

The Land of Many Uses

Like many good ideas, the Ottawa National Forest sprang from a blank canvas. When the Ottawa was born over 70 years ago from a barren and desolate landscape, no one could have predicted the influence it would have on the people and the land of the western Upper Peninsula of Michigan.

The Ottawa is an important part of Michigan's natural heritage. The land, forests, lakes, streams, fish and wildlife provide us with places to live, sustain us with food, fuel the engines of our economic activities, and offer a vast array of recreation opportunities.

The Ottawa National Forest encompasses nearly one million acres of land. The Forest has a remote solitude that is unique and unexpected for the Upper Midwest. The area is known for its hardwood forests, bountiful streams, rivers and lakes, spectacular fall colors and plentiful winter snows.

Managed for today's needs without compromising the needs of future generations, the Ottawa provides for a full spectrum of uses. When a forest is managed properly, it can provide diversified value with a variety of habitats for wildlife, numerous recreational opportunities, scenic landscapes, jobs which help support a rural lifestyle, clean air, stable soil, high quality water, wood products which we need every day, and healthy trees for the future. Our commitment to the land and the people that use it has prompted a management style that contributes to ecological, social and economic sustainability.

Work toward achieving the desired future condition of the Ottawa is guided by our Forest Plan, which was adopted 15 years ago.

The Forest Plan represents one integrated plan, which guides all resource management activities on the Ottawa. Accomplishments made in achieving Forest Plan goals and objectives are contained in this Annual Report.

As we continue to meet society's needs and address the changes in national direction concerning forest management, we look forward to working with the users of this great and beautiful land we call the Ottawa National Forest.

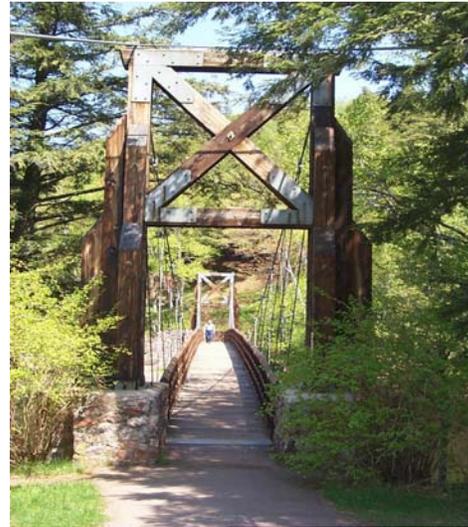


Special points of interest:

- Recreation Opportunities
- Forest Management
- Threatened & Endangered Species
- Payments to States
- The Land of Many Uses
- Special Projects
- Forest Plan Revision

Recreation

Visitors to the Ottawa National Forest are often times surprised at the variety and multitude of recreation opportunities available to them. The Forest operates 96 developed recreation sites, including campgrounds and swimming beaches, boasts over 500 lakes and 2,000 miles of streams (including 300 miles of designated Wild and Scenic Rivers), easy access to Lake Superior, and a Visitor Information Center located in Watersmeet, Michigan. From camping to wilderness canoeing, to backcountry hiking, to auto routes on scenic byways, there is something on the Ottawa to satisfy everyone's taste. Volunteers, partners, concessionaires and employees work together to keep our facilities open for the nearly half million visitors that came to recreate on the Ottawa last year alone.



The Black River Harbor suspension bridge provides access to beautiful Lake Superior and the many activities that await its visitors

Trails

Trails and trail use are growing on the Ottawa. Visitors to the Forest enjoy the scenic beauty offered by the northwoods and take pleasure in hiking, mountain biking and horseback riding on trails across the Forest. The demand for multiple-use trails is growing and we strive to provide opportunities for all users through partnerships with local and state-wide groups and agencies. Snowmobile use is one of the fastest growing activities on the Forest, and we continue to work with the Michigan Department of Natural Resources and state-wide snowmobile groups on trail maintenance, grooming and signing, as well as protection of existing snowmobile corridors. Efforts over the past year within the trail program have centered around the North Country Trail, maintaining and protecting the trails and infrastructure and providing interpretive trails where possible.



