

2016 Certification Program Monitoring Summary

Review of the **Certified Properties and Certified Acreage** TNC completed its disposition plan of the former Finch Pruyn & Co., Inc. lands to NYS in 2016. TNC certified acreage under the Finch Forest Management Group Certification remains stable from last year with 1,010 acres. FSC certified acreage at year's end was 47, 959 acres. SFI certified acreage at year's end was 22,589 acres. Windfall Pond, Northwood's Club, and Cedar Heights Timber remain only FSC certified.

Year End Review of **Growth & Harvest Calculations** as compared to the AAC of each property according to the Management Plan – The Regional Manager reviewed the allowable cut per landowner as compared to the harvest calculations and volume spreadsheets kept by the Woodlands Accountant at year end. Any adjustments to harvest scheduling will be recommended at this time and reviewed with the landowner during the annual stakeholder meeting.

2016 was a very light year operations wise with harvests on 2 of the 8 FFM FSC / SFI certified tracts. The annual allowable cut for 2016 across 8 certified properties was 86,240 ton. The actual annual harvest was 3,446 tons or 4% of the AAC.

Harvesting under the Finch Paper LLC – TNC fiber supply agreement was completed in the winter of 2014. No harvesting on the former Finch Pruyn & Co., Inc. lands (TNC lands) occurred in 2016.

Elk Lake Land Inc. harvest operations were continued during the winter of 2016 with one conventional timber harvesting operations active in Stand #4. Total harvest for the winter 2016 operation was 845 tons. The plan is to continue to follow the harvest schedule in Stand #4 and while the harvest was below the AAC for 2016 we plan to make up tonnage in the 2017 & 2018 by putting two to three harvesting crews on the property. There is no harvest activity planned for the Three Brothers Tract until 2018.

No harvest was planned or carried out on Litchfield Park for 2016 to allow growth to catch up to the recent drain due to the heavy beech salvage operations that occurred in recent years in stands 32 & 33. A property wide timber inventory and management plan revision was begun in 2016 and the final draft of the revised management plan should be completed by summer 2017.

Northwood's Club harvest operations were continued as summer operations in 2016 with two conventional timber harvesting operations active in Stand #13 & #14. The total harvest for the two operations was 2,601 tons.

Cedar Heights Timber Tract was harvested in 2015 at a rate of 125% of the AAC (8,279 tons). The primary goal of the landowner is to do Beech salvage operations and encourage early successional regeneration to encourage biological diversity and the health of his forests. No harvest occurred on Cedar Heights Timber during 2016 due to the poor fuel market conditions and inability to market dirty fuel chips and with hardwood pulpwood operations to reduce the amount of logging slash left onsite from Beech salvage operations. The plan is to continue Beech salvage operation off the number five road at a smaller scale than in 2017.

There were no harvested operations in 2016 on TNC, Windfall Pond, FP Mud/Minnow Pond or the Three Brothers Tract. The next planned harvest for Wind Fall Pond is dry summer 2017 or winter 2018. The next harvest planned for FP Mud/Minnow Pond and Three Brothers Tract is 2018.

Annual Review of **Silvicultural Treatments and Forest Type diversity** for their effectiveness toward forest type and ecological diversity – All timber harvest plans and activities are supervised by a trained professional forester. Foresters prepare and submit for peer review and comment, a stand-specific Pre-harvest Report. The Pre-harvest Report is based upon a current timber cruise and management plan. Post Harvests will include a weekly supervision summary. A Pre & Post harvest database will be kept to track management treatments and operational progress on client properties. Forester responsible for the maintenance of the Pre & Post Harvest Database will work with the Regional Forest Manager to review the Forest Type & Developmental Stage calculations.

Acreage summaries for FFM client properties showed while there are some gaps in forest type and stand age on a localized basis, the landscape level review of the managed properties show improvement in the early succession habitat as a result of increased small clear cuts and group selection cuts. We continue to focus on planning late stage forests reserved from harvesting as we move into the future.

Annual Review of **HCVF & FECV database** is done by our staff personnel on both a landscape and per tract basis and in conjunction with biologists and ecologists from The Natural Heritage program, SUNY ESF and NYSDEC. The landscape reviews also occur periodically when updates are made to the publically available data online and locally during pre-harvest planning (documented on pre-harvest reports by foresters) as well as in depth updates following management plan revisions.

RT&E Species are tracked by staff foresters using publically available information on a continuous basis. The Northern Long-Eared Bat was listed as threatened under the Endangered Species Act on April 2, 2015. On January 14, 2016 the US Fish and Wildlife Service issued the Final 4d Rule which specifically defines the “Take” prohibitions. FFM foresters are using the NYSDEC Environmental Resource Mapper and NYSDEC Wildlife Biologist advice to monitor RT & E Species on all FFM managed lands.

