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FOREST MANAGEMENT AND STUMP-TO-FOREST GATE CHAIN-OF-CUSTODY CERTIFICATION EVALUATION REPORT

Mendocino Redwood Resource Manager Certification Program

SCS-FM/COC-00001G

Mendocino Redwood Company
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<http://www.mrc.com/>

CERTIFIED	EXPIRATION
09/17/12	09/16/17

DATE OF FIELD AUDIT
05/29/12
DATE OF LAST UPDATE
09/11/12

Organization of the Report

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Forest Stewardship Council. This section is made available to the general public and is intended to provide an overview of the evaluation process, the management programs and policies applied to the forest, and the results of the evaluation. Section A will be posted on the FSC Certificate Database (<http://info.fsc.org/>) no less than 30 days after issue of the certificate. Section B contains more detailed results and information for the use of by the FME.

FOREWORD

Scientific Certification Systems (SCS) is a certification body accredited by the Forest Stewardship Council to conduct forest management and chain of custody evaluations. Under the FSC/SCS certification system, forest management enterprises (FMEs) meeting international standards of forest stewardship can be certified as “well managed,” thereby permitting the FME’s use of the FSC endorsement and logo in the marketplace subject to regular FSC/SCS oversight.

SCS deploys interdisciplinary teams of natural resource specialists and other experts in forested regions all over the world to conduct evaluations of forest management. SCS evaluation teams collect and analyze written materials, conduct interviews with FME staff and key stakeholders, and complete field and office audits of subject forest management units (FMUs) as part of certification evaluations. Upon completion of the fact-finding phase of all evaluations, SCS teams determine conformance to the FSC Principles and Criteria.

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Section A – Public Summary

1.0 GENERAL INFORMATION

1.1 Certificate Registration Information

1.1.1.a Name and Contact Information

Organization name	Mendocino Redwood Resource Manager Certification Program		
Contact person	Sarah Billig		
Address	Mendocino Redwood Company P.O. Box 996 Ukiah, California 95482	Telephone	707-463-5125
		Fax	707-466-5530
		e-mail	sbillig@mendoco.com
		Website	http://www.mrc.com/

1.1.1.b FSC Sales Information

<input checked="" type="checkbox"/> FSC Sales contact information same as above.			
FSC salesperson			
Address		Telephone	
		Fax	
		e-mail	
		Website	

1.1.2 Scope of Certificate

Certificate Type	<input type="checkbox"/> Single FMU	<input type="checkbox"/> Multiple FMU	
	<input checked="" type="checkbox"/> Group		
SLIMF (if applicable)	<input type="checkbox"/> Small SLIMF certificate	<input type="checkbox"/> Low intensity SLIMF certificate	
	<input type="checkbox"/> Group SLIMF certificate		
# Group Members (if applicable)	10		
Number of FMU's in scope of certificate	10		
Geographic location of non-SLIMF FMU(s)	Latitude & Longitude:		
Forest zone	<input type="checkbox"/> Boreal	<input checked="" type="checkbox"/> Temperate	
	<input type="checkbox"/> Subtropical	<input type="checkbox"/> Tropical	
Total forest area in scope of certificate which is (ha or ac):			
privately managed	19,499		
state managed	46,645 ac		
community managed	0		
Number of FMUs in scope that are:			
less than 100 ha in area	4	100 - 1000 ha in area	3
1000 - 10 000 ha in area	2	more than 10 000 ha in area	1

Total forest area in scope of certificate which is included in FMUs that:	
are less than 100 ha in area	323 ac
are between 100 ha and 1000 ha in area	5176 ac
meet the eligibility criteria as <i>low intensity</i> SLIMF FMUs	0
Division of FMUs into manageable units:	
Each group participant represents one FMU – most properties are further divided into management units. Jackson Demonstration State Forest (JDSF) and Mailliard Ranch, due to their size, further divide their land for management according to standard stand classifications and treatment options.	

1.1.3 Non-SLIMF Group Members

Name	Contact information	Latitude/ longitude of Non-SLIMF FMUs	
Jackson Demonstration State Forest	Pam Linstedt, Forester Cal Fire	39.352260	-123.558623
Mailliard Ranch	Todd McMahon, NCRM	39.125488	-123.475307
Families Blue Lakes	Bob Kelley, NRM		

1.2 FSC Data Request

1.2.1 Production Forests

Timber Forest Products	Units: <input type="checkbox"/> ha or <input checked="" type="checkbox"/> ac
Total area of production forest (i.e. forest from which timber may be harvested)	66,144
Area of production forest classified as 'plantation'	0
Area of production forest regenerated primarily by replanting or by a combination of replanting and coppicing of the planted stems	66,144
Area of production forest regenerated primarily by natural regeneration, or by a combination of natural regeneration and coppicing of the naturally regenerated stems	0
Silvicultural system(s)	Area under type of management
Even-aged management	
Clearcut (clearcut size range)	0
Shelterwood	2,700
Other:	0
Uneven-aged management	
Individual tree selection	62,222 (will be a mix of IT selection, GS, and other)
Group selection	0
Other:	0
<input type="checkbox"/> Other (e.g. nursery, recreation area, windbreak, bamboo, silvo-	

pastoral system, agro-forestry system, etc.)	
The sustainable rate of harvest (usually Annual Allowable Harvest or AAH where available) of commercial timber (m3 of round wood)	37.7 million board feet for all group members
Non-timber Forest Products (NTFPs)	
Area of forest protected from commercial harvesting of timber and managed primarily for the production of NTFPs or services	0
Other areas managed for NTFPs or services	0
Approximate annual commercial production of non-timber forest products included in the scope of the certificate, by product type	0
Explanation of the assumptions and reference to the data source upon which AAH and NTFP harvest rates estimates are based:	
All data based on inventory, growth, and yield assessments of group members, all of which are reviewed by the State timber regulatory agency, Cal-Fire, under THP or NTMP review.	
Species in scope of joint FM/COC certificate	
Scientific/ Latin Name (Common/ Trade Name)	
<i>Sequoia sempervirens</i> (redwood); <i>Pseudotsuga menziesii</i> (Douglas-fir); <i>White fir</i> (<i>Abies concolor</i>); <i>Hemlock</i> (<i>Tsuga heterophylla</i>); <i>tanoak</i> (<i>Lithocarpus densiflorus</i>); <i>Madrone</i> (<i>Arbutus menziesii</i>); (<i>Abies grandis</i>) <i>Grand fir</i> ; (<i>Picea sitchensis</i>) <i>Sitka Spruce</i>	

1.2.2 FSC Product Classification

Timber products		
Product Level 1	Product Level 2	Species
W1	W1-1 – Roundwood (logs)	<i>Sequoia sempervirens</i> (Redwood), <i>Pseudotsuga menziesii</i> (Douglas fir)
W3	W3-1 – Wood chips	<i>Sequoia sempervirens</i> (Redwood), <i>Pseudotsuga menziesii</i> (Douglas fir)
W1	W1-2 – Fuel wood	<i>Any of the species listed save redwood and Douglas fir</i>

1.2.3 Conservation Areas

Area of forest and non-forest land protected from commercial harvesting of timber and managed primarily for conservation objectives		<input type="checkbox"/> ha	<input checked="" type="checkbox"/> ac	
High Conservation Value Forest/ Areas				
High Conservation Values present and respective areas				
	Code	HCV Type	Description & Location	Area
<input checked="" type="checkbox"/>	HCV1	Forests or areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).	Type I and II old growth (JDSF and Mailliard Ranch); NSO core areas (most participant sites); MAMU areas (JDSF);	4,800
<input type="checkbox"/>	HCV2	Forests or 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.		
<input checked="" type="checkbox"/>	HCV3	Forests or areas that are in or contain rare, threatened or endangered ecosystems.	Pygmy forest	1,537
<input type="checkbox"/>	HCV4	Forests or areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).		
<input type="checkbox"/>	HCV5	Forests or areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).		
<input type="checkbox"/>	HCV6	Forests or areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).		
Total Area of forest classified as 'High Conservation Value Forest/ Area'				6,337

