

CSA Community Advisory Group
To Western Forest Products
September 18, 2017
Western Forest Products Boardroom

Attendance

Present

Jane Cameron - Chair

Dave Hodgins

Barry Miller

Read English

George Illes

Colin Palmer

Bill Maitland

Paul Goodwin

Mark Hassett

Mark Anderson

Karen Skadsheim

Rory Maitland

Joseph McLean

Tom Koleszar

Ken Mackenzie - WFP

Darwyn Koch - WFP

Val Thompson – Facilitator/Secretary

6:00 pm: Meeting called to order

Quorum met.

Absent

Ben Berukoff

Russ Parsons

Doug Fuller

Wayne Brewer

Andy Payne

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.

Review and Acceptance of Agenda

Agenda was accepted.

Review and Acceptance of Minutes

Minutes were reviewed and accepted by email and posted during the summer.

Welcome and Introductions

Chair welcomed group.

Correspondence

Copies of recent correspondence was provided and reviewed
Emails to First Nations

Operational Information Map Update

Current Activities

Harvesting – PD-464, PD-530, ST-286, WL-012, GI-135, GI-136, GI-206, ST-067, GI-134, GI-142, EL-702, ST-028, ST-388, WL-948

Road Construction – ST-055, ST-095, ST-096, GI-142, GI-141, UL-848, PD-287, PD-528

Engineering – EL-671, EL-681, EL-358, EL-679, EL-360, EL-684, ST-824,

What's New on the Map

New Blocks – ST-074, ST-354, EL-361, ST-348, ST-386, TM-226, GI-012, GI-138, GI-209, GI-226, GI-071, GL-028, GL-030, GL-655, ST-291, ST-355

New Roads – N/A

Cutting Permit Approved Areas – N/A

Logging Complete – UL-830, UL-844, WL-346, ST-040, TM-261, LL-040, ST-284, ST-281, GI-070, GI-080,

Road Construction Complete – PD-212, CH-030, CH-032, ST-132, ST-333, PD-466, ST-286,

Engineered Blocks and Roads – UL-842, ST-069, WL-024, ST-391, UL-831, UL-861, ST-085, ST-041, TM-113, TM-274, TM-303, TM-304, WL-953, WL-974, EL-361, TM-226

CAG Field Trip

The group visited the dryland sort, the to ST132 where they saw new road construction, the Conchie Trail and a good example of a low-moderate value stand. They looked at the resurfacing project at Goat Main. They looked at the Sunshine Coast Trail reroute at ST249. They visited the portage upgrades on the Powell Forest Canoe Route and back down to ST112 to see an example of a high value stand.

A number of photos were presented of this field trip.

Forestry Tour

70 members of the public attended. They looked at views across to ST079 & 080. Then proceeded on to active harvesting at ST286 where cutblock planning was discussed. During lunch at Freda Lake there was a presentation on logging history and a member of the CAG spoke. The group walked to Freda Creek bridge where bridge construction and fish window timing was discussed followed by information on growing the next generation of trees at ST283. The buses returned to ST079 and 080 where a presentations on retention, windfirming and managing for fires took place.

Sunshine Coast Trail

ST-333 road construction: Completed.

ST-249 Block Harvesting: Starts this week. Trail re-route is built.

FH-044 Block Harvesting: Scheduled for October 2017.

Fires/Slides/Spills (YTD):

No new fires. Pile burning has been suspended till the fall.

Spill of 20 litres of engine oil at 13.5 mile on Stillwater occurring the day of the CAG tour – September 15th, 2017. Contractor cleaned up the spill immediately and reported it to WFP in a timely fashion. Spill did not impact any resource riparian features as it was entirely on the road surface.

No New Slides.

Safety Stats (YTD):

Stillwater Timberlands as of August 31, 2017:

#of incidents = 0. TIR 0.00

#of recordable incidents = 0. MIR = 0.00.

