

NAKUSP AND AREA COMMUNITY FOREST MANAGEMENT PLAN

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EXECUTIVE SUMMARY

The Village of Nakusp was invited to apply for a Probationary Community Forest Agreement (PCFA) in the fall of 2005. Initially, the invitation was for an area able to support an Annual Allowable Cut of 10000 cubic meters. In August of 2006, this offer was expanded to include an additional 10000 cubic meters from areas currently under license to BC Timber Sales.

This is Nakusp and Area's third attempt since 1991 to acquire a Community Forest Agreement. For more than a decade, there has been a widespread belief within the community that Nakusp and Area requires greater control over the forest resources close to the community in order to derive a greater share of both the monetary and non-monetary benefits to be accrued from area forests. In fact, the Nakusp and Area Development Board had already embarked on its most recent and current effort to obtain a CFA prior to the Province's announcement of the Forest Revitalization Plan and the twenty percent takeback from major licensees in 2003. The Nakusp and Area Community Forest Committee formed out of the NADB's efforts and is the group which has prepared the current application, including the Management Plan.

Attached to the Management Plan is a Timber Supply Analysis Report completed by Forest Ecosystem Solutions. This report, also referred to as the Area Volume Allotment (AVA) summarizes five separate timber supply projections which were made based on the inclusion of different areas from NACFOR's initial area negotiations with current licensees. Of these five projections, or runs, Run 5 was chosen as the one most closely fitting the annual short and long-term volume criteria for a 20000 cubic meter AAC. In consultation with the present licensees, NACFOR made slight adjustments to the Run 5 areas to obtain its final signed area transition agreements with Springer Creek Forest Products and BC Timber Sales. This Management Plan is consistent with the Assumptions noted in Section 4 of the AVA. Where the Management Plan specifically discusses issues relevant to one of the AVA Assumptions, consistency with that assumption has been noted.

The first part of the Management Plan details area descriptions, explanations of the legal entity and proposed administration and a summary of NACFOR's stated goals and objectives. All of this information is contained in other places within the application but is also included here because of its relevance to NACFOR's overall plan. NACFOR's administrative structure is integral to the success of its overarching management strategy which relies on combining linear focus and accountability with broad-based receptiveness and innovation. The roles of the Board of Directors, Board of Director sub-committees, management personnel, contractors and the public in the successful implementation of this strategy are clearly and carefully defined in the Management Plan.

The Management Plan document discusses Resource Management Objectives pertaining to governing legislation, priorities and methods for timber harvesting, timber charging methods, protection and conservation of non-timber values and resources, fire protection, forest health, silviculture and roads. NACFOR's methods consistently adhere to an

overall strategy of balancing sustainable environmental management with focused economic and social objectives. It will combine adherence to existing forest policy and legislation with a commitment to seek innovative local solutions to industry challenges.

The Management Plan details the Public Consultation Process which will be employed with respect to legal review and comment requirements, the existence or potential formation of stakeholder organizations and other communications. Public consultation will play a vital role in the success of NACFOR's management strategy by increasing the organization's public credibility, improving public awareness and expanding the knowledge base used to develop new ideas and workable strategies.

The final section of the Management Plan outlines Government Objectives for CFA's and details the consistency of NACFOR's plan with those objectives.

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1.0 INTRODUCTION AND HISTORICAL OVERVIEW

Nakusp and its surrounding area has been a forestry-based community for over a century. Local wood manufacturing facilities flourished in the area up until the imposition of a provincial tenure system in the 1950's that gave almost exclusive timber harvesting rights to large corporations with outside mill holdings. With this lost access to fiber, Nakusp effectively lost its wood manufacturing capacity. However, the forests did continue to provide stable employment to Nakusp and area in the form of harvesting and other woods-related activities, allowing the community to continue to thrive until a major industry downturn beginning in the early 1980's. The provincial forest industry endured difficult times for almost a decade and it is likely that no community was hit harder during this time period than Nakusp. Repeated corporate turnovers and restructuring resulted in massive terminations and long-term lay-offs in the area.

Public interest in obtaining a Community Forest Agreement (CFA) first began to gain momentum in Nakusp and area in 1991 when Tree Farm License 23 was in the process of being sold. At that time, the community was still enduring the painful economic effects of restructuring efforts implemented by the outgoing licensee. A recognition began to surface within the community that it was within local residents' best interests to regain some of the control they had held over local forests prior to large-scale tenure being granted to outside interests.

Nakusp's first attempt to acquire a Community Forest Agreement (CFA) was unsuccessful. This was also true of a second effort to obtain a license in 1998. Despite these setbacks, the belief that Nakusp and area needed at least some degree of control over local forest resources continued to grow within the community. Therefore, when a third opportunity arose following the provincial government's announcement of the Forest Revitalization Plan in April, 2003, the community was ready. The Nakusp and Area Community Forest Committee was already in existence and it submitted a proposal requesting a 60 000m³ Community Forest License on April 11, 2003. Nakusp was formally invited to apply for a Probationary C.F.A. with a 10 000 cubic meter Annual Allowable Cut in November, 2005, an invitation which was increased to 20 000 cubic meters in August, 2006.

Dramatic changes in both practices and perception have reshaped BC forestry since Nakusp and area first began to formally pursue a Community Forest License in 1991. Public awareness and concern about the sustainability and care of forest resources has increased enormously. Examples of this abound. Forest recreation use has increased. Visual concerns about alterations to the landscape have emerged. Conflicts between forest harvesting and consumptive water use have become more prominent. Concerns regarding wildlife species at risk have increased. Wildland/urban interface fire has become a serious threat. Forest health issues continue to garner increased public scrutiny.

All of the above changes and others apply to Nakusp and area, increasing the complexity of area forest management since local aspirations for a Community Forest first gained

popularity in 1991. However, despite the increased emphasis on these issues, the original purpose of Nakusp and area's pursuit of a Community Forest Agreement has not diminished. Rather, it has increased. The community's economic and social prosperity and stability has never been more greatly imperiled. Although there has been no single massive downsizing of the local workforce as there was in the late 1980's, local industry job losses have mounted steadily over the years. Young families continue to leave the area as evidenced by steadily declining school enrollment. Industry cost pressures have created an increasingly transient workforce. As a consequence of these and other factors, the desire to acquire greater local control over the area's forest resources has gained tremendous support throughout the community.

A Community Forest Agreement is Nakusp and area's best opportunity to recapture some of the economic and social losses detailed above. It will bring increased revenue to the community that can be used for needed development projects. It will increase timber availability for local wood manufacturers, giving them opportunities to expand and create jobs. It will provide protection for forestry jobs historically held by local residents but increasingly awarded to outside bidders. It will create an opportunity to implement comprehensive local training programs that allow new workers to enter the industry and experienced ones to upgrade and expand their skills.

Nakusp and area recognizes that the opportunities detailed above present many long-term challenges and that solutions will not occur merely upon the awarding of a Community Forest Agreement. Again, many examples can be given. Ensuring that profits are allocated to projects that best serve the community's interests will require ongoing research and discussion. Local wood manufacturers will need to reassess their operations to ensure that they are producing the products that optimize their competitive position when bidding on the newly available local wood supply. Both experienced and entry-level forestry workers will need to demonstrate significant versatility in order to maintain employment in an industry where job stability continues to face downward pressure. Nakusp and area residents will also need to demonstrate substantial ongoing conciliatory ability in determining the best combination of uses for the area's forest resources. However, despite these challenges, Nakusp and area is united in its belief that the first step in achieving success in these and other areas lies in the acquisition of a Community Forest Agreement that features good opportunities for both financial success and sustainable management.

2.0 DESCRIPTION OF AREA

2.1 NEGOTIATED AREAS

Nakusp and area's proposed Community Forest area was determined through separate negotiations with the present licensees, Springer Creek Forest Products (SCFP) and BC Timber Sales (BCTS). An equal AAC of 10 000 m³ was targeted in both cases. NACFOR has signed Agreements in Principle with both current licensees on the transfer of the proposed areas. NACFOR seeks to have final transitional agreements in place by February, 2005. The negotiated areas can be summarized by geographic location as follows:

GEOGRAPHIC AREA	EXISTING LICENSEE	TOTAL (OPERABLE + INOPERABLE) AREA (ha)	THLB (OPERABLE) AREA (ha)
Slewiskin	Springer Creek Forest Prod.	4501	3155
Wensley Ck	Springer Creek Forest Prod.	185	185
Scalping Knife	B.C. Timber Sales	483	214
McDonald Creek	B.C. Timber Sales	76	56
Box-Summit	B.C. Timber Sales	2827	1852
Wilson (Harlow)	B.C. Timber Sales	627	300
Kuskanax	B.C. Timber Sales	330	282
Fosthall	B.C. Timber Sales	618	548
Galena Bay	B.C. Timber Sales	219	149

A brief description of each of the negotiated areas provides a better understanding of Nakusp and area's proposed CFA.

2.1.1 SLEWISKIN

The Slewiskin (also known as McDonald Creek) area negotiated with SCFP is the largest geographic area within the proposed CFA, comprising 4501 ha or 45.6 percent of the total license area. The 3155 ha of operable ground within this area comprises 46.8 percent of the proposed Timber Harvesting Land Base (THLB).

The main advantages to holding the Slewiskin area as part of the license are:

1. good stand volumes and growing sites;
2. a valuable species mix with good value-added potential;
3. an almost entirely developed mainline road access; and
4. high relevance to the community in terms of visual concerns and recreation use.

The principal disadvantage associated with this area is the relatively high proportion of recent cutovers within the drainage. A recent report prepared for SCFP revealed that Equivalent Clearcut Assessment (ECA) values currently hover near their maximum (see Section 7.1). However, judicious management strategies combined with fast green-up rates and a modest AAC will allow Nakusp and area to continue to draw a significant portion of its timber resources from this area for years to come.

