

# Washburn County Forest 2015 Annual Report



## *Meteor Timber Acquisition – 822 Acres, Springbrook/Trego Townships*

### **Forest Administrator**

Mike Peterson

### **Department Employees**

Buck Pettingill  
Mark Heil  
Duran Bjorklund  
Jeremy Erickson  
Josh Buckridge  
Barb Norton

### **WDNR Liaison Forester**

Amy Morales

### **Park Ranger / Deputy Sheriff**

Vacant – Re-assigned by Sheriff

### **Forestry Parks and Recreation Committee**

L.H. “Skip” Fiedler - Chair  
James Dohm – Vice Chair  
Anthony Baier  
Romaine Quinn  
Del Stoll



## **2015 ANNUAL REPORT – WASHBURN COUNTY FOREST**

TO: The Honorable County Board of Supervisors  
Washburn County, Wisconsin

Supervisors:

We submit for your approval and adoption, some of this department's highlights and activities during 2014.

### **TIMBER MANAGEMENT**

The timber sale program resulted in a gross revenue of \$2,084,060. While the revenue was lower than average, it was considerably higher than gross revenues from 2013 and 2014. Reduced revenues were due to lack of frozen conditions during winter months and a wetter than normal summer.

Wood markets appeared to be variable depending on species and product. Despite limited logging activity in the area during the summer, certain mills restricted wood delivery. We suspect this may have been due to wood imports and also due to liquidation harvests on numerous tracts of former industrial forest lands.

Bid prices on Washburn County timber were higher than 2014. Mixed hardwood and pine showed a small increase in average stumpage rate, while aspen bid rates nearly doubled from the year before. These higher stumpage prices should indicate much higher revenues in 2016 and 2017, however there is concern that any softening of delivered wood prices may result in abandonment of some timber sale contracts.

Salvage efforts continued on tracts damaged by the September 2014 windstorm. More than half of these areas were completed with the remainder expected to be harvested in 2016. No other damage events were noted in 2015, however additional damaged sites were identified. The September 2014 storm was accompanied by heavy hail. It was not evident until summer of 2015 that some conifer stands in the northeast corner of Washburn County did not recover. Additional stands will be addressed in 2016. The Forestry Department was able to adjust annual timber sale goals over 2014 and 2015 to adjust for salvage harvests and the acreage goal in 2016 will return to normal.

Oak wilt is a fungal disease that spreads readily through stands of red oak, especially when trees have open wounds or bark missing. Because of this, it is critical to suspend logging operations in stands with red oak during times of the year that sap is flowing and bark is loose and also at times when the fungus is active. Oak wilt was discovered in Washburn County in late 2013 and to help prevent spread into oak on the county forest, oak sales were restricted to harvesting between July 1 to April 1; or October 1 to April 1, depending on proximity to known infestations.

The Forestry Department has been researching methods to deal with certain northern hardwood sites lacking in regeneration after harvests. Ground disturbance in these stands appears to show promise and we had been working with a dozer blade with a root rake attachment to incorporate seed into the duff layers. The Hardwood Forestry Fund, a non-profit funding group, awarded a grant to Washburn County to conduct site preparation on 300 acres. This project was completed in the fall of 2015 and the sites will be monitored to measure regeneration success.

## RECREATION

The recreation program grew and expanded with several projects and funding sources. We continue to see increases in the number of people using the forest for numerous activities. Much of the growth of our recreation program is due to a concerted effort to provide more outdoor recreational opportunities for the public.

### **ATV**

Washburn County's ATV Trail system consisted of 103.3 miles of funded summer trails and 139.3 miles of winter trails. Annual maintenance contracts are awarded to the Forestry Department in the form of grants and are funded at a rate of \$600/mile for summer ATV trails and \$100/mile for winter use ATV Trails. Since 2014, the ATV fund also allocates an additional \$100/mile to provide for use by side by sides (UTV's). These funds are critical to maintain our trail systems.

In 2015, \$61,980 were awarded for summer ATV; \$13,930 for winter ATV; \$10,330 for UTV; and \$1,636 for hybrid (TROUTE) trails. A majority of the \$88,176 in total maintenance program funding was distributed to local ATV clubs for equipment and material reimbursement.

In addition to annual maintenance funding, Washburn County had numerous trail rehabilitation and development grants that were awarded in 2014, which were scheduled as work projects for 2015 and 2016. These grants, and progress towards completion are itemized below;

| <u>Project Name</u> | <u>Type</u>    | <u>Grant Award</u> | <u>Percentage Complete in 2015</u> |
|---------------------|----------------|--------------------|------------------------------------|
| Thayer Road         | Rehabilitation | \$31,000           | 50%                                |
| Berry Road          | Rehabilitation | \$40,500           | 5%                                 |
| Wild River 1        | Rehabilitation | \$65,300           | 85%                                |
| Crystal Point       | Relocation     | \$26,000           | 15%                                |
| Storm Damage        | Rehabilitation | \$53,300           | 45%                                |
| Trail 25            | Rehabilitation | \$75,360           | 30%                                |
| Whalen              | Development    | \$111,840          | 10%                                |

A majority of these projects are expected to be completed in 2016.