1.3 Areas Outside of the Scope of Certification (Partial Certification and Excision)

<input type="checkbox"/>	N/A – All forestland owned or managed by the applicant is included in the scope.
<input checked="" type="checkbox"/>	Applicant owns and/or manages other FMUs not under evaluation.
<input type="checkbox"/>	Applicant wishes to excise portions of the FMU(s) under evaluation from the scope of certification.
Explanation for exclusion of FMUs and/or excision:	Jackson Demonstration State Forest is owned and managed by the State of California. JDSF is the only one of the eight state forests to be certified. Information on the other state forests may be found at http://www.fire.ca.gov/resource_mgt/resource_mgt_stateforests.php
Control measures to prevent mixing of certified and non-certified product (C8.3):	None of the state forests are contiguous, nor do they conduct harvests or sales jointly – there is no risk of mixing certified wood products from JDSF with non-certified wood products from other state forests.
Description of FMUs excluded from or forested area excised from the scope of certification:	
Name of FMU or Stand	Location (city, state, country) Size (<input type="checkbox"/> ha or <input checked="" type="checkbox"/> ac)
LaTour	Shasta 9,033
Mountain Home	Tulare 4,807
Boggs Mountain	Lake 3,493
Soquel	Santa Cruz 2,681
Las Posadas	Napa 796
Mount Zion	Amador 164
Ellen Pickett	Trinity 160

1.4 Social Information

Number of forest workers (including contractors) working in forest within scope of certificate (differentiated by gender):	
86 of male workers	11 of female workers

1.5 Pesticide and Other Chemical Use

Commercial name of pesticide/herbicide	Active ingredient	Quantity applied annually (kg or lbs)	Size of area treated annually (ha or ac)	Reason for use
Round-up	Glyphosate	80 pounds	400 acres	Treatment of poison oak
	Glyphosate	1 pound	Limited area	Treatment of invasives on JDSF

1.6 Standards Used

1.6.1 – Applicable FSC-Accredited Standards

Title	Version	Date of Finalization
FSC US Forest Management Standard	1-0	7/8/10
FSC Standard for Group Entities in Forest Management Groups (FSC-STD-30-005)	1-0	8/31/09
All standards employed are available on the websites of FSC International (www.fsc.org), the FSC-US (www.fscus.org) or the SCS Forest Conservation Program homepage (www.scscertified.com/forestry). Standards are also available, upon request, from Scientific Certification Systems (www.scscertified.com).		

1.7 Conversion Table English Units to Metric Units

Length Conversion Factors		
To convert from	To	multiply by
Mile (US Statute)	Kilometer (km)	1.609347
Foot (ft)	Meter (m)	0.3048
Yard (yd)	Meter (m)	0.9144
Area Conversion Factors		
To convert from	To	multiply by
Square foot (sq ft)	Square meter (m ²)	0.09290304
Acre (ac)	Hectare (ha)	0.4047
Volume Conversion Factors		
To convert from	To	multiply by

Cubic foot (cu ft)	Cubic meter (m ³)	0.02831685
Gallon (gal)	Liter (l)	4.546
Quick reference		
1 acre	= 0.404686 ha	
1,000 acres	= 404.686 ha	
1 board foot	= 0.00348 cubic meters	
1,000 board feet	= 3.48 cubic meters	
1 cubic foot	= 0.028317 cubic meters	

2.0 DESCRIPTION OF FOREST MANAGEMENT

2.1 Management Context

2.1.1 Regulatory Context

Pertinent Regulations at the National Level	<p>Endangered Species Act Clean Water Act (Section 404 wetland protection) Occupational Safety and Health Act National Historic Preservation Act Archaeological and Historic Preservation Act Americans with Disabilities Act U.S. ratified treaties, including CITES Lacey Act Forest Resources Conservation and Shortage Relief Act National Resource Protection Act National Environmental Protection Act National Wild and Scenic River Act Native American Grave Protection and Repatriation Act Rehabilitation Act</p>
Pertinent Regulations at the State/Local Level	<p>Z'Berg-Nejedly State Forest Practices Act of 1973 California Endangered Species Act California Environmental Quality Act California Civil Code Section 1008 Native Plant Protection Act Porter-Cologne Water Quality Control Act The California Forest Practice Regulations (FPR) Williamson Act Timberland Productivity Act</p>

Regulatory Context Description

(Portions of this section are adapted from the 2010 MRC Full Evaluation Report)

The most influential body of regulations governing private forest land management in California is the state forest practice regulations, developed by the State Board of Forestry and Fire Protection and administered by the California Department of Forestry and Fire Protection (Cal Fire). These regulations collectively require that all commercial timber harvesting be covered by a permitting process in which the landowner (or representative) submits a *timber harvesting plan* (THP) prepared by a *registered professional forester* (RPF) to Cal Fire for review and approval. The review process involves the active participation (on a case-by-case basis) of other state agencies, particularly the Department of Fish and Game (DFG), the Regional Water Quality Control Board, and the California Geological Survey (CGS). The THP is considered the functional equivalent of an environmental impact report (EIR) under the California Environmental Quality Act (CEQA). As a group, the agencies review the written THP and evaluate the applicant's compliance with the FPA by making onsite visits before, during and after harvest. Moreover, the THP process is a public process. The project proponent files their long-term plan with the state and the public is given the opportunity to provide written or verbal comment, to which the agencies are required to respond in writing.

Under the MRCRM group many participants are covered by a *Non-industrial Timber Management Plan* (NTMP), which is a THP alternative available for those landowners with less than 2,500 acres. Although the filing and approval process for NTMPs is similar to that of THPs, the plans differ in scope and length. An NTMP covers an entire property, rather than just a planned harvest area, and is approved in perpetuity, although uneven-age management and proof of sustained yield is required. Although individual harvests do not require approval, prior to active operations a Notice of Timber Operations (NTO) must be filed with Cal Fire. All of the participants in the MRCRM group are covered either by an NTMP or THP.

2.1.2 Environmental Context

Environmental safeguards:
<p>Water quality protection requirements administered by the Regional Water Quality Control Board ensure participants roads are monitored for erosion potential and incidents during or immediately after significant rainfall. For example, the Mailliard Ranch operates under a California Regional Water Quality Control Board approved TMDL Site Specific Management Plan and Erosion Control Plan. These documents describe best management practices (BMPs) and include a long term road management plan and inventory of controllable sediment sources and an implementation schedule for mitigating the sites. Other participants maintain lists of road repairs and maintenance needed, such as culverts ready for replacement or crossing upgrades to ensure erosion potential is minimized.</p> <p>Most group participants classify Class I watercourses as HCVF – as such, the management of the riparian zones around such watercourses is designed to explicitly protect habitat functioning for associated aquatic and terrestrial species. ASP Rules within the California FPR ensure that aquatic habitat (including necessary canopy shading) is protected in the case of water resources harboring salmonid species. This is ensured for participants managing under both THPs and NTMPs, as NTMPs have to be updated to include provisions for managing according to the new rules.</p>

Management strategy for the identification and protection of rare, threatened and endangered (RTE) species and their habitats:

Under the California FPRs field surveys to determine RTE species presence, or the use of habitat on the FMU, are required prior to approval of any management plan if suitable habitat is present on the FMU. On group participant properties, Northern Spotted owl (NSO) and Marbled murrelet require surveys according to specific protocols; the Board of Forestry also designates other sensitive species requiring surveys to determine presence or absence. All group participants reviewed during the evaluation had conducted the appropriate wildlife and botanical surveys in conjunction with regulatory agencies and had requested or received consultation from agency personnel on the likely presence of RTE species on site. The results of surveys and notes on consultation are listed within individual THPs. If surveys determine RTE or sensitive species are present, group participants are required to amend management plans to ensure the protection of both the species and their habitat. This requirement is the same for those participants with THPs and NTMPs and covers SLIMFs. Conservation measures undertaken by the manager have been developed within regulatory agencies' protocols to ensure management guidelines are based on relevant science and are able to achieve conservation goals.

