Wetzin'kwa

COMMUNITY FOREST CORPORATION





ANNUAL REPORT

JULY 1, 2021 to JUNE 30, 2022



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CHAIRMAN'S REPORT

Hello and thank you for exploring the accomplishments of the Wetzin'kwa Community Forest Corporation (WCFC) by reviewing our annual report. As you may know, WCFC is the legal entity that operates a community forest tenure near the communities of Telkwa, Smithers and Witset.

The Wetzin'kwa Community Forest, awarded on January 1, 2007 by the provincial government, provides our communities with a greater share of both the responsibility and the benefits of local forest management. The accesss to a community forest creates an opportunity for the community to enhance their involvement in natural resource management.

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

- sustain a financially viable forest resources business for the long-term benefit of residents in the Bulkley Valley;
- maintain and sustain functional integrity of ecosystems;
- protect water quality in watersheds;
- maintain a healthy balance of all plants and animals;
- recognize the Wet'suwet'en people and their culture;
- establish long lasting, respectful relationships between the partners;
- expand local small business opportunities and employment when and where feasible;
- provide a safe and environmentally friendly work environment;
- enhance outdoor educational and recreational opportunities;
- increase community involvement in resource management; and
- reflect community values in decision making.

This year, the Wetzin'kwa Community Forest was the recipient of the Robin Hood Award. This award was presented by the honourable Katrine Conroy, Minister of Forests, and includes a \$10,000 grant. This award is given annually to the provincial community forest that best exemplifies the spirit of the late Robin Hood, a pioneer of community forests in BC. Wetzin'kwa was chosen for this award in 2022 for exemplifying community leadership and innovation. Receiving this award was made possible with the input of our dedicated volunteers, past and present. We are thankful to the BC Community Forest Association (BCCFA) and to the ministry for this recognition.

WCFC welcomed a new General Manager, Aurora Lavender, to the team this year. Aurora started as the General Manager in March of 2022. Aurora is a Registered Professional Forester with a Masters Degree in Forest Conservation and is a young professional in the field. The WCFC Board welcomes Aurora and the perspective that she brings and recognizes the hard work of our past General Manager, Jay Baker. We are thankful for his input and for helping WCFC to manage a successful tenure over the years and wish him all the best.

We hope you enjoy learning about our most recent year's operations as you review the information to follow. On behalf of the Board we would like to take this opportunity to recognize and thank all of those who contributed to the success of the community forest during the past fiscal year. We look forward to a safe and productive 2022-2023.

Sincerely,

Gary Hanson Co-Chairman WCFC





GENERAL MANAGER'S REPORT



Hello everyone and thank you for talking the time to review the contents of WCFC's 2021-2022 Annual Report.

It is an honour for me to be in the position to report on the operations conducted by WCFC this past year. I find myself in the fortunate position to be able to report that WCFC has enjoyed another successful year in terms of safety in operations and has done so in an economical and environmentally sustainable fashion.

The Wetzin'kwa Community Forest is located on the traditional territories of the Wet'suwet'en, Laksilyu and Gitdumden Clans, as well as Gitxsan territory. WCFC is thankful for our continuously evolving relationships with our First Nations partners and look forward to continued collaboration. WCFC strives to embed First Nations input and values into every community forest project that we approach.

2022 marks a change to WCFC's General Manager position. Mr. Jay Baker vacated the position in March of 2022, and I have the great pleasure of taking on the role. Jay Baker has been in the General Manager position since 2015. Jay's careful and forward thinking management of the Wetzin'kwa Community Forest tenure has set WCFC up for success well into the future. The board members have made this transition quite smooth, and Jay has been close by to provide advice throughout the transition. The opportunity to work with the community and an excellent Board of Directors is truly a special one.

The following pages provides information on the highlights and challenges that the Wetzin'kwa Community Forest has faced in 2021-2022, and alludes to future opportunities. WCFC is coming out of a successful cut control period, with its cut within 0.5% of fully balanced. WCFC takes pride in this as an indicator of sustainable forestry. The evolution that is occurring in BC's forestry sector is one that WCFC is excited to be a part of going forward as we enter into this new cut control period.

