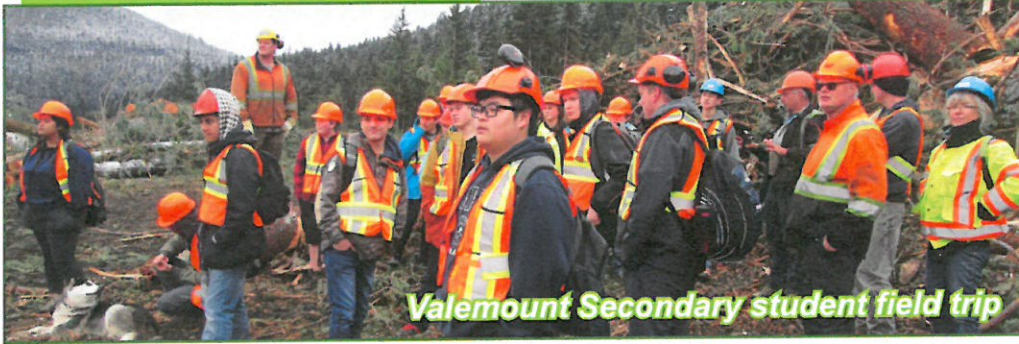


Community education

The VCF continues to partner with the Valemount Learning Centre for Fire Fighting and Suppression S100 and First Aid - FA1 courses. This allows people to attend courses locally at a reduced cost. Avalanche training was provided for contractors in 2018.



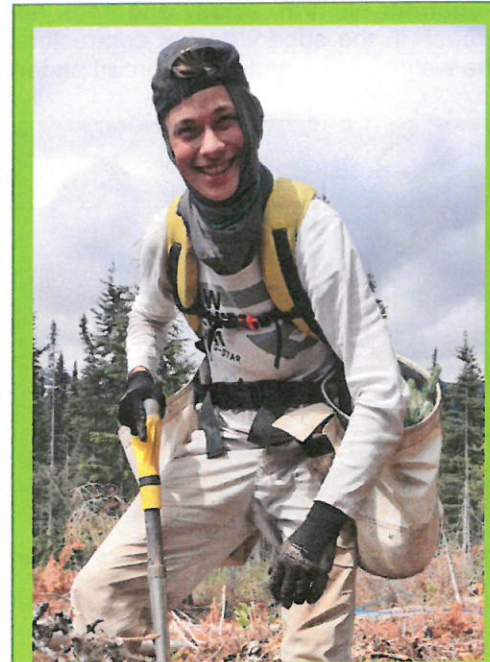
Processor demonstration



Valemount Secondary student field trip

The VCF had a school field trip with Valemount Secondary students this last October. The VCF staff escorted the school bus down the West Canoe and 19 students were able to observe active logging and employment opportunities for men and women in the forest sector. The various contractors and equipment operators were generous with their time and knowledge during their work day and showed the students the variety of jobs that are available locally in the forest industry.

Due to the positive feedback, enthusiasm from students and co-operation from the Valemount Secondary School staff there will continue to be programs like this.



2017 bursary recipient Daniel Haag attends UBC, working toward a BSc in Natural Resource Management, with a Major in Forestry.

Supporting social well-being

The VCF values social well being and economic diversity of the community and supports a variety of initiatives each year through the VCF Community Grant program. Some organizations receive annual contributions such as \$7500 to the local grant writer, who is hosted at the Village of Valemount in partnership with Northern Development Initiative Trust. The VCF requests that funded societies, groups or organizations provide financial transparency by keeping a budget and recording volunteer hours for their supported program.

- Valemount Public Library
 - Furniture for meeting room
 - Valemount Arts and Cultural Society
 - Banff Mountain Film Festival
 - VES- Parent Advisory Council
 - Play ground equipment
- Total allocated for 2018 \$7,500**
- Robson Valley Music Society
 - Earthship studio, artist retreat
 - Valemount Elementary School
 - Playground trees
 - Robson Valley Spay and Neuter Society
 - Spay and neuter program 2018
 - Canoe Valley Community Association
 - Kinnickinnickers heat and light
 - Valemount Secondary School
 - VSS breakfast program

2017 Community Contributions: \$38,000
2018 Community Contributions: \$41,150

Successful Community Grants:

Total allocated for 2017 \$7,500

- Senior Girls Basketball Team
 - Tournament funding
- Valemount Historic Society
 - Children's heritage program
- Valemount Children's Activity Society
 - Safety mirror, bulletin board
- Canoe Valley Community Association
 - Filing cabinet
- Valemount Lion's Club
 - Cemetery gazebo repair

