

VALLES CALDERA TRUST

FISCAL YEAR 2013 - REPORT TO CONGRESS



Photo By Kristen Honig

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SECTION I. EXECUTIVE SUMMARY

This report is prepared for, and submitted to, the Committees of Congress. It presents the progress made by the Valles Caldera Trust during Fiscal Year 2013 (FY2013) towards the attainment of goals put forth by Congress in the Valles Caldera Preservation Act of 2000 (as amended in 2005).

This fiscal year (October 1, 2012 – September 30, 2013) was a year of ongoing successes as well as challenges. It began with the momentum of completing a plan for the long-term management of public access and use on the preserve including the decision to construct a visitor center. We now embark on the challenge of acquiring funding for this development!

Worries regarding hot, dry and windy conditions in the spring materialized into reality when a downed power line ignited the Thompson Ridge fire just west of the preserve's boundary. The fire threatened some of the preserve's most significant cultural resources – Redondo Peak and the Baca Ranch Historic Headquarter District. The incident management team integrated the Jemez and Santa Clara Tribal representatives into their operational planning, and impacts to Redondo Peak were minimized. A well-planned and executed strategy prevented the loss of even a single structure in the historic district as fire swept down the slope of Redondo Mountain. The Granite Mountain Hot Shots led this effort. We were shocked and saddened by the loss of these wonderful young men just a few weeks later.

Critical habitat for the Jemez Mountains Salamander and the Redondo and Sulphur Creek watersheds were also threatened by the fire. Strategic suppression strategies were largely successful in reducing the extent of high severity burning.

The fire forced the closure of the preserve for weeks, impacting every program during the height of the summer recreation and field season. Still, significant progress was made towards goal attainment by the trust staff and their collaborators, and public activities, forest restoration, livestock programs, scientific monitoring and educational programs were successfully undertaken. Visitation to the preserve exceeded 98,000 people in 2013, though this was down from 2012's 110,000 visitors because of the preserve's closure during the Thompson Ridge fire in June and July. The livestock grazing program had another successful year, sustaining multiple programs through local private livestock owners, the Jemez Pueblo Grazing Association, and New Mexico State University, and operating with a net financial profit of ~\$5,700 after expenses (the trust continues to be virtually the only federal agency to profitably operate a livestock grazing program).

Forest and riparian restoration activities continued in 2013, and the previous forest restoration actions proved strategically valuable to firefighters during the Thompson Ridge fire by providing a safe point to anchor sections of the fire line. Scientific inventory and monitoring continued at a high level, with outside funding from grants to collaborating institutions exceeding \$4.8 million. Public education programs, focusing both on general visitor interpretation and formal class field



trips, expanded during the year, particularly with respect to informing visitors about forest restoration, fire ecology and healthy forests and watersheds. Planning activities for future permanent public access and use made major gains, with a completed Environmental Impact Statement (EIS) finished for the new Visitor Center. The Draft EIS for Landscape Restoration Management and Planning was completed and released for public comment, with a final EIS decision scheduled for mid-2014. The delay is due to the need to update the assessment to reflect the impacts of the Thompson Ridge fire.

The impacts of the Thompson Ridge fire have combined with the legacies of the 2011 Las Conchas fire that scorched 30,000 acres of the preserve. These fires have inflicted major impacts on both the natural resources and business future of the Valles Caldera Trust, particularly due to summer flash floods that damaged and closed transportation arteries on the preserve, further reducing tourist access. However, major activities such as elk hunting and large public events (e.g., the fall Elk Festival) proceeded as planned. Post-fire flooding from the Thompson Ridge fire destroyed the preserve headquarters' drinking water collection system, preventing use of the buildings for overnight activities on the preserve (e.g., the lodge, bunkhouse, A-frames, and other historic cabins). Preservation actions implemented through the BAER managed to prevent floods from damaging these historic structures, and continued defensive measures will be undertaken in 2014.

The federal budget sequester in 2013 also affected trust operations. The appropriations to the trust were reduced from \$3.4 million to \$3.1 million. To reduce the impacts to public programs and agency function next fiscal year, the trust elected to terminate the lease for its administrative offices in Jemez Springs at the end of 2013 and relocate to the Science and Education Center (SEC), which resulted in the closure of overnight lodging for public school groups and visiting organizations (the former bedrooms were turned into staff offices). This move will result in future facilities cost savings, via reduced costs for leases, utilities and custodial/maintenance staff, but also will result in reduced public access for educational groups (only local day-use groups can now effectively access the preserve) and the resulting revenue losses. The move will also result in a loss of housing for temporary employees and may impact recruitment.

Administrative challenges in 2013 continued for the trust in several forms. First, the trustees worked most of 2013 below full-strength, with several positions unfilled. Second, the trust Administrative Officer, who had just started in January 2013, accepted a position with the U.S. Forest Service, leaving the Administrative Officer position vacant as we moved into FY2014. Third, the Pueblo of Jemez filed a lawsuit with the U.S. Government, attempting to gain ownership of the preserve based on tribal ancestral use; this lawsuit was dismissed in 2013, but an appeal will likely follow in 2014. Fourth, the US Forest Service's Albuquerque Service Center changed its policy on handling the trust's financial payments in 2013, resulting in the trust having to assume all administrative burdens consistent with the Forest Service in addition to our own requirements. This effectively blocked all the administrative efficiencies incorporated in the Valles Caldera Preservation Act and subsequently developed by the trust since 2002; and the



federal budget sequester, combined with fire-related decreased revenues, led to reduced levels of preserve public programs.

Declining federal appropriations to the trust since 2009 have slowed the pace of development for public access and use infrastructure (visitor facilities, trail heads, parking areas, picnic sites, campgrounds, restrooms, etc.). All assessments (2007 public workshops, 2009 scoping and the Public Access and Use Plan/Environmental Impact Statement) have consistently found that the capacity for expanding public access and use of the preserve (consistent with the protection of natural and cultural resources and values) is limited by the lack of recreation infrastructure. We have made long-term decisions regarding the location and scale of the needed infrastructure; however, the funding (and time) required for architecture and design, environmental mitigation, and construction is significant. While each year we increase the number and types of programs offered to better meet public demand, the broader increases in access remain limited by the current lack of infrastructure. In September 2013, the board directed the development of free, unstructured hiking access from the temporary visitor center in the Valle Grande. The trust is working within the existing capacity of the lands and facilities to maximize public use in the short term and strives to facilitate increased opportunities for unstructured access as quickly as possible.

The public continues to request increased access to this public lands gemstone. The challenge presented to the staff is to continue to provide a quality outdoor experience for all, while maintaining the unique experience and ecological values that draw visitors in the first place. While some clamor for the access and experiences they enjoy in the more mature and developed surrounding public lands, others appreciate their experience at the preserve. We have a 96% approval rating on Trip Advisor (79% -Excellent, 16% Good, 3% Average, 2% Poor and 0% Terrible). A recent comment states, *“Unlike many other state and national parks Valles Caldera was uncrowded and unspoiled. We didn't see another party on our mountain bike ride. We did see and hear elk and other animals. Great time spent enjoying nature in solitude.”* Other comment headlines on Trip Advisor included: *“Eye popping scenery”*, *“Fun day to spend with the family”*, *“Breathtaking bike rides and nice people”*, *“Unspoiled beauty”*. We are open 7-days per week during the summer recreation season and offer hiking, fishing and other outdoor recreation activities. Most access is offered first come, first served; reservations are only recommended for large groups and some special events. Yet, local newspapers still carry articles complaining of lack of public access.

“Unlike many other state and national parks Valles Caldera was uncrowded and unspoiled. We didn't see another party on our mountain bike ride. We did see and hear elk and other animals. Great time spent enjoying nature in solitude”

Overall, in terms of land management programs and public activities, FY2013 was a reasonably successful year. Challenges from wildfires, the current national economic conditions and administrative issues hindered the programmatic growth of the trust. As the preserve's natural



resources heal from the fires of 2011 and 2013, recreational programs will continue to recover in 2014.

Continuing forest restoration activities are now proceeding on schedule. The 2014 livestock program is established and ready for implementation in June, and the livestock program continues as a model for grazing on public lands. Planning work on permanent public recreation programs and infrastructure is underway and will be completed by spring, 2015. Science and education programs are functioning at peak levels; the science program is not only supporting science-based adaptive management but has given rise to high quality youth education programs and interpretive recreation programs. The hunting and fishing recreation programs, well received by the public, continue to lead in revenue production.

The current fiscal year began with several administrative challenges. The trust lost three weeks of production during the partial government shut-down, the Administrative Officer position remains vacant, and our Executive Director, Dennis Trujillo has retired. The vacancy of these positions affects all aspects of administration. The Board of Trustees continues to operate with less than a full complement, lacking the representation for the local government and ranching positions. The lack of capital program funding for infrastructure repair and development continues to slow public access.

Dennis Trujillo had served as the Executive Director since 2011. Prior to serving as director, Dennis served as the Preserve Manager from 2002 – 2011 and retired with over 39 years of federal service. During his tenure as director, Dennis focused on the management of the trust, completing the first Strategic Management Plan that met the requirements of the Government Performance and Results Act. He completed a reorganization of functions and positions to best obtain the goals in the strategic plan; and he created and amended policies and procedures to improve the administration of the trust.

During his tenure with the trust, Dennis brought consistency as the rotation of the board members, and turn-over in executive directors and administrative officers, have made consistency a challenge. Dennis has long been the public face of the preserve and will be missed by both staff and stakeholders. In FY2014 we will be looking to fill key positions with exceptional people to lead and support the trust and its stakeholders in this ongoing “*experiment in public land management*”.



SECTION II. BACKGROUND

The Valles Caldera Trust is a wholly owned, non-profit government corporation created by Congress to preserve, protect and enhance the unique landscape formerly known as the Baca Location No. 1. The property was operated as a privately owned ranch for more than a century (1860-2000) prior to federal acquisition in July of 2000. The preserve is comprised of 88,900 acres of National Forest System (NFS) land located in Sandoval and Rio Arriba counties in the Jemez Mountains of north central New Mexico as shown below in Figure 1.

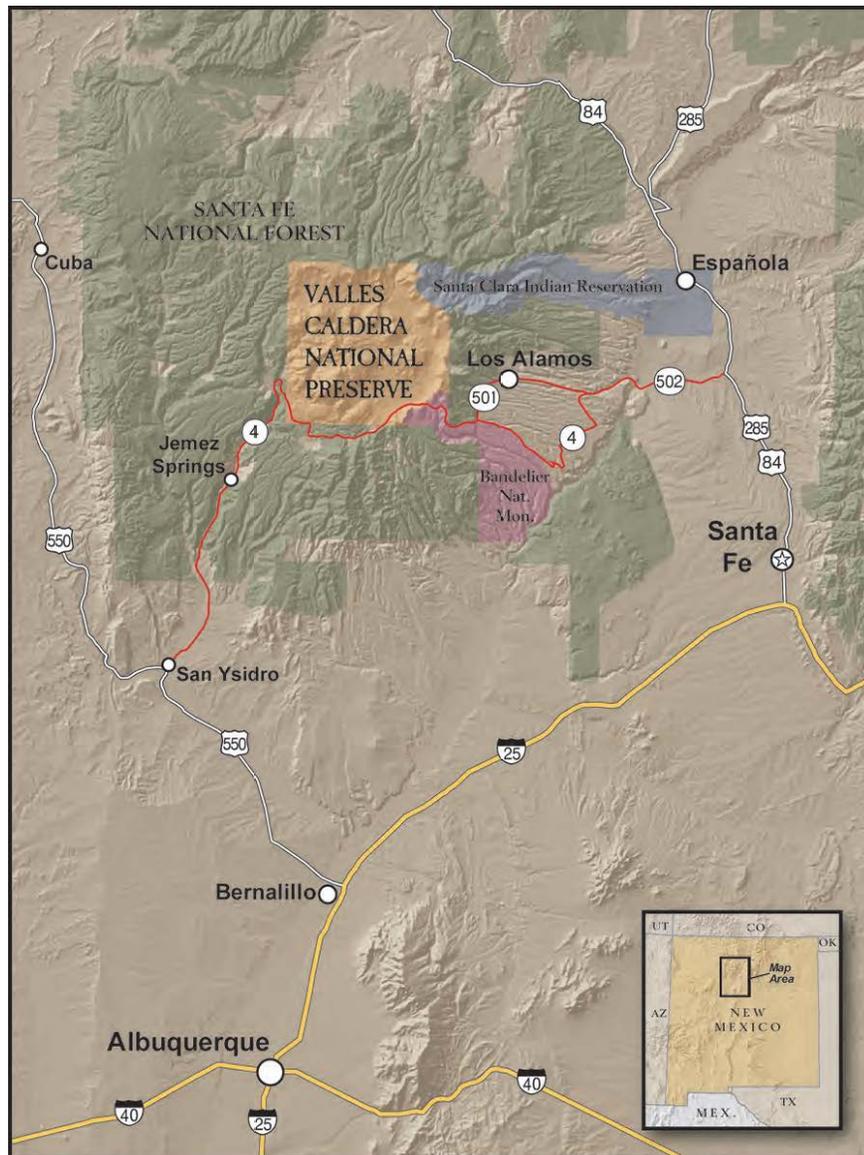


Figure 1 - Location map of the Valles Caldera National Preserve



The features of the preserve, include large grassy valleys (*valles*) and forested domes; meandering streams intersect the valles and flow through the forests. The natural features of the preserve depicted below in Figure 2, create a visually stunning and ecologically unique landscape which attracts visitors along with scientists, teachers, and students from all over the world.

