

Meeting Synopsis

Land Based Investment Strategy (LBIS): Current Reforestation and Timber Supply Mitigation Meeting

Sponsored by

***Resource Practices Branch
BC Ministry of Forests, Lands and Natural Resource Operations***

Ministry of **Forests, Lands and
Natural Resource Operations**



Meeting Organizing Team:

Dave Cornwell, Program Delivery Coordinator
John McClarnon, Stand Establishment Officer
Kelly Osbourne, Resource Investments Planning Specialist
Allan Powelson, Forest Establishment Initiatives Officer
Ralph Winter, Stand Management Officer and Data Custodian

Prepared by:

Terje Vold, Contractor, Project Mgt Support for LBIS Planning & Delivery

September 28-29th, 2011

Richmond, British Columbia

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Reminder of Meeting Agenda

Land Based Investment Strategy (LBIS): Current Reforestation and Timber Supply Mitigation Meeting

	DAY ONE: WEDNESDAY, SEPTEMBER 28TH, 2011 LBIS: strategic objectives, budgeting and sowing requests
8:30 am	<i>Coffee/tea available – meet and greet</i>
9:00 am	Introductions and 5 Meeting Objectives: (Jim Sutherland) <ol style="list-style-type: none"> 1. Address the requirement to focus activities on priority areas under the LBIS 2. Develop budget for 2012/13 budget process under LBIS 3. Managing key strategic issues: Sowing, NSR and FMPs 4. Address delivery capacity issues by exploring a range of available tools – implementation contractors, BCTS, licensees or, recipient agreements managed by PwC 5. Identify and address critical training needs in regions and districts <p style="margin-left: 40px;">Note: Session #'s below align with meeting objectives</p>
9:30 am	Session 1: Strategic objectives – program focus and: Why are we focusing on priority TSAs? (John McClarnon and Al Powelson)
10:30 am	<i>Coffee break</i>
10:45 am	Session 2a: Review of draft budget numbers proposed by regions (Kelly Osbourne)
11:15 am	Session 2b: Addressing the budget to align with the LBIS (Al Powelson and Kelly Osbourne)
12:30 pm	<i>Lunch – will be provided</i>
1:30 pm	Session 2c: Identify critical issues that are not funded at present (Ralph Winter and Al Powelson)
2:00 pm	Session 3a: Strategic management of sowing levels and species selection (Al Powelson and Kelly Osbourne)
2:30 pm	Session 3b: Backlog NSR project review: key issues and solutions to ensure 2015 goals are achieved. RESULTS management and issues. (Matt Leroy and Paul Rehsler)
3:30 pm	<i>Coffee break</i>
3:45 pm	Session 3c: Where are we going with the new Forest Management Planning (FMP) process? (Paul Rehsler) <ul style="list-style-type: none"> • How does it affect silviculture strategy work? • How will LBIS be connected to the FMPs this year and next year?
5:00 to 5:30 pm	Adjourn

DAY TWO: THURSDAY, SEPTEMBER 29TH, 2011

LBIS: delivery and training needs

- 7:30 am *Coffee/tea available*
- 8:00 am **Housekeeping – addressing outstanding concerns from Day One (priority areas, budgets and key strategic issues)** (Dave Cornwell, Al Powelson and Kelly Osbourne)
- 8:30 am **Session 4: How to improve delivery with BCTS, recipient agreement holders and industry** (Dave Cornwell and Ralph Winter)
- 10:00 am *Coffee break*
- 10:15 am **Session 5: What are our key training needs?** (Dave Weaver)
 - How should we be delivering training and to who?
- 12:00 pm *Lunch – will be provided*
- 1:00 pm **How are we going to work, share and support district, regional and HQ knowledge and resources?** (Dave Cornwell and Ralph Winter)
- 1:45 pm **Other topics e.g.** (Dave Cornwell and Ralph Winter)
 - What are the key changes that we need to make to key standards for FFT?
- 2:30 pm **Summary and recap of meeting objectives – key assigned action items and timelines for completion** (Dave Cornwell)
- 3:00 pm **Adjourn** Thanks to All Who Participated!

Purpose of this Synopsis

Forty-three (43) individuals from districts, regions and branches that are involved or interested in the Forests for Tomorrow (FFT) program attended a two-day meeting held September 28th and 29th in Richmond, British Columbia (BC). Meeting participants are listed in Appendix 1.

The purpose of this Synopsis is to provide a summary of discussion highlights and action items from the meeting for participants and others that may be interested.

Meeting presentations and the meeting Workbook are posted on the following LBIS FFT website: <http://www.for.gov.bc.ca/hcp/fia/landbase/fft/>

So as not to repeat material already compiled, this Synopsis should be used in conjunction with the Workbook that was prepared to guide the meeting.

Day One

Introductions and 5 Meeting Objectives

Welcome, Introductions and Meeting Objectives

Jim Sutherland, Director, Resource Practices Branch welcomed participants to the workshop, and thanked the 'FFT Team' for their efforts to deliver the program. He noted the key objective of the meeting is to support the planning and delivery of the FFT component of the Land Based Investment Strategy (LBIS). LBIS pooled various pots of money so that meaningful investments could be made on management units (MUs) most heavily impacted by the mountain pine beetle (MPB). Although the meeting's focus is on planning and delivery, if interested get plugged into the FFT Category Team who are involved in setting priorities.

The Deputy Minister is interested in getting the best return for the sector in LBIS investments in FFT and the other LBIS categories. The Corporate Initiatives Office is responsible for addressing this and is working with Resource Practices Branch on potential new directions to LBIS including the possibility of adding other investment categories. This work is expected to be done this fall 2011 so that direction can be provided for LBIS investments next fiscal year (2012/13). Since LBIS provides a 3-year strategy that is updated annually, the more significant changes are expected in year 2 (fiscal year –FY- 2013/14) and year 3 (FY 2014/15) of the next strategy.

A question was asked about the FFT delivery approach. Jim noted that there is flexible delivery model – whatever works best e.g. region/district delivery, BC Timber Sales (BCTS) delivery, etc. This will be discussed more fully in Session 4 on Day Two.

Dave Cornwell asked participants to introduce themselves and to mention their key expectations from the meetings. Meeting expectations¹ included:

- Building a good FFT team; recreating a sense of team
- Developing a good understanding of the FFT program e.g. vision, priority MUs, delivery model options/how districts fit in
- Having clarity about and addressing e.g. FFT process, planning, resources/district capacity, roles and responsibilities, what can/can't be done with FFT \$\$
- Learning from other regions/districts e.g. what's working? what are the challenges? Sharing successes and learning about different delivery methods
- Exploring how organizations such as BCTS and PricewaterhouseCoopers (PwC) can assist planning and delivery
- Understanding analysis tools so the investments provide best bang for buck including how non-timber supply benefits (such as wildlife) are factored into FFT
- Exploring the link between Forest Management Planning and FFT
- Exploring ways to raise the profile of the FFT program so that it gets reflected in work plans and Employee Performance and Development Plans (EPDPs)

5 Meeting Objectives and Agenda

A reminder of the meeting agenda is provided on pages 4 and 5. The 5 key meeting objectives were:

1. Address the requirement to focus activities on priority areas under the LBIS (see Session 1 in the Agenda)
2. Develop budget for 2012/13 budget process under LBIS (see Sessions 2a to c)
3. Managing key strategic issues: Sowing, backlog NSR and FMPs (see Sessions 3a to c)
4. Address delivery capacity issues by exploring a range of available tools – implementation contractors, BCTS, licensees or, recipient agreements managed by PwC (see Session 4 on Day 2)
5. Identify and address critical training needs in regions and districts (see Session 5 on Day 2)

¹ A list of meeting expectations was also provided in the Workbook based on pre-meeting input

Session 1: Strategic Objectives – Program Focus

John McClarnon provided context for the LBIS FFT program including:

- In early 2000's, silvicultural investments dropped from about \$100 million (MM) to \$3 MM
- Given impacts of MPB and wildfire, government was interested in making investments based on sound criteria; a Treasury Board submission ramped the program to \$90 MM so that about 300 000 hectares (ha) of MPB impacted area could be treated
- Drivers were concern about need to treat not satisfactorily restocked (NSR) areas, mitigate impacts on mid-term timber supply and restore other resource values.
- The focus was on the judicious application of silvicultural treatments in priority areas; there was never the idea that all impacted areas would get treated
- In 2005, the program's focus was on treating MPB and wildfire impacted areas, securing previous backlog NSR investments, inventory, and surveys and planning.
- The Auditor General's review of the Forest Renewal BC (FRBC) program in 2000 noted the lack of provincial objectives to guide investments, need to validate outputs from investments (e.g. yield from spacing), and need for right level/mix of activities. The Silviculture Strategies (SS) help provide objectives at the MU level, the FFT Return on Investment (ROI) process helps address outputs, and the various LBIS categories and FFT activities help ensure a mix of activities.
- The 2006 MPB Action Plan Objective 6 (Restore the forest resources in areas affected by the epidemic) is still relevant. Reforestation methods need to consider ways of reducing future widespread epidemics.
- FFT's first Program Management Plan was in 2006 and a FFT Business Case was prepared in 2008. The Business Case targeted treating 400 000 ha over a 13-24 years (depending on delivery option) including:
 - about 10% -- 300 000 ha -- of the approximately 3.2 MM ha of mature >70% pine stands impacted by the MPB that might not be salvaged
 - about 10% -- 80 000 ha – of the approximately 0.8 MM ha of young pine stands identified as at-risk of MPB attack
 - about 20 000 ha of wildfire impacted area

