



# Wetzin'kwa

COMMUNITY FOREST CORPORATION



## ANNUAL REPORT

JULY 1, 2017 to  
JUNE 30, 2018





## TABLE OF CONTENTS

---

Chairman's Report	3
General Manager's Report	4
Operations Update	5
Operational Development Considerations	8
Forest Management & Community Engagement	9
Silviculture	10
WCFC Grant Program Report	11
Stakeholder Donations	15
Community Financial Benefits	16
Corporate Data	17
Map	18
Financial Statements	19
Mission Statement	







## CHAIRMAN'S REPORT

---

**W**etzin'kwa Community Forest Corporation (WCFC), as you may be aware is the legal entity that operates a community forest tenure in close proximity to the communities of Telkwa, Smithers and Witset.

What is a Community Forest you may ask? A community forest is an area-based forest tenure awarded by government to communities to enhance their local control over natural resource management.

WCFC conducts its operations consistent with a set of 'Core Values' which include managing the lands, timber, and non-timber forest resources to:

- Sustain a financially viable forest resources business for the long term benefit of residents in the Bulkley Valley;
- Maintain and sustain functional integrity of ecosystems;
- Protect water quality in watersheds;
- Maintain a healthy balance of all plants and animals;
- Recognize the Wet'suwet'en people and their culture;
- Establish long lasting, respectful relationships between the partners;
- Expand local small business opportunities and employment when and where feasible;
- Provide a safe and environmentally friendly work environment;
- Enhance outdoor educational and recreational opportunities;

- Increase community involvement in resource management; and
- Reflect community values in decision making.

We would like to take this opportunity to recognize the efforts of some of those who contributed to the success of the community forest during the past fiscal year. The WCFC board is comprised of seven volunteer members who contribute to our communities by overseeing the management of WCFC. Board positions are structured to attempt to have one or two positions available to be filled in a given year. If you may be interested in a board position we encourage you to speak with our General Manager and or current Board members about the commitment required and to apply when the time comes.

It is also important to acknowledge the many local contractors, suppliers, purchasing facilities, government agencies and their employees who have worked on the community forest tenure. It's a pleasure to work with individuals who value this community forest and contribute not only to direct jobs in the community but also to the corporation's profitability by their innovation.

We look forward to a safe and productive 2018-2019.

Sincerely,

Colin MacLeod  
Co-Chair





# GENERAL MANAGER'S REPORT

---



## INTRODUCTION

**H**ello everyone and thank you in advance for taking the time to review the contents of WCFC 2017-2018 Annual Report. As the expression goes... “Where does the time go?” I personally cannot believe that yet another year has gone by so quickly. Once again however, I find myself in the fortunate position to be able to report that WCFC has enjoyed another successful year in terms of safety, fiscally and in general performance around the management of the multitude of resource values that combine to provide us with the social license to operate.

The people who work, play, and enjoy the financial benefits that the community forest provides always seem to be expanding. My small part in this entity is truly satisfying and working with an excellent Board of Directors makes delivering on the objectives of the community forest an enjoyable experience.

I would be remiss if I did not mention some of the things that can keep us up at night. As you are aware the past two summers have contained catastrophic wildfire events in widespread portions of the province. The drought like conditions our community forest experienced this year in the heart of wildfire season provided us with more than enough worry. Operating a forest tenure at the interface of the communities in which we live certainly amplifies this worry. You will read in the following pages that we continue with efforts to reduce the wildfire threat to our communities, however we know that a poorly timed lightning strike or an inadvertent or careless human act could test our communities resilience as it relates to wildfire events. This threat amongst the many other challenges of finding balance in natural resource management is just part of what keeps our team motivated to develop and implement solutions to issues before they become catastrophic in nature.



## WETZIN'KWA COMMUNITY FOREST ANNUAL REPORT 2017-2018

Of course a community forest tenure provides an excellent vehicle to allow for effective collaboration and balance of values between Government Agencies, stakeholder groups and the public at large. Together, this collaboration ensures a wide variety of natural resource goals and objectives are managed for at both a landscape and site specific level. Finally, another significant benefit a community forest provides is that the profits from the operations are distributed back to the local communities in a multitude of ways.

