Forest Management Public Summary

for

Brunkow Hardwood Corporation

Certification Code: SW-FM/COC-179
Date of Certification: February 15, 2002
Date of Public Summary: February 2002, updated for 2003

This document was produced according to the guidelines of the Forest Stewardship Council (FSC) and the SmartWood Program. No part of the report should be published separately.

Certifier:

SmartWood Program

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To earn SmartWood certification, a forest management operation must undergo an on-site field assessment. This Public Summary Report summarizes information contained in the initial assessment report, which is produced based on information collected during the field assessment. Annual audits are conducted to monitor the forest management operation’s activities, to review the operation’s progress toward meeting their certification conditions, and to verify compliance with the SmartWood standards. Addenda providing the updated information obtained during these annual audits are included as attachments to the Public Summary Report.

ACRONYMS

AAC  Annual Allowable Cut  
ALP  Annual Logging Plan  
CITES  Convention on Trade in Endangered Species  
DBH  Diameter at Breast Height  
DOC  Department of Conservation  
FMO  Forest Management Organization  
FSC  Forest Stewardship Council  
HCVF  High Conservation Value Forest  
ILO  International Labor Organization  
NIPF  Non-industrial Private Forest  
OSH  Occupation Safety and Health  
P&C  Principles and Criteria of the FSC  
RMA  Resource Management Act  
SFM  Sustainable Forest Management  
SFMP  Sustainable Forest Management Plan  
WDNR  Wisconsin Department of Natural Resources

1. GENERAL SUMMARY

1.1 Name and Contact Information
Source Name: Brunkow Hardwoods Corp.
Contact Person: Bob Brunkow
Address: S. 1102 Mill Rd
              Box 170
              Nelson WI 54756
Tel: 715-673-4343
Fax: 715-673-4318
E-mail: brunkohw@nelson-tel.net

1.2 General Background

A. Type of operation
BHC is a private industrial forestry operation having a sawmill and dry kiln operation located in Nelson, Wisconsin, USA. The company is privately held and manages its forestlands with its own field staff. The company owns 65 separate forestland parcels located in 11 counties of western Wisconsin. The company produces kiln dried grade lumber from sawn logs harvested from its lands, and green sawn lumber purchased from several sawmills located within 50 miles of the company operation. The company has not purchased any stumpage on the open market for approximately 2 years.
B. Years in operation
The family owned business started in 1930 as a sawmill operation with round wood being harvested from NIPF lands in the area. Peak production occurred in the late 1970’s and early 1980’s. The company started acquiring private forestlands in western Wisconsin in 1983 and currently owns over 7,000 acres.

C. Date first certified
February 15, 2002

D. Latitude and longitude of certified operation
The BHC mill site is located near the town of Nelson, Wisconsin at Lat 44.420N, Lon 92.008W. The company lands are located along a north/south line running from Nelson northward to near Hayward. The approximate center of the ownership is at Menomonie, WI at Lat 44.876N, Lon 91.919W.

1.3. Forest and Management System

A. Forest type and land use history
The forest lands owned by BHC are in the temperate zone, within western Wisconsin reaching as far south as Trempealeau county and north to Washburn and Sawyer counties. The southern one-half of the area is comprised of a mixture of native northern and central hardwood woodlots intermingled with farming operations. The topography is rolling to steep with many small streams in the valley bottoms. The woodlands are located on the hillsides, with agricultural crops generally found on the tops of the hills and the valley bottoms. Woodlands are generally fragmented by agricultural lands. Primary tree species include red and white oak, white and green ash, maple, basswood, hickory, butternut, and occasional black walnut and black cherry. The northern one-half of the ownership occurs on gently rolling topography with scattered lakes and small ponds and wetlands. Northern and central hardwoods are mixed with planted pines, aspen, birch, and lowland hardwoods. Ironwood and the occasional elm are minor species found in the forest. The Geographical Management Unit map in the appendix outlines the various ecological units that contain the lands under certification.

All of the managed lands have been harvested repeatedly since the late 1800’s. Early harvest of oak for shipbuilding and veneer resulted in “high grading” of much of the best oak from the stands. The railroad tie industry has utilized oak right up to the present. Many stands have had multiple entries with specific species and products being harvested at each entry, resulting in the reduction in the genetic quality of some of the stands. Most of the lands in the area have also been disturbed by agricultural activities (grazing and some fuel wood harvest) and wildfire. Many of the stands are 75+ years old and have light to moderate understories of sugar maple. Natural regeneration of oak is not occurring in most of the stands.

Even with all of the past use and harvest history in this area, the BHC lands contain some of the better quality hardwood stands in western Wisconsin.

B. Size of management unit and area in production forest, conservation, and/or restoration
BHC owns 65 managed parcels that total over 7,000 acres, however they have elected to enroll only 61 tracts totaling 6,248.79 acres (Table 1) in their proposed pool of FSC certified lands. Productive forestland comprises 82% of the area, 13% is open non-forest areas (agricultural crops or grassland), and 5% is planted to conifers and hardwoods. Open lands are being leased to abutting farm operations. Individual parcels vary in size from 10 acres to 468 acres with the majority being less than 150 acres. Brunkow’s managed parcels are scattered across 13 counties of western Wisconsin.

C. Annual allowable cut and/or annual harvest covered by management plan
Annual allowable harvest volumes have not been computed for the company lands at this time. The development of the management plan will include the computation of an annual allowable cut for the managed properties.

Current harvesting from BHC lands is relatively low with much of the volume coming from logs salvaged from wind-damaged areas and thinning harvests which remove low quality trees from selected stands. BHC plans are to increase the thinning and selection harvest to release crop trees and encourage natural regeneration of desirable tree species.

D. General description of details and objectives of the management plan/system

Overview:
BHC has a long-term plan for the sustainable operation of the sawmill/dry kiln operation that is focused on the acquisition of high quality hardwood forestland in western Wisconsin. The land acquisition program resulted from the realization in the early 1980's that the availability of high quality hardwood logs was becoming more difficult each year. The BHC goal is to manage these lands in an economically and biologically sustainable manner to insure that the mill operation will not be dependent upon wood supplies from the open market, and to provide better control of the quality of wood coming to the mill for processing. To achieve this goal, only the best quality forestland has been acquired.

The land management philosophy of the company is to manage each ownership and timber stand for long-term timber production while enhancing the ecological and biological condition of each stand. The highest quality trees of each species in a stand will be nurtured to full maturity when they will be harvested for high quality saw log products. In the process, natural regeneration will be planned for and encouraged to insure that the next generation forest is the best quality possible. Silvicultural systems appropriate for the type and site will be utilized to achieve BHC goals. Timber stand improvement cuts and selective harvest areas are identified and marked by BHC staff, as are property boundaries and reserve areas.

