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Rainforest Alliance

SmartWood Program

Forest Management **2011 Annual audit** Report for:

Mendocino Redwood Company,
LLC
In
Ukiah, California, USA

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Standard Conversions

1 mbf = 5.1 m³
 1 cord = 2.55 m³
 1 gallon (US) = 3.78541 liters

 1 inch = 2.54 cm
 1 foot = 0.3048 m
 1 yard = 0.9144 m
 1 mile = 1.60934 km
 1 acre = 0.404687 hectares

 1 pound = 0.4536 kg
 1 US ton = 907.185 kg
 1 UK ton = 1016.047 kg

1. INTRODUCTION

The purpose of this report is to document annual audit conformance of Mendocino Redwood Company, LLC, hereafter referred to as Forest Management Enterprise (FME). The report presents the findings of SmartWood auditors who have evaluated company systems and performance against FSC forest management standards and policies. Section 2 of this report provides the audit conclusions and any necessary follow-up actions by the company through corrective action requests.

SmartWood audit reports include information which will become public information. Sections 1-3 will be posted on SmartWood's web site according to FSC requirements. All appendices will remain confidential.

Dispute resolution: If SmartWood clients encounter organizations or individuals having concerns or comments about Rainforest Alliance / SmartWood and our services, these parties are strongly encouraged to contact SmartWood regional or Headquarters offices directly (see contact information on report cover). Formal complaints or concerns should be sent in writing.

2. AUDIT FINDINGS AND RESULTS

2.1. Audit conclusion

Based on Company's conformance with FSC and SmartWood requirements, the audit team makes the following recommendation:	
<input checked="" type="checkbox"/>	Certification requirements <u>met</u>, certificate maintenance recommended Upon acceptance of NCR(s) issued below
<input type="checkbox"/>	Certification requirements <u>not met</u>:
Additional comments:	The certificate holder has demonstrated continued overall conformance to the applicable Forest Stewardship Council standards. The SCS/SW annual audit team recommends that the certificate be sustained, subject to subsequent annual audits and the FME's response to any open CARs.
Issues identified as controversial or hard to evaluate.	None

2.2. Changes in FMEs' forest management and associated effects on conformance to standard requirements:

There were no changes detected in the FME's forest management and associated effects on conformance to the FSC-US Standard requirements.

2.3. Stakeholder issues (complaints/disputes raised by stakeholders to FME or SmartWood since previous evaluation):

Herbicide issues were raised among many stakeholders consulted before and during the audit. When asked, the FME is willing to work with these stakeholders and has made overtures to them in the past. There have been a few public meetings given by the FME on this issue since the last audit. The main issue is the control of tanoak with herbicides, which in their view pollutes streams, leaves poisoned wood in the forest, and creates a fire hazard with all of the standing wood. However, FME is applying chemicals in conformance to the FSC-US Standard. Alternatives considered by the FME such as cutting trees with chain saws is viewed by the FME as being more detrimental to the environment and worker safety and well-being since it requires multiple, intrusive entries into the forest due to chainsaw use, and associated fuel use, air quality issues, and ground compaction. This is also more economically unfavorable. The FME has setup some experimental plots looking at the effects of using smaller dosages of herbicides. Additionally, in response to stakeholder concerns over herbicide use, one FME Area Forester is conducting a literature review and has installed 2 to 3 informal study plots to test an alternative method of mechanical control. The FME sees tanoak removal as a forest restoration to redwoods and Douglas fir. Tanoak has historically been a rather small component of the forest in region. Last, not all tanoak is being eliminated from the forest. It is scattered throughout the property and retained in both groups and as individual trees during timber harvests (target retention for hardwood is at least 15 BA), and included in RSAs and tribal areas of concern to name a few.

On a related topic, some stakeholders concerned with the use of herbicides expressed concerns over the safety of workers who apply the chemicals. The audit team found that not only do contracts contain safety measures, but also that the FME provides guidelines and supervision to herbicide applicators on each site, including on the location of sensitive areas, use of personal protective equipment, and application amounts. FME has staff who can communicate effectively with contractors and their workers.

Another comment was received on the FME's retention practices. The claim is that the FME is not developing larger size class as it does not harvest trees over 45 inches, but will harvest stems under 45 inches in diameter. Under such a scenario, larger size classes would be precluded across the FMU as the FME would not allow trees to approach over 45" in diameter. A common practice in the region named by the stakeholder is that companies will mark retention trees and then harvest them during subsequent harvests. During the evaluation, the audit team saw several trees of just under 45" in diameter were being retained in the Gulch 5 tract. Furthermore, the FME's retention policies require retention throughout the stand and throughout diameter classes. As the objective is to create a multi-aged stand, there is an incentive to favor a range of size classes. The FME's retention policies are available in the public summary of the forest management plan in its web site at www.mendocinoredwoodcompany.com.

2.4. Conformance with applicable non conformity reports

The section below describes the activities of the certificate holder to address each applicable non conformity report (NCR) issued during previous evaluations. For each NCR a finding is presented along with a description of its current status using the following categories. Failure to meet NCRs will result in nonconformances being upgraded from minor to major status with conformance required within 3 months with risk of suspension or termination of the SmartWood certificate if Major NCRs are not met. The following classification is used to indicate the status of the NCR:

Status Categories	Explanation
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Closed	Operation has successfully met the NCR.
Open	Operation has either <u>not met</u> or has <u>partially met</u> the NCR.

Check if N/A (there are no open NCRs to review)

Nonconformity: FSC’s definition of Indigenous Peoples includes “groups that have not been officially recognized by the Federal government.” However, MRC has only identified and engaged tribes that are federally recognized and there is no evidence that MRC has assessed if there are any tribes that are not federally recognized.	
Minor CAR 2010.1	MRC shall invite consultation with tribal representatives of federally and non-federally recognized tribes in identifying sites of current or traditional cultural, archeological, ecological, economic or religious significance.
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 3.3.a</i>
MRC response	<p>Discussion of CAR: MRC utilizes updated information available from the Bureau of Indian Affairs to determine with which American Indian groups to consult.. There are 16 federally recognized tribes with interests related to the MRC lands. However, during the re-assessment, one person noted that he is a member of a federally unrecognized tribe, and that MRC has not had contact with the tribe. FSC’s definitions of Indigenous Peoples include “groups that have not been officially recognized by the Federal government.” The Office of Federal Acknowledgement within the Office of the Assistant Secretary – Bureau of Indian Affairs of the Department of the Interior maintains a List of Petitioners by State. This list is one source that identifies unrecognized tribes within the vicinity of MRC’s lands. MRC needs to identify, and attempt to consult with, these unrecognized tribes.</p> <p>MRC ACTION: It has always been the intention of MRC to encourage participation and consult with local Native American tribes on identifying sites of current or traditional cultural, archaeological, ecological, economic, or religious significance. During our 2010 audit, it was noted that some members of federally unrecognized tribes had not been consulted by MRC regarding management actions within areas of interest.</p> <p>MRC utilizes a Native American contact list maintained by Cal Fire to insure that appropriate consultation occurs with interested local tribes prior to any management actions. Cal Fire requires that prior to any proposed THPs, all Native American tribes on the contact list (within the area of interest) be contacted via letter to request any knowledge of known cultural sites or sites of significance within the project area. Also, If an archaeological site is discovered during survey efforts, the tribes on the list are contacted a second time to enable participation in designing protection measures. This system ensures that one list is maintained by an appropriate agency that is able to monitor and review requests to be added to the list.</p>

Cal Fire archaeologist, Chuck Whatford, who assists in managing the contact list, stated that Cal Fire is proud to maintain a contact list for harvest planning that includes tribes that are not federally recognized (including the Wialacki and Sinkyone Intertribal Wilderness Council). Any requests to be added to the list are sent to the Native American Heritage Commission to review requests. Based on conversations with Mr. Whatford, it appears that almost all requests for being added to the Cal Fire contact list are approved. In early December, [MRC] reviewed the list of petitioners for federal recognition on the Bureau of Indian Affairs, Office of Federal Acknowledgement home page (accessed at: www.bia.gov/WhoWeAre/ASIA/OFA/index.html). [MRC] assessed all petitioners based on reviewing mailing addresses (the only available geographic identifier on the site) and selected tribes as potential additional contacts within the MRC area of operations or interest (i.e. Ukiah, Santa Rosa, Fort Bragg). This assessment yielded three additional tribal contacts for consultation:

- 1) Yokayo Tribe of Indians
Letter of intent to petition: 03/09/1987
- 2) The Displaced Elem Lineage of Emancipated Members (aka DELEMA)
Letter of intent to petition: 05/11/1998
- 3) SheBelNa Band of Mendocino Coast Pomo Indians
Letter of intent to petition: 03/01/2006

These three contacts were not located on the Cal Fire Native American Contact list. Note – the Office of Acknowledgement last updated the list of petitioners on September 22, 2008, so it is possible other tribes petitioned for recognition between the time the site was updated and accessed – so MRC staff will continue to review this site in December of every year to insure no updates have been added.

[MRC] also attended a meeting of tribal environmental directors for Mendocino and Sonoma counties in February to provide an update on MRC's HCV and RSA designation, MRC's forest management opportunities, and open the door for further discussions and opportunities with the tribes. Everyone in attendance at that meeting received [MRC's] card and information on MRC's management. It is unclear if members from unrecognized tribes attended the meeting, but after several discussions with members of various tribes it is clear that the best way to outreach to members of unrecognized tribes is via personal contact.