It is my great pleasure to be a part of this community forest tenure and would like to take this opportunity to thank all of the Board Members from WCFC for their continued support and confidence in Dave, Crystal, myself and the entire Silvicon team in managing WCFC ongoing operations.

Sincerely,

Jay Baker, RFT  
WCFC General Manager  
Silvicon Services Inc.

### OPERATIONS UPDATE

#### HARVESTING

During the 2017-2018 fiscal year 25,062 m<sup>3</sup> of timber was harvested from the tenure area. The majority of this volume was delivered to Pacific Inland Resources in Smithers.

Furthermore, WCFC continues to explore a variety of opportunities to increase the fibre utilization from the land base while reducing the amount of fire hazard abatement burning that is required on an annual basis. To this end, during the course of 2017-2018, WCFC delivered loads of firewood to the Communities of Witset and the town of Smithers, as well as to the Nordic Center. Several loads of non-sawlog material were also delivered to Seaton Forest Products near Witset for further processing. Finally, tops and logs with severe defects were delivered to the village of Telkwa for their bio heating system and to Pinnacle Pellet in both Burns Lake and Smithers. All of this volume (~40 loads) would have been burnt during our fall fuel hazard abatement efforts in the past and WCFC takes pride in





## WETZIN'KWA COMMUNITY FOREST ANNUAL REPORT 2017-2018

working with our community partners to develop better utilization of the timber resource while reducing the annual debris burning required for fire hazard abatement.

WCFC current cut control position is depicted below. Please note that the table below is based on the calendar year and does not correspond directly to WCFC's fiscal year.

	2017	2018	2019	2020	2021	Total
Annual Allowable Cut (m <sup>3</sup> )	30,304	30,304	30,304	30,304	30,304	151,520
Harvested Volume (m <sup>3</sup> )	33,520	20,575	0	0	0	54,095
Cut from previous cut control period (m <sup>3</sup> )	13,613	0	0	0	0	13,613
Total volume remaining in cut control period (m <sup>3</sup> )						<b>83,812</b>



### ROAD BUILDING AND MAINTENANCE

During the course of the year WCFC constructed 4.8 km of all season roads, 2.2 km of upgrading to existing “trails” to facilitate log hauling, and 0.5 km of winter road. WCFC also conducted bridge and infrastructure maintenance as required throughout the year on all of its tenured roads within the operating area. As you

will recall the past winter contained significant snowfall events requiring an ongoing aggressive effort to ensure the large volumes of snow were removed from active roadways.

### HARVESTING & CONSTRUCTION CONTRACT OPPORTUNITIES

WCFC maintains a local contractor select bidders list to ensure that the contracting opportunities generated from the community forest's operations provide a direct benefit to local communities and its associated work force. The harvesting and road building operations completed in the 2017-2018 fiscal year resulted in contracts with a combined value in excess of \$875,000.

Wetzin'kwa would like to thank the local contracting community for its efforts in providing the expertise needed to conduct our operations to a high standard. During the 2017-2018 fiscal year our primary harvesting and construction contractors were:

- Northern Industries
- Rob Bredow Contracting
- Evelyn Mountain Contracting



## SAFETY

WCFC has a long standing commitment to provide a safe work environment during all phases of operations. The woodlands work is done by BC Forest Safety Council SAFE Certified companies and prior to any work being completed by a contractor under contract with WCFC, a safety pre-work meeting is conducted to ensure all known safety hazards are identified and appropriate safety measures are in place. Routine inspections on safe work practices are incorporated into supervision inspections and all operators make available their safety management systems and documentation for review by WCFC.



