

Minutes
CSA Community Advisory Group
To Western Forest Products
October 17, 2016
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.

Review and Acceptance of Agenda

Agenda was accepted.

Review and Acceptance of Minutes

Minutes reviewed and accepted.

Correspondence

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

Welcome and Introductions

Chair welcomed group.

Company Update

Western Forest Products has gone through a new re-branding. It is called 'Defining a Higher Standard'. There are a number of videos on the WFP Youtube site on Defining a Higher Standard. Darwyn played an example for the group. Darwyn encouraged the group to watch the videos as they share good information.

Darwyn gave the group a condensed version of the presentation some members saw at the All PAG meeting in Port McNeill in September. Western Forest Products is the 5th largest Canadian lumber producing company. It operates on the coast of British Columbia serving global markets. It is the largest crown timber tenure holder in Coastal B.C. and the largest cedar lumber manufacturer in North America.

Sales have exceeded \$1 Billion two years running and its lumber capacity is 1.1 billion board feet

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WFP has a diverse set of species and sizes of timber and they produce a diverse set of products. The AAC (Annual Allowable Cut) for the company is 6.1 million cubic metres. On top of that they purchase about 1.2 million cubic metres annually. About 60% of the total goes to their mills based on 2015 data. The company has 7 sawmills and two re-manufacturing plants. 40% goes to log sales and the vast majority of that is domestic. About 15% is exported and export lumber comes mostly from the West Coast of the Island. So far in 2016 zero cubic metres have been exported out of Stillwater. Export logs are logs that they cannot do anything with in their current facilities. Most of the export goes to Asia.

\$125 million of strategic capital is being invested in projects focused on reducing costs, increasing efficiency, improving product flexibility and growing production. This capital plan is projected to generate a 29% return. They are structuring themselves to be the leader in profitability on the Coast.

Other companies are not investing in their facilities and are downsizing. During the next downturn some of these mills may no longer be operational.

All PAG Meeting

Members of the CAG travelled to Port McNeill for an all WFP community advisory group meeting which took place September 22 & 23. They met the CEO of the company and watched his presentation on Western's vision for the future. They also saw a presentation regarding the importance of the PAGs to WFP. There were breakout sessions for individuals from different PAGs got to work together and talk about what is working and not working with the public groups. Long standing members of PAGs received recognition for their service. They saw an interesting presentation on the railway system that is still in operation that started in the 1920s or 30s. The members were taken out in the field. The first stop was to see a research trial using different planting densities with different species. The second stop was to look at bush sorting. Port McNeil has achieved more success with bush sorting than Stillwater at this time. Bush sorting allows for more weigh scale which is much better for sampling, and for the dry land sort. On the block the group visited about 80% of the block was bush sorted. Stillwater is at 40 to 45%.

Question: Is it because they are heavily hemlock up there?

I think that is likely why they can achieve that 80%. It is fairly monoculture second growth hemlock.

It was a flat block so they were able to showcase the processor working as well.

Their third stop was to see the old operational trains. The trucks come in and pick up the entire load and put it on a railcar. It is all gravity driven down to the sort from the block. Once a car is loaded they move it ahead a railcar length and the next truck comes in to load the next car. Once the railcars are all loaded they take them down to the sort. The engines do not have to work very hard to take them down. It is likely harder to pull the empties back up. The final block had interesting first nations values as well as limestone caves (karst). Planning for these areas need karst specialists assess and prescribe how to work around the karsts. The block also had many first nations features. There were a number of trees with bark stripped for ceremonial purposes.

Question: Could you tell us about the article in the paper about the Eldred?

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There has been minor bad press about what WFP is doing relative to the Eldred. We have had three very positive meetings with the climbing group. They are going to be good to deal with like all of the other recreational groups and we are heading to a good place. There will always be a few people out there who wish to stop logging completely particularly old growth logging. TFL Block 1 has 118 thousand hectares of productive forest. Of that 64 thousand is considered working forest. After taking away Old Growth Management Areas (OGMAs) and any hard reserves there is 46 thousand hectares left to log. 15 thousand of that is old growth. Old growth is a big part of Stillwater. We have a partition now that says we have to be logging up at the top of the hills where the old growth is. It is part of what we do and we want the message to be out there that we are not a company that just logs second growth. We have to log old growth as well. It is part of the profile. Some people won't like that but it is reality. The bigger the tree the bigger the empathy. There are a lot of misconceptions about what old growth is. Technically it is anything older than 141 years. When people think of old growth they are imagining trees that are five or six feet at the butt and really tall that would be 250 years plus. Some people at the meeting at the coffee shop said the Eldred is so beautiful because it is one of the few places you can drive to, get out of your car and be in old growth. This is not entirely true. The whole valley bottom of the Eldred is second growth. It was logged in the 60s, 70s and even into the early 90s. It wasn't WFP or MacMillan Bloedel that did it. It was a 30 year timber license that was created in 1961 when the land was granted. The land was reserved for small business and was logged by small business forest enterprise.