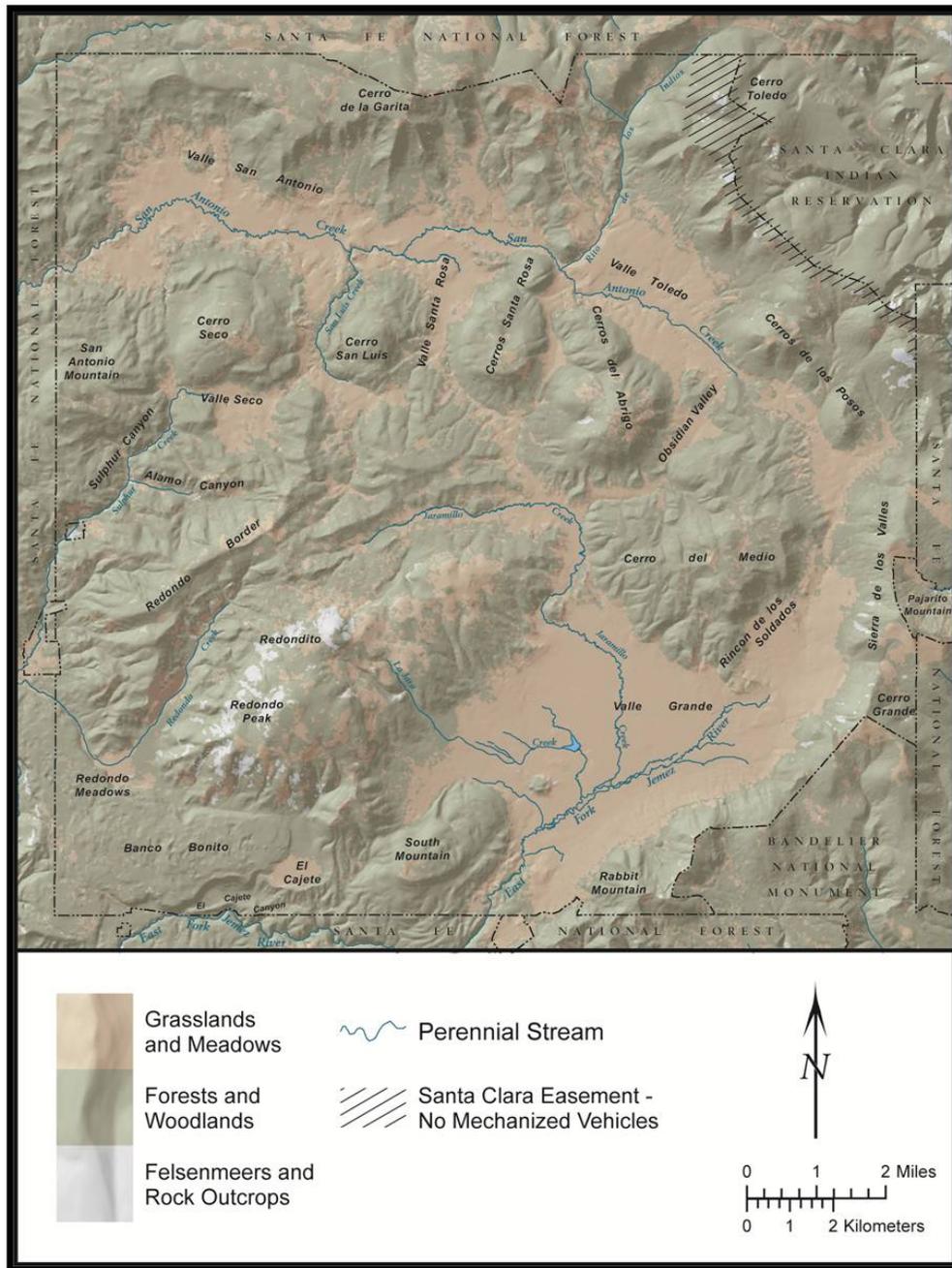


Figure 2 – Landscape features of the Valles Caldera National Preserve



National Forest System land is usually managed by the United States Department of Agriculture, Forest Service. Delegating management of NFS land to a government corporation constitutes an *experiment in public land management*.

The trust is staffed by federal employees and governed by a nine member board of trustees. Seven trustees are appointed by the President. The two remaining seats are ex-officio positions held by the Superintendent of Bandelier National Monument and the Supervisor of the Santa Fe National Forest. The first board was seated on January 10, 2001 and officially assumed management of the preserve in August of 2002. An executive director oversees an organization that includes directors of administration, operations, stewardship, scientific services, and other positions essential to managing this unique landscape.

The trust was under interim management of the Forest Service from inception through August 2, 2002, when management control was transferred to the Valles Caldera Trust. The Forest Service administered the finances of the trust through fiscal year 2003. The trust assumed full administrative and fiscal control at the beginning of fiscal year 2004.

The trust finances its operations through direct appropriations from Congress and revenues generated from lodging, hunting, recreational activities, special use fees, grants and donations. The Act also established an “experimental management regime” which incorporates “...elements of public and private administration in order to promote long term financial sustainability consistent with other purposes...” as enumerated in the Act.

The Act established a benchmark period for attaining financial self-sufficiency – 15 fiscal years (FY2001 through FY2015). If the trustees believe that management goals under section 108 (d) of the Act have been met, but the trust has not achieved financial self-sufficiency as defined, they may submit to the Committees of Congress a recommendation to authorize continued appropriations in FY2016 through FY2020. However, legislation currently pending in Congress could bring an abrupt end to the trust and the experiment in public land management. Senate bill 285 (S-285) proposes the transfer of the preserve to the National Park Service (NPS). If S-285 is passed and signed into law, then the trust will be terminated and the NPS will fund and manage the property.

The trust is considered an agency for the purpose of compliance with federal environmental laws, including the National Environmental Policy Act (NEPA), but remains exempt from the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended (16 U.S.C. 1600 et seq.). The trust is accountable to the Office of Management and Budget (OMB) and the Government Accountability Office (GAO). The trust is required to submit annual reports to Congress, annual financial reports to OMB and the Department of Treasury, and to submit a State of the Preserve Report update every five years. The trust is subject to the Government Corporation Control Act (GCCA) and to the Government Performance and Results Act of 1993 (GPRA), updated in 2010.



SECTION III. GOALS

AGENCY GOALS

In addition to authorizing acquisition of the preserve as a demonstration area for an experimental management regime, the Act identified purposes for the acquisition, which are directly tied to the management of the preserve:

1. *Protect and preserve for future generations the scientific, scenic, historic, and natural values...including rivers and ecosystems, and archaeological, geological, and cultural resources;*
2. *Provide opportunities for public recreation;*
3. *Provide sustained yield management of the Baca ranch for timber production and domestic livestock grazing insofar as is consistent with the other purposes stated herein.*
4. *Incorporate elements of public and private administration to promote long term financial sustainability consistent with other purposes of the law.*

In section 108, (d) the Act identified six goals for comprehensive management of the preserve:

1. *Operation of the preserve as a working ranch, consistent with paragraphs (2) through (4);*
2. *The protection and preservation of the scientific, scenic, geologic, watershed, fish, wildlife, historic, cultural and recreational values of the preserve;*
3. *Multiple use and sustained yield of renewable resources within the Preserve;*
4. *Public use and access to the preserve for recreation;*
5. *Renewable resource utilization and management alternatives that, to the extent practicable –*
 - a. *benefit local communities and small businesses;*
 - b. *enhance coordination of management objectives with those on surrounding National Forest System land; and*
 - c. *provide cost savings to the trust through the exchange of services, including but not limited to labor and maintenance of facilities, for resources provided by the trust; and*
6. *Optimize the generation of income based on existing market conditions, to the extent that it does not unreasonably diminish the long-term scenic and natural values of the area, or the multiple use and sustained yield capability of the land.*

STRATEGIC GOALS

All government agencies were required to complete or update existing strategic plans by February of 2012. The trust fulfilled that goal with the publication of the Strategic Management Plan and approval by the Board of Trustees in 2012. The plan covers the period from 2012-2018 and specifically identified the following three strategic goals covering the management of Public Access and Use, Natural and Cultural Resources, and Financial Sustainability.



STRATEGIC GOAL 1: PUBLIC ACCESS AND USE

Encourage public understanding and enjoyment of the preserve, including the development of facilities and infrastructure to expand the capacity for visitors consistent with resource protection.

This goal reflects the priorities of both the public and Congress for the management of the preserve and was identified as an important benchmark for management in the *2000-2015 Plan for Decreasing Appropriations*. The cornerstone of meeting this goal is the development of capital improvements needed to expand public access and enjoyment of the preserve while protecting and preserving resources and values.

STRATEGIC GOAL 2: NATURAL AND CULTURAL RESOURCES

Restore and enhance the preserve's rich natural, cultural and historic resources for sustainable use and enjoyment by present and future generations of Americans.

The restoration and rehabilitation of the preserve's natural and cultural resources is critical for meeting the purposes and goals put forth by congress in the 2000 legislation. Understanding the changing patterns across 10,000 years of human use of the caldera provides a context for conceiving stewardship of the preserve. The last two centuries of human activity, including grazing, logging, road building and geothermal exploration, have significantly degraded the preserve's natural resources.

STRATEGIC GOAL 3: FINANCIAL SUSTAINABILITY

Establish a public-private model of administration to optimize revenues and develop philanthropy to support the preservation, enhancement and operation of the Valles Caldera National Preserve.

The goal of generating revenue, grants, and other sources of non-federal funding, addresses the financial self-sufficiency goal set out by congress in the purposes and goals of the act. This goal will also assure the continued economic viability of education and other programs that enhance the benefits of public lands.

The 2012 State of the Preserve Report, a summary of the cumulative impacts of all past, present and reasonably foreseeable future actions affecting the preserve, was completed in FY2013. The trust is also nearing completion of a long-term, comprehensive plan for the restoration and stewardship of natural resources (*Landscape Restoration and Stewardship Plan*) and the development of facilities in support of public access to the preserve (*Transportation and Recreation Infrastructure Plan*). All in all, this fiscal year continued the transition from interim management marked by experimentation, inventory and planning to comprehensive management marked by implementation, monitoring and evaluation.



SECTION IV. BUDGET AND FINANCE

The annual budget of the trust is comprised of current FY appropriations (Treasury Account code 1106) and revenue generated from operations (Treasury Account code 5363). In addition to traditional administrative expenditures, such as salaries, benefits, supplies, equipment, and leases, the trust is responsible for non-traditional agency operational costs, including the purchase of liability insurance and an independent annual audit.

In 2009 the trustees recognized that additional, non-revenue producing costs and a reduced appropriation (\$500,000 decrease from 2009 to 2010) made the goal of financial self-sufficiency difficult to achieve. The trust recommended modification of the goal for financial self-sufficiency to a more realistic “cost recovery for public programs” goal to the congressional delegation. The post-recession economic environment, coupled with two major wildfires during the summer tourist seasons of 2011 and 2013, has impacted visitation revenue, management progress and the trust’s overall budget.

In 2013 there was a key position transition with the Administrative Officer retiring December 31, 2012, and a new Administrative Officer started in January 2013. There was a delay in getting a contract for our FY2012 financial audit because of the accounting system change at the Albuquerque Service Center (ASC, see below) that impacted the Valles Caldera. The FY2012 audit was begun toward the end of FY2013 and issued in December 2013 with an unqualified audit opinion.

POLICY

Along with establishing goals for financial self-sufficiency, Congress provided the trust with several administrative tools to support our attainment of these goals. Most outstanding were those related to the purposes of “*mixing elements of public as well as private administration*”. Included in the authorities given by Congress is, “*Notwithstanding any other provision of law, Federal laws and regulations governing procurement by Federal agencies shall not apply to the Trust...*” and “*The Trust shall develop programs and activities at the Preserve, and shall have the authority to negotiate directly and enter into such agreements, leases, contracts and other arrangements with any person, firm, association, organization, corporation or governmental entity, including without limitation, entities of Federal, State and local governments, and consultation with Indian tribes and Pueblos, as are necessary and appropriate to carry out its authorized activities or fulfill the purposes of this title.*”

Congress set requirements to balance these freedoms and ensure accountability, including the requirement to perform an annual external audit and to develop our own procurement policies in consultation with the Office of Budget and Management.

However, the appropriated funds received by the trust come through the U.S. Forest Service, an agency that has policies for procurement that ensure oversight over every purchase made by the



155 National Forests and 20 National Grasslands. Since the establishment of the trust, the authority of the trust to incur obligations and pay invoices has been eroded as the U.S. Forest Service Albuquerque Service Center (ASC) has increased requirements to ensure their compliance with federal procurement laws.

