

**Forest Management and Stump-to-Forest Gate Chain-of-Custody  
Certification Evaluation Report for the:**

**The Conservation Fund's  
North Coast Forest Conservation Program  
Mendocino County, California**

**Conducted under auspices of the SCS Forest Conservation Program  
SCS is an FSC Accredited Certification Body**

**CERTIFICATION REGISTRATION NUMBER  
SCS-FM/COC-00102N**

**Submitted to:**

**The Conservation Fund**

**Lead Author:**

**Andrea Jung, SCS**

**Date of Field Audit:** June 4-6, 2007

**Date of Report:** September 19, 2007  
Updated August 2008 (see section 6.1)  
**Updated November 2009 (see section 6.2)**

**Certified:** December 21, 2007

**By:**

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## **Organization of the Report**

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Forest Stewardship Council. This section is made available to the general public and is intended to provide an overview of the evaluation process, the management programs and policies applied to the forest, and the results of the evaluation. Section A will be posted on the SCS website ([www.scs-certified.com](http://www.scs-certified.com)) no less than 30 days after issue of the certificate. Section B contains more detailed results and information for the use of The Conservation Fund.

## FOREWORD

Scientific Certification Systems, a certification body accredited by the Forest Stewardship Council (FSC), was retained by The Conservation Fund to conduct a certification evaluation of its Garcia River, Salmon Creek, and Big River forest estates in Mendocino County, California. Under the FSC/SCS certification system, forest management operations meeting international standards of forest stewardship can be certified as “well managed,” thereby enabling use of the FSC endorsement and logo in the marketplace.

In June 2007, an interdisciplinary team of natural resource specialists was empanelled by SCS to conduct the evaluation. The team collected and analyzed written materials, conducted interviews and completed a three-day field and office audit of the subject property as part of the certification evaluation. Upon completion of the fact-finding phase of the evaluation, the team evaluated conformance to the 56 FSC Criteria in order to determine whether an award of certification was warranted.

This report is issued in support of a recommendation to award FSC-endorsed certification to The Conservation Fund for the management of its North Coast forest estates. As detailed below, certain pre-conditions (also known as Major Corrective Action Requests) stipulated by the audit team upon completion of the field audit, were addressed by The Conservation Fund and cleared by SCS prior to finalization of this report. In the event that a certificate is awarded, Scientific Certification Systems will post this public summary of the report on its web site ([www.scscertified.com](http://www.scscertified.com)).

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## SECTION A- PUBLIC SUMMARY AND BACKGROUND INFORMATION

### 1.0 GENERAL INFORMATION

#### 1.1 FSC Data Request

Applicant entity	The Conservation Fund – North Coast Forest Conservation Program
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Certificate Number	SCS-FM/COC-00102N
Certificate/Expiration Date	12/21/2007-12/21/2012
Certificate Type	Multiple FMU
SLIMF <i>if applicable</i>	n/a
Group Members <i>if applicable</i>	n/a
Number of FMU’s <i>if applicable</i>	3
Number of FMUs in scope that are	
less than 100 ha in area	
100 - 1000 ha in area	
1000 - 10 000 ha in area	3
more than 10 000 ha in area	
Location of certified forest area	Coastal Mendocino County, California
Latitude	N 39.3242
Longitude	W 123.6391
Forest zone	Temperate
Total forest area in scope of certificate which is included in FMUs that:	
are less than 100 ha in area	0
are between 100 ha and 1000 ha in area	0
meet the eligibility criteria as low intensity SLIMF FMUs	0
Total forest area in scope of certificate which is:	
privately managed <sup>1</sup>	39,688 acres
state managed	0
community managed <sup>2</sup>	0
Number of forest workers (including contractors) working in forest within scope of certificate	20-40
Area of forest and non-forest land protected from commercial harvesting of timber and managed primarily for conservation objectives	9,000 acres
Area of forest protected from commercial harvesting of timber and managed primarily for the production of NTFPs or services	0
Area of forest classified as 'high conservation value	800 acres

<sup>1</sup> The category of 'private management' includes state owned forests that are leased to private companies for management, e.g. through a concession system.

<sup>2</sup> A community management unit is one in which the activities in and use of the forest and tree resources is controlled by local communities.

forest'	
List of high conservation values present <sup>3</sup>	HCV 1-6
Chemical pesticides used	Arsenal, Accord
Total area of production forest (i.e. forest from which timber may be harvested)	31,000 acres
Area of production forest classified as 'plantation' for the purpose of calculating the Annual Accreditation Fee (AAF)	0
Area of production forest regenerated primarily by replanting <sup>4</sup>	0
Area of production forest regenerated primarily by natural regeneration	31,000 acres
List of main commercial timber and non-timber species included in scope of certificate (botanical name and common trade name)	Redwood, Douglas fir, white fir, sugar pine, western hemlock, tanoak, red alder
Approximate annual allowable cut (AAC) of commercial timber	6 million board feet
Approximate annual commercial production of non-timber forest products included in the scope of the certificate, by product type	
List of product categories included in scope of joint FM/COC certificate and therefore available for sale as FSC-certified products (include basic description of product - e.g. round wood, pulp wood, sawn timber, kiln-dried sawn timber, chips, resin, non-timber forest products, etc.)	Round wood

## Conversion Table English Units to Metric Units

### Length Conversion Factors

<b>To convert from</b>	<b>to</b>	<b>multiply by</b>
mile (US Statute)	kilometer (km)	1.609347
foot (ft)	meter (m)	0.3048
yard (yd)	meter (m)	0.9144

### Area Conversion Factors

<b>To convert from</b>	<b>to</b>	<b>multiply by</b>
square foot (sq ft)	square meter (sq m)	0.09290304
acre (ac)	hectare (ha)	0.4047

### Volume Conversion Factors

#### Volume

<b>To convert from</b>	<b>to</b>	<b>multiply by</b>
cubic foot (cu ft)	cubic meter (cu m)	0.02831685
gallon (gal)	liter	4.546

1 acre	= 0.404686 hectares
1,000 acres	= 404.686 hectares
1 board foot	= 0.00348 cubic meters

<sup>3</sup> High conservation values should be classified following the numbering system given in the ProForest High Conservation Value Forest Toolkit (2003) available at [www.ProForest.net](http://www.ProForest.net)

<sup>4</sup> The area is the *total* area being regenerated primarily by planting, *not* the area which is replanted annually. NB this area may be different to the area defined as a 'plantation' for the purpose of calculating the Annual Accreditation Fee (AAF) or for other purposes.

1,000 board feet = 3.48 cubic meters  
1 cubic foot = 0.028317cubic meters  
1,000 cubic feet = 28.317 cubic meters  
Breast height = 1.4 meters, or 4 1/2 feet, above ground level

Although 1,000 board feet is theoretically equivalent to 2.36 cubic meters, this is true only when a board foot is actually a piece of wood with a volume 1/12 of cubic foot. The conversion given here, 3.48 cubic meters, is based on the cubic volume of a log 16 feet long and 15 inches in diameter inside bark at the small end.

## **1.2 Management Context**

As The Conservation Fund (TCF) – North Coast Forest Conservation Program properties are located in the North Coast region of California, management of the forests is subject to a host of local, state and federal regulations. The principal regulations of greatest relevance to forest managers in the North Coast region are associated with the following statutes:

### ***Pertinent Regulations at the Federal Level:***

Endangered Species Act  
Clean Water Act (Section 404 - wetland protection & Section 303d - impaired water bodies)  
Occupational Safety and Health Act  
National Historic Preservation Act  
Archaeological and Historic Preservation Act  
Americans with Disabilities Act  
U.S. ratified treaties, including CITES

### ***Pertinent Regulations at State and Local Level:***

Z'Berg-Nejedly Forest Practice Act  
California Environmental Quality Act  
California Endangered Species Act and Fish & Game Code  
Natural Communities Conservation Planning Act  
Porter-Cologne Water Quality Act  
California Coastal Act

### **1.2.1 Environmental Context**

The three FMUs included in the scope of this evaluation are located in the *Northern California Coastal Forests* terrestrial ecoregion (NA 0519), as defined by the World Wildlife Fund, 2001:

The Northern California Coastal Forests are largely defined by two features, the largely persistent moist environments provided by Pacific storms in the winter and coastal fogs in the summer, and the distribution of the redwood (*Sequoia sempervirens*). Redwoods range from central California to the Oregon border, and are typically found within 65 km (40 miles) of the coast. Redwood groves are patchily distributed among a variety of natural communities found within this coastal belt, including Douglas-fir-tanoak forests, oak woodlands, closed-cone pine forests, bogs, and coastal grasslands (Sawyer 1996).

The coastal forests of Northern California are in many ways an extension of the temperate rainforests that hug the coasts in Washington and Oregon, except that, in California, redwoods and Douglas-fir - tanoak forests dominate many lowland areas. These ancient and spectacular conifers are among the biggest, tallest, and oldest trees in the world, often exceeding 200 ft (more than 369 ft in some individuals) in height, 15 ft in diameter, and 2,200 years old. Redwood groves have the greatest biomass accumulation known for any terrestrial ecosystem. They are globally unique forests, and only a few other forests in the world have a similar assemblage and structure of ancient, giant conifers, e.g., Giant Sequoia groves of the Sierra Nevada, Sitka spruce and Douglas-fir forests of the Pacific Northwest, and Alerce forests of southern Chile. Redwood distribution is patchy, but they generally occur in the fog belt ranging from five to thirty-five miles wide along the coast and from 100 to 2,000 ft in elevation (Barbour et al. 1993). Redwood dominated forests tend to occur in valley bottoms, where there is abundant fog drip, alluvial soils, and periodic floods about every thirty to sixty years. On the uplands where fire was a reoccurring disturbance, a more diverse assemblage of trees occur with redwoods, including Douglas-fir, grand fir, western hemlock, Sitka spruce, western red cedar, tanoak, bigleaf maple, California bay, and Port Orford cedar. Without periodic disturbances, some ecologists suspect that redwood groves may be eventually be replaced by western hemlock (Zinke 1995, but see Viers 1982).

Drier slopes within this ecoregion support many other trees including Douglas-fir and tanoak are the most extensive tree species in the ecoregion. They equally dominate in a 'Douglas-fir - tanoak forest,' madrone, Garry oak, black oak, interior live oak, and coast live oak. Eight conifer species are endemic to the ecoregion. A rich understory of herbs, shrubs, treelets, ferns, and fungi is found under the towering redwood and other conifers.

Redwood forests harbored a diversity of animal life including bears (*Ursus* spp.), fishers (*Martes pennanti*), pine martens (*Martes americana*), numerous warblers, and the endangered marbled murrelet (*Brachyramphus marmoratus*) which nests in mature forest canopies. A number of amphibians live here including the Pacific giant salamanders (*Dicamptodon ensatus*), red-bellied newts (*Taricha rivularis*), and tailed frogs (*Ascaphus truei*). Silver salmon and steelhead trout breed in coastal rivers and streams. Also found in this ecoregions is the extraordinary bright yellow-orange banana slug (*Ariolimax columbianus*), a mature forest specialist and a candidate for California's state invertebrate. A number of other invertebrate species, including beetles, harvestman, spiders, millipedes, and freshwater mussels are specialists on habitats modified by old Redwood and other conifer forests and maintain very local distributions (Frest and Johannes 1991, Olson 1991). Given the propensity of species in these invertebrate groups for very restricted ranges and the virtual elimination of mature

forests in this ecoregion, the probability that numerous species extinctions have already occurred is high (Olson 1991).

