



# Wetzin'kwa

COMMUNITY FOREST CORPORATION



ANNUAL  
REPORT

JULY 1, 2019 to  
JUNE 30, 2020





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## CHAIRMAN'S REPORT

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Hello everyone and welcome to our 2019-2020 annual report. This year has presented challenges with the uncertainty regarding a global pandemic. At times, it has left us all scratching our heads trying to determine how to proceed. We are pleased to witness our community's response thus far in this time of change and we continue to look forward to embracing the challenges ahead.

Some quick facts for you: the Wetzin'kwa Community Forest Corporation (WCFC) is a partnership between the Village of Telkwa, Town of Smithers and Office of the Wet'suwet'en. Together, we operate an area based tenure for the benefit of local Bulkley Valley communities, from Hungry Hill to Witset.

Our governance comes from a seven person Board of Directors with representation from the Town of Smithers, Village of Telkwa, Office of the Wet'suwet'en and four Directors at Large.

WCFC conducts its operations consistent with its set of Core Values which include managing the land, timber, and non-timber forest resources. Our objectives are to:

- Sustain a financially viable forest resource business for the long term benefit of residents in the Bulkley Valley;
- Maintain and sustain the 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 hope by reading our Annual Report you will reflect on how we are meeting these core values and note that we have a goal of continual improvement. This is a long term endeavour and we have approached decision making with the future in mind.

We would like to take this opportunity to recognize the efforts and thank the following for our success and growth to date:

- WCFC volunteer Board of Directors
- The three partners in the venture
- The public at large for their interest and input
- The Management team
- The local contractor community who provide key services towards meeting our goals.

We look forward to a safe and productive 2020-2021.

Sincerely,  
Gary Hanson  
Co-Chairman





## GENERAL MANAGER'S REPORT

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Thirteen years after the Wetzin'kwa Community Forest was established, it is interesting to view the landscape and reflect on the things that worked well, and ponder the things that didn't go exactly as planned.

With 2020 came a new challenge, COVID-19. We watched along with everyone else how this global pandemic would affect our communities at a local level. We went from enjoying the opportunities to meet regularly with individuals and organizations, to a period where our interactions changed due to physical distancing requirements. The confines of a comfortable climate-controlled board room were shed in favour of outdoor meetings on the tenure itself and virtual meetings through Zoom. We adapted to the changes that came and we will continue to do so.

Adaptation is the word of the year. Existing relationships are being transformed and, in some cases, reshaped with changing faces. Old land use ideas are being questioned and new management tactics to facilitate appropriate resource management on the land base are being explored.

I am very pleased to present to you the 2019-2020 annual report. The community forest by its very nature continues to operate to the benefit of many residents of the Bulkley Valley. There are individuals who make a portion of their annual earnings working in the community forest, community groups that benefit from the contributions that come from WCFC's annual operations, and an extensive resource user group that actively utilize the community forest tenure area for recreation and enjoyment in a forest setting in close proximity to their community.

It is my great pleasure to be a part of this community forest tenure and I would like to take this opportunity to thank all of the team at Silvicon Services Inc., and the board members from WCFC for their excellent guidance as the tenure evolves.

Sincerely,

Jay Baker, RFT  
General Manager  
WCFC







## OPERATIONS UPDATE

### HARVESTING

During the 2019-2020 fiscal year 29,892m<sup>3</sup> of timber was harvested from the tenure area. Approximately 83% (24,769m<sup>3</sup>) of this volume was sawlogs sold and delivered to Pacific Inland Resources in Smithers, and the remaining 17% (5,123m<sup>3</sup>) was dry balsam logs sold and delivered to Seaton Forest Products Ltd. west of Witset. In addition to these delivered volumes, 9,276 tonnes of harvesting by-product was delivered to pellet producing facilities in the local area.

WCFC continues to improve the overall fibre utilization from every hectare harvested, which in turn has dramatically reduced the amount of annual slash pile burning required to abate the post-harvest fire hazard. Firewood deliveries to Witset continue to occur when our operations are active.