As aforementioned in the Chairman's Report, the Wetzin'kwa Community Forest was the recipient of this year's Robin Hood Award. WCFC's volunteers truly represent the spirit of the late Robin Hood. Over the past 15 years, WCFC Board has committed countless hours of volunteer time and energy into making sure that the community forest can provide the most benefits to the communities that it supports.

I would like to take this opportunity to thank all the Board Members from WCFC for their continued support and confidence in WCFC's ongoing operations. We at Silvicon Services Inc. are thankful to be a part of managing WCFC and will continue to ensure that the views of all community members are considered throughout our daily practices.

Sincerely, Aurora Lavender, RPF



OPERATIONS UPDATE

HARVESTING

During the 2021-2022 fiscal year, approximately 2,354m³ of timber was harvested from the tenure area with an additional 557m³ being harvested under a Forest License to Cut (FLTC) from the Hudson Bay Mountain wildfire risk reduction treatment. The majority of this volume (1,762m³) were sawlogs sold and delivered to Pacific Inland Resources in Smithers. 415m³ of dry balsam pulp logs were sold and delivered to Seaton Forest Products Ltd. In addition to these delivered volumes, 566 tonnes of harvesting by-product (e.g. tops, rot, defect fibre etc.) was delivered to Pinnacle Pellet in Smithers.

Harvesting commenced on several blocks in February and March of 2022 but no volume was shipped from these blocks during the fiscal period.

The FLTC volume utilized during this fiscal year is associated with the creation of a fuel break along Hudson Bay Mountain Road. WCFC was approached by the Mountain Resource Branch to be a partner in implementing the first phase of primary biomass removal associated with the creation of a fuel break. This fuel break is designed to help protect the cabin community upslope and ski hill infrastructure. The shaded fuel break project is ongoing and relies on input from BC Wildfire Service to implement prescriptions and achieve the desired outcomes for the area.

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





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

	2022	2023	2024	2025	2026	Total
Annual allowable cut (m³)	30,304	30,304	30,304	30,304	30,304	151,520
Harvested volume (m³)	25,000*	0	0	0	0	25,000
Cut from previous cut control period (m³)						
Total volume remaining in cut control period (m³)						126,520

^{*}Estimated volume to be delivered prior to year's end

ROAD BUILDING AND MAINTENANCE

No road construction was completed during the 2021-2022 fiscal. Culverts were purchased for roads to be utilized in 2022. Our 2021-2022 road construction and maintenance program resulted in the brushing of approximately 3.0km of existing roads.



HARVESTING & CONSTRUCTION CONTRACT OPPORTUNITIES

WCFC maintains a local contractor select bidders list to ensure that the contracting opportunities generated from the community forest's operations provide a direct benefit to local communities and their associated work forces.



Wetzin'kwa would like to thank the local contracting community for providing the expertise needed to conduct our operations at a high standard. During the 2021-2022 fiscal year our primary harvesting, construction and road maintenance contractors were:

- o Schippers Creek Contracting Ltd.
- o CAS Ventures Ltd.
- o Coppermoon Contracting Ltd.
- Northern Industries Ltd.

SAFETY

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



The provision of a safe work environment and reinforcement of safe practices resonates

through the daily operations on the community forest tenure. It is with great pleasure that we can report no incidents of serious injury or fatality associated with operations since the establishment of the community forest tenure.

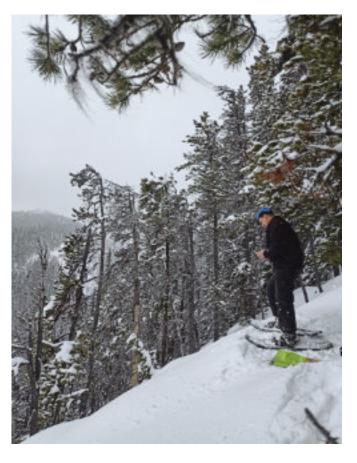
OPERATIONAL DEVELOPMENT CONSIDERATIONS

The planning of annual harvesting is a complex process. WCFC strives to strike a balance in timber development activities in consideration of all natural resource values. We continue to seek out all possible salvage opportunities related to forest damaging agents. The key goals of this strategy are to



reduce impacts on the long term timber supply associated with these damaging agents and to reduce the landscape and stand level wildfire fuel loads where possible. As the community forest tenure contains significant dead timber volumes, annual harvest plans have primarily been comprised of stands that contain Mountain Pine Beetle (MPB) and Balsam Bark Beetle activity.