2.1.2 WENSLEY CREEK

This relatively small area emerged as part of the proposed CFA area following initial negotiations with SCFP. The Wensley Creek area is geographically separated from the rest of the proposed takeover area. However, SCFP believed that in the interests of fairness and as part of its responsibility in taking on a CFA, it was Nakusp and area's duty to adopt a portion of the consumptive watershed areas within SCFP's current chart area. The NACFOR committee felt it was a reasonable request and complied with it. Similar to Slewiskin, Wensley Creek features good stand volumes and growing sites, a valuable species mix with good value-added potential and an already constructed mainline road. In addition, it features a highly favourable terrain profile. The area is highly relevant to local interests. The local cross-country ski club maintains its trail complex within this area. Most importantly, a number of domestic water users obtain their consumptive supply from the area.

2.1.3 BOX-SUMMIT

After Slewiskin, the Box-Summit portion comprises the second largest continuous piece within the proposed CFA area, accounting for 2827 hectares or 28.3 percent of the total area and 25.9 percent of the total operable area. The area is largely dominated by Age Class 4 timber (60-80 years) located on average to good growing sites that will present good timber harvesting opportunities in fifteen to twenty years. The good medium-term harvest opportunities along with the area's proximity to the community are its main advantages as an addition to the CFA. Community and domestic water use, visual concerns and recreation opportunities are primary issues along the Box-Summit corridor.

2.1.4 McDONALD CREEK

This tiny area was negotiated for takeover with BCTS because it adjoins nicely with the much larger portion of McDonald Creek (Slewiskin) agreed to with SCFP. In contrast, it is isolated from other BCTS tenure. Ungulate winter range concerns and visual constraints are the main non-timber resources to be considered within this area.

2.1.5 SCALPING KNIFE

This was another relatively small parcel included in the proposal package mainly because its current isolation from other BCTS operations contrasted with its relative proximity to both many of the other proposed CFA areas and to the community itself. A high proportion of the overall area falls within inoperable ground. Visual and ungulate winter range concerns will be paramount.

2.1.6 WILSON (Harlow)

The portion of BCTS' Wilson Creek chart area negotiated for takeover presents few short-term or even medium-term harvesting opportunities. The area has been heavily logged and remaining stands are dominated by old growth timber. Combined with the additional fact that this area is identified as Priority 2 caribou habitat, the current age class distribution makes it unlikely that the community will place any significant reliance on this area towards fulfilling its short or medium-term timber harvesting requirements. However, the area does present good long-term prospects for the CFA's harvesting profile. The majority of the regenerated stock is in the 20 to 40 year age class, making it

viable for harvest in approximately 60 years. Management will closely evaluate incremental silviculture opportunities which might be available in some of the stands.

2.1.7 FOSTHALL

Although geographically isolated from the rest of the proposed chart areas, Fosthall was negotiated as part of the CFA's final area because it provides good start-up ground for a fledgling operation. Gentle terrain and good existing access will facilitate low-cost development and harvesting.

The Fosthall area is quite heavily used by pine mushroom pickers. Existing BCTS studies will be used and possibly expanded upon to determine harvest methods that are compatible with continued mushroom growth. Local knowledge about the highly popular and valuable pine mushroom resource will also be utilized.

2.1.8 GALENA BAY

This area is similar to Fosthall both in terms of its isolation to the rest of the CFA area and the principal non-timber values it presents, primarily mushrooms and visual concerns. Like Fosthall, it was included primarily to provide the CFA with a low-cost start-up area that can be pursued within the first two or three years of operations.

2.1.9 KUSKANAX

A small portion of the BCTS chart area will be included from the Kuskanax. Harvesting can likely only be carried out by helicopter logging but the area presents good opportunities for both interface fire and recreation management.

3.0 LICENSE HOLDER AND ADMINISTRATION

The Village of Nakusp completed the incorporation of NACFOR in November of 2007.

NACFOR will be governed by a seven to eight member Board of Directors, composed of a diverse and representative cross-section of the community. The exact number of Board members will be determined by availability within the Community. Board members include a Village Council representative and the RDCK Area K director. Local forestry, wood manufacturing and affected watershed users are also represented on the Board. The Village of Nakusp treasurer will attend board meetings and act as NACFOR's board treasurer, although he will not be a member of the Board of Directors.

NACFOR will require the equivalent of approximately two full-time employees to manage the company. However, the unbalanced workload which the operation will face over the course of the operating year will make it more efficient and financially viable to contract out management operations. NACFOR will continue to evaluate the feasibility of eventually converting its forest management duties to full-time staff positions.

See Section 5 and Appendices 1 and 2 of the Business Plan for a more comprehensive explanation of NACFOR's corporate structure.

4.0 MISSION STATEMENT

NACFOR strives to balance economic, ecological and social concerns in a manner that optimizes benefits for both the local and global community. See the Business Plan for a similar statement.

5.0 GOALS AND OBJECTIVES

Goals and objectives are split into two parts:

1. Strategic goals and objectives; and
2. Short, medium and long-term goals (action plans) consistent with ‘Mid-term’ and ‘5 Year Targets’ documented under “Replacement Objectives” in the final section of this application.

The same goals and objectives are listed in Section 3 of the Business Plan.

5.1 STRATEGIC GOALS AND OBJECTIVES

NACFOR will seek to fulfill its mission statement by meeting the following broad strategic goals and objectives.

GOAL 1: Ensure the sustainability of area forests.

OBJECTIVES USED TO ACHIEVE GOAL

1. Monitor timber inventories to ensure that calculated AAC’s are accurate and sustainable (*Section 8.2 of Management Plan*).
2. Conserve non-timber forest resources (*Section 9.4 of Management Plan*).
3. Develop a Forest Health Tracking Strategy (*Section 9.6 of Management Plan*).
4. Achieve improved utilization from wood waste products (*Section 10.2 of Management Plan*).

GOAL 2: Optimize revenues from harvested timber.

OBJECTIVES USED TO ACHIEVE GOAL

1. Optimize economic utilization of product mix (*Section 8.1 of Business Plan*).
2. Open market log sales (*Sections 8.1 and 8.2 of Business Plan*).
3. Expansion of local wood manufacturing (*Section 8.3 of Business Plan*).
4. Utilize market cycles to advantage (*Section 8.2 of Business Plan*).

GOAL 3: Promote community stability

OBJECTIVES USED TO ACHIEVE GOAL

1. Establish NACFOR as a stable, profitable and financially independent entity (*Section 4 of Business Plan*).
2. Provide funding for community development projects and non-profit groups (*Section 11.0 and Appendix 12 of Business Plan*).
3. Promote local value added expansion (*Section 8.1 and 8.3 of Business Plan*).
4. Assist local youth in the acquisition of added skills and knowledge (*Section 6.0 of Management Plan*).

GOAL 4: Improve forest worker and public safety

OBJECTIVES USED TO ACHIEVE GOAL

1. Ensure CFA areas are economically viable (*Section 6.0 of Management Plan and Sections 6, 7 and 8 of Business Plan*).
2. Establish a fair and stable process for awarding of contracts (*Section 4.2 of Business Plan*).
3. Provide training opportunities for experienced and entry-level forest workers (*Section 6 of Management Plan*).
4. Establish a Fire Protection Strategy (*Section 9.5 of Management Plan*).

GOAL 5: Promote community involvement in local forest management

OBJECTIVES USED TO ACHIEVE GOAL

1. Establish an effective and inclusive public consultation process (*Section 11.0 of Management Plan and Section 5.3 of Business Plan*).
2. Establish a mechanism for dispute resolution (*Section 5.4 of Business Plan*).
3. Improve public access to local forest resources (*Section 9.2 and 9.4 of Management Plan*).
4. Provide and promote the disposition of forestry-related educational tools within the community (*Sec. 6 of Management Plan and Sec. 11.2 of Business Plan*).

5.2 SHORT, MEDIUM, LONG-TERM GOALS (ACTION PLANS)

NACFOR has prepared a list of action plans that will be used to systematically fulfill strategic goals and objectives listed in Section 3.1. The action plans have been categorized below as short, medium and long term goals. The short and medium-term goals are consistent with the Replacement Objectives found in the final part of the CFA application. To demonstrate consistency with strategic goals and objectives, any strategic goals and objectives addressed by action items are noted in parentheses following the action item.

Short Term Goals (Years 1-2.5)

1. Finalize transfer agreements with previous tenure holders by February, 2008.
2. Establish contract award policy via consultation with local contractors by June, 2008 (*Goal 4, Obj. 2 & Goal 5, Obj. 1*).
3. Complete and obtain approval for a Forest Stewardship Plan (FSP) by November, 2008 (*Goal 1, Obj. 2*).
4. Form Waste Management Sub-Committee by June, 2008 (*Goal 1, Obj. 4*).
5. Form Innovative Strategies Sub-Committee by June, 2008 (*Goal 5, Obj. 1 & 3*).
6. Form Fire Management Sub-Committee by June, 2008 (*Goal 5, Obj. 4*).
7. Form Finance and Marketing Sub-Committee by June, 2008 (*Goal 2, Obj. 1-4 & Goal 3, Obj. 3*).
8. Form Youth Sub-Committee by June, 2008 (*Goal 3, Obj. 4 & Goal 4, Obj. 3*).
9. Form Conflict Resolution Sub-Committee by June, 2008 (*Goal 5, Obj. 2*).
10. Form Community Funding Committee by March, 2010 (*Goal 3, Obj. 2*).
11. Establish working relationships with stakeholder groups affected by CP development (*Goal 5, Obj. 1*).

12. Establish working relationships with non-timber forest resource users (*Goal 5, Obj. 1 & 3*).
13. Commence harvesting operations by May, 2009 (*Goal 1, Obj. 2 & Goal 3, Obj. 1*).
14. Meet all forest stewardship related commitments (*Goal 1, Obj. 2*).
15. Begin to build a cash reserve from NACFOR profits (*Goal 3, Obj. 1*).
16. Distribute annual newsletter to area residents by Dec, 2009 (*Goal 5, Obj. 1*).
17. Establish a NACFOR information display at the Nakusp Village Office (*Goal 5, Obj. 1*).

