

Washburn County Forest 2018 Annual Report



Forest Administrator

Mike Peterson

Department Employees

Buck Pettingill
Mark Heil
Duran Bjorklund
Jeremy Erickson
Brandon Shutt
Matt Graham
Barb Hinkfuss

WDNR Liaison Forester

Amy Morales

Park Ranger / Deputy Sheriff

Will Fisher

Forestry Parks and Recreation Committee

January - April

James Dohm - Chair
Romaine Quinn – Vice Chair
Hank Graber
Lynn Hoepfner
Sandy Johnson

May - December

Romaine Quinn - Chair
Sandy Johnson – Vice Chair
James Dohm
Hank Graber
Jerry Smith

2018 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 2018.

TIMBER MANAGEMENT

The timber sale program generated a gross revenue of \$3,172,079, which is our second highest on record. The Department still had a significant backlog of unharvested wood under contract and some of the receipts were from older sales. Harvesting conditions were poor throughout the summer months due to wet weather, but frozen ground conditions were very good through the winter months.

Wood markets appeared to be variable depending on species and product. Aspen markets appeared to be up while hardwood pulp prices were said to be declining. The pine pulp market seemed to decline further and little wood was harvested from contracted pine sales.

The average 2018 high bids on aspen were slightly higher than 2017 while mixed hardwood pulp stumpage rates were substantially lower. Jack pine prices, although we did not sell a significant volume, were down while red pine was up. The higher red pine value was likely due to the offering of older plantations and higher value products on our sales. Sawlog rates remained stable.

The County Forest Comprehensive Land Use Plan dictates an annual allowable harvest of 900 acres per year in our aspen forest types. Nearly all of our older, unmanaged, aspen stands have been harvested and a disproportionate amount of aspen is in a 35 to 50 year age class. This is due to accelerated harvests in aspen stands that were done when the LP plant moved into Hayward. In order to fully "regulate" aspen age classes, we began cutting the second harvests on younger age classes.

For the first time in a number of years, Washburn County did not experience any significant weather events that resulted in damaged stands of timber.

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 106.9 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 2018, \$76,830 were awarded for summer ATV; \$13,980 for winter ATV; and \$1,910 for hybrid (TROUTE) trails. A majority of the \$92,673 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 have been awarded. Some of these grants were originally applied for in 2014, and were scheduled for completion during 2016 and 2017. The July 2016 flooding forced us to reallocate resources to repair damages on roads and trails. These grants, and progress towards completion at the end of 2018, are itemized below;

<u>Project Name</u>	<u>Type</u>	<u>Grant Award</u>	<u>Percentage Complete in 2018</u>
Thayer Road	Rehabilitation	\$31,000	90%
Berry Road	Rehabilitation	\$40,500	100%
Crystal Point	Relocation	\$26,000	75%
Trail 25	Rehabilitation	\$75,360	85%
Whalen	Development	\$111,840	100%
Wild River 2	Rehabilitation	\$68,500	80%
Wild River 3	Rehabilitation	\$68,500	100%
Casey Loop	Development	\$204,730	60%
Spring Creek Bridge	Rehabilitation	\$40,552	100%
FEMA ATV Share	Rehabilitation	\$16,193	100%
Stony Brook Parking	Development	\$9,100	80%
Fenander Rest Stop	Development	\$38,790	0%

Washburn County applied for a grant to replace the Spring Creek Bridge, which partially collapsed when the snowmobile/ATV club attempted to cross it with a tractor. The total bridge replacement cost was \$126,104. Federal Recreation Trail Program funds were awarded in the amount of \$45,000 and the remaining cost of \$81,104 was awarded evenly between ATV and Snowmobile program grants.

We applied for annual maintenance funding for summer ATV, winter ATV or hybrid trails, but did not seek funding for any other grants. We made a concerted effort to focus on closing out older grants before seeking additional rehabilitation or development

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 an allocation from Wisconsin's gas tax.

Snowmobile

A portion of the snowmobile trail system was open on January 1st of 2018 and additional snow allowed us to open the entire trail system on January 12. All trails closed for the spring on March 20. Trail conditions were good to excellent. Washburn County did not have sufficient snow conditions to allow any trails to be open prior to December 31, 2018.