In FY2013, the trust's procurement process was significantly impacted by a policy change at ASC. Prior to the fall of 2012, the trust had issued its own purchase orders and contracts under its OMB-approved purchasing policies, and invoices were submitted and paid through ASC as "miscellaneous payments." In October, 2012, ASC declared that all trust procurements (contracts, purchase orders, agreements, grants, and micro-purchases (credit card purchases)) had to follow U.S. Forest Service procurement regulations and policies. All purchases had to be documented on forms used by the U.S. Forest Service and had to be approved by the U.S. Forest Service Region 3 procurement office in Albuquerque. This decision effectively eliminated the efficiencies of the trust's procurement system as established under the Act, and greatly slowed the procurement process (which impacted project implementation and programmatic actions) and led to late payments to vendors. Trust procurements that used to take 24-48 hours now took weeks to months to be processed and issued in 2013; trust contracts that would normally go through bid requests, evaluations and issuances in several weeks now took up to a year to process.

Agreements are now more cumbersome, with the Regional office requiring months to review proposed agreements. Project leaders in the trust who manage agreements are now required to have access to a U.S. Forest Service computer and profile. Considerable time is required to maintain these profiles including periodic travel to Albuquerque to renew credentials. In U.S. Forest Service correspondence, officials state their intent to minimize the number of agreements undertaken by the trust, in contrast to the trust's intent to increase the use of agreements in both recreation and natural resource management.

The unfortunate result of these recent developments is that the trust is now required to manage procurements under all provisions of the Federal Acquisition Regulation and other federal procurement laws. Our requirement to conduct an external audit remains in place, incurring a cost in excess of ~\$55,000 annually, even though the U.S. Forest Service also audits the trust procurements and credit card transactions, and payments to agreements. This duplication of effort results in a slow-down in procurements and contracting, and decreases the business management efficiencies formerly achieved by the trust.

APPROPRIATIONS, REVENUES AND EXPENDITURES

Table 1 presents appropriations, revenues and expenditures 2008-2013. The table shows two sources of income: Annual appropriations from Congress (Account Code 1106), and Program Revenues (Account Code 5363) from operations, such as elk and turkey hunts, fishing, recreation, movie set fees, gift shop sales, and special events. In addition to the funding amounts listed in Table 1, the trust is collaborating with the Santa Fe National Forest on restoration across

administrative boundaries, funded through the USDA Forest Service Collaborative Forest Landscape Restoration Program (CFLRP) that provides additional funds for forest restoration implementation and scientific monitoring of the project's activities. In 2013, these CFLRP funds totaled \$1,659,022 to the trust (FY2013 appropriations plus FY2012 carryover), of which \$1,396,797 went to implementation of forest restoration actions, and \$262,225 went to monitoring to ensure that restoration objectives were being attained.

Table 1 - Fiscal year budget summaries for 2008 – 2013

FISCAL YEAR	ACCOUNTING CODE 1106		ACCOUNTING CODE 5363	
	APPROPRIATIONS	EXPENDITURES	EXPENDITURES	REVENUES
2008	\$3,691,500	\$3,631,398	\$59,366	\$691,570
2009	\$4,000,000	\$4,322,704*	\$585,302	\$609,219
2010	\$3,500,000	\$3,451,981	\$2,198,139*	\$709,227
2011	\$3,433,000	\$3,356,073	\$1,391,363*	\$795,110
2012	\$3,426,509	\$3,634,248*	\$690,951	\$951,574
2013	\$3,191,989	\$3,287,724*	\$942,174*	\$746,272

*Note: Where expenditures shown exceed appropriations and revenues, unused fund balances from previous years (including those prior to FY2008) were authorized for expenditure in FY2013.

Table 2 lists the FY2013 expenditure and revenue summary for the trust on a nonaccrual, unaudited basis. The annual appropriation for FY2013 was \$3,191,989 for management of the Valles Caldera (accounting code VCVC). The trust also received appropriations of \$1,225,638 for restoration activities (implementation and monitoring) authorized under the Collaborative Forest Landscape Restoration program (account code CFLN) and \$433,384 from the U.S. Forest Service Wildland Fire Hazardous Fuels Reduction program (account code WFHF), both used for funding the collaborative land restoration program. As in Table 1, where expenditures shown exceed appropriations, unspent balances from previous years were authorized for expenditure in FY2013.



Table 2 - Fiscal Year 2013 expenditure and income summary

FISCAL YEAR	APPROPRIATED FUNDS EXPENDITURES	REVENUE FUNDS EXPENDITURES	REVENUE FUND INCOME
ACCOUNT CODE	1106	5363	5363
ADMINISTRATION	\$1,116,032	-	-
FORESTRY/FIRE	\$17,564	-	-
FACILITY RENTALS	-	\$254,360	\$88,140
HUNTING/FISHING PROGRAMS	-	\$90,883	\$370,366
INFORMATION TECHNOLOGY	\$313,822	-	-
INTERPRET/EDUCATION	-	\$275,950	\$49,612
OPERATIONS	\$558,336	-	\$30,790 (Livestock)
PUBLIC ACCESS/USE	\$125,792	-	-
RECREATION	\$327,814	-	\$15,050
STORE SALES	-	\$274,894	\$104,731
STEWARDSHIP COMPLIANCE	\$109,297	-	-
SPECIAL EVENTS	\$3,424	\$46,087	\$87,583
SCIENCE/EDUCATION	\$38,783	-	-
CFLN Federal Match	\$676,860	-	-
VCVC TOTAL	\$3,287,724	-	-
CFLN	\$239,704	-	-
WFHF	\$1115	-	-
CFLN TOTAL	\$348,096	-	-
ALL PROGRAMS	\$3,875,524	\$942,174	\$746,272

AUDIT

The FY2012 audit (completed in FY2013) cost \$54,185. The auditors are provided the financial records, including data from the ASC, they need to complete the audit and to issue an audit opinion including findings. The audit received an opinion of unqualified (the best opinion). In 2007 there were 25 findings including 14 material findings. In 2008 we hired a full time accountant and saw a marked improvement in the outcome of our annual audits. The FY2012 audit showed the third year in a row of zero material findings as shown below in Table 3.

Table 3 – Audit findings fiscal years 2007 - 2012

FISCAL YEAR	TOTAL FINDINGS	IMMATERIAL FINDINGS	MATERIAL FINDINGS
FY2007	25	11	14
FY2008	9	7	2
FY2009	6	5	1
FY2010	5	5	0
FY2011	1	1	0
FY2012	2	2	0



INSURANCE

The trust does not have access to the permanent Judgment Fund (section 1304 of title 31, U.S.C.) for a claim, judgment or settlement. Consequently, the trust must purchase its own insurance for liability, vehicles and volunteers. Since 2003, the trust has never had a tort claim filed against it, nor against the insurance company. Regardless, the premium has increased solely in response to increased visitation by the public and changes in how they access the Valles Caldera, for example allowing personal use vehicles for fishing. Should the trust's liability insurance actually sustain a valid claim, it is very likely that private liability insurance would thereafter be either unobtainable or unaffordable.

As the numbers of visitors and public programs increase, the cost of insurance will continue to consume a larger portion of the trust's appropriated budget. In 2007 the cost was \$40,878 and more than doubled to \$83,800 in 2008. Premium costs continued to rise to a high of \$90,000 in FY2012 but fell slightly in 2013 to \$86,200.



SECTION V. GOAL ATTAINMENT

The history of the trust and its accomplishments is measured and evaluated by the annual performance to strategic goals from the 2012-2018 Strategic Management Plan.

STRATEGIC GOAL 1: PUBLIC ACCESS AND USE

Encourage public understanding and enjoyment of the preserve, including the development of facilities and infrastructure to expand the capacity for visitors consistent with resource protection.

PLANNING

The first benchmark in our strategy was accomplished with the completion of the Public Access and Use Plan (PAUP) and Record of Decision in FY2013. This goal was met with the signing of the Record of Decision on December 5, 2012. Planning continues on a variety of fronts as we continue to collect data from a number of sources, including visitation monitoring.

In 2013, we modified our contract with David Evans and Associates to help us to move from the programmatic level decisions in the 2012 Public Access and Use Plan, towards implementation level decisions for the management of programs and development of infrastructure in time and space. Specifically, we added the development of scenarios for the transportation and recreation elements that were identified in 2012 plan.

Towards this end, we focused on an analysis of regional transit opportunities that could enhance our plans to provide access to the preserve primarily via a shuttle system. In the spring of 2013, we worked with the Pueblo of Jemez, the Jemez Community Development Corporation, the Mid-Region Council of Governments, the Rio Metro Transit Authority, and Sandoval County Tourism and Economic Development to submit a proposal for funding to the Federal Lands Access Program. We sought funding to develop a park and ride on Jemez Tribal Land on US 550 south and east of San Ysidro, to develop a transit station on the Valles Caldera and the transit system to operate on weekends between these two points, which would include stops at the Walatowa Visitor Center and Jemez Springs. The proposal was not funded due to the lack of formal agreements between the parties for owning and operating the transit system. We had identified the development of these agreements as part of the planning section of the proposal (which allowed a three year planning period before implementation funds were awarded). However, this element was cited as the reason for not considering the proposal further. This project would have been a great benefit to the Pueblo of Jemez, the safety of the New Mexico State Highway 4 (NM4) corridor, as well as an enhancement to the trust's future plans for the operation of our shuttle system.

While the majority of the funding would have been invested off the Valles Caldera, the funding for construction of the access road and utilities would have been a significant step forward in developing the visitor center site. With this major piece of infrastructure in place, we could have



relocated our temporary visitor center to the permanent site and began to phase in plans for expanded access and use. The trust will continue to explore other options for obtaining funding for this project, including a resubmission of a revised proposal if the program continues in 2014. Otherwise, the trust will have to rely on funding from the Secretary of Agriculture (as stated in the Valles Caldera Preservation Act of 2000) if funds become available through appropriations.

One project proposal that was successful in FY2013 was tiered off the PAUP decision to establish a shuttle system for transporting visitors from the visitor center to the backcountry of the Valles Caldera for recreational activities (hiking, picnicking, etc.). The trust submitted a proposal for the purchase of all-electric shuttle vehicles, which would be powered by an array of solar photovoltaic panels (PVs). The electricity-producing panels would be connected to the electric grid and would generate electricity for the grid during the day while the shuttles were in use; the shuttle vehicles would then be charged at night for use the following day. The net solar PV production of electricity would balance out the amount used to power the shuttles. The project would also include construction of a garage to house the shuttles. The proposal was funded by the U.S. Department of Transportation's Federal Transit Authority in an amount of \$545,000 under the Paul S. Sarbanes Transit in the Parks Program. Implementation of the shuttle system and PV solar array is being planned for summer 2015.

VISITATION

Tracking visitor numbers continues to be a critical tool in current recreation management as well as future planning. Prior to 2011, visitor totals on the Valles Caldera were calculated by counting actual visitors who participated in an activity or had a documented visit to one of our two staging areas. In order to capture total visitation, we adopted statistical visitor sampling protocols used by the NPS. Beginning in 2011, we deployed traffic counters and infrared trail counters and periodically sampled the number of people per vehicle and sampled visitation at our highway pullouts. The system provides a reasonable comparison of visitor counts with other public lands and allows a better analysis of visitation patterns.

The trust collected data from advanced counters at ten locations and cross checked them with random vehicle surveys. The raw data were analyzed and adjusted to account "non-reportable" employee activity and double counting. The visitation was down from this time last year. However, the decrease in visitors was likely a result of the Valles Caldera being closed during the Thompson Ridge fire in June and July (the peak tourist season). Some of the preserve's gates were closed for six weeks during and after the fire. The Valle Grande Staging Area remained open during forest closure periods to provide a safe location where visitors could acquire information on closures and fire information. This was especially important this year as surrounding U.S. Forest Service and NPS offices and facilities were closed periodically due to fire danger and lack of funds.

The number of visitors to the preserve during FY2013 was estimated to be 98,605, down 11% from 110,785 in 2012. These numbers do not include the estimated 150,000 visitors at the



pullouts along NM4. Incorporating those visitor numbers and the 1.2 million people who annually travel the NM4 Byway, into a visitor's center plan will be critical to supporting more visitors and ensuring a quality experience.

RECREATION

The preserve is open year round; daily in the spring, summer and fall, with limited hours of operation during the winter. Public programs include hiking, fishing, hunting, cycling, horse-back riding, as well as guided hikes and van tours. In addition, the trust accommodates requests for special uses and hosts special events.

HIKING

The trust opened the first hiking trails on the preserve in 2002. Since then, the number of trails has increased from 14 miles in 2003 to 68 miles of trails today. During the summer recreation season, visitors can enjoy hiking on the preserve 7-days per week.

Open, no-fee hiking on all existing trails and logging roads has been established on the preserve's rim area south of NM4 and adjacent to Bandelier National Monument; these trails now link into the trail system of Bandelier National Monument. Additional no-fee trails runs from NM4 downslope to the Valle Grande and from the Valle Grande Staging Area to several popular landmarks. For a fee, visitors can take a shuttle to back country trails of various lengths and degree of difficulty.

