

Project Orientation

At The Conservation Fund, we believe that wellmanaged forests can be both economically viable and ecologically sustainable. On California's North Coast, we are demonstrating a new approach to forest conservation that balances environmental restoration and stewardship with the economic imperatives of large scale forest ownership and the desire to sustain the local timber economy. Since 2004, with the help of our public and private partners, we have protected more than 120,000 acres of forestland as part of our North Coast Forest Conservation Initiative. Of these protected forests, we own and manage more than 54,000 acres in Mendocino County: the Garcia River, Gualala River, Big River and Salmon Creek forests and the 19,600 acre Buckeye Forest in Sonoma County. An additional 50,000 acres have been permanently protected through the acquisition of a conservation easement on the Usal Forest, owned and operated by the Redwood Forest Foundation, Inc. We seek to demonstrate that large, understocked tracts of coastal forest can be returned to ecological and economic viability through patient, adaptive management by a nonprofit organization, in partnership with private and public entities and community stakeholders.

We invite you to learn more about the major accomplishments, challenges and activities of our program in 2013. Our success results from the strong support of a diverse set of partners—neighbors, local businesses, government agencies and conservation groups. Thank you for your interest and continuing support!

Caspar Index

Named after our North Coast hometown, this is a customized index to share some of the measurements we track in pursuing the many positive outcomes of this important project. North Coast Reviews from 2009 and 2010 available at: www.conservationfund.org

	2011	2012	2013
Timber harvest acreage	291	994	747
Volume of logs removed (net board feet)	956,280	5,130,000	2,514,620
Number of log trucks	225	1285	643
Carbon offsets: Climate Reserve Tonnes generated and verified	375,065 metric tons of CO ₂ reductions	960,881 metric tons of CO ₂ reductions	395,459 (BR, SC, GAR) metric tons of CO ₂ reductions
Cumulative miles of roads covered in Sediment Source Assessments	450 miles. All major roads have been assessed on Big River, Salmon Creek and Garcia River forests.	Assessment planning on the Gualala River forest is underway.	Assessment planning on Buckeye and Gualala forests underway.
Approximate cubic yards of sediment saved through road improvement projects	21,472	30,885	19,687
DFG salmonid spawner survey reaches sampled	5	6	6
Numbers of logs added to streams to improve salmonid habitat	266 (Signal Creek, North Fork Garcia River, Little North Fork Big River)	484 (North Fork Garcia, Inman Creek, Salmon Creek)	168 (Two Log Creek)
Number of instream remote water temperature monitoring stations (Hobo Temps)	38	38	38
Lowest summer stream temperature (Mean Weekly Average Temperature)	48F (Upper Two Log Creek in Big River)	50F (Upper Two Log Creek in Big River)	52F (Upper Two Log Creek in Big River)
Highest summer stream temperature (Mean Weekly Average Temperature)	70F (Mainstream Big River at easternmost property line)	67F (Mainstream Big River at easternmost property line)	72F (Mainstream Big River at easternmost property line)
Northern Spotted Owl activity centers	32	34	23
Northern Spotted Owl successfully fledged	1-Garcia, 2-Big River/ Salmon Creek	1-Garcia, 3-Big River/ Salmon Creek	0
Barred Owl activity centers detected	3-Garcia, 1-in Salmon Creek	3-Garcia, 2-in Salmon Creek	2-Garcia, 2-in Salmon Creek
Miles of roads treated to reduce invasive weeds	34	2	2
Estimated local economic contribution (employment, contractors, purchases)	\$2.8 million	\$4.5 million	\$3.4 million
Number of participants in the Pedestrian and Equestrian Stewardship Access Program on Salmon Creek, Big River	16	20	26
Public tours offered on the properties	10	7	8





Timber Harvests

2013 was a busy and productive year for harvesting operations with 2,514,620 net board feet combined harvest on Big River and Garcia River forests. As in 2012, we were able to take advantage of the export-market to sell Douglasfir and white fir, as well as sell redwood to the local Mendocino County sawmills. As planned, we deferred all harvest on Salmon Creek and Gualala forests.

None of this would be possible without a healthy forest industry. We offer our heartfelt thanks to our primary customers: Agwood Mill & Lumber, MDI, Inc, Mendocino Forest Products, R & S International and Redwood Empire Sawmills.