Annual maintenance contracts are awarded to the Forestry Department. In 2018, maintenance was awarded at a rate of \$300/mile for snowmobile trail maintenance. \$76,530 was awarded and used to maintain trails. The County also received \$34,573.11 in supplemental maintenance grant funds to help cover grooming and other costs exceeding the \$300/mile. A total of \$111,103 was spent and a majority was distributed to local Snowmobile clubs.

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 but we were unable to secure an alternate connection. Several promising options were found but a landowner decided to change his decision on allowing snowmobile trail access. This ten mile section of trail will remain closed until a viable re-route option can be found. Grant funding had been secured to fund the relocation, but we will likely cancel the grant and return the funding to the State.

The Department had one additional open snowmobile project grant for the trail 26 relocation. A landowner forced a trail closure in the Birchwood area in 2014. The trail has been re-routed and a majority of the work has been completed. \$9,254 of the \$27,100 grant award remains to be expended on the project.

The County also applied for and received a snowmobile bridge grant to replace the Spring Creek Bridge. \$40,552 in Snowmobile grant aids were awarded as part of a \$126,104 project. Remaining funds came from federal RTP and state ATV funds

Campgrounds

Totogatic Park showed a slight decrease in camping and usage in 2018, which was related to a very late start to the camping season (snow/rain). Despite the late start, revenues were still quite high. Revenues from Totogatic were approximately \$168,339. The campground was full nearly the entire summer and was operating on what we feel is the maximum capacity at the park. Sawmill Campground saw a slight decrease in revenue and campers as well and likely due to the late start of summer in 2018.

2018 was the 6th 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.

The Forestry Department began planning for an expansion at Totogatic Campground in 2016. The County set aside the 50% matching funds necessary for an Aid for Development of Local Parks (ADLP) Grant. A grant in the amount of \$811,490 was submitted and a partial grant of \$330,208 was awarded in early 2018. A second application for the remaining funds was submitted mid-year 2018 and verbal confirmation of grant award in the amount of \$481,282 was received in late fall. Plans are in place to begin construction at some level in 2019 pending the timing of final grant award.

The conceptual plans call for up to 50 sites, including showers, electric, and sewer hookups. The plan allows the County to building in stages with an initial proposal of 25 to 30 additional sites.

The Harmon Lake Trailhead and the Dugan Run Equestrian Trail continue to see usage with continual 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 \$183,698

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.

The Nordic Ski Trail remained closed in 2018 due to damaged trail conditions. The area suffered a wind storm in 2017 and that coupled with damages caused by salvage operations did not allow us to groom. We had very good skiing conditions at Totogatic Ski Trail in early 2018 but did not receive enough snow to groom before the year’s end.

Other recreation facilities

The Forestry Department has several, ongoing, open grants for various recreational facilities. Most of them were planned for completion in 2018, but flood damage repair efforts delayed the necessary work. At the end of 2018, grants funds and project work remained on the following:

- Minong Rifle Range improvements
- Birch Lake Boat Landing repairs

FLOOD DAMAGE / FEMA

On July 11, 2016, northern Washburn County was hit with a storm that dumped heavy rains across the region. Widespread flooding caused significant damage to the area, including fire lanes, recreation trails and parks. A disaster declaration was made and damage estimates were submitted to FEMA.

FEMA approved \$766,998 in disaster relief funds to Forestry Department roads, trails and facilities in 2016. These grants are issued on a cost share basis, with 75% funding from FEMA, 12.5% funding from Wisconsin Emergency Management and 12.5% sponsor share. Of the 7 projects, only the ATV trail repair project remained incomplete. Work was completed by mid-fall.

Reimbursement was received on all projects except for ATV trails. The County received \$513,392 from FEMA and \$83,784 from Wisconsin Emergency Management, We were waiting for reimbursement on the last remaining project in the amount of approximately \$113,719. The County utilized recreation grants and force account equipment to cover the remaining sponsor cost share

FACILITIES/ EQUIPMENT/ACQUISITIONS

The Department entered into a new lease for a Noram Compact Road Grader under a 4 year municipal lease. This is the second lease program on this for this type of machine. Payments continued 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.

