FY 2020

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 for fiscal year 2019.

Connecticut Lake Headwaters Tract Monitoring Endowment. Pursuant to RSA 216:8, the report shall include a: 1) Listing of lands and interests in lands subject to the monitoring provisions of RSA 216:7; 2) Complete a financial accounting of the funds in the monitoring endowment; and 3) Summarize monitoring activities 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 condition of the conservation easement interest acquired by the state in the Connecticut Lakes headwater 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.

Connecticut Lakes Headwaters Tract Stewardship Endowment. Pursuant to RSA 216:0, 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 maintenance activities for the road system.

Listing of natural areas 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.

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 NHFG has 34 miles of main haul and gravel roads and another 31 miles of seasonal roads.

Respectfully Submitted,

Sarah Stewart. Commissioner

Dept. of Natural and Cultural Resources

Scott Mason, Executive Director NH Fish and Game Department

FISH AND GAME DEPARTMENT ENDOWMENT FUND USE

Endowment funds are added to Fish and Game's Habitat Program Budget consistent with Legislative intent and commensurate with estimated project costs relating to Connecticut Lakes Headwaters property including the NHFG owned Connecticut Lakes Natural Area (CLNA). Revenue included in the Habitat Program budget principally includes dedicated habitat stamp revenue derived from hunting license purchases, and federal grant revenue from the Wildlife and Sport Fish Restoration federal aid program. The Habitat Program budget covers expenditures related to Connecticut Lakes Headwaters properties as well as statewide habitat program costs. The Department utilizes the endowment funding as match, or to supplement funding needs for specific projects, as done for the resurfacing of the East Inlet Road in FY18. In FY20 the Department added \$20,018.00 of endowment funds into the Habitat Program budget to help cover project expenses.

MONITORING ENDOWMENT RSA 216:7-II

Funds added to the monitoring endowment shall be used to support monitoring by state agencies, local municipalities, and qualifying nonprofit corporations of conservation easement interests acquired in the Connecticut Lakes Headwaters tract. Such monitoring shall be to ensure that the tract will be managed according to the legal agreements embodied within the conservation easement, which is recorded in its entirety in the Coos county registry of deeds.

DNCR – Division of Forests and Lands

During 2020, the north region Forests and Lands staff spent 52 hours of on the ground easement monitoring, which includes looking at active harvests and as well as overall property supervision. Additionally, the north region staff spent over 15 hours participating in call, meetings and writing reports and also check on the property while in the area looking at state land or other easements

Forests and Lands also provided technical assistance to the NH Fish and Game department on the Connecticut Lakes Natural Area; assisting them in planning, layout, administration of a harvest, including overseeing the contract. An additional 90 hours was spent with Fish and Game.

During the course of the year, there are also additional hours spent on easement questions that arise which need interpretation. All leased camp proposals and modifications are reviewed and approved by the Regional Forester as well. Staff also reviewed the management plan as well as the annual operation plan. The Concord staff is also involved with decision making as questions arise with the interpretation of the easement, and each year they spend time helping to administer the easement as well.

Fish and Game Department

During FY20, NH Fish and Game Department (NHFG) regional and administrative staff continued to participate on the Connecticut 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) is reviewed by regional biological staff.

In cooperation with the NH Division of Forests and Lands, the holder of the conservation easement, Fish and Game Biologists continue to monitor timber harvests and other projects on Connecticut Lakes Timber Company (CLTC) portion of the Connecticut Lakes Headwaters Tract (CLHT). During FY20, staff reviewed 33 sales involving approximately 3,312 acres. In addition to initial timber harvest reviews, biologists also participated in two annual monitoring tours of active summer and winter timber harvests with DNCR staff.

Within the CLTC, biologists provide expertise and guidance to forest managers conducting timber harvests in wildlife Special Management Areas (SMA's). These SMA's were designated through the Forest Legacy Easement and include deer wintering areas, mast stands, high elevation forests, wildlife corridors, wetlands and riparian areas. Forest managers must confer with biologists regarding management actions that occur in these areas. In FY20 biologists reviewed 7 proposed harvests in Special Management Areas. These included 2 harvests in mast SMA's (beech dominated stands), 5 harvests in wildlife corridor SMA's, and a single harvest within a softwood stand designated as a deer wintering area SMA.

