

## *Minutes*

### **CSA Community Advisory Group To Western Forest Products November 13, 2013 Western Forest Products Boardroom**

Attendance: refer to attached sheet

6:00 pm: Meeting called to order  
Quorum met.

#### **Safety Review**

Facilitator noted fire exits and first aid attendants in case of emergency. Meeting place in case of emergency was noted.

#### **Code of Conduct**

Code of Conduct for Community Advisory Group was reviewed.

#### **Welcome and Introductions**

Chair welcomed members and introduced guests.

#### **Review and Acceptance of Agenda**

Agenda was accepted.

#### **Correspondence**

Copies of recent correspondence was provided and reviewed

- Letter to PRPAWS
- Emails to FNs
- Email re: UL827 from Eagle Walz to S. Glenn
- Big package of correspondence from Eagle Walz

*Comment: The email included two letters. One of which was a letter dated September 23, 2012 to which Eagle Walz made mention that the CAG had not responded. The CAG did not answer because the letter was never received by any member by mail or electronically. The chair sent a letter to point this out to Eagle and request that he inform the other recipients of the email package. The other letter written by Eagle Walz to the CAG chair following his attendance of the October CAG meeting requires a response.*

Group discussed items that required response.

*Question: Please explain what a 'recreation net down' is. The letter says that this area has a smaller amount of recreation area than some other areas.*

Stuart said that the Management Plan removes the area of the land base that isn't be harvested. There are a number of reasons that areas aren't harvested and there is an order by which each of these areas are removed. You start with the total land base and then you have a 'net down' for various items to come down to the final timber harvesting land base. Things like fish streams, steep terrain, ungulate winter range areas (UWR), OGMAs, and recreation sites are removed. Many of these areas overlap. You

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cannot 'net down' an area twice so you have a business rule regarding the order of removal. For example riparian areas are removed first, then UWR's, then OGMA's, the WHA's etc. If an OGMA is inside a riparian area it is not netted down again. The recreation net down is 2/3 of the way down the list so the recreation hectares are only those that down overlap a previous netdown. For Block 1, only about 40% of the forested land base remains available for harvest.

*Comment: What this means to us is that when Stuart moves the Sunshine Coast Trail (SCT) into OGMA's, riparian areas or other protected areas it doesn't count as recreation any more. The more protected it is, the fewer hectares actually show up as recreation.*

Stuart said that there are no recreation hectares associated with the SCT because although the trail is legally established, the government has been clear that there are no set buffers. There is no actual 'net down' for the trail itself.

*Comment: You could create a subcategory in each of the net down categories to show how much of these areas are actually also recreational. Otherwise, one could get the wrong impression about the amount of recreation land set aside in this block.*

Stuart said that yes, you could go to any level on a GIS exercise.

Makenzie said that if someone was interested in knowing what the recreational area is it is a GIS exercise, but for the purpose of the Management Plan and the actual process that is required of the timber supply analysis there is a protocol of how things are done.

Stuart said that focusing on recreation hectares is also misleading because less than 1% of the area that the company actually operates in gets harvested each year. Recreation occurs through-out Block 1 and is not restricted in any way.

*Comment: Eagle appears to be pointing out that the SCT is becoming better known and well established with their brochure and website, yet your business is more fluid needing to move around based on where the good harvesting is. He appears to want certainty. There is evidence of a working relationship all of this time. Is there enough in place to ensure the certainty he feels they require?*

Stuart said that after Eagle was at the last meeting sharing his thoughts, he thought it would be worthwhile to run through a description of actions taken on all of the blocks that he and Eagle have worked on together over the last number of years. He said that he has gone over each of these blocks with the group as they have come up, but felt it would be interesting to review all of them quickly this evening to provide a clear picture of management along the trail.