Forestry purchased a replacement ½ ton 4 x 4 pickup for the Assistant Recreation Administrator, a 4 x 4 pickup for the Recreation Officer, and a replacement dump box for Forestry's 2006 dump truck.

The County purchased a 200 acre parcel and a 40 acre parcel, both in the Town of Frog Creek. The properties were 50% funded from Knowles Nelson Stewardship grants with the remaining cost share paid for from a Forestry Aid project loan and from Land Acquisition account fund balance. The parcels were entered into the County Forest Law and will be managed for forestry and public recreation.

The County began planning for a new government center, with initial plans to incorporate the Forestry offices into a new building in Shell Lake. The Forestry Committee submitted a proposal to construct a new office building at our shop site in Spooner as an alternative. This was accepted by Public Property and we contracted with Ayres and Associates to design a building. Plans are in place to construct the building during the 2019 construction season.

PERSONNEL

Due to increasing workloads in both the recreation and forestry program, we submitted a request for a Natural Resources Technician position. We allocated 50% of the position to parks and recreation during the summer months and to timber sale establishment during the remainder of the year. Brandon Shutt was transferred into this position in early 2018 from one of the two Forestry Technician positions.

The Department replaced a vacant technician position in 2018. Matt (Derrick) Graham was hired mid-year and has been a valuable addition to our staff.

The County Forest Administrator and Sheriff jointly re-developed the recreation officer position and Will Fisher was transferred into the position in mid-2018. Having a law enforcement presence on the forest again was critical to our operations.

OTHER

Washburn County had one open Sustainable Forestry Grant during 2018. A grant of \$20,000 was awarded in 2016 to fund the hiring of an LTE to assist with timber sale establishment. This forester was hired to "backfill" lost time from permanent staff working on FEMA projects. The remaining available grant funds of \$3,976.38 were utilized during 2018.

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 2018

I.	<u>Reforestation</u>		
A.	Acres newly planted:	0	acres
B.	Acres replanted:	0	acres
C.	Acres seeded (jack pine):	0	acres
D.	Jack pine regeneration – scarified	22	acres
E.	Oak regeneration - scarified	62	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	0	acres
J.	Site Prep (mechanical)	99	acres
K.	Site Prep (chemical)	99	acres
L.	Prescribed burning (oak regeneration)	0	acres
II.	<u>Timber stand improvement</u>		
A.	Red pine release (herbicide):	0	acres
B.	Pine release (prison crew):	74	acres
C.	Invasive – Buckthorn herbicide treatment	20	acres
D.	Oak wilt control	0	acres
III.	<u>Timber Sale Statistics</u>		
A.	Timber value contracted	\$2,794,687	(\$2,766,967 in 2017)
B.	Acres established:	3,033 acres	(2,628 acres in 2017)
C.	Acres sold (goal of 3400 acres):	2,724 acres	(3,522 acres in 2017)
D.	Acres closed out:	1,246 acres	(2,288 acres in 2017)
E.	Volumes removed:	total cord equivalent = 59,571	(57,241 in 2017)
	1. Pulpwood total:	54,880	
	a. Aspen pulpwood	11,926 cords	
	b. Mixed hardwood pulpwood	41,878 cords	
	c. Pine pulpwood	361 cords	
	d. Spruce/fir pulpwood	715 cords	
	2. Sawtimber total:	2,085 mbf	(thousand board feet)
VI	<u>Recreation Facilities</u>		
A.	Totogatic Park		
	1. Total Gross Revenue - \$168,339		(\$169,307 in 2017)
	2. Camping Registrations - \$141,873		(\$142,553 in 2017)
	3. Shower revenue from bathhouse - \$2,051		(\$1,943 in 2017)
	4. Firewood revenue – \$8,372		(\$8,147 in 2017)
	5. Boat Launch Fee - \$2,204		(\$2,446 in 2017)
	6. Ice, Day Use, Dump Station, etc. - \$2,615		(\$2,506 in 2017)
	7. Reservation system fees - \$11,224		(\$11,712 in 2017)
B.	Sawmill Park Revenue - \$7,630		(\$8,303 in 2017)
C.	Harmon / Dugan Equestrian Trails / Other		
	1. Horse Trail/Camping Revenue – \$2,338		(\$3,252 in 2017)
	2. Dispersed Camping Permits - \$180		(\$380 in 2017)
	3. Trail Donations - \$42		(\$210 in 2017)
D.	Leisure Lake Youth Camp		
	1. Revenue - \$5,119		(\$5,558 in 2017)
	2. Number of Groups = 29		
	3. 62% use by youth groups		
	4. 5% use by other non-profit groups		