During the September 2013 public board meeting, a progress report was presented on the planning process for long-term recreation and transportation on the preserve, with an update on the planning that is underway to establish the necessary infrastructure (roads, trailheads, parking areas, picnic grounds, campgrounds, etc.) to support these programs. The trust continues the expansion of public access to, and enjoyment of, the preserve. The trust will continue to expand hiking along with other public recreation programs and activities using our existing infrastructure.

FISHING

Based on capacity (supply) and demand the trust has used combinations of lotteries, reservations, as well as first-come first-serve opportunities to anglers on the preserve. Initially, anglers were transported by the trust's shuttle service but as we completed deferred maintenance on roads and turnouts, we were eventually able to allow anglers to drive to the fishing access areas. The fishing program has been consistently well received and profitable. However, both the 2011 Las Conchas and 2013 Thompson Ridge fires have severely impacted the fisheries, and program revenues. Due to the post-fire conditions, the number of fishing permits was reduced from 20 to 12 per day during 2013, but muddy post-fire waters during the summer monsoon season often resulted in poor fishing conditions.



HUNTING

The trust works with the New Mexico's Department of Game and Fish to award elk-hunting licenses through a lottery system. The program is the largest revenue producer for the trust. In 2007, the trust added a turkey hunt, and both elk and turkey hunts continue today. Access for hunters during the fall of 2012 was impacted by the post fire flooding that continued from the areas burned in the Las Conchas fire. The impacts from the Thomson Ridge fire further contributed to access issues in August and September and into the current fiscal year.

CYCLING AND HORSEBACK RIDING

In 2013, the trust expanded mountain biking on a trial basis by opening an additional 68 miles of backcountry roadways and hiking trails to cyclists. To date, there have been no reported user conflicts with the designation of hiking trails as multi-use. Horseback riding trails continue to originate from Banco Bonito with special uses and events occurring elsewhere.

OTHER RECREATIONAL ACTIVITIES

The trust also offers snowshoeing, cross-country skiing, and special events, including: Big Foot tours, Run the Caldera, Ranch Road Ramble, and Photo Adventure tour.

INTERPRETATION AND EDUCATION

The trust accomplished its FY2013 goal of defining formal and informal educational/interpretive programs for the preserve.

The trust's education programs are defined as non-formal learning, which takes place alongside mainstream systems of formal education and training and does not typically lead to certificates or degrees. The trust's education programs are tied to New Mexico State Standards, STEM (Science, Technology, Engineering and Math) and the newly adopted common core science standards for New Mexico. The education staff offers a variety of unique k-12 education programs that address education standards through outdoor activities, games and experiences. In FY2013, the trust standardized an educational use permit system to education groups that desired access to the preserve but wished to provide their own education program.

The trust's interpretive programs (van tours, guided hikes, sleigh/wagon rides, fly fishing clinics, etc.) are defined as informal learning where learning is a natural complement to everyday life. This type of learning is not necessarily intentional learning and may not be recognized even by individuals themselves as contributing to their knowledge and skills. The trust's interpretive staff have successfully completed a certified interpretive guide training established by the National Association for Interpretation (NAI). Our interpretive programs follow interpretive techniques established by NAI. These techniques ensure each interpretive program is unique with themes



and goals. Our interpretive programs are designed so any member of our interpretive staff can lead public tours and provide the public with a common core of information.

The trust's Interpretation and Education department coordinates the annual Jemez Mountains Elk Festival and the newly developed Jemez Valley Storytelling Jamboree. The Elk Festival was held October 6-14, 2012, and over 2,600 visitors attended during the 9-day event. New for FY13, the Storytelling Jamboree (July 27-28, 2013) was a successful addition thanks to a collaboration between the trust, Storytellers of New Mexico, Jemez Valley Community Association, and National Storytelling Network. The Storytelling Jamboree showcased 17 storytellers, including two-time Grammy Award winner Robert Mirabal. The two-day event had over 740 attendees. A comment left on Trip Advisor included, "*I stumbled onto a Storytelling Jamboree being held in the middle of the magnificent caldera, and stayed all day because I enjoyed it so much.*"

The Interpretation and Education team played an important role in "spreading the word" by staffing more than a dozen events that logged 7,500 contacts. This does not include the many presentations, speaking engagements and face-to-face encounters by trust staff.

STRATEGIC GOAL 2: NATURAL AND CULTURAL RESOURCES

Restore and enhance the preserve's rich natural, cultural and historic resources for sustainable use and enjoyment by present and future generations of Americans.

Two performance goals were identified in association with this strategic goal: 1) Move the condition of forests at a landscape scale towards a condition that, to the best of our collective knowledge, is sustainable and resilient in the event of natural disturbance, and 2) Investigate, interpret, and restore the layers of human occupancy and use on the preserve. We have been approaching the attainment of these goals through planning and implementation at two levels – programmatic and project. At the programmatic level, we have been completing preserve-wide systematic inventories and assessments and establishing a preserve-wide ecological monitoring network. At the project level, a number of actions have been planned and implemented to restore the preserve landscape. FY2014 accomplishments in both planning and implementation are summarized below.

PLANNING

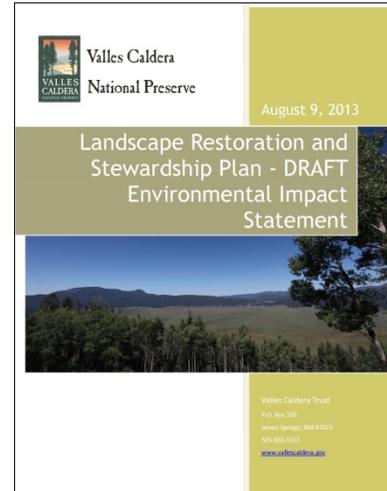
As previously stated, the strategic goal aims to change condition at the landscape scale. Based on our comprehensive inventory and ecological monitoring information, we have prepared a plan for the landscape scale restoration and stewardship of the preserve's natural and cultural resources. The proposed Landscape Restoration and Stewardship Plan (Stewardship Plan) proposes a 10-year strategy for prioritizing and implementing a suite of restoration activities at the landscape scale including: forest thinning, wildland fire management, road management, riparian and wetland restoration, noxious weed control, and burned area rehabilitation. The proposed action



is based on the Collaborative Forest Landscape Restoration (CFLR) strategy developed for the Southwest Jemez Mountains Landscape CFLRP project.

This year we completed a Draft Environmental Impact Statement (DEIS) in compliance with federal environmental laws including, but not limited to, the National Environmental Policy Act (NEPA), National Historic Preservation Act (NHPA), and Endangered Species Act (ESA). To reduce redundancy in our consultation efforts, we initiated the development of a programmatic agreement with the State Historic Preservation Office (SHPO) and completed consultation and required public notification and comment under section 106 of the NHPA as well as consultation with the U.S. Fish and Wildlife Service under the ESA in concert with our coordination under the NEPA.

The DEIS was released in August for a 45-day public comment period. The response to comments along with the Final EIS and Record of Decision (ROD) will be completed this year, attaining another major benchmark towards the comprehensive management of the preserve.



This analysis was significantly delayed following the Las Conchas fire. The assessment of the post-fire condition, treatments proposed to accelerate post fire rehabilitation and the environmental consequences of implementing those actions (or not implementing them) were incorporated into the EIS. This basis of information reduced the time and effort required to incorporate the changed condition resulting from the Thompson Ridge fire. Planned activities and priorities for forest thinning and prescribed fire remain largely unchanged. Post-fire rehabilitation efforts are being prioritized based on values at risk and technical feasibility. As difficult as it is, often we have to accept our limits on stopping the damage and erosion and wait until some degree of stabilization has taken place before we can begin mitigating activities.

PROJECT LEVEL

While we have been preparing a long-term, comprehensive approach to restoration we have also been implementing individual projects within all these categories of activities (forest thinning, prescribed fire, riparian restoration, noxious weed eradication, burned area rehabilitation and associated monitoring and evaluation).

FOREST THINNING

This year we finalized thinning and removal of 372 acres of ponderosa pine forest along with the closure and decommissioning of old logging roads and maintenance of system roads. We also awarded a new contract for thinning and biomass disposal on 531 acres of ponderosa pine forest in the southwestern corner of the preserve.



As in previous thinning projects, we are cutting trees less than 16 in. d.b.h. (diameter at breast height), with most trees cut being between 7-12 in. d.b.h. The prescription requires the contractor to leave the largest, healthiest trees with a spacing of 2-30 ft. between tree crowns and 30-50 ft. between groups of trees. The intent of this prescription is to initiate a trend towards uneven age/size structure, reducing the fire hazard, reducing the competition for moisture, and improving wildlife habitats.

When the new contract operations begin in 2014, the biomass will be removed and hauled to the Walatowa Timber Industries, an economic enterprise owned and operated as a joint venture with the Pueblo of Jemez and TC Company, a locally owned and operated forest management company. The material will be processed for utilization as vigas, latillas, posts, rough-cut lumber, mulch, firewood and/or other small wood products. Stand exam data indicate that nearly 8,000 cubic feet of material will be realized by utilizing the small diameter material. This project also includes decommissioning 11 miles of old logging roads and completing maintenance and repair on over 6 miles of system road.

Wood volume estimates are shown in Table 4, economic impacts estimated using TREAT (Treatments for Restoration Economic Analysis Tool) software for the collaborative restoration project are shown in Table 5.

Table 4 – Wood volume produced from the Southwest Jemez Mountains Landscape Restoration Project.

MEASURE	SANTA FE NATIONAL FOREST	VALLES CALDERA NATIONAL PRESERVE	SOURCE
Wood volume data (CF)	1,183	7,880 (plus 20 cords)	Direct reporting from each jurisdiction.
Wood product categories	Based on dialogues with utilizers.	Based on dialogues with utilizers.	

Table 5 – Economic impact of the Southwest Jemez Mountains Landscape Restoration Project in 2013.

TYPE OF PROJECTS	DIRECT PART & FULL-TIME JOBS	TOTAL PART & FULL-TIME JOBS	DIRECT LABOR INCOME	TOTAL LABOR INCOME
Commercial Forest Product Activities	45.3	95.4	\$1,468,766	\$3,797,136
Other Project Activities	38.6	48.6	\$1,312,846	\$1,588,686
TOTALS:	83.9	144.0	\$2,781,612	\$5,385,822

PRESCRIBED BURNING

No prescribed burning was scheduled in this fiscal year.

RIPARIAN RESTORATION

The trust worked with partners to continue work under existing riparian restoration grants and one new Youth Conservation Corps (YCC) grant that focused on watershed restoration work on the preserve. Working under four grants aimed at riparian restoration and re-vegetation, the



WildEarth Guardians (WEG) contributed 720 hours of volunteer time and \$158,693.31 in match and \$81,900 in in-kind contributions. The in-kind was the procurement of the plant materials that were planted along preserve streams, including:

- 30,000 willow
- 500 aspen
- 100 thin leaf alder (grown from seeds collected on site last year)
- 200 narrow leaf cottonwood
- 100 serviceberry shrubs

The YCC crew completed eight miles of fencing, comprised of fence removal and/or reconstruction. This project removed superfluous fences and fences that were hazardous to wildlife (mesh sheep-fence or improperly constructed barbed wire fence) and replaced them with wildlife friendly fences located to protect riparian areas. The YCC crew consisted of young adults (18-22 years old) from Pojoaque and Jemez Pueblos. Treated posts used in the fence construction were procured locally and made from small trees removed from the VCNP during CFLN forest thinning activities! WEG also repaired and maintained riparian exclosures impacted by post-fire flooding from the Las Conchas and Thompson Ridge fires.

BURNED AREA REHABILITATION

Riparian restoration, road maintenance and noxious weed control all addressed impacts from the Las Conchas and Thompson Ridge wildfires. Burned Area Emergency Response (BAER) assessment and implementation were also completed within the 24,000+ acre Thompson Ridge fire, including 397 acres of aerial seeding with annual barley. Annual barley sprouts quickly and does not reproduce. The intent is to stabilize the denuded slopes until native vegetation can re-establish.



Figure 3 – Left, Thompson Ridge fire, post-fire debris flow across VC02 west of Redondo Meadow. Photo right shows area following several days of effort by BLM road crews.



Figure 4 - Log mattresses constructed to repair gullies initiated by post fire erosion.

Under the San Antonio Six Tributaries project, the Los Amigos de Valles Caldera completed installing culverts and rolling dips, worked on a stock pond, and installed approximately 15 plug and ponds. The American Wildlife Federation held a volunteer work weekend August 16-18, 2013. Steve Vrooman and Bill Zeedyk led them in the installation of seven rock rundown and bowl structures and a small sod plug and pond in Tributary 3 South.

Under the Jaramillo Restoration Project (319 grant), the Los Amigos de Valles Caldera brought a hand crew from Taos Pueblos to repair gullies initiated by post fire erosion from the 2011 Las

Conchas fire. As shown in Figure 4, they use small diameter trees near the gulley to create structure to capture sediment and stabilize the gullies.