*Comment: Eagle wants to see a linear park with a wide buffer that is not realistic for a number of reasons. One reason being where they chose to locate the trail. I wish that when they first lay the trail out that they had some people with forestry backgrounds involved. When you lay out your trail along an old road you shouldn't be surprised if that road gets cleaned up when it needs to be used again. Another reason is when the trail goes over a windswept pass all of the trees left in the buffer zone will be blown over. It is a conundrum. It requires accommodation and compromise. If one side digs in their heels it will make it really difficult to coexist.*

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*Comment: I don't believe that extrapolating trail usage from number of hits on a website is a very accurate method of determination. The ATV club also has a website that gets many hits which definitely do not translate into trail usage. People just click through websites and look at all kinds of things when they are bored.*

*Comment: It is the same with bed and breakfasts. The number of hits on our website has no relationship to stays. We might get 2 stays per year from 500 hits.*

Makenzie noted that there is also presuming that all of those using the trail don't like harvesting.

*Comment: This group supports a working forest, so a pristine forest within the TFL is not on the table.*

*Comment: Tourism Powell River recognizes that we do not have an accurate figure. They do know that tourism is down, but that people with kayaks and bikes are up.*

In discussing the management of the trail, Stuart explained why they have gone with site specific management. Site specific decisions help to achieve the best result at each site. He said the group would see when he goes through the maps that they have left timber behind in strategic spots and trail relocations have occurred where it made sense. Stuart said that he has been quite happy with what they have accomplished with the site specific method because it is very hard to broad brush something to that level of detail. The block they are laying out right now is a perfect example of site specific planning because there is a section where it will be clever to leave a few trees for windthrow on a gully and it would make sense to move the trail taking advantage of the trees that will be left. Both items can be managed with this plan.

The group agrees to reiterate how the trail is managed, what the group supports, the management agreement from the government that WFP adheres to, that the group likes the trail being moved into protected areas and that the group supports sustainable forestry. The group will be adding a new target regarding the Sunshine Coast Trail and the management principles.

*Comment: We support a balance between the forest industry and the many other uses of the forests.*

**ACTION:** Chair to respond to Eagle Walz letter.

### **Review and Acceptance of Minutes**

Minutes reviewed and accepted.

### **Operational Information Map Review**

#### **Current Activities**

**Harvesting** – PD-168, PD-302, PD-421 (inactive for the winter), PD-460, ST-296, ST-327, ST-329, UL-814, UL-827, UL-838,

**Road Construction** – BT-664 (may start late in the month), GI-119, GI-131, GL-021, LL-012, TM-256, TM-258, TM-260, UL-816, UL-817

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**Engineering** – BT-915, GI-062, GI-061, GI-064, GI-130, LL-038, LL-037, ST-070, ST-103, ST-128, ST-820, ST-283, ST-820, TM-254

### **What's New on the Map**

**New Blocks** – BT-673, LL-037, TM-261

**New Roads** – LL-037, TM-261

**Cutting Permit Approved Areas** – None

There are no new blocks or roads planned along the Sunshine Coast Trail.

**Logging Complete** – PD-167, PD-197, PD-198, PD-199, PD-290, PD-319, UL-890

**Road Construction Complete** – GL-021 (for the winter), UL-820 (for the winter)

**Engineered Blocks** – None

**Engineered Roads** – None

### **Makenzie Leine, Manager Communications, WFP – The Columbia Experience**

Makenzie Leine outlined her one year experience on a Forest Resource Development project in Bahia Solano (Huaca) Colombia.

### **Cut Control and its Implications**

The Chair was at a meeting in Port Alberni where the legal aspects of cut control and the implications were explained and discussed. Stuart felt that it would be good to talk about it at our meeting as well.

