

Cheakamus Community Forest Board of Directors Meeting
March 1, 2013 9:00 – 2:00 p.m.
RMOW Municipal Hall, Piccolo Room

Attendance:

Kerry Mehaffey, Lil'wat Nation
Jeff Fisher, Squamish Nation
Peter Ackhurst, RMOW, BOD Chair
Nancy Wilhelm-Morden, RMOW
Heather Beresford, RMOW, Secretary
Tom Cole, Richmond Plywood

Regrets:

Chief Bill Williams, Squamish Nation
Chief Lucinda Phillips, Lil'wat Nation
Klay Tindall, Forest Operations Manager, Lil'wat Forestry Ventures

MEETING AGENDA:

December 12, 2012 Meeting Minutes Approved by all

March 1, 2013 Meeting Agenda approved by all.

1. 2012 Year End

- Expenses close to budgeted
- \$50,000 HST return received
- Profit \$13,000
- Still owe RMOW \$50,000. PA charged back \$12,000 to the RMOW in 2012.
- RichPly accounting department has drawn down the silviculture account. Needs to be restored. The account is a CCF responsibility to meet future silviculture liabilities.
- Rec Sites & Trails BC provided \$8500 in grants to do recreation projects, CCF spent \$10,000. Had \$1000 budgeted.

2. 2012 Logging Results

- Richmond Plywood still confirming numbers. Tom asking them to adjust certain items.
- Volume came out of Brew 01/02 at ~7,000 m³. Costs were below market value therefore profitable. Sold 520 m³ firewood at a loss.
- Built \$40,000 road and trail in Fee area. Fee logging didn't go ahead as planned b/c mill didn't want balsam due to low market and couldn't find loggers to do the work. The volume coming out was uncertain and presented too much risk for loggers.
- 16 Mile – roads maintenance. \$16,000 spent on road, parking lot. Funded by Rec Sites & Trails BC, Tom administered.
- RichPly accountants have concerns over how much the company has invested in the CCF. Should clarify road management and road maintenance definitions and responsibilities. Silviculture has been unilaterally drawn down by RP accountants but it's a CCF account held in trust by RP. Needs to be restored.

- Spent \$48,000 on silviculture in 2012.
- Snow Creek culvert in Brandywine replaced in fall 2012. Brandywine IPP uses the road but so far has refused to contribute to cost of culvert replacement. CCF/RP would like to enter into a road use agreement with IPP.

3. 2012 Annual Report

- Will be released soon with a press release
- Roads continue to be a big issue. Reached agreement with Wedge IPP.
- Five recreation projects done plus more work in 2013 on Ancient Cedars
- EBM updated with public input. Next version being finalized.

MOTION: draft accepted subject to minor revisions. Action by Heather.

4. EBM Plan

- Written last summer, public comment sought, updated version to be released soon
- Numbers keep changing as inventory work, etc. gets updated.

ACTION: Peter to distribute to BOD when complete.

5. Silviculture Account

- Already discussed.

6. Richmond Plywood Five Year Agreement

- Moved to bottom of agenda so that Tom can cover all his topics then leave while discussion takes place.

7. Carbon Credit Project

- Started in August 2012. Timber supply review done, completed in December.
- Drafting a press release describing process, next steps, partners, benefits
- Living Carbon Investments is moving slowly and cautiously, because of recent negative press about other carbon projects. Want this one to be very solid and transparent.
- Next step is to hire auditor. Considering a pre-audit to make sure everything is in place.
- Is the audit a fixed price in our agreement? PA has requested all invoices but hasn't received them yet. Getting concerned about length of time and rising costs that need to be paid back.
- Provincial government still needs to approve. Unknown what change of government during next election will bring.
- RMOW wants to purchase credits but has a June 1 deadline for 2011/12 offsets. Will accept auditor's report as security even if carbon sales not finalized.

8. Carbon Press Release

- Goal is to have CCF release information about TSR numbers, not reacting to a leak.
- The press release is drafted but needs further editing. Release once directors have reviewed it.

- Tom's calculations for Brew show a 25% reduction in timber harvest in community watersheds because S4 streams require a 30m setback under the carbon and EBM conditions. This is a significant constraint. Requests that setbacks be reviewed and management regime determined before carbon credits are sold in these areas thus permanently locking up these areas. Also need to finalize second growth management regime. May need to harvest some second growth for fire management and options removed once set aside for carbon.

ACTION: Peter to communicate Tom's concerns to LCI.