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
<b>Annual allowable cut (m<sup>3</sup>)</b>	30,304	30,304	30,304	30,304	30,304	<b>151,520</b>
<b>Harvested volume (m<sup>3</sup>)</b>	33,520	23,071	48,843	8,000 <sup>1</sup>	0	<b>113,434</b>
<b>Cut from previous cut control period (m<sup>3</sup>)</b>	13,613	0	0	0	0	<b>13,613</b>
<b>Total volume remaining in cut control period (m<sup>3</sup>)</b>						<b>24,473</b>

<sup>1</sup> Estimated volume to be delivered prior to year's end.





## ROAD BUILDING AND MAINTENANCE

During the course of the year WCFC constructed 4.5 km of all season roads in addition to upgrading 3.5 km of existing roads to facilitate timber extraction. This past year's access development work was an expensive endeavor as we installed 3 new bridges and a major culvert in our efforts to reactivate existing road systems while ensuring safe fish passage at road crossing locations.

WCFC also conducted infrastructure maintenance as required throughout the year on all of its tenured roads within the operating area.



## 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 their associated work forces. The harvesting and road building operations completed in the 2019-2020 fiscal year resulted in contracts with a combined value in excess of \$2,200,000.

Wetzin'kwa would like to thank the local contracting community for its efforts in providing the expertise needed to conduct our operations at a high standard. During the 2019-2020 fiscal year our primary harvesting and construction contractors were:

- Northern Industries
- Steel Ridge Contracting
- Schippers Creek Contracting
- Rapid Span Structures Ltd.
- Blastpro Construction Ltd.

## SAFETY

2020 has introduced to us COVID-19, and operations have adjusted to new safe work protocols associated with this global pandemic. Routine meetings have become more complicated





as physical distancing measures were implemented and made mandatory. Thoughts around managing potential exposures and spread control are always at the forefront as we, along with everyone else, work through this challenging period.

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. 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.



The provision of a safe work environment and reinforcement of safe practices resonates through the daily operations of the community forest tenure. It is with great pleasure that we can report no incidents of serious injury or fatality associated with operations since the establishment of the community forest tenure.



## OPERATIONAL DEVELOPMENT CONSIDERATIONS

The planning of annual harvesting is a complex process. WCFC strives to uphold its Core Values by considering all natural resource values when planning timber development activities. We continue to seek out all possible salvage opportunities relating to forest 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, annual harvest plans are mostly comprised of stands that contain significant dead timber volumes, primarily relating to past Mountain Pine Beetle, Spruce Beetle and/or Balsam Bark 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. Decisions regarding permanent







versus short-term access are critical to harvest operations. 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 by 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 landscape level wildfire risk and has been working closely with the Ministry of Forest Lands Natural Resource Operations and Rural Development, BC Wildfire Services, Mountain Resorts Branch, Recreation Sites and Trails BC and the Gitdumden Clan of the Wet'suwet'en Nation to develop landscape level fuel breaks. In the event of a wildfire, a thoughtfully designed and implemented fuel break can slow or decrease wildfire intensity, help provide first responders with improved, expedited access, and also provide recreational users with safer egress. These efforts will continue to be a priority for WCFC in future timber development planning.

## STEWARDSHIP

Global issues such as climate change and forest carbon management are topics that the current Board of Directors and management team have been focusing on as they relate to the local community forest tenure area. WCFC has prepared a document titled “*Carbon Goals and Strategies*” and has followed up on that by hiring Ecora Engineering and Resource Group Ltd, a carbon modelling contractor, to prepare a report titled “*Forest Carbon Accounting on the Wetzin'kwa Community Forest*”. This work provides WCFC with some higher level insights into its current carbon position by utilizing the current timber supply projections in







concert with carbon modeling software and general industry assumptions. We were interested to learn that based on the basic assumptions undertaken by the modeling software, WCFC is currently a net carbon source until the year 2060, at which time it is modelled to become a carbon sink. The report leaves us with many questions to ponder and invites WCFC to participate in a deeper dive into many of the basic industry assumptions that current off the shelf carbon modeling software utilizes to assess our tenure's current carbon position. WCFC would like to acknowledge John Knight's input into these initiatives and are saddened that we will no longer have the pleasure of his company on this journey.



