

Nimpkish Woodlands Advisory Committee and Vancouver Island North Woodlands Advisory Group

Annual Joint Meeting

Meeting Notes

October 26, 2017

Attendance: Shannon Janzen (Chief Forester, WFP), Glynnis Horel (G.M. Horel Engineering Ltd.), Clint Cadwallader (Regional Manager, NIFO, WFP), Jon Flintoft (Senior Operations Planner, NIFO, WFP), Kindry Mercer (Manager, Regional Initiatives, WFP), Kelly McMahon (Area Planner, CIFO, WFP), Patrick Donaghy (Local Government Alternate, VINWAG), Tom Doak Dunelly (General Public, VINWAG), Natasha Dickinson (Karst, VINWAG), Gunnar Wigard (Small Contractors, VINWAG), Jack Millar (Labour, NWAC), Jon Lok (Small Contractors, NWAC, NICFLP, VINWAG) Leith, Paganoni (Aquaculture, VINWAG), John Tidbury (District of Port Hardy, VINWAG), Stu Ellis (General Public, NWAC), Trevor Egely (Large Contractors, NWAC), Dave Trebett (Tourism, VINWAG), Paul Barolet (Advisor, MoFLNRORD), Jeff Houle (Suppliers, VINWAG), Ray Harper, (Labour, VINWAG), Cam Brady (Karst, NWAC), Steve Lacasse (Environment, VINWAG/NWAC), Shelley Downey (Councilor, alternate for Mayor Shirley Ackland, Town of Port McNeill), Gaby Wickstrom (Port McNeill Chamber of Commerce, VINWAG), Fred Robertson (Education, VINWAG), Michelle Baker (Area Planner, NIFO, WFP)

Regrets: Pat English (Local Government, NWAC), Ione Brown (North Island Community Forest, VINWAG), Bill Nelson (Contractors, NWAC), Elizabeth Aman-Hume (Business, Port Hardy, VINWAG)

Facilitator: Annemarie Koch

Notes: Kelly McMahon, Jon Flintoft, Michelle Baker, Annemarie Koch

Annemarie reviewed the safety procedures with the group and then opened the meeting by welcoming everyone, thanking them for attending and asking them to introduce themselves for the benefit of the presenters and new members.

She then reviewed the objectives of the meeting, namely to hear an update from and have a discussion with WFP NIFO Regional Manager Clint Cadwallader and Chief Forester Shannon Janzen on recent operational changes at dryland sorts in the DFA, and to have an overview from Glynnis Horel on water quality and quantity measures in the DFA's, followed by a discussion, led by Glynnis, on possible targets for new Indicator 3.2.2, around measuring and monitoring water quality and quantity.

Annemarie reviewed the format of the meeting, noting that the meeting would open with a short presentation by WFP representatives on recent operational changes at dryland sorts in the DFA, and that the floor would then be open to PAG members to ask questions, through the facilitator. After one hour of discussion on the dryland sort operational changes, Glynnis Horel would make a short presentation on what WFP does now to monitor and minimize impacts on water quality and quantity, and then lead a discussion about possible targets for new indicator 3.2.2.

Annemarie then invited NIFO Regional Manager Clint Cadwallader and Chief Forester Shannon Janzen to make their presentations.

**Shannon Janzen, Chief Forester, WFP, Clint Cadwallader, Regional Manager, North Island Forest Operation, WFP: *Recent Operational Changes At Dryland Sorts in the DFA***

Shannon referenced the presentation by WFP CEO Don Demens to the all-PAG gathering in Port McNeill last year, noting that she would be reviewing WFP's business strategy and the challenges ahead, and providing an update on measures to address some of these challenges, with a focus on the log sort consolidation initiatives.

She noted that WFP was looking to create scale and uniformity within the log profile to help maximize log supply internally, and ensure sustainability by harvesting the full profile of the managed forest.

Shannon reviewed the ways WFP is looking to maximize use of the species and size profiles of trees found in the forests being managed by the company. She noted that 70% of logs harvested are processed by the company's mills, and 30% are sold to domestic buyers and through log exports (less than 10%).

Clint noted that, of the over 6 million cubic metres harvested throughout the company's operations, 2.2 million cubic metres are harvested on the North Island (2 DFA's).