NOXIOUS WEED CONTROL

Noxious weed inventories were completed in areas throughout the preserve where weeds had been previously identified and treated, as well as areas impacted by recent wildfire activity with an emphasis on control lines, drop points and staging areas. New or persisting weed populations were eradicated using manual treatments or herbicide applications.

OUT-YEAR PREPARATION

1,100 acres were prepared for thinning, 700 additional acres were surveyed for the presence of cultural resources; reconnaissance and project layout was collaboratively completed in preparation for out-year wetland and riparian restoration activities. Gullying and other erosion in the Las Conchas wildfire area was assessed for future treatments. Three agreements have been drafted to expand collaboration and cost share activities with other federal and state agencies and non-governmental organizations.

OPERATION AS A WORKING RANCH

The first management goal listed under Section 108 of the Act is continued operation as a working ranch. In 2005, the Board of Trustees published the *Framework and Strategic Guidance for the Comprehensive Management of the Preserve*. In the *Framework*, a working ranch is defined as “an operation that places its primary emphasis on stewardship of resources as the foundation for both ecological and economic sustainability”. The *Framework* continues that a working ranch “runs a sustainable level of livestock, adjusting numbers as necessary; makes resources available for other revenue-generating activities such as bird watching, hunting, fishing, and other low-impact recreational



activities; applies adaptive management on a day-to-day basis to ensure resource protection; and monitors the impacts of its activities.” This definition is compatible with English dictionary, industry, and other “plain language” definitions. In addition, it frames the meaning of a working ranch in context with the other goals put forward in the Act.

The trust continues along this path of having an ecologically sustainable program that involves as many local communities as possible. The program aims to include community, educational, economic and scientific elements that extend benefits beyond the borders of the preserve. The program also develops annual grazing plans that benefit both the natural resources and performance of grazing cattle. In addition to raising its cattle on the pastures of the preserve, the Jemez Pueblo and its Livestock Association pastures continues to benefit through a summer rest period which enhances the condition of tribal grazing lands. The result is a healthier, stronger, and more profitable herd as well as a more resilient home rangeland.

Three separate grazing permits were issued this year: one permit to Jemez Pueblo, one permit to New Mexico State University, and one permit to the U.S. Forest Service. The program involved many local cattle growers, an extension and research component, a conservation stewardship program aimed at resting tribal grazing land, and a collaborative effort with the U.S. Forest Service to allow cattle grazing permittees displaced by wildfires to graze on the preserve.

The capacity was reduced due to both drought and fire. Hence, the total number of cattle allowed to graze was reduced and entry was delayed in accordance with our capacity model. Additionally, cattle were rotated more often to various pastures to ensure healthy grasslands. During the 2013 grazing season, a total of 748 head of cattle grazed in large pastures away from riparian areas and away from the main recreation programs.

THE 2013 THOMPSON RIDGE FIRE

On Friday, May 31, 2013, planned operations of the preserve suffered a major interruption when a tree fell into a power line at a private residence west of the Preserve and ignited the Thompson Ridge fire. The event came less than two years after the Las Conchas fire of 2011 which claimed more than 156,593 acres of the Jemez Mountains including more than a third (30,034 acres) of the preserve. The Thompson Ridge fire burned an additional 23,965 acres almost all exclusively on the preserve. Within two years more than 60% of the preserve has been burned by wildfire.

The day the fire broke out, trust staff executed the evacuation of visitors to perfection. During the following days and weeks much of the trust’s staff was dedicated full-time to fire and BAER efforts. Table 6 below shows staff assigned to the fire or BAER. In addition, other staff members dedicated significant time in managing the impacts of the fire and coordinating access and use onto the preserve.

Table 6 – Staff serving full time in support of Thompson Ridge fire suppression and/or BAER

NAME/POSITION	INCIDENT ASSIGNMENT
Marie Rodriguez, Division Director	Agency Administrator, Responsible Official
Marla Rodgers, Fire Management Officer	Agency Representative, Suppression
Terry McDermott, Public Affairs	Fire Information Officer
John Swigart, GIS	GIS
Scott Compton, Hydrologist	Agency Representative, BAER
Tim Haarmann, Division Director	Agency Support to Operations and Logistics
Rebecca Oertel, Plant Ecologist	Resource Advisor
Ana Steffen, Cultural Resource Coordinator	Resource Advisor
Heather Evans, Archeologist	Archeologist
Kendra Owenby, Archeologist	Archeologist
Jamie Civitello, Archeologist	Archeologist
Darren Toya, IT User Support	IT, Communications Support
Michael Martinez, Recreation Assistant	Driver
Jim Trout, Interpretive Assistant	Driver
Loren Madelena, Recreation Assistant	Driver
Damon Stephens, Maintenance	Driver
Johnny Yepa, Maintenance	Driver

As the fire swept across the landscape, our 2013 plan of work came to a halt. Major recreation programs, including the annual Run the Caldera Marathon and Cruise the Caldera mountain bike events, were cancelled. In fact, the preserve was closed to most recreational activities. The trust kept the Valle Grande Staging Area open to provide the public with fire information and a safe place to observe fire operations. While many recreational activities will resume in 2014, it is unclear whether fishing and other programs will offer the same opportunities as before the fire. Visitation and revenue will continue to see negative impacts if these programs do not return to their previous levels.

Planning for expanded public access to, and enjoyment of, the preserve will now require adjustments in order to integrate the changes of our landscape into the final plan. Landscape restoration planning will now include recently burned acreage as well as the remaining unburned area of the preserve.

ECOSYSTEM IMPACTS

The Thompson Ridge fire affected the *structure*, *composition* and *function* of the preserve’s ecosystems and the legacy of this wildfire will influence the soils, watersheds, vegetation, and wildlife for years to come. As part of the science-based adaptive management process of the preserve, the monitoring program for both natural and cultural resources shifted into high gear during and immediately after the fire. The objective was to assess the intensity and distribution of burned areas, and to establish a series of monitoring sites that would inform the preserve managers of patterns and rates of ecological recovery. A number of long-term monitoring sites (both terrestrial and aquatic) were in place prior to the fire, so the degree of fire-induced change can be directly quantified and evaluated. Considerable damage to roads and watersheds resulted from post-fire flash floods during the summer monsoon rains of 2013, as well as loss of fisheries in



Redondo and Jaramillo Creeks. However, over the ~25,000 acres of the Thompson Ridge fire area, most of the burned forests experienced a low-severity fire as shown in Table 7 below, resulting in a reduction of fuel loads that will be relatively beneficial in the long run. This is in sharp contrast to the overall severity of the Las Conchas fire. This contrast is clearly illustrated in Figure 5 that follows.

Table 7 - Thompson Ridge burn severity by vegetation type

VEGETATION TYPE	BURN SEVERITY IN ACRES				
	High	Low	Moderate	Unchanged	Grand Total
Aspen Forest and Woodland (Dry Mesic)	34	300	162	278	775
Aspen Forest and Woodland (Moist Mesic)	18	229	118	235	601
Blue Spruce Fringe Forest	0	49	17	76	142
Felsenmeer Rock Field	21	157	141	265	583
Forest Meadow	14	371	385	320	1090
Gambel Oak-Mixed Montane Shrubland	65	496	295	243	1100
Lower Montane Grassland	5	724	132	897	1758
Mixed Conifer Forest and Woodland (Dry Mesic)	205	2,974	1,669	2,192	7,040
Mixed Conifer Forest and Woodland (Moist Mesic)	154	2,065	1,170	1,718	5,106
Montane Riparian Shrubland	0	4	4	3	12
Open Water	0	3	1	4	8
Ponderosa Pine Forest	29	1,123	244	578	1,974
Roads-Disturbed Ground	4	163	101	218	486
Sparsely Vegetated Rock Outcrop	1	16	6	16	38
Spruce-Fir Forest and Woodland (Dry Mesic)	59	198	595	246	1,098
Spruce-Fir Forest and Woodland (Moist Mesic)	17	95	263	121	497
Upper Montane Grassland	10	367	94	347	819
Wet Meadow	1	229	51	288	568
Wetland	0	29	5	63	97
Unclassified (outside of VCNP, but within fire perimeter)		44	5	48	97
Grand Total	639	9,635	5,458	8,156	23,888

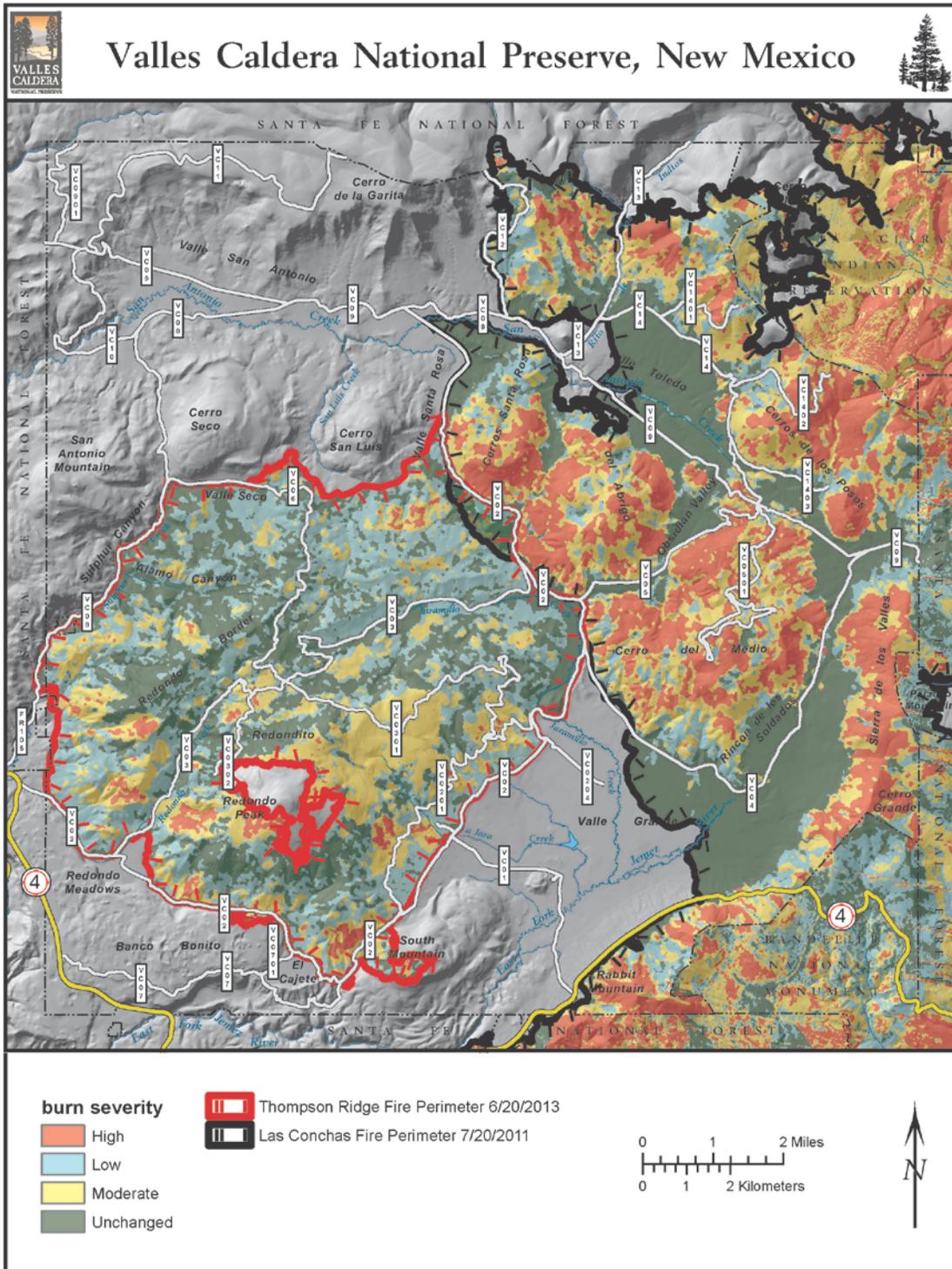


Figure 5 - Burn severity comparison between the 2011 Las Conchas fire and the 2013 Thompson Ridge fire



IMPACTS TO COLLABORATIVE FOREST LANDSCAPE RESTORATION PROGRAM

Work within the Southwest Jemez Mountains Landscape Restoration Project area funded through the Collaborative Forest Landscape Restoration (CFLR) program has been moving forward to restore the forests of the preserve and Jemez Ranger District in a strategic manner. The program is funded through USDA through a program sponsored by Senators Jeff Bingaman and Tom Udall. Working with many collaborating agencies, universities, and non-governmental organizations, land managers hope to “beat the clock” and restore sufficient areas of the Jemez landscape before the next fire explodes. The current fire hazard is further exacerbated by the long-term drought gripping New Mexico and the prospect for continued dry years in the coming decade.

Many of the impacts to activities described in this section were activities being implemented as part of the CFLR program. The areas of the preserve thinned to date total 2,511 acres (including the 531 acres awarded in 2013). The Redondo Canyon thinning project completed in 2010 was used as an anchor for the control line on the southwestern flank of the Thompson Ridge fire.