BHC is also sensitive to other resources of the area. Wildlife habitat for a variety of bird and animal species is considered in BHC management. Den trees and snags are retained on-site during harvest, oak mast trees are preserved, and riparian areas are protected. Remnants of a native prairie on one parcel are being managed to increase their size and quality.

Administration:
BHC employs 22 full time persons (including mill employees). One woodland manager/land appraiser is responsible for all of the woodland operations. Two timber

...
buyers work with the woodland manager, supervising logging and timber stand improvement crews. During the past year the two buyers have also been timber marking. The woodland manager does all of the site monitoring and conducts the inventories prior to land acquisition and timber harvest.

Family members are in charge of sales and production at the mill, while mill operations are supervised by a yard manager. Office duties, including invoicing and payroll, are carried out by a full-time office manager.

**Management system:**
All timberlands are inventoried prior to acquisition. Inventory data are collected on growing stock trees only. Inventories of other plants or animals are not conducted.

General woodland observation guides much of the decision about when a harvest will occur, and what trees will be removed. Uneven-aged management is practiced in the northern hardwood stands. Fast growing, defect-free oak, maple, and basswood are identified as crop trees. Selective harvesting of poor quality trees and release of future crop trees are performed by the woodland manager to meet the needs of each stand. Harvesting of mature trees will be based upon growth rate and size rather than age. Production of large, sound final crop trees is the goal. Small group selections in oak may be tried to encourage the natural regeneration of oak seedlings. Hand planting of large oak seedlings from local seed sources may also be done. The development of single stem seedlings and saplings is preferred over stump sprout regeneration that often follows clear cutting.

**Harvesting:**
Harvesting is carried out during the dry late summer and fall months and during winter under frozen ground conditions. All hardwood harvesting is accomplished by contract with 2 local logging crews. These crews have logged on BHC property for years and have the confidence of the woodlands manager. Residual tree damage is minimized by the crews using smaller-sized cable skidders. Pine thinning is accomplished with a third contract logger using cut-to-length processor equipment and a forwarder. In both types of harvest, minimal soil compaction occurs on site, and tree utilization is good, with all of the slash left in the woods as coarse woody debris. All skid trails and haul roads are located and marked by the woodlands manager. Where water crossings are necessary, logging is done during the winter and approved crossing methods are used. The re-use of existing trails and roads is common practice. When logging is complete, trails and landings are stabilized and seeded.

1.4. Environmental and Socioeconomic Context

**Regional environmental context**
BHC forestlands are within a landscape heavily fragmented from past human activities, primarily agriculture. The landscape is characterized by gentle, rolling hills. Hilltops and bottomlands are a mosaic of agricultural production (soybeans, corn, and alfalfa), dairy farms, pastures, and scattered woodlots. Hillsides are covered by second and third growth forests. The highly scattered public forestlands within the area are managed primarily for recreational activities. Hillsides are drained by small intermittent streams that flow into several small to medium-sized rivers. Interstate 94 divides the area into northern and southern halves, each with its own soil and vegetative characteristics. The
southern portion is characterized by Braun (1950, *Deciduous forests of eastern North America*, Hafner Publishing Company) as a transition Maple-Basswood forest with wide distribution of oak or oak-hickory. The area is dissected by deep ravines and rolling or occasionally flat-topped uplands with a rich understory of mesic herbaceous species. Although located south of the last glacial activity, the area is covered by glacial outwash and lake and stream deposits. The northern portion was glaciated and has sandier soils with forests dominated by white pine, yellow birch, sugar maple, and basswood. It is dotted with numerous small lakes and ponds and is flatter and with less dissection than the area to the south (Braun 1950). Both areas were greatly modified by the last century (1800’s) of Native American occupancy with fire-maintained scrubby oak and prairies. Cessation of fires on hilltops and valley bottoms after European settlement, followed by heavy agricultural utilization of the land and limited burning, inhibited natural patterns of vegetative succession and greatly reduced the amount of land in natural prairies. The steeper lands that were not farmed reverted to forests with a strong presence of oak. On the better sites, natural succession and repeated logging resulted in the mixed hardwood forests of today.

Fauna and flora are characteristic of mixed mesophytic forests, and include the pine marten (*Martes americana*), timber wolf (*Canis lupus*), and peregrine falcon (*Falco peregrinus*) as federally endangered wildlife species. Regionally, 59 animal and 138 plant species are listed as threatened or endangered by federal or state agencies (Wisconsin Natural Heritage Inventory Program). Forest fragmentation and elimination of unique habitats resulting from agricultural conversion in the 1800’s and 1900’s resulted in the losses of some wildlife species (e.g., long-billed curlew, American swallow-tailed kite). Others were extirpated by overharvest of species utilized for food, fur, or feathers (e.g., eastern elk, woodland caribou, bison, passenger pigeon, whooping crane) and intentional elimination of livestock predators (e.g., mountain lions, wolverines). There are three landscape habitat issues of concern: 1) loss of old-growth; 2) lack of connectivity and small size of forestlands; and 3) diminishing amounts of early succession forest habitat. All three relate to real/potential reductions in regional biodiversity.

**Socio-economic context**

Human habitation occurs as isolated farms, a few homes clustered about rural intersections, and widely dispersed small to medium-sized communities of less than 20,000 inhabitants. Primary land use is for production of agricultural crops and dairy products. Larger corporate farms are replacing family dairy farms. Forestlands are owned primarily by farmers, and are arrayed as isolated small woodlots (20-100+ acres), some abutting others, some isolated. The importance of forestry to the local economy and local workforce has declined significantly since the mid 1900’s and now ranks well below agriculture, service, and industry. Most forest landowners do not have management plans in effect for their forestlands, nor have they engaged the services of professionals in the management of these lands. Most of the best timber has been selectively and repeatedly harvested from these forestlands, and the remaining trees are generally of less desirable species, of poor quality, and small diameter. Only one of the parcels owned by BHC abuts indigenous lands, which occur farther to the north. Hunting, fishing, and snowmobiling are important forms of recreation for residents and non-residents; many private forestlands are leased for these activities.

1.5. **Products Produced and Chain of Custody**
A. Species and volumes covered by the certificate
BHC produces kiln dried graded lumber from local oak and northern hardwood forestlands. The mill currently has a capacity to produce 8,000 cubic meters (2.0 million bd.ft) per year. An independent chain of custody assessment has been completed and the findings are available in a separate report.

B. Description of current and planned processing capacity
The BHC mill is currently producing an average of 8,000 cubic meters (2.0 million bd. ft.) of kiln-dried lumber per year. Approximately 4,000 cubic meters are produced from round wood harvested from BHC lands. The remaining 4,000 cubic meters are produced from green sawn lumber purchased from several local sawmills.