Makenzie said that cut control was designed to reduce the fluctuations in harvest that could impact the community, both under harvesting and over harvesting. It was meant to level it out to a certain degree and there is a certain amount of flexibility within the cut control period of five years. There is an opportunity to react to markets during that five year period. What they have been finding is that it is forcing the company to do some things that are not necessarily the best business decisions in order to meet their cut control requirements. One of the reasons that it is happening is because a lot of market cycles are not five years. They might be 7 or 10 before they cycle back and one of the consequences of not harvesting the full cut control during the five year cut control period is that the unharvested AAC that has accumulated can be allocated to other operators. The idea with this rule was that if the original company wasn't going to cut the trees the government would find somebody who will. The unfortunate thing about the way it worked in the last market down turn is nobody was cutting during the down turn because nobody could afford to operate at a loss and a lot of the potential beneficiaries of that unused cut were acting the same as WFP during the down turn. In fact, in Port Alberni one of the operators who could have potentially had access to WFP's unharvested volume shut their mill down for two years during the down turn. WFP was being punished and then when the markets came back that volume was going to be offered to their competitors during the up cycle and those competitors had been behaving exactly the same as WFP during the down turn. As a result WFP is ramping up to ensure that their AAC does not get allocated to somebody else. They are protecting their harvest which is their fiber supply for

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their mills. Also, there are challenges to having a whole bunch of different users on the land base. When the cut is allocated to someone else they always want the best stuff, so it puts undo pressure on the land base. WFP is trying to spread across the profile and not just harvest out all of the good stuff. It also creates some conflicts and safety issues with having all of the different operators there.

*Question: Are you talking about forest licenses as opposed to Tree Farm Licenses?*

Makenzie asked Stuart to explain the license form that the cut control allocation goes to. It ends up being a forestry license to cut.

Stuart said other operators can operate inside the TFL under other licenses.

*Question: The TFL is area based?*

They can take volume out. They can issue licenses within the TFL to other operators. An example would be when Sechelt logged that 18,000 cubic metres by Freda. It was a forestry license to cut issued inside the TFL.

Makenzie said that while the intent of cut control was to keep a more steady flow, operators tend to ramp up to try and be sure that they get their whole cut within the cut control period as opposed to making a business decision of harvesting based on the market. Some of their thoughts and suggestions were that the cut control period could be more reflective of global market cycles so that WFP for example has the opportunity to recover from the bad market and then continue harvesting. It doesn't mean necessarily that operations are going to stop completely during a down turn. It would be better because you wouldn't have a company forced to operate at a loss and potentially causing themselves a business risk for the sake of volume.

Stuart said this also pushes prices down if you are forcing wood into a down market.

Stuart said that Port Alberni basically doubled their cut this year to make up for the lost volume. He said it would make a lot more sense to not force that extra million through on the last year of cut control and to use that million a year or two down the road when it is needed. Otherwise it makes a huge spike in demand for the people.

Makenzie said this legislation does not level the business behaviour any more the way it is set up.

*Question: Don't you have to log within 15% of the AAC per year.*

Makenzie said that it is over the 5 year period and that it is 10%.

Stuart said that it is 50% by year and 10% over 5 years.

*Question: The law appears to be designed to deal with incompetent companies when the problem is the market and not the companies. Is there any chance that the law will be changed?*

Makenzie said that she did not know. The law was designed at a time when it was less about over cutting and more about under cutting. Now they are in a different world with different markets and

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challenges and the regulation is not reflecting that. The idea of allocating that cut to another operator poses some pretty serious challenges to a company like WFP.

*Question: How would you regulate not going over what is sustainable if this law was not in place?*

You would still be regulated by your AAC, but maybe the cut control period would be 7 or 10 years or maybe if you don't harvest your cut there would be a more flexible minimum threshold and instead of allocating it to another operator it could be put back into inventory where it would go back into the growing land base. Under this policy companies are given a real incentive to protect their cut. There is a mechanism in the law for the government to allow the unharvested cut to go back into inventory and there was a time when the deputy minister said if the reason you are not harvesting is because of economics he would look at putting the volume back in inventory rather than giving it to a competitor when markets are finally good again. Unfortunately it was not policy, it was just written into some letters and agreements and a new deputy minister could have a different idea. More emphasis should be put on why the decision was to not cut. If it was for good business reasons it should be recognized.

*Comment: The problem here is that volume not harvested in other blocks of the TFL is being harvested here in Block 1 because it is such good wood. Because of this, this area is being over cut. You are causing problems with peoples' jobs because you are going to have to cut back after a while. Does the Ministry think this is okay?*

Makenzie said yes based on how they have broken up the blocks and harvesting units.