After various discussions and attempts to find personal contacts within the three known unrecognized tribes, [MRC] was able to set up a meeting on July 6th with two members of the Yokayo group – Christine Hamilton and her sister. Christine and her sister have set up a 501(c)3 organization – the Ukiah Hintel Community Cultural Development, Inc. to enable better opportunities. They took the

	<p>application to be on Cal Fire’s Native American contact list and were interested in opportunities to collect sedge for basket making activities (Christine is an expert basket maker and teaches classes at the Pinoleville Pomo Nation on basket-making). They knew of sedge beds on the Navarro River – the FME currently working to accommodate this opportunity.</p> <p>[MRC] was unable to set up meetings with members of the other tribes, the DELEMA and SheBelNa, so [MRC] recently sent letters to them inviting them to complete the Cal Fire application to be on the Native American Contact list as well as a map of MRC forestlands so they could determine if they were interested in providing feedback on MRC forestlands. [MRC] also provided a personal invite to tour our forestlands or meet in person regarding our activities and any cultural sites of significance they may know about. Those letters were sent on July 20, 2011. Letters are included below. [SCS/SW Note: letters were reviewed as part of the CAR response].</p>
SCS/SW comment	<p>With the mechanism established to contact tribes through CDF, MRC has shown that it is able to reach a broad base of federally and non-federally recognized tribes in the region. CDF requires that notification to tribes be sent to inform them of the opportunity to disclose any instances of known archaeological or cultural sites located within a project area. Although ‘cultural’ could be interpreted broadly to include sites of known ecological, economic, or religious significance, the SCS/SW audit team concludes that FSC-US indicator 3.3.a includes all of these terms to ensure that each is covered. Through its meetings with tribal members, MRC has addressed sites of ecological and economic significance. These meetings in combination with the THP notifications and post-discovery letters sent to tribes meet the requirements of this indicator.</p>
Disposition of CAR	This CAR is closed.

Nonconformity: Safety requirements are included in the agreements signed with contractors. However, contractor practices were witnessed that were not in compliance with these agreements (e.g. inconsistent use of personal protective equipment, workers that had no First Aid training or whose First Aid credentials had expired).	
Minor CAR 2010.2	MRC shall ensure that employees and contractors demonstrate a safe work environment and contracts or other written agreements include safety requirements.
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 4.2.b</i>
MRC response	Discussion of CAR: On contractor side, MRC has safety requirements written into their contracts, which includes the following terms outlined in the MRC document titled, “Environmental, Health and Safety Practices for Contractors”. This document includes requirements such as obeying all laws, developing an IIPP, training forest workers, notifying MRC of safety incidents and visits from OSHA representatives, and having relevant personal protective equipment (PPE). During field visits,

	<p>the assessment team noted that contract requirements are not being met with regard to personal protective equipment use and First Aid training. Forest workers were observed not wearing adequate hearing protection, hard hats, or eye protection. First aid equipment was not present on multiple sites, and first aid training is inadequate (untrained workers of expired certifications).</p> <p>MRC action: MRC developed a communication strategy and annual safety/spill kit inspection checklist to be used with contract loggers. On February 16, 2011, MRC forestry and management staff met with contract loggers to discuss ongoing safety issues, the new safety inspection requirement, harvest plans for 2011, and log quality (background material: agenda, sign in sheet, blank inspection checklist). During the meeting, MRC president Jim Holmes stressed that contractors who must meet the safety requirements included in our Environmental Health and Safety Handbook in order to work on MRC forest lands. Completed safety inspections will be kept in hard copy and online by the Process Control Forester. To date August 9, 2011, 4 safety inspections have been completed with a logging contractor (see below). MRC's ongoing policy will be to complete 1 annually scheduled safety inspection with each logging contractor who works on our forest lands, with the goal to insure that all safety requirements are met. Additionally, logging administrators are instructed to insure these safety requirements (particularly PPE requirements, first aid kits, and spill kits) are met every time they visit an active operation.</p>
SCS/SW comment	<p>MRC's response addresses the CAR. MRC presented an itinerary for a contract meeting held February 16, 2011 and the sign-in sheet of the attendees, and a sample site-inspection checklists filled out during MRC inspections of contractors. Interviews and site inspections by the auditors revealed that contractors knew where spill kits, fire boxes, and other safety equipment were on site. First AID kits were found in most vehicles and workers knew where to find them. In addition, SCS/SW observed consistent use of PPE by contractors, as well as good communication between yarder operators and landing men. Most contractors were able to demonstrate current First AID/CPR certifications.</p>
Disposition of CAR	<p>This CAR is closed.</p>

Nonconformity: MRC has begun work on a Social Monitoring Concern Matrix; however, it is incomplete. Additional groups need to provide input into the matrix, and monitoring data has neither been gathered nor evaluated in order for MRC to understand and, where appropriate, mitigate social impacts in management planning and operations.

Minor CAR 2010.3	<p>MRC shall demonstrate that it understands the likely social impacts of management activities, and incorporate this understanding into management planning and operations. Social impacts include effects on:</p> <ul style="list-style-type: none"> • Archeological sites and sites of cultural, historical and community significance (on and off the FMU); • Public resources, including air, water and food (hunting, fishing,
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	<p>collecting);</p> <ul style="list-style-type: none"> • Aesthetics; • Community goals for forest and natural resource use and protection such as employment, subsistence, recreation and health; • Community economic opportunities; • Other people who may be affected by management operations. <p>A summary is available to the CB.</p>
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 4.4.a</i>
MRC response	<p>Discussion of CAR: MRC has begun work on the development of a Social Monitoring Concerns Matrix. This matrix summarizes a number of issues under the categories of economic (e.g. market access, use local contractors, law enforcement), environmental (e.g. herbicides, air and water quality, water drafting), and public interest (e.g. noise, fire hazard, public access safety). MRC has discussed the matrix with managers and received informal feedback during public meetings. MRC acknowledges that additional consultations are needed with specific stakeholders (American Indian groups, watershed groups, forest contractors). Therefore the understanding of social impacts is incomplete. MRC tracks some basic data on local spending, community contributions, and local employment. However, MRC has not yet gathered data related to most of the matrix issues in order to fully understand the baseline condition and how that condition might change as a result of management activities. Therefore social impacts have not yet been incorporated into management planning and operations.</p> <p>[MRC provided a summary of its social impact assessment]</p> <p>Conclusion: Understanding the likely social impact of MRC's management activities is very important to MRC as a business. Our goal with this analysis was to better understand these social impacts and to ensure we had addressed these impacts in our management plan, and where necessary, add elements to our management plan to address social impacts that were not previously considered. This social impact analysis will be reviewed every 5 years to determine if new social impacts are occurring that may need to be added into our management planning. We believe social impact analysis and management is ongoing iterative process, and as we learn more and the local community changes, we will need to reassess this analysis.</p>
SCS/SW comment	MRC addresses all bullet points of indicator 4.4.a in its analysis and has provided a summary of its social impact results to the certification bodies. In conducting the assessment, MRC relied on information from staff and research necessary to respond to other CARs/OBSs, such as CAR 2010.4. I-
Disposition of CAR	This CAR is closed.

Nonconformity: MRC has not adequately demonstrated knowledge of its operation's effect on the local economy as it relates to existing and potential markets for a wide variety of timber and non-timber forest products and services.	
Minor CAR 2010.4	MRC shall demonstrate knowledge of MRC's effect on the local economy as it relates to existing and potential markets for a wide variety of timber and non-timber forest products and services.
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 5.4.a</i>
MRC response	<p>Discussion of CAR: Interviews with MRC staff and management, and review of the Management Plan and monitoring results of socio-economic indicators determined that there is insufficient of knowledge of MRC's impact on the local economy. MRC has taken the initial steps necessary for demonstration of conformance to this indicator, including tracking some information on the web site, such as hiring data, value of local services procured, etc. But more analysis is necessary to demonstrate an understanding of the impact on the local economy, particularly as it relates to existing and potential markets.</p> <p>MRC action: The following report details Mendocino Redwood Company's, and to some extent our associate sister business, Mendocino Forest Product's, effect on the local economy including timber and non-timber forest products. The three initial components of the report focus on existing forest products impact (labor force; multiplier analysis; and MRC and county specific economic outputs) while the final component details potential timber and non-timber forest products and services that MRC has investigated, implemented, or implemented and abandoned. While MRC, and our sister business, MFP, recognize our contributions to the local economy, it is important to note that two key sectors of the local economy (1) service and (2) government, contribute significantly more to the local labor force and economy than MRC and MFP do.</p>
SCS/SW comment	<p>MRC cited data from Employee Development Department web site for Mendocino County data for March 2011 accessed at: www.calmis.ca.gov/file/ifmentw/mendopds/pdf on 4/31/11. MRC also used some of its own economic data in the analyses.</p> <p>It included analyses of the local labor force (using both direct and indirect jobs through multiplier analysis); MRC's/MFP's specific economic outputs in the county (e.g., local product and supplier purchases); percentage of total county timber harvest by year (e.g., in 2009, the poorest harvest year on record, MRC's harvest accounted for 42% of the County's total volume); community giving by MRC and MFP; and timber and non-timber forest product/ecosystem service opportunities.</p> <p>MRC's and MFP's direct employment account for approximately 9% of the goods producing sector in Mendocino County; that sector accounts for approximately 8% of the total civilian workforce in the</p>

	county. When using the regional jobs multiplier; however, for the year 2010, MRC and MFP's direct and indirect employment (962 regional jobs) would account for nearly 1/3 of the goods producing sector and nearly 2% of the civilian workforce in the County. MRC's timber and non-timber forest product/ service analysis shows that a variety of options has been explored and several still being considered (e.g., tanoak flooring, bough collection, lease options).
Disposition of CAR	This CAR is closed.

