



**BUREAU
VERITAS**

**Bureau Veritas Certification
North America, Inc.
SFI Forest Management Audit Report**

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PQC Code	E01E: Forestry, logging related serv
Contract Number	10861412

Certification Audit:		Re-Certification Audit:		Surveillance Audit:	#2	Scope extension audit:	
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Audit Summary
<p align="center">Introduction</p> <p>This report summarizes the results of the audit of St Lewis County, Minnesota. This was the second surveillance audit, conducted at their headquarters office in Duluth, MN and field sites for the South area including the Island Lake, Brimson and Floodwood Zones. Julie Stangell, Bureau Veritas Certification Lead Auditor conducted the audit from August 7 to August 10, 2023. Ms. Stangell is a professional forester with more than 30 years of field experience and a certified lead auditor.</p> <p align="center">Audit Scope, Objectives and Process</p> <p>The scope of the audit was revised this audit to, “Management of approximately 858,618 acres of St. Louis County lands which are 100% state tax forfeit and/or 100% county owned fee lands under Land and Minerals control unless otherwise designated and includes activities such as planning, harvesting, transportation and silviculture on those lands.” The audit goal was to verify conformance to the SFI 2022 Standards and Rules®, Section 2. Objectives 1, 3, 5, 6, 9, 11, 12, 14, 16, 17 and Performance Measures 4.1.1, 4.1.3, 4.1.5 were audited at this surveillance audit. The objective of the audit was to 1) verify that the Program Participant’s SFI Program is in conformance with the SFI objectives, performance measures, and indicators and to 2) verify whether the Program Participant has effectively implemented its SFI Standard program requirements. Standard Bureau Veritas protocols and forms were applied throughout the audit as provided by the current version of the Bureau Veritas Certification Auditor Handbook and supplemental SFI Handbook. Field notes and an SFI indicator checklist were completed and contain specific information and audit notes.</p> <p align="center">Audit Plan</p> <p>The audit was conducted on site over a total of three and a half days. A detailed daily audit plan is on file with Bureau Veritas Certification.</p> <p align="center">Company Information</p> <p>Saint Louis County Land and Minerals Department manages State Tax Forfeited Trust Lands and lands gifted to the County to provide a combination of resources for the sustained benefit of the people of Saint Louis County by establishing resource management programs based on responsible stewardship and sustainability. The mission of the Saint Louis County Land and Minerals Department is to promote, enhance and protect Saint Louis County Tax Forfeited Trust lands by</p>

providing professional expertise in the use of sound land management principles for:

- Financial return to the county and taxing districts
- Performing public services
- Maintain and improving forest health and productivity
- Providing raw material for local industry
- Providing opportunity for tourism and recreation
- Protecting wildlife habitat, soil resources, and water quality
- Providing for scientific research

St. Louis County, Minnesota, is the largest county east of the Mississippi River managing more than 850,000 acres. The area is managed from four field offices located in Pike Lake, Virginia, Cook and Ely with a central office in downtown Duluth. Approximately 55% of the forest cover in the County is in an aspen/ birch forest type with approximately 18% of the forest cover in black and white spruce and balsam, and 7% in Eastern white pine, Norway (red) pine and jack pine. Other species include Northern white cedar (5%), tamarack (6%), black ash (6%) and northern hardwoods made up of sugar maple, red maple, silver maple, basswood (3%).

Saint Louis County Land and Minerals Department was originally certified to the Sustainable Forestry Initiative (SFI) Standard in 2004 and continues with annual surveillance and re-certification audits every 5th year.

Audit Results

The audit consisted of document and record review, interviews of key employees and field site visits representing a broad spectrum of activities. The audit began with one day at the main office in Duluth where Objectives 1, 3, 5, 6, 9, 11, 12, 14, 16, 17 and Performance Measures 4.1.1, 4.1.3, 4.1.5 were audited with particular emphasis on the objective 1 due to the adoption of the county's new harvest model. The next two and a half days were spent at the South District where twenty-one field sites were visited in the Island Lake, Brimson and Floodwood units. The sites visited were representative of their more difficult harvest, road maintenance, vegetation management and planting sites. There were no substitutions or modifications of any indicators.

Objective 1-Forest Management Planning: Saint Louis County is transitioning from a 15-year-old harvest model to a new harvest model utilizing the help of a consultant who is working with parameters from the County to develop harvest levels. The new model was rolled out to staff in February 2023. The model indicates the number of acres to be harvested every 5 years broken out by zone, species and cover type/ productivity/ age class group, indicating the number of acres to be harvested in each cover type over the 5-year period. Sewell Forestry built the model, based on Woodstock. The county plans to test the model for the first 5 years and re-calculate after 5 years as needed. The model indicates timber sale levels in cords, with projected harvest levels about the same as the past. Annual sale levels will be in acres moving forward. The number of acres sold and the number of acres harvested in a year differ due to the length of timber sale contracts.

