

SECHELT COMMUNITY PROJECTS INC.
(the "Corporation")

**MINUTES OF MEETING OF THE BOARD OF DIRECTORS HELD ON THURSDAY,
AUGUST 26, 2010 AT 9:00 A.M. AT THE SUNSHINE COAST COMMUNITY FOREST
CONFERENCE ROOM, SECHELT, B.C.**

PRESENT:

Henderson, J. - Chair
Anderson, S. - Director
Anderson, T. - Director
Bonderud, G. - Director
Rudland, E. – Director
Pinfold, T. - Director
Sitter, B. – Director

ALSO PRESENT:

Davie, K. - Operations Manager
Cunliffe, J. - Administrative Assistant

REGRETS:

Pakulak, L. – Director
Frank, J. - Director

Call to Order

John Henderson, Chair called the regular meeting to order at 9:03 A.M.

1. **Agenda**
The Agenda was reviewed and adopted.
2. **Minutes**

MOTION:

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the Minutes of May 27, 2010 be amended and revisions be made to the wording on page 4 under Economic Opportunity Fund as follows:

To delete the paragraph in its entirety and replace it to reflect that the preliminary factors of the Economic Opportunity Fund were discussed and it was referred to the Economic Development Committee.

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the Minutes of May 27, 2010 be approved as amended.

3. **Financial**

Richard Wilson, in his capacity as Corporate Accountant, reported on the second quarter financial statements to June 30, 2010 and addressed queries regarding the report. The Inventory entry on the Balance Sheet and Total Assets were amended.

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the June 30, 2010 quarterly financial statements of the Corporation be approved as amended.

Management will produce an updated budget assumptions for the remainder of the year for the Executive Committee by September 3rd. Once approved by the Executive Committee this will be circulated to the Board.

4. **Management Report**

Garbage in the Forest Issue

Garbage dumped in the forest has been an ongoing issue. The worst area is near the Sechelt Landfill. The Community Forest has contracted out the cleanup of some of the areas to a local contractor using students. They are supervised by the contractor and follow all the WorkSafe BC safety requirements.

The Board discussed possible solutions including reminding people to take their garbage with them when they leave the forest and obtaining publicity for the cleanup efforts we are making.

Some possible activities that could be undertaken by the SCCF include:

- Cleaning up / removing garbage
- Signage at campsites
- Removal of excess branches
- Repair of road drainage structures
- Removing obsolete tape
- Cleaning up paint gun sites
- Educating the public about this growing problem

CFOP

It was confirmed that verbal comments made at the Public Open House were documented and will be considered when preparing the Operating Plan.

A suggestion was made that the 20 year plan map should include "Preliminary" in the title.

Concern was raised that the CFOP Guidelines were not updated prior to asking the public for input and that revisions should have been reflected in the document before taking it to the public. CFAC has requested another public meeting to review the plan on September 7th and comments from that meeting will be reviewed. The CFOP and Guideline process is to firstly get input from the public and the put the draft together. That is the process that has been used in its development.

FPAC will review a final draft and provide input.

LiDAR

A topographic map of the CF area is expected within 3 weeks. The data from this will be owned exclusively by the SCCF and available for purchase by third parties.

MOTION

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the Management Report be and is hereby received as presented.

5. **Business Arising**

Economic Development Policy

A draft policy was submitted for review.

MOTION

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the SCCF explore setting up an endowment fund within the Sunshine Coast Community Foundation in forest related initiatives. (Elise Rudland abstained)

The Board explored creating a brochure or prospectus to identify fibre supply in the forest and access to markets.

The Board provided some direction to the Economic Development Committee including:

- Retain (a non-Board) party to perform Economic Development planning and develop the strategy.
- Look into trade shows and conferences that a representative could attend and distribute material.

The Board is supportive of the Economic Development Committee's progress to date.

6. **Committee Reports**

CFAC

Glen Bonderud attended the CFAC meeting held on August 10, 2010 and reported to the Board that applications had been submitted to CFAC for potential new members. The next CFAC meeting will be held on September 7, 2010.

Economic Development Committee

Glen Bonderud reported on visits to 2 value added manufacturers on the Coast.

Peter Moonen has been in contact with the managing director of a German manufacturer of windows who will be visiting the Sunshine Coast.

Forestry PAC

FPAC will meet in due course to review the revised CFOP.

Recreation - Strategy Plan

Elise Rudland submitted a draft Recreation Discussion Paper.

The Recreation Strategy and the minutes from the Trail Recreation Strategy Workshop should be referred to Management for consideration to integrate it with the CFOP. CFAC will have an opportunity to review the Recreation Strategy for other input.

A Recreation Strategy could include:

1. Vision/Policy
2. Tactics – where are the needs;

MOTION

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the Recreation Discussion Paper be received as presented and that Elise Rudland, Stan Anderson and Kevin Davie work together to produce a preliminary recreation plan.

Executive

John Henderson reported on the role of the Executive Committee - to deal with matters arising between board meetings - and on various activities that have been undertaken by the Executive Committee since the last board meeting.