Snowmobiling is one of the fastest growing activities on the Ottawa.

Recreation Fee Demo Program

The Ottawa National Forest has three Fee Demo projects: The Sylvania Wilderness and Recreation Area, the Lake Nesbit Organizational Camp, and all other non-concessionaire operated Forest campgrounds. Through this Congressionally established program, money that is collected locally is re-invested locally to maintain and improve the natural resource, recreation facilities, and services. This is critical money for the Ottawa, which collected \$99,000 in fiscal year (FY) 2001. This was the sixth year fees were collected at the Sylvania Wilderness Area. Collections will be used for the design and construction of a new entrance station.



Improvements to the Sylvania Wilderness Entrance Station are scheduled to begin soon and will make use of fee demo funds collected at the site.

The Nancy Jean offers the Ottawa some unique and interesting interpretation opportunities.



In addition to natural resources, the Ottawa is entrusted with the preservation of those irreplaceable landscapes, structures, and objects known as heritage resources. These may be archeological sites, historic buildings, or traditions such as folklore, offering both scientific and culture value. Prior to on-the-ground land management activities, such as road construction, campground development, and timber sales, archaeologists conduct inventories to locate and evaluate heritage sites. To date, over 60% of the Ottawa has received some form of archaeological inventory. Through these inventories, sites are identified and archaeologists recommend protection or mitigation measures to be taken during prescribed activities. Working to preserve these unique sites and areas helps ensure that future generations will have an opportunity to discover the human story etched on the landscape.

Hunting & Fishing

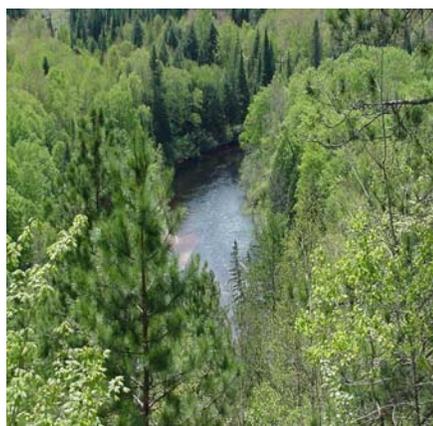
Abundant white tail deer populations make the Ottawa a hunters' destination.



Hunting and fishing continue to be popular activities for Forest visitors. State-wide, 7% of residents 16 years old and older went hunting in 2001. The abundance of white tailed deer, black bear, ruffed grouse and rabbits makes the Ottawa a premiere destination for hunters and provides enthusiasts with outstanding hunting opportunities for both big and small game. Hunting has seen a substantial increase in participation over the past 15 years and has exceeded our initial estimates. With over 500 lakes, 2,000 miles of fishable streams and easy access to Lake Superior, the Ottawa provides for high quality warm and cold-water fishing opportunities. State-wide, 17% of residents 16 years old and older fish—many right here on the Ottawa.

Wilderness

A view from the scenic Sturgeon River Gorge, part of the Sturgeon River Gorge Wilderness.



Wilderness areas provide clean water and air, critical habitat for plants and animals, solitude, scenic beauty, and economic benefits to communities through tourism and recreation. The Ottawa plays host to three separate wilderness areas, which provide three very different environments for visitors. Use of these areas has grown steadily over the past several years and efforts to provide a more primitive recreation opportunity for visitors have been taken. Emphasis for the Forest has been resource protection, environmental education and law enforcement efforts within the wilderness areas. Volunteers continue to be an integral part of our wilderness program, as we rely on them to provide information and assistance to our visitors.

