

## Forestry Report – 2017 AGM

### Forestry:

In 2016 the KDCFS Board decided to “sell” Cutting Permit 36, located in Keen Creek. The Board’s decision was based on the belief that selling the CP was a financial benefit to the Kaslo Community Forest, and it removed the risk to KDCFS of selling the logs in the continuing fluctuating timber market present in today’s forest industry. The permit was tendered in the same format as the British Columbia Timber Sales tender their timber sales. Porcupine Wood Products was the successful bidder. KDCFS recovered generally 100% of the forest development costs, road construction costs, received \$7.00/m<sup>3</sup> on the scaled volume for silviculture accrual and a lump sum bonus bid of \$96,000.00 which was net profit.

Logging began in CP 36 in January 2016 and was completed in January 2017. The logging was done by Glover Contracting Ltd and Settle Holdings Ltd. Approximately 42,000-m<sup>3</sup> was harvested. The timber was sold predominately to local mills: Porcupine Wood Products, Kalesnikoff, Vaagen and Stella-Jones. A minor amount of volume was purchased by Waneco Industries. KDCFS is responsible for completing the silviculture obligations; however, it is expected the \$7.00/m<sup>3</sup> silviculture accrual will pay for these obligations. The development, road construction/upgrade & harvesting of CP 36 paid for KDCFS to establish safe vehicle access to the Park boundary, and opened Keen Ck to recreation access again.

KDCFS completed the forest development of CP 37 in the Cooper Creek area. The majority of the development was completed in 2016 and KDCFS has received the required Cutting Permit & Road Permit to begin operating on the permit. However, due to the location and the cost of road construction and subsequent harvesting (a significant volume of the permit requires cable harvesting), the Board is monitoring the log market before they decide to proceed with operations. The CP has a four-year term and road permit does not have any term.

Late in 2016, KDCFS began forest development in the Bjerkness Creek area. The development is now complete and CP 38 has been submitted for approval. The permit consists of three blocks, 10.5-ha and 4,000-m<sup>3</sup>. The plan is to begin harvesting operations in spring 2017. KDCFS also started developing a single block permit on the “Old Wagon Road”. KDCFS anticipates completing the forest development on this permit and logging it in summer 2017.

KDCFS has partnered with the University of BC Forestry department and the Community Forest Association of BC to contract two UBC Forestry Students to work with the community forest for the 2017 summer. UBC pays the students’ wages. KDCFS plans on having the students work with a local forestry contractor to reccu our tenure area to confirm the forest inventory stated in the Timber Supply Analysis completed in 2016 by Forsite Consulting with the ultimate goal to develop future timber planning possibilities. It is also anticipated the students and the contractor will identify and partially develop approximately 25,000-m<sup>3</sup> that can be developed into a cutting permit in 2017. The students will also spend time with Sabrina Mutterer, KDCFS Silviculture Technician/Supervisor.

### Silviculture:

In 2016 we planted 76,156 trees in 11 blocks, or 76 hectares, of which 17 hectares were backlog rehabilitation and 26 hectares were primary plants. 55 hectares were brushed for survival. Overall we had an excellent year for survival and incremental growth due to the availability of moisture through the summer months. We declared 40 hectares free to grow.

2017 will be a low volume planting year with only 21,600 trees to plant in 5 blocks, all of which are fill-plants. Trees on order for 2018 are 159,400.