

Alberni Valley Community Forest Corporation Annual General Meeting June 18, 2020 Agenda

- **Welcome**
- **Introduction**
 - **Directors**
 - **Manager**
- **Chairperson's Report**
- **Financial Report**
- **Manager's Report**
- **Dividend**
- **Questions and Answers**



Introduction

- Directors

- | | |
|-----------------|--------------|
| – Jim Sears | Port Alberni |
| – Gary Swann | Port Alberni |
| – Chris Duncan | Port Alberni |
| – Ed Proteau | Port Alberni |
| – Bob Cole | Sproat Lake |
| – Warren Lauder | Hupacasath |
| – Dwayne Hearn | Tseshaht |

- Manager

- | | |
|-------------|---------------------------------------|
| – Chris Law | Sproat Lake Forestry Services Limited |
|-------------|---------------------------------------|

Chairperson's Report

- Safety continues to be a focus for our Manager as he continues to monitor contractor compliance and standards. The incident of a power line and phone line contact reported in our 2019 AGM has been finalized and our Manager Chris Law was able to negotiate an end to the case with a small financial payment without the blame being assigned to the Community Forest. We were clearly diligent in our approach with the contract, but further court proceedings would have put a significant financial burden on the Community Forest.
- The 2019 Fire season. No fires in the AVCF in 2019. Alberni Clayoquot Regional District did a fire risk hazard assessment which determined some AVCFC lands are at high risk. Waiting to see what ACRD is going to do with the report.
- Harvesting operations during 2019 took place entirely in our Sproat Block. Our approach in 2019 was to enter into a contract with a local logging company for all harvesting activity and then sold the logs to a buyer (Mosaic) delivered to their sites. This allowed the Community Forest to have more control over the logging. Chris will go into this more in his report.

Chair Person Report (Cont.)

- The Taylor Block continues to be a challenge in terms of difficulty of development as well as a financial challenge given both the ground conditions and the timber quality in that area as well as competing interests in the area. We had originally planned to harvest in the Taylor Block in 2020, but we have not been able to complete the cutting permit application due to First Nations concerns in the area we proposed. We hope to resolve the issues in the near future.
We also have environmental considerations under review in the Taylor in terms of Goshawk habitat yet to be resolved.
- Our financial position at the end of 2019 continues to be strong. Our cash flow from operations was just over 1.5 million dollars leading to a net income for the year of 1.6 million dollars.
In previous AGMs we talked about the biological assets representing the value of the timber available in our cutting permits including the value left at the end of the year. In 2019 we received and harvested our cutting permit all in 2019, so the issue of biological assets did not effect our net income.
- Our Manager has continued to work with other user groups to ensure we offer a diversity of benefits to our community groups. New trails have been built and more have been planned to expand our trail network.

Forward Look

- Log markets have suggested that we curtail our harvesting operations and that we take this time to engineer and plan for our next logging in the Sproat Block. The harvesting operations will include smaller footprint operations with a focus on low impact plans including some partial cuts as well as small openings.
- The Taylor Block is currently curtailed pending a better log market and a clearer view of our future areas.
- We will continue to work with the Trails Groups and other user groups to offer a diverse experience for our community.
- We will continue to press for expansion of the Community Forest tenure by working with the Government and other stake holders to expand our presence in the Valley and work to increase our cut to at least the original volumes contemplated with the application for the Community Forest License of 22,000m³.

Expansion Efforts

- During 2019 we continued our efforts to negotiate a purchase of private lands of interest in the Alberni Valley. These negotiations have now broken off and we do not see any return to negotiations with that land holder. We felt that the price did not give us the opportunity to manage those lands without a significant burden on the Community Forest with no reasonable vision of adequate returns.
- We continued discussions with the Ministry of Forest, Lands, Natural Resource Operations and Rural Development. Some small parcels have been proposed, but this is a long process before any resolution is reached. The parcels proposed would be primarily recreation based with some return from harvesting.