Nonconformity: MRC relies on each Area Forester to manage and monitor the invasive species on the forest tracts for which they are responsible. There is no formal or consistent strategy used to assess the risk of invasive species populations based on the extent of the invasive species or the degree of the threat to native species or ecosystems. Additionally, the monitoring of the management practices implemented is of an <i>ad hoc</i> nature which makes it difficult to collaborate or assess the effectiveness of treatments across the ownership.	
Minor CAR 2010.5	MRC shall assess the risk of, prioritize, and, as warranted, develop and implement a strategy to prevent or control <i>invasive species</i> , including: <ol style="list-style-type: none"> 1. a method to determine the extent of invasive species and the degree of threat to native species and ecosystems; 2. implementation of management practices that minimize the risk of invasive establishment, growth, and spread; 3. eradication or control of established invasive populations when feasible: and, 4. monitoring of control measures and management practices to assess their effectiveness in preventing or controlling invasive species.
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 6.3.h</i>
MRC response	<p>Discussion of CAR: Current policies and procedures on invasive species are characterized as <i>ad hoc</i> and informal. There are no specific procedures that area foresters employ to assess risks of invasive species, or develop and implement control strategies. While there are plans to develop an invasive plant control program as part of the HCP, this component is not implemented yet and there is no available timeline for its eventual implementation. Eradication processes are not specified, and monitoring of control methods is anecdotal. There is no formal mapping procedure for invasive species and the budget for invasive species management is based on each individual area forester's request for their area.</p> <p>MRC ACTION: Developed MRC's invasive species management plan and most wanted invasive species report form. Implemented in late July of 2011, GIS feature in development to track all known occurrences, follow-up actions, and results.</p>
SCS/SW comment	MRC includes objectives for invasive species management, which includes eradication or reduction of cover, biomass, and distribution of target non-native invasive plants, and to reduce the

	number and distribution of non-native invasive animals (e.g., wild boar) if they threaten ecological balance in natural communities. MRC includes in the FMP methods to determine the extent of invasive species (1), degree of threat to native species and ecosystems (with emphasis on threats to HCVs/RSAs; 1), management practices to reduce spread or control invasives (2, 3), and monitoring (4).
Disposition of CAR	This CAR is closed.

Nonconformity: MRC has not distinguished between HCVFs and RSAs in its management approach and in its documentation of both types of special management areas in the management plan and appurtenant maps. Therefore, the RSA assessment (Indicator 6.4.a) has not been reviewed and updated in order to determine if the need for RSAs has changed.	
Minor CAR 2010.6	MRC shall review and, if necessary, update the Representative Sample Area assessment in order to determine if the need for RSAs has changed; the designation of RSAs (6.4.b) shall be revised accordingly. Where warranted, MRC shall distinguish between HCVFs and RSAs in management strategies and documentation of both types of special management areas in the management plan and related maps.
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 6.4.d</i>
MRC response	MRC action: MRC completed internal review and revision, as well as assessment of HCV and RSAs on our forestlands as well as re-assessing specific RSAs. This update has been added to the management plan (See revised version Management Plan).
SCS/SW comment	MRC has determined a number of RSAs, and has differentiated between HCV areas and RSAs where warranted in the management plan and associated maps. Both RSAs and HCVs have protections and management strategies based on the ecological characteristics of them. For example, oak woodlands may require removal of conifer encroachment or actions that mimic the effects of natural ground fires. Certain areas, such as that for the Point Arena Mountain Beaver, may require more explanation as to the RSA over the HCV designation as the FSC-US HCV framework is clear that RT&E species are HCV. See OBS 2011.4
Disposition of CAR	This CAR is closed.

Nonconformity: 1. Most of MRC's streamside management zone buffer widths are in conformance with the FSC standard, with the exception of large and small Class II watercourses, as defined by the California Forest Practice Act, and that the FSC defines as Category B watercourses. MRC's written guidelines specify that a 50-foot buffer may be used adjacent to variable retention harvests on slopes that do not exceed 30%. Similarly, variable retention harvests adjacent to a 75-foot buffer may be used on slopes less than 50%. FSC Category B streams require a total of a 100-foot buffer. A nonconformance results when an opening associated with a variable retention harvest is immediately adjacent to a FSC Category B stream buffer such that there is limited or no retention in the 50-foot to 100-foot zone from the stream (i.e., on
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Large Class II SMZs variable retention openings from 75 ft. – 100 ft. from high water mark on slopes <50%; and on Small Class II SMZs variable retention openings from 50 ft. – 100 ft. from high water mark on slopes <30%).

2. MRC wishes to justify its variance from the Pacific Coast regional SMZ indicators in the case of small Class II streams adjacent to variable retention harvests or group openings. MRC has not presented supporting documentation that includes a description of the riparian habitats and species addressed in the alternative configuration.

In cooperation with an independent expert in aquatic ecology or closely related field, the CBs must be able to use this information to verify that the variation maintains the overall extent of the buffers and provides equivalent or greater environmental protection than FSC-US regional requirements for those stream segments, water quality, and aquatic species, based on site-specific conditions and the best available information.

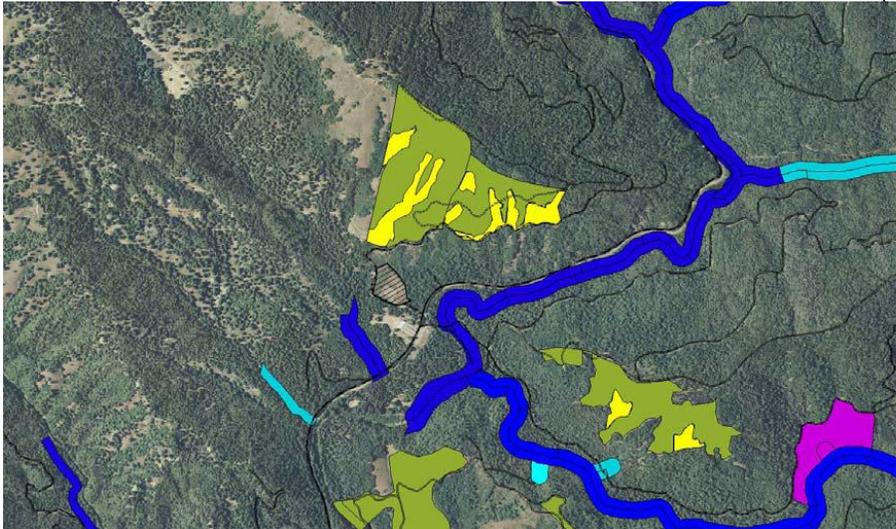
MRC maintains that the Habitat Conservation Plan (HCP) review staff, from the federal and state agencies, qualifies as independent experts in aquatic ecology and closely related fields (e.g., hydrology). However, at the time of the 2010 re-certification assessment, the HCP process was incomplete and there is no evidence that the HCP process and independent review specifically includes a comparison and analysis of the variance from the FSC Standard.

Minor CAR 2010.7	<p>MRC shall seek to fulfill either of the following options as corrective action requests:</p> <ol style="list-style-type: none"> 1. For Category B streams, MRC shall create a 25-foot (slope distance) inner buffer managed according to provisions for inner buffers for Category A streams and a 75-foot (slope distance) outer buffer (for a total buffer of 100 feet) created and managed according to provisions for outer buffers for Category A; or 2. MRC shall provide a written set of information that includes a description of the riparian habitats and species addressed in the alternative configuration and how this variation maintains the overall extent of the buffers and provides equivalent or greater environmental protection than FSC-US regional requirements for those stream segments, water quality, and aquatic species, based on site-specific conditions and the best available information. The Certifying Body will verify if the variations meet these requirements, based on the input of an independent expert in aquatic ecology of closely related field.
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 6.5.e.1.c (Appendix E Pacific Coast) or Indicator 6.5.e.2</i>
MRC response	<p>MRC action:</p> <ol style="list-style-type: none"> 1) Cross referenced MRC stream typing with FSC definitions for Pacific Coast Streams: <ul style="list-style-type: none"> • Category A stream: A stream that supports or can support populations of native fish and/or provides a domestic water supply = Class I • Category B stream: Perennial streams that do not support native

	<p>fish and are not used as a domestic water supply = Large Class II</p> <ul style="list-style-type: none"> • Category C stream: An intermittent stream that never the less has sufficient water to host populations of no-aquatic species = Small Class II* • Category D stream: A stream that flows only after rainstorms or melting snow and does not support populations of aquatic species = Class III <p>* Per MRC's planning agreement with DFG, we define small Class IIs as watersheds with < 100 acre drainage area OR not expected to flow continuously throughout its length throughout the year (MRC 2009, page 3).</p> <p>2) Created table with cross-walk of streams and current protections applied by MRC and required by FSC.</p> <p>3) Created new riparian buffer information cards for foresters that provide detail about required distances and silviculture within buffers, added to management plan. This will be implemented in operational season 2011.</p> <p>4) Management plan updated to reflect this change.</p>
SCS/SW comment	After comparing SCS/SW's stream buffer analysis of FSC-US Pacific Coast vs. Cal FPR vs. MRC to MRC's analysis of its own stream buffer management practices vs. FSC Pacific Coast guidelines, SCS/SW finds that MRC's updated stream buffer widths and permitted management practices are in compliance with the restrictions detailed in the FSC-US Pacific Coast regional stream buffer guidelines.
Disposition of CAR	This CAR is closed.

Nonconformity: Despite the efforts by MRC to provide each contractor with spill kits at the beginning of the 2010 field season, several contractors were found to not have spill kits on site or to not know where to find the spill kits on site.	
Minor CAR 2010.8	MRC shall ensure that employees and contractors have the equipment and training necessary to respond to hazardous spills.
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 6.7.a</i>
MRC response	MRC action: See actions for CAR 2010.2
SCS/SW comment	MRC has fulfilled the requirements of this CAR in its response to CAR 2010.2. Interviews with loggers and road crews confirmed that the proper equipment (e.g., spill kits) and training are in place.
Disposition of CAR	This CAR is closed.