Scientific monitoring of the CFLR program continued in 2013. Monitoring for CFLRP activities within the preserve as well as the Santa Fe National Forest are coordinated and funded through the trust (from CFLR program appropriations). In 2013, monitoring of vegetation (tree stands as well as herbaceous plants [grasses and forbs]), selected species of wildlife (elk, deer, black bears, cougars, small mammals), fish (trout and native species), pest and beneficial insects, stream water quality and watershed discharge were conducted to determine both post-fire responses as well as impact of thinning and prescribed burning. Results from prior year’s monitoring were presented publicly during the “All Hands” annual meeting held in Santa Fe on April 12, 2013; results from all years (including 2013) will be presented in the next “All Hands” meeting on March 27, 2014. These public meetings include all the collaborating agencies, NGOs, universities and private citizens involved in the CFLRP, as well as the general public. Monitoring results are being used to guide future implementation decisions and strategies.

IMPACTS TO CULTURAL RESOURCES

Archaeologists were involved in the fire efforts from the initial planning, throughout suppression efforts, during the Burned Area Emergency Response (BAER), and continue with on-going post-fire condition assessments and monitoring. The goals of involvement were to identify what cultural resources might be affected by the fire, by fire suppression and rehabilitation activities, and by post-fire secondary processes such as erosion. During the active fire, archaeologists accompanied bulldozers and suppression crews as well rehabilitation crews to identify significant archaeological and historic sites, prevent further damage, and document archaeological and historic sites encountered. Cultural resources (CR) staff assisted in the BAER assessment and oversaw implementation of point protection measures at archaeological sites. A focus of the BAER implementation work was the historic structures protections in the Baca Ranch Historic



Headquarters District. This involved construction of sandbag walls at six buildings to protect fragile cabin foundations (425 feet of walls using about 8,500 sandbags), positioning of 60 large tree boles as debris dams and placement of concrete barriers to deflect overflows from La Jara Creek (see Figure 6 below).



Figure 6 – Left - sandbags laid by Santa Clara Tribal and Santa Fe County fire crews; right – concrete barriers deflecting overflows from La Jara creek.

CR staff also participated in consultations with the NM State Historic Preservation Office and with pueblo representatives. Tribal consultation included daily input and dialogue from area pueblos to better understand their concerns regarding potential impacts of suppression, to engage their viewpoints during planning and response, and to better consider and protect traditional cultural properties and cultural landscapes. The CR crew applied their expertise in inventory and documentation to assessing damage to some of the large old trees in the historic district.

In addition to direct involvement with fire and post-fire activities, the trust's cultural resources program also was affected by preserve closures due to fire danger in May and then during and after the Thompson Ridge fire. Our ability to conduct surveys, especially in advance of project planning for forest restoration, was severely curtailed. However, CR staff used this time to conduct an unprecedented amount of laboratory work in support of the Obsidian Valley excavation project (conducted in advance of VC05 roadwork, in collaboration with Earthwatch Institute volunteers). Once preserve access was reestablished, the CR crew was able to complete a modest amount of field work.

One lesson learned from the 2011 Las Conchas fire was to ensure that the trust has fire-qualified (red-carded) archaeologists available for on-the-ground assistance during and immediately after forest fires. The costs of training, certification, and equipment for the trust archaeologist paid off in 2013 by streamlining and improving fire support and resource advisement.



IMPACTS TO RECREATION AND ACTIVITIES

The Thompson Ridge fire virtually shut down all activities and recreation almost all of June and into the summer. Van tours, guided hikes and other revenue generating activities were cancelled and reservation dollars refunded. A total of 248 events were cancelled and it remains unclear how long it will take to restore the programs to guarantee a quality experience. Uncertainty around product offerings will impact not only marketing/advertising strategies, but also the budget to support them. Advertising and marketing activities were severely impacted because of the lack of programs to promote.

Autumn elk hunts were conducted on schedule in FY2013, and all areas on the preserve were open (except when fall rains caused flash floods from burned areas and washed out roads; these roads were quickly cleared and opened to traffic). As of September 30, no accidents had been reported. Hunter surveys indicated that their experiences were “excellent.”

SCIENTIFIC SERVICES

The scientific services division of the preserve oversees inventory, monitoring, and evaluation of our natural resources, supports scientific research and provides the technical basis for our interpretation and education programs. Inventory, monitoring and evaluation are key components to adaptive management and allow us to measure our progress towards goal attainment.

INVENTORY

When the preserve was acquired by Congress in 2000, very little information was available on the natural and cultural resources of the site. Much of the initial scientific effort was directed toward inventory studies of the preserve and since 2002 trust staff and many outside collaborators have completed a new geology map, a new high-resolution soils map, a vegetation map, forest stand and condition maps, species inventories and distributions of plants, mammals, birds, reptiles, amphibians, fish, fungi/lichens, aquatic insects, and many groups of beneficial and pest terrestrial insects (e.g., beetles, grasshoppers, butterflies, moths, dragonflies, aphids, etc.). Watershed health, fish habitat and stream functioning condition have been assessed for the major watersheds on the preserve, and stream water quality has been quantified. To date, trust archaeologists have discovered and inventoried over 665 cultural resource sites, with evidence of human use of the preserve and caldera obsidian deposits dating back 11,000 years. Archaeological inventories to date cover 20% of the preserve’s land area, with 16.8% coverage to current survey standards.

In FY2013 we completed inventories and measures of biodiversity, burned and unburned forests, and cultural resources as described below.



BIODIVERSITY INVENTORY

In 2013, the trust continued collaboration with the USDA Systematic Entomology Laboratory (SEL, Beltsville, MD) and the Smithsonian Institution (SI, Washington, DC) for the inventory of beneficial and pest insect species on the preserve. Archived voucher collections of insect species found on the preserve are being stored in the SEL/SI collections, as well as in the preserve voucher collection in the Science and Education Center. This latter collection is used for assisting visiting scientists, as well as in educational activities for public school students to illustrate the enormous biodiversity on the preserve. New completed inventories in 2013 included additional surveys for spiders, moths, millipedes, centipedes and mites; in addition, we expanded inventories of aquatic macroinvertebrates before and after flash flood events related to the Thompson Ridge fire in early summer, 2013.

BURNED AND UNBURNED FOREST STAND INVENTORY (FIRE IMPACTS)

In 2013, the Forest and Range Plant Ecology field team inventoried forest stand characteristics in areas burned in the Thompson Ridge fire, and in unburned “control” stands. These inventories documented the impacts of the fire on mixed conifer and ponderosa pine forests, and characterized the long-term monitoring plots used to assess ecological recovery following the fire.

CULTURAL RESOURCES PROGRAM INVENTORIES

Progress in cultural resource inventory and other fieldwork was severely curtailed first by fire danger and then by the Thompson Ridge fire. The trust’s cultural resources staff worked on the forest fire during the suppression and suppression-rehabilitation phases, BAER assessment, BAER implementation, and post-fire rehabilitation related to protecting critical road access. BAER archaeological site protection included felling of trees to prevent ground disturbance and constructing erosion protection barriers at two prehistoric sites and at seven historic log cabin features at the Redondo Logging Camp at Redondo Meadows. Otherwise, the focus of historic preservation efforts during and after the fire was on the Baca Ranch Headquarters. All the historic cabins and barns were spared fire damage, as were most of the old-growth trees that are a part of the cultural landscape there. During BAER, point protections for cabins included constructing sandbag walls at six buildings in anticipation of monsoon flooding. Once the rains began, additional concrete barriers were strategically placed to deflect flows, especially along La Jara Creek.

Despite the interruption of the forest fire, the field crew was able to accomplish 705 acres of survey. Many of these projects were related to watershed restoration activities planned for the Valle Jaramillo and western Valle San Antonio. Additional surveys were conducted for grazing infrastructure improvements. The crew also was involved in addressing on-going down-the-line effects of the 2011 Las Conchas fire, especially the worsening erosion and debris flows around Cerro del Medio, on Rabbit Mountain, and along Indios Creek.



MONITORING

In FY2013, the trust continued annual monitoring projects for rangeland forage production and utilization, forest ecosystem changes following thinning and mastication, stream water quality, stream discharge amounts, climate conditions, and elk and fish population dynamics throughout the preserve. Monitoring data were collected from the stream gauging stations and flumes that were installed in 2008 on the four major watersheds of the preserve, so that future changes in water production to downstream villages, towns, pueblos and cities can be quantified. Based on hydrologic research on the preserve, we anticipate that as the trust restores the many stands of second-growth, high density forests we will observe a concomitant increase in stream water flows to downstream communities, thereby enhancing the “ecosystem services” of the preserve.

In addition, the trust continued monitoring the effects of the Las Conchas fire and began monitoring sites within the Thompson Ridge fire on the natural resources of the preserve. The Science Division team tracked changes in perennial streams (stream discharge, water quality, stream-bank stability, erosion, fish and aquatic invertebrates), forests (tree densities, species composition, size distributions, basal area, as well as herbaceous plant diversity and cover, bare ground and litter coverage, birds, small mammals and a wide range of pest and beneficial invertebrates), and grasslands (plant cover and species distributions, birds, arthropods).

The trust also collaborated with the Santa Fe National Forest in monitoring the CFLRP-funded prescribed burns conducted in FY2012. In addition, the trust science crews established monitoring sites on a prescribed fire site on U.S. Forest Service land on a prescribed burned planned for the coming fiscal year.

A systematic approach to monitoring produces opportunities to incorporate volunteers, and in 2013, the trust again continued to offer range monitoring as an “Eco-tourism” event in partnership with the Sierra Club. The monitoring program relies on seasonal (spring and fall) measurements of plant biomass (forage for elk and livestock) to provide baseline data and a system of permanent and temporary monitoring sites to measure direct, indirect, and cumulative effects of programs and activities that occur on the preserve. In addition, volunteer citizens participated in fisheries monitoring by assisting preserve field biologists during electro-fishing sampling (catch-measure-release) in the major streams of the preserve, and in collection and identification of pest and beneficial insect species in grasslands and forests of the preserve.

Collaborating with non-governmental organizations we also completed a variety of restoration and monitoring activities. Twenty-four projects contributed to the ongoing stewardship of the preserve, and leveraged nearly \$3.5 million toward the effort.

The cultural resources team conducted several activities that follow up on the 2011 Las Conchas fire. They continued monitoring of seven post-burn soil erosion monitoring plots at Cerro del Medio. They also ensured fire preparation training, with five staff or seasonal archaeologists re-carded to enable effective response both to prescribed fires (as in the 2012 San Juan prescribed burn) and in the Thompson Ridge fire. Trust archaeologists were effectively utilized to coordinate



and direct specific resources treatments in the HQ and other areas of the Preserve, and to initiate photo monitoring to evaluate long-term effectiveness of site protections. Trust archaeologists were also successfully integrated into the BAER road repair coordination process, effectively eliminating or reducing resource impacts, both from flooding and from improvements.

In support of fire-related and general road maintenance, the CR team has developed a database of site treatments along roads. This “Road Atlas” was test-driven in the field during monitoring of 2013 road maintenance activities. Improvements in both the data and the monitoring process will be made over the course of 2014 and integrated into a wider National Historic Preservation Act, Section 106 programmatic agreement addressing this and other categorical activities.

Monitoring of the ongoing and accelerating erosion at Cerro del Medio led to discovery of several extraordinary subsurface cultural features on the south side of the dome. More than six buried concentrations of obsidian artifacts have now been located. In the fall of 2013 one feature was the subject of an emergency excavation, as it was threatened by immediate destruction; at least one such feature has already been destroyed by erosion. These features are a rarely encountered part of the archaeological record of the preserve and therefore provide an unprecedented opportunity to learn about prehistoric human behavior.

RESEARCH

Research projects in the preserve continued at a high activity level, with 41 permitted projects in 2013, and outside (non-trust) funding over \$4.8 million (Figure 7). Of these funds, \$285,622 in grants were awarded directly to trust science staff, facilitating increased scientific inventory, monitoring and research on the preserve. Over the last 11 years, the preserve has demonstrated its value as an outdoor laboratory and classroom, as well as a venue for testing various approaches to ecosystem restoration for streams, grasslands and forests. For the last four fiscal years, extramural research funding (grants and contracts from other sources) has exceeded the annual Congressional appropriations to the trust, indicating that science, research training and education programs are important components of the preserve’s regional economic impact.

