

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

Humboldt Redwood Company, LLC
Mendocino Redwood Company, LLC
Northern California, USA

SCS-FM/COC-00120N

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CERTIFIED	EXPIRATION
1 December 2019	30 November 2024

DATE OF FIELD EVALUATION
31 August – 3 September 2021
DATE OF REPORT FINALIZATION
23 March 2022

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Foreword

Cycle in annual surveillance evaluations				
<input type="checkbox"/> 1 st annual evaluation	<input checked="" type="checkbox"/> 2 nd annual evaluation	<input type="checkbox"/> 3 rd annual evaluation	<input type="checkbox"/> 4 th annual evaluation	<input type="checkbox"/> Other (<i>expansion of scope, Major CAR audit, special audit, etc.</i>):
Name of Forest Management Enterprise (FME) and abbreviation used in this report:				
HRC-MRC				

All certificates issued by SCS under the aegis of the Forest Stewardship Council (FSC) require annual evaluations to ascertain ongoing conformance with the requirements and standards of certification. A public summary of the initial evaluation is available on the FSC Certificate Database <http://info.fsc.org/>.

Pursuant to FSC and SCS guidelines, annual / surveillance evaluations are not intended to comprehensively examine the full scope of the certified forest operations, as the cost of a full-scope evaluation would be prohibitive and it is not mandated by FSC evaluation protocols. Rather, annual evaluations are comprised of three main components:

- A focused assessment of the status of any outstanding conditions or Corrective Action Requests (CARs; see discussion in section 4.0 for those CARs and their disposition as a result of this annual evaluation);
- Follow-up inquiry into any issues that may have arisen since the award of certification or prior to this evaluation; and
- As necessary given the breadth of coverage associated with the first two components, an additional focus on selected topics or issues, the selection of which is not known to the certificate holder prior to the evaluation.

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 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 90 days after completion of the on-site evaluation. Section B contains more detailed results and information for required FSC record-keeping or the use by the FME.

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SECTION A – PUBLIC SUMMARY

1. General Information

1.1 Evaluation Team

Auditor name:	Brendan Grady	Auditor role:	Audit Team Leader
Qualifications:	Mr. Grady is the Director, Forest Management Certification for SCS. In that role, he provides daily management and quality control for the program. He participated as a team member and lead auditor in forest certification audits throughout the United States, Europe, and South East Asia. Brendan has a B.S. in Forestry from the University of California, Berkeley, and a Juris Doctorate from the University of Washington School of Law. Brendan is a member of the State Bar of California, and was an attorney in private practice focusing on environmental law before returning to SCS.		
Auditor name:	Dr. Walter Mark	Auditor role:	Team Auditor
Qualifications:	Dr. Walter Mark is a professor emeritus of forestry at California Polytechnic State University, San Luis Obispo and former Director of Swanton Pacific Ranch, the University’s FSC Certified school forest. He has a B.S. in Forest Management from Utah State University, an M.S. in Forest Science from Colorado State University, and a Ph.D. in Botany and Plant Pathology from Colorado State University. Dr. Mark specializes in forest health and silviculture. Dr. Mark is a consultant for SCS. He has successfully completed FSC Forest Management Lead Auditor training and ISO 9001 Lead Auditor training. Dr. Mark is a registered professional forester in California (RPF No. 1250) and a Fellow in the Society of American Foresters with over 50 years of forestry experience in public and private forestry and higher education sectors. He has served as audit team member and leader in Canada and the USA for certification, recertification, scoping, and annual audits since 2003.		

1.2 Total Time Spent on Evaluation

A. Number of days spent on-site for evaluation	4
B. Number of auditors participating in on-site evaluation	2
C. Number of days spent by any technical experts (in addition to amount in line A)	0
D. Additional days spent on preparation, stakeholder consultation, and follow-up	2
E. Total number of person days used in evaluation	10

1.3 Applicable Standards

All applicable FSC standards are available on the websites of FSC International (www.fsc.org) or SCS Global Services (www.SCSglobalServices.com). All standards are available on request from SCS Global Services via the comment form on our website. When no national standard exists for the country/region, SCS Interim Standards are developed by modifying SCS’s Generic Interim Standard to reflect forest management in the region and by incorporating relevant components of any Draft Regional/National Standard and comments from stakeholders. More than one month prior to the start of the field evaluation, SCS Draft Interim Standards are provided to stakeholders identified by FSC International, SCS, forest managers under evaluation, and the FSC National or Regional Office for comment. SCS’s COC indicators for FMEs are based on the most current versions of the FSC Chain of Custody Standard, FSC Standard for Group Entities in Forest Management Groups (FSC-STD-30-005), and FSC Accreditation Requirements. “Applicable standards” are all FSC standards with which the certified entity must comply, not just the standards selected for evaluation this year.

Standards applicable <i>NOTE: Please include the full standard name and Version number and check all that apply based on type of certificate.</i>	<input checked="" type="checkbox"/> Forest Stewardship Standard(s), including version: FSC-US Forest Management Standard (v1.0), July 8, 2010
	<input checked="" type="checkbox"/> FSC Trademark Standard (FSC-STD-50-001 V2-0)
	<input checked="" type="checkbox"/> SCS COC indicators for FMEs, V8-0
	<input type="checkbox"/> FSC standard for group entities in forest management groups (FSC-STD-30-005), V1-1
	<input type="checkbox"/> Other:

1.4 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. Certification Evaluation Process

2.1 Evaluation Itinerary, Activities, and Site Notes

Date: August 31, 2021 HRC/MRC Audit with Brendan Grady and Walter Mark	
FMU / location / sites visited	Activities / notes
HRC/MRC/HRC offices in Scotia, CA/Opening Meeting	Opening Meeting: Introductions, client update, review audit scope, audit plan, intro/update to FSC and SCS standards, confidentiality and public summary, conformance evaluation methods and tools review of open CARs/OBS, emergency and security procedures for evaluation team, final site selection.
HRC/Newman THP/Active Logging Unit	Active logging operation using group selection and tractor yarding. The WLPZ for the Eel River was flagged in blue and white flagging. There was a fire box present at the landing area with a first aid kit

	<p>inside. A spill kit was located with the fire box. The fuel tank was not leaking and was inside a containment vessel in case of a leak. The LTO was provided with maps and THP information prior to starting the logging operations. HRC met with the LTO prior to commencement of logging on the job site to go over THP information and contract compliance. The auditors walked around the logging site to inspect skid trails and residual stand damage. Little residual stand damage was observed. When a faller was checked for PPE on the job, he was not wearing safety glasses due to fogging issues. When the audit team went by the landing after inspecting skid trails and residual stand damage, other members of the logging crew were not wearing the proper PPE for chain saw operation.</p>
HRC/Larabee Fuel Break/Grassland Lunch Stop	<p>During the lunch stop near the Larabee Fuel Break Project, use of the grassland by cattle was observed. When asked if there was a grazing lease for the area, the staff indicated that there was not and that the cattle were in fact trespassing onto MRC lands from an adjacent ranch. Follow-up with security staff indicated they were aware of the issue and dealing with it.</p>
HRC/Larabee Fuel Break/Various Stops	<p>This stop was to view The pilot project Larabee Fuel Break Project. This project was funded by a grant from the NCRP to test the use of Ponzi equipment to accomplish the shaded fuel break and to restore white oak stands. The stands of Douglas-fir were thinned and Douglas-fir trees were removed from the area around oak stands and from within the oak stands. Slash was in close contact with the ground. An arch site and a rare plant site were observed with protection for both identified on the ground and discussed.</p>
HRC/CCS THP /Various sites	<p>This THP included group selection and VR silviculture. The VR units had 15-20% retention in aggregate clumps. Advance regeneration was retained throughout the units. The target was 100 sq ft retention with all trees < 12 inches retained. NSO HRA 92 was visited to discuss retention and protection of NSO HRA's. The new HRA's are not circles but include all previous known nest trees other habitat types. Can harvest with single tree selection in the outer core area but none harvest in 500' diameter core area. Minimum size of new HRA's is 72 acres about equivalent of the old 1000' circles.</p>
HRC/Main Offices/Various interviews and document review	<p>Discussed inventory plan and sustained yield modelling. Discussed pesticide use on forests and ESRA's for chemicals in use. Toured the pesticide storage facility and reviewed storage security and MSDS posting.</p>
Date: September 1, 2021 HRC Split Audit Itinerary	
FMU / location / sites visited	Activities / notes
Brendan Grady Itinerary	
HRC/Mattole management unit /Moonshine THP Site #1	<p>Harvest completed in summer 2020, visited several units throughout the THP. Site #1, Variable retention cut, most retention kept in riparian buffer zones. VR cuts are more commonly used in</p>