Nonconformity: Areas previously occupied by natural forests have been cleared for the establishment of a hedge farm, which meets the FSC definition of a non-forest use.	
Minor CAR 2010.9	MRC shall demonstrate that: (6.10.b): The land conversion did not occur on high conservation

	<p>value forest areas;</p> <p>(6.10.c): The conversion to non-forest land use will enable clear, substantial, additional, secure, and long term conservation benefits across the forest management unit; and</p> <p>(6.10.e): The justification for land-use conversions is fully described in the long-term management plan, and the conversion meets the biodiversity conservation requirements of Criterion 6.3.</p>
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 6.10.b. & 6.10.c. or 6.10.e</i>
MRC response	<p>Discussion of CAR: MRC converted one forested area of 8 acres to a hedge farm, which meets the FSC definition of a non-forest use and amounts to significantly less than 1% of the ownership. This area was previously managed as a natural forest under a THP. There is no write up of the hedge farm in the management plan – so if 6e applies and the hedge farm is kept within the scope, then it seems they are in non-conformance.</p> <p>MRC Response:</p> <p>6.10.a. This area is a very limited portion of MRC forestlands, it comprises 7 acres of our total of 228,000 currently owned and managed by MRC (far less than 1% of the forestlands).</p> <p>6.10.b. See map below – the hedge farm area has been mapped and compared to our HCV/RSA mapping efforts – it is outside of all HCV/RSAs. The hedge farm is the area outline in black with black hatches, other colors indicate other HCV/RSA areas (bright green = grass; yellow = hardwood RSA; pink = northern spotted owl; darkest blue = class I; lightly less dark blue = coho core area; aqua = class II).</p>  <p>6.10.c. The hedge farm location provides the following clear, substantial, additional, secure, long-term conservation benefits across the forest unit:</p>

	<ul style="list-style-type: none"> • Provides a secure source of seedling material for redwoods for all seed zones across our forestlands (redwood seeding is rare in this region of California and seed is limited in quantity and quality) • Insure a viable stock of seedling production for conducting forest restoration activities (specifically restoring conifer forests across the landscape) • Provides a source of seedlings that are “superior trees” and enable better survival and faster growth (thus insuring stable growth and yield over the life of the forest) <p>6.3. Ecological values and functions have been maintained intact across the forestlands. In fact, this hedge farm is a required component of our long-term management in order to ensure appropriate forest regeneration after restoration activities occur. Forest succession will continue in all areas outside of the hedge farm as described in our management plan. Genetic, species, and ecosystem diversity needs are met by allowing redwood sprouts to grow from stumps and interplanting the area around the stumps with these cultivars. Natural cycles that affect the productivity of the ecosystem such as decomposition, growth, maintenance of downed wood and snags throughout MRC’s forestlands are still ongoing and allowed to progress. Ecological functions and values shall be maintained intact, enhanced, or restored, including: a) Forest regeneration and succession. b) Genetic, species, and ecosystem diversity. c) Natural cycles that affect the productivity of the forest ecosystem.</p>
SCS/SW comment	<p>In addition to its response, MRC has updated the FMP to discuss the 7-acre hedge farm area as required by indicator 6.10.e. The hedge farm serves as an area for MRC to propagate local genetic stock for restoration of conifer across its ownership, which is consistent with criterion 6.3 since past land practices have led to degradation of conifer forests. Without the hedge farm stock, cuttings for vegetative propagation for supplemental regeneration in the forest would be in short supply. Fire-dependent systems are not functioning as they would with the limited burning permitted in the region. Potentially, longer fire return intervals in Coastal redwood forests may be correlated to reduced regeneration from seed.</p>
Disposition of CAR	This CAR is closed.

Nonconformity: The management plan does not describe MRC’s stakeholder consultation process.	
Minor CAR 2010.10	MRC shall augment the management plan to describe the stakeholder consultation process.
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 7.1.r</i>
MRC response	Discussion of CAR: The MRC Management Plan does not currently contain a description of the stakeholder consultation

	<p>process, nor is any such process documented on the web site, or in publicly available format. Stakeholder consultation is mandated as part of the THP, however for all other stakeholder consultation process MRC uses an internal document titled, "MRC opportunities for public input regarding planning initiatives."</p> <p>MRC ACTION: The public input policy has been added to the revised MRC management plan.</p>
SCS/SW comment	MRC has described the stakeholder consultation process in the FMP, including methods of submitting comments. Submission of written comments to MRC requires a formal response from MRC.
Disposition of CAR	This CAR is closed.

Nonconformity: MRC tracks some basic socio-economic indicators (e.g. local spending, number of employees). However, MRC has not yet developed a monitoring mechanism related to the Social Monitoring Concerns Matrix.	
Minor CAR 2010.11	MRC shall monitor relevant socio-economic issues, including the social impacts of harvesting, participation in local economic opportunities, the creation and/or maintenance of quality job opportunities, and local purchasing opportunities.
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 8.2.d.3</i>
MRC response	<p>Discussion of CAR: MRC's management plan and web site reports on the value of goods and services purchased locally (4.1.c), the number of MRC employees, and the support provided to you and community groups (4.1.g). However, monitoring of socio-economic issues is incomplete. While a social monitoring matrix exists, consultation with the tribes and other stakeholders is not adequate, and MRC has yet to determine a mechanism to monitor the issues identified in the matrix (see CAR 2010.3 under Indicator 4.4.a). Written procedures for how monitoring of these issues will proceed are incomplete (see Indicator 7.1.n).</p> <p>MRC action: MRC has completed a socio-economic monitoring plan and presented the results of 2011 monitoring.</p>
SCS/SW comment	For several items, MRC has opted for collecting information on some monitoring indicators annually while information gathered is periodic for a few others (e.g., terrestrial ecology and oak woodlands). MRC will review its assessment of social impacts and social impacts monitoring every 5 years. The next review will be in 2016.
Disposition of CAR	This CAR is closed.

Nonconformity: In 2005, MRC documented the process used to identify 20% (47,726 acres) of the ownership as part of the MRC Reserve System. This document specifies the sources used to identify these Reserves including: Wieslander Vegetation Type Maps (VTM, 2005) and Fire and Resource Assessment Program Maps (FRAP, 2005) as well as consultation with outside experts and stakeholders from 20 different agencies and ENGOs.

While this process was broad reaching, it did not include consultation with area Tribes nor

<p>did it distinguish between FSC Representative Sample Areas (RSA) (as per Criterion 6.4) and FSC High Conservation Value Forests (as per Criterion 9.1). The process as documented, more clearly aligns with the FSC requirements in Criterion 6.4 for Representative Samples. Although, these efforts certainly include elements required to identify High Conservation Value Forest as per Principle 9, the analysis needs to more clearly distinguish between RSAs and HCVFs in the documentation and mapping, as well as in the documentation describing the specific consultation with relevant stakeholders and experts.</p>	
<p>Minor CAR 2010.12</p>	<p>MRC shall:</p> <p>(9.1.a): Identify and map the presence of HCVs within the FMU and, to the extent that data are available, on lands adjacent to the FMU, in a manner consistent with the assessment process, definitions, data sources, and other guidance described in Appendix F of the US Regional Standard; and</p> <p>(9.1.b) Consult with qualified specialists, independent experts, and local community members who may have knowledge of areas that meet the definition of HCVs.</p>
<p>Deadline</p>	<p>First annual audit.</p>
<p>Reference</p>	<p><i>FSC-US National Standard, Indicators 9.1.a, 9.1.b</i></p>
<p>MRC response</p>	<p>Discussion of CAR: MRC has identified and mapped the presence of HCVF within their ownership and submitted for the audit team’s review a document titled, “MRC Reserve System” in response to CAR 2005.3, which also concerned HCVF identification and process. However, upon repeated review of the MRC Reserve System, descriptions of “unique natural community types” in the Management Plan, and GIS layers documenting HCVF areas on the landscape, the audit team determined that the HCVF identification process that MRC conducted has led to inadequate distinction between Representative Sample Areas (RSAs) and HCVFs. For example, WLPZ areas and view shed are mapped with HCVFs, leading to some confusion over the relative role these have elements have governing specific management operations.</p> <p>Specifically, the audit team did not find conformance related to adequate identification of Category 6 HCVF areas, which specifically relate to “forest areas critical to local communities traditional cultural identity...” Given the previous Observations and CARs related to adequate communication with local tribes, the audit team determined that it is unlikely that HCVF Category 6 areas have been identified in a process that is consistent with the guidance stated in Appendix F.</p> <p>As part of the ongoing HCP and NCCP development process there is ample consultation with agencies and NGOs, however consultation with tribes may not be adequate to ensure Category 6 HCVF areas are identified. Consultation practices related to HCVFs up to now have been characterized as ‘ad hoc,’ and there is no evidence of a more general, comprehensive approach to consultation regarding HCVFs.</p>

	<p>In auditor's discussion with local tribal representatives, there are areas they know of that could potentially be managed differently, or areas with certain environmental conditions of interest; this could build on the other consultative work that MRC could with the tribes, including talking with them about HCVF, and seeing if they have input, which it would seem that they do.</p> <p>Given the nonconformity under Indicator 9.1.a, which to some extent requires a new assessment process, it follows that under this indicator a new consultation process be initiated as well, as part of that reassessment.</p> <p>MRC action: MRC staff spent the latter quarter of 2010 gathering and reviewing maps of pre-defined reserves, collating information from the draft of the HCP/NCCP to include as HCVs or RSAs, and assessing whether internal staff thought additions needed to be made to current assessments. Two additional types were added as a result of this consultation – marsh (RSA) and Significant Cultural Sites (HCV). Staff then assess what classifications each typing should have (HCV or RSA) based on FS-US current standards (including Appendix F and category 6). See CAR RESPONSE 2010.6 for discussion and list of finalized HCV/RSA assessment.</p>
SCS/SW comment	MRC completed and presented the results of several consultations in the development of its HCV assessment, including those with tribes, experts, and local community members. Consultation with tribes yielded some interest, MRC will continue to do more work in the future as MRC has identified. However, MRC has carried out some initial identification of potential areas of interest in cooperation with the tribes. In this sense, a complete assessment may take some more time as the required time for the consultation process depends on MRC and interested stakeholders.
Disposition of CAR	This CAR is closed.