Al Powelson provided more recent context for FFT including:

- Government decided to bring FFT, FIA, invasive plants and other funding programs together under the umbrella of the LBIS so that the \$\$ can be focused on government priorities
- There was a tight timeframe to develop the investment categories for LBIS in FY 2010/11 with summer 2010 workshops held in the 3 regions to assess what is missing
- FFT is supported by both provincial direction and by a bottom-up process to determine investment priorities within MUs
- This FY 2011/12 with LBIS under the new Ministry of Forests, Lands and Natural Resource Operations (FLNRO), the focus of LBIS is now broader than before (e.g. now range and recreation is included as additional investment categories)

- LBIS FFT program currently has about \$34.5 MM allocated for Current Reforestation and \$11.85 MM allocated for Timber Supply Mitigation. The FFT category also includes a Forest Health component.
- The draft FFT Strategic Plan 2011 to 2015 was provided as a handout at the meeting and can be viewed at <http://lbis.forestpracticesbranch.com/LBIS/node/9>. The draft Plan includes vision, mission and four goals for the FFT program as well as supporting performance measures.

Action #1: Performance measure. Consider adding as a FFT performance measure the jobs created from current reforestation and timber supply mitigation work including overstorey removal such as salvage harvesting

- In addition to addressing catastrophic disturbances (MPB and wildfire), direction for Current Reforestation includes undertaking vegetation management where investments have been made, eliminating the backlog (pre-1987) NSR by 2015, meeting FRPA s. 108 commitments, and has a floor to plant at least 13 MM seedlings per year.
- For Timber Supply Mitigation, in addition to addressing priority areas, direction includes diversifying investments to address constrained timber issues in the Interior and Coast with investments outside priority areas having roughly a 65/35 split between Interior/Coast. As a proposal this split outside priority areas could be proportional to a MUs AAC similar to the Forest Investment Account (FIA) model. There was feedback that return on investment should also be considered in these allocations.

Action #2: Allocation outside priority areas. Consider allocation to MUs outside of priority areas based on AAC and other factors such as ROI and risk to investment (e.g. due to land use restrictions)

- The draft *Silviculture Funding Criteria 2011/12 to 2013/14* identifies various filters for making (see www.for.gov.bc.ca/hcp/fia/landbase/fft/index.htm) investment decisions for Timber Supply Mitigation and Current Reforestation. One of the filters is the determination of priority areas with supporting excel spreadsheets provided in the appendices of the above noted document.
- For Timber Supply Mitigation, priority areas in the Interior were assessed based on ranking various indicators (e.g. drop in mid-term vs pre-uplift allowable annual cut (AAC), drop in mid-term vs long-run sustained yield (LRSY), % change from pre-lift AAC to mid-term, % change from LRSY to mid-term) and the number of indicators with priority 1, 2 and 3 rankings as shown in the *Silviculture Funding Criteria* spreadsheet.
 - Lakes, Prince George, Quesnel and Williams Lake Timber Supply Areas (TSAs) were rated as priority 1
 - Morice, Kamloops, Merritt, Okanagan and 100 Mile House TSAs as priority 2
 - Arrow, Cranbrook and Invermere TSAs as priority 3.
- For Current Reforestation, priority areas in Interior were also assessed based on ranking various indicators (e.g. % of pine killed 2009; cumulative volume killed 2009; area impacted by wildfires; projected pine to be killed by 2016).
 - Lakes, Williams Lake and Quesnel TSAs were rated priority 1

- Prince George and Morice TSAs were rated priority 2
- 100 Mile House, Mackenzie, Kamloops, Merritt and Arrow TSA were rated priority 3
- The budget and on-going planning timeline for FFT is included in Key Dates for LBIS available at <http://lbis.forestpracticesbranch.com/LBIS/node/246> (also included as Workbook appendix). In summary, Nov. 1st is the official start of budget process for next fiscal year where the draft LBIS funding allocation proposal needs to go to the FLNRO executive for consideration. During the winter, field operations need to be finalized, in spring and summer information gathered to support planning for the following FY, and in the fall prepared the revised 5-year FFT investment plan (see next Session 2a). In order to meet the November 1st ‘start’, we need an initial draft Appendix 2 budget request assembled from regions/districts requests by September 30th so that it can be circulated for staff review in October.

Questions and Answers
<p>Q. How does the filtered approach work in general?</p> <p>A. The filter that identifies priority areas addresses ‘where’s the problems?’ Subsequent filters utilize information such as timber supply review, silvicultural strategies, natural recovery information, ROI, capacity to delivery, etc to address: ‘where’s the solution?’ i.e. can we do something meaningful in the MU?</p>
<p>Q. Where does return on investment (ROI) fit?</p> <p>A. It is addressed in Filter 4 (maximization of productivity) in the <i>Silviculture Funding Criteria</i> document. Within priority areas, the additional filters that include ROI then apply.</p>
<p>Q. What about Tree Farm Licenses (TFLs)?</p> <p>A. TFLs, Woodlot Licences and Community Forest Agreements encompassed by the broader TSA name are eligible if they meet the overall management objective. The TSA-level analysis in determining priority areas applied to them.</p>
<p>Q. How was the 65/35 split for Interior/Coast outside priority areas determined for timber supply mitigation?</p> <p>A. Based primarily on past practices</p>
<p>Q. Do default obligation NSR qualify?</p> <p>A. If funding is available, yes it can be used for defaulted legal reforestation obligations (as noted in Filter 3 of the <i>Silviculture Funding Criteria</i> document)</p>

Session 2a: Review of Draft Budget Numbers Proposed by Regions

The purpose of this session was to review the draft budget numbers proposed by regions that are currently available. Kelly Osbourne described current draft budget numbers and led discussions towards any refinements that may be needed. Appendix C1 in the Workbook provided the draft *LBIS FFT Silviculture: Current Reforestation and Timber Supply Mitigation Plan*. The *FFT silviculture planning template* is available by contacting Kelly. Kelly compiled three spreadsheets based on submissions to date that were handed out to participants at the meeting and addressed in her presentation:

- Total 5-year goals for Current Reforestation and Timber Supply Mitigation
- Total goals by region for 2012/13
- Total goals by region for 2014/15

The 5-year goals (requests) as reflected so far in draft 5-year plan material include about:

- 117 MM seedlings to plant (including 39 MM by BCTS)
- 122 MM sowing requests for seedlings (including 34 MM by BCTS) – representing nearly 25 MM trees/year – well over the minimum 13 MM threshold
- 150 000 ha of MPB surveys and 126 000 ha of wildfire² surveys
- 45 500 ha in backlog NSR surveys
- \$150 MM (\$30 MM/year) for Current Reforestation with current allocation at \$34.5 million (but this also is used to pay for FRPA s. 108 obligations)
- Timber Supply Mitigation goals include nearly 170 000 ha for fertilization, 43 000 ha for spacing as well as surveys and overview planning – the budget request is nearly \$120 MM for 5 years (about \$24 MM/year) which is considerably higher than the current budget of \$11.85 MM

For 2012/13, the goals as reflected so far in draft 5-year material include about:

- 15 MM seedlings to plant
- 25 MM sowing requests for seedlings
- 46 000 ha in MPB surveys and nearly 25 000 ha in wildfire surveys
- 36 000 ha in backlog NSR surveys (this reflects need to front-end load this work to address the 2015 throne speech commitment to eliminate backlog NSR)
- \$26 MM in Current Reforestation funding request
- nearly \$19 MM in Timber Supply Mitigation funding request including about 27 500 ha in fertilization and nearly 5 500 ha in spacing

For 2014/15, the goals increase for most activities (e.g. except backlog NSR surveys as noted above) with Current Reforestation budget request at nearly \$30 MM, and the Timber Supply Mitigation request at just over \$25 MM. This suggests a desire and need if possible to ramp up the FFT program.

There was the observation that the goals do not always get reached; last year's target was 20 MM sowing request whereas there was about 15 MM in actual requests. The 5-year average

has generally been about 15 MM seedlings --which is above the minimum target of 13 MM but below the desired target of 20 MM.

It was noted that sowing requests and surveys 'drive' the Current Reforestation program, and that efficiencies to reduce unit costs in these areas, for example, provided by BCTS and Innovative Timber Sale Licences (ITSLs) really help.

In turn the 5-year plan drives sowing request approvals i.e. it is not done on a first come first serve basis. A draft 5-year plan is provided in November as part of budget process. The final 5-year plan and annual operational plan get approved generally in January and are subject to final budget allocation decisions.

When addressing budget priorities, for Current Reforestation planting already sowed seedlings is first priority whereas surveys are more discretionary. For Timber Supply Mitigation, applying the already purchased fertilizers are first priority whereas other activities like spacing are more discretionary.