	doug-fir stands. Site had already been replanted in winter 2021. Old culverts on site, discussed management and collection of scrap material.
HRC/Mattole Unit/Moonshine THP Site #2	Additional VR unit, already replanted. Reviewed in stand retention with marked leave trees. Trees are marked out and retained throughout the life of the HCP. Visited stands that were identified as possible old-growth logging by stakeholders. The site contained large trees, but were second growth. Core samples indicated the oldest trees were established in the early 1800s, which does not meet HRC's old growth definition.
HRC/Mattole Unit/Moonshine THP Site #3	Herbicide treatment area, previously logged in 2001 with no herbicide treatment, came back heavy to tanoak with poor conifer regeneration. Herbicide treatment in 2020 was frilling (hack & squirt) of tanoak and weed control using transline and glyphosate. Replanting of area in 2021. Discussed planning setup for herbicide treatments, e.g. avoidance of rare plants, buffer zones, owl activity centers, arch sites.
HRC/Mattole Unit/Miller Time THP Site #4	Planned harvest site, not yet operated. Archeological site that had been previously identified of lithic scatter along a walking trail. Joint site visit was conducted with tribal representative from Bear River Band. Recommended equipment exclusion zone around the site. A historic (not archeological) cabin was also present on the plan site and received an EEZ.
HRC/Mattole Unit/Miller Time THP Site #5	Boundary line establishment along this planned THP. Confirmed that a property line had been identified and marked on the ground prior to starting operations.
Walter Mark Itinerary	
HRC/Elk River Watershed /North Fork Elk River	<p>Travelled to site of incident that occurred on the easement held by HRC to do stream sampling. Discussed the easement rights and the events and viewed the sampling station at Triple Stand Bridge. Road to the site is an easement and accesses an MRC parcel that is restricted from harvesting currently due to TMDL restrictions on Elk River. Old bridge on the route has soil on the deck and is failing on the sides off the running deck putting sediment and debris directly into Redwood Gulch. Bridge is not on HRC property. Discussed No Fork Elk River restoration projects. Current plan is to work on inventory list of places where sediment input can be lessened and to place LWD in stream to increase stream diversity. A report on this inventory is due Nov. 15, 2021. Travelled past additional sampling stations, 511 lowest on the No Fork and 520 on the So Fork. Travelled and discussed WLPZ road to Boy Scout Camp.</p> <p>Visited Camp Griggs, Boy Scout Camp, leased to the Boy Scouts for \$5/year. Boy Scouts probably going to give up the lease and HRC is considering asking another local non-profit to take over the site and run it for community based activities; such as wedding.</p>

HRC/Hidden Lake THP/Various Sites in the THP	The Hidden Lake THP was currently active with logging in the portion that was ground based yarding, while the cable areas are up for bids. The road into the sale area was well watered and road work was still under way with crossing replacements partially done, awaiting armament of inlet and outlets. The stands in the THP had suffered extensive bear damage. Lots of legacy trees throughout the stand. HRC does not map legacy trees, but rather maps only at the stand level. Inspected active logging equipment and required safety and fire equipment. Observed equipment operators exiting their machines at the landing and in the forest without proper PPE. CAR 2021.2
HRC/No Korrigan Rd/Korrigan NO. THP	The Korrigan North THP is prepared for harvest but harvesting has not started on the THP. Checked marking and flagged sale unit boundaries. Checked property line marking along No Korrigan Road and found the distinctive boundary mark of a metal tag and three blaze marks.
Date: September 2, 2021 MRC Split Itinerary	
FMU / location / sites visited	Activities / notes
Brendan Grady and Walter Mark Joint Itinerary	
MRC/Ukiah Offices	Opening Meeting for MRC portion of audit. Discussion during this meeting centered on the MC activities, including: Cut volume during 2020, THP approval, extension, completion reports and tracking system. Also discussed a lawsuit filed against Cal Fire for approving the Below McDonalds THP. The lawsuit claims that the THP includes harvesting of old-growth stands. There was also a discussion of a claim of harvesting old-growth stands on the Moonshine THP.
Brendan Grady Itinerary	
MRC/Albion Management Unit/Below McDonald's THP	Reviewed various sites throughout the THP. Harvest is a mix of group and single tree selection harvest units. The management unit is located in a coastal commission special treatment area, which requires higher retention standards. Reviewed boundary establishment, found monumented corner tree. Bridge maintenance, new timbers were replaced on top of an underlying steel frame (no concerns). Active logging operation, interview with timber fallers and LTO managing the harvesting site. Logging conditions looked good, personnel had required safety equipment.
MRC/Navarro West Tract/Wadsworth THP	Active logging operation, utilizing skidder, yarder, water truck. Reviewed first aid kit and first aid certification, missing spill kit. THP is 356 acres total, group selection and single tree selection. Harvesting operation looked good, no residual damage. THP requires use of a seasonal bridge to access, which is removed when its not needed. Discuss protection measures for endangered species in the unit (Northern spotted owl circles – no harvest within 500 ft, maintain habitat 500-1000). Reviewed dust abatement methods, use of magnesium chloride dust control.