Nonconformity: Due to the fact that the process used to identify the MRC reserves did not distinguish between Representative Sample Areas (RSA) and High Conservation Value Forests (HCVF), it is unclear how the consultation with stakeholders and outside experts was used to confirm that the proposed HCVF locations and their attributes have been accurately identified, and that appropriate options for the maintenance of their HCV attributes have been adopted.	
Minor CAR 2010.13	MRC shall hold consultations with stakeholders and experts to confirm that proposed HCVF locations and their attributes have been accurately identified, and that appropriate options for the maintenance of their HCV attributes have been adopted.
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 9.2.a</i>
MRC response	Discussion of CAR: While the audit team recognizes that some consultation related to this indicator occurred, it is inadequate to ensure that HCVF locations and attributes have been accurately identified.

	<p>The consultation required under this indicator differs from that required under Criterion 9.1 in that it is about the specific location and attributes of HCVFs rather than merely identifying their type, and consultation must ensure that options for their maintenance are appropriate. Due to the fact that the process used to identify the MRC reserves did not distinguish between Representative Sample Areas (RSA) and High Conservation Value Forests (HCVF), it is unclear how the consultation with stakeholders and outside experts was used to confirm that the proposed HCVF locations and their attributes have been accurately identified, and that appropriate options for the maintenance of their HCV attributes have been adopted.</p> <p>MRC response: See CAR 2010.12. We utilized our consultation process to address both the question of location and attributes of HCV as well as identifying their type and management prescriptions/options for the maintenance of their HCV attributes. We utilized local expertise as much as possible, but also utilized one forest advisor from Humboldt County who worked as a certifier prior to working for the Cooperative Extension (Yana Valachovic). Please also note the table in response to CAR 2010.6 that describes the stakeholder/experts queried related to each individual type.</p>
SCS/SW comment	See response to CAR 2010.13.
Disposition of CAR	This CAR is closed.

Nonconformity: While chain-of-custody custody procedures were found to be properly implemented, the procedures are not fully documented as required for ownerships exceeding 10,000 ha. Key items missing from the documented procedures include: the maintenance of records and reporting of volume summaries, the use of the FSC certificate code and claim on sales and shipping documents, and trademark use. Additionally, the claim on the shipping documents is FSC 100% rather than the required "FSC Pure" claim.	
Minor CAR 2010.14	MRC shall provide written procedures covering all applicable chain of custody procedures and ensure that the shipping and sales documents use the FSC Pure claim.
Deadline	First annual audit.
Reference	<i>FSC-US National Standard, Indicator 8.3.b.</i>
MRC response	<p>Discussion of CAR: While chain-of-custody procedures were found to be properly implemented, the procedures are not fully documented as required for ownerships exceeding 10,000 ha. Key items missing from the documented procedures include: the maintenance of records and reporting of volume summaries, the use of the FSC certificate code and claim on sales and shipping documents, trademark use. See Appendix 4 CoC checklist.</p> <p>MRC response: Originally developed 2009 revised in 2011 to address this CAR.</p>
SCS/SW comment	The auditors went over the CoC procedures with the MRC's staff. It was concluded that MRC's written procedures conform to COC requirements.

Disposition of CAR	This CAR is closed.
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2.5. New corrective actions issued as a result of this audit

No new CARs issued this audit.

2.6. Audit observations

Observations are very minor problems or the early stages of a problem which does not of itself constitute a non-conformance, but which the auditor considers may lead to a future non-conformance if not addressed by the client. An observation may be a warning signal on a particular issue that, if not addressed, could turn into a NCR in the future (or a pre-condition or condition during a 5 year re-assessment).

2010 Observations (OBSs)

Description of findings leading to an observation: Currently, the institutional knowledge of the forestry staff has been effective in ensuring that use rights such as water sources are protected. However, without key personnel it is questionable if there is a functional system beyond the historical knowledge to ensure future conformance.	
OBS 2010.1	MRC should evaluate the systems to manage and retrieve information about tenure and use rights held by others so that management activities do not significantly impact the uses or benefits of such rights.
Reference	<i>FSC-US National Standard, Indicator 2.2.b</i>
MRC response and SCS/SW comment	<p>Discussion of CAR: When a THP is proposed, the Area Forester or related staff has direct communication with people and groups that have licenses and use grants. Concerns regarding potential impacts to rights are discussed (e.g. impacts to water quality and quantity), and mitigation measures are proposed (e.g. stream buffers). The assessment team was not made aware of any concerns about MRC's consultation efforts. As noted in indicator 2.1.b, when a THP is under development there is no automatic system that links a use right to that THP. Therefore, there is a potential risk for use rights holders to not be consulted.</p> <p>MRC ACTION: 1) E-mail sent to all MRC staff 1/6/2011, rolling out MRC Land Records System:</p> <p>Attached is an explanation of the MRC Land Records System which is now being implemented in electronic form. Most of the company land records are in paper form in the Vault at the Hollow Tree Office in Ukiah. In order to make the information they contain easily available to the people working with the lands, we are shifting to an electronic format. This will also insure their safety and storage with a backup off site.</p>

	<p>The system you will see on the Corp-server 2 is a work in progress. It is the initial introduction of a system and is by no means complete. Land transactions currently taking place are in an electronic format and will be added to the system. The older records will probably be added as they are retrieved in paper form for a requested research project and the important parts scanned. The files and maps on the server are in read only form however they can be dragged and dropped into your computer for local use, printing or sending in e-mails. Comments and suggestions for improvement are always encouraged as well as questions for finding and using the system.</p> <p>2) Attached file below: [SCS/SW audit team reviewed attached file]</p> <p>SCS/SW response: MRC's response to the observation is satisfactory. The auditors interviewed MRC's Real Estate Consultant and were given explanations, and documents to review to be able to conclude that MRC is in compliance with the FSC Standard. MRC has asked foresters to maintain a desktop shortcut to the land records system, which can then be accessed during the THP preparation process.</p>
Disposition of OBS	This OBS is closed.

<p>Description of findings leading to an observation: Overall, the residual stand protection across the ownership was adequate but the skid trails observed in a few units were excessively wide resulting in excessive mineral soil disturbance. Additionally, the audit team saw only one commercial thin, as very few acres have been treated with a commercial thin prescription, but the number of barked trees along the skid trails was higher than expected.</p>	
OBS 2010.2	MRC should insure that harvest practices are managed to protect residual trees and other forest resources.
Reference	<i>FSC-US National Standard, Indicator 5.3.b</i>
MRC response and SCS/SW comment	<p>Discussion of CAR: MRC relies heavily on cable yarder operations, and no rutting was of concern in units with ground skidding. During field visits, the audit team did not observe any significant erosion.</p> <p>A few isolated examples of increased residual stand damage and soil disturbance were observed. The damage to the residual stand was limited to an increased number of debarked trees along skid trails.</p> <p>The excessive soil disturbance resulted from increased skid trail width and density and excessively large water bars. Given that this residual stand damage and soil disturbance was not typical of the majority of the sites visited, the audit team concluded that a corrective action is not warranted at this time. Most units observed demonstrated limited disturbance to: soil, residual stand, NTFPs. Typical practices include well placed and constructed water bars as well as the use of residual slash to decrease the potential for erosion on skid trails.</p> <p>MRC ACTION: Ongoing reminders from MRC president, Jim</p>

	<p>Holmes to remember to limit damage to residual trees and other forest resources (i.e. do not open more skid trails than are necessary). Discussed at contractor meeting (agenda item for 11:50 am) on November 16, 2011 (see CAR 2010.2 for agenda).</p> <p>SCS/SW comment: During site visits to the Albion and Noyo tracts, SCS/SW observed much more use of slash on ground-based operations. Slash was used at the end of tail ditches and on the skid trails themselves to reduce compaction of soils, keep organic matter on site, and serve as a deterrent to unauthorized ATV use on-site. Disturbance to topsoil was minimal and limited to skid trails. No excessive rutting was observed. 'Rub' trees were designated at the convergence of skid trails and will be reused in subsequent harvests to protect other residual trees.</p>
Disposition of OBS	This OBS is closed.

