

Chilliwack Resource District Operating Area Map:

October 31, 2016 map version of the Chilliwack Resource District Operating Area Map and available shape files have been recommended as the operating areas on a go forward basis. This map will form the expectations of the District Manager for all future authorisations subject to the transition provisions. A letter confirmation will be issued after a convened meeting of the Fraser TSA Co-operative and First Nation representatives later this month.

General principles and strategies applied to revision process:

1. Stakeholder input on the April 15' 2016 draft operating area map involved:

- a) Consideration of current and planned operational issues and ongoing development planning;
- b) Removal of all THLB volumes regardless of burn severity on the two recent wildfires (Nahatlatch-West Harrison);
- c) Reflection of comments received regarding area containing only Long Term Owl Habitat objectives;
- d) Clarification of transition planning needed in order to achieve business continuity and protect forest management investments.

2. Consolidation of operating areas was applied to:

- a) Remove or at least reduce the artificial constraint that arise from "chart" boundaries including rationalising some historic cardinal boundaries;
- b) Instigated watershed or sub-watershed boundaries were ever plausible or use of creek divides if needed.
- c) Reduce potential road use administration and safety concerns from joint use roadways
- d) Considered wood flow and transportation routes and dump sites;
- e) Removal of "postage stamps" type chart legacies were possible.

3. Stabilization to the TSA land base will:

- a) Provide tenure holder certainty in order to captured future "adjacent" development;
- b) Facilitate options to capitalize access improvements over a longer time horizon;
- c) Expand planning horizons and reduce complexity of meeting Government objectives;
- d) Employ opportunities to plan development over market cycles and across the entire TSA timber profile.

4. Equitability of chart holdings (trend towards TSA) as best as possible)

- a) Applied total THLB volume >41 years of age as a proxy for comparison purposes between replaceable tenure holders;
- b) Trend changes towards the overall TSA profile;
- c) Considered difficult stands, recent point-of-origin changes and large landscape scale timber constraints (>70% slope whitewood and Owl LTOHs);
- d) Scrutinized – first by the **Economic zone** distribution, then the **primary age** category, then **slope** parameters and finally **species** distribution.

Objectives of Chart Re-allocation Project:

Delineate operating areas specifically for First Nations Woodland creation or First Nation volume based opportunities through the assignment of new operating areas for pending Woodlands and First Nation District Areas in order to:

- a) Fulfill previous commitments made by government,
- b) Increases FN participation in forest management and capacity building;
- c) Match existing non replaceable Forest Licence allocations, including proposed partnerships to an area or “block” of areas using current management scenarios that sustain the approximate allocated volume.
- d) Encourages partnerships and business relationships among existing forest management service providers.

Re-allocate operating areas in a judicial and equitable manner while ensuring business continuity is maintained through

- e) Targeting at minimum of 50 years of Annual Allowable Cut for each replaceable forest licence or partnership group by using the total available timber harvesting land based volume >41 years of age, using the most recent and updated inventory file use in timber supply forecast;
- f) Specifying a phased-in approach in consideration of the timeline expectation for actual FN Woodland establishment
- g) Facilitate formal written transition agreements between outgoing –incoming tenure holders to protect planning and ensure continuous business continuity.
- h) Ensure that BCTS retains the full spectrum of terrain, constraints and timber profile within the Chilliwack Resource District in order to meet its pricing objectives mandate.

Transition Plans:

Will be formal time bound written agreements on specific operational elements facilitated by FLNRO. A transition plan will require formal signed-off by the outgoing and incoming tenure holder. Neither party will frustrate the process to define and agree to a reasonable transition agreement. A copy of the signed agreement will be used to support and expedite the application for CP or RP authorisations by the District Manager. The timeline for incorporation will be one year from the executed date of the agreement to formulate the verified forest management investments into a Road Permit or Cutting Permit. Any portion of the Transition Plan agreement that is not actioned within a year under an authorization will be forfeited.

END