

B.C. on the Move: Engagement Meeting Notes

NOVEMBER 3, 2014

11:00AM

DAWSON CREEK

ATTENDEES/AFFILIATION	Harald Hansen, Northeast BC Resource Municipalities Coalition Colin Griffith, Northeast BC Resource Municipalities Coalition John Dumbrell, Northeast BC Resource Municipalities Coalition
MOTI REPRESENTATIVES	Scott Maxwell, Acting Regional Director, Northern Region, Ministry of Transportation and Infrastructure (MoTI) Bryan Crosby, Acting District Manager, Transportation, Peace District, MoTI
NOTE TAKER	Selina Bull, Kirk & Co. Consulting Ltd.
KEY THEMES (3-6)	
1)	Engagement process: All participants noted concerns with the consultation process. They indicated some that it would make more sense to consult when on an already-existing draft of the plan and strongly indicated that they should get the opportunity to comment once the plan has been developed.
2)	Transportation planning: Participants noted that the transportation planning process should be more strongly and more explicitly linked to the provincial economic strategy of LNG development.
3)	Transportation planning: Participants agreed that the Ministry of Transportation and Infrastructure should ensure that the Northeast part of the province gets a larger, more appropriate amount of resources that takes into account the revenues that the province receives from that region.
CHALLENGES AND OPPORTUNITIES	
	<ul style="list-style-type: none"> A participant noted that the municipalities in northeast BC are facing the prospect of unchecked growth due to the Province's LNG-focused economic development strategy. This participant expressed concern that the government is not developing a transportation plan directly in parallel to this LNG development strategy, and that this could cause negative impacts to the transportation network in the area. A participant indicated that a mid-2000s flurry of oil and gas development in Fort Nelson had been incredibly challenged by the limited airport capacity. This participant noted that the Fort St. John Airport will be similarly unable to handle the increased traffic, especially with LNG development's dependence on a fly-in fly-out business model.
MOVING FORWARD – STRATEGIES	
1)	Moving People and Goods Safely and Reliably
	<ul style="list-style-type: none"> A participant noted a concern that demand for air travel is going to increase a lot, and it will be driven by the provincial LNG strategy. However, the airport is not equipped to deal with such an increase in demand unless the Province shifts a large part of its budget to expand airports in the northeast. This participant noted that such a budgetary shift would then preclude the adequate maintenance of and expansion to the road network. A participant re-iterated that the development surrounding Fort Nelson had caused major capacity problems for the airport. There were queues of airplanes and buses lined up to take laborers to work sites, but the airport terminal could only accommodate a small percentage of the passengers. Participants indicated concerns with the readiness of rail infrastructure to transport supplies for LNG development. They also noted that if sand and pipe was not travelling by rail to the appropriate sites, it would increase pressure on the already taxed road infrastructure.
2)	Growing the Economy
	<ul style="list-style-type: none"> A participant stressed that there are costs to doing business in the northeast, and specifically to the Province's LNG strategy. This participant noted that these costs need to be carefully thought out and mitigated through a provincial transportation planning process that directly and specifically deals with infrastructure demands of LNG development. A participant stressed that the revenues coming from LNG and other development in the area should not be taken away from the Peace to pay for infrastructure improvements in the Lower Mainland. This participant indicated that, given the costs that such development imposes on an area's infrastructure, the Province should remove the Peace from its regular budgetary process. A participant noted a concern with the Central Access Road to the Horn River area. A participant indicated that the Province should allocate more to the northeast both in recognition of the costs of development, as well as to facilitate development.
3)	Connecting and Strengthening Communities
	<ul style="list-style-type: none"> A participant noted a concern with the Highway 97 arterial that runs through Fort Nelson. A participant noted a concern with the allocation of funding towards northeastern communities, and felt that the northeast has to contend with transportation priorities in the Lower Mainland.
4)	Maximizing Collaboration and Investment with Partners and Stakeholders
	<ul style="list-style-type: none"> One participant inquired where the money from oil and gas royalties (the Oil and Gas Rural Roads Improvement Program) is included in the transportation plan. Scott Maxwell noted that this fund is outside of the plan.

