



Community Forest Feasibility Study for the Village of Pemberton

Prepared For:

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1 January 2016

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Introduction

This report examines the feasibility of establishing a community forest in the Village of Pemberton. The study focussed on six main areas of forest around the Village (see Proposed CFA Areas Map in Appendix 2). This report documents the findings of the feasibility study and has been divided into six sections. Section 1 provides a background and context to the feasibility study including an overview of the Village of Pemberton Community Forest Agreement (CFA) and the proposed areas. The second section provides an in-depth investigation of the key CFA areas, by looking at the forest species composition and health, forest road liability, timber viability and problem areas, potential recreation sites and trails, and potential logical areas for addition. Potential business models, partnerships, and community forest organizational structure were examined in section 3. This section introduces some of the views and suggestions made by the public during the Open House and the One on One interviews with community members. Section 4 provides an explanation of the planning requirements, which includes estimated start-up costs associated with putting together a management team for the Community Forest. Section 5, provides recommendations for future action based on the findings of the feasibility study along with the community forest vision, strategy, goals, and objectives. Section 6, the Final Note, wraps up the report with the main findings and final recommendations.

The team to carry out the Village of Pemberton Community Forest Feasibility study is led by Robin Clark, registered professional forester. The team to conduct the Village of Pemberton Community Forest Feasibility study consists of Robin Clark, Weldon Talbot, Drew Oberson, Deborah Esseltine, Peter Ackhurst, Greg Peterson and Bryan Shier. Community input was received through One on One Interviews and a public Open House. This feedback has been incorporated into the body of the report, to supplement each section.

1. Background and Community Information

In 1998, the Ministry of Forests (MOF) initiated a pilot project called the Community Forest Pilot Agreement (CFPA) in order to allow more communities and First Nations to participate in the management of their local forests. The CFA agreements were designed with a five-year period over which time the tenure would be evaluated and if successful a holder would possibly be offered a CFA with a term of 25-99 years.¹

Given the changes taking place in the Forest Industry at the time, in 2001 the Village of Pemberton decided to take advantage of this new opportunity by sending an Expression of Interest to the Minister of Forests in 2004. A New Release from the Ministry of Forest in April 2005 the “The communities of Pemberton, Whistler and Squamish will be invited to apply for a five year probationary community forest licences that will provide each with up to 10,000 cubic metres of timber annually” (Appendix 1).

A meeting took place in July 2006 between Ministry of Forestry (MOF) officials and Village Council and staff regarding the creation of a Village of Pemberton Community Forest. The areas that the Village wished to have assessed for consideration of a community forest are as follows:

- I. From the west side of Birkenhead Lake to height of land;
- II. East side of Lillooet to height of land north to where the Ryan River enters the Pemberton Valley;
- III. West side of Lillooet height of land back to Pemberton (including north and south Miller Creeks);
- IV. Incorporate Pemberton Creek;
- V. North and south sides of Rutherford to height of land;
- VI. East side of Green river to height of land as far as Graval Creek.

In 2007, a timber supply analysis was conducted for a number of Woodlot Licenses and Community Forest Agreement areas. Due to the 2010 Olympics, both funds and progress on acquiring a CFA was limited. However, in 2014 a discussion took place between the Village, MFLNRO and BC Timber Sales to discuss opportunities for partnership. A map outlining the Proposed Area (Appendix 2) along with a proposed Allowable Annual Cut (AAC) of 6500 m³ was provided following a presentation by MFLNRO in 2014.

As a result of the presentations and further information gathered by both staff and Council it was determined that it would be appropriate to undertake a feasibility study. This study would help establish a vision and strategy, undertake preliminary community consultation to determine interest, review the existing tenure areas and timber supply, investigate financial impacts, identify possible business models/partnerships and options for organizational structures. A Request for Proposal was issued in February 2015 to carry out the feasibility study, which was won by

¹ Village of Pemberton Report to Council Community Forest Update. 20 January 2015.

Vancouver-based Robin B. Clark Inc. Natural Resource consultants

Community Forests can mean many things to many people. After looking at the available examples in the province, each community must collectively decide what type of forestry arrangement they wish to pursue. Some communities will take a more traditional approach, deciding to use the forest as a food or fibre source with other values being important, but secondary. Other communities may decide that water quality, or recreation, are primary management objectives and design harvest layouts to reflect this. For long-term viability, a community forest must be economically, ecologically, and socially sustainable.

The community's vision for the forest will shape the financial realities of the organization. The community forest goals and objectives identified through strategic planning will have a direct influence over the expected financial return generated by short- and long-term management.

Goals may include:

- Protecting First Nations' cultural and spiritual endeavours;
- Assuring employment and training for local residents;
- Generating revenue for local infrastructure, and educational and social programs;
- Monitoring and researching harvest and treatment effects; and
- Providing fibre for local value-added manufacturing.

The following sections of this report will lay out the social, economic, and ecological values and metrics for a community forest in the Village of Pemberton.

2. Forest Information

2.1. Timber Viability Review of the Proposed CFA

The tenure area and timber supply review are keys to the long-term success of the community forest endeavor. While it is important to see if the first five to ten years of harvesting looks financially and otherwise favorable, a careful examination of the future timber supply is needed to determine the long-term community forest viability.

The timber viability review included a site visit to Miller Creek on August 25, 2015 by Weldon Talbot, Greg Peterson and Robin Clark. Information provided by BC Timber Sales regarding species mix, timber quality and volumes was reviewed for the areas that have already been laid out for harvesting by a BC Timber Sales contractor. In addition, costs related to road building, timber harvesting and reforesting the areas were assessed. The results of these assessments were summarized and reviewed by Drew Oberson regarding the operating cost and by Bryan Shier for the estimate of log values.

In conjunction with the field exercise to drive all the major road systems looking for potential liabilities, Robin stopped at various locations along each road to see how mapping of the forest types compared to what was onsite. The forest typing of species and ages appear to be reasonably accurate and the forests are healthy with little indication of forest health problems. In general, second growth forests in BC are growing better than anticipated. With warming temperatures and longer growing seasons, the forests in Pemberton, BC may grow faster than current predictions. The older/ mature forests observed are not over-mature and decadent with disease and associated rot. Piles of mature timber cold decked² along the recently felled transmission line corridor are relatively sound and show few signs of internal decay.

Not all areas within the Contributing Crown Forest were visited on the ground, but each area not visited was discussed in a meeting with Weldon Talbot and Drew Oberson. Their direct knowledge of the areas or indirect from contractors who logged similar areas or the adjacent areas indicate that the contributing mature timber and young second growth are viable.

The timber viability has several components that contribute to the overall economic viability of the community forest. Since the profile of the timber is similar for both the five and ten year perspective, a more accurate estimate of viability can be derived by using the detailed timber cruise³ information available for two cut blocks in Miller Creek with a total volume of 29, 733 m³, a bit less than the five year target of 32,500 m³. The Miller Creek main road bisects the cut blocks

² Cold decked timber means that the pile of stored logs will be moved at a later date

³ Timber cruising is an examination to determine the potential value of a stand. It involves selecting a representative sample from a stand of forest and noting the predominant species, their height and diameter, and average quality. While cruising, a forester will also think about issues which may come up during timber harvesting, like threats to animal species which might be nesting in the trees, the ease of access to the site, and the potential for erosion as trees are removed from the site. Once all of these factors have been accounted for, an accurate estimate of the total value of the timber can be made.

and the additional road building required has been determined, marked in the field, and shown on the cut block maps. The fact that the main road bisects the cut blocks reduces the overall costs as this keeps the additional road building to a minimum.

Silviculture is an important term used in forestry, which involves the planting and growing of trees. It begins with the planning required to get the most suitable trees that are an ecological match to the area planned for harvesting. Here in British Columbia, the biogeoclimatic ecosystem classifications of zones, subzones, site series and edaphic grids are used to describe the forested ecosystem. In turn, this is how a prescription is made to ensure that specific trees for planting match the site that is planned for harvesting. In addition to tree species, the elevation ranges, seedling age and quality are also specified in order to allow the trees enough time to grow for prompt post-harvest planting. The Forest Cover Map in Appendix 9 shows the forest harvest history around the Village of Pemberton, giving an idea of the forest age. In general, the trees that are planned for harvesting are the ones that are recommended for replanting. Furthermore, certain trees such as hemlock will regenerate naturally and thus do not need to be planted by hand. Depending on the tree species and local growing conditions, the trees will take 5 to 15 years to grow to a condition referred to as “free to grow” meaning that the trees are of sufficient height to establish with confidence a new forest (or you could say that they are free to establish themselves free from direct competing vegetation).

Harvest Costs

In the base case, contract harvest costs have been estimated from commercial operations. These harvest costs are based on a typical clear-cut operation. These costs reflect all harvest activities (stump to dump), including block supervision and engineering. For the purposes of this analysis it is assumed that an average contract costs \$45.00/m³. This includes costs for insurance, maintenance, fuel (yarding / loading / hauling), sorting and scaling. It does not include any road building costs. The following table shows a breakdown of the estimated contract cost.

Table 1: Average Contract Costs broken down by activity

<i>Average Block- based on average of:</i>	
75% Ground based lead ⁴ :	\$14/m ³
25% Cable based lead ⁵ :	\$22/m ³
<i>Weighted average:</i>	<i>\$16/m³</i>
<i>Engineering</i>	<i>\$4.00 m³</i>
<i>Transport:</i>	<i>\$20-25/m³</i>
Total:	\$40-45/m³

⁴ Ground based lead is done with lower cost equipment on favorable gentle sloping ground.

⁵ Cable based lead is with more expensive equipment suspended above the ground on steeper slopes.

Engineering

Engineering is the planning process done to determine how best to harvest timber in responsible yet economical way. The Management Plan and Forest Stewardship plan are key reference documents. While the initial planning for harvesting is an office activity to examine the areas that have timber old enough and of desired species, most engineering activity is done on the ground. The plans on paper may include an entire drainage, but the on the ground focus is typically for a five year harvest cycle. The engineer will walk the ground to determine the best locations for roads, the methods of harvesting and where best to locate the harvest boundaries. In addition to the survey of roads and boundaries, all streams are surveyed and appropriate buffers are added for protecting streams and species at risk assessments are completed. Following the layout a timber cruise is done to provide information on the volume by species and grade. The timber values, along with other cost estimates, are used to prepare a financial analysis. Other resource professionals such a geotechnical professionals are brought in to inspect the site to determine if the terrain is steep or potentially unstable. The plans are referred to First Nations and along with assessments of cultural heritage. Once all the feedback is received, a silviculture plan is prepared and a formal request to the Ministry of Lands, Forests and Natural Resource Operations is sent for road and cutting permits. Once harvesting is completed, surveys of forest waste and residue are completed along with possible road deactivations. Once all these activities are completed, the tree planting can commence. With numerous variables, the cost of engineering will vary from **\$3.00 to \$5.00 per cubic metre.**

Road Building and Maintenance

The cost of road building and maintenance are highly dependent upon cutting plans and existing road networks. For the purposes of this base case, an estimated annual cost for **road maintenance** is **\$1/m³**, which is derived from maintenance costs typically experienced from similar roads of this quality and location.

Road building would start at a minimum of \$52,000-\$60,000 per km in this area. The lowest average cost is \$52,000/km for easy building; moving up to \$120,000 for technical rock dominated roads. With short yarding, less than 100 m, a maximum of 6000-7000 m³ per km on roads within harvestable areas can be anticipated. This will put the **road building cost between \$5 and \$7per m³**. It can be assumed that all roads are built through areas that have timber suitable for harvesting. Since no roads to be built cross non-forest or young forests, for each km built, there will be 6000 to 7000 m³ developed. Furthermore it is assumed that the Village of Pemberton will choose to harvest all timber regardless of species, as this may be the most cost effective harvest method. In most situations, the harvest method will be clear-cutting and as such all trees are cut and removed. It has been concluded that the existing main road in Miller Creek, while having several steep pitches and switchbacks, was well engineered and constructed.

Stumpage

The Amendment No 4 to the Coast Appraisal Manual will apply to all timber harvested from the Community Forest Licence Agreement. Initial stumpage estimates have been established, using this amendment updated stumpage rate as of March 1st, 2015.

The stumpage rates are as follows:

Balsam	\$.43
Spruce	\$.45
Hemlock	\$.72
Cedar	\$2.06
Fir	\$1.57
Cypress	\$.64

Given that the forest species mainly consists of balsam and hemlock, the anticipated **stumpage is \$0.68 per m³** which equates to **\$4,420 per year**

Lease Costs

Lease costs or **annual rent is \$0.37/m³** of allowable annual cut determined for the community forest agreement area, which equates to **\$2405 per year**.

Basic Silviculture Cost

The silviculture costs include the planning done by a professional forester, the cost of trees and planting them. Surveys follow that may have recommendations for more planting or brushing to achieve the “free to grow” condition.

Using costs that are included with data from BC Timber Sales, the anticipated **silviculture costs are \$5.50/m³** inclusive of any capital requirements.

All the costs are related to the cubic metres harvested. Silviculture takes place after logs are sold, so if there is at least a breakeven, then the funds for silviculture are in the bank. The silviculture costs can vary depending on what the contractors bid to do the work.

Insurance Costs

It can be assumed that average insurance cost is approximately \$2,600 per year (standard liability and firefighting coverage). For road building and timber harvesting, contractors usually carry liability coverage in which the client is covered under the contractor’s coverage. If 6500 m³ per year is harvested, the **insurance cost will equate to \$0.40 per m³**.

Environmental Management/Forest Certification

It is assumed that a one-time cost of \$10,000 is related to setting up and \$2000 per year for maintaining an EMS and eventually establishing forest certification with third party auditing. This would be examined more carefully in the second five-year period as the revenues are generated or an alternate source of funding is found to cover this cost.

Environmental Management and Forest Certification are voluntary systems that can demonstrate due diligence and corporate sustainability. It is a voluntary additional cost and as such it is suggested for consideration in the second five-year planning horizon.

Training, Education and Communication

The cost of training, education and communication activities related to the Community Forest Licence are assigned a ballpark value of \$1/m³/year. These costs are optional and will likely be reflective of the revenue generated. These costs are not intended to reflect the full range of training costs, which may include wages, coordination, and reduced productivity. When a

typical forestry task like tree planting is done by local trainees, the productivity is reduced due to the fact that they are not as skilled and experienced as a tree planting contractor. Additional project funding for studies, job shadowing and other activities may be obtained from other sources such as Human Resources Development Canada.

These activities should be considered as optional until a revenue stream is generated and these activities are evaluated along with other priorities that need funding.

On-going Management and Administration Costs

While the cost of on-going management and administration costs will vary depending on the business model and possible partnerships, operating the community forest will be another expense. The small annual harvest of only 6500 m³ per year puts the cost per cubic metre of even part time staff in the range of **\$7 to \$9 per cubic metre for management and administration or \$45,500 to \$58,500 per year in wages.**

Other management expenditures to consider are fixed assets and working capital. Apart from computer equipment the fixed assets are minimal. Since the harvesting activity will be done with contractors, no working capital is required. In regards to financing the road building and logging, the contractor can often cover those costs until revenues from log sales are generated.

Contingency

A forecast of costs typically includes a contingency. If the forecasts are all correct or balance each other out, then the contingency is profit. Typically though a projected cost is underestimated or a new and unanticipated cost is added to the list. One example might be the cost of insurance, where a decision is made to have more comprehensive coverage than was originally intended.

The contingency cost is **\$2.40 per cubic metre.**

The start-up costs are a one-time expense and are explained in Section 10.

Overview of the Miller Creek forests and Timber Values

The boundaries of accessible timber in Miller Creek that could be economically harvested in the first five year cut control period was laid out and timber cruised by a BCTS contractor. It is not known if BCTS would want to recover their development costs should they not be involved in the sale of the timber. With an AAC of 6,500 m³ annually for the 5 year cut control period that would amount to 32,500 m³. Two potential harvesting areas for the first five years were located within the lower Miller Creek drainage. The timber cruise that was completed provides an estimate volume by type and in each type volume, by species and grade.

Observations that informed these estimates include:

1. The knots were not overly large on lower portions of the trees;
2. There is little or no conk or other defects present in the stand;

4. Saw-logs have relatively little internal decay as indicated from right-of way logs;
5. The ground is steep but not rocky or broken, so breakage should be minimal; and
6. The stand is densely stocked so the net volume is high at 585 m³/ha.

The three-month average market values by grade published by the Ministry of Forests were used to assign values to each grade.

For the first five years, one or two cut blocks totalling 32,500m³ should be prepared for harvest. Depending on market conditions, the Miller Creek blocks (MI100 and 103 developed by BCTS) could be a proxy on the expected value and revenues. It should be noted that this is revenue absent of costs and should not be confused with the net return. Layout of the roads and block boundaries well in advance of anticipated harvest will also help to ensure that the harvesting is economically viable.

Table 2: Miller Creek Valuation based on existing cutblocks MI100 and MI103

Miller Creek Valuation			
	Volume (m ³)	Value (\$/m ³)	Revenue (\$)
MI100	10346	\$ 80.00	\$ 827,680.00
MI103	19387	\$ 75.00	\$ 1,454,025.00
	29733	\$ 76.74	\$ 2,281,705.00

Overall Economics of the Community Forest

While the figures accumulated are preliminary and require refinements, they are sufficient to indicate a trend of caution. The table below is a summary of the anticipated costs and revenues per year for the first five years harvest. This table does not include Environmental Management and Forest Certification costs, as they are proposed for review in the second 5-year period.

Table 3: Anticipated cost and revenues for the first five years of harvest.

Description of Annual Anticipated cost	Cost per m ³	Cost based on 6500m ³
Timber harvesting and associated costs	\$41.00	\$ 266,500
Engineering Costs	\$4.00	\$ 26,000
Road Maintenance	\$1.00	\$ 6,500
Road Building	\$6.00	\$ 39,000

Stumpage	\$0.68	\$ 4,420
Lease Cost or Annual Rent	\$0.37	\$ 2,405
Silviculture	\$5.50	\$ 35,750
Insurance	\$0.40	\$ 2,600
Education and training \$1.00 optional	--	--
Management and Administration	\$ 8.00	\$ 52,000
Contingency	\$2.40	\$ 15,600
TOTAL ALL COSTS	\$69.35	\$ 450,775
AVERAGE NET STAND VALUE	\$76.74	\$ 498,810
NET RETURN	\$7.39	\$ 48,035

Fixed costs over a five-year period

The situation regarding the feasibility of a Village of Pemberton community forest is unique in that the planning for the first five years of potential harvest in Miller Creek has been completed by consultants working for BC Timber Sales. While the current economic analysis indicates modest revenue, things can change in the year or more it will take to complete a community forest application process. In addition to the start-up costs, there would be annual fixed costs associated with having the tenure shown in the table below assuming that harvesting plans are delayed. The annual rent is not avoidable, but insurance costs could possibly be reduced. Contingency is not a true fixed cost but likely \$0.50 per cubic metre makes sense for budgeting purposes as some administration and other costs would be required even if there was no harvesting activity.

Table 4: Annual fixed costs over a five-year period

Description	Annual Cost	Five Year Total
Annual Rent	\$ 2,405	\$12,025
Insurance	\$ 2,600	\$13,000
Contingency @ \$0.50	\$ 3,250	\$ 16,250
TOTAL	\$ 8,255	\$ 41,275

The main reason for delaying the harvest would be poor log markets. Fortunately, the annual harvest of 6500 m³ can be accumulated annually and cut anytime within the first five years.

2.2 Identify potential CFA recreation sites/trails

Inclusion of Potential CFA Recreation Sites

The inclusion of additional area for to the community forest was discussed with representatives of the Ministry of Forests, Lands and Natural Resources Operations. The offer from the Ministry is restricted or bound by a Forest Act Regulation related to Allowable Annual Cut. Since additional area for recreation would potentially add more Allowable Annual Cut, the only way to add more area for recreation is to remove existing forest management area that is within the current offer.

Legal Mandate

A Community Forest Agreement does not secure any legal authority regarding the management of old and/or the creation of new recreation trails within the proposed community forest area.