Medium Term Goals (Years 2.5-5)

1. Develop a Fire Protection Strategy by December 31, 2010 (*Goal 1, Obj.2 and Goal 4, Obj. 4*).
2. Develop a Forest Health Tracking Strategy by December 31, 2010 (*Goal 1, Obj. 2 and 3*).
3. Develop a Long Term Marketing Strategy by December 31, 2010 (*Goal 2, Obj. 1-4 and Goal 3, Obj. 1 & 3*).
4. Develop a Waste Management Strategy by December 31, 2012 (*Goal 1, Obj. 2 and 4*).
5. Determine sustainable harvest levels via Expanded Timber Supply Analysis by December 31, 2012 (*Goal 1, Obj. 1 and Goal 4, Obj. 1*).
6. Increase locally obtained wood manufacturing volumes by fifteen percent above pre CFA levels (*Goal 2, Ob. 3 and Goal 3, Obj. 3*).
7. Continue to build cash reserve and cap at 1 million dollars (*Goal 3, Obj. 1*).
8. Begin funding for community projects and non-profit groups (*Goal 3, Obj. 2*).
9. Establish at least one interpretive forest site or trail network (*Goal 5, Obj. 4*).
10. Continue to meet all forest stewardship related commitments (*Goal 1, Obj. 2*).
11. Harvest at least 90% of 100 000 m3 5 Year Cut Control (*Goal 1, Obj. 2*).
12. Continue to fine-tune all original goals and amend them to meet changing demands.

Long Term Goals (Year 5-Forward)

1. Successfully convert 5 year probationary CFA to a longer term tenure (*All Goals and Objectives*).
2. Adjust harvest levels to reflect findings of Expanded Timber Supply Analysis (*Goal 1, Obj. 1 & Goal 4, Obj. 1*).
3. Implement Fire Protection Strategy (*Goal 4, Obj. 4*).
4. Implement Forest Health Strategy (*Goal 1, Obj. 3*).
5. Implement Long-Term Marketing Strategy (*Goal 2, Obj. 1-4*).
6. Implement Waste Management Strategy (*Goal 1, Obj. 2 & 4*).
7. Implement appropriate incremental silviculture projects (*Goal 1, Obj. 2*).
8. Become a recognized leader in provincial and community forestry in the implementation of innovative and sustainable forest practices (*All Goals and Objectives*).
9. Continue to fine-tune all original goals and amend them to meet changing demands.

6.0 INNOVATIVE STRATEGIES

Innovative strategies are discussed or alluded to throughout the remainder of this plan and the Business Plan. However, it is useful to consolidate all of these in one location in the body of this report in order to gain a better overview of the innovative strategies NACFOR commits to or intends to pursue. Their location within the body of this document or the Business Plan is also referenced in the list below.

COMMITTED STRATEGY	REFERENCE	COMPLETION DATE
Forest Health Tracking Strategy	Section 9.6	Dec. 31, 2010
Fire Protection Strategy	Section 9.5	Dec. 31, 2010
Waste Management Strategy	Section 10	Dec. 31, 2012
Expanded Timber Supply Analysis	Section 8.2	Dec. 31, 2012

Nakusp and area looks forward to pursuing more involved and sophisticated innovations further into the future. During its first five years of operations, NACFOR must concentrate the bulk of its resources on building an efficient, viable and respected business. However, even during this interim period, NACFOR will commit to implement certain innovative concepts.

NACFOR commits to establish at least one interpretive forest site and/or trail network within the area during its first five years. Nakusp and area's appeal as a tourist destination continues to increase rapidly. The establishment of an interpretive forest site and trail network would provide a tangible link between the area's historical forest-based economy and its burgeoning tourist economy.

NACFOR will also commit to explore the feasibility of other long-term innovations during this probationary period. In addition to conducting its own research, it will encourage consultation with groups or individuals with innovative concepts or plans to implement such concepts. Potential concepts which NACFOR will consider include the four ideas discussed briefly below.

1. *Establishment of an accredited local worker training program*

NACFOR commits to assist the local branch of Selkirk College in the provision of forest worker safety and training programs. NACFOR's assistance may include but not be limited to providing course instruction, providing training and education sites, and preparing course outlines.

In future, Selkirk College's local program could be expanded to become accredited. In 2003, Nakusp and area representatives held preliminary discussions with Selkirk College administrators about the introduction of such a

program in Nakusp. Selkirk College agreed that the idea presented an excellent opportunity for both Nakusp and area. The existence of a Community Forest agreement for the area and NACFOR's commitment to assist with program development would help bring this proposal closer to reality.

2. *Agro-forestry production*

A number of Nakusp and area residents are involved in small-scale agro-forestry production. NACFOR will consult with these individuals regarding how future CFA operations might be linked to such programs.

3. *Botanical forest products*

As with agro-forestry, NACFOR will consult with small-scale local producers of botanical forest products to explore a future role for the CFA in the expansion of these opportunities.

In order to ensure that innovative strategies are addressed and pursued without compromising the focus required to run daily operations, NACFOR commits to forming a Board of Directors' Innovative Strategies sub-committee. The sub-committee will be comprised of a combination of board and non-board members and will meet to discuss innovative strategies and potential implementation methods for those concepts.

7.0 EXISTING INVENTORIES

7.1 EQUIVALENT CLEARCUT ASSESSMENT VALUES

Equivalent Clearcut Assessment (ECA) values in the McDonald Creek drainage were evaluated by Springer Creek Forest Products as recently as late 2005. The report indicates that current ECA levels in Sub-Basins 1 and 2, where NACFOR's principle operations in this drainage lie, are very close to the maximum recommended level of 25%. NACFOR has calculated that the excellent growing sites in this drainage will reduce ECA levels at a rapid enough rate to allow a sustained annual harvest level of close to 10 000 m³, roughly equivalent to the percentage of AAC expected to come from this area. However, if green-up of existing cutovers occurs less rapidly than NACFOR has anticipated, harvesting in the drainage may need to be deferred at certain points in the rotation. If this occurs, NACFOR will need to shift its harvesting activities to other areas until ECA values return to acceptable levels.

8.0 TIMBER SUPPLY ANALYSIS

8.1 AREA VOLUME ALLOTMENT

See the attached "Timber Supply Analysis Report" for the Nakusp Community Forest for a complete assessment of the proposed timber supply for the CFA area. NACFOR's proposed area adopts the option discussed in Run 5 of the report, with two minor exceptions. The area in the Kuskanax which Run 5 included (C7_D3A) will be exchanged for a similar area immediately to the west (C7_D2B), an exchange which will result in less fragmentation of licensee chart areas. A small piece of area C8_D2A will be dropped in Slewiskin to allow Springer Creek Forest Products (SCFP) continuous access to its remaining chart area. NACFOR will conform to the harvest levels

determined in the assessment. The analysis projects a short-term AAC of 20 000 cubic meters and a long-term sustainable AAC of 22 000 cubic meters.

This Management Plan is consistent with the Assumptions tabled in Section 4 of the AVA. Constraints relevant to issues specifically discussed in this Management Plan and the applicable AVA Assumptions tied to them are listed below:

CONSTRAINT	SECTION in MP	RELEVANT AVA ASSUMPTION	SECTION in AVA
Harvest Areas by Order of Priority	9.2.1	Harvest Scheduling Priorities	4.3
Harvest Areas by Order of Priority	9.2.1	Integrated Resource Management Zones	4.1.1
Harvest Areas by Order of Priority	9.2.1	Seral Constraints	4.1.5
Water	9.4.1	Domestic Watersheds	4.1.3
Wildlife Habitat	9.4.3	Ungulate Winter Range	4.1.6
Visual Quality	9.4.6	Visual Quality Objectives	4.1.2
Silviculture Treatments	9.7	Silviculture Assumptions	4.5

8.2 EXPANDED TIMBER SUPPLY ANALYSIS

NACFOR commits to expanding on the results of the completed Area Volume Allotment and determining sustainable harvest levels for its CFA by December 31, 2012. The purpose of the expanded analysis will be to provide alternative short and medium-term harvest projections based on varied cost and revenue assumptions. Specifically, it will seek to determine if the calculated harvest levels are either a) unrealistically high because of the assumed operability of significant amounts of economically marginal to unviable timber or b) too low as a result of good helicopter logging opportunities above the mapped operability line.

As with any projected scenario in a timber supply analysis, certain assumptions must be made regarding economic viability. This is particularly true with respect to a study considering log market values because of the cyclical and highly fluctuating nature of these markets. However, by applying a range of market values to the existing inventory, it can be determined how much of the timber within that inventory is economically viable given varying market prices. Companies have historically avoided doomsday scenarios by logging their best timber first and by liquidating low value timber only during market spikes. This analysis will help to reveal whether or not too high a proportion of remaining rotation-age stands are within the economically marginal range for this strategy to be sustainable. Economic factors which could push the realistic timber supply lower include:

1. proportion of pulp stands being higher than the market capacity to liquidate them;
2. proportion of non-merchantable, MPB attacked, small diameter pine stands being higher than accounted for in the timber supply analysis;
3. prohibitive levels of high cost roadbuilding; and
4. prohibitive levels of high cost harvest areas.

The first two factors are not expected to play a significant role in NACFOR's operating area. The final two factors could be of greater significance, particularly as NACFOR looks further ahead in its harvest schedule.

One immediate benefit of the study will be to help NACFOR understand how aggressively it must pursue new markets for traditionally low value products.

The study will also examine the viability of establishing a partition cut for areas located within the CFA chart but above the mapped operability line. Helicopter logging may prove viable in some areas, most notably in south Slewiskin and the Summit Lake area.

Upon concluding the study, NACFOR will determine whether or not to recommend changes to the existing AAC.

9.0 RESOURCE PLANNING MANAGEMENT OBJECTIVES

9.1 GOVERNING LEGISLATION

The Nakusp and Area Community Forest Corporation will utilize and undertake to comply with all applicable legislation as detailed in the following acts and regulations.