Action #3: 5-year plan review. Kelly will review 5-year plan input with operations staff and update as required

The input on the 5-year plan may be variable because districts made different assumptions about what they could request; assumptions may vary about:

- opportunity for treatments
- anticipated capacity of staff to deliver activities/treatments
- history of treatment in the district (e.g. could ramp-up but input was tempered by past performance)

Action #4: 5-year plan assumptions. Branch should provide a set of assumptions to guide operations staff provide consistent input into the 5-year plan

Action #5: District annual plan meeting. District staff should meet with their constituents this winter to firm up the numbers in the annual plan; there is seed money through LBIS available to support the districts undertake this action

Questions and Answers

Q. There does not appear to be sufficient funding to do the planning necessary to be strategic

A. Regions/districts can request more funding for this; it is recognized that planning is important. For example, in Coast there is more funds for planning and survey work as they are getting more involved in FFT and want to ensure their investments are in the best areas (e.g. by reviewing their silviculture strategies via planning to verify or refine the strategies).

Session 2b: Addressing the Budget to Align with the LBIS

This session focused on: what we need to do to get ready for the November 1st draft LBIS Appendix 2 (i.e. budget request that goes to executive). The sowing request last year was 14.5 MM seedlings so planting those seedlings next year is firm. There is also direction from the throne speech to eliminate the backlog NSR by 2015 so the required area to conduct surveys should be front-end loaded in the 5-year plan with most of that work done over the next two fiscal years. There is also requirement that FFT fund legal liabilities associated with approved FRPA s. 108 applications (e.g. restoring licensee areas burned by fire) that was \$24 MM last fiscal year and \$2 MM for this fiscal year has been set aside.

For Timber Supply Mitigation, there is now requirement for FFT to budget for fertilization purchase – in past this was risked managed using last minute ministry surplus for purchase – but Executive direction was given to no longer do this. Given the need to purchase fertilizers with the FFT budget, what can be reasonably treated given anticipated available budget?

There was comment from Coast that fertilization may provide a bigger bang for the buck than spacing. If so, the Coast region can reduce its spacing goals to provide funds needed to increase its fertilization goals.

The need for more up-front planning in order to be strategic about investments was noted. Though dated in some areas, there are silviculture strategies for most MUs across the province. The principle that we don't treat an area within a MU without having a strategy and objectives should be adopted. About \$12 MM over 10 years were spent on silviculture strategies so these should be used to assist the planning. The silviculture strategies along with timber supply review documents and other material provides the context need to be strategic about FFT investments.

The FFT budget process is an iterative one: top down aspect as it is driven by provincial priorities and direction, and bottom-up as it requires MU-level strategies so that the best opportunities to reforest catastrophically-disturbed areas and to mitigate timber supply constraints are capitalized on. The bigger plan to help guide the budget process is the 5-year plan discussed earlier in Session 2a.

Summary level considerations:

- balance incremental silviculture (timber supply mitigation) and current reforestation requests
- encourage the role of BCTS – maximize this partnership opportunity as per unit costs have been quite effective
- distinguish between the opportunity for treatment and the impact it can have on future timber supply (e.g. the opportunity may be there but the impact may be negligible)

Regions play an important role in adjudicating the district requests so that allocations are appropriately distributed within the region.

Questions and Answers

Q. Given TSR-noted timber supply constraints, some TSAs could fertilize so much more than there is funding for?

A. We never had enough funding to meet all the needs in all MUs; the 5-year plan requests therefore need to be tempered by what is realistic.

Q. How are district requests prioritized within a region?

A. Ideally there should be a regional plan that balances district requests so that funding is appropriately distributed in MUs.

Q. What's target \$\$? Let regions/districts then decide on how to get the best bang for the buck

A. Prioritize things you want to do by MU so that you can readily link available \$\$ and provincial priorities. Also be prepared: you never know if a new funding envelope comes available (e.g. federal funding through the Job Opportunity Program (JOP)). Have projects in the file (in RESULTS) ready to go in case (see Action #6).

Action #6: Be prepared. Have more projects 'ready to go' should unforeseen funding opportunities arise so that we can respond to emerging government priorities

Session 2c: Identify Critical Issues that are Not Funded at Present

Jim Sutherland opened the session by providing a re-cap. Government's decision to fund FFT has flags – the funding needs to address key government priorities. FFT is not a pot of \$\$ that is provided with staff then trying to figure out what to do with it. Local silviculture strategies provide key drivers to explore opportunities to deliver FFT consistent with government priorities. These priorities can change or shift over time – could be employment impacts, or impact of fall down, or some combination of objectives.

Questions and Answers
<p>Q. What is reliability of FFT funding from year to year?</p> <p>A. It is reasonable to assume the approximate amount (+/-) in the approved LBIS 3-year strategy will be provided since, for example, the sowing requests one year lead to the requirement to plant the seedlings in ensuing fiscal years. Regions will be working with Branch on the allocation to various MUs. A comment noted that budget requests by MU may be less accurate; when aggregated regionally and provincially probably OK, but care needs to be taken when drilling down (providing appropriate funding) to MUs.</p>
<p>Q. Are impeded areas eligible for treatment?</p> <p>A. Yes these areas are looked at as eligible but are not the main focus at this time unless we can show that treating them is a better investment in terms of future volume production than doing something else like spacing, fertilization or reforestation.</p>
<p>Q. How do we incorporate value – and not just volume</p> <p>A. The Provincial Silviculture Strategies www.for.gov.bc.ca/hfp/silstrat/index.htm included a target to increase the value of timber in BC. Unfortunately there are limitations in the TIPS Y (Table Interpolation Program for Stand Yields) program's ability to model for value (see Action #8).</p>
<p>Q. Some sites are declared free-growing but regressing. Can FFT funds be used for stand development monitoring (SDM)? Concern was also expressed about the costs of doing SDM given the protocol.</p> <p>A. SDM is not eligible work under FFT. SDM is done under the Forest and Range Evaluation Program (FREP); if funding is needed for SDM then pressure needs to be made to improve funding for FREP to support SDM.</p>
<p>Q. Can FFT work support continuous improvement? For example, if FFT surveys point out a policy issues, then this information should be used to consider policy revisions.</p> <p>A. Yes – that's why it is particular important to get local land managers (e.g. districts) involved in delivering FFT so that the program can get that kind of feedback.</p> <p>It was also noted that 'adaptive management' per se is FREP's role; that said FFT activities can lead to learnings that will improve program policies and delivery. There was a comment that perhaps some FFT \$\$ could be targeted for continuous improvement ('learning by doing') so that we improve delivery over time (see Action #9).</p>
<p>Q. Can we revisit some of the technical direction, e.g. on what species to fertilize? (as provided in Filter 4 in the draft <i>Silviculture Funding Criteria</i> document.</p> <p>A. The guidance was developed based on best available information in discussions with technical experts (e.g. silviculture specialists and researchers); that said if good science suggests changes need to be made we need to look at that</p>

Action #7: Guidance for mature stands. It was noted that we need guidance on the rehabilitation of older forest impacted by the MPB. It was agreed that strategies are needed for this

Action #8: TIPSy – timber value. Consider changes to TIPSy so that timber value (not just volume) can be factored into ROI assessments.

Action #9: Continuous improvement. Consider some targeted FFT funding for continuous improvement where, for example, learnings from field surveys are used to improve policy and standards (e.g. free growing); this could be done in a manner that compliments FREP's role in adaptive management

Session 3a: Sowing Levels and Species Selection

Al Powelson reminded participants that the FFT floor is 13 MM seedlings and the desired target is 20 MM seedlings. The 1400 stems/ha average is consistent with the target. Right now there is only 5 MM sowing requests for seedlings in the Seed Planning and Registry Application (SPAR). The deadline to get the sowing requests in is just 2 weeks away (October 15th). BCTS handles all the sowing contracts, including those for FFT, and has the Oct 15th deadline. There is less nursery space now than before due to the downturn in lumber markets; given the recent increase in harvest levels, fewer nurseries means there is going to be tight competition for nursery space.

When making sowing requests for species, please consider the FFT Policy on *Management of Tree Species Composition* www.for.gov.bc.ca/fjp/hfp/external!/publish/fft_standards_on_cms_web/policy/Policy1_FFT.pdf. In essence the policy is saying to use a mix of species wherever possible. Also there has been more recent guidance on western white pine where the use of blister rust resistant seedlings are encouraged, and on assisted migration, for example where Chief Forester Standards for Seed Use have been amended to allow for climate based upward elevation changes and use of western larch beyond its natural range.

Data from FFT activities indicates that only 10% of the treated stands are being treated with just one species, and for 90% of the treated areas, more than one species is being planted. The majority of species planted are lodgepole pine and spruce followed by Douglas-fir, western larch and other species. In 2011, about 52% of the species planted were lodgepole pine and the trend line appears to be going upward. So try to plant a healthy mix of species and have this reflected in your sowing requests. FFT's performance regarding the planting of pine is similar to industry but we have opportunity to be different – to lead by example.

It was noted that sowing requests and planting decisions tend to be driven by stand level assessments; that we need a landscape level plan to help ensure diverse tree species composition across the landscape. A contributing factor as well is ROI where higher % returns are generally obtained by planting pine than with other species – and in some cases this can make or break an investment decision. There was concern that the ROI model may need to be improved to better account for planting a diversity of species.

