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Forest Management **2012 Annual audit** Report for:

Mendocino Redwood Company, LLC
In
Ukiah, California USA

Report Finalized: November 26, 2012
Audit Dates: May 22 & 23, 2012
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Certificate code: SW-FM/COC-000128
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Standard Conversions
1 mbf = 5.1 m ³
1 cord = 2.55 m ³
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) or MRC. The report presents the findings of Rainforest Alliance auditors who have evaluated company systems and performance against the Forest Stewardship Council™ (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 nonconformity reports.

The Rainforest Alliance founded its previous SmartWood program in 1989 to certify responsible forestry practices and has grown to provide a variety of auditing services. Rainforest Alliance certification and auditing services are managed and implemented within its RA-Cert Division. All related personnel responsible for audit design, evaluation, and certification/verification/validation decisions are under the purview of the RA-Cert Division, hereafter referred to as Rainforest Alliance or RA.

This report includes information which will become public information. Sections 1-3 and Appendix I will be posted on the FSC website according to FSC requirements. All other appendices will remain confidential. A copy of the public summary of this report can be obtained on the FSC website at <http://info.fsc.org/>.

Dispute resolution: If Rainforest Alliance clients encounter organizations or individuals having concerns or comments about Rainforest Alliance and our services, these parties are strongly encouraged to contact Rainforest Alliance 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 Rainforest Alliance 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:	
Issues identified as controversial or hard to evaluate.	Stakeholder interviews after the site visit raised concerns regarding the potential impact of management on the Water Supply for Elk, CA. Interviews with MRC employees indicated that the management in the Greenwood Creek watershed is similar to elsewhere on the FMU; however, due to logistical constraints of receiving the stakeholder comment after the field visit, the audit team was unable to visit the Greenwood Creek Watershed. Thus, it was difficult to determine if there are issues with conformance to the FSC Standard in the watershed. It is noted that the audit team should consider visiting Greenwood Creek during the 2013 annual

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

There are no significant changes to the FME forest management relevant to conformance with the FSC Standard. There is a small refinement in the number of acres reported as HCV 1 (from 13,288 to 13,917) and HCV 3 (from 1,964 to 1,335). This is from a refinement in the reporting of the acres rather than an actual change in the specific sites designated as HCV. MRC would also like to add eucalyptus to the list of certified products. MRC has a few small patches (1-5 acres) of eucalyptus interspersed in areas that were planted by a previous landowner and MRC has been approached by a small local mill that may be interested in using the eucalyptus for specialty products. MRC's management goal would be to decrease the eucalyptus on the forest.

2.3 Excision of areas from the scope of certificate

Not applicable. Check this box if the FME has not excised areas from the FMU(s) included in the certificate scope as defined by FSC-POL-20-003. *(delete the rows below if not applicable)*

2.4. Stakeholder issues *(complaints/disputes raised by stakeholders to FME or Rainforest Alliance since previous evaluation):*

There were no official complaints or disputes (as per the FSC definition) received. However, the residents and MRC neighbors in Mendocino County are very active in forestry issues both collectively as members of various environmental associations as well as individuals such as owners of land neighboring MRC lands. During stakeholder consultation the following concerns were highlighted:

1. The use of herbicides to control tan oak.
2. MRC's perceived ability to exert undue influence on both the local forest economy and forest policy within the state government due to the size of MRC and the reduction of competition in the county.
3. An increase in the timber harvest this year compared to past years may result in harvesting beyond sustainable levels and MRC may be trying to sell parcels of the landbase.
4. MRC may be exporting and still buying logs from the Jackson State Forest. (California state law prohibits the purchase of logs from Jackson State Forest if a company is exporting logs.)
5. Watercourse protections
6. The potential impact of forest management in the Greenwood Creek Watershed on the water supply for the town of Elk, CA.

1. Herbicide Use and Retention of Hardwoods

The use of herbicides is unpopular with many stakeholders in the area. The audit team reviewed MRC conformance to FSC Criterion 6.6 which addresses the use of chemicals. Due to past land management, the MRC forest includes numerous acres that historically were dominated by conifers (redwood and Douglas-fir) that currently have a larger stocking of tan oak and other hardwoods. MRC is committed to restoring the historical levels of conifers across the landscape and MRC is using herbicides according to the label and safety requirements to reduce the tan oak competition on conifer regeneration.