WCFC has undertaken other interesting activities this year that have a link to carbon management. WCFC hired a contracted Fire Patrol Warden to monitor the forest condition in extreme wildfire risk conditions or immediately following a lighting event. We invested in upgrading the access road to Dennis Lake in part so that this water source could be accessed by mid-sized water tenders in the event of a wildfire in that area. WCFC provided a grant to the Voices for Good Air Society to assist in helping to build and test small batch biochar creation from wood waste. WCFC also invested significantly in operational scale testing of chipping and/or mulching of post-harvest logging residues to reduce fine fuel loads over time without open burning.



Additional activities were completed to improve the public's experience and overall safety of both workers and citizens. This includes the installation of new signage, refuse cleanup activities at various high traffic





locations, and repairing and improving the trailhead for the Pine Creek snowmobile trail in an effort to reduce potential safety incidents on the first 3 kilometers of the McDonell Forest Service Road.

Finally, in the 2019-2020 fiscal year we began the creation of a living document and plan to expand upon existing recreation opportunities within the tenure area. This document will promote the exchange of knowledge on the land base between indigenous people, recreational users and the public at large. Further work will be ongoing on this initiative in the upcoming years.

## SILVCULTURE

WCFC did not plant a single seedling in the 2019-2020 fiscal year. In the fall of 2019, WCFC chose to source seedlings and planting contractors for a larger summer planting program in 2020, and planting occurred in July 2020. We made this decision as we were aware that the 2020 spring planting program was going to be the largest in the history of the Province and we became concerned with contractor availability and subsequent pricing for reforestation efforts.



Summer planting is typically a much smaller program in British Columbia. After the busy spring planting season is complete, planting contractor availability is improved, and as such, associated planting costs are often reduced. The risk to this strategy is that in the event of a hot dry summer, summer planted trees may experience significant mortality due to growing season drought. In addition, summer planting typically allows more time for competing vegetation to become established which can hinder the growth of seedlings in the early stages of reforestation.

An additional consideration when deciding to complete a summer planting program is that we intended to do some aggressive fine fuel reduction work on many of the planting areas. We wanted the spring and early summer snow free months available to complete this work and did not want



seedlings on site that could be damaged by mechanized mulching and chipping efforts designed to reduce fine fuels over time.

The end result was that we did have some good luck as a direct result of some of these considerations. The summer of 2020 was one of the wettest on record, so drought was of no concern. In addition we were lucky in terms of the challenges that spring planting presented relating to COVID-19. Many spring planting programs had significant delays and much higher than anticipated costs as a direct result of COVID-19. By the time WCFC's planting program commenced, the issues relating to tree planting safety associated with COVID-19 had been largely resolved.

## SURVEYS

Approximately 438 hectares of silviculture surveys were completed in the past fiscal year:

- 210 ha were stocking surveys conducted two or three years after planting
- 204 ha were walkthrough surveys intended to monitor stands for forest health and general performance at stand age 5-10,
- 24 ha were free-growing surveys completed to determine if minimum obligations had been achieved.

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. WCFC currently has 158.4 ha of free growing plantations.

## SILVICULTURE ACCRUAL / LIABILITY

Silviculture accrual calculations are based on conservative estimates of various silviculture investments required to achieve free growing stands. The current accrual rate 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 amounts versus all actual costs incurred indicates that for all phases, total 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 and may make adjustments to the accrual amounts over time.







## WCFC GRANT PROGRAM

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### 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 WCFC board of directors was pleased to increase the amount provided to grant recipients.

### 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 and May advertisements are posted in the local paper, on the Wetzin'kwa website and Wetzin'kwa Facebook page indicating that the annual intake period has commenced. Grant applications (up to a maximum of \$15,000 per grant) are received until 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 taken seriously by the Board of Directors. The grant applications received always exceed the annual budget available (\$250,000), making final decisions around grant awards an extremely difficult process to adjudicate.



## 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 to watch the grant program succeed. The Board believes very strongly in the social benefits of this key program of WCFC.