The Forest and Range Practices Act (FRPA) and its regulations govern the activities of forest and range licensees in BC. Sections 56 and 57 outline the legislation regarding trails.

Section 56 is an approval from the minister to establish the site/trail as tenure and enter into an agreement, set objectives, enforce rules with high recreation values. Recreation trails established under this section must receive consideration in resource planning and have some protection from resource extraction activities. Trails are usually designated under this section when entered into a partnership agreement with an organization to maintain the trail.

Section 57 is authorization from the minister to construct, rehabilitate or maintain a trail. Under this Act, “unless authorized in writing by the minister or another enactment, a person must not construct, rehabilitate, or maintain a trail or other recreation facility on Crown land.” This section is used to grant third parties permission to build trails, but does not grant any protection for the trails.

Partnership & Creation of Trails in the Community Forest

The BC government manages and maintains many recreation sites and trails on Crown land through partnership agreements with local recreation groups, forest companies, First Nations, regional districts, private contractors and other parties. The partnership agreements are with Recreation Sites and Trails BC (RSTBC), formerly part of the Ministry of Tourism, Culture and the Arts. Agreement holders are responsible for managing recreation sites and trails to the standards specified in their partnership agreement. The government typically also provides liability insurance to the agreement holder. Opportunities to manage recreation sites and trails under partnership agreements are often advertised in local newspapers through a Request for Proposal (RFP) process.

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Existing Trails Modifications due to Harvest

If and where trail modification may occur due to harvest operations, there should be reasonable efforts to communicate with individuals or groups associated with these features throughout the planning process prior to the commencement of timber harvesting and road construction activities. A map prepared by the Pemberton Valley Trails Association shows the extensive network of exiting trails in the area (Appendix 6).

Until such time that these trails are legally established, with objectives, the trails should be restored to a condition that allows for their continued intended use. This is currently a dynamic process and is dependent on evolving objectives and harvest patterns. This may include suitably relocating the trail(s) and the removal of debris (logs, slash and limbs) associated with timber harvesting operations. Once legally established, these trails should be managed according to the associated objectives.

Except during periods of active timber harvesting, these trails shall be open and accessible to public use. Access management of the trail will be required considering the significant risk to public safety during active operations.

Potential CFA recreation sites and trails from the One on One Meetings

Allowing for the potential to stretch the community forest boundaries for recreation value, the Robin Clark Inc. team asked interviewees to identify areas for inclusion in the Community Forest.

The idea of recreation centered around trail development for mountain biking, horseback riding and alpine hiking. Within this idea was a desire to preserve and enhance wildlife habitat and migration.

The need for a recreation usage plan was predominant with many of the interviewees outspoken in seeing unsanctioned and unsustainable trail development that has had negative environmental impacts. Conversely, they also looked at this as an opportunity to set trail

development standards that protect conservation values and promote sustainability while providing access to areas that meet local trail-user needs and enhances tourist attraction.

The main area suggested for inclusion were along the base of Mt Currie running from the Green River bridge, through Nairn Falls and around to Shadow Lake; encompassing areas of harvestable timber with potential recreation development. The addition of area is constrained due to the fact that deletions are required from other areas in order to add additional areas. In order to secure the areas further away, the areas closer to the community would have to be left out.

Open House

At the Village of Pemberton Open House, many people were interested in how the Community Forest would affect recreation in Pemberton. One individual had suggested that a gondola be built in the Community Forest for recreation purposes, similar to that of the one in Squamish. Others felt that that Community Forest could serve a valuable role in facilitating a dialogue around recreation trails.

On the topic of recreation, there was also interest in paraglide launch site opportunities in the Miller Creek area. Currently there isn't anything easily accessible for paragliders, but a site on the Miller Bench has been identified as desirable. Individuals opened up the discussion of access roads to the paraglide launch site above the Mackenzie Basin. They noted that they had been approached by BCTS about the potential deactivation of the upper launch road access after harvesting is completed on a cut block that will be tendered this fall. This brought about the concern of road permits, liability and maintenance responsibilities and how recreation user groups mitigate and fit into forestry access, operations and road deactivation.

2.3 Identify potential problem timber areas with the MFLNRO suggested CFA areas

Robin Clark, along with Pemberton residents Weldon Talbot and Drew Oberson and with input from resource professional team member Greg Peterson, potential problem timber areas were examined and discussed. The objective of the discussion was to potentially exclude large areas due to items such as Old Growth Management Areas, highly visually constrained areas, wildlife habitat areas, non-timbered areas, etc.

While the community forest area offered is 12,925 hectares, it is highly constrained. The summary below shows a breakdown of the forest contributing and non-contributing areas.

Contributing Crown Forest	1941 ha
Non-Contributing Crown Forest	6700 ha
Other (rock, ice, non-forested)	4284 ha
Total Community Forest Area	12,925 ha

While it would seem logical to remove areas that are constrained, none were considered to be a problem. Contributing forest is the area of forest where timber harvesting will take place.

Non-contributing forest are the forested areas that are constrained from harvesting (ie. habitat protection).

Pro's of retaining the proposed area

The ability to have some control over the long-term care and input on management of these areas is seen as beneficial. As the forests evolve over time, they may be subject to negative impacts from fire or insect diseases, so including these areas in the community forest is preferable. Even the non-timbered areas have recreation potential and were not viewed as a problem for inclusion.

The large geographic area around the community sends a clear message that the Village of Pemberton is concerned about its community and the surrounding area. While the community forest tenure has limits on what it can legally enforce within the boundaries, the fact that an activity is proposed in the community forest will have weight in the public forum. With the currently known list of species at risk found within the boundaries funding for research and collaboration with agencies and universities could potentially be revenue generating and draw revenue to support businesses as well.

The large area of non-contributing and other is of prime interest to environmental organizations that may oppose timber harvesting. The large portion of area designated for protection is a positive reflection on the community forest activity.

Should the community forest want to actively manage non-timber forest products (NTFPs); there is a large area in which to be involved. Many other community forests manage for NTFPs by issuing permits to individuals or small companies. In doing so, this helps to keep a record of who uses the forest and what is collected. Issuing permits is also a valuable method to prevent destructive or damaging harvesting.

Con's of retaining the proposed area

The con's of retaining the proposed area are less obvious as none were suggested during the One on One Meetings or Open House. Since the community forest licence is only mandated to manage timber and non-timber forest products the issue of not managing recreation, like mountain biking may be seen as a failure to act by the community.

At the Open House, maps showing the forest constraints were shared with community members. There were no comments suggesting that these areas are problematic and/or should be removed.

2.4 Identify potential liabilities with the MFLNRO suggested CFA areas

Weldon Talbot, Drew Oberson and Robin Clark were responsible for identifying potential liabilities with the MFLNRO suggested CFA areas, since they were familiar with all the major road systems. By viewing the maps of the forest roads with Robin, Weldon and Drew did not think that there would be a liability concern.

The major road systems in the proposed community forest area were explored and a photo essay for each road (Appendix 7). The roads assessed include the Owl Creek FSR, the Miller Bench FSR and the McKenzie Basin FSR. The focus was primarily road and bridge related liabilities but other minor issues were noted such as the general road condition, the need for water bars, and cleaning of culverts. Since no roads come with the CF, all take over of roads would involve a road inspection prior to any change in status. No potential liabilities were identified.

A key aspect related to potential liabilities is the road permitting process. All forest roads, except those crossing private land, are held under a road permit granted by MOFLNR. If a community forest licence is awarded, none of the existing road permits are transferred with the licence. The road permit holders include BCTS timber sales, woodlot holders, forest service roads and active forest licences under the Lil'wat Nation. The total road tenured is 76.3 kilometres. Road permits can be reviewed on a permit by permit basis and an assessment can be made on whether to take over the road and its associated liabilities after the licence is awarded, or closer to the time when an area is being planned for harvesting.

In addition to road permits, there is 9 km of roadway tenure related to the IPP in Miller Creek. The majority of road in Miller Creek drainage is held under a long-term road use agreement. Since Innergex Renewable Energy maintains the road in good condition for access to their power generation infrastructure, it would not be a road system that the community forest would want to be responsible for.

The organization or company that holds the road permit is responsible for the repairs and maintenance. In turn they would negotiate a road use agreement and develop a contract with a user that includes a road use charge.

2.5 Identify potential logical area additions within the Soo TSA

The discussion regarding potential logical area additions was prompted by the shortfall in the Allowable Annual Cut offer in April of 2005 to “provide up to 10, 000 cubic metres of timber annually” (Press Release in Appendix 1) and the current offer of 6,500 cubic metres of timber annually.

In meetings with representatives of the Ministry of Forests, Lands and Natural Resources Operations, the process and formula for calculating the offer of 6500 cubic metres was explained. A more detailed explanation can be found in the Forest Act from March 2009, titled *Allowable Annual Cut Administration Regulation*. In making the offer of area and volume for the community forest, the Ministry staff is bound by this legislation.

The 93,000 hectare Soo TSA from the 2011 Timber Supply Review has an Allowable Annual Cut (AAC) of 480,000 cubic metres. By dividing the AAC by the area, 5.16 cubic metres is the average volume per hectare per year. A 10,000 cubic metre harvest would then use 1941 hectares of contributing Crown forest.

The next step in the process of identifying potential area additions was to locate a suitable area of Crown land in and around the Village of Pemberton that is not already allocated in an

area-based tenure. The planning map in Appendix 3 shows the distribution of woodlot licence boundaries, conservation areas, recreation areas, and land base classification.

The contributing Crown forest of 1941 hectares was then analyzed using software to look at the species, age and site productivity of each forest type. With this information, the Allowable Annual Cut can be calculated. Unfortunately, the site productivity of the forests surrounding Pemberton is only growing at 3.45 cubic metres per hectare per year instead of the Soo TSA average of 5.16 and hence the resulting Allowable Annual Cut is only 6700 cubic metres.

Further constraint on obtaining more AAC, which some of the One on One interviewees felt was warranted or was offered, is that there isn't any unallocated Allowable Annual Cut to offer. This would mean that if more is offered, someone or everyone operating in the Soo TSA would be required to harvest less.

However there is the possibility that the Allowable Annual Cut of the 1941 hectares area offered could be increased over time. These increases could be a result of a new inventory showing higher productivity, harvesting of areas currently classified as being Non-Contributing Crown Forest or through utilization of innovative management that would enhance constrained areas. In addition, forest management activities such a spacing and fertilization can potentially increase annual growth, and once documented, can be used to increase the Allowable Annual Cut.

Further Clarity on Logical Area Additions

The area inside the proposed community forest has 1941 hectares of contributing forest. That is the maximum area by regulation that can be allocated. If a logical area for addition was located, then an area currently identified would need to be deleted to keep the contributing hectares at 1941. Since the 1941 hectares are those closest to the Village of Pemberton it was did not seem to make sense to delete these in favour of areas further away. As for the non-contributing lands there are already 6700 hectares plus 4284 hectares of other rock, ice and non-forest so adding more to this was not seen as logical.

Re-charting of the TSA and potential for additional area

A comment regarding the re-charting process indicated a potential for additional area to be added to the community forest. In general the process of re-charting involves meeting with licencees to see if their chart area is sufficient to meet their future harvesting needs. In addition to being bound by regulation on the proposed area of the community forest, an AAC calculation was recently completed to show that the contributing forest can support a 6500 m³ annual harvest.

In conclusion, the process of re-charting of the Soo TSA will not add additional area to the community forest.

3. Management Considerations

3.1 Potential Business Models/ Partnerships

Possible models for organization may be through equal partnerships with BC Timber Sales (BCTS) and/or Lil'wat First Nation. If an equal partnership were the chosen model, this would include the formation of a Community Forest Steering Committee that contains an equal number of members from each organization. The committee may be made up of a combination of interested community members, staff and elected officials. Additionally, an advisory council would need to be established, consisting of resource management experts and local operators to provide specialized advice to the community forest committee. This steering committee may be created to act as an advisory through the whole application process.

Potential objectives may involve, but are not limited to, the following:

- Practice ecosystem-based and sustainable forest management while encompassing the local socio-economical and First Nation's values in the Pemberton Valley;
- Incorporate the Mount Currie Cultural Heritage Resource Plan (CHRP);
- Protect drinking water (Pemberton Creek Watershed);
- Reduce wildfire threat through forest management in the Wildland Urban Interface;
- Manage effects on viewscales through Visual Quality Objectives;
- Promote wildlife habitat and ecosystem restoration;
- Improve biodiversity and forest health;
- Protect and enhance wildlife and fish habitat;
- Increase recreation and tourism through management of a forested trail system (for snow mobiles, horses, mountain bikes, and hiking trails);
- Improve botanical forest product production (mushrooms, traditional berries);
- Utilize innovative harvesting techniques as required; and
- Pursue forest certification.

Potential Business Models/ Partnerships from One on One Meetings

The undertaking of a Community Forest requires a great deal of expertise in a variety of areas in order to strategically plan and manage short and long term operational objectives.

The Village of Pemberton has several business model/ partnership options that were explored during the interview discussions:

- Go it alone- the size and scope of the VOP CF is similar to a large woodlot wherein a consultant, manager or managing company could facilitate the planning and management. This was the least attractive to those interviewed as it was felt that there would still be a need for significant support from VOP administration and would

potentially not be as cost effective as an operating partner with expert staff support. While these are valid points raised, the Village could retain a professional forestry team to implement an effective management of the Community Forest.

Pro's of this option include 100% control of all aspects. Ability to hire either a contractor or staff to manage the community forest, decide on how contracts for operations are to be awarded, the Board of Directors for the legal entity are all hand-picked or could be elected.

Con's of this option include the lack of strong negotiating ability since the annual harvest volume is quite small in forestry terms. For example, an annual harvest of twice the size would cost a similar amount per cubic metre to operate but would generate double the income. Community members may demand more on how things should be done and how revenues should be allocated. Additionally, this may put stress on the limited resources the Village has and may increase staff workload due to the lack of expertise within staff to facilitate the operation and the cost of hiring a consultant or a staff member with forestry expertise.

- Lil'wat Nation- citing cultural appropriateness, territorial rights, mutual values and current strong economic and operational forestry division effectiveness within the Lil'wat Nation was a natural choice for many of the interviewees. Many community forests in BC have First Nation partnerships and the consultant team would agree with the interviewees and the reasons for their choice.

There is also potential for increasing the annual allowable cut with a similar or greater contribution of timber to the partnership.

Lil'wat Nation's objective is in maximizing control over their Territory. By partnering, it would allow Lil'wat a level of additional control over the combined AAC. Although there was some reservation in terms of establishing an equitable working relationship, this would be an opportunity to strengthen the connection between communities and establish a platform for business-to-business transactions.

Pro's of this option include a much stronger position on negotiating the operating costs and the market price for logs. Since the Lil'wat Nation has contracts for much larger volumes a logging operator can settle for a lower cost when they have more volume to harvest. Similarity when a large volume of logs, or a steady flow of volume is offered, a longer-term and often more favourable rate can be offered. Lil'wat Nation already has a forestry department with trained staff to oversee forestry operations in a cost effective manner.

Con's of this option include the loss of control in decision making. Since Lil'wat has all the expertise, in house, and can run the operations efficiently, the Village of Pemberton would give up control on day-to-day operations, but would still have equal input on overall management strategy. Demands for input from the two different community members may be conflicting or more difficult to accommodate.

- **BC Timber Sales-** This crown corporation has a mandate to manage 20% of a timber supply areas Annual Allowable Cut. In a 2014 review of its practices, a directive was issued to ‘sell the full BC Timber Sales’ apportionment’ as it had not been able to meet this objective in the past.
BCTS’ inability to meet its objectives were set forth by industry professionals for BCTS not being an ideal partner.

Additionally BCTS cannot partner in a legal entity (such as a corporation), their capacity is in the management, sale and profit sharing of the timber within the community forest tenure.

These points were highlighted in a presentation by BCTS to the Village of Pemberton Mayor and Council on July 21, 2015. From the PowerPoint Presentation, the benefits of a partnership were noted as:

The slide is titled "Benefits of a Partnership" and features a light blue background with a white header. The title is centered at the top in a dark blue font. Below the title, there is a list of three main bullet points, each starting with a red dot. The first bullet point states that the overall volume in the community forest agreement (CFA) increases. The second bullet point states that BCTS can provide services to Pemberton, including assuming liabilities, sharing costs, developing plans, and providing capacity. The third bullet point states that this partnership guarantees Pemberton will sell the agreed-upon volume annually with minimal effort.

Benefits of a Partnership

- Overall volume in the community forest agreement (CFA) increases.
- BCTS can provide services to Pemberton including:
 - BCTS can assume all liabilities, e.g. silviculture liabilities.
 - Sharing of costs pertaining to road and infrastructure maintenance, upgrading and replacement.
 - Development of forest stewardship plans, management plans etc.
 - BCTS can provide capacity in developing and engineering the blocks.
- Guarantees Pemberton will sell the agreed upon volume annually with minimal effort.

In short, the BCTS has the capacity and resources to do all the forest management aspects of the community forest. BCTS has expertise in planning and operations and retains forest management consultants to layout the timber sales they sell. There is the potential of additional AAC allocated from BCTS to increase the timber harvest availability.

This potential partnership would be worthwhile to compare with other options but it all comes down to the details of exactly how the liabilities, shared costs, development of plans and engineering of blocks would be done and how the cost sharing would be determined. Furthermore, how and in what ways would the input and approval on overall forest management be administered and agreed upon. Lastly, there is the issue of revenue sharing and the possibility of a loss. With constraints by BCTS to accept the lowest bid on sales it is unclear how a profit sharing agreement would be

structured. It all comes down to risk and whether the potential on the revenue side outweighs the potential of any losses.

Forthcoming legislation provides for BCTS to have a timber reservation designated within a community forest and although having them as active managers of the community forest as a whole is not ideal, there will need to be an understood relationship or cooperative agreement established that would allow the community forest some control of BCTS activity.

Pro's of this option include the expertise that BCTS can bring to the overall management of the community forest. They can assume the silviculture liability and share costs related to roads. They can also do all the planning and engineering along with ensuring all the permits applications are prepared and approved. They auction the timber and manage the operations and follow up silviculture.

Con's of this option include a little direct input to the process. The method of timber disposal is very prescriptive and follows government regulation. Forest management consultants report to BCTS and are selected via a bidding process. Contracts for harvesting are by regulation awarded to the lowest qualifying bidder. BCTS was not seen by the interviewees and those that attended the open house as a viable option as a partner.

- **Forest Company-** Few local forest companies remain in full operation. The current staying power of those that are in operation speaks for itself in light of the volatility and challenges that the forest industry has faced over the past fifteen years. However, not much discussion has taken place in recommending any particular one as a partner.

Further direct discussions with Lizzie Bay Logging company revealed that there was a willingness to be a part of the community forest development process to determine if partnering with a logging company would be a good fit for the Pemberton Community Forest structure.

Pro's of this option include the opportunity for direct negotiations on every aspect of managing the community forest. The Village of Pemberton input can be a little or a lot and can change overtime with mutual agreement. Forest companies are profit driven and depending on the total volume they control, they can negotiate low operating costs and favourable log prices. The partnership could create training opportunities for community members.

Con's of this option include a less than favourable response from community members who do not think a forest company should be trusted as a partner. A partnership with a forest company seems not to align with the spirit and intent of a community forest.

Costs associated with establishing each model and how it would impact the net return.

The options to “Go it Alone” or partnering with Lil’wat Nation or a forest company all require the formation of a legal entity. It is not required for BCTS but a comprehensive agreement to do business with them would require and similar effort of time and expense. The net return to the Village from each option is much more difficult or impossible to predict especially when it comes to attaching a dollar value. The table below indicates the best guess as to how each option might look like and why.

Table 5: Partnership models and associated net return

Organization	Net Return	Reason
Go it Alone	Slightly Lower	Lacking expertise and low volume for negotiation
Lil’wat Nation	Slightly Higher	Expertise and other volume for negotiation
BC Timber Sales	Varies from Lower to Higher with each sale	Revenue depends on the price bid for the timber
Logging Company	Slightly Higher	Expertise and other volume for negotiation

Awarding Timber Cutting Contracts from One on One Meetings

The overall response from the interviewees was that the Community Forest would need to be profitable and that although hiring local would be ideal, it should not be done at the expense of the Community Forest’s viability.