2.1.3 Socioeconomic Context

The history of timbering in Mendocino and Humboldt counties has contributed significantly to the overall socioeconomic characteristics of the area, and largely shaped the current economic and social climate. Timbering began in the late 19th century. Communities developed around sawmill sites along the coast (mostly at the mouth of rivers) as lumber was transported to San Francisco by ship. Timber production remained high until the mid 90's, when the effects of long term severe over-harvesting began to lead to social conflicts over forest management in NW California. At the same time, forest related employment began to plummet. Reasons for the decline in timber employment could be attributed to range of issues including changes in mill technologies, corporate consolidation of the industry and associated downsizing, diminishing log supplies from historic over-harvesting mill capacity, shifting policy priorities on public lands, and increases in environmental regulation. Timber is now a secondary employer and timber receipts and taxes lag behind the wine and tourism industries in both counties. Although both counties have a relatively high rate of people living on public assistance, the primary economies of the area continue to be timber, agriculture and tourism along the coast. In Humboldt County, local government, manufacturing, services, and hospitality jobs are now the largest employers in the county. In addition, the natural resource base has continued to make Humboldt and Mendocino counties tourist destinations, focused primarily on the fame of the giant redwoods and coastal attractions. Popular tourist destinations include Humboldt Redwoods State Park, Richardson Grove State Park, and Redwoods National Park.

A significant recent development primarily in Mendocino county, but occurring throughout forested areas, is the influx of marijuana growers and their impact on the local economy. The market for marijuana has grown considerably in recent years, and the money to be made from large-scale outdoor growing operations has grown in step – estimates from 2009 say marijuana sales account for two thirds of Mendocino County's economy. Numerous illegal gardens are now found on private and public lands,

and the business of growing marijuana has brought substantial economic gain for a number of local residents, despite its illegality.

2.1.4 Land use, Ownership, and Land Tenure

Prior to the 1850s, forestlands in Northern California were unmanaged late successional redwood and Douglas-fir forests supporting communities of Native Americans (such as the Pomo, Yuki, Cahto, Wilaki, Sinkyone, and the southern Athabascans that include the Mattole and Nongatle). These communities relied on the adjacent oak woodlands for food, hunting, medicine, and most likely burned the forest about every twenty years. In pre-settlement California, small populations of tule elk, pronghorn, and deer commonly grazed the resultant open grasslands. These species may have promoted growth in grasslands. As settlers arrived, herds of grazing cattle, sheep, and horses displaced native elk, pronghorn, and deer. Heavy grazing and invasion of non-native plant species have had negative impacts on many Mendocino County native grasslands.

By the late 1970's when most of the old-growth had been liquidated timbering was tapering off, many of the least productive timber properties were subdivided into smaller parcels and the productive industrial forestlands were consolidated under fewer corporate ownerships. By the late 1980's, subdivision of forestlands had slowed considerably as a result of county planning and regulatory efforts. Many of these properties have traded hands several times over the last thirty years. Timber harvesting remains relatively light on these small forestland holdings because the primary objective of the owner is to maintain recreational, aesthetic, wildlife or spiritual values rather than timber production.

Given the diversity of past land uses and management structures in both Mendocino and Humboldt counties, MRCRM group participants are now working with different forest conditions, management histories, stocking levels and objectives and concerns for their lands. With the exception of Jackson Demonstration State Forest, all other group participants' properties are privately held. While some have had their property in the family for generations and are already realizing management goals, others have just begun to manage their land for timber and are more immediately dealing with the legacy of past management decisions and deciding how to best manage their land in a productive manner that meets their financial, environmental, aesthetic and personal goals.

2.2 Forest Management Plan

Management Objectives:
Management objectives at the group entity level relate primarily to the management of the Mendocino Redwood Company Resource Manager Program (MRCRM). The goals at the program level, as adapted from the MRCRM Operations Manual, are to further expand the availability of certified timber by developing a group certification program designed to forge partnerships with like-minded forest ownerships and resource managers in northern California. MRC with assistance from HRC will provide the expertise and operational resources for the MRCRM. MFP will provide primary sponsorship and administrative support. The MRCRM is intended as a means by which resource managers, landowners and their representatives can achieve FSC certification for forestlands at an affordable cost. The

philosophy statement of the group is: “As a group, Resource Managers, Forest Owners, and Forest Owner Representatives enrolled in this program manage their forestlands in conformance with the FSC standards and policies and practice the profession of forestry in such a way that strikes a careful balance between environmental and social demands while maintaining economic viability,” (MRCRM Operations Manual p.4).

Specific management objectives differ between group participants, though there are some common themes across the group:

- Uneven-aged silviculture which maintains a wide range of tree sizes
- Increasing inventory; cutting less than periodic growth
- Maintenance of continuous and contiguous forest canopy cover
- No reduction in habitat complexity
- Protection of riparian areas and water resources
- Minimal disturbance
- Periodic timber sales to generate revenue

JDSF, by virtue of being a state demonstration forest has a specific and different set of objectives than the rest of the group participants. As stated in their management plan, “JDSF’s management direction derives directly from statutes, regulations, and policies set by the State Board of Forestry and Fire Protection. Board policy describes Jackson and three of the other Demonstration State Forests as “commercial timberland areas managed by professional foresters who conduct programs in timber management, recreation, demonstration, and investigation in conformance with detailed management plans,” (Board Policy 0351.1). More specifically, Board policy states that the primary purpose of JDSF is to conduct innovative demonstrations, experiments, and education in forest management; that timber production will be the primary land use on JDSF, and that recreation is recognized as a secondary but compatible land use on JDSF (Board Policy0351.2),” (2008 JDSF FMP, p.1).

Forest Composition and Rationale for Species Selection:

Forest composition varies slightly between those participants located in Mendocino County and those farther North in Humboldt County, though variation in forest type is primarily dependent on the distance to the coast. Participant’ land is primarily Coastal Redwood and Douglas-fir Mixed Conifer forests. The principal conifer species are coast redwood and Douglas fir, in association with hardwood species such as tanoak and madrone. Conifer species include Coastal Redwood (*Sequoia sempervirens*), Douglas-fir (*Pseudotsuga menziesii*), grand fir (*Abies grandis*), and Western hemlock (*Tsuga heterophylla*). The hardwoods include primarily tanoak (*Lithocarpus densiflora*), Pacific Madrone (*Arbutus menziesii*), Red alder, (*Alnus rubra*), and Oregon white oak (*Quercus garryana*), while chinquapin (*Castanopsis chrysophylla*), Bigleaf Maple (*Acer macrophyllum*), and other oak species (*Quercus* spp.) are a lesser component. Species are selected for harvest based primarily on market value – right now this means redwood, though the market for white woods (Douglas fir and grand fir) is currently up and these species are being selected for export.

General Description of Land Management System(s):

Although silvicultural prescriptions vary across participant’s properties, most are geared toward long-

term single-tree and very limited group selection oriented towards leaving trees throughout the size-class spectrum and marking for improving post-harvest stand conditions. Harvest prescriptions are tailored to the landowner's objectives, which vary in the relative importance of long term income from timber sales. In that the group member properties are mostly non-industrial properties, some with resident owners, aesthetics play an important role in the design and execution of harvesting activities.

Harvest Methods and Equipment used:	Single tree selection using chain saws, tractor yarding, cable yarding, limited helicopter logging.
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Explanation of the management structures:

The MRCRM program enrolls eligible resource managers, forestland owners, or their representatives, into the program who are responsible for the management of individual forest ownerships. If a Forest Owner or Forest Owner Representative does not use an enrolled Resource Manager, the MRCRM Program Manager will maintain responsibility for all monitoring and compliance on that individual forest ownership. Participants follow a process of assistance and oversight in partnership with the Group Entity to assure that the FSC standards and policies are met and maintained on their property or the properties they manage. This system includes management plan review by the group entity, scheduling of field assessments to evaluate harvest designs, and arranging the use of the FSC logo for marketing products from participants' lands.

2.3 Monitoring System

Growth and Yield of all forest products harvested.