North Coast grasslands, often called ‘bald hills’ and coastal scrubs can be found close to the sea in some areas, particularly on coastal terraces below redwoods. Grasses, spring wildflowers, and shrubs dominate these habitats, which have now been largely converted to farmland and pasture. Unusual closed-cone pine forests, sphagnum bogs, and pygmy forests also occur on coastal terraces, often above the redwood belt in some areas.<sup>5</sup>

Specific to The Conservation Fund’s properties, there are several special status animal and plant species. There are several Class I streams on the properties that provide habitat (or potential habitat) for coho salmon (*Oncorhynchus kisutch*) and steelhead trout (*Oncorhynchus mykiss*). The properties also contain stream habitats that can support the foothill yellow-legged frog (*Rana boylei*) and the California red-legged frog (*Rana aurora draytonii*). The red tree vole (*Arborimus pomo*) and its primary predator, the northern spotted owl (*Strix occidentalis caurina*), also occur on the properties. TCF has contracted the Point Reyes Bird Observatory and Mike Stephens to conduct owl surveys on the Garcia River Forest and on the Big River/Salmon Creek Forests, respectively. Rare plant surveys are conducted primarily by Kerry Heise and Geri Hulse-Stephens. Fish surveys are conducted primarily by the California Department of Fish & Game.

### 1.2.2 Socioeconomic Context

#### North Coast Region Land Ownership

“Roughly 80 percent of timber land is privately owned – divided about equally between industrial timber ownerships and non-industrial ownerships – totaling 2.8 million acres. Nearly three-fourths of this private timber land is within designated Timber Production Zones.

The public forest land in the region is largely in National Park and U.S. Forest Service ownership, primarily in Humboldt and Mendocino counties. The California Department of Forestry and Fire Protection also manages the 46,000-acre Jackson State Demonstration Forest in Mendocino County, the largest state forest in California.”<sup>6</sup>

One of the current threats to the ecological viability of the region, and a major cause of concern, is the increasing trend of land subdivision and fragmentation. Landholders have found that selling off portions of their holdings for conversion to rural residential subdivisions or ‘hobby’ vineyards yields a greater financial return than keeping their forests in timber production. This phenomenon was one of the drivers behind TCF’s North Coast

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<sup>5</sup>[http://www.worldwildlife.org/wildworld/profiles/terrestrial/na/na0519\\_full.html](http://www.worldwildlife.org/wildworld/profiles/terrestrial/na/na0519_full.html)

<sup>6</sup> The Conservation Fund, 2005. *Conservation Prospects for the North Coast: A Review and Analysis of Existing Conservation Plans, Land Use Trends and Strategies for Conservation on the North Coast of California*. Page 106.

Forest Conservation Initiative to establish large, contiguous, working forests as a conservation tool.

### Regional Economy

The timber industry, at one time the most robust in the region, has undergone a major downsizing in recent decades due primarily to the “liquidation of timber inventories, associated with decades of industrial timber management of private lands, and the increased cost of permitting and environmental regulation of the industry (TCF 2005).”

“The decline in timber production, the increase in operating costs, and the increased efficiency of production methods has also caused many mill closures in the region. In 2000, there were 26 mills operating in the North Coast counties of Del Norte, Humboldt, Mendocino, and Sonoma. Between 2000 and 2003, eight timber mills were closed in the region, leaving 18 currently in operation. As recent closures at Pacific Lumber have shown, these mills remain precariously balanced, and other closures are possible. Harwood Forest Products addresses this through a unique and disturbing strategy: a large portion of their logs for processing is imported from British Columbia and Washington. The fact that it can be more cost-effective to buy logs out-of-state than in-state and transport them over a thousand miles, with several costly loadings and unloadings, is a very telling indicator of the cost of growing and harvesting timber on the North Coast.

Despite these significant declines in harvest volumes, and the attendant ripples through the regional economy, the North Coast still accounts for a third of California’s timber production. Half of California’s annual timber revenue comes from Mendocino and Humboldt counties, where the value of redwood harvest in 2000 was \$390 million, 43% of the total value for the state. The forest products industry is “extremely important” to many local economies in the Northern California “timber counties,” generating about 13% of the personal income and 16% of the jobs.”<sup>7</sup>

Located near the FMUs are the towns of Fort Bragg (2000 census population 7,026) and Mendocino (2000 census population 824). The small coastal communities of Mendocino County, particularly Mendocino itself, are popular destinations for vacationers from the San Francisco Bay Area. Accordingly, the county has seen an increase in jobs related to leisure and hospitality. Government is the largest employer in the region, providing 23% of all jobs.

### Native American Presence

“The northern counties of the North Coast region – Del Norte, Humboldt, and Mendocino – have relatively large populations of Native Americans. Compared to the state average, where Native Americans make up just one percent of the state population, Native Americans represent roughly five to six percent of the population in those three counties, and represent a number of tribal affiliations, including: Tolowa, Karuk, Yurok, Hupa, Whilkut, Wiyot, Nongati, Bear River, Mattole, Sinkyone, Lassik, Wailaki, Yuki, Cahto, Coast Yuki, and

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<sup>7</sup> The Conservation Fund, 2005. *Conservation Prospects for the North Coast: A Review and Analysis of Existing Conservation Plans, Land Use Trends and Strategies for Conservation on the North Coast of California*. Pages 120-121.

Pomo. There are at least 23 rancherias and reservation in the North Coast, which encompass over 170,000 acres.”<sup>8</sup>

The Garcia River Integrated Resource Management Plan (GRF IRMP) describes in more detail the history of Native American presence on the Property: “The Garcia watershed lies within the Pomo ethnographic province and was inhabited by a native people known as Bokeya, or Central Pomo. The ancestral lands of this tribe extended along the coast from just north of the Navarro River southward about 35 miles to near the mouth of the Gualala River. A permanent village was located on the Garcia River not far from the present Rancheria; known as ‘pdahaw’ (translated as ‘at the stream mouth’), the population was estimated at around 200. These factors and various previously recorded sites indicate that the prehistoric resources most likely to be encountered on the Property are lithic scatters with groundstone present, reflecting generalized use of the area. Native American sites are commonly situated along trending ridgelines or spurs, broad mid-slope terraces, and areas adjacent to seasonal and perennial watercourses, including springs.”<sup>9</sup>

### **1.3 Forest Management Enterprise**

#### **1.3.1 Land Use**

The Conservation Fund purchased the Garcia River tract from Coastal Forestlands in February, 2004. The Big River and Salmon Creek properties were acquired in October, 2006 from Hawthorne Timber Company. For the most part, all of the properties have been continuously owned by industrial timber companies since the early-mid twentieth century. TCF plans to manage these properties as working forests, providing long-term sustainable harvest of timber products while restoring and maintaining the natural coastal forest ecosystem. The Nature Conservancy (TNC) holds a conservation easement on the GRF. Permanent conservation restrictions on the Big River and Salmon Creek tracts are in the form of a recorded Offer to Dedicate held by the State Coastal Conservancy and the Wildlife Conservation Board.

TCF plans to provide limited public access to the properties, and to offer the forests as an outdoor laboratory for collaborative research, demonstration, and education. The possibility of establishing a hunting permit program will also be considered as a future initiative.

#### **1.3.2 Land Outside Scope of Certification**

The Conservation Fund is a national organization, with land holdings throughout the United States. The North Coast forests are the only properties owned by TCF in the Western states that support timber harvesting. TCF’s other forested properties either: a) are not managed for timber, b) are set to be sold in the near future, or c) are in the process of becoming FSC-

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<sup>8</sup> The Conservation Fund, 2005. *Conservation Prospects for the North Coast: A Review and Analysis of Existing Conservation Plans, Land Use Trends and Strategies for Conservation on the North Coast of California*. Page 112.

<sup>9</sup> The Conservation Fund, 2006. *Garcia River Forest Integrated Resource Management Plan*. Larkspur, California. Page 38.

certified under a group certificate. Therefore only the Mendocino County FMUs are being included in the scope of this certification evaluation.

## **1.4 Management Plan**

### **1.4.1 Management Objectives**

As stated in the Garcia River Forest Integrated Resource Management Plan, and reiterated in the TCF Forest Management Policies, TCF will manage its properties with the following management goals in mind:

- Improving the status of conservation “targets” identified during the planning process.
- Restoring diversity, complexity, and late-seral characteristics to early-successional forests.
- Maintaining and enhancing high-quality spawning and rearing habitat for anadromous salmonids.
- Reducing the possible impacts of existing roads and other transportation infrastructure on aquatic ecosystems and water quality.
- Establishing a forest management program that increases forest health and productivity.
- Establishing a monitoring framework for restoration activities within an adaptive management context.
- Generating reasonable revenue by responsible forest management for re-investment in the property (e.g. restoration projects, road upgrades) and, potentially, for conservation projects elsewhere in the region.

### **1.4.2 Forest Composition**

The TCF FMUs primarily comprise second- and third-growth coastal redwood/Douglas-fir dominated stands. The forests were extensively cutover in the 1950s and 1960s by the previous landowners, and as a result now contain an unnaturally high density of hardwoods, particularly tanoak (*Lithocarpus densiflora*), compared to pre-settlement conditions. Other commercial species occurring on the properties are grand fir (*Abies grandis*), sugar pine (*Pinus lambertiana*), and Western hemlock (*Tsuga heterophylla*).

### **1.4.3 Silvicultural Systems**

In general, TCF plans to employ high-retention, single-tree selection silviculture with a 10-20 year re-entry period. Due to past harvesting practices, the majority of the stands are younger and relatively simplified in terms of habitat structure. In well-stocked stands the first harvest entries will be individual tree selection and thinning from below to release the growth potential of high-quality the residual trees. These harvests will produce many stems but there will be relatively low volume due to the smaller average piece size; TCF feels this is a necessary step to achieving the long-term goal of increasing growth and recruiting vigorous future crop trees. Because of low conifer occupancy or quality, many stands will require a one-time “rehabilitation” treatment to increase future occupancy and productivity. In these

situations, TCF will also reduce tanoak competition in stands that were historically conifer-dominant by using variable retention harvests, and by mechanical or chemical treatment.

#### **1.4.4 Management Systems**

The TCF North Coast Forest Conservation Program are composed of three distinct FMUs: the Garcia River Forest, the Salmon Creek Forest, and the Big River Forest. The Big River and Salmon Creek tracts are often grouped together in management planning and allocation of resources because they were obtained in a separate acquisition two years after the GRF, and are in close geographic proximity to one another.

Overall project leadership falls with Chris Kelly, TCF California Program Director (based in Larkspur, CA) and Evan Smith, TCF Director of Forestry Projects (based in Portland, OR). The Conservation Fund has opened a local office in Caspar, California, which is managed full-time by the North Coast Program Manager Jenny Griffin. A team of area RPFs has been hired to write THPs, oversee subcontractors, and assist with other program activities. A suite of contractors has been retained for the diverse requirements of the program, including GIS, accounting, ecology/biology, roads, logging, watershed, inventory and modeling, and security, among others. TCF also works in close collaboration with TNC due to the Garcia River conservation easement.

#### **1.4.5 Monitoring System**

TCF has planned extensive monitoring initiatives to assess, among other things:

- Timber inventory, growth, and yield of harvests
- Forest structure/habitat, including canopy closure, snags, habitat connectivity
- Tree species composition
- Water quality, including sedimentation, erosion, temperature, turbidity, etc.
- Salmonids
- Invasive plants
- Barred and northern spotted owls
- Environmental impacts of harvesting.

#### **1.4.6 Estimate of Maximum Sustainable Yield**

Garcia River Forest – average 1.5 million board feet (MMBF) per year for the first ten-year period (2006-2015). This estimate is based on a conservative assumed growth rate of 5.0%, and the commitment to not harvest more than 35% of growth on the non-reserve portion of the forest.

