

**Business Planning Process**  
**for**  
**Land Based Investment Categories**

January 4<sup>th</sup>, 2011

Prepared for:

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## Acknowledgements

The individuals noted below were interviewed and kindly reviewed draft material for their LBIS category. Appreciation is also extended to other individuals on the category team who reviewed draft material, to Julianne Leekie (Fairwinds Design & Photography) for the flow diagrams, and to John McClarnon and Allan Powelson for project direction and guidance.

| <b>LBIS Category</b>       | <b>Individuals Interviewed</b>                                                                                       |
|----------------------------|----------------------------------------------------------------------------------------------------------------------|
| Current Reforestation      | Kelly Osbourne (Team Lead)<br>John McClarnon                                                                         |
| Ecosystem Based Management | Andy Hall (Team Lead)<br>Rory Annett                                                                                 |
| Ecosystem Restoration      | Greg Anderson (Team Lead)<br>Al Neal (Alternate)                                                                     |
| Fire Management            | Lyle Gawalko (Team Lead)<br>Brian McIntosh (Alternate: Fuels)<br>Ed Korpela (Alternate: Landscape Fire Mgt Planning) |
| Fish Passage               | Ian Miller (Team Lead)<br>Richard Thompson (Alternate)<br>David Maloney<br>Shirley Turcotte                          |
| Forest Health              | Tim Ebata (Team Lead)<br>Lorraine Maclauchlan                                                                        |
| Invasive Plants            | Val Miller (Team Lead)<br>Perry Grilz (Alternate)                                                                    |
| Inventory                  | Gary Johansen (Team Lead)<br>Chris Mulvihill                                                                         |
| Timber Supply Mitigation   | Ralph Winter (Team Lead)                                                                                             |
| Tree Improvement           | Darrell Wood (Team Lead)<br>Lee Charleson (Alternate)<br>Barrie Phillips                                             |
| Visuals                    | Jacques Marc (Team Lead)                                                                                             |

# Introduction

## Purpose of the Report

In light of recent new structure of ministries it is essential to have a firm understanding of the planning processes used to develop the Land Based Investment Strategy (LBIS). The purpose of this report is to document ‘what is occurring’ with respect to the strategic business planning process for each of the LBIS ‘categories’ (including subcategories). This information can then support any decisions about ‘how best to proceed in the future’ given the new government structure. Documenting ‘what is occurring’ is also important so that those interested in the LBIS are aware of how investment decisions are made including who is involved in helping shape investment proposals.

A team has been established for each LBIS investment category that supports strategic business planning. LBIS business planning is the process that the investment category teams are currently going through to prepare the material for Appendix 2 of the upcoming *LBIS: 2011/12 to 2013/14*. Appendix 2 is intended to include key activities, outputs 2011/12, and key targets for 2011/12, 2012/13 and 2013/14 for each category.

## LBIS Background

The current *Forest and Range Land Based Investment Strategy (LBIS): 2010/11 to 2012/13* represents a new integrated approach to investing on the land base by combining the funding resources of Forest Investment Account Land Base Investment Program (FIA-LBIP), Forests for Tomorrow (FFT), base forest health funding and base invasive plant funding. Funding allocations will no longer be based on AAC apportionment.

*Guidance for developing the 2011/12 Land Based Investment Strategy* provides four strategic priorities:

- Manage impacts on forest and range resources from insects, disease and wildfire
- Mitigate mid-term timber supply shortfalls (with priorities provided for interior mid-term timber supply mitigation)
- Maximize timber grown in the provincial forest
- Restore access to fish habitat impacted by historic forest industry activities.

Investment categories or subcategories of the LBIS included in the planning process for 2011/12 are:

| Category or subcategory    | Focus                                                                                                                                         |
|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Current Reforestation      | Units where catastrophic disturbance has caused drops in mid- and long-term timber supply<br>FRPA s. 108                                      |
| Ecosystem Based Management | Assist EBM implementation in central/north coast plan areas                                                                                   |
| Ecosystem Restoration      | Assist recovery of degraded, damaged or destroyed ecosystems                                                                                  |
| Fire Management            | Areas with greatest need for fuel hazard reduction*<br>Landscape fire management planning*                                                    |
| Fish Passage               | Achieve the greatest fish habitat gains possible by targeting high value sites with the best potential for providing significant fish returns |
| Forest Health              | Areas of greatest need                                                                                                                        |
| Invasive Plants            | Areas of greatest need                                                                                                                        |
| Inventory                  | Units and inventory types (site productivity, VRI) to mitigate mid-term timber supply                                                         |
| Timber Supply Mitigation   | Treatments (fertilization, spacing, backlog brushing) to address mid-term timber supply with interior units prioritized                       |
| Tree Improvement           | Increasing genetic gain in productivity throughout the province                                                                               |
| Visuals                    | Refine visual landscape inventories to reduce visually constrained areas and mitigate mid-term timber supply                                  |

\* under review

## Methods

Each investment category team leader, along with others they wished to involve, was interviewed (see Acknowledgements) about the strategic business planning process leading to the preparation of the LBIS Appendix 2. A questionnaire was sent in advance of the interview (and some individuals kindly completed the questionnaire prior to the interview). Following the interview, an initial draft description of the business planning process, along with a flow diagram, and draft interview notes (which in some cases augmented the feedback already received) were sent to those interviewed for review and comment. In some cases, team leaders shared the initial draft with other members of their team for feedback.

A draft report was then prepared which addressed the feedback received. The draft report was circulated to those interviewed with request that the team leader distribute the report to those that they had identified via questionnaire feedback that should also review the document. The draft report was revised considering the review comments.

This report provides the high level description of the business planning process, including flow diagram, for each category. The Appendix, available in a separate document, provides the questionnaire feedback.

## **LBIS Business Planning Process in General**

The investment team for each category was generally formed prior to the LBIS and in some cases have been active for many years in order to respond to investment opportunities as they evolve and change over time. Nearly all the teams involve headquarters and operations staff. Some teams also involve others including forest licensees, BC Timber Sales, First Nations, other agencies, academia and local government.

The initial step(s) in the business planning process involve an assessment of the budget needs for each investment category. Considerations include:

- Identifying program needs in light of LBIS strategic priorities and focus (e.g. considering requests, applications, approved projects, approved strategies, call for proposals, identified priority treatment needs, in case of current reforestation: 2-year commitments and s. 108 obligations, etc)
- previous investment funding (e.g. under FIA or previous base budgets)
- capacity to deliver (e.g. considering available staff needed to ensure effective implementation and delivery)
- discussions regarding what may be realistic given anticipated LBIS funding levels for 2011/12.

This assessment then gets translated into a draft LBIS Appendix 2 and Business Rationale that identifies a funding request, and proposes activities, outputs and targets for 2011/12. This was submitted in the summer 2010.

The Ministry of Forests, Mines and Lands (MFML) provides interim budget direction for each category which is expected in January 2011.

The team leader then revises Appendix 2 consistent with that budget direction in consultation with the category team. In some cases, others are also involved particularly if the budget direction varies considerably from the budget request. Another aspect of revisions to Appendix 2 involves focusing activities on emerging priorities considering new information. Revisions to Appendix 2 are expected in winter 2011.

MFML then makes final budget allocation for each category that is conveyed to the team leader. The team leader finalizes Appendix 2 if required in consultation with the category team and others they may need to involve. This may only be needed if the final budget varies from the interim budget or if new information suggests that activities, outputs and targets need to change. The final appendix is compiled by Forest Practices and Investment Branch and then submitted to the Chief Forester and Deputy Minister for approval.

## Business Planning Process for LBIS Category: Current Reforestation

### Category Activities

There are four activities:

1. Planting, brushing, survey regarding land status, backlog planting assessments, and s. 108 liabilities (restoring licensee areas burned by fire)
2. Short rotation pilots
3. Assessments of community watersheds and fisheries sensitive watersheds impacted by the MPB and wildfire
4. Plant previously sown seedling for backlog reforestation and wildfire restoration on woodlots.

The focus on the business planning process described below is on activity #1 as it represents about 98% of the category budget in FY 2010/11; the process in general also applies to #2. Note: the planning process for FRPA s. 108 is not described below as it is applicant driven via RESULTS submissions.

### Category Team

Land Based Investment Delivery Branch (LBIDB) Planning Officer (team leader)  
Regional Forests for Tomorrow (FFT) staff

### Business Planning Process

The Current Reforestation Strategic Business Planning Process is highlighted on the attached 7 step flow diagram and can be described as follows:

This Fiscal Year – Phase 1 (development of draft Appendix 2 – budget request; steps completed)

1. **Ministry of Forests, Mines and Lands (MFLM) advises LBIDB of projected fundable sowing levels. FFT regional staff prepare Management Unit (MU) level sowing request for 2 years out in consultation with districts, recipient agreement holders (RAH), BCTS and licensees.** MU silviculture strategy is referenced to rationalize proposed MU investments.
2. **Based on MU submissions from RAH, BCTS and licensees the LBIDB planning officer prepares 3-year FFT business spreadsheet** consistent with discussions with FPIB regarding potential LBIS funding and implementation priorities. Preliminary FFT funding levels in consideration of MU level sowing requests and fixed costs (second year commitments and s. 108 requirements) are developed with FPIB with consultation as required with MFLM executive. There is considerable dialogue between the two branches if the preliminary funding levels are over or under the MU sowing requests.
3. **FPIB and LBIDB prepare draft Appendix 2 and Business Rationale** (funding request) which is largely based on the 3-year FFT business spreadsheet. When developing the Business Rationale, some adjustments to the 3-year spreadsheet may be necessary. The FFT Business Case feeds the Business Rationale.