Walter Mark Itinerary	
MRC/Rockport Tract/Middle Fork Cottoneva THP	The THP was written by a consultant and includes VR and Selection over 380 acres. This was an active operation with the yarder portion of the sale under active operations using a swing yarder. Road was well watered with no dust problems. Prior to the sale the LTO was provided maps and THP information on the sale. The sale was hiked, and yarder corridors were flagged to provide for efficient falling and yarding. PPE and firebox were inspected and all were in order, probably the best observed during the audit. First aid kits were abundant, all employees had active first aid and CPR cards. Logging was excellent and there was little residual stand damage.
MRC/Rockport Tract/Section 32 THP	This was a 180 acre THP prepared in 2017 using transition silviculture. The harvesting of the sale was completed. The sale was active with road closeout occurring the day of the audit visit. Reviewed several RP sites on road system to discuss the closeout actions that had occurred or were still planned. All road work looked good. Also reviewed an arch site that was recorded during the sale preparation by the RPF. An archeologist reviewed the site mapping and planned mitigation. The site was flagged with and equipment exclusion. No evidence of equipment encroachment on the site was observed. The road was closed to vehicular traffic at RP 26 with the removal of the 18 inch culvert. No further road use is planned in the area for 30 years. Old metal cmp was stockpiled on site to await recycling when a load is present in the area.
MRC/Rockport Tract/Lower Hardy THP	The Lower Hardy THP was for 389 acres and was approved in 12/20. There were several species of concern suspected on the plan area, including: Marbled murrelet, peregrine falcon, piperia, and owls. Only Piperia was found and sites were tagged and flagged. All PPE was in place and in use on the landing visited. First aid kit, spill kit, and fire box on landing. No water trailer or water truck on site. There were no dust problems on the THP. The THP is in the Coastal Zone, so special management restrictions were utilized on the THP.
Date: September 3, 2021	
FMU / location / sites visited	Activities / notes
Brendan Grady Itinerary	
MRC/Ukiah Planning Unit/Masonite Road upgrades	Reviewed a series of road repairs and upgrades being done on a main haul road throughout the unit. The road has its own maintenance plan, since it connects to many THPs throughout the unit with numerous crossings. The plan was created in early '00s ranks the crossings in terms of need of treatment & repair, with a 3 decade plan to address them all. Site #1, 2.5 mile marker – ongoing culvert installation, replacing a 24” with a 54” pipe, armoring sides with riprap. Reviewed

	<p>contractor firebox set-up, spill kits, first aid kits, daily job safety reports.</p> <p>Site #2, 10 mile crossing, culvert replacement of 66 inch pipe, completed project with good results</p> <p>Site #3 14.1 mile marker – replacement of 24” pipe, older pipe was rusted and partially plugged. This culvert replacement was the subject of a THP violation from CalFire, because the plan had been certified as completed but the crossing was still needed for other THPs. See related CAR.</p> <p>Site #4 “the corner” – massive replacement of two adjoining culverts (54” and 66”)</p>
MRC/Ukiah Planning Unit/Masticator sites	<p>Reviewed fuel reduction work along the Masonite road described above. MRC had invested in a masticator head for an excavator , allowing them to engage in fuel reduction treatment. It is now planned to be in operation year round, removing sub-merchantable material & brush. A fire hazard analysis was conducted to identify risk areas to focus mastication efforts. Numerous sites visited along the road.</p>
MRC/Ukiah Planning Unit/silvicultural sites	<p>Discuss proposed plans for utilization Doug-fir seed tree harvest, an attempt to increase natural regen in these stands, compared to the current practice of group selection. Proposed site for this treatment was reviewed.</p>
Walter Mark Itinerary	
MRC/Burkhardt THP	<p>This THP used a combination of VR and transition silviculture. In the VR units there was 20 sq ft of basal area retained in either aggregate or dispersed distribution, which was marked prior to falling operations. The THP was started by a consulting RPF, but the plan was finalized by MRC staff after the consultant abandoned the preparation process. There were historic and prehistoric arch sites in the plan area as well as rare plants. The arch sites had restrictions on eqp use and falling. All rare plant sites had protection in place for equipment exclusion by tagging known plant locations and an equipment exclusion zone around the plants. All PPE was properly in use on the landing. There was a first aid kit, spill kit and fire box present. There was a northern spotted owl site near the unit, but the core area was outside the boundaries.</p>
MRC/Ukiah Offices/Pesticide storage facility	<p>The pesticide storage locker was examined. Access was restricted with a locked door with limited key distribution. All MSDS sheets were present. Disposal is done offsite by PCA contractors.</p>
Brendan Grady and Walter Mark	
MRC/Ukiah Offices	<p>Closing Meeting Preparation: Auditor(s) take time to consolidate notes and confirm evaluation findings</p>

MRC/Ukiah Offices	Closing Meeting: Review preliminary findings (potential non-conformities and observations) and discuss next steps.
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2.2 Evaluation of Management Systems

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 reviewing documents and records, interviewing FME personnel and contractors, implementing sampling strategies to visit a broad number of forest cover and harvest prescription types, observing implementation of management plans and policies in the field, and collecting and analyzing stakeholder input. When there is more than one team member, each member 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, interviews, stakeholder comments, and reviewed documents and records. Where consensus among 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. Changes in Management Practices

There were no significant changes in the management and/or harvesting methods that affect the FME’s conformance to the FSC standards and policies.

Significant changes occurred since the last evaluation that may affect the FME’s conformance to FSC standards and policies (*describe*):

4. Results of Evaluation

4.1 Definitions of Major CARs, Minor CARs and Observations

Major CARs: Major nonconformances, either alone or in combination with nonconformances 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 nonconformances 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 nonconformances, which are typically limited in scale or can be characterized as an unusual lapse in the system. Most Minor CARs are the result of nonconformance 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 evaluation team concludes that there is conformance, but either future nonconformance 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 nonconformance.

4.2 History of Findings for Certificate Period

FM Principle	Cert/Re-cert Evaluation 2019	1 st Annual Evaluation 2020	2 nd Annual Evaluation 2021	3 rd Annual Evaluation 2022	4 th Annual Evaluation 2023
No findings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
P1	Minor: 1.5.b	Major: 1.1.a	Minor: 1.1.a		
P2					
P3			Obs: 3.3.a		
P4	Obs: 4.5.b	Obs: 4.1.d, 4.2.b	Minor: 4.2.b		
P5	Obs: 5.3.b				
P6	Minor: 6.3.a.1, 6.4.b, 6.4.c, 6.5.d; Obs: 6.6.a, 6.6.b; Major: 6.6.e	Minor: 6.5.b	Obs: 6.7.a		
P7		Obs: 7.1.q			
P8					
P9	Minor: 9.1.b, 9.2.a; 9.3.a; Obs: 9.3.b	Obs: 9.1.a			
P10					
COC for FM					
Trademark					
Group					
Other					

4.3 Existing Corrective Action Requests and Observations

Finding Number: 2020.1	
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/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next regularly scheduled audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Observation – response is optional, though strongly recommended <input type="checkbox"/> Other deadline (specify):
FSC Indicator	FSC-US Forest Management Standard (v1.0), Indicator 4.1.d
Background/Justification: The absence of company or contracted lookouts or patrolmen on site when there is active falling, hauling and roadwork on the Company’s landholdings in the Mattole Watershed can and has led to heightened risks to human safety due to trespass and disruption of timber falling by activists. Such	

incidents create a serious safety hazard to both the protestors and company/contractor forestry crews, as happened in the Rainbow Ranch THP on November 4, 2019.	
Observation: There is an opportunity for HRC/MRC and the company’s contract timber operators to more consistently and effectively employ due diligence regarding human safety when conducting field operations, e.g., posting signage, blocking roads, calling out prior to falling a tree and, in areas of contention and civil disobedience, deploying lookouts or patrolmen.	
FME Response <i>(including any evidence submitted)</i>	Companies work with contractors to assess and evaluate safety needs on individual operations in the timberlands. The contract manager at the Company and the contractor develops any additional safety requirements as needed for each contract. In addition, contract managers work with the contractors during operations to address and mitigate any known safety hazards (e.g., revising operational hours during days with greater fire risk). Companies and contract managers assess risk on a site-by-site and contract-by-contract basis. The forest managers and directors are responsible for working with contractors to address any site-based hazards and that contractors are meeting contract requirements (including state and federal regulations). After the incident referenced above, additional security contractors were added to ensure safety at that site.
SCS review	No similar issues related to safety concerns from protestors have recurred since the incident that led to this finding. Active logging sites visited during the 2021 audit were found to be well secured, including presence of security personnel at main access roads.
Status of OBS	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2020.2	
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/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next regularly scheduled audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Observation – response is optional, though strongly recommended <input type="checkbox"/> Other deadline (specify):
FSC Indicator	FSC-US Forest Management Standard (v1.0), Indicator 7.1.q
Background/Justification: The Company’s “EHS contractor booklet” (AKA manual) does not present the appearance of a finished and current policy document. There is no cover page nor is there any indication as to the date of last revision. The electronic file name indicates a date of last revision as February 7, 2011. There are Microsoft Word (“Track Change”) text and format edits made by a former HRC employee who has not worked for the company for several years. It appears that this document was last revised 9 years ago.	
Observation:	

