

Nimpkish Woodlands Advisory Committee Meeting
Minutes September 28, 2017
Community Hall, Woss, BC
6:00 p.m. – 9 p.m.

Attendance: Kelly McMahon, Area Planner, WFP, Pat English, Local Government alternate, Stu Ellis, General Public, Steve Lacasse, Environment (Steve joined the meeting just prior to the discussion of the May 25th minutes)

Regrets: Jon Lok, Medium-sized Contractors, Shirley Ackland, Town of Port McNeill, Lorraine Landry, recommended Fish and Wildlife sector representative, Cam Brady, Karst Representative, Trevor Egely, Contractors, Bill Nelson, Contractors, Chris Bowden-Green, Woss Community,

Advisor: Paul Barolet, Advisor, MOFLNRO

Observers: Adrian Pendergast, proposed education sector representative, Janet Amos, WFP Manager of Learning and Development, Bruce Vinnedge, WFP Area Planner, CIFO, Jeanne Matthews, Field Planner, WFP

Presenters: Randy Boas, Operations Supervisor, CIFO, WFP, Janice Mathers, Manager Log Allocation and Distribution, WFP, Heather Watkins- Quality Control Supervisor, Englewood Forest Operation, WFP

Facilitator: Annemarie Koch

Notes: Kelly McMahon and Annemarie Koch

1. Introduction and Safety Procedures:

Annemarie stressed the importance of safety to WFP throughout its operations and invited Kelly to review the safety procedures to follow in the event of a fire or medical emergency.

Annemarie reviewed the objectives of the meeting, namely:

- To review the May 25th meeting minutes and selected action items;
- To hear an operational update from Randy Boas and an update regarding continuous shifting;
- To hear a presentation by Manager of Log Allocation and Distribution Janice Mathers on Log Distribution, Marketing and the Supply Chain;
- To hear a presentation by Englewood Forest Operation Quality Control Supervisor Heather Watkins on Englewood's Quality Control Program;
- To have a preliminary discussion on the proposed new and revised indicators under CSA Z809-16 standard;
- To discuss possible content for a proposed georeferenced map of the Central Island Forest Operation;
- To distribute and provide opportunity for response to the 2017 participant satisfaction response survey, and;
- To confirm the date and content of the next meeting.

Annemarie welcomed Adrian Pendergast, noting that Pat had asked him to consider representing the education sector on NWAC and invited him to the meeting. She noted that Adrian was overseeing the high school forestry program and had been involved with the Forestry School of Excellence initiative. Annemarie also welcomed WFP Manager of Learning and Development Janet Amos and noted she had recently joined WFP and was attending this evening to learn more

about the public advisory group process. She then invited everyone to introduce themselves for the benefit of the observers and the presenters.

2. Review of Minutes and Action Items:

Before proceeding with a review of the May 25th minutes and action items, Annemarie welcomed Randy Boas and invited him to address action item 44, regarding continuous shifting, and to provide an operational update for the DFA.

Randy noted there was a need to fully utilize equipment in order to encourage future capital investment and keep the operation profitable. He reviewed statistics around use of equipment such as grapple yarders based on the previous shift schedules and noted the machines were sitting idle for periods of time throughout the year and that this simply was not acceptable as it was underutilizing very costly assets. He explained there was over \$2 million worth of equipment which was no longer required now that the operation has moved to continuous shifting. He noted new equipment was now being purchased and the fleet was being updated. He noted the need for continuous shifting was primarily driven by the seasonality of the Englewood Operation.

Pat noted WFP's chief forester had previously said that continuous shifting would eventually allow the company to make additional investments in capital equipment and become more profitable over time. He noted he had not seen an increase in investment in capital in the latest sustainability report. Randy acknowledged there had been a delay in investing capital, but that 4 new logging trucks and an excavator were being acquired and the capital was now proposed to be invested over this next quarter.

Randy provided a brief PowerPoint presentation on constraints in the operating land base, including managing around riparian zones, First Nations claims, previously harvested sites, recreation sites, and seasonal constraints, such as access to high elevation sites during the winter, and he explained how this affected the decision to better utilize equipment and was a consideration in the move toward continuous shifting.

Stu noted continuous shifting is not easy on crew members. There was a discussion of how continuous shifting is affecting families in small communities. Randy pointed to some of the adaptations people and communities have made to adjust to continuous shifting. He also pointed to how continuous shifting has been used in other forest operations and in other sectors such as first responders and the hospitality business.