Each year regional biologists attend the annual meeting held with the landowner and state DNCR personnel to discuss the easement and other land management issues.

Eight days were expended conducting annual wildlife surveys on the CLHT. Four ruffed grouse surveys, a woodcock survey, 2 waterfowl surveys and 2 days assessing beech and soft mast all of which are part of the Department's regular statewide monitoring activities.

ROAD MAINTENANCE ENDOWMENT RSA 216:10-II

Funds added to the road maintenance endowment pursuant to paragraph I shall be used to support road maintenance under the authority of state agencies within the conservation easement and property interests acquired in the Connecticut Lakes headwaters tract. The expenses below were paid for by a combination of endowment monies and landowner contribution.

Fish and Game Department

NHFG monitors and manages road conditions in the CLNA on an on-going basis. All roads are inspected annually to assess condition and identify trouble spots needing repair.

In FY20 road maintenance included refreshing waterbars on 2 road systems (i.e. Rump Mountain and Perry Ponds) to protect road stability and water quality. The Rump Mountain road had degraded significantly and portions of the road were reshaped to accommodate the refreshed waterbars. In addition, a bridge crossing was stabilized and redecked on the Perry Ponds Road. This crossing is on a winter road, not open to public vehicular traffic, but used by the lease camp owner to access their camp on Perry Ponds and it is a critical habitat management access road. NHFG also worked with The Pittsburg Ridge Runners to replace crossings and improve drainage on the winter road that extends from the end of the gravel road on the backside of Third Connecticut Lake to the International border. This trail is the primary snow machine trail to the crossing station, and gets significant use throughout the winter. This work was completed in the fall of 2019. Finally, 3 culverts were reset and shaping was done on the South Bay Road system to accommodate the habitat improvement project that was completed during the winter of

2019/2020. Annual roadside mowing was completed on the Rump Mountain Spur and mile 4-8.5 along the East Inlet road system.

Department of Natural and Cultural Resources

The landowner notified DNCR that due to the lower wood prices, the COVID-19 pandemic, and the significant damages at the Jay Mill (Maine) they expect to timber harvest from the property to be 1/3 to ½ lower than we typically expect. The timber harvest volume from the property is the direct revenue source of the Road Maintenance Account (not the Road Maintenance Endowment) which puts more pressure on the Road Maintenance Endowment for road work on the property.

Grading and Raking:

52 miles of road were graded and raked which required 7-8 passes per mile. No roads were compacted. Fewer miles of grading took place due to heavy grass cover, brush in the ditch line and poor quality of road (very little gravel left) gravel surface.

Culverts:

A total of 65+ culverts were installed on the property for rehabilitation and on-going maintenance. The culverts were purchased through State Contract. The region has 25 culverts on hand that will be used for spring opening and general maintenance as needed.

New Construction:

N/A.

Road Rehabilitation, Ditch maintenance and Repair:

Contractors and regional staff maintained 18 miles ditch lines. Rehabilitation continued on Deadwater Loop Road, with culvert replacement and some gravel was used. Cedar Stream, Magalloway, Halls Stream, Buckhorn, and camp 31 roads were reshaped including ditch maintenance.

Mowing:

Six miles of road side mowing took place in Carr Ridge, Merrill Brook, Magalloway Road and Stub Hill with the new boom mower that arrived late in the season.

Bridge Repair:

N/A

Signage:

Continued maintenance and replacement of damaged signs and posts will continue on an as needed basis. Replacements of road safety mileage signs will be installed during the 2021 summer season.