During WCFC's current 5 year cut control period, forest health concerns and damaged timber remain the primary target of harvest. The planning strategy also includes an integrated approach to forestry. WCFC strives to create a mosaic across the land base throughout operations by considering the development of areas within the community forest comprised of more challenging terrain.



WCFC spends considerable energy planning and preparing for the future. Road locations and long term forest conditions are continually assessed during the planning of timber development. Decisions relating to more permanent types of access verses short term access are critical operational decisions.

Appropriate considerations must be made for long term access into a new area, both in terms of short and long term economic constraints in addition to habitat management, recreational considerations and the need for access by first responders in the event of a catastrophic wildfire event.

The operational considerations relating to the type of timber to harvest and the access requirements desired are just a couple of factors involved in annual activities. Wetzin'kwa continues to work towards reducing landscape level wildfire risk and has been working closely with the Ministry of Forests, BC Wildfire Services, BC Mountain Resorts Branch, Recreation Sites and Trails BC and the Gitdumden Clan of the Wet'suwet'en Nation to develop landscape level fuel breaks.

ENHANCED STEWARDSHIP

Following many years of successful resource and financial management WCFC embarked on a more aggressive approach to investing directly back into the community forest land base. The WCFC Enhanced Stewardship Program is growing and is intended direct investments towards priority activities within the community forest that our outside of legislated requirements. WCFC's Enhanced Stewardship budget is intended to provide tangible benefits for local residents by reinvesting profits from WCFC operations back into the land base in a meaningful way. Some of the projects that were initiated and or completed within the 2021- 2022 fiscal year include:

Wildfire Risk Reduction (WRR) fuels reduction and promotion. WCFC applied for funding through the BCCFA's CLWRR program to develop three prescriptions and create a shaded fuel break along Hudson Bay Mountain Road and was awarded



\$663,500 for the completion of this project. A shaded fuel break creates a defensible location where fuels have been modified that can be used to increase the probability of success for fire suppression activities.

In 2021, Wetzin'kwa collaborated with The Ministry of Forests, BC Mountain Resorts Branch, Hudson Bay Mountain Resort, and the BC Wildfire Service for this project. The primary objectives of this project are to improve access and egress routes within this high recreation use area, protect critical infrastructure, and improve both public and wildland firefighter safety through the modification of forest fuels adjacent to the Hudson Bay Mountain Road. Wetzin'kwa was able to complete thinning, spacing and pruning treatments under this funding for 34.2ha in 2021-2022, with the help of local contractors including Schippers Creek Contracting Ltd. and a Wet'suwet'en contractor, CAS Ventures.

WCFC is proud to work together with provincial and local organizations to improve community resiliency and protect important community values, and is very grateful to the BCCFA CLWRR program

for their funding of this essential project. Work is ongoing on this initiative and is anticipated to continue through 2022-2023 and beyond.

Seymour Ridge Trail improvements.

Following the Danger Tree Assessment (DTA) of MPB affected area along Seymour Ridge trail in the spring of 2021, WCFC assisted Recreation Sites and Trails BC (RSTBC) by improving and adding features to the trail in the fall of 2021. These features included a parking lot expansion and culvert installation at the trailhead completed by West Horizon Contracting Inc., as well as the installation of two foot bridges and a new viewpoint bench at the junction of the Seymour Ridge and Goldeneye trails completed by Michael Brackenhoefer.

Following the fuel hazard mitigation





and wildfire risk reduction prescription implementation that provincial representatives have planned for the fall of 2022, WCFC plans to install interpretive signage for this trail in 2023 with input from the local community.

