

Fort St. John Results Based Pilot Project
Public Advisory Group Meeting # 43
Thursday, February 23, 2012 from 5:30 to 9:30
Fort St. John Quality Inn, Northern Grand Meeting Room

A) Meeting Attendance:

Participants

Name	Interest	Phone	Email
Walter Fister	BC Timber Sales	(250) 262-3328	Walter.Fister@gov.bc.ca
Stephanie Smith	BC Timber Sales	(250) 784-1209	Stephanie.Smith@gov.bc.ca
Andrew Moore	Cameron River Logging	(250) 262-6551	andrew@taylordunnage.ca
Darrell Regimbald	Canfor	(250) 787-3651	darrell.regimbald@canfor.com
Andrew Tyrrell	Canfor	(250) 787-3665	andrew.tyrrell@canfor.com
Larry McFadden	BC Timber Sales	(250) 262-3324	Lawrence.McFadden@gov.bc.ca
Mathew Donovan	Canfor	(250) 263-8533	mathew.donovan@canfor.com
Warren Jukes	Canfor	(250) 787-3635	warren.jukes@canfor.com

PAG Interest Representatives and Alternates

Name	Interest	Phone	Email
Lyle Mortenson	Halfway River First Nation/ Prophet River First Nation	(250) 784-8001	lyle@lrm.ca
Fred Jarvis	Rural Communities	(250) 262-2913	fjarvis@districtoftaylor.com
Fred Klassen	Forestry Workers	(778) 256-0665	fklassen@petro-west.com
Stanley Gladysz	Outdoor Recreation	(250)785-2596	No email; Box 250 Charlie Lake, B.C. VOC 1H0
Carl Pouce Coupe	Doig River First Nation	(250) 827-3776	cpoucecoupe@doigriverfn.com
Budd Phillips	Non-Commercial Recreation	(250) 785-1283	budd.phillips@worksafebc.com
Dave Harris	Range	(250) 827-3503	dhharris@pris.ca
Jason Gowda	Oil and Gas	(250) 219-7143	Jason.Gowda@encana.com
Ray Ensz	FSJ Trappers	(250) 793-2825	rbensz@shaw.ca

Advisors

Name	Interest	Phone	Email
Elizabeth Hunt	F.L.N.R.O.	(250) 784-1237	Elizabeth.Hunt@gov.bc.ca
Brian Farwell	F.L.N.R.O.	(250) 787-3432	Brian.Farwell@gov.bc.ca
Patrick Smook	Oil and Gas Commission	(250) 794-5314	Patrick.Smook@BCOGC.ca

Other

Name	Interest	Phone	Email
Gail Wallin	Facilitator	(250) 305-1003	gwallin@wlake.com
Richard Kabzems	F.L.N.R.O.–guest speaker	(250) 784-1256	Richard.Kabzems@gov.bc.ca
David Menzies	Public member	(250) 787-7877	dmenzies@pris.ca

B) Meeting Summary

Agenda

1. Welcome and Introductions - Gail Wallin
2. Review of Meeting Agenda - Gail Wallin
3. Review of Meeting #42 draft summary – Gail Wallin
4. Review of Outstanding Actions – Darrell Regimbald
5. Update from Participants – all
 - Canfor, BCTS, Cameron River Logging
6. Review of PAG Terms of Reference (TOR) - Andrew Tyrrell/Stephanie Smith
7. Review of Proposed Indicator Matrix Revisions - Darrell Regimbald/Walter Fister
8. Aspen Use presentation - Richard Kabzems
9. Ideas for Summer Field Trip/mill tours-all
10. Compliance Audit update - Andrew Tyrrell
11. Review of BCTS Internal Audit results - Walter Fister
12. Review of PAG membership
13. Review of Public Participation Process Satisfaction Survey- Darrell Regimbald
14. Feedback on Meeting
 - Meeting satisfaction survey
 - Public presentations

1) Welcome and Introductions

- Roundtable introductions from PAG, participants, members, and observers completed.

2) Review of Meeting Agenda

- Agenda was accepted. No changes were made.

3) Review of Meeting # 42 draft Summary

Meeting #42 summary was accepted as circulated, by the PAG. No changes were made.