To better demonstrate its commitment to safe working conditions for employees and contractors, the Company should review, update and finalize (including a release date) the EHS Contractor Booklet/Manual.	
FME response <i>(including any evidence submitted)</i>	Companies have updated our EHS handbook to a final document that covers both MRC and HRC and includes a revision date (with updated contact information as well). Document has been sent to office administrative staff who manage administrative requirements for contracts as well as safety personnel and forest operations directors for both businesses. Revision date was 7/20/2021 and e-mail was sent 8/9/2021 providing the revised version and location for updated document.
SCS review	Audit team confirmed that this EHS handbook has been revised and distributed to staff.
Status of OBS	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2020.3	
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):	
Deadline	<input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next regularly scheduled audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Observation – response is optional, though strongly recommended <input type="checkbox"/> Other deadline (specify):
FSC Indicator	FSC-US Forest Management Standard (v1.0), Indicator 4.2.b
Background/Justification: The video footage and still photos taken on November 4, 2019 by the Earth First protestors and conveyed to SCS reveal that a Lewis Logging faller was wearing neither hand nor eye protective gear while felling a tree with a chainsaw, in apparent violation of both HRC/MRC’s Environmental Health and Safety Contractor Manual (page 9) as well as the Logging Contract (page 5) for Lewis Logging’s work on THP 1-19-00029HUM Rainbow Ranch, Mattole Tract H657T. In the absence of further evidence, it is not possible to determine if this is an isolated lapse in safety practices. As such, this Finding is raised as an Observation/Opportunity for Improvement.	
Observation: HRC should take appropriate actions to assure that contract loggers are properly following all stipulated health and safety practices articulated in Logging Contracts and the HRC/MRC Environmental Health and Safety Contractor Manual.	
FME response <i>(including any evidence submitted)</i>	Companies include written safety requirements as part of operational contracts, this includes a requirement to follow all relevant safety regulations. Contract managers within the Company visit logging operations at a frequency appropriate to the specific contractor in question (based on knowledge of contractor’s practices, log quality and production rate, and previous visit outcomes). Contract managers are expected to ensure the

	standards of the contract are met during inspections of operations and to notify contractor leads and forest manager or director if there are issues with operations. In this way, Companies ensure safety requirements are met (as outlined in the contract) while maintaining a non-employment relationship with contractors. This activity is ongoing during active operations.
SCS review	The company addressed this finding through updates to its safety manuals and increased oversight of logging contractors. However, several instances of reviews of active logging operations during the 2021 audit demonstrated loggers not wearing all required PPE. Thus, this finding is re-issued as CAR 2021.3
Status of OBS	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input checked="" type="checkbox"/> <i>Other decision (refer to description above)</i>

Finding Number: 2020.4	
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/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next regularly scheduled audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify):
FSC Indicator	FSC-US Forest Management Standard (v1.0), Indicator 9.1.a
<p>Background/Justification:</p> <p>On 2 July 2020, as part of updating its High Conservation Value Forest (HCVF) assessment, the FME sent 44 stakeholders a written request for input regarding the possible presence of high conservation values with a 31 July 2020 deadline for responses. This consultation process was intended to confirm that proposed HCV locations and their attributes on the two FMUs had been accurately identified and that appropriate options for the maintenance of HCVF attributes had been adopted, as required by Indicator 9.2.a (see closed Finding 2019.11). In addition to sending a written request for input, FME management personnel reached out via telephone to the five Native American tribes included in the stakeholder outreach.</p> <p>The consultation process resulted in input on the HCVF assessment from 16 stakeholders representing adjacent landowners, environmental groups, regulators, experts, local community members, and others. Two Native American tribes also provided written responses. During phone calls and follow-up emails, FME informed the three tribes who had not responded that HRC-MRC would work with them when they are able to review the HCVF and that ongoing consultation could occur after 31 July 2020, but that consultation would not be included in the HCVF assessment presented during the upcoming FSC surveillance audit.</p> <p>The Audit Team interviewed FME key personnel involved in the stakeholder consultation process and reviewed documents associated with the stakeholder consultation process: email to stakeholders requesting input, dated 2 July 2020; <i>HCVF Evaluation: Stakeholder Input and Assessment Report</i>,</p>	

dated 12 August 2020; pre- and post-stakeholder consultation HCVF assessments; and email distributing the *Stakeholder Input and Assessment Report* and final *HCVF Assessment Report*, dated 17 August 2020. The Audit Team also received copies of input that had been provided to FME directly from some stakeholders. The Audit Team also spoke with several stakeholders on the phone as part of the audit, including one of the tribes.

In reviewing the input of stakeholders as summarized in the final HCVF assessment report, the Audit Team found an inconsistency between the responses received from tribes and the assessment report's determination for HCV Type 6, as well as in the final assessment report itself for HCV Type 6. Per *FSC-US Forest Management Standard*, V1.0, dated 8 July 2010, HCV Type 6 are "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)." Input from tribes included identification of several attributes on the FMUs that may qualify as HCV Type 6, including prehistoric ceremonial, religious, village and gathering, and traditional pilgrimage attributes, among others.

However, Table 2 of the final HCVF assessment report states that no HCV Type 6 have been identified:

- In response to the HCVF framework question 6.1 (Does all or part of the FMU contain specific forest area that is critical to the tribe and local community's cultural identity?), FME indicates no such HCV present and states as the rationale, "Companies assessed tenure and use rights for local community members and Native Americans and assessed that since the property has been closed to the public since the 1950s – it does not contain specific forest area critical to the local community's cultural identity. More specific evidence is provided regarding tribal interests in the area in the detailed assessment section" (Page 12).
- In response to the HCVF framework question 6.2 (Are significant cultural features created intentionally by humans present?), FME indicates no such HCV present and states as the rationale, "There are no significant cultural features in the Companies forestlands. There are, however, many prehistoric sites that are provided protection in consultation with any interested tribal entities" (Page 13).

The final HCVF assessment report does acknowledge that "Companies' received input from two tribes indicating there was further work to do in assessing potential cultural site of significance that would raise to the level of HCVF. Companies' staff also spoke to two other tribal representatives who were interested in providing additional feedback. To ensure appropriate consultation occurs, Companies' will continue to work with local tribes who have expressed interest in consultation before completing a final assessment" (Page 50). A similar statement occurs in the stakeholder input document (Page 5).

Based on the input of tribes received by the FME to date and the above statements in the HCVF assessment and stakeholder input documents, there is a disconnect between the statements provided by tribal stakeholders and the conclusion reached in the HCVF assessment as to whether HCV 6 exists on the FMUs. Because the issue relates more to the identification of HCVs rather than consultation, this finding is raised against 9.1.a., which covers HCV identification, rather than against the consultative requirements in Principle 9, and is graded as an Observation.