WASHBURN COUNTY FOREST: ANNUAL REPORT OF ACCOUNTS 2018

I. RECEIPT AND EXPENDITURE SUMMARY OF FORESTRY AND PARKS ACCOUNTS

A. <u>Timber revenues received by County:</u>	
Gross timber sale receipts	\$3,172,079.49
Damages and other misc. income	\$ 7,400.55
Gathering permits (firewood, boughs, Christmas trees)	\$ 623.70
<u>TOTAL FOREST PRODUCTS REVENUE - \$3,180,103.74</u>	

<u>Recreation revenues received by County:</u>	
Totogatic Park	\$ 168,339.04
Sawmill Park	\$ 7,630.00
Leisure Lake	\$ 5,118.85
Misc. Recreation Revenue	\$ 2,610.00
<u>TOTAL RECREATION PROGRAM REVENUE - \$ 183,697.89</u>	

<u>Misc. revenues received by County</u>	
Forestry Aid Loan from State	\$ 74,617.18
Sustainable Forestry Grant	\$ 3,976.38
County Forest Administrator Grant (inc. WCFA dues reimb.)	\$ 53,304.30
Private Grants	\$.00
Equipment Sales	\$.00
<u>TOTAL MISCELLANEOUS REVENUE - \$ 131,897.86</u>	

Total Revenues \$3,495,699.49

B. <u>Expenditures by County:</u>	
Forestry Aid fund (56930)	\$121,262.70*
County Forest Land Development (56100)	\$604,424.60
10% statutory timber sale revenue to towns	\$319,285.18
5% additional timber sale revenue allocated by County	\$159,618.64
Forestry Aid Loan Repayment	\$ 74,617.18
Parks Expenditures (55200)	\$169,102.80
<u>TOTAL NON-GRANT EXPENDITURES - \$ 1,448,311.10</u>	

**Forestry Aid utilized fund balance in budget*

C. Net Revenue to County \$2,047,338.39*

** May not reflect actual audit figure due to adjustments.*

II. Other Segregated Accounts:

	<u>Receipts</u>	<u>Expenditures</u>
A. <u>Fish and Game Projects - 56960</u>	\$ 8,698.02	\$ 1,701.95
B. <u>Habitat Development - 56961</u>	\$ 7,028.74	\$ 4,047.28
C. <u>Snow Trails - 55440</u>	\$ 127,709.40	\$ 126,178.10
D. <u>Land Acquisition - 56110</u>	\$ 175,872.70	\$ 202,872.90
E. <u>County Forest Roads - 56125</u>	\$ 29,936.07	\$ 32,699.71
F. <u>ATV Trails - 55310</u>	\$ 391,911.95	\$ 374,434.73

III. Fund Balances on non-lapsing accounts as of 12/31/18 **subject to final reconciliation and audit*

A. Forestry Aid (State loan funds)	\$ 19,084
B. Wildlife Habitat (State grant funds)	\$ 21,779
C. County Forest Roads (State grant fund)	\$ 95,940
D. Land Acquisition	\$ 9,170

IV.