4) Review of Outstanding Actions

- **PAG Meeting #41 Action Item #1:** Provide PAG survey with an option of completing it electronically or by using a paper version.
Status – Action completed. Online survey tool developed. PAG was given option to complete public participation process satisfaction survey using online or paper versions.
- **PAG Meeting #42 Action Item #1:** Participants to revise meeting #41 summary to properly reflect Mr. Mortenson’s representation.
Status – Action Completed. Meeting #41 summary was revised to reflect that Lyle Mortenson was in attendance representing both the Prophet River and Halfway River First Nations.
- **PAG Meeting #42 Action Item #2:** Andrew Tyrrell to email a copy of the external audit presentation to Lyle Mortenson.
Status – Action Completed. A copy of the 2011 external audit results presentation was sent to Lyle Mortenson.
- **PAG Meeting #42 Action Item #3:** Participants to consider new member to fill vacant position on PAG. PAG members to submit names of potential volunteers.
Status – Action in progress. Participants have posted newspaper and online ads encouraging an indication of interest in joining the public participation process. The Participants encourage the PAG members to suggest people that should be considered for inclusion on the PAG. The Participants contacted Jim McKnight and Carl Pouce Coupe; both gentlemen have expressed a desire to join the PAG. The Participants wish to confirm Jim McKnight and Carl Pouce Couple as PAG members. Still need alternate representatives for Urban Communities, Rural Interests, Energy Sector, Environment and Non-commercial recreation.

PAG member stated that Karen Goodings would like to be considered for PAG membership as rural communities alternate representative. Participants will follow-up with Karen Goodings regarding PAG membership.

5) Update from Participants

- Andrew Tyrrell gave an update on Canfor's operations.

Highlights:

- Both sawmill and Peace Valley OSB have been running steadily;
- Commodity prices remain depressed particularly OSB;
- China has started importing OSB and continues to increase its purchase of Canfor lumber;
- Shortage of truck drivers continues;
- Still recovering from poor summer conditions. Some decking of logs is already happening in anticipation of an early spring;
- Canfor recently purchased two Tembec operations located in the Kootenays, this deal should be completed this quarter.

- Andrew Moore gave an update on Cameron River Logging's operations.

Highlights:

- Survey stake and slats sales are strong;
- Still progressing with pine utility poles. Have shipped 45 railcar loads of spruce poles to coast.

- Walter Fister gave an update on BC Timber Sales' operations.

Highlights:

- Starting to see sales improving;
- BCTS sales are at the lowest possible prices;
- Every sale advertised has sold since October. Eleven out twelve TSLs have been active;
- Forest Technicians have been busy with the number of sales;
- No deciduous sold. All interest in the conifer side;
- Have started doing our own layout/cruising this year;
- One of our internally developed blocks was sold and logging almost completed;
- Most of our development has been in the Wonowon area;

- We had some trapper issues which delayed the start of some harvesting this past season;
- We are losing our Engineering Technician and this position will not be replaced. Any future hiring will be limited.

6) **Review of PAG Terms of Reference (TOR) – Andrew Tyrrell**

The purpose of the TOR is to provide details on how the PAG is to function as a group. It is a requirement of the CSA standard to have a PAG, guided by a TOR. Revisions to the TOR proposed by the Participants and discussed with the PAG include:

- References to the old standard were changed to the new Canadian Standards Association Z809-08;
- Roles and Responsibilities were updated with references to the revised names of government ministries and organizations.
- Also included Peace Valley OSB as a pilot project participant.

There were no changes to the TOR suggested by the PAG.

The PAG endorsed the TOR revisions suggested by the participants.

Decision - The revised Terms of Reference was accepted by the PAG members in attendance and will be marked as “approved” as of February 23rd, 2012.

7) **Review of Proposed Indicator Matrix Revisions – Darrell Regimbald**

Background: During the 2011 external audit, KPMG suggested that CSA core indicators 2.2.1 – ‘Additions and deletions to the forest area’ and 5.2.3 ‘Level of direct and indirect employment’ were not adequately addressed by the suite of indicators in the SFMP including indicators 24, 31, 40, 48, 50, 54, and 55. The participants discussed the following proposed revisions to the SFMP with the PAG, to bring the SFMP in conformance with the CSA core indicator requirements.

NEW INDICATORS FOR REVIEW

a) **CSA Core Indicator 2.2.1 – Additions and deletions to the forest area**

SFMP proposed Indicator # 66 Deletions to Forest Area was discussed with the PAG.

The Participants proposed the following Indicator target statement: ***Less than 1% of***

the gross crown forest landbase in the DFA converted to non-forest land use

through forest management activities of the participants during the term of SFMP# 2.