This year, WCFC was able to contribute to a Faller Training and Safety Initiative run by Evelyn Mountain Contracting. Hand falling is an increasingly sought after skill due primarily to a rapidly aging workforce. It also requires a high level of safety training due to the inherent hazards of the work. WCFC was able to provide a cutblock as a training ground for 3 students of the 30 day one-on-one New Faller Training sessions. By using the community forest tenure students were able to develop their skills in a real life forestry setting. Students gained experience in all the day to day safety tasks that a faller will complete, including motor vehicle inspections, signing in, tailgate meetings, radio and signage procedures, site assessments and check-ins. They also discussed various



## WETZIN'KWA COMMUNITY FOREST ANNUAL REPORT 2017-2018

specific procedures that may be required as part of falling. Work Safe BC and the BC Forest Safety Council also participated during the session to provide quality assurance. After successfully completing these sessions, students are eligible to begin a 180 day apprenticeship in an industry setting. The WCFC is pleased to have been able to contribute a safe and effective learning environment for training this increasingly in demand skill.

### OPERATIONAL DEVELOPMENT CONSIDERATIONS

The planning of annual harvesting is a complex process. WCFC strives to strike a balance in timber development activities in consideration of all natural resource values. We continue to seek out all possible salvage opportunities relating to forest health damaging agents. A couple of the key goals of this strategy are to reduce impacts on the long term timber supply from non-recoverable losses associated with these damaging agents and to reduce the landscape and stand level wildfire fuel loads where possible. As a result, permits developed are mostly comprised of stands that contain significant dead timber volumes, primarily relating to past mountain pine beetle activity within the tenure area.

While the salvage of the damaged timber resource remains a focus, WCFC also spends a considerable amount of energy in planning and preparing for the future. Road locations and long term forest conditions are constantly assessed and considered during the planning of timber development. Making decisions relating to more permanent types of access verses short term access as they relate to timber extraction are critical operational decisions. Appropriate considerations must be made for long term access into a new area, both in terms of short and long term economic constraints in addition to habitat management, recreational considerations and the need for access for first responders in the event of a catastrophic wildfire event.

The operational considerations relating to the type of timber to harvest and the access requirements desired are just a couple of factors involved in annual activities. Wetzin'kwa continues to work towards reducing its annual slash burning and continues its active participation in the implementation and updating of the Ministry of Environment Bulkley TSA Smoke Management Plan. The plan attempts to ensure fuel hazard abatement conducted through open burning is done so

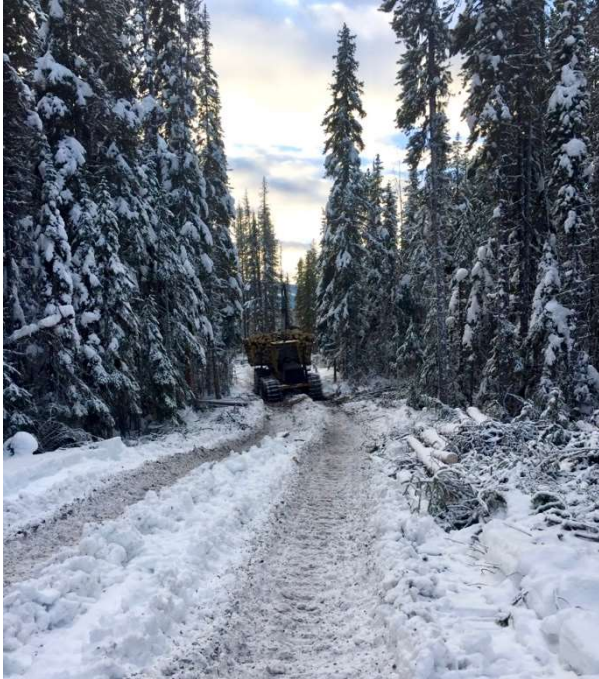




## WETZIN'KWA COMMUNITY FOREST ANNUAL REPORT 2017-2018

utilizing best management practices for crucial items like pile shapes, content, curing times and ultimately the venting conditions when burning is conducted. WCFC continues to pursue ways to increase utilization of the fibre available from its harvesting operations.