Action #10: Complete sowing requests. The SPAR report now shows about 5 MM sowing requests; so an important and urgent next step is to complete the sowing requests in SPAR to meet the October 15th deadline.

Action #11: ROI model. Consider changes to ROI models (which tend to favour pine) - or ways to mitigate unintended consequences of applying ROI - so that planting a diversity of species across the landscape is encouraged consistent with FFT Policy

Session 3b: Backlog NSR Project Review and RESULTS Issues

Matt Leroy's presentation on this topic was prepared by Matt, Dave Weaver and Paul Rehsler. It included a reminder of the Throne Speech commitment to eliminate the backlog NSR by 2015. The definition of 'backlog' includes the pre-October 1st, 1987 date and that in the district manager's opinion the area is insufficiently stocked with healthy well-spaced trees of a commercially acceptable species. The definition therefore provides some flexibility in how NSR is viewed based on the district manager's opinion.

In FRDA I and II, and through FRBC, there have been various goals to eliminate the backlog, for example, by 2002. Based on previous NSR reports, the backlog was estimated to be about 730 000 ha in 1984 with the area declining to about 100 000 ha in 2000.

Based on information in RESULTS, we have not made much progress on the backlog recently. There were about 170 000 ha of backlog NSR reported in 2003 and about 145 000 ha as of September 2012. A significant area of the backlog - about 25 000 ha each - occur in the Cassiar and Mackenzie TSAs with nearly 10 000 ha each in the Dawson Creek and Fort Nelson TSAs. The rest of the backlog is distributed in various other TSAs.

To meet the 2015 commitment to eliminate the backlog, about 25 000 ha will need to be reported in RESULTS based on 2010 surveys, and about 36 000 ha per year from 2011 to 2014.

It is recognized that this is going to be a challenge. The remaining backlog areas are likely there for a reason – they may be the most difficult backlog NSR openings to deal with. The work ahead is not just an opening file exercise, the areas will need to be surveyed in the field. In that regard it is important to keep in mind the options that are part of the survey standards.

Forsite is a provincial contractor that is initially handling category 1 (declared with no forest cover update) and 6 (NSR increased no planning) backlog NSR openings. There are a number of openings in the backlog NSR listing that are in excess of 1000 ha where, if there is no recipient agreement holder (RAH) in place, Forsite's can be used to clean up these openings. Forsite will be getting a hold of districts to help wrap up some of the larger openings. There are about 16 openings greater than 1000 ha in size where, with Forsite's help, satellite imagery and other tools could be used to clean up these backlog areas.

Questions and Answers
Q. We received material from Forsite for a second review and there were more openings than before – why? A. Some openings were inadvertently overlooked when the first review occurred and this has now been addressed
Q. Can districts get Forsite to do forest cover updates regarding backlog NSR areas? A. Yes
Q. Some information in the Vegetation Resource Inventory Management Systems (VRIMS) is more up-to-date than RESULTS. What to we do in these situations? A. The line work in RESULTS needs changing to reflect VRIMS if VRIMS is more up-to-date. VRIMS will be updated using RESULTS so RESULTS needs to have the most up-to-date

information.

Q. What is happening with respect to quality assurance in RESULTS

A. A consultant based in Kamloops has been hired to address this. This stems from the Forest Practices Board's audit of RESULTS. The Omineca region has a FFT RESULTS quality assurance consultant and the Branch consultant will coordinate with region on this. The Branch consultant is not just FFT focused but has a broader focus with respect to RESULTS, and will provide recommendations for improvement. There is a protocol in place where licensees who make RESULTS submissions provide them for district review; that said implementing the protocol has not been well resourced.

Q. Who reviews RAH FFT RESULTS submissions?

A. That is why the Omineca (northern interior) region has hired a contractor to review this. There is opportunity to use the Branch consultant to review RAH submissions in the southern interior and coast.

Action #12: Location of Backlog NSR. Matt will provide the specific location of backlog NSR areas to region/district staff as a comment was made that it is sometimes a challenge to find the location of these last remaining backlog NSR areas. This will include the openings that Forsite are looking at so that district staff do not duplicate the work they are doing.

Action #13: RESULTS training needs. Matt will assess RESULTS training priorities using tools like SurveyMonkey to determine needs by operations staff; this would augment the recent on-line RESULTS training that has been provided

Dave Weaver spoke to the FFT Ministry Survey Standards (May 2010) available at the FFT website. Let Dave know if the standard needs updating. It was used recently in the Mackenzie TSA and seemed to work well. A contract has been hired to address the Cassiar NSR using the reconnaissance provisions in the standards. We likely can learn from this work

It was noted that Western Silvicultural Contractors' Association (WSCA) has expressed concern about optional clauses identified in the standard that may be used in contracts. It is important to highlight any optional clauses that become additional requirements in a specific contract so that contractors are aware they have been included.

The concern was expressed about survey costs – that adding some optional clauses could substantially increase costs. It was suggested that Districts not add clauses that add significant costs that don't add significant value to the survey.

Action #14: Survey standards. Branch should review and revise (if needed) the survey standards to reduce confusion about requirements for districts vs what is required RAH (e.g. districts do not need regional FFT approval). Consider making the standard generic to reflect the many different delivery approaches (districts, BCTS, RAH). It was suggested that aspects of the standard be designed so that it can be readily put in a Schedule A of a contract. Districts can then assess what additional optional clauses if any should be added.

Session 3c: Forest Management Planning Process

Paul Rehsler made a presentation about the Forest Management Planning (FMP) process including links to FFT. A driver for FMPs is the lack of landscape level (or tactical) planning. The strategic land use plans are too general to address concerns such as cumulative effects. Several Forest Practices Board reports have called on the need for landscape level planning. The Deputy Minister's response to the Board is that the ministry will be looking at a new planning framework. Former Minister in February 2011 extended the Innovative Forest Practices Agreements (IFPA) until a new FMP process is in place by 2015.

The Kamloops Future Forest Strategy (FFS) recognized the need for FMP-like planning to help implement the strategy. The FFS workshops all pointed to the need for planning. The #1 feedback from the Minister's Silviculture Discussion Paper www.for.gov.bc.ca/hfp/silviculture/discussion_paper/ was the need for an operational strategic planning process. The Minister's Forest and Range Practices Advisory Council (PAC) submission on the Discussion Paper www.for.gov.bc.ca/code/pac.htm notes the importance in having objectives. There appears to be support from forest company CEOs and Chief Foresters for a new FMP process - that this is a natural evolution from FRPA.

For 2011/12 the roll-out for initiating FMP process is the Merritt, Morice and Lakes IFPAs; and the Quesnel, Prince George and Skeena Stikine Districts. The feedback from industry (COFI) and Forest Analysis and Inventory Branch was to go to places where we can make a difference. It is recognized that this first iteration of FMP will be rough, but we need to start, and learn and improve as we go. Other TSAs will be brought onboard over time.

Paul's presentation included a description of the many benefits and expected outcomes of FMP. Based on a review of Sustainable Forest Management Planning (SFMP) by an experience team, there are 10 proposed principles. This material is provided in Appendix D1 of the Workbook (FMP Vision, Mission, Goals and Principles) and in Appendix D2 (FMP Backgrounder).

The first iteration steps in the FMP process are expected to be:

1. Get organized (e.g. assemble a team; design the process)
2. Understand management expectations (e.g. values, goals and existing direction)
3. Understand the context and identify issues and opportunities
4. Create a vision for the future forest (e.g. design strategic objectives to address issues and opportunities; identify options to meet objectives; choose best options and set targets and indicators for objectives). For this step as a minimum objectives need to be set for:
 - a. Species at the landscape
 - b. Retention at the landscape
 - c. Timber (AAC)
 - d. Land Based Investment Strategy
5. Design forest operational schedule (e.g. where, when and how management will be applied to meet targets)
6. Monitor, research and adapt management (e.g. districts, FREP, and third part audit of results and process for example through the Forest Practices Board)

In Step 5, the preparation of the forest operation schedule in the Fort St. John Code pilot project has resulted in a significant reduction in licensee operational costs since actions between

licensees (e.g. related to roads) can be better coordinated. The schedule helps us address: Are we logging in the right areas? Are we making the right investments? This helps us address aspects of the proposed *Resource Road Act* such as road closures. The information in the schedule will increase First Nations understanding on what is occurring on the land base.

It was noted that a key difference between FMPs and other plans is that FMPs are intended to link to on-the-ground actions. LBIS is funding FMP and the province will lead the process; licensee involvement is discretionary.

There was the comment that landscape level stocking standards need to be better factored into appraisals, for example, where efforts are made to reforest using higher value species rather than rely on lower value species. A regime of treatments by MU could be developed in FMP e.g. where planting multiple species costs more and this increased cost gets reflected in appraisal allowances. That said there may be some softwood lumber agreement considerations that need to be addressed.