9.1.1 Forest Act

The Forest Act provides for classification and management of forests and forest land, the regulation of cutting rates, the disposition of timber by the government, and the rights and obligations of tenure holders.

Part 3 Division 7.1 (Sections 43.1 to 43.53) of the Forest Act contains the legislation governing CFA's.

9.1.2 Forest Range and Practices Act

NACFOR's operational practices are governed by the Forest and Range Practices Act (FRPA).

The Forest Stewardship Plan (FSP) is the key operational plan under FRPA that will be used by NACFOR to document the strategies and results it will commit to implementing and achieving. All results and strategies must be consistent with objectives set by government.

9.1.3 Forest Planning and Practices Regulation

The Forest Planning and Practices Regulation (FPPR) is a legislative document detailing forest stewardship objectives set by government.

9.1.4 Kootenay Boundary Higher Level Plan

The Kootenay Boundary Higher Level Plan (KBHLP) is a legislative document which will govern a number of results and strategies tabled within NACFOR's FSP. NACFOR seeks to have an approved FSP by November of 2008.

Where conflicting legislation exists regarding management of a particular resource, the applicable section of the Management Plan details the governing legislation which NACFOR commits to follow.

9.2 PRIORITIES AND METHODS FOR TIMBER CUTTING AND REMOVAL

9.2.1 HARVEST AREAS BY ORDER OF PRIORITY

1. Salvage of windthrow or insect or fire-damaged timber;
2. Stands heavily infected by root rot;
3. Areas considered high risk under the urban/wildland interface fire management plan;
4. Older age classes (as per Section 4.3 of the AVA); and
5. Remaining operable timber not blocked from harvesting by legislative constraints.

As per Section 4.1.1 of the AVA, harvesting will be planned to ensure a spatial distribution of harvest across the landbase.

Seral constraints only apply to the Galena Bay and Kuskanax portions of the proposed CFA. These constraints, along with Old Growth Management Area (OGMA) constraints, will be applied as per Section 4.1.5 of the AVA.

9.2.2 CUTTING AND REMOVAL METHODS

9.2.2.1 Harvest Systems

NACFOR anticipates the following splits in its short-term, medium-term and long-term harvest system profile:

1. Short-term (first five years)
 - a. 60 percent conventional
 - b. 40 percent cable
2. Medium-term (6-30 years)
 - a. 50 percent cable
 - b. 40 percent conventional
 - c. 10 percent helicopter
3. Long-term (31-100 years)
 - a. 60 percent conventional
 - b. 40 percent cable

Conventional harvesting

Conventional harvesting operations will be composed of both large and small contractors. In general, large, high-production contractors will be best suited to harvesting in areas with fewer constraints while smaller, lower production contractors will be best suited to logging in watersheds and other high constraint areas.

Cable harvesting

NACFOR intends to maintain flexibility in the use of its cable systems. However, the high percentage of area operations contained within Partial Retention viewscapes, community and domestic watersheds, Ungulate Winter Range and other clearcut

constraining objectives make it likely that small and mid-sized tower yarding will comprise the bulk of cable yarding operations. Grapple yarding will likely be used much less frequently. NACFOR will explore the future option of using long-line cable systems in place of helicopter operations for relatively inaccessible areas in South Slewiskin, Box-Summit and the Kuskanax.

9.2.2.2 Silviculture Systems

NACFOR will utilize a combination of silviculture systems within its CFA area. Systems which will be considered for use include:

1. Clearcut
2. Clearcut with reserves
3. Shelterwood
4. Partial cut (defined as minimum 40% Basal Area Retention).

Systems will be chosen on a site specific basis. Choosing the appropriate silviculture system for a given stand will sometimes require balancing potentially conflicting objectives. Some of these potential conflicts can be discerned from the summary below of the main objectives for consideration in choosing a silviculture system.

Regeneration

Silviculture systems must be chosen largely on the basis of how effectively the prescribed area will be able to regenerate after harvesting. Often, mimicking the natural disturbance type is the best way to ensure good regeneration. NACFOR's proposed CFA area is dominated by stands naturally regenerated by fire. In many cases, small or large clearcuts or clearcuts with reserves will most closely mimic this disturbance type and provide the most effective regeneration strategy for the pioneer species such as Douglas-fir, western larch, white pine and lodgepole pine which tend to re-establish in these areas after fire.

Forest health

Forest health concerns can often limit silviculture system options. Stands dominated by a single species such as lodgepole pine and which face a serious risk of attack or have already been attacked by pests or pathogens are often reduced to clearcut or clearcut with reserves options. Stands featuring a mixed species profile are often subject to the same limitations if the pest or pathogen is non-discriminating in its choice of hosts. Armillaria root rot is a good example of this as only hardwood species are completely resistant to its encroachment. Stands will be carefully evaluated for the presence and severity of root rot prior to making a decision on an appropriate silviculture system.

Worker safety

Emphasis on worker safety will be paramount within NACFOR's operating area and consequently, in the consideration of its silviculture systems. Standing timber which poses a threat to worker safety will be cut down without exception. With this in mind, however, NACFOR must endeavour to ensure that forest workers possess sufficient training and experience that silviculture systems are not limited by worker deficiencies.

Water

Choice of silviculture systems must consider both consumptive and non-consumptive water issues. In the case of consumptive water, all reasonable efforts will be made to minimize threats potentially posed by harvesting to licensed water courses. Ordinarily, this will require at least some level of stem retention within a certain distance of the consumptive stream. The location of permanent reserves within this zone is also a likely management prescription.

Wildlife

When considering wildlife in the choice of a silviculture system, one must prioritize which species one intends to manage for. However, while different species respond differently to different systems, it can be stated without exception that all wildlife species found in the proposed CFA area respond best to systems which include at least some level of mature cover either within or adjacent to a cutover. When managing for ungulate winter range, the use of partial cut or small patch cut systems is most appropriate. Careful consideration of reserve locations and the retention of veteran stems and veteran recruits are also important. Similarly, caribou management calls for significant retention levels for corridor travel and lichen production. Avian species utilize retained stems for perching, nesting or predatory purposes. Small and other large mammals, reptiles and amphibians also benefit from some form of retained cover within a reasonable distance of a cutover area.

Recreation

Recreation values such as hiking, mountain-biking, horseback-riding and cross and back-country skiing will be considered when choosing silviculture systems in areas where these forms of recreation are prevalent or where there is good potential for future use.

Visual objectives

Clearcutting is almost universally disparaged when considering visuals in the choice of silviculture systems. While the visual offense caused by clearcutting can be reduced by limiting the size and managing the shape of the cutover, some form of internal stem retention is widely accepted as being aesthetically preferable to no internal retention. Often, the level of stem retention required to minimize negative visual impacts is low enough that the cutblock is still technically defined as a clearcut.

Mushrooms

Both area studies and local opinion concur that large clearcuts destroy the habitat of the popular and commercially viable pine mushroom. Silviculture prescriptions will consider alternatives to clearcutting in popular pine mushroom areas within the CFA.

Economic viability

While NACFOR recognizes that certain exceptional circumstances will require it to harvest timber at a loss, both short-term and long-term economic viability are essential NACFOR objectives. NACFOR is prepared to incur extra harvesting costs in consideration of other objectives such as water, wildlife, visuals and mushrooms but economic viability will always remain a consideration. Partial cut prescriptions such as

individual stem retention may simply prove too economically restrictive in certain circumstances, such as where downhill yarding is required.

9.3 TIMBER CHARGING METHODS

At the time this management plan was finalized, charging fees for timber products removed by NACFOR from the Crown owned Community Forest will be levied according to a new tabular pricing arrangement for Community Forest licenses. The tabular rate will be 15 percent of ordinary stumpage rates under the Interior Market Pricing System.

NACFOR will also be levied an additional royalty fee of \$0.25 per cubic meter for the payment of annual rent.

NACFOR has no plans at this time to derive or impose a charging system for the removal of any non-timber products from its CFA area.

9.4 PROTECTION AND CONSERVATION OF NON-TIMBER VALUES AND RESOURCES

The Nakusp and Area Community Forest Corporation will be responsible for the conservation and protection of the following non-timber values and resources. Those issues relevant to each value are discussed with respect to specific management strategies used for their conservation and protection.

9.4.1 WATER

Consumptive Use

Consumptive water use licenses exist within a number of areas inside the proposed CFA area. Baerg and Dog Creek are located within adjacent drainages both designated as community watersheds. The Kuskanax is also labeled as a community watershed although this designation will change shortly as Nakusp replaces it as a backup water source with newly dug wells. A number of domestic watersheds are also dispersed throughout the CFA Area. See the table below for a complete list of community and domestic watershed locations. Appendix 1 provides the mapped location of these areas.

GEOGRAPHIC AREA	WATERSHED	TYPE	CLASS
Box-Summit	Baerg	Community	N/A
Box-Summit	Dog	Community	N/A
Kuskanax	Kuskanax	Community	N/A
Box-Summit	Brown Creek	Domestic	2
Box-Summit	Brown Face	Domestic	1
Box-Summit	Nakusp South Face	Domestic	1
Box-Summit	Jarvis Face	Domestic	1
Box-Summit	Alspen Creek	Domestic	2
Box-Summit	Bird Creek	Domestic	2
Box-Summit	Dornier Creek	Domestic	2
Slewiskin	Slewiskin-N. Face	Domestic	1
Slewiskin	Rogers Creek	Domestic	1
Galena	Payne Creek	Domestic	1
Wensley	Brown South Face	Domestic	1
Wensley	Harrop Creek	Domestic	2

Forest cover constraints for Community and Domestic Watersheds will meet the criteria outlined in Section 4.1.3 of the AVA.

NACFOR's Public Consultation Process (See Section 11) will give all community members a means to contribute to the decision-making process where potential conflicts might arise over resource use. NACFOR will encourage water users within the same watershed or consumptive use area to form local associations. This will facilitate more efficient, equitable and meaningful discussion with stakeholders in the drafting and implementation of plans.

At a minimum, all licensed consumptive use streams will be managed to comply with Objective 6 of the KBHLP objectives. Following consultation with local users, plans may exceed management requirements.