A Motorized Stewardship Grant project for Trail 8 rehabilitation was also completed in 2015.

Washburn County applied for several ATV grants in 2015. Two projects, in addition to annual maintenance, were awarded during 2015. Grant contracts are generally available near the end of the year in which grant application was made. The Department normally budgets for these projects in the following calendar year. We secured \$110,840 to develop a new ATV trail connection across the newly acquired Meteor Timber properties; and also \$68,500 to resurface 5 miles of the Wild River Trail.

All ATV rehabilitation projects were completed using county equipment and labor; contracted equipment and materials; and a tremendous amount of volunteer work from the local ATV clubs. The Birchwood Bobcats, Rolling Hills, and Minong Clubs invested a great deal of their personal time and club resources to make these projects a success and the Forestry Department and Committee applaud their efforts. All grant funds awarded to these projects are generated from registration stickers on ATV's and disbursed by the State of Wisconsin.

The vacancy in the Park Ranger / Deputy Sheriff position has a large impact on our trail systems. We have little direct access to any trail patrol work or enforcement. Law enforcement is a critical factor in protecting trail systems during periods of closure and also to help protect user safety.

We have seen several lost ATV trail easements/agreements on private lands with landowners citing lack of enforcement as a primary reason for not allowing trail use to continue.

## **Snowmobile**

The County had good snowmobile trail conditions in January and February of 2015. An early spring resulted in trail closures in early March. We saw late snow conditions in December of 2015 with trails opening just before the end of December.

Annual maintenance contracts are awarded to the Forestry Department. In 2015, maintenance was awarded at a rate of \$250/mile for snowmobile trail maintenance. A total of \$62,825 was used to maintain trails and was primarily distributed to local Snowmobile clubs for equipment and material reimbursement.

In 2014, a private landowner cancelled a snowmobile trail use agreement in the Beaverbrook area, which resulted in the closure of Trail 140 from the Highway 70 area north to Trego. Forestry Department staff worked on several re-route options throughout 2015 but we were unable to secure an alternate connection. Several promising options will be worked on in 2016. This ten mile section of trail will remain closed until a viable re-route option can be found.

In 2014, another landowner closed a short section of trail 26 near Spider Lake. We were forced to close all of trail 26, which is a main artery into Sawyer County. Forestry Staff were able to find a re-route, located entirely on County Forest lands. We were successful in securing \$27,100 in Snowmobile trail aids to relocate 6 miles of trail onto other county lands. Portions of the work were completed late in 2015, which allowed us to re-open snowmobile trail 26. The remainder of work will be completed in 2016.

A Motorized Stewardship Grant project was completed in 2015. The Outback Relocation project bypassed a sharp corner and extremely deep swamp in the Frog Creek area. The new trail lies completely on high ground and eliminates an area that caused problems for groomers for years.

## **Campgrounds**

Totogatic Park showed a significant increase in camping and usage in 2015. Revenues from the park were a record of \$154,011, which was \$40,600 higher than revenues received in 2014. The campground was full nearly the entire summer and was operating on what we feel is the maximum capacity at the park.

2015 was the 4th season using the web based reservation system. The service is very popular and has attracted many new customers to our parks systems. The Minong ATV Campground, owned by the Village of Minong and operated by the Minong ATV Club, continues to use the online reservation system.

Sawmill Campground saw an increase in revenue and campers. We suspect the increased use was due to visitors finding the park through the online reservation system.

The Harmon Lake Trailhead and the Dugan Run Equestrian Trail continue to see usage with slow increases in the number of campers. Both trailheads were used fairly frequently and received many favorable comments.

The Parks program, excluding grant funded systems, took in a total revenue of \$168,037.

## **Other trails**

The Dugan Run Equestrian trail continues to have increased use, especially in the fall as insect activity drops and fall colors appear. The Department receives many compliments on this facility. We are still, however, struggling to promote the development of a local club that will help maintain the trail system. There are a few individuals that provide a great deal of help, but a large portion of the trail inspection and maintenance work is being done by the Forestry Department.

The Wildcat Mountain Bike Trail sees a great deal of use. Local enthusiasts do a tremendous job of monitoring and maintaining the trail and little additional help is needed from the Department. More recently, we have seen increasing requests for winter use of trails by “fat tire” bikes. Initial requests were to be allowed access to winter use snowmobile trails. Given safety concerns, these requests were denied; but we began working with local biking enthusiasts to develop opportunities for winter use on the mountain bike trail system. Club members began grooming the single track trails for winter fat tire bike use late in 2015.