This Fiscal Year – Phase 2 (development of final Appendix 2 – final budget; steps expected)

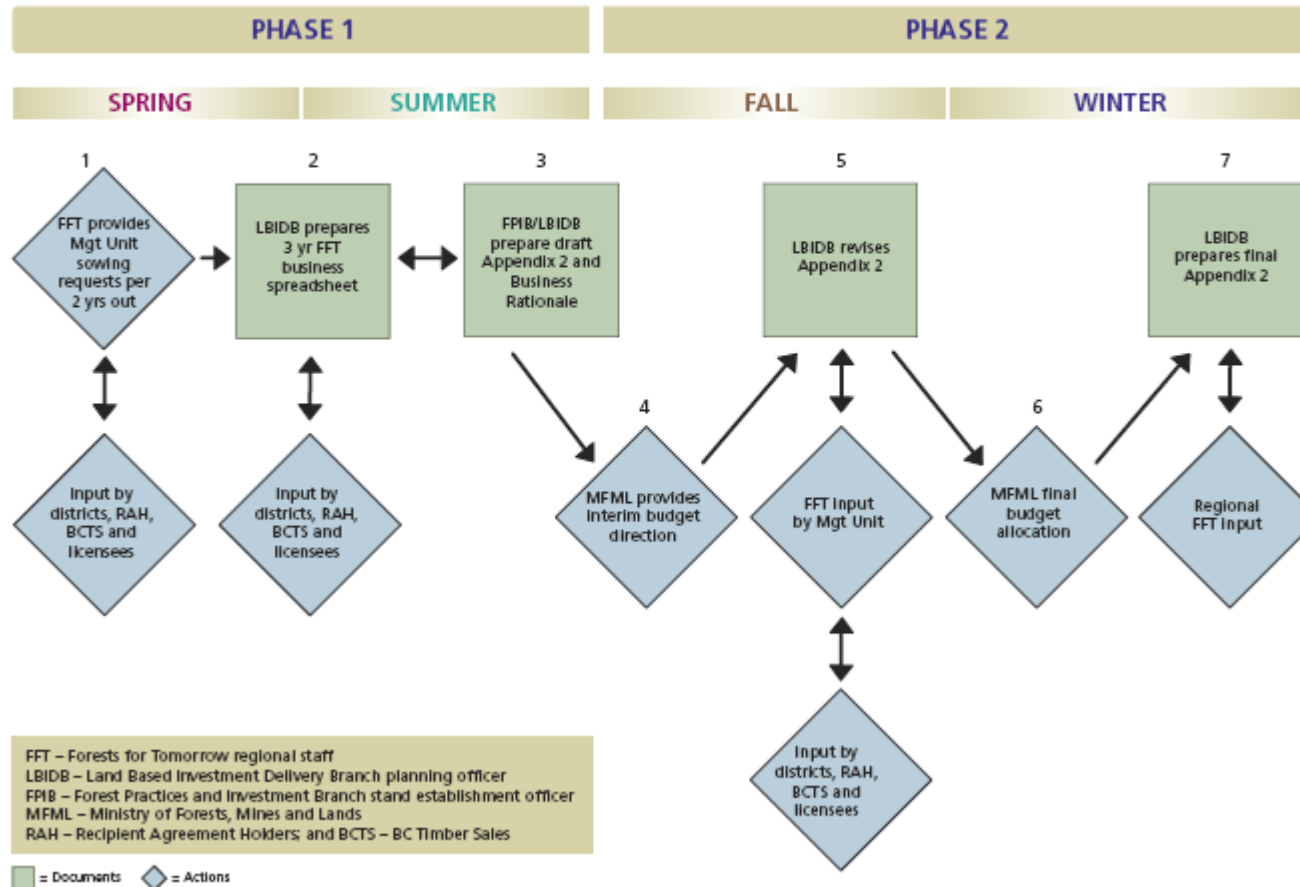
4. **The Ministry of Forests, Mines and Lands (MFML) provides interim budget direction** to the Team Leader. This is now expected this January 2011.
5. **LBIDB planning officer revises Appendix 2 in consultation with FFT regional staff with review provided by districts, RAH, BC BCTS and licensees.** This involves the development of regionally-led MU plans/ budgets with identified allocation priorities. Draft MU documents are prepared by RAH, BCTS and licensees and are reviewed by district staff, regional FFT staff and the LBIDB planning officer in order to get feedback and make any appropriate revisions. The FFT MU plans are very much a ‘bottom –up’ approach to preparing the revised Appendix 2. The MU-level plans/budgets prepared consistent with the interim budget allocation decisions are rolled-up first at the regional level. Regional staff make any necessary MU prioritization decisions based on LBIS priorities and consideration of relative rankings from consideration of MU silviculture strategies. The regional submissions are rolled up provincially by the LBIDB planning officer in the preparation of the revised Appendix 2. This may entail allocation decisions between regions and thus revisions to the 3-year FFT business spreadsheet (feedback loop). These efforts are undertaken in the winter.
6. **MFML makes final budget allocation** decision which is conveyed to the Team Leader.
7. **LBIDB planning officer prepares final Appendix 2 in collaboration with FPIB and consultation with FFT regional staff** if required. This would normally only be needed if the final budget allocation differs from the interim budget direction. This is normally completed in January and February.

#### **Business Planning Process – s. 108**

The business planning process for section 108:

- Holder of free growing obligation submits s. 108 application in RESULTS to district for approval decision
- For applications that the DDM is prepared to approve, the district confirms funding availability with LBIDB prior to approving
- LBIDB Issues payments directly to obligation holder after DDM has approved the application in RESULTS

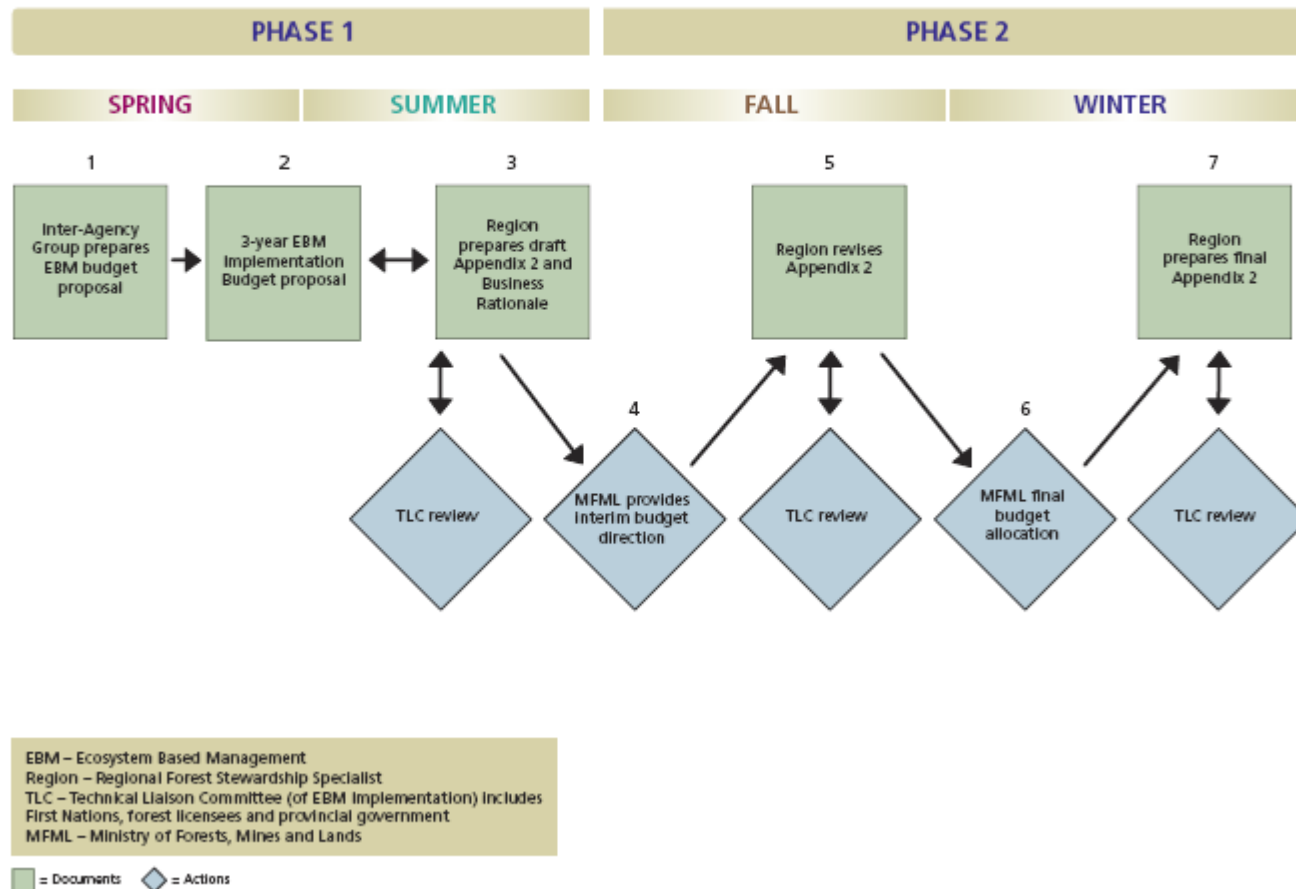
## LBIS Current Reforestation Category



## Business Planning Process for LBIS Category: Ecosystem Based Management

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Category Activities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <ul style="list-style-type: none"> <li>• Strategic Landscape Reserve Design (SLRD)</li> <li>• Terrestrial Ecosystem Based Mapping (TEM)</li> <li>• Sub-Regional Timber Supply Impact Assessments and Conservation Gap Analysis</li> <li>• Hard Reserve designation</li> <li>• Land Use Order 2014 review</li> <li>• Enabling Conditions – North Coast TSA forest licensee chart reconciliation and First Nations forest tenure allotment</li> <li>• Experimental Watershed for Ecosystem Monitoring</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Category Team</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <ul style="list-style-type: none"> <li>• Andrew Hall, Regional Forest Stewardship Specialist (team lead)</li> <li>• Technical Liaison Committee (TLC) consisting of: <ul style="list-style-type: none"> <li>- First Nations</li> <li>- Forest licensees</li> <li>- Provincial government representatives</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Business Planning Process</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p>The Ecosystem Based Management Planning Process is highlighted on the attached 7 step flow diagram and can be described as follows:</p> <p><u>This Fiscal Year – Phase 1</u> (development of draft Appendix 2 – budget request)</p> <ol style="list-style-type: none"> <li>1. <b>Inter-Agency Group prepares EBM budget proposal.</b> This is done at the request of the EBM Office Executive Director (Jennifer Tudhope)</li> <li>2. <b>3-year EBM Implementation Budget proposal</b> is then prepared by the EBM Office Executive Director</li> <li>3. <b>Regional Forest Stewardship Specialist prepares draft Appendix 2 and Business Rationale</b> - funding request to LBIS. The funding request considers the 3-year EBM Implementation Budget proposal, reasonable funding expectations from the LBIS, and review with the Technical Liaison Committee (of EBM Implementation)</li> </ol> <p><u>This Fiscal Year – Phase 2</u> (development of final Appendix 2 – final budget)</p> <ol style="list-style-type: none"> <li>4. <b>Ministry of Forests, Mines and Lands (MFML) provides interim budget direction</b> to the Team Leader. This is now expected this January 2011.</li> <li>5. <b>Regional Forest Stewardship Specialist revises Appendix 2</b> in consultation with the Technical Liaison Committee (TLC).</li> <li>6. <b>MFML final budget allocation</b> decision is conveyed to the Team Leader.</li> <li>7. <b>Regional Forest Stewardship Specialist prepares final Appendix 2</b> if required in consultation with the TLC. This would normally only be needed if the final budget allocation differs from the budget direction provided in step 4.</li> </ol> |

## LBIS Ecosystem Based Management Category



## Business Planning Process for LBIS Category: Ecosystem Restoration

### Category Activities

Activities include:

- Ecosystem restoration (ER) treatments that have been prioritized by district-level multi-sector District ER Steering Committees
- Completion of District ER Strategic Plans for ER Steering Committee approval that identifies needed ER treatments.