*Question: How does it work in this TFL in terms of AAC levels? Is it by block or by the TFL?*

Stuart said that it is by the whole TFL. Campbell River had an undercut and part of it was picked up as a cut here in Block 1 so that they did not lose that volume because the AAC is measured at the TFL level.

*Question: That's the problem. You are going after fir and cedar in areas that are easier to get your wood from than Phillips Arm or Campbell River. Maybe you should give up Phillips if you can't log it. You have the AAC for Phillips, but you are not utilizing it so you have to get your volume somewhere.*

Makenzie said there are probably a lot of areas that nobody could make a go of it. One of the problems is that if we can't log in Phillips because it is economically unviable and you generate an undercut because of this when the government allocates the undercut they need to allocate it in Phillips because that was where it was generated.

Makenzie said that if you want the company to be in a community they have to be allowed to be economically viable and their best shot at being viable is to be allowed to be flexible. Although the direct community economics are going to fluctuate over time, the company's ability to fluctuate and move is positive for the long term sustainability of the company and their existence here. Even though it may not be a direct exchange in Powell River, if WFP can stay viable by harvesting somewhere else for a certain amount of time and then here for a certain amount of time their ability to be around for the long term is better.

## **Indicator Changes and Additions**

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### **Indicator 2.2.2: Proportion of Long-Term Sustainable Harvest Level**

Indicator was changed the target to a ten year average that does not exceed 10% over the AAC from a five year rolling average that does not exceed 25% over the AAC.

Member expressed concern that Block 1 would continue to be over cut and that having the AAC over the whole AAC allows this to happen.

The intent of this indicator is to keep Block 1 within 110% over ten years. 10% over matches the legal cut control limit for TFL39. A ten year period better matches actual market fluctuations.

*Question: If you were a million metres short at the end of the next 8 years would you say to head office we can only take a maximum of 10,000 because that is what we agreed to?*

Stuart said that the indicators in the SFM Plan are communicated and for example the current harvest level indicator has been communicated to the necessary people.

*Question: But do they have to stick to it? If we put this indicator out that says that you can only go 10% over during a ten year period on Block 1 and the company wants to go over can we stop them?*

No. Certification is voluntary. The company can make whatever decisions they want to make, but they would be not complying with CSA.

*Comment: Then it would be up to CSA to lift certification.*

Stuart said that could be the case if the company was just ignoring things. Indicators are used to guide what they do.

*Comment: If things went really haywire and the company decided to take the heart out of Stillwater this group would talk to the auditor about their concerns.*

*Question: Is head office aware of this indicator?*

This indicator has been discussed with the necessary people so far.

*Question: Have you been given your AAC yet?*

No. We don't know the numbers going forward. The AAC of 474,500 listed on the table from 2014-2023 is the proposed AAC and may end up being a different number. It is 408,019 right now.

*Comment: So, you are already increasing the AAC by 20%.*

The current AAC is set below the long term sustainable harvest level.

*Question: How come they lowered it?*

My understanding is that the block is second growth and the strategy has always been to let the forest grow here while harvesting the old-growth in other areas first.

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*Question: Could it be that you are now reducing the age class for harvest so that you can log more? Are you cutting more acreage to accumulate your volume because your timber is smaller?*

I do believe we will see our harvest age come down through time. We are harvesting trees right now that are 100 or 80 years old, but we could harvest sooner than that. At this time the forest profile has those older age classes in it.

*Comment: You will be reducing your average volume per year if you are not at your maximum MAI. That is where your fibre produced at the maximum amount you can do. I can see dropping it down for economic reasons.*

Stuart said that yes, his understanding is also that harvesting below the maximum MAI does affect the total harvest volume.

*Comment: MAI is at 120 years and we are cutting at 60, 70, or 80 years.*

*Comment: That is what IT is doing and then they say they want to extract carbon quicker so you know they are going to go after even younger wood.*

*Comment: My concern about this drop in the age class for market value is that you destroy the diversity of the forest.*

*Comment: But you are logging the valley bottom and if you take all of the wood of that age class you basically destroy the habitat for wildlife. Wildlife needs shelter for the winter and they don't go into an immature forest under 60 years old for the winter.*

The discussion then turned to deer winter ranges which Stuart explained.