2. CERTIFICATION ASSESSMENT PROCESS

2.1. Assessment Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sept 20, 2001</td>
<td>Initial team planning (deCalesta, Morse)</td>
</tr>
<tr>
<td>Sept 20, 2001</td>
<td>Office visit at BHC HQ</td>
</tr>
<tr>
<td>Sept 21 &amp; 22, 2001</td>
<td>Field visits, BHC forestlands</td>
</tr>
<tr>
<td>Sept 22 – Oct 12, 2001</td>
<td>Report write-up</td>
</tr>
<tr>
<td>Oct 25, 2001</td>
<td>Draft report to BHC for initial review</td>
</tr>
<tr>
<td>Nov 2001</td>
<td>Comments received from (BHC)</td>
</tr>
<tr>
<td>Nov 6, 2001</td>
<td>Draft report to peer reviewers</td>
</tr>
<tr>
<td>Nov 17, 2001</td>
<td>Comment back from peer reviewers</td>
</tr>
<tr>
<td>Nov 2001</td>
<td>Draft report to BHC for final review</td>
</tr>
<tr>
<td>Dec 2001</td>
<td>Final draft submitted to SW Certification Committee</td>
</tr>
<tr>
<td>Dec 2001</td>
<td>Draft documents addressing Precondition received from BHC</td>
</tr>
<tr>
<td>Dec 24, 2001</td>
<td>Reply to BHC highlighting remaining deficiencies in meeting Precondition</td>
</tr>
<tr>
<td>Jan 24, 2001</td>
<td>Second draft documents addressing Precondition received from BHC</td>
</tr>
<tr>
<td>Feb 4, 2002</td>
<td>Final draft of BHC over-arching management plan received</td>
</tr>
<tr>
<td>Feb 5, 2002</td>
<td>Precondition Verification Audit completed</td>
</tr>
<tr>
<td>Feb 5, 2002</td>
<td>Precondition Verification Audit &amp; Final Forest Management Assessment draft submitted to SW Certification Committee</td>
</tr>
<tr>
<td>Feb 2002</td>
<td>Certification Decision</td>
</tr>
<tr>
<td>Feb 2002</td>
<td>Contract signed and received by SmartWood</td>
</tr>
</tbody>
</table>

2.2. Assessment Team and Peer Reviewers

Assessment Team
Barry Morse, Team Leader, B. S. in Forest Management, 32 years forest management experience in the Lake States with Minnesota DNR and other employers.

David S. deCalesta, ecologist, M.S. and Ph.D. wildlife ecology, 33 years experience as university professor (forestry and wildlife) and U. S. Forest Service scientist in the Northwest, Midwest, Southeast, and Northeastern USA.

Peer Reviewers
Two peer reviews were sought for this assessment. The peer reviewers included:


Sociologist, BSW Social Work. Experience: Project Coordinator of a non-profit sustainable agriculture organization (current); 11 years as Counselor and Assistant Director at a youth services organization; six years as Research & Development Coordinator at a non-profit community and economic development organization; four years as Executive Director of a non-profit women’s health care and family planning agency.

Precondition Verification Audit Team

David Bubser—Forester. B.S. in Forest Resource Management, University of Idaho, 1983. Experience: SmartWood Northern USA Regional Manager (current); 2 years as SmartWood Coordinator, Mid-Atlantic Region; 9 years as timber sale forester with the Nez Perce Tribe of Idaho; 5 years in silviculture and harvest preparation with the Menominee Tribe of Wisconsin; 2 years with Clearwater National Forest, Idaho, USDA Forest Service.

2.3. Assessment Process

During the field phase of the assessment process, the team conducted the following steps as part of the normal SmartWood certification process:

1) **Pre-Assessment Analysis** – Team members read over the Operation Application submitted by BHC and list of candidate properties, and reviewed the Draft Regional Forest Stewardship Standards for the Lake States-Central Hardwoods Region (USA).

2) **Selection of Sites** – The team selected a sample of sites representative of the range of operations (TSI {thinning}, marking, salvage harvest), treatment of riparian zones during harvest operations, range of properties along the north-south gradient of ownership, and treatment/identification of sensitive areas.

3) **Field Interviews and Site Reviews** – Because BHC owned all the lands it owned, field interviews were restricted to the owner (Bob Brunkow), the company procurer/marker/forester (Don Anderson) and the mill manager. Sites were visited during September 21 and 22; the mill operation was visited the afternoon of September 21, 2001.

4) **Assessment Report Development** – The forest management assessment report was developed over a 31-day period (September 21-October 22, 2001) during and after fieldwork was completed. During this write-up period the assessors conducted stakeholders interviews and other background research.

5) **Peer and Candidate Operation Review of the Report** – The final draft report was reviewed by BHC and two independent peer reviewers.

6) **Precondition Verification Audit** – One Precondition was produced as a result of the forest management assessment conducted on Brunkow Hardwood Corporation’s forest
management operations. In order to achieve FSC certification, BHC is required to satisfy this Precondition. Several telephone conversations and one meeting were held between the auditor and representatives of Brunkow Hardwoods to discuss the Precondition contained in the assessment report, and to develop a strategy for meeting the Precondition, and to review ongoing, incremental efforts by BHC to meet the Precondition to the satisfaction of SmartWood. The Precondition specifically addressed the development of a forest management plan that had not yet been developed by BHC. Documents were provided through the mail on two separate occasions, and the final draft was hand delivered. BHC’s conformance with the Precondition has been the product of an iterative process. Documents were initially provided in December 2001 and were found to be deficient in fully meeting several of the terms of the Precondition. A letter was subsequently provided to Brunkow Hardwoods identifying areas in need of additional attention. A partial draft of their forest management plan was submitted in late January 2002 that specifically addressed weaknesses identified in the letter to BHC. A final draft of BHC’s overarching management plan was hand delivered on February 4, 2002. The management plan was reviewed with respect to the criteria identified in the Precondition and found to be in compliance with the Precondition although several elements of the management plan had marginally satisfied the intent of the Precondition. Consequently, three new Conditions were added to the assessment report (Conditions 6, 7, & 11).

7) **Certification Decision** – The certification decision was taken by SmartWood. This was completed after review of comments made on the draft report by BHC and peer reviewers.