Big River and Salmon Creek Forests – average 4.65 MMBF per year for the first twenty years. Prior to acquisition, TCF commissioned a harvest scheduling analysis that made projections excluding non-harvest areas such as WLPZs and northern spotted owl activity center buffers.

### 1.4.7 Estimated, Current and Projected Production

#### Garcia River:

Period	Total Annual Allowable Cut (MBF)	Period	Total Annual Allowable Cut (MBF)
2006-2015	1504	2056-2065	6847
2016-2025	1934	2066-2075	7595
2026-2035	3108	2076-2085	8878
2036-2045	4441	2086-2095	9486
2046-2055	5756	2095-2105	9486

#### Big River and Salmon Creek:

Year	Total AAC (MBF)	Redwood (MBF)	Douglas Fir (MBF)	Other Conifer (MBF)	Hardwood (MBF)
2007	4134	2570	1458	69	37
2008	4380	2569	1515	210	86
2009	4748	2741	1678	257	72
2010	4506	3038	1315	90	63
2011	4817	2939	1401	299	178
2012	3967	2870	984	63	51
2013	5093	2735	1701	557	100
2014	4972	3032	1636	120	184
2015	5333	2747	2145	225	216
2016	5268	2941	1662	453	211
2017	4534	2593	1639	222	80
2018	4958	2737	1800	255	167
2019	4915	2791	1612	319	193
2020	4865	3124	1493	87	160
2021	4638	2580	1491	335	232
2022	4583	3243	1131	77	132
2023	4145	2542	1336	186	80
2024	5326	2858	1779	494	196
2025	5529	2663	2245	368	253
2026	5271	2806	2069	218	179

These estimates will be reviewed and updated on a regular basis, using permanent plot observations to refine the inventory databases.

### 1.4.8 Chemical Pesticide Use

TCF plans to use Arsenal and Accord as a last-resort alternative in controlling tanoak and invasive plants (e.g. pampas grass and broom). Neither of these chemicals appears on the FSC's prohibited list.

## 2.0 GUIDELINES/STANDARDS EMPLOYED

As the applicant forest property is located in northern California, the certification evaluation that is the subject of this report was conducted against the duly-endorsed FSC Pacific Coast

Regional Standard, version 9.0, May 2005. The standard is available at the FSC-US web site ([www.fscus.org](http://www.fscus.org)) or is available upon request from Scientific Certification Systems ([www.scscertified.com](http://www.scscertified.com)).

### **3.0 THE CERTIFICATION ASSESSMENT PROCESS**

#### **3.1 Assessment Dates**

A preliminary evaluation was conducted on May 10, 2006. Please see Appendix 2 of this report for the Preliminary Evaluation Audit Report.

The field visit portion of the main certification evaluation was conducted on June 4-6, 2007.

#### **3.2 Assessment Team**

##### **Robert Hrubes, Ph.D. Registered Professional Forester and Forest Economist - FSC Team Leader on Scoping and Full Assessments, SFI Team Member**

Dr. Hrubes is a California registered professional forester (#2228) and forest economist with over 30 years of professional experience in both private and public forest management issues. He is presently Senior Vice-President of Scientific Certification Systems. In addition to serving as team leader for the Michigan state forestlands evaluation, Dr. Hrubes worked in collaboration with other SCS personnel to develop the programmatic protocol that guides all SCS Forest Conservation Program evaluations. Dr. Hrubes has previously led numerous audits under the SCS Forest Conservation Program of North American public forests, industrial forest ownerships and non-industrial forests, as well as operations in Scandinavia, Chile, Japan, Malaysia, Australia and New Zealand. Dr. Hrubes holds graduate degrees in forest economics (Ph.D.), economics (M.A.) and resource systems management (M.S.) from the University of California-Berkeley and the University of Michigan. His professional forestry degree (B.S.F. with double major in Outdoor Recreation) was awarded from Iowa State University. He was employed for 14 years, in a variety of positions ranging from research forester to operations research analyst to planning team leader, by the USDA Forest Service. Upon leaving federal service, he entered private consulting from 1988 to 2000. He has been Senior V.P. at SCS since February, 2000.

##### **Mike Ferrucci, Master of Forestry - SFI Team Leader Scoping and Full Assessments, FSC Team Member**

Michael Ferrucci is a founding partner and President of Interforest, LLC, and a partner in Ferrucci & Walicki, LLC, a land management company that has served private landowners in southern New England for 25 years. He has a B.Sc. degree in forestry from the University of Maine and a Master of Forestry degree from the Yale School of Forestry and Environmental Studies. Mr. Ferrucci's primary expertise is in management of watershed forests to provide timber, drinking water, and the protection of other values; in forest inventory and timber appraisal; hardwood forest silviculture and marketing; and the ecology and silviculture of natural forests of the eastern United States. He also lectures on private sector forestry, leadership, and forest resource management at the Yale School of Forestry and Environmental Studies. Mr. Ferrucci has participated in forest management assessments in

27 states, and has conducted joint FSC-SFI Certification Assessments on over 14 million acres of forestland in the United States. For this project, Mr. Ferrucci functioned as an employee of NSF.

**Chip Andrus, Water Resources Scientist, FSC/SFI Team Member**

Chip has over 20 years of experience providing state, federal, and private entities with technical expertise on evaluating and managing water and fish and wildlife resources within Pacific Northwest watersheds. His experience spans a wide array of land uses including forestry, agriculture, gravel mining, and urban development. He has developed a number of specialties that include fish and wildlife habitat, river geomorphology, water quality, water use, landslides, riparian vegetation, wetland restoration, near-river gravel mining, culvert design, and urban runoff. This diversity of skills has allowed him to be effective in a wide range of studies and restoration projects. Chip has had success working in complex social settings, often involving multiple agencies and landowners. He has a research background, which provides him with a firm foundation when evaluating land use activities and designing restoration projects. Chip is practiced at handling all aspects of project completion including assessments, permitting, cost evaluation, contractor supervision, and monitoring.

**Andrea Jung, B.S. Forestry, SCS Forest Certification Coordinator, Observer**

Andrea Jung works in the SCS Forest Management department as the Forest Certification Coordinator, where she provides logistical and programmatic support for SCS' 70 FSC endorsed forest management certificates. She received her B.S. in Forestry from the University of California, Berkeley in 2004, and has related experience interning with a large forest products company in Oregon, and studying plantation forestry in New Zealand. For this evaluation, Andrea participated on the audit team as an observer and was lead author of this certification report.

**3.3 Assessment Process**

**3.3.1 Itinerary**

**Preliminary Evaluation:** On May 10, 2006, Robert Hrubes met with TCF staff in Mendocino County to discuss their forest program and policies, their partnerships with other agencies in land acquisition, and to review key management planning documents. At the time, the Salmon Creek and Big River acquisitions had not been finalized; therefore, the preliminary evaluation only included the Garcia River Forest in its scope. A field visit was made to the proposed site of the Jack's Opening Timber Harvest Plan.

**Main Evaluation:** Prior to the field portion of the main evaluation, the audit team reviewed pertinent TCF management planning documents including the Garcia River Integrated Resource Management Plan, draft Forest Management Policies, THPs, Conservation Prospects for the North Coast, the Memorandum of Understanding for the Big River/Salmon Creek acquisition, and others.

**Opening Meeting:** The team convened in Fort Bragg on Monday, June 4, 2007 and the audit process began with an opening meeting. The following individuals were present:

- Evan Smith, TCF Director of Forestry Projects
- Jenny Griffin, TCF North Coast Program Manager
- John Nickerson, RPF – forest inventory and modeling consultant to TCF
- Chris Blencowe, watershed consultant to TCF
- Chandra Nellis, TCF Bookkeeping/Accounting
- Chris Kelly, TCF California Program Director
- Rick Cooper, TCF Security on Big River & Salmon Creek

**Field Visits:** The audit team, TCF staff and project collaborators spent Monday afternoon, Tuesday, and Wednesday morning visiting an array of field sites within the three properties. Please see 3.3.4 for a detailed description.

**Scoring:** After completion of the last field visit on Wednesday afternoon, the audit team sequestered to assign scores for TCF’s conformance with the Pacific Coast Regional Standard, based on evidence gathered during the field visits, interviews, and document review. Roughly four hours were spent in deliberations and scoring.

**Closing Meeting:** Immediately following the audit team’s deliberations and scoring, an exit meeting was held to convey the preliminary results of the main evaluation to TCF. Evan Smith and Jenny Griffin were present.

### **3.3.2 Evaluation of Management System**

The audit team visited the TCF North Coast Program offices in Caspar for a brief tour and overview of regional office responsibilities.

### **3.3.3 Selection of FMUs to Evaluate**

The forest management operation undergoing certification consists of three Forest Management Units. Field stops in the Garcia River, Salmon Creek, and Big River properties were included in the site visit portion of the evaluation.

### **3.3.4 Sites Visited**

#### Monday afternoon, June 4 – Salmon Creek Forest

Present:

- Evan Smith
- John Nickerson
- Darcie Mahoney, RPF and consultant to TCF
- Jeannette Howard, TNC Ecologist
- Chris Blencowe

Lower Salmon Creek THP – Darcie Mahoney, RPF. Visited a THP that was originally prepared by the Campbell Group for Hawthorne Timber. When TCF acquired the property they opted to build on this plan, making significant changes,

which included the removal of clearcutting, using single tree selection in the former group selections, and expanding the acreage in order to consolidate the harvest area. The original THP has been approved and amended acreage is still under review.

Stop 1 – Bridge and stream, property overview, large woody debris discussion.

Stop 2 - Unit G1. Topics discussed: Big Salmon Creek (Class I WLPZ, 50' no-cut zone), forest inventory and modelling, timber marking, invasive exotic species.

Stop 3 – Herbicide Use Discussion

Stop 4 – Unit B4. Topics discussed: Rare/sensitive plant species, seed tree removal silvicultural system, diversity of species in pygmy forest interface, road conditions (rolling dips and some rills noted on drive from previous stop).

#### Monday evening, June 4

Dinner with Evan Smith, Jenny Griffin, and Mike Stephens, TCF's contract biologist/owl caller for Big River/Salmon Creek. Topics discussed: marbled murrelet, Barred and Northern spotted owls on the three TCF properties, outreach to involve local Native American tribes/rancherias in management planning.

#### Tuesday, June 5 – Garcia River Forest

Present for all or some portion:

- Evan Smith
- Craig Blencowe, RPF – consultant to TCF
- Jeannette Howard, TNC
- Mark Reynolds, TNC
- Jen Carah, TNC
- Kerry Heise, botanist and consultant to TCF
- Geri Hulse-Stephens, botanist and consultant to TCF
- Renee Cormier, Point Reyes Bird Observatory, owl survey
- Tom Gardali, Point Reyes Bird Observatory, owl survey

Stops/Topics:

- Entrance gate/access road
- Overlook, North Fork Garcia River: property overview, terrain, cutting history of previous owner, 16-inch-diameter-limit harvesting, Tanoak competition, forest composition, goals to increase softwood composition and grow redwood to 30-inch DBH and Douglas-fir to 24-26-inch DBH
- Discussion with owl biologists Renee Cormier and Tom Gardali, Point Reyes Bird Observatory, returning from early morning owl survey
- Discussion with contract botanists Geri Hulse-Stephens and Kerry Heise on the vascular plant survey they performed for the entire GRF. Identification of Santa Cruz clover, *Trifolium buckwestiorum*, a rare plant favoring disturbed sites that was found on the property, 40 miles north of its known extension. Also discussed exotic plants.
- Completed Jack's Opening THP – Craig Blencowe, supervising RPF. Cable yarding versus tractor, residual stand damage, watercourse crossings, revised

- Viewed sites of Tanoak control by “hack-and-squirt” direct application methods by previous landowner.
- Reviewed roads, including upgraded portions of access road, and portions of Olson Gulch Road not yet upgraded, showing signs of age but still has properly functioning drainage, generally rolling dips.
- Bridge over North Fork of the Garcia River - Lunchtime discussion regarding the TNC conservation easement, TNC monitoring occurring on the property, Ecological Reserve Network (ERN) and “control” areas within the GRF, High Conservation Value Forests, watershed assessment/identification and treatment of sediment sources.
- Lower North Fork THP – marking strategies, particularly differences in marking styles between the multiple RPFs contracted by TCF; RPF team “peer field consultation”.