Forest Products

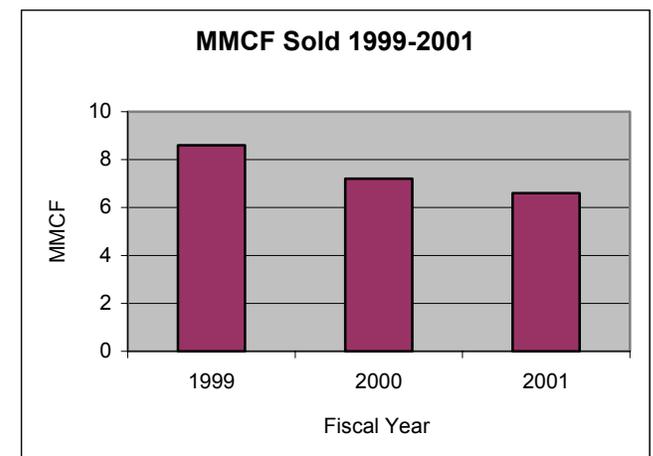
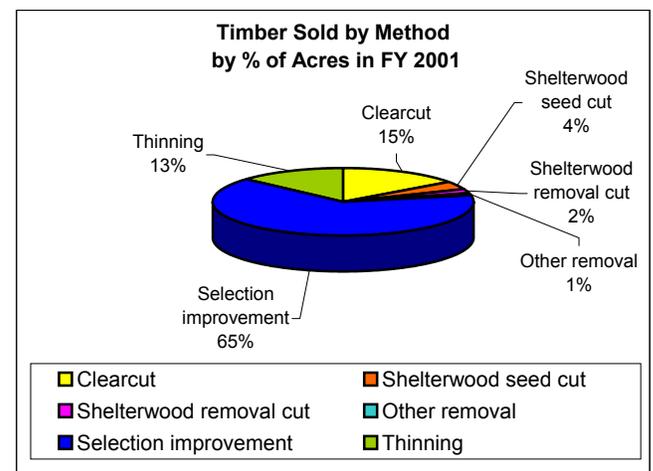
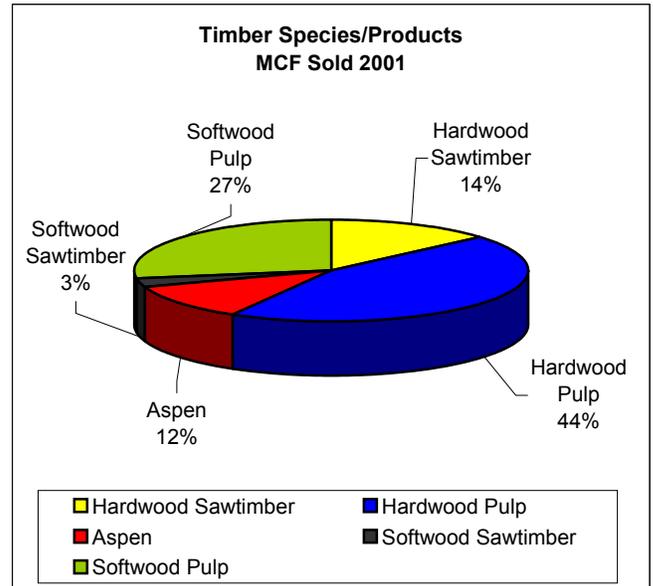
The Ottawa utilizes the forest timber sale program to accomplish numerous objectives. Commercial timber sales are designed to not only provide raw timber products, but to also improve the diversity of wildlife habitat conditions and to improve and maintain healthy, sustainable forest ecosystems. Commercial timber sales also contribute to local economies by providing resources to the nation. Many timber sales are investments in improving young stands for future timber and non-timber benefits. Some of these sales may produce lower value pulpwood products now, but will yield high quality and high value saw timber products in the future. All harvests are carefully designed and administered following Forest Plan standards and guidelines and the site-specific environmental analysis for the individual project. These site-specific analyses are developed by an interdisciplinary team, including foresters, biologists, botanists and ecologists to consider the potential impact on all resources. The Ottawa treats about 1.2% of the Forest annually through commercial timber sale activity (or about 11,000-13,000 acres).