Questions and Answers
<p>Q. How do FMPs link to forest certification?</p> <p>A. For some areas the FMP and SFMP prepared for certification can be combined; for other areas that may no work and both planning processes may be needed. Some licensees are certified via CSA, some SFI, some FSC – so there may be business reasons they need to provide a separate plan.</p>
<p>Q. Licensee involvement is discretionary yet they may have some the key information needed to do FMP such as the forest operation schedule? It was also noted that TFL holders have proprietary information.</p> <p>A. We will need to address this as we transition into FMP. We need to do FMPs because it is the right thing to do; it is important that industry and government are on the same page as we develop objectives and actions to address timber supply particularly given mid-term challenge faced by many TSAs. We hope this will be an incentive, the need to work together, to get industry involved. For example, FMPs can provide the guidance that supports industry when they develop Forest Stewardship Plans (FSPs) under FRPA and can also guide district managers as they approve FSPs – so there is an efficiency and certainty aspect that can prove beneficial (e.g. re: multi-block approach to reforestation).</p>
<p>Q. What will be the role of silviculture strategies?</p> <p>A. Silviculture strategies along with other information (e.g. from TSR) will get rolled up into the FMP</p>

Day Two

Housekeeping – Addressing Concerns from Day One

The purpose of this session was to address any outstanding concerns raised in Day One regarding priority areas (from Session 1), budgets (from Sessions 2a to c), and key strategic issues (from Session 3a to c).

There was a comment about the need to complete the description of the budget piece. Al Powelson responded by saying the next steps include completing the 5-year plan process, preparing a proposed annual budget for next fiscal year, and then rolling the submissions into a draft Appendix 2 of the LBIS by November 1st for executive review. In order to meet the November 1st deadline, September 30th (tomorrow) is deadline for all the LBIS categories to submit their initial draft Appendix 2 requests so they can be circulated and reviewed in October. The priorities for LBIS next fiscal year is being developed by Corporate Initiatives Office in consultation with Branch; so the draft Appendix 2 material will assist them.

Ralph noted that it is important for Districts to start thinking about and discussing their annual operating plan for next year with their constituents. The LBIS direction and allocation is not likely to radically change next fiscal year, so we need to start getting ready for program delivery next year. Ralph envisions two meetings with constituents each year: one that provides clarity on who is delivering the program by February so we can proceed efficiently and effectively at the start of the fiscal year, and another to discuss how program delivery went – what went well and how can we improve.

Al noted that the LBIS plans are shared between the categories and that there may be some synergies e.g. between current reforestation and ecosystem restoration that may be worth exploring at the local level. Al said we are not sure when the final allocation decision will be made but we will have a final plan based on what we expect the budget to be that can be used to guide delivery discussions with the constituents.

There was comment that regions need time to balance the allocations within the region. It was noted that it is important to articulate (document) the regional allocation decision so that the rationale is known.

Regarding the 5-year plan, Kelly noted that we invariably have to trim some of the budget requests. We know we must plant seedlings based on sowing requests but we can reduce some of the survey and spacing work as an example. Also when reviewing proposed costs per ha for some activities it may be possible to reduce per unit costs.

It is also important to be prepared should a program be announced where silviculture activities can help delivery program objectives (e.g. jobs); this may also occur outside of government for example in the case of voluntary carbon offset markets (see Session below about this offsets).

Questions and Answers
<p>Q. Can FFT be used to treat NSR stemming from small scale salvage operations?</p> <p>A. No. There is a briefing note on this issue including the possibility of funding to address. We are seeking direction on how best to address this issue. The issue is that there is a tenure holder responsible for reforestation and government has not gone after them.</p>
<p>Q. What about FFT funding NSR stemming from default non-replaceable forest licenses (NRFLs)?</p> <p>A. FFT can fund where there is no owner of the NSR or where the owner is unlikely to take action. Please consult RPB.</p>
<p>Q. Can LBIS pay for work that increases our understanding of the NSR problem?</p> <p>A. Not sure. It is a recognized weakness of our program – noted by the Auditor General- that we have difficulty getting a handle on NSR.</p>
<p>Q. How do we find out what work the RAH did in our District?</p> <p>A. You should be able to track this in RESULTS. The RAH accomplishment report information has been put in RESULTS. PwC is doing a report for Districts that will provide this information. Matt and Mei Cheng can help Districts get RAH RESULTS information should they need it.</p>
<p>Q. What about work that RAH did that did not get reported in RESULTS?</p> <p>A. Process was set up that RAH would not get paid if they did not put their information in RESULTS, PINES and FIRS – so there should be very little if any gaps here. The Omineca region will not pay contractors until they meet the quality assurance test for RESULTS submissions.</p>

Session 4: Improving Delivery

The purpose of this session is to address ways to improve delivery including addressing delivery capacity issues by exploring a range of available tools – implementation contractors, BCTS, licensees or, recipient agreements managed by PwC. Dave Cornwell and Ralph Winter provided introductory remarks and led the discussion. The *IAAS Review Recommendations* on delivery were provided in Appendix E1 of the Workbook. The draft *Proposed LBIS Delivery Approach* was provided in Appendix E2 of the Workbook.

There is recognition that the capabilities for delivery are uneven across the province. Other LBIS categories are >90% delivered in-house but for FFT in 2011, 59% were delivered by RAH, 26% by districts and 12% by BCTS. Districts in the southern interior deliver 42% of the program, while it is considerably less in the north and coast at 17% and 8%, respectively. As a consequence we have a mixed delivery model with BCTS, RAH, industry and districts.

It was noted that in addition to capacity FFT needs to get a higher profile in regional and district work plans if they are going to be involved in delivery. It is important to raise this awareness at all levels. Branch is working with Corporate Initiatives Office in an effort to raise this awareness and get this reflected in the work plans.

Fertilization tends to be delivered primarily by licensees as they have the rail sidings and that infrastructure is needed to cost effectively deliver this activity. For other things like backlog NSR, licensees tend to not be interested.

A key assumption moving forward is do not expect major increases in staff. The *Proposed LBIS Delivery Approach* is recommending at least 0.5 FTE per district to support FFT planning and delivery. The proposed roles and responsibilities of district, regional and branch staff for planning, delivery, reporting and monitoring are described in the document. For example, that regions strive for a strategic balance within the region and provide leadership with districts responsible for planning, delivery and reporting in a timely manner.

The service agreement with BCTS is different that the one with RAH; it includes current reforestation (e.g. as being done in Vanderhoof), fertilization, fish passage, etc. Branch has the agreement with BCTS and districts can tap into it and use it.

Recipient agreements are held by a third party that provides arms-length administration for government. PwC provided this service for FFT until 2009. PwC approved projects, monitored delivery, and maintained a financial management system (PINES). The Deputy Minister at the time then decided to change the delivery model. PwC is still paying RAH through PINES until the RAH expire.

The delivery model now is a hybrid where we have re-negotiated provisions in the RA (e.g. no longer advancing 80% to the holder, there are now fixed hourly rates) as a bridge to more district delivery. Therefore we can still use PwC with the new RA provisions as a delivery option. Although we can also reasonably extend the older RAH beyond this fiscal year, we ideally want to wrap them up in a timely manner.

District delivery of the FFT program is the preferred approach and consistent with the internal audit advisory review recommendations. But there are other approaches in place where this is not possible (e.g. lack of district capacity) such as BCTS, new RA (through PwC) and licensees.

There was comment that in some southern interior districts there is some capacity to support delivery now but we could lose that capacity in future. The issue needs to be on the regional management team (RMT) agenda so there is awareness. In north, such as Prince George, the need for FFT work is too great relative to staff capacity – so unless that changes, alternative delivery approaches will need to be used. Another issue is with downsizing and reorganization many of the skill sets needed to deliver FFT has been lost (e.g. to BCTS). A comment felt that the at least 0.5 FTE/district being sought to support FFT is not likely to happen; that some districts would be fortunate to have 0.1 FTE dedicated to delivery. Right now this is being done ‘on the corner of the desk’ along with too many other files. It is important to have a discussion about this with the regional executive directors (REDs) as FFT work needs to be reflected in work plans and EPDPs if it is to be effectively delivered by districts.

Action #15: FFT profile. The profile of FFT needs to be raised by Branch, region and district staff involved in the program to each appropriate level in the organization (Executive, RED, RMT, district manager) so that FFT activities are reflected in work plans and staff EPDPs. In turn the Executive needs to raise FFT with RMTs.

To get District involvement there needs to be a benefit, and just like with industry, that benefit needs to be \$\$\$. The 10% overhead provides some incentive for Districts to be engaged in delivery. For some districts – even those who lost lots of staff - FFT delivery is seen as a priority.

It was suggested that we need to do an assessment of District capacity. John McClarnon noted that Branch intends to undertake a survey to determine the silviculture capacity in districts and regions. Since stewardship staff are juggling many tasks in addition to FFT, a suggestion was that the survey review all the things that stewardship staff do so that FFT delivery is provided in that context.

Action #16: District capacity. Branch should undertake an assessment (survey) of district capacity

It is important that: (i) Districts who get FFT \$\$\$ are in fact able to delivery, and (ii) if they are unable to deliver that they are aware of what is being done in their districts by an alternative delivery agent. It was suggested that performance measures for district delivery be considered.