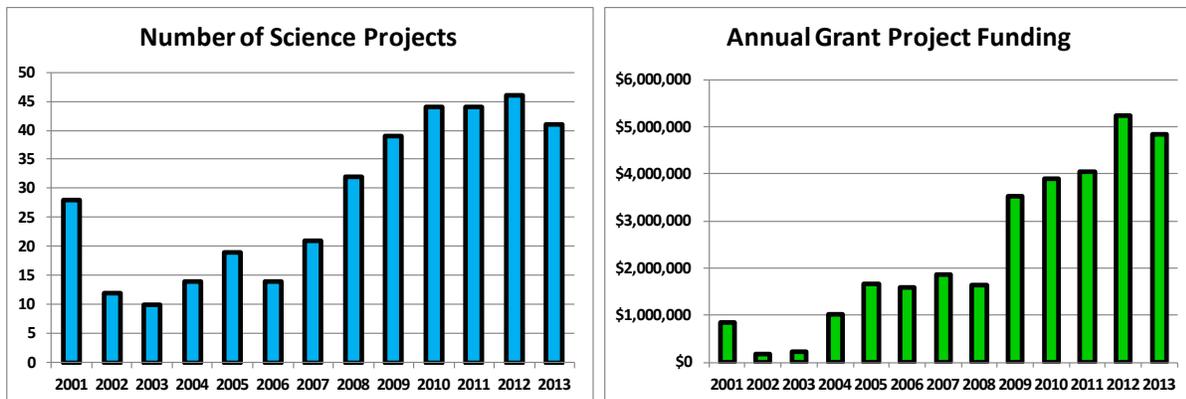


Figure 7 – Summary of permitted research projects (left) and grant funding (right) invested on the preserve; 2001-2013



In 2013, the VCNP research projects addressed questions concerning topics such as climate change impacts on watershed hydrology, fire ecology, elk-predator interactions, carbon sequestration, biodiversity, and elk-livestock grazing. The University of Arizona's Critical Zone Observatory (CZO) grant, funded by the National Science Foundation (NSF), was renewed for another five years. The Thompson Ridge fire burned through one of the highly-instrumented research sites, and while the effort to bring the site back on-line for scientific research was time consuming, the opportunity to examine post-fire impacts compared to pre-fire data has created a great amount of interest in the scientific community. The trust also hosted the fifth field season of the New Mexico EPSCoR grant, funded by NSF for \$3 million per year for 5 years. The preserve is one of the three field study sites for the project, and the major topic is to understand climate change on upland water resources in northern New Mexico. Project collaborators include all the New Mexico universities.

For the cultural resources team, a positive outcome of the Thompson Ridge fire was the opportunity to complete an unprecedented amount of artifact processing by the field crew displaced from the field. Laboratory work in May and June included processing and analyses of more than 28,000 obsidian artifacts and non-artifact items recovered from the 2012 Earthwatch quarry excavations.

This is the second year of participation in the Joint Fire Science Program funded multi-agency "ArcBurn" project. The team is studying the effects of fire on archaeological resources to create management tools to enhance interdisciplinary involvement in fire planning and response. Collaborators include the Rocky Mountain Research Station, U.S. Forest Service Missoula Fire Lab, Bandelier National Monument, Santa Fe National Forest, and the Forest Guild. Activities this year include analysis of burned artifacts and temperature monitoring data from the San Juan prescribed burn, and preparation of obsidian, pottery, and masonry artifacts for experimental heat studies.

FY2013 was the second year working in collaboration with Earthwatch Institute on subsurface excavations at a large prehistoric quarry in Obsidian Valley where road improvements are needed within this significant archaeological site. The excavation was undertaken with 12 U.S. and international Earthwatch volunteers and, with financial support that combined Earthwatch revenue with matching funds from the trust. The success of this project in combining preservation and research goals with external collaboration was marked by a field visit from members of Earthwatch Institute's International Board of Directors and Board of Advisors. In addition, the trust's Cultural Resources Coordinator, Dr. Ana Steffen was invited to travel to London to present a lecture on the preserve to an audience of 600 attendees at the Royal Geographic Society (see presentation at: <http://earthwatch.org/events/2013/05/16/why-emotion-matters-in-conservation-science>).



STRATEGIC GOAL 3: FINANCIAL SUSTAINABILITY

Establish a public-private model of administration to optimize revenues and develop philanthropy to support the preservation, enhancement and operation of the Valles Caldera National Preserve.

The Valles Caldera Preservation Act envisioned the timber, grazing, and recreational resources of the preserve as potential generators of revenue that would put the trust on the path toward financially self-sustaining land management. Over its existence, the trust discovered it had no marketable timber, but has experimented with a number of grazing options and expanded recreational opportunities. Collectively, from 2009 through 2013, the trust’s grazing, recreation, and other activities generated an annual average of about \$744,000 in gross revenues. Since its inception in 2000 through 2013, the trust received more than \$43 million in federal funding for an annual average of about \$3.34 million during the period.

Figure 8 tracks the program by program annual increase in revenue that reached a high of more than \$951,000 in 2012, which included a year-over-year 600% increase in commercial filming and still photography revenues. However, in 2013, the Thompson Ridge fire shut down recreational activities for nearly half the summer, reducing revenue income in many programs (except hunting). In addition the loss of the potable water system that services preserve buildings will impact future use of the facilities on the preserve itself.

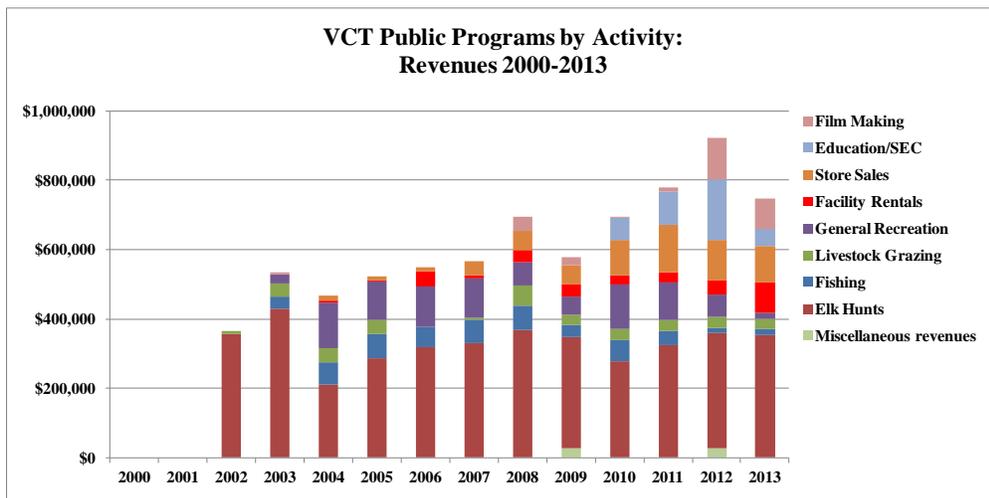


Figure 8 - History of public program revenues 2000-2013

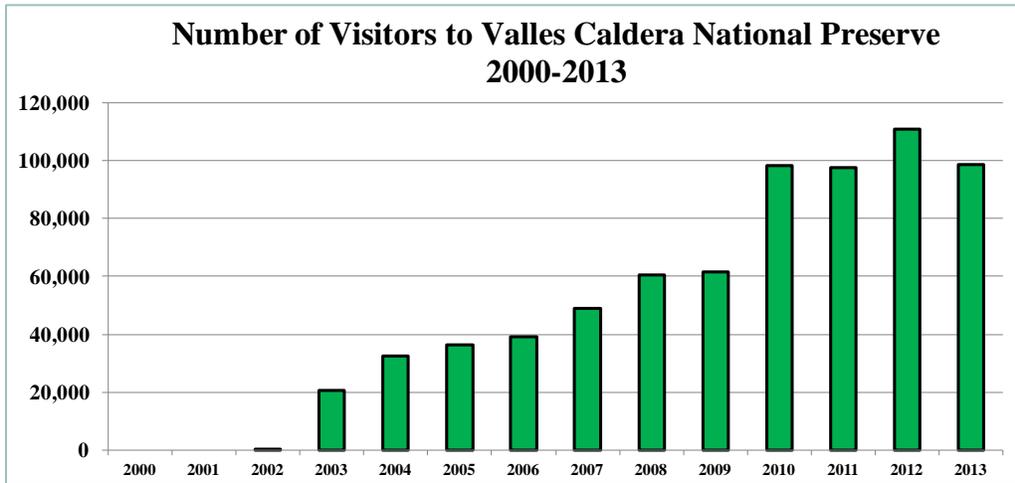


Figure 9 - History of visitation from 2000-2013

Figure 9 tracks visitation during the same period, and also reflects the decrease in visitation during the summer of 2013 due to closures by the Thompson Ridge fire. Even still, the preserve hosted a total of 98,605 visitors in 2013.

PUBLIC AFFAIRS

The Enterprise Division is responsible for informing and involving the public, stakeholders, cooperating agencies and Congress on the day-to-day management and important news and events that occur on the preserve or affect the management of the preserve and trust. This division is also responsible for maintaining the trust’s website.

The Thompson Ridge fire was the focus of public information and communication in 2013. The trust’s public affairs specialist was assigned to the incident throughout suppression and rehabilitation. The teams cited the contributions of the trust as critical in providing accurate and timely information and locally effective distribution of that information. The trust also provided support to incidents on the neighboring Jemez Ranger Districts.

The trust worked with the NM Congressional delegation to keep staff abreast of issues which could affect the existing statute, pending legislation and trust programs, including securing letters of support for grant proposals. The trust supported the Department of Justice regarding legal issues concerning the preserve, and supported the White House regarding the dissemination of information on new appointments to the Board.

The trust collaborated with the Santa Fe National Forest to ensure consistent messages were distributed on the purpose and need for forest restoration, and to ensure the distribution of information related to the Southwest Jemez Mountains Landscape.



The trust worked with the New Mexico Department of Game and Fish (NMDGF) to distribute consistent information on elk hunting, and with the U.S. Fish and Wildlife Service and NMDGF to coordinate information on issues on the preserve related to endangered species.

The trust also worked with state and county tourism groups and participated in large events that took place in the state, such as the NM State Fair (the trusts interpretive staff operated an educational/informational booth) and the Albuquerque International Balloon Fiesta (the trust operated an information desk, promoting the fall Elk Festival in the Valle Grande during the Balloon Fiesta).

MARKETING AND ADVERTISING

The trust has incorporated social media into its public information program along with its web site, news releases, and paid advertising. Social media is part of every marketing and advertisement activity. Our Facebook page shows a 94% approval (4.7 out of a possible 5) from 191 ratings.

LEVERAGED FUNDING

Volunteers provide meaningful and measurable contributions to the management of the preserve. The Los Amigos de Valles Caldera led the way with multiple field contributions and as our editorial partners in the La Ventana newsletter. Los Amigos, WildEarth Guardians and many others mentioned earlier perform the important, unheralded work of pulling fences, riparian restoration and other work that would be of considerable cost to the trust. In 2013, volunteers contributed a 7,243 hours to the trust, which offset \$160,360 of private sector costs to the agency (Value of volunteer hours is calculated at \$22.14 per hour based on information found at: <http://www.volunteer.va.gov/apps/VolunteerNow/calculator.aspx>).

Research, inventory, monitoring and implementation of natural resource management programs draw volunteers as well as financial support. Combined, funds invested directly in inventory and monitoring and funds for research projects that included the preserve leveraged nearly \$5.0 million in funding towards research, inventory and monitoring and over \$.5 million towards implementation.



SECTION VI. FISCAL YEAR 2014 GOALS

The following goals and metrics for FY2014 will serve to measure progress towards the attainment of the strategic goals and objectives of the 2012 – 2018 Strategic Management Plan for the Valles Caldera National Preserve.

STRATEGIC GOAL 1 – PUBLIC ACCESS AND USE

Encourage public understanding and enjoyment of the preserve, including the development of facilities and infrastructure to expand the capacity for visitors consistent with resource protection.

PUBLIC ACCESS AND USE – PERFORMANCE GOAL

Public Programs: Establish comprehensive programs and activities for recreation, interpretation and environmental education.

- a) Establish sustainable outdoor recreational programs for hiking, camping, cycling, equestrian, hunting and fishing.
- b) Ensure all public programs are available to a broad range of social and economic groups now and into the future.
- c) Increase safety and public access for hikers and cyclists.
- d) Expand equestrian program and access.
- e) Establish permanent formal and informal educational/educational programs for all ages, and make available interpretive naturalist programs for all visitors by 2015.

FY2014 GOALS –

- Develop a proposal for the management of public access and use programs in time and space on the preserve tiered to the Public Access and Use Plan/EIS. Continue to consider how to permit more unstructured access in compliance with NEPA, NHPA, and consultation with Native American tribes.
- Define the fee structure to include applicable discounts and free days for all public access and recreation programs.
- Separate recreation users (e.g., hikers) from roadways to the greatest extent possible by establishing and expanding a network of non-motorized, multi-use trails on preexisting logging roads.
- Increase the frequency of equestrian program offerings and expand the trail system for horseback riders.
- Build education section of website to serve as a resource for educators who want to bring or teach their students about the Valles Caldera National Preserve.



CAPITAL IMPROVEMENTS – PERFORMANCE GOAL

Initiate the planning and designing of facilities in support of visitors and public programs, administration, interpretation and environmental education

FY2014 GOAL –

- Continue work to design and plan for permanent infrastructure and transportation system, including roads, trails, and ancillary facilities for public recreation, safety, and resource protection before FY 2016.

SUSTAINABILITY– PERFORMANCE GOAL

Reduce greenhouse gas pollution, eliminate waste, improve energy and water performance, and leverage federal purchasing power to support innovation and entrepreneurship in clean energy technologies and environmentally-responsible products.