Valemount Community Forest Board of Directors & Staff

Board of Directors:
 President - Ainslie Jackman RPF
 Vice President - Gordon Carson
 Vern Mickelson Gerry Piper
 John McGuire Peter Reimer
 Ray Mikolash

Staff:
 Manager - Craig Pryor, RFT
 Assistant Administrator - Janey Weeks
 Operations Supervisor - Brian Shawara
 Silviculture/Planning
 - Alana Duncan FIT

Valemount Community Forest

MARCH 2019 COMMUNITY NEWSLETTER

Community Fire Preparedness

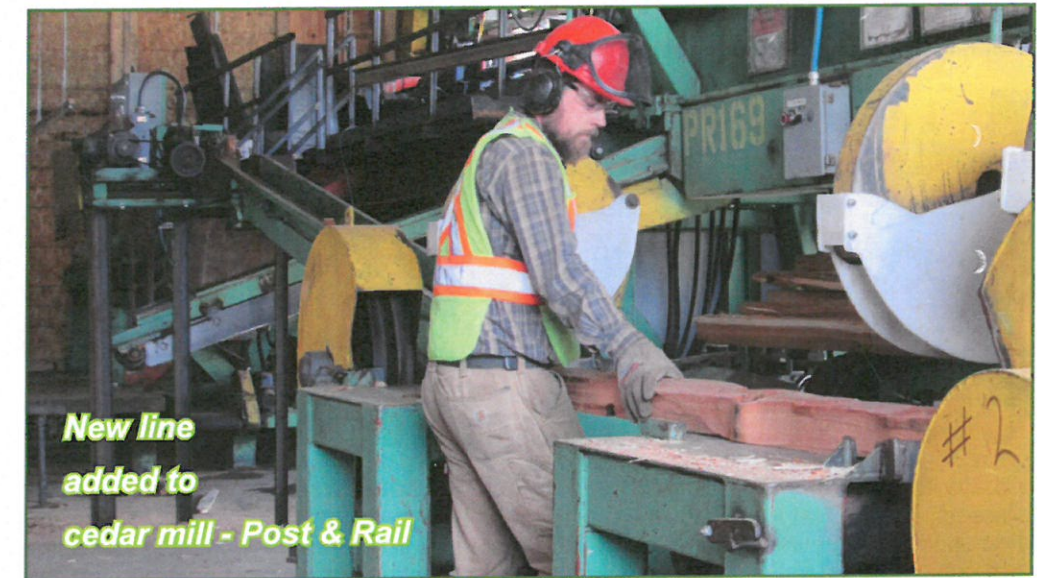
The Village of Valemount Community Wildfire Protection Plan (VCWPP) was commissioned in 2012. The Valemount Community Forest Co. Ltd. (VCF) initiated the process of updating this plan in March 2018 and continue to treat high risk areas around Valemount and along the corridor towards Tete Jaune. The VCF is committed to help with Fire Preparedness for the community through planning and consultation.

Meetings were held with local agencies, the public and people who live adjacent to the most high-risk forests. The results of consultation were that some people were opposed to any harvest of the adjacent forest while others were frightened by the flammable forests in their back yards. Through this process, amendments were made to fuel management plans to accommodate concerns.

Some fuel management areas are not profitable to harvest as the trees are often non-commercial, dead and/or rotting. In spite of this, the VCF continues to discuss

and plan work with the Village and the Valemount Wildfire Base staff to minimize risk by creating fuel breaks that will be defensible in the event of wildfire.

Other fuel management areas around Tete Jaune Cache also require planning but are beyond the boundaries of the Valemount Community Forest.



New line added to cedar mill - Post & Rail

Business Changes

As of January 1, 2019, the VCF is operating under two companies.

The VCF has split into two companies, the Valemount Community Forest Co. Ltd. and the Valemount Industrial Park Co. Ltd. (VIP). Both companies are Limited Partnerships with the Village of Valemount.

There are two main reasons to form two companies: liability and taxes. It became apparent that because of the growth of the VCF Co. Ltd. there was an increasing liability and risk to the Village of Valemount. The new Limited Partnerships separate the Village from the business of forestry and industrial land management.