That being said, most thought that local contractors would have the best knowledge of the local area, its profitability and would most likely provide the best contract bid. For local First Nation and forestry company operations, it is in their best interest to generate income for business sustainability. Controls could be put in place to ensure local access to timber supply and first right of refusal for specific species and quality of timber.

With the BCTS activity that would take place within the CF, there would be pressure to ensure that Timber Sales are Category 2, requiring the bidder to be in conjunction with a wood processing facility and not have an Allowable Annual Cut greater than 10,000 m³.

The idea that the CF would create more jobs by hiring local seemed to be “a wash” in that there wouldn’t be significant growth in work load, but could provide stability for a longer working season.

Revenue from the Community Forest from the One on One Meetings

The overall response regarding income generated was focused on reinvesting in the vitality of the Community Forest to ensure prompt regeneration, maximum growth rates and longevity of harvesting potential.

One interviewee suggested that any residual income recovered through creative management and potentially additional forest activities could be designated back into the community in a long-term community fund to supplement not-for-profit needs and in support of forestry education initiatives.

Open House

Many Pemberton residents who worked in the forest industry visited the Open House and voiced their ideas. Some of these residents said that they would be interested in a community forest to partner and work together with, as they harvest their own cut blocks and have a license to cut.

Furthermore, one suggested that ‘no formal proposal should be attempted until Lil’wat Nation has signed and agreed to the Community Forest’.

3.2 Organization Structure

The desire to develop a Community Forest is driven by a member or members of the community that envision the benefits and have the passion to be a part of the local forest industry.

Through dynamic leadership, a Community Forest can attain and engage community participation, including First Nations. It can advance the understanding in the value of undertaking the risk of managing a resource industry that may not generate large monetary returns, but in turn supports the community from a more holistic view.

A collaborative approach is essential and should include a range of viewpoints and perspectives that create an atmosphere of ownership and empowerment. In order to ensure that there is effective collaboration, some communities have established a working or steering committee that is made up of representatives from local government, First Nations, the forestry industry and conservation groups to act in an advisory capacity and provide guidance as part of the development of a Community Forest Application. The Village of Pemberton could consider this approach as it would support the community engagement aspect of the application requirements and show that community input is part of the Community Forest’s mandate from its inception.

The legal structure of a community forest must reflect the values and needs of the community. Independent legal advice is required to understand the most appropriate legal structure that clearly defines the purpose of the legal entity and ensures that the legal language aligns with the proposed operational activities.

There is much to consider in deciding the legal structure of a Community Forest. Whether it is a partnership, limited partnership, corporation, society, cooperative, municipality, First Nations or a combination of these, each enterprise has tax status implications, decision-making efficiencies or inefficiencies, community consultation requirements, relevant legislation and capability for conflict resolution.

The many models of legal structures developed by Community Forests across BC are indicative to their business operational vision and how it will be managed.

A Community Forest board of directors is shaped by the legal entity and it *'holds the ultimate legal and ethical responsibility for everything that goes on in the organization. It has a leadership role to govern in the organizations' best interests.'*⁶ The board of directors develops what is to be achieved and management determines how it will be done.

Boards of directors can be recruited from the community at large, local governance, First Nations and municipal councils.

It is important to ensure that a board of director's recruitment policy is in place and that all new directors clearly understand their role as a member of the board. It is essential that their involvement is to develop board level policies that identify the values of the community wherein the management will develop operational policies that layout how operations will mitigate these values.

The structural integrity of the Community Forest is what ensures it's success and time must be taken to identify what that is. However, a Transfer Regulation⁷ now offers opportunity to make adjustments to the legal structure or tenure ownership. In the event that one of the business structure models was not appropriate, there is the opportunity to change models to another business structure.

Transfer Regulation

It is now possible for the holders of Community Forest Agreements to change the legal structure of their community forest or to transfer the tenure to another entity. Changing names is also possible. For example, if a municipality was the sole shareholder when the Community Forest Agreement was awarded, it may request a tenure transfer on the basis of the following scenarios:

- It wants to move towards a corporation with multiple shareholders.
- It wants a limited partnership with other partners (First Nations, regional districts, etc.).
- It wants to create a new corporate entity in which it is either the sole shareholder or one of several partners.
- It wants to change to a society or co-operative structure.

Other examples include:

- Changing from a non-profit society to a corporation controlled by the municipality;

⁶ & ⁴ The Community Forestry Guidebook II <http://bccfa.ca/pdf/Final%20Guidebook.pdf>

- Changing the minority number of the shareholders; or
- Changing the name of the organization to reflect an evolving image or need.

Transfer of Community Forest Agreements

Under Section 54.4(1) (b) of the Forest Act, a Community Forest Agreement can be disposed of to a person or legal entity if:

- The Minister is satisfied that the Community Forest Agreement is substantially controlled by the same person(s) that controlled the Community Forest Agreement before the disposition; and
- The new person or legal entity meets the requirements of Section 43.2(3) of the Act.

(1) The above information and Transfer Regulation quote is found in the Community Forest Guidebook II – Effective Governance and Forest Management.

It is highly recommended that this is read and understood as it provide in-depth detail of community forest governance along with examples of how other BC Community Forests have developed, their structure and the policies that they have put in place.

4. Planning Requirements

4.1 Estimated Start-up Costs

The estimated costs to obtain the Community Forest license can be easy to compile, but depending on the structure selected, these costs could vary considerably. For example, if a partnership is selected, there is the cost to create a new entity, but the costs of start-up are shared with the partner. In some existing community forests and the CF Guidebook produced shows costs of start-up of \$100,000. For other communities, the start-up was done with existing staff from the community and/or volunteers at little or no cost.

Many Community Forests establish a Steering Committee that include members that have a broad range of interests, skills and expertise from within the community that lend support to Forest Agreement Application Requirements, Management Plan, Public Communication Plan and Business Plan.

With the efforts in the past year and the information gathered in conjunction with the feasibility study, an estimate for the start-up costs are from \$50,000 to \$75,000. A breakdown of what is included is shown in the sections below. The costs are what might be anticipated if a RFP is issued for the following work to be completed.

The guideline to be followed must include all the criteria outlined in a document titled 'Community Forest Agreement (CFA) Application Requirements' dated July 1st 2009.

If the Village of Pemberton has other criteria that need to be included, the costs will be higher.

The start-up costs below exclude any costs to date. It also does not include the time and effort that may be required by Village staff to meet all the Application Requirements.

CFA Area Overview

As the text of the feasibility study describes, this is somewhat fixed and the AAC set at 6500 m³. Costs associated with lobbying for a 10,000 m³ AAC would be additional.

Costs from \$4000-\$7000

Management Plan

A management plan covers a very broad spectrum of forest management issues. These include the AAC and the rationale for it, the silviculture practices, the consultation process to be followed, the management objectives and the resource management goals. The Forest Stewardship Plan (FSP) is a higher-level plan. As such, the Community Forest can adopt an existing FSP to meet this requirement.

Costs from \$6000-8000

Administrative Authority and Structure

Structure Costs include legal expertise, bylaws and Board development costs. This is not simply consultation, but more of a community “buy in” review.

The estimated costs associated with the development of a limited partnership, establishment of corporation bylaws, and board recruitment would cost *between \$10,000 to \$20,000.*

Community Awareness, Support and Involvement

The application as mentioned above states, “*The submission **must contain proof** that that there is a high level of community awareness of the application and strong support for the application from a broad cross-section of the community.*”

Events like the Open House are very appropriate for community involvement The One on One interviews are very topical and would lend great support for steering the direction of the CF.

Activities before the formal application process has commenced can be referenced but not a substitute for following the detailed guidelines on obtaining the required proof.

Questionnaires, a community survey and another Open House would be beneficial in gathering more community support and awareness.

Letters of support required from area licensees and a broad range of community members and stakeholders will provide a description of how ongoing public involvement and consultation will be conducted.

The proponent is required to conduct consultation with First Nations and stakeholders. Once the comments from the consultation process are received, the proponent must then show how their concerns are incorporated into the application.

For the submission to contain the “proof” the different processes may take longer and more effort than anticipated so the cost range is quite broad.

Could be as low as \$12,000 up to \$18,000

Business Plan

According to the Community Forest Agreement (CFA) Application Requirements dated July 1st 2009, the consultant must prepare the application, read over the Feasibility Study, and make necessary adjustments to the report in order to reflect a more accurate plan if an application for a Community Forest is to be done. A business plan should be done as the first step in the application process. Since the economic viability is a key factor, having a detailed economic analysis and forecast completed and presented to staff and Council before other stages is recommended.

Cost \$7500 to \$9000

Not For Public Disclosure

This section states, “It is suggested that the applicant identify which information in the application they do not wish to have released and which they believe to be excepted from disclosure under the Freedom of Information and Protection of Privacy Act.” This can best be accomplished by including such information in a separate section of the application headed "Not for Public Disclosure"

Cost \$500 to \$1000

Attachment Index

Includes four topics

- i. Agreement Holder Legal Entity Information
- ii. CFA Area Information- Mostly maps, the most costly
- iii. Sample CFA Document - A 49 page template to be reviewed and agreed to.
- iv. Evaluation Checklist - A checklist that is used to evaluate the application. Also a good list for the applicant to see that everything required has been completed.

Costs \$6000 to \$7000

Other start-up costs

In addition to the costs associated with meeting the Application Requirements, the person or organization preparing this documentation will need to allocate time to meet with Village staff and make presentations to mayor and council.

Others include hosting meetings and other miscellaneous costs.

Costs \$4000 to \$5000

Table 6: Summary of Estimated Start-up costs

Cost Source	Low Range	High Range
CFA Area Overview	\$ 4,000	\$ 7,000
Management and Stewardship Plan	\$ 6,000	\$ 8,000
Community Awareness, Support and Involvement,	\$ 12,000	\$ 18,000
Administrative Authority and Structure	\$10,000	\$ 20,000

Business Plan	\$ 7,500	\$ 9,000
Not For Public Disclosure	\$ 500	\$ 10,00
Attachment Index	\$ 6,000	\$ 7,000
Other Start-up Costs	\$ 4,000	\$ 5,000
Total	\$ 50,000	\$ 75,000

4.2 Total Cost and Net Return

The total anticipated costs will vary slightly depending on the partnership option selected but in the bigger picture, all the costs are still required even though they are done in collaboration. For example if there is an agreement to share costs then it is likely that revenue would be shared as well. Even if a potential partner has expertise in a specific area, like the creation of a management plan, it can be helpful but not necessarily a cost savings. For all potential partnerships, except BCTS, and “Go it Alone” option, a legal entity is recommended to reduce issues related to liability. While the creation of the legal entity may not be costly, the negotiations and/or discussions leading to the formation may require time and effort by lawyers or other professionals. While the anticipated range of cost is between \$5000 and \$15,000 a cost of \$10,000 will be used for forecasting purposes.

In the ideal situation, log markets are favourable and harvest would be completed in the first year following the awarding of the licence. Since the operating costs are more stable and less variable, a delay in timber harvest for one or two years assuming the future forecast for log prices is more favourable, then the fixed costs of \$8255 per year add to the \$65,000 deficit before revenue begins to flow.

A cautionary note on costs and net return: The operating costs are based on estimates of current prices from other operations in the Pemberton area. Operating costs are negotiated, so they may slightly higher or lower than the estimated amounts but a huge variation from estimated is not anticipated. Log prices, on the other hand, have historical values and current values to base estimates but forecasts with accuracy are more difficult. The estimated return of \$7.39 per cubic metre is a likely average but a drop or rise in average prices of \$5 to \$10 per cubic metre are common in the historical trends. Hence a cautionary note that a loss in the first five years of operation is possible.

Table 7: Costs and Net return, best and worst case. These costs are based off of the mid-range cost

Description	Mid-range Cost or Revenue	Net return	Best case (Cost or Revenue)	Net on the best case	Worst case (Cost or Revenue)	Net on the worst case
Start-up cost (including legal fees)	\$ 62,500	\$-62,500	\$ 62,500	\$-62,500	\$ 62,500	\$ -62,500
Revenue in first years $\$7.39 \times 6500 \text{ m}^3 \times 5 \text{ yrs}$	\$ 240,175	\$177,675	\$ 402,675 $(\$ 7.39 + \$ 5.00 \times 6500 \times 5 \text{ years})$	\$340,175	\$ 77,675 $(\$ 7.39 - \$5,00 \times 6500 \times 5 \text{ years})$	\$ 15,175
Fixed costs 2nd to 5th year $\$8255 \times 4 \text{ years}$	\$ 33,020		\$ 33,020		\$ 33,020	
Net Return		\$ 115,175		\$ 277,675		\$ -47,325

5. Discussion and Recommended Steps to Achieve Objectives

5.1 Next Steps

With all the information collected and the analysis done and summarized, a discussion and/or recommended steps to achieve the following long-term opportunities and objectives will be provided:

The 10 objectives below were part of the deliverables outlined in the agreement with VOP.

1. Community management of Crown forest land
2. Achieving a range of community objectives, values and priorities
3. Diversifying the use of and benefits derived from the community forest agreement area
4. Providing social and economic benefits to area residents
5. Undertake community forestry consistent with sound principles of environmental stewardship that reflect a broad spectrum of values
6. Promote community involvement and participation
7. Promote communication and strengthen relationships between Aboriginal and non-Aboriginal communities and persons
8. Foster innovation
9. Advocate forest worker safety; and
10. Confirm community priorities for the use of the forest for fibre source with other values being important, but secondary.

The discussion that follows is derived primarily from what the team heard from community members. Since the future success of the community forest will be driven by active participation by the community, the consultants or other community forest organization ideas that have worked are there only to say "it can be done".

Community Management of Crown Forest

While difficult to quantify in monetary terms, to directly influence what happens to the 12,000 hectares surrounding the Pemberton community is a great opportunity. The concern and valuation of ecosystem services such as clean air and water is becoming more entwined with mainstream economics and used to demonstrate corporate social responsibility.

While the management of the community forest comes with constraints, the sentiment of many community members that were interviewed or attending the Open House was for the Village of Pemberton to have a community forest.

Achieving a Range of Community Objectives, Values and Priorities

Community members identified a key objective of generating revenue. They hold value in caring for the environment and want to make it a priority to deal with mountain bike trails.

These values and objectives, along with a more comprehensive list, match with the spirit and intent of a community forest. The unique location of the Pemberton community and its the homes surrounded by forested hillsides in the valley, makes the connection to a community forest much more real. A community forest for the Village of Pemberton would meet the needs of today and provide flexibility for an ever-changing future.

Diversifying the use of and benefits derived from the community forest agreement area

The typical template of forested licences is to cut the annual harvest and send logs for sale. The once vibrant local industries and small businesses have largely disappeared. Across BC, however, community forests have been catalysts for revival of activity with a local focus. At the 2015 Community Forest AGM in Clearwater BC, and at other meetings over the years, stories have been shared on how innovation and diversity has achieved great results for communities.

One unique aspect of the community forest tenure is the right to manage non-timber forest products. Given the large 12,000 hectare area, the sustainable management and stewardship of these products can create a broad spectrum of cottage industries.

Creating offsets is another opportunity for diversification. The Whistler Community Forest has recently created carbon offsets for their community. Details can be found in Appendix 8.

At a larger scale, the trucking of logs is roughly one quarter of the total cost to operate the community forest. As this cost continues to rise, the economic viability of local value added activity increases. One example could be the creation of an eco-industrial park where the design is developed around the idea of so-called 'waste products' of one business are inputs for another. Another complimentary activity to such an industrial park could be a bio-energy facility that would produce heat or electricity or both.

Partnership with university programs to use the Village of Pemberton Community Forest as a training ground may be a possibility. Training may incorporate forestry planning and management, silviculture and regeneration practices, ecological and wildlife studies, new generation equipment operation and exploration of environmentally sustainable manufacturing and energy production.

Providing Social and Economic Benefits to Area Residents

Admittedly, the annual harvest volume of only 6500 m³ is not going to contribute in a major way to local employment and hence the economy, but there would be some. The key lies more with the social benefits and community pride that would come from the sustainable management of the community forest. The ability to facilitate the creation of a management plan for keeping things like mountain bike and hiking trails well maintained and ensuring future development is carefully planned is more of the role of a community forest than just generating revenue from timber harvesting.

Undertake community forestry consistent with sound principles of environmental stewardship that reflect a broad spectrum of values

The input from community members clearly indicated a broad spectrum of values that a community forest would provide. A management philosophy consistent with sound principles of environmental stewardship was largely assumed to be how a community forest would be managed. Many community forests in BC have achieved a forest certification status and others have received awards for exemplary environmental stewardship. Given the favourable conditions for harvesting and growing trees, there is a high probability the community forest can meet expectations on environmental stewardship.

Promote Community Involvement and Participation

Although forests surround the community of Pemberton, there are no community events directly related to activities in the forest. In an effort to enhance community involvement, the 56 different community forest organizations around BC have created a large number of diverse activities from youth education programs to the building of interpretive trails.

Offering programs and educating community members on forest ecosystems as well as the vast array of edible foods and medicines that are found in the forest is also an opportunity to connect and work with neighbouring Lil'wat community. This would strengthen intercommunity relationships and create an understanding for the traditional uses and values of the land.

Many community forests have created a not-for-profit organization, which has given them access to funds for projects such as habitat stewardship, the creation of other avenues for greater interest and participation from a broader spectrum of the community.

Community Forests *'have a statutory and regulatory obligation to consult and report to their communities regarding matters related to the agreement'*⁸ and many host an annual open house that includes live demonstrations of forest harvesting or sawmilling.

Promote Communication and strengthen relationships between Aboriginal and non-Aboriginal communities and persons

Several community members mentioned this aspect of what the community forest could facilitate. The Lil'wat Nation is actively involved in the forestry business and has significantly increased its practice of sustainable forest management over the last several years.

In a report from 2010 prepared for the Lil'wat Nation on forest management of their licences (Appendix 10) it recommends, ecosystem based forest management, examining the opportunities for non-timber forest products and obtaining sustainable wood certification. These are all consistent with the aspirations expressed regarding the Pemberton community forest. Both communities would benefit from increased communication and collaboration.

The expressed view of control of local forestry resources is also consistent with both native and non-native forestry professionals as there is a desire to securely and effectively retain the

⁸ Community forestry guidebook II - http://www.forrex.org/sites/default/files/forrex_series/FS30_0.pdf

economic benefits within their communities.

Foster Innovation

The ability to foster innovation will be the difference between a community forest that survives and one that thrives. The interactions with community members would indicate that innovation is what has sustained the community for many years. Being able to adapt and find new ways to get it done is what this community is built on.

Hosting meetings to gather ideas, encouraging diverse views and be willing to accept risk in developing innovative ideas through testing, learning from what did not work, and celebrating successes is a key aspect in supporting the community forests continued growth.

Networking with other community forests in BC and around the world is another great source for innovative ideas.

There is a definite will within the community of Pemberton for the community forest's success and a high level of interest has come from those who are operating within the forest industry and those who are economic, ecological and social drivers of this community.

Advocate Forest Worker Safety

The motto of the BC Forest Safety Council "Unsafe is Unacceptable" demonstrates the importance of this aspect of a community forest goal. Promoting and advocating forest worker safety would be incorporated into every aspect of community forest activities.

Confirm community priorities for the use of the forest for fibre source with other values being important, but secondary.

In discussion with community members, most were clear that the community forest tenure was a licence for timber harvesting. The primary concern held by most was that it would be financially viable and would not involve any additional cost to taxpayers. Beyond that, community members did not express concern that harvesting would have a negative impact on the environment and its many ecosystems.

With 10,000 of the 12,000 hectares constrained for harvest primarily in protection of winter deer range, spotted owls habitat and native cultural sites along with discussion and input on other values such as recreation, there was a level of comfort that harvesting can take place and that these values would be fully cared for and not allocated a status of secondary.