Snow conditions on the ski trails were good in January through early March. An early spring forced trails to be closed the first week in March. We did not receive snow until late in December but the trails were open for the last week of December. The Forestry Department continues to undertake grooming duties at both ski trails.

## **FACILITIES/ EQUIPMENT/ACQUISITIONS**

The Department leased a Noram Compact Road Grader under a 4 year municipal lease. 2015 was the second year under the lease agreement. Lease payments continue to be paid for using reimbursements under ATV grants and County Forest Road Aids. This grader unit is the ideal size to help with ATV trail maintenance.

In addition, the Department also took delivery of a replacement John Deere Dozer. This unit is a 550K that was ordered in 2014 and delivered in 2015. We also purchased Polaris UTV for timber marking and a replacement 14 foot utility trailer to haul ATV’s snowmobiles and other equipment. Forestry also acquired a used tri-axle dump truck from the Highway Department.

The Forestry, Parks and Recreation Committee initiated Knowles Nelson Stewardship Grant applications for land acquisition and began negotiating with Meteor Timber to purchase a large block of timberland in Trego and Springbrook Townships. We were successful in agreeing on a purchase price and secured grant funding for the project. In August 2015, a deal was finalized to acquire 823 acres at a purchase price of \$1,233,700 and a total cost, including expenses, of \$1,239,093. Grant funds were awarded for 61% of the total cost and an interest free loan was secured for the remaining 39%. The loan is re-paid through a 20% severance tax on timber revenues received by the County. A majority of the 823 acres are young pine plantations and we anticipate recovering all of the County’s investment within 5 years through normal timber management.

A project was initiated to re-align lake lots around Beaver Lake in Bass Lake Township. A strip of county forest land separated the edge of the lake lots and the town road along the south and east side of the lake developments. The Department of Natural Resources approved the withdrawal of these parcels from County Forest Law and we began selling these parcels to the adjacent landowners in early 2015. By year end, 10 of 22 parcels were sold, with a total revenue of \$14,580.

## **OTHER**

Washburn County continued to participate in the Northern Trail Advisory Committee (NorTAC) that was formed from the dissolved Wild River Trail Commission. This Committee is made up of 10 member counties with 2 appointed representatives from each County. The intent of the group was to create a forum for the discussion of regional motorized trail issues, including planning, connectivity, and legislative issues. Skip Fiedler and Jim Dohm were appointed to the Committee as Washburn County's representatives. This forum allowed us to interact with other counties and regions to assure motorized trail connectivity and also policy consistency across the region.

One summer forestry intern was hired, using timber revenues, and the position was used to mark timber and update forest reconnaissance data.

Washburn County secured funds from the Sustainable Forestry Grant program for the purpose of buckthorn control. Buckthorn is an invasive species that shades out native plants and trees. \$20,000 in grant funds were awarded. The Department also secured a grant from the Hardwood Fund for the purpose of northern hardwood regeneration efforts.

Washburn County Forestry continues forest certification under both the Forest Stewardship Council (FSC) and Sustainable Forestry Initiative (SFI) certification programs. It appears as though the certification efforts by Washburn County, along with the other county forests and state lands have allowed our wood markets to remain viable through the economic downturn. Other areas of the United States experienced mill closures in areas without reliable supplies of certified forest products.

Washburn County continues to be a strong participant in the Wisconsin County Forest Association. This group does a great deal of work legislatively and with various DNR and other State agencies to protect the integrity of our timber and recreation programs. The County Forest Administrator has been the chair of the WCFA Legislative Committee since 1999.

## COUNTY FOREST ACTIVITY STATISTICS 2015

### I. Reforestation

|    |  |     |       |
|----|--|-----|-------|
| A. | Acres newly planted:                       | 0   | acres |
| B. | Acres replanted:                           | 0   | acres |
| C. | Acres seeded (jack pine):                  | 41  | acres |
| D. | Jack pine regeneration – scarified         | 0   | acres |
| E. | Oak regeneration - scarified               | 18  | acres |
| F. | White birch regeneration – scarified       | 0   | acres |
| G. | Swamp conifer mowing                       | 0   | acres |
| H. | Northern hardwood regeneration – mowing    | 0   | acres |
| I. | Northern hardwood regeneration – scarified | 294 | acres |
| J. | Site Prep (mechanical)                     | 0   | acres |
| K. | Site Prep (chemical)                       | 0   | acres |
| L. | Prescribed burning (oak regeneration)      | 20  | acres |

### II. Timber stand improvement

|    |  |     |       |
|----|--|-----|-------|
| A. | Red pine release (herbicide):            | 0   | acres |
| B. | Pine release (prison crew):              | 106 | acres |
| C. | Aspen sale residual removal:             | 0   | acres |
| D. | Invasive – Buckthorn herbicide treatment | 0   | acres |