Riparian Management

All watercourses will be identified and classified. Stream management will meet all FPPR requirements with respect to Riparian Reserve and Management Zones.

Watercourses will be examined on an individual, site-specific basis to determine whether or not the FPPR requirements should be exceeded.

9.4.2 RECREATION RESOURCES

NACFOR will work with area residents to conserve and enhance existing recreation opportunities within the CFA area. The most popular existing recreation opportunities within this area and NACFOR's broad management strategies with respect to their conservation and enhancement are discussed below.

Cross Country Ski Club

The Arrow Lakes Cross Country Ski Club maintains groomed trails within the Wensley Creek area. Extensive consultation will be undertaken with the club prior to finalizing any harvesting plans in the area. Efforts will be made to expand and enhance the existing trail complex in conjunction with meeting other timber and non-timber resource objectives.

Motorized Recreation

Although no designated trail complexes for motorized recreation use exist within the proposed CFA area, there is extensive ATV, dirt-bike and snowmobile riding use throughout. Local clubs exist for all three activities and each of these will be given an opportunity to provide input prior to finalizing any planned operations within the CFA area. NACFOR will seek to implement road deactivation measures which maintain or increase current motorized recreation use wherever such measures do not create an increased risk of negative environmental impacts.

Non-Motorized Recreation

No designated horseback, mountain-bike or hiking trails exist within the proposed CFA. However, NACFOR will be open to suggestions from local residents for the establishment of any such access structures.

The Box Lake Recreation Trail is located just outside the proposed perimeter of the Box-Summit operating area. The Kuskanax Trail accessing Nakusp Hot Springs transects that section of the Kuskanax included in NACFOR's proposed CFA. Both trail complexes are locally maintained and through consultation, all efforts will be made to ensure that NACFOR operations do not negatively impact the trail complex.

Part of NACFOR's long-term strategy will include working with local individuals and organizations as well as government agencies to establish an interpretive forest and trail network within and possibly also outside the proposed CFA.

Parks and Campgrounds

Local parks and campgrounds which border or lie close to the proposed CFA area include MacDonald Creek Provincial Park, Box Lake Campground and Recreation area, Three Islands Resort and Summit Lake Provincial Park.

Care will be taken not to negatively impact user experiences and perceptions with any NACFOR operations.

Mushroom Picking

The Fosthall and Galena Bay areas are popular destinations in the late summer and early fall for pickers of pine, chanterelle and other edible mushrooms. Existing studies will be used to develop operational plans that allow mushroom habitat to co-exist with both short and long-term timber objectives.

Heli-skiing and Back-country skiing

The Kuskanax section of the proposed CFA may have heli-skiing potential. The area is very close to Canadian Mountain Holidays' (CMH) heliport and operations base in Nakusp. NACFOR will work with CMH to determine if there is a potential to enhance this area to accommodate nearby operations.

There are two back-country cabins in the Wilson (Harlow) area. NACFOR will consult with relevant parties prior to engaging in harvest operations in the area and to determine whether NACFOR might play a role in increasing the recreational value of the area.

9.4.3 WILDLIFE HABITAT

NACFOR's proposed areas feature a number of wildlife management issues, including species identified as being at risk by the Species at Risk Coordination Office (SARCO). Management strategies for these and other species will be employed to minimize any potentially negative impacts resulting from NACFOR operations and where possible, to enhance habitat quality and opportunities. Specific commitments and other considered strategies made by NACFOR at this time are detailed below. More specific commitments and strategies may follow upon NACFOR's completion of a Forest Stewardship Plan.

Caribou

NACFOR will ensure that all caribou management activities are carried out in accordance with the legal requirements tabled in Objective 3 of the KBHLP.

The largest parcels of identified caribou habitat within NACFOR's proposed operating area are in Wilson (Harlow) and the Kuskanax, both of which are identified as Priority 2 habitat. NACFOR fully anticipates that harvesting activities will be highly restricted by caribou management issues in these areas, particularly in Harlow. High previous logging activity has significantly reduced the amount of mature timber in this area. Remaining stands are dominated by old growth forest types generally considered to be of high value to the mountain caribou.

Priority 2 caribou habitat is also identified within the proposed CFA area in a small portion west of Box Lake. However, the area is located within a swamp complex already designated as an Old Growth Management Area (OGMA).

The Wensley Creek and Galena Bay areas are mapped as falling just outside the high priority caribou habitat zone. Therefore, NACFOR will face no commitments to manage specifically for caribou within this area. However, given these areas' proximity to identified high priority caribou habitat, NACFOR will consult with recognized local experts about current and potential use of this area by caribou and ask for recommendations with respect to possible habitat enhancement that could be incorporated into harvest plans. Both of these areas feature other constraints such as consumptive water, visuals, recreational use and ungulate winter range. Quite possibly, retention needs for these values can also be used for caribou management purposes.

See Appendix 2 for mapped details of identified Priority Caribou Habitat.

Ungulate Winter Range

Ungulate Winter Range (UWR) will be managed in accordance with Government Action Regulation Order – Ungulate Winter Range #4-0001 UWR signed December 13, 2005. Identified UWR exists within parts of Slewiskin, McDonald Creek, Wensley Creek, Scalping Knife, Box-Summit, Galena Bay and Fosthall.

Potential strategies for UWR protection within planned development areas may include but not be limited to:

1. Wildlife Tree Patch locations targeting established or potential areas for corridor movement;
2. Wildlife Tree Patch locations targeting high use rock knobs;
3. Individual stem retention targeting veterans or veteran recruits; and
4. Small patch cuts maximizing 'edge effect' between forage and cover areas.

Ungulate Winter Range will be managed to meet the modeling constraints described in Section 4.1.6 of the AVA.

Species at Risk

Species identified as being at risk by the Species at Risk Coordination Office(SARCO) within the proposed CFA area will be managed according to SARCO recommendations. All forest development personnel will be trained in the identification of these species. Any sightings will be recorded and reported to the Conservation Data Center. Development plans potentially impacting the area within which the species was sighted will be done in consultation with a wildlife technician or biologist. Sightings will also be recorded of any species identified by SARCO as threatened or of special concern.

Wildlife Tree Patches and Individual Stem Retention

NACFOR intends to use a pro-active approach in its wildlife management strategies with respect to all species. It will manage to maintain or enhance habitat in conjunction with its operations wherever practicable. NACFOR will commit to meeting Wildlife Tree Patch requirements for both blocks and cutting permits:

1. as identified under Sections 66 and 67 of the FPPR; or
2. with minor alterations to Sections 66 and 67, with a commitment to achieve equivalent results or better for wildlife habitat conservation.

Habitat needs of all wildlife species will be considered in the location of wildlife tree patches, including large and small mammals, amphibians, reptiles and avian species. Assessments of wildlife tree needs will not be limited to patches and may also include individual stem retention.

When appropriate, local experts such as trappers or guide outfitters will be consulted prior to the finalization of development plans.

Landscape Level Objectives

Achieving stand level objectives in the form of wildlife trees and individual stem retention can only provide optimum value if they are met in accordance with landscape level objectives. NACFOR will work to achieve landscape level objectives as identified in relevant sections of the KBHLP and the FPPR as well as the FSP's of adjacent licensees.

9.4.4 FISH HABITAT

Only two confirmed fish-bearing streams are located within the proposed CFA area. The most significant of these is McDonald Creek, recognized by the Ministry of Environment and also by the local Nakusp Rod and Gun Club as an important spawning channel. A pipe-arch was recently located at the Highway 6 crossing to facilitate improved upstream access for Kokanee salmon. NACFOR will undertake to consult periodically with the local Nakusp Rod and Gun Club to determine if it can be of assistance in implementing any local fish management strategies for McDonald Creek. Much of McDonald Creek is already protected from harvesting as it lies within a previously identified Old Growth Management Area (OGMA). At a minimum, NACFOR will ensure that it complies with appropriate sections of the FPPR with respect to reserve and management zone requirements on S2 class streams.

The other confirmed fish-bearing stream within the proposed CFA area is located on the northern edge of the Fosthall unit. Suspected fish-bearing streams (identified by gradient) are located within all of the other proposed CFA areas. Any suspected fish-bearing habitat will be inventoried to confirm its status as either fish-bearing or non fish-bearing. All streams confirmed as fish-bearing will comply with reserve and management zone requirements identified in the FPPR.

9.4.5 BIOLOGICAL DIVERSITY

NACFOR will carry out any timber harvesting or road construction activities in accordance with Objective 1 of the KBHLP and any other KBHLP objectives which reference biodiversity emphasis.

NACFOR is committed to maintaining a variety of commercial and non-commercial plant species which reflect the natural ecosystems of the CFA area. Forest development

personnel will be trained to identify plant species identified by SARCO as being of special concern.

9.4.6 VISUAL QUALITY

Visual Quality Objectives (VQO's) must be considered over a significant portion of the proposed CFA area. As outlined in the AVA, Partial Retention objectives are prescribed for large portions of the Slewiskin, Wensley, Box-Summit, McDonald and Scalping Knife areas. Modification objectives are also identified within small amounts of the Slewiskin and Box-Summit areas.

See Appendix 3 for mapped details of VQO areas.

At a minimum, NACFOR will manage its operations to meet Visual Quality Objectives (VQO's) for scenic areas recognized as current and identified on the Kootenay Spatial Data Partnership website or its successor. NACFOR will work to meet these objectives in accordance with Objective 9 of the KBHLP.

As per the management assumptions identified in Section 4.1.2 of the AVA, “management for visual quality will be managed by limiting that portion of the relevant visual polygon less than 5.5 to 6.8 meters tall to between 5 and 25 percent dependent on the targets for the respective scenic area visual polygon and the visual absorption capacity (VAC) of the polygon.”

NACFOR will also make a commitment to consider viewscales not identified on the KSDP website but which are of importance to area residents. Consultation will take place with affected parties prior to the finalization and submission of cutting permit documentation.