### FOREST MANAGEMENT & COMMUNITY ENGAGEMENT



This past year, WCFC embarked on a project to salvage dead pine in the cross country ski trail area. The Bulkley Valley Cross Country Ski Club has a network of trails within the Community Forest, and they approached the WCFC with their concerns about the significant safety hazard and maintenance concerns created by dead pine adjacent to the trails. Undertaking this project required balancing a range of values, including recreation, biodiversity and timber. WCFC held stakeholder consultation sessions leading up to the project to build a framework for balancing these values, and harvesting was carefully planned to incorporate stakeholder concerns and priorities. Following the completion of the project, the Bulkley Valley Cross Country Ski Club expressed that they were very impressed with the quality of the logging and how green trees were preserved. They were also pleased with the minimal impact the project had on the following ski season. As a result of this community engagement, a high quality result was achieved that will provide a safer and more enjoyable cross country ski trail system to the residents of the Bulkley Valley.



Another concern in many communities in BC is wildfire hazard, and the Bulkley Valley is no exception. The Wetzin'kwa Community Forest is in close proximity to the town of Smithers and village of Telkwa, and, as mentioned previously, has been impacted by the mountain pine beetle epidemic. The dead pine left behind by the beetle has created variable levels of fuel hazard, both in mature stands and in recent salvage blocks. With the right conditions, a fire could result and put community values and property at risk. To address these concerns within the WCFC area, risk management is critical, and reducing the potential fuels on the



## WETZIN'KWA COMMUNITY FOREST ANNUAL REPORT 2017-2018

landscape is a major component. To fund the planning and implementation of a fuel hazard reduction initiative, the WCFC received a Forest Enhancement Society of BC grant. This year, the planning and assessment stages of this project were initiated. Potential high-hazard areas were identified based on available inventory data, and survey planning was conducted for different stand types to confirm and more carefully analyze the level of hazard and recommend potential treatments to reduce risk. The results of these assessments will then be built into treatment prescriptions that will depict strategies to reduce the fuel hazard in the Community Forest and thereby the risk of a catastrophic fire event. Addressing this risk is a priority for WCFC and ongoing community engagement will be a major feature as the project develops further.

### SILVICULTURE

In 2018 WCFC contracted the planting of 131,000 seedlings to Whanau Forestry Ltd. Of those planted seedlings, 50,000 were lodgepole pine and 81,000 were spruce. In addition to these reforestation efforts, typical harvesting operations result in some understory retention of balsam and other naturally occurring species.

#### SURVEYS

Approximately 798 hectares of silviculture surveys were completed in the past fiscal year:

- 94 hectares were surveyed immediately after planting,
- 585 ha were stocking surveys two or three years after planting and
- 119 ha were Free-growing surveys.

Of note, Free-growing Survey results are starting to indicate some of the earliest harvesting complete under the WCFC tenure are now achieving “Free-growing” status.



#### SILVICULTURE ACCRUAL/LIABILITY

Silviculture accrual calculations have been based on conservative estimates of phase costs grounded in the interior appraisal manual, and also reflects a small scale additive to consider the overall size of the program. The current accrual is set at \$4.50 per m<sup>3</sup> of harvest.

To date, WCFC has accrued significant revenue to address projected and/or potential silviculture treatments that may be required on existing plantations. A recent reconciliation of accrual against all costs shows that for all phases, expenditures are under budget. Wetzin'kwa has committed to reviewing the accrual provisions in the future as more of the initially harvested stands achieve free-growing status.







# WCFC GRANT PROGRAM

---

## ABOUT

The Community Grant Program was established to distribute profits from the operation of the Wetzin'kwa Community Forest tenure back into the community. The program's objective is to provide support for a broad range of projects and initiatives that will return the greatest long-term benefit to Bulkley Valley residents. This year, the grant program was pleased to increase the maximum amount provided to grant recipients, and hopes that this will enable organizations to fund larger initiatives with a greater positive result to the community.

## ELIGIBILITY

In order to qualify, proposals must be for activities carried out in the Witset, Smithers and Telkwa area by secular, not-for-profit organizations or registered charities. Grant funding may be applied to capital expenditures, staffing costs and/or program planning.

Wetzin'kwa's board of directors has established the following categories:

1. Arts and Culture
2. Recreation
3. Environment, Conservation, and Natural Resource Management
4. Social Services
5. Community Economic Development





## PROCESS

Each April-May advertisements are posted in the local paper, website, and on the Facebook page indicating the annual intake period has commenced. Grant applications (up to a maximum of \$15,000) are received up to May 31st.