#### Wednesday, June 6 – Big River Forest

Present for all or some portion:

- Evan Smith
- Jenny Griffin
- Lee Susan, RPF – consultant to TCF
- Jeremiah Susan, marker/field technician
- Tom Kisliuk, RPF – consultant to TCF

River Bend THP – Lee Susan, RPF. Planned 166-acre selection harvest of second and third-growth redwood/Douglas-fir forest. Preliminary plan done by Campbell while property was under Hawthorne ownership; discussed changes in silviculture to meet current goals, including use of selection system, light harvests, and stand improvement practices. Cable skyline to be used on steep slopes, and tractor yarding on gentle slopes/even ground. Discussion topics: RPF’s understanding of TCF conservation objectives and how they are quantified on the ground, minimization of water crossings, physical demarcation and avoidance of WLPZs.

Jarvis Camp THP – Tom Kisliuk, RPF. THP submitted to CDF May 25, 2007, pre-harvest inspection to be carried out week of June 11<sup>th</sup>. 270-acre selection harvest of second-growth redwood forest, with more hardwood dominated areas than River Bend THP. Portions of the harvest area that were tractor logged under the previous owner will be converted to skyline yarding. Discussion topics: hardwood treatments, improving road infrastructure, implications of harvesting near a major public road (Highway 20), use of road system on neighboring property. Reviewed Units W3, W1, and re-use/upgrades of existing road system.

### **3.3.5 Stakeholder Consultation**

Pursuant to SCS protocols, consultations with key stakeholders were an integral component of the evaluation process. Consultation took place prior to, concurrent with, and following the field evaluation. The following were distinct purposes of the consultations:

To solicit input from affected parties as to the strengths and weaknesses of The Conservation Fund's management, relative to the standard, and the nature of the interaction between the company and the surrounding communities.

To solicit input on whether the forest management operation has consulted with stakeholders regarding identifying any high-conservation-value forests.

Principal stakeholder groups of relevance to this evaluation were identified based on results from the scoping evaluation, lists of stakeholders from TCF, and additional stakeholder contacts from other sources (e.g., the FSC Pacific Coast Working Group). The following types of groups and individuals were determined to be principal stakeholders:

- TCF employees, including headquarters and field
- contractors
- lease holders
- adjacent property owners
- Local Tribal members and or representatives
- Members of the FSC Pacific Coast Working Group/National Initiative
- FSC International
- Local and regionally based environmental organizations and conservationists
- Local and regionally based social interest organizations
- Forest industry groups and organizations
- Purchasers of logs harvested on TCF forestlands
- Local, State and Federal regulatory agency personnel
- Other relevant groups

Prior to, during, and following the site evaluation, a wide range of stakeholders from the regional area were consulted in regard to their relationship with TCF, and their views on the management of the North Coast Forest Conservation Program. Stakeholders included FSC contact persons, government and non-government organizations involved in forest management, local citizens and groups, employees, contractors, and others. Stakeholders were contacted with a notification mailing soliciting comment and/or phone contact. Comments were received via meetings and personal interviews, phone interviews, and through written responses.

### **3.3.5.1 Summary of Stakeholder Concerns and Perspectives and Responses from the Team Where Applicable**

A summary of major perspectives and concerns expressed by the stakeholders that were consulted during the course of this evaluation include:

**Economic Concerns**

<b>Comment/Concern</b>	<b>Response</b>
<ul style="list-style-type: none"> <li>Some stakeholders expressed concern that TCF will increase harvest levels in the Big River/Salmon Creek units in response to pressure to repay state loans used to purchase the parcels. This is less of a concern on the Garcia River unit, as a conservation easement is in place.</li> </ul>	Noted; see discussion in P5.C1.
<ul style="list-style-type: none"> <li>The general local sentiment is that TCF will be better managers than the previous owners; the public is pleased that the land is now owned by a conservation organization (managing for multiple values) rather than an industrial timber company.</li> </ul>	Noted.

**Social Concerns**

<b>Comment/Concern</b>	<b>Response</b>
<ul style="list-style-type: none"> <li>TCF has conducted a very transparent management planning process; community members have been given fair consideration in public meetings and field tours.</li> </ul>	Duly noted.
<ul style="list-style-type: none"> <li>Having the right personnel is important in good forest stewardship, and TCF has hired some of the best foresters available; they are extremely competent and very familiar with the land base.</li> </ul>	Duly noted.
<ul style="list-style-type: none"> <li>TCF has proactively sought local Native-American collaboration in planning; moreover, archeological sites located on the properties are being adequately protected.</li> </ul>	Comment duly noted during deliberations.

**Environmental Concerns**

<b>Comment/Concern</b>	<b>Response</b>
<ul style="list-style-type: none"> <li>Harvesting on the Salmon Creek and Big River units is premature, because no integrated resource management plan is in place, as there was for the Garcia River THPs. The MOU in place is not prescriptive enough to fulfill this need, and the IRMP's projected completion date is in 2008.</li> </ul>	Noted during deliberations; see Minor CAR 2007.9. For the Big River and Salmon Creek units, TCF has been following interim Forest Management Policies, which borrow heavily from the Garcia River Forest IRMP.
<ul style="list-style-type: none"> <li>TCF has been very responsive to the public, and has addressed concerns directly and within</li> </ul>	Duly noted.

<ul style="list-style-type: none"> <li>The local community is supportive of this model of landscape conservation – that is, a productive, working forest being managed by a nonprofit organization – and is hopeful it will set an example for preventing land fragmentation and subdivision in future cases.</li> </ul>	Duly noted.

### 3.4 Total Time Spent on Audit

The audit team spent in excess of 12 auditor-days on the evaluation, including document review and audit preparation, stakeholder consultation, on-site evaluation, and report preparation.

### 3.5 Process of Determining Conformance

Consistent with SCS Forest Conservation Program evaluation protocols, the team collectively assigned weighed scores of relative importance to each Criterion within the ten Principles at the completion of the field phase. Importance-weighted means (average scores) were then calculated for each Principle. Scoring takes place on a 100-point scale, using a consensus process amongst all members of the evaluation team. Scores less than 80 points connote performance in which there is discernible non-conformance to the breadth of a Criterion. For any Criterion with an assigned score below 80 points, the team is required to specify one or more Corrective Action Requests (CARs), also known as “conditions.” If the weighted average score of any Principle is less than 80, certification cannot be awarded and, instead, the evaluation team must stipulate one or more Major Corrective Action Requests (Major CARs), also known as “pre-conditions.” The evaluation team also retains the option to specify “discretionary CARs” even when the score for the pertinent Criterion is above 80 points. This may occur when, overall, a Criterion is highly scored, but there are issues within the scope of the Criterion that, in the judgment of the team, necessitate improvements, even though such deficiencies are not severe enough to move the score below 80 for the totality of the Criterion. For certification to be awarded, the importance-weighted average score for each of the 10 FSC Principles must be 80 points or higher.

#### *Interpretations of Preconditions (Major CARs), CARs and Recommendations*

*Preconditions/Major CARs:* These are corrective actions that must be resolved or closed out prior to award of the certificate. These arise when the importance-weighted average score for a Principle is less than 80 points or where there is observed non-compliance with a “pre-emptive” indicator (e.g., use of GMOs is a “fatal flaw” that precludes award of certification regardless of the strength of the overall management program).

*CARs:* Corrective actions must be closed out within a specified time period of award of the certificate. Certification is contingent on the certified operation's response to the CAR within the stipulated time frame.

*Recommendations:* These are suggestions that the audit team concludes would help the company move even further toward exemplary status. Action on the recommendations is voluntary and does not affect the maintenance of the certificate. Recommendations can be changed to CARs if performance with respect to the criterion triggering the recommendation falls into non-compliance.

## **4.0 RESULTS OF THE EVALUATION**

Table 4.1 below, contains the evaluation team's findings as to the strengths and weaknesses of the forest management operation relative to the FSC Principles of forest stewardship. The table also presents the corrective action request (car) numbers related to each principle.

**Table 4.1 Notable strengths and weaknesses of the forest management enterprise relative to the P&C**

Principle/Subject Area	Strengths Relative to the Standard	Weaknesses Relative to the Standard	CAR/REC #s
<b>P1: FSC Commitment and Legal Compliance</b>	<ul style="list-style-type: none"> <li>▪ TCF has not had any legal violations, though there is only a short track record due to the recent acquisition of the properties</li> <li>▪ TCF forest management policies exceed the requirements of the California Forest Practice Rules in many instances.</li> </ul>	<ul style="list-style-type: none"> <li>▪ TCF has not performed a self-assessment for compliance to internationally relevant treaties</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Minor CAR 2007.2</b></li> <li>▪ <b>Minor Car 2007.3</b></li> </ul>
<b>P2: Tenure &amp; Use Rights &amp; Responsibilities</b>	<ul style="list-style-type: none"> <li>▪ There is no doubt as to the legal tenure of the forest operation.</li> <li>▪ TCF has done a superlative job of proactively reaching out to the local communities surrounding their three forests, involving them in stakeholder tours, and incorporating their feedback into management planning.</li> <li>▪ In cases where the THP abuts the property boundary, TCF flags the property line.</li> </ul>	<ul style="list-style-type: none"> <li>▪ As yet there have been no disputes, but there is no formal policy on how disputes will be resolved should they arise.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Minor CAR 2007.4</b></li> </ul>

<b>P3: Indigenous Peoples' Rights</b>	<ul style="list-style-type: none"> <li>▪ TCF has actively sought the input of tribal representatives in resource planning.</li> <li>▪ Arch surveys are performed, and the State of California Cultural Records Database is consulted as part of the THP preparation process.</li> <li>▪ All RPFs are required to have current cultural and archeological training.</li> <li>▪ Jenny Griffin coordinates Native American outreach efforts, and keeps a log in the Caspar TCF office of when contact was made, what issues were discussed, and what input was received.</li> <li>▪ Known cultural sites are protected from management activities by excluding the use of heavy machinery in the immediate vicinity.</li> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	
<b>P4: Community Relations &amp; Workers' Rights</b>	<ul style="list-style-type: none"> <li>▪ Although TCF's North Coast program can be considered a middle-scale operation, they provide many opportunities for those affected by forestry activities to offer input into planning, in the form of stakeholder tours, commentary on THPs, and an Advisory Council that includes some local activists.</li> <li>▪ So far, there have been no formal grievances – any complaints to date have been resolved through communication prior to escalation.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Currently, TCF does not have a written policy regarding informal dispute resolution for matters pertaining to forest workers.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Minor CAR 2007.5</b></li> <li>▪ <b>Minor CAR 2007.6</b></li> </ul>