5.2 Community Forest Vision & Strategy

The goals, objectives and vision of the community forest will align with the Village of Pemberton's "Strategic Priorities 2015" document. This document has specific references in regards to a community forest. One priority is in the 'Vision Check-Up' section on Environment where "site lines -community forest - is protected". In the 'Issue/Opportunity' section, it lists the Issue "protect natural areas" and the "community forest". The community

forest was included on the 'Issue and Opportunity Short List' along with 13 other topics. The action that followed was to issue a request for proposals to undertake a feasibility study. In the 'Priority/Desired Outcomes' section, a list of the best ways to realize the potential of a community forest was the create outcomes that:

- Show environmental leadership/stewardship
- Potential revenue
- Job creation, and
- Value added secondary industry

The vision and strategy along with goals and objectives are a result of inputs from existing documents, One on One Meetings and the Community Open House. The discussion and inputs received during the process of completing the community forest feasibility study fully supports and aligns with the Village of Pemberton's strategic priorities and has the potential to create desired outcomes.

Managing a community forest that covers 12, 000 hectares of the area surrounding the Village clearly demonstrates environmental leadership and stewardship. The feasibility study shows that the community forest is economically viable and will create modest revenue. Some job creation will happen, but extending the work year of exiting forestry works was seen as the most likely result. The potential for a value added secondary industry is quite promising with the ever-increasing costs of trucking logs to tidewater. This would also compliment the desired outcome for job creation that would be year round.

A Village of Pemberton community forest is in alignment with strategic priorities and desired outcomes⁹.

5.3 Community Objectives, Values and Priorities

One on One meetings took place with community members that are socially active in the community, who are focused on interests that reflect the values of the community, and who have knowledge in forestry and its activities. The list of people interviewed can be found in Appendix 4 along with the questions that were asked.

Community members were asked for their views on the community forest values and vision, other community forest objectives, potential partnerships, inclusion of high recreation value areas, awarding of timber cutting permits and allocation of potential revenue.

A synthesis of the interviewee responses are shown in the sections of the report that relate to the various topics.

⁹ Link for Priorities: http://www.pemberton.ca/media/247006/PEMBERTON_SP_APRIL_EDITSV4.pdf

Community Forest Values and Vision from the One on One Meetings

The understanding of a Pemberton Community Forest is that it would provide an opportunity for greater control of forest harvesting management in an area that is sensitive to community values; wildlife preservation, watershed protection, trails development and cultural sensitivity.

There was also an understanding of the economic return to a community, which didn't necessarily come from harvesting income but was more altruistic in forms of training initiatives, cottage industries and development of tourism recreation.

Interviewees that currently work in forestry or have more knowledge of forest practices focused on forest harvesting for sustainability in perpetuity through not only efficient management practices but through education about forestry and its long-term value to the community.

With greater flexibility to manage the forests, there would be opportunities to enhance local economic vitality and grow timber responsibly. The Community Forest would have to develop a vision and strategy that would balance the values of the community with the need to generate profit.

Other Community Forest Objectives from the One on One Meetings

As one interviewee stated there is only the limit of imagination to the potential for forest-related activities and businesses. Whether the Community Forest itself is directly involved or in a support role for these activities would be determined by the overall vision and direction for profitable business operations.

The primary interest from interviewees was a vision of the Community Forest that is involved in forestry education and training. There was a desire to partner with University level programs that would bring the knowledge of forestry back to the community and develop a relationship with the CF through a learning and training ground of forestry. This training ground may incorporate forestry planning and management, silviculture and regeneration practices, ecological and wildlife studies, new generation equipment operation and exploration of environmentally sustainable manufacturing and energy production.

There was further discussion on wood waste usage and the growing capacity to utilize it for energy production in support of additional by-products such as bio-char, electricity and heating.

In support of cottage industries, the Community Forest could provide access and timber availability for interests in woodland foraging/ mushrooming and development of value added small business models.

Forestry enterprise will come over time and with the evolution of the Pemberton Community Forest, entrepreneurs and visionaries will find ways to develop and provide forestry related

products and services.

Open House

Approximately 37 residents of the Village of Pemberton attended the Community Forest Open house from 3pm-8pm on September 16, 2015. The open house was hosted in the Pemberton Museum, a central location in the heart of Pemberton. There was no formal presentation given, but rather storyboards and maps providing enough information for the public to educate themselves on the Forest History, Vision and Strategy, Business Operational Structure, Recreation and Trails, and Economics of the Community Forest were displayed across the room (Appendix 5). On the day of the open house, the Robin B. Clark Inc. team members were in attendance and were available to answer questions. To ensure that all feedback was collected and to accommodate anonymity, sticky notes available for people to write their comments and questions on.

It is clear that community members want to be involved with the future of the community forest. One local forest worker suggested at the open house that there should be other avenues of input into the community, such as putting maps on the website or create an open forum.

6. Final Note

The summary of findings and key recommendations come from each of the primary sections that comprise the report deliverables.

Timber viability: the Miller Creek drainage and timber proposed for the first five year harvest is viable. An existing main haul road bisects the planned harvest area and the timber is mature and relatively free of defect. The tree species is mostly hemlock and balsam and not of high dollar value per cubic metre.

Potential recreation site additions: no additional areas to consider No additions since the existing area would require deletion in order to add more in another area.

Problem timber areas and potential liabilities: none identified

Logical area additions: no additions since restricted by regulation

Business partnerships: Upon review of the Pro's and Con's of each option, "Going it Alone" or a partnership with Lil'wat Nation appear the most favourable. These are selected more based on public perception of what a community forest partnership would look like. From an economic standpoint, a partnership with Lil'wat Nation may provide a slightly better return than "Going it Alone".

Organizational structure: a legal entity to reduce liability

Start-up costs: between \$50,000 and \$75,000. In the start-up it is recommended that the business plan be completed and presented before other stages.

Total Cost and Net Return: A huge variation in the estimated operating costs is not anticipated. Log prices, on the other hand, have historical values and current values to base estimates but forecasts with accuracy are more difficult. The estimated return of \$7.39 per cubic metre is a likely average but a drop or rise in average prices of \$5 to \$10 per cubic metre are common in the historical trends.

Using the estimated costs the net return in the first 5 years is \$115,175

In the best case, log prices increase by \$5 per cubic metre and net return is \$277,675

In the worst case, log prices fall by \$5 per cubic metre and net return is a loss of \$47,325

Vision, Goals

Vision: Develop a Community Forest that would balance the values of the community and generate a profit.

Goals:

- Show environmental leadership and stewardship
- Create a stream of revenue
- Job creation
- Greater control of forest harvesting management in sensitive areas
- Wildlife preservation
- Watershed Protection
- Trails development
- Cultural sensitivity
- Education and Training

Decisions required

1. Move forward with an application to MFLNRO. If “Going it Alone” then consider creating a legal entity for the community forest.
2. Decide if a partnership is preferred as the application must come from the new entity created by the partnership.
3. The exception would be a partnership with BCTS whereby only an agreement would be required.



NEWS RELEASE

For Immediate Release
2005FOR0045-000531
April 18, 2005

Ministry of Forests

THREE SEA-TO-SKY COMMUNITIES GAIN COMMUNITY FORESTS

WHISTLER – The communities of Pemberton, Whistler, and Squamish will be invited to apply for five-year probationary community forest licences that will provide each with up to 10,000 cubic metres of timber annually.

“These community forests will allow these three communities to plan and manage forest resources based on their own unique vision, character and priorities,” said West Vancouver-Garibaldi MLA Ted Nebbeling, who made the announcement on behalf of Forests Minister Michael de Jong. “This is a part of our province that will be the focus of the world’s attention in just a few short years, and when the world looks, they’ll see three communities demonstrating how British Columbia’s forest practices lead the world.”

The three community forests will be located near each of the communities within the Soo timber supply area. Timber volume to support the community forests comes from reallocated timber made available through the Forestry Revitalization Plan. Before a formal invitation can be extended, the Ministry of Forests must consult with potentially affected First Nations.

“Our community forest is an opportunity for us to show how forestry and tourism can co-exist,” said Whistler Mayor Hugh O’Reilly. “We depend on our forests not only for their spectacular impact on our world visitors, but also to help us achieve the vision for our resort community.”

“Our community has long and strong ties to the forest industry,” said Squamish Mayor Ian Sutherland. “Through this community forest, we can ensure our links to good jobs in forestry remain strong.”

“Forests have always been an important part of our community,” said Pemberton Mayor Elinor Warner. “We depend on our local forests for our jobs, for our water, and for the magnificent setting we’ve made our home. This opportunity will let us manage our forests for those values.”

Community forest agreements are a mechanism by which the province transfers decision-making to communities that wish to more fully participate in the stewardship of their local land base. Community forest tenures are area-based, giving the holders exclusive stewardship of a geographic area of forest land over the term of the agreement. The probationary agreements are initially for five years, at which time they may be extended for another five years or replaced with a long-term agreement of 25 to 99 years. Since August 2004, government has provided or announced its intention to provide community forest opportunities to 29 communities.

-30-

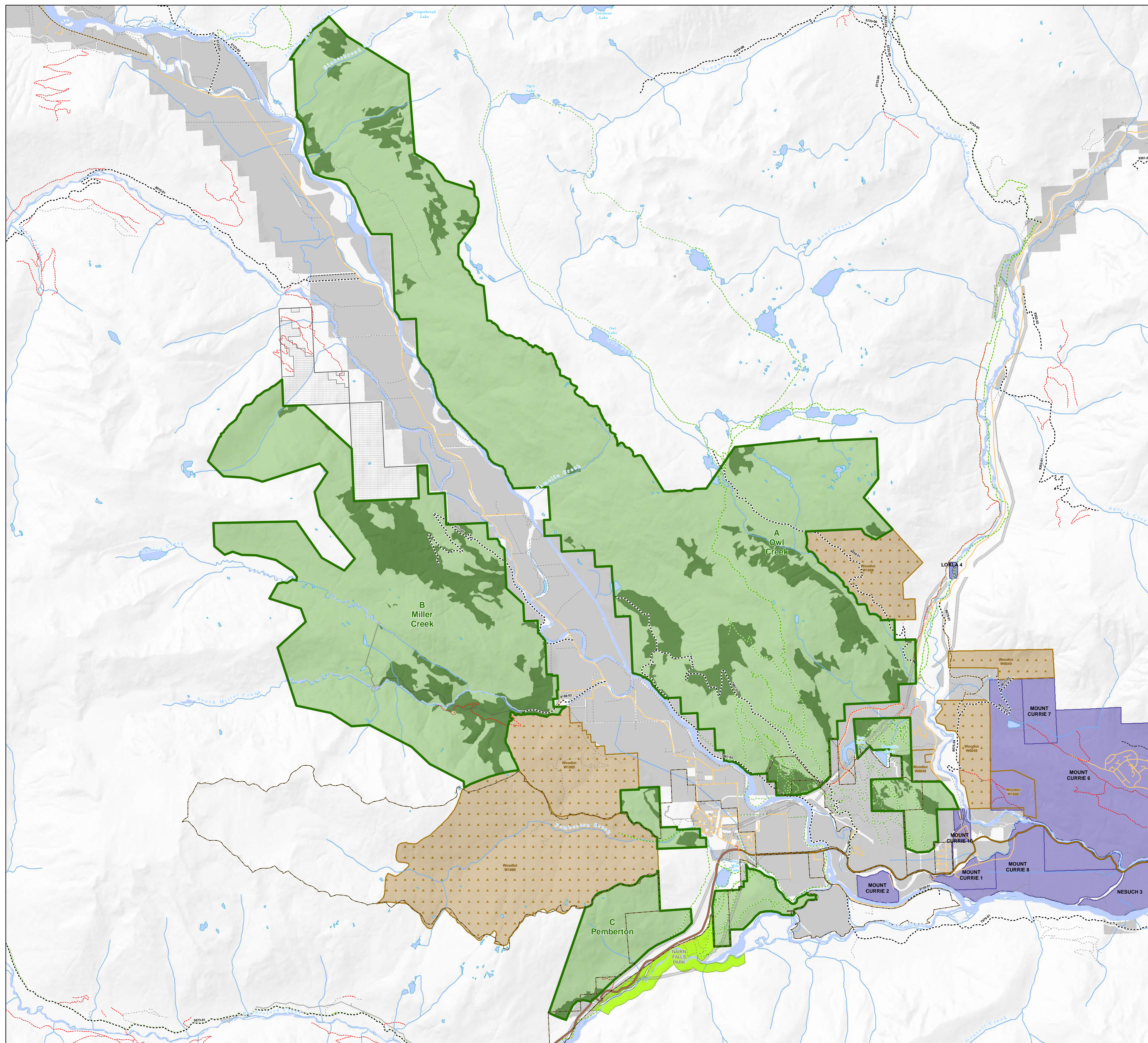
1 backgrounder(s) attached.

Media Don McDonald
contact: Communications Director
 Ministry of Forests
 250 387-8486

Visit the Province's website at www.gov.bc.ca for online information and services.

Pemberton Community Forest

Proposed Area Map



Community Forest

Proposed Pemberton CFA Area

Forest Tenure

- Timber Licence Boundary
- Timber Licence Remaining
- Woodlot Licence

Landbase Classification

- Private Land / ROW
- Indian Reserves
- Municipal Boundary
- Community Watershed
- Timber Harvesting Landbase (TSR3 2011)

Recreation Features

- Parks and Conservancies
- Recreation Areas - FLNR
- Recreation Trail - FLNR
- Recreation Trail - Other

Roads

- Forest Service Road
- Likely Useable (2009 Inventory)
- Needs Repair or Upgrade (2009 Inventory)

Pemberton Community Forest
Area Summary Table

Landbase Category	Area (ha)
Contributing Crown Forest	1,941
Non-Contributing Crown Forest	6,700
Other (rock, ice, nonforested)	4,284
Total CFA Area	12,925

Scale: 1:32,000 September 15, 2014



Produced By: Sea to Sky District
**Ministry of Forests, Lands and
Natural Resource Operations**

**COMMUNITY FOREST AGREEMENT (CFA) APPLICATION
REQUIREMENTS**

(Direct Invitation to apply)

**July 1, 2009
Version**

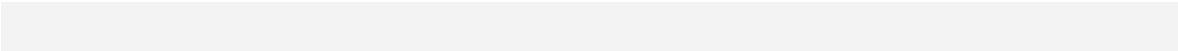


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Application Administrative Information

1. The application must be received by <DATE>, at the following location:

<Address/phone/fax here>

1.1 Two paper copies and one digital copy of the application must be submitted.

2. Freedom of Information

2.1 This application is subject to the *Freedom of Information and Protection of Privacy Act*. Consequently, the public has a right of access to the document--unless the information falls within any of the act's exceptions to disclosure.

3. Application Costs

3.1 The applicant is solely responsible for the cost of preparing the application.

4. Acceptance of Terms

4.1 The application must be submitted and received on the basis that the applicant has read and agrees to all the provisions of this invitation to apply. If the application imposes any condition on, or modification of provisions of this invitation to apply, it will be rejected.

4.2 Full, frank, and complete disclosure of all documents linked to the application is required. Misrepresentation or non-disclosure may be cause for rejection of the application.

5. Obligations of the Ministry

5.1 This invitation to apply does not obligate the minister to accept an application or to direct that a CFA be entered into.

6. Application Amendments

The applicant may amend its application prior to the deadline for submission. Amendments must be:

6.1 submitted in writing;

6.2 in accordance with all invitation to apply requirements; and

6.3 signed by a person authorized to sign on behalf of the applicant, preferably by the same person who signed the original application.

7. Financial Information

For the purpose of preparing financial forecasts or statements associated with the harvesting of Crown timber, the applicant is advised that the following will apply to the CFA:

(a) Stumpage must be paid on timber harvested from the Crown land part of the CFA area.

- (b) A CFA is subject to the payment of annual rent. The current rate is \$0.37 per cubic metre of allowable annual cut attributed to Crown land within the agreement area. This rate is subject to change.
- (c) A holder of a CFA is responsible for the payment of all applicable taxes and fees levied by federal, provincial and municipal government agencies. It is the responsibility of the applicant to determine what those taxes and fees will be.

8. Evaluation Process

8.1 The application will be evaluated through the following process:

- 8.1.1 Ministry staff will screen the application for submission requirements. If one or more submission requirements are missing, the application will be returned to the applicant. If all submission requirements are included, the application will be evaluated using the criteria (Section 8.2).
- 8.1.2 If ministry staff is satisfied with the application, it will be forwarded to the minister. If the minister is satisfied with the application, he will instruct ministry staff to enter into discussions with the applicant (see below).
- 8.1.3 If ministry staff determines the application “requires minor changes”, a written request for minor changes will be sent to the applicant. Once these changes have been made, to the satisfaction of the regional manager, the application will be forwarded to the minister.
- 8.1.4 If ministry staff determines the application “unacceptable”, or the application is found to contain any error, omission or misrepresentation of a serious nature, the application will be returned to the applicant with a description of major changes, additions or deletions, which must be made before the application will again be considered. Once these major modifications have been made, ministry staff will again review the application as described in 8.1.3.

8.2 Evaluation Criteria

- 8.2.1 Applications will be evaluated using the Evaluation Checklist – Attachment D.

9. Return or Rejection of an Application

- 9.1. If the application is returned, or minor changes required, the applicant will have 60 days or another time as specified by the ministry to revise and re-submit the application.
- 9.2. An application can be submitted, returned and re-submitted more than once. However, if, in the opinion of the minister, it appears that the applicant is not willing to revise sections of the application that the minister considers to be essential to the successful implementation of the CFA, adherence to the laws of British Columbia or compatible with the goals of the Community Forest Agreement Program and the ministry, the minister may reject the application for a CFA.

10. Community Forest Agreement Award

10.1. Discussions

- 10.1.1. If the minister is satisfied with the application he will direct ministry staff to enter into discussions with the applicant for the purpose of developing the content of the CFA. During the discussion process, ministry staff will advise the applicant of the terms and conditions, which must be included in the CFA.
- 10.1.2. If ministry staff and the applicant are successful in developing a CFA with which the minister is satisfied, and all the conditions that must be met before the minister will direct that a CFA be entered into have been satisfied, a CFA will be forwarded to the applicant or its representative for signature. The applicant or its representative must then sign the agreement and return it by the date specified in the cover letter accompanying the agreement.
- 10.1.3. If ministry staff and the applicant are unable to agree on the content of the CFA the minister will direct that discussions be terminated and that no CFA will be entered into with the applicant.

11. Community Forest Agreement (Licence Document)

- 11.1. A sample CFA license document is attached (Attachment C) for review. The applicant is advised to study the sample agreement. It must be noted, however, that the sample agreement is an example only and the licensor must approve the final content of a CFA. For example, the licensor may require that any or all statements or commitments made in the application be included in the agreement document and thereby become a part of the CFA.
- 11.2. In addition, Section 43.3 (g.1) of the *Forest Act* provides that:
 - 11.2.1. if the community forest agreement provides that it is entered into with a First Nation or its representative to implement or further an agreement, the "other agreement", between the First Nation and the government respecting treaty-related measures, interim measures or economic measures, the community forest agreement must state that it is a condition of the community forest agreement that the First Nation comply with the other agreement.

Application Format and Contents

The application must be prepared using the following format and contain the information indicated.

1. Title Page

2. Letter of Introduction

One page, introducing the application, dated and signed by the person(s) authorized to sign on behalf of the applicant. This letter is to include acceptance of provisions stated in the invitation to apply for a CFA.

3. Table of Contents

Show the page numbers of all major headings.

4. Executive Summary

Provide a concise overview of the application summarizing, in no more than three pages, the key points from each major section. Indicate where the supporting detail is located in the application body and its attachments.

5. District Documentation

Include written confirmation from the district manager that the proposed CFA area is suitable for a CFA and is consistent with the AAC allocated for the agreement. The letter is also to confirm that a consultation process has been carried out with First Nations and to outline any issues that arose during the process.

6. Legal Entity

Include the documentation for the legal entity as described in Attachment A (Agreement Holder Legal Entity Information).