#of lost time cases = 0. LTR = 0.00

#of lost time days = 0. SR = 0.00

Stillwater Contractors as of August 31, 2017:

#of incidents = 8. TIR 8.62

#of recordable incidents = 3. MIR = 4.39.

#of lost time cases = 2. LTR = 2.93

#of lost time days = 702. SR = 1323

TIR = Total Incident Rate

MIR = Medical Incident Rate

LTR = Lost Time Frequency Rate

SR = Lost Time Severity Rate

Harvesting Stats (YTD):

As of August 31, 2017 the total amount harvested from the TFL (YTD) is 251,217 m3.

Company Update

Walt Cowlard will be retiring by the end of the year and Mike Dunn has not announced his retirement but has indicated that it is coming. The two young men that were temporary employees have been hired on full time. The division accountant has left and they are looking for a replacement. The timberlands has been restructured for the company and Darwyn and the rest of the planners now report to Jonathan Armstrong in the corporate office.

Simplified Log Sorting – Ken Mackenzie

Western is going through a transformational change. They are trying to change their whole business including how people relate and using technology to move ahead. There is a new Board of Directors now that they have split away from Brookfield and they are focused on remaining competitive and getting ahead of the competition. They need to attract capital to invest in their mills and equipment. They are competing with forest industry all over the world.

Higher costs in this area are caused by a number of issues. 40% of cut is delivered with high cost harvest systems or from areas requiring no-conventional harvest systems. 56% of the area comes from the lake and contributes a higher cost profile because the wood is dumped in the lake, wired, towed down the lake, taken out and over and dumping it in the mill pond.

Simplified sorts: The goal is to reduce the number of sorts to simplify the log handling process. They will not jeopardize safety. They will improve the end to end productivity, reduce the time it takes to get a log to customer, operate sustainably across profile and through market cycles, keep pace with their competitors who are simplifying their supply chains, reduce sorts from 162 domestic sorts to 24 and they will continue local sales.

Question: Are there any small millers who cannot buy wood from you?

There are a few that buy from us every couple of years. We aren't going to that, but if they ask we will look at it and if what they are looking for is surplus to our needs we will fill their order. Our first priority is to supply our own mills. They don't have enough wood so if they are looking for that most needed saw log we need for our own mills we won't sell it to anybody.

Comment: We do have an agreement that a certain amount of wood will be made available to local mills. It does not include Goat Lake.

We are going to honour that. Most of the local sales we do here are high grade logs and we get so few of them that it makes more sense to sell it here than to wrap it up and wait until we get a shipment.

Question: Who do the local mills see about buying wood?

They usually contact me or Brent Parker and we put them in contact with our fibre supply department.

Woods sorting: The key assumption is more woods sorting is better. Their goal is to sort 70% of our logs at roadside and deliver them straight to the customer. LEAN is a big part of this – it is all about getting rid of the wasted steps.

Question: What difference will this make to the dryland sort?

We are already seeing the difference with the changes we've been able to make so far. There are days when nobody is down there working on the deck. This will create capacity for other companies to use. Stillwater sort's facility is owned by WFP, but Olympic Log Sort owns the business. They can fill up their time with other customers and other barges. This has been a tough year because there haven't been many other customers plus Tla'amin has put their own sort in.

The first step is block planning. Landing space is the key determinate of woods sorting potential. Woods sorting targets are set for each block based on block attributes. Productivity of woods sorting is dependent on: species composition (# of sorts and piece size), road bank height and slope (decking), and available storage areas (piling). The targets are communicated to processor and loader operators. They have done a lot of targeted training at some of the operations. Not as much here as some other places because there has been a history of woods sorting here.

There are three types of landings they deal with:

Full sort options: the site has slope less than 20% and there is lots of room to windrow for processing and loading. The yarding system is primarily hoechuck. This method makes up 29% of total annual conventional volume. The target is 100% woods on these sites. Everything that is destined to go straight to a mill will come from these sites.