A comment was made that the District Manager is not the sole ‘steward’ of the land. Within the FRPA framework, with professional reliance, many district staff are not aware of where harvesting has occurred as they don’t see that level of information anymore in FSPs. It was also noted that with FLNRO, the stewardship role of staff have expanded in many districts. For example, in the Mackenzie key roles include the approval process for mines and wind power projects given the importance of job creation.

IAAS has made a recommendation that districts are preferred delivery approach but what is the Executive’s position on that recommendation. It is important to get direction at the Executive level (not Branch level). That said where there’s a will, there is a way – and the 10% overhead can be a carrot for district and BCTS involvement. The 10% overhead could be used to hire auxiliary staff and this can assist in succession planning. Some districts see the benefits of being involved in delivery (despite the loss of staff), and although there has not been top-down direction on FFT, they endorse being engaged. Regional involvement in FFT is also key.

There is confusion at times on the communication channels within FLNRO as the organization is still evolving. For example, district stewardship staff hearing about FMPs through conference calls, but their managers not being aware of the initiative. It is a challenge for Branch to know who they should be talking to about initiatives like this. For RMTs, if the topic is an item that their staff are expected to delivery – like FFT – it should go to them; if it is just an information item they tend not be interested. RMTs are starting to form with 8 now (vs 3 before).

Action #17: FFT communications network. Branch should work with appropriate staff to determine the most effective way to communicate and obtain direction on FFT planning and delivery within the ministry

A related issue is that there is no long-term vision regarding FLNRO’s role in silviculture. It was noted that Branch had developed a silviculture report before re-structuring, and now with the organization change, it might be time to refresh that and move it forward. It was suggested that silviculture should align itself with ‘cumulative impacts’ given that importance FLNRO has placed to this.

Action #18: Silviculture vision. Branch should develop with operations staff a long-term ministry vision regarding silviculture that includes but goes beyond FFT that would ultimately be submitted for Executive consideration

There was concern that BCTS won’t go beyond their operating area when doing FFT work; that in some cases that means 70% of the FFT work is done in 20% of the TSA. Each BCTS office is relatively autonomous with some office seeing the benefits of being involved in FFT delivery whereas others do not.

Action #19: BCTS. Branch is working with BCTS and will seek clarification about if FFT work can be done by BCTS outside of their operating areas

Although not available for the Workbook and not discussed at the meeting, Appendix 3 provides a one-page FFT Implementation Decision Tree that is intended to assist districts and regions determine what form of contract would be best to use to deliver FFT.

Session 5: Training Needs

Dave Cornwell noted that a contract management training course was provided for the northern interior staff in Prince George on July 27th and is being offered for the southern interior staff in Kamloops on November 29th. LBIS is paying for this course as it supports FFT delivery; there is no cost to district or regional staff for attending.

Al Powelson mentioned that the final draft of Planting Quality Inspection procedures (FS 704A) has been prepared and will be made available soon. There are no significant changes to process. The consultant hired to update the procedures will review the training material on the website.

Dave Weaver led the ensuing discussion on training needs and summarized the pre-meeting input received on training.

There was a comment that RESULTS on-line training offered by Matt and Mei Cheng has been good, but having a face-to-face training would be even better e.g. it allows for more discussion and interaction.

Regarding training on silviculture tools/treatment options/cycle, it was noted that having a Silviculture 101 course – back to the basics – that for example describes Type 1 and 2 silviculture strategies, and links silviculture to timber objectives, would be useful given loss of silviculture expertise in the ministry. A document like this was available at one time but would need to be updated.

In addition to the suggestions made in the pre-meeting input (as reflected in the Workbook and in Dave's presentation), other ideas were courses on:

- Danger tree assessment
- First Nations consultation (e.g. there is potential confusion regarding roles and responsibilities as there are LBIS guidelines but also a District approach where used for district delivery)
- FFT 'boot camp' e.g. for a week similar to what FREP offered
- Decision aids for overstorey removal (e.g. ITSL, direct award, competitive process, use of small scale salvage) i.e. what are the options to remove overstorey?
- Forest health considerations
- Land statusing e.g. who ever is doing the work needs to know, for example, is the opening an industry block and who else has rights in the area via GIS training using the Land and Resource Data Warehouse (LRDW) and the Integrated Land Resource Registry (ILRR)
- Fertilization including use of helicopters and rail cars

There was a suggestion that a broader FFT business process/planning course be offered so that the 'big picture' is provided and where issues like land statusing, First Nations consultation and decisions aids are addressed.

Action #20: List of specialists. Branch should work with appropriate operations staff to develop a list of specialists for various FFT activities (e.g. fertilization) and distribute this to staff involved in FFT planning and delivery

It was noted that some of the FFT standards may be legacy standards geared to guide the RAH model and that they may need to be updated and revised to better reflect or address District delivery.

Action #21: Update standards. Branch should work operations staff to determine what standards are most in need of updating. Operations staff should let Branch know what standards need work and why so the ones that need updating the most are prioritized. It may be possible to streamline some of the standards geared to district delivery (vs RAH). The standards should be housed in one spot on one FFT website.

Dave listed all of the training suggestions on a flip chart paper and ask participants to ‘vote’ on the training topics that they consider most important. The four topics mentioned the most that are discussed further (see below) were:

- Growth and yield decision aids
- FMP procedures
- FFT business process
- Contract/budget management

Action #22: Training development and EPDPs. Branch to work with operations staff to get the above noted FFT training offered (this may involve developing the training package) and recognized in work plans and EPDPs otherwise staff may not be able to attend the training.

Also frequently mentioned was training on silviculture tools/treatment options/silviculture cycle (aka Silviculture 101) and RESULTS training.

Growth and yield decision aids

Return on Investment (ROI) is such a fundamental part of the FFT program that it is important that contractors, district administrators and BCTS have this training. There was some discussion on whether there should be two courses: one more technical in nature geared to contractors, and one more general in nature for district staff. Some district staff felt there should be one course i.e. they need to know TIPS Y and the details to be competent contract managers.

There was an issue expressed about having contractors attend e.g. who do you invite? And who pays? One solution is to make the course a requirement before they can undertake the work. It was noted that we could have more problems if contractors do not know how to appropriately apply ROI. If the course is FFT program specific, it can be paid for using LBIS.

The training should be in-person and involve experts in TIPS Y. Although there is existing on-line ROI training it does not have a TIPS Y component – and it is something contractors and staff need to know. The in-person training would augmented the on-line video that provides an

introduction to TIPSYS. It was noted that TIPSYS is geared to even-aged stands whereas some of the stands FFT faces have two stand structures.

Action #23: TIPSYS training. Branch should raise awareness of the existing on-line video TIPSYS training in addition to working with others to develop and offer ROI/TIPSYS FFT training

FMP procedures

There will be training provided for the pilots next fiscal year. Some of the suggested topics for a 1-2 day in-person course included:

- Roles and responsibilities (e.g. with districts and regions)
- FMP process vs forest level modeling
- Management plans vs mitigation strategies
- Link to TSR
- Making investment decisions (e.g. should I fertilize in this TSA or not? - is it making a difference?); should I space or fertilize? Many of these decisions are ad hoc without the benefit of a strategic operational plan

FFT business process

This should be geared to FFT implementation staff (districts/regions) and contractors. In-person preferred as there is too much training offered on-line and via e-mail. It was noted that it is important that the instruction handbook or manual be tied to the 'Key Dates for LBIS' that are on the website <http://lbis.forestpracticesbranch.com/LBIS/node/246> and also included in Appendix B of the Workbook. The handbook should indicate where you can find a key document (like a standard) and who the specialists are that can be contacted. Don't assume in the document that we know what we are doing....start at fundamentals.

Action #24: FFT handbook. Branch to work with operations staff on the development of a FFT business process handbook that can be used as a reference document and support training.

Action #25: Key Dates. Branch to add in the 'Key Dates for LBIS': (i) call for quarterly report; and (ii) summer planting completed by Sept. 30th

Done: see <http://lbis.forestpracticesbranch.com/LBIS/node/246>

Contract/budget management³

This should be offered to government staff only as they are involved in contract administration. In Prince George 22 people attended the course offered northern interior staff with a good mix of both administration and forestry staff. Although the course was geared towards field staff it can be attended by administrative staff where necessary. The course provided training in the Ministry of Finance's Procurement Contract Management Program (PCMP) www.fin.gov.bc.ca/ocg/pgo/pcmp.htm and is being offered to the southern interior staff

³ Contract Manual SharePoint site:

https://sharepoint.forests.gov.bc.ca/HFM_FINMAN/Contract/default.aspx

The manual provides guidance on developing, tendering and awarding contracts using ITQ's, ITQ's with the option to renew annually and, RFP's.

involved in FFT delivery on November 29th in Kamloops. The Public Service Alliance is certified in PCMP training and is providing the course.

Financial Policy and Compliance staff have expressed a willingness to support workshops regarding FFT specific contract/budget management that augment the basic PCMP training if there is interest for this. Two levels of training needs were recognized: (1) for PCMP; and (2) one that is more FFT specific.

There was a comment that it would be useful to have contract templates (e.g. Schedule A) that are silviculture activity specific that districts could use or adapt locally. It was noted that BCTS has some examples that we might be able to use, and that we also have examples for virtually everything we do – so we don't need to invent a new one. BC Bid site has contract schedules and forms.