7. CFA Area Overview - 1 page maximum

- (a) Provide a map showing the location of the land that will be in the proposed CFA area, nearby communities, and existing access structures. The map scale must be in the range of 1:20,000 to 1:50,000.
- (b) Describe how the proposed CFA area has historically been used, and how it would be used under a CFA. Identify any issues or areas of potential conflict that will need to be addressed in implementing the CFA.
- (c) Based on the best information currently available, describe the proposed CFA area in terms of the:
 - i. ownership and/or existing tenures or rights granted to others;
 - ii. state of land and resources, e.g. history and current management; existing tenures;

- iii. environmental considerations, e.g. sensitive sites or unique features;
and
 - iv. cultural considerations, e.g. areas of cultural significance.
- (d) For additional information on the CFA area see Attachment B (CFA Area Information)

8. Management Plan

The management plan must be prepared using the following format and contain the information indicated where necessary to describe the range of objectives that the applicant proposes to pursue under the CFA.

8.1. Management Objectives

Describe the specific resource management objectives, including those related to stewardship of forest resources (not included in the *Forest & Range Practices Act (FRPA)*) on the proposed agreement area. This section is not to contain Forest Stewardship Plan (FSP) content.

8.2 Other Management Plan content requirements

A proposed management plan submitted must

- (a) be prepared in accordance with any directions of the regional manager or district manager,
- (b) be consistent with
 - (i) the CFA (license document) Agreement,
 - (ii) the forestry legislation,
 - (iii) higher level plans under the *Forest and Range Practices Act*, and
 - (iv) commitments agreed to by both parties to this agreement
- (c) include existing inventories:
 - (i) for the timber in the agreement area, and
 - (ii) for prescribed products the applicant proposes to manage for,
- (d) include any other inventories and information regarding the development, management and use of the agreement area that the regional manager or district manager requires to determine the allowable annual cut for the agreement area and rate of harvest of prescribed products.
- (e) propose an allowable annual cut for the agreement area which considers the following:
 - (i) inventories and other information referred to in subparagraph (c) and (d),

- (ii) timber harvest specifications proposed for the timber resources in the agreement area,
 - (iii) reductions that are necessary to facilitate the management and conservation of non-timber resource values in the agreement area, including visual quality, biological diversity, soils, recreation resources, cultural heritage resources, range land, wildlife, water and fish habitats,
 - (iv) silviculture practices and forest health factors that may impact on timber production,
 - (v) the anticipated impact of the reductions to the productive portion of the agreement area due to permanent roads, landings, pits and trails, and
 - (vi) any other factors that may impact on the allowable annual cut during each year,
- (f) contain a rationale for the allowable annual cut referred to in subparagraph (e) prepared in accordance with any directions of the regional manager or district manager,
 - (g) propose management objectives for the agreement area regarding the harvesting, management of, and the charging of fees for prescribed products,
 - (h) specify measures to be taken by the Agreement Holder to identify and consult with persons using the agreement area for purposes other than timber production and harvesting of prescribed products, including
 - (i) trappers, guide outfitters, range tenure holders, and other agreement resource users,
 - (ii) an aboriginal group who may be exercising or claiming to hold aboriginal interests or treaty rights, and
 - (iii) community members, local governments, and government agencies.
 - (i) include a strategy outlining how the Provincial CFA Program Objectives will be managed for,
 - (j) include the agreement holder's guiding principles,
 - (k) contain the social, economic and broad resource management goals proposed for the CFA, and
 - (l) include a strategy for annual reporting out to the community on subparagraphs 6.02 (i), (j), and (k).

8.3 Plan Signatures

In accordance with the requirements of the *Forester's Act* the Management Plan must be signed and sealed by a Registered Professional Forester (RPF).

The Management Plan must also be signed by a person authorised by the licensee to sign the plan on their behalf.

9. Community Awareness, Support and Involvement

Describe the level of support, awareness and commitment by the community. The submission must contain proof that there is a high level of community awareness of the application and strong support for the application from a broad cross-section of the community. Examples of how this proof could be demonstrated include, but are not limited to:

- (a) distribution of information newsletters or brochures to community members;
- (b) recognition of the application in an official community plan or endorsement by a city, regional district or band council;
- (c) recognition of the application in by-laws or resolutions, of the legal entity;
- (d) community meeting(s) respecting the application;
- (e) results of a community survey respecting the application;
- (f) letters of support from licensees that operate in or near the proposed land base; and
- (g) letters of support representative of a broad range of community members and stakeholders regarding the application.

It is the responsibility of the applicant to determine the methods that will provide proof of broad community support and awareness within their community. The minimum mandatory requirements are:

9.1 Letters of Support

To ensure that letters of support for the application are considered, they must be included with the application. If letters of support are more than 3 months old, the applicant must confirm that they are still valid with regard to the content of the application.

9.2 Report on the public input event(s)

The applicant must hold at least one public meeting, open house or other event to obtain input from the public and affected stakeholders regarding the application. Subsequent meetings may be required prior to submission of the application (dependant on outcomes of prior meetings). The event(s) must allow the public to present thoughts orally and in writing by completing a questionnaire, or by providing written statements at the event(s) or delivered to the applicant up to 3 weeks following the event(s).

The applicant will be responsible for advertising, coordinating and providing relevant information regarding the application to the public before and during the event(s). Ministry of Forests and Range staff may attend the event(s) and may also provide information to the public.

Prior to the commencement of the public event(s) the applicant must provide the district manager with notice of the public input event(s) including the proposed format, date, location and advertisement strategy.

The application must include a report on the public input event(s) including a summary of who attended, all comments, concerns or issues raised by persons attending, or written comments received following the event(s) and how concerns or issues were addressed in the application.

9.3 Process for Public Involvement and Consultation

Include a description of the intended ongoing, long term process for public involvement and consultation concerning matters relating to the CFA, including consultation within the local community, broader community and with government agencies and affected stakeholders (including licensed users).

9.4 Consultation with Stakeholders and First Nations

The minister must consider the input and concerns of First Nations, the general public, stakeholders and licensed users that may be affected by a CFA. The applicant is encouraged to ascertain the position of such parties and address how the concerns of those parties, if any, will be addressed in the application for the CFA

10. Administrative Authority and Structure

10.1 Include in this section:

- (a) a mission statement for the intended CFA holder;
- (b) an overview of the history of the intended holder of the CFA;
- (c) the intended administrative governance structure including representation/appointment procedures;
- (d) a description of how the board will be accessible to the community;
- (e) a description of the proposed processes for decision-making for the operation and management of the CFA
- (f) a description of the proposed processes for decision-making regarding the distribution of benefits gained through operation of the CFA;
- (g) processes for monitoring and reporting; and
- (h) processes for the resolution of any conflicts regarding implementation of the CFA.

10.2 For the intended CFA holder and all other entities that will play a prominent role in the business affairs, identify:

- (a) the proposed role they will play; and

(b) key personnel, their proposed roles and their relevant qualifications.

11. Business Plan

MFR will not evaluate an actual Business Plan. It is recommended that the applicant conduct an assessment of potential financial viability based on consideration of the CFA Management Plan implications and the associated financial risks. However, submission of the full assessment is not required and will not be evaluated by Ministry staff.

The following information constitutes the business plan requirements for inclusion in the application package.

11.1. The business plan must contain the following

11.1.1 A disclosure statement acknowledging:

- (i) that the financial risks involved with operating the CFA have been thoroughly considered;
- (ii) the CFA Management Plan implications have been factored into the Business Plan; and
- (iii) that if the Business Plan is implemented, it would provide the applicant with a reasonable chance of operating successfully from a business perspective.

The purpose of this statement is to demonstrate that the applicant has followed recognized business planning practices. The onus is on the applicant to ensure that such financial viability or feasibility assessments are carried out by appropriate experts and, where necessary, lending institutions, prior to submission of the application.

11.1.2 Future Plans

State the short, medium and long-term objectives for the business. Statements in this section should be consistent with other components of the business plan and with goals and objectives.

11.1.3 Product/Service Description

Describe the products and services that the intended CFA holder and any related businesses will produce and identify factors that will contribute to the success of the operations.

11.2. Business Plan Suggestions

A suggested outline for a Business Plan, indicating some basic information requirements follows. The applicant is encouraged to consider the following items; however, they are not mandatory and will not be evaluated by the ministry.

The applicant is not required to use this format. The following Internet site offers assistance in producing Business Plans:
www.smallbusinessbc.ca/

The applicant may also wish to consult guidelines provided by various banks and financial organizations.

Also, reference to “company” or “business” in this outline is not intended to exclude eligible legal entities that may not commonly be considered as corporate structures.

11.2.1 Industry/Market Analysis and Strategy

The environment in which the business will be operating and how the business will respond to the market conditions. A summary of the competition the business will encounter.

An analysis of the company's products in the context of the markets being served, measured against the markets available.

If the business will be involved in a specialized venture, consider a comprehensive description of that market including whether the product will be marketed locally, nationally or internationally, and the potential demand in each market area.

11.2.2 Potential Risks and Pitfalls

The inherent risks to the business and how those risks will be addressed.

11.2.3 Implementation Plan

If the business will be seeking financing or capital, consider how the funds will be acquired and how the lender/investor will be repaid. Consider a table listing the various expenditures and the corresponding sources of financing.

11.2.4 Human Resources

The tasks/jobs that will require full-time and/or part-time employees, including positions which will be staffed by volunteers, and associated costs.

11.2.5 Projected Financial Statement Summary

Consider the following for each of the 5 years of operations under the term of the CFA:

- (i) profit and loss forecast based on projected income statement;
- (ii) cash flow forecast;

- (iii) balance sheet forecast;
- (iv) projected capital expenditure budget; and company assets.

12. Not For Public Disclosure

- (a) It is suggested that the applicant identify which information in the application they do not wish to have released and which they believe to be excepted from disclosure under the *Freedom of Information and Protection of Privacy Act*. This can best be accomplished by including such information in a separate section of the application headed "Not for Public Disclosure".
- (b) **NOTE:** applicant should be aware that if a Freedom of Information request is received for the application only information excepted from disclosure under the *Freedom of Information and Protection of Privacy Act* will be withheld. The fact that information is contained in the "Not for Public Disclosure" section will not of itself save it from disclosure.

13. Attachments

Attach relevant supporting information and documentation to the application.

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ATTACHMENT A:

Agreement Holder Legal Entity Information

The Applicant is solely responsible for ensuring that the legal entity who will be the intended holder of the CFA is lawfully constituted, in good standing and authorized to carry on the business described in the application in accordance with all applicable federal, provincial and municipal legislation, including statutes, regulations and by-laws.

The following are legal entities that may be eligible. The documentation that must be included in the application, if that legal entity is intended to be the agreement holder, is described under each entity. A photocopy of the documents is required to be submitted with the Applicant's application and if further requested, certified copies must be submitted:

(a) A Band as defined in the *Indian Act* (Canada);

- i. the Band Council resolution authorizing the band to enter into the CFA;
- ii. the names and addresses of the Chief and the Band Councillors; and
- iii. the address of the Band office.

(b) A Society incorporated under the *Society Act*;

- i. a copy of the certificate of incorporation of the society issued by the Registrar of Companies under Section 3 of the *Society Act*, or in the alternative, a Certificate of Good Standing issued by the Registrar;
- ii. a copy of the constitution and by-laws of the society certified by the Registrar of Companies pursuant to Section 3 of the *Society Act*;
- iii. a list of the names and addresses of the individuals who are the current directors of the society, as of the date that the application for the CFA is submitted by the Applicant;
- iv. the address of the office of the society; and
- v. a copy of the last annual report filed with the Registrar of Companies.

(c) An Association incorporated under the *Cooperative Association Act*;

- i. a copy of the certificate of incorporation of the cooperative issued by the Registrar of Companies under Section 8 of the *Cooperative Association Act*, or in the alternative, a Certificate of Good Standing issued by the Registrar;
- ii. the statement signed by the incorporators and required to be submitted to the Superintendent of Cooperatives under Section 6 of the *Cooperative Association Act*;
- iii. the memorandum and rules adopted by the subscribers of the cooperative and all amendments thereto required to be filed by the subscribers or

- members with the Superintendent of Cooperatives under the *Cooperative Association Act*;
- iv. a list of the names and addresses of the individuals who are the current directors of the cooperative, as of the date that the application for the PCFA is submitted by the Applicant;
 - v. the address of the office of the cooperative; and
 - vi. a copy of the last annual report filed with the Registrar of Companies.

(d) A Corporation incorporated or registered under the *B.C. Company Act*;

- i. the memorandum of incorporation, and all amendments thereto, as defined in Section 1 and required under Section 5 of the *Company Act*;
- ii. the certificate of incorporation of the company issued by the B.C. Registrar of Companies under Section 9 of the *Company Act*;
- iii. the articles of incorporation and all amendments thereto, as defined in Section 1 and required under section 6 of the *Company Act*;
- iv. a list of the names and addresses of the individuals who are the current directors of the company, as of the date that the application for the PCFA is submitted by the Applicant;
- v. the notice of offices setting out the current addresses of the registered office and the records office of the company, as required under Section 8 of the *Company Act*;
- vi. the most recent annual report of the company required to be filed with the Registrar of Companies under Sections 333 and 334 of the *Company Act*;
- vii. instruments of continuation of the corporation, if any; and
- viii. the charter of the corporation, if any.

(e) A Partnership registered under the *Partnership Act*.

- i. the declaration of partnership and all amendments thereto required to be filed by the partnership with the Registrar of Companies under the *Partnership Act*;
- ii. in the case of a limited partnership, the certificate of limited partnership and all amendments thereto required to be filed by the limited partnership with the Registrar of Companies under the *Partnership Act*;
- iii. a copy of the written partnership agreement and all amendments thereto, signed by all of the partners in the partnership, including all general partners and all limited partners; and
- iv. the address of the office of the partnership.

ATTACHMENT B:

CFA Area Information

Each CFA describes a specific area of land to be managed by the agreement holder under the CFA (the CFA area). The CFA area must include Crown land, but may also include municipal land, Indian Reserve land, and private land where the owner agrees to have it included in the CFA area and have it managed it as part of the CFA area.

The proposed CFA area must be suitable to meet the management objectives proposed by the Applicant and must represent an area no greater than that which will produce an allowable annual cut of up to _____m³.

The Applicant **must** submit with its application written confirmation from the District Manager that the proposed CFA area is suitable for a CFA and is consistent with the AAC allocated for the agreement.

The proposed CFA area for this CFA application must be located within the boundaries of <defined by District Manager>. It cannot include lands included in tree farm licences, woodlot licences and BCTS operating areas.

The MFR will provide an initial analysis to determine the area (ha) appropriate for the volume being offered as per the Assistant Deputy Minister's directions which follow.

If the applicant is not satisfied with the MFR analysis or wants to do a separate/different analysis they do so at their own cost.

ATTACHMENT C:

**Community Forest Agreement
(Sample Agreement Document)**

THIS AGREEMENT, dated for reference (Date with 4 digit year).

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the REGIONAL MANAGER or DISTRICT MANAGER,
MINISTRY OF FORESTS AND RANGE
ADDRESS LINE 1
ADDRESS LINE 2, BRITISH COLUMBIA
ADDRESS LINE 3
Phone: # Fax: #
(the “Regional or District Manager”)

AND:

AGREEMENT HOLDER’S LEGAL NAME
ADDRESS LINE 1
ADDRESS LINE 2, BRITISH COLUMBIA
ADDRESS LINE 3
Phone: # Fax: #
(the “Agreement Holder”)

WHEREAS:

NOTE: Set out in point form (A., B., C., etc.) the circumstance leading to award of the Community Forest Agreement - in particular key features of advertisement - purpose behind advertising or invitation.

- A. (Details)
- B. The parties have entered into this Community Forest Agreement pursuant to section 43.2 of the *Forest Act*.

Note: Use the following for direct awards under provision of section 43.51 (1) (a) of the *Forest Act* with a First Nation or its representative.

- A. The (legal name of the First Nation) and the Government have entered into an Agreement dated for reference (put in reference date of the Interim Measure Agreement) respecting treaty-related measures, interim measures or economic measures (the “Interim Agreement”).

- B. This Agreement is entered into with the (legal name of the First Nation) to implement or further the Interim Agreement, between the (legal name of the First Nation) and the Government, and it is a condition of this Agreement that the (legal name of the First Nation) comply with the Interim Agreement.

OR

- B. This Community Forest Agreement is entered into with the (legal name of the First Nation's representative) to implement or further the Interim Agreement, between the (legal name of the First Nation) and the Government, and it is a condition of this Agreement that the (legal name of the First Nation) comply with the Interim Agreement.

Note: Use the following for direct awards under provision of section 43.51 (1) (b) of the *Forest Act*.

- A. This Community Forest Agreement is entered into under (prescribed circumstances or its holder meets prescribed requirements).

“The Table of Contents and headings in this Agreement are included for convenience only and do not form a part of this Agreement and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Agreement.”

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THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

Note: section 43.3 (a) (ii) of the *Forest Act* state that a CFA must be for a term of not less than 25 years or greater than 99 years. However current policy is that 25 yrs will be used.

- 1.01 The term of this Agreement is **25 years**, beginning on **(Date with 4 digit year)**.
- 1.02 Subject to this Agreement, the Minister grants the Agreement Holder during the term of this Agreement:
- (a) the exclusive right to harvest Crown timber from Schedule “B” Land;
 - (b) the right to manage Schedule “B” Land according to:
 - (i) this Agreement;
 - (ii) the management plan in effect under this Agreement; and
 - (iii) operational plans approved in respect of this Agreement;
 - (c) the right to harvest, manage and charge fees for botanical forest products and other prescribed products as listed in Schedule “C”, from Schedule “B” Land.
- 1.03 The Agreement Holder must not harvest timber:
- (a) from Schedule “A” Land except under a cutting permit; or
 - (b) from Schedule “B” Land except under a cutting permit or road permit.
- 1.04 Subject to paragraph 1.05, the Agreement Holder will not enter, use or occupy Schedule “B” Land:
- (a) except under and in accordance with a cutting permit, road permit associated with the Agreement, special use permit, as well as an activity described in an approved management plan; or
 - (b) as otherwise authorized under the forestry legislation.
- 1.05 Paragraph 1.04 does not apply to temporary use or occupation for the purpose of:
- (a) carrying out silviculture treatments;

- (b) collecting inventory information;
- (c) doing engineering layouts and surveys;
- (d) carrying out protection activities under the forestry legislation; or
- (e) fulfilling other obligations or conducting other activities incidental to the operations of the Agreement Holder under or associated with this Agreement.

1.06 Subparagraph 1.03 (a) does not apply to:

- (a) a reserve as defined under the *Indian Act (Canada)*; or
- (b) a road clearing width on private land.

The following paragraphs must be included if the Agreement Holder is a First Nation and the Agreement was awarded under section 43.51 (1) (a) of the *Forest Act* - Renumber if necessary.

1.07 The Agreement Holder and the Government have entered into an agreement dated for reference (put in reference date of the Interim Measure Agreement) respecting treaty-related measures, interim measures or economic measures (the “Interim Agreement”). This Agreement is entered into with the (legal name of the First Nation) to implement or further the Interim Agreement, between the (legal name of the First Nation) and the Government, and it is a condition of this Agreement that the (legal name of the First Nation) comply with the Interim Agreement.

1.08 In accordance with the Interim Agreement and without limiting the actions that may be taken by the Minister or the Government, the Minister, or person authorized by the Minister may suspend or cancel this Agreement if the Minister, or person authorized by the Minister determines that the Agreement Holder is not in compliance with the Interim Agreement.

The following set of paragraphs 1.07, 1.08 and 1.09 must be used if the Agreement Holder is not the actual First Nation but is a corporate entity or other person appointed by the First Nation as its representative for the purposes of this Agreement and the Agreement was awarded under section 43.51 of the *Forest Act*.

1.07 The (legal name of the First Nation) and the Government have entered into an agreement dated for reference (Date of the Interim Agreement entered into by First Nation and Government e.g. Interim Measure Agreement) respecting treaty-related measures, interim measures or economic measures (the “Interim Agreement”). This Agreement is entered into with the (legal name of the First Nation’s representative) to implement or further the Interim Agreement, between the (legal name of the First Nation’s representative) and the Government, and it is a condition of this Agreement that the (legal name of the First Nation) comply with the Interim Agreement.