## 2019/20 GRANT PROGRAM RECIPIENTS

WCFC distributed **\$298,133.83** from the 2019/2020 Grant Program to successful community applicants.

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.





## 2019/20 GRANT PROGRAM RECIPIENTS

The WCFC would like to congratulate the following successful applicants in the 2019/20 Grant Program:

Organization Name	Project Title
Dze L K'ant Friendship Centre	Commercial Community Kitchen
Kyah Wiget Education Society	Witset Lake Revitalization Project
BV Community Arts Council	An Artistic Splash; Regional District Pool Mural
BVIA - BV Exhibition	Operation Virtual
Spirit North	In School & After School Outdoor Sport Youth Empowerment in Witset
BV Museum	Newspaper & Supplemental Digitization Project
Smithers Figure Skating Club	New Sound System; Civic Centre
Smithers Volunteer Firefighters Assoc.	Wildland Firefighting Equipment Investment
Groundbreakers Agriculture Assoc.	Youth on Farms & Local Food in Schools
BV Aquatic Centre Management Society	Pool Spray Feature Replacement
Smithers Snowmobile Assoc.	1987 BR400 Groomer Replacement
Smithers Ski & Snowboard Club	SSSC Track Surface Improvement
BV Hospice Society	Corporate Sponsorship for the BVHS
Round Lake Community Assoc.	Round Lake Swimming Warf
Smithers Francophone School Parents Assoc.	Outdoor Playground for Students of École La Grande-Ourse
BVOSC_BV Otter's Swim Club	Inspiring Youth - Benefitting All; Asst. Coach Supplication
Skeena Knowledge Trust	Community Information Accessibility Project
BV Gymnastics Assoc.	Post Covid-19 Mat Upgrade Program
Treehouse Housing Assoc.	Early Childhood Education Youth Mentorship Project
Friends of the Smithers Library	Virtual Discussion Groups
Telkwa Museum	Building Repair & Maintenance
Smithers Skate Park Society	Smithers Skate Park Expansion Project
Smithers Mountain Bike Assoc.	Bluff Expansion Project - Phase 2
Silvern Trail Society	Horlings Connector Trail Renewal & Improvements
BV Cross Country Ski Club	Tracksetter Garage
Seymour Lake Conservation Society	Ongoing Control of Invasive Yellow Floating Heart at Seymour Lake





## 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 2019-2020, the WCFC was able to provide each key stakeholder a contribution of \$40,000 to assist with funding pressures associated with fulfilling their respective mandates.







## COMMUNITY FINANCIAL BENEFITS

WCFC provides a wide range of financial benefits to the community, in addition to the Community Grant 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 (2019-2020)

Item	Amount	Description
Stumpage	\$47,193	Generated from the sale of timber and used by the Province for health care, education, infrastructure, etc.
Annual Rent	\$11,212	Paid to the Crown and utilized by the Province for health care, education, infrastructure, etc.
Community Grants	\$298,134	Distributions by the WCFC to a wide array of community groups and projects
Smithers Community Services Association	\$5,600	Support for the homeless during COVID-19 and the Christmas hamper program
BV Foundation	\$3,300	Provision for the award of bursaries for students from the three communities associated with the WCFC
Stakeholder Donations	\$120,000	Provided to the Stakeholders (Town of Smithers, Village of Telkwa, and the Office of the Wet'suwet'en) to utilize as they see fit
Salvation Army	\$9,600	Food bank contribution/COVID-19 response
Wet'suwet'en Treaty Office Society	\$11,000	COVID-19 food boxes
BV Farmers Market	\$2,500	Emergency support for COVID-19 impacts
<b>TOTAL</b>	<b>\$508,539</b>	