<p>Description of findings leading to an observation: Contractors must report a monthly chemical use summary and administrative staff maintains documentation in a spread sheet in order to report the annual application. However monitoring relies on the ocular observations by the area foresters and their staff. While the area foresters and staff do have a long tenure, intimate knowledge of the FMU, and are on site frequently, there are not systems to ensure consistent monitoring between area foresters.</p>	
OBS 2010.3	MRC should monitor the effects of chemicals used and the results should be used for adaptive management.
Reference	<i>FSC-US National Standard, Indicator 6.6.e</i>
MRC response and SCS/SW comment	<p>Discussion of OBS: MRC maintains records of herbicide applications (Pest control recommendation form), that includes how much chemical and where it was applied. MRC prepares monthly summary product use report on chemicals (one administration staff maintains documentation of application of chemical in an Excel file, so they can tally annual application). Monitoring is informal for effectiveness of chemical application and mostly involves visual observation in the field.</p> <p>Contractors must report monthly summary use and administrative staff maintains documentation in a spread sheet in order to report the annual application. However, monitoring relies on the ocular observations by the area foresters and their staff. While the area foresters and their staff do have a long tenure, intimate knowledge of the FMU, and are on site frequently, there are not systems to ensure consistent monitoring between area foresters.</p> <p>MRC ACTION: MRC foresters and Andy Armstrong complete qualitative reviews of effect of chemicals used. They assess the success of previous applications, different types of applications, and success related to timing of applications. Andy Armstrong has worked with our chemical supplier to put out a few test plots assessing success rates of chemical applications as related to timing of the application. Assessments will continue into the future.</p> <p>SCS/SW comment: Field observations did not reveal any issues</p>

	with herbicide usage, except the potential for fire from the amount of dead wood left in the forest. Tests on water quality have proven to reveal that water quality is not being affected by the type of herbicide method employed and usage underway. Stakeholders interviewed are not convinced the FME is using chemicals in such a way that their health and community well-being will not be affected by continued applications in the forest. However, FME is applying chemicals in conformance to the FSC-US Standard and uses direct application to the target species in the frilling method. FME's monitoring program includes alternative application methods, different chemical mixtures, reduced chemical application, timing of application, and water quality analyses.
Disposition of OBS	This OBS is closed.

Description of findings leading to an observation: All MRC staff interviewed was found to be qualified and sufficiently supervised. However, the unnecessary skid trail width and soil disturbance on a small number of sites visited as well as the few safety concerns observed by logging contractors (i.e. lack of personal protective equipment, no first aid kit on site) may have been due to insufficiently supervised or inexperienced logging contractors.	
OBS 2010.4	MRC should ensure that forest workers are qualified and sufficiently supervised to properly implement their respective components of the management plan.
Reference	<i>FSC-US National Standard, Indicator 7.3.a</i>
MRC response and SCS/SW comment	<p>Discussion of OBS: MRC does provide guidance and training to forest workers to assist them in implementing harvest plans, and workers demonstrate knowledge about wildlife trees, archaeological sites, and WLPZ. Area foresters' understanding and knowledge of their management area and harvest units is excellent.</p> <p>However, auditors observed some problems with implementation of safety aspects of harvest planning in the field, and some problems with skid trail width, yarder corridor width, and mineral soil disturbance on the skid systems. These observations indicate there are opportunities to further enhance workers abilities to implement timber harvests to show exemplary forest management and conformance to this standard.</p> <p>MRC ACTION: Please refer to response to Observation 2010.2.</p> <p>SCS/SW comment: Through continued training and work experience, area foresters appear to now be able to implement forest operations in an efficient and effective manner. Further reinforcement came from field observations during the audit and interviews with loggers and road crews. See comment for Observation 2010.2</p>
Disposition of OBS	This OBS is closed.

Description of findings leading to an observation: MRC has offered, in the past, the opportunity to Tribes to jointly monitor sites of cultural significance. However, given changes in Tribal representation and organizational structure,

and given the time passed since the offer was made, most of the Tribes are unaware that they could participate in monitoring.	
OBS 2010.5	MRC should consider regularly offering to Tribal representatives the opportunity to jointly monitor sites of cultural significance.
Reference	<i>FSC-US National Standard, Indicator 8.2.d.5</i>
MRC response and SCS/SW comment	<p>Discussion of OBS: Interviewed area foresters confirmed that they have invited tribal representatives to monitor specific sites in the past. However, tribal representatives were not necessarily aware of this invitation; possibly given the time past since the offer was made and given changeovers in staffing. Tribal representatives are interested in renewing discussions with MRC about monitoring opportunities. Monitoring after harvest is not explicit, and there is no general protocol for regular joint monitoring of sites of cultural significance.</p> <p>MRC ACTION: MRC is already doing ongoing monitoring of our co-management site with the Pinoleville Pomo Nation. Also, the Stewardship Director offered this opportunity to all attendees at the February meeting of the Mendocino-Sonoma Tribal Environmental Programs Group. Some progress has been made as we are actively participating with the Pinoleville Pomo Nation on our co-management site, and have begun to work with a local basket weaver on potential locations for sedge collections. An MRC representative will ask to attend a meeting every year of the Mendocino-Sonoma Tribal Environmental Programs Group to insure this opportunity for joint monitoring of sites of cultural significance.</p> <p>SCS/SW comment: MRC utilizes a Native American contact list maintained by Cal Fire's California Department of Forestry (CDF) to ensure that appropriate consultation occurs with interested, local tribes prior to any forest management activity. Cal Fire requires that prior to any proposed THPs, all Native American tribes on its contact list, within the area of interest, be contacted via a letter to request any knowledge of cultural, ecological, economic, or religious sites or other sites of significance within the project area. If an archaeological site is discovered during survey efforts, tribes on the list are contacted a second time to enable participation in designing protection measures. An example of this letter was provided to the auditors. Thus, with a process established to contact tribes through CDF, MRC has shown that it is able to potentially reach a broad base of federally and non-federally recognized tribes in the region for consultation, and has in fact be in contact and is cooperating on a number of activities with tribal members.</p>
Disposition of OBS	This OBS is closed.

Description of findings leading to an observation:
Interviews indicated that there is one HCVF area that is adjoined by private land in which there has been limited effort to coordinate the maintenance of the HCV attribute with the

adjacent landowner.	
OBS 2010.6	When HCVF attributes cross ownership boundaries and where the maintenance of the HCV attributes would be improved by coordinated management, then MRC should attempt to coordinate conservation efforts with adjacent landowners.
Reference	<i>FSC-US National Standard, Indicator 9.3.c</i>
MRC response and SCS/SW comment	<p>Discussion of OBS: Field visits during the audit could confirm only two cases of HCVFs crossing ownership boundaries (e.g., pygmy forest on Oceans property and Oak woodland along Masonite Road), and in both cases MRC has made attempts to coordinate with adjacent landowners. Staff mentioned that while they do not have any written agreements with adjacent landowners, or current interactions with any of the neighbors regarding the management of oak woodlands, they used to have a verbal agreement with the neighboring ranch about running cattle on MRC's section of oak woodland to control grasses. This, however, has not been done in at least a decade. These attempts on Oceans and in oak woodlands were reactive rather than anticipatory, and did not necessarily focus on conservation efforts. Generally, MRC has made no comprehensive effort to coordinate the management of HCVF area that may cross over into adjacent properties. However, MRC's past efforts are sufficient to meet the requirements of this indicator. Moreover, their attempts to stop trespass into its area of pygmy forest are consistent with the maintenance of the conservation values on its lands.</p> <p>MRC ACTION: Many of MRC lands have adjacent landowners where ownership may change hands. Typically, our relationship with adjacent landowners is positive and cooperative. For instance, we have attempted to work with watershed councils (made up of many different landowners and interested parties) in cooperative fashion to insure streams that are currently occupied by coho can continue to be occupied by coho in the future.</p> <p>MRC staff continues to monitor our HCV and RSA stands on our forestlands, and especially those with adjacent forest land owners to insure those stands maintain their habitat typing. Additionally, we have provided additional protections for the Navarro River Redwoods State Park (a second growth stand of floodplain redwood) and Hendy Woods State Park (contains a Type I old growth stand) both of which area adjacent to our forestlands.</p> <p>SCS/SW comment: Many of MRC lands have adjacent landowners where ownership may change hands. Typically, its relationship with adjacent landowners is positive and cooperative. For instance, MRC has attempted to work with watershed councils (made up of many different landowners and interested parties) in cooperative fashion to ensure streams that are currently occupied by coho can continue to be occupied by coho in the future.</p> <p>MRC staff continues to monitor its HCV and RSA stands on the FMU, and especially those with adjacent forest landowners to</p>

	<p>ensure those stands maintain their habitat typing. Additionally, MRC has provided additional protections for the Navarro River Redwoods State Park (a second growth stand of floodplain redwood) and Henty Woods State Park (contains a Type I old growth stand) both of which area adjacent to the FMU.</p> <p>MRC tends to work well with adjacent state park forestlands as they share an interest the conservation of Northern Spotted Owl (NSO; owl circles may cross into state park forestlands). MRC has a relationship with a local family on NSO conservation. Point Arena Mountain Beaver burrow areas can also be shared. State and Federal regulations generally support this indicator as agencies must regulate RT&E species.</p>
Disposition of OBS	This OBS is closed.

2011 Observations (OBSs)

TO BE COMPLETED BY SCS REPRESENTATIVE	CAR/OBS Number (e.g. 1, 2, ...)	2011.1	
	Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation		
	Site CAR/OBS issued to (where more than one site)		
	Deadline for Corrective Action by FME		
	<input type="checkbox"/> 3 months from above Date of Issuance <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> Other deadline (specify):		
	Standard and Requirement Reference	FSC-US indicator 4.4.a	
	NON-CONFORMITY (or Background/ Justification in the case of Observations) (Describe and provide objective evidence) The FME does a good job understanding the likely social impacts of their management activities and incorporating this understanding into their management planning and operations. However, the issue of herbicide use is still of concern to certain communities near their landbase.		
REQUESTED CORRECTIVE ACTION (or Observation) The FME to should revisit their approach to communicating and dealing with members of certain communities in terms of the issue surrounding the use, and the impacts to populations and the landbase of herbicide use.			