One of the intents of our Forest Plan is to utilize a mix of appropriate harvest cutting methods. The fifteen-year average of total acres of timber sold is below total harvest levels projected in the Forest Plan. Over the past five years, the acreage of clearcut harvest on the Ottawa has been reduced. We have also made a shift in emphasis from even-age to uneven-aged management of northern hardwood over the past fifteen years. The total acreage of selection harvest has been higher than projected in the Forest Plan, but within species management guidelines. As a Forest, we continue to monitor our choice of harvest cutting methods.

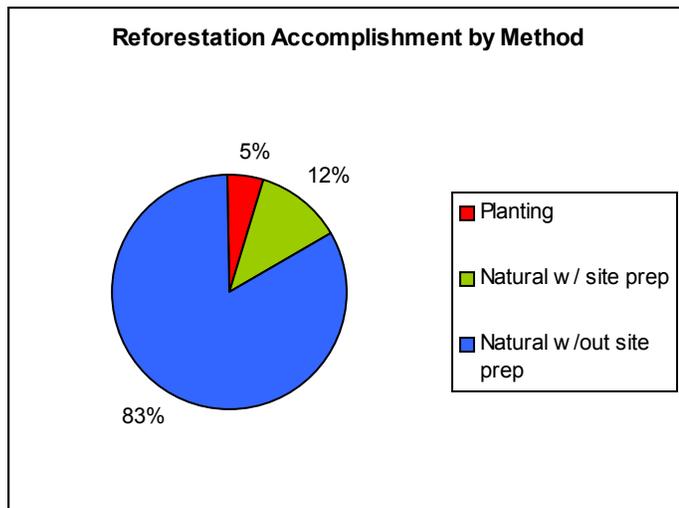
Timber Production

The Ottawa Forest Plan established a ceiling in the amount of timber that may be harvested. This Allowable Sale Quantity (ASQ) is commonly referred to as an average annual figure of 13.1 MMCF.

Since Plan implementation, the average volume of **timber sold** has been 10.5 MMCF or approximately 80% of the ASQ. The accomplishment to date has been limited due to funding and our organizational capability. In recent years, appeals and litigation have also delayed the implementation of projects.



Reforestation



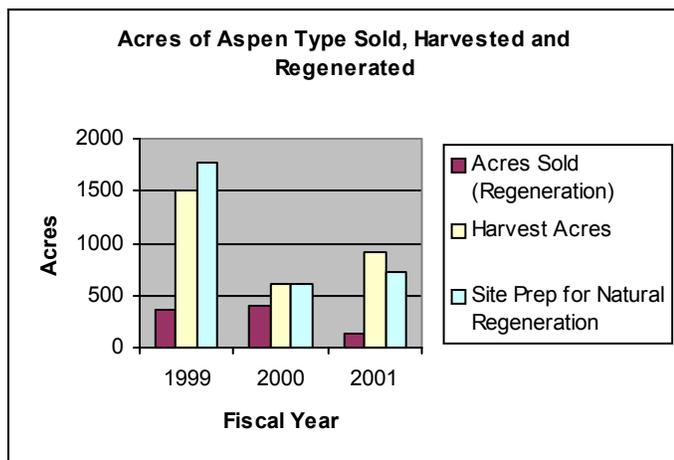
Whenever timber harvest occurs on the Ottawa, managers are quick to ensure sites are reforested, soils stabilized and watersheds protected. Results of reforestation efforts over the past few years across the Forest are encouraging. An increased emphasis on natural regeneration has been effective thanks to healthy forest conditions. All scheduled regeneration surveys and certifications are being completed to assure all sites are adequately stocked with trees. While we have experienced some increased levels of damage to regeneration from deer browse, we are becoming more active to control the impacts of deer. We will continue to look at ways for efficiently and effectively reforesting identified areas.