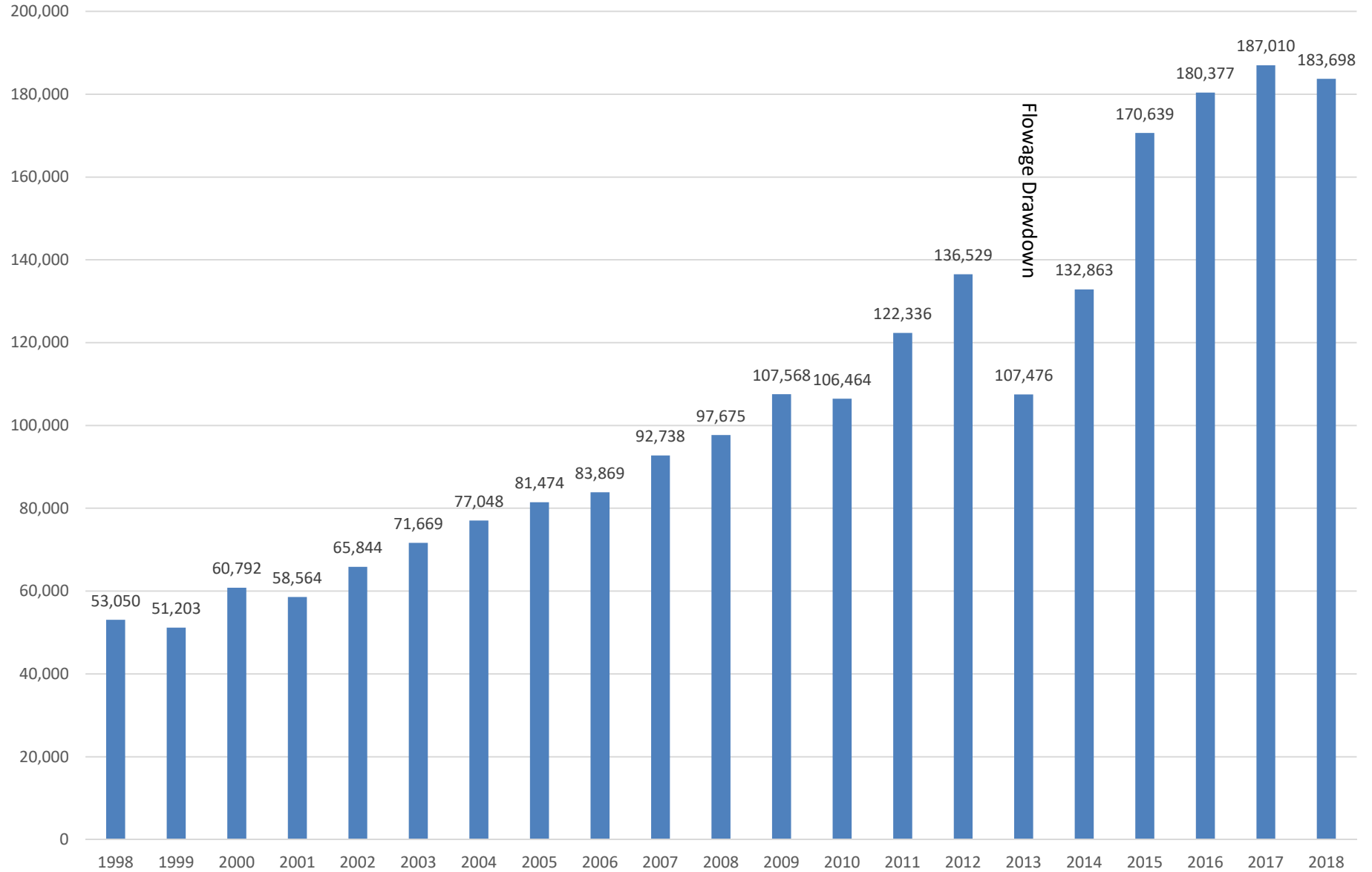
Money received by Towns:

State payment (\$.30/acre on 149,956.03 acres)	\$ 44,986.81
10% timber sale revenue (statutory requirement)	\$ 319,285.18
5% timber sale revenue (additional paid by Washburn County)	\$ 159,618.64
TOTAL	\$ 523,890.63