Table 1. **Summary of Forest Areas & Areas Visited by SmartWood Assessors**

<table>
<thead>
<tr>
<th>Forest/Block Name</th>
<th>Total Area in Hectares</th>
<th>Assessment Site</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antler Lake</td>
<td>15.7 (40 acres)</td>
<td></td>
</tr>
<tr>
<td>Antler Lake (Opelt)</td>
<td>15.7 (40 acres)</td>
<td></td>
</tr>
<tr>
<td>Bartz</td>
<td>31.5 (80 acres)</td>
<td></td>
</tr>
<tr>
<td>Beeler</td>
<td>13.9 (35.3 acres)</td>
<td></td>
</tr>
<tr>
<td>Brommer</td>
<td>49 (122.5 acres)</td>
<td></td>
</tr>
<tr>
<td>Brooks</td>
<td>78.7 (200 acres)</td>
<td></td>
</tr>
<tr>
<td>Bud’s Sugar Bush</td>
<td>92.5 (231.21 acres)</td>
<td>X</td>
</tr>
<tr>
<td>Caflish</td>
<td>7.9 (20 acres)</td>
<td></td>
</tr>
<tr>
<td>Carroll-Meyers</td>
<td>15.7 (40 acres)</td>
<td></td>
</tr>
<tr>
<td>Cropp</td>
<td>109.9 (279.08 acres)</td>
<td></td>
</tr>
<tr>
<td>Dilts</td>
<td>83.1 (211 acres)</td>
<td></td>
</tr>
<tr>
<td>Dotseth</td>
<td>61.3 (155.7 acres)</td>
<td></td>
</tr>
<tr>
<td>Elmiquist</td>
<td>31.5 (80 acres)</td>
<td></td>
</tr>
<tr>
<td>Fisher-Missouri Creek</td>
<td>39.4 (100 acres)</td>
<td>X</td>
</tr>
<tr>
<td>Frederickson</td>
<td>15.7 (40 acres)</td>
<td></td>
</tr>
<tr>
<td>Gille</td>
<td>15.7 (40 acres)</td>
<td></td>
</tr>
<tr>
<td>Grandby</td>
<td>47.2 (120 acres)</td>
<td></td>
</tr>
<tr>
<td>Hammel</td>
<td>31.5 (80 acres)</td>
<td></td>
</tr>
<tr>
<td>Hammond</td>
<td>15.7 (40 acres)</td>
<td></td>
</tr>
<tr>
<td>Hansen</td>
<td>15.7 (40 acres)</td>
<td></td>
</tr>
<tr>
<td>Hanson</td>
<td>63.4 (161 acres)</td>
<td></td>
</tr>
</tbody>
</table>
2.4. Guidelines

The BHC certification assessment was conducted using the SmartWood certification standards as described in the Draft Regional Forest Stewardship Standards for the Lake States-Central Hardwoods Region (USA) version 5.11. These criteria and guidelines are based upon the Forest Stewardship Council’s Principles and Criteria and have been accredited by the FSC.

<table>
<thead>
<tr>
<th>Property</th>
<th>Acres</th>
<th>Remarks</th>
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</thead>
<tbody>
<tr>
<td>Hunter</td>
<td>14.2 (36.9)</td>
<td></td>
</tr>
<tr>
<td>Ivers Mountain</td>
<td>27.6 (70)</td>
<td>X</td>
</tr>
<tr>
<td>Jacobson</td>
<td>31.5 (80)</td>
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<tr>
<td>Jocelyn</td>
<td>23.6 (60)</td>
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<tr>
<td>Kragness</td>
<td>15.7 (40)</td>
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<tr>
<td>LaLiberty</td>
<td>15.7 (40)</td>
<td></td>
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<tr>
<td>Largon Lake</td>
<td>14.6 (37)</td>
<td></td>
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<tr>
<td>Low</td>
<td>22.4 (57)</td>
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<tr>
<td>Ludwigson I&amp;II</td>
<td>90.6 (230)</td>
<td></td>
</tr>
<tr>
<td>Lund #1</td>
<td>27.6 (70)</td>
<td></td>
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<tr>
<td>Lund #2</td>
<td>28.3 (68)</td>
<td></td>
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<tr>
<td>Lynum</td>
<td>31.5 (80)</td>
<td>X</td>
</tr>
<tr>
<td>Manore</td>
<td>15.7 (40)</td>
<td></td>
</tr>
<tr>
<td>Marek</td>
<td>15.7 (40)</td>
<td></td>
</tr>
<tr>
<td>McNamara</td>
<td>15.7 (40)</td>
<td></td>
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<tr>
<td>Merth</td>
<td>15.7 (40)</td>
<td></td>
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<tr>
<td>Miller</td>
<td>25.7 (65.26)</td>
<td></td>
</tr>
<tr>
<td>Neubauer</td>
<td>31.5 (80)</td>
<td>X</td>
</tr>
<tr>
<td>Nueske</td>
<td>31.5 (80)</td>
<td></td>
</tr>
<tr>
<td>Paulson</td>
<td>23.5 (59.64)</td>
<td></td>
</tr>
<tr>
<td>Potter</td>
<td>26.9 (68.4)</td>
<td></td>
</tr>
<tr>
<td>Presley-Farrell</td>
<td>3.9 (10)</td>
<td></td>
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<tr>
<td>Pumpkin Center Big</td>
<td>184.2 (467.8)</td>
<td></td>
</tr>
<tr>
<td>Pumpkin Center Small</td>
<td>15 (38)</td>
<td>X</td>
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<tr>
<td>Richter</td>
<td>230 (583.6)</td>
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<tr>
<td>Rogowski #2</td>
<td>126.0 (320)</td>
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<tr>
<td>Rogowski #1</td>
<td>47.2 (120)</td>
<td>X</td>
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<tr>
<td>Rogowski III</td>
<td>125.5 (318.79)</td>
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<tr>
<td>Rowley</td>
<td>3.9 (10)</td>
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<tr>
<td>Sands</td>
<td>31.5 (80)</td>
<td></td>
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<tr>
<td>Schlosser</td>
<td>47.2 (80)</td>
<td></td>
</tr>
<tr>
<td>Seston</td>
<td>15.7 (40)</td>
<td></td>
</tr>
<tr>
<td>Stewart</td>
<td>117.8 (99.1)</td>
<td></td>
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<tr>
<td>Tasker-Roholt</td>
<td>47.2 (120)</td>
<td></td>
</tr>
<tr>
<td>Tiffany</td>
<td>31.5 (80)</td>
<td></td>
</tr>
<tr>
<td>Tripp</td>
<td>17.3 (44)</td>
<td></td>
</tr>
<tr>
<td>Webb</td>
<td>49.5 (125.73)</td>
<td></td>
</tr>
<tr>
<td>Weldon</td>
<td>21.5 (53.78)</td>
<td></td>
</tr>
<tr>
<td>Werner</td>
<td>15.7 (40)</td>
<td></td>
</tr>
<tr>
<td>Werner Trust</td>
<td>31.5 (80)</td>
<td></td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>2,460.2 (6,248.79 acres)</strong></td>
<td><strong>284.5 (719.21 acres)</strong></td>
</tr>
</tbody>
</table>
2.5. Stakeholder consultation process and results

The purpose of the stakeholder consultation strategy for this assessment was threefold:

1) To ensure that the public is aware of and informed about the assessment process and its objectives;
2) To assist the field assessment team in identifying potential issues; and,
3) To provide diverse opportunities for the public to discuss and act upon the findings of the assessment.