Grant reviews are conducted by the board following a regimented process that culminates in an all-day meeting during the third week of June.

The grant review and award process is a time consuming affair that is not taken lightly by the Board of Directors. The grant applications received always exceed the annual budget (\$250,000) available and it is worth noting final decision making around grant awards is extremely difficult.

## LEGACY PLANNING

WCFC has established a Legacy Fund intended to ensure the community grant program is sustainable even in years where limited or no harvesting has occurred. Over the last decade it has been exciting watching the grant program successes. The Board believes very strongly in the social benefits of this key program of WCFC.





## 2017/18 GRANT PROGRAM RECIPIENTS

The WCFC would like to congratulate the following successful applicants in the 2017/18 Grant Program:

ORGANIZATION NAME	PROJECT TITLE
BV Brain Injury Association	Hooray For Helmets
Witsuwit'en Culture & Language Society	Witsuwit'en Professional Cultural Tour Guide Leads
Smithers Curling Club	Replacement Equipment
Cycle 16 Trail Society	Smithers to Telkwa Multi-Use Non-Motorized Trail
BV Museum	BV Museum Historical Education Project
BV Cross Country Ski Club	Infrastructure Upgrades
Back Country Horsemen	Coalmine Camp
Smithers Ski & Snowboard Club	Replace aging radios
Hospice Society	Corporate Sponsorship
Smithers Chamber of Commerce	Lawnchair Lounge - Music on Main
BV Rod & Gun Club	The procurement of multi-media equipment
Wet'suwet'en Treaty Office Society	Youth Culture Camps
Valley Youth Fiddlers	Smithers Summer Fiddle Camp 2018
BV Search & Rescue	Search Management Office, Completion of Bulkley Valley Search and Rescue Hall
Seymour Lake Conservation Society	Ongoing Control of Invasive Yellow Floating Heart at Seymour Lake



# WETZIN'KWA COMMUNITY FOREST ANNUAL REPORT 2017-2018

ORGANIZATION NAME	PROJECT TITLE
Treehouse Housing Assoc	Telkwa Arts And Culture Program
Smithers Art Gallery	Community Workshop Space & Children's Gallery - Furnishings and Project Launch
Bulkley Backcountry Ski Society	Skylark Trailer Rehabilitation
Friends of the Smithers Public Library	Computer Tutor
I Count Witsset Elementary Secondary School	Moving Forward Without Hesitation
Smithers Community Radio	Automated Emergency Notification Broadcast
Witsset First Nation	We Are Witsset
Witsset First Nation_Bicycle Racks	Bicycle Racks Project
Witsset First Nation_Edible Forest	Witsset Edible Forest and Community Garden
BV Kayak & Canoe Club	Equipping Trip Leaders with River Safety Kits
Smithers Golf & Country Club	Hole #11, bridge replacement
BVLD Airshed Management Society	Clean Woodburning Outreach Campaign for the Bulkley Valley
BV Classical Strings Society	Orchestra North Summer Program Workshop and Academy
Friends of the Smithers Public Library	Program & Event Coordinator
BV Social Planning Society	Building Bridges through Community Capacity
Dik Tiy Housing Society	Sixteenth Ave, 19 Unit Affordable Housing Complex

The WCFC distributed **\$255,023.00** in the 2017/2018 Grant Program to successful community applicants. This was awarded at an event hosted by WCFC in July 2018.

The WCFC annually accepts applications for the Grant Program and is looking forward to providing financial support to more community initiatives over the long term.





