



Management Team Report – March / April 2019

WOODLANDS

Timber Development

- We are consulting with communities at the North end of the Lake about the Cooper Face development on April 17.
- The biologist report on the eagle's nest in CP 41 came back and he is ok with the development but efforts will be made to relocate the road so it is farther from the nest. The nest will also be inspected for recent activity before road building or harvesting begins in this area.
- The cutting permit for CP 41 Cooper Face has been applied for and it is expected to be issued by May 1st.
- Layout will begin on CP 44 (Nashton) in the next few weeks depending on access and snow levels.
- The FSP is very close to being completed and will be sent to the FSP advisor this week for initial comments and feedback before formally submitting it.
- Talks have been had with tonewood purchasers and field tours will be arranged snow free to evaluate the quantity and quality available.
- We are looking at setting up a temporary scale site in order to process the tonewood. The landings in the block aren't large enough to accommodate an extra sort of this size.

SOCIETY

2019 Business Plan / Sustainability Study

1. Parameters of the 2019 Business Plan: Climate uncertainties and their predicted theories promise a rapidly changing set of new standards in resource management with both environmental and social application. Ramifications to the traditional long-term planning models are heightened risks and loss of timber through modulators such as fire, climatic stresses, mechanical stresses, pathology and others. Setbacks to the economic strategy of market logging would be a necessity to manage for disaster remediation. In view of these unknowns, Management has limited the sustainability exercise to a 10 to 15 year timeframe, which we anticipate to be sufficient to test our threshold profitability at current AAC levels in present-day markets and harvesting methods.
2. Community Core Values/ Management Objectives: The sustainability component of our new business plan necessitates Management to review how well current KDCFS societal core values translate into measurable management objectives that inform net-down options for our sustainability mapping. This exercise will overlay community values over legislative constraints and explore their consequences on our timber resources.
3. Principal venture requirements identified in Phase I ['Review of existing Information']:
 - a. incorporates preventative wildfire planning concepts
 - b. supports intensive silviculture management concepts
 - c. promotes maximum wood fiber utilization and value, including currently classified wood waste
 - d. adapts well laterally within a venture cluster environment to promote economic diversity and integral stability in an unknown future
 - e. matches the KDCFS landbase and will implement with high feasibility in a short timeframe as a start-up cluster component. Suitable to upscale from local to regional marketability.
 - f. is ecologically sustainable and congruent with core community values
 - g. depends on availability of local industrial land for implementation
 - h. has high suitability for local labour force training and recruitment

4. Preliminary strategy derived from Phase I information and Venture considerations :

The following vision informs scheduling in the new 2019 Board Calendar (in AC and SYNC).

Management will:

- a. combine and rephrase existing KDCFS core values into measureable objectives. This leads to a reframed draft of mission and goals to prepare for sustainability mapping. We would like to work with a Board Committee on this.
- b. explore availability of Kaslo Village land for our start-up cluster venture. This site will also house our new sea-can storage unit containing wildfire equipment.
 - i. explore potential for collaboration with BCWFS in establishing a local fire base at this site. This is a recommendation from our LLWPP report.
 - ii. apply for scale site designation with FLNRORD which will legalize the use as a log sort yard.
- c. We have identified a potential business opportunity that would promote use of currently underutilized wood fiber. While it appears to be promising, low cost, and of appropriate scale for the local market, it requires more work to evaluate. Of the shortlisted ideas for value-added operations, this is the one that addresses most of our principal requirements.

While we are open to evaluate all potentially viable options through market and financial sustainability analysis, we intend to spend more focus on evaluating and acting on this venture as it integrates basic needs of other potential cluster components added over time.

5. Projected time line:

We hope to present feasibility and marketability data for a short-list of opportunities by the end of September 2019.

Community Communication

We have held our 2019 AGM on April 10 at JVH School and have received positive reviews for both, Board and Management from our members. 2019 Membership is down to 42 from 83 in 2018 with a total of 25 members in attendance at the meeting.

Internal Organization

Virtual Office: We will prepare an office onboarding session for new directors between the April and May Board meetings and welcome current directors who would like a refresher with our virtual office environment. Mel B Digital will assist with cloud applications and any security issues on director's laptops free of charge leading up to this session. Having the applications pre-installed prior to the meeting will greatly expedite our tour through the virtual environment.

Director's Manuals: We have assembled a manual for each director containing organizational information that will hopefully help with Board governance, Board meetings and scheduling. This information and much more is also available for online reading on both of our virtual office Clouds. We ask the Directors to ensure currency of this manual as desired, since our Business/Society budget is limited to maintaining the paperless virtual environment.

SILVICULTURE

Waiting for spring.



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Management Team Recommendations

- a) that the Board schedule dates for:
 - a) a Virtual Office onboarding session for new directors and refresher for returning directors prior to May 22
 - b) the Policy CTE to prepare a brief introductory summary of governance policies for new directors at the start of this Session
 - c) the LTP CTE to review the management re-draft of societal core values and objectives as well as associated Mission Statement and Goals and create recommendations for May 22 Board meeting.