ECOLOGICAL AND ECONOMIC BENEFITS

At The Conservation Fund, we believe that well-managed forests can be both economically viable and ecologically sustainable. On California’s North Coast, we are demonstrating 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. This new approach to forest conservation 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 74,000 acres in Mendocino and Sonoma Counties.

We invite you to learn more about the major accomplishments, challenges and activities of our program in 2014. 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 continued support!
Caspar Index

Named after our North Coast hometown, this customized index details some of the measurements we track annually. North Coast Reviews from 2009-2011 are available at [www.conservationfund.org](http://www.conservationfund.org).

<table>
<thead>
<tr>
<th>Measure</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber harvest acreage</td>
<td>994</td>
<td>747</td>
<td>454</td>
</tr>
<tr>
<td>Volume of logs removed (net board feet)</td>
<td>5,130,000</td>
<td>2,514,620</td>
<td>3,455,000</td>
</tr>
<tr>
<td>Number of log trucks</td>
<td>1285</td>
<td>643</td>
<td>772</td>
</tr>
<tr>
<td>Carbon offsets: Climate Reserve Tonnes</td>
<td>960,881 metric tons of CO$_2$ reductions</td>
<td>394,715 (BR, SC, GAR) metric tons of CO$_2$ reductions</td>
<td>444,988 (BR, SC, Gualala, Garcia CRTs issued to TCF)</td>
</tr>
<tr>
<td>Approximate cubic yards of sediment saved through road improvement projects</td>
<td>30,885</td>
<td>19,687</td>
<td>15,807</td>
</tr>
<tr>
<td>DFW salmonid spawner survey reaches sampled</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Numbers of logs added to streams to improve salmonid habitat</td>
<td>484 (North Fork Garcia, Inman Creek, Salmon Creek)</td>
<td>168 (Two Log Creek—Big River)</td>
<td>65 (North Fork Gualala)</td>
</tr>
<tr>
<td>Number of instream remote water temperature monitoring stations</td>
<td>38</td>
<td>38</td>
<td>38</td>
</tr>
<tr>
<td>Lowest summer stream temperature (Mean Weekly Average Temperature)</td>
<td>50F (Upper Two Log Creek in Big River)</td>
<td>52F (Upper Two Log Creek in Big River)</td>
<td>58F (Lower North Fork Big River)</td>
</tr>
<tr>
<td>Highest summer stream temperature (Mean Weekly Average Temperature)</td>
<td>67F (Mainstream Big River at easternmost property line)</td>
<td>72F (Mainstream Big River at easternmost property line)</td>
<td>68F (Mainstream Big River at easternmost property line)</td>
</tr>
<tr>
<td>Northern spotted owl activity centers</td>
<td>34</td>
<td>23</td>
<td>29</td>
</tr>
<tr>
<td>Northern spotted owl successfully fledged</td>
<td>1—Garcia, 3—Big River/Salmon Creek</td>
<td>0</td>
<td>2—Garcia</td>
</tr>
<tr>
<td>Barred owl territories detected</td>
<td>3—Garcia, 2—Salmon Creek</td>
<td>2—Garcia, 2—Salmon Creek</td>
<td>2—Garcia, 2—Salmon Creek, 2—Buckeye</td>
</tr>
<tr>
<td>Miles of roads treated to reduce invasive weeds</td>
<td>2</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Estimated local economic contribution (employment, contractors, purchases)</td>
<td>$4.5 million</td>
<td>$3.4 million</td>
<td>$3.9 million</td>
</tr>
<tr>
<td>Number of participants in the Pedestrian and Equestrian Stewardship Access Program on Salmon Creek, Big River</td>
<td>20</td>
<td>26</td>
<td>20</td>
</tr>
<tr>
<td>Public tours offered on the properties</td>
<td>7</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>
Conservation

Ten Mile River
Working with the California State Coastal Conservancy, the Wildlife Conservation Board, the Nature Conservancy and the Mendocino Land Trust, the Fund completed a 6 year effort to reassemble and permanently protect the spectacular 1,340-acre Smith/Perry Ranch along the Ten Mile River estuary. Sisters Margaret Perry and Sue Smith will continue to own and manage the ranch for sustainable forestry and ranching under a conservation easement held by the Nature Conservancy. In the coming year, the Nature Conservancy will work with the family to enhance stream habitat along the South Fork, and the Fund will work with the Mendocino Land Trust to enhance public access to MacKerricher State Park.