All participants maintain an inventory of the forest resources on their property, and track growth and yield data. The inventory systems vary in complexity depending on the property, though basic data is collected by all participants in order to make sustainable harvest calculations as required under both THPs and NTMPs. For example, the Cooper property (which is a SLIMF) was cruised last year in preparation for the filing of its NTMP. The Mailliard Ranch conducted a complete forest inventory over the last three years, including the installation of 40 permanent plots to verify future growth estimates and calibrate growth models. Families Blue Lakes also measures permanent sample plots (approximately 150 across the property) and uses the information obtained to verify cruising data, model future growth and plan harvests.

Forest dynamics and changes in composition of flora and fauna

Changes in forest dynamics and composition are noted during inventory cruises and data is collected from permanent sample plots indicating whether species composition is shifting over time. Harvest data is also indicative of stand composition as many participants emphasize white wood removal to shift stands to redwood.

Environmental Impacts

Water quality protection requirements administered by the Regional Water Quality Control Board ensure roads are monitored for erosion potential and incidents during or immediately after significant rainfall across all participants' properties. Some participants have portions of their property in designated sensitive watersheds and are subject to additional TMDL operational requirements and restrictions to control environmental impacts. Other operations mitigate sites through Erosion Control Plans on a THP by THP basis.

Both THPs and NTMPs require monitoring for RTE and sensitive species, archeological and historic sites and water quality protection measures prior to active operations, whether that be implementation of a site specific plan for THPs, or when an NTO is filed under an NTMP. All participants (occasionally with assistance from state agency biologists/botanists) regularly conduct botanical surveys and RTE species surveys according to state mandated protocols. NSO surveys are conducted prior to any active operations. On smaller properties the only protected areas may be WLPZ zones. On larger participants' properties protected areas may include old growth groves or class 1 streams supporting spawning salmonids. These areas often overlap with HCVF, and the condition of both is regularly monitored.

Social Impacts

Each participant monitors their social and economic impacts on the local community at a scale commensurate with their operations. JDSF tracks the number and types of jobs provided through their operations, such as full time employment vs. season crew, vs. contract jobs. Other participants note the types of services available for purchase in their local community and how much their operations contribute to the local economy in this capacity.

Many participants understand their social impact in terms of research, demonstration and education opportunities on their land. For example, Families Blue Lakes tracks their participation in the FIT program; Mailliard notes the number of individuals and groups that use the property over the course of an average year for recreation, while JDSF includes the tours, school days, and camps in their assessment of social impacts. JAG recommendations to the BOF include an entire chapter on outreach (chapter 7) and public involvement and stakeholder input (chapter 8) the idea being that these are important components of an adaptive management program that should be monitored over time.

Costs, Productivity, and Efficiency

All participants confirmed during audit discussions that they keep detailed records on both costs and revenue generated by their forest management activities. Records are kept for financial reasons, to track and distribute income among owners, to prepare yield taxes, to plan future harvests and keep track of the timber market and prices for individual species and grades of logs to ensure revenues from harvests are meeting needs.

3.0 CERTIFICATION EVALUATION PROCESS

3.1 Evaluation Schedule and Team

3.1.1 – Evaluation Itinerary and Activities

Date: May 29	
FMU/Location/ sites visited	Activities/ notes
MRC office, Ukiah	Opening Meeting: Introductions, client update, review audit scope, audit plan, intro/update to FSC and SCS standards and protocols, review of open CARs/OBS, final site selection
Mailliard Ranch - Mendocino	<ul style="list-style-type: none"> 38 acre thin from below to create defensible space for fire

	<p>plan; brought in masticator and spread chip on ground; project grant through NRCS.</p> <ul style="list-style-type: none"> • Cathedral Grove, HCVF area; discussed legacy trees, retention, wildlife • Two stream crossings reviewed; one pulled culvert, replaced 18" with 24", one pulled culvert replaced with rocked crossing; road work all done by the owner; road condition generally excellent, with projects planned in advance and road maintenance completed annually; discussed erosion and storm runoff. • Discussed public comment period, neighbor concerns, access rights, murrelet and owl surveys. • Armstrong grove, HCVF area; discussed DFG policy, wildlife trees and retention, two trees retained as per DFG requirements and murrelet protocol. • Upper Ranch THP, marked stand, single tree selection planned for operations this season; discussed species composition, changes on the property over time, historic vs. natural composition and forest health.
Date: May 30	
FMU/Location/ sites visited	Activities/ notes
Jackson Demonstration State Forest - Mendocino	<ul style="list-style-type: none"> • Upper Parlin THP, Unit A; marked stand, tractor logged last year, this year operating the cable ground; Max 30% ba removed in commercial thin, although this treatment no longer allowed under new management plan; one snag noted; discussed retention (snags, live culls, old growth); fuel abatement requires lopping to 24" either side of the rd; if future public use area lop to 12"; discussed management guidance through BOF and JAG, type of silviculture treatments permitted, contracting system. • Waldo THP; selection harvest with a 10 acre research block, comprised of two research plots treated with group selection (2.5 acre openings); research conducted to compare growth in stands managed through even age techniques (by simulating such treatments in the group openings) with growth in multi-age stands (like the surrounding selection treated stands). Results will be used to create more accurate growth and yield models, since many units in Jackson were treated differently in the past, and a single growth model is less accurate; Stand last harvested in 1991, including 50' openings to stimulate regeneration; interviews with LTO – crew leader and hauler; reviewed log sorting at the landing, CoC system and requirements.

Cooper NTMP - Mendocino	160 acre property with NTMP written last year, operated last summer with a selection harvest across the entire property; one 40 acre parcel not treated (trees too small) and one 20 acre piece previously clearcut; land previously belonged to Cambell, cut hard, nothing left above 36 DBH, heavily stocked, relatively even age distribution; now using single tree selection to remove defect, grow trees to larger diameter classes and improve within stand diversity in terms of size and age class; cut 350,000 bf, left 180 ba/ac with a goal of continuous canopy; used all old skid trails and roads. Some problems with cat faces on skid trails, noted by forester, no observation warranted; few wildlife trees, no old growth, one owl use area fell into Southeast corner of the property, which was avoided during harvest; reviewed one "wet spot" season bog flowing into class 3 stream, protected with 50' buffer for potential amphibian habitat with trees marked to fall away.
Date: May 31	
FMU/Location/ sites visited	Activities/ notes
Families Blue Lakes NTMP - Humboldt	<p>The entire property has been thinned at least twice over the past 30 years; visited the Northern block only this audit;</p> <ul style="list-style-type: none"> • Coho stream at house site, USFW stream restoration project two years ago; stream realigned and two salmonid rearing ponds built in meadow; willows planted along stream bank and stream bed lowered; fry noted this past winter and spawning pairs seen upstream; 25% cost share with USFW. • Slash processing at landings: used to burn it, now have two options, either sold to co-gen plant as hog fuel or ground up and composted and sold to potting soil manufacturers as compost component; compost more profitable so relatively little wood going to co-gen plant now; still working through all the old slash at past landings. • Permanent growth plots put in in 1990's; approximately 150 plots across the property, each plot 1/5 acre; measure diameter, height, merchantable volume, in-growth, tree health. • Stand marked for harvest this season – sometimes LTOs do marking too; selection harvest, only marking trees above 36 dbh; usually 90% marked, explains goals to LTO and they mark the rest, leaving 150-200 ba/ac, Northern section of the property stocked at close to 300 ba/ac. Some part of the property is logged every year – this year he has 4 active NTOs. • Temporary stream crossing – Humboldt crossing was put in and pulled last year, now putting it back in again; two layers of

	<p>plastic cloth used to ensure sediment stays out of stream, mulched with straw last year, logs go on top of plastic sheeting.</p> <ul style="list-style-type: none"> • Active harvest site – fellers out, but not interviewed due to safety concerns. All white wood going for export.
HRC office, Scotia	Closing meeting preparation: Auditor took time to consolidate notes and confirm audit findings
HRC office, Scotia	Closing meeting and review of preliminary findings: Convened with all relevant staff to summarize audit findings, potential non-conformities and next steps