Pat asked if employment numbers had remained the same as last year. Randy noted it does actually take more people to run a continuous shift. Randy acknowledged he understood why people were upset with the move to continuous shifting, but the coast forest industry is highly competitive and the move was necessary from a business perspective. It was noted there are camps up and down the coast on continuous shifts in response to a highly competitive business environment.

Annemarie thanked Randy for his presentation and then invited members to get some dinner before proceeding with a review of the minutes and action items from the May 25th meeting. She reminded NWAC members that she would be assuming they had read the minutes prior to the meeting.

Annemarie noted that she had been asked to make the following change to the last paragraph on page 8 of the May 25th minutes:

“Paul noted that a lot of firewood cutting goes on before waste assessments are completed and that this is illegal, particularly when the wood cut is commercially sold. It was noted that this can have an impact on legal salvage operations, e.g, when wood set up for salvage is bucked in half and the value is reduced.”

She noted that the change had been made in order to generalize the statement regarding illegal firewood cutting, so that it did not seem to reference specific incidents. Members agreed to the proposed changes to the minutes.

Annemarie added that she would not be addressing action items that were ongoing but only items that were completed or to be addressed in the shorter term. Given this, Annemarie noted that there were 15 action items to address or review from the May 25th meeting.

Action Item 3: Look at ways and means of generating greater awareness of the economic and environmental benefits of preventing loss of petroleum products such as oil.

Responsibility: Kelly/Jack

Due Date: Ongoing.

Action Item 5: support Youth Forestry Initiative

Responsibility: Kelly

Due date: Ongoing

Action Item 16: Revisit the feasibility of combining a number of targets for Indicator 5.1.1 that better reflect the economic and community benefits generated specifically in this DFA after the CIFO amalgamation is complete.

Responsibility: Annemarie

Due Date: Sometime in 2017

Annemarie reminded members that one of the new indicators, 5.1.2, required under the CSA Z809-16 standard, would be discussed later in the meeting and added that the discussions regarding Criterion 5 Indicators required under the transition to the CSA Z809-16 standard should address action items relating to Criterion 5 Indicators. She thanked members for their patience with this action item.

Action Item 20: Revise Criterion 5 target related to community investments along the following lines: ‘100% of the communities in and with interests in the DFA, namely Woss, Alert Bay, Sointula, Hyde Creek and Port McNeill receive annual community investments of some type from WFP.’

Responsibility: Kelly

Due Date: Sometime in 2017

Action Item 32: Keep NWAC members up to date on the forest sector strategy initiative

Responsibility: Pat English

Due Date: Ongoing in 2017

Annemarie invited Pat English to provide an update on the initiative. Pat noted that a society was being formally established to oversee the initiative. He added that Vancouver Island University

was being approached to put together a pilot program under the initiative. He noted that the group was looking at a 12-week program on logging fundamentals, to be delivered starting May 1,2018. He added that there was a meeting of the partners council, tentatively scheduled for October 13th coming up and that he would get a notice out before the end of the week.

Action Item 33: Keep NWAC members up to date on the initiative to form a coalition of industry, business and community representatives to respond to the UBCM resolution to ban all future logging of old growth on Vancouver Island.

Responsibility: Fred Robertson and Shirley Ackland

Due Date: Ongoing in 2016-17

Annemarie suggested that the group wait for Shirley to be in attendance to report on this initiative.

Action Item 35: Bring together a panel of presenters, including Ben Isitt for UBCM, WFP and North Island community representatives for the joint October 26,2017 meeting to discuss the UBCM resolution to ban all future logging of old growth on Vancouver Island, or arrange for Mike Davis to give a presentation on the management plans for TFL's 6 and 37, or arrange for Larry Henkelmann to give a presentation on the effects of the Softwood Lumber Agreement on the North Island forest industry .

Responsibility: Fred Robertson, Shirley Ackland, Kelly McMahon and Annemarie Koch

Due Date: October 26,2017

Annemarie noted that locally elected officials were dealing with the old growth ban issue internally at this year's UBCM and she pointed out that a number of other options for the joint session on October 26th had been suggested by VINWAG members, including a discussion led by Glynnis Horel of how water quality and quantity could be monitored, in relation to new Indicator 3.2.2; and a presentation on operational changes at the dryland sorts in each of the DFA's. She asked NWAC members whether they had a preference for any of these options.

There was a discussion of whether there were significant operational changes at the dryland sorts at CIFO. It was noted that there weren't any large changes planned. There was a discussion of whether there would be any changes associated with the railway at CIFO. Randy noted that WFP was waiting for the results of a number of reviews and that no decisions had been made on the fate of the train.

