

SECHELT COMMUNITY PROJECTS INC.
(the "Corporation")

**MINUTES OF MEETING OF THE BOARD OF DIRECTORS HELD ON THURSDAY,
February 24, 2011 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
Frank, J. - Director
Moonen, P. - Director
Pinfold, T. - Director
Rudland, E. – Director
Sitter, B. – Director

ALSO PRESENT:

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

REGRETS:

Pakulak, L. – Director

Call to Order

John Henderson, Chair moved the meeting in camera at 9:06 A.M.

The regular meeting was called to order at 9:10 A.M.

2. **Agenda**

The Agenda was reviewed and adopted.

3. **Minutes**

MOTION:

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the Minutes of November 24, 2010 be received and that the minutes be approved.

4. **Financial**

4th Quarter Financial Report

Richard Wilson, in his capacity as Corporate Accountant, reported on the third quarter financial statements to December 31, 2010.

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the December 31, 2010 quarterly financial statements of the Corporation be approved as presented.

Richard Wilson also reported on the pre-audit 2010 financials and the 2010 audit process.

Reserves

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the amount of \$200,000 be allocated to a reserve for the purpose of an Economic Opportunity Fund and that such reserve be disclosed in Item 11 of the Notes to the 2010 Consolidated Financial Statements in accordance with the general accepted principles of accounting.

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the Silviculture accrual be changed from \$4.25 to \$3.50 M3 based on a recommendation made and ratified by Management and the Audit Committee.

Opposed: Peter Moonen

The Board requested a written summary providing the rationale that determines the silviculture holdback and if such values as climate change and forest fires are considered.

Management will report to the Board before March 3, 2011.

Dividend Rate

WHEREAS a dividend in the amount of \$1.50 per Common Share be declared and made payable by the Company to the shareholder of record as at December 31, 2010.

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the amount of \$25,890 is to be payable to the District of Sechelt by crediting the account of the shareholder on December 31, 2010.

5. **2011 Business Plan**

Assumptions and Budget

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the 2011 Budget Rationale and Assumptions be and is hereby approved as amended.

Management will be drafting the 2011 Annual Report based on the information provided in the 2011 Budget Rationale and Assumptions. It was agreed that the public should be given as much information as possible.

6. **Management Report**

Operations Update

Kevin Davie provided a written update and expanded on it verbally.

Walk in the Woods Tour

A tour is scheduled for Sunday, March 13, 2011 at 10 am. The walk will include a tour of the EW002 block. Meet at Roberts Creek Hall. It will be advertised in the local newspapers and the public will be invited to attend.

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the Operations Report be and is approved as presented.

CFOP Guidelines 2010-2011

Minor amendments were discussed and will be included in the final draft of CFOP. The CFOP will be posted on the website and sent electronically to the Shareholder and to the SCR D as a courtesy.

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the 2010-2011 CFOP Guidelines be accepted.

7. **Governance Committee**

Annual Policy Review

The Governance Committee conducted an annual policy review and presented the results to the Board for review and approval. The documents were approved with some minor amendments.

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that following the 2011 review of the Mission Statement, Vision and Values, Objectives and the corporate policies, the following documents be accepted and approved:

1. Mission Statement;
2. Vision and Values;
3. Strategic Objectives, as amended;
4. Log Marketing Policy;
5. Environmental Policy;
6. Complaint Policy;
7. Hidden Grove Policy;
8. Water Quality Policy;
9. Community Engagement Policy;
10. Recreation Policy;
11. Old Growth Policy;

12. Forest Management Policy;
13. Tendering Policy.

Risk Management

The Governance Committee presented a draft Risk Management document for review and discussion. It was agreed to accept the Risk Management document in principal. The document should be revised to reflect and identify areas that may have specific tactics. Once the revisions have been completed, a second draft will be circulated to the Board.

8. Public Advisory Committee Reports

a. EDPAC

Glen Bonderud provided a verbal report. He confirmed that Patrick Marshall an economic developer from Capital EDC Economic Development Company, has been hired as a consultant for the planning process of the economic development strategy and make recommendations to the Committee.

A motion to increase the current amount allocated to the Economic Opportunity Fund is tabled pending receipt of a report from the consultant.

b. CFAC

Elise Rudland provided a verbal update on the CFAC meetings and reported on the CFAC recommendations and motions from the last two meetings.

CFAC would like Board endorsement for the following events:

- i) CFAC will form a committee to organize a day to collect garbage from the forest. The committee will coordinate a garbage day event and include a hotdog lunch.
- ii) Board support the attendance of a CFAC member to attend the BCCFA AGM in 2011.

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the Board support the CFAC initiative for a forest garbage collection day and endorses a CFAC member to attend the BCCFA AGM in 2011.

9. Community Engagement Activities

a. Public Opinion Survey

The Board reviewed the 2010 Public Opinion Survey results and the draft press release. It was agreed that a meeting should be coordinated with the Shareholder, the Board, and Greg Lyle to discuss the survey results and Brian Carson should also be invited. SCCF management will coordinate the meeting.

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that management will coordinate a meeting with the Board, the Shareholder, Greg Lyle and Brian Carson to discuss the survey results and water quality issues.

b. 2011 Annual General Meeting

The 2011 Annual Report should include a summary information over the last 5 years, including:

- Local sales;
- Local employment and contractors;
- Local economic benefits.

Topics for discussion at the AGM

- Research forest on Elphinstone.

Stan Anderson announced that he is unable to attend the AGM.

Jo-Anne Frank advised that for their AGM purposes, Council would like to receive the approved 2011 Financial Statements and recommendations for directors for the next year from the Board to be dealt with at the next Council in-camera meeting .

c. Other possible initiatives in 2011

- Wood First initiative
- Water quality education
- Work with schools
- Level of signage

10. Correspondence

Refer the letter to the shareholder with recommendations on how the board could contribute and examples as to how it could work, such as with forestry related ideas.

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that a response to the Sunshine Coast Community Foundation letter of January 24, 2011 be sent to advise them that their correspondence will be referred to the Shareholder for consideration.

11. New Business

N/A

12. **Other Business**
2011 Tentative Agendas for Board of Directors Meetings

13. **Next Meeting**

The AGM will be held on Thursday, April 14, 2011 at 7:00 pm.

The next meeting of the Board of Directors will be held on Thursday, May 26th, 2011 at 9:00 am.

14. **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 3:10 pm