Usal Redwood Forest Conservation Easement
In December, we transferred the 49,600 acre working forest conservation easement on the Usal Redwood Forest to the California Department of Forestry and Fire Protection to be managed as part of the agency’s Forest Legacy Program. The largest working forest conservation easement in California, the transfer more than doubles the total number of acres under the Department’s 17 year old Forest Legacy Program. The project is a testament to the extraordinary benefits that have resulted from the Wildlife Conservation Board’s diligent and effective administration of the Forest Conservation Program funded by California voters in 2006. Created by legislation in 1947, the State of California Wildlife Conservation Board primary responsibilities are to fund the purchase of land and waters suitable for recreation purposes and the preservation, protection and restoration of wildlife habitat.

Buckeye Forest – Walala Vineyard
The Fund completed the sale of the 95-acre “Walala Vineyard” parcel acquired as part of our 2013 purchase of the property formerly known as Preservation Ranch. The sale proceeds were used to repay a portion of a loan from the David and Lucile Packard Foundation that helped the Fund complete the purchase.
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 (Gualala) and Environment Services Inc (Garcia and BR/SC). In 2014, the forests produced 444,988 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 these forests. Additional references and project documents are available on the CAR website, [www.climateactionreserve.org](http://www.climateactionreserve.org), and numerous publications are available on our website [www.conservationfund.org](http://www.conservationfund.org).

Timber Harvests

2014 was a busy and productive year for harvesting operations. For the 2014 season, we harvested 443 metric board feet (MBF) net log scale from the North Navarro Ridge THP on Salmon Creek Forest, 2,413 MBF net from Little North Fork Big River THP on Big River Forest and 599 MBF net from the Graphite THP on Garcia River Forest. Total volume removed in 2014 was 3,455 MBF. As in previous years, we were able to take advantage of the export-market to sell Douglas fir and white fir, while continuing to sell redwood to the local Mendocino and Sonoma County sawmills. None of our forest conservation would be possible without a healthy forest industry—we offer our thanks to the local sawmills, logging contractors and resource professionals who help make our program successful.

Forest Certification

As they have every fall since 2007, verifiers from the Forest Stewardship Council® (FSC-C001535) and Sustainable Forestry Initiative® (SFI) programs completed a field audit of the North Coast Forest Conservation Program. The Program, and our other forest projects around the country, were found in overall conformance with the standards—the two most strict and comprehensive standards for forest management available. The Fund actively participates in the California SFI Implementation Committee and we welcome comments and suggestions regarding our forest certification. Full audit reports are available on our website: [www.conservationfund.org](http://www.conservationfund.org).
Habitat Restoration

The placement of large woody debris (LWD) in streams and maintaining and upgrading our road infrastructure to reduce future sediment delivery is of high priority. 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 2014 we replaced two important bridges; the 5-mile bridge on the Garcia River forest and the Billings Creek bridge on the Gualala River Forest. 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 to accommodate the estimated 100 year flood flow.

A large wood installation project was completed in 2014 on North Fork Gualala River on the Gualala River Forest with cost-share funding from the Mendocino County Resource Conservation District and CalFire. During implementation, a total of 65 pieces of large wood were placed within the 1-mile project reach: Strategically adding large wood to streams creates pools and instream shelter that provide immediate benefit to Steelhead and coho salmon. All wood was either soft anchored using non-traditional methods i.e. wedged amongst nearby riparian roughness, or left completely unanchored. All sites were documented with upstream and downstream photo points and all wood pieces were measured and marked with unique numbers to facilitate future monitoring. This is the seventh such project we have completed in recent years and we remain very enthusiastic about the immediate habitat benefits that are achieved so safely, quickly, and cost-effectively.