Question: When did the designation of old growth change from 250 years to 141 years?

It depends where you are. Some are 250. If you go to the provincial org growth order some are 250 but a lot of them are 141 in our area.

Update: Correction on old growth years...for Natural Disturbance types 1 and 2 the old growth age is > 250 years, for Natural Disturbance Type 3 it is > 141 years. For Stillwater we have predominately Natural Disturbance Types 1 and 2.

Question: If it was described in a dictionary what would it say? Old growth is...

Big. People get emotional about old growth because they are imagining a tree that takes up half of this room.

Comment: But there is tiny old growth on tops of mountains.

Comment: And there is old growth alder that is 8 years old.

Comment: If one third of the working forest is 141 plus years old there must be lots that is not much younger.

That is correct. Most of our second growth is between 80 and 130 years old. A lot of those stands will become old growth by definition before they are logged. The old growth percentage is growing.

Question: Is the 141 year definition what the Ministry uses or WFP?

The Ministry.

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All of our landscape units have old growth targets so that is why we have OGMAs. We have OGMAs all over the TFL that satisfy the Provincial retention target for old growth on the land base. The 15000 hectares of old growth in the Eldred does not include the OGMAs.

Question: Are there OGMAs in the Eldred.

Yes.

Question: Don't old growth areas eventually give off carbon rather than absorb it so that logging them and having new growth actually creates a positive situation? It is a real dilemma because I understand that old growth areas provide habitat for certain types of animals.

Yes.

Comment: I heard that somebody told the CBC that Island Timberlands was logging old growth trees out by the dry land sort at Stillwater and I thought there is no way those are old growth. I think because I come to these meetings I have become informed.

Right, that is second growth. There is a lot of misinformation out there. That is why it was important for us to go down to the coffee shop that morning to talk to the public about the Eldred. It was good that we did because they had been planning to protest WFP without having all of the information. There were some really good people there that wanted to be educated and work with WFP.

Sometimes the big player gets targeted. There was some logging happening south of the climbing camp in the old TL and immediately somebody filed a complaint with Compliance and Enforcement that WFP was high grading and butchering. It was not WFP's block.

There are two updates on the Road Hotline. One is for the Sunshine Coast Trail which had to be rerouted and the other is for the Eldred. There is a map showing some drop zones WFP is building for heli-logging next year.

Review of Meeting Frequency, Content, Timing and Location

Darwyn asked group if they were happy with the frequency, content timing, location of the meetings. The group felt that since the monthly meetings actually tend to be around 6 or 7 meetings per year they are happy with the frequency. The format and location were also considered acceptable.

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Cutting Permit and Road Permit Authorizations

Darwyn presented an in depth chart of the time line for cutting permit authorization and for road permit authorization (see attached). The process is a three year cycle. When they are planning blocks they are always looking three years out. It shows all of the work that goes into preparing to log. As soon as a new block shows up on their Operational Information Map they begin sharing information with First Nations. They share GIS shape files with them, they formally request that the First Nations do a field visit, the First Nation representative walk through the block with WFP looking for features that are assets to their Nation and if they find any the company is obligated not to cut it. The company pays the First Nation for this activity. The First Nation sends WFP a report and WFP creates an information sharing summary on the block and the associated road to the block. When we go to do a road cutting submission or a cutting permit submission a year to a year and a half later we pull all of the information together for the various blocks and roads.

Question: What if the First Nation does not walk the block with you? Can you still log?

Yes. As long as we can prove that we have made a significant effort to invite them to do so.

The company does not do consultation with the First Nations, They do not have the legal right to do that. Only the government can do consultation.

At the same time the company is sharing information with the First Nations they have their blocks and roads laid out so that when the time comes they can take the FN representative out with some certainty of what the block will look like.

The many steps of engineering takes up to a year and a half. During this time information sharing with other user groups takes place. Some important events that are included in the engineering process include: workplace safety plan reviews with the contractors, road layout, block boundary layout, and many assessments of issues such as visuals, streams, wildlife, windthrow, invasive plants, steep grades and wildfire. The last step of engineering are submitting a cruise plan to the government and cruising the block.

Question: Is all of your planning internal? You must have a lot of planners.

It is all internal, but no we do not have lots of planners. Walt is a wealth of knowledge and that is where the 20 year plan comes from. We are working on getting that information documented. Walt knows the claim very well. We are all planners including myself. We have area planners and field planners and Nancy who is a forester that takes care of our silviculture.

Roads are usually combined into a single amendment. Amendments and maps are digitally submitted to the government. They prepare their First Nations Information Summary for the road permit. [At this point the BC government begins the consultation process. They look at all of the information the company has prepared and all of the efforts they have made to share information and they go through a formal consultation period with the First Nations. Now that Tla'amin has a treaty their consultation process is a lot easier and can take as little as two weeks. Consultation with Sechelt generally takes 75 days. After the company gets the road permit they prepare a road release package. This is how they convey information to their contractors. The package contains all of the safety information, ecological information, issues such as the reroute of the Sunshine Coast Trail, geotechnical reports and any other important information that needs to be shared. At this point they complete the EMS pre-work, develop the workplace safety plan, walk with block with the contractors, do the office release, notify the government, and then start road construction.