Action #26: Contract templates. Branch to explore identifying contract templates for various FFT activities that can be used to aid program delivery

Safety

Dave Cornwell noted the importance of safety and safety training in our FFT work such as danger tree assessment. UNBC provides some safety training that we may be able to tap into. If safety training is not covered by the district training budget, please contact Dave as LBIS may be able to cover.

Action #27: Safety training. Let Dave Cornwell know about any FFT safety-related training needs

Fostering Knowledge and Resources

The purpose of this session is to explore how we are going to work, share and support district, regional and headquarters knowledge and resources. Dave Cornwell and Ralph Winter introduced the topic and led the session.

Ralph mentioned that the *Proposed LBIS Delivery Approach 2012/13 to 2104/15* in Appendix E2 of the Meeting Workbook should go to the Executive in next two weeks (circa mid October) following an assessment of review comments from regions and districts.

Several ideas were offered on how expertise can be shared or is being shared including:

- The ITSL experience in the Thompson Okanagan region (e.g. sharing their experience with other regions)
- Use of Forsite to help clean-up the backlog NSR
- Mel Scott as a contract resource for fertilization
- Mei Cheng as contract resource for RESULTS
- Dave Cornwell regarding contract management training opportunities
- Ian Brown with PwC regarding the new Recipient Agreement delivery option
- Local IFPA RA experience in the Cascades district
- Coast region experience with Colin Campbell (PwC) in reviewing and updating silviculture strategies using TSR and other information – for district review - so we can rationalize and prioritize our investment strategy in the event we get less than what we ask for; maybe there is opportunity for PwC to be more involved in this in other areas so we have the strategic context needed to support investment decisions
- Preparing a business process handbook (there are documents out there that just need to be updated)
- Dave Weaver’s silviculture surveys website is very helpful but could be refreshed to better reflect the current delivery model that includes districts (i.e. no longer primarily RAH)

Action #28: One FFT website. Branch should have one FFT website (which is their intention) as the existing two sites are confusing; it should be easy to find things such as documents and key FFT staff contacts on the website

Action #29: Conference calls. Branch should set up with operations staff a conference call with structured agenda that addresses ‘what’s working’/‘what’s not working well’ and other topics of interest. This could be a quarterly call (perhaps part of the quarterly silviculture call) involving all the regions where topics of general interest are addressed (e.g. annual work plan). In addition have region-specific conference calls where region-specific issues are addressed; with the minutes from those calls shared with the other regions. Districts could be part of the calls.

Action #30: District/region/branch projects. Develop FFT project(s) – such as was done in the coast region – where region/district and branch ‘team’ together on delivery – as this is a great way to share knowledge and expertise

Action #31: Next Meeting – Case Studies. The next provincial meeting (e.g. for February or March), if approved, should include district/ region case studies (e.g. fertilization projects) so that implementation experience can be shared

Action #32: Key Tasks. Branch is tracking about 100 key tasks to support LBIS FFT delivery that is shared with operations staff. If Branch is moving too slow on a task that is important to regions and districts, feel free to ‘take it on’ or provide support so we can move more quickly on that file.

Other Topic: Forest Carbon Offset Projects

Brian Raymer, Technical Advisor, Forest Carbon with the Competitiveness and Innovation Branch discussed forest carbon offset projects and how this can augment and support the work of FFT. If a carbon offset project can grow more carbon than 'business as usual' then the proponent can use that to offset their emissions or to sell the credits. There have been inquiries that have ranged from planting about 5000 trees to treating 0.5 MM ha.

There is an opportunity therefore to put out an RFP to see if there is interest in forest carbon projects in areas within a district that has district support. The proponent is responsible for paying for the project and for selling the offset credits. Pacific Carbon Trust will only pay the proponent after the project is completed whereas some companies (like Air Canada) are willing to pay in advance. We could pilot test an RFP in an area like Vanderhoof and see how it works.

The proponent can't provide government with the funds to undertake the project as it would go into general revenue. The proponent can pay for the project that would then enable FFT to treat another area – providing a de facto doubling of FFT investments with private investors.

Pacific Carbon Trust's protocol has a 100-year rule that makes harvesting difficult prior to 100 years however there are other protocols where 50 or 60 years is sufficient to gain carbon credits. Any agreement with the proponent would make clear that a forest carbon offset project won't stop, for example, a new mine from being developed; so there would be flexibility in the agreement with government.

There was question that since proponents tend to be interested in blocks over 100 ha in size would it not make more sense for districts to get the work done for the proponent. Brian responded that the proponent would likely want to do more than what we normally do e.g. their aim is to maximize productivity on the site and may do more brushing, fertilize, etc to get more tree growth so that their carbon credits are increased. Also there is a rigorous quantification and validation process (lots of monitoring and measurement) where the proponent tends to want to hire contractors who specialize in forest carbon offset work; the process is at a level where government may not want to go. The main advantage is that the proponent is doing work that FFT would have otherwise done, so this then leverages FFT investments so that they can do work in other needed areas.

Although the proponents likely will prefer work in the non-THLB (as the area will likely not be harvested so carbon credits are secured for longer time), the work can be done anywhere. The work won't happen without district approval. The work the proponent does must meet Chief Forester Standards on Seed Use and other Crown land requirements. Proposals can include the need to harvest the overstorey (e.g. of dead pine) before planting. Proponents could use the harvest for bioenergy. Some proponents don't want to do overstorey removal while others are ok with that.

We are working to update the codes in RESULTS and getting a map notation in the Forest Tenure Administration (FTA) system to account for these projects.

Questions and Answers

Q. The projects will likely need ministry staff support e.g. doing land status checks, First Nations information sharing, etc – can we be reimbursed for these costs?

A. Anything is possible but the higher the cost the less likely a proponent will be willing to proceed with the project.

Another view on this is if we spend 10% helping with preparatory work, and 90% of the work is done at no government costs, would it not be worth it?

Q. Following up on above, the concern is loss of the 10% overhead which is a key incentive for districts to be involved in FFT

A. We would find a solution to this issue given the potential overall gains to government

Q. Why is there interest in BC?

A. BC has rules, relative good tracking, a SFMP framework, we don't have a significant illegal harvest problem, we have wildlife and other values that can benefit from projects and that provide good PR, our trees tend to live longer than in other areas – all of this and other factors makes BC attractive for investment in forest carbon offset projects.

Action #33: Distribute Guide. The draft *Guide for Forest Carbon Offset Projects on Crown Land in BC* will be sent to all meeting participants.

Action #34: Candidate areas for pilot testing. Brian is looking for around 2000 ha total area in various parts of BC to pilot test forest carbon projects via a RFP. Districts should identify areas they feel might be good candidates for pilot testing and let Brian know. These should be logical big chunks (about 200-500 ha) that are cost effective (e.g. geographically close, ideally site index 20+ but also SI 15-20). This would help augment the list of possible areas that Brian has already compiled.

Summary and Recap of Meeting Objectives

Dave Cornwell noted that there has been a healthy conversation about several of the issues around FFT planning and delivery during the two-day meeting. We may not have solved the issues but we have identified follow-up actions to address several of them. Some other points were raised as captured by the actions below.

Action #35: Allocation process: Branch should clarify next steps (dates, decisions) so there is understanding and transparency of the process. Goal posts should be provided regarding what the district can propose so that each district is providing requests using similar set of assumptions.

Action #36: Next meeting: Should be driven by the needs of regions and districts in terms of the agenda development. That will provide an opportunity for case studies and sharing lessons learned through district experience with various delivery approaches (see action #31)

Action #37: Audits/quality assurance. This is an important topic that was not covered in a session at this meeting and should be discussed next meeting (e.g. PwC has a checklist). Branch will share this year's audit plan with meeting participants.

Action #38: District attendance. A number of districts attended the meeting (which was great) but regrettably a number of districts did not. Branch should work with operations staff and develop a stronger communication message about the need for more district participation in future meetings.

Action #39: Meeting synopsis. A synopsis will be prepared and distributed to participants that highlight the discussions and the action points from the meeting.

A one-page evaluation form was distributed with the feedback from participants summarized in Appendix B, for example, on how well the meeting objectives were met.

Thanks were extended to attendees for their active participation at the meeting!