The audit team found that the chemical applications by MRC do conform to the requirements of the FSC standard and that MRC does not use any chemicals that are on the FSC list of banned chemicals. Additionally, MRC does retain a portion of the large tan oak within each area that is treated with herbicides and thus, tan oak as well as the other hardwoods, were observed to be maintained within both individual units as well as across the larger landscape. The audit team visited a site of active herbicide application and found the crews to be supervised by a licensed applicator and to have the required safety equipment. Interviews with individual crew members demonstrated that they possessed knowledge of both personnel safety requirements as well as environmental precautions (i.e. stop spaying during windy conditions). However, interviews indicated that there are times when the licensed applicator, an MRC employee, is not always on site during active operations. Additionally, individual crew members expressed an interest in receiving additional training about the effects of the chemicals on both the plants and the people working with the chemicals. (See NCR 02/12)

In response to stakeholder concerns about herbicide use, MRC is researching alternative management options to controlling the tan oak. Currently, consideration is being given to hand stripping the bark of tan oaks as well as the use of native fungi to kill tan oak stumps. Additionally, several years ago, MRC invested several million dollars in an oak flooring operation in an attempt to find a commercial product for tan oak. Unfortunately, the oak flooring enterprise was not financially viable.

One regulator expressed concern over MRC's hardwood retention due to the rate of hardwood control and the lack of knowledge of hardwood densities in stands prior to European settlement. The concern is with wildlife habitat quality rather than with herbicides and watershed quality. The audit team found that MRC exceeds its retention target levels on the vast majority of harvest sites and has designated several hardwood-dominated stands as Representative Sample Areas based on species composition and soil type. MRC staff is aware of the concerns over hardwood retention, but emphasize that the control measures are intended to help reestablish conifers without complete removal of hardwoods. Furthermore, this regulator continues to work with MRC on the questions of hardwood retention levels and wildlife habitat quality. No non-conformance was identified in relation to conservation or retention of tanoak and other hardwood species.

2. Influence on the economy and use of State funding

Several stakeholders consulted expressed concern and frustration with MRC attempting to influence the distribution of resources from the State Wildlife Conservation Fund. MRC voiced concern at the state level regarding the awarding of the state funds to The Redwood Forest Foundation to purchase forest land. Stakeholders viewed this effort as an attempt by MRC to limit the amount of competition within the forest economy of Mendocino County as well as to limit competition for the state funds. While MRC did contact State officials to express concern, the end result was that the state funds were awarded to the Redwood Forest Foundation. There was no evidence that the actions of MRC resulted in a nonconformance with the FSC Standard.

Several stakeholders also expressed concern about the potential for MRC to exert a monopoly control on the local economy since MRC is the largest forest land owner in the county. However, these same stakeholders acknowledged that it is not the fault of MRC that several mills have closed due to the challenges created by the current economic recession. Additionally, stakeholders expressed concern that MRC may be paying lower rates to contractors compared to other forest land owners. Interviews with numerous contractors and forest workers indicated that while there is variation in the rates paid to contractors, the MRC rates are competitive and are typically set via competitive bids. The current economic challenges felt by the local

contractors is similar to the impacts observed throughout the forest industry in the West and are not specific to the contractors operating on MRC lands. Interviews indicate that MRC recognizes the impact of the economy during the past 2 years on the viability of local contractors. MRC is aware of the need to maintain a viable contractor work force in order to meet the company harvest goals. Interviews with both contractors and MRC employees demonstrated instances of MRC working with contractors to help them work through financial challenges.

No non-conformances to the FSC Standard were identified relative to MRC's influence on the local economy or state politics.

3. Accelerated Harvest Levels and Land Sales

During the past 10 years, MRC has harvested substantially less volume than the forest is growing and substantially less than the annual allowable harvest volume as documented in the state required, and publically available, Option A. The higher harvest volume projected during 2012 was found to be within the harvest levels which can be permanently sustained as required by the FSC Standard Criteria 5.6 and within the harvest levels allowed under the "Option A" filed with the state.

This spring MRC offered a few small parcels for auction. These parcels are isolated tracts that are not contiguous with the larger portions of the ownership and constitute less than 1% of the ownership. Review of these potential sales indicated that the sale of these parcels are in conformance with the FSC Standard and Policies as they are not expected to impact HCVF and the intent is to improve the economic viability of the company and facilitate potential land purchases that are strategic to the landbase.

4. Conflict with Exporting Logs and Purchasing exporting logs on State Forest.

Interviews indicated that MRC staff is very much aware of the legal requirements for purchasing logs from the Jackson State Forest and there was no evidence of a conflict between the marketing strategies of MRC and the state laws. There are no issues with FSC conformance relative to this stakeholder comment.

