

# Timber Sales Advisory Council (TSAC) Meeting

## Minutes

April 16, 2014

9:00AM-3:00PM

Westminster Room – Executive Airport Plaza Hotel

7311 Westminster Hwy, Richmond

Conference Call 1-877-353-9184 ID: 5545002

**Participants:** Mike Falkiner (BCTS - Chair), Tom Jensen (TOPFN), Graham Archdekin (BCTS), Rob Bigalke (BCTS), Shawn Hedges (BCTS), Duncan Chisholm (ITMA), Barry Simpson (TLA), Wayne Lintott (ILA), Russ Cameron (IWPA – Coast), Jim Hackett (ILMA), Adam Wunderlich (CILA), Brian Markin (Coastal Pulp Sector), Les Kiss (CFPA), John Hatalcik (COFI – North), Dennis Cook (ILA), Dyon Armstrong (COFI – South), Mike Kemp (Rotary MFG), Warren Carter (IWPA – Interior), Ken Houlden (NWLA) and Andrea Dixon (BCTS – Secretariat)

**Regrets:**

**Guests:** Murray Stech, John Allan, Chris Mosher, Garth Lord, Peter Wyatt, Tom Johnson, Russ Laroche, and Wendy Ward

	Topic	Time	Lead	Category	Reference Material & Comments
	<b>Adoption of Agenda and Safety Briefing</b>				
	<ul style="list-style-type: none"> <li>• TSAC members were welcomed and the hotel evacuation route was reviewed.</li> <li>• TSAC reviewed the agenda for this meeting and short snappers were added.</li> </ul>				
A	<b>Executive Update</b>				
	<ul style="list-style-type: none"> <li>• Phase 2 of the Role and Effectiveness (RER) has been completed and it is currently being reviewed by legal counsel.</li> <li>• The Phase 2 recommendations are under review by BC Timber Sales (BCTS) and Ministry of Forests, Lands and Natural Resource (FLNRO) staff.</li> <li>• FLNRO staff are also working to develop a communiqué regarding the completion of the RER.</li> <li>• Phase 1 of the RER was to review the role and mandate of BCTS and the changes to the role and mandate of were approved by the Environmental Land Use Committee. The Phase 2 recommendations are designed to give BCTS the tools to accomplish the revised role and mandate.</li> <li>• The Softwood Lumber Agreement (SLA) will expire in October 2015. Provincial and Federal government are begin to meet to discuss the SLA. At a Provincial government level, the Ministry of International Trade lead the SLA discussion with the support of FLNRO.</li> <li>• The Timber Pricing Branch continues to monitor waste levels and trends on Coast and Interior. The trends are showing a steady increase over the last few years. Timber Pricing Branch will work with industry and others to determine the reasons for the increasing waste levels and develop solutions for this issue.</li> <li>• TSAC discussed a number of considerations and issues that impact timber supply for BCTS.</li> </ul>				
B	<b>Action Items</b>				
	Action (B93): Carl to present the concept paper regarding credit worthiness to be brought back to the POITT for further discussion. Shawn will follow-up.				

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	<ul style="list-style-type: none"> <li>Ministry of Finance has not yet been able to draft a concept paper regarding credit worthiness.</li> <li>This action item will be removed for the action item list as it will likely be addressed through RER recommendations.</li> </ul> <p>Action (B94): Shawn will look into the timing between appraisal and advertising Timber Sale Licences (TSLs) and report back to TSAC.</p> <ul style="list-style-type: none"> <li>This issue was taken back the BCTS Timber Sales Leadership Team (TSLT) for discussion. It is standard protocol to refresh any MPS 70 rates a few weeks prior to advertisement.</li> </ul> <p>Action (B95): Shawn will bring this item back to the Timber Sales Leadership Team to ensure that Road Use Agreement (RUA) details are consistently included in TSL packages and report back to TSAC.</p> <ul style="list-style-type: none"> <li>This issue was discussed with TSLT and when there is a RUA the information is included in the TSL package.</li> <li>If there is another road use agreement this doesn't involve BCTS as it is considered business to business agreement between road maintainers and successful bidder. BCTS can help to connect the two parties, but the cost sharing agreements are between licensees and road maintainer.</li> <li>It is anticipated that the <i>Natural Resource Roads Act</i> should provide solutions to these issues.</li> </ul>				
C	<p>Waste Bill, Extension Fee and Deposit Forfeiture Waiver Ledger</p> <ul style="list-style-type: none"> <li>There have been no decisions on waste for so far in 2014.</li> <li>In December there were three waste relief decisions. One request was made under criteria B, but relief was not granted. Two requests were made under criteria A, but relief was not granted for either of them.</li> <li>There are two or three more that have now come in and are under review.</li> <li>TSAC reviewed the extension fee waiver and deposit forfeiture relief information. Very few of these requests have been approved.</li> </ul>				
Break (10:30 – 10:45)					
D	<p>Quarterly Update – Rob</p> <ul style="list-style-type: none"> <li>Rob gave a presentation on the BCTS 2013/14 Year End results. A copy of the Year End results will be posted to the BCTS website <a href="http://www.for.gov.bc.ca/bcts/about/serviceplan.htm">http://www.for.gov.bc.ca/bcts/about/serviceplan.htm</a>.</li> <li>TSAC discussed how the timber from the Site C Dam area is being sold. Hydro will ward logging contracts and will sell logs delivered to the local facilities.</li> </ul>				
E	<p>BCTS Role &amp; Effectiveness Review Update</p> <ul style="list-style-type: none"> <li>John Allan joined TSAC and provided an update regarding the RER.</li> </ul>				
F	<p>Forest Practices Board Audits – Bridge and Mountain Pine Beetle</p> <ul style="list-style-type: none"> <li>Chris Mosher and Garth Lord from the Forest Practices Board (FPB) joined TSAC and gave a presentation on the recent finding of the Bridge Planning, Design and Construction audit.</li> <li>The audit was conducted on 216 structures. Of the 216 structures 16 were built under BCTS contracts and found to be</li> </ul>				