Shannon reviewed the challenges ahead, including the effects of increased tariffs through the Softwood Lumber Agreement on profit margins. She pointed to challenges around cost competitiveness and the need to improve operational efficiencies in order to remain competitive.

She reviewed a chart showing how WFP measures up against its competitors in the market, using the measure of EBITDA. Clint added that the cyclical nature of the industry means that WFP has to bring its costs down even more to weather the low parts of the cycles.

Shannon reviewed some of the challenges that WFP and its predecessor Doman faced in the past and the efforts the company is taking now to not fall again into those difficult economic times.

She reviewed why and how operations at sorts are changing, including the need to align log profiles with processing facilities. She noted that the number of log sorts was being reduced from 130 down to about 30 sorts to reduce costs and enhance efficiencies. She pointed to how more logs were being sorted on the east coast of Vancouver Island, for example, in order to reduce the cost and risk of log losses during transport off the west coast.

Shannon stressed that, to be healthy and sustainable in the long run, WFP was focusing now on keeping costs down and productivity high.

Clint noted that he was a long time North Islander and that he was passionate about the communities and the people on the North Island. He noted that he had participated in developing the changes that he believes will keep the company operating and keep people working on the North Island in the long run.

Clint reviewed the log consolidation initiative, noting reduction of a number of sorts and use of bush sorting. Clint provided some examples of the changes at the sorts, including curtailing operations at the Ingersol and Thurburn log dumps, direct hauling from Jeune Landing operating areas to Quatsino DLS and Port McNeill DLS. He acknowledged that these changes would result in more highway trucks being used to move the logs.

Clint reviewed some of the changes to the workforce that would result from these consolidations, including reduction of 7 people at the PMDLS, and six people at the QDLS. He noted that the reduction in workforce at Beaver Cove is not known at this time. Clint reviewed the reduction in equipment use at the various sorts, e.g. from 11 pieces of equipment to 8 pieces of equipment at the PMDLS.

Clint pointed to the importance of capital investment in keeping the company competitive, and reviewed some of the capital purchases anticipated by the end of 2017, including 1 quad bunk highway log truck, weigh scale, 15 light vehicles, two road builders, two log loaders and five conventional highway log trucks.

Jack asked if the goal was to have all the weigh scales automated and Clint responded that this was the intent for the North Island operation.

John Tidbury asked what is going to happen with the train, what is going to happen with increased logging truck traffic on the road and what plans are in place to ensure adequate rescue services will be in place for accidents on the stretch of road between Port McNeill and Sayward.

Shannon addressed the question regarding the train, noting that the company was still evaluating the best ways to move logs, including use of the train. She noted that it was her understanding as many as eight of the 28 plus people working on the train were working in other areas. When asked for a timeline for a decision on the train, she noted that she could not give a definite time, but it is the goal of WFP's Executive to announce a decision within a month.

Clint stated that the use of highway log trucks is a standard industry practice and acknowledged that increased use of highway trucks is a focus and stressed that safety measures would be put in place.

Patrick noted that the Woss Fire Department would not likely be renewing its road rescue responsibilities, and that he was trying to develop a road rescue strategy to cover the area between Woss and Sayward now that it appeared this function would no longer be provided by the Woss Volunteer Fire Department. He asked whether WFP had a plan for responding to accidents on the highway, now that the Woss Volunteer Fire Department wouldn't be providing first responder and rescue services in that stretch of road.

Clint noted that the volumes of traffic on Highway 19 were still far less than in locations like the Interior. He acknowledged that he would work with Patrick and members of a small group to try to find ways to sustain a rescue service on the stretch of road previously covered by the WVFD.

Gaby asked whether WFP had conducted a risk analysis to determine potential effects of increased highway truck traffic on road safety, and she asked whether the company would be looking at the effects this increased traffic would have on ongoing road maintenance.

Jack noted that he had observed a number of fully loaded logging trucks speeding down the highway and he called for the company to make a concerted effort around road safety by training drivers and looking at ways to mark the vehicles and the roads to minimize chances of accidents and maximize road safety.

Fred echoed Jack's concerns and added his concerns for increased logging truck traffic on smaller feeder roads like the Telegraph Cove road. Fred added his concern for ongoing job losses on the North Island and asked company representatives to do everything they could to maximize the number of jobs in this region.