Old Growth Classification

MA	MA Acres	Managed Old Growth	Unmanaged Old Growth	Total Acres	Percent of MA
1.1	80,700	360	2,100	2,460	3.0
2.1	381,200	14,700	11,150	25,850	6.8
3.1	62,400	1,520	1,300	2,820	4.5
3.2	148,400	3,020	5,500	8,520	5.7
4.1	63,100	880	2,520	3,400	5.4
4.2	15,400	36	0	36	0.2
6.1	64,200	1,290	2,400	3,690	5.8
6.2	55,300	1,170	3,570	4,740	8.6

The Forest Plan describes a desired future condition for each of the Management Areas (MA's) on the Forest. In all MA's where vegetation management is planned, a goal has been established for the percentage of the forested lands to be classified as old growth. These percentages vary from one MA to another. The purpose of classifying old growth stands is to provide a means of maintaining and/or restoring this type of habitat for plant and animal species that require it. Some classified old growth stands receive harvest treatments to hasten the development of old growth characteristics. Most classified old growth stands are left untouched by management action.

Aspen



One of the intents of the Forest Plan is to maintain a moderate to high amount of aspen in areas of the Forest with the greatest potential for improving habitat for deer and grouse, and increasing wildlife-based recreation. Considerable attention has been given to the impacts and benefits of aspen management. Aspen provides niches for over 20 species of mammals, 30 species of birds and a few species of reptiles and amphibians. It is an important vegetative component to be maintained on the Ottawa. Aspen regeneration provides the bulk of the temporary openings, young growth and early successional habitat on the Ottawa.

Threatened & Endangered Species

Habitat conditions for game and non-game wildlife species are managed in an effort to maintain wildlife populations across the Forest. Special emphasis is provided in the management and protection of Federally listed threatened and endangered species (TES). The Ottawa plays host to several federal and state-listed TES species, including the gray wolf, bald eagle and peregrine falcon, and potentially the Canada lynx. The gray wolf population has steadily increased over the past few years and there are currently over 200 wolves estimated on or near the Ottawa. Peregrine falcons were released at the Trap Hills area on the Ottawa several years ago. The viability of the peregrine falcon on the Ottawa is related to recovery occurring in a larger regional area. Bald eagle populations have steadily risen, with a peak of 53 pairs in 1996. Many eagles have become year-round residents. Habitat conditions for the Canada lynx can be found on the Forest; however, there have been no documented occurrences of lynx on the Ottawa in at least two decades.



Federally listed TES species on the Ottawa include the gray wolf, bald eagle, and Canada lynx



Management Indicator Species

The Forest monitors population trends of selected wildlife species to help determine the effects of our management activities. These Management Indicator Species (MIS) include the black bear, white-tailed deer, common loon, brook trout, smallmouth bass and northern pike, as well as other species (13 in total) that represent a guild of species that utilize similar habitats. For the species listed above, monitoring shows that populations of these MIS are stable and/or increasing since implementation of the Forest Plan. This is due in part to our management efforts, as well as other groups and agencies.



Management Indicator Species on the Forest help determine the effects of our management activities on the Forest.

Botany

Native plant species provide aesthetic, ecological, educational, historical, medicinal, recreational, and scientific value to the Ottawa and its visitors. Conserving and protecting these plants means that native plant communities are maintained, enhanced, and restored across the Forest wherever practical. Inventories and surveys are conducted by botanists for nearly all projects occurring on the Forest, assessing the risks of the project on plants species. Thirty or more evaluations are completed each year. Information gathered through surveys is shared with other land agencies to enhance our collective knowledge of species needs and distribution.



Sustaining viable populations of native plants is the focus of the botany program.

Transportation

Forest Service roads provide access to the Forest for hunting, recreating, research, and timber sales among other things.



The transportation system on the Ottawa provides access to the Forest for a diverse mix of uses. Because the Forest is managed for multiple uses, fish and wildlife habitats, recreational opportunities, and timber products, most resource uses benefit from variety in road densities and standards. Most of the transportation system on the Ottawa originated 30 to 70 years ago. Some of these roads were inherited when the Forest was created, and others were built to move forest products to markets. Nearly all collector and arterial roads are already in place. Throughout the past three years the Ottawa has focused its limited transportation budget on tackling the large backlog of road maintenance and reconstruction. Recent renewed national interest in the backlog of similar work on Forests across the country may help us begin to address this challenge. The landscape and road density of the Ottawa attribute to the remote character of the Forest.