The County has a thorough GIS system and inventory was updated over several years with completion in 2018. Planting and thinning are incorporated into the plan, there is no fertilization. The County is an active participant in the Arrowhead Landscape Project to collaborate with other landowners to evaluate on a regional basis social, environmental and economic impacts of forestry across ownerships.

Objective 2-Forest Health and Productivity: Not audited

Objective 3-Protection and Maintenance of Water Resources: Employees were familiar with BMPs including those related to carrying spill kits, the timber sale contract requires use of BMPs.

Monitoring of BMPs was well done, all employees were using a standard form to record field site visits on the form that was revised in the last audit year, this was identified as a notable practice. Use MN DNR Protected waters and National Wetlands Inventory maps as base for identifying water. The County utilizes the Climate Playbook developed by the regional SIC, minimizing impacts to water quantity through implementation of MN BMPs, work with DNR on trout streams, address riparian areas in timber sales.

Objective 4-Conservation of Biological Diversity: Audited 4.13, 4.14, 4.15 only. The County supports the SFI SIC in MN and regionally in conjunction with WI and MI. Foresters do assessment of potential timber sales for native plant communities. Native Plant Communities coordinated with DNR, other entities, ties into landscape plan; Field staff review the Natural Heritage and Special Sites databases that is well documented for each sale. Old growth is evaluated periodically, observed one stand that was evaluated as not being old growth and was harvested, another stand that was evaluated as old growth and buffered when an adjacent unit was harvested. County staff are participants in the Arrowhead project, collaborative project to enhance diversity in the region at a landscape level.

Objective 5-Management of Visual Quality and Recreational Benefits: A Rating system for visual sensitivity in place evaluating areas as high, moderate and low for visual sensitivity, mapped in GIS. No green-up issues were observed on the field audit. Lands are open for recreation as they are public lands. The County coordinates with USFS and DNR regarding possible closures due to dry weather. The county leases about 700 cabins where the lessee owns the cabin and leases land from the County. Each cabin is evaluated on a standard form every three years to ensure compliance with the agreement. Many trails for snow mobiles, ATVs and bicycles go through the property. Cabin leases and trails were observed on the field audit.

Objective 6-Protection of Special Sites: Special sites are identified using MN Conservation Explore (previously natural heritage) information, maintained by DNR. Updated annually in GIS system that is thorough. If an additional site is identified while doing planning recon, the site may be added to the GIS layer. Foresters check the Special Sites layer during the planning process and document in the sale synopsis.

Objective 7-Efficient Use of Fiber Resources: Not audited

Objective 8-Recognize and Respect Indigenous People's Rights: Not audited

Objective 9-Climate Smart Forestry: St. Louis County is working to identify climate risks and to educate their staff on relative research. They are working with the MI, WI, MN SICs to identify risk and ensure their plans mesh with other organizations in the region. The County is part of the Arrowhead project to collaborate with other landowners with a County manager on the climate committee. There is a climate group within the county with a full-time employee starting in September that will rotate through county departments to identify opportunities. Part of NE Regional Landscape Committee, keeping tabs on what other agencies are doing before jump into changes related to species mix. Active forest management i.e., inventory, GIS, allows for monitoring changes in species mix to show changes over time.

Objective 10-Fire Resilience and Awareness: Not audited

Objective 11-Legal and Regulatory Compliance: The County is a public agency with a publicly stated employment policy on their website that covers all requirements. A thorough reference of laws and regulations are on the internal website with active links. MN BMPs are followed that are voluntary, with BMPs incorporated into contract language. No legal actions have been taken. Per the

DNR, they did BMP monitoring on Tax Forfeited sites in Saint Louis County, but the results are not yet available.

Objective 12-Forestry Research, Science and Technology: The County actively supports research as part of the County Mission Statement is to make lands available for research. The County supports multiple organizations as documented in the Research database: Research Coop Projects, involved in Minnesota Tree Improvement Cooperative, Natural Resources Research Institute; Cooperate with U of M, grad students do research on county lands. County staff also participate in the Arrowhead Landscape Project and the MN SIC.

Objective 13-Training and Education: Not audited

Objective 14-Community Involvement and Landowner Outreach: A robust program of public outreach is documented on the County's internal website with entries supporting community involvement and outreach. Fifth grade student outreach, tribal meetings, public meetings with adjacent landowners and concerned citizens are all well documented. The County supports the MN SIC that produces a landowner brochure that has been updated to include all required items.