<p><b>P5: Benefits from the Forest</b></p>	<ul style="list-style-type: none"> <li>▪ One of TCF’s general management goals is to “support the local business economy by utilizing local contractors and suppliers.”</li> <li>▪ TCF plans to allow for supervised restoration, education, and recreation activities for the local community.</li> <li>▪ There was very little residual stand damage in the one completed THP observed by the audit team.</li> <li>▪ Divided sales (e.g. redwood to one customer, white wood to another) help to optimize value of forest products.</li> <li>▪ All logs are processed regionally and most are processed locally, specifically in the same county.</li> </ul>		
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<p><b>P6: Environmental Impact</b></p>	<ul style="list-style-type: none"> <li>▪ TCF has collaborated closely with a wide variety of scientific experts and organizations to assess the ecological conditions in the three FMUs, including biologists, ecologists, botanists, etc.</li> <li>▪ An Ecological Reserve Network (ERN) has been established on 35% of the Garcia River property to serve as a ‘control’ set-aside.</li> <li>▪ TCF practices conservative, uneven-age, single-tree selection silviculture throughout the majority of the forest estate.</li> <li>▪ The Site Specific Management Plan and Erosion Control Plan for the Garcia River watershed ensure active control and treatment of sediment input sources.</li> <li>▪ Representative samples of unique ecosystems within the landscape are protected, including the pygmy forest found in the Salmon Creek FMU and the oak woodland/annual grassland found in the Garcia River FMU.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Snags/wildlife trees and other downed woody debris are generally deficient across the landscape; there is a need for a more well-defined recruitment policy.</li> <li>▪ Better-written, field-relevant guidelines are needed to assist TCF foresters in determining acceptable circumstances/conditions for employing tractor/ground based skidding.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Minor CAR 2007.7</b></li> <li>▪ <b>Minor CAR 2007.8</b></li> <li>▪ <b>REC 2007.1</b></li> </ul>
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<b>P7: Management Plan</b>	<ul style="list-style-type: none"> <li>▪ The completed Garcia River Forest Integrated Resource Management plan is a very detailed, well laid-out planning document that includes all the requirements of 7.1.</li> <li>▪ TCF has created a series of interim policy documents to guide management activities on BR/SC, which largely borrow from the GRF IRMP.</li> </ul>	<ul style="list-style-type: none"> <li>▪ At the time of the full evaluation, TCF had completed the GRF Integrated Resource Management Plan (IRMP), and was in the data-collection phase for creating an integrated Big River/Salmon Creek Plan. There needs to be a unified, umbrella management plan for the three North Coast Forest Conservation Program forest units.</li> <li>▪ Currently, there is no training mechanism in place to ensure that all forest workers understand their role in implementing the management plan.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Minor CAR 2007.9</b></li> <li>▪ <b>Minor CAR 2007.10</b></li> </ul>
<b>P8: Monitoring &amp; Assessment</b>	<ul style="list-style-type: none"> <li>▪ Plans are in place to periodically assess all appropriate monitoring indicators, including timber inventory, growth, and yield; water quality; forest composition, structure, and habitat; fauna, etc.</li> <li>▪ TCF has committed to an adaptive management approach by incorporating monitoring results into management plan revisions.</li> </ul>	<ul style="list-style-type: none"> <li>▪ TCF has not created a Chain of Custody Documented Control System (precondition fulfilled).</li> <li>▪ There is no publicly available summary of monitoring results that addresses the subject areas listed in Criterion 8.2.</li> <li>▪ TCF needs to include the results of periodic, social-impact-assessment monitoring into management planning.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Major CAR 2007.1</b></li> <li>▪ <b>Minor CAR 2007.6</b></li> <li>▪ <b>Minor CAR 2007.11</b></li> </ul>

<p><b>P9: Maintenance of High Conservation Value Forest</b></p>	<ul style="list-style-type: none"> <li>▪ TCF has created an interim “High-Conservation-Value-Forest-Program” document, which identifies the HCV attributes for the properties: oak woodlands and grasslands, pygmy cypress forest, old-growth coniferous forest, and salmonid spawning streams.</li> <li>▪ Timber harvest will not occur within any of the HCV areas.</li> </ul>	<ul style="list-style-type: none"> <li>▪ On the Garcia River Forest, TCF has collaborated with The Nature Conservancy to identify High Conservation Values; however, these consultations and those that will take place on the Big River and Salmon Creek units need to be documented.</li> <li>▪ TCF has not explicitly incorporated HCVF into their management-planning procedures and planning documents</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Minor CAR 2007.12</b></li> <li>▪ <b>Minor CAR 2007.13</b></li> </ul>
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## 4.2 Preconditions - Major CARs

Preconditions are major corrective action requests that are placed on a forest management operation after the initial evaluation and before the operation is certified. Certification cannot be awarded if open preconditions exist.

The following pre-conditions were placed on TCF during their initial evaluation. They have all been closed to the satisfaction of the audit team.

<b>Observed nonconformity:</b> TCF has not yet developed a chain of custody control system, including written documentation thereof.	
<b>MAJOR CAR 2007.1</b>	Prior to award of certification, TCF must develop and submit to SCS a written description of the procedures it will employ to assure control of all logs harvested from the certified FMO (forest management operation) so as to assure that delivered logs sold as FSC-certified product are not mixed with logs from non-certified sources. The procedure must assure that SCS can readily monitor volumes of forest products (delivered logs) harvested and sold, by reasonable time periods, such as monthly, as well as by purchaser. As part of this procedure, TCF should develop additional written guidance informing its purchasers that the FSC-certified status of products leaving the certified Garcia River, Salmon Creek, and Big River forest units will be maintained only so long as the purchaser and subsequent purchasers hold their own CoC certificates or are duly covered by another valid FSC Chain of Custody certificate.
<b>Reference</b>	FSC Criterion 8.3
<b>Deadline</b>	Prior to award of certification
<b>Actions:</b>	TCF submitted to SCS an operation policy entitled “Certified Product Chain of Custody Program” that satisfactorily meets the requirements of this Major CAR. The documented control system includes written guidance to Licensed Timber Operators, Log Haulers, and Log Buyers, reminding them that maintenance of the products’ certified status is dependent on the purchaser holding a valid FSC Chain of Custody certificate. The document also contains a sample “Daily Log Summary” spreadsheet sufficient to track log production and sales outputs.
<b>Status</b>	<b>CLOSED</b>

## 5.0 CERTIFICATION DECISION

### 5.1 Certification Recommendation

As determined by the full and proper execution of the SCS *Forest Conservation Program* evaluation protocols, the evaluation team hereby recommends that The Conservation Fund – Big River, Salmon Creek, and Garcia River Forests be awarded FSC certification as “Well-Managed Forests,” subject to the corrective action requests stated in Section 5.2. The Conservation Fund has demonstrated their system of management is capable of ensuring that all of the requirements of the Pacific Coast Regional Standard are met over the forest area covered by the scope of the evaluation. The Conservation Fund has also demonstrated that the described system of management is being implemented consistently over the forest area covered by the scope of the certificate.

## 5.2 Initial Corrective Action Requests (CARs)

<b>Observed nonconformity:</b> TCF forest managers cannot, at present, confirm/demonstrate that their operations in Northern California are in compliance with all applicable international treaties, conventions and agreements.	
<b>MINOR CAR 2007.2</b>	TCF must compile and maintain a list, using Appendix A of the Pacific Coast Regional Standard as guidance, of the international treaties, conventions, and agreements applicable to the forest management operation. TCF must then complete a self-assessment to determine the current level of compliance and provide SCS with a memorandum conveying the results of the self-assessment.
<b>Reference</b>	FSC Criterion 1.3, Pacific Coast Regional Indicator 1.3.a
<b>Deadline</b>	December 31, 2007

<b>Observed nonconformity:</b> For its northern California operations, TCF has not yet adopted and memorialized a policy assuring that when conflicts arise between applicable legal requirements and the FSC P&C, such conflicts will be referred to SCS and the FSC for resolution.	
<b>MINOR CAR 2007.3</b>	TCF must adopt and memorialize a policy assuring that when discrepancies arise between US law and FSC P&C with respect to management of the North Coast Forest Conservation Program, such conflicts will be referred to SCS for resolution.
<b>Reference</b>	FSC Criterion 1.4, Pacific Coast Regional Indicator 1.4.a
<b>Deadline</b>	Two months after award of certification
<b>Actions</b>	TCF revised the Forest Certification section of the Forest Management Policies document to include the following: “Any conflicts or inconsistencies between either certification standard and applicable law or guidance from a regulatory agency will be referred to the lead auditor for resolution.”
<b>Status</b>	<b>CLOSED</b>

<b>Observed nonconformity:</b> Currently, TCF does not have a documented policy expressing a commitment to resolve disputes with community stakeholders and/or American Indian groups through open communication, negotiation, and/or mediation.	
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<b>MINOR CAR 2007.4</b>	For its northern California operations, TCF must develop and convey to SCS a written policy expressing a commitment to resolve disputes with external parties, wherever possible, through open communication, negotiation and/or mediation.
<b>Reference</b>	FSC Criterion 2.3, Pacific Coast Regional Indicators 2.3.a and 2.3.b
<b>Deadline</b>	Two months after award of certification.
<b>Action</b>	TCF revised its Forest Management Policies to include the following: “...Should a dispute arise between TCF and a local citizen, neighbor, partner organization, current or potential contractor, or other interested entity, TCF will first seek to resolve the dispute through open communication, prior to more formal dispute resolution through mediation or litigation.”
<b>Status</b>	<b>CLOSED</b>

<b>Observed nonconformity:</b> Currently, TCF does not have a written policy regarding informal dispute resolution for matters pertaining to forest workers.	
<b>MINOR CAR 2007.5</b>	For its northern California operations, TCF must develop and convey to SCS a written policy, and associated procedures, providing a mechanism for addressing issues that may arise between management and forest workers through informal dispute resolution, as a first resort. This informal dispute resolution mechanism should be available, by TCF policy, to employees of contractors doing work on TCF’s North Coast Forest Conservation Program certified forest management units.
<b>Reference</b>	FSC Criterion 4.3, Pacific Coast Indicator 4.3.a
<b>Deadline</b>	Two months after award of certification
<b>Action</b>	The dispute resolution clause added to the Forest Management Policies mentioned in CAR 2007.4 includes provisions for “current or potential contractors,” which includes forest workers. The revision also states “In all situations, TCF strives to be a good neighbor and fair employer, and will hold itself to high professional standards in its dealings with the local community, contractors, Native American tribes, public agencies, and all interested parties.”
<b>Status</b>	<b>CLOSED</b>

<b>Observed nonconformity:</b> TCF cannot, at present, fully demonstrate conformance with the requirement that management planning and operations incorporate the results of evaluations of social impacts.	
<b>MINOR CAR 2007.6</b>	TCF must pursue means and opportunities to better incorporate the results of periodic social-impact assessments into management planning and operations. A memorandum summarizing the additional means by which social-impact assessment (SIA) are better incorporated into North Coast Forest Conservation Program planning and operations must be conveyed to SCS.