TO BE COMPLETED BY FME	IMPLEMENTED CORRECTIVE ACTION <i>(Response to Observations is optional)</i> Describe action taken by the FME to address the root cause of the non-conformity	
	EVIDENCE OF CONFORMANCE SUBMITTED WITH THIS FORM <i>(please list)</i>	
	FME Representative Name and Title	Date
TO BE COMPLETED BY SCS REPRESENTATIVE	SCS/SW REVIEW / ACCEPTANCE OF CORRECTIVE ACTION <i>(Describe conclusion in detail)</i>	
	<input type="checkbox"/> CLOSED <input type="checkbox"/> UPGRADED TO MAJOR <input type="checkbox"/> OTHER DECISION (refer to description above)	
	SCS/SW Representative Name and Title (CAR/OBS reviewer)	Date of Acceptance of Corrective Action

TO BE COMPLETED BY SCS REPRESENTATIVE	CAR/OBS Number (e.g. 1, 2, ...)	2011.2	
	Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation		
	Site CAR/OBS issued to (where more than one site)		
	Deadline for Corrective Action by FME		
	<input type="checkbox"/> 3 months from above Date of Issuance <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> Other deadline (specify):		
	Standard and Requirement Reference	FSC-US indicator 5.2.b.	
NON-CONFORMITY (or Background/ Justification in the case of Observations) (Describe and provide objective evidence)			
<p>The FME continually seeks to optimize timber resources that could be harvested from the landbase. In the past, they have engaged, through a lease, with a local citizen who has harvested firewood from the forest. Stakeholder outreach has indicated that this is not being done, and that they desire that tanoak be harvested for firewood. In a discussion with this individual it was determined that through 2008 he used to cut firewood on MRC, but since he has a small crew he now buys wood from MRC contracted loggers. This benefits him and the loggers, by extending the latter's season. He only has two workers and his wife, so cutting wood is not possible and, because of the high cost of cutting wood, it is not economically feasible. However, MRC has never excluded him from cutting on the forest. Once in a while he still marks wood behind their forest workers, following the THP. Wood that is less than 13" diameter at ground level is not of use to him. Currently, he does have an agreement with MRC and uses their yard to store wood.</p>			
REQUESTED CORRECTIVE ACTION (or Observation)			
<p>The FME should look to expand their firewood program to remove tanoak and reconsider any other uses of the species.</p>			

TO BE COMPLETED BY FME	IMPLEMENTED CORRECTIVE ACTION <i>(Response to Observations is optional)</i> Describe action taken by the FME to address the root cause of the non-conformity	
	EVIDENCE OF CONFORMANCE SUBMITTED WITH THIS FORM <i>(please list)</i>	
	FME Representative Name and Title	Date
TO BE COMPLETED BY SCS REPRESENTATIVE	SCS/SW REVIEW/ACCEPTANCE OF CORRECTIVE ACTION <i>(Describe conclusion in detail)</i>	
	<input type="checkbox"/> CLOSED <input type="checkbox"/> UPGRADED TO MAJOR <input type="checkbox"/> OTHER DECISION <i>(refer to description above)</i>	
	SCS/SW Representative Name and Title <i>(CAR/OBS reviewer)</i>	Date of Acceptance of Corrective Action

TO BE COMPLETED BY SCS REPRESENTATIVE	CAR/OBS Number (e.g. 1, 2, ...)	2011.3	
	Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation		
	Site CAR/OBS issued to (where more than one site)		
	Deadline for Corrective Action by FME		
	<input type="checkbox"/> 3 months from above Date of Issuance <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> Other deadline (specify):		
	Standard and Requirement Reference	FSC-US indicator 7.4.a.	
NON-CONFORMITY (or Background/ Justification in the case of Observations) (Describe and provide objective evidence)			
<p>MRC uses the web site to provide public version of FMPs, monitoring results, and other items. MRC's public summary of its FMP is dated 2010, while its new FMP is dated 2011. Last year, MRC's only non-conformance in regards to FMP content was its stakeholder consultation process. Indicator 7.4.a requires the following: "While respecting landowner confidentiality, the management plan or a management plan summary that outlines the elements of the plan described in Criterion 7.1 is available to the public either at no charge or a nominal fee."</p>			
REQUESTED CORRECTIVE ACTION (or Observation)			
<p>MRC should consider adding a section on its stakeholder consultation policies and processes to its web site.</p>			

TO BE COMPLETED BY FME	IMPLEMENTED CORRECTIVE ACTION <i>(Response to Observations is optional)</i> Describe action taken by the FME to address the root cause of the non-conformity	
	EVIDENCE OF CONFORMANCE SUBMITTED WITH THIS FORM <i>(please list)</i>	
	FME Representative Name and Title	Date
TO BE COMPLETED BY SCS REPRESENTATIVE	SCS/SW REVIEW/ACCEPTANCE OF CORRECTIVE ACTION <i>(Describe conclusion in detail)</i>	
	<input type="checkbox"/> CLOSED <input type="checkbox"/> UPGRADED TO MAJOR <input type="checkbox"/> OTHER DECISION <i>(refer to description above)</i>	
	SCS/SW Representative Name and Title (CAR/OBS reviewer)	Date of Acceptance of Corrective Action

TO BE COMPLETED BY SCS REPRESENTATIVE	CAR/OBS Number (e.g. 1, 2, ...)	2011.4	
	Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation		
	Site CAR/OBS issued to (where more than one site)		
	Deadline for Corrective Action by FME		
	<input type="checkbox"/> 3 months from above Date of Issuance <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> Other deadline (specify):		
	Standard and Requirement Reference	FSC-US indicator 9.1.a	
NON-CONFORMITY (or <i>Background/ Justification in the case of Observations</i>) <i>(Describe and provide objective evidence)</i>			
<p>MRC has determined a number of RSAs and HCV areas, and has differentiated between HCV areas and RSAs where warranted in the management plan and associated maps. Both RSAs and HCVs have protections and management strategies based on the ecological characteristics of them. For example, oak woodlands may require removal of conifer encroachment or actions that mimic the effects of natural ground fires. Certain areas, such those for the Point Arena Mountain Beaver and Marbled Murrelet, may require more explanation as to the RSA over the HCV designation as the FSC-US HCV framework is clear that RT&E species are HCV. It is clear, however, that MRC has included maintenance and/or enhancement options for these species and thus meets the intent of the indicator.</p> <p>MRC initiated consultation with some local tribal representatives on identifying HCVs. In the meantime, MRC is waiting for tribes to respond to its first consultation.</p>			
REQUESTED CORRECTIVE ACTION (or <i>Observation</i>)			
<p>MRC should ensure that RT&E species and associated attributes are classified as HCVs in management planning documentation and maps.</p> <p>At the next annual audit, MRC should report on its continued consultations with tribes on the HCV process.</p>			

TO BE COMPLETED BY FME	IMPLEMENTED CORRECTIVE ACTION <i>(Response to Observations is optional)</i> Describe action taken by the FME to address the root cause of the non-conformity	
	EVIDENCE OF CONFORMANCE SUBMITTED WITH THIS FORM <i>(please list)</i>	
	FME Representative Name and Title	Date
TO BE COMPLETED BY SCS REPRESENTATIVE	SCS/SW REVIEW/ACCEPTANCE OF CORRECTIVE ACTION <i>(Describe conclusion in detail)</i>	
	<input type="checkbox"/> CLOSED <input type="checkbox"/> UPGRADED TO MAJOR <input type="checkbox"/> OTHER DECISION <i>(refer to description above)</i>	
	SCS/SW Representative Name and Title (CAR/OBS reviewer)	Date of Acceptance of Corrective Action

3. AUDIT PROCESS

3.1. Auditors and qualifications:

Auditor Name	Stephen C. Grado	Auditor role	Co-Lead Auditor
Qualifications:	Dr. Grado is a Society of American Foresters (SAF) Certified Forester/Forest Certification Auditor #1155 and Fellow, a Professor of Forestry, and the George L. Switzer Professor in the Department of Forestry at Mississippi State University. He received a Ph.D. in Forest		

	Resources in 1992, a M.S. in Forest Resources and Operations Research in 1984, and a B.S. in Forest Science in 1979 at The Pennsylvania State University, State College, Pennsylvania. He also has a B.A. in Political Science from Villanova University near Philadelphia, Pennsylvania. Dr. Grado has served as a socio-economic assessor/auditor on 52 audits, assessments, and preassessments.. In addition, he has served as an assessor/auditor for innumerable SmartWood chain-of-custody assessments/audits, and also served as a peer reviewer of FSC certification FM/COC assessment reports. Dr. Grado is also certified to the ISO 9001:2008 standard for Quality Management Systems for Lead Auditors.		
Auditor Name	Kyle Meister	Auditor role	Co-Lead Auditor
Qualifications:	Mr. Meister is a Certification Forester with Scientific Certification Systems. He has been with SCS for nearly three years and has conducted FSC pre-assessments, evaluations, and surveillance audits in Brazil, Panama, Mexico, Indonesia, India, and all major forest producing regions of the United States. He holds a B.S. in Natural Resource Ecology and Management and a B.A. in Spanish from the University of Michigan; and a Master of Forestry from the Yale School of Forestry and Environmental Studies. Mr. Meister has experience as an environmental educator and natural resource consultant in the U.S., Mexico, Ecuador, Costa Rica, Colombia, and Brazil. He is responsible for reviewing all of SCS' forest management reports from Latin America. He is a member of the Forest Guild, Society of American Foresters, International Society of Tropical Foresters, and the Cascade Green Building Council. Mr. Meister is also certified to the ISO 9001:2008 standard for Quality Management Systems for Lead Auditors.		