### III. Timber Sale Statistics

|    |   |                                |                       |
|----|---|--------------------------------|-----------------------|
| A. | Timber value contracted                         | \$3,153,200                    | (\$2,584,580 in 2014) |
| B. | Acres established:                              | 2,627 acres                    | (3,020 acres in 2014) |
| C. | Acres sold (goal of 3400 acres):                | 2,839 acres                    | (2,956 acres in 2014) |
| D. | Acres closed out:                               | 1,529 acres                    | (2,477 acres in 2014) |
| E. | Volumes removed:                                | total cord equivalent = 46,466 | (33,581 in 2014)      |
|    | 1. Pulpwood total:                              | 42,237                         |                       |
|    | a. Aspen pulpwood                               | 14,571 cords                   |                       |
|    | b. Mixed hardwood pulpwood                      | 20,948 cords                   |                       |
|    | c. Pine pulpwood                                | 5,815 cords                    |                       |
|    | d. Spruce/fir pulpwood                          | 903 cords                      |                       |
|    | 2. Sawtimber total:                             | 1,879 mbf                      | (thousand board feet) |
| F. | Road projects                                   |                                |                       |
|    | 1. Graded 20 miles of County Forest Roads       |                                |                       |
|    | 2. Graded 5 miles of Firelane and other trails. |                                |                       |

### VI. Recreation Facilities

|    |   |  |                     |
|----|---|--|---------------------|
| A. | Totogatic Park                                |  |                     |
|    | 1. Total Gross Revenue - \$154,011            |  | (\$113,379 in 2014) |
|    | 2. Camping Registrations - \$133,171          |  | (\$95,867 in 2014)  |
|    | 3. Shower revenue from bathhouse - \$1,929    |  | (\$1,831 in 2014)   |
|    | 4. Firewood revenue – \$7,330                 |  | (\$6,838 in 2014)   |
|    | 5. Boat Launch Fee - \$2,247                  |  | (\$2,158 in 2014)   |
|    | 6. Ice, Day Use, Dump Station, etc. - \$2,529 |  | (\$2,259 in 2014)   |
|    | 7. Reservation system fees - \$9,400          |  | (\$6,511 in 2014)   |
| B. | Sawmill Park Revenue - \$7,252                |  | (\$7,262 in 2014)   |
| C. | Harmon / Dugan Equestrian Trails / Other      |  |                     |
|    | 1. Horse Trail/Camping Revenue – \$1,785      |  | (\$2,789 in 2014)   |
|    | 2. Dispersed Camping Permits - \$290          |  | (\$410.00 in 2014)  |
|    | 3. Donations - \$396                          |  |                     |
| D. | Leisure Lake Youth Camp                       |  |                     |
|    | 1. Revenue - \$4,303                          |  | (\$6,595 in 2014)   |
|    | 2. Number of Groups = 25                      |  |                     |
|    | 3. 32% use by youth groups                    |  |                     |
|    | 4. 26% use by other non-profit groups         |  |                     |



**WASHBURN COUNTY FOREST: ANNUAL REPORT OF ACCOUNTS 2015**

I. RECEIPT AND EXPENDITURE SUMMARY OF C.F.L.D. AND FORESTRY AID

A. Money received by County:

|   |                       |
|---|-----------------------|
| Gross timber sale receipts                            | \$2,080,953.80        |
| Damages and other misc. income                        | \$ 1,606.15           |
| Gathering permits (firewood, boughs, Christmas trees) | \$ 766.84             |
| <b>TOTAL FOREST PRODUCTS REVENUE</b>                  | <b>\$2,084,059.81</b> |

|   |                       |
|---|-----------------------|
| Forestry Aid Loan from State                              | \$ 74,171.09          |
| Fund Balance Applied                                      | \$ 3,928.58           |
| Sustainable Forestry Grant                                | \$ .00                |
| County Forest Administrator Grant (inc. WCFA dues reimb.) | \$ 48,985.58          |
| Private Grants  | \$ 12,514.84          |
| Equipment Sales   | \$ 3,027.00           |
| Labor Reimbursement – Snowmobile/ATV Grants               | \$ 29,978.09**        |
| <b>TOTAL FORESTRY REVENUE ACCOUNTS</b>                    | <b>\$2,256,664.99</b> |

B. Expenditures by County:

|   |              |
|---|--------------|
| Forestry Aid fund #56930                              | \$ 93,641.51 |
| County Forest Land Development (56100)                | \$536,484.40 |
| 10% statutory timber sale revenue to towns            | \$208,095.38 |
| 5% additional timber sale revenue allocated by County | \$104,047.69 |

C. Net Revenue to County

**\$1,314,396.01\***

\*Other recreation program costs not included in this figure. *May not reflect actual audit figure due to adjustments.*

\*\* Offsets recreation program expenditures.