Financial Report
Rob Anderson
R.Anderson & Associates

Year ending Dec 31, 2019

Dividends arising from 2019 Operations

- Our operations produced 1.6 million dollars of net returns for 2019 which put us into a very healthy financial position.
- We had been keeping back funds to purchase property, but given our results with the proposed property transaction we are putting that money back into our active accounts. We anticipate for the next couple years we will continue to need some funds for further development.
- Given the global pandemic and the resulting financial hardships that all levels have felt over the past several months we feel this is the time for us to share our successes.
- We are awarding a dividend of 2 Million dollars to our shareholder, the City of Port Alberni. We hope that these funds will be used to help all the stakeholders of Port Alberni to weather the effects of the Covid-19 pandemic whether that be the City of Port Alberni, Regional District or First Nations. We look forward to better times and we hope these funds are used to bridge that time for the residents of the Alberni Valley.

**Alberni Valley Community Forest
Corporation 2019 AGM
Managers Report.
Third Five Year Cut Control
Year One**



Chris Law RFT
manager@communityforest.ca
250-731-5552

Harvesting in 2019

Harvested 21,639 m³ of second growth in Sproat FDU with 1600 m³ of waste

5050 m³ of waste tallied for three previous years harvesting in the Taylor FDU



Dynamite Logging Ltd. Local Contractor Completed Planned 2019 Harvest

Feller Buncher Friesen Creek



Steep Ground Log Forwarding



Local Contractor Eagle Eye Enterprises Completed 2019 Road Rehabilitation

AVCFC Rehabilitated existing roads including sections of “The Old Tofino Highway”, the old McMillan Bloedel logging road along the north side of Sproat Lake.

The old logging roads were built for the large off highway trucks so they are a good base to work from.



Continued Focus on Safety

Fixing switch back to reduce steep grade. Facilitate longer pole extraction. Emphasis on value.

Improved approach to Highway 4. Reduced grade and widened access to improve site lines.



Planning for Visual Effect

2019 Friesen Harvest. Sproat Lake campsite in background



From the Campground looking at Friesen harvesting



Helicopter Pruning to Create Wind Firm Tree Edge

In 2019 AVCFC pruned Forest Edge on Windthrow Susceptible Areas.

Sunwest Helicopters from Qualicum was used.

The reserve patches and riparian buffer areas were pruned to reduce the blow down in these areas.

The helicopter had two devices it uses to prune the trees.

One device prunes of the top of the tree.

One device with rotary blades cuts the lateral branches off of the tree.



Fire Preparedness

Water pump in creek during active harvesting for quick water truck fill up.



Water truck placed adjacent to current work area.



Fire Hazard Reduction

Move waste wood to roadside and allow public to cut it up for firewood reduces the need to burn slash piles.



Retention of Deciduous trees to create a stand more resistant to fire. Good for biodiversity also.



Silviculture Reforestation Utilizing Alberni Valley Employees

Community forest has planted 491,000 trees. 50,000 trees planted in 2019 by residents of the Alberni Valley

Deer browse protection installed on 36,300 Western Red Cedar trees. 4400 removed and installed in 2019 by local employees.



Wildlife Habitat Study and Protection . Could Reduces Available Harvest Area.

Goshawk nest were discovered in AVCF lands. Survey on going to see if the nest is active and if the area would be good for Goshawk reserve.



While doing Goshawk survey a small heard of Elk were observed in the same area.



Harvesting Plans 2020

Engineering future volume to harvest were put on hold after First Nations expressed concern over proposed Cut Blocks in Taylor FDU

Efforts to address First Nations concerns ongoing. AVCFC is working to understand First Nation concern through dialogue.



Road Maintenance and Erosion Control

Maintaining natural drainage patterns. Crushed Culvert Repaired.



Grass seeding and ditch maintenance to control erosion and stream siltation



Education and Training 2019

BC Forest Safety Council conducted faller training in AVCF. Fallers were instructed in one of our planned blocks.