7. **New Business**

Community Engagement:

- The Board reviewed the topics for the Fall newsletter with various additional topics being provided. They also confirmed October 21st as the date for the semi-annual Public Information Meeting;
- A Forest Safety forum is being planned for the Coast with representatives from WorkSafe BC and the Forest Safety Council in attendance. The date is not yet confirmed;

8. **Next Meeting**

The next meeting of the Board of Directors will be held on Thursday, November 25, 2010 at 9:00 am.

9. **Termination**

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED to adjourn the meeting and proceed in camera.

There being no further business, the meeting terminated at 2:30 pm



SUNSHINE COAST COMMUNITY FOREST

BUILDING VALUE FOR OUR COMMUNITY

OPERATIONS REPORT 2010 Q2 to Aug 15th

This report reflects the activities in Q1 and comments on subsequent activities to August 15th.

1. Operations

1.1. Engineering

No Report

1.2. Logging

Logging operations completed at the end of July. We logged more volume than projected for the following reasons;

- Capture a piling market to bring up our sales value.
- Late orders from local sawmills.
- Clean up VA blocks EW007C and EW008B which had little timber remaining.

Increased volatility of the market made it necessary to make several changes to our block plans and specifications to capture any market swings.

Even bucking export logs to a log length matching domestic lengths reduced the waste at the sort. Our contractors worked hard for us being flexible enough to adjust to our changes in the bucking and recovery specs and accommodating re-sorting in the bush for our local customers. The processor operators spent more time on the running the trees through three times to recover every pole or piling.

The volume scaled to the end of June was 12,473M3 and the volume scaled as of Aug 15th is approximately 25,100M3. This volume is higher than planned due to increased local demand and the opportunity to capture a fir and hemlock piling market. The higher volume reflects the extra wood and falldown that did not make piling.

At the end of July there was about 7,957M3 of logs in inventory. As of Aug. 6th, 2,656M3 remains unsold as of August 6th and the balance has been sold and our broker is awaiting payment.

1.3. Road Construction

Road construction expenditures were reduced reflecting changes to the logging plan. EW011 was slated to be logged but the block contains large fir which is selling at a lower price today. Therefore some of the block was left standing for the future till markets are better.

1.4. Planning

1.4.1. Timber Supply Analysis

See separate report.

1.4.2. LIDAR Mapping

All the work for this project is complete and the data collected is being translated. I expect that the final product will be completed within the next three weeks. We retained all ownership of the data and anticipate that others may wish to purchase from us.

1.5. Forestry

1.5.1. License Rollover

The informal license rollover process has been underway for several months with the formal letter sent recently to the Regional Manager.

1.5.2. CFOP

We are well under way with our process with the CFOP having:

- Sent notifications to the Board, CFAC and FPAC including the Guidelines requesting feedback.
- Advised and discussed with the Sechelt Indian Band.
- Held an public open house.
- The information was posted on the website.
- Ads have been in the paper.

The process was extended so that CFAC would have extra time to look at the blocks proposed and provide their opinions to myself and our foresters and engineers. CFAC has requested another public meeting on the plan and guidelines which has been setup for September 7.

I have received only one set of written comments as a result of our public meeting. After the next public meeting and a meeting with FPAC all the comments regarding the blocks and the guidelines will be considered and then the draft will be available for comment.

1.6. Recreation

1.6.1. Hidden Grove

The parking lot has been re-designed with the Hidden Grove Group to accommodate parking for cars so that buses can park safely and get back out. As per board motion, we are now getting new quotes to surface the area. This has been delayed over the last two months due to unforeseen delays.

1.6.2. Garbage in the Woods

The Executive Committee approved an expenditure of \$5,000 for work to remove/cleanup some garbage on our roads. This will commence next week with some students.

2. Economic Development

2.1. Value Added

A mill tour of SunCoast Cedar Products Ltd. on Field Road with two board directors was informative. We have been in contact with several other small mills hidden away in Halfmoon Bay including another kiln/dehumidifier. One has committed to buying our old growth fir cut down in Roberts Creek. He is also buying a molding machine for a specific market. I will continue to work with him in supplying logs for his needs.

2.2. ED PAC

The last EDPAC meeting discussed the mission and vision of ED and SCPI's part in it. The committee is proposing several methods of SCPI going forward supporting ED and the results of those discussions are attached.

3. Community Engagement

3.1. BCCFA AGM

The BCCFA AGM in Kelowna was very successful with several Board members and spouses attending. A copy of the outcomes is posted on the BCCFA website.

3.2. Schools

It is our intention to provide a logging truck to stop at a Gibsons school this fall. We also agreed to provide some logs to the wood working shop at Chatelech who will cut them up for various projects.

3.3. Festival of Forestry

The Festival tour for teachers this year was on Vancouver Island. They each received a copy of our video. Several have contacted me regarding arrangements for a tour.

3.4. Korean Delegation

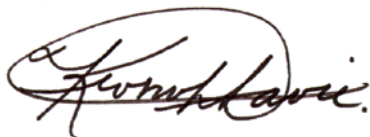
A Korean forestry delegation were toured by Brian Smart around the Sunshine Coast including the Community Forest.

3.5. Community Forest Month

A draft outline of the events for CF month October will be discussed at the meeting of the Board of Directors.

3.6. Canada Day

We distributed 2000 seedlings at the Sechelt Canada Day parade.



Kevin W. Davie
Operations Manager