*Comment: But you don't. You have one that I am aware of near Beaver Lake.*

Stuart said they have thirteen deer winter ranges that they manage for on an older age class.

*Comment: How long would it be until they would be logged?*

Stuart said that you have to meet three tests for harvesting and managing in a deer winter range. You can only have 20% of the productive forest area under 20 years of age, you have to have a minimum of 20% of the productive forest at least 80 years in age, and at least one patch of at least 20 hectares must be at least 80 years old.

*Comment: Who is setting the winter range?*

Stuart said that the Ministry of Environment sets them in cooperation with WFP.

*Comment: So, it would be a biologist?*

Yes.

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*Comment: How long ago was this done?*

Approximately 15 years ago at the same time that the goat winter ranges were established.

*Comment: The deer population has crashed in this area.*

Stuart asks if it is lack of winter range or is it an over population of cougars or something else? For sure there are deer winter ranges established through-out the DFA. They are big areas of south facing hill sides. They are legally in effect through the Forest Stewardship Plan. On hillside above Conchie Main for example is a deer winter range. When we harvested ST-148, the block was limited by the deer winter range.

*Comment: It would be great if we could have a future meeting regarding all of the winter ranges.*

**ACTION:** Have Steve Gordon or Stuart speak on Deer Winter Ranges at a future meeting.

Group approved the change.

### **Indicator 2.2.3: Amount of area treated with herbicides**

Indicator was updated to a five year rolling average target in place of an annual target. This better reflects the variability in brushing that occurs over time based on harvest history.

Group decided that  $\leq 40\%$  variance should be changed to  $+5\%$  and then approved the change.

### **Indicator 3.1.2: Level of downed woody debris**

Stuart just added the comment that the data is tracked on a spreadsheet.

Group approved.

### **Indicator 6.2.1: Evidence of understanding and use of Aboriginal knowledge through the engagement of willing Aboriginal communities, using a process that identifies and manages culturally important resources and values.**

Stuart just changed the table heading to say that the TUS's were completed with Sliammon and the PFR's were completed with Sechelt.

Group approved.

### **Indicator 5.2.5: The % of reviews of field walks completed where harvesting is planned consistent with the approved Management Principles along the Sunshine Coast Trail.**

Stuart added a second target to this indicator that says harvesting along the SCT is consistent with the approved Management Principles and he updated the table that lists all of the walks since the start of the Plan.

*Comment: It would be good to add 'walked and reviewed'.*

Stuart agreed.

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Group approved.

### **Indicator 6.4.3: Capacity development and participation for Aboriginal communities.**

Michel, the auditor, suggested to Stuart that there were some different items that he could add to his list because the indicator is referring to promoting capacity development with First Nations. He added one item for an example and will be adding some other items.

Group approved.

### **Indicator 5.1.1 Quantity and Quality of Timber and Non-Timber Benefits and Indicator 5.2.1 Level of Investment in Initiatives – Community Sustainability**

The idea behind these two new indicators is to include something in the indicators that shows how much money WFP puts into the local economy. This is not simple and will need more research.

The group had a number of suggestions that could be included in this indicator and agreed with the idea. The chair suggested that the discussion about these indicators could continue during the next meeting.

Stuart distributed the document called Management Principles for the Sunshine Coast Trail Crown Land Portions created by the Ministry of Forests, Lands, and Natural Resource Operations and signed by Frank Ullmann who is the Recreation Officer and Paul Tataryn who is the Regional Manager on December 8, 2009. This document outlines the requirements for managing the portions of the Sunshine Coast Trail on Crown Land.

*Comment: Was this put together when the SCT people applied for official recognition of the trail?*

Yes. What Frank and Paul wanted to do when they established the trail was to make it clear what government's expectations were for the trail so that misunderstandings were avoided.