The stakeholder consultation process includes an initial stakeholder notification, as well as detailed and meaningful stakeholder interaction. The process of stakeholder interaction begins prior to the field visits, occurs throughout the field evaluations including post assessment interviews, and can continue after a certification decision is made. SmartWood welcomes comments on certified operations at any time, and such comments often provide a basis for field auditing.

In the case of BHC, prior to the actual assessment process no public consultation stakeholder document was developed. Through input from BHC, an initial list of stakeholders was developed. This list provided a basis for the assessment team to select people for interviews (in person or by telephone or through e-mail).

Issues Identified Through Stakeholder Comments and Public Meetings

The stakeholder consultation activities were organized to give participants the opportunity to provide comments according to general categories of interest based upon the assessment criteria. The table below summarizes the issues identified by the assessment team with a brief discussion of each based upon specific interview and/or public meeting comments.

Table 2: Stakeholder Comments (based on comments from 8 interviews)

<table>
<thead>
<tr>
<th>FSC Principle</th>
<th>Stakeholder Comments</th>
<th>SmartWood Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1: FSC Commitment/Legal Compliance</td>
<td>Informal comments suggested that BHC has long-term interest of forest in mind as it manages its forestlands.</td>
<td>Concur with stakeholder(s) - it was evident to the assessment team that BHC managed for the long-term.</td>
</tr>
<tr>
<td>P2: Tenure &amp; Use Rights &amp; Responsibilities</td>
<td>Stakeholders all stated BHC a “good neighbor” - no trespass comments or problems. One instance noted of adjacent landowner posting BHC land as his own because of no boundary marking by BHC—settled amicably.</td>
<td>Concur with stakeholders – BHC clearly made a maximum effort to be a good neighbor and avoid squabbles with neighbors.</td>
</tr>
<tr>
<td>P3 – Indigenous Peoples’ Rights</td>
<td>Noted that BHC has lands within ceded territory but no problems with gathering or other tribal activities.</td>
<td>Concur with stakeholder(s) – there were no conflicts with tribal rights on BHC lands within ceded territory.</td>
</tr>
<tr>
<td>P4: Community Relations &amp; Workers’</td>
<td>Many positive comments about stable operation and good work environment. Comment that retained workforce speaks well for BHC mill operation. Strong</td>
<td>Concur with stakeholder(s) – this area was an area of real strength for BHC as it was clear that management cared for and</td>
</tr>
<tr>
<td>Rights</td>
<td>involvement of owner (Bob Brunkow) in numerous community activities, organizations (Nelson Sportsmen and Lions clubs, Nelson Community Club, National Wild Turkey Federation, on local bank board of directors).</td>
<td>provided many benefits for its employees and also was very active in promoting the well-being of surrounding communities, including competing timber mills.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>P5: Benefits from the Forest</td>
<td>Noted that nothing wasted at mill – logs, sawdust, bark, slabs all utilized.</td>
<td>Concur with stakeholder(s) – it was clear that there was no waste at the mill, and harvesting activities also created no waste.</td>
</tr>
<tr>
<td>P6: Environmental Impact</td>
<td>All stakeholder comments were positive, relating to careful logging operations, BHC files intent to cut with local DNR forester, noted BHC is exception to “average logger” by doing good, responsible work. “One of the best private companies.” Locals impressed with forest manager’s (Don Anderson) skills as marker, management ideas, soils and sawmill background.</td>
<td>Concur with stakeholder(s) – logging, skidding, yarding, and stream crossing activities observed by the assessment team stressed care for soils, riparian zones, residual trees, and advance regeneration.</td>
</tr>
<tr>
<td>P7: Management Plan</td>
<td>No comments</td>
<td>None required.</td>
</tr>
<tr>
<td>P8: Monitoring &amp; Assessment</td>
<td>No comments</td>
<td>None required.</td>
</tr>
<tr>
<td>P9: Maintenance of High Conservation Value Forest</td>
<td>Several stakeholders lauded efforts on BHC working with DNR on large tract of land (Straight Lake – not part of pool of candidate properties) with significant features and plant and animal communities, to make sure it is managed properly.</td>
<td>There were no areas the fell within the definition of HCVF on BHC lands, however, sensitive areas, such as rock outcrops, riparian zones, and raptor stick nests were protected be self-imposed buffer zones.</td>
</tr>
<tr>
<td>P10 - Plantations</td>
<td>No comments.</td>
<td>None required.</td>
</tr>
</tbody>
</table>
3. RESULTS, CONCLUSIONS AND RECOMMENDATIONS

3.1. General Discussion of Findings

Table 2: Findings by FSC Principle

<table>
<thead>
<tr>
<th>Principle/Subject Area</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1: FSC Commitment and Legal Compliance</td>
<td>Strong, long-term commitment to FSC principles. All taxes paid on time.</td>
<td>There was no written endorsement of FSC principles (because there was no written management plan). [Weakness addressed, see precondition summary below]</td>
</tr>
<tr>
<td>P2: Tenure &amp; Use Rights &amp; Responsibilities</td>
<td>Exceptional records on deeds and titles to land. “Good neighbor” attitude resulted in amicable resolution of neighbor conflicts.</td>
<td>None.</td>
</tr>
<tr>
<td>P3: Indigenous Peoples’ Rights</td>
<td>Only one parcel abuts indigenous peoples lands. No known conflicts.</td>
<td>There were no written plans for consideration of management of BHC forestlands on tribal lands or customs (because there was no written management plan). [Weakness addressed, see precondition summary below]</td>
</tr>
<tr>
<td>P4: Community Relations &amp; Workers’ Rights</td>
<td>Exceptional attitude and practice of working with community, hiring members of local communities. Good wage, retention, benefits, employee relations.</td>
<td>None.</td>
</tr>
<tr>
<td>P5: Benefits from the Forest</td>
<td>Produce high quality milled wood. Make use of all mill products (lumber, bark, sawdust, “seconds” odd/damaged pieces).</td>
<td>Annual allowable harvest calculations not computed. Marking prescriptions not based on stand inventories.</td>
</tr>
<tr>
<td>P6: Environmental Impact</td>
<td>Hire professional loggers who take care not to damage standing trees, regeneration. Make good effort to protect riparian areas, water bar skid trails. Intentionally retain snags and logs. Avoid management in sensitive areas.</td>
<td>There were no written policies for avoiding environmental impacts of forest management practices (because there was no written management plan). [Weakness addressed, see precondition summary below]</td>
</tr>
<tr>
<td>P7: Management Plan</td>
<td>None. There was no written management plan.</td>
<td>No overarching management plan. Incomplete (at best) plans for individual sites. [Weakness addressed, see precondition summary below]</td>
</tr>
<tr>
<td>P8: Monitoring &amp; Assessment</td>
<td>Monitoring is informal, qualitative, without a formal timetable or plan.</td>
<td>There was no written monitoring plan.</td>
</tr>
<tr>
<td>P9: Maintenance of High Conservation Value Forest</td>
<td>The few areas that could be considered to be of high conservation value were identified and management activities restricted.</td>
<td>There were no written plans for addressing HCVF issues if they emerged on BHC forestlands (because there was no written plan)</td>
</tr>
</tbody>
</table>
3.2. Certification Decision

Based on a thorough field review, analysis and compilation of findings by this SmartWood assessment team, BHC is recommended to receive joint FSC/SmartWood Forest Management and Chain of Custody (FM/COC) Certification contingent upon successful completion of the preconditions and with the stipulated conditions listed below.