9.4.7 SOILS

NACFOR will undertake to comply with Section 35 of the FPPR pertaining to Soil Disturbance Limits and Section 36 pertaining to Permanent Access Structure Limits. Sections 5 and 12.1(1) are the applicable objectives in the FPPR to which the above statement applies.

9.4.8 CULTURAL HERITAGE

A First Nations Consultation was conducted by the Ministry of Forests Arrow Boundary District on the negotiated areas for the Nakusp and Area CFA prior to the finalization of any areas.

No known cultural heritage sites exist within the NACFOR area. However, NACFOR will use expert advice to conduct an Archaeological Overview Assessment prior to submission of all cutting permits for approval. If the area is determined to contain potential cultural heritage values, those experts will be commissioned to conduct a field inventory. Depending on their findings, further action may or may not be required. If further action is required, all relevant First Nations groups will be consulted.

9.4.9 RANGE LAND

No range tenures exist within the proposed CFA area.

9.5 FOREST FIRE PREVENTION AND SUPPRESSION

NACFOR will commit to designing a Fire Protection Strategy for its CFA area intended to minimize fire hazard and risk within the licence area and to surrounding populated areas. All of NACFOR's proposed operating areas are within sufficient proximity to populated areas that they pose a potential fire risk to local residents. Possible prevention measures may include but not be limited to:

1. Restricting harvesting and roadbuilding operations near populated areas during the highest risk fire months;
2. Placing strict timelines on the post-harvest treatment of debris;
3. Contracting small-scale, low-impact snag-falling and firewood salvage within high risk areas that are easily accessible; and
4. Providing signage advising recreational users about fire-smart behaviour and reporting lines.

At minimum, all commitments made by NACFOR will either meet or exceed fire protection requirements tabled in Section 5 of the FPPR. NACFOR will have a Fire Protection Strategy in place for its CFA area by December 31, 2010.

NACFOR will also attempt to spearhead a wider-reaching effort to develop a wildland interface fire plan that minimizes fire risk to the community from all adjacent forested areas. NACFOR will seek to involve both municipal and provincial authorities, other area licensees and community members in forming a task force commissioned to study the options and to make recommendations.

9.6 FOREST HEALTH

NACFOR intends to implement an aggressive and pro-active Forest Health Tracking Strategy. Good existing access to most areas within the proposed CFA will help to ease both design and implementation of this strategy. Possible strategies implemented under the plan may include but not be limited to:

1. forest health ground inventories;
2. aerial identification of infestation areas;
3. contributions to research programs examining potential prevention, mitigation and eradication options;
4. forest health mapping; and
5. ranked prioritization of the various forest health issues.

The Forest Health Tracking Strategy and all other forest health-related operations undertaken by NACFOR will be consistent with legislation in Part 3, Div. 3 of the FPPR.

Mountain Pine Beetle (MPB) is not expected to pose a major forest health risk to the proposed CFA area as lodgepole pine types do not dominate any of the areas. Where present, MPB damaged or threatened stands will be addressed promptly. Where appropriate, action will be taken to capture mortality and reduce fire hazard resulting from infestations.

Root rot is expected to pose the greatest threat to area stands. Endemic root rot is present within almost all area stands and higher incidence is not uncommon. *Armillaria ostoyae* poses the most common threat but *Inonotus tomentosus* and variations of *phellinus* root rot are also present in some stands. Root rot concerns will need to be considered carefully in the choice of silviculture systems. These concerns may limit partial cut options in some cases, which may in turn conflict with preferred strategies to address non-timber resource values such as visuals, water and mushroom habitat.

NACFOR forests will also be monitored carefully for Douglas-fir bark beetle. Present infestation levels appear to be low but could increase in the future, particularly in Douglas-fir leading stands that dominate much of McDonald Creek and Wensley Creek.

Other known forest health considerations within or close to the proposed CFA area include white pine blister rust, spruce bark beetle and balsam bark beetle. These will be monitored but none are expected to pose a major threat due to the low overall composition of the relevant host species within the CFA area.

NACFOR will monitor for any other forest health considerations known to exist or have existed within the area. NACFOR will monitor forest health concerns in both mature and immature stands.

NACFOR will have its Forest Health Tracking Strategy in place by December 31, 2010.

9.7 SILVICULTURE TREATMENTS

9.7.1 BASIC SILVICULTURE

Stocking standards will meet all requirements established under FPPR Sections 16, 29(2), 44(1) and 44(4) except where special circumstances apply. Special circumstances will apply only where they are defensible and where they are enacted to improve forest management strategies. All exceptions will be specified upon submission for final approval of NACFOR's Forest Stewardship Plan.

Criteria used to determine regeneration method, regeneration delay, initial density and species composition will meet the assumptions found in the 'TSR III Analysis Report' and used in the preparation of the AVA.

9.7.2 INCREMENTAL SILVICULTURE

NACFOR intends to explore a number of incremental silviculture options and will begin to implement the most viable of these options after it has established a solid operational and economic foundation. NACFOR will first begin to look at options in free-to-grow blocks inherited from the previous licensees. In the longer term, it will assess similar options in blocks developed under its own tenure.

Incremental silviculture treatments may include but not be limited to spacing and pruning programs. These programs provide good opportunities for local employment. However, decisions to implement particular programs will not be predicated upon social engineering efforts. All programs must be selected on the basis of sound forest

management data and strategies. The presence and severity of root rot will be a critical determinant in the adoption of appropriate strategies.

9.8 ROAD CONSTRUCTION, MAINTENANCE, REHABILITATION AND DEACTIVATION

NACFOR road construction requirements will be quite limited in the first several years of operations. Good existing access combined with a need to maintain low initial costs will limit the amount of road construction undertaken by NACFOR during the first several years of operations. Roadbuilding activities during this time will be limited largely to the construction of in-block spurs and reconstruction of deactivated and partially rehabilitated roads.

All NACFOR activities with respect to road construction, maintenance, rehabilitation and deactivation will conform to all relevant sections under Part 5 of the FPPR.

10.0 TIMBER HARVEST SPECIFICATIONS

10.1 OBLIGATORY UTILIZATION

NACFOR will abide by the Interior Timber Merchantability Specifications as outlined in the “Provincial Logging Residue and Waste Measurement Procedures Manual,” effective January 1, 2005 and last updated May 1, 2006. The specifications listed below are borrowed directly from Table 1-2 on Page 1-6 of the manual.

Description	All Stands
Stumps (measured on the side of the stump adjacent to the highest ground)	
<ul style="list-style-type: none"> No higher than 	30 cm
Diameter (outside bark) at stump height	
<ul style="list-style-type: none"> Lodgepole pine: all timber that meets or exceeds 	15 cm
<ul style="list-style-type: none"> All other species: all timber that meets or exceeds 	20 cm
Top diameter (inside bark or slab thickness)	
<ul style="list-style-type: none"> For all species and ages, except Cedar older than 141 years, all timber that meets or exceeds 	10 cm
<ul style="list-style-type: none"> For cedar older than 141 years 	15 cm
Minimum length	
<ul style="list-style-type: none"> Log or slab 	3 m

Technically, there is no obligation to utilize any timber under an active cutting permit. However, the provincial “take or pay” policy effectively makes timber meeting the above specifications obligatory utilization by billing companies for any unutilized timber in those categories.

10.2 OPTIONAL UTILIZATION

Dry Grade 4, Grade 6 or Z timber will not be subject to waste billing and will therefore be considered optional utilization. NACFOR will take concrete steps to improve utilization standards to exceed obligatory obligations. In order to do so, it will develop a Waste Management Strategy which will establish specific recommendations for improved waste management practices. Strategies which may be employed could include but not be limited to:

1. Use of post-harvest debris to provide energy for local infrastructure such as schools;
2. Permitted access to post-harvest debris by small value-added users;
3. Incentives for harvesting contractors to improve utilization;
4. Consolidated waste management by area licensees and local manufacturers.

NACFOR will seek to involve harvesting contractors, local wood manufacturers, other area licensees and the general public in devising the strategy. It will fall within the mandate of the Innovative Strategies Sub-Committee (see Section 6) to explore waste management options and to recommend a NACFOR strategy. NACFOR's Waste Management Strategy will be in place by Dec 31, 2012.

11.0 PUBLIC CONSULTATION PROCESS

11.1 LEGAL REQUIREMENTS

NACFOR will meet all 'Review and Comment' requirements pertaining to a Forest Stewardship Plan outlined in Sections 20, 21 and 22 of the FPPR. Provisions include but are not limited to:

1. Public notice in a newspaper;
2. Availability for public review;
3. 60 days to allow for public response;
4. Reasonable opportunity to review the plan; and
5. Obligations to respond to relevant written comments.

11.2 STAKEHOLDER ORGANIZATIONS

NACFOR will make additional commitments to the Public Consultation Process beyond the legislation referenced above. It will encourage input and communication from local stakeholder groups including but not limited to:

1. Arrow Lakes Cross-Country Ski Club;
2. Arrow Lakes Saddle Club;
3. Nakusp Snowmobile Association;
4. Nakusp Conservation Club.

NACFOR will also encourage the formation of other organized stakeholder groups by local individuals with common interests or concerns pertaining to CFA forest resources. In particular, it will encourage water users with licenses located within the CFA to form local watershed associations. NACFOR will meet periodically with such groups throughout any development planning process which proposes operations within their

watershed area. Every effort will be made to achieve a consensus-based decision prior to the finalization of any development plans within a watershed area.

Other stakeholders which may or may not form stakeholder organizations but whom NACFOR is committed to consulting with prior to the finalization of cutting or roadbuilding plans include licensed area trappers and guide outfitters.

NACFOR will also encourage the formation of a local wood manufacturers' association. Such an organization could help to fulfill two major objectives of Nakusp and area in seeking a community forest, those being:

1. expansion of local wood manufacturing capacity;
2. improved utilization of wood waste.

Regular meetings between NACFOR and this group would be beneficial to both groups by facilitating synergies between timber processing in the woods and preferred specifications in local mills.