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	<p>structurally and environmentally sound in general. 3 structures were built by BCTS licensees: one was identified as unsafe and has now been removed, and a second was identified with “some concerns” and has now been removed.</p> <ul style="list-style-type: none"> <li>• BCTS builds bridges through contract or has the licensee build the bridges. Practices vary throughout the province and some factors in the decision are related to capacity, licensee preference and economics.</li> <li>• The Minister tasked a number of groups both internal to government and industry as well as the Association of Professional Engineers and Geoscientist of BC and the Association of BC Forest Professionals to develop action plans to address the results of the FPB Bridge Planning, Design and Construction audit and policy and procedures to prevent similar issues in the future.</li> <li>• The next FPB report that will be published is one on Community Watersheds. It will be published later this month.</li> <li>• The FPB is only able to audit under the <i>Wildfire Act</i> and <i>Forest and Range Practices Act</i>.</li> </ul>				
	Lunch (12:30 – 1:00) Provided				
G	<p>Engineering Branch – Introduction &amp; Overview</p> <ul style="list-style-type: none"> <li>• Peter Wyatt, Director, Engineering Branch joined TSAC and gave them an overview of the Engineering Branch.</li> <li>• The Engineering Branch develops engineering policy as well as working closely with the Districts to build and maintain roads and infrastructure.</li> <li>• The Engineering Branch faces challenges in recruiting and retaining staff due to competition in the oil and gas industry.</li> <li>• There has been an increase in activity due to weather events and the Engineering Branch has been working with Emergency Management BC and federal recovery system to recover funding.</li> <li>• The <i>Natural Resource Road Act</i> (NRRA) now falls under the Engineering Branch. Don Gosnell has retired and Lyle Knight has taken over as the new Manager of Resource Roads.</li> <li>• NRRA is still moving forward and the business design team is working to develop a system to support the NRRA.</li> <li>• There are also a suite of policy decisions going to the Minister for decision.</li> <li>• It was requested that these policy decisions come to the Senior Advisory Team for review prior to being forwarded to the Minister for decision.</li> </ul>				
H	<p>Chinook Business Area Update</p> <ul style="list-style-type: none"> <li>• Tom Johnson, the new Woodlands Manager for the Chinook Business Area joined TSAC and gave a presentation about the Chinook Business Area. A copy of the presentation has been posted to the BCTS website. <a href="http://www.for.gov.bc.ca/bcts/about/tsac.htm">http://www.for.gov.bc.ca/bcts/about/tsac.htm</a></li> </ul>				
I	<p>Kootenay Business Area Update</p> <ul style="list-style-type: none"> <li>• Russ Laroche, the acting Timber Sales Manager for the Kootenay Business Area joined TSAC and gave a presentation about the Kootenay Business Area. A copy of the presentation has been posted to the BCTS website. <a href="http://www.for.gov.bc.ca/bcts/about/tsac.htm">http://www.for.gov.bc.ca/bcts/about/tsac.htm</a></li> </ul>				

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J	<b>E-bidding Update</b> <ul style="list-style-type: none"> <li>Wendy Ward joined TSAC to provide an update on the e-bidding system.</li> <li>The e-bidding system will be through BC Bid and is currently in the testing stage.</li> <li>It was requested that TSAC member participate in the testing and provide feedback to ensure the system meets their needs. It would be helpful if there were testers from both the coast and interior.</li> <li>The time commitment for testing would be a few hours.</li> <li>Shawn will solicit for volunteers and provide their names and contact information to Wendy.</li> <li>BC Bid will be similar to Official Notices System (ONS), so all the documentations and attachments will be loaded onto the website.</li> <li>BC Bid is newer technology and eventually BCTS would transition entirely to BC Bid and shutdown ONS.</li> <li>There will be an annual \$150.00 cost for registrants to electronically submit bids via BC Bid; however, there is no cost associated with downloading or viewing documents.</li> <li>Individual with standing bid deposits will no longer need to courier a deposit to BCTS.</li> <li>This is another option for licensees to bid on TSLs, but it will still be possible for people who do not have a standing bid deposit or prefer to make paper submission to do so.</li> </ul>				
K	<b>Selling the AAC</b> <ul style="list-style-type: none"> <li>TSAC discussed the issues and impacts associated with selling the AAC.</li> </ul>				
L	<b>Short Snappers</b> <b>BCTS policy around TSL blockades</b> <ul style="list-style-type: none"> <li>TSAC discussed the BCTS and government policy around blockades and civil disobedience.</li> <li>It is government policy that injunctions against blockades and civil disobedience are the responsibility of the licensee. Licensees are view by the courts as a smaller party who suffer greater impacts from these types of activities; therefore, they are generally more successful when seeking an injunction.</li> <li>There would be limited ability for BCTS to impact this policy as it is a larger government policy and all citizens' have the right to exercise civil disobedience.</li> <li>TSAC discussed the possibility of an insurance scheme for licensees.</li> </ul> <b>Three sale limit</b> <ul style="list-style-type: none"> <li>TSAC discussed the pros and cons of the three sale limit policy.</li> </ul>				
<b>2014 Meeting Dates:</b>					
	April 16, 2014	June 19, 2014	October 23, 2014		