



Bayroot LLC Public Audit Summary Report Sustainable Forestry Initiative® (SFI) Standard [2005-2009 Edition]

Introduction

PricewaterhouseCoopers LLP ("PwC") completed a SFI surveillance/transition assessment on September 22, 2006. The project scope included fee lands owned by Bayroot LLC in Maine and New Hampshire and managed by Wagner Forest Management, Ltd. ("Wagner"), and the Wagner fee land management systems at its corporate office in Bangor, Maine. The lead auditor for this assessment was Bruce Eaket, RPF, EMS (LA), of PwC.

Audit Scope & Objective(s)

The audit scope included forest management activities including planning, harvesting, silviculture, road construction and road maintenance conducted by Wagner Forest Management, Ltd. on Bayroot LLC's Moxie Tree Farm in Maine and New Hampshire. The fee land management practices for all of Wagner were assessed against the objectives of the SFI Standard [2005-2009 Edition].

Wagner manages its SFI Program through a centralized management structure that provides a consistent approach to fee land management throughout the organization. The primary objective of the audit was to assess the SFI management system at the corporate level and to evaluate Wagner's implementation of the SFI Standard [2005-2009 Edition] on the ground.

Indicators

All of the indicators in the SFI Standard [2005-2009 Edition] were within the audit scope, except for Objective 8, since Wagner does not procure fiber. There were no substitute indicators.

Audit Process

The audit team conducted interviews and reviewed appropriate documentation to assess policies and procedures, and tested implementation of SFI program requirements in the field.

Summary of Findings

There were no major or minor non-conformances identified during the audit.

Opportunities for improvement were identified in the following areas:

- Improving deactivation of temporary crossings on intermittent streams and increase awareness of different BMP's between Maine and New Hampshire's organized and unorganized townships;
- Improving specification of minimum buffer widths in harvest plans;
- Encouraging mechanical contractors to receive Certified Logger training;
- More consistent approach to road maintenance across the ownerships.

Good management practices were identified in the following areas:

- Development and communication of contractor guidelines that provide information on Wagner policies and performance expectations;
- Summary reporting of operational inspections completed by the foresters;
- Implementation of procedures and inspections to reduce the likelihood of wood being left behind after operations are completed;
- Good use of soil and water quality protection measures on haul trails;
- Modifications to harvest plans discussed with contractors in order to confirm changes;
- Cooperation with a local ATV club to establish water quality protection measures.

Audit Conclusion

Wagner's fee land operations were re-certified to the SFI Standard [2005-2009 Edition]. The Registrar's Report and Certificate can be can be obtained by contacting Gordon Gamble of Wagner Forest Management (207-369-9759).