Land Ownership

Lands purchased or exchanged by the Forest help maintain critical wildlife habitat, protect clean water, and expand outdoor recreational activities.



Additions to the National Forest System help maintain the quality of life that comes from protected open spaces. With exploding growth and the increasing creep of human population, public lands are increasingly important. Principal ownership objectives of public lands include community stability through support for timber and recreational industries, as well as the more naturalistic values associated with wilderness settings. In fiscal year 2001 the Ottawa purchased 129 acres through 4 transactions. Land exchanges, which have contributed to improved land ownership patterns, are another tool used for adjusting land ownership.

Minerals

County road commissions and the Forest Service use gravel sources located on the Ottawa for road maintenance.



Minerals management on the Ottawa is categorized into two groups: hardrock minerals and common variety minerals. Hardrock minerals include minerals such as copper, silver, nickel, cobalt, platinum, gold, lead zinc, and other precious and semi-precious minerals. Common variety minerals refer to gravel, sand, clay cobble and boulders. In fiscal year 2001 36 common variety mineral operations were administered. Gravel was provided to local counties for road maintenance. We processed and/or administered 4,607 acres of BLM hardrock prospecting permits. In the last two years there has been more interest in private mineral exploration.

Forest Service Revenues

Monies collected by the Forest Service come from a variety of sources, such as timber sale receipts, special use permits and campground collections to name a few. While we have experienced fluctuations in the source of receipts, the Forest has been receiving a fairly steady amount of monies overall during the past several years.

The receipts we receive are deposited in a general treasury account. This means that the money collected (with the exception of Recreation Fee Demo) is not necessarily returned to the area in which it was generated.

Payments to Counties

The Forest Service makes two kinds of payments to states in which National Forests reside based on receipts generated and lands in federal ownership.

The 25% Payment. Each year the Ottawa National Forest returns 25 percent of all revenues to the State of Michigan for distribution among the counties whose borders overlap with the Forest.

The PILT Payment. PILT payments are federal payments to local governments based upon federal acres to help offset losses in property taxes due to non-taxable federal lands within their boundaries.

Over the Years

Payments to counties over the years have remained fairly stable, with a slight decline in FY 2001.

New legislation associated with the 25% Payment (called the Secure Rural Schools and Community Self-Determination Act of 2000) allowed for counties to elect a payment option based on the standard 25% payment of a given year's receipts, or an average of the State's high three payments between fiscal year 1986 and 1999. The second option was designed to offer counties a more fixed payment amount. Counties within the Ottawa boundary, elected to receive the standard payment.

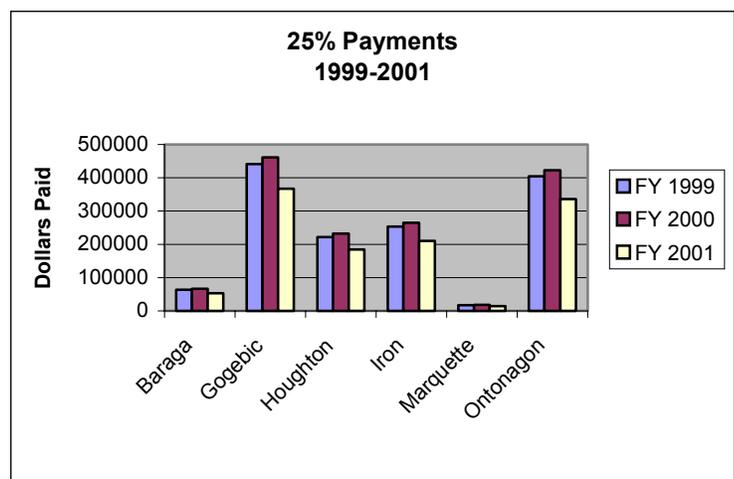
FY 2001
National Forest Revenues

Program Area	Dollars Collected
Timber	\$5,016,000
Land Use	33,000
Recreation	16,000
Fee Demo	178,000
Power	8,000
Minerals	1,000
User Fees	1,000