In 2016-17 we plan continued review of CHT with a summer woodcock survey that determined there is a population of woodcock on the property. A fisheries survey at CHT was conducted in July of 2015 in association with Cornell University cold waters fisheries program. The fisheries study is planned to continue in the summer / fall of 2017 concentrating on the trout and salmon populations on the property.

Spruce grouse continue to be monitored for possible sightings on the Windfall Pond Tract. It has been determined that the property has suitable habitat, but no sightings have been recorded to date.

Integrated Pest Management and Invasive Species tracking is done on a thorough and ongoing basis by all staff members. This is a matter that FFM takes seriously on behalf of our clients investments and the well being of the communities in which their forests are located. Finch Forest Management works in cooperation with government and private entities to be trained to identify, locate and control damaging agents and maintain forest health. Foresters complete aerial reconnaissance when the threat of insect infestations warrants. The standard strategy for controlling plant & insect outbreaks is cutting infected areas and thinning the adjacent stand – striving to eliminate the need for chemical use.

In 2013-14 we began to further address problems with beech bark disease on a stand by stand level. On CHT and Litchfield Park beech is a dominant component of many stands and is heavily diseased. Within these stands regeneration of more desirable species is challenging. With the landowner’s goals and objectives to grow a stand of healthy, desirable species we’ve found block clearcutting to be the most suitable silviculture in these stands.

We continue to keep up to date on the NYSDEC – EAB quarantine area in NY State. NYSDEC has produced a map updated map of NYS Infested Areas and the new quarantine boundaries in spring of 2017. Additionally, they have produced a list of Towns in the Restricted Zones. The closest town and location to FFM operations is Galway, located in Saratoga County of New York.

Additionally, Hemlock Woolly Adelgid has been identified in Troy, New York, located in Albany County of New York State; about 50 miles from the Finch Paper LLC mill in Glens Falls. We continue to monitor the spread of this forest pest.

Monitoring of regeneration conducted annually during the summer growing season. Field surveys are conducted by the end of the fifth growing season to determine the stocking level of regeneration. These cruises are performed by staff foresters, using regeneration measurement guidelines developed by SUNY ESF Huntington College.

During the summer of 2016 sixteen harvest areas were monitored for a total of 978 acres, covering harvests on three landowners. The majority of the harvests were conducted on properties that are currently or formerly owned by the Nature Conservancy. Of the twenty-two harvests surveyed seven were found to not have adequate regeneration. The majority of these properties were harvested in the winter of 2011. Interference from slash, grass and ferns was listed as the reason for inadequate regeneration. We plan to reevaluate and re-inventory the regeneration in these stands at the end of summer of 2016.

For the summer of 2017 thirteen harvest areas will be inspected for a total of 294 acres, covering regeneration harvests on four landowners.

Forest and Soil Productivity and BMP implementation will be tracked on a job by job basis throughout the year and on site by the Foresters using FFM jobber report evaluations and annually reviewed through a BMP database for efficiency and effectiveness and review of contractor base by the Regional Manager.

The 2016 BMP data shows slightly above average scores (grade 3+) across all categories. When looking at a reference of BMP implementation across contractors there seems to be no differentiation between conventional (non-mechanized operations) and mechanized crews. The actual job quality and overall grading per BMP seems to me more correlated with contractor and crew experience, attitude and professionalism as opposed to size and amount of harvesting equipment.

When looking at actual grading by foresters there continues to be trends and minor grading variability. Consistency is stressed and has improved. We continue to work on developing standards, reviewing post harvest jobs and pier reviewing jobber report cards to improve consistency.

The Regional Manager is responsible for tracking compliance with Finch Paper LLC's **logger training policy**. Documentation of training is checked with the state logger training database on a continual basis. All crews on FFM managed properties have certified logging foreman and members, but some new members and existing members are due for recertification. FFM will continue to work with NYLT to provide course sites and schedule courses within close proximity to our contractor base.

Finch Forest Management has a formal process for **receiving and responding to public inquiries**, including potential practices inconsistent with the SFI or FSC Principles and Objectives. If a phone call or other public inquiry comes in to Finch Forest Management, the message will be documented and forwarded to the appropriate parties who will either follow up with the entity making the inquiry or forward the concern directly on to the SIC Inconsistent Practices Committees for resolution.

In 2016, signage was posted on all harvest operations. FFM received 0 calls and has 0 outstanding complaints. Call Reports & remediation records can be found in the Incident Report file.

Overall Monitoring and Evaluation of Certification Conformance and Development & Implementation of strategies in Management Planning is consistent with the certification program. The Vice President of Forestry and Wood Procurement, Regional Forest Manager and Procurement Manager review the effectiveness of the overall Program using the monitoring documents & summary reports and other input and determine whether any changes or improvements should be made. By implementing the above programs, plans, systems and processes, Finch Paper LLC / Finch Forest Management continually improves its performance and achieves its objective of practicing and promoting sustainable forest management.