Observation: FME must identify and map areas on the FMUs, if any, that qualify as HCV Type 6 on the FMUs. This process of identifying potential HCV Type 6 areas should be completed in a manner consistent with the assessment process, definitions, data sources, and other guidance described in Appendix F of <i>FSC-US Forest Management Standard, V1.0</i> , dated 8 July 2010.	
FME response <i>(including any evidence submitted)</i>	Companies have reviewed the input provided by the two tribes in the HCVF assessment; including reviewing archaeological sites in the drainages listed. Companies also reviewed documentation regarding HCVF 6. Key to identifying HCVF 6 is that areas are “critical” to traditional cultural identity. In the HCVF framework, published July 7, 2020 is defined as follows, “Loss of cultural resources from this area would have a significant impact to the traditional cultural identity of local and regional communities.” HRC reviewed identified archaeological sites within the drainages listed by the Bear River Tribe to assess if they met the “critical” level. Companies did not identify any identified sites as HCVF 6. While HCVF 6 sites were not identified on the timberlands, it is important to note that tribal input is requested on any timber harvest plans prior to operations and surveys to identify any known cultural sites and if sites are located during surveys – tribes are invited to provide input on appropriate mitigations to protect those sites. All sites are protected, and Companies facilitate tribal involvement in protecting and managing sites feasible and appropriate.
SCS review	This finding was reviewed during the 2021. While there are certainly known archeological sites on the FMU, the company’s analysis and consultation led to the conclusion that these do not rise to the level of critical as defined in the HCVF framework. Based on this, the observation can be closed. If further consultation or monitoring indicate that these areas are in fact critical, then the assessment should be reviewed.
Status of OBS	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision <i>(refer to description above)</i>

Finding Number: 2020.5	
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): MRC FMU	
Deadline	<input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> 12 months or next regularly scheduled audit (surveillance or re-evaluation) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify):
FSC Indicator	FSC-US Forest Management Standard (v1.0), Indicator 6.5.b

<p>Background/Justification:</p> <p>During site visits, the Audit Team observed a thick layer of fine, silty dust on the mainline haul road for Castle Gardens THP on the MRC FMU. The THP was active, with log trucks and other traffic causing large quantities of airborne particles. These particles have the potential to affect the health of people and plants, as well as contribute to sedimentation.</p> <p>California is in a multi-year drought, and the 2020 summer has been particularly dry on the MRC FMU. This lack of moisture has contributed to the dusty road conditions and significantly reduced the availability of drafting sites on the FMU. As a result, FME has been purchasing water from other landowners and trucking it to holding tanks near the THP, which the LTO then uses for dust abatement.</p> <p>Interviews with FME foresters and the LTO revealed that 8k gallons are being provided to the LTO by the FME every two days for dust abatement, which is far under the 12-14k gallons per day that in normal years would be provided. According to FME foresters, additional water could be brought onsite at an additional cost.</p> <p>While the Audit Team recognizes the challenges of operating in a drought, it is clear that the volume and frequency of road watering on the mainline haul road is insufficient and should be rectified in order to ensure continued compliance with Best Management Practices (BMPs). This finding is graded as a Minor CAR because it was the only non-conformity for detected for BMP implementation during the 2020 audit.</p>	
<p>Observation:</p> <p>To ensure continued conformance of meeting or exceeding BMPs on the Castle Gardens THP on the MRC FMU, the FME shall improve dust abatement on the mainline haul road for the harvest.</p>	
<p>FME response <i>(including any evidence submitted)</i></p>	<p>Companies' expectation related to dust abatement on logging contracts is for the Licensed Timber Operator to provide one full size water truck full time on the job site. Companies understand the contractor's ability to abate dust will depend on the availability of water. When the contractor is unable to abate dust, Companies expect our staff to ensure adequate dust abatement occurs. Another drought year in 2021 provided additional challenges to managing dust abatement, however; planning began in the spring to ensure appropriate dust abatement measures were taken. On April 5, 2021, Executive Vice President Dennis Thibeault sent a memo to all forest management staff (Forest Managers and Directors). While harvest operations on the Castle Gardens THP were completed in 2020; we believe the best method for assessing this corrective action is to review ongoing operations in 2021.</p>
<p>SCS review</p>	<p>No dust issues were encountered during the 2021 audit. SCS reviewed logging inspection forms, and saw that dust abatement was being followed up on by foresters. Based on this, the corrective actions implemented are sufficient to close the finding.</p>
<p>Status of CAR</p>	<p><input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision <i>(refer to description above)</i></p>

Finding Number: 2020.6	
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): HRC FMU	
Deadline	<input type="checkbox"/> Pre-condition to certification/recertification <input checked="" type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next regularly scheduled audit (surveillance or re-evaluation) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify):
FSC Indicator	FSC-US Forest Management Standard (v1.0), Indicator 1.1.a
<p>Non-Conformity: The Habitat Conservation Plan (HCP) for the HRC FMU requires that the company and wildlife agencies review the watershed analyses on the FMU every 10 years to determine whether prescriptions are adequate (see Section 6.3.2.3 of HCP: “Peer Review, Monitoring, and Revisitation,” Item 4).</p> <p>Of the eight watershed analyses that have been completed for the FMU, five are overdue for review, as required by the HCP. Watershed analysis are overdue for Van Duzen (original analysis completed in 2002, review expected to occur in 2020), Lower Eel/Wel Delta (original analysis completed in 2004), Upper Eel/Larabee (original analysis completed in 2007), Bear River (original analysis completed in 2008), and Yager/Lawrence (original analysis completed in 2008). These dates and overdue review delays were verified through an examination of current watershed analyses, interviews with regulatory agencies, and email correspondence with FME personnel.</p> <p>Given that more than half of the analyses are overdue for revision, and have been overdue for several years, this finding is graded as a Major CAR.</p>	
<p>Corrective Action Request: Forest management plans and operations shall demonstrate compliance with all applicable federal, state, county, municipal, and tribal laws, and administrative requirements (e.g., regulations), including completion of reviews of watershed analyses every 10 years, as required by the HCP for the HRC FMU. The FME must present a corrective action plan that demonstrates the steps needed to address the needed revisions.</p>	

