Timber Sales Advisory Council (TSAC) Meeting

Minutes

May 10, 2011
9:00AM-3:00PM
Fitzgerald Room – Richmond Hilton
5911 Minoru Blvd, Richmond
Conference Call: 1-877-353-9184 ID: 5545002

Participants: Mike Falkiner (BCTS - Chair), Tom Jensen (ADM, Forest Tenures & Timber Pricing), Graham Archdekin (Pricing Branch), Rob Bigalke (Financial Management Services Branch), Shawn Hedges (Pricing Branch), Brian Markin (Coastal Pulp Sector), Russ Cameron (IWRA – Coast), Duncan Chisholm (ITMA), Dave Lewis (TLA), Wayne Lintott (ILA), Shane Garner (CILA), Jim Hackett (ILMA), Les Kiss (CFPA), Doug Routledge (COFI – South), Mike Kemp (Rotary MFG), Warren Carter (IWRA – Interior), Keith Eslinger (VIAWP), and Ken Houlden (NWLA) and Andrea Dixon (Secretariat)

Guests: Murray Stech (Pricing Branch), Grant Loeb (Pricing Branch), Keith Tudor (Pricing Branch), Geoff Tindale (BCTS), Mark Koepke (Pricing Branch) & Rein Kahlke (BCTS)

Regrets: Bill Aro (COFI – North) and Dennis Cook (ILA)

	Topic	Time	Lead	Category	Reference Material & Comments
A	**Adoption of Agenda and Safety Briefing**				
B	**Action Items Review**				

Action (B58): Shawn will split the historical wavier/relief data and report out to TSAC.

- ✓ **Completed. Shawn provided a hand out 1 pager re: historical waiver/relief data, split by Coast and Interior, and reviewed some of the reasons and factor into decisions of the time.**

Action (B59): PRTT will continue to work to address 130/131 issues. This has been added to the agenda.

- ✓ **Completed.**

Action (B60): Bill Aro and Doug Routledge will report back to TSAC either by email, or at the next meeting regarding communication with RUCs and road user fees. Shawn will communicate to the BCTS representatives on RUC.

- ✓ **Completed. After discussion with RUCs it was found that nothing systemically wrong. Road users are being asked to pay the road user fees up front and will receive refunds. It is not a double dip, but a timing of reconciliation is the issue. It was determined that it is not TSAC's role to resolve this issue. It should be discussed by road users and RUCs.**
- **Action (B64): Doug and Bill will continue to work with the RUC to resolve the road user fees issues. Doug and Bill will report to TSAC as necessary.**

	Topic	Time	Lead	Category	Reference Material & Comments
	Action (B61): Rein Kahlke will clarify if chain of custody letters are automatic or on demand. ✓ Completed. Chain of custody letters are now produced automatically. If require a chain of custody letter from an older TSL, please contact the Business Area and they can provide you with one. Action (B62): Russ Cameron will get data related to Category 2 from Shawn and canvass the Category 2 bidder for opinions. ✓ Completed. Action (B63): Andrea will add accuracy of cruise data as a topic to the next agenda. ✓ Completed.				
C	Standing Items				
C1	Revenue Branch Waste Bill Waiver Ledger • There has been one decision made regarding Waste Bill Waiver and the determination letter is being signed by the Assistant Deputy Minister soon. Waste is different from waiver/relief ledger. • Action (B65): TSAC has requested that a ledger for Waste Bill Waiver be kept and posted on the website. Graham to talk to Murray and find out if this is possible.				
C2	Softwood Lumber Agreement (SLA) Update • The panel for the SLA arbitration has been selected. • The Americans must file their case by August 2011. • We will not have any details out the about the complaint until the case has been filed and the discovery process begins. • The discovery process will last for five weeks. • Canada will then have until November 2011 to forward our response to the panel. • In February 2012, the hearing will be conducted. Both parties will have opportunities to verbal argue their position. • After the hearing the initial judgement will be rendered and both parties will have a chance to comment. • After both parties have commented the panel will make its final decision.				
C3	BCTS Quarterly Update • Rob gave presentation on Year End results. • Once finalize, the information will be posted on the following website http://www.for.gov.bc.ca/bcts/about/serviceplan.htm .				
	Break 10:15 – 10:30				
C4	ADM Update • Tom provided information about the new Division and Ministry of Forests, Lands and Natural Resource Operations (MFLNRO) structure.				