### Category Team

- Greg Anderson, Manager, Ecosystem Restoration, Range Branch (Team Leader)
- Al Neal, Provincial Strategic Planning Leader, Ecosystem Restoration, Range Branch (Alternate)
- Forest District ER Team Leaders facilitating multi-sector Ecosystem Restoration (ER) Steering Committees – there are currently 8 across the province.

### Business Planning Process

The Ecosystem Restoration Business Planning Process is highlighted on the attached 7 step flow diagram and is described as follows:

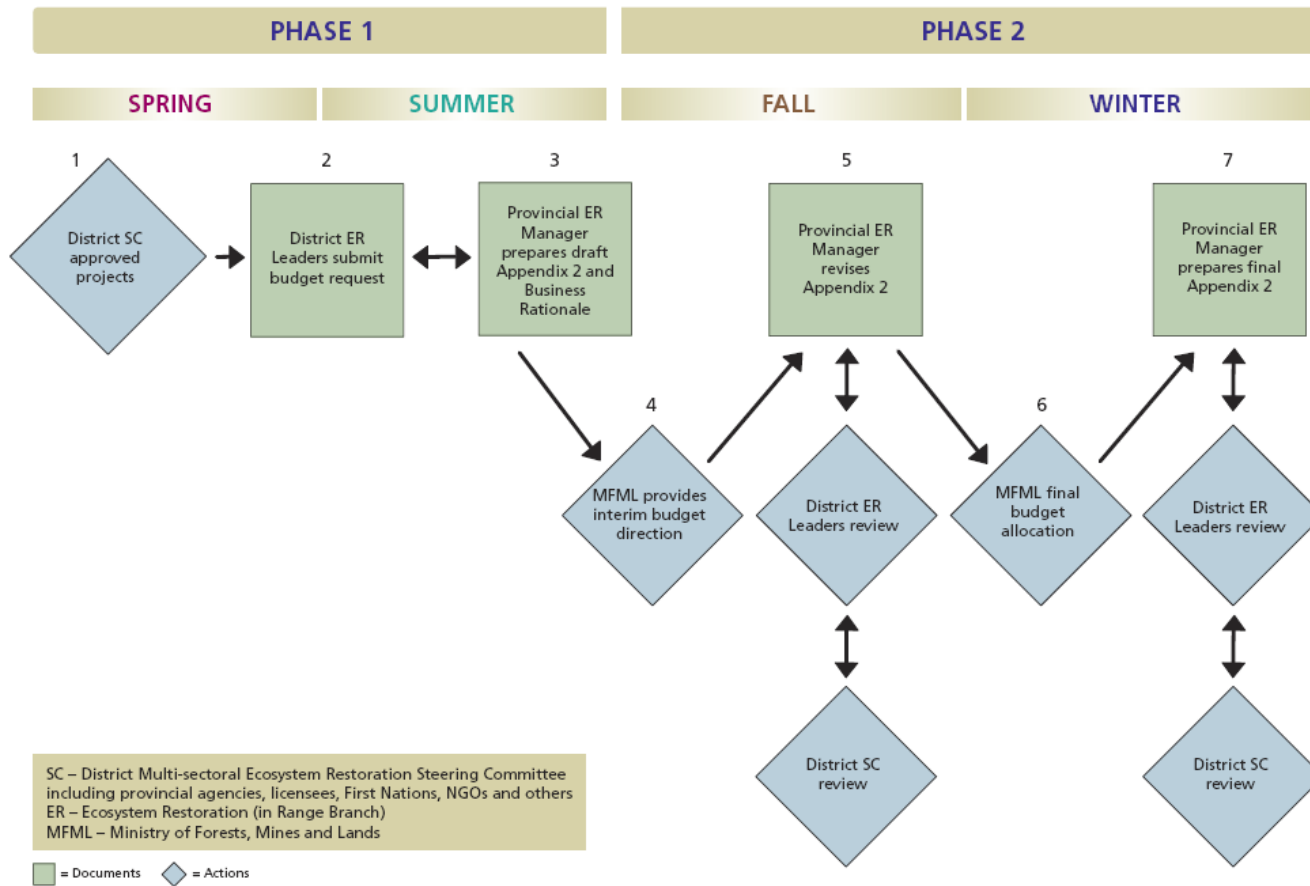
This Fiscal Year – Phase 1 (development of draft Appendix 2 – budget request)

1. **District ER Steering Committee (SC) approved projects** are assembled on a spreadsheet. Only SC approved projects are considered for funding.
2. **District ER Leaders submit budget request** considering the higher priority SC approved projects consistent with any direction from the Provincial ER Manager about reasonable funding level requests.
3. **Provincial ER Manager prepares draft Appendix 2 and Business Rationale** requesting LBIS funding. Previously approved funding levels (e.g. from FIA), program capacity, and program need (e.g. District ER Leader's submissions in Step 2; interests in Coast and northeast BC to initiate ER programs) are factored into the budget request.

This Fiscal Year – Phase 2 (development of final Appendix 2 – final budget)

4. **MFML provides interim budget direction** to the Team Leader. This is now expected this January 2011.
5. **Provincial ER Manager revises Appendix 2** in consultation with the District ER Leaders who in turn may seek District ER Steering Committee review.
6. **MFML final budget allocation** decision is conveyed to the Team Leader.
7. **Provincial ER Manager prepares final Appendix 2** if required in consultation with the District ER Leaders who in turn may seek District ER Steering Committee review. This would normally only be needed if the final budget allocation differs from the budget direction provided in step 4.

## LBIS Ecosystem Restoration Category



## Business Planning Process for LBIS Category: Fire Management

### Category Activities

LBIS funding is requested next fiscal year in two areas:

- Fuel management to support completion of Community Wildfire Protection Plans (CWPPs) and to provide funding for operational treatment projects
- Landscape fire mgt planning to support the development of a methodology to effectively undertake the planning

### Category Team

- Lyle Gawalko, Manager, Fire Management, Wildfire Management Branch (WMB) - Team Leader
- Brian McIntosh, Coastal Fuel Management Specialist, WMB (alternate: fuel mgt)
- Ed Korpela, Regional Fire Management Specialist (alternate: landscape fire mgt planning)

Fuel Mgt: Provincial Fuel Management Working Group (PFMWG) which includes:

- Union of BC Municipalities (UBCM)
- First Nations Emergency Services Society (FNESS)
- Ministry of Forests, Mines and Lands (MFLM)

Fire Mgt Planning:

- Regional Wildfire Specialists

### Business Planning Process - Fuel Management

The Fuel Management Business Planning Process is highlighted on the attached 6 step flow diagram and is described as follows:

This Fiscal Year – Phase 1 (development of draft Appendix 2 – budget request; steps completed)

1. **Wildfire Management Branch assesses budget needs.** This is done in consideration of pending applications in the Fuel Mgt Information System (FMIS), local knowledge about new applications, past performance to undertake projects, and what is needed to make the program effective.
2. **Wildfire Management Branch prepares draft Appendix 2 and Business Rationale** - funding request to LBIS in consideration of program budget needs. If funds can be secured from other sources, the LBIS funding request can be reduced.

This Fiscal Year – Phase 2 (development of final Appendix 2 – final budget; steps expected)

3. **MFML provides interim budget direction** to the Team Leader. This is now expected this January 2011.

4. **Wildfire Management Branch revises Appendix 2** in consultation with the Provincial Fuel Mgt Working Group (PFMWG).
5. **MFML final budget allocation** decision is conveyed to the Team Leader.
6. **Wildfire Management Branch prepares final Appendix 2** if required in consultation with the PFMWG. This would normally only be needed if the final budget allocation differs from the budget direction provided in step 3.

#### **Business Planning Process - Landscape Fire Management Planning**

The Landscape Fire Mgt Planning Business Planning Process is highlighted on the attached 6 step flow diagram and is described as follows:

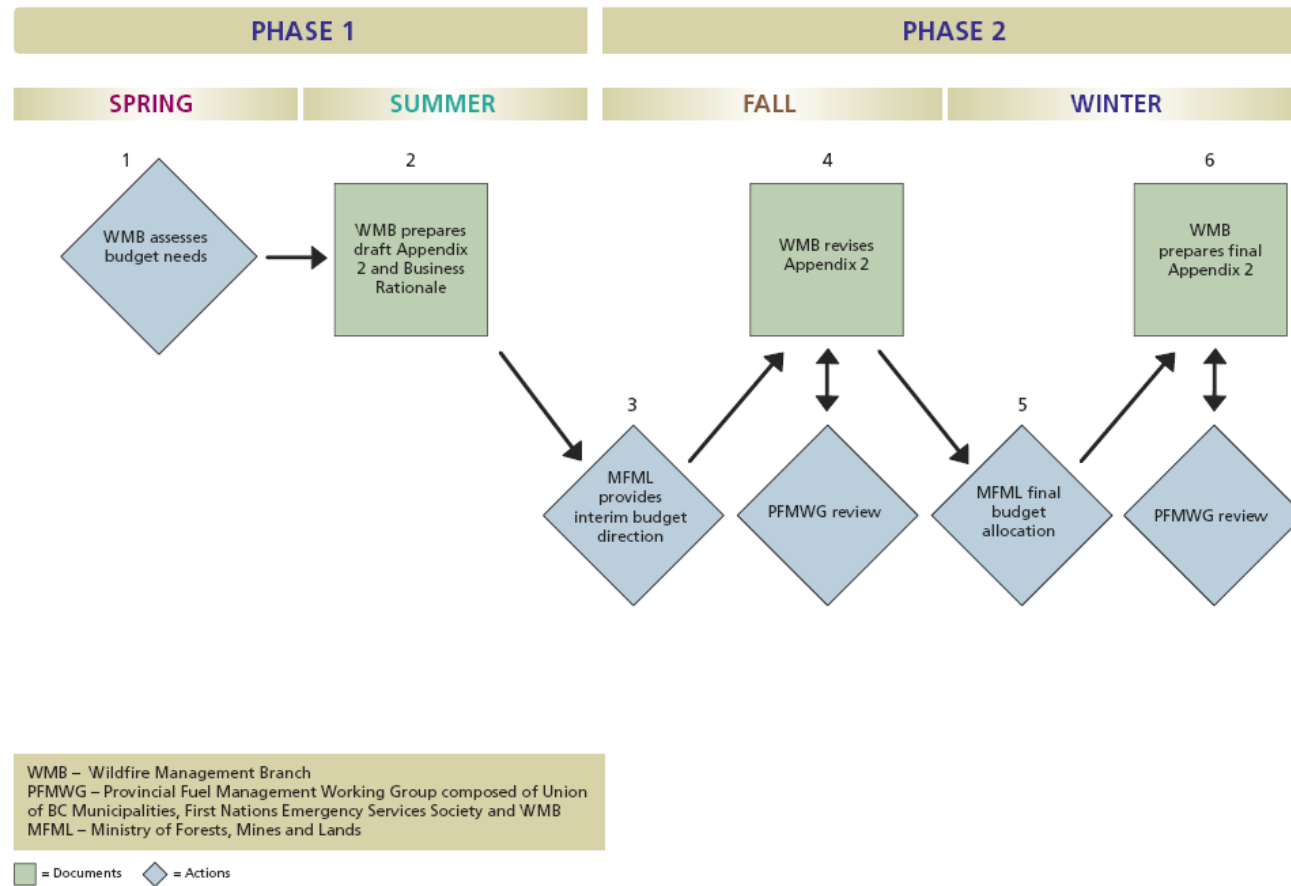
This Fiscal Year – Phase 1 (development of draft Appendix 2 – budget request; steps completed)

1. **Wildfire Management Branch assesses budget needs.** This is the budget WMB feels is needed for next fiscal year to develop an appropriate methodology to undertake the planning.
2. **Wildfire Management Branch prepares draft Appendix 2 and Business Rationale** - funding request to LBIS in consideration of budget needs.