There was a discussion of how many of the trucks are operated by contractors or WFP employees and it was noted that there are Bill 13 rights that dictate the number of contractors who operate these trucks, e.g. almost 100% of the logging trucks in Jeune Landing are operated by contractors, while most of the trucks out of Port McNeill are operated by WFP employees.

Clint was asked about the fate of the workers displaced by the log sort consolidations and he noted that many of them had found work in other jobs in the area.

Shelly asked that people understand that comparisons with highway truck traffic in the Interior are not appropriate because Interior roads are often twin-tracked and designed for greater traffic flows.

Jeff pointed out that there are a number of ways to use technology to monitor and control driver safety, including the use of dash-cams.

Jon Lok asked if WFP representatives were seeing positive results from their efforts to reduce costs and enhance profitability and Clint responded that efforts like the log sort consolidations were definitely leading to greater competitiveness.

Shannon noted that recent investments in capital were a sign that WFP is committed to the North Island and looking to a sustainable future in the industry.

Steve pointed to his ongoing concern for loss of jobs and volunteers in North Island communities. He asked about the carbon footprint of increased truck traffic on the highways and pointed to the benefits of using the train to reduce the carbon footprint.

Shannon mentioned there is a transition from off highway log trucks to new more fuel efficient and lower maintenance highway log trucks.

Dave asked why, if the North Island produces a third of WFP's total cut on the coast, there isn't a processing facility on the North Island.

Shannon discussed a number of economic reasons why mills are located near the lower mainland where the vast majority of the shipping industry is located, putting finished products close where they can be efficiently transported to market (e.g. ships transporting products both to and from Canada as well as rail lines, etc.). There was a discussion of how increased logging truck traffic will increase wear and tear on roads, especially Highway 19 and Clint noted that WFP does pay a fuel tax.

Patrick acknowledged the support WFP has given the Woss Volunteer Fire Department but stressed his ongoing concern that, with the loss of jobs and reduced number of people living and working in Woss, another alternative needed to be found to ensure that road rescue services are available in the area previously covered by the WVFD.

Clint agreed to work with Patrick to either rejuvenate the WVFD, or try to find workable alternatives for road rescue services previously provided by the WVFD.

Jack asked where the cedar that was going to Somass is now going and Shannon noted that much of this wood is going to the Chemainus mill.

Ray asked about labour issues in TFL 44 and there was a brief discussion about this.

Fred stressed once again that he would like to see every effort made to retain as many jobs as possible on the North Island. He acknowledged and asked for continued assistance from WFP in the forest training and recruitment initiative.

Steve repeated his concerns for ongoing job losses and suggested that there should be some kind of link between the number of jobs created and the amount of wood leaving the region.

Annemarie thanked the presenters and members of the public advisory groups and asked members if they wished to proceed directly to the discussion of water quality and quantity and members agreed to do this.

**Glynnis Horel, G.M. Horel Engineering Ltd. *Measuring Water Quality and Quantity in the DFA and Discussion of Possible Targets for Indicator 3.2.2***

Glynnis noted that she would be bypassing an extended discussion of the science behind the water quality and quantity issues and go directly to talking about key water quality issues related to forest management. She referred to Chapter 12 of the B.C. Forest Hydrology Compendium (a digital copy of which is to be distributed to PAG members) and identified which water quality components are affected by forest management and harvesting. She pointed to three basic categories of concern, namely toxins, water chemistry and turbidity. She noted she would not be addressing water temperatures as much as the other three categories.

Glynnis reviewed the major toxin sources, including spills and leakage from equipment, fertilizers and pesticides. She reviewed the water chemistry concerns including nitrates and ammonia. She pointed to how some of these impacts can be managed with riparian buffers, as riparian vegetation is effective at mitigating effects of harvesting on water chemistry.

Glynnis reviewed the effects of sediment and turbidity, stemming from natural sources or caused or exacerbated by forest harvesting, the variation caused by seasonal storm events and whether a source is chronic or limited to a single event.

Glynnis reviewed natural sediment sources like chronically eroding stream escarpments, sediment sources from legacy practices, effects of climate change on rate of sedimentation, and sediment sources associated with current practices such as road construction.

Glynnis pointed to large sediment sources like landslides and small sediment sources like road erosion and stream sources, which can have a significant cumulative effect.