5. Water Course Protections

A concern was expressed over a weakening of water course protections due to the increase in harvesting and use of group selection and variable retention harvest practices. The audit team found that MRC has no violations of the California Forest Practice Rules and field observations found conformance with the FSC-US Pacific Coast Regional indicators for stream protections (Criterion 6.5). MRC will soon have a draft Habitat Conservation Plan (HCP) open for public comment. Stakeholders will be free to communicate concerns over water course protection during the designated comment period. The HCP will have provisions for wetland protection zone (WLPZ) classification and management (e.g., riparian buffer widths, permitted silvicultural systems, retention, etc).

6. Impact of Forest Management on the Water Supply for Elk, CA

Stakeholder interviews after the site visit raised concern regarding the potential impact of management on the Water Supply for Elk, CA. Interviews with MRC employees indicated that the management in the Greenwood Creek watershed is similar to elsewhere on the FMU; however, due to logistical constraints of receiving the stakeholder input after the site visit, the audit team was unable to visit the Greenwood Creek Watershed. Thus, it was difficult to determine if there are issues with conformance to the FSC Standard in the watershed. It is noted that the audit team should consider visiting Greenwood Creek during the 2013 annual audit.

2.5. Conformance with applicable nonconformity 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 Rainforest Alliance certificate if Major NCRs are not met. The following classification is used to indicate the status of the NCR:

Status Categories	Explanation
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)

2.6. New nonconformity reports issued as a result of this audit

NCR#:	01/12	NC Classification:	Major	Minor X
Standard & Requirement:	FSC-US Forest Management Standard (v1.0) July 8, 2010 Indicator 1.6.a The forest owner or manager demonstrates a long-term commitment to adhere to the FSC Principles and Criteria and FSC and FSC-US policies, including the FSC-US Land Sales Policy, and has a publicly available statement of commitment to manage the FMU in conformance with FSC standards and policies			
Report Section:	Appendix IV section 1.6.			
Description of Nonconformance and Related Evidence:				
FME demonstrates long-term commitment in multiple ways – 100% of the ownership is FSC certified, MRC recently began a forest carbon project under the Climate Action Reserve (which requires a 100 year project timeline), and there is a significant effort to create customer relationships that value FSC certified products. The FME does have a public statement of commitment to the FSC however; the language of the public statement does not specifically declare a commitment to manage the FMU in conformance with FSC “Standards and Policies”.				
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the nonconformance.			
Timeline for Conformance:	Prior to the next annual audit.			
Evidence Provided by Organization:	PENDING			
Findings for Evaluation of Evidence:	PENDING			
NCR Status:	OPEN			
Comments (optional):				

NCR#:	02/12	NC Classification:	Major	Minor X
Standard & Requirement:	FSC-US Forest Management Standard (v1.0) July 8, 2010 Indicator 4.2.b. The forest owner or manager and their employees and contractors demonstrate a safe work environment. Contracts or other written agreements include safety requirements.			
Report Section:	Appendix IV section 4.2			
Description of Nonconformance and Related Evidence:				
Observations and interviews with both staff and contractors generally demonstrated conformance with applicable health and safety regulations and demonstrated that the FME hires qualified workers. Additionally, contracts were found to include safety requirements. However, interviews with workers applying herbicides indicated that there are times when the crew does not have anyone with first aid/CPR certification on site.				
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the nonconformance.			
Timeline for Conformance:	Prior to the next annual audit.			
Evidence Provided by Organization:	PENDING			
Findings for Evaluation of Evidence:	PENDING			
NCR Status:	OPEN			
Comments (optional):				

NCR#:	03/12	NC Classification:	Major	Minor X
Standard & Requirement:	FSC-US Forest Management Standard (v1.0) July 8, 2010 Indicator 6.6.d Whenever chemicals are used, a written prescription is prepared that describes the site-specific hazards and environmental risks, and the precautions that workers will employ to avoid or minimize those hazards and risks, and includes a map of the treatment area. Chemicals are applied only by workers who have received proper training in application methods and safety. They are made aware of the risks, wear proper safety equipment, and are trained to minimize environmental impacts on non-target species and sites.			
Report Section:	Appendix IV section 6.6			
Description of Nonconformance and Related Evidence:				
An FME employee with a chemical applicator's license oversees the contractor's work crew to ensure compliance with contracts. However, interviews with workers applying herbicides indicated the FME employee frequently divides his time between two chemical applicator crews, meaning that one crew does not have a licensed applicator present on site while applying chemicals. Moreover, the FME employee does not work on weekends when the contractor's crew works make-up hours for missed work time due to weather conditions during the week. FME does not verify that a licensed applicator is present during these alternate work hours. This presents an increased risk of failure to respond in emergencies or changing site conditions, particularly when there are large work crews. Therefore, chemicals are not applied only by workers who have received proper training in application methods and safety.				
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the nonconformance.			
Timeline for Conformance:	Prior to the next annual audit.			