3.1.2 – Total Time Spent on Evaluation

A. Number of days spent on-site assessing the applicant:	3
B. Number of auditors participating in on-site evaluation:	1
C. Additional days spent on preparation, stakeholder consultation, and post-site follow-up:	1
D. Total number of person days used in evaluation:	4

3.1.3 – Evaluation Team

Auditor Name:	Liz Forward	Auditor role:	Lead Auditor
<p>Qualifications: Ms. Forward is an Associate in the LegalHarvest and FSC Forest Management programs with Scientific Certification Systems. She holds a B.A. in Human Biology from Stanford University and Masters of Environmental Management and Masters of Forestry degrees from Duke University’s Nicholas School of Earth and Environmental Science. She has worked in rural land use planning in Colorado and Montana and in forest certification and sustainable agriculture in Indonesia. She is an ISO accredited lead auditor and has conducted forest management evaluation and surveillance audits in the Western United States and Indonesia.</p>			

3.2 Evaluation of Management System

3.2.1 – Methodology and Strategies Employed

SCS deploys interdisciplinary teams with expertise in forestry, social sciences, natural resource economics, and other relevant fields to assess an FME’s conformance to FSC standards and policies. Evaluation methods include document and record review, implementing sampling strategies to visit a broad number of forest cover and harvest prescription types, observation of implementation of management plans and policies in the field, and stakeholder analysis. When there is more than one team member, team members may review parts of the standards based on their background and expertise. On the final day of an evaluation, team members convene to deliberate the findings of the assessment jointly. This involves an analysis of all relevant field observations, stakeholder comments, and reviewed documents and records. Where consensus between team members cannot be achieved due to lack of evidence, conflicting evidence or differences of interpretation of the standards, the team is instructed to report these in the certification decision section and/or in observations.

3.2.2 – Pre-evaluation

- A pre-evaluation of the FME *was not* required by FSC norms.
- A pre-evaluation of the FME was conducted as required by and in accordance to FSC norms.

3.3 Stakeholder Consultation Process

In accordance with SCS protocols, consultation with key stakeholders is an integral component of the evaluation process. Stakeholder consultation takes place prior to, concurrent with, and following field evaluations. Distinct purposes of such consultation include:

1. To solicit input from affected parties as to the strengths and weaknesses of the FME’s management, relative to the standard, and the nature of the interaction between the company and the surrounding communities.
2. To solicit input on whether the forest management operation has consulted with stakeholders regarding identifying any high conservation value forests (HCVFs).

Principal stakeholder groups are identified based upon results from the pre-evaluation (if one was conducted), lists of stakeholders from the FME under evaluation, and additional stakeholder contacts from other sources (e.g., chair of the regional FSC working group). The following types of groups and individuals were determined to be principal stakeholders in this evaluation:

3.3.1 – Stakeholder Groups Consulted During Evaluation for Certification

FME Management and staff	Pertinent Tribal members and/or representatives
Consulting foresters, RPFs	Members of the FSC National Initiative
Contractors	
Lease holders	FSC International
Adjacent property owners	Local and regionally-based environmental organizations and conservationists
Local and regionally-based social interest and civic organizations	Forest industry groups and organizations
Purchasers of logs harvested on FME forestlands	Local, state, and federal regulatory agency personnel: Cal Fire, USFWS, DFG
Recreational user groups: neighbors, community members	Other relevant groups: Jackson Advisory Group members

Stakeholder consultation activities are organized to give participants the opportunity to provide comments according to general categories of interest based on the three FSC chambers, as well as the SCS Interim Standard, if one was used. A public notice was sent to stakeholders on 4/13/12 notifying them of the audit and soliciting comments. The table below summarizes the major comments received from stakeholders and the assessment team’s response. Where a stakeholder comment has triggered a subsequent investigation during the evaluation, the corresponding follow-up action and conclusions from SCS are noted below.

3.3.2 – Summary of Stakeholder Comments and Responses from the Team, Where Applicable

Stakeholder Comments	SCS Response
Economic Concerns	
<p>The worry with some smaller landowners working within NTMPs is that their management style is looser and easily driven by the market.</p>	<p>Although the perception is that smaller land owners tend to make harvest decisions based on market conditions and financial needs, the market is certainly a concern for those group participants operating under THPs and financial needs and constraints are a factor in their harvest decisions. Of the group participants visited, there was no indication that those operating under NTMPs were making management decisions based any more on market factors than those with THPs. The FSC standard includes indicators and requirements related to financial stability and management planning, and certified operations must demonstrate that short term financial factors are not driving management decisions at a level that prohibits fulfillment of the requirements of the standard. No group participant was deemed in danger of responding to market conditions with management decisions that are inconsistent with the requirements of the standard and no non-conformities with these indicators are warranted.</p>
Social Concerns	
<p>The working relationship is open and strong among [many group members]: some of these are among the first NTMPs in the state, and thus were pursued by model land managers who take their management very seriously.</p>	<p>Noted as further evidence of conformance.</p>
Environmental Concerns	
<p>For smaller, private landowners road management is a concern. Particularly on properties with multiple uses, for example forestry and ranching, or recreation and residential, the road system is challenging to maintain to meet everyone’s needs</p>	<p>In general, road systems visited during the audit were in excellent condition. No instances of excessive erosion, slides or mass wasting, road failure or drainage problems were noted. Water bars were appropriately constructed and placed. This was the case not only on mainline forest haul roads, but also roads that served dual purposes, such as ranch roads or roads providing access to other property owners/neighbors.</p> <p>Road density was appropriate to participants’ management goals, including keeping minor roads open and navigable for fire safety. New roads were only constructed when necessary and the area converted for transportation was minimized – the Cooper property was able to conduct a harvest without</p>

	<p>constructing any new roads, skid trails or landings, due to the legacy transportation network on the property from the previous owner/manager.</p> <p>Road maintenance was undertaken in a timely manner by all participants visited. Numerous instances of upgrade projects were visited, such as new crossings, bridges, rocked dips and culverts, designed to ensure erosion and sediment discharge to streams is minimized and road failure avoided. No CARs were issued related to road maintenance.</p>
<p>Concerned that true second growth stands are not being developed and mature stand features not recruited due to over reliance on and too frequent use of seed tree removal cuts.</p>	<p>The issue of late seral stand development and recruitment was explored in depth with all participants visited during this evaluation as so many comments were received related to the topic during outreach to stakeholders. Of the four participants visited during this evaluation, only two were actively managing old growth stands on their property – the other two had been harvested before current ownership and contain no stands with late seral characteristics nor residual old growth individual trees.</p>
<p>The interpretation of how late seral stand elements (either scattered or in pockets) will be managed is too open and loose – more specifics would improve clarity and reduce the concern over how those habitat elements are ensured.</p>	<p>Under the FSC US Standard, certified operations are required to maintain and protect old growth stands and residual trees, regardless of acreage. Disclosure of such resources on a property is assumed as part of the High Conservation Value Forest assessment that all land managers must undertake to identify old growth and late seral resources on their property. Non-disclosure of such resources was not found to be an issue for any of the group participants visited.</p>
<p>Retention and recruitment of older stand structures is important, even if these structures are not technically defined as old growth. Their maintenance and protection is a major concern for wildlife habitat.</p>	
<p>What happens when landowners find pockets of late seral trees, or residual individual trees on their land? Are they high grading? Are they thinning from below? The primary concern is inadequate disclosure of these stand elements, leading to lack of consultation on management with relevant agencies. According to the rules, if less than 20 acres, they are not required to disclose late seral elements. Greater disclosure and</p>	<p>Recruitment of late seral conditions (larger size classes and older stand structures) is an issue on all group properties and is addressed in a variety of ways depending on factors such as management intensity, property size and the resource base following past management. All participants visited during this year’s evaluation have specific provisions in management plans and goals to enhance and restore structural complexity and associated stand structures to levels expected from natural forested systems. While retention is not an issue given the single tree selection practiced by all participants, increased vertical and horizontal complexity over the years of selection silviculture was noted by managers in cases where late seral</p>

