



REGIONAL DISTRICT OF BULKLEY-NECHAKO

**RDBN FORESTRY COMMITTEE
(Committee of the Whole)
Agenda**

Thursday, July 21, 2016

PAGE NO.

ACTION

Agenda – July 21, 2016

Adopt

Supplementary Agenda

Receive

MINUTES

2-7

**Forestry Committee Meeting Minutes
- April 14, 2016**

Receive

DELEGATION

**MINISTRY OF FORESTS LANDS AND NATURAL
RESOURCE OPERATIONS (via teleconference)**

**Heather Wiebe, Omineca Spruce Beetle Project
Manager**

RE: Update – Spruce Beetle Management Plans

SUPPLEMENTARY AGENDA

NEW BUSINESS

ADJOURNMENT

REGIONAL DISTRICT OF BULKLEY-NECHAKO**FORESTRY COMMITTEE MEETING**
(Committee of the Whole)**Thursday, April 14, 2016**

PRESENT:

Chair	Rob MacDougall
Directors	Taylor Bachrach Eileen Benedict Shane Brienen Mark Fisher Dwayne Lindstrom Bill Miller Mark Parker Jerry Petersen Darcy Repen Luke Strimbold Gerry Thiessen
Directors Absent	Tom Greenaway, Electoral Area "C" (Fort St. James Rural) Thomas Liversidge, Village of Granisle Rob Newell, Electoral Area "G" (Houston Rural)
Alternate Directors	Bob Hughes, Electoral Area "C" (Fort St. James Rural) Linda McGuire, Village of Granisle
Staff	Cheryl Anderson, Manager of Administrative Services Hans Berndorff, Financial Administrator Corrine Swenson, Manager of Regional Economic Development – arrived at 10:33 a.m. Wendy Wainwright, Executive Assistant
Other	Carl Lutz, District Manager, Bulkley Stikine, Ministry of Transportation and Infrastructure – arrived at 10:15 a.m. Ron Marshall, District Manager, Fort George, Ministry of Transportation and Infrastructure – arrived at 10:15 a.m. Lianne Olson, Stakeholder and Community Relations Liaison, Rio Tinto Alcan – arrived at 10:30 a.m. Terry Sullivan, Director of Major Projects, Ministry of Forests, Lands and Natural Resource Operations – left at 10:42 a.m. Leah Scheffield, North Regional Negotiations Team, Smithers, Regional Negotiator, Ministry of Aboriginal Relations and Reconciliation – left at 10:42 a.m.
Media	Flavio Nienow, LD News – arrived at 10:30 a.m.

CALL TO ORDER

Chair MacDougall called the meeting to order at 10:05 a.m.

AGENDAMoved by Director Miller
Seconded by Director Strimbold**F.C.2016-4-1**"That the Forestry Committee Meeting Agenda of April 14, 2016
be adopted."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

MINUTES

Forestry Committee Meeting Minutes – March 10, 2016 Moved by Director Petersen
 Seconded by Director Lindstrom

F.C.2016-4-2 "That the Forestry Committee Meeting Minutes of March 10, 2016 be received."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

DELEGATION

MINISTRY OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS – Terry Sullivan, Director of Major Projects, Leah Scheffield, North Regional Negotiations Team, Smithers, Regional Negotiator, Ministry of Aboriginal Relations and Reconciliation RE: Update RE: Lake Babine nation Woodland Tenures

Chair MacDougall welcomed Terry Sullivan, Director of Major Projects, Ministry of Forests, Lands and Natural Resource Operations and Leah Scheffield, North Regional Negotiations Team, Smithers, Regional Negotiator, Ministry of Aboriginal Relations and Reconciliation.

Mr. Sullivan and Ms. Scheffield provided a PowerPoint Presentation.

Lake Babine Nation Reconciliation Framework Agreement

Background

Why a Reconciliation Agreement with Lake Babine Nation (LBN)?

Key Provincial Economic Drivers

1. Forestry - the most significant long term economic driver in LBN territory and surrounding communities:

- About 2,000 jobs per year (direct and indirect) and \$196 million/yr GDP;
- Sales of \$477M generate \$14.7M in provincial tax revenue.

2. LNG development proposed in LBN territory - Prince Rupert Gas Transmission;

3. Mineral Development - Evaluations of mineral potential extremely high - within the top 15-20% for BC:

- Mine projects include Morrison Gold/Copper mine; Dome (in development), and Decar (currently on hold) with more in the early stages;
- Mineral exploration and development expenditures were approximately \$2.5m in 2014.