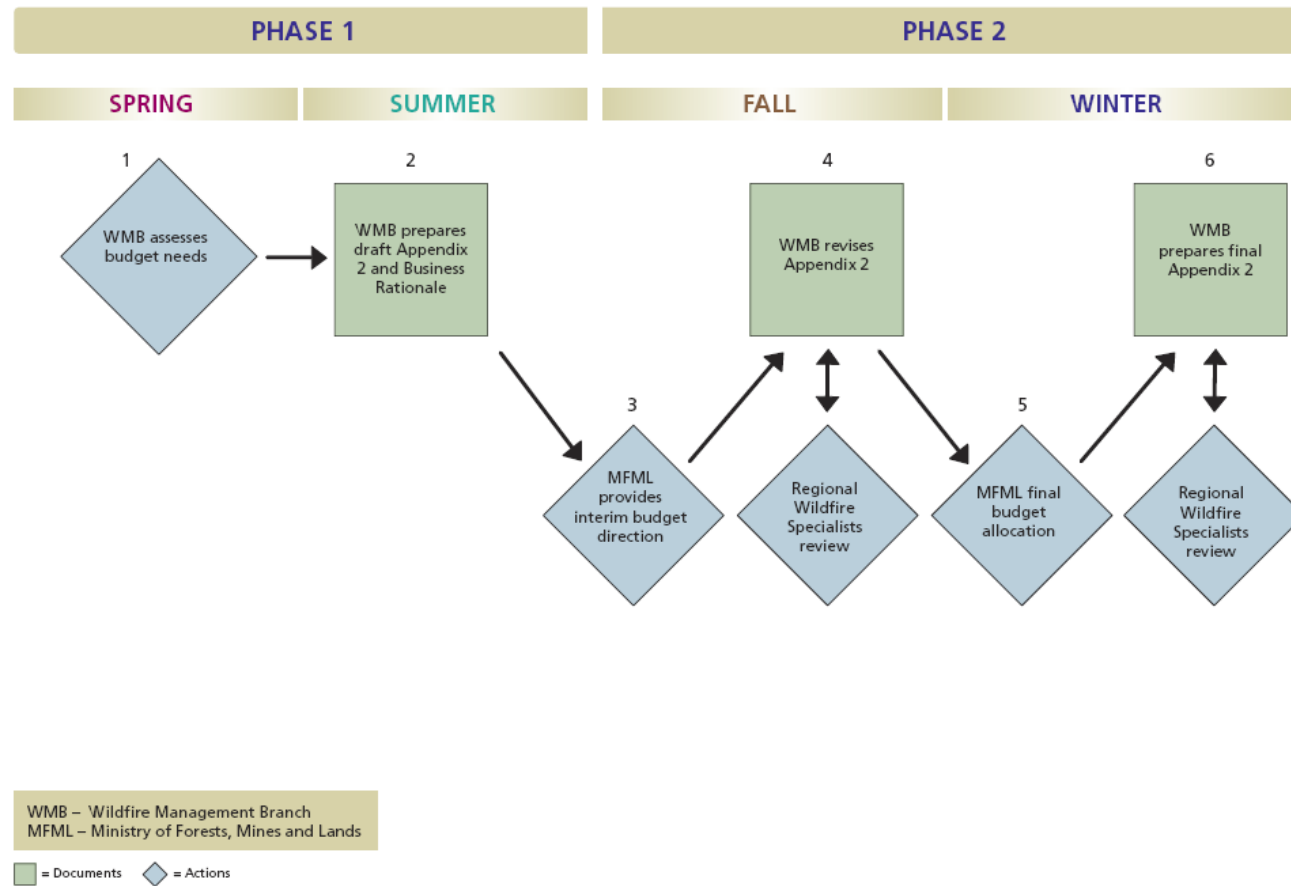
This Fiscal Year – Phase 2 (development of final Appendix 2 – final budget; steps expected)

3. **MFML provides interim budget direction** to the Team Leader. This is now expected this January 2011.
4. **Wildfire Management Branch revises Appendix 2** in consultation with Regional Wildfire Specialists
5. **MFML final budget allocation** decision is conveyed to the Team Leader.
6. **Wildfire Management Branch prepares final Appendix 2** if required in consultation with Regional Wildfire Specialists. This would normally only be needed if the final budget allocation differs from the budget direction provided in step 3.

## LBIS Fire Management Category - Fuel



## LBIS Fire Management Category - Fire



## Business Planning Process for LBIS Category: Fish Passage

### Category Activities

LBIS funding in the Fish Passage Activity is primarily used by forest licensees and BCTS to:

- undertake assessments as per the *Strategic Approach to Fish Passage in British Columbia* which is a strategic plan to address the issue of fish passage
- replace priority structures identified in assessments to restore access to important fish habitat.

Funding is also used by the Fish Passage Technical Working Group (TWG) to undertake quality assurance, to provide training and communications, to collect and track data and to support GIS-based tools needed to track related information and evaluate proposed works.

### Category Team

Fish Passage Technical Working Group (TWG):

- Ian Miller, Manager, Sustainable Forest Management, Forest Practices and Investment Branch (FPIB), Ministry of Forests, Mines and Lands (MFLM) – Team Leader
- Richard Thompson, Unit Head, Monitoring & Reporting, MOE Ecosystems Protection & Sustainability Branch
- Shirley Turcotte, Forest Projects Coordinator, FPIB
- David Maloney, Forest Water Mgt Officer, Sustainable Forest Mgt, FPIB
- Laurence Bowdige, Forest Mgt Strategy Officer, Ministry of Natural Resource Operations (MNRO), Land Based Investments Delivery Branch (LBIDB)
- Brian Chow, Chief Engineer, MNRO Engineering Branch
- Craig Mount, Aquatic Habitat Geomorphologist, MOE Knowledge Management Branch
- Peter Tschaplinski, Fish-Forestry Interactions and Watershed Research, Ecosystems Protection & Sustainability Branch, MOE
- Bradley Koroluk, Department of Fisheries and Oceans

### Business Planning Process

The annual Fish Passage Business Planning Process is highlighted on the attached 6 step flow diagram is described as follows:

This Fiscal Year – Phase 1 (development of draft Appendix 2 – budget request; steps completed)

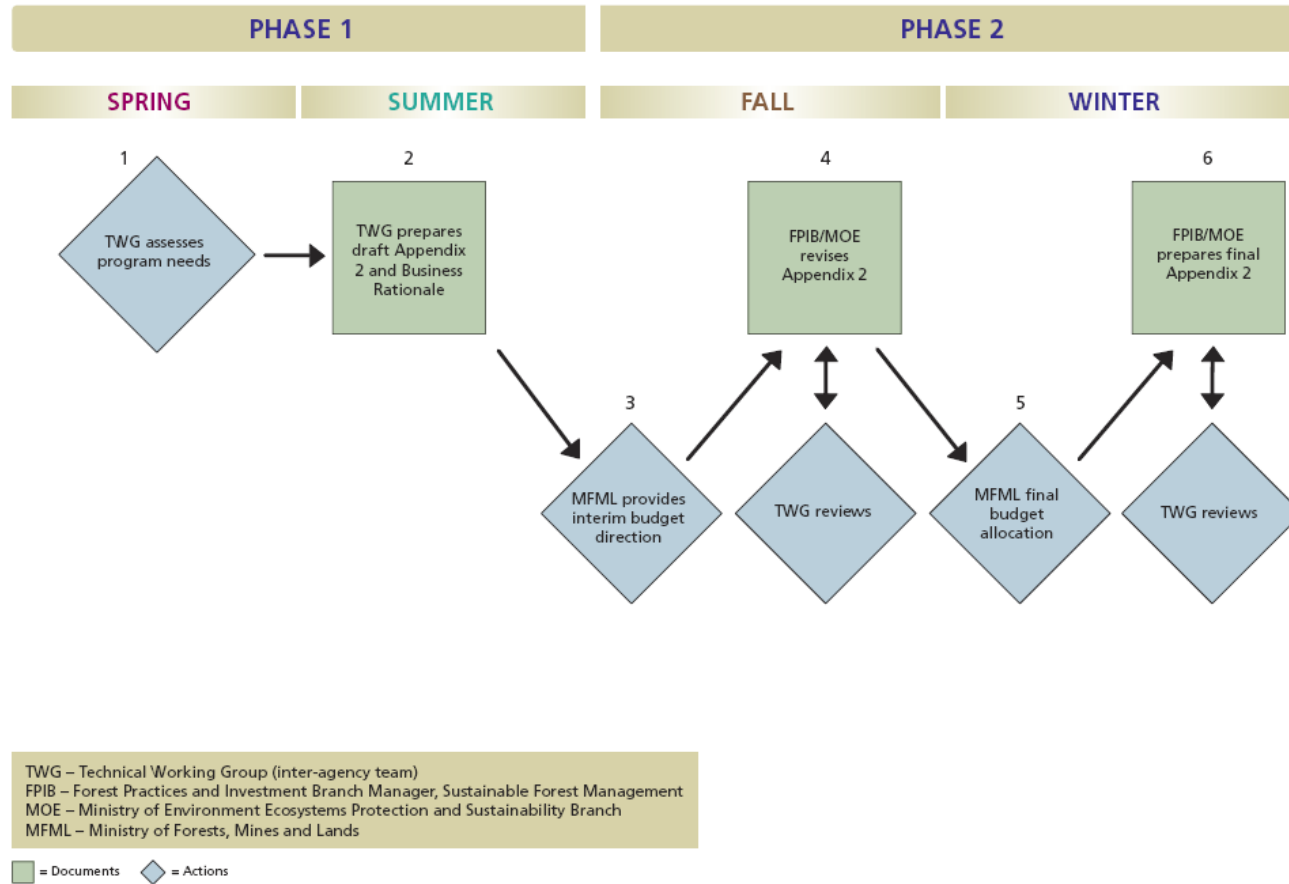
1. **TWG assesses program needs.** This is done to ensure a balance in funding both strategic watershed assessments (to ensure priority structures are identified) and replacement of priority structures.
2. **The TWG prepares draft Appendix 2 and Business Rationale** - funding request to LBIS. The funding request considers both the current and future

capacity of forest licensees, BCTS and NRO engineers to deliver the program. (e.g. each year of targeted fish passage funding has resulted in proposals in excess of \$10 million per year. Future capacity is expected to increase as other infrastructure projects end).