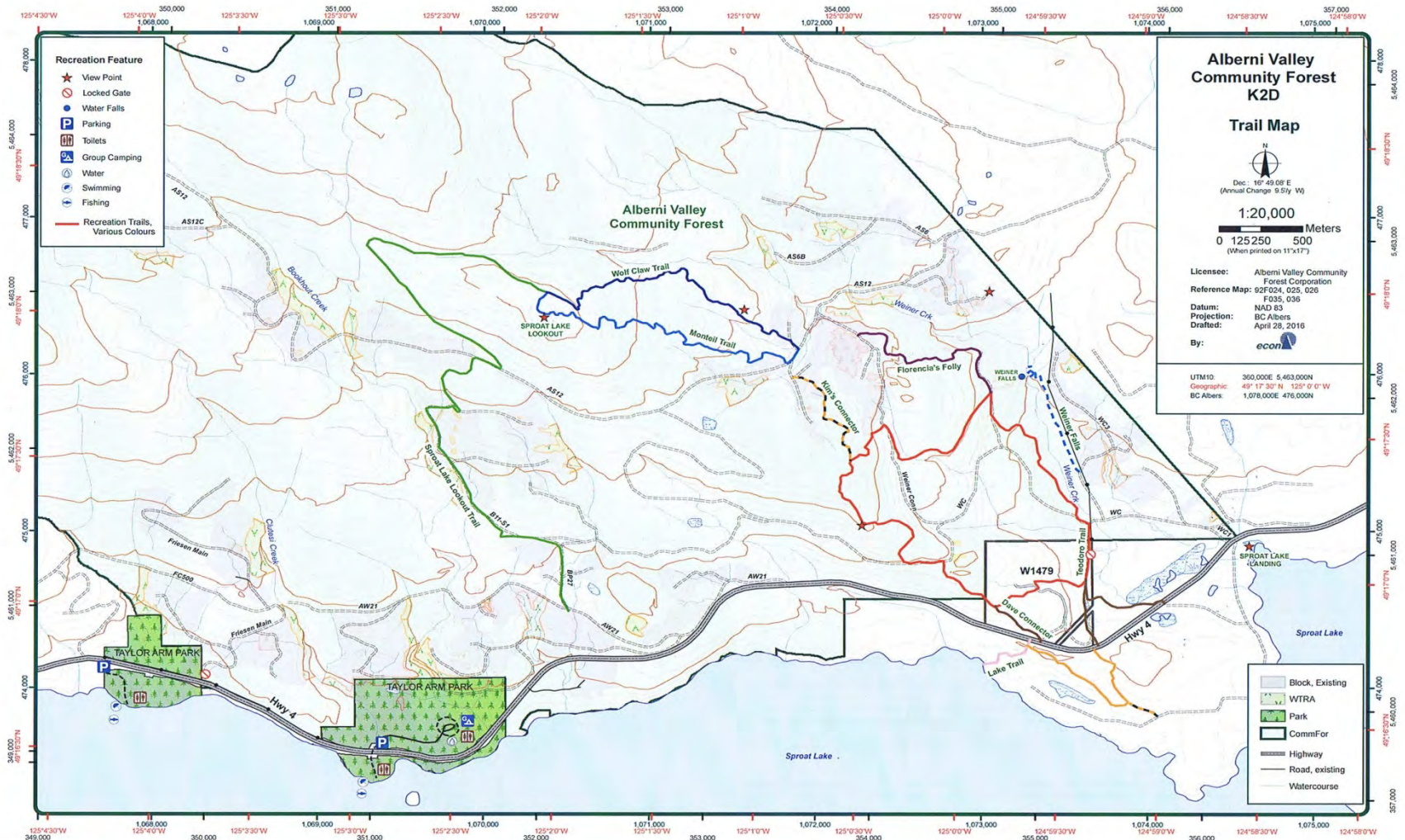


Vancouver Island University and North Island Community College both conducted education field trips in AVCF.



Recreation Management

New trail map posted on web page for Sproat FDU trails. Smart phone and tablet compatible.