<p>earlier consultation would alleviate the concern.</p>	<p>conditions were not yet realized.</p>
<p>What happens to older second growth, pockets of late seral stands or individual trees that don't make the old growth requirement, don't quite meet the old growth definition or wildlife tree retention criteria? These elements will be cut, they are not being recruited, and as a result are decreasing across the landscape.</p>	<p>JDSF manages the Old Forest Structure Zone specifically for the recruitment of structural characteristics of older forest, such as large trees, snags, down logs, multiple canopy layers, and a high level of structural diversity. Legacy trees are not cut and snags are retained within all harvest areas, with a goal of one snag per acre. Additionally, most group participants classify Class I watercourses as High Conservation Value Forest and as such manage them for late seral habitat characteristics, which includes dense canopy closure and very limited harvests.</p> <p>If old growth stands are identified, their maintenance and protection is required by the FSC standard. Of the participants visited this year, one contains two un-entered stands along creek bottoms which have been protected since the property has been under current ownership and management. There is no harvesting, road construction or other management activities conducted within the groves. Both areas are currently under review for a conservation easement which would protect them in perpetuity.</p> <p>JDSF protects Type 1 and Type 2 old growth in reserves within Special Concern Areas which are managed only for the maintenance of late seral habitat features. These designated reserves contain Type 2 groves buffered by additional areas which are managed for the recruitment of old growth individuals and habitat elements. Old growth is defined by JDSF as any "live conifer, regardless of size or species that was present in the original stand before the first historic logging on JDSF (1860), based upon the professional judgment of JDSF staff," (p.104, JDSF 2008 FMP). While JDSF does not designate Type 1 or Type 2 stands, they have special protection measures for individual trees, old forest structure areas and "old growth aggregations" which meet the requirements of this indicator. Old growth aggregations are groves of old growth individuals of two acres or more.</p> <p>Protection of individual residual trees is harder to determine as they are scattered across the landscape. The protection of legacy trees is required by the FSC standard and no</p>

	<p>participants were found to be cutting trees with clear old growth characteristics and wildlife value. It should be noted that when issues arise where differences of opinion occur as to the protection of an individual tree, consultation with agencies serves as a stop gap measure to ensure individual trees that have not necessary been defined as “old growth” by the landowner are retained when clear habitat and wildlife value has been determined by outside experts, such as DFG biologists. This was the case for several individual trees within one plan area visited – consultation with DFG and other agencies led to the retention of those individuals determined to have wildlife value and no non-conformity was deemed necessary.</p>
<p>Generally, disclosure of other plan elements – such as murrelet habitat, salmonid habitat, mapping – is adequate and proactive.</p>	<p>Noted as evidence of conformance.</p>
<p>It’s a continual challenge to update older NTMPs – the worry is that because FPRs have changed since the NTMP was put into effect, they are not meeting current requirements.</p>	<p>Individual landowners and managers and the manager of the group certificate all undertake specific efforts to ensure NTMPs are updated regularly in compliance with the FSC standard and are managed in compliance with updates to the California Forest Practice Rules as required.</p>
<p>Older NTMPs are likely to be out of date specifically in relation to WLPZ management – watercourse definitions have changed, large woody debris requirements have changed and management on the ground hasn’t been updated. In general fisheries protection will be worse in pre-2006 NTMPs, before the coho listing and the T&I watershed requirements.</p>	<p>The group entity tracks NTMPs on a ten year cycle and requests updates from land managers as the ten year cutoff approaches. Updates of this nature do not have to be formally submitted through Cal Fire, but rather are for the purposes of ensuring management plans are updated regularly in compliance with FSC requirements. All participants operating under NTMPs had submitted timely updates to the group entity.</p>
<p>Although it’s great that landowners are using NTMPs, they are hard to keep up to date – they should be updated, because landowners might not be meeting current regulations.</p>	<p>NTMPs that are within watersheds with listed anadromous salmonids must be amended to comply with current ASP Rules, unless the NTMP has already incorporated adequate operational measures to protect and avoid take of anadromous salmonids. Of the two participants visited this year operating under NTMPs, both had up to date management plans in terms of WLPZ management and ASP rules. This is because one NTMP was written only last year and as such was written in compliance with all current FPR</p>
<p>The main concern with older NTMPs is that the ASP (anadromous salmon protection rules) rules and the T&I rules came out after management was</p>	

already underway. Those NTMPs issued before these updates will not be managing with sufficient canopy closure to protect stream temperature and aquatic habitat conditions. It is more challenging to work with these landowners to monitor erosion and sediment loading too.	requirements. The other NTMP was much older, but had been amended to include management provisions for the ASP rules as the property is located within a watershed with listed anadromous salmonids. These listed species are noted in the Cumulative Impacts Assessment. No findings were issued related to out of date management plan documents.
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4.0 RESULTS OF THE EVALUATION

Table 4.1 below, contains the evaluation team’s findings as to the strengths and weaknesses of the subject forest management operation relative to the FSC Principles of forest stewardship. Weaknesses are noted as Corrective Action Requests (CARs) related to each principle.

4.1 Notable Strengths and Weaknesses of the FME Relative to the FSC P&C.

Principle/ Subject Area	Strengths Relative to the Standard	Weaknesses Relative to the Standard
P1: FSC Commitment and Legal Compliance	None observed	Major CAR 2012.1 – Indicator 1.6.b
P2: Tenure & Use Rights & Responsibilities	Given the size and multiple owner configurations of some participants’ properties, a variety of creative use rights and responsibilities have been employed to ensure continued family ownership and attainment of multiple management goals.	None observed
P3: Indigenous Peoples’ Rights	None observed	None observed
P4: Community Relations & Workers’ Rights	Community relations tend to be positive, as the owners (and often managers) are themselves members of the community. Owners and managers employ the same LTOs for many years, which contributes to a vested interested in workers’ rights and health and safety.	Minor CAR 2012.2 – Indicator 4.2.b
P5: Benefits from the Forest	Several owners are employing creative means to reap more benefits from their forest land and market different products; these	Observation 2012.3 – Indicator 5.6.d

	efforts include composting slash and selling it for hog fuel and leasing land to local hunting clubs for use.	
P6: Environmental Impact	Very little negative environmental impacts were observed in the field, with most participants practicing what could be deemed 'light touch' forestry. Road conditions in particular were excellent and several owners had made great strides in erosion control.	None observed
P7: Management Plan	None observed	None observed
P8: Monitoring & Assessment	Given the varying nature of group participants' lands and management plans, extra effort has been put in to determine what aspects of monitoring and management need be publicly available.	Minor CAR 2012.4 – Indicator 8.2.b Observation 2012.5 – Indicator 8.5.a
P9: High Conservation Value Forests	Owners are extremely aware of old growth issues and have excellent old growth protection mechanisms built into their management.	None observed
P10: Plantations	NA	NA
Chain of custody	None observed.	Minor CAR 2012.6 - SCS FM/COC Indicator 2.3 Minor CAR 2012.7 – SCS FM/COC indicator 5.1
Group Management	The group management procedures continue to evolve and management of the group itself improves each year. As the group matures the management techniques become more complicated but also better tailored to the particular needs of the participants, leading to management efficiencies and better service for participants.	Minor CAR 2012.8 – Group Standard Indicator 9.3

4.2 Process of Determining Conformance

4.2.1 Structure of Standard and Degrees of Non-Conformance

FSC-accredited forest stewardship standards consist of a three-level hierarchy: principle, the criteria that correspond to that principle, and then the performance indicators that elaborate each criterion. Consistent with SCS Forest Conservation Program evaluation protocols, the team collectively determines whether or not the subject forest management operation is in conformance with every applicable indicator of the relevant forest stewardship standard. Each non-conformance must be evaluated to determine whether it constitutes a major or minor non-conformance at the level of the associated criterion or sub-criterion. Not all indicators are equally important, and there is no simple numerical formula to determine whether an operation is in non-conformance. The team therefore must use their collective judgment to assess each criterion and determine if the FME is in conformance. If the FME is determined to be in non-conformance at the criterion level, then at least one of the applicable indicators must be in major non-conformance.