Community forests generally do not pay taxes as long the revenue from non-community forest sources does not exceed 10%. The Valemount Industrial Park was starting to generate non-community forest income. Further industrial activity would eventually create a financial tax risk to the original VCF Co. Ltd. Over a period of three years the Village Council, the VCF Directors, accounting firm KPMG and Lidstone & Company Law Corporation worked together to form the best business model to address concerns and facilitate long term growth.

The Wildfire Protection Plan helps prepare our community



MISSION STATEMENT:

- To develop and strengthen the economic diversity of the community while promoting the social well being of the residents in and around Valemount.
- To use the community forest resources in ways that are sustainable, environmentally respectful, fiscally and legally responsible.



Valemount Community Forest Limited Partnership Box 1017, Valemount, BC V0E 2Z0

Phone: 250-566-4610 3300 Hwy 5 South Email: vcfadmin@valemount.ca



Silviculture: planting

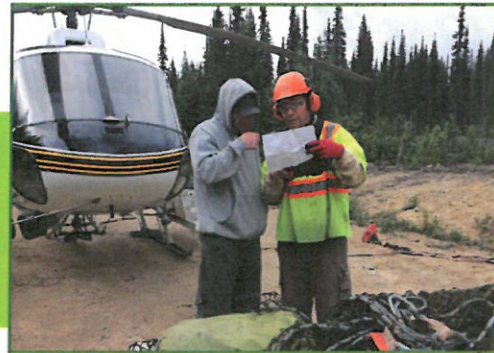
In the past two planting seasons the VCF planted close to 770,000 seedlings on 550 hectares. Seth's Integrity Contracting from Dunster usually hires a crew of 10 to 15 people which includes local planters. They planted about 60% Spruce, 30% Pine and 10% to Fir and Cedar in 2017 and 2018.

The spring planting starts in the beginning of May when the lowest elevation harvested blocks are clear of snow and frost. The summer season sees the planting activity move higher in elevation as blocks become snow and frost free. The planting program usually ends by mid-July.

The greatest challenges each year are keeping the trees cool when the weather becomes very hot. The VCF has noted some of the blocks planted during the hot-

test days of 2018 experienced a greater than usual mortality.

Occasionally, when access is poor, the VCF hires Yellowhead Helicopters to fly the seedlings into the block. When using helicopters, total weight is calculated which includes the seedling boxes and planting gear. These items are put into numerous slings. One sling at a time is hooked underneath a hovering helicopter and its load is dropped into preplanned GPS locations on the block. The planters are waiting in position to receive their days worth of work. This type of planting takes careful pre-planning, timing and safety measures.



Challenges with wood waste

Late in December 2018 the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD) revealed their latest initiative to address public concerns regarding logging waste left on harvested blocks. The change calls for a full waste survey done by a scaler to determine the amount of waste left post-harvest. Previously, the VCF has had a scaler do an ocular estimate backed up with measurements.

The Government initiative is designed to encourage full utilization of all wood fibre by penalizing companies that do not

ship residual waste to a chipping facility, bioenergy plant, pulp mill etc. While that sounds like a reasonable thing to do, it is not practical for isolated communities that do not have access to such facilities. It is not affordable to truck waste wood fibre from this community forest to Prince George.

Ironically it increases the cost of attracting a fibre industry to a small community like Valemount. It directs expenses to a new survey requirement, levies penalties by way of reduction to the AAC which affects the logging contractors and takes money away from grassroots economic industry planning initiatives. This Government initiative is designed for larger centres with an existing fibre industry.

The Board and Manager understand the urgent need to address waste fibre and they have been consistently working to find a proponent to build a facility that utilizes this waste wood fibre and provides local employment. Emissions is a challenge to setting up any business on the Valemount Industrial Park (VIP). The Board has decided to set up equipment on the VIP in order to track and prove air quality and emissions to the Ministry of Environment.



Updated Inventories

Over the past three years we have been working on forest inventories which provide up to date ecosystem mapping, forest species composition, landscape detail and timber supply reviews. The overview aerial flights helped map out the forest and calculate its tree growth potential. The new inventories data showed that the Annual Allowable Cut (AAC) for both K2T and K5Q could sustain an increase to harvest by over 25% and a combined AAC of 95,406m3.

Valemount Industrial Park Infrastructure, leases and jobs

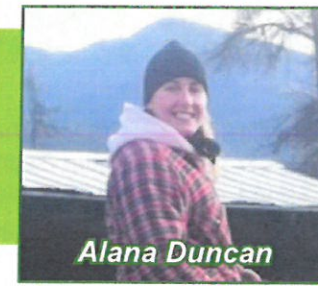
The VIP currently has eight lessees. The weigh scales is now a designated scale site run by the VCF.