There was a discussion of whether the topic of training might be taken up at the joint session on October 26th. It was agreed that it might be useful to have a discussion of the training programs currently being developed at WFP. Pat noted that he would approach someone to talk about VIU's plan for forestry training.

Action Item 40: Implement recommendations in 2016 participant satisfaction survey report.

Responsibility: Kelly McMahon, Annemarie Koch, NWAC members

Due Date: Ongoing

Action Item 42: Discuss WFP's Silviculture Strategy for Englewood Division

Responsibility: Kelly McMahon

Due Date: Sometime in 2017-2018

Action Item 43: Explain why key targets are not set for old growth and immature stand types for target 1 under Indicator 5.1.1

Responsibility: Kelly McMahon
Due Date: November 23,2017

It was noted that Kelly would address this item at the November 23rd meeting.

Action Item 44: Provide an explanation of how continuous shifting has maximized use of recently purchased capital equipment in the Englewood Division
Responsibility: Randy Boas or Brad Galeazzi
Due Date: September 28,2017

Annemarie thanked Randy for addressing this action item earlier in the meeting.

Action Item 48: Prepare and bring draft Indicator 3.2.2 around protection of water quality and quantity to May 25th meeting in Woss for further discussion.
Responsibility: Kelly McMahon
Due Date: November 23,2017

Annemarie noted that discussion of a draft Indicator 3.2.2 was scheduled for later in the meeting and again at the joint meeting on October 26th, before a final draft of the indicator was brought to members of NWAC to review at their November 23rd meeting.

Action Item 49: Talk to Adrian Pendergast about representing the education sector for NWAC.
Responsibility: Pat English
Due Date: September 28,2017

Annemarie thanked Pat for inviting Adrian to the meeting and asked Adrian if she could add his name to the distribution list for meetings and he agreed.

Action Item 51: Add Trevor Egely as the representative for large contractors on NWAC
Responsibility: Kelly McMahon and Annemarie Koch
Due Date: May 26,2017

Annemarie noted that Trevor Egely had been added to the NWAC list as a representative of the large contractor sector.

Action Item 52: Invite Lorraine Landry or Ken Kollmann to attend the September 28th NWAC meeting in Woss.
Responsibility: Annemarie Koch
Due Date: For the September 28,2017 NWAC meeting in Woss

Annemarie noted that she had forwarded the meeting agenda to Lorraine and invited her to attend the September 28th meeting and that Lorraine had intended to attend but had to cancel due to other commitments. She noted that Lorraine had indicated she would try to attend the next meeting.

Action Item 53: Invite Randy Boas to hear concerns and answer questions regarding the use of continuous shifting in the Englewood Division
Responsibility: Kelly McMahon
Due Date: For the September 28th NWAC meeting

Annemarie thanked Kelly for inviting Randy and thanked Randy for attending the meeting.

Action Item 54: Talk to the Woss Residents Association about more actively pursuing community funds from WFP through CIF and other corporate sources.

Responsibility: Chris Bowden-Green

Due Date: Ongoing

Action Item 55: Continue to revise Indicator 3.2.2 targets to possibly include a monitoring station at Gold Creek (where there is some historical data available) and try to capture sedimentation issues associated with existing roads, as well as new road construction. Also, consider including the taking of an annual or once every two-year sedimentation management course for road crew members.

Responsibility: Kelly McMahon

Due Date: November 23, 2017

Annemarie noted that Kelly was working on this and would have a final draft of the new indicator and associated targets ready for review at the November 23rd meeting.

Action Item 56: Proceed with draft Indicator 5.1.2 as presented at this meeting

Responsibility: Kelly McMahon

Due Date: For 2017 annual report

Kelly confirmed that she would incorporate the revised Indicator 5.1.2 in the SFMP.

Action Item 57: Bring revised indicators 3.2.2, 5.1.1, 6.1.2, 7.1.2 and 7.2.3 to the September 28th NWAC meeting for further review

Responsibility: Kelly McMahon and Annemarie Koch

Due Date: September 28, 2017

Annemarie noted that this action item would be addressed later in the meeting and again at the November 23rd meeting.

Action Item 58: Put new date of May 25, 2017 on current Terms of Reference and distribute to NWAC members with meeting minutes and post on PAG website.

Responsibility: Kelly McMahon and Annemarie Koch

Due Date: May 31, 2017

Annemarie noted that this action item had been completed.

Action Item 59: bring list of people who live and work in Woss to next meeting.

Responsibility: Kelly McMahon

Due Date: September 28, 2017

Randy agreed to provide this information to Kelly to bring forward to the November 23rd NWAC meeting.