<p>FME response <i>(including any evidence submitted)</i></p>	<p>FME provided a written corrective action plan detailing steps to address the needed revisions to the HRC FMU watershed analyses. The following is an excerpt from the plan:</p> <p>“Shortly after completion of the 2020 FSC audit, the newly developed HRC watershed analysis team met in the Scotia Forestry office to plan a schedule to get watershed analysis back to the required ten-year interval associated with HRC’s Habitat Conservation Plan...The team began by identifying which watershed analysis revisits were overdue. A total of seven Watershed Analyses were identified that were behind the ten-year schedule (parentheses indicate the original year of completion): (1) Van Duzen (2002); (2) Mad River/Jacoby Creek (NA); (3) Lower Eel/Eel Delta (2004); (4) Upper Eel Larabee (2007); (5) Bear River (2008); (6) Lawrence (2008); and (7) Mattole. The Mad River/Jacoby Creek did not have an initial Watershed Analysis completed for HRC. The group then prioritized the Watershed Analyses by date, complexity, and the need to update watershed analysis prescriptions. The group agreed these seven watershed analyses could be completed by December 31, 2022, thus bringing HRC back into compliance with the Watershed Analysis revisit requirement of the HCP.”</p>
<p>SCS review</p>	<p>The SCS Audit Team reviewed the corrective plan submitted by the FME. The plan is detailed and includes milestones for each of the seven watershed analyses described in the FME response above, including the five overdue watershed analyses noted in the original CAR. It also describes the FME’s approach for internal check-ins and work plan reallocations to support achieving the milestones. The plan points out that the Van Duzen watershed analysis has been completed and was sent to wildlife agencies on 19 October 2020 with a follow-up presentation on 18 November 2020. As outlined in the plan, all of these outstanding watershed analyses on the HRC FMU are expected to be completed by the end of 2022.</p> <p>The FME has provided a corrective action plan demonstrating the steps to address the needed revisions to the watershed analyses, as required by the CAR. Additionally, submission of the Van Duzen watershed analysis demonstrates progress in implementing the plan. This evidence addresses the CAR, thereby warranting its closure.</p> <p>The Audit Team recommends that the next two FSC surveillance audits each include a check on progress in completing the updates to the watershed analyses on the HRC FMU, as required by the HCP. A note to this effect has been included in Appendix 4 (Required Tracking) of the audit report under the section, <i>Special Instructions or Scoping Notes for Next Regularly Scheduled Annual Audit</i>. This appendix is in the confidential portion of the audit report.</p>
<p>Status of CAR</p>	<p><input checked="" type="checkbox"/> Closed on 7 April 2021 <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision <i>(refer to description above)</i></p>

4.4 New Corrective Action Requests and Observations

Finding Number: 2021.1	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU): HRC/MRC	
Standard and Indicator	FSC Forest Management Standard (v1.0) – US – 1.1.a
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation <p>The FMU received several violations related to completion of THP's since the last surveillance audit. These violations were all related to the expiration of THP's without a completion notice filing, for work not completed prior to filing a completion notice, or for work not up to standards and not accepted during the completion inspection. The FMU has developed a tracking system for tracking the expiration dates of THP's, Extensions of THP's and the filing of completion notices for THP's. This system addresses part of the non-conformity but does not address the situation where a completion notice has been filed but the work has not been done, or the work done does not meet standards of completion.</p> <p>Note that a previous non-conformance was raised against this indicator (2020.6). However the issues leading to each non-conformance are unrelated, and hence a minor CAR is warranted.</p>	
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required <p>Forest management operations must demonstrate compliance with all applicable federal, state, county, municipal, and tribal laws, and administrative requirements (e.g., regulations).</p>	
FME response (including any evidence submitted)	
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: 2021.2	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input checked="" type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	

FMU CAR/OBS issued to (when more than one FMU): HRC/MRC	
Standard and Indicator	FSC Forest Management Standard (v1.0) – US – 3.3.a
<input type="checkbox"/> Non-Conformity Evidence <input checked="" type="checkbox"/> Observation Justification and/or Explanation	
<p>HRC does invite consultation from tribal representatives over identification of archeological sites, and the audit team visited a THP where a joint inspection had occurred. However, stakeholder interviews expressed a frustration over the methods of these consultations, in that they too often followed the minimum methods of sending letters over the identification of archeological sites. Also, the tribes' interest in forest management extends to other issues beyond just direct monitoring of arch sites.</p> <p>The FME has attempted more direct dialogue with tribal representative through personal communications from senior management. However, a misunderstanding about HRC declining to participate in a research project about condor reintroduction has set back this dialogue. An opportunity exists to continue building a relationship with the tribes based on more meaningful methods of consultation. This is only raised as an observation, since the FME is currently meeting the minimum requirements in the standard.</p>	
<input type="checkbox"/> Non-Conformity Corrective Action Request <input checked="" type="checkbox"/> Observation; no Corrective Action is required	
<p>Stakeholder consultation with tribal representatives could be improved by moving beyond the primarily regulatory driven consultation methods of formal letters and towards a more open dialogue.</p>	
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: 2021.3	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU): HRC/MRC	
Standard and Indicator	FSC Forest Management Standard (v1.0) – US – 4.2.b
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation	
<p>This CAR is an upgrade from OBS 2020.3 from the 2020 surveillance audit. During the 2020 surveillance audit a video and still photos showed that a logging faller was not wearing proper PPE. The HRC/MRC</p>	

<p>response to this OBS indicated that contract managers were expected to ensure the standards of the contract were met during inspections of operations and to notify contractor leads and forest manager or director if there are issues with operations. The FMU's indicated in this way that the safety requirements were met. During the 2021 surveillance audit two THP's were visited where proper PPE was not being utilized by members of the contractor's logging crew. On the Newman THP a faller and landing crew members operating chain saws were not wearing eye protection. On the Hidden Lake THP three equipment operators left the cabs of their equipment and did not wear hardhats.</p>	
<p><input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required The FMU must develop more effective means of contract compliance by FMU staff to assure that contract loggers and other contractors are following all stipulated health and safety practices as contained in the Logging Contracts and other contracts and the HRC/MRC Environmental Health and Safety Contractor Manual.</p>	
<p>FME response <i>(including any evidence submitted)</i></p>	
<p>SCS review</p>	
<p>Status of CAR:</p>	<p><input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> <i>Other decision (refer to description above)</i></p>

<p>Finding Number: 2021.4</p>	
<p>Finding and Deadline</p>	
<p><input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input checked="" type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):</p>	
<p>FMU CAR/OBS issued to (when more than one FMU): HRC/MRC</p>	
<p>Standard and Indicator</p>	<p>FSC Forest Management Standard (v1.0) – US – 6.7.a</p>
<p><input type="checkbox"/> Non-Conformity Evidence <input checked="" type="checkbox"/> Observation Justification and/or Explanation</p> <p>During the 2021 surveillance audit each active operation was asked to show the presence of a spill kit where it was readily available to respond to a hazardous spill. On all sites but the Wadsworth THP the spill kits were readily available and were observed by the auditors. In discussions with contractors and their crews they indicated they were trained in the use of the available spill kits. On the operations on the Wadsworth THP, the contractor indicated there was a spill kit available; however, the kit was not located where it was thought to be and in fact was on a vehicle which was not in close proximity to the logging equipment in operation and therefore was not readily available to control a hazardous spill. Since this was an isolated case and there may have been a spill kit somewhere on their operation, this finding is issued as an OBS.</p>	
<p><input type="checkbox"/> Non-Conformity Corrective Action Request <input checked="" type="checkbox"/> Observation; no Corrective Action is required The FMU should develop more effective means of contract compliance by FMU staff to assure that contract loggers and other contractors are following all stipulated requirements with regard to hazardous spills, as contained in the Logging Contracts.</p>	

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. Stakeholder Comments

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:

- 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 FME and the surrounding communities.
- To solicit input on whether the forest management operation has consulted with stakeholders regarding identifying any high conservation value forests (HCVFs).

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.

5.1 Stakeholder Groups Consulted

Principal stakeholder groups are identified based upon results from past evaluations, lists of stakeholders from the FME under evaluation, and additional stakeholder contacts from other sources. Stakeholder groups who are consulted as part of the evaluation include FME management and staff, consulting foresters, contractors, lease holders, adjacent property owners, local and regionally-based social interest and civic organizations, purchasers of logs harvested on FME forestlands, recreational user groups, tribal members and/or representatives, members of the FSC National Initiative, members of the regional FSC working group, FSC International, local and regionally-based environmental organizations and conservationists, and forest industry groups and organizations, as well as local, state, and federal regulatory agency personnel and other relevant groups.

