



Management Team Report October-Nov. 2020

WOODLANDS

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

Timber Ridge Contracting has completed clean-up in Block 5 with the hired help of 2 local slashing/burning crew and no time to spare before snow shut down WRR operations. Connor and helping hands Jessie Lay and her partner cleared and raked the recreation trails impacted by our operations. We hired local Timber Falls Forest Services to DTA (Danger Tree Assess) the trails prior to re-opening as advertised on November 13. Everyone felt that it was a project successfully completed.

The snow deferred clean-up of Block 3 and Block 2 (harvested in 2020) into the spring/summer of 2021, together with Blocks 4 and 7, which have yet to get harvested. Sicotte trucks are struggling to haul the last loads up the steep Blk 2 spur as the snow is falling. We are commencing harvest in Block 4 to buffer the area near the Goshawk nest we expect to be active next spring. This will also provide several decks of Fdi to be left on site to trap Fdi bark beetle. Timber Ridge will then relocate to implement the Schroeder Wildfire Risk Reduction project into the spring of 2021.

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

This wildfire project is wholeheartedly supported by adjacent land owners and is funded through FESBC. Much of the timber profile is Hw leading. Our purchase contract with Kalesnikoff expires on December 1 and prices have begun to soften. We will evaluate other offers. Wildlife features have been assessed and a Visual Impact Assessment is underway. This large project will keep Shane and Conner busy into March 2021 and will extend towards the Farr farm. They will then return to the Kaslo Wildfire Corridor.

CP44 / Nashton (Kemp area) STI

We are in preliminary communication with a road contractor to commence road building in 2021. We have decided to replace the culvert damaged in the 2020 Kemp washout to allow earlier access into the Nashton area.

CP46 Lost Ledge STI

Strathinnes spent more time ground truthing the Lost Ledge North polygon for upcoming and mid-term resource management opportunities and findings are promising. We are proposing to re-open rough access into this area in the summer of 2021 to facilitate forward planning and wildfire protection of stands nearing maturity.

Silviculture

We hired a Wildhorse Forestry crew to burn our harvest residue and site preparation piles in the Cooper Face (CP41) and 7 Mile (CP40) area and got surprised by the early snow.



Silviculture survey work is now on halt until May 2021.

Forward Planning 2021

The combined efforts of Community Forests taken upwards by the BCCFA to make provincial wildfire management funding directly available to community forests have been successful. Working closely with the BC Wildfire Service (BCWS), community forests now have new opportunities to access funding to support wildfire risk reduction and create local employment. The main difference being that, going forward, we won't be held to province-wide tendering. The Economic Recovery WRR program will make available roughly 3 million dollars for projects that will achieve objectives 1 and 2.

OUTLOOK Exerpt from BCCFA bulletin:

Covid-19 has significantly impacted economic activity at a global, regional, and local level and many rural communities have endured a significant drop in economic activity. Furthermore, recent wildfire seasons and the significant damage to timber supply and



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infrastructure have put even more pressure on the Forest industry. Uncertainty around the mid to long term timber supply, increasing risk to communities & Community Forests from wildfire, and Covid-19 health concerns have increased the challenges facing many communities. The uncertainties created by Covid-19 have created exceptional circumstances for many people and organizations.

This recent BCCFA statement supports KDCFS Management recommendations in our Sept/Oct Report regarding exceptional global geopolitical/social circumstances exceeding standard deviation providing poor projection to Business Planning and interim Forward Strategy. We therefore envision an interim strategy requiring flexibility is prudent through 2021 to take full advantage of rapid developments and new and safe opportunities within existing policies.



Internal Operations

- ✓ We have sold 19 truckloads of firewood to private and commercial buyers from CP43 to date.
- ✓ We now own a registered scale site attached to our lease at the airport.
- ✓ Our Contingency and Silviculture Term Deposits have paid out. We researched other appropriate investment opportunities with KSCU, none of which however are an improvement over our regular rates.

Resignation: Director Clapp

BC Societies Act Division 2 — Changes Respecting Directors

Resignation of directors

49 A director of a society who intends to resign must give his or her resignation to the society in writing, and the resignation takes effect on the later to occur of the following:

- (a) the receipt by the society of the written resignation;
- (b) if the written resignation specifies that the resignation is to take effect on a specified date, on a specified date and time or on the occurrence of a specified event,
 - (i) if a date is specified, the beginning of the day on the specified date,
 - (ii) if a date and time are specified, the date and time specified, or
 - (iii) if an event is specified, the occurrence of the event.

Designation, election and appointment of directors

42. (4) A designation, election or appointment of an individual as a director is invalid unless
- (a) the individual consents in writing to be a director of the society, or
 - (b) the designation, election or appointment is made at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director.

Society Bylaws:

- 26 (1) The directors may at any time and from time to time appoint a member as a director to fill a vacancy in the directors.
- (2) A director so appointed holds office only until the conclusion of the next annual general meeting of the Society, but may run for re-election at the meeting.

Management Team Recommendations

1. that Treasurer Jeff Mattes replaces Tara Clapp in the list of financial signing authorities in KDCFS business. This will update the list of financial signers to: Steve Anderson, Jeff Mattes, Jeff Reyden, Sabrina Mutterer.
2. that KDCFS bookkeeper Alicia Sergeant is added to the list of financial signing authorities.
3. that the Board ratify Option #1 of the 2021 Annual Budget prepared by Managers
4. that the Board strike a Personnel CTE and prepare a Management performance review