This Fiscal Year – Phase 2 (development of final Appendix 2 – final budget; steps expected)

3. **MFML provides interim budget direction** to the Team Leader. This is now expected this January 2011.
4. **FPIB/MOE revise Appendix 2** in consultation with the Technical Working Group.
5. **MFML final budget allocation** decision is conveyed to the Team Leader.
6. **FPIB/MOE prepare final Appendix 2** if required in consultation with the Technical Working Group. This would normally only be needed if the final budget allocation differs from the budget direction provided in step 4.

## LBIS Fish Passage Category



## Business Planning Process for LBIS Category: Forest Health

### Category Programs

The following functions are the highest priorities for 2011/12 (for a full description of the forest health program, see <http://www.for.gov.bc.ca/hfp/health/Strategy/FH%20Program.pdf>):

1. Protection Function:
  - a. Bark Beetle management:
    - i. Mountain Pine Beetle detection and treatment, and
    - ii. Douglas-fir & Spruce Bark Beetle infestation detection and treatment).
  - b. Defoliator management (Western Spruce Budworm, and Douglas-fir Tussock Moth detection and treatment).
2. Invasive Pest Management Function (not including invasive plants which are addressed as separate 'category'):
  - a. Gypsy Moth eradication, and
  - b. Septoria Canker detection and risk assessment.
3. Monitoring Function:
  - a. Annual Report of Forest Health Conditions (Aerial Overview Survey), and
  - b. Mid-rotation forest health monitoring.
4. Strategic Planning Function: TSA Forest Health Strategy Updates and best management practice development

### Category Team

Forest Practices and Investment Branch (FPIB) Forest Health Officer (team leader)  
Regional and Provincial Entomologists  
Regional and Provincial Pathologists

### Business Planning Process – Protection: Bark Beetle Management

The Bark Beetle Business Planning Process is highlighted on the attached 7 step flow diagram and is described as follows:

This Fiscal Year – Phase 1 (development of draft Appendix 2 – budget request; steps completed)

1. **District forest health staff complete treatment request spreadsheets by Beetle Management Unit (BMU)** and submit to regional entomologists usually by April. The spreadsheet provides biological and financial information in that the estimated costs of the treatments are provided.
2. **Regional entomologists review** the spreadsheets and submit a prioritized regional funding request to FPIB. Some refinements to the spreadsheets may occur, for example, regarding estimated treatment costs.
3. **FPIB prepares draft Appendix 2 and Business Rationale** (funding request) based on provincial priorities. This was completed in the summer. It is expected that the same areas identified in 2010/11 will require continued work to maintain their suppression BMU status, thus this prior request was re-submitted for FY

2011/12.

This Fiscal Year – Phase 2 (development of final Appendix 2 – final budget; steps expected)

4. **The Ministry of Forests, Mines and Lands (MFML) provides interim budget direction** to the Team Leader. This is now expected this January 2011.
5. **FPIB forest health officer prepares revised Appendix 2 in consultation with provincial and regional entomologists and district staff.** At this step, the most current information is used to prioritize treatment areas consistent with the interim budget direction. The assumption for next year's LBIS Appendix 2 is that the current year's treatment priorities will remain the same for the following year.
6. **MFML makes final budget allocation decision** which is conveyed to the Team Leader.
7. **FPIB forest health officer prepares final Appendix 2.** This step may involve further consultation with provincial and regional entomologists and district staff if there are changes to the allocation. Since it is impossible to predict with certainty where new beetle infestations will be discovered, it is not possible to confirm the specific units for treatment when Appendix 2 is finalized or the specific targets – only general units and targets are identified at this time.

#### **Business Planning Process – Protection: Defoliator Management**

The Defoliator Business Planning Process is highlighted on the attached 6 step flow diagram and can be described as follows:

This Fiscal Year – Phase 1 (development of draft Appendix 2 – budget request; steps completed)

1. **Regional entomologist submits request** for LBIS funding to the FPIB forest health officer. The current program lies within the Cariboo and Thompson/Okanagan regions and regional entomologists (Lorraine MacLauchlan and Leo Rankin) are responsible for delivering the program. For Western Spruce Budworm detection and treatment, considerations include the extent and severity of the defoliation, resource values at risk, capacity of regional staff to deliver treatments and program stability. Since there are far more areas that could be treated than there is staff capacity to support, the request for FY 2011/12 is similar to that made in FY 2010/11. For Douglas-fir Tussock Moth detection and treatment, considerations included the projected collapse of the outbreak in many areas by the end of the 2011 feeding cycle.
2. **FPIB forest health officer submits draft Appendix 2 and Business Rationale** (funding request). This was completed in the summer.

This Fiscal Year – Phase 2 (development of final Appendix 2 – final budget; steps expected)

3. **The Ministry of Forests, Mines and Lands (MFML) provides interim budget**

**direction** to the Team Leader. This is now expected this January 2011.

- 4. FPIB forest health officer revises Appendix 2 in consultation with regional and provincial entomologists.** At this step, current information is used to identify areas needing treatment within the targeted budget. Note: Since regional entomologists are responsible for delivering the program, there is no need for district review.
- 5. MFML makes final budget allocation** decision which is conveyed to the Team Leader.
- 6. FPIB forest health officer delivers final Appendix 2** in the spring. If required to address changes in the budget allocation or new forest health information, this step may involve further consultation with the provincial and regional entomologists.

#### **Business Planning Process – Other Activities**

The business planning process for the remaining activities are simpler and no flow diagram is provided; instead they are described briefly below.

##### Invasive Pests: Gypsy Moth

- FPIB forest health officer (Tim Ebata) asks the FPIB provincial forest entomologist (Jennifer Burleigh) to submit funding request
- FPIB provincial forest entomologist submits funding request based on expected activities next fiscal year (e.g. no aerial program is expected in 2011/12). Critical reporting date for CFIA trapping results is late October which will dictate the extent of treatment efforts required in the following year. Funding requirements can be highly variable depending on the number and type of treatments required.
- FPIB forest health officer prepares Draft Appendix 2 including Business Rationales (funding request) based on the submission
- MFML interim budget allocation direction is provided. Note: normally, given trade implications, this activity is fully funded.
- If funding is less than required (which has not been the case in the past), then FPIB staff discuss the implications and either provide request for additional funds or make operational adjustments to meet revised allocation.

##### Invasive Pests: Septoria Canker

- FPIB forest health officer (Tim Ebata) asks the FPIB provincial forest pathologist (Harry Kope) to submit funding request
- FPIB provincial forest pathologist submits funding request based on expected activities next fiscal year. Critical field sampling period is July to September with lab analysis taking 3-4 months for results. Risk analysis is updated on the basis of lab results and a management strategy is formulated based on the analysis.
- FPIB forest health officer prepares Draft Appendix 2 including Business Rationales (funding request) based on the submission
- MFML interim budget allocation direction is provided.

- If funding is less than submitted, then the FPIB forest health officer would consult with the FPIB provincial forest pathologist regarding any necessary revisions.

#### Monitoring: Aerial Overview Survey

- FPIB forest health officer prepares draft Appendix 2 and Business Rationale (funding request) based on assessment of historic costs for delivering this activity.
- MFML interim budget direction is provided. Note: normally this activity is fully funded in order to achieve the 80% provincial coverage performance measure

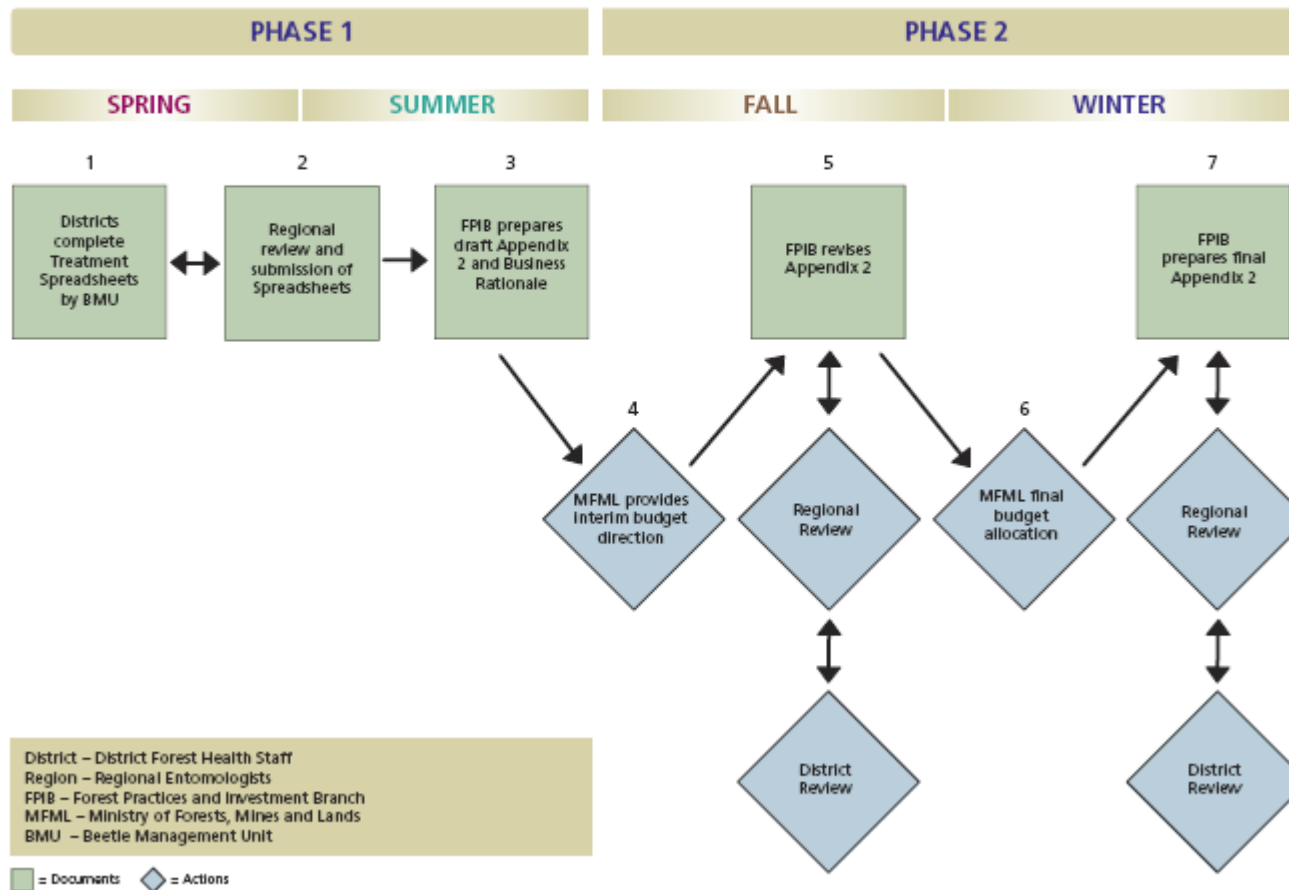
#### Monitoring: Mid-rotation Forest Health Monitoring