5.2 Summary of Stakeholder Comments and Evaluation Team Responses

The table below summarizes the comments falling within scope of the standard 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.

<input type="checkbox"/> <i>FME has not received any stakeholder comments from interested parties (who are not members of the enterprise under evaluation) as a result of stakeholder outreach activities during this annual evaluation.</i>	
Summary of Outreach Activities Conducted (Check all that apply): <input type="checkbox"/> Face to face meetings <input checked="" type="checkbox"/> Phone calls <input checked="" type="checkbox"/> Email, or letter <input type="checkbox"/> Notice published in the national and/or local press <input type="checkbox"/> Notice published on relevant websites <input type="checkbox"/> Local radio announcements <input type="checkbox"/> Local customary notice boards <input type="checkbox"/> Social media broadcast	
Stakeholder Comment (Negative, positive, and neutral)	SCS Response
<p>HRC is not allowing a tribal research project to occur on its property. The project would be an environmental assessment of the property in order to prepare for the release of a California Condor into the wild. The condor is an endangered species and raised in captivity. Grant funding has been provided to a tribe in the area in order to assess their ancestral territory for habitat and work on collecting lead or other environmental toxins which would cause harm to the condors.</p>	<p>This proposal was reviewed by HRC but ultimately rejected. As a large forested landowner in the region, HRC regularly receives proposals for outside groups conducting research projects, and is not able to accommodate all of them. While HRC expressed interest in working with the tribe on these types of initiatives, it had concerns about the validity of methodologies proposed by the research project. Also, the grant’s incorporation of lead mitigation efforts into the proposal confused what the aim of the overall package was (e.g. either an environmental assessment or a public health program). Thus, the grounds for rejecting the proposal were primarily technical.</p> <p>Interviews with stakeholders during the audit indicated that this rationale had not been clearly conveyed, and had led to a setback in the relationship with the tribe. OBS 2021.2 was issued in order to encourage more meaningful methods of tribal consultation.</p>
<p>HRC security staff refused to allow entry onto the Mattole property from tribal personnel in order to conduct a pre-harvest THP survey.</p>	<p>This incident was reviewed during the audit, and it appeared to be a case of miscommunication between the parties as to when an agreed upon survey would take place and how the property would be accessed. HRC regularly has security staff patrolling the property because of the recent history of direct action protesting. Thus anyone found on the property without clear permission to be there will be promptly asked to leave. In this case, the audit team verified that HRC did work with the tribe in question subsequently to conduct pre-harvest inspection of cultural sites. See site notes related to Miller THP.</p>

	OBS 2021.2 was issued in order to encourage more meaningful methods of tribal consultation.
Consultation methods with tribes need to be improved. Tribal staff face an avalanche of requests for comments from different entities. HRC is just one of many.	OBS 2021.2 was issued in order to encourage more meaningful methods of tribal consultation.
Multiple comments were received regarding the Moonshine THP, primarily allegations that HRC was harvesting old growth, and that the Moonshine THP	The Moonshine THP was visited during the audit including locations that stakeholders had identified as containing possible old growth trees. The site contained large trees, but these were confirmed to be second growth. Core samples indicated the oldest trees were established in the early 1800s, which does not meet HRC’s old growth definition. THP forms will include reference to old growth in a planning documents if harvesting is to take place in an area in which old growth is present. However, this does not mean that old growth trees themselves are being harvested. More broadly HRC/MRC’s old growth policy and its operations were reviewed to confirm that they are in line with FSC’s requirements.
The Moonshine THP is non-compliant with California timber harvesting laws and should not have been approved.	CAR 2021.1 was issued regarding the notice of violations issued by Cal Fire (the company’s primary regulator). However, these violations did not arise from this particular THP. Complaints by stakeholders as to Cal Fire’s approval process is outside the scope of the FSC audit process.
Stakeholders expressed concern over HRC employees used of a road in Elk River watershed, including an incident in which dogs of HRC staff and neighbors got into a fight.	SCS reviewed the case that led to this comment. HRC does have clear rights through an easement to use to the road. The incident in question arose when an employee was using the road to conduct watershed monitoring. HRC senior staff reached out to the neighbor in question in order discuss safe working environments and agreed to keep dogs in their vehicles. This was an example of HRC working with neighbors to positively resolve an issue. No further finding is warranted.
Stakeholders identified the settlement of a civil lawsuit regarding police brutality between a journalist and Humboldt County Sheriff office stemming from an incident occurring during a protest on HRC property in 2019 as an example of HRC’s aggressive treatment towards protestors.	Stakeholder issues related to this particular protest were covered in previous audit reports. The settlement of the lawsuit itself was between a private individual and the county, and HRC was not a party. Thus the suit is not in the scope of HRC’s certification.

6. Certification Decision

The certificate holder has demonstrated continued overall conformance to the applicable Forest Stewardship Council standards. The SCS annual evaluation team recommends that the certificate be sustained, subject to subsequent annual evaluations and the FME’s response to any open CARs.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
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Comments:

7. Annual Data Update

<input type="checkbox"/> No changes since previous evaluation.	
<input checked="" type="checkbox"/> Information in the following sections has changed since previous evaluation.	
<input type="checkbox"/> Name and Contact Information <input type="checkbox"/> FSC Sales Information <input type="checkbox"/> Scope of Certificate <input type="checkbox"/> Non-SLIMF FMUs <input checked="" type="checkbox"/> Social Information	<input checked="" type="checkbox"/> Pesticide and Other Chemical Use <input type="checkbox"/> Production Forests <input type="checkbox"/> FSC Product Classification <input type="checkbox"/> Conservation & High Conservation Value Areas <input type="checkbox"/> Areas Outside of the Scope of Certification

Name and Contact Information

Organization name	Mendocino and Humboldt Redwood Companies		
Contact person	Sarah Billig		
Address	PO Box 996 Ukiah, CA 95418	Address	PO Box 996 Ukiah, CA 95418
		Fax	
		e-mail	
		Website	

FSC Sales Information

<input type="checkbox"/> FSC Sales contact information same as above.			
FSC salesperson	Adam Steinbuck, Vice President		
Address	PO Box 712 Scotia, CA 95565	Address	PO Box 712 Scotia, CA 95565
		Fax	
		e-mail	
		Website	

Scope of Certificate

Certificate Type	<input type="checkbox"/> Single FMU	<input checked="" type="checkbox"/> Multiple FMU
	<input 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)		
Number of FMUs in scope of certificate	2	
Geographic location of non-SLIMF FMU(s)	Latitude & Longitude: MRC: 39 deg 10'41.02"N; 123deg 14'18.93"W; HRC: 40 deg 29'00.61"N; 124deg 06'11.55"W	