Corrective action requests (CARs) are issued for every instance of a non-conformance. Major non-conformances trigger major CARs and minor non-conformances trigger minor CARs.

4.2.1 - Interpretations of Major CARs, Minor CARs and Observations

Major CARs: Major non-conformances, either alone or in combination with non-conformances of all other applicable indicators, result (or are likely to result) in a fundamental failure to achieve the objectives of the relevant FSC Criterion given the uniqueness and fragility of each forest resource. These are corrective actions that must be resolved or closed out before a certificate can be awarded. If Major CARs arise after an operation is certified, the timeframe for correcting these non-conformances is typically shorter than for minor CARs. Certification is contingent on the certified FME’s response to the CAR within the stipulated time frame.

Minor CARs: These are corrective action requests in response to minor non-conformances, which are typically limited in scale or can be characterized as an unusual lapse in the system. Most minor CARs are the result of non-conformity at the indicator-level. Corrective actions must be closed out within a specified time period of award of the certificate.

Observations: These are subject areas where the audit team concludes that there is conformance, but either future non-conformance may result due to inaction or the FME could achieve exemplary status through further refinement. Action on observations is voluntary and does not affect the maintenance of the certificate. However, observations can become CARs if performance with respect to the indicator(s) triggering the observation falls into non-conformance.

4.2.2 Major Non-Conformities

<input type="checkbox"/>	No major CARs were issued to the FME during the evaluation. Any minor CARs from previous surveillance audits have been reviewed and closed prior to the issuance of a certificate.
<input checked="" type="checkbox"/>	Major CARs were issued to the FME during the evaluation, which have all been closed to the satisfaction of the audit team and meet the requirements of the standards. Any minor CARs

	from previous surveillance audits have been reviewed and closed prior to the issuance of a certificate.
<input type="checkbox"/>	Major CARs were issued to the FME during the evaluation and the FME has not yet satisfactorily closed all major CARs.

4.2.3 Existing Corrective Action Requests and Observations

Finding Number: 2011.1	
Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	
Deadline	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
FSC Indicator: FSC US Standard Indicator 1.6.a.	
Non-Conformity: MRCRM includes a publically available commitment to adhere to the FSC standards in its Group Management Manual. By signing the group member participation agreement, each group member becomes covered under this commitment. However, the recently approved FSC US Standard calls for MRCRM to manage the FMU in conformance to FSC standards <i>and policies</i> . Conformance is implied in the current statement, but would be greatly enhanced if it employed the language of the standard as FSC policies tend to change more frequently than FSC standards.	
Corrective Action Request: MRCRM should consider changing the wording of its commitment to the FSC standards to include a commitment to manage its forestlands in conformance with FSC standards and policies.	
FME response <i>(including any evidence submitted)</i>	Amended the "Philosophy Statement" of the Group Policy Manual. Group Manual revision 6 submitted as evidence.
SCS review	Revision 6 of the Group Management Manual has language matching the exact words of the FSC indicator.
Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2011.2	
Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	

Deadline	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
FSC Indicator: FSC US Standard Indicator 4.2.b.	
Non-Conformity: Indicator 4.2.b requires that contracts or other written agreements include safety requirements. MRCRM has agreed to protect its group members' privacy by not reviewing contracts between LTOs and group members, thus respecting the responsibility detailed in the Group Management Manual for participants to review legal obligations. SCS was unable to review any contracts between an LTO and a group member this year.	
Corrective Action Request: For the recertification assessment in 2012, MRCRM should ensure that group member properties to be evaluated are prepared to show contracts and related documentation to the audit team so that SCS can review them for safety requirements.	
FME response <i>(including any evidence submitted)</i>	In planning the recertification audit this year, the group entity sent out a request to group participants that would be visited requesting that copies of contracts be made available for review.
SCS review	The group members that were able provided copies of contracts, usually between the landowner and the LTO, and occasionally between the landowner and the manager (contract forester).
Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2011.3	
Select one: <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	
Deadline	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
FSC Indicator: FSC US Standard Indicator 4.5.b, 8.2.d.4, and FSC-STD-20-001 V3-0	
Non-Conformity: MRCRM's means for interested stakeholders to voice grievances and have them resolved does not conform to ISO/IEC 65 (FSC-STD-20-001 V3-0) guidelines. MRCRM maintains records of complaints and legal suites and claims. This is similar to a requirement for the Mendocino Family's FSC Chain of Custody certificates, although more specific to loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples.	

Corrective Action Request:	
MRCRM shall create a means for interested stakeholders to voice grievances and have them resolved that conforms to ISO/IEC 65 guidelines. This procedure in its grievances processes must contemplate the following ISO/IEC 65 dispute mechanism requirement: a) keep a record of all complaints made known to them relating to a product's compliance with FSC requirements (indicator 8.2.d.4); b) make these records available to SCS upon request; c) take appropriate action with respect to such complaints and any deficiencies found in products or services that affect compliance with the requirements for certification; and d) document the actions taken.	
FME response <i>(including any evidence submitted)</i>	No action taken – CAR rescinded.
SCS review	SCS is no longer auditing to this requirement and no action on the part of the group entity was deemed necessary to close the CAR as the CAR was rescinded prior to the audit.
Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> <i>Other decision (refer to description above)</i>

Finding Number: 2011.4	
Select one: <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	
Deadline	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
FSC Indicator: FSC-STD-30-005 indicator 4.1	
Non-Conformity: MRCRM has not provided each Group member with documentation, or access to documentation, specifying the relevant terms and conditions of Group membership. Currently, the Group Management Manual has only been accessible by MRCRM staff and contractors. Furthermore, this policy manual (which addresses all elements of indicator 4.1) is not referenced in the terms and conditions agreement that MRCRM requires of group members.	
Corrective Action Request: MRCRM shall provide each Group member with documentation, or access to documentation, specifying the relevant terms and conditions of Group membership as specified in indicator 4.1 of FSC-STD-30-005.	
FME response	Prior to the audit the MRCRM program manager sent all group participants a copy

<i>(including any evidence submitted)</i>	of the updated MRCRM Program Manual, with instructions to contact her should they have any questions on the policies of the program.
SCS review	The forwarded email was reviewed and found sufficient to close the CAR – group participants can access the group manual, which contains all the terms and conditions of membership.
Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

4.2.4 New Corrective Action Requests and Observations

Finding Number: 2012.1	
Select one: <input checked="" type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU): Jackson Demonstration State Forest	
Deadline	<input checked="" type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
FSC Indicator(s): FSC US Forest Management Standard, Indicator 1.6.b	
Non-Conformity: JDSF currently uses an MOU with MRC in lieu of signing the standard MRCRM participation agreement, due to legal restrictions governing partnerships and state lands. The MOU specifies that the area covered by the scope of the certificate is the area in active THPs in the given year of the MOU – not the entire forest area. Given this arrangement, there is no fixed certified forest area covered by the certificate, as the THP area changes every year, nor has JDSF documented their reasons for seeking partial certification, as per the requirements under Indicator 1.6.a.	
Corrective Action Request: MRC and JDSF shall update their MOU to include a fixed area of JDSF to be covered by the scope of the certificate. If the choice is made to continue with partial certification, JDSF shall document the reasons for seeking partial certification and excision, the location of other FMUs, the natural resources found on the holdings being excluded from certification, and the management activities planned for the holdings being excluded from certification.	
FME response <i>(including any evidence submitted)</i>	MRCRM received (June 29, 2012) an updated MOU from CalFire regarding Jackson State Demonstration Forest in which they requested that the entire acreage of Jackson State Demonstration Forest be included for participation in MRCRM’s group certification program. MRCRM will now cover the entire acreage of JDSF as part of our group.
SCS review	SCS has reviewed the updated MOU and verified that JDSF has requested to include their entire acreage under the scope of the group certificate. JDSF is not

	seeking to excise any portion of their FMU – other CA State Forests not covered under the scope of this certificate are described in the body of the report.
Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> <i>Other decision (refer to description above)</i>