FY 2001
Payments to Counties

County	25% Fund	PILT	Total \$
Baraga	\$52,887	\$32,934	\$85,821
Gogebic	366,844	224,513	591,357
Houghton	184,498	116,587	301,085
Iron	210,765	140,696	351,461
Marquette	14,379	17,096	31,475
Ontonagon	336,095	209,691	545,786
Total Returned	\$1,165,468	\$741,517	\$1,906,985

25% Payments
1999-2001



**FY 2001
Budget Allocation**

Program Area	Amount
Wildlife/Fisheries	\$969,262
Vegetation/Timber	2,883,392
Planning/Inventory	880,679
Lands Management	437,897
Minerals Management	85,824
Rec/Wilderness/Heritage	1,018,950
Soil & Water	403,364
Law Enforcement	30,212
KV/Reforestation	405,325
Salvage Sale	645,904
Facilities (Const/Mtce)	368,773
Trails (Const/Mtce)	216,479
Roads (Const/Mtce)	1,266,084
Recreation Fee Demo	152,446
Hazardous Waste	17,746
Land Acquisition	76,105
Fire Suppression/Fuels	281,749
Total Expenditures	\$10,140,191

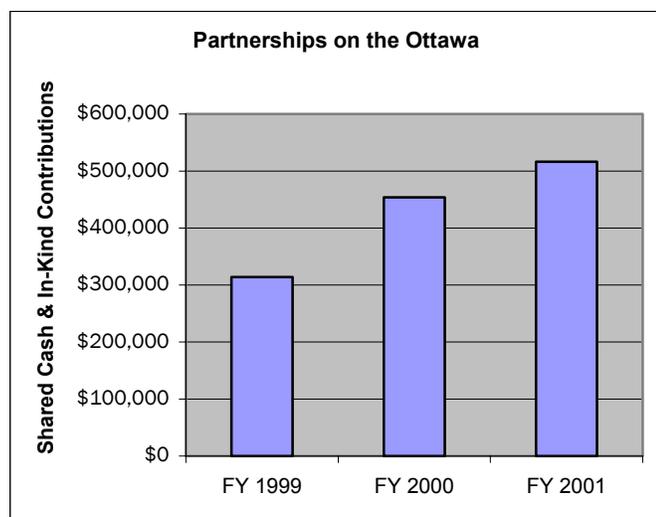
Forest Service Expenditures

In great part, our ability to implement the Forest Plan is tied to the amount of funding the Forest receives as part of the national budget. In addition, the size of many of our programs and production levels are linked to the estimated need or demand for products and services for a particular year.

Like other Federal agencies, the Forest Service budget is legislated each year by Congress and the President. The Forest receives a mixture of funds in different areas called line items. The total funding received by line item is a fixed dollar amount established by our agency.

Financial management is a priority for the Ottawa as we strive to accomplish our goals in the most efficient and cost effective manner possible, as well as ensuring the taxpayers dollars are appropriately accounted for.

Leveraging Forest Service Dollars



Partnerships help the Ottawa meet many of our objectives including restoring healthy watersheds, providing quality recreation experiences, and sustaining healthy ecosystems and communities. Partnerships range from small, local projects such as fishing derbies, trail maintenance, and environmental education programs to coordinated state-wide, inter-agency agreements which provide for protection, enhancement and restoration of wetlands along Lake Superior shorelines.

We would like to extend a very big thank you to all of the individuals, groups, committees, organizations and agencies that help make partnerships a successful way of doing business on the Ottawa.

Special Projects in 2001

In addition to our regular program of work, the Ottawa was honored to provide the U.S. Capitol Holiday Tree in 2001. This very special tree was a gift from the entire State of Michigan to the nation, and graced the west lawn of the U.S. Capitol in Washington, D.C. during the 2001 holiday season. The 72-foot tall white spruce, fondly dubbed the *Tree of Hope*, became a national symbol representing a country's dreams for the future and strength in our traditions.