- FPIB forest health officer prepares draft Appendix 2 and Business Rationale (funding request) based on consultation with FREP business unit (Peter Bradford) and regional forest health staff.
- MFML interim budget direction is provided, and if funding is less than requested, revisions are made

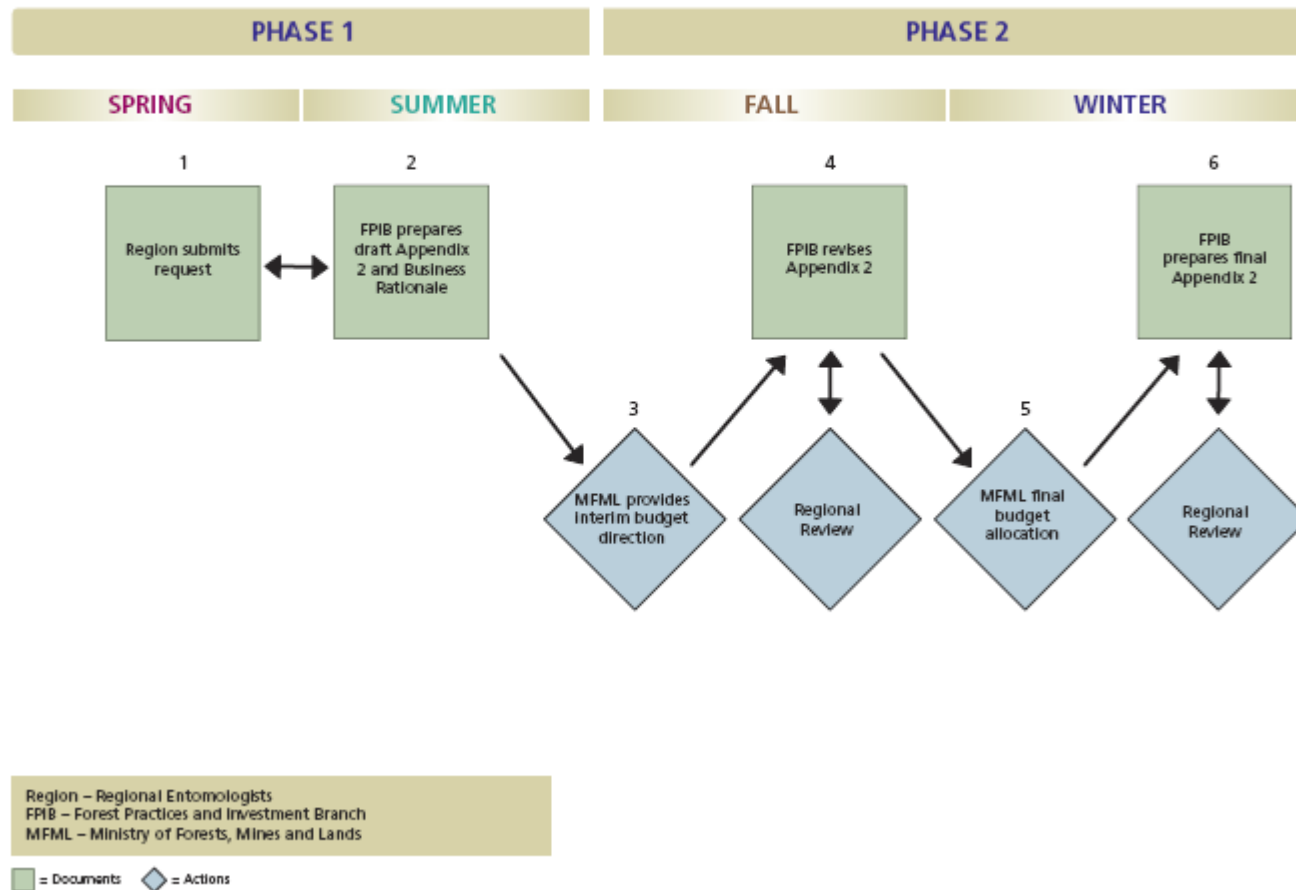
#### Strategic Planning: TSA Forest Health Strategy Updates

- FPIB forest health officer prepares draft Appendix 2 and Business Rationale (funding request) based on this fiscal year's allocation in order to allow for annual TSA Forest Health Strategy updates.
- MFML interim budget direction is provided.
- If funding is less than submitted then the FPIB forest health officer would pair down the number of updates that can be delivered and have this reflected in a revised/final Appendix 2.

## LBIS Forest Health: Bark Beetles



## LBIS Forest Health: Defoliators



## Business Planning Process for LBIS Category: Invasive Plants

### Category Activities

LBIS funding is primarily used to:

- Undertake invasive plant management activities to identify, survey and treat priority species to prevent establishment of new invasive plants and minimize spread of others
- Support partnership delivery of invasive plant management activities with regional weed committees including those led by regional districts and First Nations

The invasive plant activity is a sub-category within the 'forest health' category.

### Category Team

Invasive Plant Program Team (IPPT) consisting of:

- Val Miller, Provincial Invasive Plant Officer, Range Branch, Nelson (Team Leader)
- Perry Grilz, Manager, Range Operations, Range Branch, Prince George (Alternate)
- Operations staff (IP specialists) within the Range Branch located across the province who represent the Branch on the regional weed committees.

### Business Planning Process

The Invasive Plants Business Planning Process is highlighted on the attached 6 step flow diagram is described as follows:

This Fiscal Year – Phase 1 (development of draft Appendix 2 – budget request; steps completed)

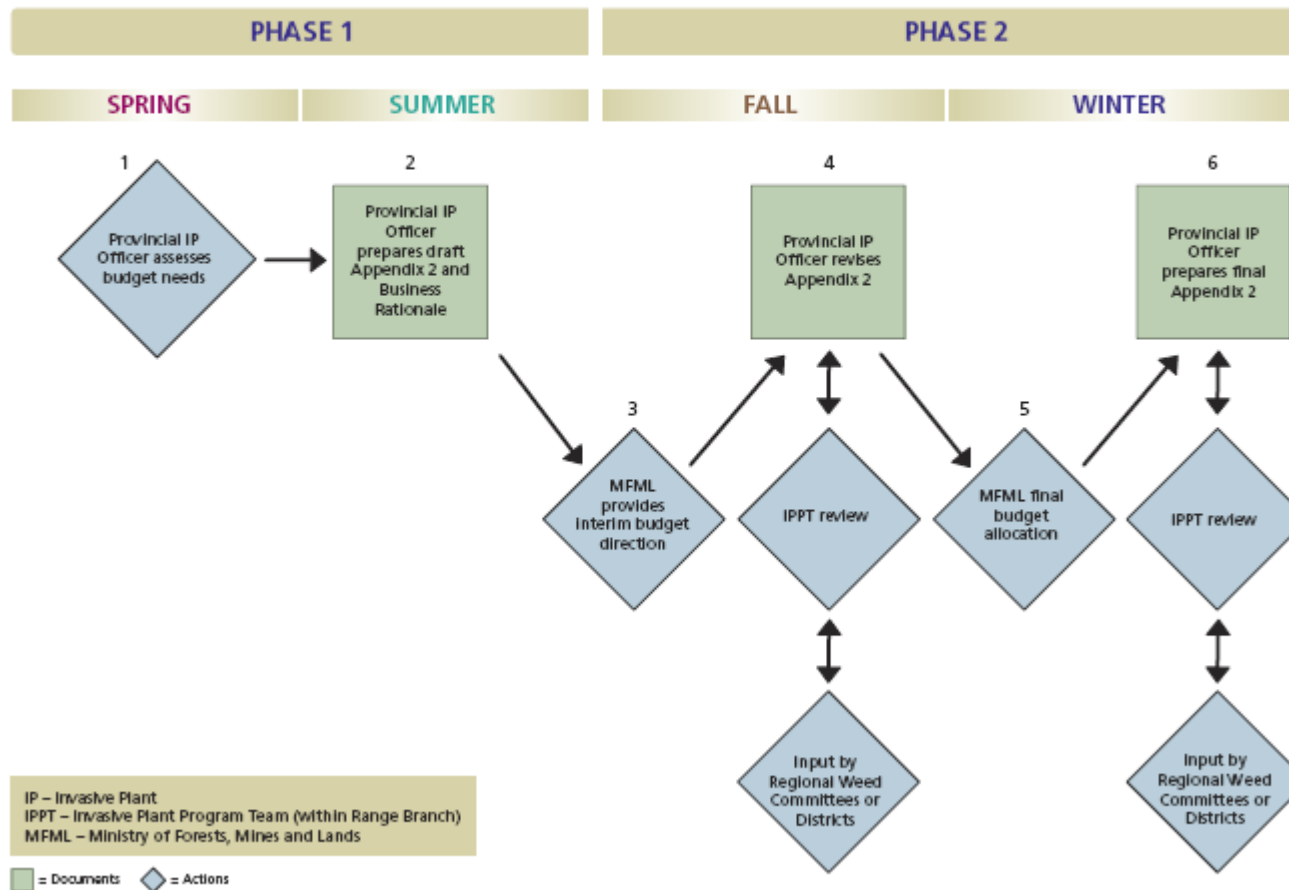
1. **Provincial Invasive Plant Officer assesses budget needs.** This is done in consideration of annual work plans prepared by regional Weed Committees, Invasive Alien Plant Program (IAPP) application data (e.g. where new invasive plants are reported), local knowledge from IP specialists and district staff, previous program funding levels and capacity of programs to deliver on ground activities.
2. **Provincial Invasive Plant Officer prepares draft Appendix 2 and Business Rationale** - funding request to LBIS in consideration of program budget needs. First priority for funding is for eradication/control of invasive species that are new to the province or a region and that pose significant economic, ecologic or human health threat. Surveys and containment of high risk priority invasive plants to limit their spread is also a priority program focus.