Selected sorts option: the site has a slope of 20 to 40%. It has steep landings. Logs are yarded to central areas favourable for processing and the processor sits on the road. Landings are space limited. The yarding system is hoechuck and grapple yarder. This method makes up 40% of total annual conventional volume. They are targeting 70% woods sorting on these types of sites. The processor productivity is reduced by the time it takes to pile. The loader is required to assist in sorting and piling. Plus the piles may have to be moved to make room for multiple sorts.

Limited opportunity option: the site has a slope greater than 40%. There is limited landing area and all of the logs are landed on the road. There may be small areas where more sorting can be done. The yarding system used is grapple yarder. This method makes up 31% of total annual conventional volume. They are targeting at least one or two woods sorts on these types of landings. They will try identify larger spaces to achieve additional sorts and locate roads to improve sorting. The constraint is time and area to build enough logs for a sorted load.

We are trying to move the wood to the mills as fast as we can. This will be more efficient and save money. That's the goal of woods sorting.

The next big change they are making is in the administrative end. They will be creating more reliability in their systems. There will be scaling system improvements. These include integrated scaling systems and more efficient data transfer. There will be less opportunity for error. They are currently using "LIMBS" which stands for Log Inventory Management System and have started to use "Weigh wiz" which is a weigh scale data processing system and "Loader wiz" which is load information collection software. Stillwater is pioneering for the company taking this suite of data processing systems (LIMBS, Weigh wiz and Loader wiz) that are designed to work with each other and are implementing the whole system. This enables automated weigh scaling. They will be putting a

load cell at the dewater facility. Any loads pulled out of the lake will be weighed, the Weigh wiz will determine if it is sample load and needs to go to Stillwater to be sampled or if it can go straight to the mill. The system will also provide more information to the mills so they will know more about an boom before it even gets to them.

New harvesting technology that the company is or will be using includes Lidar, tethered falling and yarding, grapple camera and grapple processors.

Question: Have you flown Lidar here?

Yes, the whole company has now been flown.

All of these changes will be transformational for the company: consolidated sorts, creating the basis for simplification of the log handling process, helping the mills secure logs and increase their RTL, woods sorting, reducing the time to deliver logs to mills, new harvest technology, reducing worker exposure to risk and improving productivity.

Question: How will all of these changes impact employment in Powell River? IT seems like many of these improvements could require less manning.

I have two point to makes about this. One is that all of the other forest companies all over the world are making changes like this as well. We need to remain competitive. We need to be better than them if we are going to survive otherwise when the next downturn comes we won't be operating. The other point is people are transitioning into new work. Although there is less time spent sorting at the dryland sort more sorting is taking place in the woods. The total cost of a log is not likely to change because more will be paid in the woods. There might be different logging truck configurations that would mean there might be two highway trucks instead of one bigger truck. The biggest benefit will be getting the logs to the mill quicker. The best way to make jobs secure in Powell River will be staying competitive and world class.

New Indicator – Black Tailed Deer UWR – Darwyn Koch

In 2017 the Deer Winter Ranges were removed from the Forest Stewardship Plan. The Deer Winter Range requirements and strategies now reside in the SFMP.

Darwyn proposed this as a new Indicator to the SFMP. The Deer Winter Range polygons and strategies were originally proposed by Steve Gordon of the Ministry of Environment in 2000. Although the Deer Winter Ranges are not legal, in 2004 the Deer Winter Ranges and strategies were incorporated into forest planning through the Forest Stewardship Plan.

Indicator 1.2.4 Black Tailed Deer Winter Range

Value: Maintenance of Deer Winter Range habitat

Objective: Forest activities consistent with operational requirements within known deer winter ranges

Indicator: Forest activities consistent with operational requirements within known deer winter ranges

Target #1: A maximum of 20% of the Productive Area is \leq 20Years and variance: 0%

Target #2: At least 20% of the Productive Area is \geq 80Years and variance: 0%

Group discussed the addition of this indicator and agreed that it should be added.

Adjourned 8:50 pm

Action List Items

Action Items	Who	When