

Management Team Report Nov.-December 2020

WOODLANDS

2020 Review and Looking Ahead into 2021

As 2020 comes to a close and we look back, it proved to be a difficult year to plan for due to the highs and lows caused by the global pandemic. In the BC forestry sector it caused an early spring recession with very low log prices but by the summer lumber prices were at record highs which were reflected somewhat in log prices. We achieved core planning goals with the renewal of the 2020-2025 Forest Stewardship Plan and the completion of our KDCFS Landscape Level Wildfire Plan. Timber supply expansion is a continuous goal and although small, we managed to integrate 5.2 ha of unallocated land into the license. Despite our tight focus on Wildfire Risk Reduction planning, pursuing grants and ground level implementation, we also managed to advance our standing inventory permitting significantly. Having this inventory on our side provides options to navigate difficult markets and offers a steady work stream and forward planning for our local contractors. We are up to date in our reforestation obligations and plantation maintenance and are adding \$8 of every m3 harvested to our Silviculture Reserve. Communication with our community and especially with our recreation clubs continues to be an important aspect of our work and although Covid required new approaches to these interactions, we managed to keep the communication lines open and even provide field tours to view and discuss ongoing work. On the administrative front we welcomed Alicia Sergeant, our new bookkeeper, and are delighted about the perfect match.

The main 2020 project was the installation of our Kaslo - Shutty Bench landscape level, interface wildfire risk reduction corridor, providing access and fuel breaks above our community in the event of a fire. Delays in the roll-out of the new funding stream meant a later than hoped for start in the season, but we managed to secure better log prices than anticipated. It however also meant we were falling short of the targeted 11,000m3 and a full utilization of the approved \$280,000 WRR grant funding. However, this volume and funding will roll over into 2021 when we harvest the remaining 2000m3 up Branch 7

We have shifted operations into the Schroeder and Milford areas through the winter of 2020/21, taking advantage of \$250,000 FES grant funding and decent Hw prices to continue on our Landscape Level Wildfire implementation there. We also have just been awarded an additional \$229,000 from a new BC Community Forest Association grant stream for our 2021 wildfire risk reduction planning. This means that we will be on track with our wildfire work in 2021 and are able to provide significant local work opportunities for our community. Log prices continue to remain strong into the New Year with cedar holding at \$165/m3 until April 1st. Our Kalesnikoff contract has been renewed until March 1st with Fd increasing to \$115/m3 while Hw has slipped a little down to \$85/m3.

We are looking at a busy year ahead with multiple wildfire risk reduction projects, road construction to access future inventory on the Nashton face and are re-opening access across Lost Ledge creek for wildfire and harvest planning. Our appreciation and thank-you goes out to the KDCFS volunteer directors who have been very supportive as we navigated through the 2020 speed bumps and for their trust as we created footing into the 5-year forward planning.

CP 43 / Wardner-Shutty Wildfire Corridor - Wildfire Risk Reduction Funding at Work in the Community

Water management and final winterization of our CP43 blocks is now complete. We are still hauling logs to the mills from Block 7, which is partially harvested and will be finished in the spring of 2021 together with the remainder of Blocks 4 and 1. Harvesting equipment has been lowbedded from Branch 7 to our Schroeder wildfire risk reduction project for the winter.

CP 42 / Milford/Branch 3 - Schroeder Wildfire Project (FESBC)

Timber Ridge commenced operations in block 7 (Schroeder polygon) this week. The block is 31ha with approximately 15ha being previously harvested through a combination of clearcutting and high grading leaving an over dense, suppressed Hw stand. Overall, earlier stand disturbance has created a Problem Forest Type of low productivity, high flammability and marginal use for wildlife. The Provincial Threat Analysis rating for this area is 'very high', Risk Class 1. FESBC is providing funding to help with wildfire risk reduction operations, which also work towards restoration of stand and ecosystem values. Stand conversion to improve diversity and vertical structure will follow through planting and follow-up density maintenance treatments. The remaining 16ha is a Hw leading type with some nice vet CwFdPwLw for retention.



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CP44 / Nashton (Kemp area) STI

Brenton Industries Ltd restored our Nashton road impacted by the Kemp washout in early spring to provide early summer access for planned STI road construction. Surprisingly after being washed over by the large torrent of debris the existing culvert was salvageable albeit a few small dents at the opening.

Our communications with the VOK CAO continue, regarding shared landbase and mutual planning issues in the Kemp Ck area. Information to Directors is provided in the meeting package.

CP46 Lost Ledge STI

SNT engineers inspected the site of the old bridge crossing on Lost Ledge creek and recommend conducting a Site Plan in the spring to determine bridge size and if the road needs to be re-aligned slightly to accommodate current logging truck configurations.

Management Team Recommendations

A Merry Christmas to our Directors and Community!!