-After some discussion between the Participants and the PAG, feedback from the PAG members was summarized by the PAG asking the Participants if the 1% figure in the target statement could be reduced to a smaller number closer to the expected level of deletions, while also including a variance to the target to account for situations of unforeseen catastrophic event(s).

-PAG members expressed they are comfortable with the proposed indicator and would like the Participants to continue to focus on minimizing new road construction. Participants indicated that they intend to continue to collaborate on road development plans with other users and coordinate road construction where practicable with other resource users and report out on these activities as per existing SFMP Indicator # 40.

Action Item #1: PAG members indicated that they support the inclusion of this new indicator but recommended that the Participants investigate if the percentage target could be reduced somewhat. The Participants agreed to review the target level and present their decision at next PAG meeting.

b) CSA Core Indicator 5.2.3 - Direct and Indirect Employment

The Participants proposed and discussed with the PAG revisions to existing indicator #55 to address the CSA core indicator 5.2.3. The Participants proposed the following indicator target statement: ***Report the current level of direct and indirect employment expressed as a factor of harvest level times employment multiplier.*** The Participants propose to report on an annual basis, identifying the amount of harvest completed multiplied by the employment multiplier or coefficient, that is generated by the Timber Supply Review analysis.

The next TSR for the FSJ TSA is scheduled by the MFLNRO to be completed in 2013; therefore Participants will use the 2002 TSR employment multiplier until a new one has been determined.

Decision - The PAG members indicated that they accepted the proposed revisions to existing indicator #55.

c) Indicator 6.55 - Value and total number of tendered contracts versus total contracts

By proposing the revisions to indicator # 55 the Participants were also proposing the deletion of pre-existing indicator #55 Value and total number of tendered contracts versus total contracts. The Participants discussed their rationale for deleting the indicator entirely from the SFMP:

1) Participants feel it has less intrinsic value than the existing indicator #54 and 2) the addition of the previous indicator: ***Direct/indirect Employment***, which more effectively addresses the core indicator requirement.

Question from PAG member: Does that mean the Participants will be tendering all their work?

Answer: No, we will not be changing how we contract out work.

Question from PAG member: Are you currently meeting this indicator?

Answer: We did this past year, but previous year did not.

Comment by a PAG member: May be a good indicator to keep because it was put in as a goal for sustainable employment.

Decision - PAG members indicated that they accepted the removal of this indicator from the SFMP.

INDICATOR TARGET TO REVISE

d) Existing Indicator 6.54 – Dollars Spent Locally on Each Woodlands Phase.

Target statement: *Woodlands Phases to be monitored:*
 Logging/hauling: minimum of 80%;
 Road construction and maintenance: minimum of
 80%
 Silviculture: minimum of 8%
 Planning and administration: minimum of 50%

Participants proposed reducing the silviculture minimum local spend target from 8% to 5%.

Participants rationale for the proposed revision was discussed with the PAG:

- Level of spending achieved in each of last 2 years was 6.5%;

- There are less local contractors available now compared to 3 years ago;
- Local contractors specialize in smaller projects like surveys;
- Larger scale projects – planting, aerial herbicide application – no local contractors offer these services – the majority of silviculture dollars are spent on these large scale projects;
- Sector consolidation – less small contractors available locally, this pattern seen in many industries and expected to continue;

Question from PAG member: Was consideration given to combining all four targets and having one target number?

Answer: No we had not.

Question from PAG member : Has anything been done to address this issue?

Answer: Yes, Participants described the attempt to initiate a program with Blueberry to train some band members to gain expertise to complete silviculture surveys, with goal of developing silviculture survey contracting capacity within the Blueberry. However the project failed due to lack of interest from Blueberry members.

Decision - PAG members accept the proposal to revise the silviculture local spend target from 8% to 5%.

*****BREAK*****

8) Aspen Use Presentation – Richard Kabzems

Presentation focused on the history of aspen utilization in western Canada. Also discussed current use of aspen fibre and practices used in aspen stand management to manage for biodiversity.

9) Ideas for Summer Field Trip – Andrew Tyrrell

Participants proposed a summer field trip and asked the PAG for suggested topics to focus upon. In past field trips there has been an emphasis on silviculture activities. Participants are open to ideas for a field trip this summer including a mill tour, if desired by the PAG. Some suggested topics for consideration included:

- examples of woody debris piles and erosion bars;
- Doig River Agro-forestry plantation;

- Harvesting in proximity to Recreation site/trails;
- Bird/wildlife habitat management practices

The majority of members attending Meeting #43 indicated interest in attending a field trip.