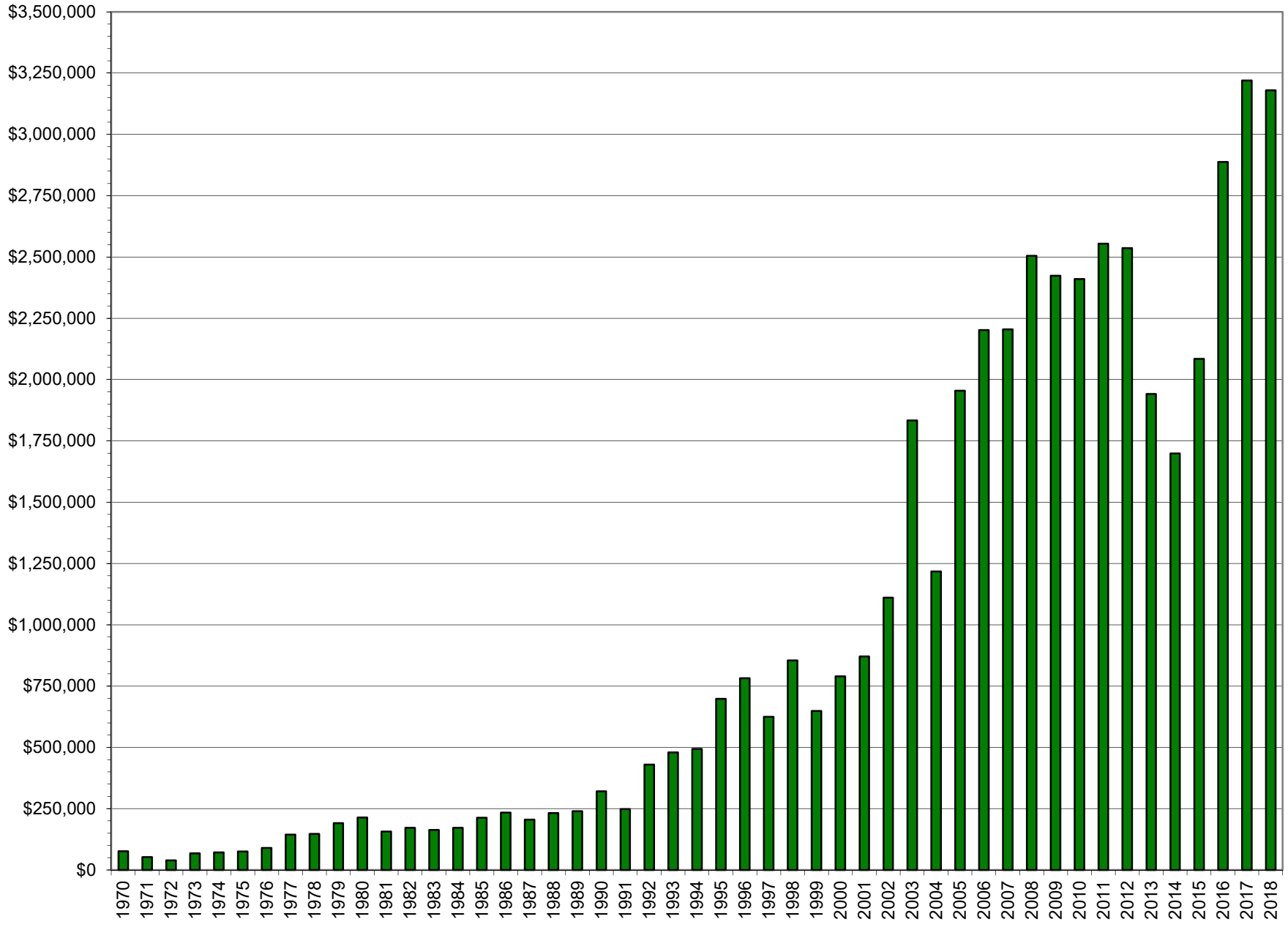
Total monies received by Towns – 2018 (paid in 2019):

Barronett	\$16,031.82	(5,020 ac)	Frog Creek	\$111,914.78	(35,078 ac)
Bass Lake	\$9,909.02	(3,103 ac)	Gull Lake	\$45,130.55	(14,431 ac)
Beaverbrook	\$9,529.73	(2,984 ac)	Madge	\$11,334.24	(3,549 ac)
Birchwood	\$63,462.55	(19,872 ac)	Minong	\$25,669.77	(8,037 ac)
Brooklyn	\$18,407.18	(5,764 ac)	Sarona	\$6,756.87	(2,116 ac)
Casey	\$27,356.48	(8,566 ac)	Springbrook	\$24,983.5	(7,823 ac)
Chicog	\$29,310.89	(9,178 ac)	Stinnett	\$46,087.40	(14,431 ac)
Crystal	\$11,861.03	(3,714 ac)	Stone Lake	\$19,641.32	(6,150 ac)
			Trego	\$1516.69	(475 ac)