In order to maintain certification, BHC will be audited annually on-site and required to remain in compliance with the FSC principles and criteria as further defined by regional guidelines developed by SmartWood or the FSC. BHC will also be required to fulfill the conditions as described below. SmartWood will review continued forest management performance and compliance with the conditions described in this report, annually during scheduled and random audits.

3.3 Precondition Compliance

Each of the Preconditions originally contained in the assessment report is listed below with a summary of the precondition audit finding and conclusion.

**Pre-condition**: Prior to receiving FSC/SmartWood Certification, BHC must develop a written forest resource management plan (FRMP) for their forestlands under assessment. At a minimum, the plan must address the following:

- Management policy and desired future condition of certified BHC lands that addresses species composition, stand structure, recreation, wildlife, aesthetics, water quality protection, non-timber forest products and any other forest attributes of concern to the landowner.
- Clearly defined comprehensive management objectives, which are specific, achievable, and measurable.
- Description of the forest resources, environmental limitations, land use and ownership, and socio-economic conditions on adjacent lands.
- Plans for the identification and protection of rare, threatened and endangered species potentially existing on BHC forestlands.
- A formal protocol for the identification, location, mapping, conservation and monitoring of ecologically rare, unique and significant sites, HCVFs, and sites cultural and historic significance.
- A formal protocol for evaluating potential impact of management activities on plant and animal communities and acknowledging the importance of landscape features of ecological significance (including areas of High Conservation Value, and special habitats and features such as bogs and rock outcrops).
- Environmental safeguards based upon assessments.
• Written guidelines that meet or exceed Wisconsin BMPs for riparian management zones (RMZs), skidding, access roads, site preparation, log landings, stream crossings, sensitive site disturbance, and wetlands.
• Maps describing the forest resource base including protected areas and planned management activity areas.
• Description of silvicultural or other management systems based on the ecology of the forest and resource inventory data.
• Individual harvest and TSI prescriptions by cover type.
• Description of the method to be used for annual allowable harvest calculations.
• Description of harvesting systems and equipment used.
• Provisions for monitoring of forest growth and change.
• Documentation of what, how, where, and when monitoring activities will take place, including consideration of social and environmental effects of management activities, and including documented evaluation of success in achieving management goals and objectives. (Criterion 4.7.1)

Finding: BHC two interim documents intended to address selected elements of the Precondition. The first interim document was received in December 2001. This document was reviewed by the auditor and found to be deficient in several areas. The results of this initial review were summarized in a letter to BHC dated December 24, 2001. Upon receipt of the December 24 letter, and following several telephone conversations and a personal meeting with the auditor, BHC subsequently submitted a second interim document. This second document was the product of several modifications by BHC to specifically address the shortcomings identified in the letter. A final draft of the BHC management plan was received on February 4, 2002. The plan is designed to function as an overarching management plan for all BHC properties. As such, the document contains broad company policies and protocol that apply across the ownership. Specific tract level planning components are not currently incorporated into the plan, although a detailed outline for tract level plans is included in the plan. The tract-level detail will be appended to the overarching plan at a later date (see Condition below).

At this time, all of the required management planning components identified in the Precondition have been at least marginally addressed, and several components have been quite thoroughly addressed.

Conclusion: Based upon the above finding the auditor finds that the Precondition has been met with the addition of the following conditions:

1. Condition: Within one year of certification, the company-wide forest management objectives contained in BHC’s overarching forest management plan must be expanded to incorporate broad ecological resources and values. BHC’s “sustainable forest guidelines” could form the foundation of these ecological objectives, and must be modified to describe specific, achievable and measurable objectives concerning BHC’s management goals for non-timber resources including aesthetics, wildlife habitat, cultural and historic sites, HCVF’s, education, biodiversity, unique & sensitive areas, Non Timber Forest Products (NTFPs). (Criterion 4.3.2)

2. Condition: Within one year of certification, BHC must incorporate long term planning considerations into their overarching management plan and tract level management plan template. BHC must develop strategies for planning horizons that capture the full length
of a stand rotation defined as the expected life span of a stand or representative species.  (Criterion 4.7.1)

3. **Condition**: Within two years of certification, and prior to conducting timber harvest operations on corresponding tracts, tract level management plan addendums must be developed for each tract included in the BHC certification. Tract level plans must minimally include the following:

- name and location of tract;
- tract history including when acquired by BHC, prior land uses and harvesting history;
- a general property description, with detailed property maps, including information for topography, access, special operational limitations, landscape position, presence of RTE species or critical habitats, presence of invasive species, presence of unique or fragile sites, presence of cultural and historical sites, recreational opportunities or leases, NTFPs;
- stand level descriptions (age, species composition, stand structure, stocking, understory, etc) & inventory including the management objective for each stand and specific silvicultural management recommendations for each stand;
- activity schedule addressing management entries over the life of the stand including inventory, monitoring and maintenance activities. (Criterion 4.7.1)

3.4. **Conditions and Recommendations**

Conditions are verifiable actions that will form part of the certification agreement that BHC will be expected to fulfill at the time of the first audit or as required in the condition. Each condition has an explicit time period for completion. Non-compliance with conditions will lead to de-certification.

**Effective Immediately Upon Certification**

1. **Condition**: Effective immediately upon certification, and prior to harvest, stand inventories must include data on all species and sizes of trees including regeneration size, density and species. Marking prescriptions must be based upon this information and support the long-term objectives of the stand. (Criterion 4.5.6)

2. **Condition**: Immediately upon certification, and prior to any silvicultural treatment or harvest subsequent to certification, BHC must develop written stand prescriptions which are based upon inventory analysis, stand condition, and desired outcome that promotes the desired future condition of the master management plan. (Criterion 4.7.1).

**Within One Year of Certification**

3. **Condition**: Within one year of certification, BHC shall include a written endorsement of the FSC Principles and Criteria in the overarching management plan. (Criterion 4.1.6).