This Fiscal Year – Phase 2 (development of final Appendix 2 – final budget; steps expected)

3. **MFML provides interim budget direction** to the Team Leader. This is now expected this January 2011.

4. **Provincial Invasive Plant Officer revises Appendix 2** in consultation with the Invasive Plant Program Team (IPPT). If there are major differences between the budget request and the budget direction, discussion with program partners including regional Weed Committees, Regional Districts, and MNRO districts may be necessary.
5. **MFML final budget allocation** decision is conveyed to the Team Leader.
6. **Provincial Invasive Plant Officer prepares final Appendix 2** if required in consultation with IPPT. This would normally only be needed if the final budget allocation differs from the budget direction provided in step 4. If the final budget allocation indicates that major revisions are needed to Appendix 2, discussion with program partners, as identified in step 4 above, may be necessary.

## LBIS Invasive Plants Category



## Business Planning Process for LBIS Category: Inventory

### Category Activities

There are two primary activities:

- Inventory: Complete forest inventories with significant past investments and direct all new inventory activities to the highest risk units
- Site productivity: Improve estimates of site productivity and growth expectations on existing and future managed stands in high risk management units

### Category Team

The Inventory Team consists of:

- Gary Johansen, Forest Analysis and Inventory Branch (FAIB), Team Leader
- Chris Mulvihill, FAIB Inventory Forester, Nelson
- Matt Makar, FAIB Inventory Forester, Kamloops
- Derek Challenger, FAIB Inventory Forester, Nanaimo
- Cathy Taylor, FAIB Inventory Forester, Nanaimo
- Will Smith, FAIB Volume and Decay Sampling Officer
- Ron Planden, FAIB Growth Data Sampling Forester
- Graham Hawkins, FAIB Team Lead, Forest Inventory
- John Wakelin, FAIB Team Lead, Productivity & Sample Data

### Business Planning Process

The FAIB maintains a 3-year inventory investment strategy that prioritizes management units needing inventory work. The strategy is a 'living' document in that it is updated as needed. FAIB also is developing a site productivity strategy that will identify priority Management Units (MUs).

The Inventory Business Planning Process is highlighted on the attached 6 step flow diagram and is described as follows:

This Fiscal Year – Part 1 (development of draft Appendix 2 – budget request; steps completed)

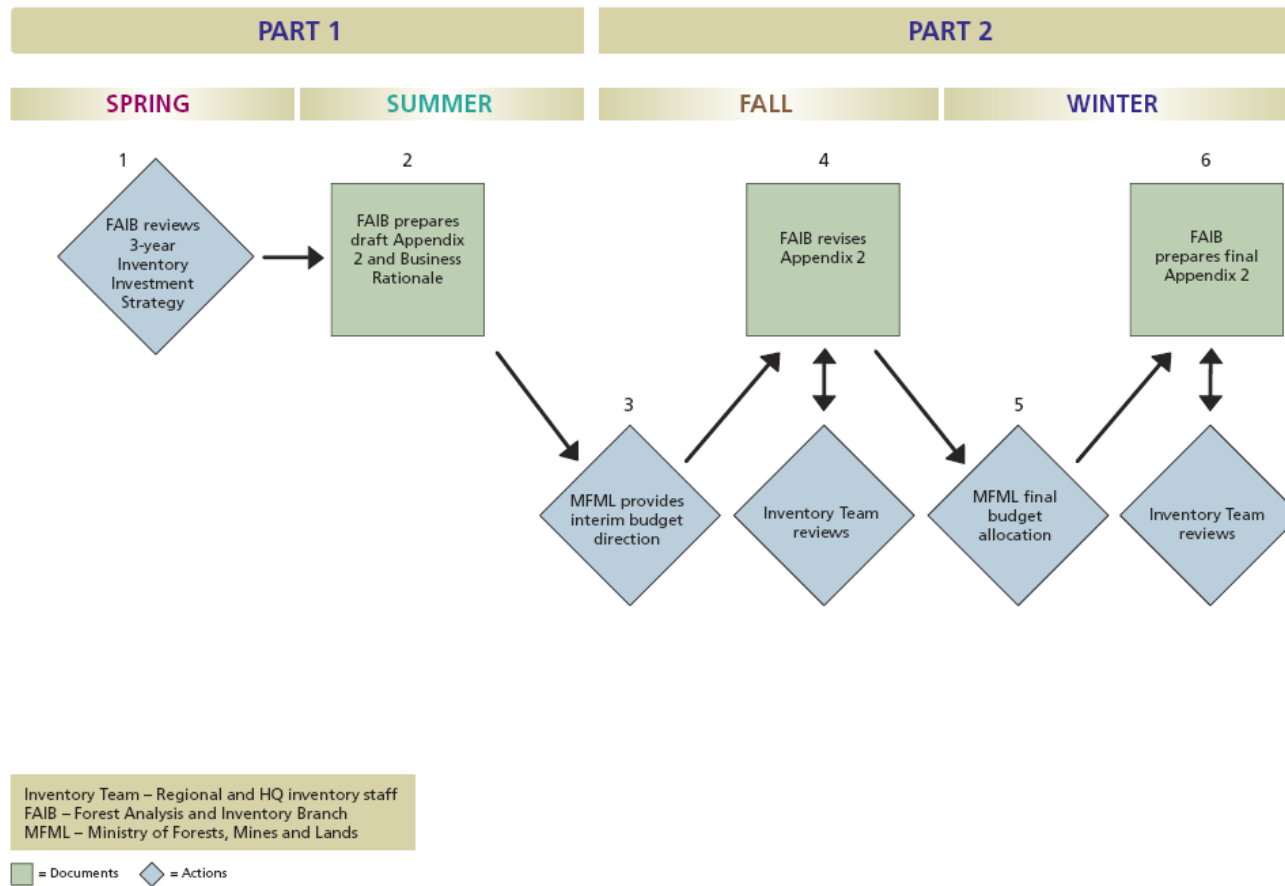
1. **FAIB Team reviews priority inventory work in the 3-year inventory investment strategy** in consideration of LBIS priorities
2. **FAIB Team Leader prepares draft Appendix 2 and Business Rationale** (funding request). The funding request addresses both the inventory and site productivity activities. The intended site productivity strategy will guide the selection of areas for work once funding levels have been determined.

This Fiscal Year – Part 2 (development of final Appendix 2 – final budget; steps expected)

3. **Ministry of Forests, Mines and Lands (MFML) provides interim budget direction** to the Inventory Team. This is now expected this January 2011.

4. **FAIB Team Leader revises Appendix 2** in consultation with the Inventory Team. Any updates to the 3-year inventory investment strategy and feedback from site productivity strategy help refine proposed outputs in keeping with indicated budget levels.
5. **MFML final budget allocation** decision is conveyed to the Team.
6. **FAIB Team Leader prepares final Appendix 2** if required in consultation with the Inventory Team and any final refinements to the inventory and site productivity strategies. This would normally only be needed if the final budget allocation differs from the budget direction provided in step 4.

## LBIS Inventory Category



## Business Planning Process for LBIS Category: Timber Supply Mitigation

### Category Activities

Forest fertilization, pre-commercial thinning, and brushing on pre-1987 areas are the funded activities for 2010/11 with fertilization being the main funded activity. Funding requests have been made for pruning however it was not an eligible activity in 2010/11.

### Category Team

‘Forest Fertilization Team’ consists of:

- Ralph Winter, Incremental Silviculture Officer and Data Custodian, Forest Practices and Investment Branch (FPIB), Team Leader
- HQ reps from Forest Practices and Investment Branch,
- Land Base Investment & Delivery Branch-LBIDB (Monty Locke & Kelly Osbourne)
- PriceWaterhouseCooper -PWC (Steve Quinn)
- Regional and district representatives
- Licensee cooperators
- A contract technical and strategic coordinator (Mel Scott)

### Strategic Planning Process

The Timber Supply Mitigation Strategic Business Planning Process is highlighted on the attached 6 step flow diagram and is described as follows:

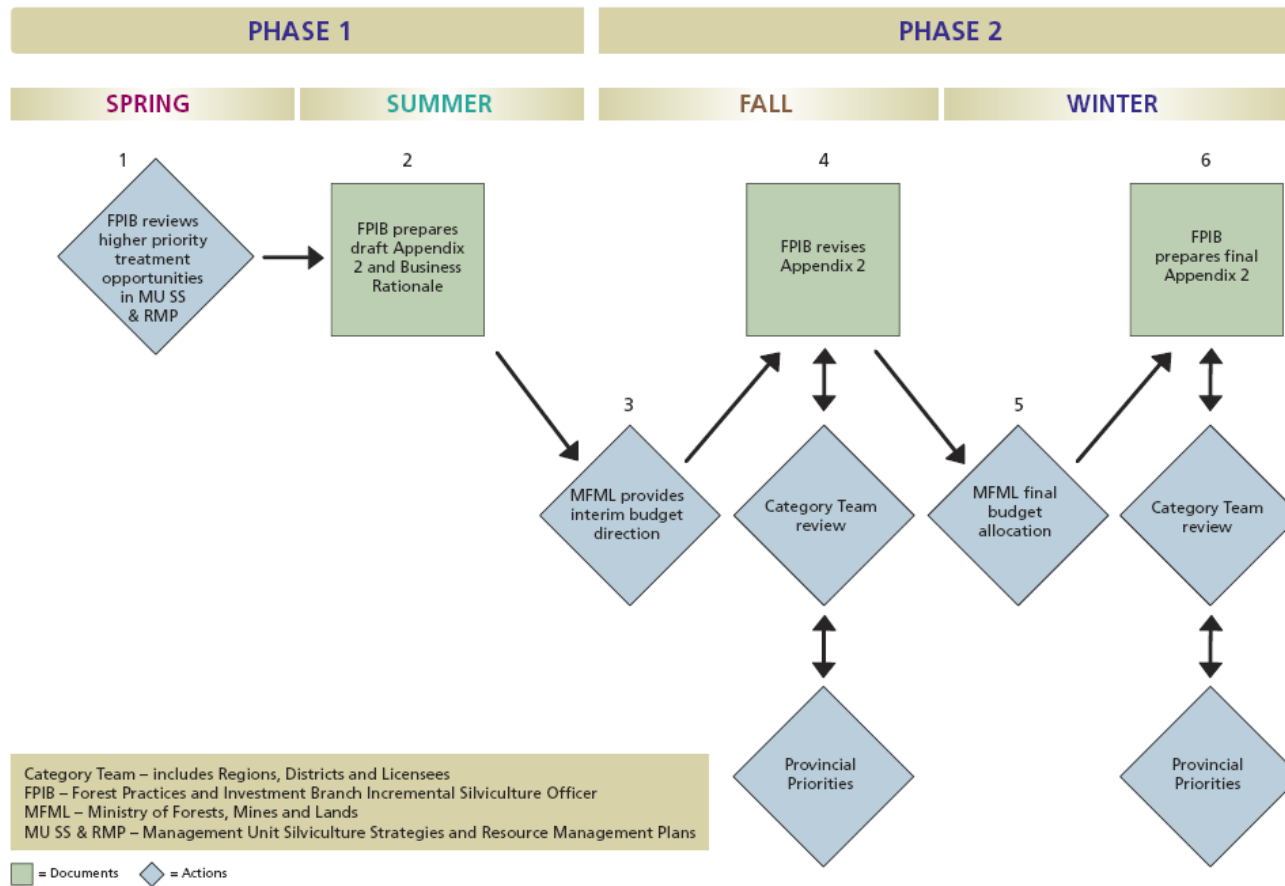
This Fiscal Year – Phase 1 (development of draft Appendix 2 – budget request)

1. **FPIB Incremental Silviculture Officer reviews high priority treatment opportunities in Management Unit (MU) Silviculture Strategies (SS) and Resource Management Plans (RMP)** and aligns with areas with severe timber supply impacts.
2. **FPIB Incremental Silviculture Officer prepares draft Appendix 2 and Business Rationale** (funding request). The funding request level considers what is reasonable since there are far more opportunities for treatment than funding.

