes Headwaters Tract Stewardship Endowment. Pursuant to RSA 216:9, this report shall include a: 1) Listing of all natural area lands within the Connecticut Lakes headwaters tract under joint stewardship; 2) Complete financial accounting of the funds in the

stewardship endowment; and 3) Summarize stewardship activities and findings for each natural area.

*Listing of natural area lands under joint stewardship.* The stewardship endowment was established “only for the purposes of habitat and public use management of 25,000 acres of natural areas owned by the state of New Hampshire, and for the purposes of recreation, use, and the conservation easement management of the 146,400 acres on which the state holds a conservation easement within the Connecticut Lakes headwaters tract.”

*Financial accounting.* The stewardship endowment was established on October 22, 2004 with a deposit of \$1,000,000. According to the State Treasurer, the balance of the stewardship endowment is \$1,165,372.84, dated June 30, 2008. A deposit of \$51,965.48 was received from the Charitable Foundation. Of the \$48,884.48 interest earned in the fiscal year, \$34,219.14 (70%) was allocated to DRED and \$14,665.34 (30%) was allocated to NHFG, as set forth by MOA between the agencies. DRED took a disbursement of \$8,998.21 of its allocated accrued balance. NHFG took a disbursement of \$36,969.62 of its allocated accrued balance. A summary of account activities follows:

Beginning balance	\$1,110,490.71
2008 Charitable Foundation deposits	\$51,965.48
2008 Interest earned	\$48,884.48
2008 Disbursements	<u>(\$45,967.83)</u>
Ending balance	\$1,165,372.84

*Stewardship activities and findings.* A summary of each agency’s activities is attached in Appendix A-2 and B; more detailed reports are available upon request.

Connecticut Lakes Headwaters Tract Road Maintenance Endowment. Pursuant to RSA 216:11 this report shall include a: 1) Listing of all roads subject to the maintenance provisions of RSA 216:10; 2) Complete financial accounting of the funds in the maintenance endowment; and 3) Summarize maintenance activities for the road system.

*Listing of roads.* The road maintenance endowment was established “for the purpose of ensuring a perpetual source of funds to maintain the system of roads that exists within the conservation easement and property interests acquired by the state in the Connecticut Lakes headwaters tract.” There are approximately 3,264± acres more particularly described as those corridors of land that are generally depicted as the “Designated Roads” that was conveyed to the state under the jurisdiction of DRED by Deed of Designated Roads and Reservation of Appurtenant Easement executed on October 10, 2003. In addition, the Natural Areas under the jurisdiction of NH F&G has 34 miles of main haul and gravel roads, and another 31 miles of seasonal roads.

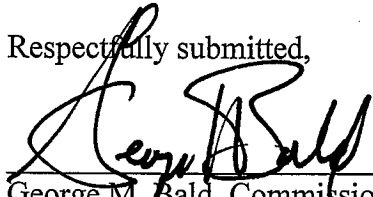
*Financial accounting.* The road maintenance endowment was established on October 22, 2004 with a deposit of \$1,225,000. Pursuant to the Interim Road Management Agreement dated October 9, 2003 between the landowner and the state, acting by and through DRED, the landowner shall contribute toward the state’s expense of maintaining the designated roads and the third party roads by paying to the state annually a base amount of twenty-five thousand dollars (\$25,000) per annum, and an additional amount, the “usage fee,” in the amount of one dollar and forty cents (\$1.40) per cord of timber removed from the property.

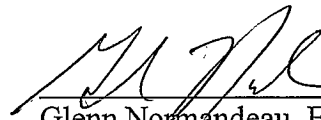
According to the State Treasurer, the balance of the road maintenance endowment is \$1,347,316.61, dated June 30, 2008. Of the \$57,711.84 interest earned in the fiscal year, \$51,363.54 (89%) was allocated to DRED and \$6,348.30 (11%) was allocated to NHFG, as set forth by MOA between the agencies. DRED took a disbursement of \$28,113.45 of its allocated accrued balance. NHFG took a disbursement of \$13,680.38 of its allocated accrued balance. A summary of account activities follows:

Beginning balance	\$1,331,398.60
2008 Interest earned	\$57,711.84
2008 Disbursement	<u>(\$41,793.83)</u>
Ending balance 04/30/08	\$1,347,316.61

*Road maintenance activities.* A summary of each agency's activities is attached in Appendix A-3 and B; more detailed reports are available upon request.

Respectfully submitted,

  
George M. Bald, Commissioner  
Dept of Resources and Economic Develop.