Twin Falls Recreation Site improvements and accessibility upgrades. WCFC established a partnership with RSTBC to repair and improve existing recreation site features at Twin Falls, with a focus on user accessibility. with the help of Glenys SnowDymond (Accessibility Expert). In 2021, WCFC assisted RSTBC in rebuilding the trail to Basic Accessibility

standards, including levelling/compaction and surfacing with gravel, accessible campsite installation, viewpoint improvements, and campsite accessibility upgrades, with the help of Specialized Earthworks and Kater Contracting. This is an ongoing project and WCFC will assist with the installation of several benches and accessibility improvements in 2022/2023.

Wetzin'kwa Golden Token Hunt. To celebrate National Forest Week, the Wetzin'kwa Community Forest offered a photo scavenger hunt contest called the "Hunt for the Golden Tokens". Five golden tokens were hidden at various recreation features throughout the tenure, including at a new viewpoint bench funded by Wetzin'kwa, with riddles provided as hints for each location. Participants had to solve the riddles, go find the







tokens, and submit a photo as proof to be entered for prizes donated by WCFC and local businesses (with bonus prizes for costumes and creativity).

WCFC was thrilled with the participation and positive feedback from both area residents and visitors, with many participants expressing that it provided a great reason to get out and explore the area with their friends and families, including some who didn't know anything about the community forest before. We look forward to making this an annual event.

Community S100 Basic Fire Suppression and Safety Course. In June of 2022, WCFC provided funding and equipment for 11 members of the public to attend an S100 Basic Fire Suppression and Safety Course, instructed by Sean Fraser of Hyland Backcountry Services Ltd. Students learned wildfire suppression and incident command theory in the classroom, followed by hands-on practice using tools from Wetzin'kwa's wildfire trailer.

Wet'suwet'en Cabin at Dennis Lake. In 2021, the Laksilyu Clan hired contractors to build a cabin overlooking Dennis Lake. WCFC contributed \$40,000 toward the cabin's construction. The cabin was constructed in 2021 and provides a place for Clan members to meet on the territory (Yintah). Wetzin'kwa Social Media. Following the success of the Golden Token Hunt, WCFC launched an



instagram page in the fall of 2021 to compliment its website and Facebook page. This page allows Wetzin'kwa to improve public reach by providing quality photo and video content about the community forest. It also doubles as an effective advertising platform for public notices and special events.

SILVICULTURE

WCFC did not plant any seedlings during the 2021-2022 fiscal year. The planting program was moved to a summer planting program in the next fiscal year.

Summer planting is typically a much smaller program in the province than spring planting, and therefore contractor availability improves and associated planting costs can be reduced. The risk to this strategy is that in the event of a hot and dry summer, planted trees can experience significant mortality due to growing season drought. In addition, summer planting typically allows more time for competing vegetation to become established which can hinder the growth of seedlings in the early stages of establishment.

Approximately 90ha of WCFC's planted areas were affected by the heat dome in the summer of 2021. These areas will be surveyed in the summer of 2022 to assess their survival and replanting will be conducted where necessary.

SURVEYS

Approximately 270 hectares of silviculture surveys were completed in the past fiscal year:

- 30.1ha of regeneration survey
- 76.7 ha of stocking surveys conducted two or three years after planting
- 149 ha of walk-through surveys intended to monitor stands for forest health and general performance at stand ages 5-10 years
- 14.1 ha of free-growing surveys completed to determine if minimum restocking obligations had been achieved

Of note, free-growing survey results continue to indicate some of the earliest harvesting complete under WCFC tenure are now achieving "free-growing" status. WCFC's current tally of free growing stands is **346.4 ha.**



SILVICULTURE ACCRUAL / LIABILITY

Silviculture accrual calculations are based on conservative estimates of various silviculture investments required to achieve free-growing stands. The current accrual rate is set at \$4.50 per m³ of harvest.

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





WCFC GRANT PROGRAM

ABOUT

The Community Grant Program was established to distribute profits from the operation of the Wetzin'kwa Community Forest tenure back into the community. The program's objective is to provide support for a broad range of projects and initiatives that will return the greatest long-term benefit to Bulkley Valley residents. This year, the WCFC Board of Directors was pleased to increase the amount provided to grant recipients.