This Fiscal Year – Phase 2 (development of final Appendix 2 – final budget)

3. **Ministry of Forests, Mines and Lands (MFML) provides interim budget direction** to the Team Leader. This is now expected this January 2011.
4. **FPIB Incremental Silviculture Officer revises Appendix 2** in consultation with the diverse category team (see above ) and refined provincial priorities developed over next 2 months with regional and LBIDB input/feedback on delivery from previous year with regard to unit costs and potential delivery options.
5. **MFML final budget allocation** decision which is conveyed to the Team Leader.
6. **FPIB Incremental Silviculture Officer prepares final Appendix 2** in consultation with the category team and provincial priorities. This would normally only be needed if the final budget differs from the budget direction provided in step 4.

## LBIS Timber Supply Mitigation Category



## Business Planning Process for LBIS Category: Tree Improvement

### Category Team

Darrell Wood, TIB Manager, Business Operations – Tree Improvement Team Leader  
Lee Charleson, TIB Seed Policy Officer (alternate)

Investments in this program are informed by recommendations from the Forest Genetics Council (FGC) and its Technical Advisory Committees (TAC), which include representatives from MFML, MNRO, MoE, forest industry, federal government (Canadian Forestry Service), private orchards and nurseries, and universities. FGC leadership is provided by:

- Brian Barber, TIB Director and BC Government Co-chair
- Kerry McGourlick, WFP Chief Forester and Industry Co-chair
- Jack Woods, FGC Program Manager

### Business Planning Process

The Tree Improvement Business Planning Process is highlighted on the following flow diagram and can be described as follows:

This Fiscal Year – Phase 1 (development of draft Appendix 2 – budget request; steps completed)

FGC reviews and updates strategic goals and objectives (and budgets annually based upon a three year business plan).

1. **FGC Program Manager meets with the TIB Manager, Business Operations and TIB Manager (Forest Genetics Section) to decide on LBIS funding request.** They consider funding needed to meet FGC targets in the FGC Strategic Plan and to implement the FGC Business Plan, opportunities missed based on this fiscal year's allocation and emerging demands. The request is \$4 million for 2011/12 and the following two fiscal years (up from \$3.53 million for 2010/11) – and also for the following two fiscal years. TIB Director is informed of the discussion
2. **TIB prepares draft Appendix 2 and Business Rationale** (funding request). FGC targets reflected in the FGC Strategic Plan is a key driver for the Business Rationale.

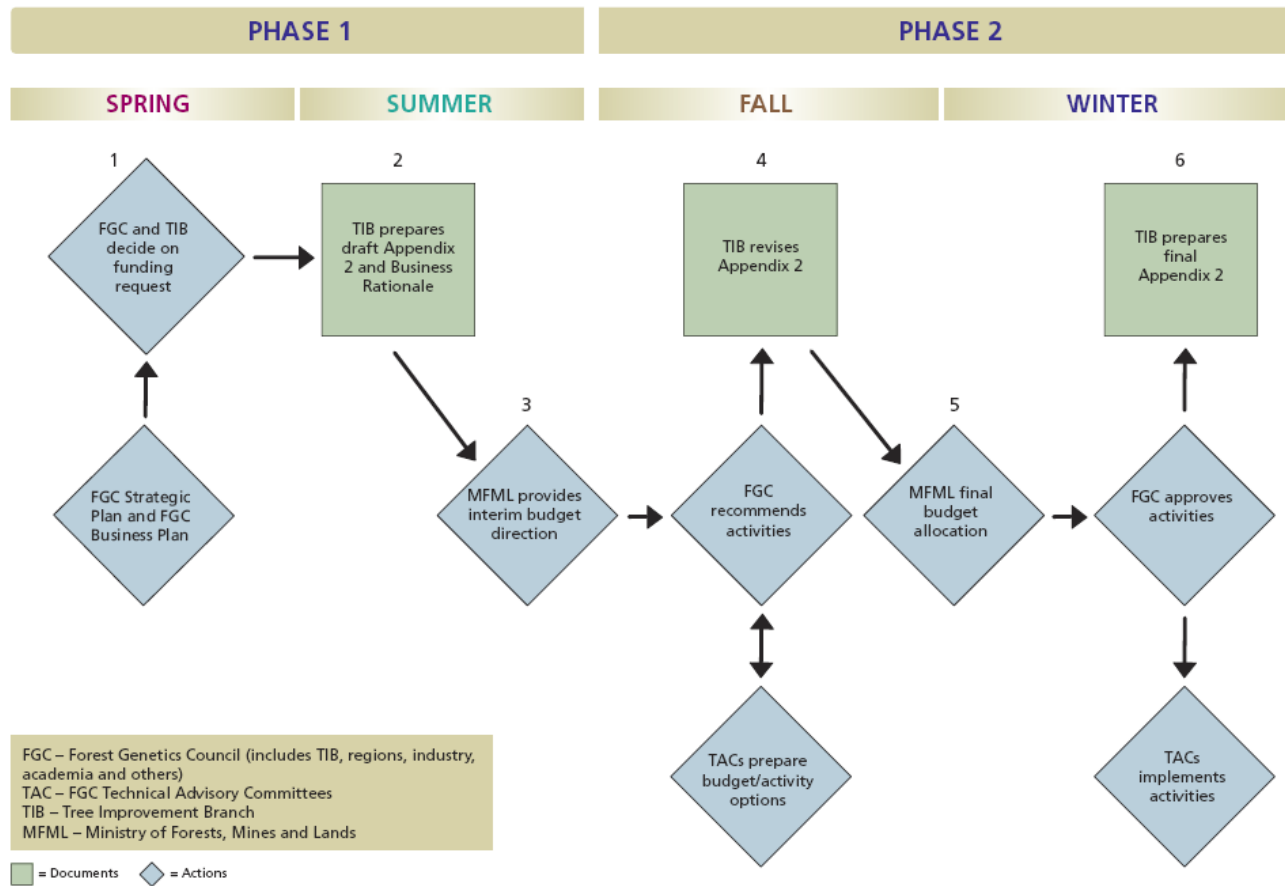
This Fiscal Year – Phase 2 (development of final Appendix 2 – final budget; steps expected)

3. **Ministry of Forests, Mines and Lands (MFML) provide interim budget direction** to FGC. This is expected this fall. FGC and TACS's develop, prepare and recommend priorities and activities for interim budgets, in some cases following a call for proposals.
4. **TIB revises Appendix 2** based on recommendations from the FGC. Each of the

7 FGC TACs provide three options regarding budget/activities that can be delivered. This usually occurs in February.

5. **MFML makes final budget allocation** decision which is conveyed to FGC. In consideration of TACs' options, FGC develops an annual business plan, complete with a budget and set of activities consistent with the allocation, for the Chief Forester's consideration and approval. This usually occurs mid-March. Note: the final budget allocation decision is likely known to FGC before their March recommendations so that the ensuing steps are less likely to occur. Completion of the budget by the end of March is critical to tree improvement activities as much of the work must be accomplished within biological windows that begin in early spring.
6. **TIB prepares final Appendix 2 if required** based on FGC approved activities. This would normally only be needed if the final budget allocation differs from the budget direction FGC received in Step 3. TACs implement the approved activities. Activities are funded either internally to TIB or externally via contracts and grants to third-parties. FGC and TIB track and monitor expenditures relative to the annual business plan and produce an annual report of accomplishments.

## LBIS Tree Improvement Category



## Business Planning Process for LBIS Category: Visuals

### Category Activities

Re-inventory of visual landscape inventories where the need is greatest in priority 1 & 2 areas plus EBM areas as per LBIS

### Category Team

The Visual Resource Team consists of:

- Jacques Marc, Visual Resource Management Officer, FPIB (team leader)
- Peter Rennie, Regional Visual Landscape Forester
- Luc Roberge, Regional Visual Resource Specialist
- Lloyd Davies, Regional Visual Landscape Forester

### Business Planning Process

The Visuals Business Planning Process is highlighted on the attached 6 step flow diagram is described as follows:

This Fiscal Year – Phase 1 (development of draft Appendix 2 – budget request; steps completed)

1. **FPIB Visual Resource Management Officer assesses program needs.** The general level of appropriate LBIS funding for visuals is considered based on LBIS priorities, current condition of the visual inventory, FREP work and past FIA investments
2. **FPIB Visual Resource Management Officer prepares draft Appendix 2 and Business Rationale** in consultation with the Visual Resource Team that includes visual resource staff in each of the three regions. Regional staff identify specific projects needing re-inventory work in consideration of district requests and their knowledge of inventory needs. The proposal for LBIS funding for next fiscal year is based on a refined assessment of what is needed to address LBIS priorities tempered by past FIA funding levels, the capacity of staff to support delivery , and the need for some re-inventory activities in each region.

This Fiscal Year – Phase 2 (development of final Appendix 2 – final budget; steps expected)

3. **MFML provides interim budget direction** to the Team Leader. This is now expect this January 2011.
4. **FPIB Visual Resource Management Officer revises Appendix 2** in consultation with the Visual Resource Team.
5. **MFML final budget allocation** decision is conveyed to the Team Leader.
6. **FPIB prepares final Appendix 2** if required in consultation with the Visual Resource Team. This would normally only be needed if the final budget allocation differs from the budget direction provided in step 4.

## LBIS Inventory Category - Visuals