  
Glenn Normandeau, Executive Director  
NH Fish and Game Department

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**APPENDIX A-1: Monitoring activities  
DEPARTMENT OF RESOURCES AND ECONOMIC DEVELOPMENT  
CLH ANNUAL REPORT 2008**

**Division of Forests and Lands, North Region Forest Management Bureau**

**Connecticut Lakes Timber Company**

<u>Action</u>	<u>Hours</u>
Easement monitoring on active and inactive timber operations	90
Annual Operation Plan Review and reports	16
	Total hours 106
	Total Cost \$2,326.70
	Cost+Benefits \$3,450.50

**Connecticut Lakes Natural Area**

<u>Action</u>	<u>Hours</u>
Timber Sale Layout and advisory	113
	Total Hours 113
	Total Cost \$2,243.05
	Cost+Benefits \$3,326.44

<b>Total Hours Spent on the Connecticut Lakes Headwaters Tract</b>	<b>219</b>	
<b>Total Cost (does not include mileage)</b>	<b>\$4,569.75</b>	
<b>Total Cost including benefits</b>	<b>\$6,776.94</b>	
<b>Mileage costs</b> 1650 miles @                      0.585 \$                      965.25	<b>\$7,742.19</b>	<b>Total- benefits &amp; mileage</b>

**APPENDIX A-2: Stewardship activities  
DRED Division of Parks and Recreation  
CLH ANNUAL REPORT 2008**

**FY2008 Stewardship Activities Summary**

This is a brief summary of the stewardship activities and expenditures for the FY2008 operations of the Connecticut Lakes Headwaters Working Forest.

**Signage:**

Mile marker signs and posts were installed on proposed logging operations by Parks, Bureau, Trails Bureau and the Pittsburg Ridge Runners. Expenditures covered labor and materials.

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**APPENDIX A-3: Road maintenance activities  
DRED Division of Parks and Recreation  
CLH ANNUAL REPORT 2008**

**FY2008 Road Maintenance Summary**

This is a brief summary of the road maintenance activities and expenditures for the FY2008 operations of the Connecticut Lakes Headwaters Working Forest.

**Grading and Raking:**

101 miles of road was graded, but was not completed until the first of September, including miles of road raking taking 7-8 passes per mile. Along with some of secondary roads being raked only. Over 50 miles of the road system was compacted with a vibrating roller, this was done by making an average 3 passes per mile.

**Culverts:**

A total of 60 culverts were installed on the property for rehabilitation or on-going maintenance with the majority being installed on Halls Stream, East Inlet, and Lamb Valley. The culverts came through the Pittsburg Ridge Runners Snowmobile Club and DRED. The resetting of 20+ pipes was accomplished by DRED staff and outside contractors. Many culverts were plugged during the season due to beavers. Some of these could be cleaned and some had to be removed and cleaned or replaced.

**Ditch Maintenance:**

In selected areas, 12 miles of ditching was to be maintained. Through outside contractors and DRED staff, ditch lines were cleaned, repaired, and reseeded and mulched.

**Road Rehabilitation and Repair:**

Road 01-49-0, East Inlet Road, Perry Stream, 4 miles of Halls Stream, and Lamb Valley were rehabbed with ditch maintenance, mowing, resetting of pipes, grading, spot graveling and rock raking.

**Mowing:**

Mowing approximately 62 miles of road was mowed. Again this season the mowing was concentrated on very heavy ditch line vegetation allowing the road to dry quicker and to enhance visibility. Some of these roads took 4 to 5 passes totaling 465 hrs of mowing in twelve weeks.

**Bridge Repair:**

Minor repairs of runners were installed at various locations.

**Friends Groups:**

The Pittsburg Ridge Runners helped with purchasing culverts, decking, and man hours.

**FY2008 Report on Road Maintenance Activities**

**Expenditures**

**Service Contracts**

<u>Vendor Name</u>	<u>Description</u>	<u>Cost</u>
<b>Cloutier Sand &amp; Gravel</b>	Grade/Rake	\$24,790.00
	Culverts	
	Ditch Maintenance	\$5,980.00
	Road Rehab/Repair	\$10,550.00
	Mowing	
	Bridge Repair/Maint.	
<b>Total Expended</b>		<b>\$41,320.00</b>
<b>Robert Eastman</b>	Grade/Rake	
	Culverts	
	Ditch Maintenance	
	Road Rehab/Repair	\$16,065.00
	Mowing	
	Bridge Repair/Maint.	
<b>Total Expended</b>		<b>\$16,065.00</b>
<b>S. Gray Construction, Inc.</b>	Grade/Rake	
	Culverts	
	Ditch Maintenance	
	Road Rehab/Repair/Emg	
	Mowing	
	Bridge Repair/Maint.	
<b>Total Expended</b>		<b>\$0.00</b>