Finding Number: 2012.2	
Select one: <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU): All group members except for JDSF	
Deadline	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
FSC Indicator(s): FSC US Forest Management Standard, Indicator 4.2.b	
Non-Conformity: Forest owners (and managers and their employees and contractors) were found to demonstrate a safe work environment. Appropriate safety precautions were noted at all active operations visited during the audit. However, of the three contracts reviewed, two were found to not include safety requirements. Of the three contracts, only the contract from JDSF contained the necessary safety requirements – as the other contracts were from a SLIMF and a non-SLIMF member respectively, contract language pertaining to safety should be reviewed for all other group members, regardless of size to ensure safety requirements are met.	
Corrective Action Request: The group entity shall work with group members to ensure that all contracts or other written agreements include safety requirements.	
FME response <i>(including any evidence submitted)</i>	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> <i>Other decision (refer to description above)</i>

Finding Number: 2012.3	
Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU): Jackson Demonstration State Forest	
Deadline	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
FSC Indicator(s): FSC US Forest Management Standard, Indicator 5.6.d	

Non-Conformity: JDSF requires permits for commercial mushroom harvests on their property. Such permits cost \$100 and the collector may harvest as many pounds of mushrooms as they want. The total amount harvested per permit is not tracked. Calculation of quantitative sustained yield harvest levels for NTMPs is required only in cases where products are harvested in significant commercial operations or where traditional or customary use rights may be impacted by such harvests. JDSF is not currently tracking the total volume of mushrooms harvested. As such they are unable to determine if the current harvest levels could be considered a significant commercial operation, or if casual mushroom collectors' harvests are impacted.	
Corrective Action Request: JDSF should consider tracking commercial harvests of mushrooms in order to determine if current collecting intensity is impacting harvest levels or is significant enough to warrant calculating a sustained yield.	
FME response <i>(including any evidence submitted)</i>	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2012.4	
Select one: <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU): Jackson Demonstration State Forest	
Deadline	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
FSC Indicator(s): FSC US Forest Management Standard, Indicator 8.2.b	
Non-Conformity: Although JDSF issues commercial harvest permits for mushrooms, the actual amount harvested under these permits is not tracked (see findings under 5.6.d and OBS 2012.4).	
Corrective Action Request: JDSF shall maintain records of harvested NTFPs (volume and product and/or grade), sufficient to ensure that the requirements under Criterion 5.6 are met.	
FME response <i>(including any evidence submitted)</i>	
SCS review	

Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> <i>Other decision (refer to description above)</i>
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Finding Number: 2012.5	
Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU): Participants with an NTMP	
Deadline	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
FSC Indicator(s): FSC US Forest Management Standard, Indicator 8.5.a	
Non-Conformity: MRCRM posts annual summaries of group participants monitoring on its website (http://www.mrc.com/key-policies/forest-stewardship-council-fsc-certification/). The annual report covers many of the monitoring topics listed under Criterion 8.2 and references group participants' THPs and NTMPs should further information be needed. These documents are part of the public record and can be accessed through the CalFire website. However, the annual monitoring reports do not currently provide explicit information on monitoring conducted on NTMPs in conjunction with Notices of Timber Operation (NTOs), nor does the information listed in the reports always match the specific monitoring requirements listed under Criterion 8.2. This opens up the risk of non-conformance in the future, given that specific monitoring information required under Criteria 8.2 may not always be included and it is difficult to ensure that the group entity's own checklists have always been followed.	
Corrective Action Request: MRCRM should consider updating their monitoring report template to more closely match the monitoring criteria listed under Criterion 8.2 and to ensure that the most up to date monitoring information is available for those group participants with an NTMP.	
FME response <i>(including any evidence submitted)</i>	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> <i>Other decision (refer to description above)</i>

Finding Number: 2012.6	
Select one: <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU): Jackson Demonstration State Forest	

Deadline	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
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FSC Indicator(s): SCS FM/COC Indicator 2.4

Non-Conformity:
Load tickets for the active harvest on the Waldo THP in JDSF were found to not include all required information as per the SCS FM/COC indicator 2.3. Specifically, although the certificate code was correctly included, the claim (FSC 100%) was not. It should be noted that the CoC for the sale was relatively complicated, as the operator was sorting three sizes at the landing for three different buyers, only one of whom was certified. The operator had clearly received instructions regarding CoC and was aware that the load tickets for the certified buyer had to include the certificate code (which was written in by hand on each ticket) but was unaware of the requirement regarding the claim.

Although the information required on load tickets is listed under Indicator 2.3, the CAR is issued to Indicator 2.4. This is because JDSF sales documents (purchase agreements/invoices) are issued separately from related delivery documents (load tickets) and are not included with the shipment of the product, raw logs. Therefore, the delivery documents are required to contain all the information required on the related sales documents to which they are linked.

Corrective Action Request: JDSF shall ensure that all sales documents issued for products sold with FSC claims include the information specified under SCS FM/COC indicator 2.3, specifically:

- a) name and contact details of the *organization*;
- b) name and address of the customer;
- c) date when the document was issued;
- d) description of the product;
- e) quantity of the products sold;
- f) the organization’s FSC Forest Management (FM.COC) or FSC Controlled Wood (CW/FM) code;
- g) clear indication of the FSC claim for each product item or the total products as follows:
 - i) the claim “FSC 100%” for products from FSC 100% product groups;
 - ii) the claim “FSC Controlled Wood” for products from FSC Controlled Wood product groups;
- h) If separate transport documents are issued, information sufficient to link the sales document and related transport documentation to each other.

FME response <i>(including any evidence submitted)</i>	
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SCS review	
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Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> <i>Other decision (refer to description above)</i>
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Finding Number: 2012.7

Select one: Major CAR Minor CAR Observation

FMU CAR/OBS issued to (when more than one FMU): All group participants

Deadline	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
FSC Indicator(s): SCS FM/CO C Indicator 5.1	
Non-Conformity: Many group participants are conducting harvest operations this season. Although only one of the active harvests visited was found to be missing required CoC information (see CAR 2012.6), several group participants and forest managers interviewed were confused about, or unaware of, CoC requirements associated with group membership. Although the tracking requirements only become necessary when group participants are selling their wood to certified buyers, and the chain of custody is particularly simple for SLIMF participants, further training on CoC requirements might improve participants understanding and implementation.	
Corrective Action Request: All relevant FME staff and group participants or managers shall be trained in their respective CoC control system commensurate with the scale and intensity of their operations and shall demonstrate competence in implementing the CoC control system.	
FME response <i>(including any evidence submitted)</i>	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2012.8	
Select one: <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU): Group Entity: MRCRM	
Deadline	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
FSC Indicator(s): FSC Group Management Standard 30-005, Indicator 9.3	
Non-Conformity: See findings above under CAR 2012.7. Although it is the responsibility of each participant to correctly implement a CoC system for their FME, the group entity must ensure that the CoC system is being implemented correctly and that tracking and tracing documentation includes all necessary information. As one group participant was found to be missing some required information on load tickets, and other new participants were unclear on what CoC information was required for certified sales, it seems that the CoC system is not being implemented consistently by all group members.	
Corrective Action Request: The group entity shall ensure that all invoices (or where invoices are not issued, related delivery	

documentation) for sales of FSC certified material are issued with the required information (as listed under FM/COC indicator 2.3) and are filed by the group members.	
FME response <i>(including any evidence submitted)</i>	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> <i>Other decision (refer to description above)</i>

5.0 CERTIFICATION DECISION

Certification Recommendation	
FME be awarded FSC certification as a “Well-Managed Forest” subject to the minor corrective action requests stated in Section 4.2.3.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
The SCS evaluation team makes the above recommendation for certification based on the full and proper execution of the SCS Forest Conservation Program evaluation protocols. If certification is recommended, the FME has satisfactorily demonstrated the following without exception:	
FME has addressed any Major CAR(s) assigned during the evaluation.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
FME has demonstrated that their system of management is capable of ensuring that all of the requirements of the applicable standards are met over the forest area covered by the scope of the evaluation.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
FME has demonstrated that the described system of management is being implemented consistently over the forest area covered by the scope of the certificate.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments:	