- a) All new planned facilities will be “green” as defined by the Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings. These buildings will employ integrated design principles, optimize energy efficiency, use renewable energy, protect and conserve water, have improved indoor environmental quality, and reduce the environmental impacts of materials.

FY2014 GOAL

- As part of the FTA Transit in the Parks grant (described above), select model of electric shuttle vehicles, and begin procurement process; shuttles will be operational in 2015.
- Ensure future visitor center design incorporates “green” design.

STRATEGIC GOAL 2 – NATURAL AND CULTURAL RESOURCES

Restore and enhance the preserve's rich natural, cultural and historic resources for sustainable use and enjoyment by present and future generations of Americans.

NATURAL RESOURCES – PERFORMANCE GOAL

Move the condition of forests at a landscape scale towards a condition that, to the best of our collective knowledge, is sustainable and resilient in the event of natural disturbance.

- a. Benefit local communities and businesses through direct and indirect income and jobs and non-monetary contributions now and into the future.
- b. Thin 30% of dense, young forests and reduce the crown-fire potential by 30% by 2018.



FY2014 GOALS –

- Complete the Environmental Impact Statement and Record of Decision for the restoration and stewardship of natural resources.
- Continue scientific monitoring of trust stewardship actions.
- Develop a stewardship agreement with local businesses/enterprise,
- Develop challenge cost share agreements to increase benefits of grants and volunteers.

CULTURAL RESOURCES – PERFORMANCE GOALS

Investigate, interpret, and restore the layers of human occupancy and use on the preserve.

- a. Investigate, interpret, and restore the layers of human occupancy and use on the preserve.
- b. Programmatic agreement for NHPA Section 106 procedures and project level agreements in place with the State Historic Preservation Office and interested Tribal Governments.
- c. Restoration/preservation actions are completed on at least two historic structures by 2016.
- d. Complete archaeological surveys on 30% of the preserve by 2018.
- e. Public interpretation and education programs for cultural resources established by 2014.

FY2014 GOALS

- Complete the programmatic agreement for Landscape Restoration Stewardship Plan. Complete a preserve-wide programmatic agreement by the end of FY 2014.
- Complete a preliminary strategic plan for use of the Headquarters area. Submit the final Baca Ranch Headquarters NRHP Historic District nomination.
- Complete survey on $\geq 2\%$ of the preserve.
- Develop interpretive products for Baca Ranch HQ with VCT education/interpretation coordinator.

STRATEGIC GOAL 3 - FINANCIAL SUSTAINABILITY

Establish a public-private model of administration to optimize revenues and develop philanthropy to support the preservation, enhancement and operation of the Valles Caldera National Preserve.

REVENUE OPTIMIZATION – PERFORMANCE GOAL

Optimize the generation of income from public programs for access and use, to the extent that it does not unreasonably diminish the long-term scenic and natural values of the area, or unduly exclude or limit public access to and enjoyment of the preserve.



- a. Achieve 100% cost-recovery for all expenses associated with revenue-generating public programs by the end of FY 2015.
- b. Achieve greater than 50% occupancy of lodging facilities by the end of FY 2015.
- c. Increase participation in public programs to 80% of capacity by the end of FY 2018 based on supporting infrastructure.
- d. Assure customers will, on average, be satisfied with the quality of their visits and experience and the fees charged based on survey results.

FY2014 GOALS –

- Seek solutions for burdensome processes while ensuring fiscal accountability.
- Implement the strategy for measuring cost recovery on all revenue programs.
- Repair fire damaged drinking water system on preserve to allow occupancy of lodging facilities.
- Redefine capacity for current public programs based on impacts from fire – strive for 50% or > occupancy on all programs.
- Develop an online customer satisfactory survey for all preserve public programs.

PHILANTHROPIC SUPPORT AND COMMERCIAL INVESTMENT – PERFORMANCE GOAL

Develop philanthropic support and commercial investment for the programs and management of the facilities, lands and resources of the preserve.

- a. Continue to recover at least 50% of all costs for restoration and rehabilitation operational and monitoring costs through grants, donations volunteer efforts, and partnerships with non-governmental organizations.
- b. Visitor Center: acquire portion of design costs (site plan, and archaeological surveys with data recovery) through philanthropic and commercial sources.

FY2014 GOALS

- Given successful attainment of >50% cost matching in 2013, in 2014 the trust will continue to recover >50% of all costs for restoration/rehabilitation operational and monitoring. Provide documentation to confirm.
- The Environmental Impact Statement for a visitor center and ancillary facilities and improvements was successfully completed in 2013; in 2014 the trust will initiate the process for survey and design of the visitor center site, with partial support through philanthropic sources.



BENEFIT LOCAL COMMUNITIES AND BUSINESS – PERFORMANCE GOAL

Contribute to the cultural riches and entrepreneurial efforts of the communities surrounding the preserve.

- a. Participate in local and regional tourism committees and partnerships.
- b. Have positive, measurable socio-economic impact at local and regional scales.
- c. Increase the amount of stream discharge from the preserve through the Jemez Valley within restored watersheds by 10% by 2018.

FY2014 GOALS

- Continue to participate and track the levels of participation in local and regional tourism committees and partnerships.
- Continue developing and implementing a tracking method to measure socio-economic impacts at the local and regional scale.
- Continue developing a model to demonstrate the amount of (water) stream discharge from the VCNP through the Jemez Valley by the use of instrumentation and log all data for verification.



Figure 10 – Wood from thinning contracts was donated to a local youth organization



SECTION VII. CONCLUSION

Fiscal year 2013 was another year of successes and challenges. Most of the fiscal year goals were achieved by the trust staff and their collaborators; public activities, forest restoration, livestock programs, scientific monitoring and educational programs were successfully undertaken.

Visitation to the preserve exceeded 98,000 people in 2013, though this was down from 2012's 110,000 visitors because of the preserve's closure during the Thompson Ridge fire in June and July. The livestock grazing program had another successful year, sustaining multiple programs through local private livestock owners, the Jemez Pueblo Grazing Association, and New Mexico State University, and operating with a net financial profit of ~\$5,700 (including cost of scientific rangeland monitoring) after expenses. The trust continues to be virtually the only federal agency to profitably operate a livestock program.

Forest and riparian restoration activities continued in 2013, and the previous forest restoration actions proved strategically valuable to firefighters during the Thompson Ridge fire by providing a safe point to anchor sections of the fire line. Scientific inventory and monitoring continued at a high level, with outside funding from grants to collaborating institutions exceeding \$4.8 million. Public education programs, focusing both on general visitor interpretation and formal class field trips, expanded during the year, particularly with respect to informing visitors about forest restoration, fire ecology and healthy forests and watersheds. Planning activities for future permanent public access and use made major gains, with a completed Environmental Impact Statement (EIS) finished for the new Visitor Center. The DEIS for the proposed Landscape Restoration and Stewardship plan was completed and released for public comment, with a final Record of Decision (ROD) scheduled for mid-2014.

Administratively, the trust performed its required administrative tasks successfully and under budget; the 2013 audit is still underway, but the 2012 audit (completed in FY2013) resulted in an "unqualified" audit opinion (the desired opinion), meaning that the financial statements were reported fairly and accurately.

This fiscal year also brought new challenges, both in terms of natural resources and program activities. In spite of the Thompson Ridge fire that interrupted the summer visitor season on the preserve, public visitor programs continued to function during most of the year. In addition, the 2011 Las Conchas fire that scorched 30,000 acres of the preserve inflicted major impacts on both the natural resources and the business future of the Valles Caldera Trust, particularly due to summer flash floods that damaged and closed transportation arteries on the preserve, further reducing tourist access. However, major activities such as elk hunting and large public events (e.g., the fall Elk Festival) proceeded as planned. Post-fire flooding from the Thompson Ridge fire destroyed the preserve headquarters' drinking water collection system, preventing use of the buildings for overnight activities on the preserve (e.g., the lodge, bunkhouse, A-frames, and other historic cabins). Preservation actions implemented through the BAER managed to prevent floods



from damaging these historic structures, and continued defensive measures will be undertaken in 2014.

The federal budget sequester in 2013 also affected trust operations. The appropriations to the trust were reduced from \$3.4 million to \$3.1 million. To reduce the impacts to public programs and agency function, the trust elected to terminate the lease for its administrative offices in Jemez Springs at the end of 2013 and relocate to the Science and Education Center (SEC), which resulted in the closure of overnight lodging for public school groups and visiting organizations (the former bedrooms were turned into staff offices). This move will result in future facilities cost savings, via reduced costs for leases, utilities and custodial/maintenance staff, but also will result in reduced public access for educational groups (only local day-use groups can now effectively access the preserve) and the resulting revenue losses. The move will also result in a loss of housing for temporary employees and may impact recruitment.

Administrative challenges in 2013 continued for the trust in several forms. First, the Board of Trustees worked most of 2013 below full-strength, with several critical Board positions unfilled. Second, the trust Administrative Officer, who had just started in January 2013, accepted a position with the U.S. Forest Service, leaving the Administrative Officer position vacant as we move into FY2014. Third, the Pueblo of Jemez filed a lawsuit with the U.S. Government, attempting to gain ownership of the preserve based on tribal ancestral use; this lawsuit was dismissed in 2013, but an appeal will likely follow in 2014. Fourth, the US Forest Service's Albuquerque Service Center changed its policy on handling the trust's financial payments in 2013, resulting in the trust having to assume all administrative burdens consistent with the Forest Service in addition to our own requirements put forward by the act. This effectively blocked all the administrative efficiencies incorporated in the Valles Caldera Preservation Act and subsequently developed by the trust since 2002; and lastly, the federal budget sequester, combined with fire-related decreased revenues, led to reduced levels of preserve public programs.

Declining federal appropriations to the trust since 2009 have slowed the pace of development for public access and use infrastructure (visitor facilities, trail heads, parking areas, picnic sites, campgrounds, restrooms, etc.). All assessments (2007 public workshops, 2009 scoping and the Public Access and Use Plan/Environmental Impact Statement) have consistently found that the capacity for expanding public access and use of the preserve (consistent with the protection of natural and cultural resources and values) is limited by the lack of recreation infrastructure. We have made long-term decisions regarding the location and scale of the needed infrastructure; however, the funding (and time) required for architecture and design, environmental mitigation, and construction is significant. While each year we increase the number and types of programs offered to better meet public demand, the broader increases in access remain limited by the current lack of infrastructure. However, the trust is working with available infrastructure resources to maximize public use in the short term; in September 2013, the Board directed the trust staff to develop free, unstructured hiking access from the temporary visitor center in the Valle Grande, and the trust is striving to facilitate increased opportunities for unstructured access as quickly as possible.



The public continues to request increased access to this public lands gemstone. The challenge presented to the staff is how to continue to provide a quality outdoor experience for all while maintaining the unique experience and ecological values that draw visitors in the first place. While some clamor for the access and experiences they enjoy in the more mature and developed surrounding public lands, others appreciate their experience at the preserve. We have a 96% approval rating on Trip Advisor (79% -Excellent, 16% Good, 3% Average, 2% Poor and 0% Terrible). A comment posted on November 11, 2013 states, "*Unlike many other state and national parks Valles Caldera was uncrowded and unspoiled. We didn't see another party on our mountain bike ride. We did see and hear elk and other animals. Great time spent enjoying nature in solitude*" Other comment headlines on Trip Advisor included: "*Eye popping scenery*", "*Fun day to spend with the family*", "*Breathtaking bike rides and nice people*", "*Unspoiled beauty*". We are open 7-days per week during the summer recreation season and offer hiking, fishing and other outdoor recreation activities. Most access is offered first-come, first-served space available with reservations optional. Yet local newspapers still carry articles complaining of lack of public access.

Overall, in terms of land management programs and public activities, 2013 was a reasonably successful year. Challenges from wildfires, the current national economic conditions, and administrative issues were managed by staff, but hindered the programmatic growth of the trust. As the preserve's natural resources heal from the fires of 2011 and 2013, recreational programs will continue to recover in 2014. Continuing forest restoration activities are now proceeding ahead on schedule. The 2014 livestock program is established and ready for implementation in June, and the livestock program continues as a model for grazing on public lands. Planning work on permanent public recreation programs and infrastructure is underway and will be completed by spring, 2015. Science and education programs are functioning at peak levels; the science program is not only supporting science-based adaptive management but has given rise to a high quality youth education programs and interpretive recreation programs. The hunting and fishing recreation programs, well received by the public, continue to lead in revenue production.

Finally, FY2014 is starting out with significant administrative challenges. The trust lost 3 weeks of production during the partial government shut-down in October, 2013. Staffing of key administrative positions and board positions continues to be an issue. The Administrative Officer position remains vacant and our Executive Director has just retired affecting day-to-day operations as well as progress towards comprehensive management. The Board of Directors continues to operate with less than a full complement, lacking the representation for the local government and ranching positions. The lack of capital program funding for infrastructure repair and development continues to slow public access. We are considering several alternatives for restoring our administrative efficiencies while ensuring accountability for public funds. In 2014, the trust will be looking to fill key positions with exceptional people able to lead and support the trust and its stakeholders in this exciting and challenging "*Experiment in Public Land Management*".