4. **Condition**: Within one year of certification, BHC shall obtain a copy of the Wisconsin Natural Heritage Inventory System’s list of sensitive plant and animal species and shall append it to their overarching management plan. Within one year of certification, BHC management shall contact appropriate personnel within the Wisconsin Natural Heritage Inventory System to initiate a process to determine whether any of their lands are known locations for sensitive plant and animal species and if any such areas are identified, will
record their presence on a maintained species list and record the location(s) on site maps as on-going processes. (Criterion 4.6.2).

5. **Condition:** Within one year of certification, BHC shall embark on a program to identify, map and retain areas of ecological significance, rarity, or uniqueness within its pool of certified forestlands. Management activities that occur in these areas must not threaten the integrity of natural processes and characteristics of representative ecosystems. Twelve to fifteen percent of its woodlots must be surveyed annually to determine whether they contain areas of ecological significance, rarity, or uniqueness. (Criterion 4.6.4).

6. **Condition:** Within one year of certification, the company-wide forest management objectives contained in BHC’s overarching forest management plan must be expanded to incorporate broad ecological resources and values. BHC’s “sustainable forest guidelines” could form the foundation of these ecological objectives, and must be modified to describe specific, achievable and measurable objectives concerning BHC’s management goals for non-timber resources including aesthetics, wildlife habitat, cultural and historic sites, HCVF’s, education, biodiversity, unique & sensitive areas, Non Timber Forest Products (NTFPs). (Criterion 4.7.1)

7. **Condition:** Within one year of certification, BHC must incorporate long term planning considerations into their overarching management plan and tract level management plan template. BHC must develop strategies for planning horizons that capture the full length of a stand rotation defined as the expected life span of a stand or representative species. (Criterion 4.7.1)

8. **Condition:** Within one year of certification, BHC shall develop and implement a written training policy with specific safety standards for each classification of worker in its employ or under contract. BHC shall provide the means for all employees to attain their training goals. The safety and training policy shall be distributed to all current employees and new hires. For each employee, BHC shall develop annual training plans that emphasize subject areas of benefit to both the employee and the company. For woodlands staff this training plan should include:
   - Silviculture systems;
   - Forest ecology;
   - Forest plant identification;
   - Identification and protection of federally and state-listed rare, threatened, and endangered (RTE) plant and animal species;
   - Ecological classification systems used within the state;
   - Regeneration techniques for hardwood communities;
   - Harvesting systems and equipment;
   - Inventory analysis;
   - Landscape level management considerations and terminology. (Criterion 4.7.3)

**Within Two Years of Certification**

9. **Condition:** Within two years of certification, and prior to initiating any work on property on their one site abutting Lac Court Oreilles tribal lands, BHC shall develop and implement a policy and associated protocol for the identification and protection of sites of special cultural, ecological, economic, or religious significance. Identification and protection measures must be developed in consultation with appropriate local and regional tribal officials to ascertain
whether management activities have the potential for negative impact. This action
(identification of tribal lands abutting new forestland purchases and ascertainment of impacts
on cultural, historical, and religious aspects of tribal lands as well as areas of traditional use)
shall be incorporated into policy and management plans, which will cover additional lands
purchased by BHC and identified as special places. BHC shall incorporate these special
places into forest management and operational plans. BHC woodlands staff shall be trained
in the identification, mapping, and protection of special cultural, ecological, economic or
religious significance to indigenous peoples. BHC shall share findings with local Native
Americans and/or with the state and county historical society. (Criteria 4.3.3 and 4.4.4).

10. **Condition:** Within two years of certification, an annual allowable harvest calculation, and the
rationale for the rate of annual harvest and species selection shall be included in the written
forest management plan. (Criterion 4.5.6).

11. **Condition:** Within two years of certification, and prior to conducting timber harvest
operations on corresponding tracts, tract level management plan addendums must be
developed for each tract included in the BHC certification. Tract level plans must minimally
include the following:

- name and location of tract;
- tract history including when acquired by BHC, prior land uses and harvesting history;
- a general property description, with detailed property maps, including information for
topography, access, special operational limitations, landscape position, presence of
RTE species or critical habitats, presence of invasive species, presence of unique or
fragile sites, presence of cultural and historical sites, recreational opportunities or
leases, NTFPs;
- stand level descriptions (age, species composition, stand structure, stocking,
understory, etc) & inventory including the management objective for each stand and
specific silvicultural management recommendations for each stand;
- activity schedule addressing management entries over the life of the stand including
inventory, monitoring and maintenance activities. (Criterion 4.7.1)

12. **Condition:** Within two years of certification, BHC shall incorporate into its overarching
management plan a process for incorporating monitoring results into implementation and
revision of its management plan. (Criterion 4.8.4).

13. **Condition:** Within two years of certification, BHC shall develop a summary of their
management plan as well as the results of monitoring activities, to be made available upon
request to the public at a reasonable fee. (Criterion 4.7.4 & 4.8.5).

14. **Condition:** Within two years of certification, BHC shall develop a section within the
management plan specifically addressing plantations that describes the following:
- The goals and objectives of plantation management.
- When and where they are appropriate.
- Methods of establishment.
- Natural forest features that will be incorporated.
- How long term management will incorporate natural forest features. (Criterion
4.10.1)

**Within Three Years of Certification**
Condition: Within three years of certification, BHC shall develop and append to the overarching management plan, and provide for each woodlot prior to management activities, a program for monitoring growth rates, regeneration and cost, productivity and efficiency of forest management, and impacts on forest ecosystems. The monitoring plan must address the condition of the forest including, at a minimum, the following attributes:

- Stand level composition and structure (e.g., by use of tools such as ecological classification systems)
- Abundance, regeneration, and habitat conditions of non-timber forest products typically harvested on BHC forestlands (e.g., ginseng)
- Terrestrial and aquatic features
- Changes in major habitat elements and changes in the occurrence of sensitive, rare, threatened, or endangered species or communities
- Changes in HCVF forest conditions including assessment of the effectiveness of measures employed to maintain or enhance the conservation of HCVF attributes on their properties must be noted, with corresponding adaptations made to management activities in order to retain or enhance HCVF attributes.
- Soil characteristics (e.g., texture, drainage, existing erosion)
- Pest conditions. (Criteria 4.8.2 & 4.9.4).

15. Condition: Within three years of certification, BHC must determine the extent of HCVF land on their property. This inventory must be conducted in consultation with the Natural Heritage program staff and other appropriate experts. HCVF areas must be identified and mapped in the management plan and described in terms of attributes that are consistent with HCVFs. Specific measures & strategies must be implemented on the ground that maintain or enhance the attributes consistent with HCVFs. (Criteria 4.9.1 & 4.9.3).