<b>Reference</b>	FSC Criterion 4.4, Pacific Coast Regional Indicators 8.3.d.3 and 8.2.d.4
<b>Deadline</b>	First annual audit after award of certification

<b>Observed nonconformity:</b> Snags and senescent/decadent, vertical woody structure (e.g., “wildlife trees”), as well as large downed woody debris are generally deficient across the managed forest landscape of the north coast of California, including on the TCF North Coast Forest Conservation Program. To better contribute to the maintenance of these important ecological components, TCF forest managers need to be more conscious about maintaining and recruiting snags, senescent/decadent live trees, and large woody debris.	
<b>MINOR CAR 2007.7</b>	TCF must elaborate more robust policies and marking guidelines for the maintenance and recruitment of standing snags, senescent standing trees and large downed woody debris (across species and size/conditions classes) such that, over time, snag, senescent tree, and large downed woody debris densities increase across the North Coast Forest Conservation Program forest units. The policy and marking guidelines must be submitted to SCS, and field review of its early implementation will be a focus of the first annual surveillance audit.
<b>Reference</b>	FSC Criterion 6.3, Pacific Coast Regional Indicator 6.3.e.1
<b>Deadline</b>	First annual audit after award of certification

<b>Observed nonconformity:</b> Better written and field-relevant guidelines are needed to assist TCF foresters in determining acceptable circumstances/conditions for employing tractor/ground based skidding.	
<b>MINOR CAR 2007.8</b>	In order to more effectively and consistently minimize soil disturbance, TCF must develop and implement more detailed field guidance on the acceptable circumstances for tractor/ground based log skidding. The revised guidelines must be in written form and properly conveyed to all foresters developing THPs on the North Coast Forest Conservation Program forest units.
<b>Reference</b>	FSC Criterion 6.5, Pacific Coast Regional Indicator 6.5.e
<b>Deadline</b>	Six months after award of certification
<b>Action</b>	TCF has added Section XV, Harvesting Operations to its Forest Management Policies. The section provides guidance describing under what circumstances it is appropriate to use tractor versus cable yarding. Generally, the guidelines say, tractor yarding may be used on slopes up to 55%, but there is a range between 50-65% where either method may be used. Decisions on which yarding method to use are reviewed by the Senior Forester and discussed with the rest of the forestry team during field consultations.
<b>Status</b>	<b>CLOSED</b>

<b>Observed nonconformity:</b> While there is an excellent Integrated Resource Management Plan for the Garcia River Forest, there needs to be a unified umbrella management plan for the three North Coast Forest Conservation Program forest units.	
<b>MINOR CAR 2007.9</b>	TCF forest managers must develop an umbrella management-planning document that unifies and coordinates the management of the Garcia River, Big River and Salmon Creek units under a common set of management goals, policies, guidelines and procedures that collectively demonstrate conformance with the FSC Pacific Coast Regional Standards. SCS should be informed whether or not this umbrella planning document will be made publicly available, in order for there to be demonstrated conformance with the requirement for a publicly available summary of the management plan (which can be met by making the entire set of plans available).
<b>Reference</b>	FSC Criteria 7.1 and 7.4
<b>Deadline</b>	By December 31, 2008

<b>Observed nonconformity:</b> Currently, there is no training mechanism in place to ensure that all forest workers understand their role in implementing the management plan.	
<b>MINOR CAR 2007.10</b>	TCF forest managers must develop training protocols (including maintenance of training records) aimed at assuring that all forest workers and natural resource professionals engaged in the management of the North Coast Forest Conservation Program are adequately informed about and qualified to contribute to the implementation of the management plan.
<b>Reference</b>	FSC Criterion 7.3
<b>Deadline</b>	At the time of the first annual audit after award of certification

<b>Observed nonconformity:</b> There is no publicly available summary of monitoring results that addresses the subject areas listed in Criterion 8.2.	
<b>MINOR CAR 2007.11</b>	TCF managers must develop and implement procedures for making a summary of monitoring results publicly available. The content of the publicly available summary document must cover the subject areas enumerated in FSC Criterion 8.2.
<b>Reference</b>	FSC Criteria 8.5 and 8.2, Indicator 8.5.a
<b>Deadline</b>	At the time of the first annual audit after award of certification

<b>Observed nonconformity:</b> On the Garcia River Forest, TCF has collaborated with The Nature Conservancy to identify High Conservation Values; however, these consultations and those that will take place on the Big River and Salmon Creek units need to be documented.	
<b>MINOR CAR 2007.12</b>	In an appropriate planning document (such as a chapter focusing on HCVF in the umbrella planning document—see CAR 2007.9), TCF

	must document the consultation with outside experts that has been completed (for Garcia) and will be undertaken (for Big River/Lower Salmon) for the definition, identification and management of areas of high conservation value found within the North Coast Forest Conservation Program.
<b>Reference</b>	FSC Criterion 9.2, Indicator 9.2.a
<b>Deadline</b>	By December 31, 2008

<b>Observed nonconformity:</b> While in the Garcia River Forest IRMP there are conservation targets that are monitored annually and essentially are considered HCV attributes, and while the audit team is satisfied that high conservation values are not presently being threatened by management activities on North Coast Forest Conservation Program, there is at present inadequate documentation demonstrating conformance with the operative requirements of FSC Principle 9.	
<b>MINOR CAR 2007.13</b>	TCF needs to explicitly incorporate HCVF into their management planning procedures and planning documents, including a procedure for annual monitoring to assess the effectiveness of the measures to enhance/maintain identified HCV attributes.
<b>Reference</b>	FSC Principle 9; Criterion 9.4
<b>Deadline</b>	By December 31, 2008

## **6.0 SURVEILLANCE EVALUATIONS**

If certification is awarded, surveillance evaluations will take place at least annually to monitor the status of any open corrective action requests and review the continued conformance of The Conservation Fund to the Pacific Coast Regional Standard. It is anticipated that the first annual surveillance audit will occur during the summer of 2008. Public summaries of surveillance evaluations will be posted separately on the SCS website ([www.scscertified.com](http://www.scscertified.com)).

### **6.1 2008 ANNUAL AUDIT**

Audit was conducted August 26, 2008. There are no major CARs or other findings that would affect the certification, but results are pending finalization of the 2009 report. Summary of SCS Complaint and appeal Investigation Procedures

### **6.2 2009 ANNUAL AUDIT**

#### **6.2.0 SURVEILLANCE DECISION AND PUBLIC RECORD**

Pursuant to FSC and SCS guidelines, and in the absence of a newly accredited standard, annual/surveillance audits are not intended to comprehensively examine the full scope of the certified forest operations, as the cost of a full-scope audit would be prohibitive and it is not mandated by FSC audit protocols. Rather, annual audits are comprised of three main components:

- A focused assessment of the status of any outstanding conditions or corrective action requests (CARs)
- Follow-up inquiry into any issues that may have arisen since the award of certification or prior audit
- As necessary given the breadth of coverage associated with the first two components, an additional focus on selected topics or issues, the selection of which is not known to the certificate holder prior to the audit.

At the time of the 2009 annual audit, there were 7 open Corrective Action Requests.

### **6.2.1 Assessment Dates**

The office and field portions of this surveillance audit were conducted on October 5-6, 2009.

### **6.2.2 Assessment Personnel**

For this annual audit, the team was comprised of Dr. Robert J. Hrubes, leading the FSC audit, and Mike Ferrucci, who lead the SFI assessment. Dr. Hrubes and Mike Ferrucci were both part of the 2007 full evaluation as well as the 2008 annual audit, thus providing good continuity.

**Dr. Robert J. Hrubes, Team Leader, Scientific Certification Systems:** Dr. Hrubes is Senior Vice-President of Scientific Certification Systems. He is a registered professional forester and forest economist with 29 years of professional experience in both public and private forest management issues. He served as team leader for the initial TCF forest certification evaluation as well as lead verifier for TCF's forest carbon offset projects encompassing the entirety of their Mendocino County operations. Dr. Hrubes worked in collaboration with SCS to develop the programmatic protocol that guide all SCS Forest Conservation Program evaluations. Dr. Hrubes has led numerous SCS Forest Conservation Program evaluations of North American (U.S. and Canada) industrial forest ownerships, as well as operations in Scandinavia, Chile, and Japan. He also has professional work experience in Brazil, Germany, Guam (U.S.), Hawaii (U.S.), and Malaysia.

### **Mike Ferrucci, Master of Forestry - SFI Team Leader Scoping and Full Assessments, FSC Team Member**

Michael Ferrucci is a founding partner and President of Interforest, LLC, and a partner in Ferrucci & Walicki, LLC, a land management company that has served private landowners in southern New England for 25 years. He has a B.Sc. degree in forestry from the University of Maine and a Master of Forestry degree from the Yale School of Forestry and Environmental Studies. Mr. Ferrucci's primary expertise is in management of watershed forests to provide timber, drinking water, and the protection of other values; in forest inventory and timber appraisal; hardwood forest silviculture and marketing; and the ecology and silviculture of natural forests of the eastern United States. He also lectures on private sector forestry, leadership, and forest resource management at the Yale School of Forestry and Environmental Studies. Mr. Ferrucci has participated in forest management assessments in 27 states, and has conducted joint FSC-SFI Certification Assessments on over 14 million

acres of forestland in the United States. For this project, Mr. Ferrucci functioned as an employee of NSF.

**Amy Hsu, Forest Certification Coordinator and auditor trainee, Scientific Certification Systems:** Amy Hsu has a background in Natural Resource Conservation from the Faculty of Forestry at the University of British Columbia. She has previously worked in the forest industry as a summer intern at the Ministry of Forestry, BC and the California Department of Forestry and Fire Protection. She has worked for Scientific Certification Systems since May, 2009. Ms. Hsu assisted the lead auditor in the preparation of this report.

### **6.2.3 Assessment Process**

Prior to the 2009 field surveillance audit, and over the course of the 14 months following the 2008 field surveillance audit (conducted in August, 2008), there was periodic contact between The Conservation Fund personnel and SCS staff, focusing on issues such as progress on addressing the open CAR/Recommendations and continued evolution in the company's silvicultural strategy.

On October 5-6, 2009, the SCS audit team (Hrubes, Ferrucci and Hsu) conducted the annual audit of The North Coast Forest Conservation Program, including on-site inspections of field operations as well as extensive interviews with The Conservation Fund management and field personnel as well as contractors, cooperators and agency personnel.

On the morning of the first day of the audit, the audit team held an opening meeting at the entrance of the Garcia River Forest tract and discussed the following topics:

- Introductions and Field Audit Itinerary Review
- Overview of The Conservation Fund activities in the past year
- The Nature Conservancy- (TNC)- new projects

The remainder of the day was dedicated to the following activities:

- Reconnaissance travel through the Garcia tract
- Travel to Salmon Creek Forest
- Stop 1-Meeting at Navarro Ridge, Lunch
  - Tour of Lower Salmon Creek Amendment Timber Harvest Plan with Darcie Mahoney, consulting forester.
- Travel to Fort Bragg, dinner with TCF staff at Fort Bragg
  - Discussed management plan/public access plan

Day 2 of the surveillance audit was comprised of the following activities:

- Travel to Big River Forest
- Stop 1: North of 20 THP
  - Tour of THP with Lee Susan, consulting forester
- Stop 2: Wheel Gulch THP, tour of THP with Lee Susan, consulting forester
- Stop 3: Lunch at Picolottis Orchard
  - Interview with Charlie Martin, Mendocino County CalFire Officer

- Travel to Caspar
- Audit team deliberations and preparation for Exit Meeting
- Exit Meeting in Caspar Office
  - General findings of the audit
  - Disposition of the open CARs; formulation of new OBS
  - Closure of the audit

**6.2.4 Status of Corrective Action Requests and Recommendations from the August 2008 Surveillance Audit**

Note: Due to timing issues, the corrective action requests issued during the initial certification evaluation and that become operative upon release of the certification evaluation report in late September, 2007, were not yet due for closure at the time of the 2008 surveillance audit that occurred in August, 2008. Accordingly, the SCS lead auditor concluded that the 2008 surveillance would focus on progress made by TCF in responding to the corrective action requests and recommendations but that their final disposition would be postponed to the 2009 surveillance audit. The decision to postpone final disposition of the CARs and RECs until the following annual surveillance audit was based, to a substantial degree, on the fact that active forest management activities on lands within the scope of the certificate were anticipated to be cut back due to wood products market conditions<sup>10</sup>.

As detailed below, all CARs that were open going into the 2009 audit are being closed as a result of the information gathered during the 2009 audit.