II. Other Accounts:

|   | <u>Receipts</u> | <u>Expenditures</u> |
|---|-----------------|---------------------|
| A. <u>Firelanes – 53410</u>                 | \$ 0.00         | \$ 8,248.34         |
| B. <u>County Recreation Program - 55200</u> | \$ 186,341.45   | \$ 169,192.67*      |
| C. <u>Fish and Game Projects - 56960</u>    | \$ 21,621.56    | \$ 19,556.56        |
| D. <u>Habitat Development - 56961</u>       | \$ 8,514.73     | \$ 15,535.96        |
| E. <u>Snow Trails - 55440</u>               | \$ 145,095.38   | \$ 148,404.44       |
| F. <u>Land Acquisition - 56110</u>          | \$ 1,257,001.69 | \$1,255,602.77      |
| G. <u>County Forest Roads - 56125</u>       | \$ 55,829.88    | \$ 30,529.66        |
| H. <u>ATV Trails - 55310</u>                | \$ 525,954.98   | \$ 549,535.21       |

\*expenditure data includes funds allocated from special project accounts / non-lapsing funds (ATC monies). *Also, wages and fringe of Parks staff are included in expenditures. Actual workload in parks is about 50%, balance spent in other areas.*

III. Fund Balances on non-lapsing accounts as of 12/31/15 \*subject to final reconciliation and audit

|   |           |
|---|-----------|
| A. Forestry Aid (State loan funds)        | \$ 39,257 |
| B. Wildlife Habitat (State grant funds)   | \$ 14,986 |
| C. County Forest Roads (State grant fund) | \$ 50,893 |
| D. Land Acquisition                       | \$ 34,330 |

## IV.

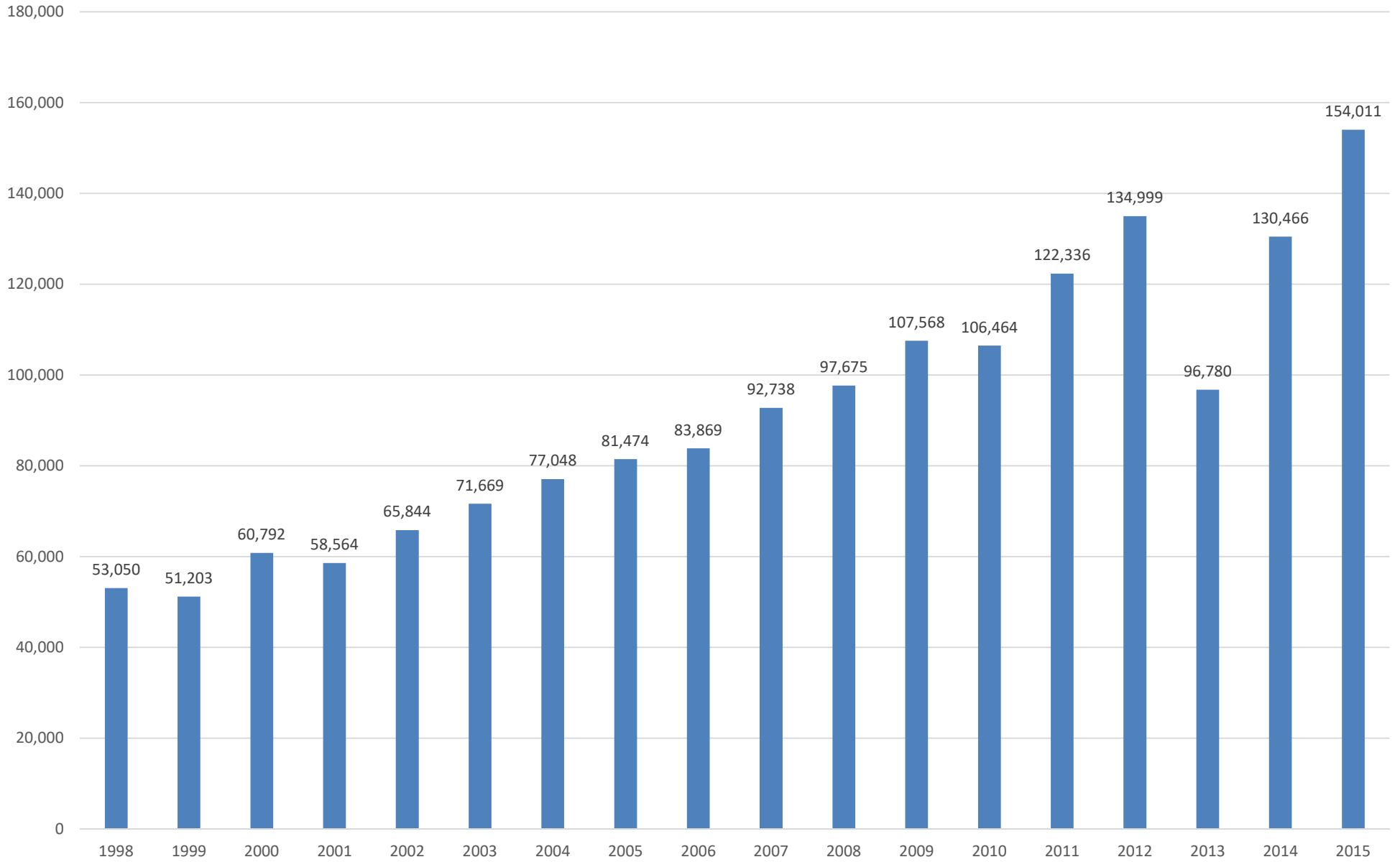
Money received by Towns:

|   |                      |
|---|----------------------|
| State payment (\$.30/acre on 149,033.70 acres)              | \$ 44,710.12         |
| 10% timber sale revenue (statutory requirement)             | \$ 205,383.64        |
| 5% timber sale revenue (additional paid by Washburn County) | \$ 102,691.82        |
| <b>TOTAL</b>  | <b>\$ 352,785.58</b> |

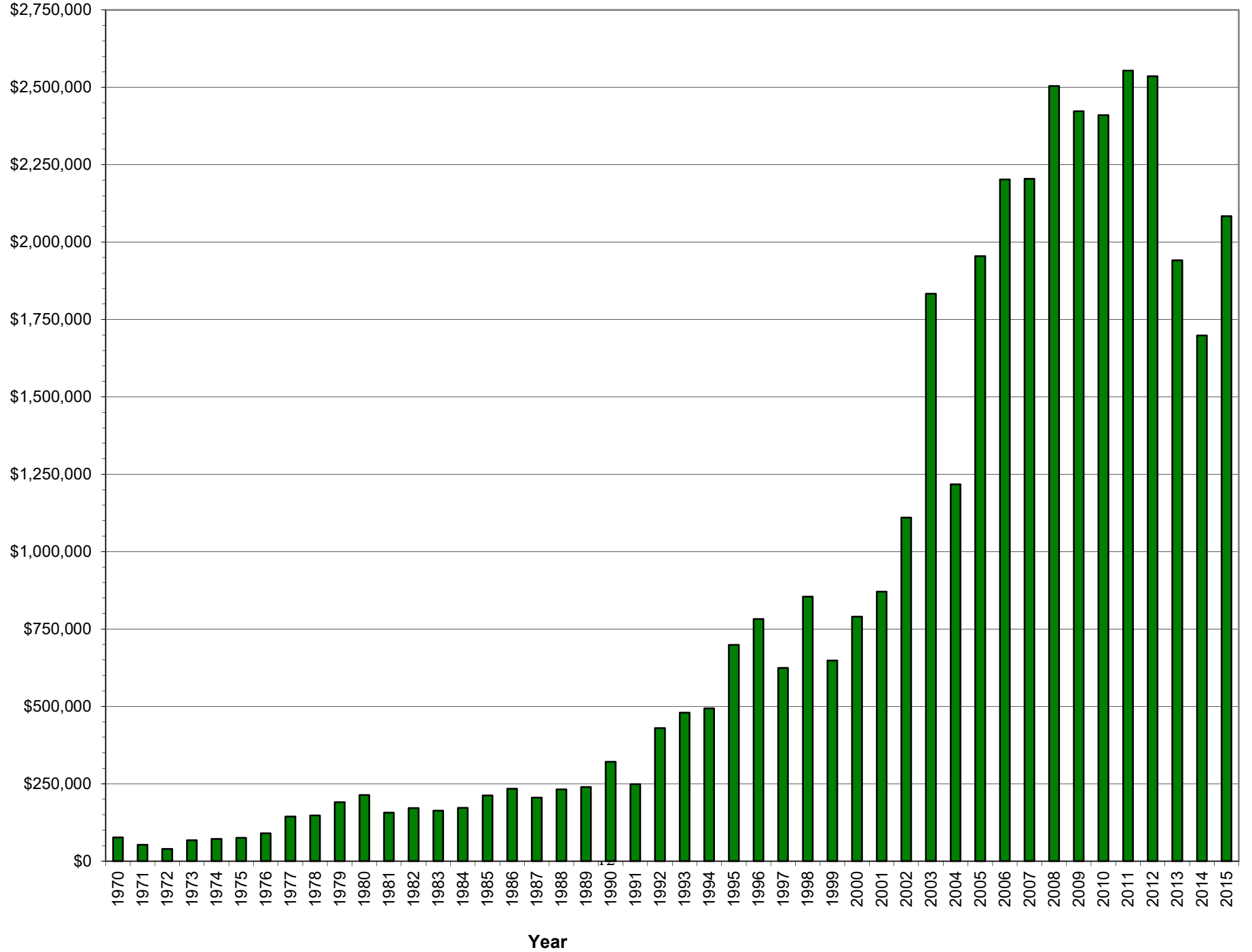
## Total monies received by Towns – 2015 (paid in 2016):