**Bridge Maintenance**

Redimix Companies	Waste Blocks	
Pittsburg Ridge Runners	Waste Blocks	
Jericho Steel	Steel/Fasteners	
Perras Ace Lumber	Lumber/Fasteners	\$8,252.33
Coos Auto Supply	Welding Rod/Fasteners	\$111.73
Swift Diamond Riders	Lumber/Fasteners	
Pittsburg Ridge Runners	Lumber/Fasteners/Steel	
Pittsburg Ridge Runners	Labor 48 hrs @ \$13.17	
<b>Total Expended</b>		<b>\$8,364.06</b>

**Culvert Maintenance**

Redimix Companies	Waste Blocks	\$400.00
Ferguson Waterworks	Culverts 12"-48"	\$7,704.80
Pittsburg Ridge Runners	Culverts 12"-48"	\$6,257.20
<b>Total Expended</b>		<b>\$14,362.00</b>

## **Road Maintenance**

Cloutier Sand & Gravel	Gravel	\$956.00
Pittsburg Ridge Runners(CRJJC)	Culverts/Bank Erosion	
<b>Total Expended</b>		<b>\$956.00</b>

## **Emergency Repairs**

Cloutier Sand & Gravel	Road Repair - Washout	
Cloutier Sand & Gravel	Beaver problems Terril Pd	
Cloutier Sand & Gravel	Bridge abutment	
S. Gray Construction	Road Repair - Washout	
<b>Total Expended</b>		<b>\$0.00</b>

## **Equipment Rental**

Owens Leasing Co., LLC	Boom Mower - 6 weeks	
Beauregard Equipment INC.	2 - Backhoe - 7 mos.	\$11,284.00
MB Tractor	Compactor	\$4,450.00
MB Tractor	Tractor/Mower	\$19,400.00
<b>Total Expended</b>		<b>\$35,134.00</b>

## **Miscellaneous Supplies**

	Hay/Seed	
	Silt Fence/Stakes	\$0.00
	Gravel	
	Fasteners, Locks, Chain, Paint.	\$2,586.46
	Steel and Signs	\$50.77
<b>Total Expended</b>		<b>\$2,637.23</b>

## **State of New Hampshire**

### **Manpower**

Dwayne	May-Oct.	40 hrs @ \$25.51 x 26 wks	\$26,530.40
Sandy		40 hrs @ \$33.37 x 18 wks	\$24,026.40
Reggie		40 hrs @ \$20.08 x 26 wks	\$20,883.20
Other DRED Field Staff		\$13.57 hr x 40 hrs	\$542.80
<b>Total Expended</b>			<b>\$71,982.80</b>

### **Vehicles/Equipment**

Mileage Formula = Cost of gas div by miles per gallon = cost per mile

D31 - 1 Ton Dump	130 days @ \$34.37	\$4,468.10
6 mpg	9936 mi @ \$.52	\$5,166.72
D310 - 3/4 Pickup	110 days @ \$23.06	\$2,536.60
10 mpg	10631 mi @ \$.27	\$2,870.37
D194 - 3/4 Pickup	35 days @ \$23.06	
	0 mi @ \$.27	
D338 - 3/4 Pickup	130 days @ \$23.06	\$2,997.80
10 mpg	10996 mi @ \$.27	\$2,968.92
Trailers	150 hrs @ \$3.43	\$514.50

Mulcher	10 hrs @ \$4.00	\$40.00
Front Runner Rake	70 days @ \$8.83	\$618.10
	385 hrs @ \$4.00	\$1,540.00
Welder	100 hrs @ \$3.69	
<b>Total Expended</b>		<b>\$23,721.11</b>

**Miscellaneous Equipment**

Hand Tools/2007	5 yrs @ 20% \$561.88 yr 5	\$561.88
Hand Tools/2011	5 yrs @ 20% \$597.52 yr 1	\$597.52
Power Equipment/2007	5 yrs @ 20% \$1,126.90 yr 5	\$1,126.90
<b>Total Expended</b>		<b>\$2,286.30</b>

**Miscellaneous Expense**

		\$0.00
<b>Total Expended</b>		<b>\$0.00</b>

**Indirect Cost**

Administrative Fee	5.37% of \$150,000 budget	\$8,055.00
<b>Total Cost</b>		<b>\$8,055.00</b>

<b>Grand Total</b>		<b>\$223,927.50</b>
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**APPENDIX B  
DEPARTMENT OF FISH AND GAME  
CLH ANNUAL REPORT 2008**

