



Slocan Integral Forestry Cooperative

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President's Report – AGM, 2012-2013

April 30th, 2013

It's been a busy year. I hope I can sum it up in a few pages and create a picture that serves to inform and inspire.

PROJECTS

SIFCo's Board of Directors remains committed to pursuing opportunities in the Wildland/Urban Interface arena. Community demand for mitigating the risk of wildfires is on the rise, and with good reason. Fuel reduction projects are proving to have real value in the protection of communities against the danger of wildfires.

SIFCo remains uniquely positioned as a community driven, non-profit organization, to provide local communities with the required support to access funds for this work, as well as the capacity to fulfill fuel mitigation contracts.

Silverton/Red Mountain WUI Project

In March 2012, SIFCo signed a contract with the Village of Silverton to deliver WUI work on 47.5 hectares in the Silverton/Red Mountain area. We are now only weeks away from finishing this contract. This year Stephan Martineau, our Business Manager, implemented the use of biodegradable chain-saw oil. Community feed-back on the project has been positive. We have provided months of employment for five workers and continue to support local business with the purchase of supplies. This project will provide a measure of protection against the risk of wildfires to the communities of Silverton and Red Mountain; communities all too familiar with the agony of a summer spent waiting to see what tomorrow's winds will bring.

Slocan WUI Prescription

In November 2012, SIFCo completed a WUI prescription for the Village of Slocan. 80 hectares were assessed, 35 hectares were found to require treatment. Slocan went on to apply to UBCM for funding to treat the area. Their application has been approved.

Biomass Recovery Project

This project began at a Board meeting in February 2012, where Corky Evans discussed the desirability of finding a higher use for the hog fuel generated by local mills. With support from a diverse group of stakeholders, SIFCo facilitated a CBT funded project to research possibilities. Dr. John Paul of Transform Compost Systems was hired and the research quickly

focused on using the hog fuel as one ingredient in a commercial compost project. The final report was less optimistic than the original outlook, due in large part to prohibitive transportation costs.

LOGGING

Our planning process is improving. We are following a consistent approach which provides continuity and many opportunities for the incorporation of community feed-back and priorities. We have stayed true to our commitment to move ahead only when we have local community support.

This year we completed management areas in three of our four geographic areas and have begun the planning process for new management areas in Red Mountain and Winlaw.

EACT: first area to be managed, Trozzo Creek

This area was started in our previous fiscal year, but due to early snowfall, it was delayed and completed in October 2012.

The area managed was in a forest of a larch/douglas fir overstory of approximately 110 years old, over a 60 to 80 year old cedar understory. We left a larch/fir overstory, over an all aged cedar stand. This was accomplished by a first pass partial cut carried out by loggers, Bernie Clover and his son Connor. This area represented a rare opportunity for us to practice the type of partial cutting that we prefer to engage in. Achieving the desired results with this type of harvesting requires a unique perspective and skill set on the part of the loggers. I would like to acknowledge Bernie and Connor for their contribution to sustainable practices, and the years of dedication required to hone their skills.

WINLAW: first area to be managed, Winlaw Creek

This area is quite unique in that it is low altitude, south facing and very dry. Mirkwood Ecological Consultants were hired to assess the area to determine if it should be managed or left alone. Their report recommended managing with a priority on ungulate winter range values, biodiversity, and balancing the forest to hotter, dryer conditions. This meant removing the understory of fir, and leaving the overstory of ponderosa pine. Due to unpredictable winter weather, this area was postponed until January 2013 when Hlookoff Logging was hired to do the work. Our staff developed a good working relationship with Rick Hlookoff and enjoyed working with him and his crew.

WINLAW: potential second area to be managed

Tom Bradley, our Woodlands Manager, is currently exploring several areas up Winlaw Creek, along with Erik Leslie, our RPF. If approved, these will be our first cable yarding areas.

SLOCAN/LEMON: first area to be managed, Ponderosa Forestry Service Road

Tom made an initial presentation outlining this area to the Board of Directors in June of 2012 which was followed up with a community meeting on June 28th. After community approval and a field trip with community members, Tom moved ahead with a site plan for the area. The area was planned as a shelter wood area with seed trees left. Jesse and Tyler Mengler of Iron Peak Logging were hired in December 2012 to carry out the prescription. Another good working relationship was developed.

RED MOUNTAIN: second area to be managed, Alwyn Creek

Tom attended a Red Mountain Forestry Committee meeting in August 2012, to discuss possible approaches to managing this area. This is another Red Mountain area where hemlock has become the predominant replacement species after a series of partial cuts. After input from the RMFC, Tom presented the SIFCo Board of Directors with an overview of plans for the area. The next step in the process was a meeting with the Red Mountain community for final approval of an approach. Red Mountain residents have given their okay to proceed with a patch cut approach that would facilitate the eventual return of a mixed forest. Work will not start in this area until later in the summer of 2013.

SALVAGE OPPORTUNITIES

In 2011, Tom was successful in securing a tenure wide salvage permit held by SIFCo. This paid off in 2012 when three externally driven salvage opportunities came our way and were easily facilitated with this permit.

All three salvage opportunities occurred in the north end of our landbase, two were on the highway and one was a result of the expansion of the Bannock Pit.

MILESTONES AND INTERNAL PROGRESS

Single Cutting Permit

Tom has been slowly but surely moving us towards the goal of a single cutting permit that will cover the entirety of our landbase. A single cutting permit will create efficiencies for us by removing the obligation to apply for a separate permit each time we want to go to work. It will not compromise the high standard of our planning and consultation process. At this time, the permit is approved in principal by the ministry.

Managing Illegal Activities

We are not the only local tenure troubled by the increasing toll taken by illegal firewood gathering on our landbase. Ditches filled with slash that threaten road stability, and evidence of live trees being ringed for future harvest are only a few of the challenges created by commercial firewood gatherers operating without permits or license. Our Board of Directors is engaged in an ongoing conversation focused on community education and finding solutions. We have identified a potential firewood partner who would work with us to provide sustainable firewood for the community at a reasonable price.

Attendance at BCCFA Conference

In May of 2012, Stephan attended the B.C. Community Forests Association AGM and conference. Two of our Board Members, Lesley Mayfield and Moonbow, toured the Harrop Procter Community Forest. All three reported back to the Board with their experiences.

Safety

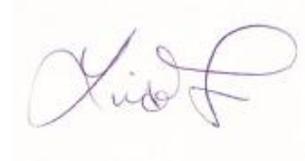
We continue to make a priority of keeping our workers safe. We have passed our third safety audit, maintaining our safe certification.

IN CONCLUSION:

All that we have accomplished this year is a reflection of the dedication of our paid staff and our volunteer Board Members, the cooperation of our membership, and our organization's tireless commitment to the vision that our community has created over many years.

It is not lost on me that this, a financially rewarding year, comes at a cost. Every time I breathe a sigh of relief that we actually have some money in the bank, I am reminded that it is because we have cut down trees somewhere; trees that anchor soil to the mountain side, trees that may have filtered someone's water, trees that need no human definition to determine their intrinsic value. To someone from the outside looking in, my reaction must seem pretty stupid. We are, after all, an integrated forest management company, that is what we are supposed to do, cut down trees. As cutting down trees is likely to remain a significant part of our mandate, it is my deepest intent that we continue to move forward with the highest degree of integrity, that we always remember the trust that our community has placed in us, and that we never take for granted the power that comes with our community forest license.

I humbly submit this report,

A handwritten signature in blue ink, appearing to read "Lisa Farr", is written on a light-colored rectangular background.

Lisa Farr
President