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Forest Certification

In October 2013, verifiers from the Forest Stewardship Council (FSC) and Sustainable Forestry Initiative (SFI) programs completed a field audit of the North Coast Forestry Program. The Program was found in overall conformance with the standards—the two most strict and comprehensive standards for forest management available. In addition, 2013 was the first year the Fund received a programmatic dual certification for all of our forest management projects across the country. The Fund actively participates in the California SFI Implementation Committee. We welcome comments and suggestions regarding our forest certification. Full audit reports are available on our website: www.conservationfund.org.



Climate Action

The Garcia River, Gualala River and the Big River and Salmon Creek forests are carbon offset projects registered with the Climate Action Reserve (CAR) and verified by Scientific Certification Systems. In 2013, the forests produced 395,459 metric tons of verified emission reductions. The Buckeye forest carbon offset project is under development. Sale of some of these offsets has provided significant additional financial support for the forests, enabling us to accelerate restoration activities and defer timber harvests when log prices are low. The Fund continues to use advanced remote sensing technologies to accurately estimate the carbon sequestered on our forests. Additional references and project documents are available on the CAR website, www.climateactionreserve. org, and numerous publications are available on our website www.conservationfund.org.

Management Planning

A draft of the Gualala River Forest Integrated Resource Management Plan (IRMP) has been reviewed by our Advisory Group and is awaiting final forest inventory data and modeling before full distribution. The purpose of the Plan is to provide a framework for sustainable forest management practices for the property. The Plan is based on the Fund's previous IRMPs for the Garcia, Big River and Salmon Creek forests. Development of the Buckeye Forest IRMP is underway, pending forest inventory, botanical and owl surveys. When completed, both plans will be shared for review and comment.



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Habitat Restoration

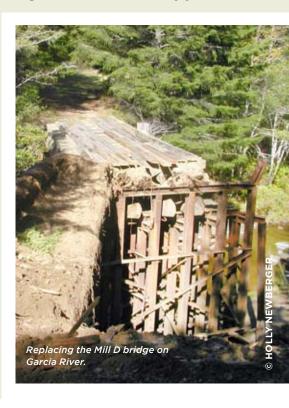
The placement of large woody debris (LWD) in streams and maintaining and upgrading our road infrastructure is our highest long-term priority. Upgrading roads and bridges is important for healthy fish habitat because it reduces sediment delivery into the streams. Maintaining the road infrastructure is also critical to our ability to move through the properties for log hauling, stream restoration projects, botanical surveys and Northern Spotted Owl surveys. A significant portion of the money we make through timber and carbon sales is re-invested in road infrastructure improvements. In 2011-2013 we spent over \$600,000 on the replacement of

two important bridges on the Garcia forest—the Mainstem Garcia bridge (130 feet long and 30 feet high) and the Bluewaterhole Creek bridge (89 feet long and 20 feet high). In both cases the old log bridge abutments were deteriorated and unsafe. To insure these bridges can be used for many years

into the future, they were constructed above the 100 year flood elevation point. In 2014 it will be necessary to replace two additional bridges on the Garcia and Gualala forests—the Hollow Tree bridge (85 feet long and 20 feet high) and Billings Creek bridge (72 feet long and 12 feet high)—with a budget of approximately \$400,000.

A large wood installation project was completed in 2013 on Two Log Creek on the Big River Forest with cost-share funding from the California Department of Fish and Wildlife and in cooperation with Mendocino Redwood Company. During implementation, 168 pieces of large wood were placed along 2.4 miles of Two Log Creek.

A sediment control and large wood installation project on Inman Creek in the Garcia River Forest was completed in 2013 with cost-share funding from the Department of Fish and Wildlife. For the large wood project, a total of 123 pieces of large wood were placed along 3.7 miles of creek. On the roadwork portion of the project, an estimated sediment savings of 10,230 cubic yards was achieved through a combination of road watercourse crossing, upgrading and decommissioning along approximately 3.3 miles of forest road.



Public Access Program

2013 was another successful year for our permit-based pedestrian access program in the Big River and Salmon Creek forests, as well as our equestrian program on the Salmon Creek forest. These programs were launched five years ago to provide access, cultivate stewardship and increase surveillance on the property. Additional public access was provided to Big River in the autumn of 2012 and 2013 with over 50 local participants cutting firewood for home use. Since 2012 we have allowed limited, permitted hunting for Mendocino County residents on the Garcia River forest. In addition, multiple tours of all properties to review harvests and restoration projects are offered throughout the year.