9. Forest Stewardship Council

- Investigating if carbon auditor can do FSC audit as well to save money.
- Ecotrust trying to get grants.
- RichPly hesitant, doesn't want to commit more money that may not come back
- Jeff Fisher recommends getting carbon sorted out first, then go for FSC

10. Roads

- Need to clarify road maintenance and management. What is CCF responsibility and what is RichPly responsibility? Roads are becoming a huge issue.
- MOF undertaking a road review and will keep some roads as FSR but looking to transfer or deactivate many. Not providing any funds to assist with maintenance. CCF roads are important for residents and tourism.
- RichPly asking CCF to finalize the draft road policy to provide clarity and give Tom some guidance/clout with other road users.
 - Road policy will define road maintenance, capital investments, commercial rec operators responsibilities, road permits
- Discussion re: role of CCF in road management. Does CCF want to be the coordinator of road management/responsibility? CCF wants to maintain certain roads but needs to decide which ones and how much it wants to spend. Consider setting up 5 year road maintenance/grading contracts but that creates liability. CCF should be lead and involved others as necessary.
- Inspections should be done by qualified people and commercial rec operators could be asked to do the work. RichPly only responsible for active roads, but CCF needs to inspect all roads annually.

ACTION: CCF to finalize road policy before March 12 roads meeting for presentation at the meeting.

11. District Wide Forest Fire Plan

- Squamish FD developing a plan. RMOW has its own funding to do Firesmart thinning in high priority urban interface areas.
- Forest Stewardship Plan contains idea of creating defensible fire breaks using natural breaks, modifying fuel, etc.
- Tom is struggling to coordinate all aspects. Blackwell & Associates are doing the MOF district plan. They suggest CCF complete a modelling exercise to determine/justify best places to construct fire breaks and do fire management. WB is interested in managing wildfires.

- Treatment takes time, creates a lot of debris. Need a place to take debris if not burning. RMOW Composter? Need an agreement with the composter to take the debris. Significant debris is building up in Brew area. RMOW bylaw doesn't allow burning within boundary. MOE doesn't want burning in order to protect air quality, but MOF requires debris to be managed to reduce fire risk.

12. Firesmart

- RMOW budgeted \$200,000 for 2013. Firesmart applies to high priority interface areas. Could the CCF fire model be done with the RMOW budget?

ACTION: Tom to work with RMOW Fire Services on joint plan.

13. Bioenergy

- Don Reimer, DR Systems, preparing a short report. Summary: There are two opportunities:
 1. \$5 million biodiesel plant, 150 litres/hour
 2. \$15 million biodiesel plant, 500 litres/hour
- There is enough wood waste to operate either mill. Very small volume of fuel created, but looking for ways to get rid of wood waste.

ACTION: Tom will pursue an agreement with James Hallisey for the composter to use the CCF's wood waste.

14. Old Forest Plan

- Concerns continue in Whistler over old growth logging
- CCF wants to identify more of what should be saved and where
- There is a provincial requirement to meet the old growth Order, need to spatially define Old Growth Management Areas (OGMAs). Will form part of the Old Forest Plan.
- There is a related line item in the CCF budget for \$5000 to complete the OF Plan.
- Suggestion to do work in-house to save money. FWAC could assist. Need some field work done. Need to identify carbon areas first because if OGMA in same place, can't claim it for carbon. May apply to CFOW for funding.
- Biodiversity rating is currently at 30% old growth protection, provincial standard is 19%. Need to reach agreement with province on target and sign off.
- Need a 5 – 10 year plan to identify areas for logging. Identify carbon areas, identify OGMAs, complete the Old Forest Plan and the 5 – 10 year logging plan will fall out.

ACTION: Peter to make funding application to CFOW and complete project.

15. Forest Monitoring Plan

- The carbon project needs monitoring plots in areas that won't be logged. The plots installed in 2012 were growth and yield.
- Recommended to focus on carbon plots because there is other growth and yield data that can be used. Not worth effort or expense to get a "custom" growth & yield curve for the CCF.

16. Cultural Management Areas

- Callaghan – some work done. Met with Brad Sills. Have go ahead from Chief Williams. Lil'wat's only comments to date are to use small scale forestry methods. Engaged Henry Williams who has expertise with cultural projects to identify sensitive cultural areas. Goal is to zone Callaghan CMA into no logging, reduced opportunities and more heavy use. Draft plan expected by June.
- Cheakamus CMA – not doing a formal plan. Cultural cedar areas identified. Overlaps with interpretive forest. Small scale forestry rules apply. Suggestion that RMOW Recreation & Leisure Master Plan may help define activities. Needs to be finalized though because would like to harvest this area to spread out impacts throughout the CCF landbase.

ACTION: Tom and Jeff to complete draft Callaghan Plan by June.

17. 2013 Logging Plan

Harvesting Plan Description by Tom Cole:

Brew03 – It's plowed out, contractor ready to go next week. RichPly has approved \$65,000 to build road. Log lower areas in spring, come back in fall to finish.

Cheakamus16 – next area to be free of snow. South of quarry. Long term vision is to connect road system around Jane Lakes.