Reconciliation Framework Agreement

- MOU1 between BC and LBN signed October 2014. Defines general scope of agreement negotiations;
- MOU2 signed May 1, 2015 to help bring closure to LNG Pipeline Benefit Agreement negotiations and included several commitments, including:
 - Explore increased forestry economic opportunities for LBN communities;
 - Collaborative decision making on land and resources;
 - Land conservation measures (eg. OGMA, FSW, WHA);
 - Political commitments for LBN to support pipelines;
- Two-phased approach confirmed:
 - Phase 1 – Reconciliation Framework Agreement (Signed March 2016);
 - Phase 2 – Reconciliation Agreement (under negotiation, target completion late 2017);

DELEGATION (CONT'D)

MINISTRY OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS – Terry Sullivan, Director of Major Projects, Leah Scheffield, North Regional Negotiations Team, Smithers, Regional Negotiator, Ministry of Aboriginal Relations and Reconciliation RE: Update RE: Lake Babine nation Woodland Tenures (Cont'd)

Additional Context

LBN is a willing partner in the natural resource sector with strong asserted title claim over a large area of strategic economic importance to BC.

- LBN potentially has a "high to moderate" title claim in many areas of the territory;
- The territory contains critical timber harvesting landbase and supports local mills;
- Forest harvest rates are anticipated to increase as harvesting efforts shift to areas less impacted by mountain pine beetle;
- Morrison mine located in core LBN territory;
- LBN support for PRGT pipeline contingent on meeting MOU commitments.

Other BC/Lake Babine Agreements

- Interim Forestry Agreement (aka Forest Consultation and Revenue Sharing Agreement):
 - Defines revenue sharing as an economic accommodation for forest harvesting in the Territory;
 - Outlines an engagement process which meets consultation obligations;
 - It's a two year agreement (expires in 03/2018) with opportunity to extend;
- Pipeline Benefit Agreement for PRGT;
- LBN in Treaty process - LBN has an existing Incremental treaty Agreement for 500 hectares;
- A new initiative: A Strategic Forestry Accommodation Agreement with LBN was signed on March 31, 2016 to support LBN's forestry business aspirations.

Reconciliation Framework Agreement Summary

- Bilateral agreement between BC and LBN that represents a step toward long-term reconciliation of LBN Rights and Title;
- Advances reconciliation with LBN by setting the stage for future economic development opportunities that will also contribute to local and provincial economies;
- Implements stewardship measures consistent with objectives established previously through Morice LRMP & Lakes LRMP including:
 - Old Growth Management Areas;
 - Wildlife habitat areas; and
 - Fisheries Sensitive Watersheds;
- Rights of existing tenure holders & land owners unaffected;
- Establishes two small land reserves (approximately 1 ha each) intended to protect important cultural areas;
- Access restrictions are not part of this agreement;
- Sets out the scope and guiding principles to negotiate:
 - a comprehensive forestry agreement; and
 - a Reconciliation Agreement (RA).

Key LBN Forestry Interests

1. LBN strongly seek a significantly increased role in the forest sector within the Territory, including additional tenure opportunities;
2. Framework Agreement outlines award of 85,000m³ to LBN for a long term First Nation Woodland Licence;
3. Defining a forestry vision for the Territory;
4. LBN seek a revised Revenue Sharing model;
5. Seek potential land transfers for forestry and cultural protection;
6. LBN and BC have a shared interest in the long-term viability of local mills and the regional economy.

DELEGATION (CONT'D)

MINISTRY OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS – Terry Sullivan, Director of Major Projects, Leah Scheffeld, North Regional Negotiations Team, Smithers, Regional Negotiator, Ministry of Aboriginal Relations and Reconciliation RE: Update RE: Lake Babine nation Woodland Tenures (Cont'd)

Reconciliation Agreement

The signed Framework Agreement outlines key components of the Reconciliation Agreement:

- Collaborative decision making processes for significant authorisations in key areas within LBN territory;
- Collaborative approaches to resource stewardship, including monitoring;
- Transfer of Crown lands to LBN to support immediate economic development opportunities and/or protection of cultural areas; and
- Advancement of LBN participation in the forest sector while maintaining the viability of the local forest sector and mills.

Outcomes

- Facilitates Pipeline Benefit Agreements coming into effect and increased investor confidence in LNG development;
- LBN support for the long term viability of forest sector and local mills;
- Strengthened relationship with LBN leadership and increased role for LBN in the natural resource sector;
- Helps address LBN conservation expectations with limited impact to timber supply;
- Through the Interim Forestry Agreement, LBN agrees that statutory provincial consultation obligations have been fulfilled;
- Economic Accommodation and increased certainty for forestry through to March 31, 2018;
- Land transfers count towards final reconciliation/Treaty package.

Upcoming Timelines

- Now- Fall 2016 - Early BC/LBN negotiations to develop reconciliation package;
- Fall/Winter 2016 – Extensive Stakeholder engagement on proposed package;
- Fall/Winter 2016 - Seek Government support for proposed package;
- Winter/Spring 2017 - Final Reconciliation Agreement negotiations;
- Summer 2017 - Final engagement & approval for draft agreement;
- Fall/Winter 2017 Completion of agreement.