<b>Observed nonconformity:</b> TCF cannot, at present, fully demonstrate conformance with the requirement that management planning and operations incorporate the results of evaluations of social impacts.	
<b>MINOR CAR 2007.6</b>	TCF must pursue means and opportunities to better incorporate the results of periodic social-impact assessments into management planning and operations. A memorandum summarizing the additional means by which social-impact assessment (SIA) are better incorporated into North Coast Forest Conservation Program planning and operations must be conveyed to SCS.
<b>Reference</b>	FSC Criterion 4.4, Pacific Coast Regional Indicators 8.3.d.3 and 8.2.d.4
<b>Deadline</b>	First annual audit after award of certification
<b>TCF Actions in Response to this CAR:</b> TCF has emailed Margery Hoppner to assess the local economic and social impact of the program. They have also prepared a document, Social Benefit/Impact Assessment Memo to the certification team, dated August 25, 2008. They have identified 5 primary social elements as integral to the program, including: Creative arts (College of Redwoods and Mendocino Art Center photography, painting workshops, elementary school writing and art projects, etc.), Economic/financial (employment, log sales, carbon sales, etc.), Recreational, Science/education (interpretative walks, passive recreational access, Boys Scouts and Sierra Club hikes, Audubon trips, etc, Spiritual elements (open space values, Children	

<sup>10</sup> All harvesting within the Garcia tract was deferred throughout 2008 and 2009.

and nature programs, Leopold and Thoreau “platforms”, access/utilization by Native tribes).

**Disposition of this CAR as a Result of this Surveillance Audit:** Pursuant to evidence that TCF provided to SCS, **this CAR has been closed.**

**Observed nonconformity:** Snags and senescent/decadent, vertical woody structure (e.g., “wildlife trees”), as well as large downed woody debris are generally deficient across the managed forest landscape of the north coast of California, including on the TCF North Coast Forest Conservation Program. To better contribute to the maintenance of these important ecological components, TCF forest managers need to be more conscious about maintaining and recruiting snags, senescent/decadent live trees, and large woody debris.

<b>MINOR CAR 2007.7</b>	TCF must elaborate more robust policies and marking guidelines for the maintenance and recruitment of standing snags, senescent standing trees and large downed woody debris (across species and size/conditions classes) such that, over time, snag, senescent tree, and large downed woody debris densities increase across the North Coast Forest Conservation Program forest units. The policy and marking guidelines must be submitted to SCS, and field review of its early implementation will be a focus of the first annual surveillance audit.
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<b>Reference</b>	FSC Criterion 6.3, Pacific Coast Regional Indicator 6.3.e.1
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<b>Deadline</b>	First annual audit after award of certification
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**TCF Actions in Response to this CAR:** TCF has modified their TCF North Coast Forest Management Policy to include a section dealing with Retention requirements. This section states that the Fund will permanently retain or recruit downed wood, snags, and trees with high wildlife value given their recognized ecological role and ability to enrich the surrounding stand. For downed wood, the target is 2 pieces per acre. This includes at least one conifer, 18 inch minimum diameter and 10 feet minimum length. For snags and wildlife trees, the target is 4 per acre on average across stand. This includes snags, conifers greater than 48-inch DBH, old growth trees, raptor nest trees, any hardwood, Murrelet habitat trees, and den trees.

**Disposition of this CAR as a Result of this Surveillance Audit:** Pursuant to evidence that TCF provided to SCS, **this CAR has been closed.**

**Observed nonconformity:** While there is an excellent Integrated Resource Management Plan for the Garcia River Forest, there needs to be a unified umbrella management plan for the three North Coast Forest Conservation Program forest units.

<b>MINOR CAR 2007.9</b>	TCF forest managers must develop an umbrella management-planning document that unifies and coordinates the management of the Garcia River, Big River and Salmon Creek units under a common set of management goals, policies, guidelines and procedures that collectively demonstrate conformance with the FSC Pacific Coast Regional Standards. SCS should be informed whether
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	or not this umbrella planning document will be made publicly available, in order for there to be demonstrated conformance with the requirement for a publicly available summary of the management plan (which can be met by making the entire set of plans available).
<b>Reference</b>	FSC Criteria 7.1 and 7.4
<b>Deadline</b>	By December 31, 2008
<b>TCF Actions in Response to this CAR:</b> TCR has provided SCS with a memo regarding management plan context and coordination dated December 28, 2008. The memo describes forest management policies and strategies that have been developed to guide long term management of forest resources in Big River and Salmon Creek. The plan details differences in management of Garcia River and Big Creek/Salmon Creek. There is a section in the document regarding unified management that states program goals and that all properties acquired as part of the North Coast Forest Conservation Program are managed consistent with the TCF policies. Although this document is sufficient, it is recommended that a better summary of the primary elements of the management plan be written and made publically available as the umbrella management plan. This is memorialized in an OBS found later in this report.	
<b>Disposition of this CAR as a Result of this Surveillance Audit:</b> Pursuant to evidence that TCF provided to SCS, <b>this CAR has been closed.</b>	

<b>Observed nonconformity:</b> Currently, there is no training mechanism in place to ensure that all forest workers understand their role in implementing the management plan.	
<b>MINOR CAR 2007.10</b>	TCF forest managers must develop training protocols (including maintenance of training records) aimed at assuring that all forest workers and natural resource professionals engaged in the management of the North Coast Forest Conservation Program are adequately informed about and qualified to contribute to the implementation of the management plan.
<b>Reference</b>	FSC Criterion 7.3
<b>Deadline</b>	At the time of the first annual audit after award of certification
<b>TCF Actions in Response to this CAR:</b> TCR has provided SCS with their training protocol and contractual services agreements.	
<b>Disposition of this CAR as a Result of this Surveillance Audit:</b> Pursuant to evidence that TCF provided to SCS, <b>this CAR has been closed.</b> While closure of this CAR is deemed to be warranted on the basis of materials presented to the audit team, it is also found that there remain opportunities for further enhancement in TCF's training procedures. As such, there is an OBS on the topic of staff/contractor training found later in this report.	

<b>Observed nonconformity:</b> There is no publicly available summary of monitoring results that addresses the subject areas listed in Criterion 8.2.	
<b>MINOR CAR 2007.11</b>	TCF managers must develop and implement procedures for making a summary of monitoring results publicly available. The content of the publicly available summary document must cover the subject

	areas enumerated in FSC Criterion 8.2.
<b>Reference</b>	FSC Criteria 8.5 and 8.2, Indicator 8.5.a
<b>Deadline</b>	At the time of the first annual audit after award of certification
<b>TCF Actions in Response to this CAR:</b> TCF monitoring data is publicly available on request and disclosed in publicly available management plans and THP summaries. This approach was viewed as unusual but accepted. A brief monitoring summary will be planned in the annual report (likely out in January 2010) and emailed to all stakeholders. This report will also be available on the website.	
<b>Disposition of this CAR as a Result of this Surveillance Audit:</b> Pursuant to evidence that TCF provided to SCS, <b>this CAR has been closed.</b> While closure of this CAR is deemed to be warranted on the basis of materials presented to the audit team, it is also found that there remain opportunities for further enhancement in TCF's training procedures. As such, there is an OBS on the topic of developing a more concise and accessible summary of monitoring activities and results that is found later in this report.	

<b>Observed nonconformity:</b> On the Garcia River Forest, TCF has collaborated with The Nature Conservancy to identify High Conservation Values; however, these consultations and those that will take place on the Big River and Salmon Creek units need to be documented.	
<b>MINOR CAR 2007.12</b>	In an appropriate planning document (such as a chapter focusing on HCVF in the umbrella planning document—see CAR 2007.9), TCF must document the consultation with outside experts that has been completed (for Garcia) and will be undertaken (for Big River/Lower Salmon) for the definition, identification and management of areas of high conservation value found within the North Coast Forest Conservation Program.
<b>Reference</b>	FSC Criterion 9.2, Indicator 9.2.a
<b>Deadline</b>	By December 31, 2008
<b>TCF Actions in Response to this CAR:</b> TCF has provided SCS with a program description of the High Conservation Value Features Program. The document identifies areas of High Conservation Forest including Oak woodlands and grasslands, Pygmy cypress forest, old growth coniferous forest, and salmon spawning streams. The document also addresses consultation regarding HCFV, with a list of significant contributors: Jen Carah, Linda Perkins, and Alan Levine.	
<b>Disposition of this CAR as a Result of this Surveillance Audit:</b> Pursuant to evidence that TCF provided to SCS, <b>this CAR has been closed.</b>	

<b>Observed nonconformity:</b> While in the Garcia River Forest IRMP there are conservation targets that are monitored annually and essentially are considered HCV attributes, and while the audit team is satisfied that high conservation values are not presently being threatened by management activities on North Coast Forest Conservation Program, there is at present inadequate documentation demonstrating conformance with the operative requirements of FSC Principle 9.	
<b>MINOR</b>	TCF needs to explicitly incorporate HCVF into their management

<b>CAR 2007.13</b>	planning procedures and planning documents, including a procedure for annual monitoring to assess the effectiveness of the measures to enhance/maintain identified HCV attributes.
<b>Reference</b>	FSC Principle 9; Criterion 9.4
<b>Deadline</b>	By December 31, 2008
<b>TCF Actions in Response to this CAR:</b> TCR has provided SCS with a program description of the High Conservation Value Features Program. The document will be incorporated into the management plan for Big River and Salmon Creek. The document also has a section dealing specifically with TCF monitoring of HCVF.	
<b>Disposition of this CAR as a Result of this Surveillance Audit:</b> Pursuant to evidence that TCF provided to SCS, <b>this CAR has been closed.</b>	

### 6.2.5 General Observations

The auditors' overall assessment of the TCF forestry staff remains that they are a very qualified and competent group of foresters, forest technicians and natural resource professionals operating a forest management business (in a non-profit corporate structure) that exists at the cutting edge of incorporating environmental and social sensitivity into tactical and strategic management decisions. TCF forest management operations remain in solid overall conformance with what is expected of all FSC-certified operations.

Since the 2008 Annual Audit, the following new activities have occurred on the TCF forest estate in Mendocino County:

#### **Timber Harvesting Plans**

Salmon Creek Tract:

- Lower Salmon Creek THP has been amended (the majority of which had been operated in 2007) to include additional acreage. Currently in the process of completing harvesting operations on the amended area and two discrete remaining units from the original 2006 THP.
- In the process of completing harvesting operations on the Pullen Gulch THP (begun in 2008).  
Preparing Compartment B THP for anticipated 2010 operation.

Big River Tract:

- Completed Riverbends THP (2008).
- Closed out Jarvis Camp THP (2008).
- In the process of completing harvesting operations on the North of 20 THP.
- Prepared Wheel Gulch THP – approved by CalFire 2009, began operations 09/11/09.
- Preparing Coombs Gulch THP – anticipated filing date 2009, anticipated operation 2010 or 2011.
- Prepared Laguna Pass THP – pending 2<sup>nd</sup> review by CalFire, anticipated operation 2010.
- Preparing Compartments K and J THP (possibly two separate plans), anticipated operation 2011.

Garcia Tract:

Prepared LNF#2 – approved by CalFire 2008, anticipated operation 2010.

Prepared Upper North Fork – approved by CalFire 2008, anticipated operation 2010.

Preparing Olsen Gulch THP – anticipated filing date 2010.

Preparing Graphite THP – anticipated filing date 2009.

- 2008-2009 Rare Plant Surveys: surveys in the North Fork and Blue waterhole sub-watersheds verified that the presence of Santa Cruz Clover (List 1B, identified in 2005 and representing a range extension of 40 miles) is widespread in Garcia River Forest.
- 2008-2009 NSO Surveys: see Assessment and Restoration section below.

**Management Planning**

The Big River and Salmon Creek Forests Integrated Resource Management Plan was completed August 2009 with review/input solicited from a total of seventeen agencies, advisors, or members of the public. The final draft was approved by agencies (Coastal Conservancy, State and Regional Water Boards, Wildlife Conservation Board) in July 2009; final agency approvals were requested August 10, 2009 and are anticipated by the end of September 2009.