*Comment: The second target on Indicator 5.2.5 references this document.*

*Comment: It is interesting that the second point says "It is recognized that the SCT is within the productive working forest and is part of the timber harvesting land base (THLB)" and that "Buffers are not generally required".*

*Comment: After reading this I don't understand where the misunderstanding comes from.*

Stuart went through many slides showing each of the blocks Western has managed along the SCT since 2004. In most cases, the SCT was managed for by adjusting the way the harvesting happened in the area or by moving the trail into a new location where it can exist without disruption through the foreseeable future into areas such as OGMAs, riparian areas or along the edges of lakes. At times, WFP has windfirmed near the trail to minimize blow down. Stuart feels that it is best to address management of the trail on a block by block basis as it is hard to know the site detail far into the future. When areas are being looked at though, we do try to look ahead and have the trail set up so that it makes sense for adjacent blocks or future passes.

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*Comment: Would you be able to calculate what it has cost WFP to windfirm and the value of the timber that has been left behind for the benefit of the SCT?*

Stuart said that this could be calculated but he hasn't done this to date. In the site specific decisions they do try to do things like moving the trail into a riparian area and then windfirm the leave strip which benefits both the trail and the riparian area.

*Comment: I remember when the trail was built. It was built by utilizing roads to build the trail. It was a quick and easy way to build a trail.*

Comment: It is really labour intensive to build trails. We have been building a new authorized trail along Blackwater Creek Trail and we are up to about 400 hours and it is only a 600 metre trail. The SCT people are probably exhausted from all of their work on the trail.

Stuart said that he totally appreciates the amount of work it is. Another factor is the amount of windthrow along the trail when leaving strips of trees. The average windthrow for the TFL is 16% along recent edges. If you have 100 trees, which is not very many, then 16 of the trees will blow down on average. That's a lot of bucking out to do.

*Comment: and dangerous too.*

*Comment: It does stabilize after a couple of years.*

*Comment: I think it is important that WFP and the CAG do whatever they can to make information available to the public.*

Stuart plans to go to the next Tourism Board meeting.

### Action List Items

#### Action Items

<i>Ongoing</i>	<i>Who</i>	<i>Meeting</i>	<i>When</i>
Chair to respond to Eagle Walz letter	Jane Cameron		Nov 13
Invite Steve Gordon to future meeting to speak about Wildlife Winter Ranges	Stuart Glen		Nov 13

**Adjourned 9:15 pm**

#### Stillwater CSA Community Advisory Group Western Forest Products November 13<sup>th</sup> Attendance

Name	Position	Member Seat
PRESENT		
<b>Jane Cameron – Chair</b>	Primary	Member at large

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<b>Ken Jackson</b>	Primary	Recreation
<b>Bill Maitland</b>	Primary	Local Business
<b>Laura van Diemen</b>	Alternate	Employment & Education
<b>Paul Goodwin</b>	Alternate	Forest Dependent
<b>Wayne Brewer</b>	Alternate	Tourism
<b>Colin Palmer</b>	Primary	Local Governments
<b>Mark Hassett</b>	Alternate	Contractor
<b>Andy Payne</b>	Primary	Employment & Education
<b>Dave Hodgins</b>	Alternate	Recreation
<b>Nancy Hollmann</b>	Primary	Tourism
<b>Barry Miller</b>	Primary	Environment
<b>Doug Fuller</b>	Primary	DFA Worker
<b>10 Seats represented</b>		
<b>ABSENT MEMBERS</b>		
<b>Russ Parsons</b>	Alternate	DFA Worker
<b>George Illes</b>	Alternate	Environment
<b>Cathy Bartfai</b>	Alternate	Member at large
<b>Read English</b>	Alternate	Local Business
<b>Rory Maitland</b>	Primary	Contractor
<b>Rob Stewart</b>	Primary	Forest Dependent
<b>Debbie Dee</b>	Alternate	Local Governments
<b>PRESENT</b>		
<b>Resource – others</b>		
<b>Stuart Glen</b>	WFP	
<b>Valerie Thompson</b>	Facilitator/Secretary	
<b>Makenzie Leine</b>	WFP	