Individuals or groups will also be encouraged to bring forward other innovative ideas which can be implemented by or in conjunction with NACFOR. Although Nakusp and area recognizes that the first several years of operations must be focused primarily on establishing an efficient, stable and respected business, it also recognizes that it must look to the future in order to build towards optimizing the potential benefits of a CFA tenure. See the earlier section on Innovative Strategies for more details on this subject.

11.3 OTHER COMMUNICATIONS

NACFOR recognizes that maintaining a wide variety of communication mediums between the community and itself will be instrumental in implementing an effective public consultation process. In addition to meeting legislative requirements and encouraging stakeholder organizations as outlined above, communication mechanisms will include but not be limited to the following:

1. establishment of a NACFOR website (Community Forest information currently displayed on the Nakusp and Area Development Board website);
2. an annual open house to display and discuss proposed development and other activities;
3. mailing of annual newsletters;
4. local newspaper coverage (*Arrow Lakes News* and *Valley Voice*);
5. information displayed at the Village of Nakusp office.

12.0 GOVERNMENT OBJECTIVES

The following section details government objectives for Community Forest Agreements as detailed on the following Ministry of Forests website link:

www.for.gov.bc/hth/community/objectives.htm

Following the listing of each government objective is a summary of sections within NACFOR's stated 'Strategic Goals and Objectives' (Section 5 of this plan) which link with that government objective. Section 5 of the Management Plan details the sections in

which each of Strategic Goals and Objectives is addressed within the Management Plan or Business Plan.

1. *Provide long-term opportunities for achieving a range of community objectives, including employment, forest-related education and skills training and other social, environmental and economic benefits.*
 - **EMPLOYMENT:** Goal 2, Objective 3 and Goal 3, Objective 3
 - **FOREST RELATED EDUCATION:** Goal 3, Objective 4 and Goal 4, Objective 3
 - **OTHER SOCIAL BENEFITS:** Goal 3, Objective 2 and Goal 5, Objective 4
 - **OTHER ENVIRONMENTAL BENEFITS:** Goal 1 (all objectives)
 - **OTHER ECONOMIC BENEFITS:** Goal 2 (all objectives)
2. *Meet the standards set in legislation in respect of environmental stewardship including the management of timber, water, fisheries, wildlife and cultural heritage resources and in accordance with approved land use plans (LRMP's Higher Level Plans, etc.)*
 - Goal 1, Objective 2
3. *Diversify the use of and benefits derived from the community forest agreement area*
 - Goal 1, Objective 4
 - Goal 5, Objective 3
4. *Encourage cooperation among stakeholders*
 - Goal 5, Objective 1
 - Goal 5, Objective 2
5. *Provide social and economic benefits to British Columbia*
 - Goal 2, Objective 1
 - Goal 2, Objective 2
 - Goal 2, Objective 3
 - Goal 2, Objective 4

Section 3.2 describes the specific action items which NACFOR commits to undertake in the fulfillment of the above objectives. Action items tabled for Years 1 to 5 (Short Term and Medium Term goals) are consistent with the Replacement Objectives identified in the final section of the application.

MAP 1

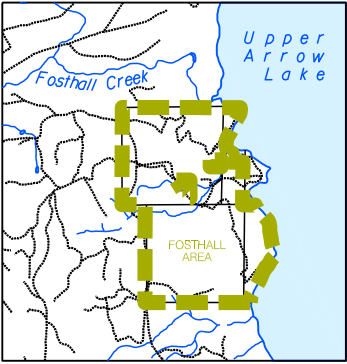
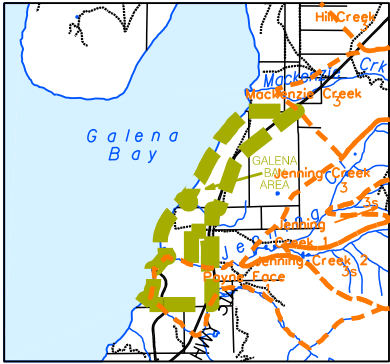
NAKUSP & AREA COMMUNITY FOREST (NACFOR)

COMMUNITY & DOMESTIC WATERSHEDS

LICENCE: NAKUSP & AREA COMMUNITY FOREST
MAPSHEET REFERENCE: 082K001/K002/K011/K012/
K021/K022/K031/K061
SCALE: 1:125,000
DATE: 2007/06/06



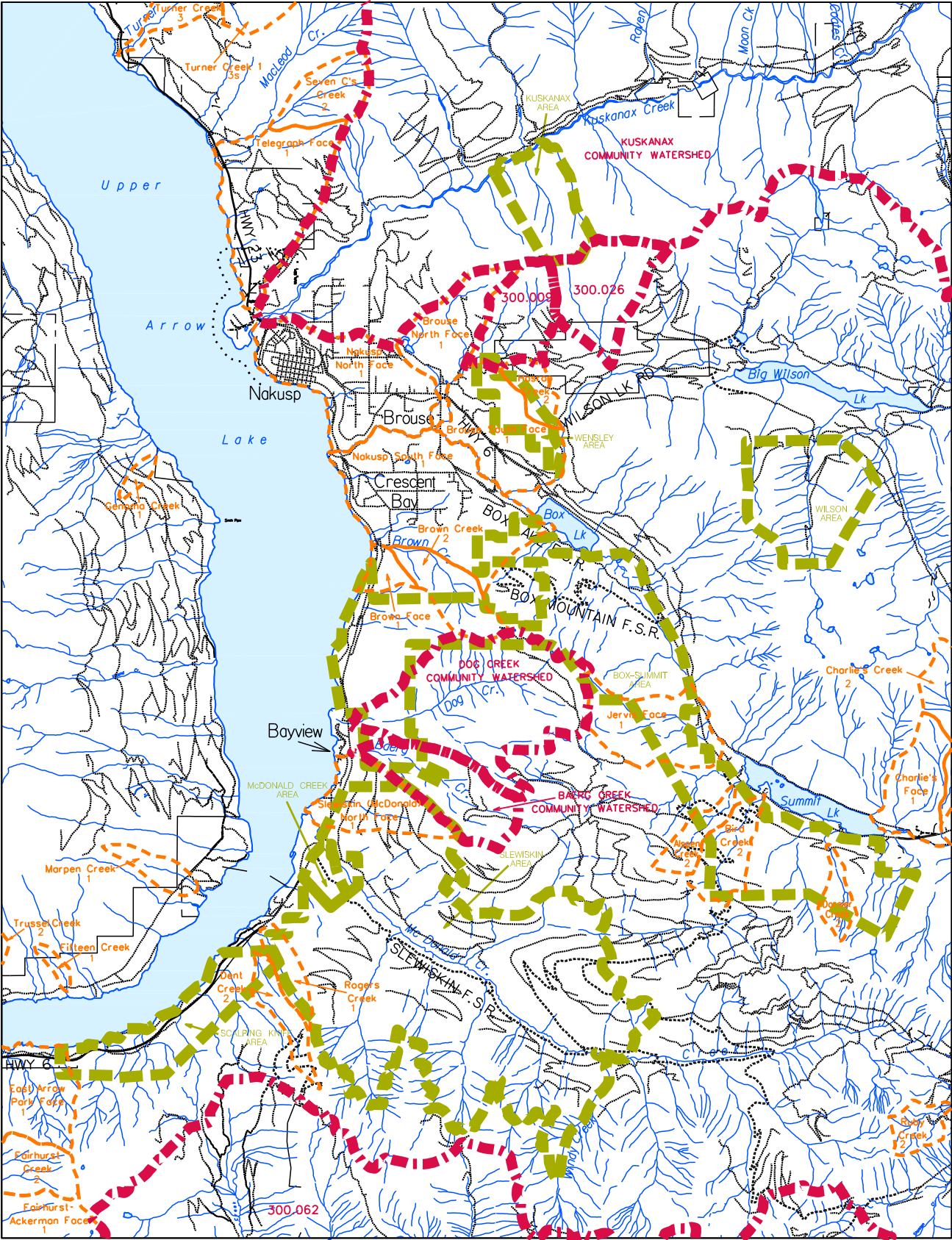
GALENA BAY AREA



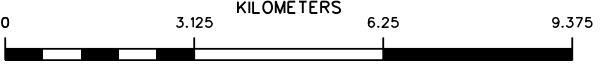
FOSTHALL AREA

LEGEND

- Proposed Community Forest
- Community Watershed
- Domestic Watershed (Class)
- Permanent Creek/River
- Lake
- Existing Road



Plot Status: FINAL
Date: 2007/06/06
Plot Size: 14.0" H x 8.5" W
Paper Type, Orientation: Legal, Portrait
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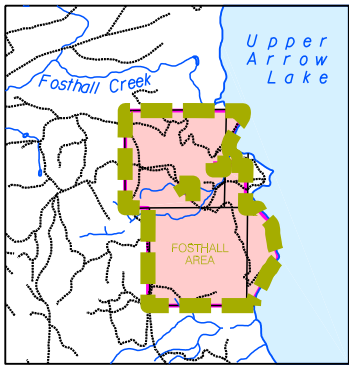
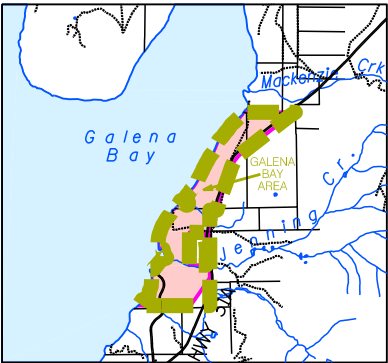
MAP 2

NAKUSP & AREA COMMUNITY FOREST (NACFOR)
UNGULATE WINTER RANGE,
PRIORITY CARIBOU & OLD GROWTH
MANAGEMENT AREAS

LICENCE: NAKUSP & AREA COMMUNITY FOREST
MAPSHEET REFERENCE: 082K001/K002/K011/K012/
K021/K022/K031/K061
SCALE: 1:125,000
DATE: 2007/06/06