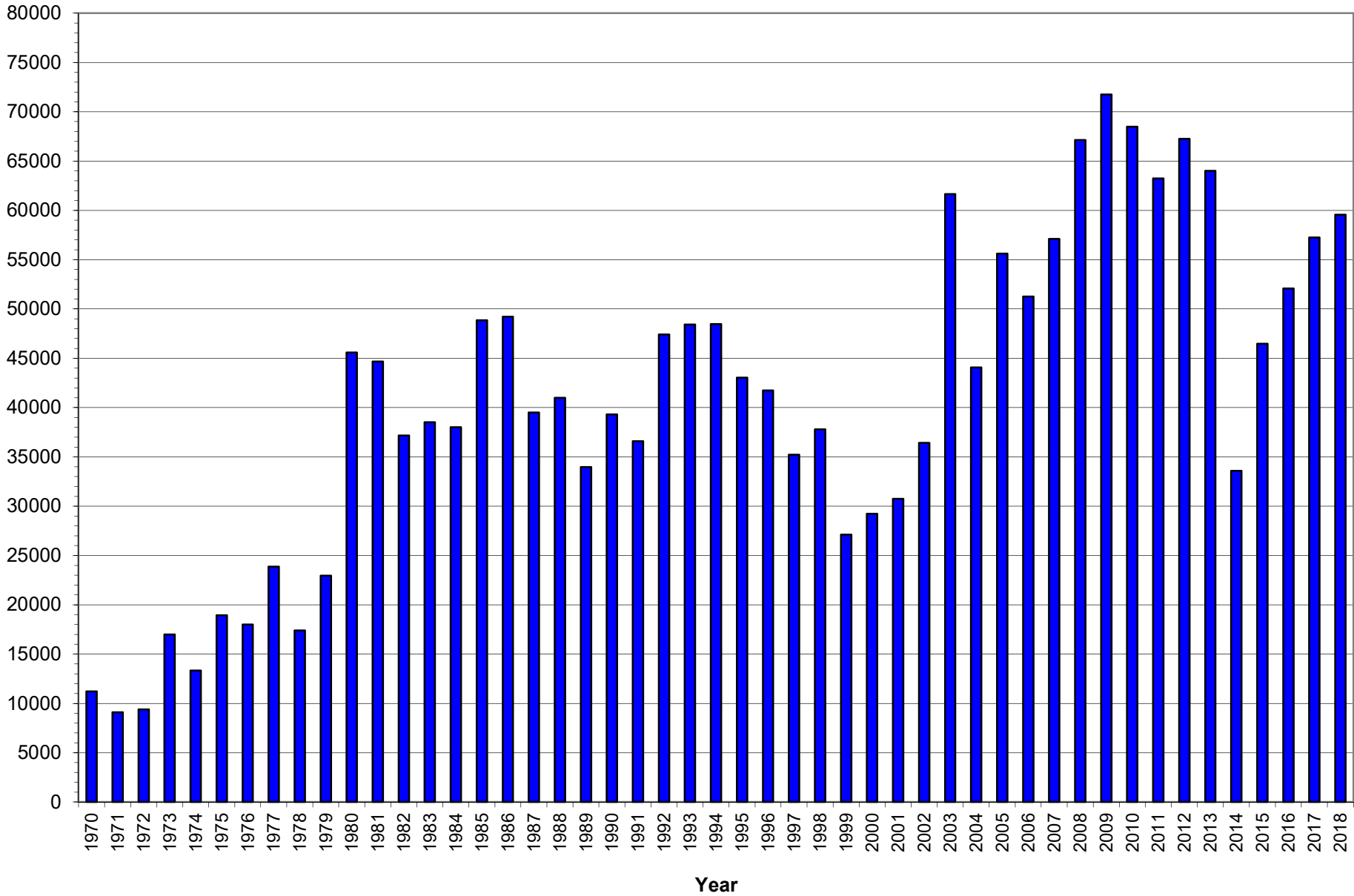
Recreation Program Revenues (Excluding Grant Funded Programs)