Objective 15-Public Land Management Responsibilities: Not audited

Objective 16-Communications and Public Reporting: The Public Summary Report was completed in a timely manner. Last year's audit report is posted on the SFI website.

Objective 17-Management Review: A performance review is prepared for management with participation by the Area Managers, SOPs were evaluated to make sure they met requirements of the new standard and information was collected for the SFI Annual Report. Management Review was completed on August 3, 2023. The management review system is well documented, fully functioning and effective.

Findings

Previous non-conformances:

No previous nonconformities were identified.

Non-conformances:

No nonconformances were identified.

Opportunities for Improvement:

No opportunities for improvement were identified.

Notable Practices:

One notable practice was observed: Objective 3, Performance Measure 1.3 -- Excellent monitoring of BMPs by staff with every visit documented, all visits less than 2 weeks apart, most every week. All visits were documented electronically. This was identified as a notable practice.

Logo/label use:

The SFI wordmark is correctly used on the stlouiscountymn.gov website, approval for use was verified. No other use of SFI logos or wordmarks were observed. The BVC logo is not used.

SFI reporting:

Verified that the audit report from the 2022 audit is posted on the SFI website as required.

Conclusions

A closing meeting was held on August 10, 2023 at the Pike Lake office, with virtual participation by other offices. Audit results were discussed, questions asked and answered, and a date established for the 2024 audit. The St Louis County EMS program continues to be well managed and communicated to staff. In the opinion of the auditor and based on the evidence presented, Saint Louis County meets all requirements of the SFI 2022 Forest Management Standard, continued certification is recommended.

SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:									
Audit Date(s):		From: August 7, 2023				To: August 10, 2023			
Number of SF02's Raised:			Major:		0		Minor:		0
Is a follow up visit required:		Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	Date(s) of follow up visit:			
Follow-up visit remarks:									
Team Leader Recommendation:									
Corrective Action Plan(s) Accepted		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	Date:	
Proceed to/Continue Certification		Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>	Date:	Aug 10, 2023
All NCR's Closed		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	Date:	
Standard audit conducted against:									
1)	SFI 2022 Forest Management			3)					
2)				4)					
Team Leader (1):			Team Members (2,3,4...)						
Julie Stangell			2)						
			3)						
			4)						
			5)						
Scope of Supply: (scope statement must be verified and appear in the space below)									
Revised this audit: Management of approximately 858,618 acres of St. Louis County lands which are 100% state tax forfeit and/or 100% county owned fee lands under Land and Minerals control unless otherwise designated and includes activities such as planning, harvesting, transportation and silviculture on those lands.									
Accreditation's		ANSI							
Number of Certificates		1							
Proposed Date for Next Audit Event									
Date	August 19-22, 2024								
Audit Report Distribution									
Saint Louis County: Kristin Fogard -- fogardk@stlouiscountymn.gov									
Bureau Veritas: Lorisa Love – lorisa.love@bureauveritas.com									

Clause	Audit Report
Opening Meeting	<p>Participants: Julie Marinucci, Director L&M Jason Meyer, Deputy Director Kristin Fogard, Resource Management Supervisor (Duluth) Nate Anderson, Area Manager (Pike Lake) Dave Skurla, Area Manager (Virginia) Halene Wehseler, Internal Auditor (County Auditor’s Office) Dawn Sathers, Financial Analyst Stacy Melcher, Resource Group Supervisor Julie Stangell, Lead auditor</p> <p>Discussions: > Introductions > Scope of the audit > Audit schedule/plan > Nonconformance types – Major / Minor > Review of previous nonconformances - 0. > Process approach to auditing and audit sampling > Confidentiality agreement > Termination of the audit > Appeals process > Closing meeting timing</p>
Closing Meeting	<p>Participants: Julie Marinucci, Director L&M Jason Meyer, Deputy Director Kristin Fogard, Resource Management Supervisor (Duluth) Nate Anderson, Area Manager (Pike Lake) Dave Skurla, Area Manager (Virginia) Toni Lonetto, Information Specialist Supervisor (Duluth) Marc Kujawa, Internal Audit Analyst Stacy Melcher, Resource Group Supervisor Julie Stangell, Lead auditor</p> <p>Discussions: > Introductions and appreciation for selecting Bureau Veritas Certification. > Review of audit process - process approach and sampling. > Review of OFIs and System Strengths > Nonconformances - 0 > Date for next audit. > Reporting protocol and timing</p>