Recommendations:

The assessment team identified 28 non-binding recommendations for improvements to the Brunkow Hardwood Corporation’s forest management operation.
1.1 Audit Process

A. **Audit year:** 2003

B. **Dates of Audit:** April 28 & 29, 2003

C. **Audit Team:** C. Barry Morse, Forester (Retired MN. DNR) U. of MN graduate, BS degree in forest management. Over 32 years experience in field, supervisory, and administrative forest management work. Trained SmartWood assessor/auditor. Two years actively doing assessments and audits.

D. **Audit Overview:** The 2003 audit of Brunkow Hardwoods Corp. (BHC) was the first audit since the assessment and pre-condition audit. The 2003 audit was designed to afford the greatest exposure to the subjects and conditions outlined in the BHC 2001 assessment. BHC employees at the office, mill processing facility, and field management staff were interviewed. A tour of the mill facilities during operations allowed for interviews with key wood handling personnel. Eight forested tracts were visited in the field with the woodlands manager and two assistants. A separate CoC audit report on the mill operations has been prepared.

E. **Sites Visited:**

- Site #1, Brooks tract, Pepin Co. Unit Contains 21 acres of red pine plantation in 3 separate sites. Pine thinning, and new inventory and mapping progress examined. Sensitive wetland.
- Site #2, Hanson tract, Buffalo Co. Unit contains Hardwood thinning, new management plan, wildlife food plots and cover plantings reviewed.
- Site #3, Manor tract, Pepin Co. hardwood thinning and aspen harvest.
- Site #5, Cropp tract, Dunn Co. Harvest thinning in northern hardwoods in 2002.
- Site #6, Pumpkin Center, Dunn Co. Future TSI planned. Light thinning and TSI removals for improved crown spacing in northern hardwoods in 2002.
- Site #7, Cropp tract, Dunn Co. stand 2, Hill road construction viewed.
F. Personnel Interviewed:

The following people were consulted during this audit: (Mill employees are listed in the separate 2003 CoC audit report).

<table>
<thead>
<tr>
<th>Person interviewed</th>
<th>Position/Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bob Brunkow</td>
<td>President BHC</td>
</tr>
<tr>
<td>Don Anderson</td>
<td>Woodland Manager and Partner</td>
</tr>
<tr>
<td>Ardath Iberg</td>
<td>Office manager</td>
</tr>
<tr>
<td>John Wayne</td>
<td>Log buyer, management staff</td>
</tr>
<tr>
<td>Butch Waatti</td>
<td>Log buyer, management staff</td>
</tr>
</tbody>
</table>

G. Documentation reviewed:

1. 2001 BHC SmartWood forest management assessment report.
2. BHC management plan.
3. Log scale tickets.
4. SmartWood Forest Management -audit report instructions
5. Barron County Land Owners Association letter.
6. Wisconsin DNR provided listing of rare and endangered species data on or near BHC property.
8. BHC prepared list of ownerships.

1.2 General Audit Findings and Conclusions

No changes have occurred to the BHC physical land base or management philosophy. The same woodland management/log buyer personnel are in place, however the role of the two log buyer/management staff personnel has changed in anticipation of the planned fall 2003 retirement of the Woodlands Manager. These two junior woodlands staff have started to take on a greater role in re-inventory data collection, stand mapping, prescription writing and monitoring under the direction of the Woodland Manager. The transition appears to be working, and the observed performance of the two junior staff is acceptable. However there is a concern in the auditors mind over the loss of the historical knowledge base that the woodlands manager possesses. With a need to develop updates and expansions to the newly completed overarching management plan, the large workload associated with the management of the BHC properties needing thinning and TSI treatments, and the buying of logs and standing timber for the mill, there is concern that additional manpower will be needed after the retirement of the Woodlands Manager. BHC leadership and management staff are aware of the situation and are exploring potential solutions.

BHC continues to demonstrate a strong philosophy toward ecologically sound hardwood management. Innovative harvesting and management prescriptions are developed based upon stand inventory data for a wide variety of sites scattered across 11 counties in western Wisconsin. BHC has focused its effort during the past year on the development and implementation of field practices and documentation suggested by the recommendations and conditions of certification found in the 2001 SmartWood assessment report. Increased training of two woodlands staff has
resulted in approximately 1000 acres being inventoried and new tract plans developed. TSI contracts were developed and carried out, and thinning harvests were marked and carried out by select contract loggers. No modifications were made to the overarching management plan.

The 2003 audit found BHC moving forward with sound woodlands management at a level adequate to maintain certification. The collection of additional information for updating management plans demonstrates their intention to meet all conditions and CARS.

1.3 Status of Conditions and Corrective Action Requests (CARs)

BHC is making progress toward meeting the 11 conditions identified in the 2001 assessment report. The second year of certification will have to focus on expanding the overarching management plan. New CARs have been developed to focus on this effort. BHC has also made progress toward meeting several year two conditions.

Condition 1: Closed 2003.
Condition 3: Not Met, Replaced by CAR 1/03.
Condition 4: Closed 2003.
Condition 5: Met/Ongoing.
Condition 6: Not Met, Replaced by CAR 2/03.
Condition 7: Partially Met, Replaced by CAR 3/03.
Condition 8: Not Met, Replaced by CAR 4/03.
Condition 11: Partially Met, No CAR. (Year two condition).

CAR 1/03: (P1: FSC Commitment & condition #3) Prior to the 2004 annual audit, the updated overarching management plan shall contain a written endorsement of the FSC Principles and Criteria.

CAR 2/03: Prior to the 2004 annual audit the company-wide forest management objectives contained in BHC’s overarching forest management plan must be expanded to incorporate broad ecological resources and values. BHC’s “sustainable forest guidelines” could form the foundation of these ecological objectives, and must be modified to describe specific, achievable and measurable objectives concerning BHC’s management goals for non-timber resources including aesthetics, wildlife habitat, cultural and historic sites, HCVF’s, education, biodiversity, unique & sensitive areas, Non Timber Forest Products (NTFPs). (Criterion 4.3.2)

CAR 3/03: Prior to the 2004 annual audit, the overarching management plan shall be expanded by developing strategies for planning horizons that capture the full length of the stand rotation defined as the expected life span of the stand or representative species. (A description of measurable objectives that will be met to achieve the long term goals).

CAR 4/03: By the end of the second year of certification as part of the overarching plan expansion, BHC shall include a written training and safety policy with specific standards for each class of employee. For woodlands staff this training plan should include:
- Silviculture systems;
- Forest ecology
- Identification and protection of federally and state-listed rare, threatened, and endangered (RTE) plant and animal species;
- Ecological classification systems used within the state;
- Regeneration techniques for hardwood communities;
- Inventory analysis;
- Landscape level management considerations and terminology. (Criterion 4.7.3)
- Soils identification, productivity, characteristics
- Forest plant identification