ELIGIBILITY

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

Wetzin'kwa's Board of Directors has established the following categories:

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



PROCESS

Each April and May, advertisements are posted in the local paper, on the website, and on the Facebook page indicating that the annual intake period has commenced. Grant applications are received up to May 31st. In the spring of 2022, the maximum amount awarded to successful grant applicants was increased from \$15,000 to \$20,000 per grant to help partially or fully fund community grant applications.

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



The grant review and award process is a lengthy and in-depth affair. The grant applications received always exceed the annual budget available making final decision around grant awards an extremely difficult process to adjudicate. This year, the amount of funds distributed from WCFC to fund community grants was increased from \$250,000 to \$356,000.

LEGACY PLANNING

WCFC has established a Legacy Fund intended to ensure the community grant program is sustainable even in years where limited or no harvesting has occurred. Over the last decade it has been exciting to watch the grant program succeed. The Board believes very strongly in the social benefits of this key program of WCFC. In the spring of 2022, the Legacy Fund was increased from \$3,000,000 to \$4,500,000 to reflect the increase in grant amounts and ensure protection of the program.

2021/22 GRANT PROGRAM RECIPIENTS

Through the 2021/2022 WCFC Grant Program, WCFC distributed \$356,043 to successful community applicants. WCFC annually accepts applications for the Grant Program and is looking forward to providing financial support to more community initiatives over the long term.



2021/22 GRANT PROGRAM RECIPIENTS

The WCFC would like to congratulate the following successful applicants in the 2021/22 Grant Program:

Organization Name	Project Title		
Cycle 16 Trail Society	Cycle 16 Phase 2 Detailed design of Highway 16 Underpass		
Backcountry Horsemen of BC Northwest Chapte	r Installation of propane cooking griddle		
BV Agricultural & Industrial Association	Wetzin'kwa Marquee Tent		
1st Smithers Group – Scouts Canada	2022/2023 Scout Programming		
Smithers Volunteer Firefighters Association	SVFFA Wildland Firefighting Equipment Investment (year 3)		
BV Hospice Society	Corporate Sponsorship for the BV Hospice Society		
Skeena Knowledge Trust	Advancing watershed stewardship in the Bulkley River watershed		
Walnut Park Parent Advisory Council	Walnut Park Garden & Playground		
Telkwa Museum Society	St. Stephens Church Replacement Roof		
Witsuwit'en Language & Culture Society	Language		
Smithers Climate Action	Trees Please Smithers		
Smithers Multicultural Society	Discover Culture through food, arts and storytelling		
The Grendel Group	GRENDELGrow Infrastructure Upgrade		
Telkwa Seniors Housing Society	Tractor purchase for Telkwa House & Aldermere House		
Telkwa Community Church	PFAFF Power Quilter 1600 Sit Down Long Arm Quilter		
Smithers Community Services Association	Permanent Display Boards for the Storywalk Project		
Telkwa Volunteer Firefighter's Association	Wildland Firefighting Equipment Investment		
BV Otters Swim Club	Inspiring Youth		
Kyah Wiget Education Society – iCount School	Creating a skate board park and ramp		
School District No. 54	Walnut Park Totem Pole and Indian Town Reconciliation Project		
Valley Youth Fiddlers	2022/23 VYF Workshop Program		
Friends of the Smithers Library	Community Programming for Youth & Adults		
BV Folk Music Society	Jam Zone and BVFMS Building Upgrade		
Smithers Golf and Country Club	Pumphouse Upgrade		