Glynnis noted that the watershed management strategies are due for updating soon and will include identification of sedimentation sources and management strategies for dealing with sedimentation and turbidity, for example.

Glynnis pointed to the huge challenges around developing water quality indicators that: a. meaningfully represent the management activities over the entire operation, b. can be tracked and reported and, c. link management activities to impacts on water quality. She pointed to the challenge of finding indicators that work over widely dispersed operations with thousands of kilometres of roads.

Given the large area with dispersed activities, Glynnis suggested a management focus to: a. mitigate against water quality effects on riparian buffers, and b. treat non-legislated S4, S5 and S6 streams.

Glynnis noted that sampling and testing water in a large landscape is very challenging and it is difficult to isolate sources of sediment and extract meaningful information.

To find good targets for indicator 3.2.2, she suggested looking at practices around road inspections, implementation and follow-up, new road construction practices, road sediment management practices around crossings, landslide occurrence associated with current management practices covering, for

example, roads, windthrow and cutblocks. She noted that WFP has systems in place that would facilitate reporting. She stressed the need for existing reporting systems to support a good target for an indicator.

Glynnis reviewed the WFP landslide inventory and the system that can be used to report out on these events, e.g. whether they are natural or off a road. She noted that this information would be in the updated watershed management strategy and could be used to support possible indicator 3.2.2 targets.

She noted that the strategy includes a road inspection system prioritized in terms of stability risk.

Glynnis suggested looking at hydrologic assessments of large blocks for input into harvest planning. She noted this system was in place and could be tracked as a target.

Glynnis then summarized the areas for discussion, namely: a. management of non-legislated streams, b. sediment management and control practices, c. hydrological assessment of large blocks, and Kelly circulated information on the watershed management strategy and the associated practices.

Steve asked about looking at higher sensitivity areas and looking at water quality in those sensitive areas. A discussion around the use of recently introduced tethered machines followed and it was agreed that, since this harvesting method will tend to increase in the DFA's and since it may very well be done in sensitive areas, a means of monitoring and measuring impacts on water quality and quantity should be found.

There was a discussion of taking a phased approach to the development of indicator 3.2.2 targets, starting with identifying processes and ensuring the processes are followed, e.g. establishing grass seeding programs along major haul roads and ensuring these programs and practices are followed, and then following up with monitoring over a specified time period to see if the mitigation measures taken are effective, e.g. determining whether the grass seeding program has resulted in reduced stream turbidity along the major haul route. There was discussion on grading practices and impacts on sediment management.

It was noted that the use of tethered harvesting on the DFA would be increasing. Harvest systems are able to be tracked spatially; could be tied to the landslide inventory. Glynnis explained that soil disturbance is the primary concern; removal of the forest floor and amount of surface area of exposed mineral soil.

Trevor asked if there was any link between invasive plants and water quality. Paul mentioned that there may be a connection between invasive species and increased bank erosion.

Fred noted that he would like to see some level of water sampling done in order to get baseline information from which to make comparisons in future and better determine the effects of forest management in the DFA.

Glynnis pointed to the challenges around collecting and using or interpreting water samples over very large areas. She noted that water samples might be taken in an area where there are chronic turbidity

problems, for example, but she suggested that, in this instance, the source of the problem should just be addressed.

Annemarie asked Jon Flintoft and Kelly whether they had enough input from public advisory group members on the indicator 3.2.2 targets suggested by Glynnis during the course of her presentation and subsequent discussion with the group and they noted that they had sufficient information and feedback to put together draft indicator 3.2.2 targets for the November 9<sup>th</sup> meeting with VINWAG members and the November 23<sup>rd</sup> meeting with NWAC members.

Annemarie thanked Glynnis for her presentation and advisory group members for their participation in the ensuing discussion. She noted that group members would have a chance to review the draft targets that Jon and Kelly would be bringing back to them at their respective November meetings.

### **Next Meeting**

Annemarie noted that the next regularly scheduled meeting for VINWAG was Thursday, November 9<sup>th</sup> when the main topics would be a round table discussion of SFMP priorities, and a review of the draft indicator 3.2.2 targets; and that the next NWAC meeting was scheduled for November 23<sup>rd</sup> when the main topics would be an update on the Englewood THLB and SAR strategies and a review of the draft indicator 3.2.2 targets.

Annemarie thanked everyone for participating and wished everyone a safe drive and a good night.