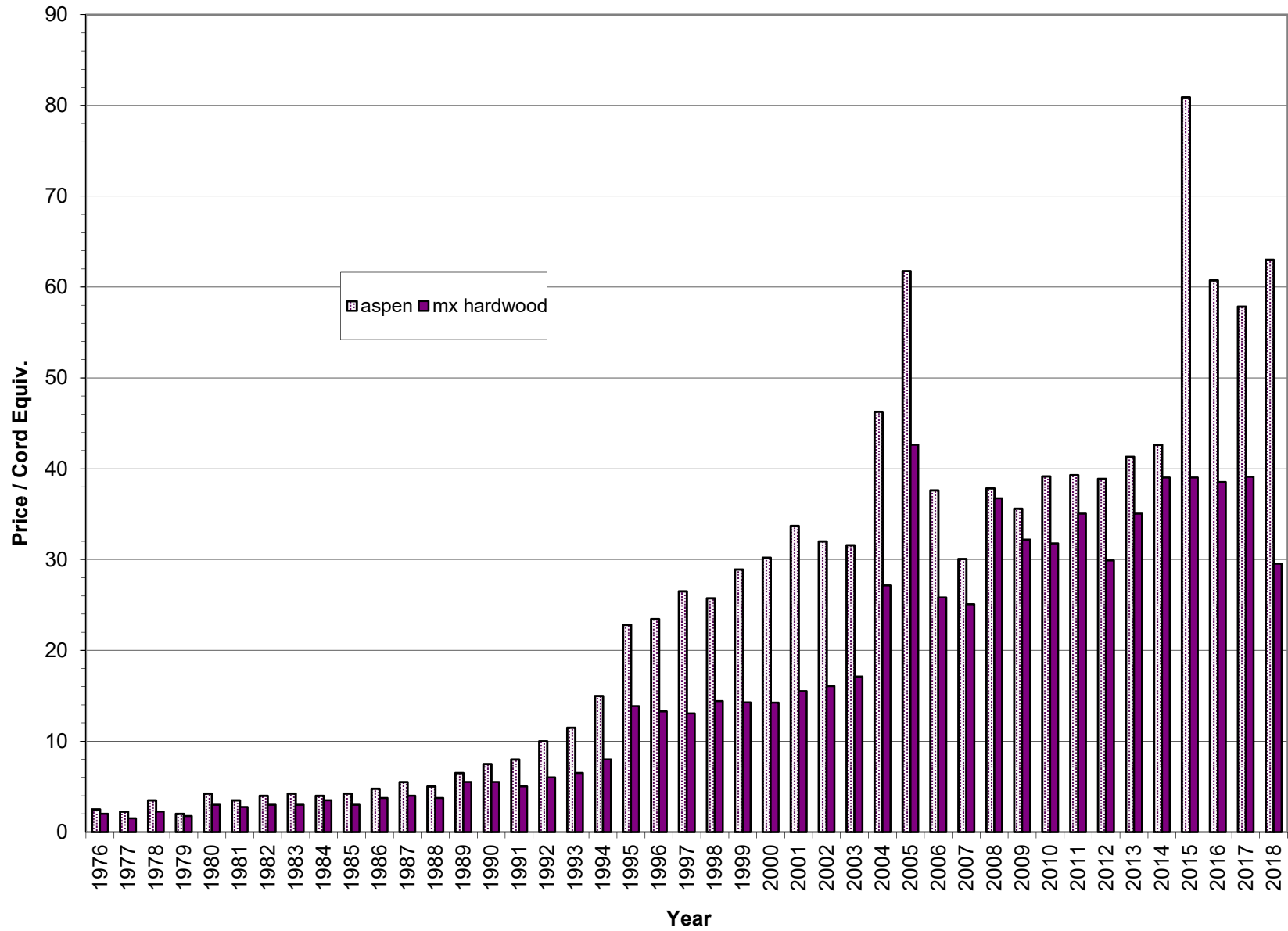
Gross Timber Sale Revenue



Total Cords Removed



Aspen & Mixed Hardwood Average Stumpage Price



Red Pine & Jack Pine Average Stumpage Price