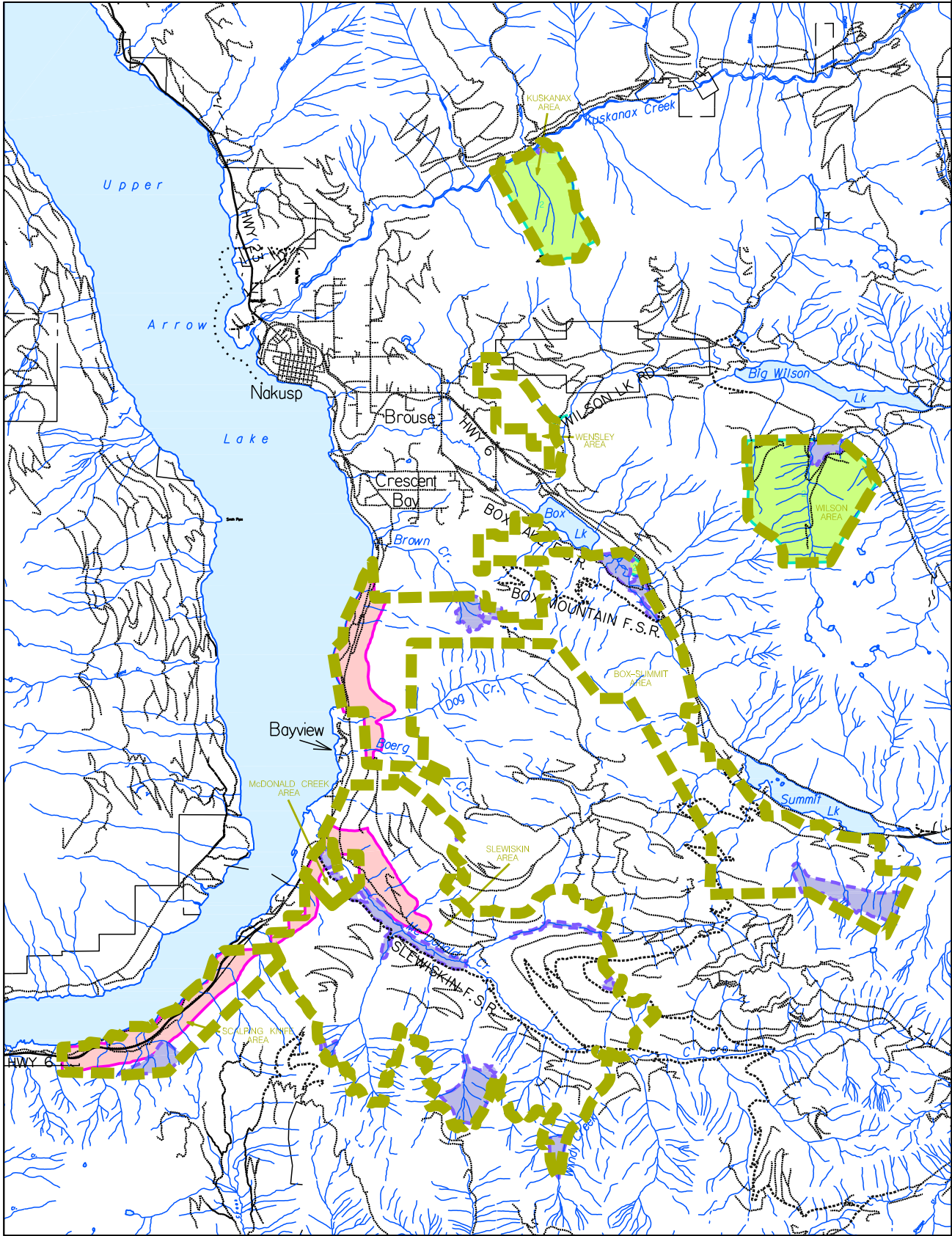
GALENA BAY
AREA



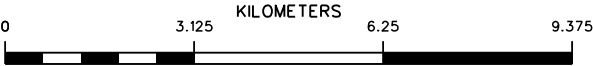
FOSTHALL
AREA

LEGEND

- Proposed Community Forest
- Ungulate Winter Range
- Caribou 2 Priority Area
- Old Growth Management Areas
- Permanent Creek/River
- Lake
- Existing Road



Plot Status: FINAL
Date: 2007/06/06
Plot Size: 14.0" H x 8.5" W
Paper Type, Orientation: Legal, Portrait
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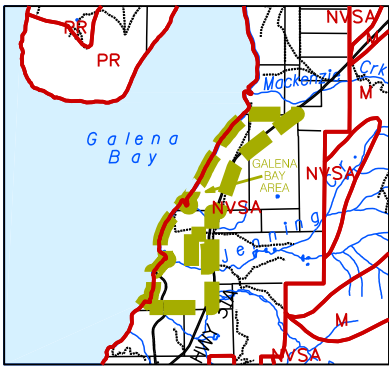
NAKUSP & AREA COMMUNITY FOREST (NACFOR)

VISUALS

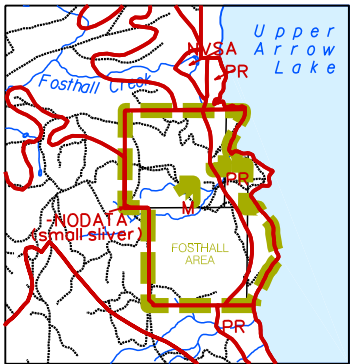
LICENCE: NAKUSP & AREA COMMUNITY FOREST
MAPSHEET REFERENCE: 082K001/K002/K011/K012/
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SCALE: 1:125,000
DATE: 2007/06/06



GALENA BAY AREA

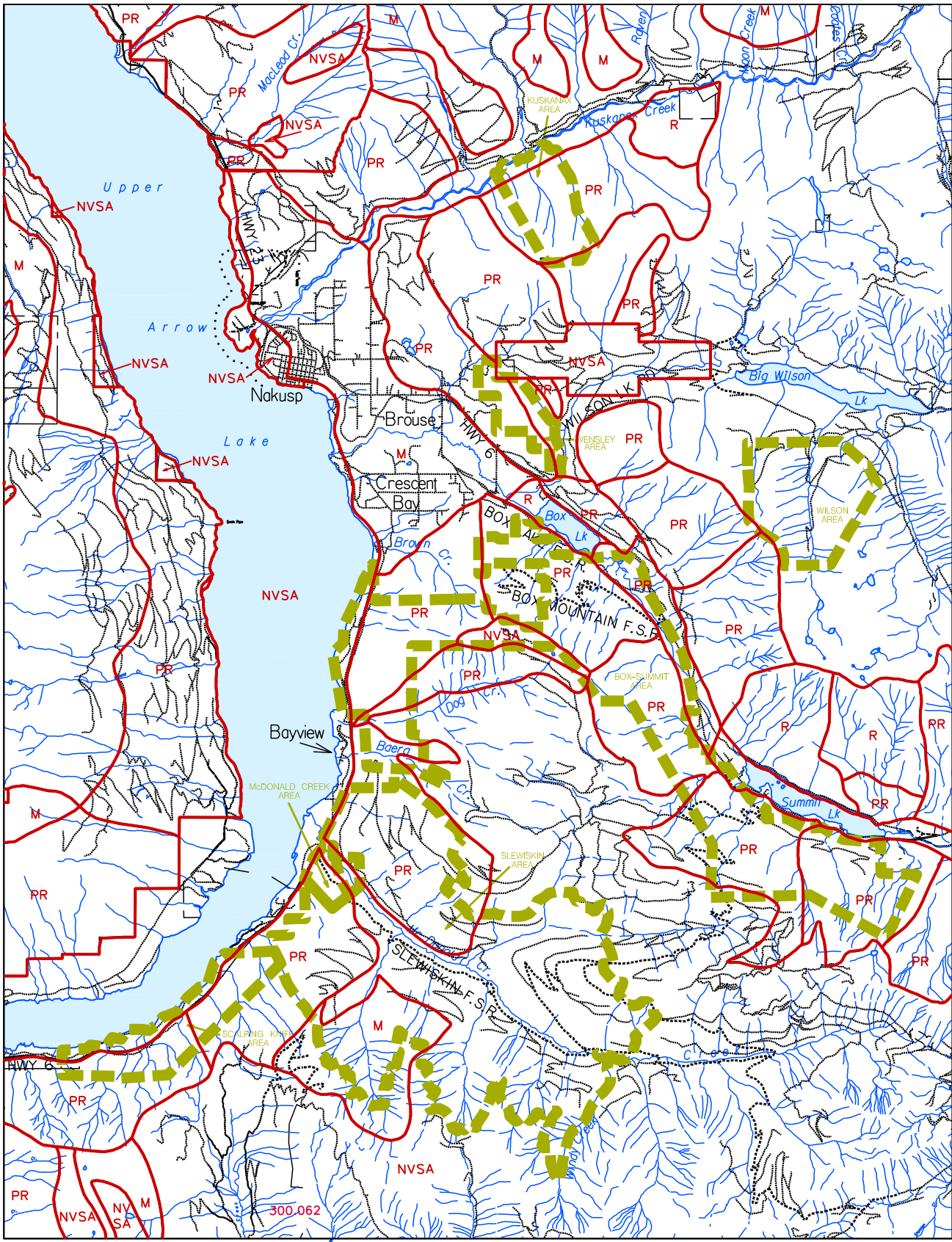


FOSTHALL AREA

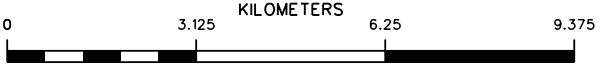


LEGEND

- Proposed Community Forest
- Visual Recreation Linework
- Retention
- Partial Retention
- Modification
- Not Visually Sensitive
- Permanent Creek/River
- Lake
- Existing Road



Plot Status: FINAL
Date: 2007/06/06
Plot Size: 14.0" H x 8.5" W
Paper Type, Orientation: Legal, Portrait
Filename: m:\project\communityforest\nacfor_prop_area_125_ovly_visuals.dgn



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