- 1.08 In accordance with the Interim Agreement and without limiting the actions that may be taken by the Minister or the Government, the Minister, or person authorized by the Minister, may suspend or cancel this Agreement if the Minister, or person authorized by the Minister determines that the (legal name of the First Nation) is not in compliance with the Interim Agreement.
- 1.09 The Agreement Holder is a person that has been appointed by (legal name of the First Nation) as its representative.

The following paragraph must be included if the Agreement Holder is a First Nation and the Agreement was awarded under section 43.51 of the *Forest Act* - Renumber if necessary.

- 1.10 This Agreement is entered with (legal name of the Agreement Holder) to mitigate the effects on that person of (a treaty or a specification of a designated area under part 13 of the *Forest Act* or an agreement with a First Nation and the Government respecting treaty-related measures, interim measures or economic measures (the "Interim Agreement")).

2.00 OTHER CONDITIONS AND REQUIREMENTS

- 2.01 The Agreement Holder must not fell standing timber, or must not buck or remove felled or dead and down timber, as the case may be, if the timber is specified as reserved timber in a cutting permit.
- 2.02 The Agreement Holder must comply with the other conditions and requirements specified in Schedule "D" in addition to any special conditions set out in a cutting permit or a road permit associated with the Agreement.

3.00 TIMBER VOLUME CHARGED TO THE AGREEMENT

- 3.01 The definition of the volume of timber harvested in part 4, division 3.1 of the *Forest Act* applies to this Agreement.
- 3.02 The determination of the volume of timber harvested will incorporate the volume of waste determined under part 5.00.
- 3.03 The (Interior standard timber merchantability specifications... or ...Coast timber merchantability specifications) in the Provincial Logging Residue and Waste Measurement Procedures Manual that was in effect on the date of issuance of the cutting permit or road permit, shall govern.

4.00 CUT CONTROL

- 4.01 The provisions of cut control that apply to "Forest Licences that specify an allowable annual cut greater than 10 000 m³ and have a term of more than 5 years" under Part 4, Division 3.1 of the *Forest Act*, apply to this Community Forest Agreement

- 4.02 If the volume of timber harvested during a cut control period for this Agreement is less than the sum of the allowable annual cuts for that period that are authorized under this Agreement, the Agreement Holder must not harvest that unharvested volume of timber in a subsequent cut control period.
- 4.03 The unharvested volume of timber, referred to in paragraph 4.02, may be disposed of, by the Regional Manager to a person other than the Agreement Holder.

5.00 WASTE ASSESSMENT

- 5.01 The Agreement Holder must conduct a waste assessment of the volume of merchantable timber, whether standing or felled, that was authorized to be cut and removed under the Agreement but, at the Agreement Holder's discretion, was not cut and removed.
- 5.02 A waste assessment conducted under paragraph 5.01 must be in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 5.03 A waste assessment made under paragraph 5.01 must be:
- (a) done within 60 days of the Agreement Holder declaring that primary logging on the area has been completed for each cutblock, allowing for ground to be sufficiently free of snow to permit an adequate assessment to be carried out; or
 - (b) if primary logging on the area is not completed before the expiry of the cutting permit, within 60 days after the expiry of the cutting permit, allowing the ground to be sufficiently free of snow to permit for an adequate assessment to be carried out.
- 5.04 If the Agreement Holder fails to comply with paragraph 5.01 the District Manager may, after the expiry of the term of a cutting permit or Agreement, conduct a waste assessment of the volume of merchantable timber that could have been cut and removed under the Agreement but, at the Agreement Holder's discretion, is not cut and removed.
- 5.05 A waste assessment conducted under paragraph 5.04 must be in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended from time to time.
- 5.06 If the District Manager carries out a waste assessment under paragraph 5.04, the District Manager, in a notice given to the Agreement Holder, may require the Agreement Holder to pay the costs incurred by the District Manager in carrying out the assessment.

6.00 MANAGEMENT PLAN

- 6.01 The Agreement Holder must submit a proposed management plan to the Regional Manager or District Manager on a date specified by the Regional Manager or District Manager in a notice given to the Agreement Holder.
- 6.02 A proposed management plan submitted under paragraph 6.01 or subparagraph 6.04(b) must:
- (a) be prepared in accordance with any directions of the Regional Manager or District Manager;
 - (b) be consistent with:
 - (i) this Agreement;
 - (ii) the forestry legislation;
 - (iii) higher level plans under the *Forest and Range Practices Act*; and
 - (iv) commitments made in the Community Forest Agreement application package or as agreed to by both parties to this agreement.
 - (c) include existing inventories:
 - (i) for the timber in the Community Forest Agreement area; and
 - (ii) for botanical forest products and other prescribed products listed in Schedule “C”;
 - (d) include any other inventories and information regarding the development, management and use of the Community Forest Agreement area that the Regional Manager or District Manager requires to determine the allowable annual cut for the Community Forest Agreement area and rate of harvest of botanical forest products and other prescribed products listed in Schedule “C”;
 - (e) propose an allowable annual cut for the Community Forest Agreement area which considers the following:
 - (i) inventories and other information referred to in subparagraph 6.02 (c) and (d);
 - (ii) timber specifications proposed for the timber resources in the Community Forest Agreement area;

- (iii) reductions that are necessary to facilitate the management and conservation of non-timber resource values in the Community Forest Agreement area, including visual quality, biological diversity, soils, recreation resources, cultural heritage resources, range land, wildlife, water and fish habitats;
 - (iv) silviculture practices and forest health factors that may impact on timber production;
 - (v) the anticipated impact of the reductions to the productive portion of the Community Forest Agreement area due to permanent roads, landings, pits and trails; and
 - (vi) any other factors that may impact on the allowable annual cut during each year;
- (f) contain a rationale for the allowable annual cut referred to in subparagraph 6.02 (e) prepared in accordance with any directions of the Regional Manager or District Manager;
 - (g) propose management objectives for the Community Forest Agreement area regarding the harvesting, management of, and the charging fees for prescribed products listed in Schedule “C”,
 - (h) specify measures to be taken by the Agreement Holder to identify and consult with persons using the Community Forest Agreement area for purposes other than timber production and harvesting of prescribed products listed in Schedule “C”, including:
 - (i) trappers, guide outfitters, range tenure holders, and other Agreement resource users;
 - (ii) an aboriginal group who may be exercising or claiming to hold aboriginal interest or treaty rights; and
 - (iii) community members, local governments, and government agencies.
 - (i) include a strategy outlining how the Provincial CFA Program Objectives will be managed for,
 - (j) include agreement holder’s guiding principles,
 - (k) contain the social, economic and broad resource management goals proposed for the CFA, and
 - (l) include a strategy for annual reporting out to the community on subparagraphs 6.02 (i), (j), and (k).

- 6.03 The Regional Manager or District Manager within 90 days of receiving a proposed management plan submitted under paragraph 6.01 or subparagraph 6.04 (b), will, in a notice given to the Agreement Holder, approve the proposed management plan, subject to such conditions as the Regional Manager or District Manager considers necessary or appropriate, if the Regional Manager or District Manager is satisfied the proposed management plan meets the requirements of paragraph 6.02.
- 6.04 If the Regional Manager or District Manager does not approve a proposed management plan under paragraph 6.03:
- (a) the Regional Manager or District Manager, within 90 days after the date on which the Regional Manager or District Manager receives the proposed management plan, will specify in a notice given to the Agreement Holder the reason why the proposed management plan was not approved; and
 - (b) the Agreement Holder, within 30 days, or an alternative period of time specified by the Regional Manager or District Manager in a notice to the Agreement Holder, after the date on which the Agreement Holder is given the notice referred to in subparagraph 6.04 (a), must submit a new or revised proposed management plan to the Regional Manager or District Manager.
- 6.05 Subject to paragraph 6.06, the management plan in effect under this Agreement expires three months after the date upon which the Agreement Holder is required to submit a proposed management plan pursuant to a notice given to the Agreement Holder under paragraph 6.01.
- 6.06 If:
- (a) the Regional Manager or District Manager, within three months after the date on which the Regional Manager or District Manager receives a proposed management plan submitted under paragraph 6.01, has neither:
 - (i) approved the proposed management plan under paragraph 6.03; nor
 - (ii) given the Agreement Holder a notice referred to in subparagraph 6.04 (a); and
 - (b) there is a management plan in effect under this Agreement;
- then the term of the management plan referred to in subparagraph (b) is deemed to be extended until such time as the Regional Manager or District Manager approves the proposed management plan under paragraph 6.03, or gives the Agreement Holder a notice referred to in subparagraph 6.04 (a), as the case may be.
- 6.07 The Agreement Holder must manage Schedule “A” Land and Schedule “B” Land in accordance with the management plan in effect under this Agreement.

- 6.08 A management plan approved by the Regional Manager or District Manager under paragraph 6.03 is deemed to be part of this Agreement during the period the management plan remains in effect.
- 6.09 The Regional Manager or District Manager, in a notice given to the Agreement Holder, may require the Agreement Holder to submit an amendment to the management plan.

7.00 CUTTING PERMITS

- 7.01 Subject to paragraphs 7.02 through 7.04 inclusive, the Agreement Holder may submit an application to the District Manager for a cutting permit or for an amendment to a cutting permit to authorize the Agreement Holder to harvest timber from one or more proximate areas of land within the Community Forest Agreement area, meeting the requirements referred to in parts 1.00 and 2.00 and the Appraisal Manual in effect on the date of submission of the application for a cutting permit, an application to amend a cutting permit, or a road permit that are:
- (a) exempted under the *Forest and Range Practices Act* from the requirement for a forest stewardship plan; or
 - (b) located within a forest development unit of an approved forest stewardship plan.
- 7.02 For those areas to be included in the application under paragraph 7.01, the Agreement Holder must ensure that data submitted is gathered and compiled according to that Appraisal Manual.
- 7.03 An application under paragraph 7.01 must:
- (a) be in a form established by the District Manager;
 - (b) state a proposed term that does not exceed four years;
 - (c) include:
 - (i) a map to a scale acceptable to the District Manager showing the areas referred to in the application; and
 - (ii) the information referred to in paragraph 7.02; and
 - (iii) a description acceptable to the District Manager of any timber that is reserved from cutting.
- 7.04 The areas of land shown on the map referred to in clause 7.03 (c) (i) must be:
- (a) the areas referred to in subparagraph 7.01 (a); or

- (b) located within a forest development unit referred to in subparagraph 7.01 (b) allowing for any difference in scale between maps used in the forest stewardship plan, or exemption and the map referred to in clause 7.03 (c) (i).
- 7.05 Subject to paragraphs 7.06 through 7.09 inclusive, 7.04 and 9.01, upon receipt of an application under paragraph 7.01, the District Manager will issue a cutting permit to the Agreement Holder if the District Manager is satisfied that:
- (a) there is a management plan in effect under this Agreement;
 - (b) the requirements of paragraphs 7.01, 7.02, 7.03, and 7.04 have been met;
 - (c) the areas of land referred to in the application for the cutting permit meet the requirements referred to in Schedule “D”; and
 - (d) the District Manager is satisfied that activities and operations under or associated with the cutting permit will be consistent with this Agreement, higher level plans, the management plan referred to in subparagraph 7.05 (a), and any operational plans approved in respect of the areas of land referred to in the cutting permit.
- 7.06 The District Manager may consult aboriginal group(s) who may be exercising or claiming to hold an aboriginal interest(s) or proven aboriginal right(s), including aboriginal title, or treaty right(s) if in the opinion of the District Manager, issuance of the cutting permit or an amendment to a cutting permit as submitted and/or operations under the cutting permit may result in:
- (a) an impact to an aboriginal interest(s) that may require consideration of accommodation; or
 - (b) an infringement of a proven aboriginal right(s), including aboriginal title, or treaty right(s) that may require justification.
- 7.07 The District Manager may impose conditions in a cutting permit to address an aboriginal interest(s), or proven aboriginal right, including aboriginal title, or a treaty right(s) if in the opinion of the District Manager, issuance of the cutting permit as submitted would result in:
- (a) an impact to an aboriginal interest(s) that would require consideration of accommodation; or
 - (b) an infringement of a proven aboriginal right(s), including aboriginal title, or treaty right(s) that would require justification.

- 7.08 The District Manager may refuse to issue a cutting permit or to amend a cutting permit if in the opinion of the District Manager issuance of the cutting permit or an amendment to a cutting permit would result in:
- (a) an impact to an aboriginal interest(s) or treaty right(s) that could not be reasonably accommodated; or
 - (b) an impact to a proven aboriginal right(s), including aboriginal title, or a treaty right(s) that could not be justified.

7.09 If the District Manager:

- (a) determines that a cutting permit may not be issued because the requirements of paragraph 7.05 have not been met;
- (b) is carrying out consultations under paragraph 7.06; or
- (c) refuses to issue a cutting permit under paragraph 7.08;

the District Manager will notify the Agreement Holder within 45 days of the date on which the application for the cutting permit, or an amendment to the cutting permit was received.

7.10 A cutting permit must:

- (a) identify the boundaries within the Community Forest Agreement area upon which, subject to this Agreement and the forestry legislation, the Agreement Holder is authorized to conduct operations;
- (b) specify the term stated in the application;
- (c) specify a timber mark to be used in conjunction with the timber removal carried on under the cutting permit;
- (d) specify whether, for the purpose of determining the amount of stumpage payable in respect of timber removed under the cutting permit, the volume and quantity of timber is to be determined using information provided by:
 - (i) a scale of the timber; or
 - (ii) a cruise of the timber conducted before the timber is cut;
- (e) specify any timber that is reserved from cutting; and
- (f) include such other provisions, consistent with this Agreement, as determined by the District Manager.

- 7.11 The District Manager may amend a cutting permit only with the consent of the Agreement Holder.
- 7.12 The Agreement Holder may only make application to the District Manager for a cutting permit extension at least 45 days before the expiry of the cutting permit and in a form acceptable to the District Manager.
- 7.13 A cutting permit is deemed to be part of this Agreement.

8.00 ACCESS

- 8.01 Nothing in this Agreement authorizes the Agreement Holder to in any way restrict the Crown's right of access to Crown lands.
- 8.02 Any Ministry employee may:
- (a) enter onto Schedule "A" Land; and
 - (b) use roads owned or deemed to be owned by the Agreement Holder;
- for the purpose of inspecting the Agreement Holder's activities under or associated with this Agreement, and for the purpose of fulfilling an obligation or exercising a right under this Agreement.
- 8.03 The Agreement Holder will allow any person who has been granted rights to timber referred to in paragraph 4.03 or under the *Forest Act*, to use any road referred to in subparagraph 8.02 (b) for the purpose of exercising rights or fulfilling obligations within the Community Forest Agreement area.

9.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 9.01 Notwithstanding any other provision of this Agreement, if a court of competent jurisdiction:
- (a) determines that activities or operations under or pursuant to this Agreement will unjustifiably infringe an aboriginal right and/or title or treaty right;
 - (b) grants an injunction further to a determination referred to in subparagraph 9.01 (a); or
 - (c) grants an injunction pending a determination of whether activities or operations under or pursuant to this Agreement will unjustifiably infringe an aboriginal right and/or title or treaty right;

the Regional Manager or District Manager, in a notice given to the Agreement Holder, may vary or suspend, in whole or in part, or refuse to issue a cutting permit, road permit or other permit issued to the Agreement Holder, so as to be consistent with the court determination.

9.02 Subject to this Agreement and the forestry legislation, if:

- (a) under paragraph 9.01, the Regional Manager or District Manager has varied a cutting permit, road permit or other permits issued to the Agreement Holder;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Manager or District Manager, at the request of the Agreement Holder, will vary the permit to reflect as closely as possible, for the remainder of its term, the terms and conditions of the permit prior to the variation under paragraph 9.01.

9.03 Subject to this Agreement and the forestry legislation, if:

- (a) under paragraph 9.01, the Regional Manager or District Manager has suspended a cutting permit, road permit or other permits issued to the Agreement Holder;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Manager or District Manager, at the request of the Agreement Holder, will reinstate the permit for the remainder of its term.

9.04 Subject to this Agreement and the forestry legislation, if:

- (a) under paragraph 9.01, the Regional Manager or District Manager has refused to issue a cutting permit, road permit or other permits issued to the Agreement Holder;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Manager or District Manager, at the request of the Agreement Holder, will issue the permit.

10.00 REPORTING

10.01 The Regional Manager or District Manager, in a notice given to the Agreement Holder, may at any time, require the Agreement Holder to carry out audits and submit reports containing such information as the Government requires concerning:

- (a) the Agreement Holder's performance of its obligations under or in respect of this Agreement, the approved management plan and conditions from the Regional Manager or District Manager's management plan approval letter;
- (b) the processing, use or disposition of timber and the products listed in Schedule "C" which are harvested under this Agreement;
- (c) the levies or fees collected by the Agreement Holder for any types of activities conducted or occurring on Schedule "B" Land;
- (d) the services or opportunities provided by the Agreement Holder such as wildlife viewing, hiking, and nature interpretation; and
- (e) financial statements prepared by a qualified accountant capturing economic activity attributable to the operation of this Agreement;

in the previous calendar year if the information is not included in any other reports which the Agreement Holder must submit under the forestry legislation.

10.02 Upon receipt of a notice referred to in paragraph 10.01 the Agreement Holder, on or before the date specified in the notice, must submit a report to the Regional Manager or District Manager containing the required information.

10.03 Subject to the *Freedom of Information and Protection of Privacy Act*, the Regional Manager or District Manager will not disclose information provided in confidence by the Agreement Holder in any reports submitted under paragraph 10.02.

10.04 Subject to paragraph 10.03, the Regional Manager or District Manager may include the information contained in a report submitted under paragraph 10.01 in any reports prepared by the Ministry for public review.

10.05 Subject to paragraph 10.03, the Regional Manager or District Manager may require the Agreement Holder to make available to the public information required under paragraph 10.01 and carry out consultation activities with the public concerning matters relating to this Agreement.

11.00 FINANCIAL

11.01 In addition to any money payable in respect of this Agreement or a road permit under the forestry legislation, the Agreement Holder must pay to the Crown, immediately upon receipt of a notice, statement or invoice issued on behalf of the Crown:

(a) stumpage under part 7 of the *Forest Act* in respect of timber removed:

(i) under a cutting permit from Schedule “B” Land; or

(ii) under a road permit;

at rates determined, redetermined and varied under section 105 of that Act;

(b) any payments required under part 5.00; and

(c) annual rent at a rate in accordance with the schedule found in the Annual Rent Regulation.

12.00 REPRESENTATIONS

12.01 The Agreement Holder represents and warrants that the Agreement Holder:

NOTE: Select 1 of the 4 choices for subparagraph 12.01 (a) and delete all others.

- (a) is a society incorporated under the *Society Act* that it is not prohibited under that Act from holding a Community Forest Agreement.
- (a) is an association as defined in the *Cooperative Association Act*, and can demonstrate that holding a Community Forest Agreement is consistent with the purpose of the association.
- (a) is a corporation established by or under an enactment, or registered as an extraprovincial company under the *Business Corporations Act*.
- (a) is a partnership comprised of:

NOTE: If subparagraph 12.01 (a) “partnership” is selected then choose between 1 of the following 6 Options

- (i) a first nation;
- (i) a municipality or regional district;
- (i) societies incorporated under the *Society Act* that are not prohibited under that *Act* from holding a Community Forest Agreement;
- (i) associations as defined in the *Cooperative Association Act* that can demonstrate that holding a Community Forest Agreement is consistent with the purpose of the association;
- (i) corporations established by or under an enactment, or registered as an extraprovincial company under the *Business Corporations Act*;
- (i) a combination of any of the entities referred to in Options 1 to 5;

(succinctly describe the partnership).