Action Item 60: Put together a presentation on training options and directions for WFP to give to members of NWAC

Responsibility: Pat English and Janet Amos

Due Date: As part of 2018 NWAC meeting schedule

Action Item 61: Add Adrian Pendergast's name to the distribution list for meetings.

Responsibility: Annemarie Koch

Due Date: For distribution of minutes from September 28th meeting.

There were no further questions or comments on the minutes or action items and the minutes were accepted.

Steve asked if the information he sent regarding previous attempts to measure water quality and quantity had helped. Kelly noted that there had been quite a bit of discussion around monitoring water flow at a specific creek, like Gold Creek, and that Glynnis had expressed some concerns about this. Steve asked for a better description of what was intended to be measured in the way of water quality and quantity. He pointed to the need to monitor and get baseline information on water quality and quantity. It was suggested that this topic be further discussed with Glynnis at the joint meeting on October 26th.

3. Log Distribution, Marketing and the Supply Chain: Janice Mathers, WFP Manager of Log Allocation and Distribution

Annemarie reminded NWAC members that they had previously expressed an interest in hearing more about the supply chain and where logs harvested in the DFA go to be processed and marketed.

She invited Janice to proceed with her presentation.

Janice noted that she would try to address some of the questions the group had asked about log distribution and marketing. She described her job, noting that it included forecasting who the customers might be in future and how to fill the orders through log flow. She added that part of her job included overseeing a water sort located in Ladysmith Harbour.

Janice reviewed WFP's log marketing strategy, pointing to where the logs go after they come out of the timberlands. She noted, for example, that a high percentage (64-65%) of the company's logs go to its own manufacturing facilities. She noted that there is a small percentage of domestic sales that go to shake and shingle mills, 11% is exported and 7% is pulp. Janice explained how the sale of pulp logs is directed by historical agreements.

There was a discussion of export restrictions.

Janice referenced a process earlier this year to simplify log sorts in order to reduce costs and increase profitability.

Janice reviewed the log sorting strategy, pointing to log cutting patterns and how, for example, smaller logs go into commodities, while larger timbers can go into niche and western red cedar markets.

Janice reviewed where the manufacturing facilities are located, including a sawmill at Port Alberni and a number of sawmills along the east coast of Vancouver Island, e.g. at Cowichan Bay.

Janice noted that WFP also custom cuts higher grade logs at various locations throughout the lower mainland, in order to optimize value. It was noted that most log storage is consolidated along the north arm of the Fraser River.

Janice reviewed consumption by log size in 2016. She noted, for example, a consumption of 1,800 cubic metres per day at Alberni Pacific (APD). Janice reviewed the log consumption at each of the company's Vancouver Island mills. She noted that Englewood no longer supplies logs to Alberni Pacific. She reviewed the target market for the Alberni mill, noting it was primarily Japan squares and some timbers. Janice noted that the squares can be used for conventional Japanese houses, much as we use two by fours here in Canada.

Janice reviewed the log supply and products from the Duke Point sawmill, noting this facility takes larger logs from timberland sources like Englewood and Port McNeill. She added that the markets include Japan squares and vertical grain for window trim.

Janice discussed the production at Chemainus, noting this was primarily a cedar mill. She noted the main products from this mill go into the U.S. and Europe.

Janice went on to discussing the three small log mills, starting with the facility at Saltair. She pointed to the optimized bucking equipment used at the facility, where hemlock, fir and cedar and processed.

Janice reviewed production at the Cowichan Bay sawmill, noting the facility cuts cedar and hemlock, and receives logs from all of the coastal operations.

Janice reviewed the production and markets for the Ladysmith facility.

Janice then went on to review log distribution, noting east coast operation logs were generally towed and west coast operation logs were generally taken by barge.

Janice went on to discuss the supply chain, pointing to the transportation routes for all of the fibre. She noted that best options needed to be determined, taking factors such as weather and sea conditions into account. She pointed to areas of log storage, e.g. off Gabriola Island. It was noted that, when there are high log flows, logs may be stored in an area called the 'water hole.'

Janice then reviewed Englewood's distribution, noting there were four large tugs used by the company, Pacific Cachalot, that has the contract to move the logs.

There was a discussion of how much it costs to barge wood. It was noted that towing logs costs significantly less than barging. There was a discussion of the relative costs of shipping logs on the west coast versus the east coast of Vancouver Island, because most of the logs on the west coast are barged.

There was a short discussion about the feasibility of establishing a mill further up the island, where real estate values are much less than on the south island.