Evidence Provided by Organization:	PENDING
Findings for Evaluation of Evidence:	PENDING
NCR Status:	OPEN
Comments (optional):	

NCR#:	04/12	NC Classification:	Major	Minor X
Standard & Requirement:	<p><i>FM-35 Rainforest Alliance Chain-of-Custody Standard for Forest Management Enterprises (FMEs)</i></p> <p>COC 1.3: FME procedures/work instructions shall provide effective control of FSC certified forest products (including NTFPs) from standing timber until ownership is transferred at the forest gate. <i>Note: For large scale operations (>10,000ha) and Group Entities, CoC procedures covering all relevant CoC criteria shall be documented.</i> Including:</p> <ul style="list-style-type: none"> a) Procedures for physical segregation and identification of FSC certified from non-FSC certified material. (If applicable) b) Procedures to ensure that non-FSC certified material is not represented as FSC certified on sales and shipping documentation. (If applicable) c) Procedures to include the FME's FSC certificate registration code and FSC claim (FSC 100%) on all sales and shipping documentation for sales of FSC certified products. d) Recordkeeping procedures to ensure that all applicable records related to the production and sales of FSC certified products (e.g. harvest summaries, sales summaries, invoices, bills of lading) are maintained for a minimum of 5 years. e) Procedures to ensure compliance with all applicable FSC/Rainforest Alliance trademark use requirements. 			
Report Section:	Appendix V Chain-of-Custody Conformance CoC 1.3			
Description of Nonconformance and Related Evidence:				
While the FME does include the FSC certificate registration code and the FSC claim on all sales shipping documents and the shipping and sales documents are clearly linked, the documented procedures do not describe this requirement as detailed in CoC Indicator 1.3.c above.				
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the nonconformance.			
Timeline for Conformance:	Prior to the next annual audit.			
Evidence Provided by Organization:	PENDING			
Findings for Evaluation of Evidence:	PENDING			
NCR Status:	OPEN			
Comments (optional):				

2.7. Audit observations

Observations can be raised when issues or the early stages of a problem are identified which does not of itself constitute a nonconformance, but which the auditor considers may lead to a future nonconformance 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).

There are no new observations.

3. AUDIT PROCESS

3.1. Auditors and qualifications:

Auditor Name:	Karen Brenner	Auditor role:	Lead auditor (RA)
Qualifications: Over the past 12 years, Karen Brenner (B.S. Forestry) has conducted numerous CoC audits and assessments as well as 24 forest management audits and assessments for Rainforest Alliance. Karen attended CoC and FM lead assessor training conducted by Rainforest Alliance and also successfully completed ISO-9001 Lead Auditor Training in Dec 2010. In addition to consulting with Rainforest Alliance, Karen has over a decade of experience as a field forester implementing and managing timber sales, developing silvicultural prescriptions, suppressing forest fires, and managing pre-commercial timber and reforestation programs for the US Forest Service and Nez Perce Tribe.			
Auditor Name:	Kyle Meister	Auditor role:	Lead auditor (SCS)
Qualifications: Kyle Meister is a Certification Forester with Scientific Certification Systems. He has been with SCS since 2008 and has conducted FSC pre-assessments, evaluations, and surveillance audits in Brazil, Panama, Mexico, Costa Rica, Bolivia, Indonesia, India, Japan, New Zealand, and all major forest producing regions of the United States. Mr. Meister has successfully completed CAR Lead Verifier, ISO 9001:2008 Lead Auditor, and SA8000 Social Systems Introduction and Basic Auditor Training Courses. 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, and Cascadia Green Building Council.			