PAG members were asked to send suggestions for field trip discussion topics to the Participants.

10) Compliance Audit Update – Andrew Tyrrell

Explained the purpose of this audit, is to monitor the Participants compliance to the FSJ Pilot Regulation. This was an external audit. It is available on the FSJ Pilot Project website.

Overall level of compliance

Overall, activities carried out by the pilot project participants exhibited a high level of compliance. One non-compliance was identified during the assessment (previously discussed in PAG mtg 42). This was on a BCTS Timber Sale (A80055 Block 01072) where debris was left in one stream and was partially occluding another. Also, the inclined roads approaching both of these streams were heavily rutted (likely by Donaren mounder) and were insufficiently cross-ditched to manage the water and sediment flow from entering the streams.

Opportunities for Improvement

Two opportunities for improvement were identified:

- i) Forest practices were found overall to be consistent with the prescriptions specified in Site Level Plans however, during the field inspection it was noted that some summer harvesting occurred despite the Site Level Plans prescribing winter harvesting. This refers to Canfor block 09007 and 09035.
- ii) Copies of past FSJPPR independent compliance audit reports are available for public review at BCTS and Canfor offices however they are not made more widely and readily available to the public via posting on the FSJPP website.

11) Review of BCTS Internal Audit - Walter Fister

Completed in November 2011. Auditors reviewed several blocks in the field.

Good Management Practices:

- i) They found the Manual Brushing project was done well. Auditors liked that the contractor had left some brush and did not cut all brush or deciduous tree species.
- ii) BCTS have been following the seed transfer guidelines.
- iii) Achievement of Well Growing and Regeneration Delay milestones.
- iii) Forest Technicians have provided good EMS binders for licensees.

Audit Findings:

- i) One minor non-conformance found in 2011. Auditors did not feel BCTS were filling incident forms with regard some poor planting. BCTS chose not to address this finding with an action, feeling that this was a contractual issue and not an incident.
- ii) One non-conformance from 2010 remained open. This was based on current documents and reports not being available on the BCTS websites for the public.

12) Review of PAG Membership

Discussed with the PAG that the Participants would like to identify alternate representatives for the following interests:

- i) Urban
- ii) Environment
- iii) Rural
- iv) Energy
- v) Non-commercial Recreation

Karen Goodings was suggested as rural alternate representative.

No other suggestions were submitted by the PAG. The Participants will continue to pursue more suggestions.

13) Review of 2011 Public Participation Process Satisfaction Survey – Darrell Regimbald

To date of the meeting, six surveys had been received. A seventh one was received at the meeting. It was proposed that Participants will summarize the results for presentation to the PAG via email. The deadline for completion of the survey was extended to the week

of March 2nd. The PAG was given the option to submit the survey via paper copy or electronic version. The digital survey monkey link was re-sent to those members who requested the option to complete an online survey.

Action Item #2: Participants will resend the Survey Monkey link to the PAG and send a summary of the survey results to the PAG by email.

14) Feedback on Meeting #43

Suggested topics for consideration for future meetings:

- i) Auditor-General's Review on *Ministry of Forests* and how it relates to the Pilot Project.
 - ii) Invite Mark Phinney, RPBio, to give a presentation on wildlife in area.
- PAG member appreciated Richard Kabzems presentation. It was interesting and informative. Also appreciate that the Participants have incorporated suggestions made by PAG members.

Meeting Adjourned at 8:45 pm

Handouts from Meeting #43

1. FSJ Results Based Pilot Project Public Advisory Group Meeting #42 Summary and actions.
2. Meeting Surveys were provided. PAG members asked to complete prior to leaving meeting.

Summary of Actions from Meeting #43

PAG Meeting #42 Action Item #3:

Participants to consider new members to fill vacant positions on PAG.

Participants to follow-up with Karen Goodings re: PAG membership.

PAG Meeting #43 Action Item #1:

PAG members indicated that they would support the inclusion of this new indicator but like the percentage target reduced. Participants will review this target and report their decision at the next PAG meeting.

PAG Meeting #43 Action Item #2:

Participants will resend the Survey Monkey link to the PAG and send a summary of the survey results to the PAG by email.