Fee03 – in Brandywine valley. RichPly spent \$71,000 on road building. Will be open end of June. Discussion to have Lil'wat Forestry Ventures do the work.

Cheakamus10 – scheduled for autumn. Demonstration sites showing low, medium and high retention. Road costs approved.

Powder07 – push road in this year. Harvest in 2014.

CMA A01 – Callaghan CMA. Following old roads, trying to re-connect. Subject to First Nations approval process.

Rainbow04 – Hydro is working under the lines, trying to partner with them to improve the road up to the small 2 hectare patch. If road access created, can help with wildfire management. Not a big logging opportunity. Subject to partnering with BC Hydro.

Cheakamus02 – operational thinning. Between water tower and cultural site. Subject to Firesmart initiation.

Wedge08 – up to IPP proponent.

2013 Harvesting totally approximately 28,000 m³:

- Brew03
- Fee03
- Cheak10
- Cheak16

CCF Board Discussion:

- RMOW Council reviewed proposed logging plan and because this is the first season of full asphalt plant production, they are concerned about further neighbourhood disruption from logging. As a result, RMOW Council does not support logging Cheak 10 & 16 in 2013.
- RichPly has already spent \$30,000 on planning, tree marking and layout for the two areas. Planned to upgrade road past Loggers Lake. Would need to know when logging can go ahead. This is a problem for RichPly. Cheak 10 could be postponed more easily. Each site would take about 2 months. Cheak16 planned for spring, Cheak10 for autumn. Approximately 200 truckloads each. Safety can be managed with speed limits. Dust control will be done. Need clarity on whether the logging is postponed for a year or deferred indefinitely.
- What will happen to change the situation in the future? RMOW wants to lobby province to reduce AAC. Needs to be discussed with partners first as both First Nations have large investments in the CCF.
- Can CCF produce a 5 – 10 year plan for Cheakamus area that could be presented to public? Need a discussion and agreement on a long term plan for Cheakamus and entire CCF.
- Squamish and Lil'wat Nations don't have issues with the current plan as long as it doesn't preclude opportunities for cultural tree management/removal, but recognize situation that RMOW and RichPly are in. Appears that Cheakamus 16 is less of a problem. Concerned that RMOW appears to want to permanently stop logging in Cheakamus area but that area is a substantial part (2700 ha) of the CCF and there will always be occasional harvesting, especially when the second growth comes in. Remember that 11,000 hectares of the CCF are already set aside.
- Discussion re: opening road/bridge over Cheakamus River to take trucks south to Cal-Cheak entrance. Significant hurdles, disruption to S2S Trail, and costs have been identified. MOF looking into it but unlikely to go ahead. FWAC did not support.
- RMOW Council now has new information to consider: RichPly's \$30,000 investment, roads for Cheak16 open new areas for future logging, 5 weeks of hauling proposed for Cheak16, and 4 weeks for Cheak10.

The Board sends this response to RMOW Council:

- The CCF would prefer to proceed with Cheak16 and put Cheak10 on hold for one year. If Cheak10 does not go ahead in future, Richmond Plywood will recoup its costs from the CCF. The CCF partners will develop a long term plan.

MOTION: The CCF BOD approves harvesting plans for Brew03, Fee03, Powder07, CMA A01 (subject to First Nations' approval). Cheakamus 10 and 16 decision deferred until RMOW Council can review on March 5.

ACTION: CCF and Tom Cole to meet with RMOW reps to develop 10 year plan for Cheakamus Valley.

18. Interface Forest Development Unit

- Tom looking for comments on the amendment to the Cheakamus Crossing area Interface FDU. More accurately reflects forest/development boundaries. Cutting would only be

allowed for wildfire management. Captures Crater Rim, Loggers Lake Cheakamus Crossing neighbourhood.

19. 2013 Recreation Projects

- More proposed for Ancient Cedars (signs, trail work)
- Funded by \$13,000 from WB Employee Environmental Fund & \$25,000 from Rec Sites & Trails BC

20. 2013 Administration Budget

- \$56,291 cash on hand as of December 31, 2012
- Logging profit of \$10,000
- Carbon revenue for 2013 is a wild card, and needs to be paid back to LCI
- Suggested revisions:
 - HST will no longer be relevant after April 1, so remove HST refund from budget
 - Show carbon revenue/expenses as balanced
 - Only repay RMOW \$10,000

MOTION: budget approved subject to revisions. Peter to revise & distribute.

21. Other Business

- Discussion re: WB new development projects. Is there an opportunity to get involved?
- Discussion re: Wedge IPP progress.

6. Richmond Plywood Agreement

- Agreement expires in October 2014, no decisions required now
- Options are to renew, renegotiate, put out to bid or do the work ourselves.
- Richmond Plywood is creative, easy to work with, understands the area.
- Will need to clarify financial reporting to avoid future conflicts.

Meeting Adjourned.