Since their relocation, Cedar Valley Holdings Ltd. (CVH) has added another cedar product line of post and rail fencing. This has resulted in hiring more mill workers and a logging contractor.

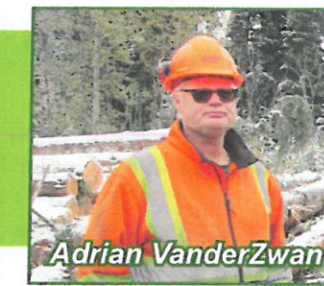
In order to secure basic industry needs a long waterline from the pump house to the CVH mill and VCF scales was installed. Future planning includes fire suppression and upgrades to the existing three phase power.



Brian Shawara



Alana Duncan



Adrian VanderZwan

New staff and retirement

In May 2018 our new Operations Supervisor, Brian Shawara was hired. Since that time Brian had been mentored by Adrian VanderZwan who retired after 40 years in the forest sector at the end of December 2018.

Adrian was hired in 2015 and he came as part of the purchase agreement of the Carrier Forest Licence. The VCF have been very fortunate to have his expertise with us for the past 3 years. We thank Adrian for his firm, steady and frank approach in the supervision of contractors, the weigh scales and for his broad under-

standing of forest operations.

Ready for Spring 2019 is another new employee, after a competitive application process Alana Duncan will fill a new position as Silviculture/Planning Forester. Alana grew up in this area, she has a degree in Environmental Science with a minor in Soil Science, Alana has strong outdoor and computer skills in the forest sector and is working toward becoming a Registered Professional Forester (RPF).

The staff at VCF are grateful for and welcome Brian and Alana to the team.

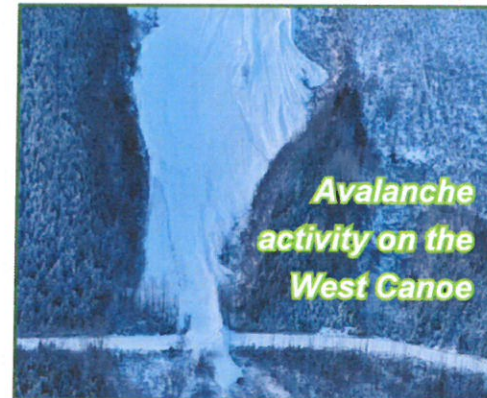
Opportunities and markets

When Hauer Bros. Lumber Ltd. went up for sale, the Board competed for purchase with other interested parties. The price eventually went beyond the financial capabilities of the VCF.

Another opportunity did arise and VCF purchased Woodlot #0277. This woodlot is an excellent fit for the community forest as part of it adjoins the area.

Log markets have been strong for the last two years. This has been favourable to diversifying log product, improving infrastructure and looking for opportunities to purchase or attract key complimentary industries to set up on the Valemount Industrial Park.

The Board is no stranger to volatility in the forest industry and so proceeds cautiously in financial decisions. The Board maintains 5 years of working capital to keep the company strong when the markets are low.



Avalanche activity on the West Canoe



Good roads provide access for more than logging and reforestation

Building a road to success

Road development and access are critical to harvesting success. Road surfaces require time to set up, therefore, having the roads built in advance (a year ahead or longer) is ideal. Road surface quality is determined mostly by how well water running across it is controlled. Culverts, ditches, water bars and the use of geotextile fabrics to control upwards seepage and gravel all contribute to a dry surface. Proper grading keeps the road surface in good shape for vehicle use.

Pre-built roads provide access for the block layout crews, shortening their distance to work and lowering costs to the company. Good roads provide access for more than logging and reforestation. Recreational users appreciate all weather roads for many activities from the self-propelled sports to horse riding, hunting, trapping and the motorized sports. Good roads can also provide access in the event of lightning strikes and wildfires, avalanches and rescue operations.

Harvesting in 2018 included the Pack-saddle, Dave Henry, East Canoe, West Canoe, Swift Creek and West Ridge areas. VCF limits the winter harvesting in the Dave Henry and West Canoe to mid-December, due to high avalanche activity in these areas. The VCF hired local Avalanche Technician Peter Amann to provide training, monitor the high avalanche hazard conditions and update the Avalanche Safety Plan.



Annual VCF Community BBQ