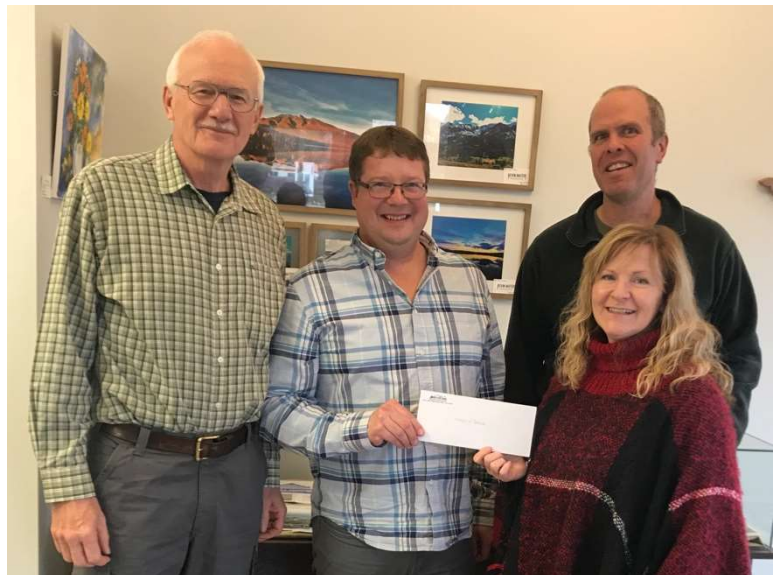


## STAKEHOLDER DONATIONS

---

WCFC works very hard to respect and acknowledge its key stakeholders (Office of the Wet'suwet'en, the village of Telkwa and the town of Smithers) on an annual basis. During profitable years this respect manifests itself in part as stakeholder donations to these three entities.

In 2017-2018, the WCFC was able to provide each key stakeholder a contribution of \$30,000 to utilize as they saw fit.





# COMMUNITY FINANCIAL BENEFITS

WCFC provides a wide range of financial benefits to the community, in addition to the Community Grants program and Stakeholder Donations. WCFC seeks to involve the community in local forest management, and involvement includes sharing the financial benefits of successful management.

## Summary of Community Financial Benefits (2017-2018)

Item	Amount	Description
<b>Stumpage</b>	<b>\$31,566</b>	Generated from the sale of timber and used by the Province for health care, education, infrastructure etc.
<b>Annual Rent</b>	<b>\$11,212</b>	Paid to the Crown and utilized by the Province for health care, education, infrastructure etc.
<b>Community Grants</b>	<b>\$255,023</b>	Distributions by the WCFC to a wide array of community groups and projects
<b>Smithers Community Services Association</b>	<b>\$500</b>	Christmas hamper program
<b>BV Foundation</b>	<b>\$3,300</b>	Provision for the award of bursaries for students from the three communities associated with the WCFC
<b>Stakeholder Donations</b>	<b>\$90,000</b>	Provided to the Stakeholders (town of Smithers, village of Telkwa, and the Office of the Wet'suwet'en) to utilize as they see fit.
<b>Salvation Army</b>	<b>\$500</b>	Food Bank contribution
<b>BV Cross Country Ski Club</b>	<b>\$30,593</b> <i>(cheque 07/23/2018)</i>	Profit sharing arrangement to the mutual benefit of the participants
<b>TOTAL</b>	<b>\$422,694</b>	