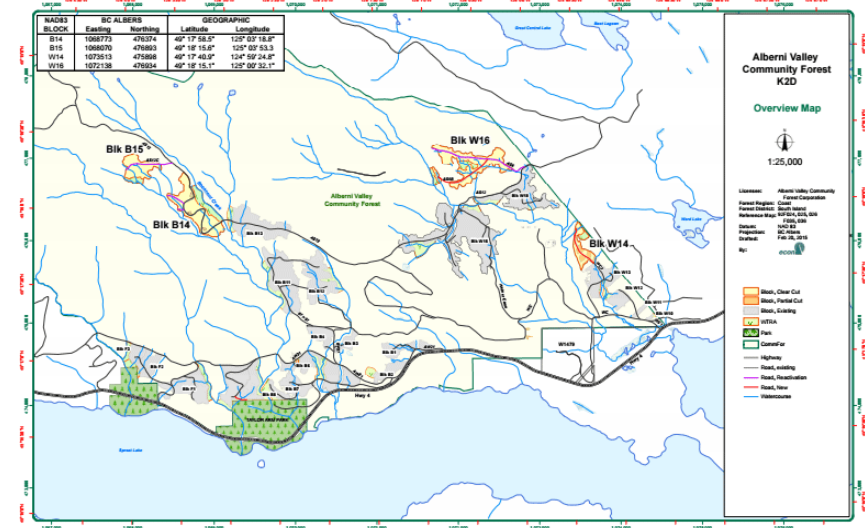


Keeping Web Page Up to Date With New Maps and Active Logging Tab

Geo Referenced Maps on Web Page For Public to download on to Smart Phones and Tablets.

Update: May 2019

Friesen Main Area. Harvesting operations are currently active on Friesen Main. This road is gated due to Ministry of Transportation requirements. Public access is restricted on this road system and the gate could be locked at any time. Hauling should be starting soon with completion time scheduled for mid June if the weather cooperates.



On Site Public Communication and Information

Keeping signs current about logging activities. Signs on ATV trails which access active areas.



Active Hauling sign with date. No cutting firewood when areas are active with harvesting.

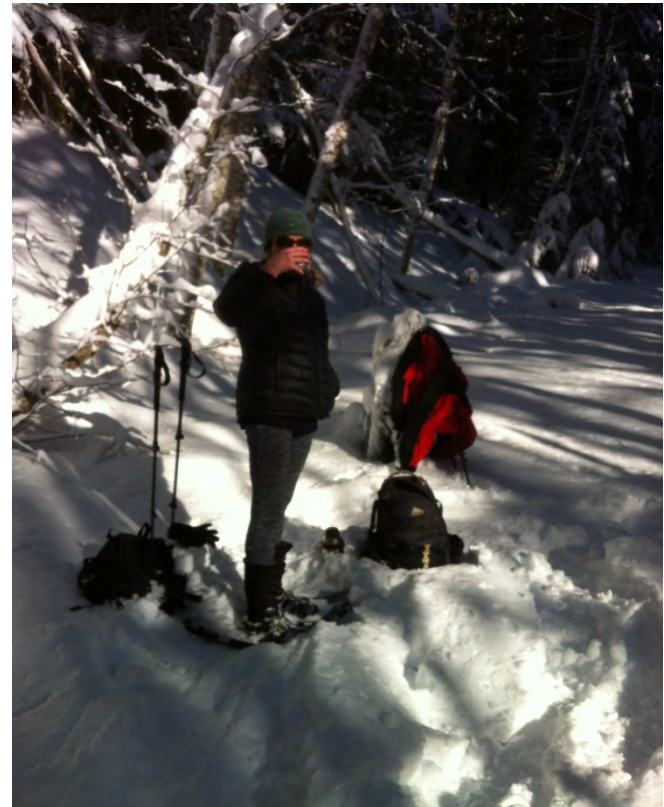


Alberni Valley Community Forest Becoming More Popular for Recreation

**Trials motorcycle riders Sproat
FDU**



**Winter Recreation in the Sproat
FDU**



Increased Use of AVCF Lands During COVID 19

All of the trail networks have seen a large increase of use Spring 2020

Many Alberni Valley residents find the sunshine above the fog in the community forest