|                    |             |             |                    |             |             |
|--------------------|-------------|-------------|--------------------|-------------|-------------|
| <b>Barronett</b>   | \$10,283.21 | (5,020 ac)  | <b>Frog Creek</b>  | \$72,871.24 | (35,078 ac) |
| <b>Bass Lake</b>   | \$6,450.68  | (3,103 ac)  | <b>Gull Lake</b>   | \$29,243.40 | (14,431 ac) |
| <b>Beaverbrook</b> | \$6,204.26  | (2,984 ac)  | <b>Madge</b>       | \$7,293.68  | (3,549 ac)  |
| <b>Birchwood</b>   | \$41,732.97 | (19,872 ac) | <b>Minong</b>      | \$16,582.29 | (8,028 ac)  |
| <b>Brooklyn</b>    | \$11,817.52 | (5,764 ac)  | <b>Sarona</b>      | \$4,460.31  | (2,116 ac)  |
| <b>Casey</b>       | \$17,934.64 | (8,566 ac)  | <b>Springbrook</b> | \$15,543.70 | (7,475 ac)  |
| <b>Chicog</b>      | \$18,866.71 | (9,178 ac)  | <b>Stinnett</b>    | \$29,872.09 | (14,431 ac) |
| <b>Crystal</b>     | \$7,376.46  | (3,589 ac)  | <b>Stone Lake</b>  | \$12,842.38 | (6,150 ac)  |

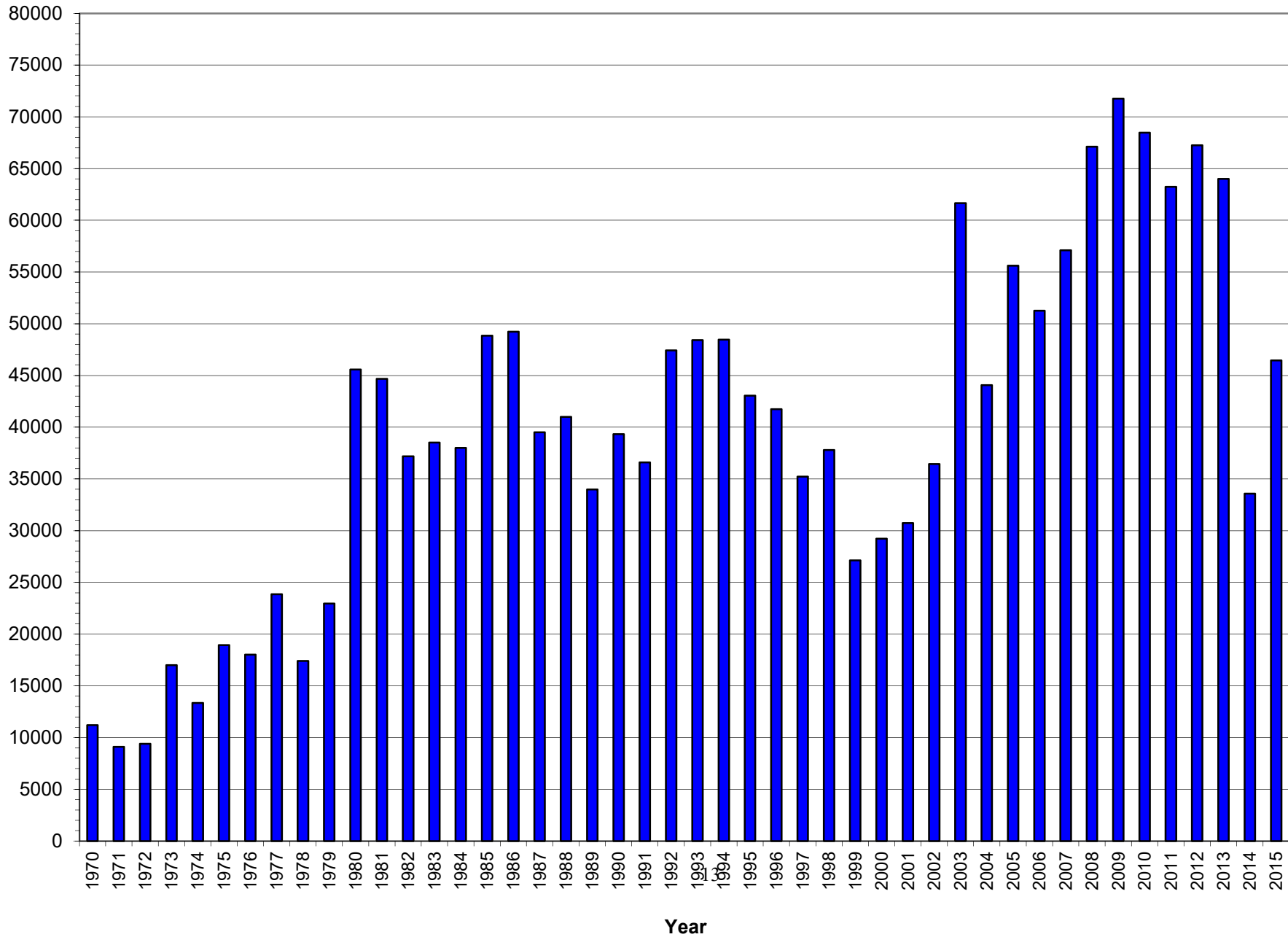
# Campground Revenues Totogatic, Sawmill, Dugan, Leisure Lake