Appendix 1: List of Meeting Participants

Name	Organization
Delee Anderson	Vanderhoof District
Paul Barolet	North Island District
Lorne Bedford	Resource Practices Branch
Rob Bowden	BC Timber Sales
Ian Brown	PriceWaterhouseCoopers
Jeff Burrows	Prince George District
Dave Cornwell	Resource Practices Branch
Sam Davis	Mackenzie District
John DeGagne	Vanderhoof District
Blake Fougere	Sunshine Coast District
Larry Hanlon	Kootenay Boundary Region
Kerri Howse	Central Cariboo District
Susan Hoyles	Omineca Region
Ljiljana Knezevic	Omineca Region
Lyn Konowalyk	Rocky Mountain District
Katherine Ladyman	Okanagan Shuswap District
Matthew LeRoy	Resource Practices Branch
Monty Locke	Resource Practices Branch
Christine Lohr	100 Mile House District
Heather MacLennan	Kamloops (Clearwater) District
Mike Madill	Thompson Okanagan Region
John McClarnon	Resource Practices Branch
Colleen McKendry	Corporate Initiatives Office
Leith McKenzie	Thompson Okanagan Region
Ted McRae	Okanagan Shuswap District
Anna Monetta	Omineca Region
Kelly Osbourne	Resource Practices Branch
Bernie Peschke	Thompson Okanagan Region
Brad Powell	Quesnel District
Allan Powelson	Resource Practices Branch
Brian Raymer	Competitiveness and Innovation Branch
Paul Rehler	Resource Practices Branch
Carolyn Stevens	Nadina District
Peter Stroes	Cascades District
Jim Sutherland	Resource Practices Branch
Jack Sweeten	Chilliwack District
Andrew Tait	Fort St James District
Terje Vold	Terje Vold & Associates Consulting Ltd
Barb Wadey	Selkirk (Columbia) District
Chris Walder	Cascades District
David Weaver	Resource Practices Branch
Craig Wickland	Coast Region
Ralph Winter	Resource Practices Branch

Appendix 1: Meeting Evaluation Results

Meeting Objectives	Not met	Partially Met	Met	Exceeded
1. Address the requirement to focus activities on priority areas under the LBIS (Session 1)	1	10	15	1
2. Develop budget for 2012/13 budget process under LBIS (Sessions 2 a to c on Day 1)	2	14	10	1
3. Managing key strategic issues: Sowing, backlog NSR and FMPs (Sessions 3a to c on Day 1)	0	8	19	0
4. Address delivery capacity issues by exploring a range of available tools – implementation contractors, BCTS, licensees or, recipient agreements managed by PwC (Session 4 on Day 2)	1	9	15	2
5. Identify and address critical training needs in regions and districts (see Session 5 on Day 2)	0	2	22	2
Comment on Meeting Objective Sessions				
<p><u>General:</u></p> <ul style="list-style-type: none"> • Good face to face; need to promote open discussion between districts • All sessions were done well encouraging participation feedback • Excellent start, more work needed to communicate importance to districts • All sessions were good and generated good discussion, but some of the goals (2 and 3 for example) can't be fully developed in a 1.5 hour session • All good, communications are key, face to face really helped, keep up the good work • Enjoyed the conversation in the room; good to hear we all have similar concerns and most everyone is ready to move forward with FFT • Would have been good if presentations lined up with workbook; seemed a bit convoluted • The meeting was quite valuable for me – learned a lot and met lots of people • Good discussion with districts, regions and branch. It was useful to bring everyone together but I did not learn anything new or have pressing questions around budget allocations answered • This meeting was good, had the right people, need to have a follow-up meeting to deal with the allocations, actual allocation • Great benefit for networking and knowing who can solve a problem (or who has had the same problem) • Need to ensure profile of FFT is (shared) with executive and communicated down through regions via work plans • All sessions were very informative for a 'newbie' to the program. Lot of information to absorb and was well worth attending • Overall – well run, good content! • Well covered – many topics clarified. Good discussion. I have many things more clear than when we started – huge value from this session. <p><u>Objectives 1 and 2:</u></p> <ul style="list-style-type: none"> • Still not completely pleased on budget process but have a closer understanding 				

- Strategic direction still lacking
- This focused on previously submitted budgets rather than examining options and best case scenarios
- Planning on budget. Still not bottom up driven – based on meeting provincial goals to get budget rather than District planning feeding into Strategic Needs by region then linked to the budget request
- Noted as partially met because still issues to resolve
- Why do we always need to negotiate budget; priority #1 areas should be getting 100% of the proposed budget then other priorities
- Too much time on provincial budget roll-up
- Still not clear how the link between priority areas, activities and our budget request is going to work
- We need to debate the priorities to ensure there is buy-in. The budget process still needs to be resolved.
- Disappointed we did not discuss how shortfalls in the budget compared to the work plan ‘asks’ will be dealt with
- Overview discussion only; follow-up actions to address process/timelines to follow (but given time and complexity, reasonable coverage);

Objective 4:

- Need to ensure Executive supports program and delivery model selected – this needs to be communicated through line authority in a priorities document
- This session turned into a bitching session without identifying any solutions. Recommendation of Status Quo is not a solution for those who want more involvement
- I don’t feel like we made progress in resolving delivery issues
- Needed better BCTS representation; we have a lot to learn from BCTS
- Good discussion – landed (again) on critical need for Executive Direction on Vision and Priorities – need for formal process (Executive to RED to DM) re: work to be done, etc
- Noted as partially met because still issues to resolve
- Would have enjoyed hearing a brief summary from districts on what to watch out for with the various delivery methods like ministry, BCTS, recipient agreements, industry
- Capacity is a big deal and we’ve discussed options for delivery. Ultimately though it’s difficult at the district level to understand balance of priorities. Many, many priorities are supposed to be delivered by district.

Comment on Other Meeting Sessions (please identify which one(s))

- Good sessions
- Need more work on planning....how, who, how much? What are our objectives?

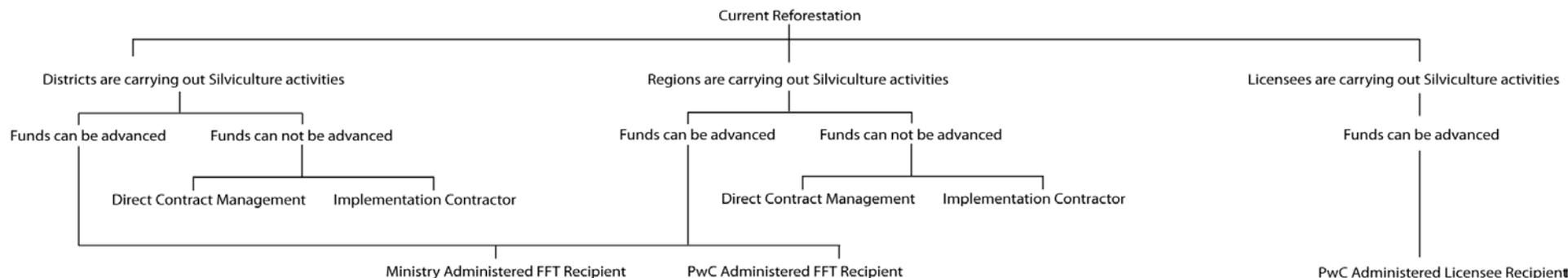
Workshop Logistics If not satisfied, your comments to improve most appreciated	Satisfied	Not Satisfied	Comment
Workshop organization/facilitation	27.5	0.5	-Could have had more district and regional involvement -Workbook should have included presentations not just input already gathered. Also information should have been organized in order of presentation

			-Good discussion -Great workbook!
Workshop venue (meeting room, refreshments/lunch)	28	0	-Good food/lots of coffee/snacks -Great facilities -Good venue, food and room -All good -Location good – central and easily accessible -Excellent – face to face
Workshop agenda	28	0	-Things flowed well -Agenda was good but expectations were not necessarily met -Day 1 – Excellent; more strategic – issues more aligned provincially; Day 2: Duplication and could have been achieved through e-mails/ calls - was more operational – this appeared to have different needs by different areas (south, north, coast) -Could have more involvement from districts/regions -Nice handout -More on strategies and delivery – agenda item -Not too full – good job
Other (please specify)	7	0	- Thanks to the organizers

Next Meeting:

- Next time maybe can hear a bit from Districts who have something to share
- Follow-up with districts that did not attend to ensure they are represented at next session; have next meeting in February (not March – too many project completions in March)
- For next meeting District presentations with a few slides outlining what went well and what the challenges were
- Future meetings – involve FFT implementers (regions and districts) in the program – case study approach
- Next time district, Branch participation in presentations
- Need to discuss bottom up planning process from Districts; it needs to start early or we end up with same plan each year
- We have been discussing delivery at many meetings and need for Executive support; there is not point in discussing this anymore, we need some actions; repeating the same topics
- Backlog NSR needs to be better addressed given inability to get rid of it

Appendix 3: FFT Implementation Decision Tree



Advancing Funds – Funds will be only advanced for PwC Administered Licensee Recipient Agreements

Districts carrying out Silviculture activities – there are only two options without advancing funds: Direct contract Management and having an Implementation contractor.

Regions carrying out Silviculture activities – there are only two options without advancing funds: Direct contract Management and having an Implementation contractor.

Direct Contract Management – individual contractors are solicited to survey (find) areas, develop prescriptions and carry out the activities. The ministry will hold and manage these contracts. Standard Ministry Contracts are used.

Implementation contractor – the ministry solicits a implantation contractor who can be used to prepare contracts for activities (surveys (find) areas, prescriptions and site prep, planting etc.; schedule and conduct a Pre-Work Conference; evaluate bids for ministry final decision; monitor the performance of the Activity Contractor to ensure compliance with the terms and conditions of the Activity Contract; act as liaison between the Activity Contractor and the ministry; report to the Ministry as directed; perform inspections; notify the Ministry of any contravention of the Activity Contract and, if authorized issue Notices to Comply and Stop Work Orders. The ministry will advertise (BCbid), use and hold a Standard Implementation Contract as well as all the contracts being administered by the Implementation