Only through the generous donations and selfless support of nearly 80 partners and sponsors were we able to turn this local project into a state-wide event. The *Tree of Hope* served as a springboard for environmental education efforts and community celebrations, and provided a spotlight for the entire state of Michigan to showcase our natural resources and people.

Michigan residents hand-made over 5,000 ornaments to adorn the *Tree of Hope*, participated in a tree cutting ceremony, community celebrations, and a tree lighting ceremony. Once the *Tree of Hope* was removed from the U.S. Capitol lawn, it was brought back to the U.P. and sawed into lumber for Habitat for Humanity homes. White spruce seedlings were planted this Spring across the State. It was truly an awe-inspiring event that the Ottawa was proud to participate in.

Preserving Our Wetlands

In 2001, the Ottawa National Forest joined numerous partners in an effort to protect, restore and enhance coastal wetlands in the Lake Superior and St. Mary's River basins in Michigan's Upper Peninsula, North American Wetland Conservation Act (NAWCA) standard grant. There are 16 partners who have offered support to this multi-year project. The Nature Conservancy is providing a large, conservation habitat land match that will be maintained and protected for wetland and upland habitat purposes. This is done by conservation easements or other methods to purchase and dedicate the land for habitat protection only. In the coming months, the partners hope to complete purchases on nearly 700 more acres of land in the Lake Superior–St. Mary's Coastal Area. Over 1,300 acres of other lands will be permanently dedicated to wildlife habitat.



Our beautiful 72-foot tall white spruce came from the Watersmeet Ranger District.



The Tree of Hope was lit in a Tree Lighting Ceremony on December 11 and remained aglow through the holiday season



Preserving special places through partnerships is one way the Ottawa helps protect our resources

Ottawa National Forest

Supervisor's Office
 E6248 US Hwy. 2
 Ironwood, MI 49938
 906-932-1330

Bessemer Ranger District

500 North Moore St.
 Bessemer, MI 49911
 906-932-1330

Iron River Ranger District

990 Lalley Road
 Iron River, MI 49935
 906-265-5139

Mailing Address Line 1
 Mailing Address Line 2
 Mailing Address Line 3
 Mailing Address Line 4
 Mailing Address Line 5

Kenton Ranger District

4810 E M28
 Kenton, MI 49967
 906-852-3500

Ontonagon Ranger District

1209 Rockland Rd.
 Ontonagon, MI 49953
 906-884-2085

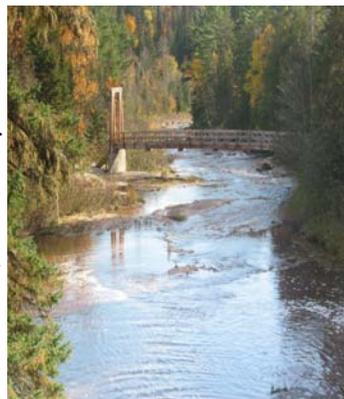
Watersmeet Ranger District

Old US 45
 Watersmeet, MI 49969
 906-358-4551

Visit us on the web:
www.fs.fed.us/r9/ottawa

Coming Soon: Forest Plan Revision

The Ottawa National Forest is in the initial stages of revising its Land and Resource Management Plan (Forest Plan). A Forest Plan outlines broad goals and priorities for a National Forest. It does not prescribe site-specific actions or projects. While we believe the fundamentals of the existing Forest Plan are sound, there are areas that may need review and possible revision because of changed conditions to the land, new scientific concepts, changes in the public's expectations and/or new issues and information available to us. Our goal is to complete the Forest Plan revision before 2007. Concurrently, other National Forests in Michigan (the Hiawatha to our east and the Huron-Manistee in lower Michigan) are also revising their Forest Plans. Where possible, we will be coordinating our efforts. One example of this collaborative approach will be our public involvement efforts, which will create efficiencies in the process that will help us provide consistent and clear messages to our internal and external audiences.



The Michigan National Forests are committed to revising our Forest Plans in collaboration with interested individuals, groups, other government agencies and Tribes. We will promote opportunities for involvement at the appropriate time and in the appropriate forums. We look forward to working with you as we chart the future for the Ottawa.

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