3.2. Audit schedule

Date	Location /Main sites	Principal Activities
9/1/11	MRC Main Office in Ukiah, California	Opening meeting introductions with auditors and FME staff. Reviewed past year's CARs and OBSs and FME management via a PowerPoint presentation. Briefly discussed the new FSC-US standard. Finalized field site itinerary and discussed and planned for a meeting, by the auditors, with local stakeholders. Discussed stakeholder issues.
9/1/11	Travel to field sites	Reviewed timber harvests ,herbicide spraying, protected areas, roads, bridges and culverts.
9/2//11	Travel to field sites & Stakeholder consultation	Reviewed timber harvests ,herbicide spraying, protected areas, roads, bridges and culverts.
9/2/11	MRC Main Office	Closing meeting
Total number of person days used for the audit:11.0 = number of auditors participating 2 X 5.5 number of days spent in preparation, on site and post site visit follow-up including stakeholder consultation 11		

3.3. Sampling methodology:

Prior to arrival, the SCS team member reviewed the FME's responses to open CARs and OBSs, and wrote team responses to each. These were reviewed by SW and comments were added as

necessary. Upon arrival at the FME's main office in Ukiah, California, the auditors examined a list of sites where harvesting and other activities (e.g., herbicide use) had occurred since the last audit. The auditors made a preliminary selection of sites to visit from various forest activity types (e.g., active harvesting jobs, completed harvest jobs, thinnings, herbicide spraying, road and bridge work) that would allow for evaluation of the FME's conformance against the FSC-US National Standard. The preliminary list was later modified to balance the time allowed for the audit and with distances needed to travel to a diversity of sites. In the evening of the first day, SCS/SW met with a stakeholder group at the Cooperrider family's house to listen to the group's concern over herbicide and pesticide use. SCS/SW ended the day with a meeting with MRC aquatic, wildlife and forestry staff. The SW member of the team was primarily responsible for stakeholder outreach and analysis, forest inventory, chain-of custody, tribal matters, and recreation activities and the SCS auditor primarily focused on HCVFs, RSAs, forest operation activities, environmental impacts, and stakeholder outreach to government regulators. Prior to auditor deliberations, SCS/SW conducted one more stakeholder interview over the telephone and observed a demonstration of a new GIS tool in development to track the extent of invasive species. The audit team deliberated on selected criteria jointly and determined conformance or non-conformance based on consensus through a process of reviewing field observations on the site chosen for a visit, stakeholder inputs, and documented evidence.

3.3.1 List of FMUs selected for evaluation

FMU Name	Rationale for Selection
Mendocino Redwood Company forest lands	Herbicide treatments, HCVFs, RSAs, bridge and road work, various silvicultural operations (e.g., variable retention, seed tree cuts, selection cuts), riparian zones, tree nursery, protected grasslands, and tractor and cable logging.

3.4. Stakeholder consultation process

The stakeholder consultation strategy for this audit was threefold, to: ensure that the public was aware of, and informed about, the audit process and its objectives; assist the field team in identifying potential issues; and, provide diverse opportunities for the public to discuss and act upon the audit findings. This process entails detailed and meaningful stakeholder interaction. The process of stakeholder interaction does not stop after the field visit or for that matter even after a certification decision is made. SW and SCS welcome, at any time, comments on FSC certified operations and such comments often provide a basis for field audits.

Rainforest Alliance sent out the initial 30-day notification via e-mail alerting stakeholders (n=169) prior to the audit on August 16, 2011.

The FME's stakeholder list provided a basis for the audit team to select people for interviews (i.e., in person, by telephone, through e-mails). Prior to the field visit, stakeholders were contacted by the auditors to solicit their opinions and to detect any issues of importance. Interviews were held with local, regional, state, and federal stakeholders. In addition to stakeholder outreach prior to the field visit, interviews were conducted with FME personnel in their office in Ukiah, California, and in the field during the week of the visit. In addition, a stakeholder meeting of stakeholders arranged by adjacent landowners was held at this couple's home in Orr Springs, California on Thursday, September 1st in the afternoon, and was used to gather further opinions and other information on issues related herbicides. Some stakeholders also were contacted by telephone and e-mails up to three weeks after the audit team left Ukiah, California.

Stakeholder type	Stakeholders notified	Stakeholders consulted or
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	(#)	providing input (#)
Academia	25	1
Adjacent Landowners	23	23
Business Owners	1	1
Consultant	1	1
Government	16	2
FME Employees	18	18
Environmental NGO	37	1
Logger	1	1
Logging Contractors	5	5
Retired	2	2
State Agencies	2	2
Tribal Representatives	2	2
Trucking Contractor	1	1
Forestry & Forest Products NGOs	15	0
Rainforest Alliance	6	0
Total	188	60

3.5. Changes to Certification Standards

Forest stewardship standard used in audit:	FSC-US Forest Management Standard (v1.0); FM-35 SmartWood Chain-of-Custody Standard for Forest Management Enterprises (FMEs)
Revisions to the standard since the last audit:	<input checked="" type="checkbox"/> No changes to standard. <input type="checkbox"/> Standard was changed (detail changes below)
Changes in standard:	No changes
Implications for FME:	Conformance to new requirements verified

3.6. Review of FME Documentation and required records

a) All certificate types

Required Records	Reviewed
Complaints received by FME from stakeholders, actions taken, follow up communication	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Comments: Documents were provided, examined and found to be adequate.	
Accident records	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Comments: Incident reports are kept in a folder in the main office in Ukiah, California. The Executive Assistant in charge of filing these reports was interviewed and presented the incident report forms filled out since the last audit.	
Training records	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Comments: Internal and external training was described to the auditors and records to date by course/meeting, date, and employee were provided. Key internal training activities documented for 2011 to date included SJOP; Haz Mat, Stormwater; IIPP Incident, Evac; Logging Safety; Summer Safety, Ticks, Heat, Vehicle; and STOP. External training for 2011 to date included various training/meeting opportunities for	

staff (e.g., Marbled Murrelet Surveyor Training, Redwood Science symposium, Wildland Fire Litigation Workshop, Prescribed Fire council meetings).	
Operational plan(s) for next twelve months	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Comments: Operational plans for the next 12 months, though confidential, were shared with the auditors. Information was provided on the actual harvest for 2010, and the year-to-date and projected harvests for 2011.	
Inventory records	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Comments: Updated inventory records were provided to the auditors by the FME's Inventory Forester covering 1998 to 2011 (to date). The report is part of the FME's larger Annual Inventory Report.	
Harvesting records	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Comments: Updated harvest records were provided to the auditors by the FME's Stewardship Director. Records included several reports including 2010 Loads by Destination, 2010 Harvest Summary, 2011 Loads by Destination (to date), and 2011 Harvest Summary (to date).	

b) Group Certificates *(delete this table if not a group certificate)*

Not applicable

APPENDIX I: FSC Annual Audit Reporting Form:

(NOTE: form to be prepared by the client prior to audit, information verified by audit team)

Forest management enterprise information:			
FME legal name:	Mendocino Redwood Company, LLC		
FME Certificate Code:	SW-FM/COC – 00128		
Reporting period	Previous 12 month period	Dates	September 2010 -September 1, 2011

1. Scope Of Certificate			
Type of certificate: single FMU	SLIMF Certificate: not applicable		
New FMUs added since previous evaluation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Group Certificate: Updated of FMU and group member list provided in Appendix VII-a:			
Multi-FMU Certificate: List of new FMUs added to the certificate scope:			
FMU Name/Description	Area	Forest Type	Location Latitude/Longitude
	ha		
	ha		
	ha		

2. FME Information	
<input checked="" type="checkbox"/> No changes since previous report (if no changes since previous report leave section blank)	
Forest zone	
Certified Area under Forest Type	
- Natural	hectares
- Plantation	hectares
Stream sides and water bodies	Linear Kilometers

4. Forest Area Classification	
<input checked="" type="checkbox"/> No changes since previous report (if no changes since previous report leave section blank)	
Total certified area	hectares
Total forest area in scope of certificate	hectares
Ownership Tenure	
Management tenure:	
Forest area that is:	
Privately managed	hectares
State/Public managed	hectares
Community managed	hectares
Area of production forests (areas where timber may be harvested)	hectares
Area without <u>any</u> harvesting or management activities: strict forest reserves	hectares

5. High Conservation Values identified via formal HCV assessment by the FME and respective areas	
<input type="checkbox"/> No changes since previous report (if no changes since previous report leave section blank)	

Code	HCV TYPES ¹	Description:	Area
HCV1	Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).	Coho core areas, Lower Alder Creek Murrelet Area, northern spotted owl core areas, Point Arena Mountain Beaver	13,288 ac
HCV2	Forest areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.	None	0 ac
HCV3	Forest areas that are in or contain rare, threatened or endangered ecosystems.	Type I and II Old Growth, pygmy forest, oak woodlands, salt marsh	1,964 ac
HCV4	Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).	None	0 ac
HCV5	Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).	None	0 ac
HCV6	Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).	Significant cultural sites	TBD
TOTAL HCVF AREA			15,252 ac
Number of sites significant to indigenous people and communities			1

3. Workers		
Number of workers including employees, part-time and seasonal workers:		
Total number of workers	42 workers	
- Of total workers listed above	36 Male	6 Female
Number of serious accidents	1	
Number of fatalities	0	

6. Pesticide Use		
<input type="checkbox"/> FME does not use pesticides. (delete rows below)		
FME has a valid FSC derogation for use of a highly hazardous pesticide	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
FSC highly hazardous pesticides used in last calendar year NONE		
Name	Quantity	# of Hectares Treated
		ha
		ha
Non FSC highly hazardous pesticides used in last calendar year		
Name	Quantity	# of Hectares Treated
Glyphosate	308 lbs	416 ac

¹ The HCV classification and numbering follows the ProForest HCVF toolkit. The toolkit also provides additional explanation regarding the categories. Toolkit is available at <http://hcvnetwork.org/library/global-hcv-toolkits>.

Imazapyr	4,375 lbs	5,933 ac
Triclopyr	182 lbs	331 ac