Organization Name	Project Title
Northern Roots Community Garden Society	The Deer Fence Project
Tourism Smithers Society	Alex Cuba & Community Arts Mural & Celebration Event
Groundbreakers Agriculture Association	Youth on Farms / School Workshops
Smithers Art Gallery Association	Community Engagement Coordinator
Bulkley Valley Community Arts Council	BV District Hospital Exterior Mural Project
Bulkley Drive Housing Society	Alpine Court Playground
BV Centre for Natural Resources Research and Management	Planning & Monitoring Support for Improved Retention of Old Forest Structure for Wildlife and Other Values
Treehouse Housing Association	Telkwa Action Project
Smithers Ski and Snowboard Club	SSSC Radios Enhancement
Northwest Animal Shelter Society	Dog Kennel Addition 2022
Tyee Mountain Trail Society	Rehabilitation of Trapline West/route 66/purchase of snow tracks
Bulkley Valley Museum	Shared Histories Exhibit
BV Kinsmen Club	Announcer's Booth for the Telkwa BBQ
School District No.54	Creating Access to Music Literacy





STAKEHOLDER DONATIONS

WCFC works hard to respect and acknowledge its key Stakeholders (Office of the Wet'suwet'en, the Village of Telkwa and the Town of Smithers) on an annual basis. During profitable years this respect manifests itself in part as Stakeholder Donations to these three entities.

In 2021-2022, the WCFC was able to provide each key Stakeholder a contribution of \$50,000 to assist in the funding pressures they have fulfilling their respective mandates.





COMMUNITY FINANCIAL BENEFITS

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

Summary of Community Financial Benefits (2021-2022)

Item	Amount	Description
Stumpage	\$7,006	Generated from the sale of timber and used by the province for health care, education, infrastructure, etc.
Annual Rent	\$11,212	Paid to the Crown and utilized by the province for health care, educuation, infrastructure, etc.
Community Grants	\$356,043	Distributions by the WCFC to a wide array of community groups and projects
Smithers Community Services Association	\$1,000	Support for the Christmas Hamper program
BV Foundation	\$3,300	Provision for the award of bursaries for students from the three communities associated with the WCFC
Stakeholder Donations	\$150,000	Provided to the Stakeholders (Town of Smithers, Village of Telkwa, and the Office of the Wet'suwet'en) to utilize as they see fit
Salvation Army	\$1,000	Food bank contribution
TOTAL	\$529,561	



CORPORATE DATA

BOARD OF DIRECTORS



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



LINDSAY LANGE Director, Village of Telkwa



GARY HANSON Director, Town of Smithers



MARGARET OLMSTEAD Director, representing the community at large



Jennifer Moyle Director, representing the community at large



KIRA WESTBY Director, representing the community at large



COLIN MacLEOD Director, representing the community at large

FOREST MANAGEMENT



AURORA LAVENDER, RPF

General Manager, Silvicon Services Inc.



ADMINISTRATION

CRYSTAL TREMBELAS

Administrative Assistant, Silvicon Services Inc.



DAVE LOUWERSE, RPF

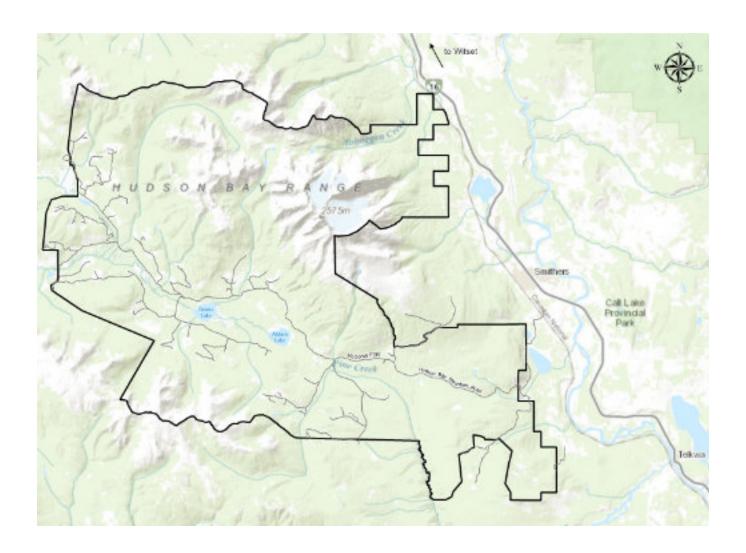
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LOCATION MAP



APPENDIX A:



FINANCIAL STATEMENTS



WETZIN'KWA COMMUNITY FOREST ANNUAL REPORT 2021/2022