3.2. Audit schedule

Date	Location /Main sites	Principal Activities
May 1-14, 2012	Auditor Office	Document Review and Stakeholder Interviews
May 22, 2012	MRC Ukiah Office	Opening Meeting
May 22, 2012	South Coast District	Field Tour: Herbicide Use & HCVF monitoring, contractor interview
May 23, 2012	Rockport District	Field Tour: Current and past harvest units, alternative methods to control of tan oak
May 23, 2012	Rockport Campground	Closing Meeting
Total number of person days used for the audit:8 = number of auditors participating 2 X average number of days spent in preparation, on site and post site visit follow-up including stakeholder consultation 4		

3.3. Sampling methodology:

MRC holds a single FMU Certificate and therefore no specific sampling intensity was required for this audit. The audit team focused on visiting active and completed harvest units providing a range of silvicultural prescriptions. Units visited also included management prescribed and supervised by different area foresters. In response to stakeholder concerns about herbicide application, an additional focus of this year's audit was to visit an herbicide application crew at work in the field.

3.4. Stakeholder consultation process

The stakeholder consultation process began with a public notification being sent via email on April 20, 2012. Individuals, ENGOs, companies, and agencies were notified of the audit and encouraged to participate by contacting either Rainforest Alliance or SCS. Significant effort was made to reach out to a variety of stakeholders. The audit team conducted numerous phone calls to reach out to interested stakeholders.

Stakeholder type (i.e. NGO, government, local inhabitant etc.)	Stakeholders notified (#)	Stakeholders consulted or providing input (#)
Tribal	7	2
Government Agency	32	12
ENGO/Adjacent landowner	33	5
Contractor	15	4
Forest Industry	49	0
Academic	27	0
Forestry/Forest Products NGO	27	0
Other	20	0

3.5. Changes to Certification Standards

Forest stewardship standard used in audit:	FSC-US Forest Management Standard (v1.0)
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:	
Implications for FME:	Not applicable - no new requirements

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 type="checkbox"/> N <input checked="" type="checkbox"/>
Comments: No formal complaints were recorded.	
Accident records	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Comments: Accident records are maintained by the Safety Manager.	

Training records	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Comments: MRC provided a matrix of the training provided to each employee during the past year.	
Operational plan(s) for next twelve months	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Comments: The operational plans and proposed harvest volumes by area was provided.	
Inventory records	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Comments: Inventory records were observed and summarized in the forest management plan.	
Harvesting records	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Comments: The harvest volumes from the past year were reviewed.	

APPENDIX I: FSC Annual Audit Reporting Form:

Forest management enterprise information:			
FME legal name:	Mendocino Redwood Company		
FME Certificate Code:	SW-FM/COC – 000128		
Reporting period	Previous 12 month period	Dates	5/22/2011-5/22/2012

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 type="checkbox"/>

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).	Type I and II old growth (throughout property), LACMA (South Coast), Coho core areas; NSO core areas; Point Arena Mountain Beaver areas	13,917 acres
HCV2	Forest areas containing globally, regionally or nationally significant large landscape level		ha

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>.

	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.		
HCV3	Forest areas that are in or contain rare, threatened or endangered ecosystems.	Pygmy forest and salt marsh (Albion), oak woodland (Rockport and Ukiah).	1335 acres
HCV4	Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).		ha
HCV5	Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).		ha
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 native American cultural sites	NA at this time
TOTAL HCVF AREA			15,252 ac
Number of sites significant to indigenous people and communities			

3. Workers		
Number of workers including employees, part-time and seasonal workers: (includes contractor employees)		
Total number of workers	263 workers	
- Of total workers listed above	248 Male	15 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	
Non FSC highly hazardous pesticides used in last calendar year				
Area	Chemical	Acres	Pounds	Pounds/ac.
Albion	Imazapyr 4#	346	216.16	0.62
Big River	Imazapyr 4#	97	55.8	0.58
Big River	Imazapyr 2#	65	22	0.34
Big River	Glyphosate 4#	84	67	0.80
Navarro East	Imazapyr 4#	436	274.00	0.63
Navarro East	Imazapyr 2#	137	54	0.39
Navarro East	Glyphosate 4#	137	47.00	0.34
Navarro East	Triclopyr 3#	75	99.36	1.32
Navarro West	Triclopyr 4#	335	680.6	2.03
Navarro West	Triclopyr 3#	9.5	12	1.26

Noyo	Imazapyr 4#	654	482.92	0.74
Rockport	Imazapyr 4#	112	69.96	0.62
Rockport	Triclopyr 3#	174	304.71	1.75
South Coast	Imazapyr 4#	1080	506.36	0.47
South Coast	Imazapyr 2#	85	30.78	0.36
South Coast	Glyphosate 4#	85	79.16	0.93
Totals		3911.5	3001.81	0.77