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	• Diane Medves is overseeing BCTS Headquarters, Timber Pricing Branch, Engineering Branch and Resource Roads. • Diane has been invited to participate in TSAC and Timber Sales Leadership meetings. • Don Gosnell is drafting new legislation to govern resource roads and will be engaging with communities and industry for input. • The MFLNRO Safety Initiatives as well as the SLA interface with the Ministry of Jobs, Tourism and Innovation are under Tom's portfolio. • The Regional structure has stayed the same. • Dave Peterson now oversee Tenure, Competitiveness & Innovation and Compensation. • Water management and stewardship have been added to Jim Snetsinger's responsibilities. • TSAC members would like Tom to clarify what Jim's roles around water stewardship and management are. • Action (B66): Andrea will distribute the new Division and MFLNRO organizational charts to TSAC.				
D	**New Business**				
D1	**Overview of MFL Appraisal Cruise Standards** • Keith Tudor gave the Overview of Appraisal Timber Cruising presentation to TSAC. • TSAC members expressed concern about accuracy of cruise information in timber sales licenses. • TSAC discussed possible causes and solutions to this issue. • It was suggested that working group be created to investigate this issue. • Action (B67): Keith will speak to his colleagues and find out if there are resources available create this working group. Keith will connect with Jim Hackett if the working group can be created and report out to TSAC. • TSAC requested that release of information regarding cut to cruise audits be released. • Action (B68): Keith will speak to Murray Stech and determine if it is possible to release information regarding cut to cruise audits.				
D2	**Category 2 Protected Pool** • At the February meeting TSAC questioned the necessity for maintaining the Category 2 pool. • Russ Cameron has canvassed the Category 2 bidders and they felt the volume is still required. • It was determined that the Category 2 volume will continue to be administered the same way. • Action (B69): Andrea to add Timber Disposition Strategy – how it affects BCTS and Industry to the next agenda.				
	Working Lunch	**12:00 – 12:30**			
D3	**Forest Practices Board (FPB) Update Rein (12:30 – 1:00)** • Rein provided presentation on FPB Audit Summary of BCTS Operations.				

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	• Rein reviewed the audit findings and the BCTS action plan in response to the findings. • Many finding in the audit were related to soil disturbance issues by licensees. This can be attributed to that fact that small operators are limited to working at one site even if the conditions are optimal. • There was discussion around the involvement of Compliance and Enforcement (C&E); however, BCTS does have third party certification.				
D4	Progress Report on the Policy Review Task Team (PRTT) • Shawn reviewed recommendations made by PRTT at last meeting. • The recommendations have been submitted to the ADM and the Deputy Minister (DM). • The DM has approved the policy and Regulation changes. • The Regulation changes will need to be approved by Order in Council and Cabinet. • We are unable to implement the Risk Deposit scheme until the Regulation is approved. • Shawn will try to have the policy approved by the ADM, but it may need to go to the DM. • Action (B70): Invite Coast and Interior TSMs to part of TSAC. • TSAC members inquired about the next steps PRTT will take regarding the 130/131 issue. • In order to make progress on this issue the Ministry of Finance will need to re-engage PRTT which may take some time as they have competing priorities and limited resources.				
D5	BCTS Timber Sales License (TSL) Terms • The current average TSL term is 17 months. • Some TSAC members would like to see the average TSL term decreased to 12 months to reduce the possibility of speculation. • TSL terms have been set to allow sufficient time to accommodate seasonal restricted operations.				
D6	Selling Sales at Full Species Representation • TSAC members would like to see a fuller species mix offered in TSLs. • BCTS does its best be responsive to customer's needs around species offered, however they must also consider forest health, by harvesting Mountain Pine Beetle effected stands, and providing sample data to support MPS.				
D7	Short Snappers Khaira Update • Graham informed TSAC of the changes made as a result of the complaint made against substandard camp facilities provided by Khaira Enterprises Ltd. • Government has now formed a multiagency group to improve inter-agency communications. • BCTS has revised camp standards and inspection forms.				

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	• A memorandum outlining the changes has been distributed internal to government. • BCTS is preparing an external communication. • BCTS will be providing training sessions to staff to ensure they are familiar with the changes. • MFLNRO has also established a SharePoint site where contract evaluations are posted. Next Agenda • The following topics were suggested for discussion at future TSAC meetings: • Simple sampling; • Automated scaling; • Alternate scaling; • Timber disposition; and • Export conversation.				
	2011 Meeting Dates:				
	February 15, 2011 Confirmed	May 10, 2011 Confirmed	September 8, 2011 Confirmed	November 22, 2011 Confirmed	