4. Englewood's Quality Control Program: Heather Watkins, WFP, Englewood Forest Operation Quality Control Supervisor

Annemarie welcomed Heather and invited her to proceed with her presentation.

Heather noted that she had been working in the forest industry for 15 years and that her job was to work between timberlands and the manufacturing sector, to ensure maximum volume and

value out of the TFL, by meeting the specifications of the processing facilities, as set by the customers.

She noted that she works to ensure that the logs coming out of the forest go to the processing facilities where their value is optimized. Heather reviewed some of the considerations that are taken into account to ensure that the right log goes to the right processing facility. She pointed to how the customers' specifications are identified and then logs are sourced that will meet these specifications. She pointed to some of the ways this is done, using different harvesting methods, for example. She added that the next phase in log handling was transportation, and that the final phase where determination of maximum value of the log was made was at the dryland sort. Heather noted that the majority of her audits were done at the booming stage.

There was a discussion of how customer specifications can be met using quality control processes. Heather noted that she can make determinations on the value of standing trees, though the best determinations are made after the tree is felled and in the sort.

Annemarie thanked Heather and Janice for their presentations and invited those present to take a brief break for dessert.

5. Review of Draft New and Revised Indicators Required Under New CSA Z809-16 Standard: Kelly McMahon

Annemarie noted that Kelly had done some work since the last meeting on the new and revised indicators required under CSA Z809-16 and added that she would be providing more detail on the new drafts at the November 23rd NWAC meeting. In the meantime, she invited Kelly to provide an update on the work that she has done on Indicator 3.2.2 targets.

Kelly referred members to the road construction inspection forms, and how a target or targets might be developed out of these inspections, which are routinely carried out.

She reviewed how the post-harvest assessment process might tie into the ongoing assessment of factors that affect water quality and quantity.

Kelly noted that she would do some more work on these indicators for the November meeting. Steve noted that he would like to look at ways water quality and quantity can be monitored over the long term.

Kelly referenced the terrain risk management strategy and how there are targets associated with this strategy that are intended to partly monitor water quality and quantity. It was agreed to discuss this further with Glynnis at the October 26th meeting.

When asked whether members had a preference for how the changes to the indicators required under the new standard should be discussed, Steve noted that he would like to confirm that no previous indicators had been lost or significantly revised and, if there were no significant changes to existing indicators, then he would like to focus mostly on developing new and revised indicators.

6. Discussion of Possible Content for a Proposed Georeferenced Map of the Central Island Forest Operation: Kelly McMahon

Kelly explained that CIFO was preparing a digital map for mobile users, much like the one that was launched for NIFO's DFA. She asked members for input on what they would like to see in the map.

It was suggested that trails and points of interest be included on the map. It was suggested that updates or advisories be available to map users, perhaps through a link advertised on the map showing where road condition updates could be found. It was suggested that there ultimately be a map of the entire North Island, rather than just certain areas under NIFO or CIFO.

It was suggested that there be a means of tracking use of the map, or how many times it has been downloaded.

It was suggested that some kind of indication of elevation could be helpful. It was suggested to put the coast fire centre number on the map so anyone seeing a fire would know the number to call.

It was agreed that members would get their input on the map to Kelly by November 15, 2017.

Action Item 62: Provide input on proposed digital map of CIFO DFA to Kelly.

Responsibility: All NWAC Members

Due Date: November 15, 2017

7. Distribution of 2017 Participant Satisfaction Survey: Annemarie Koch

Annemarie reminded members that it had been agreed that they be given time during the September and November meetings to fill out their annual participant satisfaction surveys and she invited them to do so at this time.

Members indicated that they would like to fill out their surveys later and asked that the meeting proceed to the next agenda item.

8. Next Meeting:

Annemarie noted that, further to the 2017 meeting schedule, the next meeting would be held jointly with members of VINWAG on October 26, 2017 at Black Bear Resort in Port McNeill. She noted that, based on previous discussions with VINWAG members and discussions earlier at the NWAC meeting, the agenda could include presentations by Glynnis Horel on Indicator 3.2.2 and monitoring water quality and quantity, and by appropriate WFP representatives on operational changes at the dryland sorts.

It was suggested that a discussion of training initiatives, including input from Janet and the work that is being done by Pat and others through the forestry school of excellence, be kept to a future NWAC meeting, further to action item 60.

Members of NWAC thanked Shelley for providing such a wonderful dinner. Annemarie and Kelly thanked members for their ongoing commitment to NWAC and bid them a safe journey home.