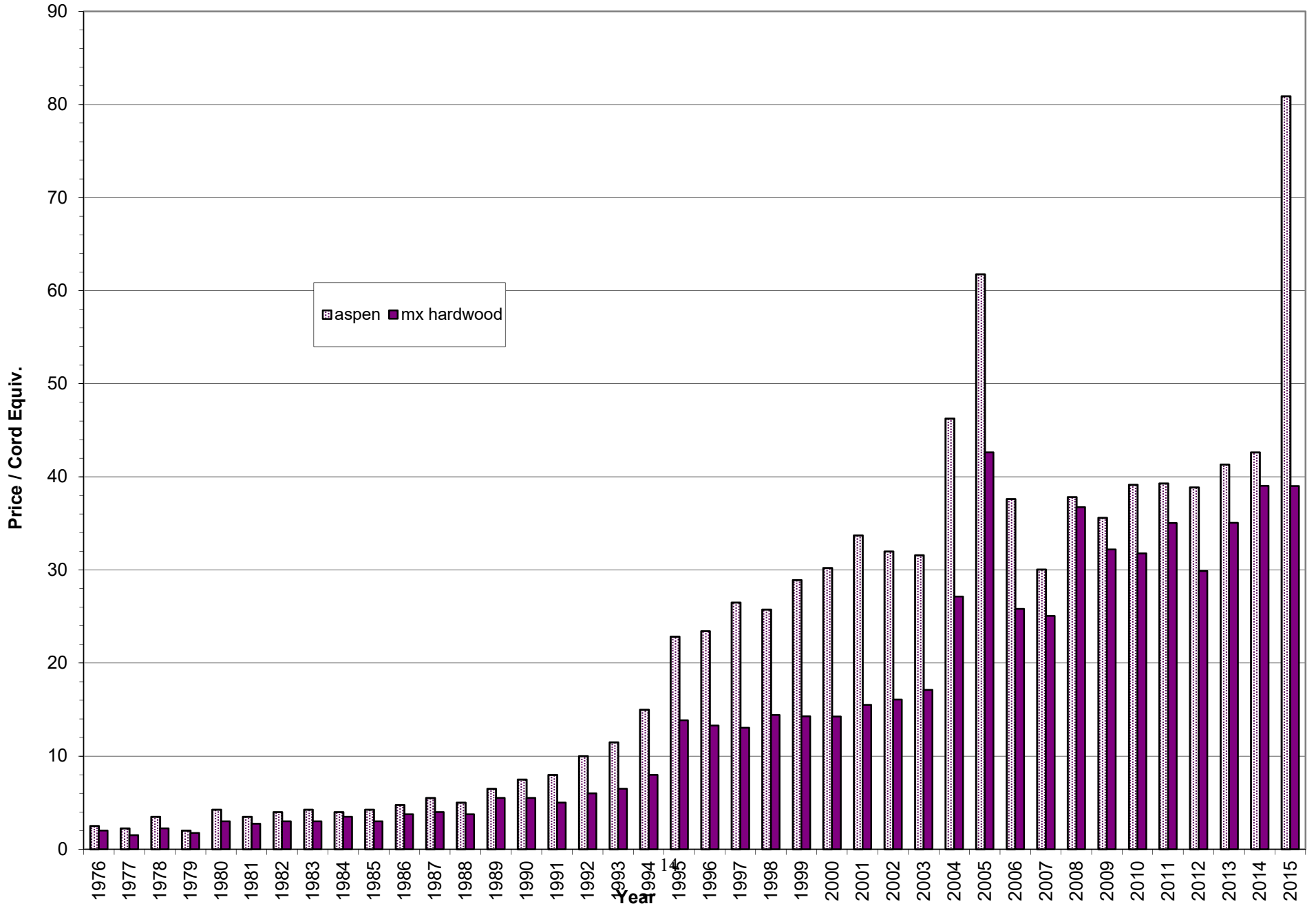
# Gross Timber Sale Revenue



# Total Cords Removed



# Aspen & Mixed Hardwood Average Stumpage Price



## Red Pine & Jack Pine Average Stumpage Price