Implementation has begun of the Mainstem Garcia Sediment Reduction and Habitat Enhancement Project on the Garcia River Forest with cost-share funding from the Department of Fish and Wildlife. To date, the roadwork portion of the project is 38% complete, an estimated sediment savings of 3,869 cubic yards was achieved through a combination of road watercourse crossing upgrading and decommissioning along approximately 2.4 miles of forest road.

Additionally approximately 11,934 cubic yards of sediment were saved through upgrading 45 sites along approximately 13 miles of haul road associated with the Hollow Tree timber harvest plan. These significant projects are just part of the decade-long process of improving the 500-plus miles of legacy roads on our properties.

Management Planning

The California Department of Forestry (CalFire) requires that all landowners with more than 50,000 acres provide a plan to demonstrate long term sustained yield of forest products. After a year long effort consisting of a new timber inventory and computer modeling of forest growth and yield the Fund submitted its Option A Sustained Yield Plan to CalFire in April 2014. The Sustained Yield Plan was extensively reviewed and approved in September of 2014. As part of the Option A we will submit annual monitoring reports to CalFire.

A draft of the Buckeye Forest Integrated Resource Management Plan is being reviewed by our Advisory Group and will be submitted for review to the easement holder, the Sonoma County Agricultural Preservation and Open Space District in the spring. The purpose of our IRMPs is to ensure a consistent framework for the sustainable management of each property. All IRMPs are available at www.conservationfund.org.

Olivia Fiori, Forest Technician, gathering data in the forest. © WHITNEY FLANAGAN
Educational Tall Ship

In 2012, The North Coast program donated 73 Douglas fir logs or approximately 80,000 board feet of logs from our Big River Forest to the Educational Tall Ship (ETS) project. Our Forest Stewardship Council-certified lumber is providing more than half of the wood for the construction of a one-hundred foot long, two-masted tall ship. To be christened the after “Matthew Turner”, the renowned 19th century San Francisco Bay Area shipbuilder who began his career in the coastal lumber trade following the California Gold Rush, the ship is currently about 50% complete. The framework, or “bones” of the ship is in place and the hull and deck planking is well underway. 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. See their website for more details: www.educationaltallship.org.

Public Access Program

2014 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 six years ago to provide access, cultivate stewardship and increase surveillance on the properties. On Big River, the Fund provided access to local community members to harvest 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 were offered throughout the year. Public access to Buckeye Forest will be delayed until legal access issues are resolved.

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 Mike Stephens. Mike has been conducting northern spotted owl (NSO) surveys for twenty years and has an educational background in both forestry and wildlife science. Since 2007, Mike has been designing and conducting northern spotted owl surveys for the Fund, as well as surveys for Marbled Murrelets and White-Tailed Kites. NSO surveys on the Fund’s properties have resulted in locating and protecting at least 3 new NSO territories in addition to monitoring the numerous other NSO territories historically located on these lands. Northern spotted owl surveys are required when conducting most projects on our North Coast lands, whether it be installing large woody debris in streams, replacing road culverts or timber harvesting. The Fund has chosen to conduct annual NSO surveys across its entire ownership to insure we have the best available information for planning future projects and mitigating effects to this threatened species. The Fund thanks Mike and all of our contractors for their commitment and enthusiasm for our projects.
Acknowledgments

PRIMARY CONTRACTORS:
Bob Baker Trucking, Roadwork
Barnett Logging, Big River Logging
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
McFarland Trucking
Don Miller, Security & Patrols
Pacific Watershed Associates, Assessments & Restoration
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
Dell
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
The North Face
U-Haul
UPS®
Walt Disney Company
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:
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