13.00 LIABILITY AND INDEMNITY

13.01 Subject to paragraph 13.03, the Agreement Holder must indemnify the Crown against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Crown as a result, directly or indirectly, of any act or omission of:

- (a) the Agreement Holder;
- (b) an employee of the Agreement Holder;
- (c) an agent of the Agreement Holder;
- (d) a contractor of the Agreement Holder who engages in any activity or carries out any operation, including but not restricted to the Agreement Holder's operations, under or associated with this Agreement or a cutting permit or a road permit; or
- (e) any other person who on behalf of or with the consent of the Agreement Holder engages in any activity or carries out any operation, including but not restricted to the Agreement Holder's operations, under or associated with this Agreement or a cutting permit or a road permit.

13.02 For greater certainty, the Agreement Holder has no obligation to indemnify the Crown under paragraph 13.01 in respect of any act or omission of:

- (a) an employee, agent or contractor of the Crown, in the course of carrying out his or her duties as employee, agent or contractor of the Crown; or
- (b) a person, other than the Agreement Holder, to whom the Crown has granted the right to occupy Crown land, in the course of exercising those rights.

13.03 The Crown is not liable to the Agreement Holder for injuries, losses, expenses, or costs incurred or suffered by the Agreement Holder as a result, directly or indirectly, of an act or omission of a person who is not a party to this Agreement, including but not restricted to an act or omission of a person disrupting, stopping or otherwise interfering with the Agreement Holder's operations under this Agreement by road blocks or other means.

13.04 Any payments required under part 5.00, and payments required further to the indemnity referred to in paragraph 13.01 are in addition to and not in substitution for any other remedies available to the Crown in respect of a default of the Agreement Holder.

14.00 TERMINATION

14.01 If this Agreement expires or is not replaced under section 43.4 of the *Forest Act*, or is surrendered, cancelled or otherwise terminated:

- (a) all cutting permits will immediately terminate; and
- (b) timber, including logs, special forest products or prescribed products listed in Schedule "C", cut under the authority of this Agreement

and which are still located on Crown land, vest in the Crown, without right of compensation to the Agreement Holder; and

- (c) unless otherwise agreed to between the District Manager and the Agreement Holder prior to the surrender, cancellation or termination of this Agreement, title to all improvements, including roads and bridges, constructed by the Agreement Holder on Crown land under the authority of this Agreement vest in the Crown, without right of compensation to the Agreement Holder; and
- (d) subject to subparagraphs 14.01 (b) and (c) the Agreement Holder may continue to enter and use Crown Land for a period of one month after the expiry or termination of this Agreement for the purpose of removing the Agreement Holder's property.

14.02 The Agreement Holder will not take away any improvements or remove any timber referred to in subparagraph 14.01 (b), unless authorized to do so by the Regional Manager.

14.03 If the Agreement Holder commits an act of bankruptcy, makes a general assignment of its creditors or otherwise acknowledges its insolvency the Agreement Holder is deemed to have failed to perform an obligation under this Agreement.

15.00 WAIVER

15.01 No waiver by the Government of any default non-compliance by the Agreement Holder in the strict and literal performance of or compliance with any provision of the Agreement will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Agreement or to be a waiver of, or in any manner release the Agreement Holder from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Government in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

16.00 NOTICE

16.01 A notice given under this Agreement must be in writing.

16.02 A notice given under this Agreement may be:

- (a) delivered by hand;
- (b) sent by mail; or
- (c) subject to paragraph 16.05, sent by facsimile transmission;

to the address or facsimile number, as applicable, specified on the first page of this Agreement, or to such other address or facsimile number as is specified in a notice given in accordance with this part.

- 16.03 A notice given under this Agreement, is deemed to have been given:
- (a) if it is given in accordance with subparagraph 16.02 (a), on the date it is delivered by hand;
 - (b) if it is given in accordance with subparagraph 16.02 (b), subject to paragraph 16.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada; and
 - (c) if it is given in accordance with subparagraph 16.02 (c), subject to paragraph 16.05, on the date it is sent by facsimile transmission.
- 16.04 If, between the times a notice is mailed in accordance with subparagraph 16.02 (b) and the time it is actually received, there occurs a postal strike, lockout or slowdown that might reasonably affect delivery of the notice, the notice is not deemed to be given until the party actually receives it.
- 16.05 If a notice is sent by facsimile transmission, the party sending the notice must take reasonable steps to ensure that the transmission has been successfully completed.

17.00 MISCELLANEOUS

- 17.01 This Agreement will enure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.
- 17.02 The laws of British Columbia will govern the interpretation of this Agreement and the performance of the Agreement Holder's obligations under this Agreement.
- 17.03 Any power conferred or duty imposed on the Regional Manager or District Manager under this Agreement may be exercised or fulfilled by any person authorized to do so by the Regional Manager or District Manager.
- 17.04 The schedules attached to this Agreement are deemed to be part of this Agreement.
- 17.05 Nothing in this Agreement or a cutting permit issued under this Agreement is to be construed as authorizing the Agreement Holder to engage in any activities or carry out any operations otherwise than in compliance with the requirements of the forestry legislation.
- 17.06 The Agreement Holder must:

- (a) comply with the forestry legislation; and
- (b) ensure that its employees, agents and contractors comply with the forestry legislation when engaging in or carrying out activities or operations under or associated with the Agreement.

17.07 Nothing in this Agreement entitles the Agreement Holder to have an area of Schedule “B” Land replaced with another area, or to have rights awarded under another Agreement under the *Forest Act*, in the event:

- (a) timber is damaged or destroyed by pests, fire, wind or other natural causes;
- (b) an area of land is deleted from the Community Forest Agreement area under the forestry legislation, or under any other Act or regulation; or
- (c) this Agreement expires, is surrendered, is cancelled or otherwise terminated.

17.08 At the request of the Regional Manager or District Manager, the Agreement Holder will survey and define on the ground any or all boundaries of the Community Forest Agreement area.

17.09 Where harvesting of timber has been authorized under this Agreement, the District Manager in a notice to the Agreement Holder, may require the Agreement Holder to carry out a legal survey on the portions of the area to be operated upon that are adjacent to any Community Forest Agreement area boundaries.

18.00 INTERPRETATION & DEFINITIONS

18.01 This Agreement is divided into parts, paragraphs, subparagraphs, clauses and subclauses, illustrated as follows:

- 1.00 part;
 - 1.01 paragraph;
 - (a) subparagraph;
 - (i) clause;
 - (a) subclause;

and a reference to a subparagraph, clause or subclause is to be construed as a reference to a subparagraph, clause or subclause of the paragraph, subparagraph or clause, as the case may be, in which the reference occurs.

18.02 In this Agreement, unless the context otherwise requires:

“aboriginal interest” means a potential aboriginal right and/or aboriginal title that has not been proven through a court process;

“allowable annual cut” means the allowable annual cut set under the management plan for the Agreement;

“botanical forest product” means any or all flora and fungi of the forest other than timber that occurs naturally on Crown forest land

“Community Forest Agreement area” means the area of lands identified in Schedules “A” and “B”;

“cut control period” means the cut control period determined for this Agreement under part 4.00;

“cutting permit” means a cutting permit issued under this Agreement or an amendment for a cutting permit as the context requires;

“District Manager” means:

- (i) a District Manager appointed under the *Ministry of Forests Act*, for a forest district in which all or part of the Agreement is situated; and
- (ii) any person authorized by the District Manager to exercise a power or fulfill a duty under this Agreement;

“*Forest Act*” means the *Forest Act*, R.S.B.C. 1996, c. 157, as amended from time to time, or the successor to that Act, if it is repealed;

“*Forest and Range Practices Act*” means the *Forest and Range Practices Act*, S.B.C. 2002, c. 69 as amended from time to time, or the successor to this Act, if it is repealed;

“forest stewardship plan” means a forest stewardship plan referred to in the *Forest and Range Practices Act*, that is prepared or approved by the Minister in respect of the Agreement;

“forestry legislation” means the statutes and regulations, to which the Agreement is subject including:

- (a) the *Forest Act*;
- (b) the *Forest and Range Practices Act*; and
- (c) the *Wildlife Act*.

“Government” means the Government of the Province of British Columbia;

“harvest” means:

- (a) cut;
- (b) remove;

(c) cut and remove;

“management plan” means the management plan prepared and approved for this Agreement in accordance with part 6.00 of this Agreement;

“merchantable timber” means timber that meets or exceeds the timber merchantability specifications described in the Provincial Logging Residue and Waste Measurements Procedures Manual, as amended or replaced from time to time;

“Minister” means the Minister responsible for administering the *Forest Act*;

“Ministry” means the Ministry of Forests and Range;

“*Ministry of Forests Act*” means the *Ministry of Forests Act* R.S.B.C. 1996, c. 300;

“Ministry officer” means an employee of the Ministry;

“non-Crown land” means land that is private land or in a reserve as defined in the *Indian Act (Canada)* as described in the Schedule “A” to this Agreement;

“person” includes a corporation and a partnership, unless the context requires otherwise;

“pest” means any animal, insect, fungus, bacteria, virus, nematode, or other organism which is detrimental to effective forest management;

“primary logging” includes felling timber and yarding or forwarding the timber to central landings or road-sides, but not including the removal of the timber from these landings or road-sides;

“Regional Manager” means:

- (a) a Regional Manager appointed under the *Ministry of Forests Act*, for a forest region in which all or part of the Community Forest Agreement area is situated; and
- (b) any person authorized by the Regional Manager to exercise a power or fulfill a duty under this Agreement;

“remove” means the removal of timber from the Community Forest Agreement area and “removed”, “removal” and “removing” have the corresponding meanings;

“resource agencies” means any governmental agency, Ministry or department having jurisdiction over a resource which may be affected by any activity or operation, including but not restricted to activities or operations, engaged in or carried out under or associated with this Agreement or a road permit;

“road permit” means a road permit entered into under the *Forest Act* which provides access to timber removed or to be removed, under this Agreement;

“Schedule “A” Land” means the non-Crown lands managed as part of the Community Forest Agreement area described in the Schedule “A” to this Agreement;

“Schedule “B” Land” means the Crown land described in Schedule “B” to this Agreement;

“special use permit” means a special use permit issued under the applicable forestry legislation, to authorize the Agreement Holder to use or occupy Crown land within the Community Forest Agreement area;

“timber merchantability specifications” means those found in the most current Provincial Logging Residue and Waste Procedures Manual, as amended or replaced from time to time;

“waste” means merchantable Crown timber that could have been cut and removed under this Agreement but that the Agreement Holder is not cut and removed as defined in the Provincial Logging Residue and Waste Measurements Procedures Manual, as amended or replaced from time to time.

- 18.03 Unless otherwise provided in paragraph 18.02, if a word or phrase used in this Agreement is defined in the *Forest Act*, or the *Forest and Range Practices Act* the definition in the Act applies to this Agreement, and where the word or phrase in the Act is replaced by a new word or phrase, this Agreement is deemed to have been amended accordingly.
- 18.04 If a provision of the *Forest Act*, or the *Forest and Range Practices Act* referred to in this Agreement is renumbered, the reference in this Agreement is to be construed as a reference to the provision as renumbered.
- 18.05 In this Agreement, unless the context otherwise requires:
- (a) the singular includes the plural and the plural includes the singular;
and
 - (b) the masculine, the feminine and the neuter are interchangeable.

IN WITNESS WHEREOF this Agreement has been executed by the **Regional or District** Manager and the Agreement Holder on the date first written above.

SIGNED by the)
Regional or District Manager)
on behalf of Her Majesty)
the Queen in Right of)
the Province of)
British Columbia)
in the presence of:)
)
)

Signature)

Printed Name)

(Regional or District Managers name), Manager
(name of Region or District) Forest Region or District

Dated

THE COMMON SEAL of)
the Agreement Holder was)
affixed in the presence of:)
)
)

Signature)

Printed Name)

c/s

(or)

SIGNED, by the)
Agreement Holder)
in the presence of:)
)
)
)

Signature)

Printed Name)

Agreement Holder

Printed Name and Title

Dated

SCHEDULE “A”

NOTE: Insert description of non-crown lands here or write NIL.

1.00 DESCRIPTION OF NON-CROWN LANDS

1.01

SCHEDULE “B”

1.00 DESCRIPTION OF CROWN LANDS

NOTE: Insert description of Crown lands here or write NIL.

1.01

Refer to attached Exhibit “A” map(s).
Schedule “B” Land does not include alienated Crown land.
All alienated Crown land may not be identified on the attached Exhibit “A” map(s).

Note:

“Alienated Crown land” means Crown land which is not available for inclusion in Schedule “B” Land, and, without restricting the generality of the foregoing, includes Crown land which:

- (a) is, as of the effective date of this Agreement, within the area of:
 - (i) a park or ecological reserve;
 - (ii) a lease, Agreement of exclusive occupation, or timber Agreement held by a person other than the Agreement Holder, or
 - (iii) a highway or road right-of-way where the highway or road is, or is deemed, declared or determined to be a public highway under the *Highway Act* or a forest service road under the *Forest Act*, or
- (b) becomes vested in the Crown by escheat, reversion, transfer or otherwise during the term of this Agreement, except as provided in the Agreement.

SCHEDULE “C”

1.00 BOTANICAL FOREST PRODUCTS AND OTHER PRESCRIBED PRODUCTS

NOTE: Insert other prescribed products here or write NIL.

1.01

SCHEDULE “D”

1.00 OTHER CONDITIONS AND REQUIREMENTS

- 1.01 The Agreement Holder must conduct at least one formal public meeting each calendar year in a format satisfactory to the District Manager for the purposes of informing the general public of the activities the Agreement Holder proposes to undertake with respect to this Agreement.
- 1.02 Notwithstanding paragraph 1.01 above, the Agreement Holder, in conducting a formal public meeting(s), and in informing the general public of the activities the Agreement Holder proposes to undertake, will:
- a) actively promote ongoing public awareness of the community forest activities and governance processes, and
 - b) report on the agreement holder’s performance related to subparagraphs 6.02 (i), (j), and (k) of the approved management plan.

ATTACHMENT D:

Evaluation Checklist– (Applications will be evaluated using the following criteria)

Section	Criteria	Y/N/NA	Actions Required
1. Title Page	Included?		
2. Letter of Introduction	Included?		
	Signed Appropriately		
	Provisions accepted		
3. Table of Contents	Included?		
4. Executive Summary	Included?		
	Key points included?		
	Indication of location of supporting information included?		
5. District Documentation	Letter from DM included?		
	Letter confirms area appropriate for a CFA?		
	Letter confirms AAC appropriate for area?		
	Letter confirms FN consultation process has been carried out?		
6. Legal Entity	Documentation included?		
7. CFA Area Overview			
7.a. Map	Map included?		
	Map is		
	Appropriate scale?		
	Sufficient detail/layers?		
7.b. Area Use	Describes historical use?		
	Describes CFA use?		
7.c. Area Description	Describes ownership and existing tenures?		
	Describes state of land?		
	Environmental considerations?		
	Describes cultural considerations		
	Identifies issues, potential conflict?		

Section	Criteria	Y/N/NA	Actions Required
8. Management Plan			
8.2. Management Objectives	Included?		
	Describes resource specific objectives?		
	Potential for overlap/conflict with FRPA?		
	Includes management objectives for harvesting, management of, and the charging fees for botanical forest products?		
8.4. Other MP requirements	Includes inventories for timber?		
	Commits to further inventories?		
	Includes inventories for botanical forest products being utilised?		
	Includes other inventories required for management of the area?		
Proposed AAC	Included?		
	AAC generated by MFR?		
	Rationale Included?		
Consultation with other users	Specifies measures taken to identify and consult with persons using the area for purposes other than timber or botanical use?		
Strategy re: CFA program obj	Includes a strategy outlining how CFA program objectives will be managed for?		
Guiding principles	Guiding principles?		
Resource Mngmt goals	Statement of social, economic, & broad resource mngmt goals for the CFA?		
Annual reporting	Strategy for annual reporting out to the community		

Section	Criteria	Y/N/NA	Actions Required
8.3. Plan Signatures	Signed and Sealed by RPF?		
	Signed by Licensee Rep?		
9. Community Awareness, Support and Involvement	Describes level of support, awareness and commitment of community?		
	Contains proof of high level of community awareness?		
	Contains proof of strong support?		
9.1. Letters of Support	Included and range demonstrated?		
	Still Valid?		
9.2. Report of Public Events	At least one event held?		
	Public given opportunity to provide written/oral comments?		
	Event adequately advertised?		
	Adequate notice given to DM in requested format?		
	Report on event includes all comments raised and actions to address?		
9.3. Process for Public Involvement and Consultation	Included?		
	Will process be effective in involving public in CFA planning and operation?		
9.4. Consultation with Stakeholders and First Nations	Efforts documented?		
	Efforts diligent?		

Section	Criteria	Y/N/NA	Comments/Actions Required
10. Administrative Authority and Structure			
10.1.	Mission Statement included?		
	CFA holder history included?		
	Intended governance structure included?		
	Representation, appointment procedures documented? Detail sufficient?		
	How board will be accessible to the public outlined? Detail sufficient?		
	Process for decision making and resource allocation outlined? Detail sufficient?		
	Monitoring and reporting processes outlined? Detail sufficient?		
	Conflict resolution process outlined? Detail sufficient?		
10.2.	Role of CFA holder and other entities identified? Detail sufficient?		
	Key personnel, role and qualification identified? Detail sufficient?		
11. Business Plan	Included?		
11.1	Disclosure statement included? All required info included?		
	Short, medium and long-term objectives included? Objectives consistent with other parts of business plan?		
	Products and services produced outlined? Key success factors outlined? Detail sufficient?		
12. Not for public disclosure	Included?		
13. Attachments	Relevant information included?		

Community Forest History

- 1998 – A new form of forest tenure was designed to allow more communities and First Nations to participate in the management of forests in their local areas.
- 2001- Village Council took into consideration the changes that were taking place in the Forest Industry at the time and determined it would be prudent to investigate the possibility of establishing a Community Forest in the Pemberton area.
- 2005 – Invitation was made to the Village of Pemberton to apply for a five-year probationary community forest license that will provide up to 10,000 m³ of timber annually.
- 2006- A meeting took place between Ministry of Forestry officials VOP Staff & Council regarding the Community Forest Program in the Village of Pemberton.
- 2007 - A timber supply analysis was conducted for a number of Woodlot Licenses and Community Forest Agreement areas.
- 2014 - A presentation by MFLNRO was made to the VOP Mayor and Council regarding a community forest
- 2014, 2015 – Presentations were made to the VOP Mayor and Council by BCTS regarding a potential partnership opportunities

Council then determined that it would be appropriate to undertake a feasibility study, which would help establish a vision and strategy, hold a preliminary community meeting to determine interest, review the existing tenure areas and timber supply, investigate financial impacts, and identify possible business models/partnerships and options for organizational structures.

Community Forest Vision

The Pemberton Community Forest would provide an opportunity for greater control of timber harvesting management in an area that is sensitive to community values.

With greater flexibility to manage the forests there would be opportunities to enhance economic vitality and grow timber responsibly.

The focus would be on forest harvesting for sustainability in perpetuity through not only efficient management practices, but through education about forestry and its long term value to the community.

The Community Forest would have to develop a strategy that balances the values of the community with the need to generate profit.

Community Forest Values

Connection to wildlife preservation and enhancement, watershed protection and native cultural site sensitivities.

Economic viability supporting the growth and vitality of the forest and giving back to the community through forestry job security, training initiatives and cottage industries.

Ensuring visual impact reduction strategies for tourism and recreation purposes.

Protection and sustainable development of potential future trail networks for mountain biking, horseback riding and alpine hiking.

Business Operational Structure

The undertaking of a Community Forest (CF) requires a great deal of expertise in a variety of areas in order to strategically plan and manage short and long-term operational objectives.

There are several options that may be considered:

- Go-it-alone; the size and scope of the CF is similar to a woodlot wherein a consultant, manager or managing company could facilitate the planning and management.
- Partnership with BC Timber Sales; capacity is in the management, sale and profit sharing of timber within a community forest tenure. This can be mutually beneficial with a cooperative agreement where both parties agree to work together to ensure coordinated forestry planning while harvesting timber volumes.
- Partnership with Lil'wat Nation; consideration for cultural appropriateness, territorial rights, mutual values and current strong economic and operational forestry division effectiveness.
- Partnership with forest company; few local forest companies remain in full operation. The current staying power of those that are speaks for itself in light of the volatility and challenges that the forest industry has faced.