Forest zone	<input type="checkbox"/> Boreal	<input checked="" type="checkbox"/> Temperate	
	<input type="checkbox"/> Subtropical	<input type="checkbox"/> Tropical	
Area in scope of certificate which is:		Units: <input type="checkbox"/> ha or <input type="checkbox"/> ac	
privately managed	438,461		
state managed			
community managed			
Total forest area in scope of certificate <i>(Is also equal to [productive area] + [conservation area])</i>	438,461		
Prior year total forest area in scope of certificate <i>(from prior year report)</i>	438,461		
Has Total forest area changed from prior year?	<input checked="" type="checkbox"/> No Change from prior year <input type="checkbox"/> Yes, there was a change from prior year. Explain change:		
Number of FMUs in scope that are:			
less than 100 ha in area		100 - 1000 ha in area	
1000 - 10 000 ha in area		more than 10 000 ha in area	2
Total forest area in scope of certificate which is included in FMUs that:		Units: <input type="checkbox"/> ha or <input type="checkbox"/> ac	
are less than 100 ha in area	0		
are between 100 ha and 1000 ha in area	0		
meet the eligibility criteria as <i>low intensity SLIMF</i> FMUs	0		
Division of FMUs into manageable units:			
The two FMUs are divided into management units as follows.			
<u>Mendocino Redwood Company FMU</u> Rockport Coastal: 18,138 ac Hollowtree: 21,046 ac North Navarro West: 9,811 ac Elk Creek: 14,075 ac Albion: 16,269 ac Greenwood Creek: 9,882 ac Garcia River: 15,634 ac Noyo: 19,346 ac Big River North: 13,169 ac Big River South: 14,577 ac North Navarro East: 13,169 ac South Navarro West: 14,577 ac South Navarro East: 17,713 ac Alder Creek: 10,642 ac Annapolis: 7,044 ac Willow Creek: 1,811 ac Ukiah: 12,989 ac			

<p><u>Humboldt Redwood Company FMU</u> Mad River: 4,926 ac Freshwater: 15,537 ac Elk River: 22,070 ac Strongs Creek: 4,875 ac Yager: 19,297 ac Van Duzen: 22,761 ac Shively: 14,553 ac Larabee: 24,085 ac Eel River: 24,062 ac McCann: 7,897 ac Bear River: 16,537 ac Mattole River: 18,165 ac Lawrence: 14,593 ac</p>

Non-SLIMF FMUs (Group or Multiple FMU Certificates)

Name	Contact information	Latitude/ longitude of Non-SLIMF FMUs	
NA			

Social Information

Number of forest workers (including contractors) working in forest within scope of certificate (differentiated by gender):		
Male workers: 501	Female workers: 25	
Number of accidents in forest work since previous evaluation:	Serious: 1	Fatal: 0

Pesticide and Other Chemical Use (June 2020 – June 2021)

<input type="checkbox"/> FME does not use pesticides.				
Commercial name of pesticide / herbicide	Active ingredient	Quantity applied since previous evaluation (kg or lbs.)	Total area treated since previous evaluation (ha or ac)	Reason for use
Imazapyr 4 SL	Imazapyr	150.5 GALLONS	941	Control competing vegetation
Polaris SP	Imazapyr	59 GALLONS	235	Control competing vegetation
Rotary 2SL	Imazapyr	25 GALLONS	112	Control competing vegetation

Garlon XRT	Triclopyr	46.5 GALLONS	292	Control competing vegetation
Element 4	Triclopyr	9 GALLONS	20	Control competing vegetation
Oust XP	Sulformeturon methyl	0.125 GALLONS	6	Control competing vegetation
Element 3A	Triclopyr	135 GALLONS	426	Control competing vegetation
Transline	Clopyralid	30.55 GALLONS	654	Control competing vegetation
Buccaneer 5	Glyphosate	28 GALLONS	137	Control competing vegetation

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)	395,711
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	161,517
Area of production forest regenerated primarily by natural regeneration, or by a combination of natural regeneration and coppicing of the naturally regenerated stems	234,285
Silvicultural system(s)	Area under type of management
Even-aged management	0
Clearcut (clearcut size range: NA)	0
Shelterwood	0
Other:	0
Uneven-aged management	395,711
Individual tree selection	131,903
Group selection	131,903
Other: variable retention, rehabilitation, etc	131,904
<input type="checkbox"/> Other (e.g. nursery, recreation area, windbreak, bamboo, silvo-pastoral system, agro-forestry system, etc.)	NA
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
Species in scope of joint FM/COC certificate: <i>Scientific/ Latin Name (Common/ Trade Name)</i>	
<i>Sequoia sempervirens</i> (redwood); <i>Pseudotsuga menziesii</i> (Douglas-fir); <i>Abies grandis</i> (grand fir); <i>Eucalyptus spp.</i> (Eucalyptus); <i>Notholithocarpus spp.</i> (tanoak); <i>Tsuga heterophylla</i> (Raf.); and Sarg (western hemlock); <i>Abies magnifica</i> (red fir), <i>Pinus muricata</i> (Bishop pine), <i>Pinus radiata</i> (Monterey pine), <i>Pinus Lambertiana</i> (Sugar pine)	

FSC Product Classification*

Timber products		
Product Level 1	Product Level 2	Species
W1	W1.1	All of the above
W3		All of the above
Non-Timber Forest Products		
Product Level 1	Product Level 2	Product Level 3 and Species

*Note: W1, W2, and W3 product groups usually do not require a separate evaluation to FSC-STD-40-004 (COC) if processing occurs in the field for FM/COC and CW/FM certificate types. N1-N10 (NTFPs) are eligible to be sold with FSC claims under FM/COC certification if reported here. Bamboo and NTFPs derived from trees (e.g. cork, resin, bark) may be eligible for FM/COC and CW/FM certification. NTFPs used for food and medicinal purposes are not eligible for CW/FM certification. Check with SCS if you have any products intended to be sold with an FSC claim outside of any of these categories.

Conservation and High Conservation Value Areas

Conservation Area	Units: <input type="checkbox"/> ha or <input type="checkbox"/> ac
Total amount of land in certified area protected from commercial harvesting of timber and managed primarily for conservation objectives (includes both forested and non-forested lands).*	25,000

*Note: Total conservation and HCV areas may differ since these may serve different functions in the FME’s management system. Designation as HCV may allow for active management, including commercial harvest. Conservation areas are typically under passive management, but may undergo invasive species control, prescribed burns, non-commercial harvest, and other management activities intended to maintain or enhance their integrity. In all cases, figures are reported by the FME as it pertains local laws & regulations, management objectives, and FSC requirements.

High Conservation Value Forest / Areas			Units: <input type="checkbox"/> ha or <input checked="" type="checkbox"/> ac
Code	HCV Type	Description & Location	Area
HCV1	Forests or areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).	Streamside zones, NSO protected areas, pygmy forest, oak woodland, marbled murrelet habitat, Point Arena mountain beaver habitat	39,475
HCV2	Forests or areas containing globally, regionally or nationally significant large landscape level forests, contained within, or	Long Ridge	203

	containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.		
HCV3	Forests or areas that are in or contain rare, threatened or endangered ecosystems.	Type 1 and 2 old growth, salt marsh	3,860
HCV4	Forests or areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).	Community water source	23
HCV5	Forests or areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).	-	-
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'			43,561

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

<input checked="" type="checkbox"/> <i>N/A – All forestland owned or managed by the certificate holder is included in the scope.</i>		
<input type="checkbox"/> <i>Certificate holder owns and/or manages other FMUs not under evaluation.</i>		
<input type="checkbox"/> <i>Certificate holder wishes to excise portions of the FMU(s) under evaluation from the scope of certification.</i>		
Note: <i>Excision cannot be applied to CW/FM certificates.</i>		
Explanation for exclusion of FMUs and/or excision:	NA	
Control measures to prevent mixing of certified and non-certified product (C8.3):	NA	
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 type="checkbox"/> ac)