- A Spotted Owl Management Plan that incorporates landscape scale habitat planning is being discussed as a way to streamline the biological review by CDF and USFWS. A preliminary meeting with USFWS was held in August 2009. A draft is in process for anticipated review by USFWS, CalFire, and DFG Nov-Dec 2009.
- Red-legged frog (federally threatened): the historic range was recently expanded into southwest Mendocino County. Habitat surveys will commence the winter of 2010 and protection measures will be incorporated into all future and currently approved THPs.
- Bird surveys on portions of the Big River Forest are continuing by Mendocino Land Trust.
- Forest Management Policies were updated for Big River and Salmon Creek management plan and are in-progress for a stand-alone document.
- Annual operations field review was conducted on November 17-18, 2008.
- Annual management review was conducted January 2009 (see attached memo).

**Resource Planning & Carbon Certification**

- 14 new permanent ¾-acre plots were established on Big River and Salmon Creek in March of 2009.
- Post-harvest cruising was completed in November 2008; the inventory was updated at the end of 2008 and verified as part of CCAR audit. Additional field plots will be completed in October and November 2009 to provide an updated year-end inventory report.

2008 CCAR verifications were completed in April 2009.

- Field audit for CCAR 2009 re-certification for Garcia and Big River/Salmon Creek is scheduled for the first week of February 2010.
- Multiple carbon offset transactions have been completed, involving past vintages and forward-looking contracts.

### **Assessment and Restoration**

- Tree plantings (all by Redwood Resources, Inc., in December 2008):
- Approximately 20 acres were replanted with Douglas-fir seedlings on the Vultures Roost THP on Garcia [this is a legacy THP from the mid-90s].
- The most severe portions of the Navarro Fire on Salmon Creek were planted with redwood seedlings.
- Big River secondary fire lines were planted with redwood and Douglas-fir seedlings.
- Volunteer tree planting: 2nd volunteer-led restoration planting on Salmon Creek.
- An in-stream Large Woody Debris project is being developed for Salmon Creek and Big River (assessments completed, awaiting further field review and fundraising).
- An LWD project is underway in Inman Creek on Garcia through TNC.
- Herbicide treatments (all conducted by Redwood Resources, Inc.):
- Tanoak was treated with Imazapyr in 2008 on a total of 198 acres on Big River in connection with the North of 20 THP.
- Pampas grass, French broom, and encroaching brush were treated with Glyphosate and Tryclopor on 129 acres in Big River in 2008-2009 in connection with the North of 20 THP and as part of invasive species and road management; this resulted in a review and update of TCF's herbicide policy (attached).
- Road upgrading projects
  - DFG Fisheries Restoration Grants Program funded projects:
    - GRF Watershed Assessment Phase II: completed 2009.
    - Inman Creek (Garcia) Sediment Control Phase I: completed 2009.
    - Signal Creek (Garcia) Implementation Phase I: approved for funding but frozen with state budget crisis.
    - Salmon Creek Assessment: fieldwork expected to be complete 2009, final reporting 2010.
    - Salmon Creek Implementation Phase I: being reviewed for funding.
    - Pulte Holmes Inc: permitting is complete and the project commenced in September of 2009 on the Olsen Gulch portion in the Garcia River Forest.
    - The Mendocino County Resource Conservation District provided funding and oversight of a road-related erosion assessment on 15.6 miles of road in a portion of TCF's Big River property. Project was complete in November 2008. Opportunities for funding treatment of identified erosion sites are currently under discussion.
    - Winter road monitoring was conducted on all tracts over the rainy season including regular monitoring of THP/Regional Water Board Erosion Control Plan sites.
    - Routine road maintenance was conducted on all properties, 2008-2009.
- NSO monitoring was completed for the entire ownership.

- In-stream temperature monitoring (Hobo probes) for all properties was completed for 2008 and is in progress for 2009.
- Historic air and in-stream temperature monitoring in Unit C of Salmon Creek was completed for 2008 and is in progress for 2009.
- Environmental Monitoring and Assessment Program (EMAP) at Garcia was completed in 2008 and 2009 by TNC and the Regional Water Board.
- DFG-led fall/winter salmonid spawning surveys were continued 2008-2009 and were expanded to all properties.
- Invertebrate monitoring was continued at Garcia by TNC.
- North Fork Garcia rehabilitation project: this project proposed to open the waterway by excavating  $\frac{3}{4}$  of the stream channel (an action identified in the Coho Recovery Plan). The proposal was withdrawn after preliminary scoping revealed that it would require many years of environmental analysis with a low probability of success.
- A bridge was installed at Kitchen Gulch in Salmon Creek to expand potential fish passage, August 2009.

### **Public Outreach**

- Offered public tours for each THP prior to submission.
- Conducted public tour of grant-funded road upgrade project completed in Inman Creek, Garcia, 2009.
- Conducted public tour of grant-funded assessment (and proposed implementation) project in Salmon Creek, 2009.
- Presented introduction to Garcia River Forest at Pacific Community Charter School (65 students, grades 1-8), September 2009; ongoing coordination for additional presentations and tours.
- Met with neighbors of Big River in connection with roadside spraying (July 2009).
- Private tours by Salmon Creek Forester Darcie Mahoney for stakeholders regarding invasive plant removal, tree planting and follow-up, and bridge installation.
- Implemented Stewardship Equestrian Permit Program for Salmon Creek, April 2009.
- Anticipate implementation of Stewardship Pedestrian Access Program on all properties in fall of 2009.
- Volunteer hand-removal of invasive pampas grass was accomplished on Salmon Creek. Cost (\$7000) of backhoe removal of pampas was split with the local community group.
- Community walk was led in June 2009 to view spring azalea bloom on Salmon Creek, and to monitor planted trees.
- Completed an improved North Coast Program page on the TCF website that is a resource for the public and partners ([http://www.conservationfund.org/north\\_coast\\_forests](http://www.conservationfund.org/north_coast_forests)).

### **Administration**

- Evan Smith has been promoted to TCF Vice-President
- Program Manager Jenny Griffin returned to work May 1, 2009 after a 7-month medical leave of absence.
- Contractor Jordan Golinkoff will join TCF as staff in September 2009.
- No other staffing changes occurred or are contemplated.

### 6.2.6 New Corrective Action Requests, Recommendations, and Observations

Following the completion of the field reconnaissance, interviews and TCF staff personnel as well as contractors and team deliberations, the audit team found no new non-conformities relative to those portion of the Pacific Coast Standard that were featured this audit. Accordingly, the audit team assigned no new Corrective Action Requests during the 2009 annual audit. Five observations were specified that identify opportunities for further enhancing TCF's conformity to the certification standard:

#### New Observations:

<b>Background/Justification:</b> TCF does not have a comprehensive plan regarding hazardous spills. Although in their safety contract there is a section on spills, the wording is very vague and should be more explicit than "take appropriate action to mitigate".	
<b>OBS 2009.1</b>	TCF should develop a fuel spill policy that is clear and in conformance with FSC principles and local laws. Spill kits should also be available on site in case of a spill.
<b>Reference</b>	FSC Pacific Coast Standard Indicators 6.7b

<b>Background/Justification:</b> TCF currently uses a 20 year rolling time period to determine average harvest rates. The Pacific Coast Standard speaks to rolling periods of no more than 10 years for computing average annual harvest levels. Were TCF's harvest levels near to annual growth levels (thus making the calculation of harvest versus growth more than a mere formality), this would be a CAR rather than an OBS.	
<b>OBS 2009.2</b>	TCF should calculate and determine allowable timber harvest by using rolling periods of no more than 10 years
<b>Reference</b>	FSC Pacific Coast Standard Indicator 5.6.b.

<b>Background/Justification:</b> Although monitoring results that address the subject areas listed in Criterion 8.2. are available to the public, monitoring results are not summarized in a central location.	
<b>OBS 2009.3</b>	TCF should develop a comprehensive summary of monitoring results and incorporate in one annual report for the public
<b>Reference</b>	FSC Criteria 8.5 and 8.2, Indicator 8.5.a

<b>Background/Justification:</b> TCF presently lacks a unifying umbrella management plan that provides a cohesion or linkage between the management plans developed for Garcia River and separately for Big River/ Salmon Creek..	
<b>OBS 2009.4</b>	TCF should make publically available a single umbrella management plan summary that presents a unified management plan of the entire North Coast Forest Conservation Program forest units.
<b>Reference</b>	FSC Pacific Coast Standard Criteria 7.1 and 7.4

<b>Background/Justification:</b> TCF would benefit from better training protocols (including maintenance of training records) aimed at assuring that all forest workers and natural resource professionals engaged in the management of the North Coast Forest Conservation Program are adequately informed about and qualified to contribute to the implementation of the management plan.	
<b>OBS 2009.5</b>	TCF should develop a training manual and process for all employees to adequately inform them on the implementation of the management plan. Maintenance of training records should also be improved upon.
<b>Reference</b>	FSC Pacific Coast Standard Indicator 7.3

### 6.2.7 General Conclusions of the Annual Audit

Based upon information gathered through site visits, interviews, and document reviews, the SCS audit team concludes that TCF's management of its forest estate in Mendocino County, California continues to be in strong overall compliance with the FSC Principles and Criteria, as elaborated by the Pacific Coast Regional Guidelines. That is, the SCS audit team has concluded from this annual audit that TCF's forest management program is in solid conformance with FSC Principles 1 through 9 (Principle 10 is not applicable as TCF's operations are classified as "natural forest management" under the FSC definitions). As such, continuation of the certification is warranted.

## 7.0 SUMMARY OF SCS COMPLAINT INVESTIGATION PROCEDURE

The following is a summary of the SCS Complaint Investigation Procedure, the full version of the procedure is available from SCS upon request. The SCS Complaint Investigation Procedure is designed for and available to any individual or organization that perceives a stake in the affairs of the SCS Forest Conservation Program and that/who has reason to question either the actions of SCS itself or the actions of a SCS certificate holder.

The SCS Complaint Investigation Procedure is a first-stage forum and mechanism for hopefully resolving issues, thereby avoiding the need to involve the FSC. A complaint may come from either clients (e.g., forestland owner, mill owners, manufacturer or retailer, brokers) or from other parties such as interested stakeholders. To have standing under this Procedure, complaints must be in writing, accompanied by supporting evidence, and submitted within 30 days of the date in which the action triggering the complaint occurred.

The written complaint must:

- Identify and provide contact information for the complainant
- Clearly identify the aggrieved action (date, place, nature of action) and which parties or individuals are associated with the action

- Explain how the action is alleged to violate a FSC requirement, being as specific as possible with respect to the applicable FSC requirement
- In the case of complaints against the actions of a certificate holder, rather than SCS itself, the complainant must also describe efforts taken to resolve the matter directly with the certificate holder
- Propose what actions would, in the opinion of the complainant, rectify the matter.

Written complaints should be submitted to:

Dr. Robert J. Hrubes  
Senior Vice-President  
Scientific Certification Systems  
2000 Powell Street, Suite 1350  
Emeryville, California, USA94608  
Email: [rhrubes@scscertified.com](mailto:rhrubes@scscertified.com)

As detailed in the *SCS-FCP Certification Manual*, investigation of the complaint will be confidentially conducted in a timely manner. As appropriate, corrective and preventive action and resolution of any deficiencies found in products or services shall be taken and documented.

Emeryville, California, USA94608  
Email: [rhrubes@scscertified.com](mailto:rhrubes@scscertified.com)

As detailed in the *SCS-FCP Certification Manual*, investigation of the complaint or appeal will be confidentially conducted in a timely manner. As appropriate, corrective and preventive action and resolution of any deficiencies found in products or services shall be taken and documented.