Each option has advantages and disadvantages in both the short and long-term perspective.

Recreation Trails

A Community Forest Agreement does not secure legal authority regarding the management of old and/or the creation of new recreation trails within the proposed community forest area.

“Although the majority of existing trails are located on Crown land (82%), many of these trails are in part on lands that are part of the agreement with the Lil’wat Nation and may be subject to future development.”

– Pemberton Trails Master Plan



Economics

The economic evaluation consists of forecasting the costs of timber harvesting and making an estimate of what the selling price for the timber will be.

Typical costs for timber harvesting include, forest planning, road building, falling, yarding, loading, scaling, sorting and booming. In addition there is the cost of the stumpage or taxes plus reforestation costs.

For the selling price estimates, a timber cruise or forest inventory is used to estimate the volume by tree species and grades. Two five year planning horizons will be used with the first five being the most important to ensure a modest profit to pay back start up costs.

Costs Implications

CP Application Anticipated Costs

To be awarded a community forest, a formal Application is required. It includes at minimum the development of the following:

Management Objectives	\$5,000
Land Base Designation/AAC Analysis	\$5,000 - \$15,000
Preliminary Forest Management Plan	\$5,000 - \$8,000
Preliminary Forest Development Plan	\$10,000 - \$15,000
Business Plan	\$8,000 - \$15,000
Community Awareness and Support	\$5,000 - \$10,000
Partnership Agreements	\$10,000 - \$20,000

NOTE: All costs noted in these slides are based on the estimated initial set up costs to prepare and operation a Community Forest as set out in *The Community Forestry Guidebook* published in 2004 by the British Columbia Community Forest Association.

Costs Implications

CP Preparation Costs

Once an application has been accepted and approved further costs may include:

Licence Negotiations	\$2,000 - \$5,000
----------------------	-------------------

CF Initial Development Costs:

Once negotiations have concluded there will be costs incurred for Initial Development and may include:

Office Administration	\$5,000 - \$20,000
Field Equipment (if required)	\$15,000 - \$30,000
Initial Forest Development (as required)	\$40,000 - \$60,000

NOTE: These costs will vary depending on the business model chosen and could be greatly reduced should a partnership opportunity be supported.

Costs Implications

Opportunities for Cost Recovery:

- Grants
- Volunteers support (ie: Registered Professional Forester guidance)
- In-kind donations
- Revenue generated from community forest

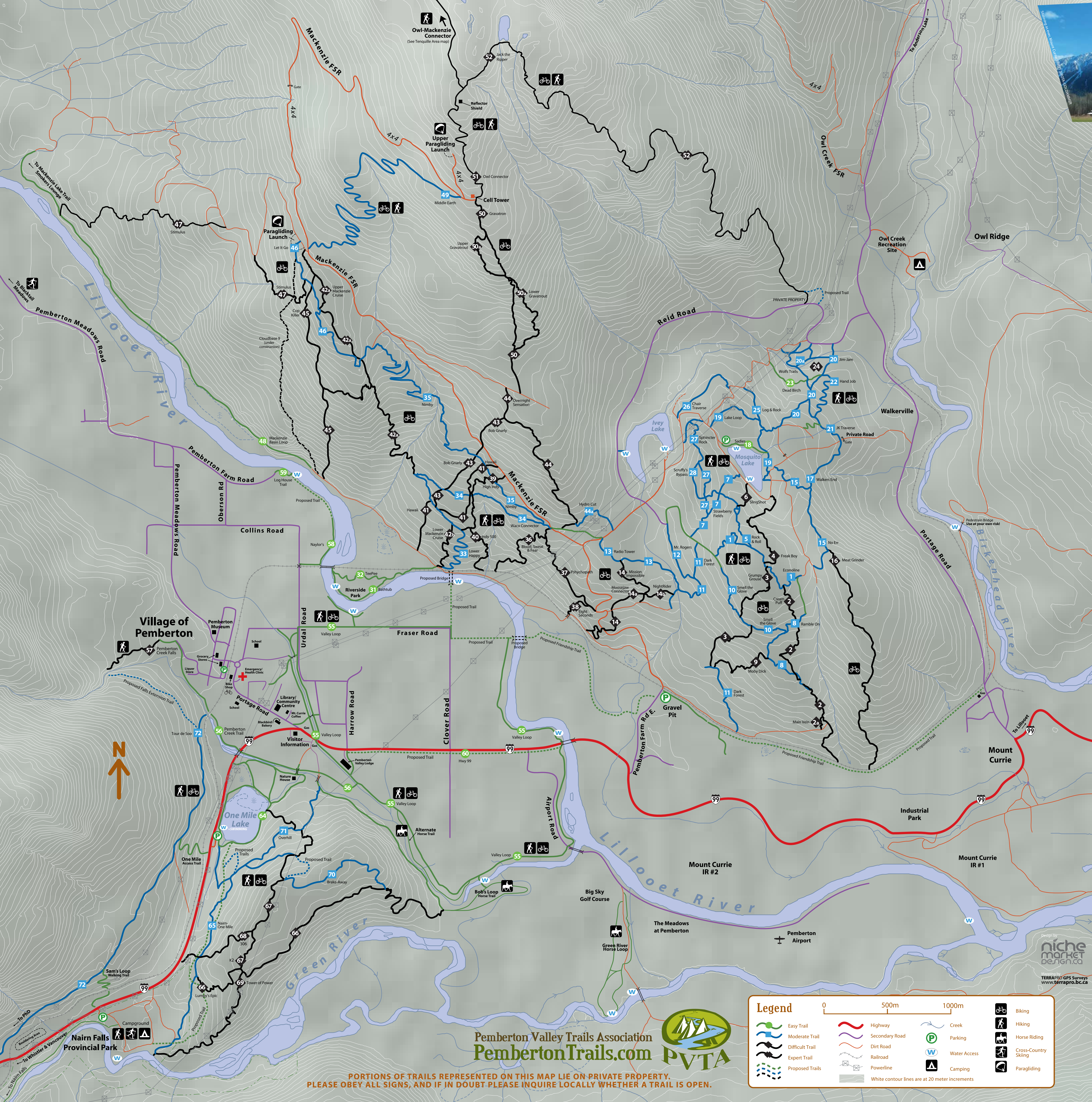
If the community forest Application is successful, the intention is that operating revenues overtime would be used to recoup these expenditures.

Costs Implications

Approximate Costs Expended to Date by the Village since 2013:

Feasibility Study	\$20,000 (2015)
Consulting	\$ 5,000

Pemberton Trails



No. on map	Trail Name	Recommended Use	FOOT	BIKE	HORSE
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MOSQUITO LAKE AREA

1	Econoline				
2	Cream Puff				
3	Main Vein				
4	Grumpy Grouse				
5	Freak Boy				
6	Rock and Roll				
7	Slingshot				
8	Strawberry Fields				
9	Ramble On				
10	Moby Dick				
11	Smell the Glove				
12	Dark Forest				
13	Mr. Rogers				
14	Radio Tower				
15	Mission Impossible				
16	MooseJaw Connector				
17	No Err				
18	Meat Grinder				
19	Walkers End				
20	Sadies				
21	Lake Loop				
22	Jim-Jam				
23	Wolfs Trails				
24	JK Traverse				
25	Hand Job				
26	Dead Birch				
27	Battery Park				
28	Log and Rock				
29	Chair Traverse				
30	Sphincter Rock				
31	Scuffy's Bypass				

MACKENZIE AREA

32	Bathtub Trail				
33	TeePee Trail				
34	Lower Happy Trail (climb)				
35	Waco Connector				
36	Nimby (climb)				
37	Blood, Sweat & Fear				
38	Psychopath				
39	Eight Seconds				
40	High Indy				
41	Indy 500				
42	Hawaii				
43	Lower Mackenzie Cruise				
44	Upper Mackenzie Cruise				
45	Lower Mackenzie Cruise				
46	Bob Gnarly				
47	Overnight Sensation				
48	Hydro Cut				
49	Cop Killer				
50	Let It Go				
51	Stimulus				
52	Mackenzie Basin Loop				
53	Middle Earth				
54	Gravitron				
55	Gravitron				
56	Owl Connector				
57	Jack the Ripper				

PEMBERTON - TOWN & VALLEY AREA

58	Valley Loop				
59	Pemberton Creek Trail				
60	Pemberton Creek Falls				
61	Naylor's Trail				
62	Log House Trail				
63	Hwy. 99 Trail				

ONE MILE LAKE AREA

64	One Mile Lake Loop				
65	Nairn/One-Mile				
66	Lumpy's Epic				
67	K2				
68	306				
69	Tower of Power				
70	Brake-Away				
71	Overhill				
72	Tour de Soo				

Water Access

GREEN RIVER ACCESS	
Nairn Falls Provincial Park (Coudre Pt.)	
Green River FSR Bridge (Airport Rd.)	
LILLOOET RIVER ACCESS	
Hwy. 99 Bridge	Fraser Rd. connector
Riverside Park	Erickson Rd.
Log House Trail (Pemberton Farm Rd., W.)	

Legend

- Easy Trail
- Moderate Trail
- Difficult Trail
- Expert Trail
- Proposed Trails
- Highway
- Secondary Road
- Dirt Road
- Railroad
- Powerline
- White contour lines are at 20 meter increments
- Creek
- Parking
- Water Access
- Camping
- Biking
- Hiking
- Horse Riding
- Cross-Country Skiing
- Paragliding

0 500m 1000m

niche market design.ca

TERRAPRO GPS Surveys
www.terrapro.bc.ca

Pemberton Valley Trails Association
PembertonTrails.com **PVTA**

PORTIONS OF TRAILS REPRESENTED ON THIS MAP LIE ON PRIVATE PROPERTY. PLEASE OBEY ALL SIGNS, AND IF IN DOUBT PLEASE INQUIRE LOCALLY WHETHER A TRAIL IS OPEN.

Bike Co.

Bike Specialist

SERVICE-RENTALS-RETAIL-TRAIL MAPS & INFO

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GIANT

Owl Lake Forest Service Road



After leaving the paved road and crossing under the powerline, the Owl Creek road climbs steeply, crosses the Lil'wat Nation Woodlot and stops climbing where the Woodlot ends near 6 km.



In a few places there are large cut-banks and erosion of the glacial till is continuous.



There are a few small creeks and seepages that cross the roadway.



One double culvert crossing was noticed but no bridges. The major issue regarding road maintenance is the lack of water bars that are causing the road surface to deteriorate.



Beyond the Woodlot, where the road enters the community forest tenure, the road grades are gently sloped with few culverts and no bridges.



Beyond the Woodlot, where the road enters the community forest tenure, the road grades are gently sloped with few culverts and no bridges. The road ends at a now deactivated bridge near 9 km.



At the bridge site is a crossing for hikers and bikers constructed by the Pemberton Valley Trails Association. Picture.



The road end coincides with the boundary of the community forest tenure. Beyond the road end are other hiking trails that lead to Owl Lake and recreation trails.



View across the valley from Owl Lake road (below).



Miller Bench FSR



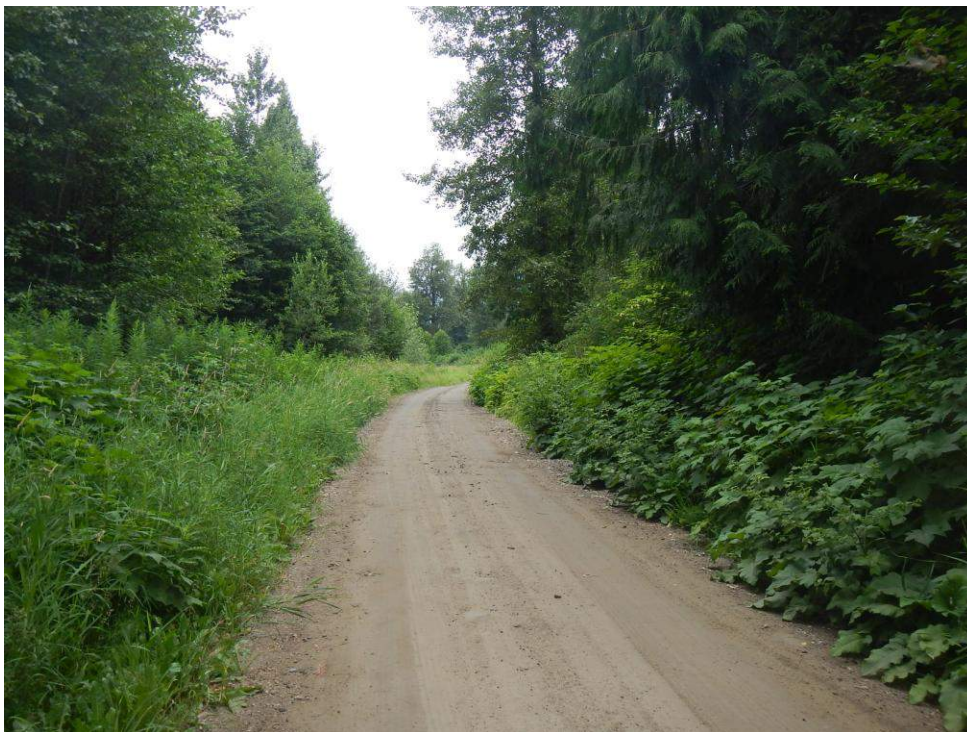
The Miller Bench FSR has seen major upgrades that began in March 2015



1 km the road crosses several private land holdings



2km road runs beside the Ryan River and small bridges cross several creeks



2.2 km the single lane road is well maintained



2.6 km recently replaced 6 metre long bridge



2.8 km a 3 metre long bridge. At 3.0 km the road begins to climb steeply



3.6 km a major 9 metre bridge recently replaced



5.0 km road continues to climb past the 5 km sign



7.3 km water collection system for micro hydro system



8.6 km great vistas to the valley bottom below

Numerous medium and small size culverts have been recently installed



11 km road continues to climb through mature cedar, hemlock and yellow cedar forests



13.0 km the road passes another area harvested about 10 years ago



13.1 road passes an area where brush control was conducted



13.2 road crosses centerline of proposed transmission line

McKenzie Basin FSR



The McKenzie Basin FSR begins just north of the CN railway line.



0.8 km road narrows and quality lower. Water bars are needed



1.0 km heavy impact from ATV use



2.2 km junction and signage



2.2 km additional signage



3.8 km steadily climbing road. Could use more and better water bars



5.5 km lower paragliding launch site



5.5 km to 10.0 km great vistas but road is narrow and less maintained

Need 4X4 in some places and more water bars need to be installed



9.2 km gate leading to cell tower site



10.0 upper paragliding launch site



A spur left at 0.2 km on the McKenzie Basin FSR parallels the CN railway then crosses it on this Bailey bridge. Road is in good condition.



The road eventually leads to a dead end on private land

Carbon Offsets

Setting aside area designated for carbon offsets is another avenue that the Village of Pemberton may explore. A carbon offset is a reduction in emissions of carbon dioxide or GHG made in order to compensate for or to offset an emission made elsewhere. In the case of a community forest, there are four types of projects in BC that are eligible to be considered Forest Carbon Offsets. These types are as follows¹:

- 1) Conservation / Avoided Deforestation, which means the prevention of human-induced conversion of Forest Land to a non-forest land use.
- 2) Improved Forest Management Projects, is a system of practices for stewardship and use of forest land which reduces GHG emissions and/or increases GHG sinks/ carbon pools.
- 3) Reforestation Projects through planting and seeding of natural seed sources on land that was forest land in the recent past.
- 4) Afforestation Projects, the direct human-induced conversion of land that has not been Forest Land for at least 20 years prior to the project commencement.

When looking at how the Village of Pemberton Community Forest can be a source for carbon offsets it would be beneficial to look to it's neighbour, The Resort Municipality of Whistler (RMOW) who has been recognized for achieving carbon neutrality. Signing an agreement with the Cheakamus Community Forest has been one contributing factor, among many to help RMOW achieve carbon neutrality. The Cheakamus community forest will generate and sell carbon offsets and then sell those offsets to back to the RMOW. Their community forest is quantified with the BC Forest Carbon Offset Protocol, and verified to the BC Emissions Offset Regulation. The community forest carbon offsets are created by improved forest management actions on the 33,000 hectares it manages. These actions are guided by the community forest's Ecosystem Based Management plan, and delivered on the land through reduced harvest volumes, extended harvest rotations, expanded reserves, and protection of old growth forests and other important wildlife habitat. These voluntary actions go above and beyond regulatory requirements, and are informed by the standards of the Forest Stewardship Council, an independent not-for-profit organization established to promote the responsible management of the world's forests. The carbon project supports the Cheakamus Community Forest's vision to be among the best-managed forests in British Columbia by including community values and focusing on the sustainability of the forest resources².

Selling forest carbon credits is no quick or easy process with British Columbia's strict standards. In order to determine whether a forest carbon offset project in The Village of Pemberton Community Forest is feasible, a lot more research is required to determine costs, implications, and a business strategy.

¹ Living Carbon. <http://livingcarbon.ca/verified-carbon-offsets/bc-forest-protocol/>

² 9 Sept 2015, The Resort Municipality of Whistler News Release - <https://www.whistler.ca/media/news/cheakamus-community-forest-and-province-bc-sign-carbon-offset-program-agreement>

LIFE_CYCLE_STATUS_CODE (All)

Distance in KM

Sum of km		CFA BLOCK	Short_Name		OUT		OUT Total	Grand Total
CLIENT_NAME	FOREST_FILE_ID	A Owl Creek	A Total	B Miller Creek	B Total	Miller Creek	Owl Creek	
1	0542131 BC LTD.	0.066	0.066	0.000	0.000	0.000	0.175	0.240
	R15319	0.066	0.066	0.000	0.000	0.000	0.175	0.240
2	CONTINENTAL POLE LTD.	4.728	4.728	0.000	0.000	0.000	0.000	4.728
	R14612	4.728	4.728	0.000	0.000	0.000	0.000	4.728
3	DISTRICT MANAGER SQUAMISH (DSQ)	19.259	19.259	6.579	6.579	4.523	13.262	43.623
	7867	15.055	15.055	0.000	0.000	0.000	7.892	22.947
	8188	0.000	0.000	0.869	0.869	1.441	0.000	2.310
	8458	4.204	4.204	0.000	0.000	0.000	5.370	9.575
	9717	0.000	0.000	5.710	5.710	3.082	0.000	8.792
4	GILHAM POLING LTD.	0.000	0.000	1.728	1.728	0.117	0.000	1.845
	R09691	0.000	0.000	1.728	1.728	0.117	0.000	1.845
5	LESSELS LEBLANC	0.000	0.000	13.329	13.329	1.619	0.000	14.948
	R00591	0.000	0.000	13.329	13.329	1.619	0.000	14.948
6	LIL'WAT CONSTRUCTION ENTERPRISES INC.	0.163	0.163	0.000	0.000	0.000	0.466	0.628
	R18109	0.163	0.163	0.000	0.000	0.000	0.466	0.628
7	LIL'WAT FORESTRY VENTURES INC.	0.066	0.066	0.000	0.000	0.000	0.175	0.240
	R02471	0.066	0.066	0.000	0.000	0.000	0.175	0.240
8	TIMBER SALES MANAGER CHINOOK	4.661	4.661	0.000	0.000	0.000	0.000	4.661
	R20193	4.661	4.661	0.000	0.000	0.000	0.000	4.661
9	TRIACK RESOURCES LTD.	1.644	1.644	0.000	0.000	0.000	0.000	1.644
	R19125	1.644	1.644	0.000	0.000	0.000	0.000	1.644
10	WILLEM TEWINKEL	1.240	1.240	0.000	0.000	0.000	2.457	3.697
	R08786	1.240	1.240	0.000	0.000	0.000	2.457	3.697
Grand Total		31.826	31.826	21.636	21.636	6.258	16.535	76.255

Additional Roads:

11 Roads tenured under Crown Land "Roadway Tenure related to IPP in Miller Creek
BROWN MILLER POWER LIMITED PARTNERSHIP

approx 9km