<ul style="list-style-type: none"> Participants expressed concern that the funds from the Oil and Gas Rural Roads Improvement Program had diminished over the years and expressed an interest in ensuring that it was comprehensive as royalties increase from LNG development. Participants expressed an interest in becoming involved in the BC government's Pacific Gateway branch and in seeing this link developed in the new plan. A participant indicated concern that industry has contributed adequately to the provincial government, which leaves all the municipalities competing with one another for those provincial dollars. This participant indicated that it does not make sense to use this system of allocation when the money gained from industry is disproportionately spent in other parts of the province. 	
TOP THREE PRIORITIES FOR TRANSPORTATION INFRASTRUCTURE IMPROVEMENTS	
<ul style="list-style-type: none"> Participants indicated a priority for the development of a provincial transportation strategy that is directly linked to the provincial LNG expansion strategy. 	
<ul style="list-style-type: none"> Participants expressed a need for more appropriate allocation of funding for transportation improvements in the northeast which takes into account the costs of industry to the infrastructure in the area as well as the level of revenues that the Province gains from industrial development in the region. 	

ADDITIONAL COMMENTS/DISCUSSION	
<ul style="list-style-type: none"> Participants expressed strong concerns with the process of engagement. They indicated that it was difficult to be consulted on a non-existent plan and that the general public will not be able to give informed responses to the survey questions and engagement materials. 	
<ul style="list-style-type: none"> A participant reiterated reservations with the engagement process and asked whether it is government by referendum. This participant also indicated that the process through which the Province will use information from engagement to create the plan will not be transparent. 	
<ul style="list-style-type: none"> A participant inquired whether the Ministry had access to background information for the case of rapid oil and gas development in Fort Nelson. Scott Maxwell noted that he did not know the statistics at the moment but that such information would probably be available in the Ministry's policy branch. 	
<ul style="list-style-type: none"> A participant inquired what the budget was for the Oil and Gas Rural Road Improvement Program and whether MoTI was involved in decision-making for projects coming from that program. Scott Maxwell noted that MoTI was not involved. 	
<ul style="list-style-type: none"> A participant inquired why there appeared to be no provision for the Oil and Gas Rural Road Improvement Program in the Service Plan. 	
<ul style="list-style-type: none"> Participants expressed frustration that the northeast has to compete with the Lower Mainland for provincial funding because the Province is subservient to the areas with the highest level of votes. 	
<ul style="list-style-type: none"> A participant requested data that summarizes, over the years, the state of side-road and highway infrastructure for the region. 	
<ul style="list-style-type: none"> A participant indicated that the Province garners adequate revenues for education in the northeast due to the large rural property tax base, and that this tax base also helps in paying for transportation costs. 	
<ul style="list-style-type: none"> Participants inquired whether the cost disparity (that takes into account the difference in expected lifetime of infrastructure) between projects in the northeast and the south of the province is factored into decision-making at the Ministry. 	
<ul style="list-style-type: none"> A participant asked how the province's transportation budget has changed in the past decade relative to other functions of government, to give a picture of how the government prioritizes transportation versus other expenditures. This participant also inquired how the operational budget for transportation in the northeast has changed over time. 	
<ul style="list-style-type: none"> A participant requested data from the Ministry on truck traffic coming through the region from Prince George as opposed to Alberta. 	
<ul style="list-style-type: none"> A participant noted that a private company constructing a rail siding in Dawson Creek had stopped work because of city zoning regulations. He indicated that this would cause truck traffic to grow even further. 	
<ul style="list-style-type: none"> A participant noted that, having been previously involved in the Mitsubishi chop-stick factory, it appeared likely that the forestry industry in the area will probably boom again, which will require freight rail services. 	
<ul style="list-style-type: none"> One participant inquired whether the engagement process would involve industry, or if it was focused on local government. Scott Maxwell indicated that the process had initially focused on local government but that it would include first nations and major industry and transportation stakeholders. The participant asked whether the engagement list would include Energy Services BC. 	
<ul style="list-style-type: none"> Participants indicated that there should be a chance for key players to consult on the plan once it has been drafted or to review it at the 2-year mark. 	
<ul style="list-style-type: none"> A participant noted that the coalition would be willing to share its model, which will be able to project job and other growth to a geographical area, with the Ministry. This participant indicated it would be helpful for planning for LNG development and other hypothetical situations. 	