Future Projects:

- 1. <u>Gravel Roads</u>: Additional funding needs to be budgeted for crushed gravel and will be on hold other than for new culvert replacement.
- 2. Roadwork to be performed: Rub rails on the Last Deer Camp Road Bridge will be replaced. Round Top Bridge will also get new rub rails and runners in the summer 2021. Bridge replacement permits and construction of bridge at Deadwater Stream on Deadwater Loop Road are scheduled for early spring of 2021. Planning and permitting was started the summer of 2020 to replace The West Branch of Indian Stream (Terrill Pond) and the Last Deer Camp. Both of these locations will need to remove old boiler type pipes and replace with bridges.
- 3. <u>Ditch Work Rehab</u>: Most of this work revolves around the Summer/Winter Forest and Recreation needs for upcoming season. Continuation of Magalloway, Cedar and Perry Stream.
- 4. <u>Grading & Rake</u>: Scheduled maintenance is falling behind due to budget, heavy grass, poor gravel surfaces, culvert replacement and over grown ditch lines.
- 5. <u>Mowing</u>: Scheduled maintenance per the 2017 CLHWF Recreation Plan and Road Management agreements, the tractor is on site and will be used on a daily basis.
- 6. <u>Gravel</u>: Spot gravel where needed. Discussion on priority of crushed gravel is needed. The road surface gravel is worn out.
- 7. <u>Culverts</u>: Purchase culverts for replacement on all designated roads. A limited number of pipes on hand for general maintenance.
- 8. <u>Mile marker signs/post</u>: More signs and post will be purchased & installed for new logging operations information and safety per Recreation Management and Road Maintenance Plans.
- 9. <u>Support Facility</u>: A DNCR maintenance facility and storage area is still under construction at Lake Francis State Park. This facility stores equipment and materials used on the CLHWF.
- 10. The financial structure needs to be reviewed and other sources of funding is needed if Forestry and Public Access is going to continue for current needs. The Citizen committee has established a study group to look at the current situation.

STEWARDSHIP ENDOWMENT RSA 216:9-II

The stewardship endowment shall be maintained in perpetuity and shall be utilized jointly by the executive director of the fish and game department and the commissioner of the department of natural and cultural resources 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 shall hold a conservation easement within the Connecticut Lakes headwaters tract.

Department of Natural and Cultural Resources

Stewardship endowment funding is appropriated to the annual payment for the lease/purchase of the tractor and boom mower per the 2017 Recreation Management Plan. The Division of Parks and Recreation, a self-funded agency, has stewardship costs for supervision of road maintenance staff, the planning specialist (update of plan due in 2021) and general public use management that is unfunded.

Fish and Game Department

During FY20 NHFG staff collaborated with The Nature Conservancy (CLNA easement holder) to review the content of the CLNA Stewardship Plan which was adopted in 2006 in preparation for an update of vegetative inventory data and a formal plan revision.

Commercial Habitat Management

During FY20, NHFG staff, with the assistance of DNCR foresters, finished layout, tally, marketing and contract implementation of a habitat improvement project in the South Bay Bog OU of the CLNA. The final project prescription treated 180 acres with gaps, light tending and crop tree release. An additional 15 acres were divided among 10 patches to promote early successional forest species such as aspen and birch. Seven of the 10 patch cuts were identified to compliment patches created in 2009. These new patches were strategically placed to create 40-year early successional forest rotation blocks. The blocks were identified using recommendations to maximize ruffed grouse home range requirements. The sale was purchased by LandVest and resulted in \$28,365.96 of income. Final volumes cut were 116 Mbf of sawlogs and pallet and 2874 tons of pulp.

Noncommercial Habitat Projects

Department staff continue to monitor the effectiveness of red spruce planting and scarification in a poorly regenerated portion of the CLNA. Photo monitoring was conducted during this period. Scarified areas have revegetated heavily to herbaceous vegetation including sedges and hay scented fern. Yellow birch seedlings are pushing through the vegetation and planted red spruce seedlings are still present, but difficult to find.

Invasive Plant Species

NHFG continues to be involved in the identification and treatment of invasive plants throughout the entire CLHT (CLTC as well as CLNA). This work is done through a group focused on the entire upper portion of the Connecticut River watershed referred to as The Upper Connecticut Cooperative Invasive Species Management Area (UC CISMA). During this period, the UC CISMA coordinated the chemical treatment of knotweed and phragmites populations on both properties. In addition, multiple sites surrounding the CLHT were treated to prevent spread onto CLTC and the CLNA.