Director Strimbold noted the importance of communication in regard to Lake Babine Nation's views in regard to the Burns Lake Community Forest and Chinook Community Forest. Mr. Sullivan commented that Lake Babine Nation has hired additional capacity through a company from Vancouver Island that has extensive experience working with First Nations. Director Strimbold mentioned the importance of meeting with Lake Babine Nation Chief and Council in a governance to governance forum to have discussions regarding the possible impacts of the Lake Babine Nation Reconciliation Framework Agreement in regard to the community forests. The community forests do not have the ability to engage additional capacity therefore it would be very beneficial to engage in a governance to governance forum.

Discussion took place regarding the Lake Babine Nation Reconciliation Framework Agreement to award 85,000m³ to LBN for a long term First Nation Woodland Licence similar to forest licence for a major licensee. They are area based licences, one in the Morice Timber Supply Area (TSA), one in the Lakes TSA, and one in the Bulkley TSA. Lake Babine Nation is interested in 250 000 m³. Opportunities are being investigated for additional volume. Mr. Sullivan noted that Lake Babine Nation is interested in the long term sustainability of local mills.

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DELEGATION (CONT'D)

MINISTRY OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS – Terry Sullivan, Director of Major Projects, Leah Scheffield, North Regional Negotiations Team, Smithere, Regional Negotiator, Ministry of Aboriginal Relations and Reconciliation RE: Update RE: Lake Babine nation Woodland Tenures (Cont'd)

Discussion took place regarding the traditional territory of Lake Babine Nation. Ms. Scheffield mentioned that Lake Babine Nation's traditional territory has remained very much the same since the original start of its treaty process and does not have a lot of overlapping claims.

The possible impacts to local mills in regard to future investment and finance opportunities was discussed. Mr. Sullivan commented that the Lake Babine Nation Reconciliation Framework Agreement does not impact smaller tenure holders and whether they deliver their fibre to large or small mills will be a business decision.

Discussion took place regarding the reconciliation framework agreement being a template for future agreements. Ms. Scheffield spoke of the agreement building on what has been learnt on earlier agreements and the concepts are generally understood. The hope is that it will build and assist in advancing toward a treaty.

Chair MacDougall spoke of the importance of the RDBN being involved in the process and of open communication and dialogue regarding the advancement of the Lake Babine Nation's Reconciliation Framework Agreement. Mr. Sullivan indicated that he intends to continue to provide updates and future communications and that the agreement is a priority of the Province.

Chair MacDougall thanked Mr. Sullivan for attending the meeting.

CORRESPONDENCE

Correspondence

Moved by Director Benedict
Seconded by Director Parker

F.C.2016-4-3

"That the Forestry Committee receive the following correspondence from the Ministry of Forests, Lands and Natural Resource Operations:

- Kluskus Connector Road;
- Public Input Invited on Prince George Timber Supply Area
– Comments Accepted until May 24, 2016;
- British Columbia Government Acting on Spruce Beetle."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Director Thiessen mentioned that the Mayor of Quesnel contacted him to inform him that the City of Quesnel is not interested in pursuing a proposed Kluskus Connector Road. He spoke of safety concerns such as the lack of cell service in regard to a road through the area. Discussion took place regarding First Nations territory in the Kluskus area. Director Thiessen noted the importance of continuing to monitor any development in the area.

NEW BUSINESS

First Nations Forestry

Director Petersen commented that the reallocation of forest licences to First Nations may remove resource revenue from the province thus affecting healthcare, education, road infrastructure and other resource revenue provincially funded programs.

Discussion took place in regard to the Northwest Resource Benefits Alliance's communications with First Nations in regard to resource revenue sharing.

Conifex Sells Timber to Dunkley Lumber

Director Thiessen mentioned that Conifex has recently sold timber to Dunkley Lumber. Concerns were brought forward in regard to the lack of openness and transparency in regard to the sale of timber between companies.

9 Axle Logging Trucks

Chair MacDougall noted that discussions took place at the COFI (Council of Forest Industries) Convention in Kelowna, B.C. on April 6-8, 2016 in regard to 9 Axle logging trucks. Director Thiessen mentioned that he would be meeting with individuals in regard to the 9 Axle logging trucks going through the community of Vanderhoof and the damage to road infrastructure.

Director Thiessen commented that the District of Vanderhoof is approaching the Province in regard to the damage and high costs to repair municipal roadways from heavy truck loads traveling through communities.

OBAC Meeting with Skeena Regional Management Team

Chair MacDougall reported that the Omineca Beetle Action Coalition met with the Skeena Regional Management Team and he will provide minutes from the meeting once approved by OBAC.

ADJOURNMENT

Moved by Director Miller
Seconded by Director Petersen

F.C.2016-4-4

"That the meeting be adjourned at 10:55 a.m."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Rob MacDougall, Chair

Wendy Wainwright, Executive Assistant