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Educational Tall Ship



In 2012, The North Coast program donated 73 Douglas fir logs or approximately 50,000 board feet of logs from our Big River Forest to the Educational Tall Ship (ETS) project. This Forest Stewardship Councilcertified lumber will be the principal wood used in the 19th century-

inspired tall ship's construction and will make up more than 50% of the vessel's structure. To date ETS has used about 20% of the wood from the Fund for keel, transom, deck beams and structural members. ETS is currently making framing and structural parts to assemble when the

45- ton lead ballast keel arrives in April. During the building process, the construction site will be open to students and the general public. You can stop by and watch the progress or volunteer to help build the ship. ETS is currently looking to double their volunteer force. Check out this link to find out what's happening with the ship's construction and to volunteer: **www.educationaltallship.org**.



The Conservation Fund Board Tour

The North Coast Program hosted the Fund's Board of Directors and Leadership Council for a tour before their July 2013 Board Meeting, which took place in Healdsburg. The group toured the Garcia River Forest and saw an active logging job, a stream restoration project, and took time for a picnic and a jump in the stream. It was a wonderful day and allowed the Board to see these beautiful forests firsthand.



Community Member Spotlight

Our approach to forest conservation includes a desire to sustain the local timber economy and local community. Our success stems from our consistent, dedicated team of employees and contract consultants. An important member of the team and primary contractor to the Fund is Christopher Blencowe, a registered professional forester. A Mendocino coast native, he began working for the Fund in 2007 as a watershed technician, monitoring instream temperature, and providing watershed, forestry, and road assessment support. Christopher's background in aquatic resource management and extensive experience in forestry and timber harvesting have contributed to the success of 17 instream large woody debris (LWD) habitat restoration projects completed to date in Northern California. Strategically adding large wood to streams creates pools and instream shelter that provide immediate benefit to Steelhead

trout and coho salmon. Large wood can also sort spawning gravels, provide refuge during high flows and the ability to retain more water during the long dry summers. Since 2009, Christopher and equipment operator Ken Smith, have completed eight individual LWD projects for the Fund. They have placed 989 pieces of large wood along 19.8 miles of streams on our Big River, Big Salmon Creek and Garcia River forests. The Fund thanks all of our contractors for their involvement in and enthusiasm for our projects.



Acknowledgments

PRIMARY CONTRACTORS:

Christopher Blencowe, Stream Restoration and Monitoring

DLF Engineers, Bridge Design

Great Tree Tenders, Tree Planting

Kerry Heise, Botanical Surveys

Geri Hulse-Stephens, Botanical Surveys

Jacobszoon Forestry Consulting, Timber Inventory

Lynsey Kelly, GIS Services

Darcie Mahoney, Salmon Creek Forestry

Don Miller, Security & Patrols

Pacific Watershed Associates, Assessments & Restoration

Philbrick Logging

Robert Piper, Logging & Road Restoration

William Piper, Road Restoration

Redwood Resources, Tree planting & Thinning

Ken Smith, Stream Restoration

Elias Steinbuck, Geologic Assessments

Mike Stephens,

Northern Spotted Owl Biological Surveys

Lee Susan, Big River Forestry

Mark Taylor, Security & Patrols

Watershed Sciences/Quantum Spatial, LiDAR Services

Wylatti Resource Management, Bridge Building & Road Restoration

PARTNERS AND FINANCIAL SUPPORTERS:

California Department of Fish and Wildlife

California State Coastal Conservancy

David and Lucile Packard Foundation

Gordon and Betty Moore Foundation

Mendocino Land Trust

North Coast Regional Water Quality Control Board

Richard King Mellon Foundation

S. D. Bechtel Jr. Foundation

Salmon Creek Project Team

Sonoma Land Trust

Sonoma Agricultural Preservation and Open Space District

The Nature Conservancy

U-Haul

UPS

Wildlife Conservation Board

ADVISORY GROUP:

Leslie Dahlhoff, Moat Creek Managing Agency Board Member

Bill Heil, Salmon Creek Project Team

John Hooper, Oz Farm

Alan Levine, Coast Action Group

Darcie Mahoney, Registered Professional Forester

Linda Perkins, Salmon Creek Project Team

Chris Poehlman, Friends of the Gualala River

Contact Us

Please see our website for more information on the North Coast Forest Conservation Initiative: **www.conservationfund.org**

Detailed monitoring reports are also available by topic from our office in Caspar, CA:

Attention Holly Newberger, North Coast Program Coordinator

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