## CORPORATE DATA

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### BOARD OF DIRECTORS



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



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



**LINDSAY LANGE**  
Director, Village of Telkwa



**GREGORY WACHOLTZ**  
Director, representing the  
community at large



**GARY HANSON**  
Director, Town of Smithers



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



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

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### FOREST MANAGEMENT



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



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

### ADMINISTRATION



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

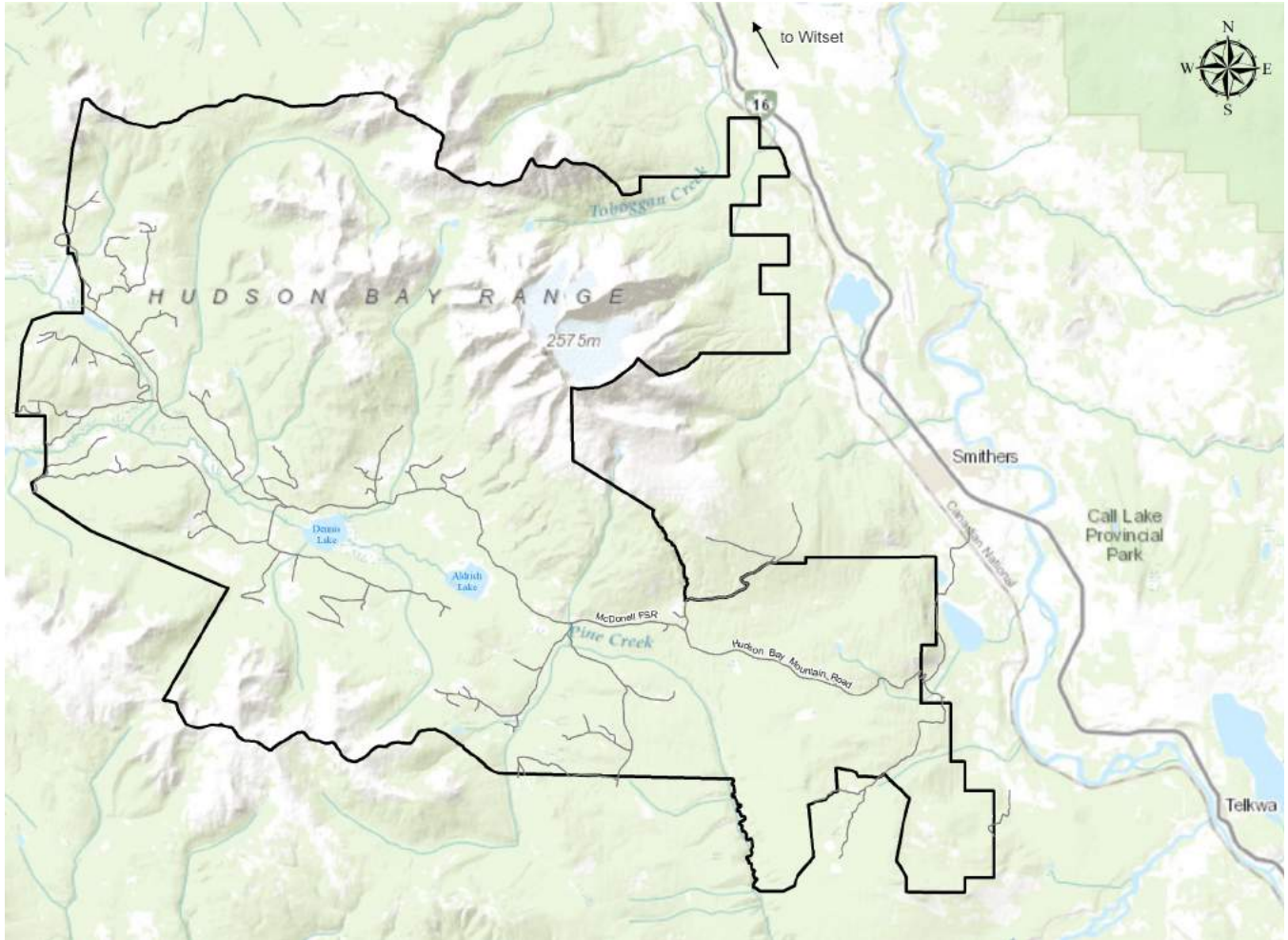
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PO Box 565, Smithers, BC  
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# LOCATION MAP

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# APPENDIX A:



# FINANCIAL STATEMENTS

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## 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.