**Monitoring Activities (on Connecticut Lakes Timber Company working forest)**

During Fiscal Year 2008, NH Fish and Game Department (NHFG) regional and administrative staff continued to actively participate on the CT Lakes Headwaters Citizens Committee, attend annual meetings and provide input on a range of issues. Each year the Annual Operation Plan for Connecticut Lakes Timber Company (CLTC), the current landowner, is reviewed by regional biological staff. This fiscal year the plan included 31 timber harvests involving 6,200 acres. Regional biological staff provided 10 days of technical assistance CLTC on the design of harvest operations to integrate wildlife considerations and ensure management operations comply with the wildlife related terms in the easement. Annually biologists provide expertise and guidance to forest managers conducting timber harvests in Special Management Areas (SMAs) located on the property. This year staff provided technical assistance to forest managers for 6 harvests in deer wintering area SMAs and 4 harvests that occurred in mast stand SMAs (beech stands). NHFG regional staff also spent 2 days working on road and gate issues on the working forest, including opening and closing gates for the moose hunting season. Wildlife surveys are conducted annually on the property and this past year 3 days were expended on fish and wildlife survey work.

**Stewardship Activities (on the Connecticut Lakes Natural Area)**

In Fiscal Year 2008, NHFG conducted a variety of stewardship activities on the 25,000acre Connecticut Lakes Natural Area (CLNA). The sum of these activities totaled 107 days of biological staff time. Sixteen days were spent on CLNA stewardship planning and 3 days on activities related to the leased camp lots. Another 5 days were devoted to fish and wildlife survey work, and 2 days were spent on invasive plant control. Five days were allocated to signage and interpretative activities, and 2 days were spent on boundary lines. Another 13 days was spent on general stewardship duties by regional biologists, such as correspondence, public outreach, and checking snowmobile trail conditions.

The planning of habitat management operations on the CLNA consumed 37 days during FY08. This included administering a habitat improvement operation to regenerate aspen in the South Bay Bog Wildlife Management Area and continued project planning for operations that are funded through the Wildlife Habitat Improvement Program (WHIP). Six days were also spent coordinating and planning monitoring and future activities on the CLNA directly with The Nature Conservancy. In addition, headquarters administrators and support staff committed time to various CLNA issues, including Perry Pond Road concerns, camp license renewals, communication with The Nature Conservancy, endowment fund administration, and submitting the annual report.

Revenue to NHFG from the CLNA during FY08 came from two sources. The camp lot license fees for FY08 were \$1,100 for each of the three camp lots, for a total of \$3,300. The habitat improvement operation at South Bay Bog WMA yielded \$14,964.82 from the sale of the timber harvested.

### **Road Maintenance Activities (on the Connecticut Lakes Natural Area)**

NHFG monitors and manages road conditions in the CLNA on an on-going basis. Annually in the spring, all roads in the CLNA are inspected to assess their condition, identify trouble spots needing repair and develop an annual schedule of work. Assessment, planning, scheduling and administration of road maintenance activities filled the equivalent of 16 days during FY08. Road work completed during FY08 included rebuilding a winter road to access a timber harvest in South Bay Bog, continued brush clearing and road grading, and additional work on the Perry Ponds road to accommodate lease camp access. Direct expenses for contractors to complete necessary roadwork totaled \$35,360.32.

### **Law Enforcement**

During FY08, District One conservation officers accounted for 812.75 hours of general fish and game related patrol and 537.50 hours of snowmobile/ATV patrol for a total of 1,350.25 patrol hours on the Connecticut Lakes Headwaters Property. Special snowmobile details accounted for an additional 1,335.25 hours and 8,517 snowmobile miles spent in District One by officers from other Districts. It is reasonable to estimate that 75% of these hours and miles were on the Connecticut Lakes Headwaters Property for an additional 1001.50 hours and 6,388 snowmobile miles. Assuming the same ratio of snowmobile miles per hour worked, it can be estimated that District One officers expended 3,428 snowmobile miles on the Connecticut Lakes Headwaters Property. This gives a total of 2,336.75 hours of patrol time and 9,816 snowmobile miles spent on the Connecticut Lakes Headwaters Property for FY08.

### **Summary**

NHFG Biological staff time spent on the Connecticut Lakes Headwaters Forest during FY08 is estimated to total 122 days, or 915 hours. NHFG Law Enforcement staff spent another 2,336.75 hours in patrol and enforcement activities on the property. Additional administrative time was expended at headquarters on a number of CT Lakes Headwaters issues; including, Big Brook Bog dam reconstruction, camp license renewals, Citizen Committee meetings and invoice processing. During FY08, NHFG had \$35,360.32 in direct expenditures to complete necessary road maintenance activities.