## CORPORATE DATA

---

### BOARD OF DIRECTORS



**DAVID de WIT**  
Director, Office of the  
Wet'suwet'en



**STEPHEN HOWARD**  
Director, Representing the  
community at large



**[ VACANT ]**  
Director, Village of Telkwa



**LORELEI SMAHA**  
Director, Representing the  
community at large



**GARY HANSEN**  
Director, Town of Smithers



**CHRISTINE BRUCE**  
Director, Representing the  
community at large



**COLIN MacLEOD**  
Director, Representing the  
community at large

---

### FOREST MANAGEMENT



**JAY BAKER, RFT**  
General Manager  
Silvicon Services Inc.

### ADMINISTRATION



**CRYSTAL TREMBELAS**  
Administrative Assistant  
Silvicon Services Inc.



**DAVE LOUWERSE, RPF**  
Operations Manager  
Silvicon Services Inc.

(250) 847-3680

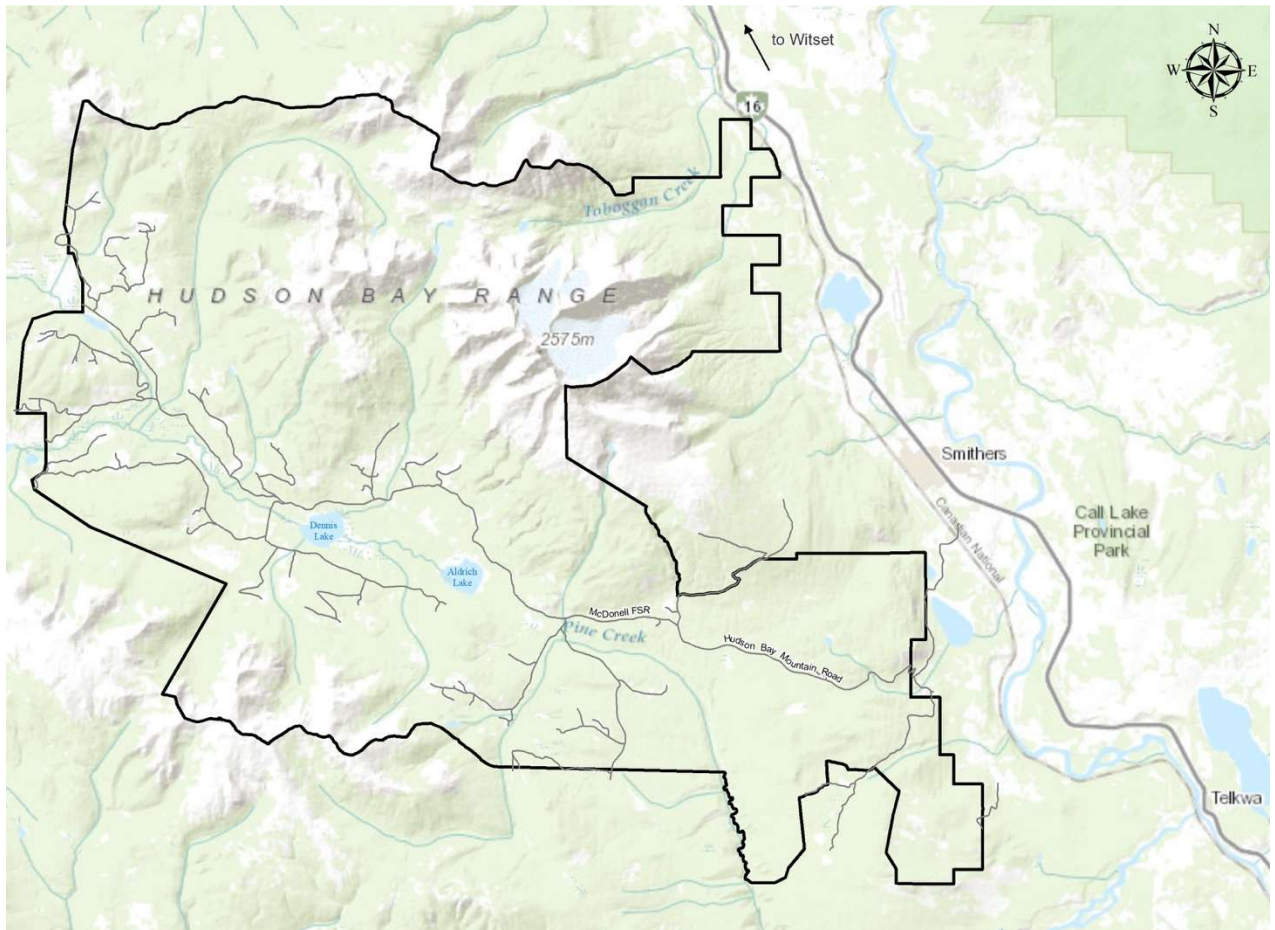
**CONTACT**

PO Box 565, Smithers, BC  
V0J2N0 [www.wetzinkwa.ca](http://www.wetzinkwa.ca)



# LOCATION MAP

---





## APPENDIX A:



## FINANCIAL STATEMENTS

---





## MISSION STATEMENT

Wetzin'kwa Community Forest Corporation will manage a profitable community forest tenure while providing good forest management stewardship that will sustain forest resource values for future generations.