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Once the road is built the start working on getting the CP (Cutting Permit) for the blocks. At this point they are about 6 months into the logging process. They upload the cruise information into their CENFOR system and to FOPS (the system that WFP's sawmill operations go into to see what the sorts are so that they can see how much volume is coming to their mill). They complete margin analysis on every block to see if it is financially viable and they combine blocks in CPs to balance the winners and losers. They calculate stumpage, prepare a FN information sharing summary for the CP, submit an appraisal, update CENFOR, prepare maps and digitally submit to the government. Once the CP is approved they go through they prepare the block release package. This will likely be in the first quarter of the third year of the CP-RP process. Harvesting can now take place.

Comment: This is very interesting for the public. IT would be good for people to see all that needs to be done before any logging can take place. Most people have no idea what a huge amount of work goes into planning and approval for harvesting.

Question: Does this apply to Community Forests and to Island Timberlands or is it just your process?

This is what any company with a volume or area based tenure. Island Timberlands operates on private lands so they fall under private forest land management legislation and have a different set of rules. Community Forests would skip the appraisal steps. They do not have to appraise their wood. Their wood is assessed with table rates as are wood lots. Table rates are an average stumpage rate for a given forest district.

Question: Does BC Timber Sales have to appraise their wood?

Yes. They are a little different because they are the government so they write and approve their own plans. They also have the ability to modify their stumpage rates. If they think their stumpage rate is appraised to high they can lower it to attract more bidders. This happens more often in the Interior not on the Coast.

Operational Information Map Update

Current Activities

Harvesting – TM-263, PD-463, PD-464, PD-530, PD-480, PD-531, PD-262, PD-164, PD-539, PD-287, UL-821, ST-079, UL-830, UL-844, WL-346

Road Construction – ST-328, GI-134, PD-287, LL-040, PD-541, PD-507, WL-012, ST-112, WL-948

Engineering – PD-212, GI-142, EL-671, EL-681, EL-358, EL-679, EL-360, EL-684, ST-087

What's New on the Map

New Blocks – ST-358, ST-078, ST-132, ST-082, TM-264, GI-018, GI-020, GI-128

New Roads – N/A

Cutting Permit Approved Areas – N/A

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Logging Complete – N/A

Road Construction Complete – ST-281, ST-388, ST-096, ST-249, GI-136,

Engineered Blocks – ST-060, GI-070

Engineered Roads – N/A

Sunshine Coast Trail

FH-044 Trail safety detour – Effective starting on October 11th a safety detour route of the Sunshine Coast Trail will be put in place in the vicinity of Fiddlehead Farm. Detour maps have been posted to inform potential hikers of Western Forest Products active operations in this area.

Fires/Slides/Spills (YTD):

On June 30th a fire was started by an unknown person on cut-block ST-111. WFP was not active in the vicinity of the fire. Approximately 6 hectares of plantation was burned.

On July 4th a diesel spill happened on ST-388 near Freda Lake.
No recordable slides in 2016.

Safety Stats (YTD):

Stillwater Timberlands as of August 30th, 2016:

#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 30th, 2016:

#of incidents = 12. TIR 12.48

#of recordable incidents = 6. MIR = 6.24.

#of lost time cases = 3. LTR = 3.12

#of lost time days = 175. SR = 181.98

TIR = Total Incident Rate

MIR = Medical Incident Rate

LTR = Lost Time Frequency Rate

SR = Lost Time Severity Rate

CAG Long Standing Membership Recognition

Nine Stillwater CAG members were recognized for serving as volunteers for 10 years and over. Two of the individuals recognized were founding members with 16 years.

Action List Items

Action Items	Who	When

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Adjourned 8:50 pm

Stillwater CSA Community Advisory Group Western Forest Products October 17th Attendance

Name	Position	Member Seat
PRESENT		
Jane Cameron – Chair	Primary	Member at Large
Mark Hassett	Alternate	Contractor
Rory Maitland	Primary	Contractor
Colin Palmer	Primary	Local Governments
George Illes	Alternate	Environment
Andy Payne	Primary	Employment & Education
Bill Maitland	Primary	Local Business
Paul Goodwin	Primary	Forest Dependent
Karen Skadsheim	Alternate	Local Government
Joseph McLean	Alternate	Local Business
7 Seats represented		
ABSENT MEMBERS		
Ben Berukoff	Alternate	Forest Dependent
Barry Miller	Primary	Environment
Dave Hodgins	Primary	Recreation
Doug Fuller	Primary	DFA Worker
Russ Parsons	Alternate	DFA Worker
Wayne Brewer	Primary	Tourism
Read English	Alternate	Recreation
Mark Anderson	Alternate	Member at Large
Resource – others		
Darwyn Koch	WFP	
Valerie Thompson	Facilitator/Secretary	

